

# Instructions for Completing Form SE-4094 Transportation Expenditure Report

---

August 2024



Michigan Department of Education

Office of Health and Safety

Office of Special Education



## Table of Contents

Introduction .....	3
General Instructions .....	4
Reporting Requirements .....	4
Recording Costs-General Accounting Information.....	5
Early Retirement Incentive Payments and Unused Sick Leave .....	5
Severance and Other Special Payments.....	6
Payments Between Districts .....	6
Refunds .....	6
Field Trips, Athletics, and Extra Curricular Events.....	6
Column Instructions.....	7
Columns 1, 3 and 5.....	7
Column 2 Regular/Vocational Education .....	7
Column 4 Special Education-Section 52 .....	7
Column 6 Special Education-Section 53a.....	7
Column 7 Total.....	7
Line Instructions .....	7
Salaries .....	8
Employee Benefits .....	9
Purchased Services – Non-Vehicle Related Costs .....	10
Purchased Services – Vehicle Related Costs.....	11
Supplies.....	15
Other Expenditures.....	16
Other Reporting Requirements.....	17
Special Instructions for Reporting Section 53a Expenditures .....	19
Eligible Costs .....	19
Ineligible Costs.....	20
Section 53a Proration .....	21
Reimbursement.....	22



# Instructions for Completing Form SE-4094 Transportation Expenditure Report

---

## Introduction

---

All intermediate school districts (ISDs) and local education agencies (LEAs), both traditional public-school districts and public-school academies (PSAs), that provide transportation to students are required to complete the Transportation Expenditure Report (SE-4094) in the Financial Information Database (FID) to qualify for state categorical aid. **Districts that do not provide transportation to students must certify the SE-4094 indicating there are no expenditures to report.**

Transportation expenditures reported under the Regular/Vocational Education section of the SE-4094 are reviewed by the Michigan Department of Education (MDE) Office of Health and Safety (OHS). Districts receive state categorical aid for Regular/Vocational Education expenditures under Section 22L of the State School Aid Act using a calculation methodology as described in the Act.

Transportation expenditures reported under the Special Education Section 52 and Special Education Section 53a sections of the SE-4094 are reviewed by the MDE Office of Special Education (OSE). Districts receive state categorical aid for Special Education Section 52 expenditures under Section 51a of State School Aid Act. State categorical aid for expenditures reported under Section 53a is received through Section 53a of the State School Aid Act.

Section 18 of the State School Aid Act requires each district to submit the SE-4094 by not later than 1 week after the last business day in September. Section 18 also requires the ISD certify the cost report for all member districts within the ISDs boundary. Failure to submit the SE-4094 in the FID by 1 week after the last business day in September may result in the withholding of the district's entire state aid payment beginning with the next payment due to the district. **The 2023-24 SE-4094 must be certified by the ISD for each district in the FID by 11:59pm on Monday, October 7, 2024.**

---

## General Instructions

---

The SE-4094 shall reflect costs for the school year July 1 to June 30.

1. Report all expenditure amounts to the **nearest dollar**.
2. Districts can report expenditures related to providing transportation to children with disabilities between the ages of 0 and 26 on the SE-4094. Districts can report expenditures related to providing transportation to children without disabilities between kindergarten and grade twelve (12) on the SE-4094.
3. The [Michigan School Accounting Manual](#) (Bulletin 1022) serves as a mandatory guide to the uniform classification and recording of accounting transactions for Michigan public school districts.
4. For information regarding expenditures which have been approved for reimbursement by function code and object code, refer to the [Transportation Allowable Expenditures](#) document. Items not listed in the transportation allowable expenditures document are not to be reported on the SE-4094 without prior approval from the MDE.
5. Only allowable transportation expenditures charged to local funds, and which have not already been reimbursed through another funding mechanism are eligible to be reported on the SE-4094. Expenditures reimbursed through federal grants are unallowable and cannot be included.

---

## Reporting Requirements

---

1. Expenditures should be reported on the SE-4094 under Regular/Vocational Education, Special Education-Section 52, and Special Education-Section 53a on a direct charge basis wherever possible, or by a method of allocation which provides a reasonable distribution of costs.

