

School Charter Transportation

Recommended Guidelines and Procedures

These recommendations are intended for the use of North Carolina schools when chartering motorcoaches for the transportation of students. This document was prepared by the School Charter Transportation Safety Committee – an interagency task force with representation from the following organizations:



**Division of Motor Vehicles
Enforcement Section**



**The Public Schools
of North Carolina**



**Federal Motor Carrier
Safety Administration**



**North Carolina
Motorcoach Association**

School Charter Transportation Safety Committee
 Recommended Guidelines and Procedures
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School Charter Transportation Safety Committee Recommended Guidelines and Procedures

INTRODUCTION

The School Charter Transportation Safety Committee is a multi-agency task force that was formed in June, 2000. The committee's membership comes from the Division of Motor Vehicles (DMV) Enforcement Section, the Department of Public Instruction Transportation Services, DMV School Bus and Traffic Safety Section, Public School Systems, the Federal Motor Carrier Safety Administration, the North Carolina Motorcoach Association and a public school parent representative.

The Mission of the School Charter Transportation Safety Committee is to formulate guidelines and procedures to improve education and training that will help to ensure the safest chartered transportation environment for North Carolina school children.

The guidelines and procedures contained herein provide information that can be used by schools and school districts to put in place a program of contracting for motorcoach services that will help to ensure safe transportation for school children. This document contains a three step approach for contracting with providers of motorcoach transportation. Each step contains a review of Operational, Driver and Vehicle criteria that schools and school districts can use.

1. **Pre-Qualification Background Check.** Establish a list of eligible companies that your school or school district will use for charter bus service by pre-qualifying potential providers. This list should be updated annually. Public school systems should establish this list centrally so that individual schools do not have to duplicate efforts of other schools, and so that motorcoach companies are not asked to provide the same information to multiple schools that are using the same criteria. The background check is the most important step, as it pre-qualifies companies, based on specific criteria, to transport your students. In a public school district, this is typically the responsibility of the superintendent or designee.
2. **Contract for a Specific Trip.** Based on specific needs of the trip, make sure that the school and the contractor understand exactly what will be involved and make sure that the contractor meets all criteria for this trip. Typically this is the responsibility of the school principal or designee.
3. **Conduct a Pre-Trip Review** at the time of the trip. Make sure that the driver and vehicles meet all criteria immediately before departure. Typically this is the responsibility of the school principal or designee.

BACKGROUND

In contracting with a company for charter motorcoach services, it is important to understand some basics of the industry of which this company is a member. For instance, what has to happen for a charter bus company to go into business and what federal or state licensing, inspection, and insurance requirements apply?

FMCSRs

- If a vehicle designed to transport more than 15 passengers including the driver, the motor carrier (that is, the charter motorcoach company), the driver, the vehicle and the motor carrier's agents are subject to the Federal Motor Carrier Safety Regulations (FMCSRs). Within these regulations are requirements for Controlled Substance and Alcohol Testing, Financial Responsibility (minimum levels of insurance), Driver Qualifications, Driving Rules, Standards for Parts and Accessories of Equipment, Hours of Service Limitations for Drivers, Requirements for the Maintenance of the Equipment and Hazardous Material Rules.

DRUG AND ALCOHOL TESTING

- The driver of a bus designed to transport more than 15 passengers including the driver is subject to Pre-Employment Controlled Substance, Random Controlled Substance/Alcohol Testing, Post-accident Testing, Reasonable Suspicion Testing, Return to Duty Testing, Follow-up Testing. All records are required to be kept by the carrier.

INSURANCE

- This same type of vehicle is required to have \$5,000,000 dollars of insurance as evidenced by a form MCS-90B/MCS-82B. This is considered public information and should be produced for review upon reasonable request by a member of the public.

US DOT#

- A carrier engaged in interstate commerce (that is, allowed to cross state lines) must be marked with the legal name or trade name of the carrier and must have the USDOT number displayed on both sides of the vehicle.

DRIVER QUALIFICATIONS

- A carrier must assure that before he puts a driver on the road driving, the driver is qualified as evidenced by a complete driver qualification file, which must contain all required documents, such as the medical certification form. A carrier must assure that its drivers do not violate the hours of service limitations. The carrier must maintain time records and 6 months of time records must always be on file.

Example: A driver can't drive more than 10 hours without taking an 8 consecutive hour break. A driver can't drive after having been on duty 15 hours (part driving time, part non-driving time) without taking a 8 consecutive hour break. A driver can't drive after having been on duty 60 hours in a 7 day period, or 70 hours in an 8 day period if operating vehicles every day of the week.

NORTH CAROLINA REQUIREMENTS

- A bus company must adhere to North Carolina Motor Vehicle laws in addition to the Federal Motor Carrier Safety Regulations. North Carolina Law requires that a driver of a bus designed to transport more than 15 passengers including the driver have a valid Commercial Driver's License (CDL) with a passenger endorsement. North Carolina requires that buses be registered properly and that a carrier transporting passengers for hire must have a for-hire license.

NON-PROFIT AGENCIES

- Non-Profit Agencies – Non-profit organizations (e.g. churches) are *not required to meet federal safety compliance* if they carry only organization members or if passengers do not pay to ride. If a non-profit organization charges for the use of its motor coach or requests a donation, it must meet the federal qualifications applicable to a commercial motor coach company and be registered accordingly.

1. PRE-QUALIFICATION - BACKGROUND CHECK

This section deals with the details of selecting potential charter bus companies for use as a transportation provider for school activity trips. It assumes that the best practice involves pre-qualifying companies to be eligible to provide transportation for the school or school system. The list should be updated annually, typically in the late summer, just before the beginning of the school year. A sample pre-qualification checklist is shown in Attachment A.

Timetable

In developing a timetable for the creation and updating of this list, the school system should establish deadline dates for original applications and for annual updates. Each year, the school system should send out an update reminder to each company currently on the list. Should a company not respond with updated information, they are to be removed from the list after a 30 day grace period. It should also be understood that the school system has the right to update the pre-qualification material at any time.

