

Maine School Bus Purchase Program

Data, Process, and FAQs

January 24, 2024

Program Purpose

The purpose of the Maine School Bus Purchase
 Program is to achieve the most equitable distribution of limited dollars to maintain a modern safe fleet of school buses and respond to emergency special bus needs





School Bus Safety

 The <u>school bus</u> is different by design and protected by law. It is the safest vehicle on the road. After purchase, to stay safe, buses must be maintained in safe operating condition through a systematic <u>preventative maintenance and replacement plan</u>.



SAUs are responsible for school bus maintenance



School bus: https://www.youtube.com/watch?v=enVt8 ERHdU

Maintenance: https://www.youtube.com/watch?v=W3nTXwF9D0k

Learning Objectives

- 1. Highlight school bus purchase steps
- 2. Explain the Maine School Bus Purchase Program data and processes
 - What is the history of program data?
 - How can districts be considered for a bus purchase?
 - How are bus approval decisions made?
- 3. Review frequently asked questions

This program supports a Maine DOE Strategic Priority to "ensure student and school safety..."



School Bus Purchase Steps

1 Fund

2 Bid 3 Purchase

SAU

SAU

Order

State

State

Receive

Federal

AL #24

Report

Nov. 1-Nov. 25

MDOE SBPP



Source: 20-A M.R.S. § 5401 - § 5402 and CMR 05-071 Chapters 85 - 86

School Bus Purchase Steps (cont.)

Fund

- Plan about 1 year to complete the process
- Determine funding source (SAU, State, Federal)

Bid

- Determine additional bus options the SAU needs
- Use State School Bus Bid or bid locally, see AL#24

Purchase

- Place an order with 1 of the 4 vendors per AL#24
- Receive the bus and report delivery in NEO (EFT-20)
- Retain bus documents, e.g., invoice, title, loan, etc.



Administrative Letter #24 Excerpt

... The information in the letter has been reviewed and confirmed by our legal team in the Office of the Attorney General.

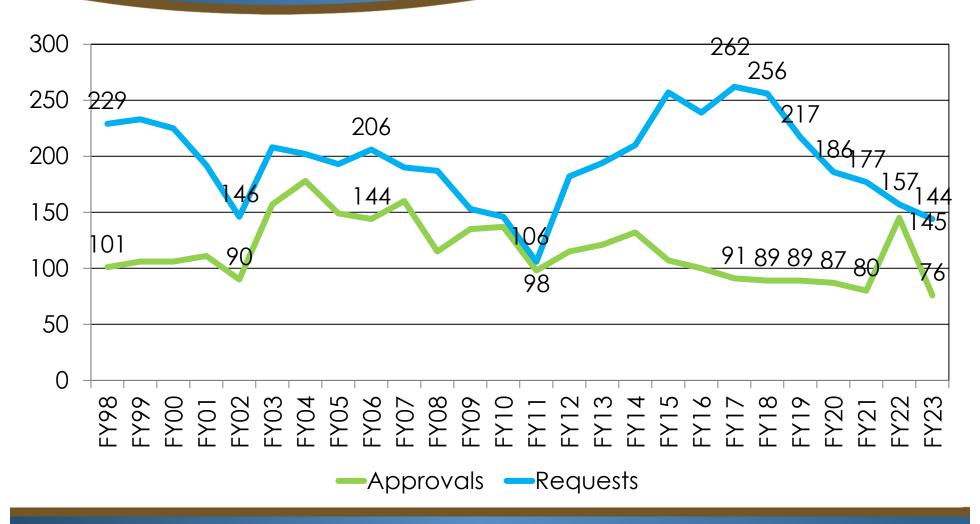
For a school bus purchase to be eligible for State subsidy, per 20-A M.R.S. § 5401(15) and § 5402, the school administrative unit (SAU) **must**:

(1) purchase the bus from the bidder selected through the State of Maine Division of Procurement school bus bid Request for Quotations (RFQ) for bus Type and capacity **or** (2) upon request, provide to the Department documentation that demonstrates the purchase was the result of a competitive bidding process conducted by the SAU following, 20-A M.R.S § 5402 bid procedures.

For school buses purchased by a SAU when the SAU is **not** seeking subsidy, the SAU must still engage in competitive bidding, as outlined above. . . .



