

UCR, Inc.  
Business Plan

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**What Is UCR, Inc.**

**UCR Inc Will Probably  
Become A Real  
Non-Profit Organization**

**(Alternative – “Shadow” Organization)**

# **UCR Inc Should Be A Virtual Organization**

**(Levels of Virtuality)**

## What Will UCR Inc Do?

Administer UCR Program On Behalf of  
the UCR Board

“Free Up” The Board  
Policy / Decision Making

## Primary UCR Plan Goals

**Register All Eligible Carriers (100%)**  
**Distribute State Entitlements**  
Recommend (Reduced) Fees

## How Will UCR Inc Be Funded?

Administrative Funds generated by  
the UCR registration program

## How will the Administrative Funds Be Used?

Improve the program by putting the appropriate work in the appropriate places

...

To generate **more registration \$\$\$**



More Registration \$\$\$

Equals

**Lower Fees Faster**

# UCR Inc - Major Functions

- Run Enforcement Site
- Enforcement Liaison
- FMCSA / UCR Web Link
- Help Center (States/Carriers)
- Retreat Analysis
- Automated Solicitation
- Depository Management
- Recommend Fees
- Performance Dashboard
- Work w/Sub-Committees
- Qualify Peripheral Carriers
- System Review / Gap Analysis
- Coordinate Audits
- Dynamic Web Site
- Improve State Data Flow
- Improve Board Reporting
- Coordinate With Other Programs
- Coordinate Technology

How much will that cost?

## **Cost Factors**

Major Functions (+/-)

Formal Organization (Yes / No)

Level Of Virtuality

Amount of “Offloading”

Results vs. Effort

Convenience Fees

**Formal Organization (Yes/No)**

# Formal Organization - Yes

Contract With UCR Inc

Authorize

Delegate

Formal Organization - **No**

Board Much More Actively  
Involved In Operations

Everything Takes Longer

# **Level Of Virtuality**



## 3 Different “Virtual” Models

Telecommuting Employees / Office  
Employees / Meet Weekly At Starbucks  
Contractors Connected By Technology

# Virtuality Goals

Scalable (+/- Resources)

Modular (+/- Functions)

Connected By Technology

Flexible (“We’ll tackle that!”)

# Employees vs. Contractors

Cost / Benefit Ratio

Control

ROI

Succession

Critical Knowledge / Experience

**Amount Of “Offloading”**

We Would Not Have Asked The States  
Or The Board To Do All The Things  
They Are Doing Operationally If We  
Had Administrative Funds In 2007.

# Amount of Offloading

States / Board Say “Take these  
Duties!”

Resources / Functions Follow

<u>“Offloading”</u>	<u>Can Do</u>	<u>Can't Do</u>
<b>Well</b>	Can Do It Do It Well	<Can't Do It>
<b>Poorly</b>	Can Do It Not Good At It	<Can't Do It>

## Results vs. Effort

**Results** = Get The Job Done Right

**Effort** = Throw Some Resources At It



Results vs. Effort  
**Ex: Retreat Analysis**

**Results** = Review all retreating registrations  
and compile the complete analysis

**Effort** = Throw Some Resources At It

# **Convenience Fees**

**Big Decision Coming!  
To Fee ... or Not To Fee**

## **Potential MOU Paths**

Indiana - Continue Convenience Fee  
Indiana – Eliminate Convenience Fee  
New Vendor

## **Convenience (Administrative) Fees**

**MOU Between Indiana and UCR Board – Expires 2018**

**Indiana System Supported By Convenience Fees (\$1MM)**

**The UCR Board does not control the use of those fees ... except to  
authorize the level**

**Disincentive For Online Registration?**

**Convenience Fees**  
**Good News / Bad News**

**Good News** = UCR Board Can Use “Official”  
Administrative Fees For Other Things

**Bad News** = Small Carriers Bear The Brunt Of  
The Cost (Roughly 80%?)

## **Convenience Fee Elimination Steps**

Board Announces Intent To Eliminate Fees

Determine Current Indiana Costs

(FTE + HW/SW)

