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September 23, 2016

Dr. Robert Avossa, Superintendent  
Palm Beach County School Board  
3340 Forest Hill Boulevard, Suite C-316  
West Palm Beach, Florida 33406-5869

Dear Superintendent Avossa:

Enclosed is a list of preliminary and tentative audit findings and recommendations that may be included in a report to be prepared on our operational audit of the Palm Beach County District School Board Transportation Services Department.

Pursuant to Section 11.45(4)(d), Florida Statutes, you are required to submit within thirty (30) days after receipt of the list of findings a written statement of explanation concerning all of the findings, including therein your actual or proposed corrective actions. If within the 30-day period you have questions or desire further discussion on any of the preliminary and tentative audit findings and recommendations, please contact this Office.

Your written explanation should be submitted electronically in source format (e.g., Word or WordPerfect) and include your signature. For quality reproduction purposes, if you are not submitting your response in source format, please convert your response to PDF and not scan to PDF. If technical issues make an electronic response not possible, a hard copy (paper) response will be acceptable.

Please e-mail this Office at [flaudgen\\_audrpt\\_dsb@aud.state.fl.us](mailto:flaudgen_audrpt_dsb@aud.state.fl.us) to indicate receipt of the list of preliminary and tentative audit findings and recommendations. Absent such receipt, delivery of the enclosed list of findings is presumed, by law, to be made when it is delivered to your Office.

Sincerely,

A handwritten signature in blue ink that reads "Sherrill F. Norman".

Sherrill F. Norman

SFN/rba  
Enclosure  
c: School Board Members

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## **SUMMARY**

This operational audit of the Palm Beach County School District (District) Transportation Services Department (Department) focused on selected Department processes and administrative activities and included a follow-up on Finding 2 in our report No. 2015-090. Our audit disclosed the following:

### **Procurement of Bus Routing System**

**Finding 1:** The District purchased and fully implemented a bus routing system, which ultimately cost \$136,250, without:

- Documenting that the purchase was made at the lowest price consistent with desired quality.
- Establishing appropriate contract provisions, such as the expected number of hours to provide service deliverables, employee training dates, and the number of employees to receive training, and the processes to be used by District personnel to appropriately monitor the receipt of these services.
- Documenting appropriate authorization for contract changes and changes to specified deliverables.
- Establishing and adhering to a reasonable and useful schedule for fully implementing the system.
- Conducting tests, before full implementation, to verify that the system would function as expected and documenting the test results.
- Planning appropriate back-up processes should the system not function as expected.

Due to problems experienced with the bus routing system during the 2015-16 school year, the District decided to discontinue the system's use for the 2016-17 school year.

### **Department Personnel, Payroll, and Training**

**Finding 2:** District records did not always evidence that Department employees met the commercial driver's license requirements for their positions.

**Finding 3:** Department overtime procedures could be enhanced to ensure proper approval and the most cost-effective management of human resources.

**Finding 4:** The Department did not always ensure that bus drivers received the required training.

### **Transportation Safety**

**Finding 5:** The District should establish appropriate timelines for administering the bus driver disciplinary process. A similar finding was noted in our report No. 2015-090.

**Finding 6:** The Department did not always document timely follow-up and resolution of transportation-related complaints or concerns expressed to the Department Transportation Call Center.

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**Finding 7:** Department procedures need improvement to ensure the timely performance and documentation of required school bus safety inspections and maintenance as well as unscheduled bus maintenance.

**Administrative Management**

**Finding 8:** The Department could enhance transportation services by developing and implementing a strategic plan and related performance measures.

***FINDINGS AND RECOMMENDATIONS***

PROCUREMENT OF BUS ROUTING SYSTEM

Included in the Board's stewardship and fiduciary responsibilities associated with managing public resources is the responsibility to ensure that District controls provide for the effective and efficient use of resources in accordance with applicable laws, rules, and other guidelines. To promote responsible spending and improved accountability, it is important that District records demonstrate that public funds are properly utilized in fulfilling the Board's legally established responsibilities.

**Finding 1: Bus Routing System**

State Board of Education (SBE) rules<sup>1</sup> provide that the District may acquire information technology (IT) systems, such as bus routing systems, through the competitive solicitation process or by direct negotiation and contract with a provider as best fits the District's needs as determined by the Board. For purchases exceeding \$50,000, SBE rules<sup>2</sup> provide that, in lieu of requesting competitive solicitations from three or more sources, the District may make purchases at or below the specified prices from contracts awarded by another governmental entity, such as another school district, when the proposer awarded the contract by the other governmental entity permits District purchases at the same terms, conditions, and prices (or below such prices) awarded in the contract, and the purchases are to the District's economic advantage.

