

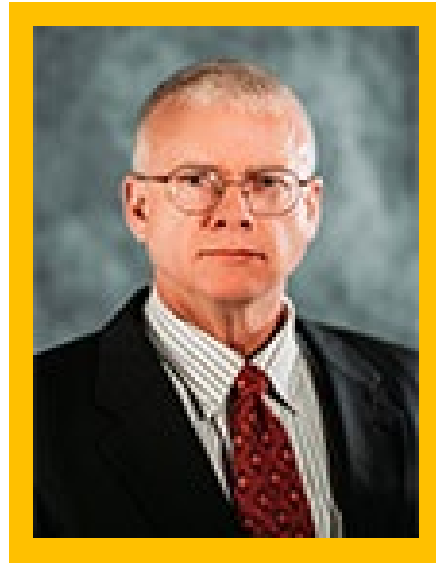


# You've Got to Crunch the Numbers

*How Finance and Operations work together  
for success*

June 2, 2020

# Texas A&M Transportation Services Presenters



**Kenneth Kimball, CPA, CAPP**  
*Director Fiscal Affairs and Compliance*  
Texas A&M University  
Transportation Services



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*Director of Parking*  
Texas A&M University  
Transportation Services

# Learning Objectives



- Identify methods to project and implement a long-term financial plan.
- Identify best practices in making long-term operational change.
- Recognize how finance and operations can work together for success.



# Case Study 1

Transportation Fee to Modernize and Expand Transit Services





# Goal

*Move Transit operation funding model away from bus pass sales to a per-student Transportation Fee to improve and grow transit service provided*

# Financial Tasks

*Produce credible financial proposal demonstrating basis for transportation fee*

- Downward spiral of using bus pass sales to finance transit operation
- Long-term operating plan requires revenue that can be projected
- Show projection based on historic major costs



# Operational Tasks

*Determine what changes need to be made and when*

- Ensure ops plan stands up to added customer scrutiny and heightened expectations
  - ✓ *Low cost operations*
  - ✓ *Pay plans and driver appreciation*
  - ✓ *Formalized in-house training*
  - ✓ *Bus replacement plan*
  - ✓ *Improved technologies and software*





# Results

- Over 200 student and 15 full-time drivers
- New software provides real-time maps, arrival time and bus occupancy
- New cameras on and in buses for accident investigation and addressing safety complaints
- Dispatching dashboard provides much real time and historic data
- Over 7 million rides and 130,000 service hours per year
- 7<sup>th</sup> largest transit operation in the state at one of the lowest cost per hour





**Poll Question: Do you run your bus service in house?**



## **Poll Question: How is your transit operation funded?**

- Student fee
- Bus pass sale
- Subsidized by parking or other revenue
- More than one source
- Other

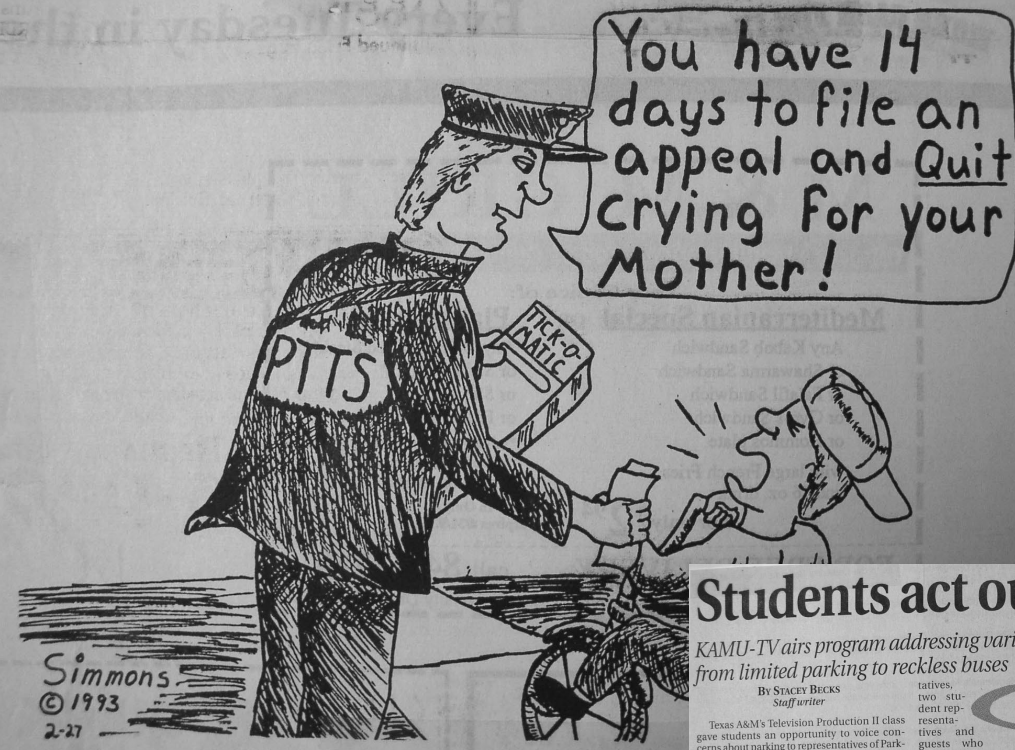
# Parking changes spark debate between A&M students, PTTs

