



THOMAS P. DiNAPOLI
COMPTROLLER

STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER
110 STATE STREET
ALBANY, NEW YORK 12236

GABRIEL F DEYO
DEPUTY COMPTROLLER
DIVISION OF LOCAL GOVERNMENT
AND SCHOOL ACCOUNTABILITY
Tel: (518) 474-4037 Fax: (518) 486-6479

August 2018

Dr. Thomas J. Douglas, Superintendent of Schools
Members of the Board of the Horseheads Central School District
Horseheads Central School District
One Raider Lane
Horseheads, NY 14845

Report Number: S9-18-6

Dear Superintendent Douglas and Members of the Board of Education:

We conducted an audit of seven school districts throughout New York State. The objective of our audit was to determine whether school districts are providing adequate oversight to ensure students' safe transportation. We included the Horseheads Central School District (District) in this audit. Within the scope of this audit, we examined the District's school bus transportation records for the period July 1, 2016 through June 30, 2017.¹ This audit was conducted pursuant to Article V, Section 1 of the State Constitution and the State Comptroller's authority as set forth in Article 3 of the New York State General Municipal Law.

This report of examination letter contains our findings and recommendations specific to the District. We discussed the findings and recommendations with District officials and considered their comments, which appear in Appendix B, in preparing this report. District officials agreed with our findings and recommendations and indicated they intend to initiate corrective action. At the completion of our audit of the seven school districts, we prepared a global report that summarizes the significant issues we identified at all of the school districts audited.

Summary of Findings

The District provides transportation to its students through its own transportation department. The District relies on the Transportation Supervisor to comply with training, drug testing, safety inspections and safety drill requirements set forth by the various oversight agencies.² The District does not have a process in place for receiving, documenting or following up on complaints regarding drivers, attendants or buses.

During our testing of 75 driver records,³ we noted one District driver was erroneously excluded from the random drug testing population since their hire date in November 2015. Had District officials implemented formal monitoring procedures over driver requirements, they might have detected this error.

¹ We conducted observations at the District on February 9 and 12, 2018 regarding driver observations and pre-trip inspections.

² The New York State Department of Motor Vehicles oversees driver requirements to be in compliance with 19-A driver certifications. The New York State Department of Transportation schedules and performs periodic bus inspections.

³ These include driver files (both personal and 19-A files), 19-A rosters and drug testing rosters.

Further, we reviewed support for the 21 required safety drills that should have occurred during the school year and found all were conducted.

The Superintendent annually approved all District bus drivers, as required.

Background and Methodology

The District is located in Chemung and Schuyler Counties, covers approximately 140 square miles and serves approximately 4,000 students. The District's 2016-17 budgeted appropriations totaled approximately \$73.7 million. These costs are funded primarily through real property taxes. The District's total transportation budget for 2016-17 was approximately \$2.6 million. The District transports approximately 4,800⁴ students per year with 81 District owned buses, traveling approximately 900,000 miles per year.

The District is governed by a nine-member Board of Education (Board). The District's primary function is to provide educational services to its residents. The Transportation Supervisor is responsible for managing the District's day-to-day student transportation activities.

To complete our audit objective, we reviewed student transportation records relative to bus driver qualifications, school bus inspections and bus safety drills. We conducted this performance audit in accordance with generally accepted government auditing standards (GAGAS). More information on the standards and the methodology used in performing this audit are included in Appendix C of this report. Unless otherwise indicated in this report, samples for testing were selected based on professional judgment, as it was not the intent to project the results onto the entire population. Where applicable, information is presented concerning the value and/or size of the relevant population and the sample selected for examination.

Audit Results

The District provides transportation to its students through its own transportation department. District officials do not have a formal monitoring mechanism in place. Rather, they follow informal procedures and rely on various State agency controls to ensure compliance with required laws and regulations.

The District is responsible for ensuring students' safe transportation and that transportation is in compliance with required standards. This should include monitoring to ensure compliance with all regulations regarding driver qualifications, bus safety requirements, student safety drills and periodic training. While there are oversight agencies which evaluate certain aspects of compliance, these are not all inclusive. Accordingly, the District should monitor staff and any contracted vendors, compliance with established policies and performance standards. Reliance on vendors and oversight agencies can result in areas being overlooked if they are not detected by either party. Formal monitoring procedures could provide added assurance that all areas are being addressed, including those that are not directly overseen by an outside agency.

