

The Navigator

Guiding the Way in School Transportation

Cut a Bus, Save a Teacher

by Ruth Newby, President

Transportation isn't the biggest item on the budget, nor does it get the attention it should. However, given the difficult cuts directors and superintendents are bound to contend with next fiscal year, maybe it's time to take a closer look.



Ruth Newby

It's part of what TransPar does every day for districts across America. We help them look at transportation as a benefit, not a burden,

and to see opportunities to increase efficiency and safety, and deliver cost savings that can be applied to the classroom.

The days ahead promise to put tremendous pressure on school budgets, if they haven't already. More than ever, every dollar counts and every efficiency matters. Each decision comes with varying degrees of savings (gain) and impact on the public and staff (pain).

Finding the proper balance between gain and pain produces the best results for everyone involved. We call it the sweet spot. And we're prepared to help your district make the adjustments necessary to attain just the right balance for your students, your staff, your parents and your budget.

The bottom line: Transportation is costing you more than you think. We offer information and insight that show you where the money is hiding. And, like you, we know it's better spent on teachers than buses.

Uncovering Hidden Savings in Extracurricular Transportation

Two-Tier Pricing Creates Valuable Incentive for Off-Peak Scheduling

In a world where school districts trim educational programs for lack of money, many parents still expect interscholastic sports to be fully funded. Faced with tight budget years and local mandates to maintain level tax rates, districts are scrambling to find new ways to pay for athletics.

They're also slashing expenses wherever possible, sometimes cutting sub-varsity and middle school programs. However, when evaluating the escalating cost of athletic programs nationwide, transportation expenses are seldom addressed.



Calling Time Out

Facility space, coaches, uniforms, referees, security and insurance – there's only so much a district can cut back on and still field a competitive program. Which is why many are turning to private funding from booster clubs and sponsors, charging participation fees for student-athletes or, in some cases, cutting certain sports and non revenue-producing activities.

Before they make these potentially controversial moves, districts should examine an overlooked but substantial line item on the athletic budget: the cost of getting athletes, managers, cheering squads, band members and students to the games.

For the average district, transportation consumes anywhere from 5 to 10 percent of the athletic budget, a figure that could be reduced by scheduling events during off-peak busing hours.

Bucking Trends, Saving Bucks

Athletic directors have a tendency to schedule buses for athletic events during the peak hours immediately after school. This requires the use of more buses and more drivers compared to trips scheduled after most students have been transported home from school.

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A Dozen Years, and Dozens of Problems Solved in Chicago

TransPar Transforms Transportation for CPS

The 1996 school year in Chicago Public Schools opened in chaotic fashion. A prominent transportation vendor failed to meet its obligations, causing an already fragile system to collapse. The CPS Bureau of Transportation had no effective contingency plan in place. Daily, the media reported the district's inability to solve the problem and get children to school on time. The publicity and distraction paralyzed the administration.

Anyone involved with CPS transportation then and now can see what a difference 12 years and an effective management plan can make.

A Long Weekend

TransPar Management Services arrived on the scene in September 1996 to begin working with the CPS Bureau of Transportation.

"Together we have brought not only lower costs but better service to all our constituents ..."

At the time more than 40 contractors were providing a combined 2,500 buses and operating 2,600 routes. Service shortfalls were rampant. Phone calls from principals, patrons and parents could not be returned.

Over the weekend, TransPar embarked upon an effort to respond to each complaint, chronicle it and assign a priority. The failed contractors' routes were redistributed among the most qualified vendors, and on Monday the bureau was organized to solve problems and simultaneously respond to new ones. Stability returned within two weeks.

It was a promising start to what would prove to be a remarkable turnaround in the coming years, not to mention tens of millions of dollars saved.