The appropriate basis for proration of non-vehicle related lines is the percent of scheduled student riders as averaged during the October count week on the [Regular Transportation Log](#) (SE-4159-RL) and [Specialized Transportation Log](#) (SE-4159-SL). The count week is defined in rule [R 388.374](#) of the Pupil Transportation Administrative Rules.

The percent of costs prorated under the Regular/Vocational Education, Special Education-Section 52, and Special Education-Section 53a columns for

each applicable line will be calculated by dividing the number of riders for each column by the total number of riders.

- a. The appropriate basis for proration for vehicle related lines is the type and usage of vehicles as reported on the SE-4107 School Bus Inventory Report. Allocation documentation must be maintained for monitoring purposes and submitted to MDE upon request. Lack of allocation documentation may result in the disallowance of costs.
2. Gasoline tax must not be included on this report. The gasoline tax is to be reported as a receivable from another governmental agency.
3. Amounts for non-student transportation costs are not to be included on the SE-4094. Examples of such costs are employee salaries for non-student transportation activities, as well as insurance, parts, repairs, gasoline and supplies for various non-student transportation cars and equipment (i.e., driver's education cars, maintenance vehicles, administrative vehicles, tractors, lawn mowers and snowplows).
4. Salaries and benefits for personnel performing multiple duties must prorate expenditures reported on the SE-4094 based upon the percent of time spent performing student transportation duties.

**The split-funding of salaries and benefits must be based on records that accurately reflect the work performed.** These records must be supported by a system of internal control which provides reasonable assurance the charges are accurate, allowable, and properly allocated. The personnel activity report (PAR) form is no longer specifically required.

---

## Recording Costs-General Accounting Information

---

### Early Retirement Incentive Payments and Unused Sick Leave

Lump sum payments, retirement incentive payments spread over the following year, and the purchase of annuities as a retirement **do not** qualify for state categorical reimbursement. The early retirement incentive payment plan is not directly related to the provision of transportation to students.

Stipends or prepaid insurance for personnel who retire early also **do not** qualify for state categorical reimbursement. These payments are made as an incentive for personnel to retire early and are not part of the ordinary fringe benefits and operational costs of the district.

Payment of unused sick leave is reimbursable to the extent that the sick leave was accrued during service to the student transportation program. For example, if an employee worked five years in a student transportation program and five years in a nonstudent transportation program, the split in the reimbursement for unused sick leave should be 50 percent to each.

### **Severance and Other Special Payments**

Severance payments, or money paid to employees upon dismissal or discharge, are not considered allowable costs to be reported on the SE-4094.

Bonuses and incentive payments that exceed the contracted salary amounts, regardless of being coded as a salary (17XX) or a benefit (2XXX) are not a requirement under state or federal law for the provision of regular or special education programs and services and are also not allowable costs to be reported on the SE-4094.

### **Payments Between Districts**

Costs contracted from another Michigan public school district are allowable costs on the SE-4094 if there is an agreement in place signed by each district regarding which district will be reporting the costs on the SE-4094. A signed agreement is needed to ensure expenditures are not over reported on the SE-4094 between the districts.

Documentation to support how the contracted costs were reported on the SE-4094 between districts, as well as the signed agreement, must be maintained for monitoring purposes and submitted to MDE upon request. Lack of documentation may result in the disallowance of costs.

### **Refunds**

These are a credit against the year in which the refund is received and must offset expenditures reported on the SE-4094 on a direct charge basis.

### **Field Trips, Athletics, and Extra Curricular Events**

Costs related to field trips are non-mandated and noncredit events, which are considered extra-curricular or cocurricular activities and are not eligible to be reported on the SE-4094.

Costs for instructional activities that are scheduled away from school on a regular basis are not considered field trips and are eligible to be reported on the SE-4094 in the respective column.



Costs related to athletics and extra-curricular events are also not eligible to be reported on the SE-4094.

For further direction regarding reimbursement of field trip transportation for students with disabilities refer to Appendix B of the [State Aid and IDEA Part B, Section 611 Allowable Costs Document](#).