Data: SAU Applications vs State Approvals

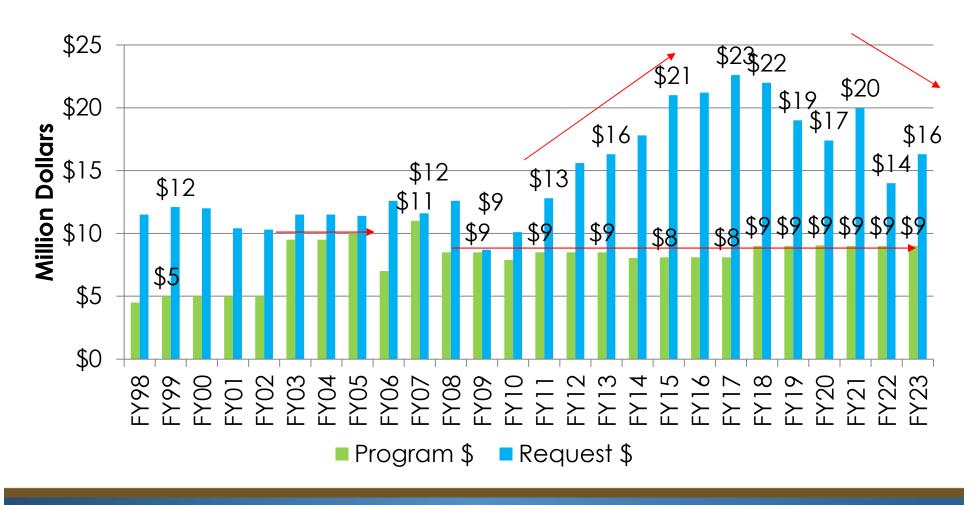




Note 1: FY03-FY05 includes federal funds

Note 2: Counts are round one Note 3: FY22 COVID-19 Source: EFT-17

Data: SAU Dollars Requested vs State Budget



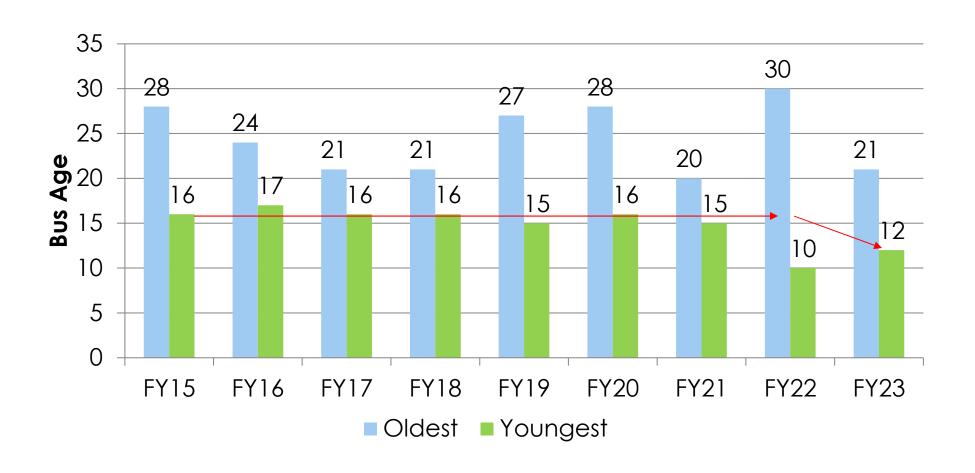


Note 1: FY03-FY05 includes federal funds

Note 2: Counts are round one Note 3: FY22 COVID-19

Source: EFT-17

Data: Age Range of Approved School Buses



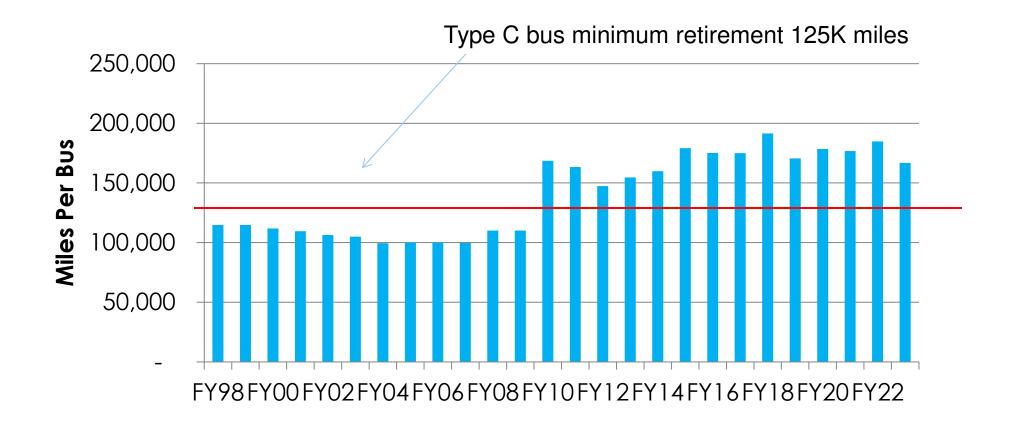


Note 1: Excludes unique and emergency approvals

Source: EFT-17

Note 2: Counts are round one Note 3: FY22 COVID-19

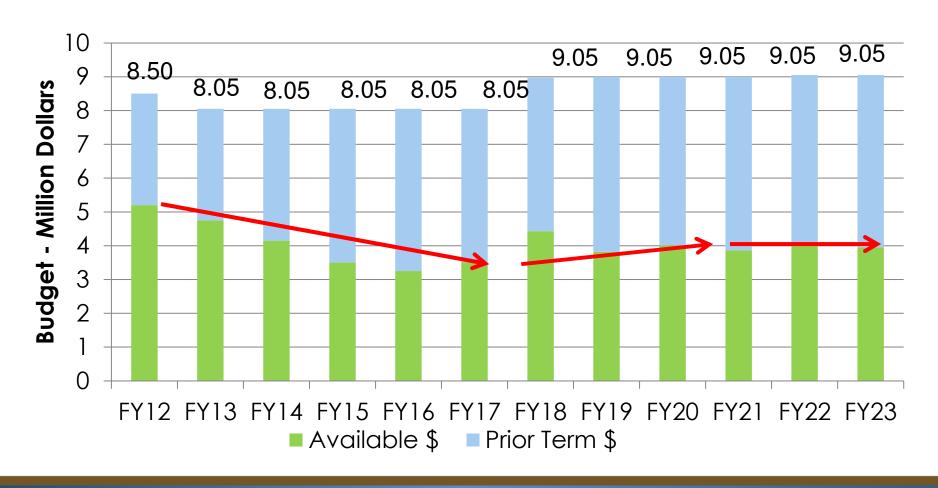
Data: Average Miles When School Bus Is Retired





Source: EFT-17