1.1 OPERATIONAL PRE-QUALIFICATION

A school district should pre-qualify a carrier to provide transportation for its students by conducting a site visit, conducting external checks and reviewing documents.

1.1.1. Site Visit.

During a site visit, each charter company should be asked a number of questions that will give the school staff an indication of the company's operation. School personnel should conduct an on-site visit of each prospective company, usually after the required documents have been submitted. It is recommended that photographs be taken of the maintenance facilities to be kept in the school system's file for each company.

If maintenance is not performed on-site, the site visit should include an examination of maintenance and inspection records. If no maintenance records exist, or if they are not kept in an orderly inspection, then additional information is required. Similarly, the qualifications of maintenance personnel should be examined. For instance, maintenance personnel must have documentation that they are certified to perform annual inspections and brake maintenance. If such documentation does not exist, additional advice from external experts may be needed, as above. The mechanic should be asked the criteria that are used for annual inspections and he should be able to explain the process and show the form that is used.

Inquire about state or national professional associations or emergency aid organizations of which the company is a member. Such groups might be expected to assist in case of a breakdown or other complications.

Discuss the policy on emergencies and breakdowns. Discuss recent breakdowns and how the company handled these specific situations.

Review the company's drug and alcohol testing system. The company should be able to produce quarterly and annual summaries of the previous calendar year's testings.

Discuss policies on drivers' hours of service. How does the company ensure that a driver departing on a long trip has not already been working at another job prior to the trip? How does the company make sure that the driver is complying with all FMCSRs dealing with the time worked versus scheduled breaks?

Review the company's driver qualification files. Note that this may contain confidential information; however, the carrier should be able to show certain non-confidential information such as the commercial driver's license (see Appendix A-6), medical certificate (Appendix A-7), etc.

Review the company's accident register as required by the FMCSA (see Appendix A-1). If the accidents in the register are not corroborated by your online review (see web sites below) then additional questions should be asked. Note that accidents on the web sites are listed regardless of fault.

If information or documentation is not adequate at the site visit, advice from external state or federal agencies (i.e. NCDMV, FMCSA, etc.) may be needed in order to determine if a company should be considered to be included on the list. (See Appendix B)

1.1.2 External Checks

Check references provided by the company. Ask for a list of at least 10 groups that have used the company for charter transportation within the past year and contact at least three of them to ensure that there were no major problems with the service provided. If such problems are documented, the school system should make sure that a plan is in place to rectify the situation before placing the company on the approved list.

Check Safety Ratings (Sample shown in Appendix A-2). Safety ratings can be found on the internet for companies that have had a recent compliance review by the Federal Motor Carrier Safety Administration (FMCSA).

- WWW.FMCSA.DOT.GOV – Contains rules and regulations, general information and links to carrier information and trade associations.
- WWW.SAFERSYS.ORG – Contains information about interstate registered carriers (authorized to operate in multiple states) and includes the USDOT Safety Rating. Carrier ratings can be accessed by company name, US DOT# or MC #.
- AI.VOLPE.DOT.GOV – Contains information about moving violations and SafeStat score. The SafeStat score is a snapshot of the carrier's safety status.

Companies on the school system's list must have an acceptable USDOT safety rating, which is available to all companies that operate in interstate commerce (that is, authorized to operate inside and outside North Carolina). The safety rating results from a compliance review by USDOT or NCDMV staff. The interstate company used to transport students should have a USDOT safety rating within the past two years. A copy of the FMCSR Part 385 – Explanation of Safety Rating – is shown in Appendix C. Note: Carriers are notified of their official safety rating by FMCSA and you may request a copy of that document (Sample shown in Appendix A-2)

Satisfactory Safety Rating – Desired rating

Conditional Safety Rating – Lacks some safety management controls.

Some inquiries should be done before accepting a company with a conditional rating.

Unsatisfactory – A motor carrier operating a vehicle designed to transport 15 or more passengers that has been issued an unsatisfactory rating has 45 calendar days to improve its rating before the carrier is prohibited from operating such vehicle.

No Rating – This is not necessarily bad, but the company hasn't been evaluated. In order to receive a rating, the company must request a compliance review from the FMCSA. If the carrier has no safety rating, the company can be added to the approved list for a conditional period of one year, with the understanding that a safety rating will be obtained prior to the renewal. This should only be done if the company meets all other criteria for pre-qualification.

Note that an acceptable substitute is a Department of Defense (DOD) audit, rated on a scale of 1 to 5; with 1-3 being acceptable, 4 conditional and 5 unacceptable. The DOD performs periodic inspections of companies that provide motorcoach transportation for U.S. military personnel.

1.1.3 Documents to be Submitted

SUBMIT A Certificate of Insurance (See Appendix A-3) in the amount of \$5 million (minimum) on which the school system (attn: superintendent or designee) is named as an additional insured. The additional insured will be notified 30 days in advance if the company drops any coverage. Documentation of all insurance information should be submitted, including the policy number, the amount of coverage for each vehicle, effective policy dates, insurance carrier, insurance agent/agency and appropriate telephone numbers. Note: any vehicle designed to transport more than 15 passengers including the driver must have a MCS-90 B form (See Appendix A-4) on file showing \$5,000,000 coverage per incident. The \$5 million minimum is required by FMCSA and North Carolina state law.

SUBMIT Motor Carrier Policies of Insurance for Public Liability (MCS-90B, shown in Appendix A-4). This is a document required by the FMCSA to show proof of insurance. The school system can call the telephone number listed on the MCS-90B at any time to verify that insurance is in force, as this is public information.

SUBMIT Evidence of a USDOT #, which uniquely identifies the company. This number can be used in the web sites described above to identify the company.

SUBMIT Policy or statement on overbooking and subcontracting, including the list of companies that are used as subcontractors. NOTE: Any company that is used as a subcontractor MUST also be on the approved list.

SUBMIT Date of last compliance review and copy of the review, if available.

