

**Office of Inspector General
School Transportation**

Report #A-1415-019

January 2016

Executive Summary

In accordance with the Department of Education's (department) fiscal year 2014-15 audit plan, the Office of Inspector General conducted an audit of the school transportation program. The purpose of this audit was to ensure the Bureau of School Business Services is effectively administering the program. During this audit we noted that, in general, the department has sufficient controls in place. However, there were instances where the Bureau of School Business Services could make improvements to strengthen some of these controls. For example, we cited a lack of written policies and procedures and instances where active bus inspectors had expired certifications. The Audit Results section below provides details of the instances noted during our audit.

Scope, Objectives, and Methodology

The scope of this audit included school transportation activities taking place during the period of July 1, 2014, through April 30, 2015. We established the following objectives for our audit:

1. Determine whether the school transportation program effectively manages and monitors the school bus purchase contract for compliance;
2. Determine whether the department has sufficient internal controls to effectively manage the school transportation program; and
3. Ensure the department is appropriately apportioning and distributing funding to the districts for school transportation.

To accomplish our objectives we reviewed applicable laws, rules, and regulations; interviewed appropriate department staff; reviewed policies, procedures, and related documents; reviewed applicable databases; reviewed the bus purchase contract and related purchase orders; reviewed transportation survey data and related funding calculations; and evaluated management controls.

Background

The Bureau of School Business Services (bureau) provides leadership, assistance, training, and monitoring services for Florida school districts related to business operations. The School Transportation Management section is located within the bureau and provides leadership, assistance, and training for school districts and other clients to ensure safe and efficient transportation of Florida's public school students. This section is also responsible for monitoring school district transportation programs for compliance with laws, rules, and industry campaigns

pertaining to safety. The School Transportation Management section also provides training for commercial driver licenses, conducts school bus bidding, approves purchase orders for buses, defines school bus specifications, provides technical assistance for the 67 school districts, and provides legislative updates as needed.

Florida school districts operate more than 14,000 buses daily, transporting more than 1 million students to and from their schools. The districts provide data to the department through student transportation surveys. The data includes the number of buses, the number of students eligible for school transportation, and other information that is used in the calculation of school transportation funding for the districts.

Audit Results

Finding 1: The department does not have formal written policies and procedures

Good business practices include the development and implementation of formal written policies and procedures in order to ensure consistency and compliance in a given process or function.

There were no formal written policies and procedures within the Bureau of School Business Services relating to the purchase orders, bus inventories, school transportation surveys, and technical assistance. Department staff indicated that their responsibilities could be found in statute and rule, which are used as their policies and procedures. However, the statutes and rules do not detail the processes involved or provide for controls to ensure the processes are operating effectively and efficiently.

Written policy and procedures are important management controls. The lack of written procedures restricts management's ability to effectively ensure processes are performed consistently and accurately.

Recommendation

We recommend the School Transportation Management section develop formal written procedures to ensure consistency and quality performance in school transportation processes.

Management Response

The framework for the operational functions and responsibilities of School Transportation follow the requirements that are defined in Florida statutes and State Board of Education rule. However, certain functions, such as tracking school bus inspector certifications, could benefit from written internal policies and procedures. Therefore, procedures will be developed for specific operational functions.

Finding 2: Bus inspectors with expired certifications may be inspecting school buses

The Florida School Bus Safety Inspection Manual was developed to standardize school bus vehicle inspection criteria and to ensure that all inspections in Florida are conducted using the same standards. The emphasis of the manual is on safety, which should be the foremost consideration when inspecting school buses in Florida.

Florida Administrative Code (FAC) 6A-3.016(1)(c) has instructed the department “to require adherence to the minimum standards in the field of student transportation adopted by the state board, including standards for the design and equipment of school buses.” FAC 6A-3.0171(8)(d) additionally states, “School bus inspections shall be conducted by technicians certified as school bus inspectors in accordance with the State of Florida School Bus Safety Inspection Manual, 2008 Edition. The requirement that inspections be performed by a certified school bus inspector may be waived for a period not to exceed six (6) months when an emergency conditions exist, upon written notification to the Commissioner by the district superintendent.”

The Florida School Bus Safety Inspection Manual states, “This program shall meet the requirements of Rule 6A-3.0171(8)(d), FAC, that technicians who perform school bus inspections must be certified as School Bus Inspectors.” The manual further states, “School bus Inspectors, Inspection-trainers, Supervisors I, and Supervisors II must re-certify during the fifth calendar year of certification....Inspectors who fail to re-certify by the deadline must not inspect buses until being re-certified.” Re-certification must take place sometime between January 1st and December 31st of the fifth full calendar year following the calendar year of original certification or subsequent re-certification.

There were 1,189 active inspectors at the time of our review. We noted that 35 of the 1,189 inspectors (2.94%) were given an expiration date in the sixth year of their certification, rather than the mandated five years. We also noted the certification status was inactive for 122 (10.26%) of the 1,189 active inspectors, with the certifications expiring as long ago as 2005. School Transportation Management staff stated the department does not follow up on the inspectors whose certifications have already expired and passed the one-year period for renewal, indicating the responsibility lies with the school districts. However, administrative code requires the department to ensure adherence to the minimum standards. There was one bus inspector waiver approved during the audit period, but this waiver has no impact on the noted deficiency.

The erroneous expiration dates and lack of follow-up on uncertified inspectors increase the likelihood that school bus inspections are being performed by inspectors whose certifications are no longer in effect. Re-certification requires the inspectors to obtain inspection manual updates and revision information, and then pass an online test. The renewal of inspector certifications ensures the bus inspectors are apprised of changing standards and continue to be qualified to conduct inspections of school buses.

Recommendation

We recommend the School Transportation Management section enhance its procedures to ensure school districts comply with Florida Administrative Code and the Florida School Bus Safety Inspection Manual, thereby increasing the assurance that students will be safely transported.

Management Response

School bus inspectors indicated as Active are certified; however, the time period for which a certification is valid is administered on a fiscal year basis instead of a calendar year basis. Technical Assistance Note T-09-06, dated February 20, 2009, communicated to districts the transition from a calendar year basis to a fiscal year basis. The certifications are active through the fifth full fiscal year (instead of fifth full calendar year) following the fiscal year of original certification or re-certification. To execute the transition, a period of six months was added to the calendar year expiration date, which resulted in an expiration date that was greater than six years from the certification date for some inspectors. A revision is being recommended to the School Bus Safety Inspection Manual, which is incorporated by reference in rule 6A-3.0171(8)(d), Florida Administrative Code, to reflect the current practice of administering expiration dates on a fiscal year basis.

There is no provision in statute or rule requiring the department to monitor or verify the employment status of school bus inspectors. Not all school bus inspectors are employed by school districts. School Transportation maintains that school districts are responsible for ensuring that buses are inspected by certified school bus inspectors. However, School Transportation will research the possibility of collecting the employment status of inspectors from job codes in the staff database and by other means.

Closing Comments

The Office of Inspector General would like to recognize and acknowledge the Bureau of School Business Services and the Bureau of Education Information Services for their assistance during the course of this audit. Our fieldwork was facilitated by the cooperation and assistance extended by all persons involved.

To promote accountability, integrity, and efficiency in state government, the OIG completes audits and reviews of agency programs, activities, and functions. Our audit was conducted under the authority of section 20.055, F.S., and in accordance with the International Standards for the Professional Practice of Internal Auditing, published by the Institute of Internal Auditors, and Principles and Standards for Offices of Inspector General, published by the Association of Inspectors General. The audit was conducted by Keith Bennett and supervised by Janet Snyder, CIA, CISA, CGAP, Audit Director.

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