Determine Future Expectations For Indiana

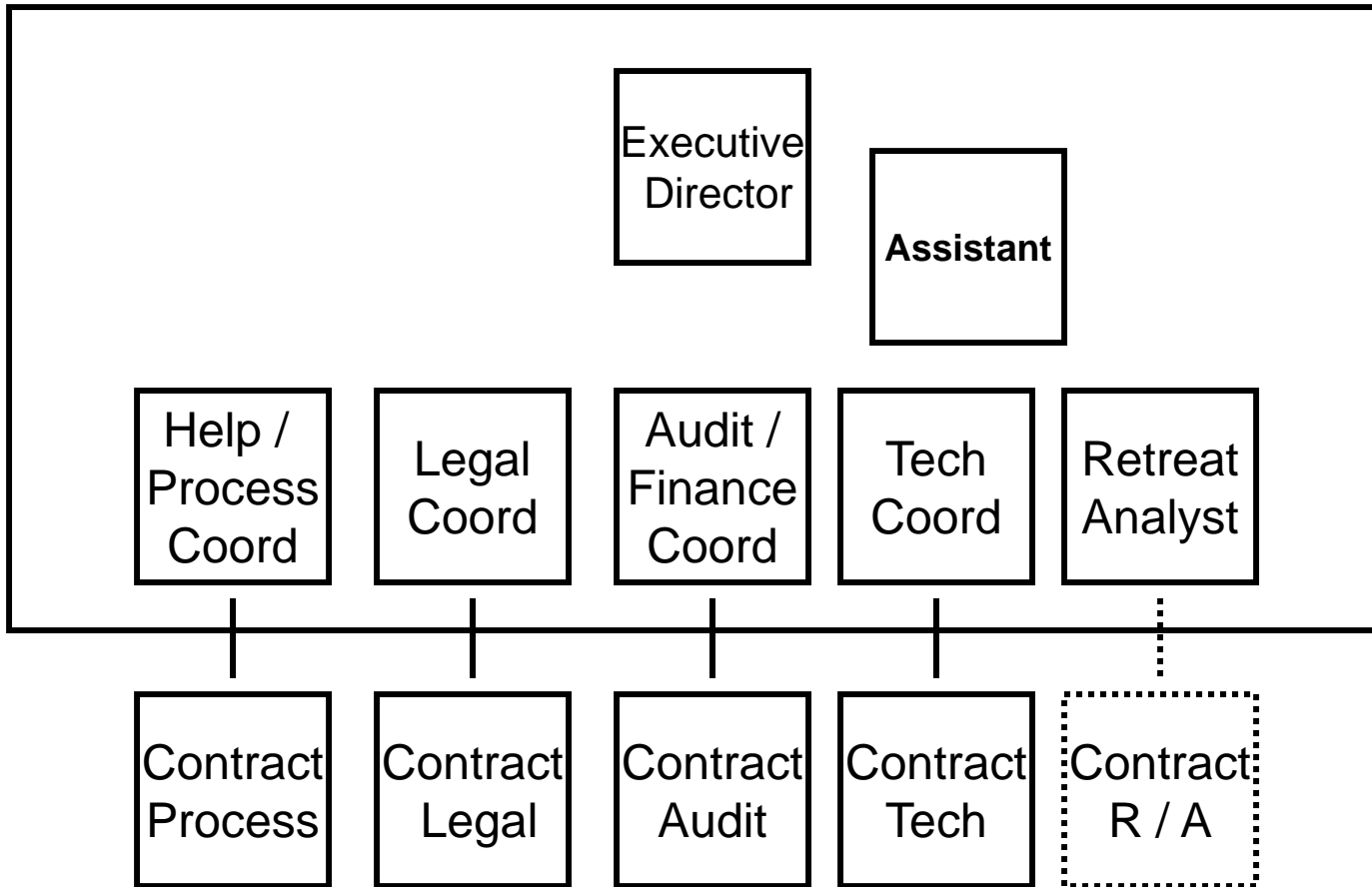
Revise Forward-Looking Costs

Determine Reimbursement Plan/Schedule

Implement New Registration Without Fees

**“The Box”  
Budget  
Timeline**

# “The Box”





## Budget

Relies On Projections (2-3 Years)  
Variable Cost Structure Is Helpful  
How Much Reserve \$\$\$?