By STACEY BECKS  
Staff writer

Wesley Deagen, a senior finance major, said on-campus students' cars are crowd-

Erika Brewer, a freshman biomedical science major, said she can never find a

The Parking Services (PTTS) ed changes in c ments, but Tex changes incre students living Tom Willia there were in the holidays. "We lost 3/ pansion of pl he said. "We r



# PTTS: THE MISUNDERSTOOD FOUR-LETTER WORD



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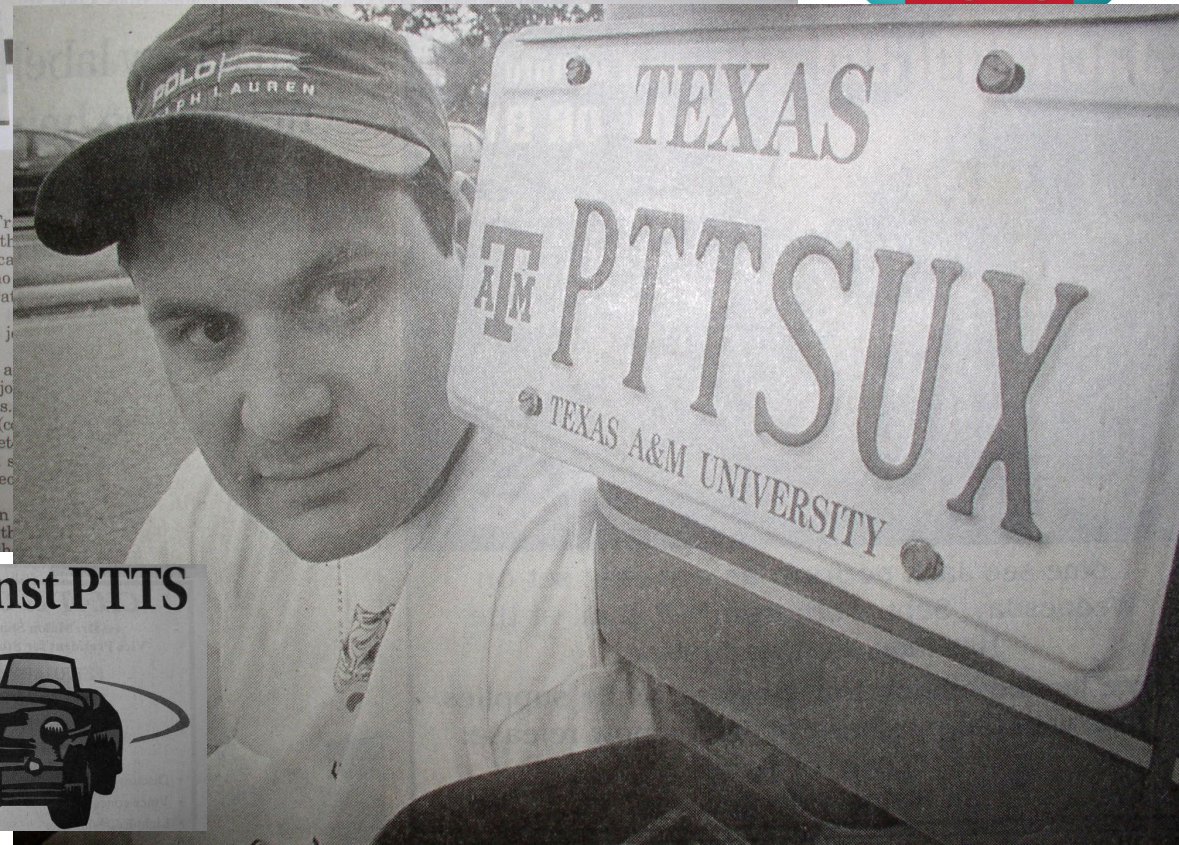
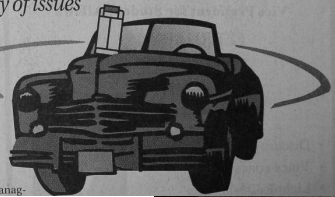
## Students act out against PTTs