Data: Program Budget





Source: SBPP Budget

Program Cycle

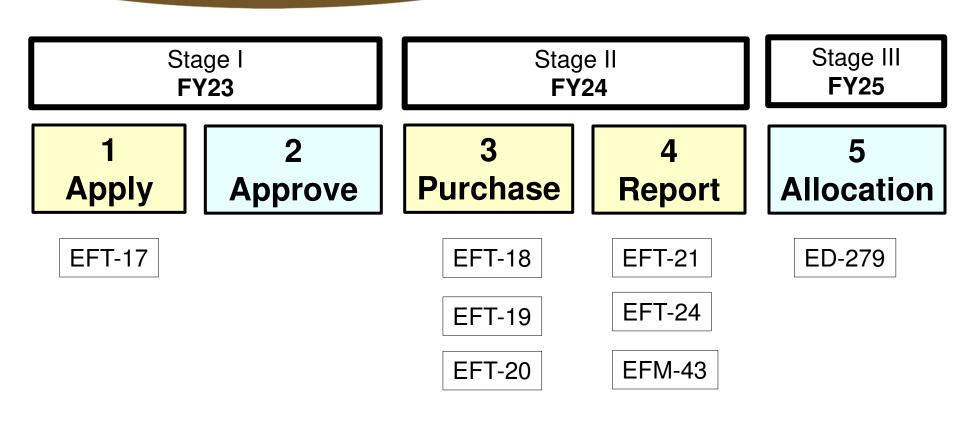
- 3 Stages and 5 Steps Per Cycle

- Stage I
 - 1. Apply (Nov. 1 − Nov. 25) SAU submits
 - 2. Approve (Dec. 30 to Jan. 15) State authorizes
- Stage II
 - 3. **Purchase** the new school bus
 - 4. Report annual year-end transportation reports
- Stage III
 - 5. Subsidy begins (ED 279)
 - Fiscal year <u>after</u> taking possession of the new bus and making the first year of payment



Source: 20-A M.R.S. § 5401 and § 15672(1-C) and CMR 05-071 Chapter 85

Program Cycle (cont.) – 3 Stages Over 3 Years



Nov. 1-Nov 25 Dec. 30-Jan15

July 1-Oct 15

Note: "2 Approve" has potential to occur during Stage I and Stage II.



