



Costs and Benefits of Outsourcing your RTAP Program

Networking Webinar for State RTAP Managers

January 19, 2012



U.S. Department of Transportation
Federal Transit Administration

Agenda

- Welcome and Introduction
- Outsourced RTAP Programs
 - Pennsylvania
 - Idaho
 - Florida
- RTAP survey results
- Q & A

Introduction

- List of topics was selected by RTAP managers (list made during March 3 webinar)
- Presentations by RTAP managers
- Discussion and networking with fellow RTAP managers
- Answer the question “How do other states do it?”
- Last networking webinar took place on August 4, 2011 “Best Practices- Direct Technical Assistance”

National RTAP Manager's Webinar

Outsourcing Your State RTAP Program

Pennsylvania's RTAP History

- The Pennsylvania Transportation Institute (PTI), a research organization of The Pennsylvania State University, administered Pennsylvania RTAP when the program was launched in the state in 1988. In 1992 the program was named PennTRAIN and was administered by the Indiana County Transit Authority in Indiana, Pennsylvania. In July 1995, PTI once again took over the administration of PennTRAIN.
- The Pennsylvania Public Transportation Association (PPTA) was formed in January of 1997 by the merger of Pennsylvania's two state-wide transportation associations. After full-time staff was hired by PPTA in December of 1997, discussions began regarding PPTA assuming the administration of the PennTRAIN program. Because PPTA brought all of Pennsylvania's public transportation providers together into one organization, it seemed a logical "next step" for RTAP to be administered by the association. By 2000, the foundation was in place to begin the transition of PennTRAIN into PPTA operations. The close, cooperative relationship between PPTA and PennDOT has served the industry well in addressing the training needs of Pennsylvania's transportation providers.

Product Satisfaction

- PennTRAIN has developed two award winning trainings:
- The “TRANSIT SCORE” Program
- Professional Supervisor Program (PSP)
- PennTRAIN has trained transit professionals from many states up and down the East coast.

Keep it out or Bring it back?

- We believe the product we receive for the price could not be duplicated in-house. By outsourcing we reduce our legacy costs.

Is Outsourcing Cost effective?

- By outsourcing we reduce our legacy costs and free up the time of PennDOT staff to engage in other projects. PennDOT works very closely with PennTRAIN staff, we are located less than five minutes from each other.

Benefits of Outsourcing

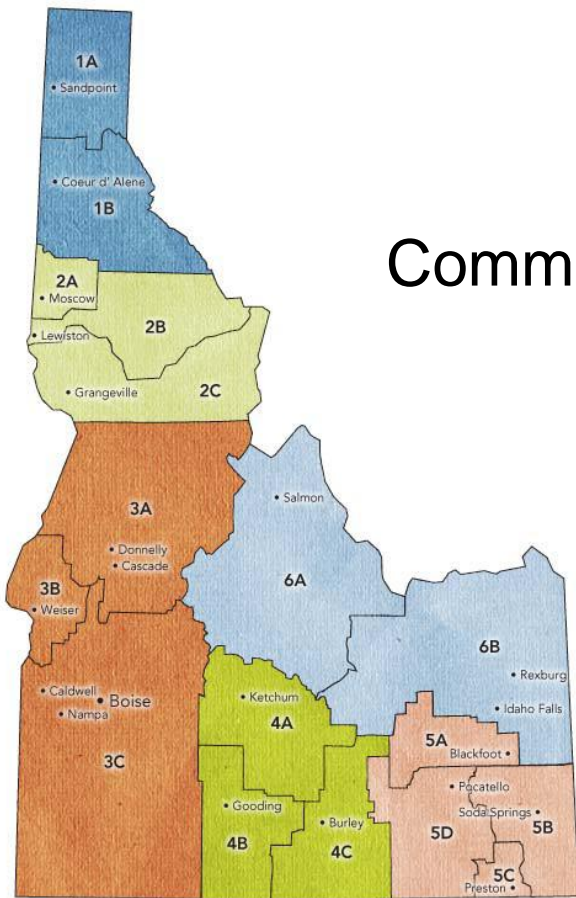
- Flexibility of PennTRAIN staff to travel to trainings.
- PennTRAIN staff knowledge of training site needs.
- No need to hire full time PennDOT staff to manage the program.

PennDOT RTAP Staff Time

- Two employees, about 200 hrs per year.

