Management Audit of the

Rhode Island Public Transit Authority

RHODE ISLAND PUBLIC TRANSIT AUTHORITY

EXECUTIVE SUMMARY

Prepared for the

Rhode Island State Budget Office

By

Abrams-Cherwony & Associates

with

Mundle & Associates, Inc.
The Risk Management Center, Inc.
Thompson-Coburn, LLP

April 12, 2007

EXECUTIVE SUMMARY

The State Budget Office has conducted a Management Performance Audit (MPA) of the Rhode Island Public Transit Authority (RIPTA) to evaluate the efficiency and effectiveness of the overall performance of the transit system under review and in turn to identify actions that could be undertaken to achieve improvements. The audit consisted of three major areas of review. First, was the conduct of a peer group analysis comparing RIPTA to similar sized transit systems throughout the United States. Second, was a detailed audit of each of the 13 functional areas of RIPTA. Third, was a feasibility study to determine whether RIPTA could be transferred into the State Department of Transportation. Also reviewed was the RIPTA fare structure and future funding options.

This Executive Summary highlights the results of each of the review areas and presents overall findings and recommendations.

PEER GROUP REVIEW

The peer group review indicated that certain areas of RIPTA's performance were judged to be very favorable and others would benefit from further review. Examples where RIPTA's performance were judged very favorable include:

- RIPTA ranks number one in operating revenue
- RIPTA ranks number two in ridership total and its ridership is 24.6% higher than the peer group average
- RIPTA performs better than the peer group average in all five measures related to maintenance performance
- Out of a total of 27 combination performances indicators, RIPTA had 15 ranked above its peers (55%) and 12 ranked below its peers (44%)

In addition, RIPTA's performance with respect to Financial, Per Capita and G & A (General and Administrative) Trends is generally favorable and comparable to the peer average, outperforming the peer average in the cost per passenger measure and outperforming or very close to the peer average in per capita measures.

While RIPTA ranked above its peers for more than half (15) of the 27 combination performance indicators, casualty and liability insurance, vehicle maintenance and general and administrative costs as well as the vehicle hours/operations employees ratio are categories that would benefit from improvements.

FUNCTIONAL AUDIT

The audit process began with a submittal of a data request list to RIPTA that involved each review area. Then, interviews were conducted with senior managers at each unit of RIPTA. These interviews provided our team with an understanding of the organization structure of each RIPTA functional unit and its key managerial and operational staff. After these initial interviews are completed, detailed audits were conducted of all functional areas of RIPTA. The audit procedure for each operational area typically followed four key steps:

1. Conducted interviews and discussions with management assigned responsibility for each unit. During these interviews, detailed information was obtained on the functional activities within each unit.

2. Assembled data from each audit area in order to evaluate performance. For example, data was obtained to determine a variety of performance measures such as the road call performance, pay to platform ratio, accident rate, route performance, overtime pay, etc.

3. Observed a number of work functions as they are performed. This included areas such as vehicle dispatching, vehicle servicing, vehicle maintenance, parts distribution, information operators, etc.

4. Prepared description of current functions, detailed analysis and audit findings from each review area. This draft material was submitted to and reviewed by each appropriate unit at RIPTA. Once the review was completed and comments obtained, we prepared audit recommendations. It should be noted that, where appropriate, audit reports also highlight those aspects of each unit that merit special attention for outstanding performance.

The Management Performance Audit of RIPTA addressed the 13 functional areas that are listed below:

1. Human Resources
2. Finance
3. Fixed Route Transportation
4. RIde Paratransit Service
5. Maintenance
6. Procurement
7. Transit System Development/Grants & Planning
8. Risk Management and Insurance
9. Safety and Security
10. Marketing and Communications
11. Customer Services (Department of Specialized Transportation)
12. Information Technology
13. Litigation Management

Detailed information and justification for each recommendation is contained in the appropriate section for each functional area. While the reviews and findings in some functional areas were favorable, some areas were identified as a focus for further improvements. Examples of the key recommendations made for each of the functional areas are as follows:

Human Resources

- Address turnover among RIde Division operators and enhance the application process to effectively communicate the nature of the work to applicants.

- Centralize the task of determining accurate headcounts for employee categories needs, taking into account employee availability and calculations for the optimal balance between additional staff persons and the use of overtime.

