



A **xerox**  Company

AFC – In House or Contracting Services

2010 APTA Fare Collection Workshop

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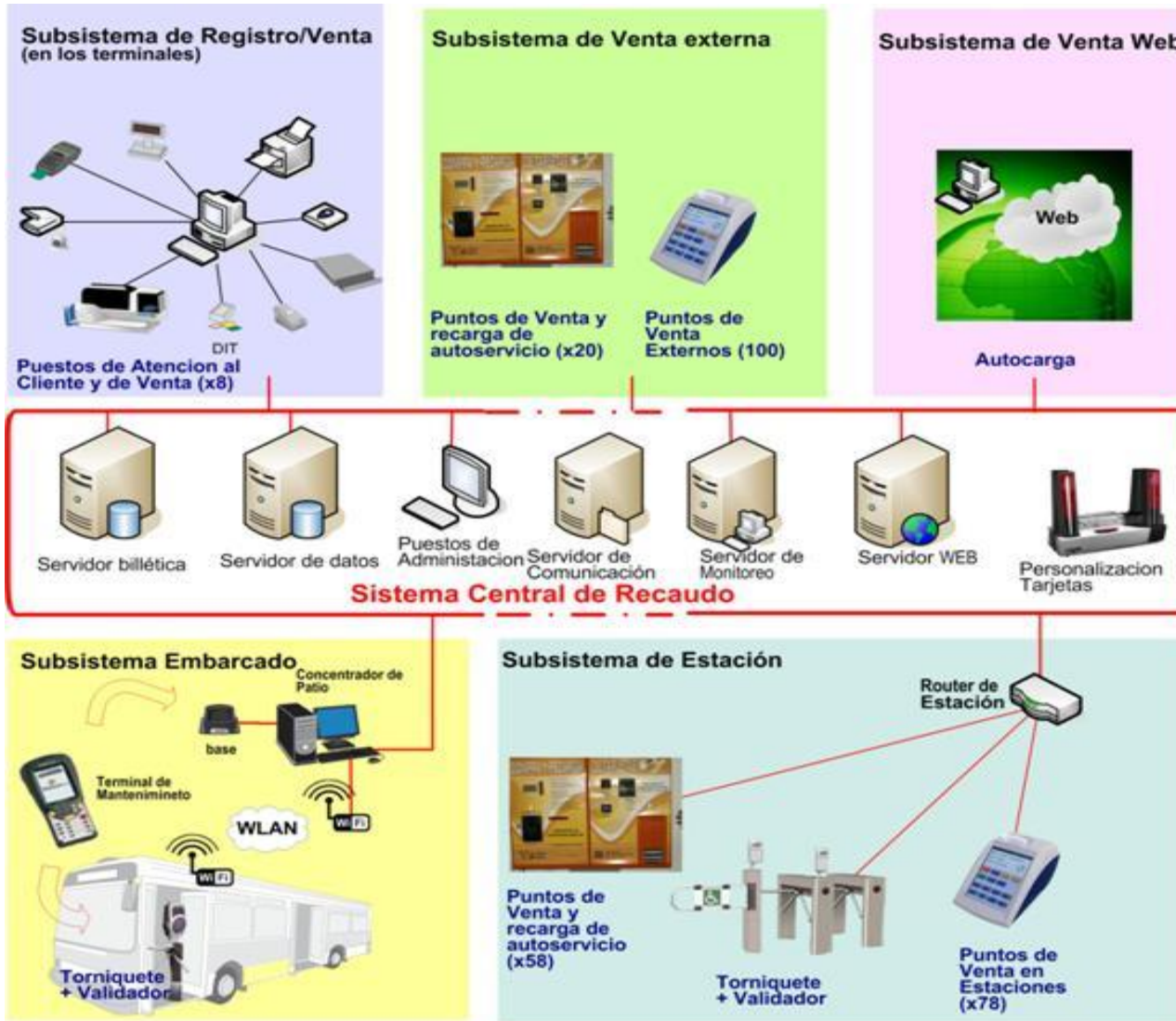
ACS is now a Xerox company

