



Ministry of Education Effectiveness & Efficiency Review

Student Transportation Services Brant Haldimand Norfolk

E&E Phase 3 Review

October 2009

Final Report

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The English version is the official version of this report. In the situation where there are differences between the English and French versions of this report, the English version prevails.

À noter que la version anglaise est la version officielle du présent rapport. En cas de divergences entre les versions anglaise et française du rapport, la version anglaise l'emporte.

Executive Summary

Introduction

This report details the findings and recommendations of an Effectiveness and Efficiency Review (“E&E Review”) of the Student Transportation Services of Brant Haldimand Norfolk (hereafter “STSBHN” or the “Consortium”) conducted by a review team selected by the Ministry of Education (hereafter the “Ministry”). The E&E Review evaluates four areas of performance – Consortium Management, Policies and Practices, Routing and Technology use and Contracting practices. This review will determine if current practices are reasonable and appropriate; identify whether any best practices have been implemented; and provide recommendations on areas for improvement. The evaluation of each area is then used to determine an overall rating for the Consortium that will be used by the Ministry to determine any in-year funding adjustments that may be provided.

The Consortium provides transportation services for three Boards. These are the Grand Erie District School Board (“GEDSB”), the Brant Haldimand Norfolk Catholic District School Board (“BHNCDSB”) and the Conseil scolaire de district catholique centre-sud (“CSDCCS”). The STSBHN also provides bus and taxi transportation services to some students residing in a First Nations community in the Hagersville area.

This is a typical Consortium in transition. In terms of Consortium Management, governance and organizational frameworks exist but the policies have yet to be adopted by the Governance Committee, and in some cases, certain governance, management and organizational policies still need to be implemented into practices. There are well documented cost sharing mechanisms and insurance coverage in place. The Consortium is in the process of obtaining Governance Committee approval for new and updated financial policies and practices, and budget planning procedures. The major areas of improvement in Consortium Management include the formation of a separate legal entity, the development of key performance indicators (KPIs) in addition to the development of strategic and operating plans.

The STSBHN has drafted a comprehensive policies and procedure manual to be presented to the Governance Committee in October 2009. Efforts to establish common eligibility criteria among all Boards have been made. Areas of improvement in policies and practices include the need to complete a full implementation of the policies and procedure manual, particularly in the noted areas of hazard and courtesy management. In addition to these steps, enhancements to existing practices should be made so that the Consortium may, in the future, run with increased effectiveness and efficiency.

The Consortium has made significant efforts to implement a new routing and technology management product; however, additional attempts at integration of routing and technology initiatives are still required. Areas of improvement include, among others, modifications to student and run coding structure evaluations. Routing and technology efficiencies will increase if a number of routing techniques continue to be used.

Contracts to be used by the Consortium with its Operators will be in line with best practices seen in past E&E Reviews, once they are signed by the Operators and become binding. The Consortium has confirmed its desire to move toward the use of the contract template on Operators’ contracts and has developed a draft contract according to the Ministry of Education guidelines, as is outlined by the 2008:B15 Memorandum of December 10, 2008 on clauses and use of the contract template. Contracts are currently only signed and executed with taxi Operators and parent drivers. It is recommended that the Consortium execute Operator contracts as soon as possible, as this documentation will assist the Consortium in ensuring safe and efficient transportation services for its students. For completeness purposes, the Consortium should ensure that all essential clauses such as insurance, confidentiality, safety training and dispute resolution clauses, among others, are incorporated in all Operator contracts. It is also recommended that a formal monitoring process be established. These additional clauses will ensure that disputes can be quickly and equitably resolved and that transportation services can be delivered in the safest possible manner to all students being transported.

It is clear from the E&E Review that the Consortium is strongly committed to continuous improvement. It is acknowledged that the STSBHN has put into place frameworks that position it well to become a highly effective and efficient operation. The critical building blocks including an effective governance and organizational framework; clear policies and procedures; and cooperation with its Member Boards, have been, or are being, established. The Transportation Manager and the Governance Committee have demonstrated a commitment to performing the tasks required to provide effective and cost efficient services. Implementation of the proposed recommendations and the refinement of identified best practices throughout the body of the report will facilitate the continued evolution of the STSBHN to a Consortium that is highly effective and efficient.

As a result of this review of current performance, the Consortium has been rated as a **Moderate-Low**. Based on this evaluation, the Ministry will provide additional transportation funding that will narrow the 2009-2010 transportation funding gap for the Grand Erie District School Board, the Brant Haldimand Norfolk Catholic District School Board and the Conseil scolaire de district catholique centre-sud as determined by the formula in Table 1. The detailed calculations of disbursements are outlined in section seven of this report and summarized below.

Grand Erie District School Board	\$292,177
Brant Haldimand Norfolk Catholic District School Board	\$86,626
Conseil scolaire de district catholique centre-sud	Nil

(Numbers will be finalized when regulatory approval has been obtained)

1 Introduction

1.1 Background

1.1.1 Funding for student transportation in Ontario

The Ministry provides funding to Ontario's 72 School Boards for student transportation. Under Section 190 of the *Education Act* (Act), School Boards "may" provide transportation for pupils. If a School Board decides to provide transportation for pupils, the Ministry will provide funding to enable the School Boards to deliver the service. Although the Act does not require School Boards to provide transportation service, all School Boards in Ontario provide service to eligible elementary students and most provide service to eligible secondary students. It is a School Board's responsibility to develop and maintain its own transportation policies, including safety provisions.

In 1998-1999, a new education funding model was introduced in the Province of Ontario outlining a comprehensive approach to funding school Boards. However, a decision was made to hold funding for student transportation steady, on an interim basis, while the Ministry worked to develop and implement a new approach. From 1998-1999 to 2008-2009, an increase of over \$247 million in funding has been provided to address increasing costs for student transportation, such as fuel price increases, despite a general decline in student enrolment.

1.1.2 Transportation reform

In 2006-07, the government began implementing reforms for student transportation. The objectives of the reforms are to build capacity to deliver safe, effective, and efficient student transportation services, achieve an equitable approach to funding, and reduce the administrative burden of delivering transportation, thus allowing School Boards to focus on student learning and achievement.

The reforms include a requirement for Consortium delivery of student transportation services, effectiveness and efficiency reviews of transportation Consortia, and a study of the benchmark cost for a school bus incorporating standards for safe vehicles and trained drivers.

1.1.3 The formation of school transportation consortia

Ontario's 72 School Boards operate within four independent systems:

- English public;
- English separate;
- French public; and
- French separate.

As a result, a geographic area of the province can have as many as four coterminous School Boards (i.e. Boards that have overlapping geographic areas) operating schools and their respective transportation systems. Opportunities exist for coterminous School Boards to form consortia and therefore deliver transportation for two or more coterminous School Boards in a given region. The Ministry believes in the benefits of consortia as a viable business model to realize efficiencies. This belief was endorsed by the Education Improvement Commission in 2000 and has been proven by established consortia sites in the province. Currently, the majority of School Boards cooperate to some degree in delivering transportation services. Cooperation between Boards occurs in various ways, including:

- One School Board purchasing transportation service from another in all or part of its jurisdiction;
- Two or more coterminous School Boards sharing transportation services on some or all of their routes; and
- Creation of a Consortium to plan and deliver transportation service to students of all member School Boards.

Approximately 99% of student transportation service in Ontario is provided through contracts between School Boards or transportation consortia and private transportation Operators. The remaining 1% of service is provided using Board-owned vehicles to complement services acquired through contracted private transportation Operators.

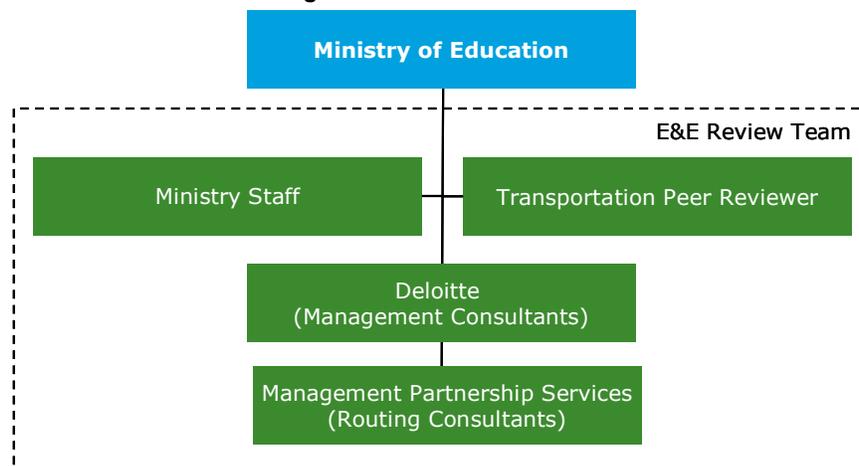
1.1.4 Effectiveness and Efficiency Review

According to the Ministry Consortium guidelines, once a Consortium has met the requirements outlined in memorandum SB: 13, dated July 11, 2006, it will be eligible for an E&E review. This review will be conducted by the E&E Review Team who will assist the Ministry in evaluating Consortium Management, Policies and Practices, Routing and Technology, and Contracts. These reviews will identify best practices and opportunities for improvement, and provide valuable information that can be used to inform future funding decisions. The Ministry has established a multi-phase approach to review the performance of consortia (collectively the “E&E Reviews”) across the province.

1.1.5 The E&E Review Team

To ensure that these reviews are conducted in an objective manner, the Ministry has formed a review team (see Figure 1) to perform the E&E Reviews. The E&E Review Team was designed to leverage the expertise of industry professionals and management consultants to evaluate specific aspects of each Consortium site. Management consultants were engaged to complete assessments on Consortium Management, and Contracts. Routing consultants were engaged to focus specifically on the acquisition, implementation, and use of Routing Software and related technologies and on Policies and Practices.

Figure 1: E&E Review Team



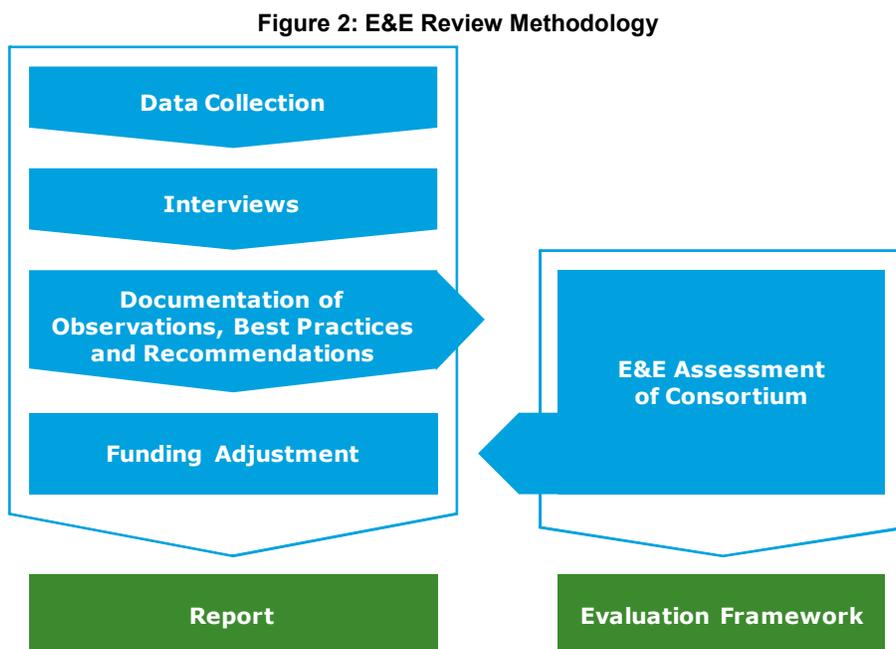
1.2 Scope of Deloitte Engagement

Deloitte was engaged to lead the Team and serve as the management consultants on the E&E Review Team. Deloitte’s overall role is as follows:

- Lead the planning and execution of E&E Reviews for each of the 18 transportation consortia to be reviewed in Phases three and four (currently in phase 3B);
- At the beginning of each E&E Review, convene and moderate E&E Review Team planning meetings to determine data required and availability prior to the review;
- Review Consortium arrangement, governance structures and contracting procedures;
- Incorporate the results of the routing and technology and policies and practices reviews completed by MPS into the final report; and
- Prepare a report for each Consortium that has been subject to an E&E Review in Phases three and four. The target audience for the report will be the Ministry, the Consortium, and its Member Boards. Once finalized, each report will be released to the Consortium and its Member Boards.

1.3 Methodology Used to Complete E&E Review

The methodology for the E&E Review is based on the five step approach presented in Figure 2 and elaborated below:



A site review report that documents the observations, assessments and recommendations is produced at the end of a site review. The Evaluation Framework has been developed to provide consistency and details on how the Assessment Guide was applied to reach an Overall Rating of each site.

1.3.1 Step 1 – Data collection

Each Consortium under review is provided with the E&E Guide from the Ministry of Education. This guide provides details on the information and data the E&E Review Team requires the Consortium to collect, organize and provide.

Data is collected in four main areas:

1. Consortium Management;
2. Policies and Practices;
3. Routing and Technology; and
4. Contracts.

1.3.2 Step 2 – Interviews

The E&E Review Team identifies key Consortium staff, outside stakeholders and key policy makers with whom interviews are conducted to further understand the operations and key issues impacting a Consortium's delivery of effective and efficient student transportation services.

1.3.3 Step 3 – Documentation of observations, Best Practices and Recommendations

Based on data collected and interviews conducted, the E&E Review Team documents their findings under three key areas:

- Observations that involve fact based findings of the review, including current practices and policies;
- Best Practices used by the Consortium under each area; and

- Recommendations for improvements based on the Assessment Guide. Figure 3 below provides a summary of the key criteria used in the Assessment Guide to determine the effectiveness and efficiency of each Consortium.

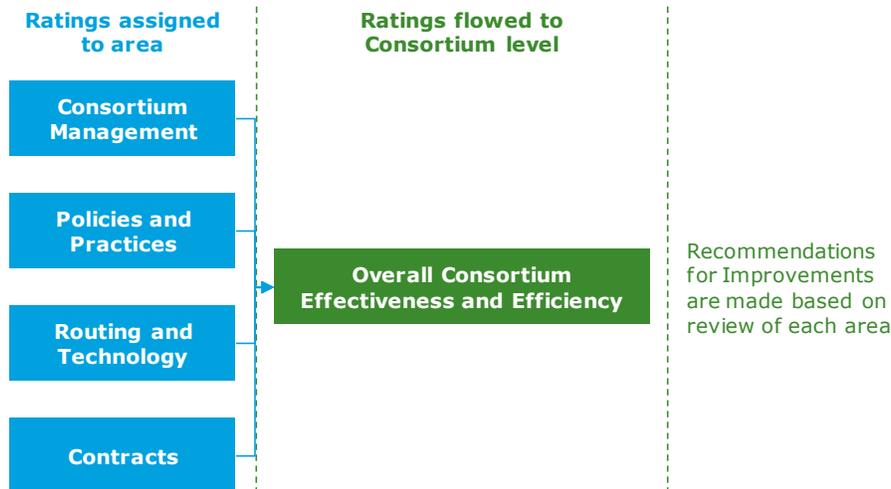
Figure 3: Criteria for an Effective and Efficient Consortium

	Consortium management	Policies and Practices	Routing and Technology	Contracts
Effectiveness	<ul style="list-style-type: none"> • Distinct entity focused on providing student transportation services for the partner boards • Well defined governance and organizational structure with clear roles and responsibilities • Oversight body exists with the mandate to provide strategic directions to the consortium management on the provision of safe, effective and efficient transportation service to support student learning • Management has communicated clear goals and objectives of the Consortium and these are reflected in the operational plan • Well established accountability framework reflected in the set up and operation of the consortium including documentation of terms in a Consortium Agreement • Operations are monitored for its performance and continuous improvement • Financial processes ensure accountability and equality to Partner Boards • A budgeting process is in place which ensures timely preparation and monitoring of expenses • Key business relationships are defined in contracts 	<ul style="list-style-type: none"> • Development of policies is based on well defined parameters as set by strategic and operational plans to provide safe, effective and efficient transportation service to students of the partner boards; and <ul style="list-style-type: none"> ○ Policy decisions are made with due considerations to financial and service impacts to partner boards ○ Communication between the consortium and partner boards facilitates informed decision making on issues directly affecting student transportation ○ Consortium's policies and practices are adequate and in compliance with all relevant safety regulation and standards ○ Practices on the ground follow policies 	<ul style="list-style-type: none"> • Advanced use of transportation management software to store student data, and create a routing solution. • Disaster recovery plans and back up procedures are in place and operating properly • Responsibility and accountability for student data management is clearly identified • Routing is reviewed regularly • Reporting tools are used effectively • Special needs routing is integrated with regular needs where reasonable 	<ul style="list-style-type: none"> • Competitive contracting practice is used • Contract negotiations are transparent, fair, and timely • Contracts are structured to ensure accountability and transparency between contracted parties • Contracts exist for all service providers • Ongoing compliance checks for safety, legal and service requirements are performed by the consortium
Efficiency	<ul style="list-style-type: none"> • Oversight committee focuses only on high level decisions • Organizational structure is efficient in utilization of staff • Streamlined financial and business processes • Cost sharing mechanism are well defined and implemented 	<ul style="list-style-type: none"> • Harmonized transportation policies between partner boards enable efficient planning • Proper level of authority delegated to consortium to enable the realization of potential efficiencies e.g. bell times setting • Best practices in planning are adopted e.g. utilize tiered runs and combination runs to maximize the use of available capacity • Public transit usage is optimized where available and efficient • Service levels are reasonable and comparable to common practices 	<ul style="list-style-type: none"> • System can be restored quickly if database fails • Student data is accurate, requires little post processing verification • System functionalities are used to identify efficiencies 	<ul style="list-style-type: none"> • Contracts awarded are based on market prices and best value for money • Fair payment terms are included in contracts and implemented with clarity to both parties

1.3.4 Step 4 and 5 – E&E assessment of Consortium and site report

The Assessment Guide was developed to enable the E&E Review Team to provide each Consortium that undergoes an E&E Review with a consistent, fair, and transparent method of assessment. The Assessment Guide is broken down along the four main components of review (i.e. Consortium Management, Policies and Practices, Routing and Technology, and Contracts) and, for each, illustrates what constitutes a specific level of effectiveness and efficiency (refer to Figure 4 for diagram of process).