- Pursue various changes to the health care plans in subsequent negotiations, including: contributions to premiums from early retirees; increased service and prescription copays to be more consistent with national trends; and the introduction of third and fourth tiers within the plan. Since RIPTA follows the State program, this may not be possible unless the State were to change.

- Continuously review operator training program, including an analysis of the safety and customer service performance of new drivers throughout the first year and continue to make use of outside experts in the training field to evaluate and modify training curriculum and techniques.

Finance

There were no recommendations made in this functional area.

Fixed Route Transportation

- Compare the total number of missed trips to scheduled trips overall on a monthly basis to ensure that RIPTA continues to exceed the guideline of missing only 0.50 percent of scheduled trips.

- Revisit the policy of hiring vehicle operators as Flex Division operators first and moving them to fixed route after a particular period.

- Expand the fixed route operator extra board to a ratio of 10 to 1 rather than the current 13 to 1.

- Track use of long term and short term sick leave separately, monitoring them to identify problems and trends and develop remedial programs to address any identified problems.

- Equip at least 10 percent of its fleet with APC equipment. This would represent approximately 22 vehicles, an increase of 12 over the current level.

- Establish a specific training curriculum for new Street Supervisor/Dispatchers as well as retraining for existing employees that includes training on line management techniques and develop a line management handbook for Street Supervisor/Dispatchers.

RIde Paratransit Service

- Track RIde trip cancellations in two ways – early cancellations that have no impact on service and therefore costs and late cancellations that do impact service.

- Work with the funding agencies to tighten their policies with regard to passenger cancellations and no-shows, to stem significantly worsening trends in these areas.

- Review progress made by improved driver training program to ensure familiarity with service and appropriate customer service.

- The State of Rhode Island should consider changing the hourly billing rate schedule on the next round of operator contract bidding to take advantage of probable cost savings from a graduated system whereby lower rates in the earlier years could be used to offset the higher costs in the later years.

- Pro-rate administration costs to various funding agencies for the RIde program.

- Revise the categories of complaints for the RIde Program so that complaints currently received under the "Other" category can be compiled in a more meaningful way.

- Improve communications with user groups, funding agencies and stakeholders to ensure that input is received and timely responses are made to their concerns.

Maintenance

- Address a facility expansion program since the Melrose building is already inadequately sized for its existing use. Should RIPTA increase service levels in the future, this facility would need to be expanded or an entirely new facility would need to be constructed.

- Add another farebox/probe currency vault station, one to two more bus washers, and upgrade the fueling system at the Elmwood Depot.

- Develop a bus replacement plan that results in a 20 percent spare ratio, in line with the FTA guideline.

- Consider assigning, until the CNG fleet is completely phased-out, the five CNG powered buses based at the Elmwood Depot to the Newport Depot and moving five of the diesel powered buses based at the Newport Depot back to the Elmwood Depot.

- Carefully monitor the PM inspection program so that inspections are completed within the 500-mile "window" of the 3,000-mile inspection interval. In this regard, consider using actual miles based on odometer or hubodometer readings instead of using scheduled miles to identify when a PM inspection for each bus is due.

Procurement

- Update its Procurement Standards Manual to address any changes to federal requirements.

- Reexamine minimum and maximum order levels and rebalance the consumption rates to be consistent with current practice. In doing so, RIPTA also may be able to reduce the current investment level of $2.25 million and increase the rate of annual inventory turnover.

Transit System Development/Grants & Planning

- Develop a more comprehensive data collection program based on quantitative information to support planning and scheduling activities. This could be achieved by greater reliance on APC's (plans should be made to expand the number of vehicles equipped with Automatic Passenger Counters) and introduction of an AVL system.

- Prepare a 3 to 5 year transit development program that describes options that range from continuation of current service levels through various increments of system expansion. Explore impact of shifting from primarily radial to multi-nucleated configuration and contrast the impacts of each of these scenarios in terms of their costs and benefits.

- Examine what must be done to increase the capacity of downtown transit facilities. This could include modifications to existing as well as new facilities.

- Use pay/platform ratio (PPR) to monitor scheduling efficiency. The PPR value should include all pay components and be determined for each service day and garage. While the values are acceptable, they are at the higher end of the range.

- Make greater use of HASTUS to evaluate options such as changes to contract terms, layover reductions, and modifications to downtown transit arrangements.

- Reduce layover times on an incremental basis.

Risk Management and Insurance

- Obtain a new computer system to better manage the claim handling process. There are numerous claims management systems on the market that can probably be procured for less than $10,000.