SUBMIT Checklist that indicates compliance with the FMCSRs as outlined in Parts:

- 382 (controlled substance and alcohol testing)
- 387 (financial responsibility)
- 390 (general applicability and definitions)
- 391 (driver qualifications)
- 392 (driving rules)
- 393 (parts and accessories)
- 395 (hours of service)
- 396 (inspection, repair and maintenance)
- 397 (general hazardous materials rules)

1.2 DRIVERS

SUBMIT A list of all drivers at the time that documentation is being provided to the school system, including the date of each driver's last medical certification and the CDL expiration date.

SUBMIT Information for Drug and Alcohol Policy –

How many driving positions do you have as per Part 382?

How many drug tests were administered during last calendar year?

How many alcohol tests were administered during last calendar year?

Are you a member of a consortium?

List company: _____ Phone: _____

Note: Each year, FMCSR, Part 382, requires that drug tests be performed on at least 50% of the average number of driving positions and alcohol tests be performed on at least 10% of the average number of driving positions. The ability of a carrier to respond appropriately to these questions is a good indication that related regulations are being followed.

SUBMIT Statement on how often and on what schedule drivers license or motor vehicle records (MVR), checks are performed on all drivers. Note: FMCSR Part 391 requires that MVR checks be performed annually.

1.3 VEHICLES

SUBMIT List of Vehicles, including description, company vehicle unit #, VIN #, license tag number.

SUBMIT A copy of the DOT Annual Inspections (See Appendix A-5) for each vehicle within the last 12 months.

2. CONTRACT FOR A SPECIFIC TRIP.

Once a school has decided to contract with a particular company from the approved list, what needs to be included in the contract?

At some designated time, typically 7-10 days before the trip, make sure that neither the contract nor the itinerary has changed. Any changes should be documented.

Make sure that company is aware of the items that the driver will be expected to produce (see below). Re-verify the company's insurance coverage by calling the phone number on the MCS-90B form.

2.1 OPERATIONAL

The contract for a specific trip must contain certain critical pieces of operational information. The school must be sure that the following items are addressed in the contract.

- Date of trip, number of passengers, itinerary, total charge for trip. Be sure to include the mileage. *Any trip more than 550 miles* should take more than 10 hours and, therefore, will require more than one driver. However, some trips less than 550 miles – e.g. in rural or mountainous areas – may require 10 hours or more. The “ten hour rule” begins for the driver when he begins driving the bus for this trip (i.e. leaving the bus terminal). Be sure that the contract includes the cost of an extra driver if the length of the trip requires an additional driver or includes the cost of providing an appropriate location for the driver to rest.
- Name of motor carrier and name of your group
- How is the cost of the trip determined? Stipulate whether the charges are hourly, mileage-based, fixed or other. Be sure to understand any special driver accommodations, gratuity, or other costs
- Deposit and refund/cancellation policy; how much at the time of the reservation? When is final payment due?
- Any other costs – taxes, permits, fees
- Understand any miscellaneous policies that might affect the group (e.g. carry-on food/beverage)
- In case of emergency who should we contact (e.g. if the bus driver or vehicle is not available, not acting right, etc.)

2.2 DRIVERS

The contract for a specific trip must contain certain critical pieces of information regarding the driver or drivers. The school must be sure that the following items are addressed in the contract.

- How many drivers are required? How/when will they be rotated? What are the costs associated with this?
- Length of Trip. Will additional drivers be required to comply with federal hours-of-service regulations? Contract should specify the number of drivers as well as the number of vehicles.

2.3 VEHICLES

The contract for a specific trip must contain certain critical pieces of information regarding the vehicle or vehicles. The school must be sure that the following items are addressed in the contract.

- How many vehicles are needed for the trip?
- How many total passengers will be on the trip?
- How much equipment/luggage (e.g. band equipment) is allowed?
- List any specific requirements for vehicles (e.g. Handicapped Accessible, large equipment storage, etc.)

3. Pre-Trip Review Immediately Before Departure

When a charter bus arrives to load a group of students for a trip, what things should be checked by the school representative in charge of the trip? This should be done privately with the driver, not in front of the group to call attention to it, but ahead of time to ensure that everything is in place for the trip.

3.1 OPERATIONAL

By the time the bus is ready for departure, most details of the trip should be in place and it has been determined that this company is qualified to provide this service. At this point in time, it is important to know who to contact in case of emergency - e.g. if the bus driver or vehicle is not available, not acting right, etc.

3.2 DRIVER

When a driver arrives at the designated location for trip departure, he/she should be expected to provide the following. The purpose is to ensure that driver has available hours to make the trip and has had adequate rest.

- Valid Commercial Drivers License with a P (passenger) endorsement (See Appendix A-6)
- Valid Medical Certificate (pocket card) - A medical certificate contains either an expiration date or date of exam. Either way, the certificate is good for two (2) years. (See Appendix A-7.)
- Driver's Record of Duty Status (Log Book) – See Appendix A-8.
- Copies of the previous seven (7) days record of duty status for each driver.

3.3 VEHICLE

The driver must provide certain information on each vehicle that is to be used on the trip. The purpose of this documentation is to ensure that the vehicle is properly registered and is in good mechanical condition.

- Check vehicle registration card to ensure that vehicle is authorized to operate in the states of the trip. Make sure that the license plate and VIN # matches the registration card.
- Copy of the DOT Annual Inspection (either sticker or paper – See Appendix A-5). Note: these documents indicate the date of inspection, not the date of expiration, and is valid for one year.

Accompany the driver on a basic walk-around inspection of the vehicle. (A sample checklist is provided in Appendix A-9.) Note that the driver is required to have already completed an official pre-trip inspection by the time he/she arrives for the trip.



