



Ride-On Transportation

**TDA TRIENNIAL
PERFORMANCE
AUDIT**

FY 2005/06, 2006/07, 2007/08

FINAL REPORT

Submitted to:
San Luis Obispo Council of Governments

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Executive Summary

This is the Performance Audit report for San Luis Obispo County's Ride-On Transportation Services, covering Fiscal Years 2005/06, 2006/07 and 2007/08. An audit is required triennially of every transit operator in the state of California to be eligible for Transportation Development Act (TDA) funding. This audit was commissioned by the San Luis Obispo Council of Governments (SLOCOG) and was conducted in accordance with the audit process established by the California Department of Transportation.

System Overview

Ride-On Transportation (hereby referred to as "Ride-On") is a unique transportation program dedicated to improve transportation services for social service agencies, seniors, people with disabilities, and the general public. This private organization operates as part of the nonprofit United Cerebral Palsy (UCP) of San Luis Obispo County. Ride-On began operating in 1993 as the Consolidated Transportation Services Agency (CTSA) for San Luis Obispo County. In this role, Ride-On has assisted local social service agencies with their transportation-related needs. In 1995, Ride-On developed Transportation Management Association (TMA) services for the general public. Ride-On now offers a variety of services ranging from transportation for social service agencies to various innovative transportation and ridesharing services to the general public.

Ride-On Transportation is a non-profit entity governed by the San Luis Obispo County United Cerebral Palsy Association (UCP). The Board of Directors consists of 14 members who are responsible for allocating a large portion of the UCP budget to transportation. The agency's other activities include a range of family and adult services for persons with disabilities. The UCP Executive Director also serves as the Director for Ride-On and the TMA. The two programs work closely to effectively administer a variety of transportation services.

Ride-On operates three primary services including:

1. The United Cerebral Palsy (UCP) Association Services
2. Consolidated Transportation Services Agency (CTSA) services, using TDA 4.5 funds
3. Transportation Management Association (TMA) general public services

Each of these services is described in further detail in Chapter 2 of this audit. The multi-purpose agency shares resources among the services (drivers, mechanics, vans, dispatchers etc.) and strives to achieve efficiencies and cost savings for its clients. This audit focuses primarily on Ride-On's CTSA services.

This audit was conducted in two phases, the Compliance Audit and the Functional Audit. Following is a description of both phases.

Compliance Audit

The compliance portion of the audit covers Chapters 3 through 5. The tasks conducted in this section of the audit are summarized below:

- Review of internal and external reports for consistency and accuracy

- Compliance with TDA reporting requirements
- Review of Ride-On's actions to implement recommendations from the prior Performance Audit
- Analysis of the five TDA-required performance indicators for Ride-On services

Functional Audit

The Functional Audit is covered in Chapter 6. It assesses Ride-On's performance and major accomplishments in four functional areas and they are summarized below.

Findings

- Ride-On is a unique transportation agency providing a wealth of services in San Luis Obispo County. Ride-On is a nationally recognized leader in the transportation industry, providing innovative and unique services operating under a complex financial and organizational structure.
- During the three-year audit period, Ride-On has continued to expand and enhance its services - from establishing the Agricultural Workers Transportation Vanpools and the Veterans' Shuttle Service, to enhancing senior services, to developing a mobility training program for people with developmental disabilities. In addition to new services and programs, Ride-On enhanced its administrative staff through additional training and development opportunities. Ride-On continues to develop written procedures for every aspect of their operations.
- Ride-On has taken several steps since the last audit to improve the agency's vehicle maintenance and record keeping capabilities. In June 2006, Ride-On added a second mechanized lift to their maintenance facility and hired an additional full-time mechanic.
- During the audit period, Ride-On had been planning to establish a Joint Maintenance Facility with the RTA and to transition to Trapeze software as part of this cooperative arrangement. However due to recent events that occurred outside the audit period, this arrangement will not take place after all. Ride-On is now pursuing another software package with the goal of using the same software as RTA to improve coordination between the two agencies.
- Because of the unique structure and complex services provided by Ride-On, it has been difficult to precisely adhere to the complex requirements of the TDA that are oriented for more traditional public transportation services. Ride-On complies with the TDA requirements; however to be fully compliant, the agency needs to fully segregate costs and passenger revenues for its TDA funded services. Ride-On has made vigorous attempts to align itself with TDA requirements by creating new financial tracking reports to distribute both fixed costs and variable costs separately for each service. Beyond the audit period, in August 2007, Ride-On began separating fare revenue from total revenue in their monthly financial tracking reports.
- To fully comply with the TDA, Ride-On should track revenue and deadhead miles. Currently revenue service miles are an approximation of total miles (15% subtracted for deadhead). Ride-On's plans to transition to a new software package will enable accurate tracking of revenue and non-revenue miles and improve recording of other operating statistics separately for each service.

- Ridership for the CTSA service grew steadily each year during the audit period. TCRC passengers represented the vast majority of CTSA riders during the audit period. However, productivity dropped from 5.8 passengers per hour in FY 2005/06 to 5.1 passengers per hour in FY 2007/08.
- Ride-On's steady growth in services and ridership attests to a high quality service that is well received by the public. According to staff there are relatively few passenger complaints received about the service. However, the number and type of complaints and/or commendations are not recorded or formally tracked.
- As the CTSA, Ride-On has a clear mission, which it fulfills by providing a wide range of social service transportation services throughout the County. As the TMA, Ride-On also has a clear mission of providing and promoting alternative transportation to reduce traffic congestion and increase accessibility for the general public.
- During the audit period Ride-On had partnered with SLO Regional Rideshare to promote services for the general public. While this partnership was cost-effective for Ride-On some marketing and public outreach activities were not clearly delineated between the two agencies. Both agencies cater to distinct markets warranting their own approaches; Ride-On provides several profit-making private services that differ from Regional Rideshare's focus on the promotion of alternative transportation modes for the general public.
- In October 2007, Ride-On prepared and presented a Strategic Plan to SLOCOG staff and the policy board, which covered new marketing approaches. As a follow-up, Ride-On develops a marketing plan each year and focuses on a series of marketing goals. Specific activities to market and promote the CTSA include radio and television ads, outreach at special events, and distribution of brochures and other information targeted at social service agencies, existing riders and the public.
- Ride-On is to be commended for making significant efforts toward fulfilling the prior Performance Audit recommendations. Two of the recommendations were fully implemented and two are partially implemented and carried forward.

Recommendations

The recommendations described below have been developed based on findings from formal interviews with Ride-On management and staff and review of internal and external reports and documents. These recommendations are designed to help Ride-On enhance its record keeping procedures and better understand how each of its unique services is performing.

Recommendation #1: Develop a more precise tracking system for revenue service miles.

Vehicle service miles are the total annual miles traveled in revenue service, excluding miles traveled to and from storage facilities and other deadhead travel. Deadhead miles, which include travel from the bus yard to the first pick up point, and from the last drop-off back to the yard, should be excluded from the total vehicle service miles reported. Currently, Ride-On does not track revenue and deadhead miles. Since Schedule Pro is only capable of tracking passengers and hours, Ride-On performs a manual calculation of deadhead miles by subtracting 15% of total miles. Total mileage is recorded from odometer readings and reported to Ride-On staff through the dispatch system. This reporting methodology is not precise and does not fully comply with TDA requirements. Ride-On uses a mix of manual and computerized scheduling and dispatching, which makes it difficult to maintain accurate records of revenue

service miles. Ride-On has plans to implement a new software program at the start of FY 2009/10 to improve TDA reporting requirements by tracking miles and hours for individual vehicles. Meeting this recommendation is necessary in order to achieve full compliance with the TDA.

Recommendation #2: Ensure all performance measures for the State Controller's and SLOCOG reports are collected and reported according to the TDA guidelines, and back up documentation is retained a minimum of four years.

This recommendation is carried forward from the 2006 Performance Audit. Monitoring system performance is an important task for public transportation agencies and should not be overlooked. As mentioned in the previous audit, separating CTSA and TMA *operating costs* and *fare revenues* provide better accountability of public funds. Ride-On uses a combination of estimates and actual numbers when reporting vehicle service miles and hours, and agrees that actual figures should be tracked and reported. It is necessary that the State Controller's Reports and quarterly reports have the same numbers, so all reporting and analysis is consistent and accurate. Information must be presented separately for each program to ensure proper accounting.

Recent progress has been made since Ride-On started recording fare revenue separately from total revenue. The Operations Manager has also developed a checklist of data sheets that are saved for backup for all reports. A planned transition to a new software program will allow for better collection and reporting of performance measures. Ride-On plans to implement the same dispatch software program as RTA at the start of FY 2009/10.

Recommendation #3: Develop a formal system for addressing and tracking customer complaints.

Currently all comments and complaints are tracked manually on paper. If a customer has a complaint or comment about service, they submit a written form or call in to describe the complaint or commendation and provide their name and number. If the passenger is unwilling to provide this basic information, then the complaint does not get recorded in the drivers file and it is not considered legitimate. There are no comment cards available on Ride-On vans. In addition, complaints are not formally recorded or tracked.

This recommendation is intended to formalize the process for accepting and tracking complaints and commendations. Ride-On is encouraged to provide forms on the vehicles, so passengers can submit comments in writing as well as on the telephone. It is important to address day-to-day communications with existing customers by tracking and handling complaints and commendations. A standardized procedure for responding and tracking complaints and commendations should be developed. A standardized letter acknowledging a passenger's complaint should be sent to each customer. Most transportation agencies have standardized letters to send to customers regarding their complaints as a public relations step. This suggestion need not be burdensome if a template was prepared and a process established for handling them. In addition, Ride-On should keep track of the number and type of complaints to determine if there is a pattern to them. Feedback from existing riders or representatives of users' groups can assist Ride-On Transportation in improving its customer relations.

Recommendation #4: Monitor and track performance of CTSA and TMA services.

Ride-On implemented several new services during the audit period, including the Agricultural Workers Transportation Program (AWTP) and a Veteran's Shuttle. The AWTP involves participation by SLOCOG and SLO Regional Rideshare for grant administration and targeted outreach among growers, agricultural labor organizations and service providers in rural areas. The Veteran's Express is a new CTSA service that transports veterans to medical appointments in San Luis Obispo and Santa Maria and connects with a bus taking veterans to facilities in Santa Barbara and Los Angeles. As with other services that Ride-On offers, there should be quarterly performance reports to demonstrate how the services are performing. A system of goals, objectives and performance standards provides the necessary framework for performance evaluation. For new programs and services, it is expected to take approximately 12 -18 months for new services to reach their full ridership potential. Tracking performance will reveal the trends during the first year of operation and enable Ride-On to make service and schedule adjustments as needed to address any problems that arise early on.

While the focus of this recommendation is primarily on new programs and services, it is also suggested that Ride-On monitor and track performance for all TMA and CTSA services on a quarterly basis. Quantitative performance standards or targets should be developed for each program. While there are a number of measures that are traditionally used in the transit and paratransit industry, the Auditor suggests a "reasonable" number of standards to avoid a burdensome process. Recommended cost effective and efficiency performance standards include operating cost per passenger, operating cost per revenue hour, passengers per revenue hour and subsidy per passenger. This data reflects the basic performance indicators required by the TDA (with the exception of subsidy per passenger) and is consistent with operating and cost data already collected by Ride-On. In addition to these performance standards, it is recommended that two additional standards be developed to measure service quality and reliability including passenger complaints/passengers carried and preventable accidents/revenue mile. Performance trends should be monitored quarterly and on an annual basis and they should be measured against established performance standards to determine if they are being met. This process will provide staff, management and the policy board with a good picture of how well the service is doing.

Recommendation #5: Enhance coordination between Ride-On and Regional Rideshare.

Ride-On is the CTSA for the county and provides an array of services to help coordinate social service transportation and directly provides transportation to social service agencies. Another important function of Ride-On is to increase mobility and access to transportation services for individuals and social service groups. Recently Ride-On was awarded New Freedom grant funds to hire a Social Service Mobility Manager to conduct a variety of marketing and outreach activities to better educate and inform seniors and people with disabilities about the range of transportation services available to them. The Ride-On mobility management role is more focused on specialized transit service delivery and coordination with CTSA partners in the delivery of such specialized transportation services. That role is defined by the Coordinated Human Services Public Transportation Plan as a local agency-level mobility manager that is supported by the Regional Mobility Management as a prerequisite. At the same time, Regional Rideshare received a Job Access Reverse Commute grant to fund a Regional Mobility Manager. Rideshare has the lead role for the Regional Mobility Management function in the county as recommended by the 2007 Coordinated Human Services Public Transportation Plan. That role encompasses facilitating coordination among transit providers and coordination between public transportation providers and social services agencies.

To be effective and provide high quality service, it is imperative that these two functions are well coordinated and have a clear delineation of their respective responsibilities. To ensure coordination between these two positions and the two agencies, it is recommended that the key staff from each agency meet on a regular basis to review current activities, projects and outreach efforts. Following the meetings, notes should be prepared to summarize agreements and follow up activities.

Figure ES-1 Recommendations and Proposed Timeline

Recommendation	Priority	Timeline
1. Develop a more precise program accounting methodology.	High	FY 2009/10
2. Ensure all performance measures for the State Controller’s and SLOCOG reports are collected and reported according to the TDA guidelines, and back up documentation is retained a minimum of four years.	High	FY 2009/10
3. Develop a formal system for addressing and tracking customer complaints.	Medium	FY 2010/11
4. Monitor and track performance trends for all services and develop standards to measure performance.	Medium	FY 2010/11
5. Enhance coordination between Ride-On and Regional Rideshare.	High	FY 2009/10

Chapter 1. Introduction

This Performance Audit examines San Luis Obispo County's Ride-On Transportation Services, covering Fiscal Years 2005/06, 2006/07 and 2007/08. California's Transportation Development Act (TDA) requires Triennial Performance Audits of all operators as a condition of continued funding eligibility. This audit, commissioned by the San Luis Obispo Council of Governments (SLOCOG), was conducted in accordance with the procedures outlined by the California Department of Transportation to determine compliance with the TDA.

While the primary purpose of this audit is to ensure compliance with State legal requirements, it also provides the transportation agency and the region with practical and useful recommendations for improving the efficiency and effectiveness of its operation.

The audit consists of two phases: 1) the Compliance Audit and 2) the Functional Audit.