Figure 4: Assessment of Consortium - Ratings Analysis and Assignment



The Evaluation Framework provides details on how the Assessment Guide is to be applied, including the use of the Evaluation Work Sheets, to arrive at the final Overall Rating. The E&E Review Team then compiles all findings and recommendations into an E&E Review Report (i.e. this document).

1.3.5 Funding adjustment

The Ministry will use the results of the E&E Reviews and the cost benchmark study to inform any future funding adjustments. Only Boards that have undergone E&E Reviews are eligible for a funding adjustment. Table 1 below illustrates how the Overall Rating will affect a Board's transportation expenditure-allocation gap.

Table 1: Funding Adjustment Formula

Overall Rating	Effect on deficit Boards ¹	Effect on surplus Boards ¹
High	Reduce the gap by 100% (i.e. eliminate the gap)	No in-year funding impact; out-year changes are to be determined
Moderate-High	Reduce the gap by 90%	Same as above
Moderate	Reduce the gap by 60%	Same as above
Moderate-Low	Reduce the gap by 30%	Same as above
Low	Reduce the gap by 0%	Same as above

The Ministry has announced, through memorandum 2009:B2 dated March 27, 2009, that effective from the 2009-10 school year, in addition to the funding adjustments made based on the overall E&E rating, for any Consortium not achieving a high rating in Routing and Technology, a negative adjustment of one percent to a Board's transportation allocation will be made to recognize potential efficiencies through ongoing routing optimization and technology use. To acknowledge sites whose systems are already operating in an efficient manner, the adjustment will only apply to Boards that have not achieved a "high" rating in Routing and Technology from the Effectiveness and Efficiency reviews. Boards that achieve a "high" rating in the Routing and Technology area in future reviews will be exempt from the reduction in the subsequent year.

1.3.6 Purpose of report

This Report serves as the deliverable for the E&E Review conducted on the Consortium by the E&E Review Team during the week of September 21, 2009.

¹ This refers to Boards that have a deficit/surplus on student transportation (see Section 7 – Funding Adjustments)

1.3.7 Material relied upon

Refer to Appendix 3 for a list of documents that the E&E Review Team relied upon for their review. These documents were used in conjunction with interviews with key Consortium staff, outside stakeholders, and key policy makers to arrive at the assessment and rating of the Consortium.

1.3.8 Limitations on the use of this report

The purpose of this Report is to document the results of the E&E Review of the Consortium. The E&E Review is not of the nature or scope so as to constitute an audit made in accordance with generally accepted auditing standards. Therefore, as part of this E&E Review, Deloitte has not expressed an opinion on any financial statements, elements, or accounts to be referred to when reporting any findings to the Ministry. Additionally, procedures used by the E&E Review Team are not intended to disclose defalcations, system deficiencies, or other irregularities.

2 Consortium Overview

2.1 Consortium Overview

The Student Transportation Services of Brant Haldimand Norfolk (hereafter “STSBHN” or the “Consortium”) is comprised of three school Boards - the Grand Erie District School Board (hereafter “GEDSB”), the Brant Haldimand Norfolk Catholic District School Board (hereafter “BHNCDSB”) and the Conseil scolaire de district catholique centre-sud (hereafter “CSDCCS”). Together, they signed a Consortium Agreement on October 16th, 2007 in which they agreed to provide transportation services to approximately 20,750 students and 650 special needs students. The district served by the STSBHN covers approximately 4,000 square kilometers and includes 120 schools. Transportation for students is provided primarily through a combination of bus Operators with a small number of students being transported by taxis, parent drivers and public transit. The STSBHN also provides bus and taxi transportation services to some students residing in a First Nations community in the Hagersville area.

The geographic area covered by the Consortium is predominately rural, with the City of Brantford being the largest urban municipality in the service area, and stretches from Highway #2 in the north to Lake Erie in the south and from Dunnville in the east to Tillsonburg in the west.

Table 2 and Table 3 below provide a summary of key statistics and financial data of each Member Board:

Table 2: 2008-2009 Transportation Survey Data

	GEDSB	BHNCDSB	CSDCCS	Total Consortium
Number of schools served	83	35	2	120
Total general transported students	11,332	5,786	208	17,326
Total special needs ² transported students	553	100	0	653
Total wheelchair accessible transportation	41	16	0	57
Total specialized program ³ transportation	634	191	0	825
Total courtesy riders	603	292	1	896
Total hazard riders	805	194	0	999
Total students transported daily	13,968	6,579	209	20,756
Total public transit riders	80	0	0	80
Total contracted full and mid-sized buses ⁴	223	106	2	331
Total contracted mini buses	34	10	10	54
Total contracted school purpose vehicles ⁵	16	2	0	18
Total contracted PDPV	24	8	0	32
Total contracted taxis	19	8	0	27
Total number of contracted vehicles	315	135	12	462

² Includes students requiring special transportation such as congregated and integrated special education students who require dedicated routes and/or vehicles; students who must ride alone; students who require an attendant on the vehicle.

³ Includes students transported to French Immersion, magnet and gifted programs, students with special needs who are transported to specialized programs are captured as special needs transported students.

⁴ Includes full-sized buses, mid-sized buses, full-sized buses adapted for wheelchair use and mid-sized buses adapted for wheelchair use; all vehicle counts are rounded to the nearest whole number.

⁵ Includes school-purposed vans, mini-vans, and sedans.

Table 3: 2008-09 Financial Data

	GEDSB	BHNCDSB	CSDCCS
Allocation	11,699,213	5,105,499	17,343,813
Net expenditures	12,673,135	5,394,252	16,917,760
Transportation surplus (deficit)	(973,922)	(288,753)	(426,053)
Percentage of transportation expenses allocated to the Consortium	100%	100%	2.18%

3 Consortium Management

3.1 Introduction

Consortium Management encompasses the management of the entire organization providing student transportation services. The analysis stems from a review of the four key components of Consortium Management:

- Governance;
- Organizational Structure;
- Consortium Management; and
- Financial Management.

Each component has been analyzed based on information provided by the Consortium, and from information collected during interviews. The analysis included an assessment of areas requiring improvement that were informed by a set of known best practices identified during previous E&E Reviews. These results are then used to develop an E&E assessment for each component. The E&E assessment of Consortium Management for the Brant Haldimand Norfolk Consortium is as follows:

Consortium Management – E&E Rating:	Moderate
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3.2 Governance

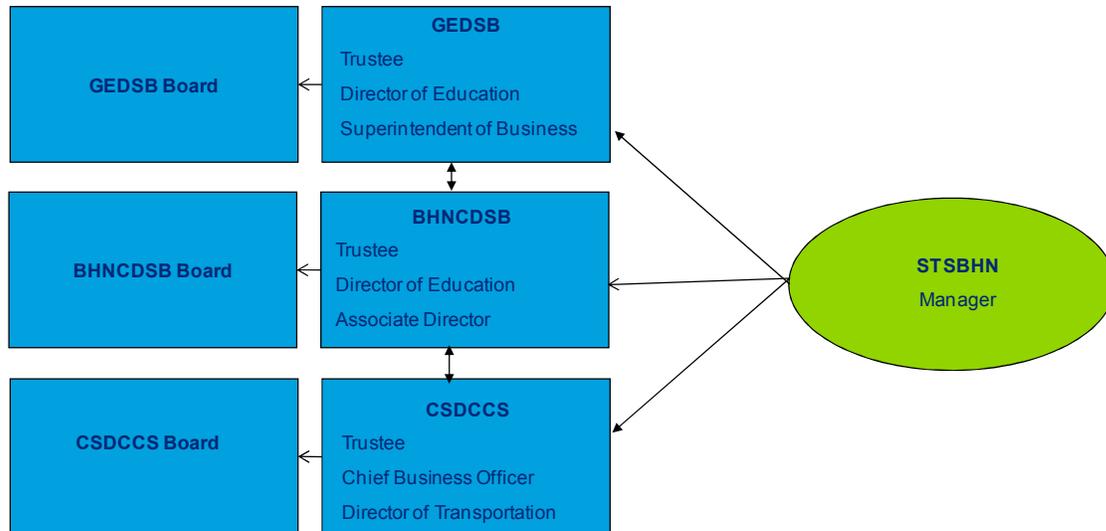
Governance refers to the way in which an organization is directed and controlled. Establishing administrative structures and processes that facilitate, monitor, measure and improve effective business management are primary responsibilities of a governance structure. Three key principles for an effective governance structure are as follows: accountability, transparency, and the recognition of stakeholders. In order to respect these three principles, it is important that the governance body of the organization be independent of the team responsible for the day-to-day operations of the organization.

3.2.1 Observations

3.2.1.1 Governance structure

The Consortium is governed by a Governance Committee. Details related to the Governance Committee are outlined in the Consortium Agreement (hereafter “Agreement”). The Governance Committee is composed of a Trustee (or designate) from each Board, the Director (or designate) from each Board and a Senior Business Official (SBO) from each Board. Their roles and responsibilities are clearly articulated in the Agreement and include reviewing and approving the annual STSBHN operating and capital budgets, interviewing and appointing the Manager of Transportation, and referring issues to the Administrative Team, among other responsibilities. It is mandated in the Agreement that the Governance Committee shall meet at least once a quarter and the resolution of any and all matters is made through a voting process. Agendas are set for each meeting and minutes are taken. While the minutes of the meetings are not signed by the Member Boards, formal approval of minutes from subsequent meetings are obtained prior to moving forward with the new agenda. Each Governance Committee member has equal influence in the decision making process and each Member Board of the Consortium has three votes. The Chair of the Governance Committee rotates on a yearly basis among the Member Boards. Outlined below is a diagram displaying the structure of the Governance Committee.

Figure 5: Governance structure



Governance Committee

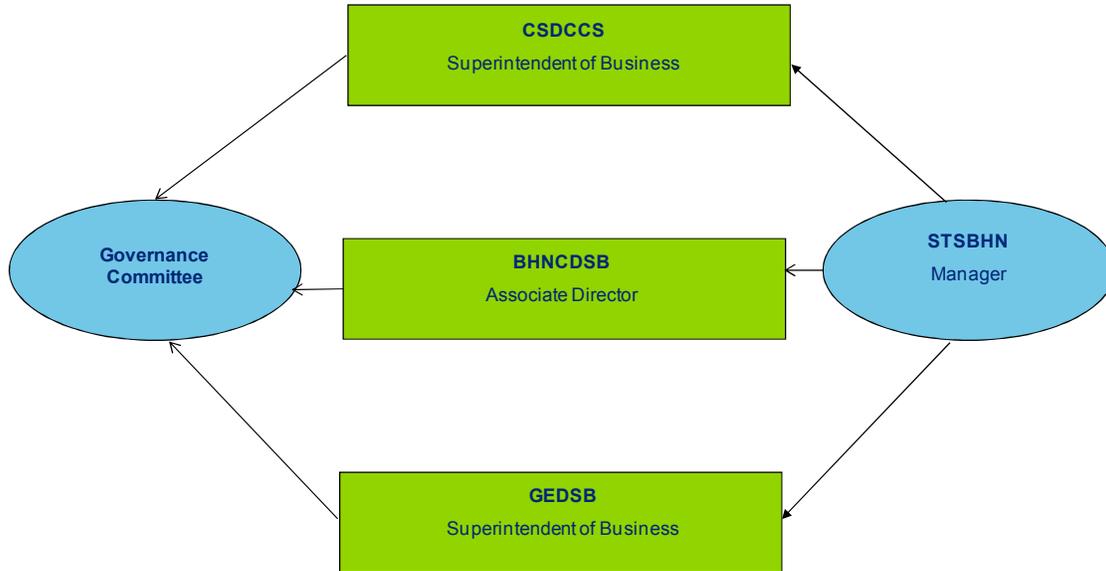
The roles and responsibilities of the Governance Committee include:

- Reviewing and approving the annual STSBHN operating and capital budgets;
- Approving an annual plan setting out proposed service delivery efficiencies and anticipated cost savings for each Board for the coming year and to approve and publish a year-end report comparing actual to planned performance for the year;
- Interviewing and appointing the Manager of Transportation;
- Providing input to the annual performance review of the Manager of Transportation;
- Reviewing and recommending improvements and changes to the STSBHN Agreement;
- Referring issues to the Administrative Team;
- Mediating and resolving any unresolved issues brought forward by the Administrative Team; and
- Approving and publishing an annual report on the performance and accomplishments of the STSBHN.

Administrative Team

STSBHN operations are overseen by an Administrative Team that has equal representation from the three Boards that form the Consortium. In the Agreement, the formation, roles and responsibilities of the Administrative Team’s superintendent or designate are documented. Questions regarding administration policies, procedures and day to day matters including operational management issues are addressed by the Administrative Team. Examples of such matters may include budget issues, staffing concerns and safety issues, among others. Matters that cannot be resolved by the Administrative Team will be escalated to the Governance Committee for resolution. Agendas are set and meeting minutes are taken but are not signed. A schedule outlining meeting dates has not been set for the current school year. The Administrative Team meets when its members need to resolve concerns/issues relating to items such as budget matters, staffing concerns and safety issues, among others. A diagram depicting the structure of the Administrative Team is provided below.

Figure 6: Administrative Team



Details of the roles and responsibilities of the Administrative Team are outlined in the Consortium Agreement. The role of the Administrative Team is to provide oversight and make decisions related to Consortium operations. The Administrative Team consists of four members: the Superintendent (or their designate) is responsible for all transportation matters for each Board and the STSBHN's Manager of Transportation. The Manager of Transportation must report progress and status in the following areas;

- Operator contract issues;
- Budget matters;
- Negotiations with operators;
- Policy and regulatory matters;
- Staffing concerns;
- Transportation issues including service levels and parent requests for exceptions to policies;
- Safety issues;
- Accounting, auditing and all fiscal matters; and
- Ministry of Education and Ministry of Transportation policy directions and regulations

The Manager of Transportation's responsibilities to the Administrative Team include:

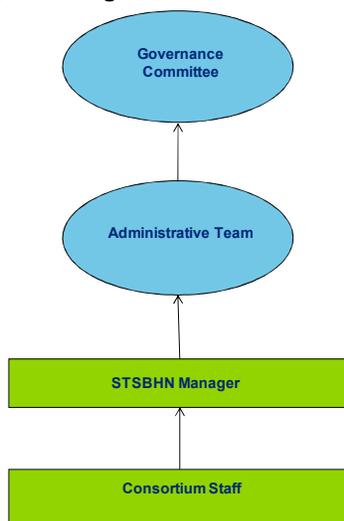
- Providing information as requested from any of the three Boards and to seek, when appropriate, direction from the Administration team;
- Providing information, including agendas and minutes for all Administrative Team meetings; and
- Providing all information requested to the Superintendents (or their designates) for their Board's Committee and Board Meetings and attend these if required.