Source: 20-A M.R.S. § 5401 and CMR 05-071 Chapter 85

Types of Program Applications – Two (2) Types

- 1. "Bus replacement" application
 - Replace an existing bus lost due to emergency
 - Replace an existing bus near the **end** of useful life
 - Add the new bus to the NEO bus inventory and remove the replaced bus from service
- 2. "Addition to fleet" application
 - Respond to unique district situations
 - Add the new bus to the NEO bus inventory
 without taking an existing bus out of service



Minimum Program Qualifications – "Bus Replacement" (emergency)

- A "bus replacement" emergency situation occurs when a bus is damaged beyond economic repair due to:
 - 1. Accidents
 - 2. Fire
 - 3. Vandalism or
 - 4. Other [total] losses

NOTE: to qualify districts must meet 1 of the 4 emergency qualifications



Minimum Program Qualifications – "Bus Replacement" (non-emergency)

- Passenger Vans
 - Shall have seven (7) years useful life and accumulated 100,000 miles (replace van with bus)
- Type C school buses
 - Shall have ten (10) years useful life and accumulated 125,000 miles
- Type D school buses
 - Shall have fourteen (14) years useful life and accumulated 245,000 miles
- Electric school buses
 - Shall have fourteen (15) years useful life and accumulated 250,000 miles

Minimum Program Qualifications – "Addition To Fleet" (unique)

- An "addition to fleet" unique situation occurs when a district needs:
 - 1. Buses equipped to transport the handicapped
 - 2. Buses to accommodate increased enrollment
 - 3. Buses for non-critical special purposes
 - 4. Buses to replace **contracted services** (emergency)
 - 5. Buses to replace **contracted services** (planned)

NOTE: to qualify districts must meet 1 of the 5 addition to fleet qualifications



Transportation Forms

- Supporting Student and School Safety

- Bus purchase
 - EFT-16 Emergency replacement
 - EFT-17 Replacement request
 - EFT-18 Superintendent authorizes bus purchase
 - EFT-19 Cancel a bus approval
 - EFT-20 Report a new school bus purchase
- Annual year-end transportation data reports
 - EFT-21 Safety and training
 - EFT-24 Vehicle mileage and operations
 - EFM-43 OOD, SPED, homeless, and CTE

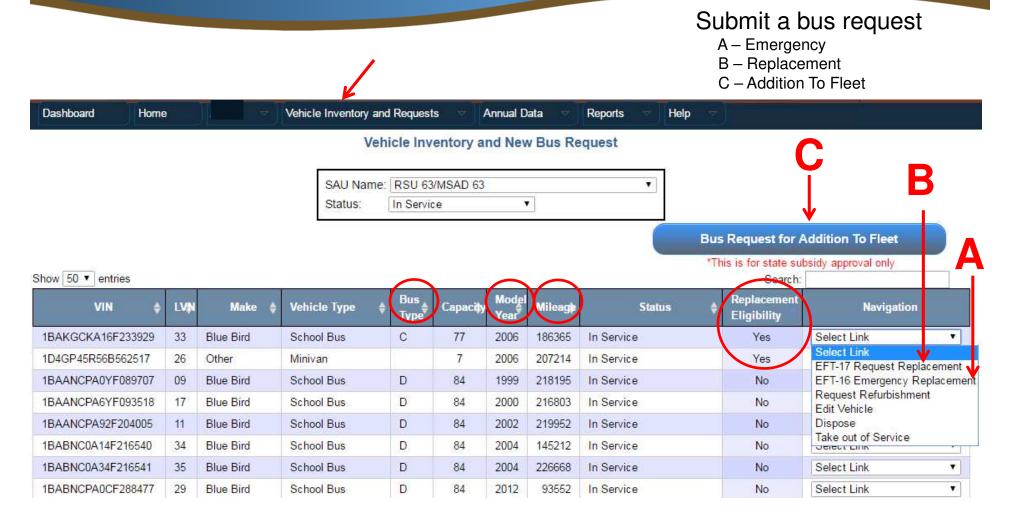


How Can Districts Be Considered For A Bus Purchase?

