Maine School Bus Purchase Program
Data, Process, and FAQs

June 21, 2021
• 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 school bus 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 preventative maintenance and replacement plan.

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 process
   - 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
   - SAU
   - State
   - Federal

2. Bid
   - SAU
   - State
   - AL #24

3. Purchase
   - Order
   - Receive
   - Report

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

Nov. 1-Nov. 25
MDOE SBPP
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 school bus vendors
  – Receive the bus and report delivery in NEO (EFT-20)
  – Retain bus documents, e.g., invoice, title, loan, etc.
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

Approvals vs Requests:
- Green line: Approvals
- Blue line: Requests

Notes:
1. FY03-FY05 includes federal funds
2. Counts are round one
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

Source: EFT-17

Note 1: Excludes unique and emergency approvals
Note 2: Counts are round one
Note 3: FY22 COVID-19
Data: Average Miles When School Bus Is Retired

- Average miles range from 50,000 to 250,000 miles.
- Type C bus minimum retirement is 125K miles.

Source: EFT-17
Data: Budget

Source: Budget
Data: School Bus Fleet Fuel Types

Source: NEO Transportation
Program Cycle – 3 Stages and 5 Steps Per Cycle

• Stage I
  – 1. Apply (EFT-17) (Nov. 1 – Nov. 25)
  – 2. Approve (Dec. 30 to Jan. 15)
• Stage II
  – 3. **Purchase** (EFT-18) (EFT-19) (EFT-20)
  – 4. Report year-end reports
• Stage III
  – 5. Subsidy begins (ED 279)

• Fiscal year **after** taking possession of the new bus and making the first year 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

Stage I FY21
1 Apply
   EFT-17

Stage II FY22
2 Approve
   EFT-18
   EFT-19
   EFT-20

3 Purchase
   EFT-21
   EFT-24
   EFM-43

Stage III FY23
4 Report
   EFT-21

5 Allocation
   ED-279

Nov. 1-Nov 25
Dec. 30-Jan15
July 1-Oct 15

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 a new bus to the district fleet and remove the existing bus from service (sale or parts)

• 2. “Addition to fleet” application
  – Respond to unique district situations
  – Add a new bus to the district fleet without taking an existing bus out of service

Source: CMR 05-071 Chapter 85
Minimum Program Qualifications – “Bus Replacement” (A)

- **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 (effective 09/16/17)

NOTE: qualification is shown in NEO vehicle inventory under “replacement eligibility”

Source: CMR 05-071 Chapter 85
Minimum Program Qualifications – “Bus Replacement” (emergency) (A)

- 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

Source: CMR 05-071 Chapter 85
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

Source: CMR 05-071 Chapter 85
Transportation Reports - Supporting Student and School Safety

• Bus purchase
  – EFT-17 Request a new school bus
  – 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 (form EFT-17)
    • “Bus replacement” or
    • “Addition to fleet”
  – Forms and instructions are located on the Maine DOE NEO data system dashboard
• Applications are received by the state annually (R1)
  – Open date: November 1
  – Close date: November 25
  – Emergency requests are open all year
How Are Buses Put On A List To Be Considered For A Bus Purchase? (cont.)

Submitting a bus request
A – Replacement
B – Addition to Fleet
C – Emergency

### Vehicle Inventory and New Bus Request

<table>
<thead>
<tr>
<th>VIN</th>
<th>LVN</th>
<th>Make</th>
<th>Vehicle Type</th>
<th>Bus Type</th>
<th>Capacity</th>
<th>Model Year</th>
<th>Mileage</th>
<th>Status</th>
<th>Replacement</th>
<th>Navigation</th>
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Source: NEO Transportation
Sample: District Bus Application (EFT-17)

Note: Approvals are based on district requests. If actual approval terms are changed (without prior Department approval) when the district purchases a bus, the approval will be canceled or subsidy will be reduced.
NOTE: Superintendents receive approval notice by email
Transportation Vehicle Approval - SAU: RSU 56

RSU 56 Replacement request to retire VIN # 1BABKCOA92F204920 for purchase FY 2020 was Approved on 12/28/2018.