The Superintendents' (or their designates') responsibilities include:

- Reporting all transportation matters to his/her respective Board; and
- Joined by the additional Superintendents (or their designates) on the Administrative Team, collectively complete the Manager of Transportation's annual performance review.

Day-to-day operations are managed by the Manager of Transportation who reports to the Administrative Team which in turn communicates with the Governance Committee. The Manager of Transportation also serves as the Secretary for the Governance Committee.

Figure 7: Organization of Consortium



3.2.1.2 Board level arbitration clause

The Consortium Agreement outlines a dispute resolution policy that includes the use of mediation and arbitration. This policy details the actions to be taken should a disagreement or dispute arise, and where the matter cannot be resolved, it shall be referred to mediation for mandatory Alternative Dispute Resolution within 60 days of the original dispute date. The mediator shall be appointed by the Manager of Transportation only after the Administration Team has approved the mediator. Should the dispute persist, the matter will be escalated to the arbitration level and a single arbitrator shall be appointed by the three Boards. The arbitrator will be agreed upon by all three Boards. If after 30 days upon notice that arbitration is to commence and an appropriate arbitrator has yet to be selected, then an arbitrator shall be appointed by the three SBOs. The award or determination of the arbitrator is final and binding with no appeals allowed. To date, there have been no issues that required the enforcement of the dispute resolution policy.

3.2.2 Best Practices

It is recognized that the Consortium has demonstrated best practices in the following areas:

Board level dispute policy

A Board level dispute policy is in place between the Boards. The policy is an effective mechanism to protect the rights of all three Boards. It ensures that the decisions made represent the best interests of all Consortium Members.

Equal board representation

The Governance Committee, which is charged with oversight responsibilities for the Consortium, has equal representation from each School Board. Equal representation promotes fairness and equal participation in decision making and ensures that the rights of each Board are considered equally. This is a key element in effective governance and management.

Separation of governance and operations

There are clear distinctions made among the roles and responsibilities of the Governance Committee, the Administrative Team and the Manager of Transportation. The Governance Committee and the Administrative Team have unambiguous roles and responsibilities articulated in the Agreement. The Administrative Team works closely with the Manager of Transportation while at the same time respecting a clear delineation between the day to day management of the Consortium and high level policy and strategic matters that are handled at the Governance Committee. The positive working relationship among the three Boards and the Consortium allows for open communication amongst all parties.

Governance committee and Administrative Team management

As mandated by the Agreement, the Governance Committee meets once a quarter and the Administrative Team convene several times throughout the year. Agendas are documented and meeting minutes are captured. These important measures ensure that the actions of both the Governance Committee as well as the Administrative Team are accountable and transparent.

3.2.3 Recommendations

3.2.3.1 Sign meeting minutes

Decisions made by the Governance Committee and Administrative Team should be officially documented and communicated to Consortium management. This is generally accomplished through the documentation of minutes from the meetings. It is understood that such documentation takes place, however there is no official signed copy of the minutes. It is recommended that, in addition to ratification of the minutes at subsequent meetings, a signature is obtained from the Committee chairperson and a record of the official minutes of the meeting be retained by the person acting in the role of secretary for the meetings.

3.3 Organizational Structure

An optimized organizational structure can promote effective communication and coordination which will enable operations to run more efficiently. The roles and responsibilities within the organization should be well defined. This will lead to operational efficiencies by ensuring tasks are not being duplicated and issues raised can be addressed effectively by Consortium Management. Ideally, the organization is divided functionally (by department and/or area); all core business functions are identified; and there is an appropriate allocation of general management and operational responsibility.

3.3.1 Observations

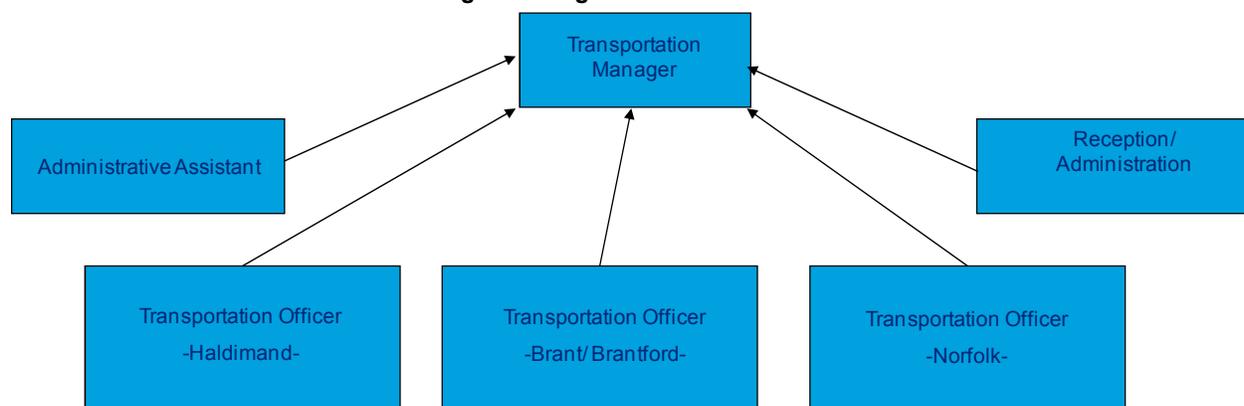
3.3.1.1 Entity status

The Consortium was established on October 16th, 2007 by the GEDSB, the BHCNDSB and the CSDCCS. The STSBHN aspires to manage and administer all home to school and school to school transportation required for students registered in its jurisdiction. The Consortium's offices are located at 347 Erie Avenue in Brantford, Ontario. The lead banking Board – the GEDSB - provides office space at the Joseph Brant School (adjacent to the Board's headquarters) for the Consortium.

3.3.1.2 Organization of entity

The organizational structure of the Consortium is outlined in the Consortium Agreement. Responsibilities of the Consortium are included in the Consortium Agreement and are discussed in more detail in a separate document titled "Responsibilities of STSBHN" where procedures are described vis-à-vis the planning and management of students' transportation needs, bus transportation routes and school initiatives.

Figure 8: Organizational structure



Staff

The STSBHN consists of five staff members from the GEDSB and one staff member from the BHCNDSB. The team consists of three Transportation Officers, one Administrative Assistant, one staff member responsible for the reception area and the Manager of Transportation. All employees are employed by

their current respective school Boards. The Manager of Transportation is employed by the GEDSB. Two Transportation Officers are employed by the GEDSB and one Transportation Officer is employed by the BHNCD SB. The Secretary and Administrative Assistant are both employed by the GEDSB.

Each employee is subject to the human resources policies associated with their respective Boards. The Secretary is the only unionized position and the work conditions and benefits are subject to the collective agreement. Each staff member acknowledges that he/she shall work for the Consortium under the direction of the Manager of Transportation, as is stated in the Consortium Agreement. All positions are full-time and permanent with the exception of the Administrative Assistant, whose position is full-time but temporary.

3.3.1.3 Job Descriptions

The Consortium has job descriptions in place for all of its staff positions. The primary responsibilities and duties of the Manager of Transportation, as documented in the position's job description, include:

- Day to day operations of the STSBHN;
- Working alongside the Administrative Team and the Governance Committee to negotiate with school bus Operators and to write/develop policies and procedures;
- Supervising daily activities of the department staff;
- Handling complaints escalated above the Transportation Officer level;
- Liaising between all Member Boards of the Consortium;
- Providing reports and reviews relating to transportation issues and communicating these matters to various stakeholders;
- Making determinations on inclement weather days if school buses should be cancelled;
- Updating software products and web page as necessary;
- Managing all aspects of staff vacation and attendance; and
- Performing other duties as required.

The Transportation Officer's role is essentially to create and manage the routes of a specific area under the Consortium's jurisdiction and to assist in the day to day operations of transportation services for the schools in their allocated area. All Transportation Officers report to the Manager of Transportation.

3.3.2 Best Practices

It is recognized that the Consortium has demonstrated best practices in the following areas:

Organization of Entity

Roles and responsibilities are outlined for each staff member as well as the Manager of Transportation. Reporting lines are unambiguous and the organizational structure reflects strong management and reporting guidelines.

3.3.3 Recommendations

3.3.3.1 Establish the Consortium as a separate legal entity

As currently structured, all Member Boards that constitute the Consortium are jointly liable for all debts and liabilities of that partnership. As such, any one Member can bind all other Members to matters involving the Consortium. As a result, partnerships have several inherent risks which make them less than optimal entity structures for coordinating student transportation:

- The risk that the actions of one Member Board may be leaving the other Member Boards open to liability;
- The risk that Member Boards can be involved in litigation for issues involving students that are not part of their School Board; and

- The risk that liability, brought about through the partnership, may exceed the existing insurable limits. The Consortium should investigate with the assistance of their insurance carrier their coverage related to, but not limited to, punitive damages, human rights complaints, and wrongful dismissal lawsuits. It is recommended that the Consortium investigate, with its insurance carrier, the applicability of errors and omissions insurance.

Based on these risks the Member Boards should explore incorporating the Consortium as a Separate Legal Entity. The creation of a Separate Legal Entity effectively limits risk to the Member Boards for activities related to the provision of student transportation. Thus, when an incorporated entity takes responsibility for student transportation services, this incorporated entity status is an effective safeguard against any third party establishing liability on the part of member School Boards. Over the long term, changing political environments and potential disputes amongst the Member Boards could cause the current structure to destabilize. The formalization of the Consortium as a corporation would provide benefits from an organizational perspective in terms of corporate continuity, staff planning, liability, contracting and management.

3.3.3.2 Develop expanded job descriptions

Job descriptions are defined for the Manager of Transportation, Transportation Officers and the Reception and Administrative Assistant of Transportation; however, increased detail is required so that daily, weekly and monthly duties and responsibilities are clearly articulated. Detailed and updated job descriptions help to ensure that staff can efficiently execute their daily duties and that a smooth transition exists in the event of staff turnover. Job descriptions should make reference to actual operational responsibilities and support appropriate segregation of duties.

3.3.3.3 Enhance staff members' skills

The Consortium strives to ensure that all staff members are adequately trained, as evidenced by the provision of supplementary funding amounts for increased training. These initiatives attempt to prepare employees so that they may execute job responsibilities and duties. While these efforts are recognized, it is additionally recommended that staff be cross-functionally trained to provide for redundancies in the event of employee absenteeism.

3.3.3.4 Develop succession planning document

It is recommended that the Consortium develop a formal succession plan to ensure the continued smooth operation of the Consortium and effectively manage staff transition should any member depart or be absent from the organization.

3.4 Consortium Management

Consortium Management focuses on the operational aspects of the organization. This includes ensuring accountability of staff, focusing on continual improvement through operational planning, and risk management by having appropriate contracts and agreements in place to clearly define business relationships.

3.4.1 Observations

3.4.1.1 Consortium formation and agreement

The Consortium Agreement, signed by the representatives of all three school Boards on October 16th, 2007, includes:

- The scope of the services expected by the School Boards from the Consortium for transportation, including special needs transportation;
- Roles and Responsibilities of the Governance Committee, Administrative Team and Management;
- Clauses detailing Administration of Finances, Operations and Existing Board Policies;
- Insurance, Termination and Amalgamation details with regards to the Consortium; and
- Dispute resolution processes.

3.4.1.2 Administrative Services Agreement

The Administrative Services Agreement outlines financial arrangements between Member Boards involved in the Consortium. The Administrative Services Agreement is a cost sharing agreement between Member Boards. This agreement does not provide in depth detail with regards to the level of service to be provided to the Consortium and, as such, is considered to be more of a cost sharing agreement versus a purchase of services agreement. Furthermore, the agreement does not stipulate all services to be rendered by each member School Board to the Consortium. For example, IT and procurement services are not mentioned. The Superintendents of Business of the GEDSB and the CSDCCS, as well as the Associate Director and Treasurer of the BHNCD SB, have all signed and dated this agreement. Each page has also been initialled.

3.4.1.3 Cost Sharing

The Consortium Agreement outlines additional cost sharing arrangements for each Board. The Consortium Agreement stipulates that all costs incurred by the STSBHN shall be reimbursed by the parties to the Agreement. Bus Operator costs will be calculated and prorated based on the weighted ridership of the transported students with a weighting for JK/SK for alternative days equivalent to 0.5, JK/SK for full days and students from Grades 1 – 6 with a weighting equivalent to 1.0 and a weighting for Grades 7 – 12 equivalent to 1.5. As an illustrative example, for all Operator contract payments made through one specific Board (Board A), the balance of the Boards must provide advance funding to the Board A, based on the June contract payment amounts from the previous year. All contract payments will be reconciled, adjusted and invoiced to the Boards based on the two official Ministry count days. All adjustments for immaterial variance amounts will be made by August 31st of each year. All administrative costs will be reconciled and settled by their respective Boards on August 31st of each year, using October 31st data of each previous year, as the base count. Administrative costs shall be calculated and will be prorated based on the unweighted ridership of all transported students. According to the Consortium Agreement, administrative costs include, but are not limited to, the following: office supplies and furniture, computer hardware/software support required for transportation, STSBHN staff salaries and benefits, STSBHN staff training and development, safety programs, miscellaneous expenses, office rent, cleaning, maintenance, utilities, grounds maintenance, telephone expenses, liability insurance, audit fees and accounting and professional fees.

3.4.1.4 Purchase of Service Agreements

As mentioned in 3.4.1.2, the Consortium does not have any purchase of service agreements in place that outline the services standards to be provided by each Board to the Consortium and/or by external service providers to the Consortium.

3.4.1.5 Procurement policies

The Consortium has developed a purchasing policy. This policy has been approved by the Administrative Team and is awaiting approval by the Governance Committee. The policy specifies dollar thresholds and associated procurement and approval requirements. For example, it states that for purchased products or services amounting to \$2,000 in total or less, purchases may be made at the discretion of the end user. The end user is not specifically defined in the policy, though it is understood within the organization that the end user is the Manager of Transportation. All invoices are paid by the lead Board and all records are kept there. For larger amounts with dollar limitations ranging from \$2,001 to \$10,000 three written quotations are to be obtained in order to ensure that the Consortium is receiving the lowest price. As the dollar limitations increase, the guidelines become more stringent and require an increased amount of risk management processes that will limit liability for all Consortium members. For example, the policy states that for all purchases over \$100,000, the Consortium acknowledges that tenders for these said purchases will be advertised and suppliers (based on pre-existing source lists) will be made aware of tenders and/or proposals to be prepared. A dispute resolution process is also documented within the purchasing policy. In all cases and regardless of the amount spent by the Consortium, copies of all invoices are always kept on file and uploaded onto a shared drive.

3.4.1.6 Banking

The Consortium does not have separate bank accounts. Until the 2009-2010 school year, all banking for the Consortium was handled by the respective Member Boards. Beginning this year, as per the Administrative Service Agreement, accounting processes and administration will be provided to the Consortium by the lead Board, the GEDSB. Its main responsibilities will include receiving funding installments from each Member Board and completing payment of all invoices submitted.

3.4.1.7 Insurance

The Consortium has obtained insurance coverage and the sufficiency of the coverage is reviewed on an annual basis. The Consortium has attained coverage for liability and crime from September 11th, 2009 until September 11th, 2010. The insurance has been purchased through OSBIE.

3.4.1.8 Staff performance evaluation, training and management

The Consortium has developed a staff evaluation policy. This policy has been approved by the Administrative Team and will be considered for approval by the Governance Committee in October 2009. Details of the performance evaluation process are provided in the draft policies and key points describing this process are included below.

The Manager of Transportation is to complete an individual performance review for all full time staff members once every three years. However, should an urgent matter require immediate attention, the Manager of Transportation will take appropriate action to ensure that issues are corrected without delay.

The Manager of Transportation will also complete a performance appraisal for all probationary employees within four months of their start date. This is explicitly stated in the performance reviews policy so that a review is completed prior to the end of the employee's six month probationary period.

The Manager of Transportation's performance is reviewed by the Administrative Team, in the same manner and timeframes by which s/he reviews staff members are also adhered to. The Manager of Transportation reports to the Administrative Team which consists of the Grand Erie District School Board, the Brand Haldimand Norfolk Catholic District School Board and the Conseil scolaire de district catholique centre-sud for all issues related to the Consortium's administration of operations.

