



STATE BOARD OF EDUCATION

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Vermont State Board of Education Manual of Rules and Practices

Series 9300 - Allowable and Extraordinary Transportation Expenditures

9300 ALLOWABLE AND EXTRAORDINARY TRANSPORTATION EXPENDITURES

9301 Statutory Authority

Subsection 22(c) and (d) of Act 60 of the 1997 Session

9302 Definition of Allowable Transportation Expenditures

9302.1 For the purposes of Subsection 22(c) of Act 60 of the 1997 Session, "allowable transportation expenditures" means the cost of transporting students on one trip per school day to and from the school of enrollment. Allowable transportation expenditures do not include expenditures for transporting students participating in such curricular activities that take place off the school grounds as work placement or technical education programs, or for transporting students participating in such cocurricular or extracurricular activities as field trips or athletic competitions. Allowable transportation expenditures are net of any revenues received for transporting students to and from school. Allowable transportation expenditures do not include any expenditures which are eligible for reimbursement or payment elsewhere.

9302.2 Depreciation of school buses is an allowable transportation expenditure. Depreciation equals one-seventh of the purchase price of a bus year for seven years. Only the portion of depreciation attributable to the transportation of students on one trip per school day to and from school may be claimed as an allowable transportation expenditure. (Methods for separating eligible from ineligible portions of transportation expenditures are detailed in the HANDBOOK FOR FINANCIAL ACCOUNTING OF VERMONT SCHOOL SYSTEMS, 1992 edition, Appendix A, p. A-45, Code 2700.)

9302.3 Depreciation of a school bus begins in the year a bus was purchased new. A bus more than seven years old in Fiscal Year 1999 is considered fully depreciated.

9302.4 In a bus leasing arrangement concluding with the district owning the buses at the end of the lease, the portion of the lease applied to the purchase price is considered an installment purchase rather than a rental. The district must establish the Fair Market Value (FMV) of the buses at the time of the lease. Depreciation is calculated as one-seventh of the FMV per year for seven years.

9303 Application

A school district shall be reimbursed under this section based on a completed transportation reimbursement worksheet form prescribed by the Commissioner and submitted to the Commissioner as part of the Budget Collection Form on or before June 1 of the previous fiscal year.

9304 Definition of Extraordinary Transportation Expenditures

9304.1 For the purposes of Subsection 22(d) of Act 60 of the 1997 Session, "extraordinary transportation expenditures" are those budgeted reimbursable transportation expenditures which for any school district: (a) exceed 8.25% of the total of all budgeted expenditures submitted in the district's preceding year Budget Collection Form and, (b) are due to unavoidable and unusual circumstances related to the location of the school building within the district; the topographical features of the district; the need to transport tuitioned students outside the district; the condition of the roads; or other unusual circumstances.

9305 Application and Award

9305.1 A district anticipating extraordinary transportation expenditures shall apply to the Commissioner by January 7 of the preceding fiscal year. The application shall explain the extraordinary nature of the expenditures. The Commissioner of Education shall act on the application by February 15. If the budget approved by the voters no longer meets the requirements of 9304.1 above, the grant will be withdrawn.

9305.2 For the transition year. Fiscal Year 1999, applications shall be submitted by July 1, 1998 unless this date is extended by the Commissioner of Education. The Commissioner shall act on applications within 30 days of the application deadline.

9305.3 The Commissioner shall award an amount equal to transportation expenditures in excess of 8.25% of the preceding year's total budgeted expenditures determined to be extraordinary transportation expenditures. If the amount of expenditures eligible for reimbursement statewide exceeds the total of funds authorized by law, funds shall be distributed proportionally. Statutory Authority: 60 § 22(c)+(d), 1997 Session

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