The Board authorized the Superintendent, pursuant to SBE rules<sup>3</sup> and Board policy,<sup>4</sup> to enter into IT system procurement or service contracts up to \$250,000 based on a contract awarded by another school district or by direct negotiations and contract as best fits the District's needs. For direct negotiation contracts, Board policy requires the Director of Purchasing to maintain adequate documentation commensurate with the value of the contract reflecting (a) the rationale for using direct negotiation as the

<sup>1</sup> SBE Rule 6A-1.012(14), Florida Administrative Code (FAC).

<sup>2</sup> SBE Rule 6A-1.012(6), FAC.

<sup>3</sup> SBE Rule 6A-1.012(2), FAC.

<sup>4</sup> Board Policy 6.14, *Purchasing Department*.

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purchasing method and (b) the basis for determining that the resulting contract is in the best interest of the District.

Effective procurement procedures serve to increase public confidence in the procurement process and appropriately written IT system contracts establish the scope of work, deliverables, and related delivery dates. Should decisions be made to change the terms or deliverables of a contract, documentation should clearly demonstrate management's consideration and approval of the decisions. Given the extensive complexities of IT systems, it is also important that an appropriate timeline be established and adhered to for the full implementation of the IT system. The timeline should include an appropriate time frame to enter bus route data into the system and to test the system, before the system is fully implemented, to disclose unanticipated problems and to verify that the system will function as intended. Appropriate back-up processes should be planned to ensure the continuity of services that rely on the system should the testing disclose that the system does not function as intended.

According to Department personnel, before the 2015-16 fiscal year, the District used a bus routing system developed by District staff. However, the individual who developed the system was no longer employed by the District and other District employees did not always understand how to operate the system. In addition, the system only managed bus routes and did not include other features, such as processes to capture, store, and check geographical data or a bus tracking application to assist management in assessing the efficiency of bus routes and inform parents of bus locations.

In an effort to improve the student transportation process, the District decided to replace the District-developed bus routing system. During the 2014-15 fiscal year, Department personnel, including the District IT Solutions Manager, began researching various bus routing system options and engaged in discussions with school district personnel at both a smaller and a larger school district in Florida, as well as with personnel at both a smaller and a larger school district outside the State. Discussions with personnel at the larger out-of-State school district, which had five times more transportation employees than the Department and transported twice as many students, included the larger school district's timeline to implement a bus routing system. District personnel also reviewed the smaller Florida school district's competitive selection and contracting process used to purchase a bus routing system and obtained a copy of the contract from the smaller school district.

District personnel indicated that, based on their research and recommendation, in June 2014 the Superintendent signed an authorization to procure a bus routing system based on the contract awarded by the smaller Florida school district. To procure the bus routing system from the vendor, the District issued a purchase order (PO) for \$217,000 in August 2014. According to Department personnel, after procurement, full implementation of the system could have been accomplished within 18 to 24 months, or by August 2016. Department personnel also indicated that partial system implementation began in October 2014; however, subsequent to the procurement date, there was an increased interest in adding a bus tracking application by August 2015. At the April 22, 2015, Budget Workshop, the Board was informed of four options to add the bus tracking application: (1) modify an in-house global positioning

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system program, (2) purchase an external application, (3) develop an in-house application, or (4) early implement the purchased bus routing system, which had a bus tracking application feature that could be developed. While District records did not document any action taken by the Board or the Superintendent to direct District personnel as to when to fully implement the bus routing system, the system was fully implemented in August 2015, a year sooner than originally planned.

To expedite system implementation, according to District personnel, the District agreed to forgo certain deliverables and reduce the related vendor payments by \$80,750. District personnel also indicated that the deliverables forgone included fleet program customization services, a State report to document student rider counts for funding purposes, and 8 days of staff training. District records indicated that the \$136,250 expended for the system included data analysis and site setup services, an information locator (i.e., a bus route map), and 5 days of staff training. However, our review of the procurement documentation and system implementation records disclosed that:

- The original cost (\$217,000) for the District's bus routing system was \$138,000 more than the amount of other school district's bus routing system contract (\$79,000) upon which the District's procurement was based. Several provisions of the two procurement instruments were inconsistent and did not provide sufficient information to evidence that the District obtained the same or better terms and cost provisions. For example, the District's PO provided for data analysis/site setup costs of \$108,500 based on 50 percent of the PO total, whereas the other school district's contract contained no data analysis/site setup component or related cost. Additionally, the District's PO provided for on-site training for 5 days at a cost of \$32,550 based on 15 percent of the PO total, whereas the other school district's contract contained on-site training for 5 days without an associated cost identified.