Although there is currently no regular training regime in place, staff members of the Consortium attend job specific training courses as identified by the Manager of Transportation. In addition, each staff member, in consultation with the Manager of Transportation, is provided with funding, on an annual basis, to finance training and professional development activities which will assist with their professional development goals.

3.4.1.9 Long term and short term planning

The Consortium does not have a strategic, business or operating plan in place.

3.4.1.10 Declining enrolment

The Consortium acknowledges that declining enrolment in some areas under its jurisdiction is a problem. A formalized plan for managing transportation costs within reducing budgets had not been documented at the time of the E&E review.

3.4.1.11 Key Performance Indicators (KPIs)

At the time the review was undertaken, STSBHN did not have a formal performance measurement system that tracked and monitored Consortium performance.

3.4.2 Best Practices

It is recognized that the Consortium has demonstrated best practices in the following areas:

Consortium Agreement

The Consortium Agreement contains sufficient detail on key provisions such as cost sharing, dispute resolutions, oversight, and role of the Consortium. This is important in that it clearly defines the relationship between the Member Boards in the delivery of safe, effective and efficient student transportation services. Since the Member Boards have signed the Agreement, it acts as the legal document governing the Consortium.

Documented cost sharing agreements

The Consortium Agreement outlines the cost sharing mechanism. A documented and fair methodology for cost sharing is a best practice to ensure accountability over costs and appropriate operational cash flow for the financial obligations of the Consortium.

Administrative Service Agreement

The agreement enacted by the Consortium outlines the accounting and banking arrangements to be provided by the GEDSB, the CSDCCS and the BHNCDSD and the manner in which the Member Boards are to be compensated for providing these services.

Insurance

The Consortium has obtained insurance coverage. Coverage needs are periodically reviewed. In addition, each school Board carries its own insurance. Insurance coverage is essential to ensure the Consortium and school Boards each are suitably protected from potential liabilities.

3.4.3 Recommendations

3.4.3.1 Formalize key performance indicators (KPIs)

Although it is recognized that the Consortium is already completing various exercises to ensure operational efficiency is optimized, it is recommended that these exercises should be tracked and documented in a formal manner. An official document tracking metrics will demonstrate the use of performance data and assist the Consortium in measuring performance and operational goals and targets.

As the Consortium moves forward it is suggested that KPIs be analyzed to determine the frequency of monitoring and the quantitative thresholds for changes in KPIs above which further action will be taken. This process should be formalized through the creation of a KPI monitoring plan. Further consideration of what requires formal monitoring as KPIs could include:

- Eligible Unassigned Student Lists;
- Student Map Match Rates;
- Total Students Transported;
- Average Vehicle Statistics and other route statistics;
- Total Vehicles on Operation; and
- Student Ride Times.

It is acknowledged that some of these indicators are monitored by staff and that these statistics are available from the routing software. The recommendations relate to the formalization of a monitoring, documentation, and response protocol. Additional recommendations related to system reporting and performance measurement are included in Section 5.4.2 below.

3.4.3.2 Amend and seek acceptance of procurement policies

Notwithstanding the policies have yet to be presented to the Governance Committee, the proposed procurement policies are in line with Consortium management initiatives and increase accountability throughout the Consortium. However, it is recommended that the Consortium review its policies for appropriateness in transportation purchasing decisions, internal controls and work processes. Particular attention should be paid to the \$100,000 figure and the RFP framework. Current transportation services are not procured in this manner. This clause should be followed in order to allow for transportation services to be competitively procured. Following the proposed policy would standardize the procurement methods and allow the Consortium to harmonize each Board's purchasing policies while ensuring that they are adapted to the particular needs of the STSBHN.

3.4.3.3 Implement staff performance evaluation, training and management

The staff performance evaluation framework is awaiting approval from the Governance Committee and is well designed for Consortium operations. Performance evaluations are powerful tools to guide and encourage employees to keep the goals and objectives of the overall Consortium in mind during day to day operations. It reflects the adage that what is monitored gets managed. At the time of the review, a performance review had not yet been completed for the Manager of Transportation. The staff evaluation policy states that a performance appraisal for all probationary employees will be completed within four months of their start date. As such, the Manager of Transportation's review should be completed, in accordance with the draft policies awaiting approval from the Governance Committee.

3.4.3.4 Develop strategic plan including long and short term plans

It is recommended that the Consortium, with oversight from the Administrative Team and the Governance Committee, develop a strategic plan in order to articulate medium to long-term goals and objectives and an operational plan that clearly identifies procedures and steps the Consortium will follow to achieve these goals and objectives on an annual basis. A sound operational plan will not only identify goals and objectives for the Consortium, it will also describe how these goals and objectives will be achieved. If a detailed plan is in place, the Consortium can measure its performance against tangible steps and stages of progress and reallocate resources to address areas of need and unanticipated events.

3.4.3.5 Document strategies for declining enrolment

School enrolment across rural Ontario has been in steady decline over the last decade. The Consortium currently serves some rural areas, and in light of the Ministry's recent notice that transportation funding is to be reduced in line with declining enrolment, it is recommended that the Consortium develop a strategy for the management of transportation costs, as it relates to declining enrolment, into its long term planning process. Developing such a plan will provide the Consortium with a framework that will help it address not only the issue of funding, it will also signal a proactive approach to dealing with issues before they arise – a key element of effective long-term Consortium management. Acknowledging that declining enrolment is an issue for this Consortium, it is recommended that the Consortium formalize strategies that will be of assistance in understanding the effects of this demographic trend for each member Board's transportation funding.

3.4.3.6 Formalize purchase of service agreements

There are no contracts with third party service providers (i.e. Information Technology providers) or member school Boards for the provision of services to the Consortium. Therefore, services are obtained for the Consortium and paid without terms, conditions, and service levels normally associated with such arrangements. The Consortium should establish the levels of service to be provided by each of the Boards to the Consortium; just as it should establish these contract terms with external third party service providers (such as phone companies etc). It is recommended that all of the services and associated service standards procured for the Consortium are established via agreement or contract where the mutual interests of the member school boards and service providers, are documented and agreed upon. For services provided to the Consortium by its Member Boards, the Administrative Service Agreement can be enhanced to reflect service level expectations instead of drafting entirely new agreements. Purchase of service agreements become increasingly important between the member school boards and the Consortium when the Consortium establishes itself as a separate legal entity, however, it is a best practice to ensure clarification of expectations, roles and responsibilities between any two parties providing or receiving goods or services to ensure accountability as well as minimize the potential for misunderstandings, frustration and conflict in the future.

3.5 Financial Management

Sound financial management ensures the optimal use of public funds and also ensures the integrity and accuracy of financial information. This includes appropriate internal controls and a robust budgeting process that has a clearly defined planning and review calendar that promotes accountability and sound decision making.

Financial management policies capture roles and responsibilities, authorization levels, and reporting requirements to ensure that a proper internal financial control system is in place for the Consortium. They also clearly define the financial processes of the Consortium in a way that ensures appropriate oversight without impinging on efficiency.

3.5.1 Observations

3.5.1.1 Budget planning and monitoring

The Budget Procedures Manual has been drafted and is awaiting formal adoption for 2010-11. The manual will be presented to the Governance Committee for approval in October, 2009. The Manual formalizes the role of the Administrative Team and Governance Committees, as it pertains to the budgeting process. The Administrative Team will review and analyze the yearly preliminary expenditure estimates submitted by the Manager of Transportation in April of each year. The Administrative Team will take the appropriate measures and actions to comply with the Governance Committee's directions and all legislative compliance matters. The Administrative Team then prepares a revised upcoming yearly preliminary expenditure estimate for presentation to and approval by the Governance Committee in May

of each year. Once the Governance Committee reviews the expenditure estimates approved by the Administrative Team, it will approve the new annual budget and send that document to the Member Boards for acceptance.

Currently, the Manager of Transportation develops an initial budget in the spring of each year. This budget details expenditures on a Board-by-Board basis and is sent to the Administrative Team for approval. Once it is approved, the budget is then disseminated to the Member Boards where an actual to budget reconciliation is prepared on a monthly basis, by the finance representatives of each Member Board. Monthly statements provided by the three Boards to the Manager of Transportation are reconciled against plan and are subsequently included into the master accounts. Variances are investigated first by the finance representatives of each Board and later by the Manager of Transportation. Budgets for each Board are reconciled on October 31st of each year.

3.5.1.2 Accounting practices and management

According to the Administrative Services Agreement, accounting services are provided by the finance professionals at the lead Board. Accounting services are defined as the receipt of funding installments for each member and the responsibility for the payment of invoices submitted by the Operators. The GEDSB will also distribute reconciliation statements twice annually to each member showing funding installments received and Operators' payments applied for each member. The Manager of Transportation is responsible for the review and approval of all purchases as well as any other financial obligations for which the Consortium might be responsible. The Consortium has documented procedures for the processing of payables. The Consortium's Secretary will confirm invoice details for accuracy which will then be sent to the Manager of Transportation who, in turn, will also review the invoices and verify that all amounts are reasonable and accurate. The records are then scanned and stored on a server so that key employees may maintain access to the required invoices. Original copies are sent to the Business Services department at GEDSB for settlement.

The Consortium mandates that all management staff should have some financial training in order to accomplish their jobs in an effective manner.

3.5.1.3 Audit

Each Board is audited by an external, independent auditor.

3.5.2 Recommendations

3.5.2.1 Obtain approval of financial policies

Financial practices are in place to guide financial control, review and approval and communications with School Boards and Operators as STSBHN has informally adopted the GEDSB's financial policies. The next step will be to have the draft financial policies that formalize these practices approved by the Governance Committee. Financial policies are important to ensure assets are safeguarded and only valid expenses are paid.

3.5.2.2 Implement budgeting monitoring process

It is recognized that, at this time, budget monitoring is being performed by the Member Boards and the Consortium. However, the process currently followed is not documented. It is understood that the Consortium is newly established and that the budgeting process will be presented to the Governance Committee in October, 2009 for approval. It will be essential that Consortium Management understand the new budgeting process and its effects. The roles of the Administrative and the Governance Committees are outlined in the proposed budget procedures manual. However, the roles and responsibilities of each member Board, Manager of Transportation and SBOs with respect to budget preparation and monitoring procedures should also be clearly stated. Once detailed budgets are prepared and approved by all Member Boards, the Manager of Transportation should present the results of variance analyses that would have been conducted if there were differences between budgeted to actual figures, to the Governance Committee on a regular basis. It is also recommended that the STSBHN develop a service agreement for the provision of budgetary services with its Member Boards as they are currently providing this service.

3.6 Results of E&E Review

This Consortium has been assessed as **Moderate** in Consortium Management. The STSBHN has appropriate organizational and governance frameworks in place; however, the policies drafted have yet to be approved by the Governance Committee, and as such, are not yet adopted by the Consortium staff. The Consortium must obtain Governance Committee approval in order to put these frameworks into practice. The Consortium has a clearly defined organizational structure with job roles and responsibilities described for each member of its staff. There is a separation between governance and day- to-day operational decision making. Cost sharing agreements are documented.

Areas of improvement include the need for the Consortium to develop performance tracking mechanisms with the use of key performance indicators (KPIs); to develop strategic and operational plans articulating long and short term actions; and, to consider establishing itself as a separate legal entity. Also, it is recommended that the Consortium ensure all meeting minutes are signed; that a succession planning document be developed; and that Consortium staff be cross-functionally trained. Lastly, the Consortium should ensure that strategies for declining enrolment are developed and documented and that the budget process gain approval and become increasingly regular and descriptive in tracking and reporting budget progress.

4 Policies and Practices

4.1 Introduction

Policies and practices reviews and evaluates the documented policies, operational procedures, and the daily practices that establish the service delivery parameters for student transportation. The analysis for this area focused on the following three key areas:

- General Transportation Policies & Practices;
- Special Needs and Specialized Programs; and
- Safety and Training Programs.

The findings and recommendations found in this section of the report are based on onsite observations, a review and analysis of submitted documents and interviews with the Manager of Transportation. Best practices, as established by the E&E process, provided the source of comparison for each of these key areas. The results were used to develop an E&E assessment for each of the key components and to determine the overall effectiveness of the Consortium's Policies and Practices as shown below:

Policies and Practices – E&E Rating: **Moderate**

4.2 Transportation Policies & Practices

Documented policies, procedures, and consistent daily practices are essential to any transportation system supporting effective and efficient operations. Policies establish and define the overall level of service that will be provided while procedures and practices determines how service will be delivered within the guidelines of each of the policies. Policy harmonization between the Member Boards and the consistent application of all guiding policies and procedures helps to ensure that service is delivered safely and equitably to each of the member and Service Purchasing Boards. This section will evaluate the established policies and practices and their impact on the effective and efficient operation of the Consortium.

4.2.1 Observations

4.2.1.1 General transportation eligibility

Over the previous year, the establishment of a harmonized set of policies and operating procedures has been a major focus for STSBHN. The output of this effort has been a comprehensive manual that will be presented to the Governance Committee in October 2009. The structure of the procedure statements is consistent with previous best practice models in that the statements define the intent, procedures, and rationale for each policy or procedure. Additionally, the statements provide excellent cross references to ensure that a reader of any statement has a full understanding of all the potentially relevant statements. This structure and approach is excellent. Given the timing of the review, efforts were still underway to ensure that all interested parties were fully aware of the requirements imposed on them by the new policies. However, as these policies generally reflected a refinement of historical operating practices, the learning period should be relatively short.

The manual that has been developed is extensive in the breadth and depth of the policies and procedures it addresses. Critical planning procedures, such as student eligibility, walk to stop distances and stop placement guidelines are all addressed in extensive detail. Of particular note is that STSBHN has clearly defined how particular measurements will occur and that the transportation management software will be the governing authority on measurement.

Recognizing that transportation is a shared responsibility among the Consortium, the schools, the Operators, and parents, the STSBHN has established a series of procedures statements designed to outline the requirements of each party relative to receiving and/or providing student transportation services. In addition, policies requiring coordination among parties (e.g., discipline practices, service requests and changes, lost child procedures, and accident/incident management) clearly define the expectations of each party. All of these statements are consistent with best practice expectations.

Expectations for entities outside STSBHN are those that require the most educational effort in the immediate term to ensure that these requirements are clearly and fully understood.

4.2.1.2 Service eligibility

Clearly establishing which students are eligible for transportation services is a key component of promoting both service efficiency and effectiveness. While this is a simple concept, it is greatly complicated by the efforts of the Consortium and its Member Boards attempting to provide effective services. As a result, there are a number of considerations and tests that are addressed within the procedure statements.

STSBHN has defined eligibility based on two key criteria: the student's primary address and the distance of that address from his school location. Policy 002 clearly defines the student's permanent place of residence as the primary address. However, allowances are made for a student whose parents share custody that permits the parents to determine the permanent address that will be used for eligibility. Additional allowances are made in order to provide for the use of a caregiver or day care center as the primary address for transportation purposes. This scenario highlights the complexity of eligibility determinations in that a student may have three potential addresses (i.e., a legal residence, a custodial parent residence, and a caregiver address) that must be managed in order to begin the process of determining eligibility.

Once an address is established, eligibility is determined based on a measurement from the primary address to their school of attendance. However, consideration must be given as to whether or not the address is within the school's attendance boundary prior to establishing eligibility. If the address is not within the attendance boundary, the student is not eligible for service, but can obtain services through the courtesy transportation policy. If the address is within the attendance boundary, then the distance between the closest point of the property line and the property line of the school is measured to determine eligibility. While there are currently differences in the distance criteria for eligibility, these differences will be eliminated for the start of the 2010-2011 school year. If the distance measured is greater than the established criteria, the student is eligible for services. If the distance measured is less than the established distance the student may still be eligible for services if a hazardous condition exists or if the student qualifies under the courtesy transportation procedure.

As can be seen in this short description, determining eligibility is a complex exercise that has significant impacts on overall service cost and quality. Ensuring clarity requires well constructed policy and procedure statements that establish the points from which measurements will be made and the methods of measurement. The policies related to eligibility established by the STSBHN provide the guidance necessary for all stakeholders to understand the process used to determine eligibility.

4.2.1.3 Exceptions to established service eligibility guidelines

As mentioned above, there are two primary processes that are used to offer service to students who would otherwise not be eligible for services. Students who are ineligible based on distance but do not have a safe, walkable path to school may be offered transportation based on the declaration of a hazard. The policy and procedure established for hazard determination establishes specific criteria that will be considered in order to determine if a hazard will be declared. The mix of criteria used is consistent with best practices that have been identified throughout the E&E process.