The Compliance Audit reviews and analyzes the five measures required by the TDA:

1. Operating Cost Per Passenger
2. Operating Cost Per Vehicle Service Hour
3. Passengers Per Vehicle Service Mile
4. Passengers Per Vehicle Service Hour
5. Vehicle Service Hours Per Employee

The Functional Audit evaluates performance based on the agency's own internal set of goals, objectives and standards and how it addresses major functions such as planning and scheduling, marketing and vehicle maintenance. Evaluating actual performance with adopted performance standards helps assess trends and identify areas for improvement.

Ride-On is the designated Consolidated Transportation Services Agency (CTSA) and Transportation Management Association (TMA) for the San Luis Obispo region. This Performance Audit focuses on the CTSA services of Ride-On. It includes recommendations for improving data collection and monitoring procedures that will allow Ride-On to analyze each service individually.

Following this introduction chapter, the audit continues with seven chapters that document and review Ride-On services. These include:

- Chapter 2** Description of transportation services provided by Ride-On
- Chapter 3** Compliance Audit documenting the agency's data collection and reporting procedures
- Chapter 4** Status of prior audit recommendations
- Chapter 5** Six-year performance trends of the five TDA indicators
- Chapter 6** Functional Audit in four key areas
- Chapter 7** Findings and Recommendations

This audit serves as an independent, objective evaluation of Ride-On services, providing sound, constructive recommendations for service improvements. The Auditor recognizes the unique characteristics of Ride-On and has conducted this audit with the objective of encouraging Ride-On to continue its innovative operations, while also improving TDA compliance and performance monitoring.

Chapter 2. Description of Ride-On Transportation Services

Background

Ride-On Transportation is a unique transportation program that provides transportation services for social service agencies, seniors, people with disabilities, and the general public. This private organization operates as part of the nonprofit United Cerebral Palsy (UCP) of San Luis Obispo County. In 1987, UCP created the Community Interaction Program (CIP) Transportation service to provide access to the community for adults with developmental disabilities. Ride-On began operating in 1993 as the Consolidated Transportation Services Agency (CTSA) for San Luis Obispo County. In this role, Ride-On has assisted local social service agencies with their transportation-related needs.

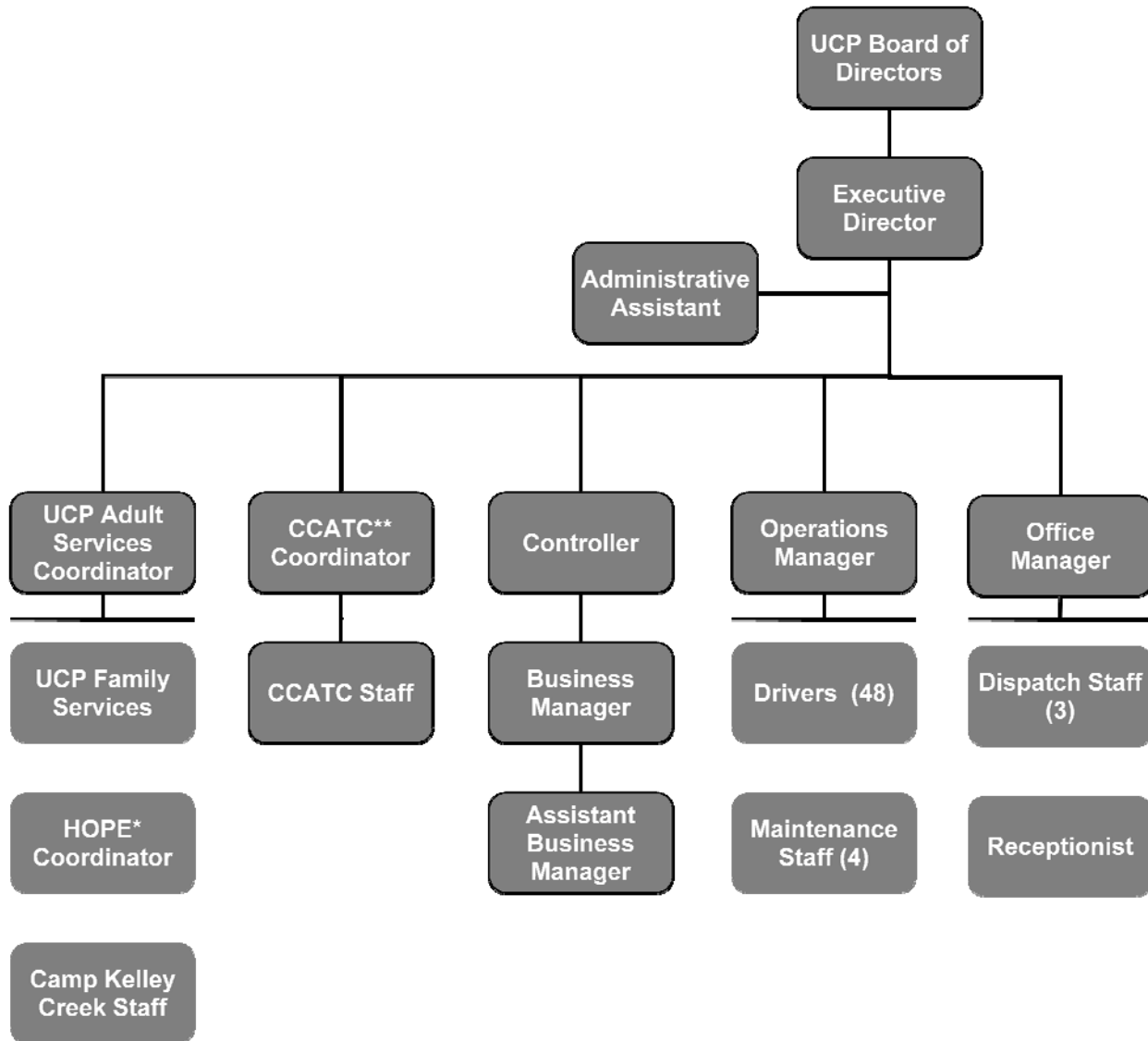
In 1995, Ride-On developed Transportation Management Association (TMA) services for the general public. During the audit period Ride-On provided contract services for dial-a-ride and shuttle services funded by the County of San Luis Obispo under contract with the Regional Transit Authority. In 2001 Ride-On had begun operating Nipomo Transit under contract to the County of San Luis Obispo and the contract was extended with the Regional Transit Authority (RTA) in 2004. Since July 2008 the County-funded contract services are no longer provided by Ride-On. The only remaining public contract for specialized transit services is the Five Cities Senior Shuttle funded by local jurisdictions. While Ride-On uses its fleet to provide transportation for both CTSA and TMA services, its funds, accounting, and bank accounts are separately maintained.

Organizational Structure

Ride-On Transportation is a non-profit entity governed by the San Luis Obispo County United Cerebral Palsy Association. The Board of Directors consists of 14 members who are responsible for allocating a large portion of the UCP budget to transportation. The agency's other activities include a range of family and adult services for persons with disabilities. The UCP Executive Director also serves as the Director for Ride-On and the TMA. The two programs work closely to effectively administer a variety of transportation services.

The Ride-On Operations Manager supervises the system's drivers and maintenance program. The Transportation Manager (who also serves as the Office Manager) supervises the dispatch operations. Additional administrative staff assists with office duties, bookkeeping and billing. Ride-On is currently headquartered south of downtown San Luis Obispo and vehicle maintenance occurs at a garage facility located nearby. Four full-time mechanics are on staff to repair and maintain all Ride-On vehicles and work a combination of both day and evening shifts. Ride-On's dispatching and office staff has over 40 years of transportation experience in San Luis Obispo County. Staff had been planning a move in the Spring 2009 into a joint facility with RTA; however recent developments have prevented this joint venture from occurring. An organizational chart of Ride-On is presented in Figure 2-1.

Figure 2-1 Organization Chart



* Hospital & Outpatient Education (HOPE)
 ** Central Coast Assistive Technology Center (CCATC)

Ride-On Services

Ride-On operates three primary services including:

1. The United Cerebral Palsy (UCP) Association Services
2. Consolidated Transportation Services Agency (CTSA) services, using TDA 4.5 funds
3. Transportation Management Association (TMA) general public services

These services are described below.

Consolidated Transportation Services Agency (CTSA)

Ride-On's role as the County's CTSA is to provide transportation services to seniors and persons with disabilities. As the CTSA, Ride-On is in charge of developing, improving and implementing coordination of social service transportation. In this role, Ride-On provides support for nearly 60 social service agencies with transportation services, vehicle maintenance support, vehicle acquisition, driver training and preparation for California Highway Patrol (CHP) inspections. A list of Ride-On's partners during 2008 and the services provided to each agency are listed in the Appendix.

The CTSA services are described below.

Tri-Counties Regional Center (TCRC): The State of California contracts with Tri-Counties Regional Center to provide support and services for children and adults with developmental disabilities living in San Luis Obispo County. The schedules are developed by an outside consultant and Ride-On operates 26 daily routes serving the entire county. The ride is free for the rider and is billed to the agency on a monthly basis. Ride-On provides transportation services for TCRC's clients to work and day programs. TCRC is Ride-On's largest contract.

Senior Shuttle: The Regional Senior Shuttles provide door-to-door service for any resident of the County age 65 or older. The service operates between 9:00 AM and 5:00 PM and costs \$3.00 per one way ride (since July 1, 2008). Between March 2007 and June 2008, a promotional fare of \$2.00 per ride was in effect as a result of an STA demonstration grant awarded by SLOCOG. The shuttle offers door-to-door service. Advance reservations (3-4 days) are recommended for seniors calling in rides. The Senior Shuttle operates in the following four areas:

- *North Coast Senior Shuttle* – Transportation between Cambria, Cayucos, Morro Bay, Los Osos, and San Luis Obispo is available on Mondays and Wednesdays from 9: 00 AM through 5:00 PM.
- *South County Senior Shuttle* – Transportation between Nipomo, Arroyo Grande, Oceano, Grover Beach, Pismo Beach, Avila Beach, and San Luis Obispo is available on Tuesdays and Thursdays from 9: 00 AM through 5:00 PM.
- *North County Senior Shuttle* – Transportation between San Miguel, Shandon, Creston, Paso Robles, Atascadero, Templeton, Santa Margarita, and San Luis Obispo is available on Mondays and Wednesdays from 9: 00 AM through 5:00 PM.
- *San Luis Obispo Senior Shuttle* – Transportation within San Luis Obispo on Tuesday, Wednesdays, and Fridays from 9: 00 AM through 5:00 PM.

Medi-Cal Shuttle: Ride-On provides Medi-Cal rides for people who are going to medical appointments and cannot use other forms of public transportation. Users must have a current Medi-Cal (Cen-Cal) card and cannot have any other type of medical insurance. The service can be provided at any time, but must be a round trip ride to a medical facility. The ride is free for the passengers and is billed to the State of California for reimbursement.

Private Pay Rides: Ride-On offers door-to-door services to private individuals. Private pay rides serve seniors and people with disabilities that are not covered by other Ride-On billing methods. Hospitals, care homes, and family members usually set up these rides and the fare is the same as a TMA ride (Figure 2-2).

Community Interaction Program (CIP): CIP is administered by the United Cerebral Palsy service. It provides evening and weekend transportation for persons with disabilities. The driver provides the rider with community assistance upon request. The fare is \$3.00 each way. UCP must approve the ride before it can be scheduled.

Veterans' Express: Veterans can set up rides to the VA Clinics in San Luis Obispo and Santa Maria for \$3.00 each way.

Ride-On CTSA Agency Support Services

Ride-On provides the following support services to approximately ten social service agencies that provide their own transportation services:

- Maintenance services
- Development of preventative maintenance programs
- Driver training programs
- Safety Incentive Programs
- Vehicle acquisition
- CHP Inspection preparation and
- Drug testing programs

Ride-On maintains a log of the services and agencies that are provided services. This is for internal tracking purposes. Periodic reports on Ride-On support services are presented to the Board of Directors.

Transportation Management Association (TMA)

Ride-On TMA develops transportation programs in the San Luis Obispo region to better manage transportation demand and provides transportation services for the general public with vanpools, airport/Amtrak shuttles, Guaranteed Ride Home, Lunchtime Express, Visitor Shuttles, Special Event, and Medical Shuttles. These services are available to the general public and described below.

Airport/Amtrak/Greyhound Shuttle: The Shuttle service is for individuals requiring transportation to/from the airport, Amtrak or Greyhound station. The rides are booked in advance and provide an alternative to the local taxi services with limited capacity. The service is available 24 hours a day, seven days a week with riders receiving a pager number to call when the Ride-On office is closed. Fares vary based on the distance of the ride.

Lunchtime Express: Funded by San Luis Obispo restaurants, the Lunchtime Express transports patrons to restaurants Monday through Friday between the hours of 11:00 AM and 2:00 PM free of charge. The program allows easy transportation for large groups, with Ride-On specifically marketing to birthday parties, retirement luncheons and other events where a single van would replace multiple cars. Ride-On offers this free (to the customer) door-to-door service for parties of two or more riders to lunch at 26 sponsoring restaurants within the City of San Luis Obispo.

Vanpool Services: Ride-On coordinates 31 vanpools that utilize volunteer drivers who drive for no charge. Each vanpool pays a monthly fee that includes the full cost for use of the vehicle,

fuel, vehicle maintenance, insurance, vehicle washes, and registration. Ride-On also coordinates with the San Luis Obispo Regional Rideshare office to develop vanpools. The program offers flexibility for pick-ups and drop-offs at homes, park & ride lots or bus stops. Ride-On works with SLO Regional Rideshare and sometimes uses the TRIPLINK software for the vanpoolers. TRIPLINK is now being upgraded and will no longer offer the vanpool feature due to the more competitive vanpool market (other private providers besides the TMA).

Special Events: Special Event Shuttles are for groups who need the vehicle to stay with their group, such as wine tasting, weddings, and community events. The group pays an hourly rate for the service.

Visitor Shuttle: Ride-On works with local tour companies, including wineries, hotels, and Hearst Castle, to provide tourist-oriented transportation services. Ride-On makes arrangements with groups or individuals to meet their transportation needs during the day, evening or at night. The TMA actively markets its shuttle services to local hotels.

Guaranteed Ride Home: Recognizing that fear of being stranded often deters commuters from using alternate transportation modes, Guaranteed Ride Home Programs promise people who commute, by any means other than a car, a ride home or to their vehicle in an emergency. Specifically, Ride-On will pick up any employee within 30 minutes and transport him/her home for a small fee of \$4.00 up to four times a year. The program serves as an insurance policy for employers encouraging use of alternative transportation. This program is administered and funded by Regional Rideshare who reimburses Ride-On for rides to individuals registered with TRIPLINK.