KAMU-TV airs program addressing variety of issues from limited parking to reckless buses

By STACEY BECKS  
Staff writer

Texas A&M's Television Production II class gave students an opportunity to voice concerns about parking to representatives of Parking, Traffic and Transportation Services (PTTS) last night on KAMU-TV, Channel 18. Some concerns voiced by students were that PTTs officers have a daily quota for tickets and that bus drivers are playing dangerous driving games called "where will my brakes fall next?"

tatives, two stu- dent rep- resenta- tives and guests who asked ques- tions. A student from the produc- tion class was the mediator between the two parties.



## Case Study 2

Changing parking system from a 'license to hunt' to lot-specific assignments

# Goal

*Eliminate the frustration in a license to hunt parking system by implementing:*

- New parking software
- Lot-specific parking assignment program
- Image change campaign
- A managed, waiting list-based, quality parking system



## THE HUNT IS OVER!

Students go online April 19 - July 16

- Go to [transportonline.tamu.edu](http://transportonline.tamu.edu).
- Give us your top 6 lot choices.
- Permit will be charged to SIMS account.
- Tell us where to send your permit.

### It's that easy!

- NO hunting for spaces!
- NO gridlock!
- NO wasting time!
- NO standing in line!

Go to [transportonline.tamu.edu](http://transportonline.tamu.edu)



## Parking citations, towings decrease

By Sara Foley  
THE BATTALION

The number of parking citations and cars that have been towed has declined since the lot-specific parking permit plan was enacted in September. The number of parking citations issued decreased 24 percent and the number of vehicles towed from campus decreased 70 percent, said Director of Transportation Services Rod Weis.



## Parking problems

By BRETT NAUMAN  
Eagle Staff Writer

## take a turn for the better

The parking lot next to Texas A&M University's Polo Fields always had been a scene of frustration for the several thousand students trying to claim one of the 1,600 spaces.



Eagle photo/Butch Ireland

Aggies with commuter permits often clogged the parking lot as they searched for a place to park, said Rod Weis, director of Transportation Services for A&M.

Parking citations and the number of vehicles towed at Texas A&M have decreased since new parking regulations were enacted.

...didn't notice a difference in the number of citations she has issued since the new plan was enacted, but that there are noticeable differences in some parking areas, such as Parking Area 72.

"Compared to how it used to be, there's a lot more spaces open," she said. "There

See Parking on page 6

# Financial Tasks



Understand and assess departmental vision and goals for desired changes

- Technology, software, equipment and capital maintenance needs
- Planned staff growth
- Costs of new initiatives
- Future capital projects

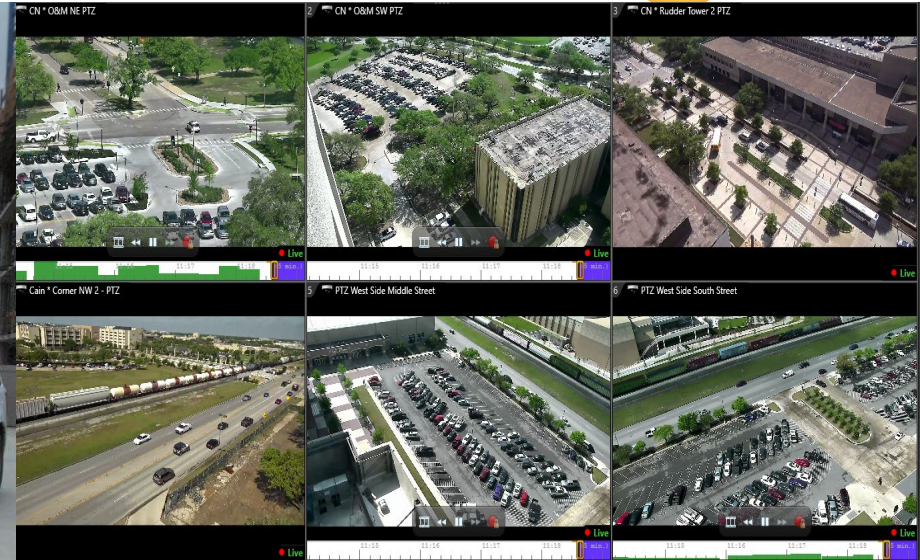
Prepare and maintain accurate projections