RTAP IN IDAHO

A Partnership between the
Idaho Transportation Department
and the
Community Transportation Association of Idaho

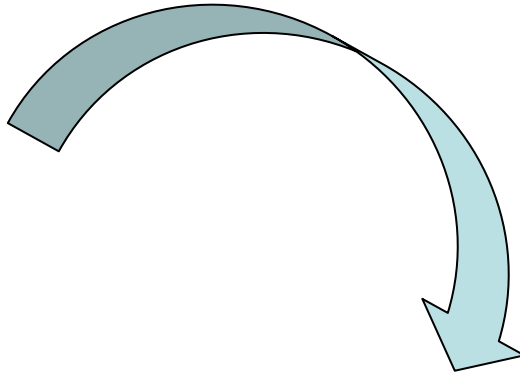


Idaho Transportation Department – ITD

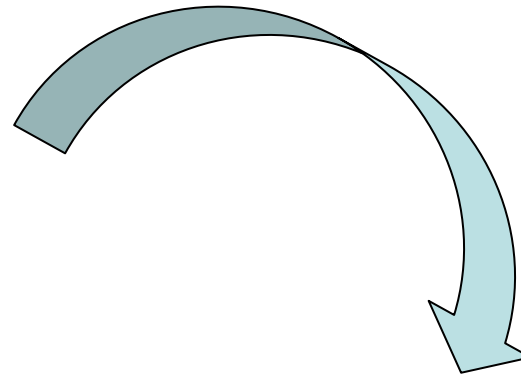


Idaho's RTAP Solution

ITD



CTAI



RTAP

CTAI = *Community Transportation
Association of Idaho*

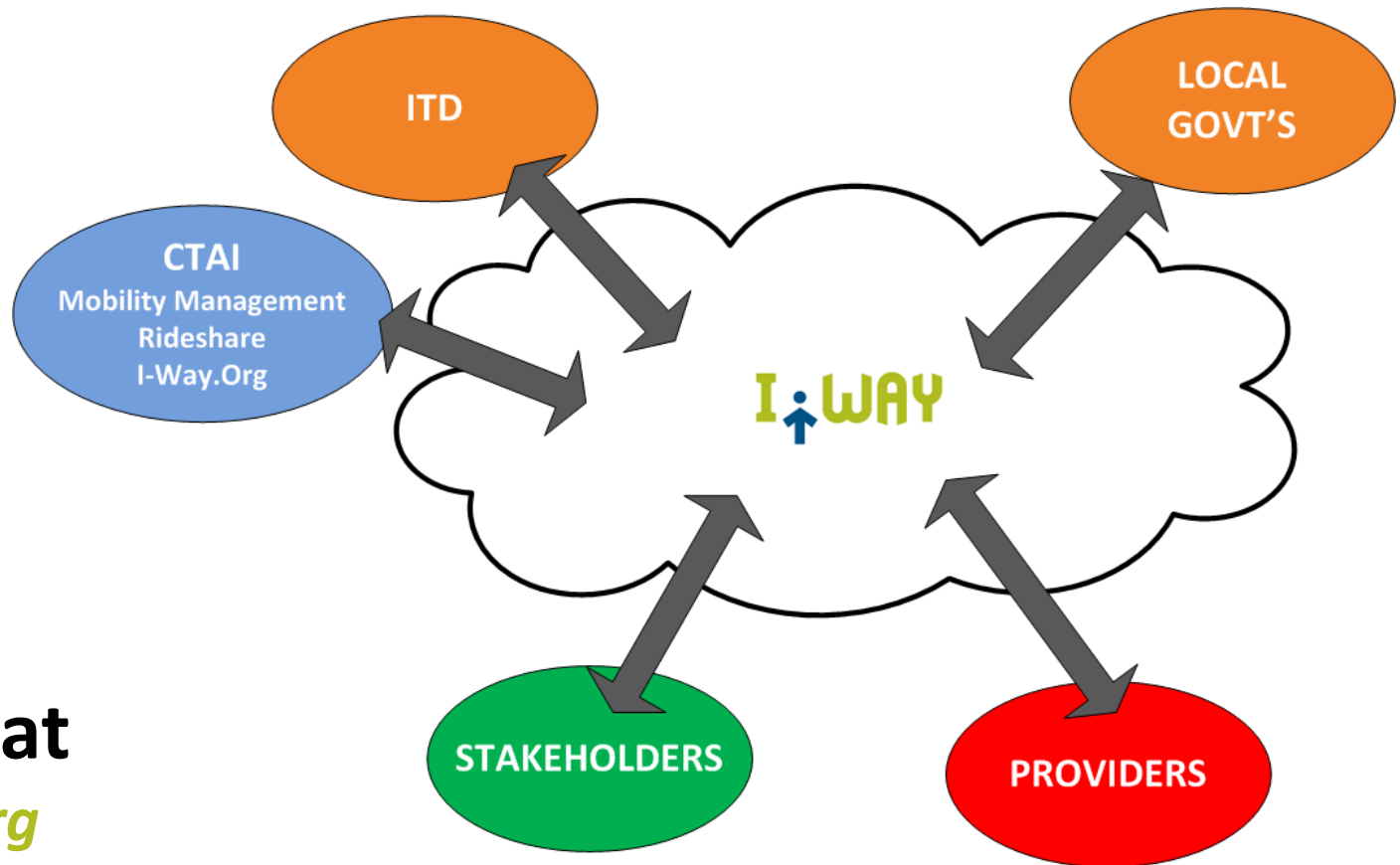


The Decision to Outsource

Beginning in 2008 . . .

- ITD was engaged in a restructuring/re-engineering of its Public Transportation Division;
- Needed to decide what would be ‘core competencies’;
- CTAI had begun developing and expanding their role within the state;
- ITD recognized that funneling the RTAP program through the Association was the ‘common-sense solution’

Idaho's Mobility Paradigm



See I-Way at

www.i-way.org



Success with RTAP?

Are we happy with the structure of contracting out the program and the services provided?

- CTAI is meeting all program goals
- CTAI's 2011 Activities & Accomplishments:
 - Ongoing Program Delivery – materials, training;
 - Developed Statewide RTAP Advisory Committee;
 - Conducted Annual Statewide Conference;
 - Drafted Idaho 2011-2013 RTAP Program Plan.

Doubtful that ITD would have the bandwidth to accomplish as much.



2011 - 2013 RTAP Plan

Contents

Contents.....	1
Idaho Rural Transportation Assistance Program Plan 2011-2013.....	2
Introduction	2
Plan Scope	3
I-way.....	3
Idaho RTAP Goals	3
Program Priorities 2011 - 2013	4
Program Priorities	4
Categories of Service.....	4
Delivery Mechanisms.....	4
Program Priority #1.....	5
Program Priority #2	5
Program Priority #3	5
Program Priority #4	6
Distribution	6
Audience.....	6
Geographic Diversity	6
Selection Criteria	7
Statewide Advisory Committee.....	7
Composition.....	7
Participation Requirements.....	8
Implementation Plan	8
Infrastructure and Delivery Mechanism Development	8
Review and Update Process	8



