10 - Transportation Fund Budget

**PURPOSE:** The Transportation Fund may be used to support the costs of transporting students between home and school, including:

- Costs of school bus purchase, repair, maintenance and operations;
- Safety activities related to bus driver training, crosswalk attendants, etc.;
- Bus barn facilities and maintenance; and
- Payments to parents for individual transportation contracts.

Costs of field trips, travel costs related to extracurricular activities and athletics, and staff travel costs are **NOT ALLOWABLE** costs of the Transportation Fund (10).

**Transportation Funding:**

State transportation reimbursements are paid to school districts providing school bus transportation or individual transportation contracts for eligible students. The state transportation reimbursement is one-half of the reimbursement amounts or one-half of the district's transportation fund budget, whichever is smaller, and must be computed based on the number of days the transportation services were actually provided to transport eligible students. Requests for the state transportation reimbursements must be electronically submitted to the OPI Pupil Transportation System by school districts semiannually during the school fiscal year.

The state transportation reimbursements are disbursed to school districts in accordance with the following schedule:

- By September 1 of each year, the Office of Public Instruction shall make a payment equal to 50% of the state transportation reimbursement paid to school districts in the previous school year.
- By March 31 of each year, the Office of Public Instruction shall make a payment to school districts equal to the approved amount of state reimbursement for first semester transportation claims less the prepayment amount distributed to school districts.
- By June 30 of each year, the Office of Public Instruction shall make a payment to school districts to pay the remaining balance of the approved claims for first and second semester transportation reimbursements. **20-10-145, MCA.**

**VOTING REQUIREMENTS:** The Transportation Fund (10) tax levy is permissive. Consequently, it is not subject to voter approval. However, projected mill increases in this fund are subject to voter notification by March 31st per **§20-9-116, MCA.** This fund includes may budget the On-Schedule costs of bus routes, individual contracts, and any ‘Over-Schedule’ amounts for operation of the transportation program.

**BUDGET & RESERVES Tab:**

1. Select and enter 0001 Adopted Budget. The budget is limited to the amount needed to operate the pupil transportation program. The adopted budget includes:
   a. **0005 On-Schedule:** Enter the sum of estimated individual transportation contract reimbursements (daily contract rates X number of days transported) plus the sum of estimated bus route reimbursements (bus mileage rate X miles X number of days to be...
transported). The On-Schedule amount should include the 2220 County On-Schedule plus the 3210 State On-Schedule amounts summed together or the full cost of the bus routes plus individual contracts.

**Note:** Total days covers the actual number of days transportation services were actually operated for students to participate in the minimum aggregate hours of instruction required for the school year.

b. 0006 Contingency: A Contingency of 10% or $100, whichever is greater, may be budgeted. If $100 is greater than 10%, total regular contingency plus special education contingency cannot exceed $100. On-Schedule funding for the contingency budget may be paid only if additional contracts, bus routes, or bus route extensions are established after the budget is set for students who become eligible transportees after the beginning of the year.

c. 0011 Over-Schedule: The sum of Line 0005-On-Schedule and Line 0006-Contingency subtracted from Line 0001-Adopted Budget. This is the district’s local responsibility (financed by a permissive district tax levy). MAEFAIRS calculates by using the adopted budget less the On-Schedule amount and less the Contingency entered by the district.

2. Select and enter Operating Reserves. A reserve of up to 20% of the adopted budget or up to the available fund balance from the balance sheet, whichever is greater, may be authorized.

3. After designating a reserve up to 20%, the unreserved fund balance reappropriated and any estimated revenues must be used to lower the district levy.

4. If a district tax levy is not needed, remaining amounts of fund balance available for reappropriation and estimated non-levy revenue must be used next to lower the county’s share of the On-Schedule funding. Any amount remaining must be used to lower the state’s share of On-Schedule funding.

**ON-SCHEDULE Tab:**

1. This tab is used to enter the On-Schedule portion of the budget for district costs related to individual contracts, bus routes, and any Over-Schedule costs for operation of the transportation program.

2. 0005 On-Schedule: On-Schedule costs are reimbursed by the state in August, March, and June and by the county in March and June. The state and county normally each pay up to 50% of On-Schedule costs.

3. 0011 Over-Schedule: Over-Schedule costs are the responsibility of the district and funded by a district tax levy and non-levy revenues.
   a. Select Add a New Budget Record, select On-Schedule, and enter an Amount. Enter the total estimated On-Schedule funding for bus routes and individual transportation contracts for the district. The Transportation Budgeting Worksheet can be found on the OPI Website at: [http://opi.mt.gov/Leadership/Finance-Grants/School-Finance/Pupil-Transportation](http://opi.mt.gov/Leadership/Finance-Grants/School-Finance/Pupil-Transportation).
   b. Select and enter 0006-Contingency, up to 10% of the On-Schedule amount or $100, whichever is greater. The OPI recommends adding the full contingency amount to provide adequate budget authority and funding to accommodate late individual contracts and bus route extensions without budget amendments. If a contingency is entered, include it in the adopted budget amount. This funding will only be available if the district processes
additional contracts or bus route extensions.

4. MAEFAIRS calculates the Over-Schedule funding, which is funded with a county wide district tax levy.

REVENUES Tab:

The Transportation Fund (10) includes the following revenues:
1. 3210 State On-Schedule Transportation Reimbursement is up to the lesser of the amount budgeted or claimed; MAEFAIRS calculates
2. 2220 County On-Schedule Transportation Reimbursement is up to the lesser of the amount budgeted or claimed; MAEFAIRS calculates
3. Non-levy Revenue; Entered by the district
4. Fund Balance Reappropriated; MAEFAIRS calculates
5. Tax Levies. MAEFAIRS calculates

Non-levy revenue sources should be ESTIMATED by the district and include: 1123, 1410, 1420, 1430, 1440, 1510, 1900, 3302, 3117, 3460, 9100, and 9710.

- Estimated 1123 Coal Gross Proceeds: Pre-filled by the OPI using information provided by the Department of Revenue each June.

Note: If levy authority was transferred to the General Fund (01) from any allowable fund, the 1110 District Tax Levy will be limited to the Ending Levy Authority Balance for all funds listed on the General Fund (01) Flexible Non-Voted Levy Authority tab.

SUMMARY Tab: No input required.

Verify the information on the screen including the number of mills.