- The RIPTA Board of Directors made a decision not to renew the vehicle excess liability coverage in June 2005. Consideration should be given to pursuing this issue with the Board again for purchasing a reasonable level of excess coverage. Minimum recommended limits should be $10 million per occurrence above a self-insured retention.

- Investigate obtaining excess coverage, (when they were purchased) from major re-insurers that have underwriting arms that specialize in providing high levels of coverage to individual self-insured's such as RIPTA.

- Consider increasing the Accident and Casualty Reserve Fund to better represent outstanding claims.

- Update value of RIPTA buildings to reflect current replacement costs.

- Identify specific positions for light duty within RIPTA's Light Duty/Return to Work Program as part of Workers' Compensation cost saving measures.

- It is unclear as to the exposure that RIPTA may have due to a ferry problem. Therefore, RIPTA should have its attorney contact a maritime attorney to determine if any risk exists and if so what steps should be taken to protect RIPTA from such risks.

- Verify that any outside parties involved in the management and investment of pension funds have adequate honesty bonds and professional Errors and Omissions coverage. This includes investment advisors and money managers.

Safety and Security

- Participate in the Surface Transportation Intelligence Sharing and Analysis Center (ST-ISAC) in order to obtain security threat information on a continuing basis so that it can respond to any threats identified in its service area.

- Develop protocols to respond to the daily security threat advisory levels issued by the Department of Homeland Security and procedures that address control of security sensitive documents and security critical systems and facilities.

Marketing and Communications

- Evaluate the current division of activities in marketing between the Marketing/Communications and Government Affairs and the Transit System Development/Grants & Planning Departments to assess if combining these units under one department may improve coordination of activities. In lieu of this, develop a formal process for maximizing information sharing for those occasions when Marketing and the Planning Department's Express Travel team participate jointly on a marketing project

Customer Services (Department of Specialized Transportation)

- Streamline complaint reporting in order to automate the compiling of summary statistics.

Information Technology

- Develop a plan to replace the AS400 System that would enable RIPTA to migrate towards a system over the next five to 10 years that will be able to accommodate its future needs, particularly as these relate to RIPTA's implementation of ITS technologies.

- Develop a systems engineering analysis process in order to evaluate all USDOT-funded ITS projects that includes identifying the following: portions of statewide ITS architecture being implemented; participating agencies' roles and responsibilities; requirements; applicable ITS standards and testing procedures; procedures and resources necessary for operations and system management; and analysis of financing and procurement options.

Litigation Management

- There were no recommendations made in this functional area.

TRANSFER OF RIPTA TO RIDOT

Article 16 of Chapter 117 of the Rhode Island Public Laws of 2005 states that the State Budget Office shall have a management audit performed of the Rhode Island Public Transit

Authority (RIPTA) that includes an assessment of the feasibility of transferring RIPTA into the State Department of Transportation.

Five key components have been addressed in order to make this assessment including:

- Labor issues associated with the transfer including 13(c)
- Labor benefit comparison
- Pension benefit comparison
- Opinions from leader interviews
- Review of state agency (Delaware) where Transit is a part of the DOT

Labor Issues

The detailed report reviewed two specific areas: (1) Section 13(c) labor protection issues specifically those issues that may arise under the existing 13 (c) Agreements between RIPTA, RIDOT and the unions representing transit employees; and (2) labor issues, specifically those issues relating to the existing labor agreements between RIPTA and the unions and the status of those agreements in the event of a transition to RIDOT. Key finding from this review include:

If upon the transition of RIPTA employees to RIDOT, the existing RIPTA employees are fully protected, with assurances of comparables jobs and guaranteed replication of existing wages, benefits and pension rights – then the 13 (c)/labor could be relatively minor and should not prevent the transition from occurring. If, on the other hand, the transition is viewed by the State as an opportunity to achieve economies in the size of the transit workforce, or if the State desires to negotiate or put in place different wages, benefits, pension plans or other terms of employment for the transit workforce, then the issues will inevitably get more complicated, not to mention contentious and the unions might try to use 13 (c) to prevent the transition from being carried out and still dismiss some RIPTA employees. First, if existing employees are not hired in a RIPTA-RIDOT transition, there will undoubtedly be claims for 13(c) *dismissal allowances* and other worsening protection. Employees are eligible to receive up to six years of dismissal allowances if they are laid off as a result of a Federal project. Full 13(c) labor protection for dismissal allowances can be costly -- for example, if 20 RIPTA employees were not hired by RIDOT, and their average wages and benefits equaled $50,000, they would have 13(c) claims in the amount of $6,000,000.