U.S. Department
of Transportation
**Federal Highway
Administration**

400 Seventh St., S.W.
Washington, D.C. 20590

OCTOBER 06, 1999

IN REPLY REFER TO:
YOUR USDOT NO.: 211037
REVIEW NO.: 00216741/CR

BURKE INTERNATIONAL TOURS INC
P O BOX 880
NEWTON NC 28658-0880

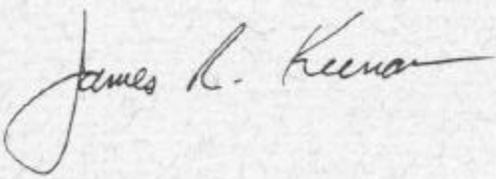
DEAR MOTOR CARRIER:

THE MOTOR CARRIER SAFETY RATING FOR YOUR COMPANY IS:

SATISFACTORY

THIS SATISFACTORY RATING IS THE RESULT OF A OCT 01, 1999, REVIEW AND EVALUATION. A SATISFACTORY RATING INDICATES THAT YOUR COMPANY HAS ADEQUATE SAFETY MANAGEMENT CONTROLS IN PLACE TO EFFECT SUBSTANTIAL COMPLIANCE WITH THE FEDERAL MOTOR CARRIER SAFETY AND/OR HAZARDOUS MATERIALS REGULATIONS.

PLEASE ASSURE YOURSELF THAT ANY SPECIFIC DEFICIENCIES IDENTIFIED IN THE REVIEW REPORT HAVE BEEN CORRECTED. WE APPRECIATE YOUR EFFORTS TOWARD PROMOTING MOTOR CARRIER SAFETY THROUGHOUT YOUR COMPANY. IF YOU HAVE QUESTIONS OR REQUIRE FURTHER INFORMATION, PLEASE CONTACT THE SAFETY SPECIALIST WHO CONDUCTED THE REVIEW.



JAMES R. KEENAN
NATIONAL FIELD COORDINATOR,
OFFICE OF MOTOR CARRIER FIELD OPERATIONS

CERTIFICATE OF INSURANCE					Date of Issue: 04/06/2001	
PRODUCER MURRAY M WHITE INC 1911 N MAIN STREET HIGH POINT, NC27261			This certificate provides information only, and confers no rights upon the certificate holder. It does not change, amend, extend, or alter the coverage afforded by the policies that are listed below.			
Contact: INSURED BURKE INTERNATIONAL TOURS, INC. 4643 HIGHWAY 16 SOUTH MAIDEN NC 28650-0000			COMPANY A National Interstate Insurance Company			
THIS CERTIFIES THAT THE POLICIES OF INSURANCE THAT ARE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE INDICATED POLIC PERIOD. THE INSURANCE PROVIDED BY THE POLICIES LISTED BELOW IS SUBJECT TO ALL OF THE TERMS, EXCLUSIONS, AND CONDITIONS OF SUCH POLICIES LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. NO REQUIREMENT, TERM, OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPEC TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN SHALL EXTEND THE POLICY PERIOD OR CHANGE THE COVERAGE OR CONDITIONS PROVIDED B THE LISTED POLICIES.						
CO	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE	POLICY EXPIRATION DATE	LIMITS	
A	COMMERCIAL GENERAL LIABILITY Occurrence Form	CGLF 320256-01	03/01/2001	03/01/2002	GENERAL AGGREGATE	\$5,000,000
					PRODUCTS - COM/POP AGG	
					PERSONAL & ADV INJURY	
					EACH OCCURRENCE	\$1,000,000
					FIRE DAMAGE (any one fire)	
					MED EXPENSE (any one person)	
A	AUTOMOBILE LIABILITY <input type="checkbox"/> Any Auto <input checked="" type="checkbox"/> All Owned Autos <input checked="" type="checkbox"/> Scheduled Autos <input checked="" type="checkbox"/> Hired Autos <input checked="" type="checkbox"/> Non-owned Autos	CCAD 320680-03	03/01/2001	03/01/2002	COMBINED SINGLE LIMIT	\$5,000,000
					BODILY INJURY (per person)	
					BODILY INJURY (per accident)	
					PROPERTY DAMAGE	
	AUTOMOBILE PHYSICAL DAMAGE <input type="checkbox"/> Collision <input type="checkbox"/> Other Than Collision Deductible - Collision Deductible - Other Than Collision				<input type="checkbox"/> Actual Cash Value <input type="checkbox"/> Stated Amount <input type="checkbox"/> Scheduled Vehicles Only	
A	EXCESS LIABILITY <input type="checkbox"/> Umbrella Form <input checked="" type="checkbox"/> Other than Umbrella Form	CEXF 320980-02	03/01/2001	03/01/2002	EACH OCCURRENCE:	\$5,000,000
					AGGREGATE:	
					SELF INSURED RETENTION:	
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				<input type="checkbox"/> STATUTORY LIMITS	
					EACH ACCIDENT:	
					DISEASE - POLICY LIMIT:	
					DISEASE - EACH EMPLOYEE:	
	OTHER					
Description: CERTIFICATE HOLDER IS ADDITIONAL INSURED IN REGARDS TO THEIR USE OF VIN# 2PCH3349811014167.						
CERTIFICATE HOLDER PREVOST CAR INC.			CANCELLATION Should any of the policies listed above be canceled before the expiration date, the company will endeavor to mail 30 days written notice to the certificate holder named on the left, but failure to mail such notice shall impose no obligation or liability upon the company, its agents or representatives.			
			AUTHORIZED REPRESENTATIVE <i>M. A. Starzio</i>			

**ENDORSEMENT FOR
MOTOR CARRIER POLICIES OF INSURANCE FOR PUBLIC LIABILITY
UNDER SECTION 18 OF THE BUS REGULATORY REFORM ACT OF 1982**

Form Approved
OMB No. 2125-0518

Issued to _____ of _____

Dated at _____ this _____ day of _____, 19 _____

Amending Policy No. _____ Effective Date _____

Name of Insurance Company _____

Countersigned by _____
Authorized Company Representative

The policy to which this endorsement is attached provides primary or excess insurance, as indicated by "X", for the limits shown:

- This insurance is primary and the company shall not be liable for amounts in excess of \$ _____ for each accident.
- This insurance is excess and the company shall not be liable for amounts in excess of \$ _____ for each accident in excess of the underlying limit of \$ _____ for each accident.

