



NEWS RELEASE

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TransPar Group of Companies Identifies Three Key Opportunities for School Districts to Protect Against Crippling Budget Cuts

Transportation Experts Help School Districts Offset the Budget Cut Pain and Prevent Major Adverse Impact on Transportation

Charleston, SC (August 27, 2018) – School districts across the country are feeling the pressure to pinch their pennies, as programs supported by government funding are expected to experience continued financial pressure. The [TransPar Group of Companies](#) (TPGoC), has partnered with school districts across the country to identify opportunities to lower cost and improve the service quality of their student transportation systems. Three key opportunities to ease the pain of funding cuts are maximizing reimbursements (where available); focusing on total cost of school bus fleet ownership; and identifying opportunities to drive operational efficiencies. How districts can assess these three concerns is a key insight from the TPGoC.

1. Minimizing the impact of funding cuts by maximizing your reimbursement -

To fully evaluate the impact of changes to transportation, it is important to understand the budgeting process and inner workings of a state's approach to funding. For example, there are generally two distinct sides to a school district's transportation budget:

- Expenditure side: Driver salaries, benefits, fuel, new bus acquisition
- Revenue side: State funding, Medicaid reimbursement, field trip reimbursement, paid riders

Additionally, there are four general types of approaches used to fund transportation:

- Transportation block grants: Funding is provided as part of basic per-pupil foundation grants.
- Per unit allocations: A fixed amount of funding is provided based on a specific unit of measure (e.g., per student, per mile).
- Approved costs: A certain percentage of all costs incurred within specific categories are reimbursed (e.g., 85 percent of driver salaries).

- **Efficiency formulas:** Funding is provided based on operational efficiency rather than cost.

While these approaches are all distinctly different, each approach takes into account fiscal, economic, administrative, and political perspectives. The relative importance of such factors varies from organization to organization depending on the circumstances they currently face. It is clear, however, that the fiscal challenges facing many school districts today, and the threat they pose to fleet replacement spending in these organizations, warrant the consideration of new ways of doing business.

2. **Focusing on total cost of school bus fleet ownership** - As a result of the looming budget cuts, school bus fleet replacement planning and fleet funding levels across the country are having to absorb the detrimental blows instead of using fiscal challenges to get ahead for the long-term.

“Rather than simply defer replacement purchases to meet short-term budget balancing goals, many school administrators should use potential fiscal challenges to trigger a thorough reappraisal of their district’s approach to fleet management,” said Tim Ammon, Chief Business Development Officer of TPGoC. “This approach can help school districts offset the budget cut pain and ensure the infrastructure of a school’s transportation program isn’t ‘thrown under the train’ of budget cuts.”

3. **Identifying opportunities to drive operational efficiencies** - Transportation and fleet reviews are beneficial to school districts because they can highlight areas where the operation could be more efficient, save money, and create a safer form of transportation for its students. Critical to the question of mitigating funding cuts is controlling the cost of transportation through routing efficiency. Identifying how school bell times, GPS, routing software, bus tracking apps, and route design impact the cost of transportation is crucial. The goal of each Transportation Manager should be to minimize the number of buses needed to transport the maximum number students within their district.

Transportation is not the only area for districts to consider. Fleet management can be a complex problem for businesses that lack functional, in-house expertise and nationally scaled resources of their own. Businesses need to make sure they have a knowledgeable fleet management partner on their side that will be able to provide the tools and techniques needed to develop a sensible, cost-effective fleet management strategy, and understand the tradeoffs between capital and operating expenditures. Reduced parts pricing, creative acquisition funding options, technology implementation and professional fleet data analysis, and the ability to stretch your dollars with total cost of school bus fleet ownership analysis and other strategic projections, are key elements that a transportation partner will help entities explore to build a long lasting, sensible and cost-effective fleet management system.

“At the TransPar Group of Companies, we provide crucial insights when it’s not exactly clear what an organization might need -- or how to address issues and concerns,” Ammon added. “For example, more efficient routing, improved business processes, higher levels of safety and reliability, and better information flow all contribute to lowering the cost of a transportation operation. We can help districts assess the status of their operation, and develop an actionable process for how they can do more with less funding.”

For more information about the TransPar Group of Companies and their portfolio of services and products, please visit www.TransParGroup.com and follow on Twitter at @TPGoC.

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About TransPar Group of Companies

The TransPar Group of Companies offers a diverse portfolio of services and products which represent the most comprehensive offering in the industry. The three business units include TransPar, which provides Management and Staffing Services to develop solutions for difficult operational questions and problems; School Bus Consultants which offers Advisory Services to deliver resources and expertise that transportation contractors and organizations often cannot access on their own; and Transportation Services Co. providing Fleet Management Services and Training Products to help customers create the strong foundation necessary to support effective service delivery. TransPar Group of Companies is the all-inclusive solution for school districts looking to operate a successful, reliable, and effective student transportation program. For more information, please visit www.TransParGroup.com.