The policy explicitly places the burden of determination on the STSBHN and establishes this decision as final. Given the potential technical complexity of these determinations, it is necessary to establish a methodical process and involve third parties (e.g., traffic engineers and traffic safety officers) in the evaluation process. At the time of the review, no form or approach had been established to guide the decision making process providing an indication of the relative influence of the criteria established in the procedure statement, in determining a hazard location. Additionally, the procedure states that "Hazard transportation is reviewed annually... (emphasis added)". No process was established to document these annual reviews or to establish the criteria that led to their initial determination.

Courtesy transportation is the primary option available to students that are otherwise ineligible for service. STSBHN has clearly defined the process of establishing eligibility for courtesy service in its policy and procedure manual. Additionally, the policy provides clear guidance on the temporary nature of this service and that it may be removed if courtesy seats are needed for eligible students. Analysis of student data

indicated that 1,523 students are being offered courtesy students. This total represents 21 percent of the students who are otherwise ineligible but who are being offered services.

4.2.1.4 Transportation planning practices

The transportation planning process is defined by a planning schedule established by the STSBHN for the 2009-2010 school year. This plan generally defines the tasks that are expected to be completed on a monthly basis throughout the school year. This schedule offers adequate guidance to both planners and stakeholders regarding the expected completion dates of tasks.

Within the framework of the planning schedule, each Transportation Officer is expected to develop the regular and special needs runs to the schools within their geographic area of responsibility. The process for developing the runs is unconstrained by limitations of grade pairing, school pairing, or Board pairing. Additionally, allowances are made for integrating special needs students on regular education buses and regular education students on special needs buses. Providing this flexibility is consistent with best practices to encourage transportation efficiency.

When developing bus runs and routes, Transportation Officers are encouraged to focus on the use of seating capacity, ride lengths and vehicle use. This philosophy is designed to encourage the consideration of a wide variety of routing techniques including the use of combination runs, transfers, and tiering to encourage service quality and control costs. The results of the planning process are described in more detail in Section 5.5.1.2. Each Transportation Officer is responsible for establishing the mode of transport for students in their areas. This may include the use of public transit in the City of Brantford or the use of parent pay contracts, where appropriate. While these approaches are in very limited use, the procedures for their use are clearly defined in the procedure manual.

With the establishment of the Consortium, Transportation Officers are able to have a more direct influence on the management of school times through the bell time management procedure. The procedural statement establishes a structured process for the review of proposed bell time changes. This approach is consistent with established best practices and will be used for the first time in the 2010-2011 planning cycle.

4.2.1.5 Route and operator audits

A procedure has been established for the auditing of routes that establishes the process and criteria for the audit procedure and establishes a follow up process with the Operators to ensure there is clarity on the findings and recommendations that are made as part of the audit process. The process establishes an expectation on the number of audits to be conducted annually by each Transportation Officer and the Manager of Transportation. Full implementation of this process is to begin in the 2009-2010 school year.

4.2.2 Best Practices

It is recognized that the Consortium has demonstrated best practices in the following areas:

Policy development and harmonization

Substantial efforts have been made to formalize the operating structure of the STSBHN through the establishment of a comprehensive policy and procedure manual. Additional efforts have been made to ensure that policies are harmonized through the creation of equivalent policies among the Member Boards for the 2010 school year. The structure, format and content of the policy statements provide clear guidance on who will be provided transportation services and the manner in which those services will be provided, which is critical to effective and efficient service delivery.

4.2.3 Recommendations

4.2.3.1 Review “Hazard Area” management processes

A process should be established to document the rationale for each hazard area that is established. This statement of rationale should be used to ensure that the decision making process on hazard determination is equitable across the service area. Additionally, this process can support the policy requirement that hazard areas be reviewed annually by providing for the opportunity to document the dates of the review and any changes to conditions.

4.2.3.2 Conduct courtesy transportation analysis

Current travel coding indicates that a substantial portion of otherwise ineligible students are being provided transportation through the courtesy procedure. While the process for determining eligibility is well defined, an analysis of the available capacity that allows for this high proportion of courtesy riders should be conducted.

4.3 Special Needs Transportation

The needs of all students including those with special needs or those attending special programs must be considered for any transportation operation to be fully effective. Special needs transportation in particular must consider a student's individual needs including time or distance constraints, assistance to increase mobility including lifts and restraints, medical condition awareness and medication administration, behavioral issues and student management. Given the complexity of providing both safe and effective special needs transportation, it is imperative that clear and concise policies and documented practices are established and followed to ensure that the unique needs of the students are met.

4.3.1 Observations

Each Transportation Officer is responsible for the management of special needs students within their individual areas. In one area of service Operators develop bus runs for special needs students that are then reviewed and approved by STSBHN, while in the other areas STSBHN develops the bus runs and provides them to the Operators for use. The key differentiation being the level of participation by the Operators in the establishment of the runs. The specific rationale for these different approaches was unclear and is not apparent based on differences in student transportation service demands.

4.3.1.1 Special needs planning procedures and guidelines

Special needs transportation service requirements are outlined in an established procedure that details the expectations of the special needs departments and the STSBHN. The procedure also establishes the criteria that must be met for special transportation. These service provision statements are supplemented by additional statements regarding emergency management protocols that are applicable to all students.

Operating practices for special needs students are designed to accommodate the nature of the exceptionalities that must be managed. In cooperation with its bus Operators, STSBHN encourages (but does not mandate or offer) additional education and training of all stakeholders to ensure appropriate awareness of the procedures. If special staffing or equipment is required, STSBHN coordinates with Board special needs departments to provide for adequate resources. Escorts and monitors are utilized almost exclusively when dictated by the IPRC process.

In an effort to control the financial impact of special needs transportation, STSBHN attempts to integrate special education and regular education to the extent possible. While no formal costing procedure exists, Transportation Officers review every individual student with Board staff to determine the most appropriate means of transport, and act as agents for the special education department in obtaining quotes from Operators when additional services may be required or when the requirements for an identified child changes. Analysis of run data indicates that there are 103 total special needs runs with a total of 767 assigned riders. Given that there are 862 students who are identified as special needs, this would indicate that 95 special needs students are integrated onto regular home-to-school runs or are able to walk. A total of 48 non-special needs students are riding special needs buses.

4.3.1.2 Driver Training

STSBHN does not currently dictate specific training requirements targeted to special needs students with the exception of annual Epi-Pen training. Interviews suggested that prior to the 2008 school year, training programs had been offered related to dealing with students with special needs. STSBHN expects to return to this practice with the Operators now that the administrative effort associated with establishing the Consortium has been completed.

4.3.2 Best Practices

It is recognized that the Consortium has demonstrated best practices in the following areas:

Run integration

STSBHN has made an effort to integrate special needs and regular education students to control costs and improve services where possible. While the current numbers are somewhat limited, the policy and procedure infrastructure established to promote this practice is consistent with best practices.

4.3.3 Recommendations

4.3.3.1 Enhance driver training

Efforts to enhance training opportunities by coordinating STSBHN with Operator efforts should be made. These efforts will encourage continued understanding by drivers of behavioural expectations of special needs students.

4.4 Safety policy

The safety of students is the paramount goal of every transportation operation. Clear and concise safety policies, practices, procedures, and training are all essential elements in the support of providing safe student transportation.

4.4.1 Observations

4.4.1.1 Student training

The primary student training program used by STSBHN is the First Rider/Best Start program. Bus evacuation drills, dormant for the previous year, are expected to be reinstated during the current school year.

4.4.1.2 Use of cameras

A limited number of cameras are currently in use. A policy has been developed for the use of cameras on school buses which describes the responsibilities of the school principals and the bus Operators and the communication protocol for informing parents that cameras will be employed. Specific timelines for the reviewing of the tapes and retention are also established. Video cameras can be valuable tools that promote good student behaviour and in the event that an incident does occur, recordings can aid school officials in determining the appropriate level of discipline or other corrective actions. Additional benefits include the monitoring of student and driver interactions and the general operation of the bus.

4.4.1.3 Emergency, accident and incident procedures

As part of the effort to develop the policy and procedure manual, detailed procedures related to Epi-Pen use, CPR, accident and incident management and lost child procedures have been established. Each of these procedures establishes the responsibility of parents, drivers, Operators, schools, and the STSBHN, as appropriate. Recognizing that timely communication of specialized requirements is critical, the STSBHN has established a Life Threatening Management and Prevention Plan. The plan form provides drivers with an understanding of student requirements and any extraordinary measures that may be required. Additionally, student manifests provide an indication of a special requirement.

A separate procedure has been established to address accidents or incidents. Of particular note, the difference between the two is clearly defined in the policy and procedure statement in order to ensure all stakeholders understand the differences in expectations between the two events. As with the other statements, the procedure provides clear direction for all parties involved and their responsibilities in each event. While these procedures are well designed, interviews suggested that at the time of the review further efforts were required to ensure all parties understood the scope of the newly adopted procedure statements.

4.4.1.4 Inclement weather response

STSBHN has developed a cancellation policy (used for inclement weather and other needs) that addresses school closures, delays and cancellations. The procedure divides the region into specific service areas that allow for regional cancellations. The procedure also expressly places responsibility for cancelling bus service on the STSBHN and the Operators. To arrive at a decision on closures, Operators are responsible for reviewing road conditions. Both Operators and STSBHN indicated that this procedure

has worked very well. Decisions on closures and cancellations are communicated to parents via radio stations and through the Board websites.

4.4.1.5 Additional safety requirements

In support of safe and efficient operations, Operator contracts specifically address important operational and safety equipment requirements including:

- Establishing a maximum and average age of all assets;
- Each bus must be connected with two-way communications capable of reaching a base station at the Operator's facility. This ensures that direct communication with each driver is always available; and
- All 72 passenger buses are equipped with crossing arms to promote safe loading and unloading.

4.4.2 Recommendations

4.4.2.1 Enhance cancellation procedure

While the current cancellation procedure provides appropriate guidance to the decision not to provide service, no guidance is provided relative to service delays or early dismissals. Additional enhancements could include the establishment of temperature thresholds to offer guidance on when services will be cancelled.

4.4.2.2 Enhance student training opportunities

Completion of the establishment of the Consortium should allow STSBHN to refocus its efforts on offering an increased number of age appropriate training opportunities for all students. A number of opportunities to increase familiarity, particularly for younger students and students who may only ride a bus for field and extracurricular trips, should be pursued in order to ensure that all current and potential riders are aware of bus safety and behaviour expectations.

4.5 Results of E&E Review

Policies and practices have been rated as **Moderate**. STSBHN has established and adopted a comprehensive policy and procedure manual. The manual establishes the manner in which the STSBHN expects to provide and manage transportation services now that the Consortium has been fully established. Of particular note are efforts by the Member Boards to establish common eligibility criteria among all Boards. These are all positive steps that promote efficiency and effectiveness going forward. However, at the time of the review the implementation of the manual had not yet been completed. Therefore, in order to achieve a high rating full implementation of the policy and procedure must be completed (particularly in the noted areas of hazard and courtesy management) and enhancements to existing practices should be undertaken.

5 Routing and Technology

5.1 Introduction

Routing and Technology encompasses the management, administration, and use of technology for the purpose of student transportation management. The following analysis stems from a review of the four key components of:

- Software and Technology Setup and Use;
- Digital Map and Student Database Management;
- System Reporting; and
- Regular and Special Needs Transportation Planning and Routing.

Each component has been analyzed based on observations from fact (including interviews) together with an assessment of best practices leading to a set of recommendations. These results are then used to develop an E&E assessment for each component, which is then summarized to determine an E&E assessment of Routing and Technical efficiency as shown below:

Routing and Technology – E&E Rating: Moderate-Low

5.2 Software and technology setup and use

Modern student transportation routing systems allow transportation managers to make more effective use of the resources at their disposal. These systems allow for improvements in the management and administration of large volumes of student and route data. However, the systems must be fully implemented with well designed coding structures and effective mechanisms to extract and report data to all stakeholder groups. This section of the evaluation was designed to evaluate the baseline acquisition, setup, installation, and management of transportation related software.

Large and complex transportation operations can benefit greatly from the use of modern student transportation routing and integrated communication systems. These systems are capable of storing and tracking large volumes of student and route data to support effective planning resulting in the most effective use of the available resources. Web based communication tools provide stakeholders with real-time access to current information regarding their student transportation services. While the benefit of these systems is without question, thoughtful implementation is imperative to derive the greatest operational and analytical value from any routing and student data system. This section of the evaluation was designed to evaluate the baseline acquisition, setup, installation, and management of transportation related software.

5.2.1 Observations

5.2.1.1 Routing & related software

STSBHN acquired *BusPlanner* from GEOREF Systems in February 2009. STSBHN transitioned from a previous software package in order to obtain additional functionality and increase the ease of use of the transportation management software. The decision for transitioning to the new product was made based on a sound business case. An aggressive implementation schedule was adopted throughout the spring of 2009 to allow for use of the system as part of the September 2009 school opening.

STSBHN used *TRACS* to distribute information to Operators and schools at the time of the review. However, a transition to use of *GeoQuery* from GEOREF was anticipated by November 2009. Additionally, a Voice Over Internet Protocol (VOIP) phone system has been installed and is being used to manage incoming calls and distribute them throughout the organization.

5.2.1.2 Maintenance and service agreements

STSBHN acquired the system under a standard maintenance contract that allows for access to upgrades and patches as available, and provides for technical support during normal business hours. No formal agreements were established between the Consortium and the Member Boards for support services.

5.2.1.3 System backup and disaster recovery

The server containing all *BusPlanner* data is housed in the STSBHN office. Security is provided through the general building access security system and a traditional fire suppression system. Detailed systems maintenance procedures had not been established within STSBHN. Previously, a Transportation Officer had managed these requirements. Subsequent organizational changes have resulted in the Manager taking over these duties. The specific back up procedures are managed by the GEDSB information technology department. The existing procedure allows for multiple backups to occur, including three that are stored offsite. Interviews indicated that the backup procedures were verified for completeness and accuracy by the vendor.

Specific disaster response procedures in the event the primary office location becomes inaccessible have not been explicitly established. However, remote access is provided via Virtual Private Network (VPN) for staff and the multiple off site copies of the backup database allows for a timely access to needed data.

5.2.1.4 Staff training

Transportation Officers were provided with initial training when the system was first implemented. Issues with system implementation prevented regular use of the new software until summer of 2009. This resulted in the need to retrain the Transportation Officers. STSBHN scheduled additional training after the 2009 school start to increase the use of advanced functionality of the software for route analyses. Interviews suggested that additional training plans would be established subsequent to the start of school but these plans were not available at the time of the review.

5.2.2 Recommendations

5.2.2.1 Establish documentation of data management processes

STSBHN should document the schedule and specific requirements related to systems management and administration in a manner that is specific to *BusPlanner*. This is likely to require a limited effort to formally document existing practices, but would allow for consideration of the appropriateness of the scope of responsibilities for system management functions.

5.3 Digital map and student database management

This aspect of the E&E Review was designed to evaluate the processes and procedures in place to update and maintain the student data and map data that forms the foundation of any student transportation routing system.

5.3.1 Observations

5.3.1.1 Digital map

STSBHN coordinates with the Planning Department of the GEDSB so as to receive regular map updates. One map is used to address the entire service area and this map is initially updated by STSBHN Transportation Officers with a follow up to GEDSB staff to ensure synchronicity of the maps.

5.3.1.2 Map accuracy

The initial implementation of the map resulted in a significant number of unmatched students due to alternative street naming conventions and incorrect data entry of addresses into the student information system. The alternative street naming issues were addressed through the use of equivalency tables in *BusPlanner* while address inaccuracies were distributed to schools for correction. As a result of these efforts the match rate is reported to be nearly 100 percent. A review of unmatched students at the time of the review indicated that less than one percent of students were unmatched to the *geocode*.

As part of ongoing efforts to improve map accuracy, Transportation Officers coordinate with Operators and drivers to verify map accuracy and timing through a stop time verification procedure. This is a standard element of the route review process that occurs in October and November of each school year. In addition, changes are received throughout the year based on ad hoc observations by drivers and STSBHN staff.

5.3.1.3 Default values

Default values were generally carried over from the previous software product including map attributes such as road speeds, closures and directions. In an effort to expedite the implementation of the software, all Transportation Officers were provided administrative access to the default values. This allows each individual to establish or modify a value. While historical operating practices would generally not result in an ad hoc change of a value without internal consultation, the current array of privileges would not prevent that.

