



Memorandum

Date: February 11, 2022
To: Finance and Audit Committee
From: Ryan Stierman, Secretary-Treasurer/CFO

Action Item: Review of Transportation Fees for the 2022/2023 Fiscal Year

1.0 ISSUE STATEMENT

Although not mandated by the *School Act*, the Board of Education has supported the operations of a student transportation system for students in Central Okanagan Public Schools. As part of its support for transportation, the Board of Education each year must heavily subsidize the transportation department with approximately \$3.8 million in operating funds that could be directed to classroom supports and operations. Each year, the Board of Education reviews the fee that it charges for all students that receive this service.

2.0 RELEVANT BOARD MOTION/DIRECTION

Public Board Meeting – February 26, 2020

Main 20P-038 as amended by 20P-039

THAT: The Board of Education set the transportation fee of \$300 using the route cap scenario, as attached to the Agenda and presented at the February 12, 2020 Public Board Meeting.

3.0 BACKGROUND

The Government of British Columbia only provides \$600,000 in transportation funding. As a result, funds from the operating fund were used to cover this shortfall. The following outlines the District's decisions to alleviate this shortfall.

| Year | Decision |
|------|---|
| 2010 | A \$200/year transportation fee was introduced to help offset this shortfall. |
| 2012 | Board of Education approved a reduction of the annual fee to \$100/year. |
| 2015 | Board of Education voted to increase the annual fee to \$200/year. |
| 2017 | Board of Education approved to use the \$600,000 Transportation funding to provide 100% subsidy to eligible bus riders using the historical Ministry of Education guidelines. Non-eligible riders continued to pay the approved Board transportation fee of \$250/year. |
| 2018 | Board of Education approved the transportation fee be set at \$200/year for each bus rider for the period effective July 1, 2018 to June 30, 2019. |
| 2020 | As part of the recommendations from the Transportation Task Force and the Planning and Facilities Committee, the Board of Education approved the transportation fee be set at \$300/year for each bus rider for the period effective July 1, 2020 to June 30, 2021. |

With the implementation of the revised Regulation 470R – Transportation Services Management (*Regulations*) Guiding Principles for Transportation in Central Okanagan Public Schools, the District has implemented new procedures to improve the District's fee collections and has reduced the non-payment rate of fees from 14% in 2019-20 to 2% for the 2020-21 school year.

4.0 INFORMATION STATEMENT

The following analysis provides a financial analysis of last years actual results, this years projected results based on the current fee, and the projected financial results for next year based on the recommended fee increase of \$5.00 per month for an annual increase of \$50.

| | Actual | Projected | Projected |
|-------------------------------------|------------------|------------------|------------------|
| | 30-Jun-21 | 30-Jun-22 | 30-Jun-23 |
| Riders | 4,577 | 4,711 | 4,911 |
| Unpaid | (71) | (73) | (76) |
| Subsidies | (259) | (285) | (297) |
| Net Fees Paid | 4,247 | 4,353 | 4,538 |
| | | | |
| Rate | \$ 300 | \$ 300 | \$ 350 |
| | | | |
| Busing Fees | 986,718 | 1,011,327 | 1,229,971 |
| Busing Funding | 600,000 | 600,000 | 600,000 |
| Total Revenue | 1,586,718 | 1,611,327 | 1,829,971 |
| | | | |
| Total Operating Costs | \$ 5,078,815 | \$ 5,430,239 | \$ 5,745,239 |
| | | | |
| Shortfall | \$ (3,492,097) | \$ (3,818,912) | \$ (3,915,268) |
| | | | |
| Operating Funding Supplement | 3,492,097 | 3,818,912 | 3,915,268 |
| | | | |
| <u>Funding per Rider</u> | | | |
| Fees | 215.58 | 214.67 | 250.45 |
| Funding | 131.09 | 127.36 | 122.17 |
| Operating Subsidy | 762.97 | 810.64 | 797.24 |
| Total Cost | 1,109.64 | 1,152.67 | 1,169.87 |

Per the analysis above, the recommended fee increase to \$350 provides approximately \$200,000 in additional funds to cover a portion of the following increased costs for the upcoming school year:

- 2021/22 increase in CUPE and Exempt Staffing costs of 2% - \$75,000
- Increase in fuel and supply costs - \$60,000
- Increase of 3 routes required to serve eligible students - \$180,000

The District continues to have an open and transparent fee subsidy policy (see Appendix A), which allows for parents with financial difficulties to receive busing at no charge.

5.0 STAFF RECOMMENDATION

THAT: The Finance and Audit Committee recommends to the Board:

THAT: The Board of Education set the transportation fee to \$350/year for each bus rider for the period effective July 1, 2022 to June 30, 2023.

6.0 APPENDIX

A. Regulation 425R – Student Fees (*Regulations*)



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425R – STUDENT FEES

Schools may assess and collect the goods and services fees, distinct schools, unique programs and specialty academy fees, rentals, deposits, and charges described below, providing that the ability to pay is not a prerequisite to taking an educational program and that the charge is not for an activity that directly relates to achieving the prescribed learning outcomes of a course or program except where permitted by legislation. All goods, services, distinct schools, unique programs and specialty academy fees and supplies referred to in these Regulations shall be optional to students. The financial hardship Policy (section 8) applies to all student fees.

The Board may assess and collect a Student Transportation Charge for students requesting access to the District transportation system.

Interpretation

For the purpose of these Regulations:

Goods and Services

Include but are not limited to:

- Materials and equipment of a nature, or of a quality or quantity, beyond that which is necessary to meet the required outcomes or assessment requirements of an educational program,
- Paper, writing tools, calculators other than graphical calculators, student planners, exercise books, computer storage media and other school supplies and equipment for a student’s individual use,
- The provision of a musical instrument for a student’s individual use, and
- The payment of expenses in respect of field trips or special events including expenses for transportation, accommodation, meals, entrance fees and equipment rentals.
- Student bus passes or replacement bus passes.