---

## Column Instructions

---

### **Columns 1, 3 and 5**

Report the full-time equivalency (FTE) for personnel and/or number of vehicles, as applicable. FTE for drivers, aides and other support personnel is based upon a six (6) hour day. Do not include the FTE for substitute drivers or substitute aides.

### **Column 2 Regular/Vocational Education**

The amounts in this column are the allowable costs for student transportation other than for the transportation of special education students with specialized transportation in their individualized education program (IEP). **Costs associated with special education students whose IEP does not require specialized transportation are to be reported in this column.**

### **Column 4 Special Education-Section 52**

The amounts in this column are the allowable costs for providing specialized transportation to students with disabilities as required by the student's IEP. This column does not include the costs for transporting Section 53a students with specialized transportation in the students' IEP.

### **Column 6 Special Education-Section 53a**

The amounts in this column are allowable special education transportation costs of Section 53a students. Before completing this column, refer to the Special Instructions for Reporting Section 53a Expenditures within this document.

### **Column 7 Total**

The total of columns 2, 4 and 6.

---

## Line Instructions

---

Districts having to prorate costs between Regular/Vocational Education, Special Education- Section 52 and Special Education-Section 53a are to use the proration



methodologies for vehicle and non-vehicle related lines as described under the Reporting Requirements section unless otherwise noted.

## **Salaries**

Do not include employee benefits in lines 1-5. Employee benefits are to be reported on line 7.

### **Line 1 Supervision**

Report the FTE and salary paid to employees for the portion of their time devoted to supervising transportation. Do not include any of the superintendent's salary for any time devoted to transportation or transportation supervision, even if the superintendent is directly responsible.

Prorate the salary and FTE on this line between regular and special education based upon the percent of student ridership as of the student transportation count week.

Costs on this line are **not eligible** to be charged to Section 53a.

### **Line 2 Bus Driver**

Report the FTE (based upon a six (6) hour day) and salary paid to employees for time involved in driving black and yellow buses. Include on this line, the salaries for drivers attending district initiated or legislatively required driver or supervisor training programs. Include the salaries for substitute bus drivers on this line. For substitute drivers include only the salary, do not include the FTE. Drivers contracted from a third-party entity are reported on Line 11.

The salary and FTE for bus drivers who have both special education and regular education runs should be prorated based upon the amount of time spent on each run.

Costs on this line are eligible to be charged to Section 53a.

### **Line 3 Secretarial/Clerical**

Report the FTE and salary paid to employees for the portion of time devoted to transportation secretarial and/or clerical duties and responsibilities. Include on this line, salaries paid to dispatchers and substitutes for secretarial/clerical employees for their time spent on student transportation activities. For substitute secretarial/clerical employees include the salary, but do not include the FTE. The costs for secretarial or clerical staff contracted from a third-party entity are reported on Line 11.





Prorate the salary and FTE on this line between regular and special education based on the percent of student ridership as of the student transportation count week.

Costs on this line are **not eligible** to be charged to Section 53a.

#### **Line 4 Aides**

Report the FTE and salary paid to an aide riding a student transportation vehicle transporting students to and from school or other instructional activities scheduled away from school. Do not include the salaries for bus loading aides not riding on the student transportation vehicle. The costs for aides contracted from a third-party entity are reported on Line 11.

The salary and FTE on this line is prorated in the same method as the salary and FTE for bus drivers and is based upon a six (6) hour day.

Costs on this line are eligible to be charged to Section 53a.

#### **Line 5 Other Support**

Report the FTE and salary paid to employees who work on student transportation vehicles. This would include mechanics, garage employees or other employees involved with providing student transportation services. The cost for support staff contracted from a third-party entity are reported on Line 11.

Costs on this line may be prorated based on the percent of regular and specialized transportation vehicles in the fleet or on the percent of time spent servicing regular and specialized transportation vehicles. If the percent of time servicing the vehicles is used, documentation to support how the costs were prorated must be maintained for monitoring purposes and submitted to MDE upon request. Lack of documentation may result in the disallowance of costs.

Costs on this line are **not eligible** to be charged to Section 53a.

#### **Line 6 Total Salaries**

The total of lines 1–5.

