

2019 ISBA RESOLUTION NO. 9

TRANSPORTATION REIMBURSEMENT

WHEREAS, Section 33-1006, Idaho Code states the State Board of Education shall determine what costs of transporting pupils shall be allowable in computing the transportation support program of school districts; and

WHEREAS, each school district and charter school shall maintain records and make reports as required for the purposes of Section 33-1006, Idaho Code; and

WHEREAS, the transportation reimbursement to school districts and charter schools for allowable costs as specified in Section 33-1006(5), Idaho Code is calculated at 50 percent or 85 percent; and

WHEREAS, such reports require multiple ledger accounts to track 50 percent and 85 percent reimbursable expenditures along with reporting non-reimbursable expenditures; and

WHEREAS, considerable staff time is required to itemize and differentiate reimbursable expenses as 50 percent and 85 percent; and

WHEREAS, funding is based on prior year populations, causing strain to growing districts and making it difficult to appropriately budget and staff in the current year; and

WHEREAS, the funding allocation lacks transparency and consistency due to the complexity of the funding formula; and

WHEREAS, the funding formula claims a higher percentage of funding than what is being provided to the schools, due to \$7.5 million being backed out and transferred to discretionary funding; and

WHEREAS, the audits conducted by the Idaho State Department of Education transportation personnel are more complicated due to the number of accounts being audited and such audits often result in multiple audit corrections; and

WHEREAS, current methodology has created inequity between the school districts and charter schools, with some receiving greater than 100% of their expenses reimbursed; and

WHEREAS, a change in the funding formula could be more cost effective to the State;

NOW, THEREFORE BE IT RESOLVED, that the Idaho School Boards Association work with the Idaho State Department of Education, Idaho State Board of Education, and the Idaho Legislature to amend Idaho Code to simplify and establish a fixed flat rate

of allowable transportation expense reimbursement to districts at 85 percent of allowable miles or ridership, whichever is higher.

STATEMENT OF PURPOSE

Changes to the methodology for reimbursing school districts for allowable transportation expenses has created a burden for school personnel. Extensive clerical work is necessary to identify and categorize the allowable reimbursement costs incurred by each district. Considerable time, effort, and cost is associated with ensuring each allowable expense is properly documented within the 50 percent and 85 percent categories to maximize the transportation reimbursement to the school district. Also, the current methodology has created inequity between the school districts resulting in some school districts and charter schools receiving greater than 100% of their costs reimbursed. Reimbursing all allowable transportation costs at a flat, fixed rate of 85 percent of allowable miles or ridership, whichever is higher, will reduce the amount of clerical work required to submit reimbursement and other reports at the district level. Such a change would also simplify the audits conducted by the Idaho State Department of Education transportation program personnel. This resolution seeks to simplify and streamline transportation reimbursement to the districts and create a more equitable distribution of resources. This resolution, in addition to the current reimbursed amount, would be \$4.6 million (\$3.5 million if there were no “held harmless” provision). This resolution would not require the \$7.5 million Proportional Move to Discretionary Funding (IC 33-1006 (8)) be moved back to transportation, which would result in a net savings of \$3 million (based on 16/17 reimbursements).

Submitted by Kuna Joint School District No. 3

RECOMMENDATION OF THE ISBA EXECUTIVE BOARD: DO NOT PASS

Brett Plummer of the ISBA Executive Board will address the Executive Board’s recommendation to the membership at the Business Session of the Annual Convention.

**PASSED
TABLED
FAILED**

**AYES
NAYES
TOTAL**