Kid Shuttle: The Ride-On Kid Shuttle is available to private groups (e.g., school outings, birthday parties or other activities) and also serves local childcare facilities. The Kid Shuttle serves all locations in San Luis Obispo and Santa Maria. Recognizing safety concerns, Ride-On advertises that drivers undergo fingerprint screening and random drug tests. All drivers have a Class B license and receive Ride-On training. Service is available seven days per week, 24 hours a day, with advance reservation. Group rates vary.

Medical Shuttles: TMA Medical Shuttles are for medical appointments for the general public. The service is door-to-door at the “regular” Ride-On fare structure.

General TMA Rides: General TMA rides are rides for the general public that do not fall into the other TMA ride categories. These riders pay the full Ride-On fare.

Ride-On’s Public Transportation Contract Services

Ride-On has operated public transportation services on a contract basis during the audit period. The contracts are described below. Currently the Ride-On operates only the Five Cities Senior Shuttle.

Nipomo Dial-A-Ride: Nipomo Dial-A-Ride is a door-to-door service in Nipomo on Monday through Friday from 6:30 AM until 6:30 PM. The fares are \$1.25 for children, people with disabilities, and seniors. Adults (13 and older) pay \$1.75.

South Bay Dial-A-Ride: South Bay Dial-A-Ride is a door-to-door service in Los Osos on Monday through Friday from 8:00 AM until 5:00 PM. The fare is \$1.10 per ride for all riders, with a ten-ride pass available for \$9.50.

Cambria Trolley: Cambria Trolley is a fixed route service that operates Thursday through Monday during the summer and Friday through Monday during the rest of the year. The hours of operation are 9:00 AM until 6:00 PM and the service is free (donations are accepted).

Five Cities Senior Shuttle: The Five Cities Senior Shuttle serves the communities of Shell Beach, Pismo Beach, Grover Beach, Arroyo Grande and Oceano on Tuesdays, Wednesdays, and Thursdays from 9:00 AM until 5:00 PM. This door-to-door service costs \$3.00.

Templeton-Shandon Shuttle: The Templeton-Shandon Shuttle was a fixed-route service from Templeton to Paso Robles and on to Shandon. Riders can be picked up from their homes in Templeton and Shandon. Drivers can make slight deviations along the fixed-route. The cost of the ride within Templeton is \$2.00 each way, except a Shandon-Paso Robles connection costs \$4.00. Since July 08 those services are provided on alternating days (Tues, Thursday and Saturday) in Templeton and (Mon, Wed, Friday) to and from Shandon.

Fares

Ride-On services charge various rates. While some services charge fixed fares per trip, others are based on distance. Figure 2-2 lists Ride-On services and the fare structure for each.

Figure 2-2 Ride-On Services and Fares

Service	Fare	Description
Visitor Shuttle	\$55.00/hour \$45.00/hour TMA rate	Hourly rate for van and driver regardless of the number of passengers
Airport/Amtrak/Greyhound Shuttle	\$14.00 - \$48.00	One-way fare based on mileage. \$4.00 for each additional rider
Guaranteed Ride Home	\$4.00	Travel to anywhere within County with prior registration
Lunchtime Express	Free	Participating restaurants pay a fee based on the number of patrons carried each month
Vanpool Services	Varies	Monthly fares vary based on distance
Medical Shuttle	\$4.00/round trip	Trips to sponsoring doctors' offices and hospitals
Special Events	\$55.00/hour \$45.00/hour TMA rate	Hourly rate for van and driver regardless of the number of passengers
Senior Shuttle	\$3.00	One-way fare. Service operates in select geographic areas on specific days of the week
General TMA Rides	\$55.00/hour \$45.00/hour TMA rate	Hourly rate for van and driver regardless of the number of passengers
Kid Shuttle	Varies	Group rates vary based on distance and other factors

Source: Ride-On website (www.ride-on.org) and confirmed by Ride-On Executive Director, March 2009.

Operations and Dispatch

Dispatch operates from Ride-On's headquarters in the following manner:

- Customer calls in request – anyone in office takes request
- The request goes directly to dispatch to be scheduled – schedule requests are generally taken 3-4 days in advance, but Ride-On is willing to accept longer notice and also takes same day requests (mainly from hospitals). Medi-Cal requires 24 hour notice.
- Dispatch schedules rides and confirms rides
- Dispatch communicates with drivers on two-way radios to inform them of any changes

Ride-On currently uses Schedule Pro software (an access database) for scheduling. Plans during the audit period were to transition to a Trapeze Software program at the planned joint facility. However, Ride-On is now considering RouteMatch software subject to the RTA decision. The goal is to use the same software as RTA to improve coordination between the agencies and to improve TDA reporting requirements by tracking the services miles and hours operated by individual vehicles. Ride-On was awarded Federal and state grants for acquiring mobile data terminals compatible with the future software and to be used on the CTSA fleet.

Vehicle Fleet

Ride-On leases about one-third of its vehicles at a price of \$0.25 per mile. It also uses FTA Section 5310 funds to purchase accessible vehicles for seniors and persons with disabilities. About two-thirds of the vehicles are owned by Ride-On directly. All vehicles are maintained and housed by Ride-On and at storage facilities located throughout the County.

Ride-On operates a varied fleet, comprised primarily of 14 – 15 passenger vans. The fleet also includes several 22 passenger Aerotech vans. There are currently 89 Ride-On vehicles in operation. Figure 2-3 provides a listing of the Ride-On fleet.

Figure 2-3 Vehicle Fleet Inventory

No. of Vehicles	Wheelchair Or Ambulatory	Year of Manufacture	Type of Vehicle	Seating Capacity (including wheelchairs)
6	A	1998	Ford Van	14
2	W	1998	Ford Aerotech	22
3	A	1999	Ford Van	14
2	W	1999	Ford Aerotech	12-22
1	W	1999	Chevy Express	6
13	A	2000	Ford Van	14
1	W	2000	Ford Aerotech	22
3	A	2001	Ford Van	14
1	A	2001	Chevy Van	14
5	W	2001	Ford Aerotech	16-18
10	A	2002	Ford Van	14
3	W	2002	Ford Goshen	16-18
4	W	2003	Ford Goshen	16-18
7	A	2004	Ford Van	14
1	W	2004	Ford Aerotech	16
2	A	2005	Ford Van	14
2	W	2005	Ford Goshen	16-18
6	A	2006	Ford Van	14
10	A	2007	Ford Van	14
2	W	2007	Ford Goshen	16-18
2	A	2008	Ford Van	14
3	W	2008	Ford Goshen	6

Source: Ride-On Transportation, April 2009

Changes During the Audit Period

Service Changes

Ride-On implemented several changes during the audit period, ranging from service expansions to the addition of new staff. Service additions included:

Senior Service: Service to seniors was enhanced during the audit period. In March 2007, Ride-On increased Senior Shuttle service to three days a week for all corridors of services outside the central area. Service expansion was made possible by an additional \$30,000 in State Transit Assistance (STA) funding.

Vanpool/TMA: The vanpool program was expanded. In November 2007, SLOCOG and Ride-On Transportation jointly applied for a grant to start a vanpool program for farm workers living or commuting in San Luis Obispo County. The program has capital funding to support eight 15-passenger vans to be used for an Agricultural Workers Transportation Program (AWTP) in the region. The project will be modeled according to the established program serving more than five counties in the San Joaquin Valley. As of February 2009, Ride-On runs two vanpools and is in

the process of starting a third one (with a current fleet of four vans) used for agricultural field workers and greenhouse employees.

New Shuttle Service: In September 2007, Ride-On added a new CTSA service that transports veterans to medical appointments in San Luis Obispo and Santa Maria. The Veterans Shuttle Service connects with a bus taking veterans to facilities in Santa Barbara and Los Angeles.

Emergency Response Driver Program: In January 2007, Ride-On began offering to train drivers from other agencies so they can utilize Ride-On vehicles in the event of an emergency.

Mobility Training: Ride-On is contracted by Tri-Counties Regional Center to train people with disabilities to use fixed-route bus services.

Other Changes

In addition to the service changes mentioned above, Ride-On enhanced its administrative structure as follows:

- Ride-On hired three new office staff during the audit period: an Office Manager, a TMA Coordinator, and Administrative Assistant to assist with daily data entry and other duties.
- The maintenance program was improved substantially by hiring one new full-time mechanic and the addition of a second mechanized lift to the maintenance facility.
- Additional training and development opportunities were made available to staff. All office and dispatch staff are required to participate in at least 10 hours of additional training each calendar year. These trainings include attending CalACT sponsored conferences, visiting other facilities, and professional training seminars in safety and sensitivity.
- Ride-On has completed an Office Procedures Manual that includes administrative procedures, job descriptions, resource information, and a list of cross-trained staff. The Dispatch Procedures Manual has also been updated. Ride-On Executive Director has increased his outreach efforts to new social service agencies.
- Marketing efforts were improved upon through the partnership with SLO Regional Rideshare and “Ride-On is for everyone” campaign. Ride-On has adopted a new tagline in all of their marketing efforts: “anyone...anytime.” A Marketing Plan was prepared as part of the 2006 Short Range Transit Plan (SRTP). Since that time, Ride-On has begun implementing several of the strategies. For more information on CTSA marketing activities, please see Chapter 4.

Chapter 3. Compliance Audit

This chapter examines Ride-On's compliance with the Transportation Development Act (TDA) and relevant sections of the California Code of Regulations and describes the methods by which Ride-On collects data for its various services. Actual performance statistics are presented in Chapter 5 of this audit.

As required by TDA, the consultant conducted on-site interviews with both administrative and operations personnel to thoroughly review the performance data and collection process. Both internal and external documents were reviewed, including the State Controller's Report and various Ride-On documents (e.g., driver logs, quarterly reports and fiscal audits). The following sections detail Ride-On's current data collection methods.

Figure 3-1 provides a tabular summary of the TDA operator requirements and a determination of Ride-On's compliance.

Figure 3-1 TDA Compliance Requirements

Operator Compliance Requirements	Reference	Compliance
1. The transit operator submitted annual reports to the RTPA based upon the Uniform System of Accounts and Records established by the State Controller.	PUC 99243	Yes
2. The operator has submitted annual Fiscal and Compliance Audits to its RTPA and to the state controller within 180 days following the end of the fiscal year, or has received the appropriate 90-day extension allowed by law.	PUC 99245	Yes
3. The CHP has, within the 13 months prior to each TDA claim submitted by an operator, certified the operator's compliance with Vehicle Code Section 1808.1 following CHP inspection of the operator's terminal.	PUC 99251	Yes
4. The operator's claim for TDA funds is submitted in compliance with rules and regulations adopted by the RTPA for such claims.	PUC 99261	Yes
5. The operator does not routinely staff with two or more persons public transportation vehicles designed to be operated by one person.	PUC 99264	Yes
6. The operator's operating budget has not increased by more than 15 percent over the preceding year, nor is there a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities unless the operator has reasonably supported and substantiated the change(s).	PUC 99266	Yes
7. Operator funding provided through the Transportation Development Act makes up no more than the 50 percent of operating, maintenance, capital, and debt service requirements after federal grants are deducted, if applicable.	PUC 99268	Yes
8. If the operator serves an urbanized area, it has maintained a ratio of fare revenue to operating cost at least equal to one-fifth (20 percent), unless it is in a county with a population of less than 500,000, in which case it must maintain a ratio of fare revenues to operating cost at least three-twentieths (15 percent), if so determined by the RTPA.	PUC 99268.2, 99268.3, 99268.12	Yes
9. If the operator serves a rural area, it has maintained a ratio of fare revenues to operating costs at least equal to one-tenth (10 percent).	PUC 99268.2, 99268.4, 99268.5	Yes
10. The current cost of operator's retirement system is fully funded with respect to the officers and employees of its public transportation system, or the operator is implementing a plan approved by the RTPA, which will fully fund the retirement system within 40 years.	PUC 99271	Yes
11. If the operator receives state transit assistance funds, the operator is not precluded by contract from employing part-time drivers or from contracting with common carriers.	PUC 99314.5	Yes
12. If the operator receives State Transit Assistance funds, the operator makes full use of funds if available to it under the Urban Mass Transportation Act of 1964 before TDA claims are granted.	CCR 6754(a)(3)	Yes

Ride-On Data Collection by Service

The Transportation Development Act (TDA) requires that an agency collect and report operating data for each service it operates. Ride-On functions as a distinctly unique agency and offers a complex network of services. This audit focuses on Ride-On's CTSA services only because these are the only services in which TDA funds are used. During the audit period, Ride-On has worked diligently to segregate data between the various services in an effort to fully comply with TDA rules and regulations.

Data Verification

Operating Cost

Operating costs include the total cost of operating a public transportation system, excluding capital expenditures, depreciation and amortization. Ride-On participates in the CalACT insurance pool and pays premiums for separate policies for liability and other coverages. Ride-On tracks their operating costs separately for each service based on the proportional share of revenue service hours. Beginning January 2006, Ride-On began separating their operating expenses into fixed costs and variable costs. Fixed costs include general administration costs, such as payroll and employee health benefits, and variable costs consist of fuel, vehicle maintenance, labor, and other monthly fluctuating costs. The fixed costs for each service are assigned in the following percentages:

- Tri-Counties Regional Center: 60%
- CIP: 2%
- Medi-Cal: 8%
- Private: 2%
- Senior: 3%
- TMA Services: 4%
- Vanpool: 4%
- Contract Services: 2%
- TDA Funds: 15%¹

Fixed and variable operating costs are recorded on a monthly basis and reported in the quarterly reports. The new system of tracking costs also includes the activities of the TMA and contract services. During the consultant's on-site review in January 2009 a sample month of operating costs were reviewed to confirm reporting accuracy. The reporting methodology complies with TDA requirements.

Passengers

The TDA defines passengers as boardings, whether or not they are fare paying passengers. Ride-On vans do not have fareboxes. The agency collects fares and passenger data using a system which involves both the driver and the dispatcher. Each driver is assigned a trip number

¹ This reflects a source of income dedicated to fixed costs of the CTSA services. Dedicating 15% of TDA funds for fixed costs has been Ride-On's practice for several years and addresses their goal of trying to be self-sufficient.

by Dispatch. When the driver picks up a passenger, he/she records the number of passengers and other relevant information (e.g., pick-up time, etc), and collects the fare. The fare is then put into a lockbox. The lockbox is opened at the office where all collected fares are counted and verified against dispatch records. This methodology complies with TDA requirements for passenger revenues.