- A district must submit an application for a new bus
 - School Bus Purchase Request
 - "Bus replacement"
 - "Addition to fleet"
 - Forms and instructions are located on the NEO data system dashboard
- Applications are received by the state annually (R1)
 - Open date: November 1
 - Close date: November 25
 - Emergency bus requests are open all year



How Are Buses Put On A List To Be Considered For A Bus Purchase? (cont.)





Source: NEO Transportation

Sample: District Bus Application (EFT-17)

Replaced Bus (Old)

Replaced Bus

 VIN:
 4DRBUAAN47B405186

 Model Year:
 2007

 Bus Type:
 C

 Capacity:
 78

 Manufacturer:
 Make:

 Make:
 IC Bus

 LVN:
 28

 Replaced Bus (Old)

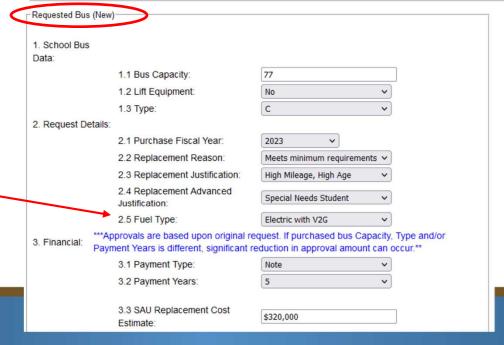
 Age (in years):
 15

Mileage (as reported

6/30/2021): 191460 Mileage at Date of Possession: 174780

*** If the Annual Data (EFT-24) report has not been certified, the mileage at date of possession will be used.

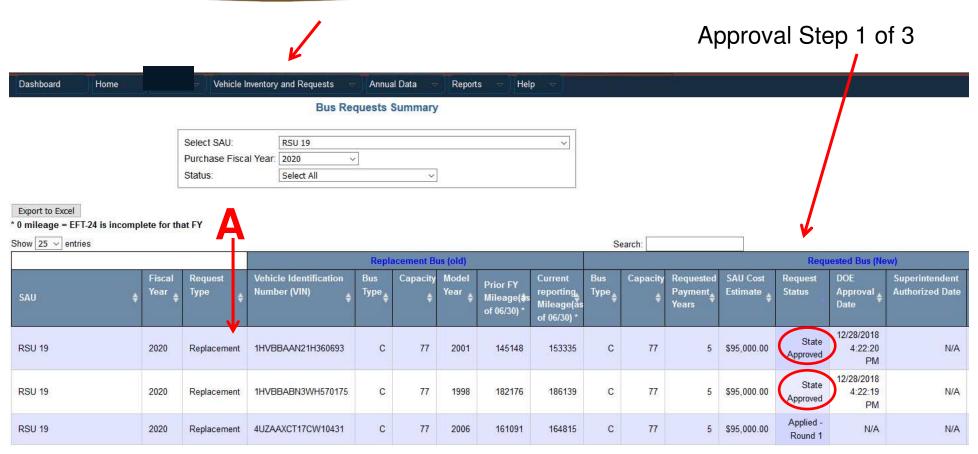
New Bus





Source: NEO Transportation

Sample: NEO Bus Request Status Notice



NOTE: Superintendents receive approval notice by email



Source: NEO Transportation

Sample: State Approval Superintendent Email

Approval Step 2 of 3

Transportation Vehicle request Approval Email: Calais Public Schools



doe-neo-account-do-not-reply@maine.gov

To ronaldjenkins@calaisschools.org

Cc Hinckley, Pat



Transportation Vehicle Approval - SAU: Calais Public Schools

Calais Public Schools Addition to fleet request for purchase FY 2023 was Approved on 2/2/2022.

To authorize this purchase the Superintendent must go to NEO Transportation Bus Request Summary Tab, Click the details link and then click the Superintendent Authorized For Purchase button.

Note: In order to recieve state funding, Superintendents authorization for purchase is required and districts must purchase the new bus and make at least one payment during the Fiscal Year of the approval.