When basing a procurement on another governmental entity's competitive negotiation and contract awarding process, it is important, prior to executing an agreement, to obtain and review applicable documentation and perform analyses necessary to confirm that the procurement will be based on similar or better conditions and terms than included in the other entity's contract. In response to our inquiries, District personnel indicated that they used the other school district's contract as a starting point for direct negotiations with the vendor and, in August 2016, provided us a cost comparison showing that, on a per student basis, the District's cost was comparable to the other district's contract cost. However, District records did not evidence that this comparison was part of the District's negotiation process, that a per student basis is a customary measure or a reasonable basis to use to project bus routing system costs, or that the resulting procurement was in the best interest of the District. Also, cost estimates developed for each desired system component and functionality would have provided more complete evidence upon which to negotiate for this procurement. Without such documentation and analyses, the District cannot demonstrate that using another governmental entity's contract was to the economic advantage of the District.

- The District's PO did not establish the number of hours required for program customization or the scope of work necessary, but instead based the customization costs on a percent of the total PO amount. The District's PO also did not establish an employee training timeline, specify the number of employees to receive training, or identify the processes to be used by District personnel to appropriately monitor the receipt of these services. When all the necessary provisions are not

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incorporated in District procurement instruments, there is an increased risk of misunderstandings between the parties, overpayments, and services inconsistent with Board expectations.

- Although we requested, Department records could not be provided to demonstrate that, after the PO was issued, the Superintendent approved the decision to forgo certain deliverables and related vendor payments totaling \$80,750. District personnel indicated that they approved these decisions; however, Board policy only delegates such authority to the Superintendent.
- District personnel provided to us a system implementation schedule, dated February 2015, that identified certain deliverables and related implementation dates through July 2016. For example, the schedule listed "Phase III – Testing..." with a duration of "270 days?" to start April 27, 2015, and finish May 6, 2016. According to District personnel, the timeline to fully implement the system was included in the negotiation process; however, since the District expedited system implementation, the system was fully implemented before many of the finish dates listed in the schedule. As the schedule was not updated to reflect the expedited implementation, the reasonableness of the schedule and its usefulness as a monitoring tool was not readily apparent.
- The District did not conduct tests, before fully implementing the system, to verify that the system would function as expected. In response to our inquiries, Department management indicated that, due to the compressed time frame for system implementation, they could not train applicable staff, test the bus routes, or conduct a pilot program to ensure that the system would function as expected.
- Although we requested, Department records could not be provided to demonstrate that the Department planned appropriate back-up processes should the system not function as expected. In response to our inquiries, Department management indicated that the Department did not plan for a back-up process and the Department removed the routes from the District-developed bus routing system when data was converted to the purchased system.

According to Department personnel, the Department experienced several bus routing problems during the 2015-16 school year, including crowded buses, unrealistic bus trip schedules, and unfamiliar bus routes, which caused bus route delays and student attendance and related education service disruptions. Department management indicated that, as of June 2016, the District no longer used the purchased bus routing system and the District-developed bus routing system used prior to the 2015-16 school year was being updated with improved routes. In addition, Department management indicated that the updated District-developed bus routing system will be linked to an existing global positioning system to track District buses, including arrival times at each school, for the 2016-17 school year. Department management also indicated that the District tested the system-generated online arrival report, used to track bus arrival times, during the summer of 2016 to ensure that the system will appropriately identify arrival times for the 2016-17 school year.

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**Recommendation:** For future IT system purchases, the District should enhance procedures by:

- Documenting that the purchase is made at the lowest price consistent with desired quality.
- Establishing appropriate contract provisions, such as the expected number of hours to provide service deliverables, employee training dates, and the number of employees to receive training, and the processes to be used by District personnel to appropriately monitor the receipt of services.
- Documenting appropriate authorization, such as Superintendent approval, for contract changes, including changes related to specified deliverables.
- Establishing and adhering to a reasonable and useful schedule for fully implementing the system.
- Conducting tests, before full implementation, to verify that the system will function as expected and documenting the test results.
- Planning appropriate back-up processes should the system not function as expected.

We also recommend that, until a new bus routing system is developed or purchased, the District continue to provide the resources necessary to properly update and maintain the existing bus routing system.

DEPARTMENT PERSONNEL, PAYROLL, AND TRAINING

Effective personnel and payroll policies and procedures serve to regulate Department employee actions and communicate management expectations to new and established employees. Such policies and procedures also ensure, among other things, appropriate verification of employee licensure requirements, overtime monitoring, and bus driver training.