Any Second Thoughts?

Do we ever consider taking the RTAP program back in-house?

- Like other DOT's across the country . . .
 - Workloads continue to increase;
 - No increases in staffing are anticipated.
- To bring back RTAP now . . .
 - Would have to re-craft an internal RTAP management and delivery program;
 - But don't have the personnel, funding or bandwidth to re-absorb the RTAP program.



Advice

What is your advice to other states that are considering contracting out their RTAP programs?

- Use the procurement and funding arrangement that is appropriate for your state:
 - Sub-recipient
 - Contractor
 - MOU Partner
 - Other
- Be clear about expectations – well defined scope.
- Develop, agree to and report on solid performance measures.



Cost Effectiveness

Have you found outsourcing the RTAP program to be a cost-effective option?

- Intuitively and qualitatively . . . Yes!
- Have not conducted a formal cost benefit or other quantitative financial evaluation



Provider Feedback

What sort of feedback have you gotten from transit providers since you began outsourcing the program?

- No direct provider-to-DOT feedback process in place.
- Providers appear to be satisfied with ability to provide input into RTAP program planning;

(Governance structure includes provider representation)

- Overall solid satisfaction with RTAP services and products from CTAI.



Benefits

What are the main benefits of outsourcing to the DOT?

- ‘Staff augmentation’;
- CTAI ability to be more agile and responsive.

To our transit providers?

- Appearance of not dealing with the DOT;
- Increased perception of ‘self-ownership’ of the program.



Time and Costs

Approximately how much time does DOT staff spending managing the contract with the RTAP provider?

- Minimal – focused on reimbursement through CTAI – 4 to 8 hours per month;
- Need to expand to include more performance measurement and reporting.