Farebox Revenues

During the first two years of the audit period (FY 2005/06 – FY 2006/07), farebox revenue was not distinguished from total revenue in its internal and external reports. Ride-On tracked total income for each program and included passenger fares with other funding contributions. However, beginning August 2007, Ride-On began separating fare revenue from total income for each service in its quarterly reports. This new process will ensure reporting accuracy for passenger fare revenue.

Revenue Service Miles

Revenue service miles are derived from driver's reports submitted to the dispatcher on a daily basis. Drivers record mileage on their daily form when they pull out and when they return at the end of a shift. For vanpools, drivers record starting and ending mileage. Ride-On assumes that 85 percent of the miles are revenue miles and 15 percent are deadhead. To be fully compliant with TDA, revenue service miles are only those miles traveled when vehicles are in revenue service. Miles to and from storage facilities and other deadhead travel such as driver breaks should be excluded. Data from Schedule Pro is not used to track revenue service miles. Ride-On has plans to implement a new software program which will provide a breakdown of revenue and non-revenue service miles for each service operated by Ride-On.

Revenue Service Hours

Revenue service hours are derived from the Schedule Pro dispatching system and reported in the agency's quarterly reports. Drivers also record actual hours on their log sheets. Schedule Pro is able to provide a breakdown of hours by service. This level of detail enables Ride-On to separate revenue service hours for each of its services. Data from Schedule Pro are used to prepare quarterly reports and the annual State Controllers' Reports.

After the close of FY 2007/08, an error in the reported number of annual revenue service hours was noted and corrected.

Employee Full-Time Equivalents

Employee full-time equivalents (FTEs) are calculated by taking the total annual employee regular and overtime pay hours and dividing by 2000 hours. FTEs were reported correctly during the audit period and were verified by looking at the State Controllers Reports for each fiscal year. Ride-On maintains FTE data for both state TDA reporting requirements and for federal reports. Ride-On is in compliance with this TDA requirement.

Conclusion

During the audit period, Ride-On made progress in segregating data for its many services. During FY 2007/08, Ride-On began more accurately tracking farebox revenue and reported it

separately from total revenue for each service. The new method of tracking data separately for each service allocates both fixed costs and variable costs for the CSTA services, the TMA as well as contracted services. To fully comply with TDA requirements, Ride-On will be transitioning to a new software program which will enable a breakdown between revenue and non-revenue service miles.

The Auditor recognizes that Ride-On does not function as a traditional transit agency; it offers a wide array of innovative services throughout San Luis Obispo County. The number of passengers served on an hourly basis is a reflection of the system's productivity. Ride-On achieves its productivity and efficiency by innovative use of its vehicles - a single run may carry passengers of multiple services. This audit concludes with recommendations for how Ride-On can improve its data collection and reporting requirements yet retain its innovative services.

Chapter 4. Previous Audit Recommendations

The prior TDA performance audit was completed by Majic Consulting Group in August 2006. The performance audit contained four recommendations for Ride-On. As part of the current audit, the status of these recommendations has been reviewed. The recommendations are listed, followed by the prior auditor's rationale (quoted verbatim) for making the recommendation and a discussion of their current status. A summary of the prior recommendations and their status is presented in a figure at the end of the chapter.

Previous Audit Recommendations

Recommendation #1: Develop a more precise program accounting methodology

Prior Auditor Rationale

“Ride-On has made considerable progress since the last audit in tracking and capturing data by program. Again, continued refinements will assist Ride-On in reducing the time involved in creating the reports, better managing its plethora of transportation programs and improving its reporting to SLOCOG and the State.”

The previous auditor noted several issues with operating data collection and made the following recommendations:

1. Better cost accounting on a program basis;
2. Stricter delineation between programs (specifically, TDA-funded and non-funded programs);
3. Capture and analysis of key performance measures;
4. Automation of reporting.

Current Status

Ride-On has developed a new financial tracking report that distributes fixed costs and variable costs for each of the services. The new reporting system includes the activity of the TMA and Contract Services in order determine the profitability of each service.

According to the Ride-On Executive Director, further steps will be taken to develop a more precise program accounting methodology. The agency currently uses a consistent method for distributing costs, by service or program. Revenue service hours by service are recorded through Schedule Pro. However, vehicle service miles are not tracked between revenue and deadhead miles. Since Schedule Pro is only capable of tracking passengers and hours, Ride-On still performs a manual calculation of deadhead miles (by subtracting 15% of total miles). This methodology is not precise and still needs improvement. Ride-On is exploring software packages to replace the current system which consists of a mix of manual and computerized scheduling and dispatching, making it difficult to maintain accurate records. Ride-On's goal is to purchase a new software package in June 2009 and implement it at the start of FY 2009/10. The selected software will enable Ride-On to be fully compliant with the TDA and add functionality to the system to improve coordination and shared rides. While significant improvements have been made, improvements are still needed in this area.

- **Current Status:** Recommendation Partially Implemented. Carry Forward.

Recommendation #2: Enhance employee job training through a structured development program.

Prior Auditor Rationale

"During the past year, Ride-On has experienced a high percentage of employee turnover. Although all management positions were filled by employees who were already familiar with the organization, most of those persons promoted lacked an industry-specific background. Most have done an excellent job of learning the major functions of their jobs through unstructured on-the-job training. To continue improving their performance and applying the creative out-of-the-box thinking which has exemplified Ride-On's character, managers require a deeper understanding of both the technology and the industry. This would be accomplished by extra and continued education, which also increases employee confidence, loyalty, and morale."

Current Status

Ride-On has addressed this recommendation by requiring all Ride-On Office and Dispatch staff to take at least 10 hours of training each year. These trainings include attending CalACT sponsored conferences, visiting other facilities, professional training seminars for safety and sensitivity, and driver training sessions. Ride-On also developed a procedures manual in September 2007 which documents all employee procedures, job tasks, responsibilities, and includes a list of cross training among staff. This manual is well executed, accessible to all employees and is a major accomplishment.

Ride-On has also updated their dispatching procedures manual. Dispatch staff makes changes as the procedures are modified with the approval of the management team. The Transportation Coordinator is responsible for keeping the manual up to date.

During the previous audit period, Ride-On hired two Executive Assistants that did not work out. In January 2007, Ride-On hired an Administrative Assistant, to fill the vacant position. The new employee is doing a good job of supporting administrative staff and the arrangement is working out well. Ride-On has done an exemplary job of enhancing employee job training through a structured development program.

- **Current Status:** Recommendation Implemented/Complete.

Recommendation #3: Ensure all performance measures for the State Controller's and SLOCOG reports are collected and reported according to the TDA guidelines, and back-up documentation is retained a minimum of four years.

Prior Auditor Rationale

"Separating CTSA and TMA Operating Costs and Fare Revenues will provide better accountability of public funds... During this audit, validation of Ride-On's financial and performance reporting was impeded by the lack of back-up documentation for the previous four years. Documentation should be maintained for the Triennial Cycle, which would require four years of documentation be maintained."

Current Status

Ride-On operates a variety of programs and services. At the time of the previous audit the agency was not capable of tracking operational data separately for each service or program. Since the last audit, Ride-On has made major efforts in tracking data separately for each program and has improved its monthly TDA reporting and quarterly summaries to SLOCOG, and is continuing to make improvements in this area. Ride-On has begun to keep better records and the Operations Manager has developed a checklist of data sheets that is saved for back-up for all reports. The new systems for keeping track of financial and operating reports should improve the review process of annual trends.

- **Current Status:** Recommendation Partially Implemented. Carry Forward.

Recommendation #4: Create and implement a strategic marketing plan.

Prior Auditor Rationale

“Ride-On developed a well thought-out marketing program for TMA and general public services. However, CTSA services have not been integrated into the program.”

Current Status

In June 2006, the James Transportation Group and McGuire Management Consultancy completed the Ride-On Short-Range Transit Plan (SRTP), an update to the 1999 plan. The SRTP contained a Marketing Plan and Program section, which provided Ride-On a perspective for planning and evaluating marketing strategies over the planning period. The SRTP recommended that Ride-On keep the community informed about its services and funding constraints including formal presentations to the SLOCOG Board and community leaders.

Ride-On has made progress in implementing the recommendations of the SRTP. In October 2007, Ride-On prepared and presented a Strategic Plan to SLOCOG staff and the policy board, which covered new marketing approaches. The intent was to secure feedback on the new approaches before bringing it to the Ride-On /UCP Board of Directors for action. Each year Ride-On creates a marketing plan which focuses on a series of marketing goals. Ride-On's major marketing goals for 2008 include:

- Continue to use vans as a tool for marketing Ride-On services.
- Produce a television commercial for senior and veterans' shuttle.
- Revise Ride-On website.
- Increase outreach to hotels and visitors.
- Develop new UCP logo for the Ride-On vans.

Figure 4-1 outlines the methods used to market the CTSA transportation services.

Figure 4-1 CTSA Marketing Activities

Marketing Activity	Target Audience
Website explanation of support services along with promotion of social service transportation services	social service agencies
Attends monthly meetings of the Adult Services Policy Committee where forty social service agencies meet to learn about services. Distributes information including brochures for the Senior Shuttle.	social service agencies whose clients are seniors and people with disabilities
Radio spots broadcast on El Dorado's radio stations as part of a trade agreement for advertising on twenty vehicles	social service agencies
Television ad with Mayor Romero seeking community donations.	seniors and veterans
Ride-On TMA's extensive marketing campaigns includes information about social service transportation.	social service agencies
Staff attends at least ten community events a year to promote all transportation services.	social service agencies
Publishes and distributes four versions of the Senior Shuttle brochure at meetings and information fairs.	senior citizens and agencies that serve seniors
Distributes promotional magnets at special events and outreach fairs	riders and interested public
Distributes information about the annual unmet transportation needs hearings to encourage participation in the process	riders, and interested public

During the audit period, Ride-On developed a coordinated marketing plan with SLO Regional Rideshare to map out the marketing efforts by both agencies to increase awareness of all of the services Ride-On offers. A cooperative marketing agreement with Ride-On and SLO Regional Rideshare was in place in FY 2006/07 and helped to expand the reach of the agency's budget. However, the cooperative marketing agreement was not continued in FY 2007/08 because of disagreements on how the shared funds would be spent.

Ride-On has updated its webpage to include information about both the CTSA and TMA services. Ride-On has branded its brochures with Rideshare and uses radio and print ads to promote their new slogan: "Ride-On...anyone...anytime." The new branding has helped to expand awareness and the increase in ridership numbers bears the results of a successful marketing campaign.

- **Current Status:** Recommendation Implemented/Complete.

Figure 4-2 Status of Previous Audit Recommendations

Finding	Recommendation	Status
1. Ride-On developed an accounting report that distributes fixed costs and variable costs and determines the profitability of each service. Ride-On continues to track the CIP Service and TMA Services with a manual counting system, but plans to transition to a new software package at the start of FY 2009/10 which will facilitate precise accounting.	Ride-On should develop a more precise program accounting methodology.	Recommendation Partially Implemented. Carry Forward.
2. All Ride-On Office and Dispatch staff are required to take at least 10 hours of training each year. These trainings include attending CalACT sponsored conferences, visiting other facilities, professional training seminars, and driver training sessions.	Ride-On should enhance employee job training through a structured development program.	Recommendation Implemented/Complete.
3. The Operations Manager has developed a checklist of data sheets that are saved for backup for all reports. However, since Schedule Pro is only capable of tracking passengers and hours, Ride-On still performs a manual calculation of deadhead miles (by subtracting 15% of total miles). This methodology is not precise and still needs improvement.	Ensure all performance measures for the State Controller's and SLOCOG reports are collected and reported according to TDA guidelines, and back up documentation is retained a minimum of four years.	Recommendation Partially Implemented. Carry Forward.
4. Ride-On has a series of marketing activities focused on CTSA agencies, riders, and the public.	Ride-On should create and implement a strategic marketing plan.	Recommendation Implemented/Complete.

Chapter 5. Analysis of Performance Indicators

The focus of this audit is on Ride-On's CTSA services, which are eligible for LTF and STA funding. The CTSA services include the following:

- Tri-Counties Regional Center (TCRC)
- Community Interaction Program (CIP)
- Medi-Cal Transportation Services
- Senior Shuttle
- Private pay for rides authorized by local hospitals and workers compensation

The first section of this chapter provides a breakdown of financial and operating statistics for each of the five CTSA programs and services. The second section of Chapter 5 presents an analysis of the five performance indicators required by TDA. It analyzes cumulative operating statistics for a six year period from FY 2002/03 through FY 2007/08 combining all of Ride-On's CTSA services.

The five TDA Performance Indicators required by TDA are:

- Operating Cost Per Passenger
- Operating Cost Per Vehicle Revenue Service Hour
- Passengers Per Vehicle Revenue Service Mile
- Passengers Per Vehicle Revenue Service Hour
- Vehicle Revenue Service Hours Per Full Time Employee Equivalent

Performance Measures by CTSA Program and Service

For each CTSA program and service, Figure 5-1 presents operating costs, service hours and passengers for FY 2005/06 – FY 2007/08 and farebox revenues for FY 2007/08 only.

