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# SUPERINTENDENT OF PUBLIC INSTRUCTION

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( ) Action Required  
(X) Informational

## BULLETIN NO. 089-18 STUDENT TRANSPORTATION

TO: Educational Service District Superintendents  
Chief School District Superintendents  
School District Assistant Superintendents for Business and/or  
Business Managers  
School District Transportation Administrators  
Regional Transportation Coordinators

FROM: Chris Reykdal, Superintendent of Public Instruction

RE: 2018–19 Reimbursement and Categories for School Buses

CONTACT: Glenn Gorton, 360-725-6121, [glenn.gorton@k12.wa.us](mailto:glenn.gorton@k12.wa.us)  
Agency TTY: 360-664-3631

### **PURPOSE/ BACKGROUND**

School Bus Reimbursement (Depreciation) information for the 2018–19 school year is available online at the Office of Superintendent of Public Instruction's (OSPI) [School Bus Information System](#) (SBIS). There are two views that are important to school districts.

1. The Inventory Report. This is a report that displays all buses currently active at every school district regardless of its status in the reimbursement system.
2. The Bus Depreciation Report. This is a report that displays the reimbursement payments (replacement or depreciation) for individual buses. This view only shows those buses currently active in the reimbursement system.

The Bus Depreciation Report indicates reimbursement (replacement or depreciation) amounts for the current school year. As required by Section 505 (6) of the Washington State Operating Budget (ESSB 6032) all depreciation payments for school district-owned school buses will be made on August 31, 2019. Payments in lieu of depreciation for contractor-owned school buses will be made to school districts on the schedule specified in Revised Code of Washington (RCW) 28A.500.040.

Any new or used school bus with a completed acquisition (Form SPI 1020A) delivered to OSPI's Student Transportation Department will be added to the school bus inventory and reimbursement system, and a prorated amount of the annual payment (if any) will be paid based on the date of the receipt of the completed acquisition package.

The SBIS web page also provides a link to download a Microsoft Excel workbook that provides school districts with a tool for forecasting depreciation and for generating simulations for the impact of future school bus purchases. A link is also provided to download a workbook with current school bus inventory to provide the data for the forecasting workbook and instructions on setting up and using the forecast depreciation workbook.

Salvage value deductions for school district-owned buses in their final year on the replacement system are incorporated in the final year payment.

School buses in the previous H84D, H84DL, D90D, and D90DL categories remain on an 18-year reimbursement schedule and are reimbursed at the corresponding D84D and D84DL category price. School buses in the previous A22D, A22DL, A22G, and A22GL categories are reimbursed at the corresponding A34 category price. School buses in the previous C48D and C48DL categories are reimbursed at the corresponding C60 categories. School buses in the previous D48D and D48DL categories are reimbursed at the corresponding D60 categories. The C77DE Diesel Electric Hybrid is no longer being manufactured; therefore, the category will be reimbursed at the D84CNG category price for the 2017–18 school year.

Section 505 (6) of the Washington State Operating Budget (ESSB 6032):

*The superintendent of public instruction shall base depreciation payments for school district buses on the presales tax five-year average of lowest bids in the appropriate category of bus. In the final year on the depreciation schedule, the depreciation payment shall be based on the lowest bid in the appropriate bus category for that school year.*

Accordingly, for each school district owned bus, a reimbursement payment is calculated as follows:

1. If the bus is in its final year on the replacement system, the reimbursement payment is calculated using the actual replacement price, including sales tax, as determined by the 2018–19 state quote process.
2. If the bus is not in its final year on the replacement system, the reimbursement payment is determined using the five-year average of pre-sales tax state quote prices, for the corresponding category of bus.

Please note the averaging process is for school district owned school buses only. The school bus reimbursement system for school buses that are contractor owned continues to be calculated using a straight line depreciation system (based on the state supported price for the school bus category for the year a new school bus was placed in operation) as provided in RCW 28A.160.200.

A compressed natural gas (CNG) school bus is available in the D84CNG category and will use the D84D category price for the prior year prices in the five-year average process.

For new C60 and C77 gas buses, the depreciation payments will be calculated using the C60 and C77 diesel categories for the prior year prices in the five-year average process.

Attachment 1 provides a table showing all categories of school buses with associated capacities, lifetimes, the five-year average price (without sales tax), and the current state-supported price (2018–19 state quote plus sales tax).

Complete details for the school bus reimbursement system calculations are provided in chapter 392-142 Washington Administrative Code.

### **INFORMATION AND ASSISTANCE**

Other questions concerning this bulletin may be directed to Glenn Gorton, State Director for Student Transportation, at 360-725-6121, or at [glenn.gorton@k12.wa.us](mailto:glenn.gorton@k12.wa.us). The agency TTY number is 360-664-3631.

This information is also available on OSPI's [Bulletins](#) website.

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