Student Transportation Charge

Representing a portion of the cost to transport the student to and from school as per Policy 470.

Supplies

Items which are purchased and used personally by the student; (examples: school supplies available through the bulk purchase plan, gym strip, exercise books, binders, loose-leaf refills, blank computer diskettes, home economics and technology education projects)



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| | |
|---------------------------------------|---|
| <i>Educational Resource Materials</i> | Information, represented or stored in a variety of media and formats, that is used for instruction in an educational program and materials and equipment necessary to meet the learning outcomes or assessment requirements of an educational program provided by the Board of Education. |
| <i>Musical Instruments</i> | School District owned musical instruments used in the curricular and extracurricular school-based music programs. |
| <i>Merchandise</i> | Merchandise of a non-educational nature available through the schools for the benefit of its students (examples: personal foods and beverages, T-shirts and book fairs). |
| <i>Activities</i> | Optional activities of a non-educational or supplemental nature that are made available through the schools for the benefit of students (example: co-curricular programs). |
| <i>Distinct School</i> | A school that provides a curriculum with a specific school-wide educational focus (e.g. traditional or fine arts), or creates a unique school identity (e.g. mandatory uniforms). |
| <i>Unique Program</i> | A program that fulfills a recognized educational need separate from existing programs and services, but within the parameters of provincially prescribed and/or Board authorized curriculum, and provides educational options for students, parents and staff (e.g. International Baccalaureate, Advanced Placement or Elementary/Middle School Okanagan Language). |
| <i>Specialty Academy</i> | An educational program that emphasizes a particular sport, activity or subject area, and meets the prescribed criteria set out in the regulations (BC Ministry of Education Specialty Academy Criteria Regulation 219/08 dated October 15, 2009). |

1. Goods and Services and Supplies

The Superintendent of Schools may approve the charging of specific fees and levies to students for goods and services and supplies not normally provided free-of-charge by the district's schools.

2. Student Transportation Charge

The Board may approve the charging of a portion of the cost to transport the student to and from school as per Policy 470.



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3. Educational Resource Materials

Secondary and middle schools may require a deposit (caution fee) for equipment or materials on the following basis:

- 3.1 individual fee
- 3.2 family fee

Upon the return of such equipment or materials in working order and good condition, all of the deposit shall be refunded to the student.

4. Activity Charges

Schools may collect an activity charge (student council/supplemental field trips/extra-curricular activities/cultural performance) providing the charge for the activity or resources does not relate directly to a prescribed outcome. Also, alternative activity must be provided to non-participating students. Activity charges should be on a cost-recovery basis or, where common among schools, shall be applied consistently and shall reflect reasonable cost recovery.

5. Approval and Publication

- 5.1 Applications for the charging of goods and services fees activity charges, and the requiring of deposits referred to in subsections 1 to 3 above, shall be submitted to the Superintendent of Schools or his designate for approval.
- 5.2 Upon receiving approval of the applicable goods and services fees, student transportation charge, charges, and deposits, each school shall publish a schedule of such fees, charges and deposits, and shall make the schedule available to students and children registered under Section 13 of the School Act, and to the parents of those students before the beginning of the school year.

6. Merchandise and Activities

6.1 Merchandise:

Schools will be free to sell a wide range of merchandise beyond the Goods and Services and supplies, a general list of such known merchandise must be approved by the principal and filed with the office of the Superintendent of Schools or his designate for information purposes.

6.2 Band instruments:

Schools may charge a nominal fee (below market rate) for the rental of School District owned band instruments. The rental fee will be established by the school principal.

6.3 Activities:

Although schools will be free to undertake a number of activities beyond those required in the educational program, a list of such known activities with estimated



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charges is to be approved by the principal and filed with the office of the Superintendent of Schools or his designate for information purposes.

6.4 Specialty Academy Fees:

A school may charge a fee for an authorized academy to recover supplementary instruction and resource costs (e.g. professional coaches, facility rentals) provided that Academy and associated fees are approved by the school’s School Planning Council on a yearly basis. Authorized Secondary School Apprenticeship specialty academies and Dual Credit Program specialty academies may charge for tools, equipment and materials directly related to the academy.

7. Accounting

All monies collected and distributed by a school are public funds and are subject to an audit by the office of the Secretary-Treasurer.

7.1 Proper accounting procedures shall be maintained at each school.

7.2 The principal shall be responsible for authorizing all expenditures.

7.3 Separate accounts shall be maintained for each approved specialty academy.

8. Financial Hardship

8.1 Principals shall annually notify parents through newsletters, notices to parents, and at the time of registration, that a student will not be excluded from any educational program due to financial hardship.

8.2 Principals shall facilitate participation in courses by fully or partially waiving the schedule for payment of goods, services, supplies, project fees, distinct schools, unique programs, specialty academies and charges for students unable to pay because of financial hardship. Where fees are fully or partially waived, the principal may explore with the student options to recover the fees through school-sponsored fundraising, other school funds or community sources. Parents of other participating students are not expected to fund financial hardship.

8.3 Principals shall facilitate exemption requests for the student transportation charge by meeting with the parents seeking the exemption and completing the student transportation fee Subsidy Request form. The form must be submitted confidentially to the Secretary-Treasurer for final approval.

8.4 Parents may also submit exemption requests directly to the Secretary-Treasurer should they qualify under income thresholds.

Appendix A

School District No. 23 (Central Okanagan)

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- 8.5 Principals are directed to establish a procedure in each school which will allow for the private and confidential consideration of financial circumstances of individual students and families. Such procedures will preserve the dignity of families who may be unable to pay.