



DEPT. COMM. NO. 166

STATE OF HAWAII
DEPARTMENT OF EDUCATION
P.O. BOX 2360
HONOLULU, HAWAII 96804

OFFICE OF THE SUPERINTENDENT

November 5, 2016

The Honorable Ronald D. Kouchi, President
and Members of the Senate
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Joseph M. Souki, Speaker
and Members of the House of
Representatives
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Souki, and Members of the Legislature:

For your information and consideration, I am transmitting a copy of the report on School Bus Contract Performance Management Program for Student Transportation, pursuant to Section 26, HB 0500, CD1 (2015) relating to the State Budget. In accordance with Section 93-16, Hawaii Revised Statutes, I am also informing you that the report may be viewed electronically at:

<http://www.hawaiipublicschools.org/VisionForSuccess/SchoolDataAndReports/StateReports/Pages/Legislative-reports.aspx>

Very truly yours,

Kathryn S. Matayoshi
Superintendent

KSM:cs
Enclosures

c: Legislative Reference Bureau
Office of School Facilities and Support Services

Report on Contract Performance Management Program for Student Transportation

HB 0500, CD1 (2015) Section 26 - Relating to the State Budget

The cornerstone of the Department of Education's (Department) "Get On Board" initiative to reform and overhaul its student transportation program is to routinely measure the performance of its bus contractor vendors in a manner that would provide immediate feedback on their ability to comply with the standards and rigors of their service contracts. Since July 2014 when we launched a pilot into what would become the Contract Performance Management Program (CPMP), the Department has been refining the standards, metrics, and analytical methodologies used to measure and address critical daily operating expectations.

School Year (SY) 2015-2016 represented the first full implementation year of CPMP on the islands of Oahu and Hawaii. The CPMP programs in Maui, Molokai and Kauai will come online at the start of SY 2017-2018, when this component of the Get On Board initiative expands to include those islands.

The structure of the CPMP focuses on two core responsibilities: Minimum Service Levels and Standards of Performance. The metrics employed for SY 2015-2016 include:

1. Timely submittal of required reports (driver and aide rosters, vehicle inventory);
2. Implementation of video cameras on school buses;
3. Digital connection to vehicle Global Positioning Satellite (GPS) data;
4. Average age of fleet vehicles do not exceed nine (9) years;
5. Maximum age of vehicles is no more than fifteen (15) years;
6. Contractor maintains a minimum of 10% spare vehicles in fleet;
7. No more than 2% of bus routes are delayed or missed due to mechanical failure;
8. No more than 2% of bus routes are delayed or missed due to personnel;
9. Contractor reported every incidence of delays of fifteen (15) minutes or more;
10. Contractor maintains an electronic log of service complaints they receive; and
11. Implementation of Automatic Vehicle Locator (AVL) technology complete.

These metrics will change from time to time depending on compliance results from the previous school year, or if the Department decides to focus on other specific areas of importance.

For SY 2015-2016, bus contractors on Oahu and Hawaii collectively performed substantially within desired and acceptable outcomes in most CPMP metric categories. To wit,

1. All contractors submitted their required reports on time. However, timely submittal of report revisions needs improvement. The Department is working on developing a mechanism that would improve timely submittal of report revisions.
2. Video camera implementation on school buses in 2015-2016 was a requirement only on Hawaii island (Oahu buses were slated for a 2016-2017 launch; Molokai, Maui and Kauai buses are slated for a 2017-2018 launch). Video cameras were fully implemented on all Hawaii island buses.
3. While GPS connectivity was achieved for all Oahu and Hawaii vehicles, there were occasional connectivity issues when vehicles were rotated out of active service. The Department is working with its contractor partners on improving early identification of vehicles that are rotated out of service.
4. All contractors were fully compliant with average fleet age requirements.
5. All contractors were fully compliant with minimum vehicle age requirements.
6. All contractors were fully compliant with spare vehicle requirements.
7. All contractors were substantially compliant with the percentage of routes missed or delayed due to mechanical failure.

8. All contractors were substantially compliant with the percentage of routes missed or delayed due to personnel.
9. All contractors failed to report every incidence of delays of fifteen (15) minutes or more. The Department acknowledges that contractors tend to focus all of their operational resources on fulfilling their required scope of work. Reporting service delays tends to be pushed aside in favor of getting the job done. As such, the Department is considering removing, replacing or modifying this metric in a way that will render useful data in a timely manner.
10. Only three of the five Oahu and Hawaii island bus contractors were compliant with creating an electronic log of service complaints they receive. However, the type of data collected varied from vendor to vendor, and the quality of that data is questionable. As such, the Department is considering removing, replacing or modifying this metric in a way that will render useful and accurate data in a timely manner.
11. All contractors were fully compliant with complete implementation of AVL.

While not technically part of the CPMP program, the Department's Get On Board initiative includes the routine collection and use of key performance indicators, or KPI's, that focus on managing costs and the quality of the transportation program. For SY 2015-2016, daily operation data on the islands of Oahu and Hawaii were collected to assess the following metrics. Those values were then aggregated in a manner that provided insight to program costs and performance on those specific islands:

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| • Cost per student transported | \$ 9.83 per student per day, or
\$ 1,769.40 per student per year |
| • Cost per bus operated | \$ 487.18 per bus per day |
| • Average cost per mile | \$ 13.37 per live mile |
| • % of actual riders versus registered riders | 69.82% of registered students ride |
| • Average daily trip time (AM & PM) | 2:53 per bus per day |

With SY 2015-2016 being the first full year of implementing these specific KPI metrics, the Department intends to use the above data as its *baseline* for measuring future year performance levels, and will continue to collect and analyze this data to ensure that its student transportation program maintains a continuous cycle of improvement. The National Association of State Directors of Pupil Transportation Services (NASDPTS) will soon launch an online national repository of similar key performance indicators that individual states can then use to compare their KPI values against similar sized school districts throughout the nation. Hawaii will participate in this initiative.