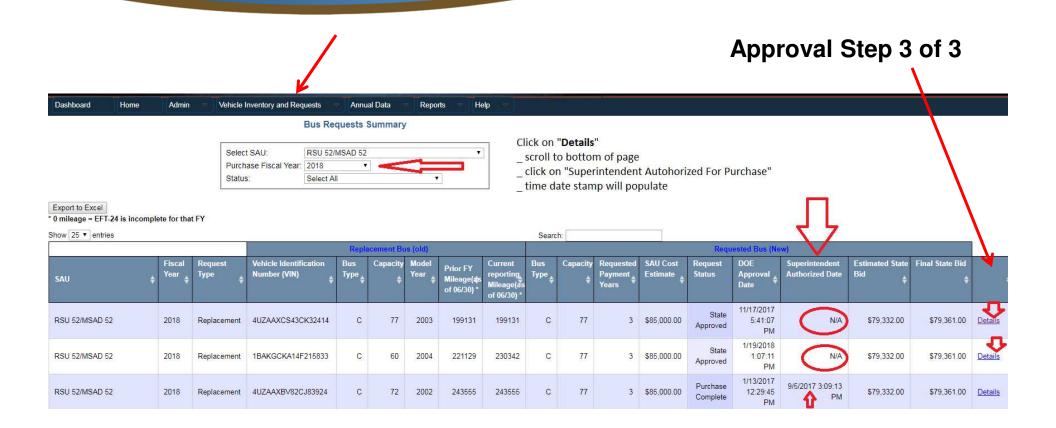
Do not reply to this message as it comes from an automated service and will not be answered.

Thank you

Maine Department of Education School Transportation



Sample: Superintendent Purchase Authorization





How Are Bus Approval Decisions Made? – First (1st) Priority

- "Bus Replacement"
 - Emergency situation
 - An emergency situation occurs when a bus is damaged beyond economic repair due to:
 - accidents
 - fire
 - vandalism or
 - other [total] losses

Note: Maintenance is *not* an emergency situation. Districts are responsible for school bus maintenance.



How Are Bus Approval Decisions Made? – Second (2nd) Priority

- "Addition to Fleet"
 - Unique situation
 - An "addition to fleet" situation occurs when a district needs buses for one (1) of the following:
 - Transport handicapped students
 - Transport for a special purpose
 - Transport increased enrollment students
 - Replace contracted services (emergency)
 - Replace contracted services (planned)



How Are Bus Approval Decisions Made? – Third (3rd) Priority

- "Bus Replacement"
 - Age of the retiring bus
 - "Age as the primary consideration, tempered by both high and low mileage"



- Bus approvals are based on the original bus request
- Can SAUs change fiscal year of purchase?
 - No changes are permitted
 - Bus approvals are valid one (1) year
 - Approvals are <u>not</u> carried forward
 - If a district cannot purchase a bus during the fiscal year of a Department bus approval:
 - The district must cancel the approval
 - Failure to cancel a bus prevents redistribution of funds to other districts in need of buses



- Bus approvals are based on the original bus request
- Can SAUS change fuel type from diesel, gasoline, propane, etc., to <u>electric</u> school bus?
 - Requires department approval <u>before</u> purchase to confirm if state funds are available.
 - Yes, after department finance team confirms, by email, that funds are available
 - After approval, the SAU reports fuel type change on the EFT-20 School Bus Purchase Report



- Bus approvals are based on the original bus request
- Can SAUs change bus type: A, C, or D?
 - Requires Department approval before purchase
 - Bus allocation will be <u>reduced</u>
 - Change down: D to C or A; C to A
 - Total state bus approval allocation is reduced to the lower bus Type rate
 - Change up: A to C or D
 - Total state bus approval allocation is held at lower bus Type rate



- Bus approvals are based on the original bus request
- Can SAUs change bus capacity?
 - Requires Department approval before purchase
 - Bus allocation will be reduced
 - Change from larger to smaller bus
 - Total allocation will be reduced to the max approval amount for the smaller bus
 - Change from smaller to larger bus
 - Total allocation will remain the same as the max approval amount for the smaller bus



- Bus approvals are based on the original bus request
- Can SAUs change bus purchase payment terms?
 - Requires Department approval before purchase
 - Change from cash (1 year) to term (2 to 5 years)
 - District total allocation will remain the same
 - Change from term to cash (1 year)
 - Bus allocation will be <u>reduced</u>
 - Change term payment years
 - Increase years, e.g. from 2 to 3: no reduction
 - Decrease years, e.g. from 5 to 2: reduction



Program Application Rounds

- Round 1
 - Occurs annually
 - Applications open Nov. 1 and close Nov. 25
 - State approvals post Dec. 30 to Jan. 15
- Round 2
 - Depends on cancellations; may or may not occur
 - Opens after Round 1 approval announcement
 - Applications that did not make Round 1 approval are automatically moved to Round 2
 - No specific approval date (~March to Oct.)