## Timeline Depends On:

Speed of Board Decision Making

Depth of Delegation

Contract / Employment Mechanism

Approval of Final Budget / Business Plan

## Timeline – Best Case

Approval - February Board Meeting  
UCR Inc In Place  
Immediate Delegation

**One Year**

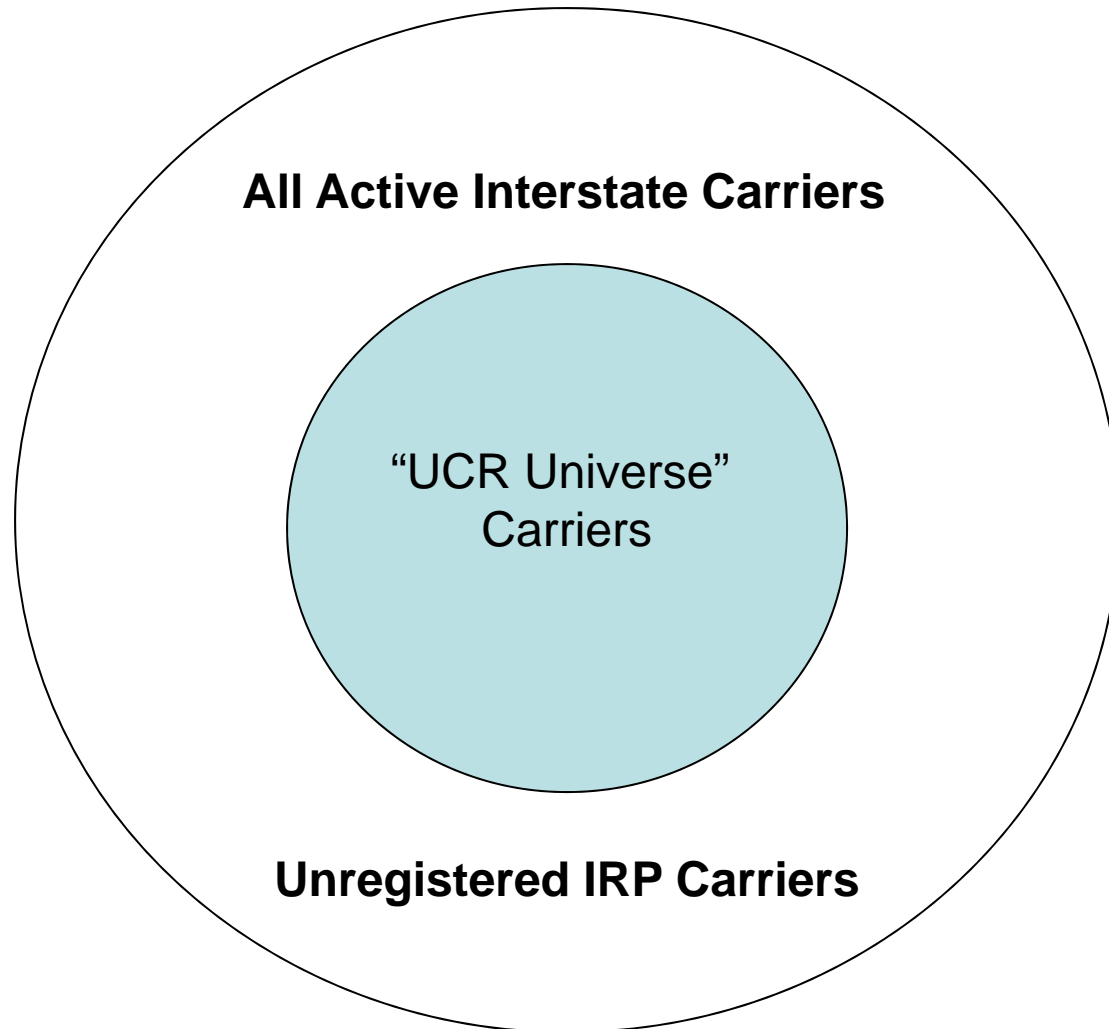
**<Extra Slides>**

## Abandon “UCR Universe” Distinction

Next Fee Move Is Down

(90% FMCSA Threshold Is No Longer Relevant)

Focus On All Active Interstate Carriers



**All Active Interstate Carriers**

**“UCR Universe”  
Carriers**

**Unregistered IRP Carriers**