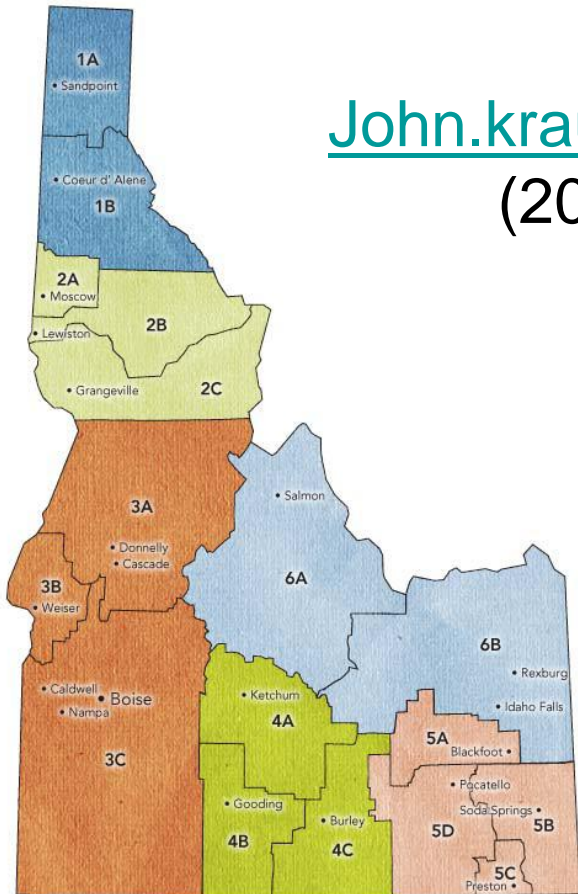


Time and Costs

Are there other costs involved with outsourcing?

- Investment of time in other areas:
 - Developing and implementing a grant sub-recipient program for RTAP delivery and management;
 - Participation in Governance;
 - Performance Targeting and Measurement.

Questions?



John.krause@itd.idaho.gov

(208) 334-8292



"Costs and Benefits of Outsourcing your RTAP Program" State RTAP Manager's Webinar

January 19, 2012 1:30 pm EST

The Florida RTAP Experience

The Florida RTAP Experience

- The Decision to Outsource
- In the age of “out sourcing” the Florida DOT just didn’t have the staff resources to effectively operate the program in-house.
- In addition, the departmental procurement requirements would have consumed many staff hours unnecessarily even on simple tasks.
- In 1997, FDOT contracted with one of the State Universities to provide professional services for the Florida RTAP.
- In 2003, FDOT switched the contract to the Center for Urban Transportation Research (CUTR) at the University of South Florida in Tampa.

The Florida RTAP Experience

- The Structure of the Florida RTAP Contract
 - We chose to go with a public entity rather than a private consultant.
 - Each of the 11 State Universities have a Master Agreement with FDOT which we can issue a Task Work Order on an annual basis.
 - No competitive bid requirement if we use the Universities.
 - The universities are limited to a 10% Indirect Cost charge.
 - The TWO is a lump-sum payment based on percentage complete.
 - A detailed Scope of Services provides the annual work plan and budget for the Project.
 - Easy process with painless implementation and monitoring.

The Florida RTAP Experience

- The Structure of the Florida RTAP Contract
- Recently we considered bringing the project back in-house but the reasons for the initial out-sourcing remained valid.
- The current status provides the Florida RTAP project with a depth of expertise at CUTR that we cannot match –
 - They provide a website outside of the FDOT website
 - An quarterly electronic newsletter
 - Technical assistance and training for our rural agencies
 - At specific locations around the State
 - On-line in CBT and webinar format