- Strategically use financial reserves
- Determine timing for projects and staff growth based on financial projections



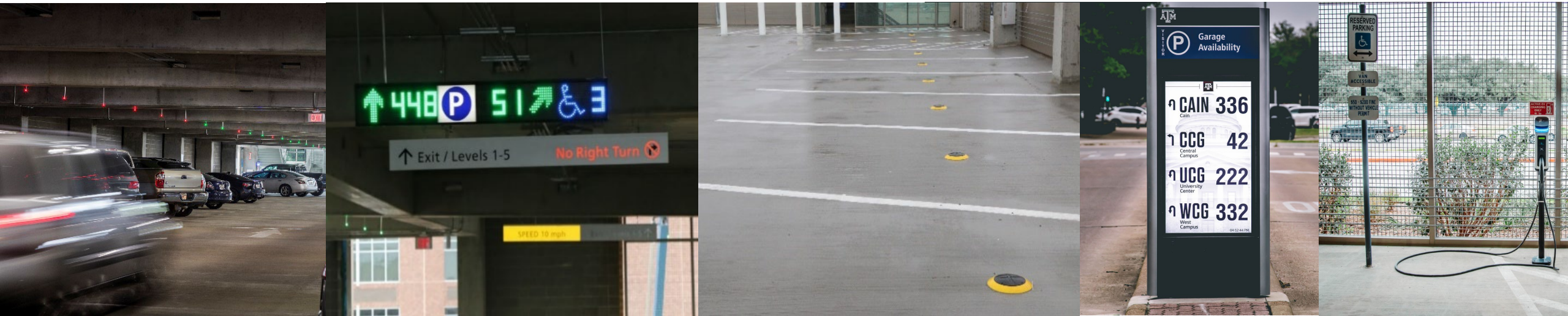
Monitor and adjust projections throughout the year

# Operational Tasks



- Sell the concept of wholesale change in the parking system
- Sell the concept of “no free parking”
- Establish robust IT, marketing and construction management teams

# Operational Tasks



- Implement new software, technology and business processes
- Establish TDM program
- Work to change negative image of department



# Results



- Complaints dropped dramatically
- Towing reduced 70%
- Citation fine revenue dropped \$1M but total revenue increased
- Award-winning operation
  - ✓ *University parking organization of the year*

- ✓ *Innovative parking organization of the year*
- ✓ *Accredited parking organization with distinction*
- ✓ *Numerous other marketing and individual awards*



## **Poll Question: Do you have lot specific permits or hunting licenses?**

- Lot specific permits
- Hunting licenses
- Hybrid



## **Poll Question: Do you award parking assignments based on a priority system or hierarchy?**

- Yes
- No



## Case Study 3

Charging for event parking and improving customer experience



# Goal

*Implement paid parking for home football game days; manage the operation to provide a quality, organized, revenue-producing event resulting in a true Game Day Experience for fans.*

# Financial Tasks

- Analyze event parking expenses and calculate the cost per space
- Articulate disparity between cost of providing daily visitor parking and managing event parking
- Introduce and promote the idea to booster organization of wholesale and retail parking pricing
- Establish non-booster rates for drive up customers
- Prepare and execute MOUs for major sports or events



# ROI

# Operational Tasks



- Establish a robust special events team and RV operation
- Create core set of premium lots for boosters and sell the rest
- Provide full service and less expensive or “free” alternatives
- Create nimble, adaptable game day operational and traffic plans

# Operational Tasks



- Create widespread collaboration among entities and get their buy in
- Create multifaceted marketing campaign



# Results



- Ten year agreements with booster organization for football, baseball and basketball
- Earnings exceed \$2M annually with reasonable profit margin
- Improved relationships with campus and community partners
- Reduced traffic congestion
- Continue allowing employees and students with permits to park



## **Poll Question: Which organization manages game day parking?**

- Parking
- Athletics
- University Police
- Other/Combo



## **Poll Question: Does the parking operation receive a portion of game day parking revenue?**

- Yes
- No

# Q&A



# Thank you!



Feel free to reach out our speakers:

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