AFC SYSTEMS

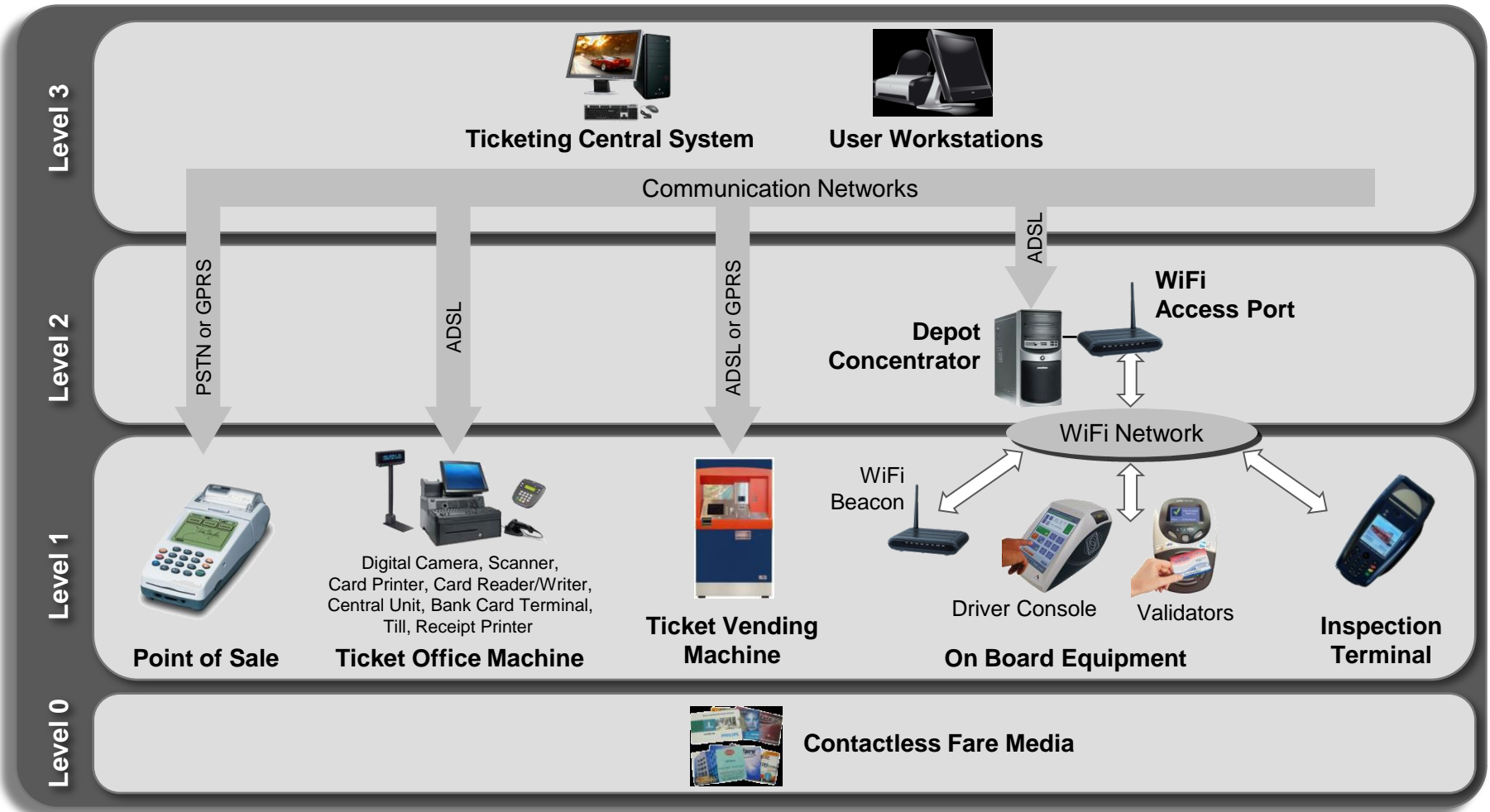


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Automatic Fare Collection System - LIMA