#### **Employee Benefits**

##### **Line 7 Employee Benefits**

Report the amounts paid as benefits to student transportation personnel. Benefits for personnel performing multiple duties must be prorated and reported on the SE-4094 based upon the percent of time spent performing student transportation duties.



Benefits should be prorated between regular education and special education using the same proration method used for the related salaries reported on lines 1-5. Prorate the benefits related to lines 1-5 on a line-by-line basis and then sum the total benefits to be reported on line 7.

Typically, the amount reported for employee benefits should not exceed total salaries.

Costs on this line are eligible to be charged to Section 53a.

### **Purchased Services – Non-Vehicle Related Costs**

#### **Line 8 Local Expenses**

Report the costs for employees reported on the SE-4094 related to mileage, meals, in-services, workshops, tuition for training programs, etc. for providing transportation services.

Costs on this line may be prorated on either the direct cost method or on a percent of ridership method. If the direct cost method is used, documentation of the direct expenditures must be maintained by the district for monitoring purposes and submitted to MDE upon request. Lack of documentation may result in the disallowance of costs.

Costs on this line are eligible to be charged to Section 53a.

#### **Line 9 Telephone/Postage**

Report the costs for the student transportation department's telephone and postage. Include on this line, amounts paid by the district for advertising directly related to student transportation (i.e., job postings). **Do not enter a phone number on this line.**

Costs on this line may use the direct cost method or prorate costs based on the percent of riders. If the direct cost method is used, documentation of the direct expenditures must be maintained by the district for monitoring purposes and submitted to MDE upon request. Lack of documentation may result in the disallowance of costs.

Costs on this line are **not eligible** to be charged to Section 53a.

#### **Line 10 Other Utilities**

Report the costs for the student transportation department's heat, electricity, water, sewage, waste, and trash disposal. This includes costs under object code 38xx and



55xx in the [Michigan School Accounting Manual \(Bulletin 1022\)](#). Utility costs must be direct billed to the transportation department and not a proration of the school district's total utility bill.

Costs on this line are prorated based upon the percent of riders.

Costs on this line are **not eligible** to be charged to Section 53a.

### **Line 11 Purchased Services – Staff**

Report the FTE and costs of staff contracted from a third-party entity. Staff reported on this line would include bus drivers, aides, secretaries, clerical staff, and other support staff who if employed directly by the district would have been reported on Lines 2-5.

Use this line to report bus drivers contracted from a third-party entity who drive district owned buses.

Costs on this line are eligible to be charged to Section 53a.

### **Line 12 Other Non-Vehicle Purchased Services**

Report the contracted costs for other services such as data processing for bus routes approved by the intermediate school district, maps, building repairs to the garage or bus parking lots, equipment repairs, rental of in-service materials and professional/technical services (i.e., physicals for bus drivers, snow plowing, etc.). Do not include costs for improvements made to bus garages and bus parking lots.

Costs on this line are prorated based upon the percent of riders.

Costs on this line are **not eligible** to be charged to Section 53a.

### **Line 13 Total of Non-Vehicle Related Purchased Services**

The total of lines 8-12.

## **Purchased Services – Vehicle Related Costs**

### **Line 14 Pupil Transportation Common Carrier (Non-black and yellow vehicles)**

Report the number of vehicles and the amount paid to a third-party entity offering its services to the public to provide motor vehicle transportation to and from an instructional site. Include on this line, payments to public transit authorities and companies using non-black and yellow vehicles. **These vehicles are not to be**

**listed on the SE- 4107, School Bus Inventory Report and do not include companies such as Dean, First Student or Durham.**

Expenditures related to public transportation bus passes would also be reportable on this line.

Only student transportation common carrier costs for special education students with specialized transportation in their IEP are to be reported under the Section 52 column of the SE-4094. Costs associated with transporting regular education students and special education students whose IEP does not require specialized transportation are to be reported under the Regular/Vocational education column.

Costs on this line are eligible to be charged to Section 53a.

**Line 15 Pupil Transportation Common Carrier (Black and Yellow Buses)**

Report the number of buses and the amount paid by the district to contract black and yellow buses to provide student transportation services to and from an instructional site. Costs reported on this line are for contracted buses that staff employed by the school district operate.