At the time of the review, there was still uncertainty in who would be responsible for managing system default values in the future. It will be imperative that this administrative issue be resolved in a timely manner to ensure that other recommendations throughout this section (particularly related to coding structures and student data management) can be implemented.

5.3.1.4 Student data management

All students from the Member Boards are included in the transportation database. At the time of system implementation, STSBHN had received an initial and updated student data update from each of the Member Boards. Following the school start period, it is anticipated that monthly downloads of all student data will occur with established procedures used to supplement those downloads. During the interim periods, changes will be received via email or fax on a form that was recently established by STSBHN. These students would be entered into the transportation management system with a temporary identification number. This information would then be updated and verified at the time of the next download. STSBHN is continuing its efforts to improve the quality and accuracy of student data at the source by coordinating with school sites and explaining the importance of complete and accurate entry. Additionally, unmatched students based on incorrect addresses are returned to the specific school sites for review following a download of the student data.

Rollover is generally conducted following the completion of kindergarten registrations. Efforts are made to verify each rollover against the current live databases to promote accuracy. Additional extracts are received as required.

5.3.1.5 Coding structures

Routing software not only supports effective route planning but, when properly integrated with student information systems, provides accurate data through which performance can be analyzed and reports generated. A well planned and implemented coding structure is paramount as it allows for the extraction of data within specific service areas. This data provides route planners and Consortium management accurate information on which operational decisions can be based and through which reports can be generated.

Significant efforts are required to ensure both the completeness and usefulness of the student coding scheme. The structure of the current scheme is based on an eligibility code (based on primary student address) and a travel code that provides an indication into the rationale for the service. A review of the student data provided included 45 records that did not have eligibility codes established and 2,468 records that did not include travel codes. It is likely that these absences are the result of procedural issues when transferring faxed information to the transportation database.

As a carryover from the previous system, the coding schema has not been reviewed or revised in any systemic way. Travel coding structures include options that may be difficult to distinguish and redundant with other functionality available in the software. As a result there are a number of eligibility and travel coding combinations that exist with the student database that do not conform to established policy or practice. For example:

- Of the 15,623 records with eligibility set to Walk, 2,223 (14 percent) have a travel code that indicates they are riding a bus. While this would be acceptable if the students were being provided courtesy transportation, only 648 of the 2,223 students are identified as courtesy riders. Of more concern is that 841 of the students are identified as having a travel code of “Bussed”, which is generally reserved for eligible students.
- The use of the “Sped” travel code is inconsistent and difficult to determine precisely when it should be used. Special needs students are identified using the special needs indicating box available in the

software. In addition, specialized equipment is identified using available software functionality. Additional data and notes on individual students are included in student records.

- A total of 88 students who are eligible for services are identified with a travel code of Walk.
- A total of 918 Out of Boundary or Out of District students are identified with the travel code of “Bussed”. Based on established eligibility policy, these students should be coded as “Bussed Courtesy”

While many of these are technical changes to mode of transport, inaccuracy in the coding structure can lead to incorrect or imprecise analyses of services. For example, if the 918 Out of Boundary and Out of District students were appropriately identified as courtesy students, it would be a more than 50 percent increase in the number of courtesy students. This type of increase could trigger a more detailed analysis of exactly what factors are influencing courtesy transportation costs in the aggregate. For example, while no individual student may appear to be having a significant impact on cost, transporting over 3,000 courtesy students is undoubtedly influencing total costs.

There are differences in the coding structure used to identify bus runs in each of the designated service areas due to preferences and protocols used by the Transportation Officers in the previous system. In some areas a numeric code is used and in others, an alphanumeric combination is used. The ability to infer the mission and purpose of a bus run from the coding scheme is inconsistent between the geographic areas managed by the Transportation Officers. Route coding structures are established in a way that provides limited significance to the numbering scheme, but these principles are not implemented universally or consistently across the organization.

5.3.2 Best Practices

It is recognized that the Consortium has demonstrated best practices in the following areas:

Digital map management

Coordinating map management activities with the GEDSB is an excellent process to ensure the currency of the map and consistency of maps used across the enterprise.

5.3.3 Recommendations

5.3.3.1 Evaluate student data

STSBHN should evaluate the use of more frequent student downloads in order to reduce or eliminate the use of a manual process to accommodate periods between downloads. Elimination of the manual process should increase the completeness and accuracy of the student data. Full implementation of this recommendation will require continued collaboration with school sites to ensure that data is entered accurately at the source.

5.3.3.2 Implement revised coding structure

The current structure results in inconsistent and illogical assignments of eligibility and travel coding pairs. STSBHN should re-evaluate the types of services it provides and to whom they provide them in order to establish a coding structure that is both more logical and simpler to use. A well designed, hierarchical coding structure allows for the easy identification of service types such as, students with special needs and special requirements, hazardous transportation and other specific route, run, and student information. This structure should be designed to provide the information regularly needed by the Consortium for both reporting and analysis and need not be overly complex.

5.4 System reporting

Adequate reporting allows for the early identification of trends that may be detrimental to operations, improves the analytical capacity of the organization, and allows for internal and external stakeholders to be more adequately informed about operations. The purpose of this aspect of the review was to evaluate what reports are typically generated, who receives these reports, and what capabilities exist to develop ad hoc reports.

5.4.1 Observations

5.4.1.1 Reporting and data analysis

The typical report distribution is focused primarily on lists necessary for operations. These lists include run lists with passenger manifests, run and route reports, and student lists for schools. As a temporary measure *TRACS* has been implemented in order to facilitate distribution of data to schools and Operators although use of the system is inconsistent. As mentioned, *GeoQuery* will be implemented in the last quarter of 2009 to both increase the access to information and improve the format of necessary reports.

Data is extracted for purpose of run and costs analysis on an ad hoc basis. Additional spreadsheet lists are maintained to track management information on Operator performance that will be used as part of an overall evaluation process STSBHN intends to implement.

5.4.2 Recommendations

5.4.2.1 Establish reporting and data distribution

Given the routing analysis recommended in Section 5.5.3.1, STSBHN should establish a regular schedule of data extraction and analysis to evaluate both routing efficiency and alternative routing options. This schedule should include a defined set of reports for each position in the organization. Possible report options include: a summary of unmatched addresses, a list of known developments that will require map edits, a variance report between planned and actual run times, and summaries of capacity and asset use relative to available time. This data should then be distributed to the Administrative Team and the Governance Committee as part of a program of KPIs.

5.5 Regular and special needs transportation planning and routing

Transportation route planning is the key activity undertaken by any Department. This portion of the review was designed to evaluate the strategies, tactics, and processes used to provide transportation to regular and special education students and the approaches used to minimize the cost and operational disruption associated with both types of transportation.

5.5.1 Observations

5.5.1.1 Management of bus routes

Transportation Officers are responsible for developing and evaluating all regular and special needs runs and routes within their designated areas. In the event of crossover of two areas, STSBHN has established protocols to address this. Each Transportation Officer uses their own discretion and process to design the individual bus runs. However, the guiding philosophy of the run and route development process considers seating capacity use, ride times, vehicle use and distance traveled.

The next year's bus runs are generally based on the previous year's runs with modifications for stop changes, school closures, and bell changes as necessary. Any significant revision to the routing scheme is implemented during the summer planning process. Throughout the year additional analyses are conducted to assess capacity use and vehicle assignments. Route combinations are also reviewed to determine if runs can be combined into routes eliminating the need for additional assets. Additional reviews would also be conducted if requested by a Member Board; however, this occurs infrequently.

5.5.1.2 Analysis of system effectiveness⁶

STSBHN provides transportation services to approximately 20,000 students attending 120 different schools on nearly 1,000 morning and afternoon runs. This complex system utilizes a wide variety of routing approaches which are used in instances where they are deemed feasible. There is a clear recognition that sharing resources is a critical component of cost control. The long history of shared transportation among the Boards limits any concerns regarding integration approaches. Analysis of the runs indicates that 29 percent are integrated with students from different Boards. Both special needs mainstreaming and regular education integration on special needs buses is used where possible. Integration of Boards, grades, and programs is a key element in providing flexibility as is the recently adopted school bell time policy and procedure. While significant changes in the structure of the system have not occurred in the recent past, it is expected that as the organizational structure is settled and the

⁶ All data reported in this section of the report refers to data collected while the E&E team was on site. There may be inconsistencies with some previously reported Ministry data due to the different timing of the data collection.

implementation of and training on *BusPlanner* is completed greater emphasis will be placed on evaluating alternatives to existing run schemes where it is reasonable and appropriate to do so.

As was previously mentioned, a variety of routing techniques are used. The following table summarizes the type of runs used throughout the routing scheme.

Table 4: Run Types

Run Type	Percent of Total Runs
Combination run as part of a tier	35%
Combination run	28%
Dedicated run	22%
Dedicated run as part of a tier	11%
Dedicated run with a transfer	3%
Combination run and transfer	1%
Combination run as part of a tier with a transfer	1%
Dedicated run as part of a tier with a transfer	1%

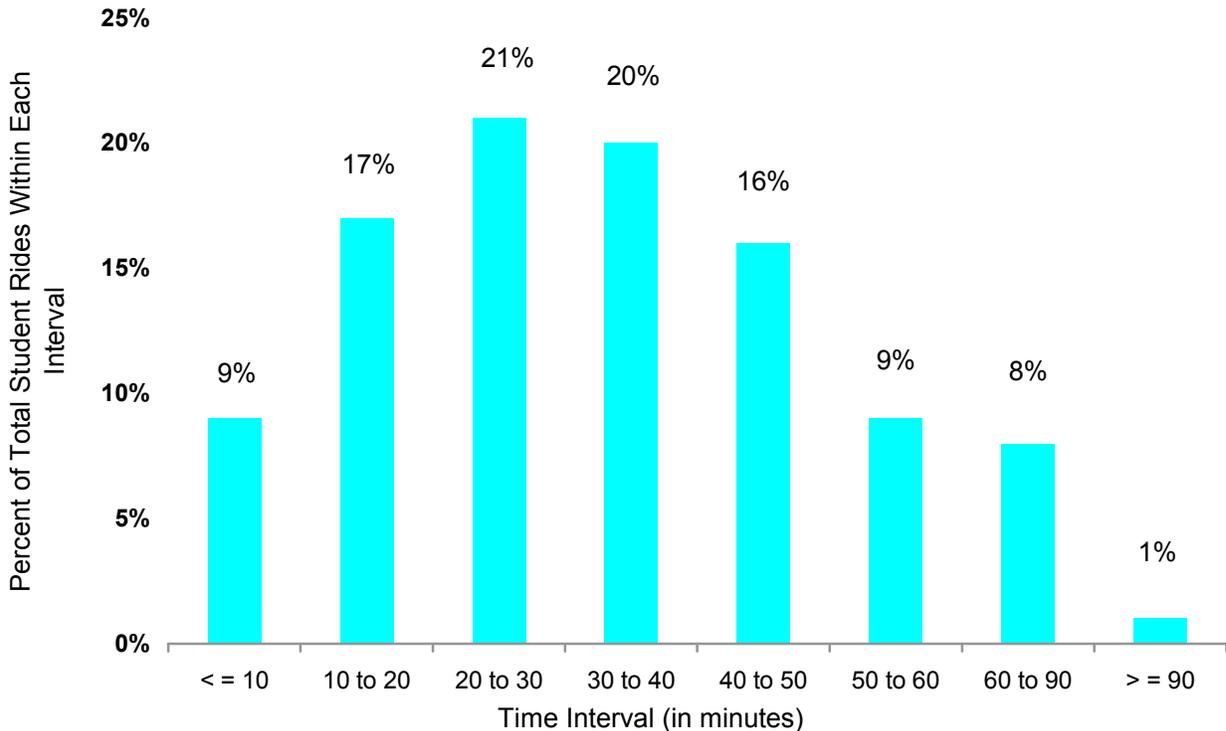
As the table demonstrates, the majority of runs are some type of combination run where a single bus is servicing more than one school at the same time. Also of note from the table is that 22 percent of the runs are part of a dedicated run where a single bus is servicing a single school. These results indicate that the routing scheme used by STSBHN is primarily a two tier system. However, a more nuanced evaluation of school times indicates that the tier structure is not clearly defined. The table below shows that 104 of 123 schools (85 percent) start and 94 of 123 schools and (76 percent) end within a within a 20 minute window.

Table 5: School Times

School Start Time	Total	School Dismissal Time	Total
8:00 AM	1	2:15 PM	1
8:25 AM	1	2:46 PM	1
8:30 AM	12	2:47 PM	1
8:35 AM	1	2:50 PM	2
8:40 AM	10	2:55 PM	3
8:45 AM	35	3:00 PM	16
8:48 AM	1	3:05 PM	12
8:50 AM	30	3:06 PM	1
8:54 AM	1	3:08 PM	1
8:55 AM	9	3:10 PM	25
8:59 AM	1	3:15 PM	17
9:00 AM	17	3:20 PM	22
9:05 AM	2	3:25 PM	7
9:10 AM	1	3:30 PM	11
9:30 AM	1	3:40 PM	1
		3:45 PM	1

Given the size of the service area, it is likely that these time constraints are impacting the ability of STSBHN to take advantage of a multi-tier structure to realize efficiencies. Providing a greater time separation between the primary tiers would likely result in the need for fewer buses throughout the system. An analysis of student ride times indicates that school bell times would require approximately 40 minutes of separation to service the majority of students on multi-tier runs. The chart below illustrates the ride length for students served within 10 minute intervals.

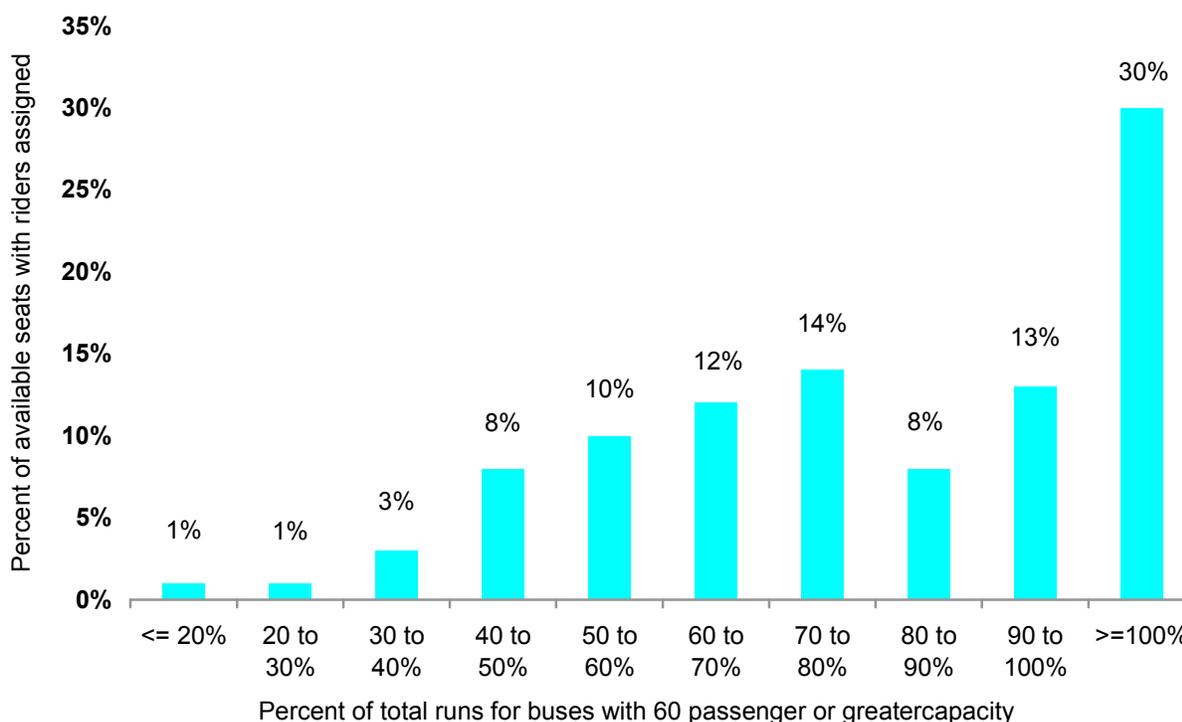
Figure 9: Student Ride Times



As can be seen from the chart, nearly 70 percent of students are on rides less than 40 minutes in length. Ride time analysis also indicates that 539 students (approximately 3 percent) have ride times greater than the established service parameter of 75 minutes. It should be noted that these numbers under represent the actual counts due to the use of transfers throughout the system.