Program Reports

- Bus Purchase Program reports
 - EFT-16 emergency bus replacement request
 - EFT-17 bus replacement request
 - EFT-18 superintendent intent to purchase bus
 - EFT-19 bus cancellation
 - EFT-20 bus purchase
- Annual transportation reports (July1 through Oct. 15)
 - EFT-21 Transportation Safety and Training
 - EFT-24 Vehicle Mileage and Operations
 - EFM-43 OOD, SPED, Homeless and CTE



Program Subsidy

- Subsidy Amount
 - Each SAU scenario is unique
 - Contact Maine DOE Finance Team
 - Maine DOE ED 279 report, section 3 A
- Delayed district bus reports effect subsidy (ED 279)
 - Bus cancellation report (EFT-19)
 - Delayed reports prevent redistribution of bus funds to other districts
 - Bus purchase report (EFT-20)
 - Delayed reports lead to withheld subsidy



Program Subsidy (cont.)

Statutory Authority

- "Authority to withhold state subsidy until reports are received. Notwithstanding any other provisions of law, if a school administrative unit has failed to file the reports by this Title in the format and within the time periods specified, the Commissioner may withhold state subsidy payments until these reports are received."



EPS Model Review Cycle

- Statute requires EPS model review every 3 years
 - Transportation is in the FY 2022-23 group review
- Maine DOE contracts the review with USM
 - CEPARE studies are for the Commissioner who may use the analysis to make recommendations for changes to funding of transportation operating
 - Funding formula changes do need approval of the Committee to move forward to the full Legislature for enactment
- https://www.maine.gov/doe/funding/gpa/eps



Frequently Asked Questions

- Q1. How do I know if we received a bus approval?
 - Superintendent receives an email and approvals post on NEO Bus Approval Summaries screen
- Q2. Does an approval roll over to the next FY?
 - No. Approvals are valid for 1 year
- Q3. My application met the program requirement;
 why wasn't my bus approved?
 - Being eligible does not guarantee an approval; about 1/3 to 1/2 of requests are approved; bus age, special needs transport, emergencies, and additions to fleet take precedence



- Q4. Do the Maine school bus specifications include extra vehicle features?
 - No. The state specs provide basic safety features
 - Districts determine extras features for their driving conditions and negotiate feature costs



- Q5. How does a district bid their school buses?
 - Follow 20-A M.R.S. § 5402
 - Administrative Letter #24 provides SAUs with clarification concerning school bus bid and purchase
 - Districts bid their buses if they do **not** purchase a bus from the entity (original equipment manufacturer or vendor) that won the Maine State School Bus Bid for type/capacity



- Q6. What is the Maine State School Bus Bid?
 - State Division of Procurement initiates a RFQ inviting vendors to submit quotes for school buses that meet the minimum school bus specifications:
 - Federal regulations. USDOT National Highway Transportation Safety Administration issues Federal Motor Vehicle Safety Standards (FMVSS) for school buses
 - State of Maine regulations



- Q7. Can a district <u>order</u> a bus before the purchase FY?
 - Bus orders can be placed when the state bus approval is issued but possession must occur the year the bus is approved to purchase
 - The bus order should identify the FY the district may take possession of the new bus



- Q8. Is it OK to change the payment term on my bus approval?
 - Yes and subsidy is reduced if payment years are reduced, e.g., 5 year term to 1 year cash
- Q9. Is it OK to buy a different bus type or capacity than the bus that was approved?
 - Yes and subsidy is reduced if type or capacity are less than the approved type or capacity
- Q10. How much subsidy will the district receive?
 - Transportation provides maximum bus approval amount; finance provides final subsidy calculation