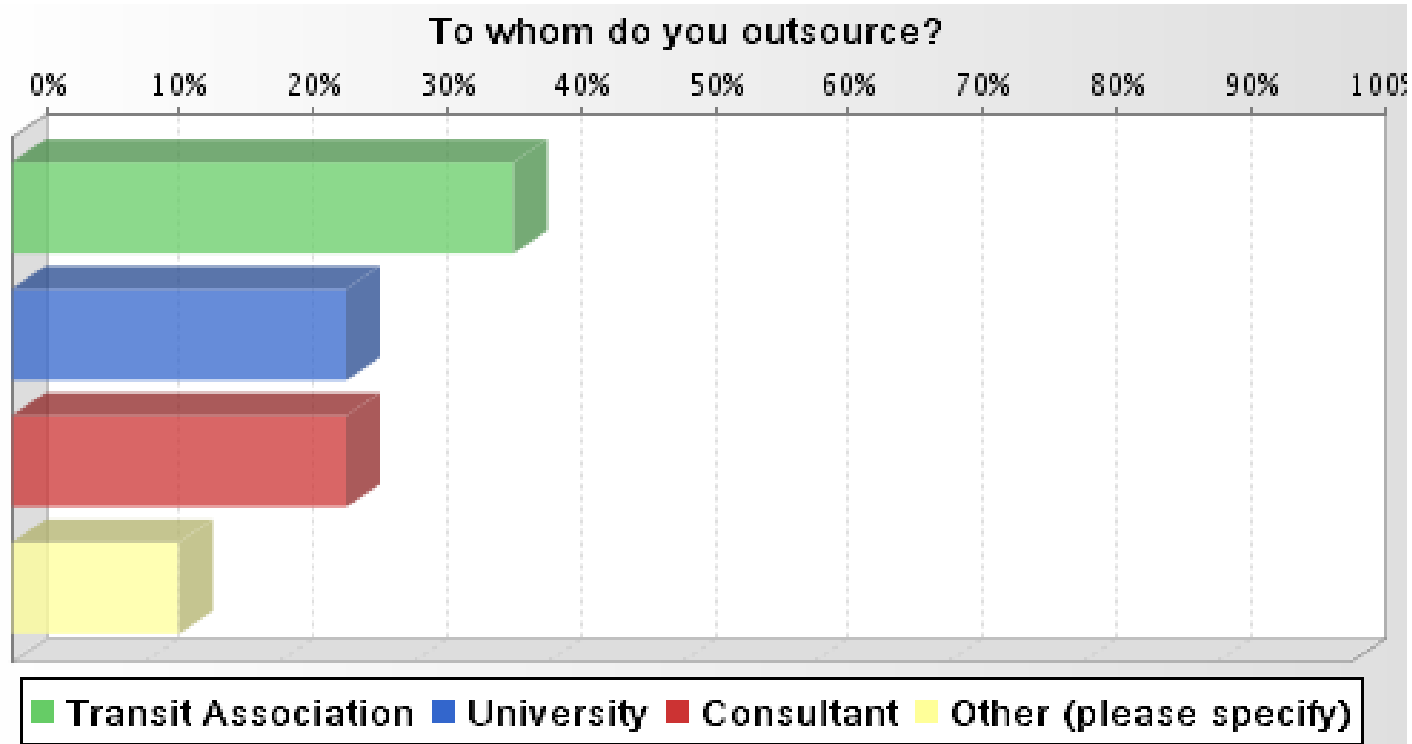
The Florida RTAP Experience

- Results
- The Annual Budget for this project is \$130,000
- The Florida RTAP project also provides —
 - Support to the Annual Paratransit Roadeo with specific driver training
 - Coordinate with the Florida Commission for the Transportation Disadvantaged and provide an RTAP track at their annual conference