This line also includes the number of buses and the amount paid to a third-party entity offering its services to school districts to provide student transportation services to and from school. Include on this line, payments to such companies as Dean, First Student, Durham, etc. who use black and yellow buses. Costs on this line include both the cost of the bus and the cost of staff to operate the bus when billed as a package.

**These black and yellow buses must be reported on the SE-4107 School Bus Inventory Report as contracted vehicles either "KR", "K2", or "KC".**

Only student transportation common carrier costs for special education students with specialized transportation in their IEP are to be reported under the Section 52 column of the SE-4094. Costs associated with transporting regular education students and special education students whose IEP does not require specialized transportation are to be reported under the Regular/Vocational education column.

Costs on this line are eligible to be charged to Section 53a.

**Line 16 Pupil Transportation Family Vehicle Cost**

Report the number of vehicles and the amount paid to a private individual to provide student transportation services to and from an instructional site. This would include contracting with parents to transport their child(ren) to and from an



instructional site and/or contracting with a student to provide his or her own transportation to and from an instructional program site. Do not include payments for student transportation to or from a school related event.

Only student transportation family vehicle costs for special education students with specialized transportation in their IEP are to be reported under the Section 52 column of the SE-4094. Costs associated with transporting regular education students and special education students whose IEP does not require specialized transportation are to be reported under the Regular/Vocational Education column.

Costs on this line are reported on a direct charge basis and are not prorated.

Costs on this line are eligible to be charged to Section 53a on a direct charge basis.

### **Line 17 Pupil Transportation Taxicab/TNC**

Report the number of vehicles and the amount paid to taxicab companies and Transportation Network Companies (TNCs) for transporting students to and from an instructional site. **These vehicles are not to be listed on the SE-4107, School Bus Inventory Report.**

Only taxicab and TNC costs for special education students with specialized transportation in their IEP are to be reported under the Section 52 column of the SE-4094. Costs associated with transporting regular education students and special education students whose IEP does not require specialized transportation are to be reported under the Regular/Vocational Education column.

Districts are encouraged to complete the Transportation Services Agreement with TNC form if utilizing TNCs for transporting students. To complete this form, contact Troy Hansbarger in the MDE OHS at [hansbarger@michigan.gov](mailto:hansbarger@michigan.gov). For more information on requirements related to transporting students using TNCs, refer to the Transportation Network Company Requirements document.

Costs on this line are reported on a direct charge basis and are not prorated.

Costs on this line are eligible to be charged to Section 53a on a direct charge basis.

### **Line 18 Pupil Transportation Fleet Insurance**

Report the number of buses and the amount paid by the district for student transportation fleet insurance for buses used to transport students to and from an instructional site. Fleet insurance may only be charged for buses reported for the fiscal year on the SE-4107, School Bus Inventory Report. **Insurance for vehicles**



**associated with a School Transportation Vehicle waiver may not be included on this line.**

The amount of insurance is reported on a bus-by-bus basis and is not prorated between regular/vocational education and special education. Confirm the number of buses insured matches the number of vehicles claimed on the SE-4107, School Bus Inventory Report when reporting on this line.

Insurance for buses labeled as spare buses on the SE-4107, School Bus Inventory Report may only be reported for one (1) spare bus for every ten (10) buses in service under a particular service activity. For example, if a district reported twelve (12) Special Education Section 52 vehicles as "2" and three (3) Special Education Section 52 spare buses as "T" on the SE-4107, School Bus Inventory Report, only the fleet insurance for one (1) Special Education Section 52 spare bus could be reported under the Special Education – Section 52 column on the SE-4094.

Insurance for all combination buses is reported under the Regular/Vocational Education column of the SE-4094.

Costs on this line are eligible to be charged to Section 53a on a direct charge basis only if the bus(es) are reported as a Section 53a bus on the SE-4107, School Bus Inventory Report and the district has prior approval from MDE.

### **Line 19 Leased Black and Yellow Buses**

Report the number of buses and the amount paid by the district to lease black and yellow buses to provide student transportation services to and from an instructional site.

