



NATIONAL SCHOOL TRANSPORTATION ASSOCIATION

National School Transportation Association
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COST ANALYSIS

SCHOOL TRANSPORTATION

This analysis was designed as a tool to assist school district officials in determining the actual annual cost of operation of their transportation fleet, in order to provide accurate figures for comparison to outsourced transportation services. Because of varying state regulations and regional practices, some districts may have costs not represented below; be sure to figure those costs in as well. Also remember to deduct from the line items any costs that would remain under contracted service. (For example, if you would continue to employ a mechanic to work on vehicles not used for student transportation, deduct that person's pay and benefits from the appropriate lines.) Use figures for the most recent complete school or fiscal year.

PART 1: SALARIES AND WAGES

Supervisors ¹	\$ _____
Substitute/Temporary Supervisors ²	\$ _____
Supervisor vacations, sick/personal time, etc.	\$ _____
Full time drivers	\$ _____
Part time drivers	\$ _____
Substitute drivers	\$ _____
Drivers' vacations, sick/personal time, etc.	\$ _____
Drivers' overtime	\$ _____
Wages for field trips, athletics, late runs	\$ _____
Full time driver assistants/monitors/aides	\$ _____
Part time driver assistants/monitors/aides	\$ _____
Substitute driver assistants/monitors/aides	\$ _____
Driver assistants' vacation, sick/personal time, etc	\$ _____
Driver assistants' overtime	\$ _____
Full time mechanics ³	\$ _____
Part time mechanics	\$ _____
Mechanics' vacation, sick/personal time, etc.	\$ _____
Mechanics' overtime	\$ _____
Mechanics' pay for driving activity trips, covering routes, etc.	\$ _____
WAGES TOTAL	\$ _____

¹ All employees other than drivers, driver aides, and mechanics; include managers, dispatchers, trainers, etc.

² Include supervisory help that may have been "borrowed" from other departments

³ If part of the mechanics' time is spent on equipment not used for pupil transportation, deduct it from the total.

PART 2: BENEFITS

Supervisors' health plan	\$ _____
Supervisors' reimbursement for not taking health plan	\$ _____
Supervisors' disability insurance	\$ _____
Supervisors' dental insurance	\$ _____
Supervisors' long term care insurance	\$ _____
Supervisors' life insurance	\$ _____
Supervisors' retirement plan contributions	\$ _____
Supervisors' car allowance or other transportation provision	\$ _____
Other supervisor benefits	\$ _____
Drivers' health plan	\$ _____
Drivers' reimbursement for not taking health plan	\$ _____
Drivers' disability insurance	\$ _____
Drivers' dental insurance	\$ _____
Drivers' long term care insurance	\$ _____
Drivers' retirement plan contributions	\$ _____
Drivers'/assistants' uniform allowances or provision	\$ _____
Other driver benefits	\$ _____
Mechanics' health plan	\$ _____
Mechanics' reimbursement for not taking health plan	\$ _____
Mechanics' disability insurance	\$ _____
Mechanics' dental insurance	\$ _____
Mechanics' long term care insurance	\$ _____
Mechanics' retirement plan contributions	\$ _____
Mechanics' uniform allowances or provision	\$ _____
Mechanics' tool allowance	\$ _____
Other mechanics' benefits	\$ _____
All social security contributions	\$ _____
All workers' compensation contributions	\$ _____
All unemployment insurance costs	\$ _____

BENEFITS TOTAL⁴ \$ _____

⁴ District health and other benefit costs often continue long into retirement. While difficult to calculate, the gradual elimination of these ongoing costs through outsourcing must be figured in as well.

PART 3: TRAINING AND TESTING

Fingerprinting costs	\$ _____
Criminal background checks (state and federal)	\$ _____
Driving history checks	\$ _____
Sex offender register checks	\$ _____
Drug and alcohol testing	\$ _____
Physical examinations	\$ _____
Pre-service driver training	\$ _____
Trainee wages, if applicable	\$ _____
Test fees	\$ _____
License fees	\$ _____
In-service safety classes	\$ _____
Annual driver evaluations/road tests	\$ _____
Driver trainers' ongoing training and certifications	\$ _____
Mechanics' shop/classroom training	\$ _____
Mechanics' ongoing training and certifications	\$ _____
Supervisors' training, conferences, and certifications	\$ _____
TRAINING AND TESTING TOTAL	\$ _____

PART 4: FACILITIES

Garage/bus lot lease (or opportunity cost)	\$ _____
Garage equipment/tools	\$ _____
Fueling infrastructure	\$ _____
Bus lot security (e.g. cameras, electronic locks)	\$ _____
Environmental disposal, testing	\$ _____
Garage/shop utilities (including heating oil)	\$ _____
Diagnostic computer programs	\$ _____
Building/property/liability insurance for shop/yard	\$ _____
Repairs and upkeep for garage/bus lot	\$ _____
FACILITIES TOTAL	\$ _____