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 receive 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

Approval Step 3 of 3 (SAU)

Click on "Details"
- scroll to bottom of page
- click on "Superintendent Authorized For Purchase"
- time date stamp will populate

<table>
<thead>
<tr>
<th>SAU</th>
<th>Fiscal Year</th>
<th>Request Type</th>
<th>Vehicle Identification Number (VIN)</th>
<th>Bus Type</th>
<th>Capacity</th>
<th>Model Year</th>
<th>Prior FY Mileage (Miles)</th>
<th>Current reporting Mileage (Miles)</th>
<th>SAU Cost Estimate</th>
<th>Request Status</th>
<th>DOE Approval Date</th>
<th>Superintendent Authorized Date</th>
<th>Estimated State Bid</th>
<th>Final State Bid</th>
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<td>$79,332.00</td>
<td>$70,361.00</td>
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</tbody>
</table>

* 0 mileage = EFT-24 is incomplete for that FY

Export to Excel

* N/A = not available

Maine Department of Education
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: Districts are responsible for school bus maintenance
How Are Bus Approval Decisions Made? – Second (2\textsuperscript{nd}) Priority

- “Addition to Fleet”
  - Unique situation
  - An “addition to fleet” situation occurs when a district needs buses to:
    - Transport handicapped students
    - Transport for a special purpose
    - Transport increased enrollment students
    - Replace contracted services (emergency)
    - Replace contracted services (planned)

Source: CMR 05-071 Chapter 85
How Are Bus Approval Decisions Made? – Third (3\textsuperscript{rd}) Priority

- “Bus Replacement”
  - Age of the retiring bus
- “Age as the primary consideration, tempered by both high and low mileage”
May Districts Buy A Bus Different From The Bus That Was Requested and Approved?

- 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 not 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 bus type: A, C, or D?
- Requires Department approval before purchase
- **Bus allocation will be reduced**
  - 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
May Districts Buy A Bus Different From The Bus That Was Requested and Approved? (cont.)

- 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
May Districts Buy A Bus Different From The Bus That Was Requested and Approved? (cont.)

- 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 reduced.
  - 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 announced Dec. 30 to Jan. 15

• Round 2
  – Depends on cancellations, may or may not occur
  – Opens after Round 1 approval announcement
    • All applications that did not make Round 1 approval are automatically moved to Round 2
  – No specific approval date (~March to Oct.)

Source: CMR 05-071 Chapter 85
Program Reports

• Bus Purchase Program reports
  – EFT-17 bus request
  – EFT-18 superintendent intent to purchase bus
  – EFT-19 bus cancellation
  – EFT-20 bus purchase

• Annual transportation reports (July 1 through Oct. 15)
  – EFT-21 Transportation Safety and Training
  – EFT-24 Vehicle Mileage and Operations
  – EFM-43 OOD, SPED, Homeless and CTE
Program Subsidy Reminder

- **Subsidy Amount**
  - ED 279 report, section 3 A, other allocations
  - Contact Maine DOE school finance
- **Delayed district reports effect subsidy (ED 279)**
  - Bus *cancellation* report (EFT-19)
  - Delayed cancellation reports prevent redistribution of bus money to other districts
  - Bus *purchase* report (EFT-20)
  - Delayed reports lead to withheld subsidy
- **Timely transportation reports are important**
• 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.”

[20-A M.R.S. § 6801-A(2)]
EPS Model Review Cycle

- Statute requires EPS model review every 3 years
  - Transportation is in the FY 2019-20 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
- EPS website:
  http://www.maine.gov/education/data/eps/epsmenu.htm

20-A M.R.S. § 15671
P.L. 2005 Chapter 2 (LD 1)
Frequently Asked Questions

• **Q1:** How do I know if we received a bus approval?
  – Superintendent receives an email; 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?
  – Districts may directly purchase buses from low bid vendors for each bus Type/capacity based on current Maine State School Bus Bid result
  – Per 20-A M.R.S. § 5402, districts bid their buses if they don’t use the state Type/capacity low bidder
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 state specifications.

Q7: Can a district order 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 retire 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) retiring 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
Frequently Asked Questions (cont.)

• 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
  – Lease
  – Loan
Frequently Asked Questions (cont.)

• Q19: When are year-end transportation reports due?
  – EFT-21 Safety & Training Report
    • open July 1 close Oct. 15
    • Report data for the prior closed FY
    • open July 1 close Oct. 15
    • Report data for the prior closed FY
Frequently Asked Questions (cont.)

• **Q20: When are School Bus Purchase Program reports due?**
  - EFT-16 emergency – FY emergency occurs
  - EFT-17 requests open Nov. 1 close Nov. 25
  - EFT-18 super. authorize – before bus delivery
  - EFT-19 cancel – date of vote and before end of FY
  - EFT-20 purchase – date of bus delivery
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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.