**These buses must be listed on the SE-4107, School Bus Inventory Report, and reported as either "LR", "L2", or "LC" to have costs reported on this line.** Do not report any costs for maintenance, repairs, gasoline, oil, etc. for these vehicles on this line.

Costs on this line are eligible to be charged to Section 53a.

### **Line 20 Other Vehicle Related Costs**

Report the costs for vehicle maintenance and repair paid to a third-party entity. Refer to the [Transportation Allowable Expenditures](#) document for more information on expenditures that can be reported on this line.

Costs that cannot be isolated to a regular or special education vehicle are prorated based on the percent of vehicles in each category.



Costs on this line are eligible to be charged to Section 53a.

**Line 21 Total of Vehicle Related Purchased Services**

The total of lines 14-20.

**Supplies**

**Line 22 Vehicle Fuel**

Report the costs for gasoline/fuel for the operation of student transportation vehicles providing student transportation services to and from an instructional site. Do not report the amount of gasoline tax on this line.

**For 2023-24, costs associated with charging electric vehicles providing student transportation services to and from an instructional site are also reported on this line.**

Costs that cannot be isolated to either a regular or special education vehicle are prorated based on the percent of vehicles in each category. If the direct cost method is used, documentation of the direct expenditures must be maintained by the district for monitoring purposes and submitted to MDE upon request. Lack of documentation may result in the disallowance of costs.

Costs on this line are eligible to be charged to Section 53a.

**Line 23 Oil/Grease**

Report the costs for oil and grease for the operation of student transportation vehicles providing student transportation services to and from an instructional site.

Costs that cannot be isolated to either a regular or special education vehicle are prorated based on the percent of vehicles in each category. If the direct cost method is used, documentation of the direct expenditures must be maintained by the district for monitoring purposes and submitted to MDE upon request. Lack of documentation may result in the disallowance of costs.

Costs on this line are eligible to be charged to Section 53a.

**Line 24 Tires/Batteries**

Report the costs for tires, tubes and batteries only for student transportation vehicles.

Costs that cannot be isolated to either a regular or special education vehicle are prorated based on the percent of vehicles in each category. If the direct cost

method is used, documentation of the direct expenditures must be maintained by the district for monitoring purposes and submitted to MDE upon request. Lack of documentation may result in the disallowance of costs. Costs on this line are eligible to be charged to Section 53a.

### **Line 25 Other Supplies/Repair Parts**

Report the cost of vehicle repair parts and other supplies (i.e., anti-freeze, deicers, etc.) for student transportation vehicles providing student transportation services to and from an instructional site.

Costs that cannot be isolated to either a regular or special education vehicle are prorated based on the percent of vehicle in each category. If the direct cost method is used, documentation of the direct expenditures must be maintained by the district for monitoring purposes and submitted to MDE upon request. Lack of documentation may result in the disallowance of costs.

Costs on this line are **not eligible** to be charged to Section 53a.

### **Line 26 Office Supplies**

Report the cost of supplies used to support the operation of the student transportation office functions for personnel reported on line 1 and line 3.

Costs that cannot be isolated to either regular or special education are prorated by the percent of riders.

Costs on this line are **not eligible** to be charged to Section 53a.

### **Line 27 Total Supplies**

The total of lines 22-26.

### **Other Expenditures**

#### **Line 28 Other Expense/Adjustment**

Report the cost for such expenditures as dues, fees, tolls, bus driver awards, licenses and subscriptions, etc. related to student transportation management. This line will also be used by MDE to make any necessary adjustments to the report.

Costs on this line are **not eligible** to be charged to Section 53a.

#### **Line 29 Bus Amortization**

Report the authorized annual amortization amount as calculated on the SE-4107, School Bus Inventory Report. **The number of buses and amount must agree**





**with the final SE-4107, School Bus Inventory Report.** Do not report amortization amounts for buses coded as spares or buses leased or contracted from a third party.

Buses eligible for amortization reimbursement on the SE-4094 must be listed on the SE-4107, School Bus Inventory Report, and reported as either "R", "2" or "C". Amortization amounts for vehicles reported as "C" and "R" are reported under the Regular/Vocational Education column of the SE-4094. Amortization amounts for vehicles reported as "2" are reported under the Special Education – Section 52 column.