The Florida RTAP Experience

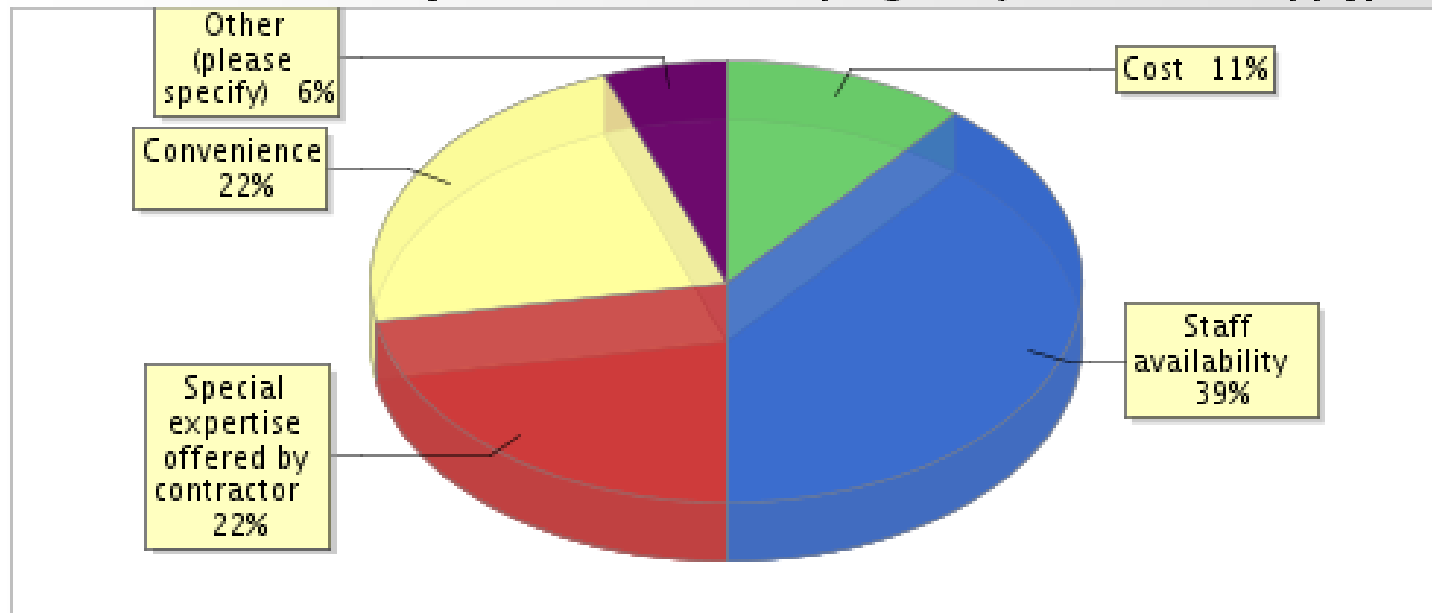
- Results
 - Agency feedback is positive and extremely supportive
 - This project provides a “one-stop” location for rural transit assistance needs
 - It provides the Florida rural transit providers with a product that could never be provided solely in-house under current budget and staffing restrictions
 - We feel that the Florida RTAP project is a micro version of the National RTAP and that it compliments the national program

Survey of States that Outsource their RTAP Program



Survey of States that Outsource their RTAP Program

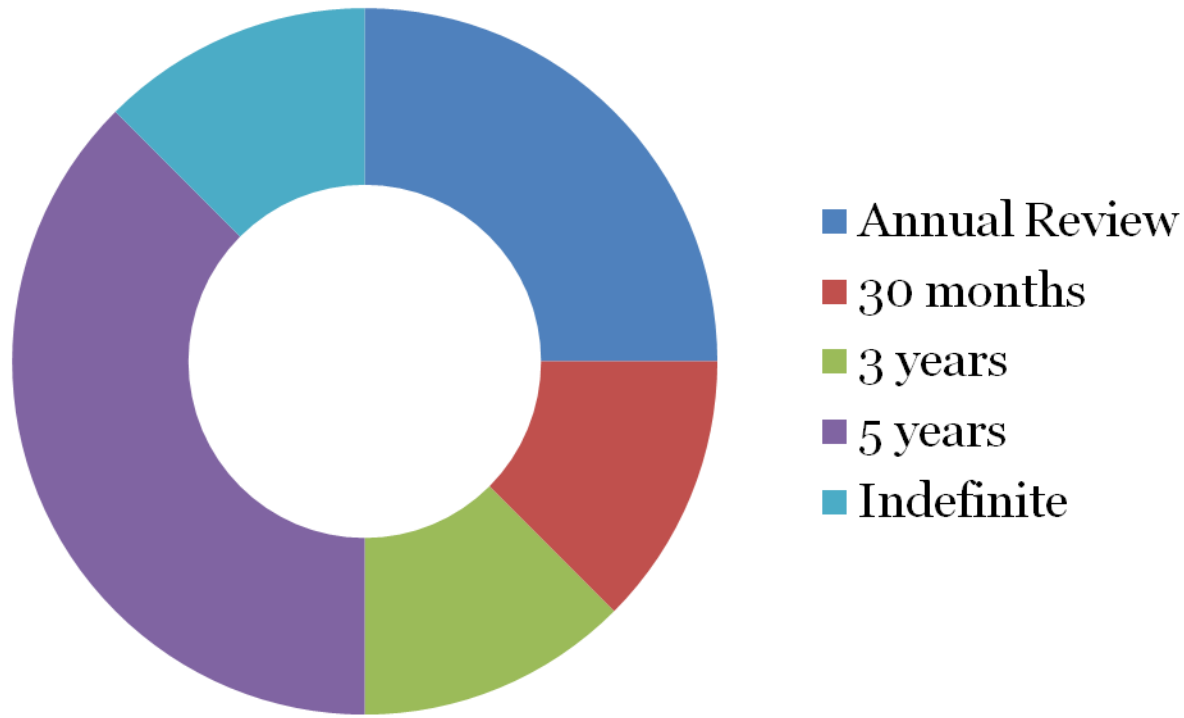
What factors caused you to outsource the program (check all that apply)?