Whenever required by the Federal Highway Administration (FHWA) or the Interstate Commerce Commission (ICC) the company agrees to furnish the FHWA or the ICC a duplicate of said policy and all its endorsements. The company also agrees, upon telephone request by an authorized representative of the FHWA or the ICC, to verify that the policy is in force as of a particular date. The telephone number to call is: _____.

Cancellation of this endorsement may be effected by the company or the insured by giving (1) thirty-five (35) days notice in writing to the other party (said 35 days notice to commence from the date the notice is mailed, proof of mailing shall be sufficient proof of notice), and (2) if the insured is subject to the ICC's jurisdiction, by providing thirty (30) days notice to the ICC (said 30 days notice to commence from the date the notice is received by the ICC at its office in Washington, D.C.).

DEFINITIONS AS USED IN THIS ENDORSEMENT

ACCIDENT includes continuous or repeated exposure to conditions which results in Public Liability which the insured neither expected nor intended.

BODILY INJURY means injury to the body, sickness, or disease to any person, including death resulting from any of these.

MOTOR CARRIER means for-hire carrier of passengers by motor vehicle.

PROPERTY DAMAGE means damage to or loss of use of tangible property.

PUBLIC LIABILITY means liability for bodily injury or property damage.

The insurance policy to which this endorsement is attached provides automobile liability insurance and is amended to assure compliance by the insured, within the limits stated herein, as a for-hire motor carrier of passengers, with Section 18 of the Bus Regulatory Reform Act of 1982 and the rules and regulations of the Federal Highway Administration (FHWA) and the Interstate Commerce Commission (ICC).

In consideration of the premium stated in the policy to which this endorsement is attached, the insurer (the company) agrees to pay, within the limits of liability described herein, any final judgment recovered against the insured for public liability resulting from negligence in operation, maintenance or use of motor vehicles subject to the financial responsibility requirements of Section 18 of the Bus Regulatory and Reform Act of 1982 regardless of whether or not each motor vehicle is specifically described in the policy and whether or not such negligence occurs on any route or in any territory authorized to be served by the insured or elsewhere. Such insurance as is afforded, for public liability, does not apply to injury to or death of the insured's employees while engaged in the course of their employment, or property transported by the insured, designated as cargo. It is understood and agreed that no condition, provision, stipulation, or limitation contained in the policy, this endorsement, or any other endorsement thereon, or violation

thereof, shall relieve the company from liability or from the payment of any final judgment, within the limits of liability herein described, irrespective of the financial condition, insolvency or bankruptcy of the insured. However, all terms, conditions, and limitations in the policy to which the endorsement is attached shall remain in full force and effect as binding between the insured and the company. The insured agrees to reimburse the company for any payment made by the company on account of any accident, claim, or suit involving a breach of the terms of the policy, and for any payment that the company would not have been obligated to make under the provisions of the policy except for the agreement contained in this endorsement.

It is further understood and agreed that, upon failure of the company to pay any final judgment recovered against the insured as provided herein, the judgment creditor may maintain an action in any court of competent jurisdiction against the company to compel such payment.

The limits of the company's liability for the amounts prescribed in this endorsement apply separately, to each accident, and any payment under the policy because of any one accident shall not operate to reduce the liability of the company for the payment of final judgments resulting from any other accident.

The Bus Regulatory Reform Act of 1982 requires limits of financial responsibility according to vehicle seating capacity. It is the MOTOR CARRIER'S obligation to obtain the required limits of financial responsibility.

THE SCHEDULE OF LIMITS SHOWN ON THE REVERSE SIDE DOES NOT PROVIDE COVERAGE.

The limits shown in the schedule are for information purposes only.

**SCHEDULE OF LIMITS
Public Liability**

Type of Carriage	Commodity Transported	Minimum Insurance
(1) For-hire (In interstate or foreign commerce).	Property (nonhazardous).	\$ 750,000
(2) For-hire and Private (In interstate, foreign, or intrastate commerce).	Hazardous substances as defined in 49 CFR 171.8, transported in cargo tanks, portable tanks, or hopper-type vehicles with capacities in excess of 3,500 water gallons; or in bulk Class A or B explosives, poison gas (Poison A), liquefied compressed gas or compressed gas, or highway route controlled quantity radioactive materials as defined in 49 CFR 173.403.	5,000,000
(3) For-hire and Private (In interstate or foreign commerce: in any quantity) or (In intrastate commerce: in bulk only).	Oil listed in 49 CFR 172.101, hazardous waste, hazardous materials and hazardous substances defined in 49 CFR 171.8 and listed in 49 CFR 172.101, but not mentioned in (2) above or (4) below.	1,000,000
(4) For-hire and Private (In interstate or foreign commerce).	Any quantity of Class A or B explosives, any quantity of poison gas (Poison A); or highway route controlled quantity radioactive materials as defined in 49 CFR 173.403.	5,000,000

Note: The type of carriage listed under (1), (2), and (3) applies to vehicles with a gross vehicle weight rating of 10,000 pounds or more. The type of carriage listed under number (4) applies to all vehicles with a gross vehicle weight rating of less than 10,000 pounds.

Note: This table showing the schedule of limits may appear at the bottom or on the reverse side of Form MCS-90.