**Finding 2: Employment Practices and Personnel Records**

The District's online employment application process automatically routes all applications to the Human Resources Department, which distributes the applications to applicable department directors for review. Board policy<sup>5</sup> requires the Transportation Department, Division of Compliance and Training, to verify, before an employee is transferred to a position in the Department or a new hire is selected to fill a vacancy in the Department, that the individual meet the position's licensure requirements through verification of the individual's license class and status with the Florida Department of Highway Safety and Motor Vehicles (FDHSMV) Web site.

According to District job descriptions, the Department general manager position requires a bachelor's degree in business, transportation, or a related field and 5 years of management experience, while the mechanic and helper positions require a high school diploma. Additionally, Department mechanics must

<sup>5</sup> Board Policy 3.21, *Safe Operation of District School Buses*.

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have, or obtain within 180 days after appointment, a commercial driver's license (CDL) Class A license<sup>6</sup> and helpers must have, or obtain within 90 days after appointment, a CDL Class B license.<sup>7</sup>

During the period July 2015 through March 2016, the District hired seven Department employees, including a general manager, two mechanics, and four helpers. We examined the personnel files for the general manager and the other newly hired Department employees and noted that the files documented that the individual serving as general manager met the minimum requirements for the position and the other employees met the high school diploma requirement for their positions. However, our examination of the personnel files also disclosed that Department records did not evidence that the Department always verified the class and status of Department employees' licenses. Specifically, for the two mechanics and four helpers, we found that:

- One mechanic and two helpers only had Class E licenses<sup>8</sup> when they were hired. Seven months after appointment, one of the helpers obtained a temporary CDL Class A license but did not obtain the required CDL Class B license. As of June 2016, although more than 90 and 180 days had elapsed, respectively, since their dates of hire, the other helper had not obtained the required CDL Class B license and the mechanic had not obtained the required CDL Class A license.
- While the applications for these six employees listed the applicants' driver license numbers, District records did not document whether District personnel verified the class and status of the licenses listed. We extended our procedures to trace the driver license numbers listed on the six applications to the FDHSMV Web site; however, our procedures cannot substitute for management's responsibility to verify this information.

In response to our inquiry, District personnel indicated that the District recently replaced the general manager over the Division of Compliance and Training, who reviews the documentation for all new hires. Documented verifications of individuals' licensure requirements would provide critical information for making personnel decisions as well as assurances that employees transferred to new positions or individuals selected for hire meet position requirements.

**Recommendation: Department management should enhance procedures to document verification that individuals selected to fill vacant Department positions meet, or subsequently meet within required timelines, the licensure requirements for the positions.**

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<sup>6</sup> CDL Class A licenses are required to operate trucks or truck combinations weighing 26,001 pounds or more and to tow a vehicle/unit over 10,000 pounds.

<sup>7</sup> CDL Class B licenses are required to operate straight (i.e., all axles attached to a single frame) trucks and buses weighing 26,001 pounds or more.

<sup>8</sup> Class E licenses are required to operate a non-commercial motor vehicle with a gross vehicle weight rating less than 26,001 pounds, including passenger cars, 15-passenger vans including the driver, and trucks or recreational vehicles.



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**Finding 3: Payroll Processing – Overtime Payments**

Board policy<sup>9</sup> and the Service Employees International Union/Florida Public Services Union (SEIU/FPSU) Agreement,<sup>10</sup> which includes bus drivers and attendants, helpers, and mechanics, require employees to obtain written approval from an appropriate administrator or supervisor prior to earning overtime or compensatory time. Board policy also states that employees will be subject to disciplinary action if prior written approval is not obtained. Board policy also requires employees be paid overtime pay at a rate of one and one-half times the regular rate of pay for hours worked over 40 hours per week.

According to District personnel, overtime payments are frequently necessary because of an activity (e.g., an athletic, band, or chorus activity), class field trips, and extra bus routes to compensate for bus breakdowns. Department overtime payments represent significant Department expenditures as the payments were 16 percent of Department compensation for the 2014-15 fiscal year and 19 percent for the 2015-16 fiscal year. Table 1 shows for the 2014-15 and 2015-16 fiscal years a comparison of Department budgeted and actual overtime payments and related variances, percentages of the respective budget overexpenditures, and the percentage of District overtime payments related to the Department.

**Table 1  
Department Overtime  
Budget and Actual Expenditures  
2014-15 and 2015-16 Fiscal Years**

Overtime	Fiscal Year	
	2014-15	2015-16
<b>Department:</b>		
Budget	\$ 1,969,411	\$ 1,984,655
Actual	3,747,157	4,867,090
<b>Department Budget Overexpended</b>	<b>\$ 1,777,746</b>	<b>\$ 2,882,435</b>
<b>Percent Overexpended</b>	<b>90%</b>	<b>145%</b>
<b>District:</b>		
Actual	\$ 9,459,843	\$11,232,912
<b>Department Actual Percent of District Actual</b>	<b>40%</b>	<b>43%</b>

Source: District Records.