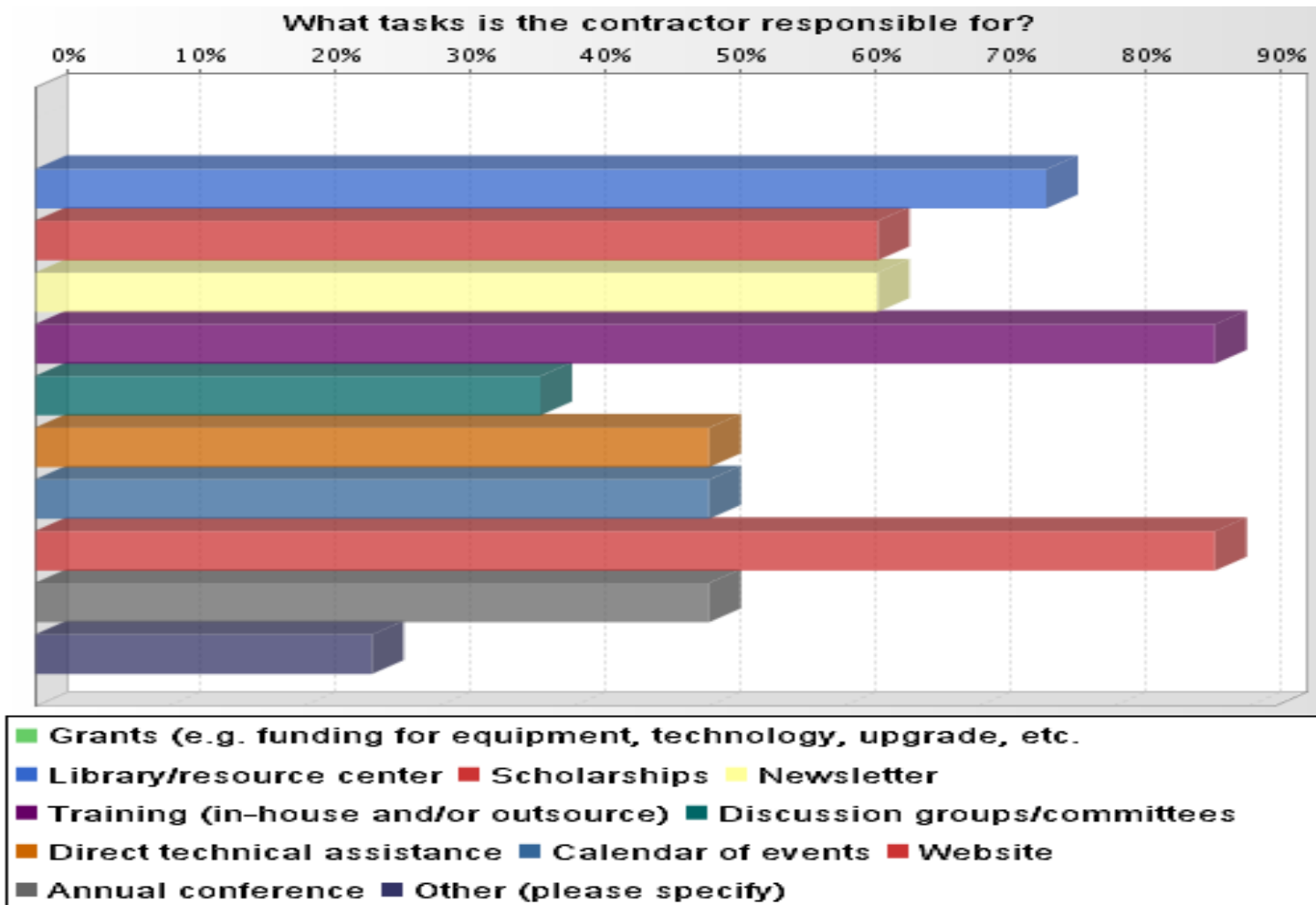
● Cost ● Staff availability ● Special expertise offered by contractor
● Convenience ● Other (please specify)

Survey of States that Outsource their RTAP Program

Contract Length



Survey of States that Outsource their RTAP Program



Survey of States that Outsource their RTAP Program

Approximately how much time does DOT staff spend managing the contract with the RTAP provider?