Costs on this line are eligible to be charged to Section 53a on a direct charge basis only if the bus(es) are reported as a Section 53a bus on the SE-4107, School Bus Inventory Report and the district has prior approval from MDE.

Districts are to utilize and maintain on file the [Cost of Bus Worksheet](#) when determining the amortization amount for each black and yellow bus to be amortized on the SE-4107, School Bus Inventory Report. The amortization amount includes the base cost, plus the total of, if any, interest expense and additional equipment, less any trade in allowance or the full amount received from previously non-deducted bus sales.

### **Line 30 Total Expenditures**

This is the total of lines 6, 7, 13, 21, 27, 28 and 29 for columns 2, 4 and 6.

### **Other Reporting Requirements**

#### **Line 31 Total Annual Miles**

Include the total miles traveled by all student transportation fleet vehicles used in providing student transportation to instructional sites.

To calculate total annual miles for the Regular/Vocational Education column, sum the average mileage for each regular education student transportation vehicle reported on the October 2023 [Regular Transportation Logs](#) (SE-4159-RL) and multiply by the number of school days the district was in session. To calculate total annual miles for the Special Education – Section 52 column, sum the average mileage for each specialized transportation vehicle reported on the October 2023 [Specialized Transportation Logs](#) (SE-4159-SL) and multiply by the number of school days the district was in session.

To find the average mileage on the SE-4159-RL and SE-4159-SL, the weeks total mileage should be divided by the number of days students were transported over the five (5) day count week.

**Line 32 Total Riders per the Count Week (as defined in R 388.374)**

To calculate total riders per the count week for the Regular/Vocational Education column, sum the average student count for each regular education student transportation vehicle reported on the October 2023 SE-4159-RL forms. Any special education student who rides on a regular education vehicle can only be counted as a regular education student and included in the Regular/Vocational Education column. For regular education, the count of students transported is based upon the head count on the count date for all students transported to an educational site for the first time. For example, a student who is initially dropped off at their school district and is later transported to a Career Technical Education (CTE) program would be counted twice. Field trips are not to be included.

To calculate total riders per the count week for the Special Education – Section 52 column, sum the average student count for each specialized transportation vehicle reported on the October 2023 SE-4159-SL forms. These are students who have a current IEP requiring specialized transportation services as of that count period and who ride a specialized transportation vehicle. Similarly to the regular/vocational education count, the count of students transported is based upon the head count on the count date for all students transported to an educational site for the first time. Deduct from this total the number of riders per the count week reported under the Special Education – Section 53a column.

To determine total riders per the count week for the Special Education – Section 53 column, identify the count of Section 53a students who received specialized transportation during the October 2023 Pupil Count Week. Each Section 53a student can only be included once in the count. For example, if a Section 53a student received specialized transportation every day during the count week, the student is only counted once for this count. All Section 53a students are required to have their FTE approved by MDE OSE through the Fall 2023 Section 53a student count verification process.

**Line 33 Total Fuel Consumed (in gallons)**

Include the total number of gallons of gasoline, diesel fuel or liquid petroleum gas used by the student transportation fleet vehicles for providing student transportation to an instructional site.



### **Line 34 Annual Miles per Gallon**

This is the total annual miles (line 31) divided by the total fuel consumed in gallons (line 33).

---

## **Special Instructions for Reporting Section 53a Expenditures**

---

Expenditures related to Section 53a are reported in columns 5 and 6 of the SE-4094.

Complete columns 5 and 6 if your district provided specialized transportation to Section 53a students as of the Fall 2023 count.

The district will be required to submit the names of Section 53a students who received specialized transportation as of the October 2023 count week within the Section 53a Ridership Verification section of the SE-4094.