**SCHEDULE OF LIMITS
Public Liability
For-hire motor carriers of passengers operating in interstate or foreign commerce**

Vehicle Seating Capacity	Minimum Insurance
(1) Any vehicle with a seating capacity of 16 passengers or more.	\$ 5,000,000
(2) Any vehicle with a seating capacity of 15 passengers or less. ¹	1,500,000

¹Except as provided in 387.27(b)

Appendix A-5 Annual Vehicle Inspection Report/ Annual Vehicle Inspection Decal

TO WRITE ON THIS LABEL USE AN INDELIBLE, PERMANENT PINK MARKER, PEN OR PENCIL THAT WILL NOT FADE IN DIRECT SUNLIGHT

ANNUAL VEHICLE INSPECTION LABEL NO. **6057231**

COMPLETED: MONTH _____ YEAR _____

A RECORD OF THIS VEHICLE'S ANNUAL VEHICLE INSPECTION REPORT IS MAINTAINED AT: MOTOR CARRIER OTHER ENTITY

COMPANY NAME _____

STREET _____

CITY, STATE, ZIP CODE _____

TELEPHONE _____ MOTOR CARRIER IDENTIFICATION NUMBER _____

CERTIFICATION: THIS VEHICLE HAS PASSED AN INSPECTION IN ACCORDANCE WITH 49CFR 396.17 THROUGH 396.23.

VEHICLE IDENTIFICATION: IF THE VEHICLE IS NOT READILY, CLEARLY, AND PERMANENTLY MARKED, CHECK ONE AND COMPLETE.

FLEET UNIT NUMBER LICENSE / REGISTRATION NUMBER

VEHICLE IDENTIFICATION NUMBER OTHER _____

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ANNUAL VEHICLE INSPECTION REPORT

VEHICLE HISTORY RECORD	
REPORT NUMBER	FLEET UNIT NUMBER
DATE	

MOTOR CARRIER OPERATOR	INSPECTOR'S NAME (PRINT OR TYPE)
ADDRESS	THIS INSPECTOR MEETS THE QUALIFICATION REQUIREMENTS IN SECTION 396.10. <input type="checkbox"/> YES
CITY, STATE, ZIP CODE	VEHICLE IDENTIFICATION (IF) AND COMPLETE <input type="checkbox"/> LIC. PLATE NO. <input type="checkbox"/> VIN <input type="checkbox"/> OTHER
VEHICLE TYPE <input type="checkbox"/> TRACTOR <input type="checkbox"/> TRAILER <input type="checkbox"/> TRUCK <input type="checkbox"/> (OTHER)	INSPECTION AGENCY/LOCATION (OPTIONAL)

VEHICLE COMPONENTS INSPECTED											
OK	NEEDS REPAIR	REPAIRED DATE	ITEM	OK	NEEDS REPAIR	REPAIRED DATE	ITEM	OK	NEEDS REPAIR	REPAIRED DATE	ITEM
			1. BRAKE SYSTEM a. Service Brakes b. Parking Brake System c. Brake Drums or Rotors d. Brake Hose e. Brake Tubing f. Low Pressure Warning Device g. Tractor Protection Valve h. Air Compressor i. Electric Brakes j. Hydraulic Brakes k. Vacuum Systems				4. FUEL SYSTEM a. Visible leak b. Fuel tank filler cap missing c. Fuel tank securely attached				9. FRAME a. Frame Members b. Tire and Wheel Clearance c. Adjustable Axle Assemblies (Sliding Subframes)
			2. COUPLING DEVICES a. Fifth Wheels b. Pintle Hooks c. Drawbar/Towbar Eye d. Drawbar/Towbar Tongue e. Safety Devices f. Saddle-Mounts				5. LIGHTING DEVICES All lighting devices and reflectors required by Section 393 shall be operable.				10. TIRES a. Tires on any steering axle of a power unit. b. All other tires.
			3. EXHAUST SYSTEM a. Any exhaust system determined to be leaking at a point forward of or directly below the driver/sleeper compartment. b. A bus exhaust system leaking or discharging to the atmosphere in violation of standards (1), (2) or (3). c. No part of the exhaust system of any motor vehicle shall be so located as would be likely to result in burning, charring, or damaging the electrical wiring, the fuel supply, or any combustible part of the motor vehicle.				6. SAFE LOADING a. Part(s) of vehicle or condition of loading such that the spare tire or any part of the load or dunnage can fall onto the roadway. b. Protection against shifting cargo				11. WHEELS AND RIMS a. Lock or Side Ring b. Wheels and Rims c. Fasteners d. Welds
							7. STEERING MECHANISM a. Steering Wheel Free Play b. Steering Column c. Front Axle Beam and All Steering Components Other Than Steering Column d. Steering Gear Box e. Pitman Arm f. Power Steering g. Ball and Socket Joints h. Tie Rods and Drag Links i. Nuts j. Steering System				12. WINDSHIELD GLAZING Requirements and exceptions as stated pertaining to any crack, discoloration or vision reducing matter (reference 393.60 for exceptions)
							B. SUSPENSION a. Any U-bolt(s), spring hanger(s), or other axle positioning part(s) cracked, broken, loose or missing resulting in shifting of an axle from its normal position. b. Spring Assembly c. Torque, Radius or Tracking Components.				13. WINDSHIELD WIPERS Any power unit that has an inoperative wiper, or missing or damaged parts that render it ineffective. List any other condition which may prevent safe operation of this vehicle.

INSTRUCTIONS: MARK COLUMN ENTRIES TO VERIFY INSPECTION: X OK, X NEEDS REPAIR, NA IF ITEMS DO NOT APPLY, _____ REPAIRED DATE

CERTIFICATION: THIS VEHICLE HAS PASSED ALL THE INSPECTION ITEMS FOR THE ANNUAL VEHICLE INSPECTION REPORT IN ACCORDANCE WITH 49 CFR 396.



MEDICAL EXAMINERS CERTIFICATE
(I certify that I have Examined)

(Driver's name (Print))

In accordance with the Federal Motor Carrier Safety Regulations (49 CFR §391.41 thru §391.49) and with knowledge of his/her duties, I find him/her qualified under the regulations. Expiration of Certificate: _____

Qualified only when wearing Corrective lenses Hearing aid

Qualified by operation of 49 CFR §391.64

Medically unqualified unless accompanied by a _____ waiver.

Medically unqualified unless driving within an exempt intracity zone.