The Way Forward

In the first month, TransPar identified 12 key issues to resolve. Based upon the findings, TransPar presented a plan to the administration that focused on three major objectives:

- Improve responsiveness of bureau personnel
- Enforce board policy with regard to student eligibility for transportation
- Identify and implement route consolidation and pairing strategies to improve efficiency

TransPar was ultimately awarded responsibility for managing the bureau and implementing its plan. The company immediately provided managers to lead the school staff, and a team led by TransPar's Chester Tindall moved quickly to establish the following:

- Principal accountabilities for each position in the department
- Comprehensive quality assurance audits of the vendors to be conducted twice per year (minimum)
- A system for monitoring the recruitment of qualified drivers by the vendors
- Measure time and capacity utilization of the buses to identify consolidation opportunities for cost reductions
- Develop a plan for a two-tier route system that reduces buses and expenses
- Establish performance standards for vendors

Better With Age

Over the next 12 years, far-reaching management, personnel and technology



initiatives were taken in a cooperative, collaborative effort between TransPar, the bureau, building staff and contractors. The plan delivered early, measurable results and continues to bear fruit today.

Early on, 1996-1999, TransPar consolidated and/or doubled bus routes to help CPS absorb approximately \$26 million in new program costs. From 2000-2004, transportation costs were under severe pressure from expanding programs and obligations. However, cost-conserving strategies helped the district spend less in three consecutive fiscal years than it did in 2000. Today, the 40 vendors have been reduced to 20, buses are down from 2,500 to 1,500, and they run virtually the same number of routes, all at essentially the same cost as when the program began.

"Together we have brought not only lower costs but better service to all our constituents," says Tindall, who now serves as general manager for the Bureau of Student Transportation Services and fleet manager for CPS.

"We use more than 3,000 vehicles per day, from 5 a.m. until 7 or 8 at night," Tindall adds. "Through collaboration in the areas of policy, planning and cost control, the bureau has been able to withstand vendor rate increases, new program demands for transportation, federal and state mandates, and higher fuel prices. Yet we continue to deliver better, more responsive service. In the coming years, just as I'm sure our challenges won't go away, I'm confident they will be met with similar progress." ■

Mentor Service Answers Looming Challenge

How to Fill the Knowledge Void Left by Retiring Directors

The 77 million members of the “forever-young” baby boomer generation are beginning to retire, which promises to alter the education landscape as departing leaders take decades of knowledge and experience with them.

The effect could be especially profound in transportation, where there typically is no formal career path or natural grooming process to prepare replacements for outgoing directors or department heads. Specialized knowledge will leave faster than it can be replaced. Demographers call it “brain drain.”

Few districts can afford the luxury of having a full-time transportation-planning executive on staff. Even those that can may struggle to get new directors up to speed. Yet the need for continued strategic leadership in this department has never been more critical.

In order to provide districts with the strategic leadership that transportation demands, TransPar developed a service that adds efficiencies, not employees.

Mentor, at Your Service

Used on a transitional or long-term basis, the TransPar Mentor service combines the expertise of our staff and the experience gained with more than 100 clients nationwide – both district-owned and contracted fleets. The program is focused on maximizing the opportunities available to you for savings and service.

Interacting regularly with your transportation and finance teams, TransPar’s Mentor service provides the following assistance and reporting:

Performance

- On-time performance (monthly)
- Accident rate (quarterly)
- Breakdown and maintenance status (monthly)
- Cost performance vs. budget in an operating format (quarterly)
- Driver recruiting plan progress (monthly)
- Time and capacity utilization of the fleet (annually)
- Service survey of principals (annually)

Planning

- Bell time alternatives to achieve cost reductions (annually)

- Budget development support (annually)
- Driver recruitment goals (annually)

Preparation

- Review of state funding submission for maximization (annually)
- Labor agreement review for negotiations (as needed)
- School start-up plan
- Eligibility for transportation policy review (annually)
- Attendance boundary planning (as needed)
- Program cost allocation (annually)

The dedicated service includes biweekly conference calls with our experts, and direct access as needed. Written progress reviews are provided monthly, along with two in-person reviews each year.