Second, there could be worsening claims by employees who do get a job with RIDOT but believe that they have lost earnings or rights or benefits. Employees may be eligible for *displacement allowances* (also payable for up to six years) if they suffer a loss of wages or benefits (such as lower pay in a new or restructured position) as a result of a Federal project. Typical claims could be for lost overtime, diminished levels or types of benefits, or increased employee cost, such as a higher health insurance co-pay. In a RIPTA-RIDOT transition, health care co-pay could certainly be a major issue if the transition results in the imposition of equalization of co-pay obligations on the transit employees. Based on the latest agreement between RIPTA and Local 618, a co-pay obligation exists but the co-pay is less than that for RIDOT employees. Although it is not as costly as paying dismissal allowances, 13(c) labor protection in the form of displacement allowances can also create significant financial exposure for the responsible Public Body. For example, if 40 RIPTA employees with average wages and benefits of $50,000 experienced an average 10% loss in compensation, they would have 13(c) claims in the amount of $1,200,000.

Further, even where the basic wages and benefits are carried over, employees in other transition cases have filed 13(c) claims for more incidental benefits or "rights" they believe they have lost (i.e., rail passes, safety glasses, banked sick leave, etc.).

Another key issue is the transit unions and represented RIPTA employees currently have the right to binding interest arbitration. State law, however, provides a different mechanism for the resolution of interest disputes involving State unionized employees, as set forth in Chapter 36-11 of the Rhode Island statutes. This could become a troublesome issue. It is complicated by the fact that the current obligation to submit RIPTA labor disputes to binding interest arbitration is sourced in two places: the RIPTA State enabling legislation (Section 39-18-17(c)) and the 13(c) agreements. The state legislative can obviously change the RIPTA legislative provisions or replace them with the existing statutory procedure for State employees, but the State has no legal authority to unilaterally change the interest arbitration provisions in paragraph (11) of the 1975 and 1979 13(c) Agreements. That provision can only be changed through the DOL 13(c) certification and dispute resolution process, which would involve an objection by RIPTA or RIDOT to the continuing use of the existing interest arbitration process in the 13(c) agreements and a request to negotiate an alternative interest dispute resolution method.

In summary, Section 13(c) labor protection presents a broad array of issues in any significant organizational or operational change such as a potential RIPTA to RIDOT transition. If these issues are addressed early and handled through negotiated agreements and for mutually acceptable State legislation, the issues can be manageable. If, on the other hand, employees and their unions see the status quo threatened, they will inevitably attempt to use 13(c) (through litigation, arbitration, and the DOL 13(c) certification process) to protect their jobs and their existing terms.

Labor Benefit Comparison

A comparison was made between 17 contract components of the RIPTA and the RIDOT labor agreements. These components included wages, holidays, vacation, sick days, bereavement and others. An assessment was made regarding a "better", "worse" or comparable rating from the perspective of the employee receiving the benefit. The assessment was based on a comparison in terms of cost. In nearly all cases, the "better" rating results in a greater cost to that agency. The State contract(s) received a rating of "better" for nine items. Six are viewed as comparable – neither better nor worse, while the RIPTA contract is viewed as better (i.e., more costly) for two of the contract components. The majority of RIPTA employees receives a more favorable sick leave accrual and can ride the bus system free of charge. For the latter, while it may not be a true cost since service would operate anyway; there is a lost revenue component that should be considered.

In summary, the labor contract benefits of the RIDOT contract are more favorable in terms of the employee. Therefore, it is likely that if RIPTA employees were transferred to RIDOT, the RIPTA employees would eventually obtain the RIDOT contract benefits and therefore would increase the cost of mass transit services.

Pension Benefit Comparison

There are a myriad of different scenarios that could be developed with various wage rates and lengths of service for pension benefits. In most cases where an employee at RIPTA and an employee at RIDOT were to retire making the same annual wage and if the pension is collected for 4 or more years, the Title 36 expenditure (refers to RIDOT employees) is greater and as salaries and length of employment increase it is substantially more expensive.

In summary, because of the COLA received by Title 36 State employees in their pension payments, the pension benefits of the RIDOT are more favorable and therefore would increase the cost of mass transit services.