A completed examination form of this person is on file in my office at:

(Area code/Phone) (License/Certificate No.) (State)

(Medical Examiner (Print name & Title)) (Signature)

(Signature of Driver)

(Address of Driver)

DRIVER'S DUTY STATUS RECORD

RECAP

DAY NO. _____

DRIVERS HRS. ON DUTY LAST 7 DAYS, INCL. TODAY _____

TOTAL LINE 3 _____

DRIVING HOURS AVAILABLE TOMORROW IN HRS. MINS. A. _____

ON DUTY HRS. TODAY TOTAL LINES 3 & 4 _____

70 HRS/7 DAY DRIVERS

TOTAL HRS. ON DUTY LAST 7 DAYS, INCL. TODAY _____

TOTAL HRS. AVAILABLE TOMORROW IN HRS. MINS. A. _____

TOTAL HRS. ON DUTY LAST 7 DAYS, INCL. TODAY _____

60 HRS/7 DAY DRIVERS

TOTAL HRS. ON DUTY LAST 7 DAYS, INCL. TODAY _____

TOTAL HRS. AVAILABLE TOMORROW IN HRS. MINS. A. _____

TOTAL HRS. ON DUTY LAST 7 DAYS, INCL. TODAY _____

(MONTH) (DAY) (YEAR)

(TOTAL MILES DRIVING TODAY)

SOUTHERN COACH COMPANY

(NAME OF CARRIER OR CARRIERS)

1300 East Pettigrew St. - Durham, NC 27701

(MAIN OFFICE ADDRESS)

(VEHICLE NUMBER(S))

(DRIVER'S SIGNATURE IN FULL)

(NAME OF CO-DRIVER)

	MID-NIGHT	1	2	3	4	5	6	7	8	9	10	11	NOON	1	2	3	4	5	6	7	8	9	10	11	TOTAL HOURS
1: OFF DUTY																									
2: SLEEPER BERTH																									
3: DRIVING																									
4: ON DUTY (NOT DRIVING)																									

REMARKS

Appendix A-9

Pre-Trip Checklist

OPERATIONAL

- Prior to the day of the trip, review the terms of the contract. Take a copy of the contract on the trip. Note: Emergency contact name and phone number should be in the contract.
- Check to make sure that the bus company that arrives is the one that was contracted with for this trip. If any bus is not from that company, ensure that the buses assigned are valid subcontractors on the list of pre-qualified vendors provided by the school system.
- Make sure that the proper number of buses and drivers are present, *as stipulated in the contract for the trip*.

VEHICLE

- Windows/Windshield
- Interior Lights
- Headlights (high beam/low beam)
- Tail lights / Brake lights
- Horn
- Tires (No Slick Tires!)
- Unusual oil/grease leaks at wheel seal
- Fire extinguisher (charged)
- Walk around vehicle and listen for air leaks while driver applies the brake
- Copy of the Annual Safety Inspection (either sticker or paper)

DRIVER INFORMATION

- Valid Commercial Drivers License with a P (passenger) endorsement
- Valid Medical Certificate (pocket card)
- Driver's Record of Duty Status (Log Book)
- Copies of the previous seven (7) days record of duty status for each driver.
- Vehicle registration card to ensure that vehicle is authorized to operate in the states of the trip. Make sure that the license plate and VIN # matches the registration card.

Appendix B-1 NC Division of Motor Vehicles Enforcement Contacts
www.dmv.dot.state.nc.us



N.C. D.M.V. Enforcement District Offices

District 1	(252) 752-4435	Greenville
District 2	(910) 486-1331	Fayetteville
District 3	(919) 733-4430	Raleigh
District 4	(336) 334-5642	Greensboro
District 5	(336) 761-2286	Winston Salem
District 6	(704) 547-5777	Charlotte
District 7	(828) 466-5511	Newton
District 8	(828) 251-6081	Asheville



State Office - North Carolina (MC-EFS-NC)
Tel (919) 856-4378
Fax (919) 856-4369
310 New Bern Avenue, Rm 468
Raleigh, NC 27601

Christopher Harley, State Director
Beth Evans, State Program Specialist
Ruth L. King, Safety Investigator
Keith Smith, Safety Investigator
Teresa Harris, Transportation Assistant

Telecommuters;
Lesley Woody, Safety Investigator
Laura Wilfong, Safety Investigator
Dennis Melsopp, Safety Investigator
Kevin Breedlove, Safety Investigator

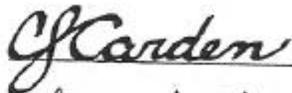
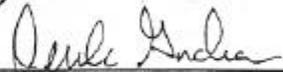
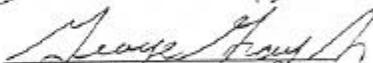
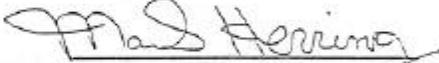
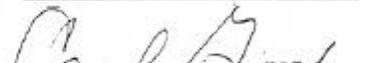
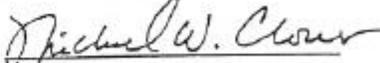
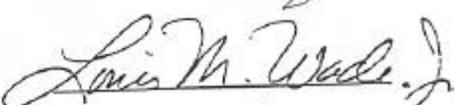
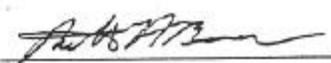
Appendix B-3

SCHOOL CHARTER TRANSPORTATION SAFETY COMMITTEE

Mission Statement

To formulate guidelines and procedures to improve education and training that will help to ensure the safest chartered transportation environment for North Carolina school children.

The members of the committee, listed below, provide these guidelines and procedures to help schools in the process of providing safe transportation for students in North Carolina.