Figure 5-1 Operating and Financial Measures by CTSA Program and Service

	Tri-Counties Regional Center (TCRC)			Community Interaction Program (CIP)*			Medi-Cal			Private			Senior Shuttle			Total		
	FY 2005/06	FY 2006/07	FY 2007/08	FY 2005/06	FY 2006/07	FY 2007/08	FY 2005/06	FY 2006/07	FY 2007/08	FY 2005/06	FY 2006/07	FY 2007/08	FY 2005/06	FY 2006/07	FY 2007/08	FY 2005/06	FY 2006/07	FY 2007/08
Performance Measures																		
Operating Cost	\$1,298,078	\$1,735,489	\$1,941,990	\$173,762	\$100,341	\$97,498	\$81,022	\$137,060	\$304,628	\$88,765	\$65,038	\$74,490	\$34,883	\$74,281	\$166,038	\$1,676,510	\$2,112,210	\$2,584,644
<i>Annual Change</i>		33.7%	11.9%		-42.3%	-2.8%		69.2%	122.3%		-26.7%	14.5%		112.9%	123.5%		26.0%	22.4%
Fare Revenue	N/A	N/A	N/A	N/A	N/A	\$5,826	N/A	N/A	N/A	N/A	N/A	\$63,321	N/A	N/A	\$18,528	N/A	N/A	\$87,675
Vehicle Service Hours	18,714	21,550	21,855	1,472	1,536	1,247	1,205	2,183	4,214	1,393	846	899	497	1,023	2,004	23,281	27,138	30,219
<i>Annual Change</i>		15.2%	1.4%		4.3%	-18.8%		81.2%	93.0%		-39.3%	6.3%		105.8%	95.9%		16.6%	11.4%
Passengers	123,786	129,582	132,319	3,489	3,367	3,072	3,037	5,069	10,330	3,329	2,075	1,894	1,102	2,631	5,536	134,743	142,724	153,151
<i>Annual Change</i>		4.7%	2.1%		-3.5%	-8.8%		66.9%	103.8%		-37.7%	-8.7%		138.7%	110.4%		5.9%	7.3%
Performance Indicators																		
Oper. Cost per Hr.	\$69.36	\$80.53	\$88.86	\$118.05	\$65.33	\$78.19	\$67.24	\$62.79	\$72.29	\$63.72	\$76.88	\$82.86	\$70.19	\$72.61	\$82.85	\$72.01	\$77.83	\$85.53
<i>Annual Change</i>		16.1%	10.3%		-44.7%	19.7%		-6.6%	15.1%		20.6%	7.8%		3.5%	14.1%		8.1%	9.9%
Oper. Cost per Psgr.	\$10.49	\$13.39	\$14.68	\$49.80	\$29.80	\$31.74	\$26.68	\$27.04	\$29.49	\$26.66	\$31.34	\$39.33	\$31.65	\$28.23	\$29.99	\$12.44	\$14.80	\$16.88
<i>Annual Change</i>		27.7%	9.6%		-40.2%	6.5%		1.4%	9.1%		17.6%	25.5%		-10.8%	6.2%		18.9%	14.0%
Psgrs. per Hour	6.61	6.0	6.1	2.37	2.2	2.5	2.52	2.3	2.5	2.39	2.5	2.1	2.22	2.6	2.8	5.8	5.3	5.1
<i>Annual Change</i>		-9.1%	0.7%		-7.5%	12.4%		-7.9%	5.6%		2.6%	-14.1%		16.0%	7.4%		-9.1%	-3.6%

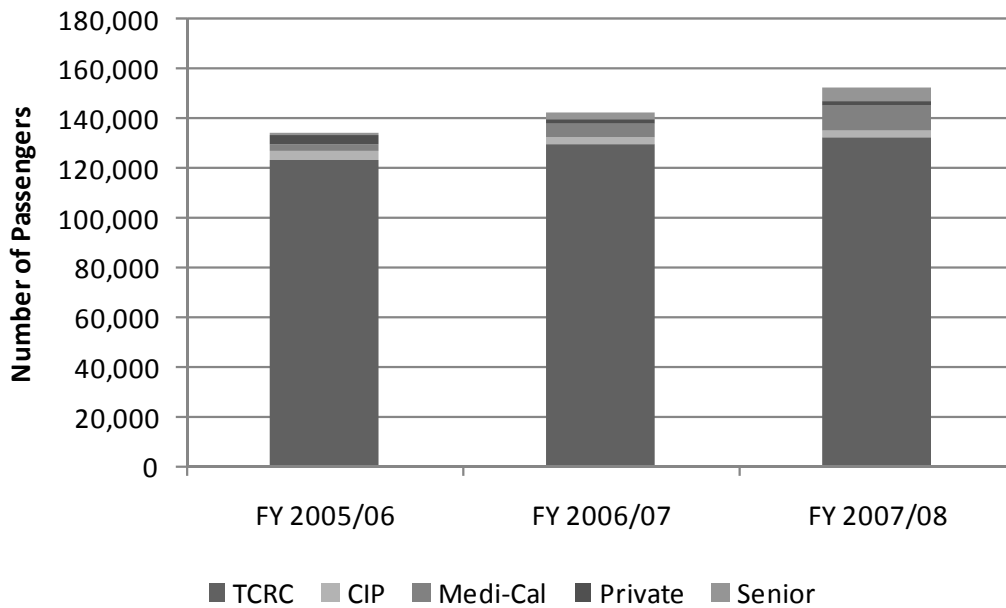
* Change in allocating costs to CIP in FY 2006/07 and may not represent "true" costs.

Source: Ride-On Service Hours Report for each month from June 2005 through June 2008. Adjustments made in costs in April 2009.

CTSA Ridership

TCRC passengers represented the vast majority of CTSA riders during the audit period. In FY 2005/06, TCRC passengers accounted for 92% of all passengers. Although TCRC ridership grew during the audit period, other services grew at a faster rate and TCRC ridership accounted for 86% of total ridership by FY 2007/08. The Senior Shuttle grew at the fastest rate of all CTSA services with ridership more than doubling each year during the audit period. Medi-Cal service also experienced a tremendous growth in passengers during FY 2007/08 (110% increase). CIP and Private Shuttles experienced a slight decrease in ridership.

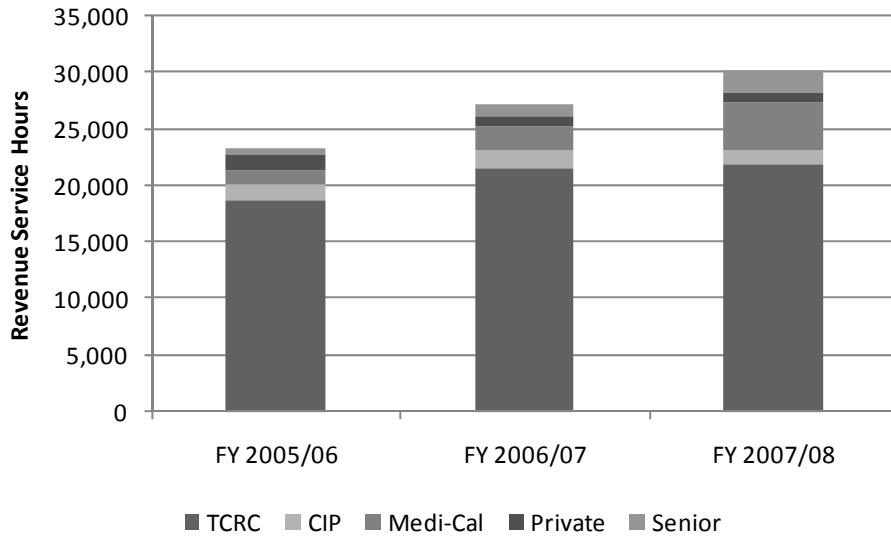
Figure 5-2 CTSA Passengers by Program and Service



CTSA Revenue Service Hours

Revenue service hours for CTSA services increased by nearly 30% in the last three years. TCRC service hours increased by 15% between the first and second year and then leveled off in in FY 2007/08. Senior Shuttle service hours doubled each year during the audit period and Medi-Cal service hours also nearly doubled (82% and 93%) in each of the three audit years. Private pay services experienced a significant service decline in the second year of the audit and then there was a modest increase the following year. CIP service hours decreased by 18% in FY 2007/08.

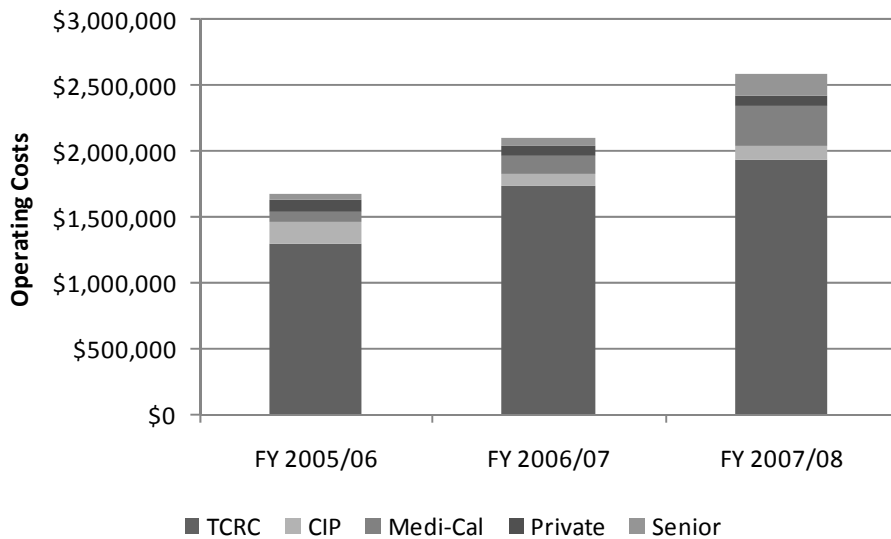
Figure 5-3 CTSA Revenue Hours by Program and Service



CTSA Operating Costs

Total operating costs for CTSA services increased by approximately 50% from FY 2005/06 to FY 2007/08. Operating costs for the Senior Shuttle and Medi-Cal shuttle more than doubled between FY 2006/07 and FY 2007/08 as a result of significantly increased service levels. It is important to note that operating costs were allocated based on the proportional share of revenue service hours, as described in Chapter 3 and in some cases, may not reflect actual costs.

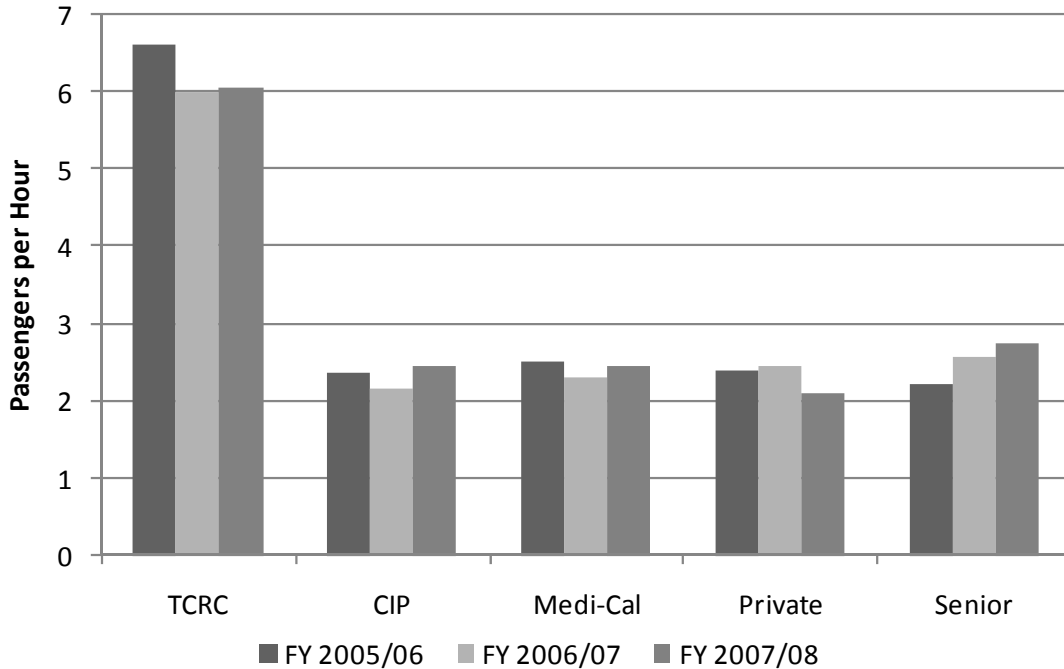
Figure 5-4 CTSA Operating Costs by Program and Service



CTSA Passenger Productivity

TCRC carries the highest number of passengers per revenue service hour, with an average of 6.2 passengers per hour during the audit period. The other CTSA programs and services carry an average of 2.4 passengers per hour. Productivity for the Senior Shuttle grew steadily during the audit period from 2.2 passengers per revenue service hour in FY 2005/06, to 2.8 passengers in FY 2007/08.

Figure 5-5 CTSA Passengers per Revenue Hour by Program and Service



Performance Measures for all CTSA Programs and Services

Figure 5-6 presents base operating data and performance measures for the combined CTSA programs and services. Figures 5-7 through 5-11 provide graphs of annual trend analyses for all CTSA services combined. A discussion of each indicator precedes the graphs.

Figure 5-6 Ride-On TDA Performance Indicator Trends

	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Performance Measures						
Operating Cost (Actual \$)	\$1,615,536	\$1,626,752	\$1,471,877	\$1,676,510	\$2,112,210	\$2,584,644
<i>Annual Change</i>	9.8%	0.7%	-9.5%	13.9%	26.0%	22.4%
Operating Cost (Constant \$)	\$1,615,536	\$1,538,917	\$1,329,318	\$1,422,211	\$1,709,168	\$2,091,454
<i>Annual Change</i>	9.8%	-4.7%	-13.6%	7.0%	20.2%	22.4%
Fare Revenue (Actual \$)	\$1,258,325	\$1,229,405	\$1,174,679	\$2,074,511	\$2,241,636	\$2,500,152
<i>Annual Change</i>	1.3%	-2.3%	-4.5%	76.6%	8.1%	11.5%
Vehicle Service Hours	25,468	23,460	23,536	23,281	27,138	30,219
<i>Annual Change</i>	16.0%	-7.9%	0.3%	-1.1%	16.6%	11.4%
Vehicle Service Miles	793,525	694,679	682,052	944,475	1,029,784	1,112,173
<i>Annual Change</i>	15.0%	-12.5%	-1.8%	38.5%	9.0%	8.0%
Passengers	130,271	123,332	130,941	134,743	142,724	153,151
<i>Annual Change</i>	-7.9%	-5.3%	6.2%	2.9%	5.9%	7.3%
F/T Employee Equivalents	29.0	32.0	32.0	39.0	45.0	56.0
<i>Annual Change</i>	7.4%	10.3%	0.0%	21.9%	15.4%	24.4%
Performance Indicators						
Oper. Cost per Hr. (Actual \$)	\$63.43	\$69.34	\$62.54	\$72.01	\$77.83	\$85.53
<i>Annual Change</i>	-5.3%	9.3%	-9.8%	15.2%	8.1%	9.9%
Oper. Cost per Hr. (Constant \$)	\$63.43	\$65.60	\$56.48	\$61.09	\$62.98	\$69.21
<i>Annual Change</i>	-5.3%	3.4%	-13.9%	8.2%	3.1%	9.9%
Oper. Cost per Psgr. (Actual \$)	\$12.40	\$13.19	\$11.24	\$12.44	\$14.80	\$16.88
<i>Annual Change</i>	19.2%	6.4%	-14.8%	10.7%	18.9%	14.0%
Oper. Cost per Psgr. (Constant \$)	\$12.40	\$12.48	\$10.15	\$10.55	\$11.98	\$13.66
<i>Annual Change</i>	19.2%	0.6%	-18.6%	4.0%	13.5%	14.0%
Psgrs. per Hour	5.1	5.3	5.6	5.8	5.3	5.1
<i>Annual Change</i>	-20.6%	2.8%	5.8%	4.0%	-9.1%	-3.6%
Psgrs. per Mile	0.16	0.18	0.19	0.14	0.14	0.14
<i>Annual Change</i>	-19.9%	8.1%	8.1%	-25.7%	-2.9%	-0.6%
Hours per Employee	878	733	736	597	603	540
<i>Annual Change</i>	7.4%	-19.79%	0.32%	-23.21%	1.01%	-11.76%
<i>California CPI-Annual Change*</i>	0.00%	1.90%	3.30%	4.20%	3.40%	3.40%
<i>Cumulative Change in CPI</i>	0.00%	5.40%	9.69%	15.17%	19.08%	19.08%

Source(s):

FY03- FY05: Numbers from Performance Audit FY 02-FY05, Majic Consulting Group

FY06- FY08: Numbers from Ride-On Transportation Quarterly Reports for CTSA and updated from Executive Director in February and April 2009

Note (s):

Operating Cost does not include depreciation.