Given the extensive use of dedicated and combination runs, seating capacity use is an important indicator of efficiency. Analysis of the current routing scheme indicates that the most common planning strategy is to assign more students to the bus than there are seats available. The chart below shows the percentage of available seats with riders assigned for buses with 60 passengers or greater capacity. These buses were chosen to minimize any influence of special needs and traditional low capacity runs.

Figure 10: Capacity



Additional data analysis indicates that nearly 20 percent of runs in this subset are planned to carry at least 120 percent of available capacity. This strategy of overloading runs is intended to minimize the number of empty seats by considering historic ridership patterns. While interviews with Transportation Officers and bus Operators did not indicate this approach caused any service concerns, data was not available to verify the differences between planned and actual ridership. The absence of data on actual riders renders the evaluation of the effectiveness of the overloading strategy very difficult. Of particular concern is the perception of service quality associated with such an extensive use of overloading. STSBHN should consider whether there is a characteristic of the service quality that allows some runs to have three times as many students assigned to the bus as there are seats available. The extensive use of overloading coupled with the fact that nearly ten percent of riders are identified as out-of-boundary or out of district students, is an indication that the current routing scheme is likely to be unsustainable over time.

5.5.2 Best Practices

It is recognized that the Consortium has demonstrated best practices in the following areas:

Routing options

STSBHN and its Member Boards have established a policy and procedural infrastructure that allows for flexibility in routing scheme design. The ability to integrate students and use a variety of routing techniques offers the greatest opportunity to address concerns regarding distances and density.

5.5.3 Recommendations

5.5.3.1 Conduct bell time and routing analysis

STSBHN should conduct a comprehensive routing analysis to determine if changes to current bell times would result in a reduction in the number of buses required throughout the system. This analysis should be conducted based on the procedure established in the recently adopted School Bell Time Changes policy. Concurrent with this analysis should be a consideration of the current strategy of overloading bus runs.

5.5.3.2 Review out of boundary student eligibility

The Consortium should review the impact of providing services to students who are otherwise ineligible. At nearly ten percent of the transported population, the management of these students is critical to overall

efficiency. Regular analysis of both the individual and aggregate impact of these students will ensure that both the policy and procedure established to evaluate service provision are operating as intended.

5.6 Results of E&E Review

Routing and Technology use has been rated as **Moderate-Low**. Significant efforts have been made to implement a new transportation management product within a short time period. Continued use of various routing techniques will allow for opportunities to increase efficiencies in the future. In order to achieve a high, substantial efforts are still required. Particular focus must be paid to evaluating the student and run coding structure and on the potential influence of bell time changes on resources required. Additionally, the rationale and impact of the use of overloading should be considered in the context of its annual routing analysis.

6 Contracts

6.1 Introduction

The Contracts section addresses the processes and practices by which the Consortium enters into and manages its transportation and other service contracts. The analysis stems from a review of the following three key components of Contracting Practices:

- Contract structure;
- Contract negotiations; and
- Contract management.

Each component has been analyzed based on information provided by the Consortium, and from information collected during interviews. The analysis included an assessment of areas requiring improvement that were informed by a set of known best practices identified during previous E&E Reviews. These results are then used to develop an E&E assessment for each component. The E&E assessment of contracting practices for the Consortium is as follows:

Contracts – E&E Rating:	Low
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6.2 Contract Structure

An effective contract⁷ establishes a clear point of reference that defines the roles, requirements, and expectations of each party involved and details the compensation for providing the designated service. Effective contracts also provide penalties for failure to meet established service parameters and may provide incentives for exceeding service requirements. Contract analysis includes a review of the clauses contained in the contract to ensure that the terms are clearly articulated, and a review of the fee structure is conducted to enable comparison of its components to best practice.

6.2.1 Observations

The Operators serving the STSBHN have not formed an association. As such, the Operators do not collectively bargain with the Consortium on rate and route matters. Historically, rate negotiations take place with the leading Operator in an area and that rate is subsequently applied to the balance of the Operators, specifically in the Brantford, Brant and Norfolk areas where the base rates are uniform. Rate negotiations in the Haldimand region take place on an individual Operator basis, as the Haldimand region school Boards' structure has traditionally differed from the Brant and Norfolk region's school Boards.

There are no Operator contracts in place for the 2009-2010 school year. A new contract has been created and is with the Operators for signature for 2009-2010. The contract is based on the templates developed for the student transportation sector by the Contracting Practices Advisory Committee. The Manager of Transportation is attempting to have these contracts signed as soon as possible.

6.2.1.1 Bus operator contract clauses

The Consortium, once it moves to the new contract, will have established performance and other clauses for their Operators. Key contract terms in the proposed new contract include: Operators' roles and responsibilities, requirements for proof of CVOR, licensing requirements, criminal background investigations, basic First Aid (through a First Aid training course), CPR and Epi-Pen training, insurance requirements, vehicle age requirement, confidentiality clauses, routing and payment clauses as well as other general provisions. According to the contract template proposed to Operators, safety training including First Aid, Epi-Pen and CPR, is to be provided by the Operators to all drivers, regardless of

⁷ The word Contract in this context refers to detailed documents outlining the scope of services, rates and expected service levels. The phrase Purchase of Service agreement is used in this report to describe a less detailed document that only outlines the services to be provided and the rates at which they are to be provided.

whether they are employed on a permanent or temporary basis. There is no timeframe within which this training must be provided to the drivers. A dispute resolution process is also included as are standards of Operator performance to be met. Rate agreements with fuel escalator clauses will be signed by the Operators annually. A Fuel Fluctuator schedule is attached to the Operators' contract and illustrates with definitions and examples the calculations that determine Operator rates. An additional schedule specifies the cost breakdowns and determines route distances as functions of the addition of base and variable kilometer rates and additional work charged.

6.2.1.2 Bus operator compensation

Rates are reviewed and negotiated on a yearly basis; however, there was no written evidence provided to substantiate these observations. Operators are compensated for the total number of instructional school days scheduled by the Boards each year and are paid on a monthly basis. The anticipated number of instructional school days for the 2009-2010 school year is 188. The Total Daily Rate on a per route, per day basis is established prior to the end of September of each school year based on a reconciliation that occurs between the Consortium's routing software and the Operator's route statistic report. The Total Daily Rate is calculated by including the Fixed Base Rate and Variable Rates for kilometers, time, fuel and monitors. Should there be a cancellation due to inclement weather conditions, the Inclement Weather Rate will amount to seventy percent of the affected vehicles' daily rates.

6.2.1.3 Bus operator contract management

The Operators are given a list of all students, pick up times, addresses, emergency contact numbers and any medical condition information for students. Operators currently have web access to student and route information through the TRACS interface. In addition to the above listed access, the Operators are also provided paper route sheets and student lists. The adoption of GeoQuery, which is expected to be fully operational in the coming months, will allow further access to information for the parents, Operators and Member Boards of the Consortium.

Although the Consortium scrutinizes Operator performance with respect to late buses, incidents, and other metrics, it has yet to codify these figures into a performance measurement framework. The STSBHN, through its Transportation Officers, has performed ad hoc route audits in order to ensure that its Operators are providing optimal transportation services to children and parents, as well as the individual schools. The Consortium has adopted a policy to conduct a minimum of 16 route reviews per Transportation Officer and eight facility audits/reviews on an annual basis. This policy is to be operational this year. Going forward, the Consortium will require a minimum number of audits to confirm Operator contract compliance.

6.2.1.4 Taxi contracts

There are contracts in place with all but one taxi company for the 2009-2010 school year. The Consortium currently utilizes seven taxi companies and is awaiting the contract of the last taxi company. The standard procedures are to have all taxi contracts signed prior to the start of the school year. Taxi contracts include clauses such as performance requirements, confidentiality agreements, a dispute resolution policy, vehicle license and insurance requirements. There are no clauses relating to safety and security standards.

6.2.1.5 Parent drivers

The STSBHN currently has contracts with three parents to transport their children to school. These parents only transport their own children. Signed contracts were provided. The Consortium has an informal policy that prohibits paying parents to transport children other than their own. The contract provided requires minimum liability coverage and articulates rate reimbursement charges, performance requirements and safety initiatives. A cost benefit analysis is completed in circumstances where parent drivers are considered. Clauses related to safety and training standards are omitted.

6.2.1.6 Public transit passes

Transit passes are provided to secondary school students who reside in the City of Brantford. Eligible students are identified by the Consortium and are usually following a modified days schedule or are part of the Grand Erie Learning Alternatives (GELA) program, where familiarity with public transit is encouraged for students with intellectual disabilities. An annual negotiation process for public transit passes is completed with public transit service providers so that preferential rates could be provided to the students; however, negotiations have not rendered reduced rates for this 2009-2010 school year and as such, the Consortium is paying the general public rate for public transportation. According to the

Transportation Manager, a cost-benefit analysis was completed to determine that it was more cost efficient to provide transit passes as opposed to school bussing. The passes are distributed on a daily basis. The Consortium has stated that the total number of students taking public transit during the 2009-2010 school was 12.

6.2.1.7 Use of Cameras on buses

As stated in section 4.4.1.2 above, there is currently limited use of cameras on buses that provide transportation services for STSBHN students. The Consortium has indicated that, in the future, it intends to increase the number and the use of cameras on its buses.

6.2.2 Best practices

It is recognized that the Consortium has demonstrated best practice in the following areas:

Information provision

STSBHN provides timely information to the school bus Operators with respect to the runs for which they are responsible and in terms of student information for the Operators to be able to do a good job in ensuring safe and reliable student transportation.

Public transit passes

The Consortium has taken a comprehensive look at the costs involved in providing public transportation to secondary students residing in the City of Brantford. A cost benefit analysis has been completed and the Consortium has only approved public transit passes to a limited number of students who are eligible for this service. It is also noteworthy to mention that the distribution of daily passes encourages the responsible use of transit passes and decreases the exposure to theft and misuse. However, it is encouraged that the Manager of Transportation documents this process in a formal manner for easy reference. Formalizing this policy would also properly refute or confirm that this policy provides the best service and value for the Consortium.

6.2.3 Recommendations

6.2.3.1 Execute Operator contracts

A contract that clearly articulates the expectations and obligations of each party is a fundamental requirement for an effective business relationship. The lack of current and complete contract documentation for bus Operators reduces the extent to which the School Boards and Consortium can ensure and enforce accountability related to the provision of student transportation. The Consortium should make every effort to ensure that contracts with Bus Operators are signed prior to the start of the school year. Signed contracts ensure that Operators are bound to the agreed service levels. It is important, through the use of proper contracts, that accountability related to student transportation is properly shared between the School Boards, Consortium, and Operators.

Recognizing that the Consortium has been proactive in drafting Operators' contracts, the E&E Review Team recommends that Operator contracts be signed as soon as possible for this school year. As a best practice, the STSBHN should strive to have all Operator contracts signed prior to the start of each school year. It is however, imperative that the Consortium ensure that contracts are written between each of the Member Boards and the operators as the Consortium is not a separate legal entity. Furthermore, it is recommended that clauses should be amended to specifically designate the respective responsibilities of the Operators and the Consortium. For example, while it is encouraging to note that First Aid Training is a requirement, this clause should be amended to specifically determine whose responsibility (i.e. the Operators' or the Consortium's) it is to provide this training. In addition, the Consortium currently does not require drivers to have First Aid training within a specific number of days of the start of employment. It is recommended that this time period be specified to ensure that drivers are qualified to manage emergency situations from the first day they transport students.

6.2.3.2 Revise inclement weather compensation rates

The Operator contracts stated that if an Operator fails to operate a vehicle due to inclement weather conditions, the Operator will receive payment in the amount of seventy percent of the Total Daily Rates. The Total Daily Rate is calculated by adding the Fixed Base and Variable Rate for kilometers, time, fuel and monitors. It is recommended that the Consortium review this clause to ensure Operators are only compensated for the costs incurred on inclement weather days to ensure excess payments are not needlessly made.

6.2.3.3 Include additional detail in taxi contracts

It is strongly recommended that the Consortium review its contract with taxi companies to include a clause related to the mandatory provision of First Aid, Epi-Pen and CPR training for all drivers. This training should be provided to drivers upon hire or as soon after as possible to ensure drivers have the appropriate skills and training should an emergency arise.

6.3 Contract Negotiations

Contract negotiations are intended to provide an avenue by which the Consortium, as a purchaser of services, can ultimately obtain the best value for money. The goal of the Consortium is to obtain high quality service at fair market prices.

6.3.1 Observations

6.3.1.1 Special needs transportation

The Consortium drafted a policy regarding Special Education and Medical Transportation that has yet to be presented to the Governance Committee for approval. However, it is important to note the highlights of this proposed policy. Highlights include:

- Prior to the end of each school year, each member School Boards' Transportation Coordinator shall provide a list of students registered in specialized programs for the upcoming school year to the STSBHN.
- The list provided will also include details such as students' school of attendance, address phone numbers, parent/guardian information, and special transportation requirements, among others.
- Once appropriate Board administrative approvals have been granted, depending on the nature of the specialized transportation needs and the time validity of these specialized transportation services, principals of each school will complete and sign a specialized transportation request form and forward the request to the Consortium.
- Once this is completed, the Consortium consults with the member School Board's special education department and/or principal of each school and together, they organize the most cost-effective transportation for all approved requests.
- The Consortium must maintain an updated list of all students receiving special transportation services and include length of first as well as last effective dates of specialized transportation service provision. The Consortium must provide parents, schools and Board administrations with up to date student transportation information.

6.3.1.2 Bus operator contract negotiation process

Operator contracts are not competitively procured. The Consortium is considering using competitive procurement to acquire the services for some routes for the 2010-11 school year, but no formal decision has been made.

Rates are negotiated annually between the Consortium and each individual Operator. Rates are reviewed in September and October of every year, in collaboration with each Board's department of transportation. Regular and updated routes are reviewed and new installments are added in January of each year. Annual expenditures are reconciled at the end of each school year.

6.3.2 Recommendations

6.3.2.1 Implement a competitive procurement process for bus Operators

Contracts for school bus transportation services are currently not competitively procured. By not engaging in a competitive process, the Consortium will not know whether it is paying best rates for services provided. If a competitive process is used to procure contracted services, the Consortium can clearly state all service requirements in the procurement document. In addition, the Consortium can be sure that it will obtain the best value for its money as Operators will compete to provide the required service levels at prices that ensure they earn an appropriate return on investment. This may not mean that rates will decline; however, the concern for the Consortium should be to obtain best value for money expended.

A competitive process can be used with certain safeguards in place to protect the standards of service. The Consortium should continue to enforce limits placed on the amount of business any one Operator can hold to avoid a monopoly situation. Additionally, in evaluating the successful proponents, cost should not be the overriding factor as that will encourage low cost proponents to enter the market while not necessarily ensuring that the same or improved levels of service are being provided. Local market conditions should be considered at all points in the development and evaluation of any service proposal. For example, local Operators can be encouraged to participate in this process by placing a value on having local experience as part of the evaluation criteria; however, this specific criterion for local experience should also not be an overriding factor in the proposal evaluation process.

As the *Contracting Practices Resource Package* has been released and pilot projects completed, the Consortium should start developing an implementation plan for competitive procurement. A plan should include a review of existing procurement policies, an analysis of the local supplier markets, strategies to help determine the RFP scope, processes, criteria and timeline to reasonably phase-in competitive procurement. The plan should also utilize the best practices and lessons learned that are available from the pilot Consortia and those that have already engaged in competitive procurement.

6.3.2.2 Formalize a contract procurement process

The current contract negotiation process ensures STSBHN expenditures fall within the provisions of the transportation funding provided by the Ministry of Education for the Boards. The current approach defines the maximum amount that will be available for negotiations with the bus Operators and limits the negotiation process to establishing where the increase will be applied and to the clarifications of STSBHN expenditures. The process works well to ensure that STSBHN has designated funds for capital purchases such as the digital surveillance systems and workstation computer hardware and a balanced budget. However, the approach is not driven by need thereby, making it difficult to assess if value for money has been obtained.

Also, the Consortium should develop and document a procurement calendar and communicate key dates, milestones and expectations to Operators and the Governance Committee. A calendar of key dates, milestones and responsibilities will help to ensure that the Consortium and Operators can resolve issues and reach agreement on contracts prior the start of the school year. The Consortium should also communicate this procurement calendar to its Operators so as to facilitate the Operators' annual planning process. With timelines indicated, the Consortium will be aware of the dates to procure bus Operator services.