Less than 10 hours/month	5
10-40 hours/month	1
40 or more hour/month	2

Survey of States that Outsource their RTAP Program

Main benefits of outsourcing to the DOT:

“Don't have to spend as much time training and evaluating scholarship requests in times of short staffing”

“Due to staff reductions we were no longer able to provide the service. By outsourcing the administrative functions the transit agencies are still able to access the funds”

“Placing the state RTAP program with the transit association consolidates expertise and technical resources, and it improves the quality of services delivered to the provider without presenting an additional staffing or training burden on the state DOT”

Survey of States that Outsource their RTAP Program

Main benefits of outsourcing to your transit providers:

“Ability to access more programs including a website”

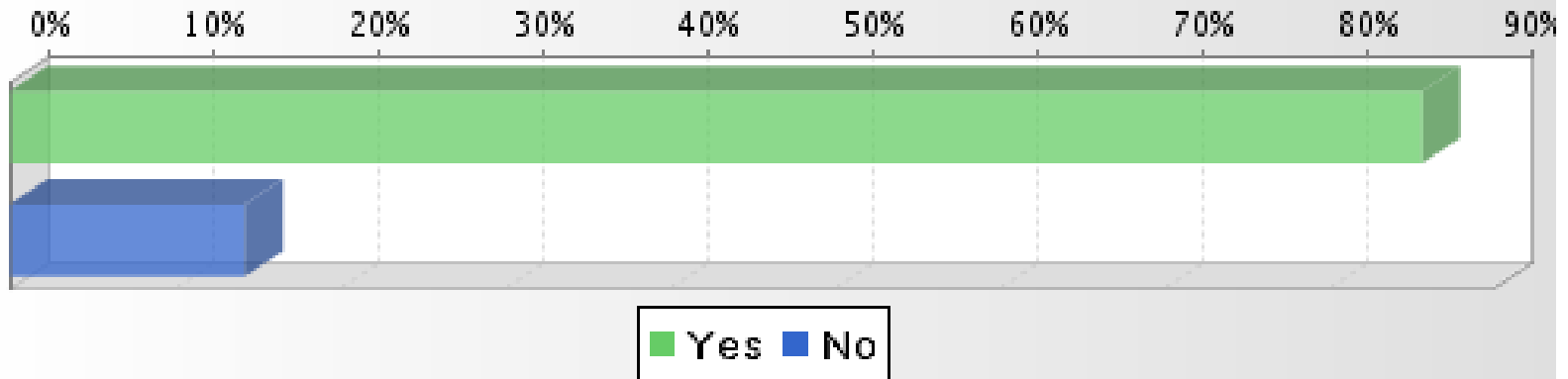
“Benefits include not having to deal directly with the state DOT, having control through the transit providers on the governance group on the annual direction of the state RTAP program, and having the One-Stop point of contact”

“[The contractor] is closer to the ‘ground’ and can handle it better”

“[The contractor] is another resource other than the state DOT for technical assistance”

Survey of States that Outsource their RTAP Program

Have you found outsourcing the RTAP program to be a cost-effective option?



Survey of States that Outsource their RTAP Program

Advice for other states considering outsourcing their RTAP program:

“If you have the staffing and time to properly address the RTAP issues then do it in-house! But if you are like us and have dire staffing needs and limited time to address then this is the most effective way to administer RTAP”

“Choose contractor carefully. Work closely with them to make sure services are being provided”

“Be sure to follow the FTA procurement process and obtain a reputable consultant”

Survey of States that Outsource their RTAP Program

Advice for other states considering outsourcing their RTAP program:

- Look for synergistic opportunities with what external organization takes on the RTAP program administration. Optimally, an RTAP contractor organization would already have a strong web presence and communications plan that supports transit providers in the state
- The organization needs to have strong organizational, communication, and marketing capabilities to properly administer and promote the program
- If an existing structure does not already exist, consider issuing an RFP, or document with similar requirements, that includes a variety of tasks and work areas complimentary to RTAP training and technical assistance. This allows interested organizations to see opportunities beyond just administering RTAP. Often these other opportunities bring along additional revenue and funding sources allowing the organization to respond to an RFP with a higher chance of success

Questions?

