



## SUSD Transportation

Audit No. 2508

### WHY WE DID THIS AUDIT

The Scottsdale City Auditor's Office performed this audit on behalf of the Scottsdale Unified School District No. 48 through Intergovernmental Agreement (IGA) 2021-023-COS-A3 approved by City Council and the District Governing Board. The audit objective was to assess the operational efficiency and effectiveness of the District's transportation program, including safety, staffing and recruitment, outsourced services, and operating efficiency.

### BACKGROUND

The mission of the Transportation department is to transport students safely to and from school. In addition to the daily routes to and from school, the department provides student transportation for athletic and activity trips and maintains the bus fleet.

In recent years, the District has experienced increasing driver shortages, which has increased its use of contracted transportation. Student transportation costs for FY 2023/24 totaled approximately \$9.1 million and an average of about 2,900 students were transported each day.

### WHAT WE FOUND

**Properly sizing the bus fleet, further evaluating route efficiency, and formalizing maintenance policies would improve the effectiveness of the transportation program.**

Fewer than 60% of buses were used daily for school routes. Maintaining too many spare buses increases mechanic workload and operating costs.

- Assessment of the bus fleet is impacted by potentially higher future needs as the District hopes to reduce costly contracted transportation.
- Some routes have low bus capacity utilization and further evaluation of route efficiency should be considered, including use of technology for route optimization.
- Formalizing bus inspection and maintenance requirements and utilizing system capabilities to monitor completion of these tasks would help ensure that operational standards are met.

**Improvements to contract monitoring practices are needed.**

- Key contract terms, such as driver qualifications, vehicle maintenance, and up-to-date insurance coverage, need to be actively monitored.
- Invoices lack supporting documentation to assess the accuracy of charges.

**Driver retention appears to be improving but additional recruitment efforts are needed to reach operational goals.**

- Fewer new drivers have been hired in the first half of FY 2024/25 compared to the prior year, though driver retention is improving.
- Bus driver starting pay is competitive with local districts, though private providers offer higher starting pay.

### WHAT WE RECOMMEND

The District Superintendent should direct staff to:

- Assess the optimal size and composition of the bus fleet, evaluate the use of technology solutions for optimizing route efficiency, and adopt inspections policies.
- Develop a contract administration policy, monitor for contractor compliance with key contract terms, and strengthen existing contracts.
- Consider recruiting practices such as a referral program and extending contract days.

The District agreed with the recommendations and provided a Management Action Plan.