In response to our inquiry, District personnel indicated that the budgeted overtime for the 2015-16 fiscal year was overexpended because anticipated cost reductions did not materialize from use of the

<sup>9</sup> Board Policy 6.12, *Overtime/Compensatory Time Off Under Certain Circumstances*.

<sup>10</sup> Article 11, Section 2 of the SEIU/FPSU Agreement.

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purchased bus routing system and senior staff were used as substitute drivers when regular drivers were unavailable. Notwithstanding the reasonableness of these explanations, periodic review of budget-to-actual expenditure comparisons is necessary for monitoring the financial status of the Department, determining whether funds are available prior to overtime authorizations, and timely identifying and taking action to remedy critical Department budget shortfalls.

During the period July 1, 2015, through March 18, 2016, the District paid \$3.5 million in overtime to 1,226 Department employees. Our examination of District records supporting bus driver overtime payments for that period disclosed that 768 bus drivers received overtime payments totaling \$1,954,303 and that 9 of the bus drivers were each compensated more than \$10,000 for overtime. These 9 bus drivers received overtime payments totaling \$119,760 and ranging from \$10,051 to \$19,306, or 58 to 103 percent of their regular wages. We requested payroll records supporting overtime earned by the 9 bus drivers during September 2015 and a portion of March 2016 and noted that a total of 1,111 overtime hours was earned and overtime payments totaling \$28,827 were made for these time periods. Our discussions with District personnel and review of bus driver overtime payment records disclosed that:

- Department records documented prior supervisory approval for 103 overtime hours with associated overtime payments totaling \$2,806; however, although we requested, records could not be provided to demonstrate prior supervisory approval for 1,008 overtime hours with associated overtime payments totaling \$26,021 made to the 9 bus drivers. In response to our inquiries, District personnel indicated that it is not always practical for bus drivers to obtain prior written approval, as the overtime may be for an extra route related to a bus breakdown; however, Board policy did not provide any exemptions from the prior written approval requirement for overtime. District payroll records documented, for all 9 bus drivers, supervisor approval for the payment of overtime after the overtime hours were worked,
- The District had not conducted a cost-benefit analysis of Department overtime pay. Since the overtime rate of pay is one and one-half times the regular pay rate, and given the District's limited resources, extensive and continued use of overtime may negatively impact District operations in that overtime increases overall salary costs without a corresponding increase in the number of hours spent on operations. While we recognize the need for overtime for certain positions during peak periods, it is important that the District analyze the cost effectiveness of overtime worked throughout the year considering the fiscal impact of overtime payments as well as staffing and employee workload issues.

In response to our inquiry in June 2016, Department management indicated that they are currently developing procedures related to overtime approval. Written supervisory approval obtained prior to overtime hours being worked provides assurance that employees' services are consistent with Board expectations and also reduces the risk that overtime payments will exceed those anticipated in the budget.

**Recommendation: Department management should periodically review budget-to-actual overtime expenditure comparisons when monitoring the financial status of the Department. Additionally, Department management should enhance procedures to ensure that approval for overtime is properly documented before the overtime is worked or seek revisions to the Board policy to provide exemptions from the prior written overtime approval requirement for**

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circumstances such as bus breakdowns. Also, given the amount of overtime expenditures incurred, we recommend that the District enhance management controls to require Department overtime and staffing analyses to ensure the most cost-effective management of human resources.

**Finding 4: Bus Driver Training**

State Board of Education (SBE) rules<sup>11</sup> and Department procedures<sup>12</sup> require that the District, at least annually, ensure that each bus driver successfully completes a minimum of 8 hours of in-service training for transporting students. Department personnel indicated that the District typically provided 4 hours of bus driver in-service training at the beginning of the year and 4 hours later in the year, and maintained records of the training hours provided. However, our examination of Department records indicated that the Department did not always ensure that bus drivers received the full 8 in-service training hours during a 12-month period.

From the population of 664 individuals who remained employed as bus drivers during the period April 2015 through March 2016,<sup>13</sup> we requested District records supporting the in-service training hours for 40 selected bus drivers. Based on the records provided, we found that 1 bus driver had received no in-service training and 8 bus drivers lacked 3.5 to 4 hours of required training. For the 2016-17 fiscal year, the Department plans to provide the full 8 hours of training at the beginning of the year. Absent the required training, District records do not demonstrate compliance with SBE rules and the risk is increased that drivers may lack the knowledge and skills necessary to safely perform their assigned duties.

