



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

OFFICE OF THE SUPERINTENDENT

June 21, 2016

TO: The Honorable Grant Chun
Chairperson, Finance and Infrastructure Committee

FROM: 
Kathryn S. Matayoshi
Superintendent

SUBJECT: **Update on Department of Education's Student Transportation: End of Year Contract Performance Management Program, Start-Up Efforts for Upcoming 2016-2017 School Year, and Maui and Kauai Request for Proposal Process**

1. DESCRIPTION

Update of Department of Education's Student Transportation.

2. UPDATE OR PRESENTATION

Presentation to highlight end of the year Contract Performance Management Program; start up efforts for upcoming 2016-2017 school year; Maui and Kauai Request for Proposal process.

KSM:cs
Attachment

c: Office of School Facilities and Support Services

Finance and Infrastructure Committee

June 21, 2016

Update on Department of Education's Student Transportation: End of Year Contract Performance Management Program, Start-Up Efforts for Upcoming 2016-2017 School Year, and Maui and Kauai Request for Proposal Process

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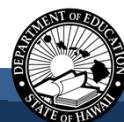
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Items for review

- Year end 2015-16 financial and operational results
- Contract Performance Management Program
- 2016-17 Start-up planning
- Maui and Kauai RFP process

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Financial results

- Projected year end results indicate continued reductions in total transportation expenditures
- Contracted services costs reduced from \$61.7 million in 2014-15 to \$59.6 million* in 2015-16 for all islands
 - Get on Board procurement reform effort continues to be the driver of cost savings
 - Focus will transition from cost reduction efforts over previous years to cost containment on a go forward basis

* Projected results until year end results are final

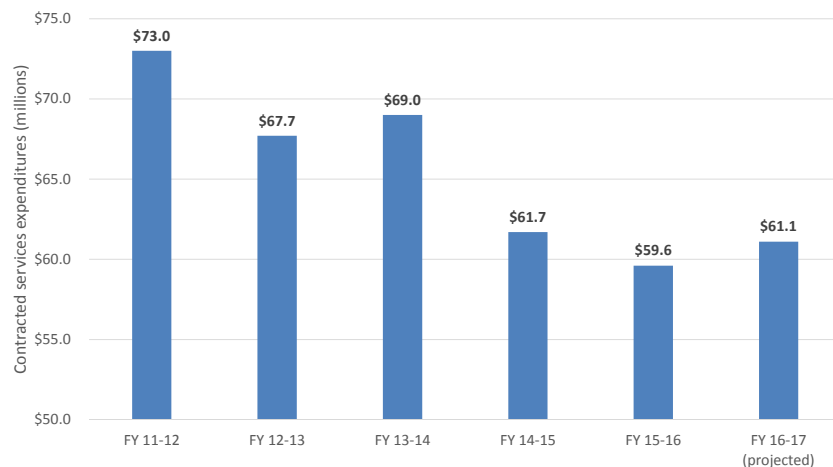
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Expenditure trend since reform effort began



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Contract Performance Management Program

- Two year history on O'ahu; One year on Big Island
- Combination of:
 - Financial performance
 - Operational performance
 - On site visits to contractor locations
 - Performance surveys
- CPMP process incorporated into the contract for clarity and consistency
- Establishes a regular feedback loop for STSB and the contractors

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2016-17 Startup planning

- Transition year with no new contract implementations
- Preparations have been ongoing since the beginning of 2016
- Represent a combination of a number of items
 - Route development
 - Communications planning
 - Contractor readiness assessments
 - Ensuring timely start up of special needs services

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Maui and Kauai RFP Development

- Release in July 2016 for service to start in July 2017
- Continued refinement of the RFP process to reflect unique service characteristics of each location
 - Consideration of service needs
 - Attention to activities outside of home-to-school services
 - Implementation of value and efficiency enhancing technologies
 - Efforts to promote value-pricing and competition for services

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Continuous Improvement Efforts at STSB

- Implementation of cameras on O'ahu buses
- School and contractor satisfaction surveys
- Enhancing technology use and identification of routing efficiencies
- Strategic, organizational and facility planning

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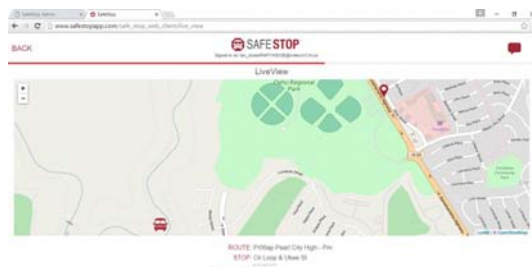
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School and contractor surveys

- Schools
 - 96 responses--78 from Oahu, 15 from Big Island and 3 from Molokai
 - Satisfaction rates up on O’ahu; first time survey on other islands
 - Areas of improvement: notification of late buses to schools and field/athletic trip bus availability
 - Outreach efforts back to schools to address specific concerns
- Contractors
 - All O’ahu, Big Island and Molokai contractors surveyed
 - Areas of improvement: invoice turnaround
 - Revisions to the payment process are being developed to address the concern and will be implemented for 2016-17



School Satisfaction Concerns



Strategic, organizational and facility planning

- Revised STSB organization being evaluated to support future efficiencies and program support
 - Existing vendor support contract concludes June 2017 with additional renewals through June 2019
 - Will support return of all operations to in-house staff for 2018/2019
- Revised organizational structure required a reconsideration of physical space requirements; planning document developed
- Staff training and phased technology rollout will support in-house operations



Questions/Comments?