Opinions from Leader Interviews

The people that were interviewed regarding the performance of RIPTA and RIde as well as their opinions regarding the transfer of RIPTA to the DOT included:

- Political Leaders
  - Governor Donald L. Carcieri
  - Senator Stephen D. Alves, Chairman Senate Finance Committee
  - Representative Stephen Costantino, Chairman House Finance Committee

- State Officials
  - James R. Capaldi, PE, Director DOT
  - William “Chuck” Alves, Chief of Staff DOT
  - Russell C. Dannecker, Senate Fiscal Advisor
  - Michael O’Keefe, House Fiscal Advisor
  - RoseMary Booth Gallogy, State Budget Officer
  - Frank Karpinsky, Executive Director Employee’s Retirement System
  - Jane Hayward, Secretary Health and Human Services
  - Corinne Russo, Director Department of Elderly Affairs
  - John Young, Interim Director MHRH
  - Ron Lebel, Director DHS

- RIPTA Board Members
  - William Kennedy
  - Sharon Wells
  - Thom Deller, Chairman

- Robert D. Batting, Vice-Chair
- James R. Capaldi

➢ RIPTA Staff/Union Leadership
  - Alfred Moscola, General Manager
  - Stephen Farrell, President/Business Agent (ATU Local 618/618A)
  - Senator Frank Ciccone, Business Manager (LIUNA Local 808)

In many cases the interviews were held with only the individual listed above. In several instances two or more people participated in the interview. This occurred in four joint meetings: Director and Chief of Staff of the DOT; Chairman Senate Finance Committee and the Senate Fiscal Advisor; Chairman House Finance Committee and the House Fiscal Advisor; and, Director of DHS, Director of Department of Elderly Affairs, Secretary Health and Human Services and Interim Director of MHRH.

In summary, most of those interviewed were questioned regarding their opinion of a transfer of RIPTA to RIDOT. In many cases the interviewees stated that it was a bad idea and should not be pursued further. In other cases the interviewees stated that it would be interesting to find out the impact of such a change. Finally, a few people indicate that such a change should be considered as a serious option. It was pointed out that the experience of other places where transit is part of the state department of transportation should be reviewed, including Delaware.

Review of State Transit Agency in Delaware

In 1994, all public transportation services in the State of Delaware were merged into the Delaware Department of Transportation (DelDOT). Under this re-organization, the state passed legislation creating the Delaware Transit Authority (DTA), which allowed for the creation of the Delaware Transit Corporation (DTC) in mid 1995. Under the DTC, the four state agencies that provided public transportation services in the state, the Delaware Administration for Regional Transit (DART), the Delaware Administration for Specialized Transit (DAST), the Delaware Railroad Administration (DRA), and the Commuter Services Administration (CSA), were consolidated under the DTC to create one agency responsible for providing all public transportation services in the state. As a result, the State of Delaware is one of the few states in the nation that operates statewide public transportation service.

This report described how public transportation services are organized and delivered in the State of Delaware, and included an analysis of how the consolidation affected the financial support for public transportation in the State as well as how this merger affected employee benefit and welfare programs. In addition, the report also examined the differences and similarities in transit services operated by an agency under state control (i.e., DTC) versus an agency that is under its own authority (i.e., RIPTA) through the use of performance measures.

The report showed that the State of Delaware realized a number of advantages by creating a state transportation authority:

- Bringing the four transportation agencies under one authority resulted in creating a brand identity for public transportation throughout the State.

- The new organization gave DTA and DTC the benefit of operating as a division of the State Department of Transportation, while at the same time having the autonomy to negotiate with labor unions outside of the State government.

- Employees of DTC are able to participate in the State's health and medical insurance coverage program.

- The new organization structure brought more financial support to public transportation from the State.

The key findings from this Delaware experience related to the transfer of RIPTA to the Rhode Island DOT are:

- The only economies of scale in the Delaware example is the fact that the IT functions are performed by the Delaware DOT for DTC as well as other DOT organizations. All of the functions associated with operating a transit system are included in the DTC organization.

- Since the health and welfare programs at RIPTA are more economical, the financial benefit that was obtained in the consolidation of DTC into the DOT in Delaware would not be a benefit under the transfer of RIPTA to the DOT.

- The new organization did benefit the DTC in that it brought more state financial support for public transportation. However, this may or may not be a benefit under a transfer of RIPTA to the DOT. It is unknown whether the transfer of RIPTA to the DOT would result in more funding for public transportation. It is likely that funding for any type of transportation in Rhode Island will continue to be an issue.