**Recommendation: Department management should enhance procedures to ensure that each bus driver annually receives the required 8 hours of in-service training.**

TRANSPORTATION SAFETY

Comprehensive and effective transportation safety policies and procedures reduce the risk of unsafe driving behavior and transportation-related accidents and injuries by addressing appropriate bus driver disciplinary processes and including procedures for the follow-up and resolution of transportation-related complaints or concerns regarding unsafe or faulty driving practices. Comprehensive and effective transportation safety policies and procedures also ensure that required school bus safety inspections and maintenance, including unscheduled bus maintenance, are timely performed by certified technicians and documented.

<sup>11</sup> SBE Rule 6A-3.0141(8), FAC.

<sup>12</sup> Chapter 1, *Operations, School Bus Drivers and Bus Attendants Handbook*.

<sup>13</sup> Records for bus drivers who separated from District employment during the period April 2015 through March 2016 were excluded from the population for this audit test.

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**Finding 5: School Bus Driver Disciplinary Process**

The District Safe Driver Plan provides, among other things, a point system for driving infractions and preventable accidents that requires, based on the points accumulated, administrative actions against school bus drivers ranging from verbal warnings to employment termination. The District also established a Vehicle Accident Review Committee (VARC) that meets monthly to review accident reports and other records to determine whether an accident was preventable or non-preventable and to assist in determining the point assessment and disciplinary action required relating to the accident. The SEIU/FPSU Agreement and District procedures<sup>14</sup> guide applicable departments and the VARC in administering employee disciplinary processes; however, we noted there was no established timeline for conducting the school bus driver disciplinary process in the District Safe Driver Plan, SEIU/FPSU Agreement, District procedures, or other written guidance.

From the population of 779 bus drivers employed during the 2015-16 fiscal year, we examined District records for 60 selected bus drivers and identified eight disciplinary actions for 7 of the 60 bus drivers. For the eight disciplinary actions, which included three preventable accidents with damage greater than \$500 and five other policy and motor vehicle violations, we noted that:

- For the three preventable accidents, 57, 78, and 72 days elapsed, respectively, from the accident date to the date of the VARC decision on points assessed and disciplinary action and 51, 27, and 30 days elapsed, respectively, from the date of the VARC decision to the actual dates of the disciplinary actions. In total, 108, 105, and 102 days elapsed, respectively, from the accident date to the disciplinary action date.
- For the five other policy and motor vehicle violations, the number of days that elapsed from the dates of the violations to the disciplinary action dates ranged from 89 to 216 days.

While, due to extenuating circumstances associated with driving infractions and preventable accidents, certain incidents could take longer to evaluate than others, establishing reasonable timelines to complete the school bus driver disciplinary process may expedite the process and reduce the risk of recurring incidents that jeopardize the safety of students, employees, and others. A similar finding was noted in our report No. 2015-090.

**Recommendation: The District should establish and implement appropriate timelines for administering the school bus driver disciplinary process to reduce the risk of recurring incidents that jeopardize the safety of students, employees, and others.**

**Finding 6: Transportation Call Center**

The Florida Legislature's Office of Program Policy Analysis and Government Accountability (OPPAGA) best practices for Florida school district transportation<sup>15</sup> provide that district staff should respond promptly

<sup>14</sup> *The Discipline Process, A Guide for Principals and Department Heads.*

<sup>15</sup> OPPAGA, *The Best Financial Management Practices, Transportation.*

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to complaints or suggestions received from school site staff, parents, or the general public about a driver's performance on an official assignment. Additionally, records should show what action was taken in response to each complaint or suggestion. Effective controls also require management review and approval of the follow-up and resolution procedures for transportation-related complaints and concerns received.

The Department maintains a Transportation Call Center (TCC) that receives, logs, and monitors the resolution of telephone calls reporting such matters as crowded buses, bus driver reckless driving, bus accidents, buses arriving late to schools, and other transportation concerns. The information logged includes the type of concern, description of the matter (e.g., bus number, speed, and location of incident), bus route, and date and time of the telephone call. According to Department personnel, for calls concerning buses exceeding the speed limit, the TCC representative reviews the global positioning system for the location and speed of the bus to verify the validity of the concern. Additionally, in September 2015, the TCC began separately recording reckless driving concerns, which were previously recorded on the logs in the "other concern" category. Department personnel also indicated that the Department central office either follows up and resolves the transportation-related concerns or refers the concern to one of the Department's six service facility locations for follow-up and resolution. However, the Department had not established procedures for management to review and approve the follow-up and resolution of concerns referred to service facility locations.