⁴ This is more than attend the District due to transportation to private schools.

Driver Qualifications

To operate a school bus to transport students in New York State, a driver must meet all of the State's laws. School bus driver regulations are established by the New York State Department of Motor Vehicles (DMV), New York State Education Department (SED) and the Federal Department of Transportation (DOT). The requirements encompass both pre-employment and ongoing requirements. The District Superintendent (Superintendent) is responsible for approving, in writing, all school bus drivers, both District and contractor, regular and substitute.⁵ This provides an opportunity for an annual review of individuals prior to the start of the school year and addressing any known issues.

Bus driver employers, either school districts or transportation contractors, are expected to arrange for the medical examination and driver tests, and ensure they comply with all requirements contained in Article 19 of the New York State Vehicle and Traffic Law before they are allowed to drive.⁶ DMV requires that each school bus driver possess a valid commercial driver license⁷ in the class appropriate for the type of vehicle that the driver will operate. Bus drivers must comply with Article 19-A requirements including: completion of pre-employment and annual medical examinations and any required follow-ups, submission of pre-employment and annual driver license abstracts, submission of fingerprints for a New York State Department of Criminal Justice System and Federal Bureau of Investigations criminal history review, completion of annual defensive driving observations, completion of biennial road tests and completion of biennial oral/written tests.⁸

The driver is also responsible for reporting accidents and convictions for traffic infractions to employers within five working days. A driver license suspension, revocation or withdrawal or misdemeanor/felony conviction must be reported to the employer by the end of the business day following the day the driver received it. Further, there are requirements for bus drivers for passing drug and alcohol tests through pre-employment testing, random testing and post-accident testing. Drug and alcohol training must be provided prior to transporting students.

The District has 99 drivers assigned to its routes. The Superintendent annually approved bus drivers who transported children to and from school and school activities, as required.

We reviewed records for all 99 drivers and evaluated pre-hiring requirements and ongoing employment qualifications. The District was in compliance with driver pre-hire requirements. Drug and alcohol testing was conducted on a random basis by a third-party entity.⁹ We reviewed lists provided to drug testing companies to determine whether 75 drivers were included in the population for random testing. We found that one District driver had erroneously been excluded from the testing population since their hiring in November 2015. Transportation department officials attributed this oversight to deficiencies in the practices used to reconcile the District driver list to that of their drug testing vendor. Inadequate monitoring procedures increases the risk that an impaired driver might transport District students. Had the District implemented formal monitoring procedures, this error may have been detected.

Driver requirements also include training upon hiring and annual refresher training courses, which are typically held at the bus garage. The District complied with all required training upon hiring and annual refresher training course requirements.

⁵ SED Pupil Transportation Safety Guidance Manual. This includes bus drivers hired during the school year.

⁶ Details of requirements for bus drivers are outlined in Appendix A.

⁷ This must also include an "S" endorsement to qualify to drive a school bus.

⁸ The Behind the Wheel road test and written/oral exam must be conducted by an Article 19-A Certified Examiner.

⁹ Federal guidelines establish random sample selection methodology. Independent companies apply these guidelines to generate driver testing selections.

Inspections

Buses used to transport District students are subject to New York State DOT (NYSDOT) inspection and should pass inspection at any time.¹⁰ Each bus is required to be inspected by NYSDOT every six months. The inspection program is in place to verify that the vehicle is maintained in a safe operating condition. A NYSDOT inspector maintains an inventory of buses operated by all student transportation providers and schedules inspections in advance based on inspection due dates associated with each bus in the inventory. While these inspections are scheduled and conducted by NYSDOT, the District should be ensuring that they are completed as required and that buses used to transport District students are in compliance with safety requirements. The District has a process in place to verify the completion of inspections, we found that all required inspections had been performed and were appropriately documented.

Buses should have daily pre-trip inspections conducted prior to each run, whereby the driver indicates that they have observed various aspects of the bus and that all is in proper working order. These inspections should be documented and retained for review. According to guidance from SED, the inspections should be reviewed by the head mechanic or designated individual on a daily basis.