OTHER ISSUES

There were two other issues addressed in this study. One addressed the RIPTA fare structure. The other addressed funding alternatives. Results from each review are summarized below:

Fare Structure

The current RIPTA fare structure is a flat rate fare for any trip throughout the State. The full fare adult cash fare is $1.50. A $0.10 charge is assessed for transferring to another bus. Other fare programs included a monthly pass at $45.00, RIPTIKS at 10 for $13.50, day pass at

$6.00, student tokens at 10 for $12.75, senior/disabled reduced fare at $0.75, express Park-n-Ride at $1.50 and ADA fare at $3.00.

In the RIPTA peer group analysis, it was determined that RIPTA's average fare was $0.85 compared with the peer group average of $0.70. In fact, RIPTA had the second highest average fare. Therefore, based on the peer average, there is no need to raise the base fare at this time. However, RIPTA should consider initiating adjustments to its fare structure by increasing the base cash fare by about ten percent every three to four years.

The trend in the transit industry has been to simplify the fare structure. This has resulted in many systems eliminating or reducing the number of zones in there distanced based fares. It was noted that six of the RIPTA peer systems use a flat fare like RIPTA. RIPTA eliminated its fare zones nearly eight years ago. The theme for the change was "One State, One Rate". A review was made of the impact of adding back at least one zone to the current structure in order to assess a higher fare for longer distance travel. That analysis determined that the revenue gain from such a two-zone system would be minor – about $100,000 – while nearly 80,000 riders would be lost. It was determined that the administrative burden of such a two zone structure would outweigh the financial benefit.

One aspect of the RIPTA fare structure does appear to require adjustment. The Park-n-Ride service that RIPTA operates is a premium service. However, the users of this service pay the same base fare as anyone using a regular RIPTA route -- $1.50. The base fare for this premium service should be increased to at least $2.00 or a 33% premium over the base fare.

RIPTA Financing

A recent report published in 2006 was prepared for the Transportation Research Board of the National Academies, NCHRP Report 569, titled "Comparative Review and Analysis of State Transit Funding Programs". That report was utilized to identify how other states are funding transit systems. The analysis for RIPTA focused on transit operator states that included Delaware, Maryland, Massachusetts and New Jersey. The following chart shows the differences in per capita state and federal funding for statewide transit systems.

State and Federal Per Capita Transit Funding

State	Per Capita State Funding ($)	Per Capita Federal Funding ($)
Delaware	86.71	4.72
Maryland	142.05	13.52
Massachusetts	201.26	29.94
New Jersey	96.27	60.95
Rhode Island	34.09	12.27

Rhode Island has the lowest per capita state funding and the second lowest per capita federal funding. Much of the reason for the low funding of transit in Rhode Island could be explained by the fact that Maryland, Massachusetts and New Jersey systems serve very large metropolitan areas that include rail operations. However, even so, these other four states are providing their transit systems with funding per capita that ranges from a low of about two and one-half times more for Delaware to about six times more for Massachusetts.

The next chart from the same source as above describes how these states with statewide transit systems provide funding for their systems.

Funding Sources for States with Statewide Transit Systems

State	General Fund	Gas Tax	Motor Vehicle Tax/Rental Car Tax	Bond Proceeds	Registration License/Title Fees	General Sales Tax	Other
Delaware		X			X		X
Maryland		X	X	X	X		X
Massachusetts	X	X					X
New Jersey	X	X				X	X
Rhode Island		X		X			X

As can be seen, the gas tax is a common source for transit funding. Providing funds from the "other" category was also utilized by all systems. Remaining sources were used by no more than two systems. The "other" category included a wide variety of sources with little commonality.

From this comparison, it is concluded that the method transit in Rhode Island is funded is consistent with the way funds are provided in other states with statewide systems.

There were a number of findings from the above research that addressed transit funding for all states and include:

- States with the greatest funding need relied on a larger number of sources that states with lower amounts of funding. For example, states with less than $100 million in transit funding needs had an average of 1.5 sources while states with more than $100 million had an average of 3.4 sources.
- Half the states relied on just one source to fund transit
- The largest single source noted by 25 states is "other".

In conclusion, there is no preferred way in which states fund transit. It is a state decision that must consider transit along with its many other state funding needs.