6.4 Contract Management

Contracting practices do not end after a contract is signed. Ongoing monitoring of compliance and performance of contracted service is an important and valuable practice to enhance service levels and ensure that contractors are providing the level of service that was previously agreed upon. Monitoring should be performed proactively and on a regular and ongoing basis in order to be effective.

6.4.1 Observations

6.4.1.1 Monitoring

No formal monitoring program was in place at the time of the E&E Review. Although the Consortium scrutinizes Operator performance with respect to late buses, incidents, and other metrics, it has yet to codify these figures into a performance measurement framework. The STSBHN, through its Transportation Officers, has performed ad hoc route audits in order to ensure that its Operators are providing optimal transportation services to children and parents, as well as the individual schools. The Consortium has adopted a policy to conduct a minimum of sixteen route reviews per Transportation Officer and eight facility audits/reviews on annual basis. It is the Consortium's intent that, subsequent to the adoption of the new contract template, performance and route audits will be completed on a regular basis. These performance and route audits are to be operational this year.

6.4.1.2 Dispute policy

Once the contract templates are executed, an extensive dispute resolution policy will be put into effect. Past contracts do not have a dispute resolution policy in place.

6.4.2 Recommendations

6.4.2.1 Formalize monitoring policy

Although the E&E Review Team acknowledges that the Consortium executes periodic route and performance audits, it is recommended that the Consortium implement a formal monitoring system to monitor Operator performance. Comprehensive route audits involve a trained and experienced individual riding on a selected bus to monitor compliance with contractual requirements such as adherence to the stated bus route, no unauthorized pickup or drop off points, and proper use of the student list.

Route audits should be conducted on a regular basis and be supported with appropriate documentation summarizing the results. This type of follow-up reporting can aid in the evaluation of Operators and be used as evidence of proper implementation of the stated monitoring policies. Efforts should be made to obtain a broad and representative sample of audit results which represent all of the Operators that serve the Consortium. Results of the route audit should be documented by the Consortium and later be communicated back to the Operators to assist them in managing their drivers and improving overall service quality. Passive monitoring or a reliance on the bus Operators to self regulate and report instances of non-compliance with contract terms is not an effective method to detect, nor deter, actions which potentially impact the safety of students transported.

6.4.2.2 Incorporate dispute resolution clause

Although the E&E Review Team acknowledges that the Consortium has an extensive dispute resolution policy in the new contract templates awaiting signature by the Operators, the Consortium and the Operators currently do not have a standing agreement with regards to a dispute policy. In the event that a disagreement should arise between the Operators and the three Member Boards, there should be a formalized process that will determine the steps that must be taken in order to resolve the situation. A dispute resolution policy should be implemented as soon as possible to ensure disputes could be settled without a need for reduction in service levels and/or litigation. This process should be neutral and transparent.

6.5 Results of E&E Review

The process by which the Consortium negotiates, structures, and manages its contracts for transportation services has been assessed as **Low**. Areas of improvement include the execution of bus Operator contracts.. The Consortium is also recommended to formalize its contract monitoring process, develop and communicate a formal contract procurement calendar and to incorporate a dispute resolution clause with its Operators as soon as possible. Lastly, the Consortium is recommended to prepare for the implementation of competitive procurement processes to procure their transportation services. Areas where processes were well implemented throughout the Consortium include its timely provision of information to the school bus Operators. Also, all parent drivers and most (all but one) taxi operator contracts were signed prior to the start of the 2009-2010 school year; however, additional detail for key clauses in taxi contracts is required.

7 Funding Adjustment

The Ministry has asked the E&E Review Team to apply their Funding Adjustment Formula to each Board that was subject to an E&E Review in Phase 3B. Note that where Boards are incurring transportation expenses in multiple Consortium sites, the Board's adjustment will be prorated for the portion attributed to the Consortium under review. For example, if 90% of Board A's expenditures are attributed to Consortium A, and 10% of expenditures are attributed to Consortium B, the funding adjustment resulting from Consortium A's review will be applied to 90% of Board A's deficit or surplus position.

The Ministry's funding formula is as follows:

Table 6: Funding Adjustment Formula

Overall Rating	Effect on deficit Boards ⁸	Effect on surplus Boards ⁸
High	Reduce the gap by 100% (i.e. eliminate the gap)	No in-year funding impact; out-year changes are to be determined
Moderate-High	Reduce the gap by 90%	Same as above
Moderate	Reduce the gap by 60%	Same as above
Moderate-Low	Reduce the gap by 30%	Same as above
Low	Reduce the gap by 0%	Same as above

Based on the Ministry's funding formula, in conjunction with our E&E assessment of the Consortium, it is anticipated that the following funding adjustments will be made for each Board:

Grand Erie District School Board

Item	
2008-09 Transportation surplus (deficit)	(\$973,922)
% of surplus (deficit) attributed to the Consortium (rounded)	100.00%
Revised amount to be assessed under the Consortium	(\$973,922)
E&E rating	Moderate-Low
Funding adjustment based on Ministry's Funding Adjustment Formula	30.00%
Total funding adjustment	\$292,177

Brant Haldimand Norfolk Catholic District School Board

Item	
2008-09 Transportation Surplus (Deficit)	(\$288,753)
% of surplus (deficit) attributed to the Consortium (rounded)	100.00%
Revised amount to be assessed under the Consortium	(\$288,753)
E&E rating	Moderate-Low
Funding Adjustment based on Ministry's Funding Adjustment Formula	30%
Total funding adjustment	\$86,626

⁸ This refers to Boards that have a deficit/surplus on student transportation

Conseil scolaire de district catholique centre-sud

Item	
2008-09 Transportation surplus (deficit)	\$426,053
% of surplus (deficit) attributed to the Consortium (rounded)	2.18%
Revised amount to be assessed under the Consortium	\$9,290
E&E rating	Moderate-Low
Funding adjustment based on Ministry's Funding Adjustment Formula	No Adjustment
Total funding adjustment	\$0

(Numbers will be finalized when regulatory approval has been obtained)

Appendix 1: Glossary of Terms

Act	Education Act
Assessment Guide	The guide prepared by the E&E Review Team and the Ministry of Education which will be used as the basis for determining the overall effectiveness and efficiency of each Consortium
BHNCDSB	Brant Haldimand Norfolk Catholic District School Board
Combination run and transfer	A bus will collect students from multiple schools and drop them off at their designated location. The bus would then be used to transport other students to a third school site.
Combination run as part of a tier	A bus will collect students from multiple schools and drop them off at their designated locations. It would then service another school within the morning or afternoon panel.
Common Practice	Refers to a set of planning parameters that have been reported by Ontario school boards as the most commonly adopted planning policies and practices. These are used as references in the assessment of the relative level of service and efficiency.
Consortium	Student Transportation Services of Brant Haldimand Norfolk
CSDCCS	Conseil scolaire de district catholique centre-sud
Dedicated run as part of a tier	A bus collects students from a single school and drops them off at their designated location. The bus would then service another school within the morning or afternoon panel.
Deloitte	Deloitte & Touche LLP (Canada)
Driver	Refers to bus Drivers, see also operators
E&E	Effectiveness and Efficiency
E&E Review Team	As defined in Section 1.1.5
E&E Reviews	As defined in Section 1.1.4
Effective	Having an intended or expected effect; the ability to deliver intended service
Efficient	Performing or functioning in the best possible manner with the least waste of time and effort; the ability to achieve cost savings without compromising safety
Evaluation Framework	The document, titled “Evaluation Framework for the Student Transportation Services of Brant Haldimand Norfolk” which supports the E&E Review Team’s Assessment; this document is not a public document
Funding Adjustment Formula	As described in Section 1.3.5
GEDSB	Grand Erie District School Board
HR	Human Resources
IT	Information Technology

JK/SK	Junior Kindergarten/Senior Kindergarten
KPI	Key Performance Indicators
Management Consultants	As defined in Section 1.1.5
Memo	Memorandum 2006: SB13, dated July 11 issued by the Ministry
Ministry	The Ministry of Education of Ontario
MPS	Management Partnership Services Inc., the routing consultant, as defined in Section 1.1.5
MTO	The Ministry of Transportation of Ontario
Operators	Refers to companies that operate school buses, boats or taxis and the individuals who run those companies. In some instances, an operator may also be a Driver.
Overall Rating	As Defined in Section 3.2 of the Evaluation Framework
Member Boards or Boards	The school boards that have participated as full partners or members in the Consortium
Rating	The E&E Assessment score on a scale of High to Low, see Section 1.3.4
Report	The report prepared by the E&E Review Team for each Consortium that has undergone an E&E Review (i.e. this document)
Separate Legal Entity	Incorporation
VOIP	Voice over Internet Protocol
VPN	Virtual Private Network

Appendix 2: Financial Review – by School Board

Grand Erie District School Board (GEDSB)

Item	2005/2006	2006/2007	2007/2008	2008/2009
Allocation ⁹	\$9,961,327	\$10,053,227	\$11,456,714	\$11,699,213
Expenditure ¹⁰	\$11,370,391	\$11,134,214	\$10,736,000	\$12,673,135
Transportation Surplus (Deficit)	(\$1,409,064)	(\$1,080,987)	\$720,714	(\$973,922)
Total Expenditures paid to the Consortium	\$11,370,391	\$11,134,214	\$10,736,000	\$12,673,135
As % of total Expenditures of Board	100	100	100	100

Brant Haldimand Norfolk Catholic District School Board (BHNCDSB)

Item	2005/2006	2006/2007	2007/2008	2008/2009
Allocation	\$4,832,275	\$4,834,108	\$4,942,399	\$5,105,499
Expenditure	\$4,412,788	\$4,598,483	\$4,846,521	\$5,394,252
Transportation Surplus (Deficit)	\$419,487	\$235,625	\$95,878	(\$288,753)
Total Expenditures paid to the Consortium	\$4,412,788	\$4,598,483	\$4,846,521	\$5,394,252
As % of total Expenditures of Board	100	100	100	100

Conseil scolaire de district catholique centre-sud (CSDCCS)

Item	2005/2006	2006/2007	2007/2008	2008/2009
Allocation	\$13,363,914	\$13,793,702	\$15,419,952	\$17,824,082
Expenditure	\$14,857,246	\$14,802,372	\$16,648,767	\$18,320,742
Transportation Surplus (Deficit)	(\$1,493,332)	(\$1,008,670)	(\$1,228,815)	\$(496,660)
Total Expenditures paid to the Consortium	\$548,149	n/a	\$255,171	\$398,936
As % of total Expenditures of Board	3.69	n/a	1.53	2.18

⁹ Allocation based on Ministry data – includes all grant allocations for transportation (Section 9 00008C, Section 13 00006C, Section 13 00012C)

¹⁰ Expenditure based on Ministry data – taken from Data Form D: 730C (Adjusted expenditures for compliance) – 212C (Other Revenues) + 798C (Capital expenditures funded from operating)

Appendix 3: Document List

- 1 Additional Information
- 2 Consortia Agreement
- 3 Administrative Services Agreement
- 4 Organization Structure – Administrative Committee
- 5 Organization Structure – Governance Committee
- 6 Administrative Committee Meeting Minutes
- 7 Governance Committee Meeting Minutes
- 8 Ontario School Boards’ Insurance Exchange
- 9 Operational Structure
- 10 Employee Breakdown
- 11 Job Description – Manager of Transportation
- 12 Job Description – Receptionist/Administrative Assistant
- 13 Job Description – Transportation Officer
- 14 Performance Reviews Policy
- 15 Performance Appraisal Form
- 16 Training Requirements
- 17 Administrative Detail
- 18 Transportation Eligibility
- 19 New Requests for Transportation Services, Change Requests, or cancellation requests
- 20 Responsibilities of the Students
- 21 Responsibilities of the Parents and Guardians
- 22 Responsibilities of the School Principal
- 23 Responsibilities of the School Bus Operators and Bus Drivers
- 24 Responsibilities of STSBHN
- 25 Walking Distances to the Bus Stop
- 26 Public Transit
- 27 Transportation of Co-Op Students
- 28 Out-of-Boundary/District Students
- 29 Duration of Bus Trip
- 30 Alternate Address
- 31 Accompaniment of Students at Bus Stop
- 32 Pick Up and Drop Off Locations
- 33 Courtesy Transportation
- 34 Joint Custody Transportation

35	Child Booster Seats/Car Seats
36	Special Education and Medical Transportation
37	Epi-Pen Emergency Procedures
38	Emergency procedures – First Aid – Cardiopulmonary Resuscitation (CPR)
39	Procedures for Accidents or Incidents
40	Inclement weather Bus Cancellations
41	Progressive Discipline for Infractions on a School Bus
42	School Bell Time Changes
43	Process for Appealing STSBHN Decisions
44	Temporary Transportation Request
45	Procedures in the Event of a Lost Child
46	Hazard Transportation Eligibility
47	Service Parameters
48	Code of Conduct for Bussed Students
49	Transportation for Child Care
50	Transportation of Equipment on School Buses
51	Transportation of students for Field Trips
52	Video Cameras on School Buses
53	Responsibilities of Taxi Operators and Taxi Drivers
54	Responsibilities of Parents Paid to Drive their Child(ren) to/from School
55	Transporting Students with Service Dogs
56	Other Contractual Agreements
57	Life Threatening Management and Prevention Plan Procedures
58	Purchasing
59	Performance Reviews
60	Operator/Facility Audits
61	Distribution of Funds
62	Budget Procedures Manual
63	CCSDCCS Expenditures
64	Annual Schedule for Route Planning
65	Hazardous Walking Criteria
66	Facility Audit Form
67	Route Delay Form
68	Route Evaluation Form
69	Special Needs policy
70	Best Start Network Program
71	Booster/Car Seat Policy
72	Specialized Programs

73	GEOREF and STSBHN Agreement
74	Georef Table of Contents
75	BusPlanner Helpful Tips
76	Bus Operators' Contract for 2009-2010 School Year
77	Integrated Transportation Solution Approach
78	List of Operators
79	Mr. J's Taxi Operator Contract
80	Dehli Cabs Operator Contract
81	Taxi 2000 Operator Contract
82	Paris Taxi Operator Contract
83	City Taxi Operator Contract
84	Brant Taxi Operator Contract
85	School Bus Route Evaluation Form
86	Facility Audit Form
87	Late Bus Route Tracking Information Sheet
88	Vehicle List
89	Additional Information
90	Average Age of Fleet information
91	STSBHN vehicle ownership clause

Appendix 4: Common Practices

	JK/SK	Elementary Gr. 1 - 8	Secondary GR. 9 - 12
Home to School Distance¹¹			
Common Practice	0.8 km	1.2 km	3.2 km
Policy - BHNCD SB	0.4 to 1.6	0.8 to 1.6	1.6 to 3.2
Policy - CSDCCS	0.4 to 1.6	0.4 to 1.6	1.6 to 3.2
Policy - GEDSB	1.6	1.6	4.8
Home to Bus Stop Distance			
Common Practice	0.8 km	1.2 km	3.2 km
Policy - BHNCD SB	0.8 km	0.8 km	0.8 km
Policy - CSDCCS	0.8 km	0.8 km	0.8 km
Policy - GEDSB	0.8 km	0.8 km	0.8 km
Arrival Window – in minutes			
Common Practice	18	18	25
Policy - BHNCD SB	15	15	15
Policy - CSDCCS	15	15	15
Policy - GEDSB	15	15	15
Departure Window in minutes			
Common Practice	16	16	18
Policy - BHNCD SB	15	15	15
Policy - CSDCCS	15	15	15
Policy - GEDSB	15	15	15
Earliest Pick Up Time			
Common Practice	6:30	6:30	6:00
Policy - BHNCD SB	The earliest stop in the run list is 6:10 AM		
Policy - CSDCCS			
Policy - GEDSB			
Latest Drop Off Time			
Common Practice	5:30	5:30	6:00
Policy - BHNCD SB	The latest stop in the run list, exclusive of the BCI special circumstance is 5:29 PM		
Policy - CSDCCS			
Policy - GEDSB			
Maximum Ride Time			
Common Practice	75	75	90
Policy - BHNCD SB	75	75	75
Policy - CSDCCS	75	75	75
Policy - GEDSB	75	75	75
Seated Students Per Vehicle			
Common Practice	69	69	52
Policy - BHNCD SB	3 per seat JK to Grade 6; 2 per seat Grades 7 to 12		
Policy - CSDCCS	3 per seat JK to Grade 6; 2 per seat Grades 7 to 12		
Policy - GEDSB	3 per seat JK to Grade 6; 2 per seat Grades 7 to 12		

¹¹ Eligibility distances are dependent on location. In a number of instances there are rural, urban, and county-based differences.

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