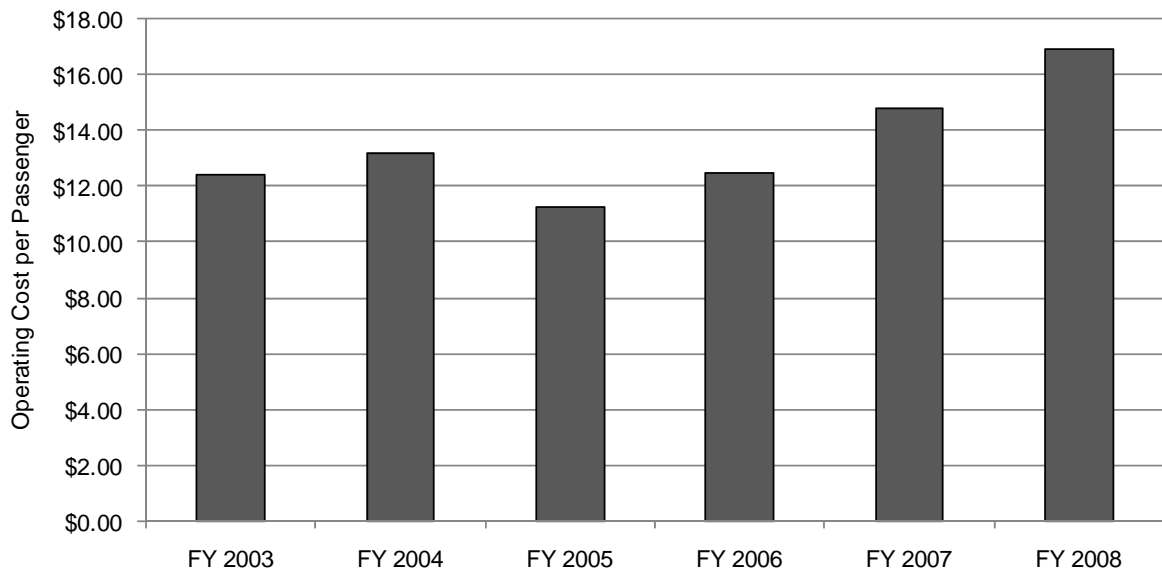
* Consumer Price Index for California area (U.S. Dept. of Labor)

Operating Cost per Passenger

Operating cost per passenger fluctuated over the six year period, with an upward trend occurring during the current three year audit period. The largest increase in operating costs per passenger occurred between FY 2005/06 and FY 2006/07 with a 197 percent increase - from \$12.44 to \$14.80 per passenger. The following year, unit costs per passenger continued with a double digit increase and rose to \$16.88 per passenger. The increase in operating cost per passenger is reflected in the approximate 25% increase in operating costs in two consecutive years, but only a 13% increase in ridership for the same two years.

There are several factors that have led to the increase in operating expenses. During the audit period, the number of driver hours has expanded dramatically with the significant expansion in Medi-Cal transportation and the Senior Shuttle Program. Ride-On has also added four new TCRC routes in the past three years. Ride-On drivers received two raises a year of 35 cents and with the excellent low turnover rate, the hourly wage has increased. Two full time administrative positions and an additional mechanic were added in the past three years. Ride-On employee payroll for 2005 was \$887,450 and increased to \$970,821 in 2006. In 2007, the Ride-On payroll was \$1,135,192 and in 2008 it increased to \$1,377,991. Finally, the rise in fuel costs was a contributing factor to increased operating costs.

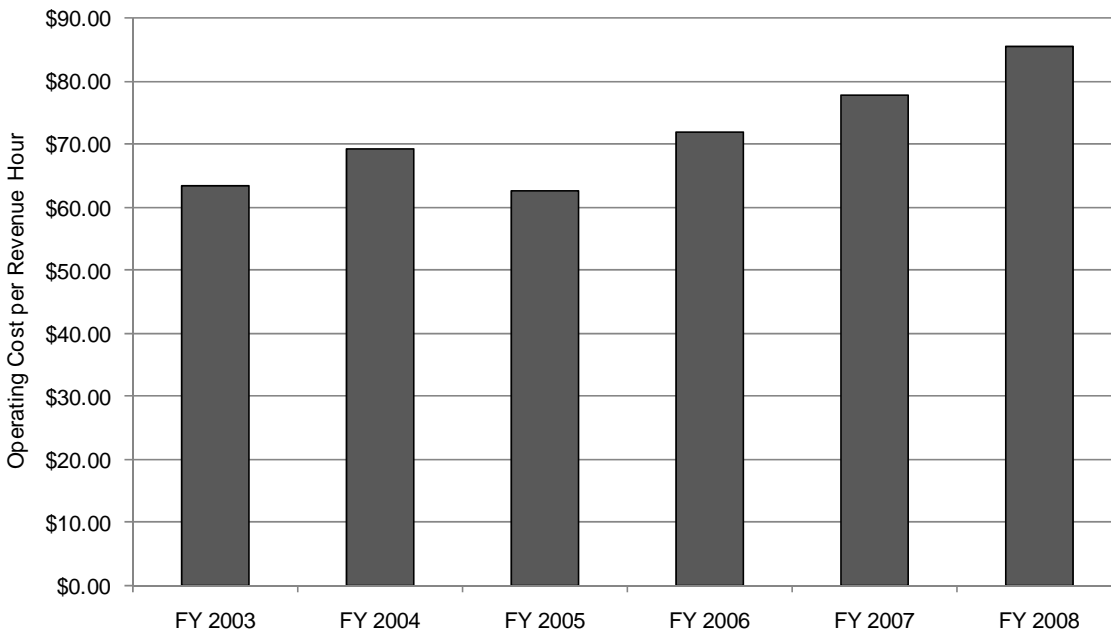
Figure 5-7 Ride-On Operating Cost per Passenger



Operating Cost per Vehicle Revenue Hour

Hourly costs increased over the last six years, ranging from \$56.48 in FY 2004/05 to \$85.53 in FY 2007/08. Hourly costs dipped in FY 2004/05 and then sharply increased in FY 2005/06, with hourly costs rising 15 percent due to a 14 percent increase in operating costs and at the same time, hours declined one percent. As previously mentioned, the number of service hours have expanded dramatically with the significant increase in Medi-Cal transportation and the Senior Shuttle Program. The increase in price of fuel also had a major impact on operating costs for Ride-On. Between 2005 and 2008, fuel costs rose nearly 56%. In 2005, Ride-On paid \$397,954 for fuel and in 2008 Ride-On paid \$711,771. Maintenance costs for Ride-On vehicles also showed a significant increase during the audit period (62% increase).

Figure 5-8 Ride-On Operating Cost per Revenue Hour

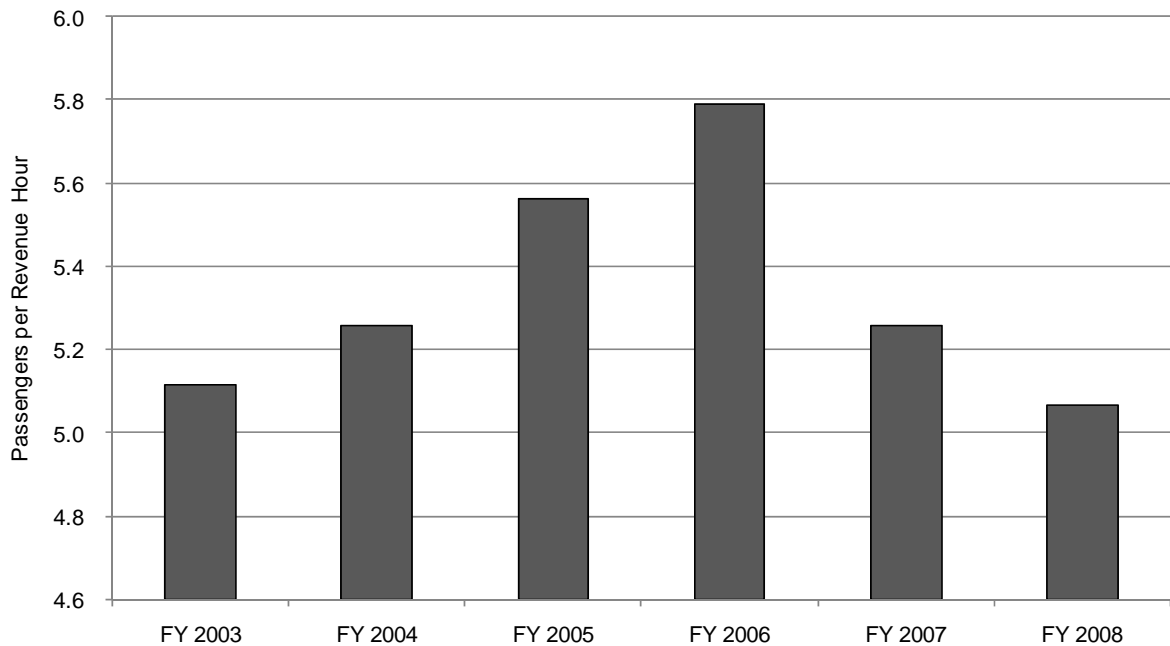


Passengers per Revenue Hour

Ride-On services carried between five and six passengers per hour in the last six years. Passenger productivity had steadily improved between FY 2003 and FY 2006, with a peak of 5.8 passengers per revenue hour in FY 2006. Ride-On has a performance target of six CTSA riders per revenue hour, which was nearly met in FY 2006.

Passenger growth has not kept pace with the expansion of service hours that took place in FY 2006/07 and FY 2007/08. Ridership is growing and now that enhanced services have been in place for two years, ridership is expected to reach its full potential. However, the productivity of between four and five hourly passengers is within industry standard and is likely to remain at this level.

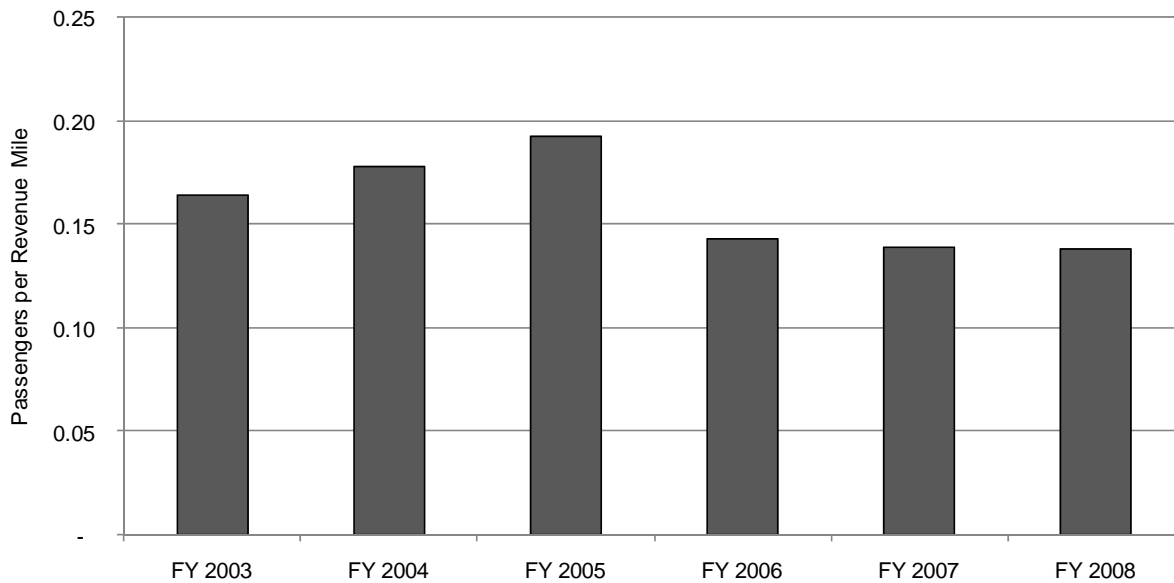
Figure 5-9 Ride-On Passengers per Revenue Hour



Passengers per Vehicle Revenue Mile

Passenger per revenue vehicle mile showed steady growth in the first three years, increasing to nearly 0.2 in FY 2004/05. Revenue miles experienced double digit growth, with a 39 percent increase between FY 2004/05 and FY 2004/06. As a result, passenger productivity as measured by passengers per revenue mile dropped in FY 2005/06, because of the significant increase in revenue miles and an only one percent increase in ridership. Passengers per mile have remained steady during the audit period at 0.14.