The District provides manual pre-printed daily reports to be used by drivers to document inspection activities. Transportation officials told us that drivers have been instructed to bring defects noted as a result of inspections to the immediate attention of the maintenance staff. The maintenance staff is to repair the defect immediately or provide a substitute bus until the repair is made. In addition, according to the equipment service manager, who is responsible for fleet maintenance, the District's most recent inspection reports are reviewed by the NYSDOT inspector prior to conducting each bus inspection. However, the reviews of driver inspection reports are not documented by District maintenance staff or NYSDOT. Therefore, we cannot be certain that the reviews occurred.

Deficiencies in District monitoring could potentially result in the required inspections not being conducted, which could result in hazardous issues not being identified on the buses in a timely manner.

Bus Safety Drills

New York State Education Law requires that students participate in safety drills on buses a minimum of three times a year. The specifics to be addressed during each drill vary throughout the year.¹¹ District officials are required to annually certify to SED that these bus safety drills are occurring. Some districts and motor carriers conduct these drills during the course of the school day to ensure that all students are given the opportunity to participate, including walkers and parent drop-off students. This ensures that they have been educated on the proper procedures in the event that they are riding the bus for a field trip or a sports activity.

The District schedules bus safety drills and relies on its drivers to complete the required drills, which are conducted at pre scheduled times at each building. District officials are in the area while students participate in the drill and have been instructed to observe and participate in the performance of the drills. A District form is used to document the safety instruction given and the driver confirms that the drill was conducted by signing and dating the form. The form also provides a place for the District school official charged with observing the drill to sign.

¹⁰ NYSDOT Motor Carrier Safety Bureau Bus Safety Section, NYSDOT Standard School Bus Safety Inspection (Includes Revisions through October 28, 2002), developed and written by the Bus Safety Program Advisory Committee. See Appendix A for additional details.

¹¹ See Appendix A for details regarding drills.

We reviewed support for the drills that should have occurred during the school year and found that all seven District buildings had three drills conducted as required. These were appropriately signed by District officials.

Performing timely drills are essential to educate students on the safety aspects of buses and emergency procedures.

Complaint Logs

SED guidance¹² identifies best practice measures pertaining to the logging, investigation and following up of complaints made by citizens, parents and employees with regard to drivers, monitors, attendants, bus stops or any other safety concerns. These complaints and the investigation and follow-up should all be documented in writing. Complaint logs can help identify potential safety issues, training needs or disciplinary problems among both staff and students.

The District has not implemented formal practices to ensure that all complaints received by the District and/or the vendor are recorded, researched and appropriately remedied. Such a practice can assist District administrators in identifying potential safety issues among staff, vendors, equipment and students.

Recommendations

District officials should establish:

1. Formal monitoring procedures to ensure that all driver and bus safety requirements are met. This should include ensuring that:
 - a. All drivers are included on the random drug and alcohol testing list.
 - b. All pre-trip bus inspections are conducted, reviewed timely and adequately documented.
2. Procedures for the intake, documentation and resolution of complaints.

The Board has the responsibility to initiate corrective action. Pursuant to Section 35 of General Municipal Law, Section 2116-a (3)(c) of the New York State Education Law and Section 170.12 of the Regulations of the Commissioner of Education, a written corrective action plan (CAP) that addresses the findings and recommendations in this report must be prepared and forwarded to our office within 90 days. To the extent practicable, implementation of the CAP must begin by the end of the next fiscal year. For more information on preparing and filing your CAP, please refer to our brochure, *Responding to an OSC Audit Report*, which you received with the draft audit report. The Board should make the CAP available for public review in the District Clerk's office.

We thank the officials and staff of the Horseheads Central School District for the courtesies and cooperation extended to our auditors during this audit.

Sincerely,

Gabriel F. Deyo
Deputy Comptroller

¹² See Appendix A for details on SED guidance regarding complaint logs.

APPENDIX A

SCHOOL BUS SAFETY AUDIT CRITERIA

Minimum standards for school bus safety promulgated by law and regulations established by New York State Department of Motor Vehicles, New York State Department of Transportation and New York State Department of Education are provided, in part, as follows: (Note: laws and regulations are cited following each criteria listed.)