PART 5: VEHICLES

Vehicle purchases/leases	\$ _____
Vehicle depreciation	\$ _____
After-market equipment (e.g. radios, cameras)	\$ _____
Parts	\$ _____
Diesel fuel	\$ _____
Other fuels	\$ _____
Oil and lubricants	\$ _____
Antifreeze	\$ _____
Tires	\$ _____
Communications network (cell phones, radios)	\$ _____
GPS or other locator fees	\$ _____
Liability insurance	\$ _____
Contracted vehicle repairs/maintenance	\$ _____
VEHICLE EXPENSE TOTAL	\$ _____

PART 6: TRANSPORTATION OFFICE

Office equipment (e.g. copier, fax)	\$ _____
Office furniture	\$ _____
Office utilities (including heating oil)	\$ _____
Phone service	\$ _____
Internet service	\$ _____
Computer equipment/network	\$ _____
Routing software	\$ _____
Supplies	\$ _____
Postage and shipping	\$ _____
Building/property/liability insurance for office	\$ _____
OFFICE TOTAL	\$ _____

PART 7: ADMINISTRATIVE COSTS

Prorate the time specific to transportation operations spent on each of the following line items.

Payroll processing	\$ _____
Purchasing	\$ _____
Accounts payable and receivable	\$ _____
Benefits administration	\$ _____
Labor relations and negotiations	\$ _____
Advertising (e.g. help wanted)	\$ _____
Legal support	\$ _____
Complaint resolution	\$ _____
Employee issues (e.g. discrimination, terminations)	\$ _____
Budget preparation	\$ _____
Board and State reporting	\$ _____
ADMINISTRATIVE TOTAL	\$ _____

PART 8: CALCULATION OF DISTRICT COSTS

Part 1: Wages total	\$ _____
Part 2: Benefits total	\$ _____
Part 3: Training and testing total	\$ _____
Part 4: Facilities total	\$ _____
Part 5: Vehicles total	\$ _____
Part 6: Transportation office total	\$ _____
Part 7: Administrative total	\$ _____
TOTAL EXPENSES	\$ _____

Number of **routes** operated by fleet _____

Divide total expenses by number of routes to get

AVERAGE COST PER ROUTE FOR YEAR STUDIED \$ _____

PART 9: PROJECTION OF NEXT YEAR EXPENSES

Since the calculations above are based on previous year's expenses, these must be adjusted to project accurate costs for the coming year. The projection can be accomplished two ways: either recalculate all the line items to reflect projected increases for each, or increase the average actual cost per route based on historical data. Whichever option you use, be sure to take into account any unusual changes in line items, such as the recent atypical fuel increases, and any additional items, such as a new equipment mandate.

Following your adjustments,

AVERAGE PROJECTED COST PER ROUTE FOR UPCOMING YEAR \$ _____

PART 10: SERVICE CONSIDERATIONS

The cost of transportation is one measure of its value; service is the other. A transportation system that is unreliable—where breakdowns and late deliveries are increasingly frequent—or that results in dissatisfied parents who demand increasingly more of administrators' time to handle complaints does not serve the district well. While some of these service categories are difficult to measure, considering each of them will allow you to determine the level of service you are providing, and whether that level is getting better or worse over the past five years.

	<u>5 years ago</u>	<u>Current year</u>
Safety performance (accident rate)	_____	_____
On-time delivery (% on time)	_____	_____
Spare driver ratio	_____	_____
Driver shortage (% short)	_____	_____
Average age of fleet	_____	_____
Spare bus ratio	_____	_____
Inspection results (# defects)	_____	_____
On-road breakdowns (#)	_____	_____
Complaints (# reaching admin)	_____	_____
Customer response level	_____	_____
Flexibility	_____	_____

PART 11: CALCULATION OF OUTSOURCING COST

While administrators sometimes look at prices of contracted service in nearby districts to estimate the cost of outsourcing, this is usually not a reliable measure, as contracts can vary significantly in their specifications. More accurate figures will be obtained by soliciting bids or Requests for Proposals from contractors for your particular needs.

From bids or proposals,

Total cost of all large bus routes \$ _____

Total cost of all small bus or van routes \$ _____

Total cost of activity trips \$ _____

TOTAL COST OF OUTSOURCED SERVICE \$ _____

Number of **routes** to be operated by contractor _____

Divide total cost by number of routes to get

AVERAGE COST PER CONTRACTED ROUTE FOR UPCOMING YEAR \$ _____

To determine total projected savings from outsourced transportation, subtract the cost per route figure in Part 10 from the cost per route figure in Part 9, and multiply that figure by the number of routes (which should be the same in both Parts). That will give you the

TOTAL SAVINGS FROM OUTSOURCING FOR UPCOMING YEAR \$ _____

PART 12: CONTRACTOR SERVICE CONSIDERATIONS

Safety performance (accident rate) _____

On-time delivery (% on time) _____

Spare driver ratio _____

Driver shortage (% short) _____

Average age of fleet _____

Spare bus ratio _____

Inspection results (# defects) _____

On-road breakdowns (#) _____

Complaints (# reaching admin) _____

Customer response level _____

Flexibility _____