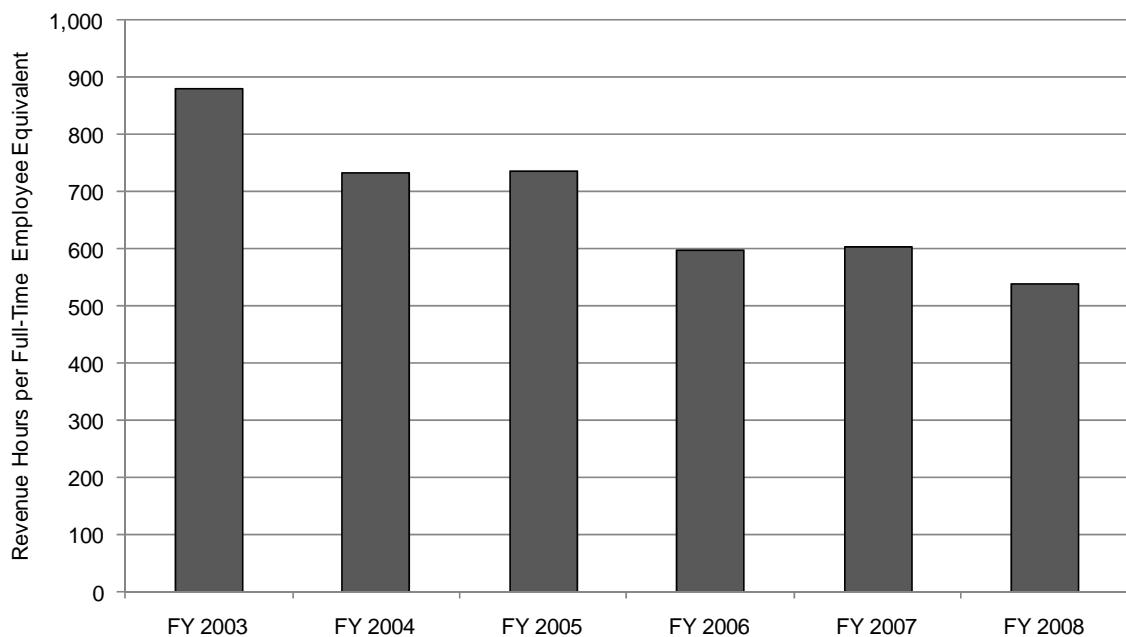
Figure 5-10 Ride-On Passengers per Revenue Mile



Revenue Hours per Full-Time Employee Equivalent

Examining revenue hours per Full-Time Employee Equivalent (FTE) provides a measure of labor efficiency. Ride-On has experienced a decreasing trend, with revenue hours dropping from close to 900 hours per employee in FY 2002/03 to 540 in FY 2007/08. Ride-On increased staff by about 57 percent during the audit period, while revenue hours grew at a slower pace. In FY 2005/06, full-time employee equivalents grew by 22 percent, whereas vehicle service hours decreased by one percent. Vehicle service hours grew the following year by 25 percent, and full-time employee equivalents increased 15 percent. In FY 2007/08, full-time employee equivalents increased 24 percent and vehicle revenue hours grew only eight percent. The large increase in staff, relative to the rise in revenue hours, resulted in an overall decline in labor productivity over the three-year period. It should be noted, however, that the agency still has a “mean and lean” staff, given the wide variety and innovative services offered by Ride-On.

Figure 5-11 Ride-On Revenue Hours per Full-Time Employee Equivalent



Chapter 6. Functional Audit

Overview

This chapter presents a functional review of Ride-On. Whereas, Chapter 5 examined Ride-On's performance with respect to TDA requirements, the functional audit assesses how the agency addresses key functional areas. Specifically, the functional audit evaluates Ride-On's performance in the following four areas:

- **Transportation Operations** – Provision of service delivery for demand response, and other specialized services
- **Vehicle Maintenance** – Vehicle and maintenance effectiveness
- **Administration, Personnel and Training** – Personnel and labor efficiency, administrative services and training
- **Planning and Marketing** – Service planning and market analysis, fare policy, public relations, and advertising

Functional Area Review

The mission of a Consolidated Transportation Services Agency (CTSA) as envisioned by the State Legislature is being realized in San Luis Obispo County through Ride-On. Acting as the CTSA, Ride-On has a stated mission to:

“promote, provide and coordinate transportation services to improve access for social services agencies, people with disabilities and seniors in San Luis Obispo County.”

Ride-On fulfills this mission through the variety of services it offers. These include its administration of Medi-Cal transportation, its operation of the Tri-Counties Regional Center program, support for centralized 5310 federal transportation applications, and other similar programs. The organization has also expanded its reach through the services it offers as the Transportation Management Association (TMA) for the County.

In the years since its designation as the CTSA for San Luis Obispo County, Ride-On has done a noteworthy job of pursuing and achieving the legislative goals established for these organizations. Among the legislative missions is the consolidation of administrative functions to achieve greater overall efficiency. Ride-On has brought together a number of the social service transportation functions in the County under central administration. This brings a collection of management programs under the umbrella of the organization thus contributing to the overall objective of consolidating administrative functions for transportation programs.

Transportation Operations

Every fiscal year, Ride-On establishes performance objectives and standards in order to monitor progress and assesses whether they are being met. The standards are listed below and Figure 6-1 shows if they have been met during the three audit years.

- Measure ridership for CTSA – increase ridership by 5% annually
- Increase CTSA rider per hour – goal of 6 riders/hour
- Measure ridership for Senior Shuttle – increase by 10% annually
- Create new vanpools – goal of 5 new vanpools each year

Figure 6-1 Ride-On Performance Standards

	FY 2005/06		FY 2006/07		FY 2007/08	
Increase CTSA ridership by 5%	1.4%	Not Met	7.5%	Met	5.3%	Met
Increase CTSA riders per hour to 6 riders/hour	5.7	Not Met	4.9	Not Met	4.7	Not Met
Increase Senior Shuttle ridership by 10%		N/A	138%	Met	210%	Met
Start five new vanpools		N/A	8 new	Met	10 new	Met

Source: Ride-On Performance Goals and Standards, FY 2006/07, FY 2007/08, FY 2008/09 and Figure 5-1

Ride-On significantly expanded their Senior Shuttle service program during the audit period. Each year ridership on the Senior Shuttle more than doubled. Ride-On’s current goal for the Senior Shuttle is to maintain a baseline of 5,000 riders per year. The vanpool program also grew substantially during the audit period with the establishment of a total of 18 new vanpools. Ride-On carried nearly six passengers per hour in FY 2005/06, however overall productivity decreased during the audit period. CTSA ridership grew steadily during FY 2006/7 and FY 2007/08, and exceeded the targeted 5% growth.

Service Expansion

During the audit period, Ride-On has expanded the number of driver hours dramatically with the significant increase in Medi-Cal transportation and the Senior Shuttle Program. In July 2006, Ride-On resumed providing Senior Shuttle services for seniors 65 years of age and older and are traveling to destinations in the City of San Luis Obispo. In March 2007, Ride-On was approved for additional \$30,000 of State Transit Assistance (STA) funding and, as a result, increased the Senior Shuttle to three days a week in all corridors of service outside of the central area.² Ride-On also offers a program to train drivers from other agencies so they can utilize Ride-On vehicles in the event of an emergency.

In January 2007, Ride-On added ten vehicles to its fleet, enabling an expansion of the Work Training Program, Senior Nutrition, and Cambria Community Bus service. Ride-On also expanded its scope of services during the audit period by developing a Mobility Training

² When the FY 2009/10 State budget was amended in Spring 2009, STA funds were eliminated. In April 2008 SLOCOG approved next year funding of the Senior Shuttle program with \$70,000 in Rural Transit Funds. Such local funds awarded to the RTA will be available to Ride-On as the contract service provider under a joint business plan between both agencies to be developed by June 2009.

Program for people with developmental disabilities. Contracted by the Tri-Counties Regional Center, Ride-On began training people with disabilities to use fixed-route bus service.

Agricultural Workers Transportation Program (AWTP)

Providing safe and reliable rural mobility has been the key focus of Ride-On's newest program. Recognition of the need to address the mobility of agricultural workers in California prompted the California Department of Transportation to create the Agricultural Workers Transportation Program (AWTP) in January 2007. Senate Bill 1135, signed into law on September 2006 set aside \$20 million from the Public Transportation Account (PTA) to provide "safe, efficient, reliable and affordable transportation services, utilizing vans and buses, to agricultural workers commuting to/from worksites in rural areas statewide. The emphasis of the AWTP is to implement vanpool operations similar to the successful Agricultural Industries Transportation Services (AITS) program ongoing in Southern San Joaquin Valley, transporting agricultural workers to regional employment sites".

In November 2007 Ride-On Transportation applied for the AWTP grant with SLOCOG as the joint implementing agency. During FY 2007/08 Caltrans awarded a \$456,997 grant in state monies to SLOCOG for the phased implementation of a new *Vanpool Program for Agricultural Workers* to be operated by Ride-On Transportation. Ride-On Transportation and SLOCOG jointly applied for the grant to purchase eight 15-passenger vans and support specialized marketing and outreach to the agricultural community. The new program involves participation by SLOCOG and SLO Regional Rideshare for grant administration and targeted outreach among growers, agricultural labor organizations and service providers in rural areas.

The Ride-On portion of the grant focuses on service implementation: via staffing by a bi-lingual Coordinator, partial fare subsidies, and the acquisition of eight 15-passenger vans over the next two to three years (starting July 2008 to 2010). The vanpool driver and a back-up driver will be trained by Ride-On; both will be volunteer drivers and fully bi-lingual to interact with Spanish speaking passengers. This approach is similar to the current commuter vanpools (24 + with pending expansion) managed by the Transportation Management Association in coordination with Regional Rideshare (ride-matching).

Veterans' Shuttle Service

In September 2007, Ride-On Transportation started a new service designed to get local veterans to medical appointments at local Veteran's Affairs Clinics. The door-to-door service, dubbed Veterans Express, is aimed at getting veterans to the San Luis Obispo or Santa Maria clinics, for a fee of \$3 each way. The shuttle connects with a bus taking veterans to facilities in Santa Barbara and Los Angeles. The Veterans Express is funded through donations to Ride-On.

Vehicle Maintenance

During the audit period, Ride-On added a second mechanized lift to its maintenance facility and hired a full-time mechanic. In July 2006, Ride-On established a Social Service Agency Maintenance Service and began preventative maintenance and repair services for interested social service agencies.

Joint Maintenance and Dispatching Facility

Ride-On had been planning to share a joint facility with the Regional Transit Authority (RTA) in a new building that will become the regional transportation hub for the county. During the audit period, Ride-On completed and signed a Memorandum of Understanding with RTA for the Joint Maintenance and Dispatching Facility. Ride-On and RTA currently operate from separate leased locations, so a shared permanent facility is intended to offer opportunities to further coordinate their respective services. In March 2009, beyond the audit period, developments have occurred that prevent this joint maintenance and dispatch facility from being realized. Ride-On will be selecting the same software package that is used by RTA to facilitate data collection. The new software will help track statistics to comply with TDA requirements.

Administration

Ride-On increased its administrative staff in the last three years in response to both workload and expansion of services. Three new office staff positions were created during the audit period, including an Office Manager, a TMA Coordinator, and an Administrative Assistant.

Employee Training and Development

Ride-On has enhanced employee job training through a structured development program, as recommended in the previous Audit. Ride-On requires all staff to take at least 10 hours of training each year. Ride-On also developed a procedures manual during the audit period, which documents employee procedures, job descriptions, and resource information. This manual was completed in November 2006, and contains the following information:

- Employee Handbook
- Office Procedures – Ride-On phone requests and phone procedures
- Dispatch Procedures
- Ride-On Services
 - CTSA Services
 - TMA Services
 - County Services
- Emergency Response Plan
- Misc. Office Memos

Ride-On has also completed a procedures manual for all positions detailing job functions and responsibilities. In the last three years, Ride-On has created back-up training and refresher courses and maintains a list of cross-trained staff. Since Ride-On functions with a lean staff, each position has a variety of duties and responsibilities to perform. The Administrative Assistant monitors staff training and documents completed courses in the Training Notebook. This ensures back-up trained staff are able to assume all responsibilities and functions of the agency despite planned and unplanned absences in a timely manner. Ride-On has also updated its dispatching procedures manual and the dispatch staff makes changes as the procedures are modified, with approval of the management team. The Transportation Coordinator is responsible for keeping the manual up to date.

Ride-On currently has 48 drivers on staff and turnover is very low. All dispatch staff have worked for a year and a half without any turnover. Drivers receive two raises a year of 35 cents, and with the low turnover, the hourly driver wage has increased in recent years. Ride-On drivers have not elected to join a union. A *Driver's Committee* meets monthly and allows management to hear feedback from drivers and make appropriate changes. This arrangement has been in place for seven years and is considered very successful.

Planning and Marketing

Ride-On Transportation has two areas of operation that are marketed to the public in order to create the branding of Ride-On as a transportation service for everyone: 1) services for social service agencies, seniors, and people with disabilities; 2) general public. Ride-On promotes its transportation services through marketing efforts which include: development and distribution of flyers and newsletters (including at hotels and participating private partners), public outreach and marketing with local businesses and social service agencies, as well as radio and television ads. Ride-On utilizes Public Service Announcements (PSAs) with the local media to assist with the community's awareness of its services. For a review of specific activities to market the CTSA, please refer to Figure 4-1. Ride-On has an established budget for marketing the CTSA and the TMA. Marketing expenses during each of the audit years is presented in Figure 6-2 below.

Figure 6-2 CTSA and TMA Marketing Expenses

Fiscal Year	CTSA	TMA
2005/06	\$2,468	\$8,923
2006/07	\$3,287	\$11,132
2007/08	\$4,542	\$22,548

In June 2006, Ride-On adopted the tagline "anyone...anytime" in all their marketing efforts as part of the "Ride-On is for everyone" campaign. In December 2006, Ride-On updated their webpage and included a CTSA link that details information listed under Social Service Transportation (www.ride-on.org).

During FY 2006/07, Ride-On partnered with SLO Regional Rideshare to promote transportation services to the general public through collaborative advertising projects. The cooperative advertising agreement between Ride-On and SLO Regional Rideshare enabled both agencies to work together on the development of advertising and marketing activities. Through this agreement, Ride-On provided \$6,000 in cash for marketing purposes that were matched from Rideshare. Rideshare used the \$12,000 for advertising and marketing Transportation Management Association services to all residents of the City of San Luis Obispo. In FY 2007/08, Ride-On decided not to continue the marketing cooperative with SLO Regional Rideshare because of disagreements on how the shared funds would be spent.

Ride-On is currently marketing itself as a leader in alternative fuel transportation, as well as continuing the promotion of TMA services and vanpools. Ride-On's major marketing goals for 2008/09 include:

- Continue to use vans as a tool for marketing Ride-On services.
- Produce a television commercial for senior and veterans' shuttle.

- Revise Ride-On website.
- Increase outreach to hotels and visitors.
- Develop new UCP logo for the Ride-On vans.

As an agency that “thinks outside the box,” Ride-On explores transportation markets often left to either private firms or not typically included by a transit agency. This means Ride-On reaches out to transportation for the disabled, to senior shuttles, to commuter vanpools. The variety of services that addresses disparate needs indicates Ride-On’s commitment and responsiveness to a broad section of the community.