### **Eligible Costs**

1. Reimbursement for specialized transportation services for Section 53a students is paid under Section 53a of the State School Aid Act. Only services for the following students qualify under Section 53a:
  - a. Pupils assigned to a district or intermediate district through the community placement program of the courts or a state agency, if the pupil was a resident of another intermediate district at the time the pupil came under the jurisdiction of the court or a state agency.
  - b. Pupils who are residents of institutions operated by the department of health and human services.
  - c. Pupils who are former residents of department of community health institutions for the developmentally disabled who are placed in community settings other than the pupils' home.
  - d. Pupils enrolled in a department-approved on-grounds educational program longer than 180 days, but not longer than 233 days, at a residential child-care institution, if the child-care institution offered in 1991-92 an on-grounds educational program longer than 180 days but not longer than 233 days.

- e. Pupils placed in a district by a parent for the purpose of seeking a suitable home, if the parent does not reside in the same intermediate district as the district in which the pupil is placed.
2. Districts providing specialized transportation services to eligible Section 53a pupils may charge prorated transportation expenditures to Section 53a.
3. As indicated in Section 53a(3) of the State School Aid Act, "only those costs that are clearly and directly attributable to educational programs for pupils described in subsection (2), and that would not have been incurred if the pupils were not being educated in a district or intermediate district, are reimbursable under this section."
4. Administrative costs related to operating transportation services including costs related to transportation supervisors and clerical staff. The cost of operating the bus garage and other administrative costs normally incurred by the district are not chargeable to Section 53a without an annual prior approval from MDE OSE.
5. Costs 100% attributable to transporting Section 53a students and reported by the district for Section 53a reimbursement must be supported by submitting documentation to MDE OSE identifying the amount being direct charged to Section 53a as well as a justification for the expenditures being 100% attributable to a Section 53a student(s).
  - a. Examples include but are not limited to costs associated with a one-to-one transportation aide and equipment used solely by a Section 53a student and not available to non-Section 53a students in the district.
  - b. Documentation to support costs 100% attributable to supporting section 53a students and charged to section 53a for 100% reimbursement must be maintained for monitoring purposes and submitted to MDE upon request. Lack of allocation documentation may result in the disallowance of costs.
  - c. **Costs for items which are used by the total program and not solely by Section 53a students cannot be prorated to Section 53a.**

### **Ineligible Costs**

The following lines and costs are considered administrative and are not eligible to be charged to Section 53a:



Line 1 – Supervision

Line 3 – Secretarial/Clerical

Line 5 – Other Support

Line 9 – Telephone/Postage

Line 10 – Other Utilities

Line 12 – Other Non-Vehicle Purchased Services

Line 25 – Other Supplies/Repair Parts

Line 26 – Office Supplies

Line 28 – Other Expense/Adjustment

### **Section 53a Proration**

Eligible Section 53a costs are prorated one of the following two ways:

#### **Direct Cost**

Under this method, the district directly charges Section 53a based on actual costs incurred by the district for transporting Section 53a students.

Expenditures reported on line 16, Pupil Transportation Family Vehicle Cost and line 17, Pupil Transportation Taxicab/TNC are to be reported under the Section 53a column of the SE-4094 using this method.

#### **Vehicles coded as Section 53a vehicles on the SE-4107 School Bus**

**Inventory Report must have prior approval from MDE.** The amount of fleet insurance reported on line 18, pupil transportation fleet insurance charged for the approved vehicle is a direct charge. The amortization amount reported on line 29, bus amortization is also a direct charge and is found on the SE-4107, School Bus Inventory Report.

#### **Percent of Ridership**

Under this method, the district will take the total number of Section 53a students riding specialized transportation vehicles as of the October 2023 count week divided by the total number of special education students riding specialized transportation vehicles to determine the percentage of costs attributable to Section 53a.

The district will then apply this percentage to eligible lines.



If a district believes a different proration methodology would reflect a more accurate allocation of costs to Section 53a, supporting documentation must be maintained by the district for monitoring purposes. Lack of documentation demonstrating a reasonable proration methodology was used may result in the disallowance of costs.

### **Reimbursement**

Section 53a transportation expenditures are reimbursed from the Special Education Actual Cost Report (SE-4096) only.

**Total Section 53a expenditures reported on the SE-4094 must also be reported under Function 271 pupil transport in the other expenditures column within the Section 53a portion of the SE-4096 to receive reimbursement for Section 53a transportation expenditures.**