- Q11. Is it OK to replace a different bus than the bus (VIN) that was submitted and approved on the original bus request (EFT-17)?
 - No. Bus approvals are based on the original bus request (EFT-17) replaced bus age and mileage
 - However, the district may cancel the original request and approval then submit a new request (EFT-17) using a different bus (VIN)



- Q12. When does a district take possession of a new approved school bus?
 - During the fiscal year the bus is approved to purchase
- Q13. When does a district make the first payment on an approved school bus?
 - During the fiscal year the bus is approved to purchase



- Q14. When is a district required to report that they have purchased and taken possession of a new school bus?
 - After taking possession of the new bus, during the fiscal year the bus is approved to purchase, and no later than **June 30** of the approved purchase fiscal year
 - Late EFT-20 School Bus Purchase Reports delay district subsidy per 20-A M.R.S. § 6801-A(2)



- Q15. When does state subsidy begin?
 - The year after the district takes possession of the new approved bus and makes a bus payment
- Q16. When must the retiring vehicle be disposed (decommissioned, sold, scrapped, etc.)?
 - When a SAU takes possession of a new bus that was approved under the School Bus Purchase Program, the SAU shall decommission or sell the retiring vehicle within one year of receiving the new bus.



- Q17. Can buses with high maintenance cost be submitted for replacement under the Program?
 - No. Maintenance is the responsibility of the local school district.
 - Examples of maintenance issues include:
 - engine failure (districts are responsible to maintain regular engine maintenance cycles and report potential defects to vendors)
 - rust (use undercoating appropriate for Maine, include undercoating in maintenance cycles, include washing in regular maintenance)



- Q18. What payment choices do districts have when purchasing a new school bus?
 - Cash
 - Loan
 - Lease
 - Certain Federal grants and rebates do <u>not</u> permit leased vehicles. Check requirements.

NOTE. Per U.S. EPA, Diesel Emissions Reduction Act (DERA) grants and rebates, both the old bus and new bus <u>cannot</u> be leased. Standard vehicle loans are acceptable for buying the replacement bus (in which case, the title would be in the applicant's name with a lien from the loaner).



- Q19. When are year-end transportation reports due?
 - EFT-21 Safety and Training Report
 - open July 1
 - close Oct. 15
 - Report data for the prior closed FY
 - EFT-24 Vehicle Mileage and Operations Report
 - open July 1
 - close Oct. 15
 - Report data for the prior closed FY



- Q20. When are School Bus Purchase Program bus purchase reports due?
 - EFT-16 emergency FY the emergency occurs
 - EFT-17 requests Round 1 opens Nov. 1 and closes
 Nov. 25
 - EFT-18 superintendent authorization to purchase after state approval and before bus delivery
 - EFT-19 cancel date of school board vote and before end of FY
 - EFT-20 purchase date SAU takes possession of bus



- Q21. How much money will my SAU receive from the State when we receive a School Bus Purchase Program approval?
 - Each SAU scenario is unique
 - To determine how Program approval will impact bus funding for your specific SAU:
 - Local Transportation Directors talk with the local Business Manager
 - Local Business Managers talk with the Maine DOE Finance Team



- Q22. Can School Bus Purchase Program subsidy be used in conjunction with other grants and rebates?
 - Each grant and rebate are typically unique
 - Carefully review grant and rebate program requirements with the local Business Manager to determine if funds may be stacked with other funding sources



- Q23. Must SAUs use the School Bus Purchase Program?
 - No, funding sources include local SAU, State
 School Bus Purchase Program, Federal funds, etc.
- Q24. Must SAUs follow the school bus bid procedure directive of Maine DOE Administrative Letter #24?
 - Yes
- Q25. Must SAUs submit annual transportation reports and maintain an inventory of vehicles used to transport students?
 - Yes



- Q26. Can SAUs request and purchase <u>electric</u> school buses?
 - Yes. Electric and electric V2G are now fuel options when submitting new school bus requests.



Contact Information

Maine DOE Transportation

207-446-3019

https://www.maine.gov/doe/schools/transportation



Abstract

Safety is priority one when transporting students. This clinic will focus on the Maine School Bus Purchase Program that is designed to help school districts replace the aging fleet. Participants will learn the program purpose, qualifications, and process while exploring how buses are put on the list and how decisions are made. This clinic will include historic data on program funding, applications, and approvals.