Customer Complaints and Commendations

Customer feedback forms are currently not available on vans. Complaints are handled by passengers calling Ride-On and the information is recorded onto a complaint form. A complaint is considered legitimate only if the customer provides their name and phone number. If the passenger is unwilling to provide this basic information then the complaint does not get recorded in the drivers file. Complaints are not recorded in a log so there is no way of looking up past complaints to see how they have been addressed. It is important to address day-to-day communications with existing customers by tracking and handling complaints and commendations. Feedback from existing riders or representatives of users’ groups can assist Ride-On Transportation in improving its customer relations.

Short-Range Transit Plan (SRTP)

In June 2006, the James Transportation Group and McGuire Management Consultancy completed Ride-On’s Short-Range Transit Plan (SRTP), an update to the 1999 SRTP. The SRTP presented three scenarios or alternative service levels that might be pursued by Ride-On during the planning horizon. The Plan, covering the 2006-2011 planning period, recommended a *Basic Service Level*, as a prerequisite for future expansion options. The Plan defined this scenario based on “limited availability of additional funding toward new service concepts” and suggested that “there is work to be done in the areas of technical refinement and reporting that are necessary to move forward effectively.” The SRTP recommended that Ride-On keep the community informed about its services and funding constraints including formal presentations to the SLOCOG Board and community leaders.

Ride-On has made progress in implementing the recommendations of the SRTP. In October 2007, Ride-On prepared and presented a Strategic Plan to SLOCOG staff and the policy board. The intent was to secure feedback on the Plan before bringing it to the Ride-On /UCP Board of Directors for action.

Chapter 7. Major Findings and Recommendations

This chapter presents the major findings and recommendations for Ride-On Transportation Service.

- Ride-On is a unique transportation agency providing a wealth of services in San Luis Obispo County. In 1993, it began operation as the Consolidated Transportation Services Agency (CTSA) for San Luis Obispo County. In 1995, Ride-On expanded its mission with transportation services to the general public and the formation of a Transportation Management Association (TMA). Today, Ride-On is a nationally recognized leader in the transportation industry, providing innovative and unique services operating under a complex financial and organizational structure.
- During the three-year audit period, Ride-On has continued to expand and enhance its services - from establishing the Agricultural Workers Transportation Vanpools and the Veterans' Shuttle Service, to enhancing senior services, to developing a mobility training program for people with developmental disabilities. In addition to new services and programs, Ride-On enhanced its administrative staff through additional training and development opportunities. Ride-On continues to develop written procedures for every aspect of their operations.
- Ride-On has taken several steps since the last audit to improve the agency's vehicle maintenance and record keeping capabilities. In June 2006, Ride-On added a second mechanized lift to their maintenance facility and hired an additional full-time mechanic.
- During the audit period, Ride-On had been planning to establish a Joint Maintenance Facility with the RTA; however recent events that have occurred beyond the audit period prevent this move from occurring. To enhance coordination with the RTA, Ride-On plans to purchase the same dispatch software as RTA with full implementation scheduled for the start of FY 2009/10.
- Beyond the audit period, in August 2007, Ride-On began separating fare revenue from total revenue in their monthly financial tracking reports. However, revenue service miles are still an approximation of total miles (15% subtracted for deadhead). Ride-On's plans to switch to a new software program that will enable accurate tracking of revenue and non-revenue miles and improve recording of other operating statistics separately for each service.
- Because of the unique structure and complex services provided by Ride-On, it has been difficult to precisely adhere to the complex requirements of the TDA that are oriented for more traditional public transportation services. Ride-On complies with the TDA requirements; however to be fully compliant the agency needs to fully segregate costs and passenger revenues for its TDA funded services. Ride-On has made vigorous attempts to align itself with TDA requirements by creating new financial tracking reports to distribute both fixed costs and variable costs separately for each service.
- Ridership for the CTSA service grew steadily each year during the audit period. TCRC passengers represented the vast majority of CTSA riders during the audit period. However, productivity decreased during the audit period, from 5.8 passengers per hour in FY 2005/06 to 5.1 passengers per hour in FY 2007/08.

- Ride-On’s steady growth in services and ridership attests to a high quality service that is well received by the public. According to staff there are relatively few passenger complaints received about the service. However, the number and type of complaints and/or commendations are not recorded or formally tracked.
- As the CTSA, Ride-On has a clear mission, which it fulfills by providing a wide range of social service transportation services throughout the County. As the TMA, Ride-On also has a clear mission of providing and promoting alternative transportation to reduce traffic congestion and increase accessibility for the general public.
- Ride-On partners with SLO Regional Rideshare to promote services for the general public. A cooperative marketing agreement between Ride-On and SLO Regional Rideshare was in place in FY 2006/07 and helped to expand the reach of the agency’s budget. However, the cooperative marketing agreement was not continued in FY 2007/08 because of disagreements on how the shared funds would be spent.
- In October 2007, Ride-On prepared and presented a Strategic Plan to SLOCOG staff and the policy board, which covered new marketing approaches. As a follow-up, Ride-On develops a marketing plan each year and focuses on a series of marketing goals. Specific activities to market and promote the CTSA include radio and television ads, outreach at special events, and distribution of brochures and other information targeted at social service agencies, existing riders and the public.
- The Auditor recognizes that Ride-On has a complex organizational structure and delivers a web of interrelated unique services. Ride-On is to be commended for making significant efforts toward fulfilling the prior Performance Audit recommendations. Two of the recommendations were fully implemented and two are partially implemented and carried forward.

Recommendations

The following recommendations are designed to help Ride-On enhance its record keeping procedures and better understand how each of its unique services is performing. Figure 7-1 presents the recommendations and a proposed timeline.

Figure 7-1 Recommendations and Proposed Timeline

Recommendation	Priority	Timeline
1. Develop a more precise tracking system for revenue service miles.	High	FY 2009/10
2. Ensure all performance measures for the State Controller’s and SLOCOG reports are collected and reported according to the TDA guidelines, and back up documentation is retained a minimum of four years.	High	FY 2009/10
3. Develop a formal system for addressing and tracking customer complaints.	Medium	FY 2010/11
4. Monitor and track performance trends for all services and develop standards to measure performance.	Medium	FY 2009/10
5. Enhance coordination between Ride-On and Regional Rideshare.	High	FY 2009/10

Recommendation #1: Develop a more precise tracking system for revenue service miles.

Vehicle service miles are the total annual miles traveled in revenue service, excluding miles traveled to and from storage facilities and other deadhead travel. Deadhead miles, which include travel from the bus yard to the first pick up point, and from the last drop-off back to the yard, should be excluded from the total vehicle service miles reported. Currently, Ride-On does not track revenue and deadhead miles. Since Schedule Pro is only capable of tracking passengers and hours, Ride-On performs a manual calculation of deadhead miles by subtracting 15% of total miles. Total mileage is recorded from odometer readings and reported to Ride-On staff through the dispatch system. This reporting methodology is not precise and does not fully comply with TDA requirements. Ride-On uses a mix of manual and computerized scheduling and dispatching, which makes it difficult to maintain accurate records of revenue service miles. Ride-On has plans to implement a new software program at the start of FY 2009/10 to improve TDA reporting requirements by tracking miles and hours for individual vehicles. Meeting this recommendation is necessary in order to achieve full compliance with the TDA.

Recommendation #2: Ensure all performance measures for the State Controller's and SLOCOG reports are collected and reported according to the TDA guidelines, and back up documentation is retained a minimum of four years.

This recommendation is carried forward from the 2006 Performance Audit. Monitoring system performance is an important task for public transportation agencies and should not be overlooked. As mentioned in the previous audit, separating CTSA and TMA *operating costs* and *fare revenues* provide better accountability of public funds. Ride-On uses a combination of estimates and actual numbers when reporting vehicle service miles and hours, and agrees that actual figures should be tracked and reported. It is necessary that the State Controller's Reports and quarterly reports have the same numbers, so all reporting and analysis is consistent and accurate. Information must be presented separately for each program to ensure proper accounting.

Recent progress has been made since Ride-On started recording fare revenue separately from total revenue. The Operations Manager has also developed a checklist of data sheets that are saved for backup for all reports. A planned transition to a new software program will allow for better collection and reporting of performance measures. Ride-On plans to implement the same dispatch software program as RTA at the start of FY 2009/10.

Recommendation #3: Develop a formal system for addressing and tracking customer complaints.

Currently all comments and complaints are tracked manually on paper. If a customer has a complaint or comment about service, they submit a written form or call in to describe the complaint or commendation and provide their name and number. If the passenger is unwilling to provide this basic information, then the complaint does not get recorded in the drivers file and it is not considered legitimate. There are no comment cards available on Ride-On vans. In addition, complaints are not formally recorded or tracked.

This recommendation is intended to formalize the process for accepting and tracking complaints and commendations. Ride-On is encouraged to provide forms on the vehicles, so passengers

can submit comments in writing as well as on the telephone. It is important to address day-to-day communications with existing customers by tracking and handling complaints and commendations. A standardized procedure for responding and tracking complaints and commendations should be developed. A standardized letter acknowledging a passenger's complaint should be sent to each customer. Most transportation agencies have standardized letters to send to customers regarding their complaints as a public relations step. This suggestion need not be burdensome if a template was prepared and a process established for handling them. In addition, Ride-On should keep track of the number and type of complaints to determine if there is a pattern to them. Feedback from existing riders or representatives of users' groups can assist Ride-On Transportation in improving its customer relations.

Recommendation #4: Monitor and track performance of CTSA and TMA services.

Ride-On implemented several new services during the audit period, including the Agricultural Workers Transportation Program (AWTP) and a Veteran's Shuttle. The AWTP involves participation by SLOCOG and SLO Regional Rideshare for grant administration and targeted outreach among growers, agricultural labor organizations and service providers in rural areas. The Veteran's Express is a new CTSA service that transports veterans to medical appointments in San Luis Obispo and Santa Maria and connects with a bus taking veterans to facilities in Santa Barbara and Los Angeles. As with other services that Ride-On offers, there should be quarterly performance reports to demonstrate how the services are performing. A system of goals, objectives and performance standards provides the necessary framework for performance evaluation. For new programs and services, it is expected to take approximately 12 -18 months for new services to reach their full ridership potential. Tracking performance will reveal the trends during the first year of operation and enable Ride-On to make service and schedule adjustments as needed to address any problems that arise early on.

While the focus of this recommendation is primarily on new programs and services, it is also suggested that Ride-On monitor and track performance for all TMA and CTSA services on a quarterly basis. Quantitative performance standards or targets should be developed for each program. While there are a number of measures that are traditionally used in the transit and paratransit industry, the Auditor suggests a "reasonable" number of standards to avoid a burdensome process. Recommended cost effectiveness and efficiency performance standards include operating cost per passenger, operating cost per revenue hour, passengers per revenue hour and subsidy per passenger. This data reflects the basic performance indicators required by the TDA (with the exception of subsidy per passenger) and is consistent with operating and cost data already collected by Ride-On. In addition to these performance standards, it is recommended that two additional standards be developed to measure service quality and reliability including passenger complaints/passengers carried and preventable accidents/revenue mile. Performance trends should be monitored and on an annual basis and they should be measured against established performance standards to determine if they are being met. This process will provide staff, management and the policy board with a good picture of how well service is doing.

Recommendation #5: Enhance coordination between Ride-On and Regional Rideshare.

Ride-On is the CTSA for the county and provides an array of services to help coordinate social service transportation and directly provides transportation to social service agencies. Another important function of Ride-On is to increase mobility and access to transportation services for individuals and social service groups. Recently Ride-On was awarded New Freedom grant funds to hire a Social Service Mobility Manager to conduct a variety of marketing and outreach activities to better educate and inform seniors and people with disabilities about the range of transportation services available to them. The Ride-On mobility management role is more focused on specialized transit service delivery and coordination with CTSA partners in the delivery of such specialized transportation services. That role is defined by the Coordinated Human Services Public Transportation Plan as a local agency-level mobility manager that is supported by the Regional Mobility Management as a prerequisite. At the same time, Regional Rideshare received a Job Access Reverse Commute grant to fund a Regional Mobility Manager. Rideshare has the lead role for the Regional Mobility Management function in the county as recommended by the 2007 Coordinated Human Services Public Transportation Plan. That role encompasses facilitating coordination among transit providers and coordination between public transportation providers and social services agencies.

To be effective and provide high quality service, it is imperative that these two functions are well coordinated and have a clear delineation of their respective responsibilities. To ensure coordination between these two positions and the two agencies, it is recommended that the key staff from each agency meet on a regular basis to review current activities, projects and outreach efforts. Following the meetings, notes should be prepared to summarize agreements and follow up activities.

APPENDIX

2008 RIDE-ON CTSA PARTNERS

Appendix: 2008 Ride-On CTSA Partners

Big Brothers/Big Sisters	T	Twin Cities Hospital	T
SLO Vet's Clinic	T	Arroyo Grande Hospital	T
Options	T	American Heart Association	T
Performing Arts Foundation	T	Morro Bay Harborfest	T
Cal Poly University	T	American Cancer Society	T
Private Industry Council	T	SLO Arts Council	T
San Luis International Film Festival	T	Atascadero Kids Company	T
San Luis Botanical Gardens	T	Bay Foundation of Morro Bay	T
SLO Arts Council	T	Boys and Girls Club of Oceano	T
SLO Symphony	T	Campfire Boys and Girls	T
South County Youth Coalition	T	Cuesta College	T
Templeton Youth Center	T	Child Development Center	T
YMCA	T	Economic Opportunity Commission	T
Achievement House	T, V	French Hospital	T
Department of Social Services	T	Sierra Vista Hospital	T
California Children's Services	T	Harbor Festival	T
Cabrillo Care Center	T	Hotline	T
Arroyo Grande Care Center	T	Life Span	T
Pathpoints, Inc.	T, V, M, DT	Morro Bay Seniors	T
SLO Health Department	T	Mission College Prep	T, V
NCI	T, V	Morro Bay Park and Rec.	T
Escuela Del Rio	T	Mozart Festival	T
Tri-Counties Regional Center	T	Nipomo Recreation Program	T
Life Steps	T, V	Pacific Repertory Opera	T
People First	T	San Luis Obispo Park and Recreation	T
Department of Rehabilitation	T	Mission View Center	T
SLO Renal Care Center	T	Transitions Program	T, CHP, V
Danish Care Center	T	Cambria Community Bus	V, DT
Pacific Care Center	T		

T Transportation

M Maintenance Support

V Vehicle Acquisition

CHP Preparation for CHP Inspection

DT Driver Training