During the period July 2015 through March 2016, the TCC recorded 201 crowded bus concerns. According to Department records, 46 concerns were resolved by the central office and 155 were referred to a service facility location for follow-up and resolution. Of the 201 crowded bus concerns, 185 concerns (92 percent) related to bus routes for middle and high school students, and 138 concerns (69 percent) occurred in August and September 2015 (after the August 2015 implementation of the purchased bus routing system discussed in Finding 1). As part our procedures, we reviewed documentation for 30 of the 155 recorded crowded bus concerns referred to a service facility to determine whether the Department documented timely and appropriate follow-up. We found that documentation for 9 of the 30 concern resolutions only indicated "This issue has been resolved" with no evidence of management review and approval of the resolutions and no additional details to explain the circumstances of the crowded bus concerns or how the concerns were resolved. Appropriate details could include whether students were on the wrong bus or the bus contained ineligible riders and how the crowded bus problems were remedied. We also found that the resolution time for 20 of the concerns ranged from 32 to 114 days after the call was received. Such delays could increase the safety risks of students or necessitate that students find another means of transportation.

During the period September 2015 through March 2016, the TCC recorded 352 reckless driving concerns. According to Department records, 63 of the concerns were resolved by the central office and 289 were referred to a service facility location for follow-up and resolution. We reviewed documentation for 30 of the 289 concerns referred to a service facility location to evaluate whether the Department timely

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and appropriately followed up with drivers and whether disciplinary action, if necessary, was taken. We noted that the Department did not follow up and resolve 10 of the 30 concerns because, according to Department personnel, there was a logging system glitch. In addition, we noted that the Department could not demonstrate that the follow-up and resolution procedures were timely for another 8 concerns as the dates were not recorded for these procedures. We also noted 4 concerns for speeding and improper lane changes in which the bus drivers were untimely notified 19, 20, 27, and 136 days, respectively, after the concerns were recorded.

In response to our inquiry, Department personnel indicated that the TCC relies on the service facility locations to timely and appropriately follow up and resolve concerns. Department personnel also indicated that, due to the bus routing problems during the first few weeks of the 2015-16 school year, Department employees focused on resolving concerns rather than documenting the details of the resolution and that the Department is taking action to resolve the logging system glitch to ensure concerns are properly routed to the respective service facilities. Further, Department management stated that other corrective actions included adjusting bus routes, adding bus stops or buses, and identifying ineligible riders and developing a process for removing them from the buses and that, in June 2016, Department management was in the process of drafting TCC guidance in the *Support Operations Call Center Handbook and Resource Manual* for the 2016-17 fiscal year.

Absent effective procedures to document timely and appropriate follow-up of transportation-related complaints or concerns expressed to the TCC, including procedures for management to review and approve the follow-up and resolution of concerns referred to service facility locations, there is an increased risk that bus drivers with unsafe or faulty driving habits will not be timely confronted, delaying disciplinary action and increasing the bus-related safety risks of students, employees, and others.

**Recommendation:** Department management should continue efforts to finalize and implement the *Support Operations Call Center Handbook and Resource Manual*. Such efforts should ensure that the *Manual*:

- Establishes a timeline for the prompt follow-up and resolution of transportation-related complaints and concerns expressed to the TCC. The timeline should provide for prompt communication with bus drivers and others involved to ensure information regarding the concern is accurately documented and timely resolved.
- Requires that records document the details explaining the circumstances of how transportation-related concerns are resolved.
- Requires that Department management review and approve the follow-up and resolution of transportation-related concerns referred to service locations.

So that reported reckless driving concerns can be appropriately referred for follow-up by the service facilities, we also recommend that Department management continue actions to timely resolve the logging system glitch.



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**Finding 7: School Bus Inspections**

SBE rules<sup>16</sup> set forth the responsibilities of school districts for student transportation, including the responsibilities to comply with the school bus safety inspection requirements listed in the *Florida School Bus Safety Inspection Manual, 2008 Edition (State Manual)*. The *State Manual* requires, for example:

- Inspections every 30 school days unless a bus is removed from service, which requires an inspection prior to return to service.
- Inspections be conducted by technicians certified as school bus inspectors.
- Engine control, seatbelt, and emergency door inspections.
- Deficiencies identified during the inspections be recorded on the required inspection form and repaired before the bus is returned to service.

To document the required 30-school-day inspection and maintenance procedures, Department personnel prepare safety inspection forms prior to returning the bus to service, and the inspection date restarts the 30-school-day count. Additionally, the Department uses safety inspection work orders to document unscheduled maintenance by certified technicians for school bus breakdowns or specific mechanical concerns, such as air conditioner or battery defects, that occur prior to the required 30-school-day scheduled inspections and maintenance.