To ensure transportation performance doesn’t diminish when your director departs, plan and prepare now for a smooth transition. Call TransPar to reserve your mentor today! ■

Uncovering Hidden Savings in Extracurricular Transportation

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“In our consulting work, we commonly see district transportation departments charge athletic departments a flat-rate fee for each bus,” says Kyle Martin, vice president of TransPar Group. “This disguises the hidden and often unnecessary costs of adding buses and drivers during the busiest part of the day.”

Martin and other TransPar consultants recommend that transportation directors set higher rates for these peak times. A two-tier pricing strategy provides powerful incentive for athletic officials to schedule interscholastic



events at alternative times whenever possible. When events begin later, the same buses and drivers that took students home can be used for transporting athletes.

“Such a system reflects the true cost of scheduling buses,” Martin adds. “It also encourages savings without involving the transportation department in decision-making on athletic scheduling.”

Playing Smarter

Prior to recent record high diesel prices, athletic directors had little incentive to schedule for efficiency. In fact, most were encouraged to time the events to end as early as possible. Today, budgetary and academic pressures have many ADs thinking differently.

With a two-tiered approach to bus pricing, they can choose between a \$400 charge for primetime travel and a \$200 rate for off-peak time. Off-peak scheduling can lead to more than budget dollars saved. It may even save a sport or two. Considering what ADs are facing, that may be all the incentive they need. ■

The Navigator

The Navigator is published for clients and constituents of the TransPar Group. We welcome your inquiries and suggestions for future content. Please direct your comments to:

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We look forward to serving you!

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Martin's Experience Helps Districts Achieve Topflight Performance

As far as TransPar Co-Founder and Vice President Kyle Martin knows, there are no colleges where a student can major in school transportation management. Nonetheless, it would be difficult to find a better



Kyle Martin

background for a career than his.

For starters, Martin grew up the son of a superintendent of a large suburban Kansas City school district. That helps explain the education roots.

The transportation and management parts came later in life, starting with his acceptance into the United States Naval Academy. Before it was school buses, Martin's world was F-4 Phantom fighter jets, which he flew for 6 years after graduation. He later traded the cockpit for the classroom and the Navy's Top Gun School, where he taught for 3 years.

Around 1980, Martin began considering alternatives to Navy life and started interviewing with defense-related firms around the country. His father recommended looking into a school bus

contractor called R.W. Harmon & Sons, based back home near Kansas City. The tip turned into a career that was only beginning to take flight.

Martin drew on the organization and management skills he honed in the Navy and soon took on the challenges of full-service school transportation. Within a few years, Mayflower Transit acquired Harmon & Sons, and Martin was named president of Mayflower Contract Services. Under his leadership, the company grew from 1,800 to 10,000 vehicles with annual revenues of \$300 million.

In addition to his Annapolis degree and two master's degrees, Martin's experience on the flight deck and in the boardroom helped ingrain the principles of better organization, accountability and stewardship of public resources.

"The Navy gives you a real appreciation for the importance of organization and training, and with aviation in particular, the emphasis on safety," he says. "As a transportation vendor, we were able to bring the various business disciplines to bear, understanding the impact of the public's investment in education, and helped districts maxi-

mize the use of those assets in order to conserve capital."

He co-founded the TransPar Group with fellow former Mayflower executive Ruth Newby with the goal of providing specialized management and consulting services to school districts and other entities in the transportation industry.

"As school transportation continues to get more complicated, there's increasing demand for expertise," Martin says. "When we can help districts achieve better, safer and more timely service for less money, and achieve it over time, that frees up dollars that go back into the classroom instead of transportation. For me, that's where the real satisfaction lies."

He left TransPar in 1998 to assist a TransPar customer in developing his business, and subsequently returned full time in 2005.

"From the very beginning, I've enjoyed being part of and serving the education community," Martin says. "Getting our children to and from their education is an integral part of what America is all about. Once you're involved in something like that, it's difficult to leave it." ■