Automatic Fare Collection System - RIGA



AFC SERVICES AND PROCUREMENT OPTIONS



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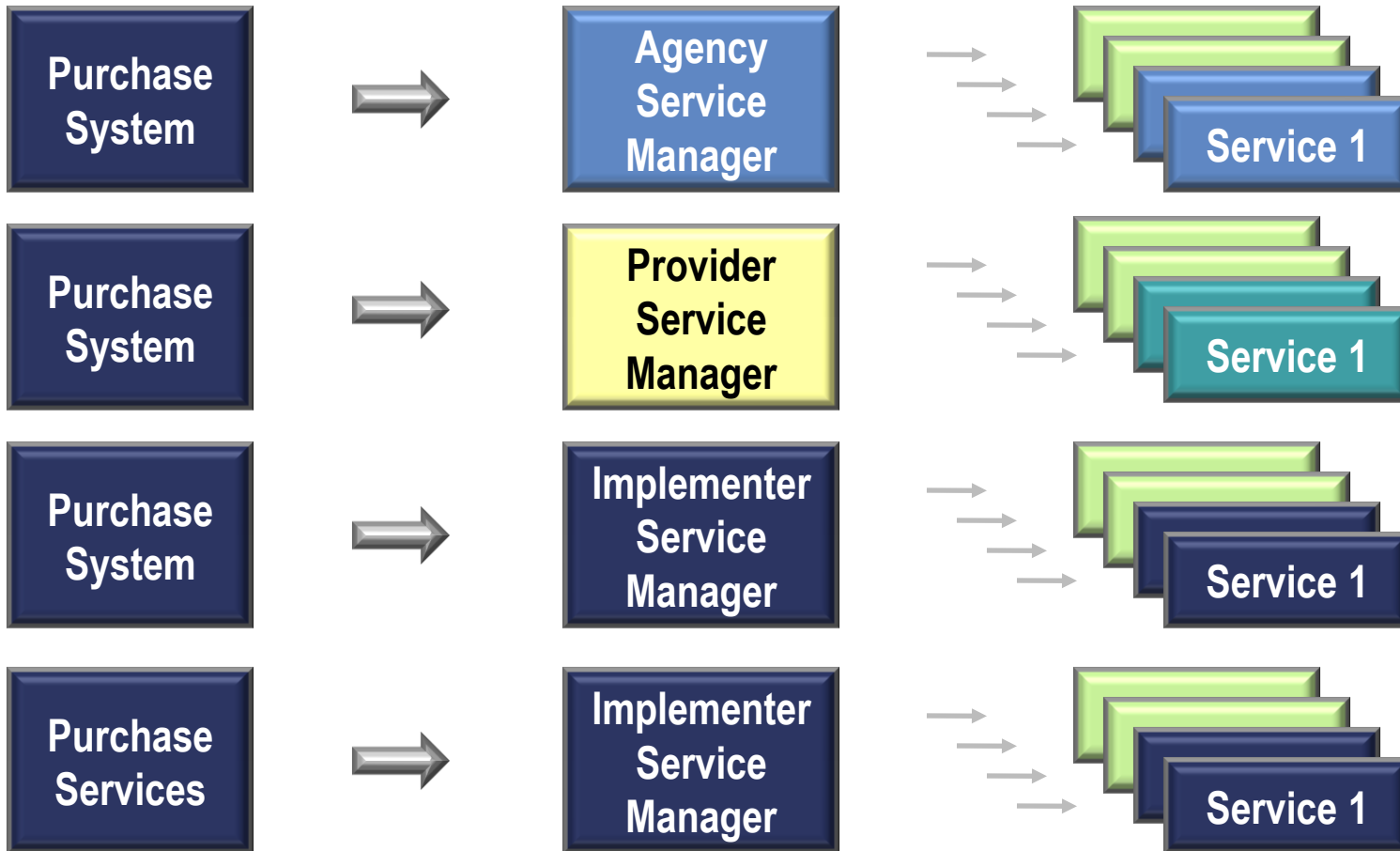
AFC Services

- Maintenance
- Equipment Servicing
- System Administration
- Customer Services
- Banking Services
- Communications Services
- Marketing



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Service Procurement Options



Agency Manages Services



PROS

- Agency has fine grain control of service providers

CONS

- Agency takes responsibility for integrating services

Provider Manages Services



PROS

- Services integration responsibility shifted to provider

CONS

- Development of technical depth of provider
- Middle man injected to system

Implementer Managed Services



PROS

- Single source responsibility for system operation
- Technical and operational depth to provide integrated services

CONS

- Making long term commitment to single vendor

Purchase Services (includes System)



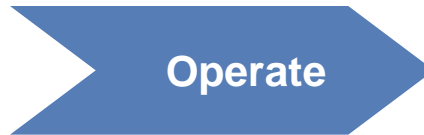
PROS

- Single source responsibility for system operation
- Technical and operational depth to provide integrated services
- Minimal initial capital outlay
- Vested interest in system growth
- Public Private Partnership Options

CONS

- Long term commitment to vendor (10+ years)
- Federal Funding Issues

Build Operate Transfer



CONTRACTOR	CONTRACTOR	CONTRACTOR
<ul style="list-style-type: none"> ▪ Designs program and technical solution ▪ Develops infrastructure (roads, rail, ports, etc.) ▪ Installs next generation technology (smart cards, GPS, video, etc.) ▪ Provides financing 	<ul style="list-style-type: none"> ▪ Operates the program for 5 to 10 years typically ▪ Collects a percentage of users fees to pay back investment 	<ul style="list-style-type: none"> ▪ Ensures continuity with transfer of staff, required intellectual property, and technology
	MUNICIPALITY	MUNICIPALITY
	<ul style="list-style-type: none"> ▪ Program Oversight 	<ul style="list-style-type: none"> ▪ Operates the program going forward

Benefits of Contracting Services

- Cost savings
 - *Economies of scale, reduced overhead/manpower and training; leverage implementers technology investment*
- Better control of operating costs
 - *Long term contract with known costs; leveling of seasonal fluctuations*
- Benefit of broader experience base
 - *Ability to share experience across multiple agencies*
- Potential for improved service quality
 - *Easier to apply Service Level Agreements (SLAs) to vendors than internal organization*