Criteria Regarding General Requirements

- Responsibility for the transportation program rests with the school district and the superintendent of schools. **SED Regulation 8 NYCRR 156.3 b1; Education Law 3624**
- All drivers (including contract drivers, substitutes and drivers who begin employment during the course of the year) are approved in writing by the superintendent of schools or designee/agent. **SED Regulation 8 NYCRR 156.3 b1; Education Law 3624**
- The annual 19A Affidavit of Compliance (school district and contractors) was filed with DMV by July 1 last year. **DMV Regulation 15 NYCRR 6.9**
- A trained supervisor is present to monitor drivers for possible drug or alcohol use as they go on duty in the morning and afternoon. **49 CFR 382.307**

Criteria Regarding Driver Requirements

- Only drivers who have the appropriate license for the vehicle being operated and who have complied with DMV and SED Regulations are permitted to drive students to and from home on regularly scheduled routes. **SED Regulation 8 NYCRR 156.3 b4**
- All school bus drivers are at least 21 years old. **SED Regulation 8 NYCRR 156.3b2 and c2**
- All new drivers pass a drug test prior to transporting students. The final test result is received before the driver transports students. **49 CFR 382.301**
- All drivers, including substitutes and part-time drivers, are in a random drug and alcohol testing pool. **49 CFR 382.305**
- All school bus drivers receive a physical exam within each 13-month period. **SED Regulation 8 NYCRR 156.3 b3ii**
- Defensive driving performance reviews are conducted while drivers are operating the bus with passengers. **DMV Regulation 15 NYCRR 6.8c**
- Defensive driving performance reviews are discussed with drivers. **DMV Form DS-873**
- All drivers in the fleet have passed the SED physical performance test within the past two years. **SED Regulation 8 NYCRR 156.3 b3iii**
- Three personal references are checked for all prospective drivers and are maintained in the driver files. **SED Regulation 8 NYCRR 156.3 b6**

- All school bus drivers in the fleet (including substitutes, part-time drivers, and mechanics and office staff who drive occasionally) receive at least two two-hour school bus safety refresher programs annually. **SED Regulation 8 NYCRR 156.3 b3iii**
- All school bus drivers have completed SED’s Basic Course within their first 365 days of employment as a school bus driver in New York State. **SED Regulation 8 NYCRR 156.3 b5ii**

Criteria Regarding Vehicles and Vehicle Maintenance

- All vehicles used to transport students to and from school, except for vehicles owned by parents contracted to transport their own children, are approved and inspected by NYS DOT. **DOT Regulation 17 NYCRR 721.3; see Education Law 3623**
- Drivers conduct thorough post-trip inspections for children, items left on board or mechanical defects at the end of each route. **SED Regulation 8 NYCRR 156.3 e4; DOT Regulation 17 NYCRR 721.3E**
- Drivers conduct thorough pre-trip inspections on each bus they drive every day. **17 NYCRR 721.3D; 49 CFR 392.7-8)**

Criteria Regarding School Bus Safety Drills

- A minimum of three bus drills are held each year, with the first conducted during the first seven days. All students, not just those who ride buses daily, receive the drills. Students attending non-public schools also receive the drills. Drills cover all required topics, including emergency evacuation, safe boarding and exiting, weather hazards, bus behavior and bus rules, and seat belts. **Education Law 3623; SED Regulation 8 NYCRR 156.3 f-g:**
 - (1) The drills on school buses required by section 3623 of Education Law shall include practice and instruction in the location, use and operation of the emergency door, fire extinguishers, first-aid equipment and windows as a means of escape in case of fire or accident. Drills shall also include instruction in safe boarding and exiting procedures with specific emphasis on when and how to approach, board, disembark and move away from the bus after disembarking. Each drill shall include specific instructions for pupils to advance at least 10 feet in front of the bus before crossing the highway after disembarking. Each drill shall emphasize specific hazards encountered by children during snow, ice, rain and other inclement weather, including but not necessarily limited to poor driver visibility, reduced vehicular control and reduced hearing. All such drills shall include instruction in the importance of orderly conduct by all school bus passengers with specific emphasis given to student discipline rules and regulations promulgated by each board of education. Such instruction and the conduct of the drills shall be given by a member or members of the teaching or pupil transportation staff. Pupils attending public and nonpublic schools who do not participate in the drills held pursuant to this paragraph shall also be provided drills on school buses, or as an alternative, shall be provided classroom instruction covering the content of such drills.(2) A minimum of three such drills shall be held on each school bus during the school year, the first to be conducted during the first seven days of school, the second between November 1 and December 31 and the third between March 1 and April 30. (3) No drills shall be conducted when buses are on routes. (4) The school authorities shall certify on the annual report to the State Education Department that their district has complied with this subdivision.