To determine whether the District complied with the school bus safety inspection requirements in the *State Manual* and whether inspection work orders demonstrated that school bus maintenance was appropriately performed by certified technicians and documented, we requested for our examination the 319 safety inspection forms and 31 inspection work orders prepared for 62 selected buses in operation during the period July 2015 through March 2016. Our audit tests found that:

- Several inspection forms did not demonstrate compliance with the *State Manual*. For example:
  - 19 inspection forms were not initialed by a technician or a foreperson for one or more inspection items with a status code “O” (out of service from a safety nature) to demonstrate that the safety-related items were repaired by technicians or addressed by forepersons before the bus was returned to service.
  - According to the inspection forms, 17 inspections were not timely performed. Specifically, these 17 inspections were performed 2 to 10 days after the required 30-school-day time frame expired.
  - 11 inspection forms indicated that the inspections were performed by an employee, classified as a transportation helper, whose school bus inspector certification had expired on June 30, 2014. In response to our inquiry, Department personnel indicated that, because the employee was misclassified as a helper, instead of a technician, the employee was not notified to recertify his certificate and it expired. Subsequent to our inquiry in May 2016, Department personnel required the employee to stop conducting inspections.

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<sup>16</sup> SBE Rule 6A-3.0171, FAC.

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- Although we were able to review 14 of the 31 safety inspection work order forms and the inspection dates recorded in the system used to track school bus inspections and maintenance for the remaining 17 forms, the District could not provide the remaining 17 forms for our examination.

Department personnel indicated that some records were not always available or maintained properly and certain inspections were untimely because of higher priority concerns. Department personnel also indicated that the Department had not established written procedures addressing the follow-up on deficiencies cited in the school bus safety inspections to ensure that the deficiencies were timely repaired and documented on the inspection form prior to the bus being returned to service.

Without effective controls established to ensure that school bus inspections and maintenance are performed in accordance with *State Manual* requirements and that unscheduled maintenance procedures are timely performed and documented, there are increased safety risks associated with use of the buses. Subsequent to our inquiry, the Department Area Manager indicated that, effective May 30, 2016, the Department implemented a new school bus maintenance schedule and procedures to improve compliance with the safety inspection requirements.

**Recommendation: Department management should continue efforts to ensure that required safety inspections and maintenance are performed in compliance with *State Manual* requirements and that unscheduled school bus maintenance procedures are appropriately performed and documented.**

ADMINISTRATIVE MANAGEMENT

Given the District's responsibility, pursuant to State law,<sup>17</sup> for the safety and health of students being transported and the significant commitment of public funds for student transportation, it is important that the District establish appropriate administrative management procedures to evaluate the effectiveness and efficiency of Department operations at least annually using performance data and established benchmarks.

**Finding 8: Strategic Plan**

A strategic plan is used to communicate an organization's goals and objectives and the actions needed to achieve those goals. An effective strategic plan identifies measurable short- and long-term objectives and provides a basis, such as benchmarks or performance measures, for evaluating performance data before the commitment of significant resources so that the most cost-effective and efficient processes can be identified. Such plans could also establish a basis to ensure continuity of these goals or objectives in the event that administrative changes occur.

On March 2, 2016, the Board approved the *School District Strategic Plan* which defines the District's guiding principles, such as accountability to improve student achievement and the capacity to strengthen

<sup>17</sup> Sections 1006.21 and 1006.22, Florida Statutes.



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people skills, and goals that focus on student performance. Additionally, Department procedures provide guidance for administering certain transportation services and include: *School Bus Drivers and Bus Attendants Handbook*, *Standard Operating Procedures for Payroll Clerks IV*, *Repair Parts Ordering Process*, and *Support Operations Call Center Handbook and Resource Manual* (draft). However, as noted in a District-requested external review of Department processes and procedures in the winter of 2015, the Department had not developed a strategic plan or related performance measures to determine the effectiveness and efficiency of Department operations.

Our audit procedures disclosed that, as of June 2016, Department management still had not developed a strategic plan or related performance measures. In response to our inquiries, Department management indicated that, as of June 2016, the Department was in the process of developing a comprehensive, written plan that will include an organizational chart, an overview of administrative office operations, a description of the new employee orientation process, job expectations by job title, and other Department strategies. Department management also indicated that benchmark information was being collected to enable the Department to prepare performance evaluations, such as cost comparison analyses, and to set goals and objectives related to improved safety and efficiency.

**Recommendation: To enhance the efficiency and effectiveness of Department operations, management should continue efforts to develop, implement, and maintain a strategic plan and related performance measures for Department operations.**

**PRIOR AUDIT FOLLOW-UP**

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As noted in Finding 5, the District had not taken corrective action for finding No. 2 noted in our report No. 2015-090.

**End of Preliminary and Tentative Findings.**