<u>Title</u>	<u>Name</u>	<u>Agency</u>	<u>Signature of Approval</u>
Sponsor	Major Charlie Carden	NC DMV Enforcement	
Co-Chairs	Derek Graham	NC Dept. of Public Instruction	
	SSG. Lee Black	NC DMV Enforcement	
Members	Captain George Gray	NC DMV Enforcement	
	SSG. Reggie Hines	NC DMV Enforcement	
	Officer Mark Herring	NC DMV Enforcement	
	Bob Gauldin	Rockingham County Schools	
	Carrol Goodson	Burke International Tours	
	Charles Mitchell, Director	NC School Bus Traffic Safety	
	Mike Clover	Cumberland County Schools	
	Chris Hartley	State Director, FMCSA	
	Louis Wade Jr.	Southern Coach, Inc.	
	Brenda Sherlin,	President, North Carolina Motor Coach Association	
	Bob Bass	Parent Representative	

Safety Fitness Procedures Part 385

A motor carrier receives a safety rating when a compliance officer conducts an on-site review of the carriers compliance with the Federal Motor Carrier Safety Regulations and the Hazardous Materials Regulations.

A compliance review is an on-site examination of the motor carrier's records and operations to determine whether the carrier meets the safety fitness standard. A compliance review is conducted to investigate potential safety violations, investigate complaints, or is in response to a carrier's request for a change in safety rating. The results of the review may result in the initiation of an enforcement action.

The safety rating is identified through calculation of Acute or Critical violations of the FMCSR or Hazardous Materials Regulations. For each acute violation or pattern of critical violations, one point is assigned.

Acute are those regulations where noncompliance is so severe that it requires immediate corrective action. A single instance of an acute violation causes the carrier to be assessed one point.

Critical are those regulations where noncompliance relates to management or operational control. A pattern of critical violations of a given regulation results in the assessment of a point. Note: a pattern is defined as 10% of the records an investigator reviews (e.g. investigator reviews 100 driver qualification files and discovers 12 violations of the minimum age requirement - 1 point is assigned).*

The investigator will typically review six areas of a carrier's operation. These areas are called factors:

They are:

Factor 1 General	(Financial responsibility & General Requirements)
Factor 2 Driver	(Drug and Alcohol Testing, CDL, & Driver Qualifications)
Factor 3 Operational	(Safe Driving and Hours of Service)
Factor 4 Vehicle	(Parts & Accessories; Inspection, Repair & Maintenance)
Factor 5 Hazmat	(Handling, Parking & Driving)
Factor 6 Accidents	(Recordable Accidents)

*Each point assessed for hours of service violations are automatically doubled.

Safety Fitness Procedures Part 385 (cont'd)

Each factor is assigned a rating based on the number of points assigned for the violations within that factor. One point equals a factor rating of conditional, two points in a factor equals a factor rating of unsatisfactory.

Using these individual factor ratings, the investigator will then determine the carrier's overall rating based on the table shown below.

Motor Carrier Safety Rating Table

Factor Ratings		Overall Safety Ruling
Unsatisfactory 0	Conditional 2 or less	Overall Safety Rating Satisfactory
0	More than 2	Conditional
1	2 or less	Conditional
1	More than 2	Unsatisfactory
2 or more	0 or more	Unsatisfactory

The overall safety ratings carry the following meanings:

Satisfactory: A motor carrier has in place and functioning adequate safety management controls to meet the safety fitness standards.

Conditional: A motor carrier does not have adequate safety management controls in place to ensure compliance with the safety fitness standard that would result potential violations.

Unsatisfactory: A motor carrier does not have adequate safety management controls in place to ensure compliance with the safety fitness standards that has resulted in violations.

Appendix D

Application to Provide Charter Bus Service

Pre-Qualification Checklist

A motor carrier seeking to be approved for use by the _____ Schools is requested to answer the following questions and submit the following documentation.

Company Name: _____

Contact Person: _____

Address: _____

Phone Number: _____

Fax Number: _____

E-Mail: _____

Emergency Contact(s): _____

Emergency Phone(s): _____

Site Visit. Discussion Items (Do not submit information with this checklist.)

- Maintenance – On-site/Off-site, personnel qualifications, inspections
- State or national professional associations or emergency aid organization membership
- Policy on emergencies and breakdowns; discuss recent breakdowns
- Policies on drivers’ hours of service.
- Review accident register
- Drug and Alcohol Testing
- Driver Qualifications Files

Documents to be Submitted with Application

1. Certificate of Insurance in the amount of \$5 million (minimum) on which the school system (attn: superintendent or designee) is named as an additional insured.
2. Motor Carrier Policies of Insurance for Public Liability - MCS-90B
3. Evidence of a USDOT # (MCS-150, FMCSA Letter, etc)
4. Policy or statement on overbooking and subcontracting, including the list of companies that are used as subcontractors. NOTE: Any company that is used as a subcontractor MUST also be on this school system’s approved list.
5. Date of last compliance review and copy of the review, if available.
6. Statement on how often and on what schedule drivers license or motor vehicle records (MVR) checks are performed on all drivers.
7. List of Vehicles, including description, company vehicle unit #, VIN #, license tag number.
8. Copy of the periodic safety inspections for each vehicle within the last 12 months.
9. List of all current drivers, including the date of each driver’s last medical certification and the CDL expiration date.
10. Drug and Alcohol Testing Policy.

By each signature, I certify that _____ (company name) meets all regulations required in the Federal Motor Carrier Safety Regulations.

<u>FMCSR</u>	<u>Authorized Signature</u>
• Part 382 (controlled substance and alcohol testing)	_____
• Part 387 (financial responsibility)	_____
• Part 390 (general applicability and definitions)	_____
• Part 391 (driver qualifications)	_____
• Part 392 (driving rules)	_____
• Part 393 (parts and accessories)	_____
• Part 395 (hours of service)	_____
• Part 396 (inspection, repair and maintenance)	_____
• Part 397 (general hazardous materials rules)	_____

Information for Drug and Alcohol Policy

How many driving positions do you have as per Part 382? _____

How many drug tests were administered during last calendar year? _____

How many alcohol tests were administered during last calendar year? _____

Are you a member of a consortium? _____

List company: _____ Phone: _____

I hereby certify that all information contained in this document and all required documents attached to this document are factual and correct.

Authorized company representative

Name (print or type): _____

Title (print or type): _____

Signature: _____

Date: _____