Criteria Regarding Complaint Logs

- New York State Education Department 2006 Edition / Round Two Guidance Manual

I.F.12. Complaints - investigation. All citizen, parent, or employee complaints about a driver, monitor, attendant, bus stop or any other safety concern should be objectively and professionally investigated. (Best practice)

I.F.13. Complaints - log. All complaints are logged and the results of the investigations are documented in writing. (Best practice)

I.F.14. Complaints - follow-up. The Transportation Supervisor, Terminal Manager, or Head Mechanic will explain the results of all complaint investigations with the employees involved, and follow up with the individuals who complained. Prompt follow-up to all complaints is a sign of professional management.

(Recommendation - see SED Safe Routes/Safe Stops, 1992, p. 23)

APPENDIX B

RESPONSE FROM DISTRICT OFFICIALS

The District officials' response to this audit can be found on the following page.

July 26, 2018

The Horseheads Central School District is in receipt of the draft School Bus Safety Audit (report number S9-18-6) for the period of July 1, 2016 – June 30, 2017. On behalf of the Board of Education and district administration, we appreciate the opportunity to respond to the findings of this report.

First, we would like to thank the auditors for their professionalism and consideration during the course of this very thorough and in-depth audit of the district's Transportation Department. The auditors on site truly were a pleasure to work with.

The Board of Education and district administration are proud of the efforts of the staff who work in the Transportation Department. Their commitment and diligence to ensure students' safe transportation are second to none. The District is pleased with the results of this audit and does not disagree with the recommendations.

In response to the findings of this report:

1. *District officials should establish formal monitoring procedures to ensure that all drivers and bus safety requirements are met. This should include ensuring that all drivers are included on the random drug and alcohol testing list.*

The District acknowledges and agrees with this finding. We concur that it is important that all drivers are included on the random drug and alcohol testing list. The Transportation Department strives to ensure all are included on this list. It should be noted that the district contracts with GST BOCES to provide the random testing. Due to an oversight on behalf of GST BOCES, one bus driver was left off the list, as noted in this report. As a result of this finding, the Transportation Department has implemented a new procedure to cross reference the district list and the BOCES list to ensure BOCES has all drivers included.

2. *District officials should establish procedures for the intake, documentation, and resolution of complaints.*

The District acknowledges and agrees with this finding as we are continually looking for ways to improve our procedures. As a result of this finding, new procedures were implemented in July to track all complaints and ensure all have reached resolution.

The Board of Education, Superintendent, and Business Administrator appreciate the findings of this report and welcome any opportunity to improve upon ourselves. The process was truly a collaborative effort on the parts of the auditors and Transportation Department. We appreciate the praise we received from the auditors for our strong practices and the feedback we received to improve our procedures. A formal corrective action plan will be developed and submitted for your consideration.

Very truly yours,

Pam Stollo
President, Board of Education

Dr. Thomas J. Douglas
Superintendent of Schools

APPENDIX C

AUDIT METHODOLOGY AND STANDARDS

To achieve our audit objective and obtain valid evidence, our audit procedures included the following:

- We interviewed District officials to gain an understanding of the District's policies and procedures relating to student transportation.
- We interviewed District transportation staff to gain an understanding of their procedures implemented to document compliance with DOT, DMV and SED regulations.
- We reviewed the following District transportation records to verify compliance with regulations:
 - Article 19-A Bus Driver Application
 - Final Qualification Notice
 - Abstract of Driving Record
 - Carrier's Annual Review of Employee's Driving Record under Article 19-A
 - Report on Annual Defensive Driving Performance under Article 19-A
 - Medical Examination Report Form
 - SED School Bus Driver Physical Performance Test
 - Bus Driver Character Reference
 - Carrier's Driver Refresher Course Training Sign-in Sheets
 - Random Drug Test and results
 - Certificate of School Bus Driver Training
 - Medical Examination Report of Driver under Article 19-A
 - Article 19-A Biennial Behind the Wheel Road Test
 - Article 19-A Oral/Written Examination Results
 - Report of Article 19-A Record Review
 - School Bus Safety Drill Compliance Forms
 - DOT Passenger and Freight Safety Division Bus Safety Inspection Program
 - Article 19-A Motor Carrier Annual Statistical Report
 - Article 19-A Annual Affidavit of Compliance
 - DOT Bus Inspection System Operator Profile.

We conducted this performance audit in accordance with GAGAS. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.