Minnesota Department of Education

Special Education Bus Depreciation

School buses purchased on or after July 1, 2005, and used "primarily" for the transportation of pupils with disabilities can now earn depreciation aid. The Minnesota Department of Education (MDE) has developed forms to assist districts in reporting these purchases.

"Primarily" means that a majority of the costs for routes for a bus are charged to Finance Dimension 723, Transportation of Students with Disabilities, on the Uniform Financial Accounting and Reporting Standards (UFARS) data submission. At year-end, districts will be sent a copy of the special education bus inventory and asked to confirm whether the use of the buses on the inventory met the criterion. Buses that do not meet the criterion will be transferred back to the General Use Inventory.

Depreciation aid is calculated according to Minnesota Statutes, section 123B.92, subdivision (1) (a) (ii) and (iii). Buses on the Regular Special Education Bus Inventory will be depreciated at 12 ½ percent per year over eight years. Buses on the Type III Special Education Bus Inventory will be depreciated at 20 percent per year over five years. The department will calculate the amount of depreciation aid and add the amount to the cost reported in UFARS Finance Dimension 723 before calculating special education funding.

There are two bus transactions forms that have the handicapped symbol and should only be used for buses that meet the criterion listed above (i.e., that a majority of the costs for routes for a bus are charged to UFARS Finance Dimension 723). View bus transactions forms (http://education.state.mn.us/MDE/SchSup/SchFin/Trans/Res/index.html).

If you have any questions about this program, contact Kelly Wosika at 651-582-8855 or at kelly.wosika@state.mn.us

DESCRIPTIONS OF SCHOOL BUSES

	TYPE A: A "type A school bus" is a conversion or body constructed upon a van-type or cutaway front section vehicle with a left-side driver's door. This definition includes two classifications: type A-I, with a gross vehicle weight rating (GVWR) less than or equal to 14,500 pounds; and type A-II, with a GVWR greater than 21,500 pounds.
	TYPE B: A "type B school bus" is a conversion or body constructed and installed upon a van or front-section vehicle chassis, or stripped chassis, with a gross vehicle weight rating of more than 10,000 pounds, designed for carrying more than ten persons. Part of the engine is beneath or behind the windshield and beside the driver's seat. The entrance door is behind the front wheels.
	TYPE C: A "type C school bus" is a body installed upon a flat back cowl chassis with a gross vehicle weight rating of more than 21,500 pounds, designed for carrying more than ten persons. All of the engine is in front of the windshield and the entrance door is behind the front wheels. A type C school bus has a maximum length of 45 feet.
	TYPE D: A "type D school bus" is a body installed upon a chassis, with the engine mounted in the front, midship or rear, with a gross vehicle weight rating of more than 10,000, designed for carrying more than ten persons. The engine may be behind the windshield and beside the driver's seat; it may be at the rear of the bus, behind the rear wheels, or midship between the front and rear axles. The entrance door is ahead of the front wheels. A type D school bus has a maximum length of 45 feet.
	TYPE III: Type III school buses are restricted to passenger cars, station wagons, vans, and buses having a maximum manufacturer's rated seating capacity of ten or fewer people, including the driver, and a gross vehicle weight rating of 10,000 pounds or less. A "type III school bus" must not be outwardly equipped and identified as a type A, B, C, or D school bus. A van or bus converted to a seating capacity of ten or fewer and placed in service on or after August 1, 1999, must have been originally manufactured to comply with the passenger safety standards. See Minn. Stat. 169.454 for age and equipment requirements.