



THE TRUE POWER OF A DIGITAL GOVERNMENT

*Redefining Digital Service Delivery
with Public-Private Partnerships and Transaction-Based Contracting*

THE CHALLENGE

Americans are expecting more digital government services than ever before. It's easy to imagine why: This is the Digital Age, where consumers expect fast, easy transactions with the companies they interact with and are bringing those same expectations to the federal government — but delivering this level of access isn't always easy.

However, digital government services don't have to be a challenge to deliver. Through innovative partnership arrangements with the private sector, they can be delivered without the high price tag and long lead time. And unique contracting models exist that can provide for the continuous enhancement these services require to thrive.

In fact, the true power of a digital government can be delivered at little to no cost — and the key is working with proven private sector experts steeped in digital service delivery experience.

THE PATH FORWARD

The best digital services are a living entity. They require constant innovation to keep pace with the evolving demands and expectations of users. To perform at their best, these services need frequent care and attention from a service provider — something traditional government contracting models don't always account for.

Public-Private Partnerships

Public-private partnerships have the potential to fundamentally redefine the current contracting paradigm. It's an approach state governments have been leveraging for decades to harness the expertise of the private sector while also meeting balanced budget mandates.

In these partnerships, the private-sector provider makes the initial financial investment to stand up a service. The private-sector provider works in close collaboration with the agency to create and build a digital service that citizens and businesses will use.

The incentive for the private-sector provider to create a robust service that is continually improved upon is high as the company is only reimbursed through small

transaction fees paid for by users of the service.

Transaction-Based Contracting

Use of transaction fees to deliver digital services is commonplace in the private sector and across state governments. It's a service delivery model often called transaction-based contracting in the federal government.

Utilizing modest efficiency fees for the delivery of federal government digital services — transaction-based contracting — creates a public-private partnership that would work for any agency that offers services with a transaction component directly to the public.

Services like registrations, filings, licenses, permits, and reservations provided by agencies responsible for land management, transportation, judicial proceedings, and health care are all instances in which transaction-based contracts could be used to deliver government digital services.

The end result for the government is a low-investment, low-risk relationship with a private sector partner that is held accountable the life of the service and thereby committed to its success.

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USING TRANSACTION-BASED CONTRACTING TO DELIVER DIGITAL SERVICES

NIC has been engaging in public-private partnerships to deliver transaction-based services for 25 years — helping government agencies provide intuitive digital services at little to no cost. For each of the examples below, the government received immediate benefits without having to make an upfront financial investment.

National Park Service: YourPassNow

Until 2016, consumers were limited in the ways they could purchase an entrance pass to a national park. Visitors would need to show up at a brick-and-mortar establishment or wait in line at a park gate and purchase a physical pass.

Through a transaction-based contract with NIC, the National Park Service now conveniently offers park entrance passes for purchase online at www.yourpassnow.com, a mobile-friendly, responsively designed website, with no need to download an app or register for an account.

But convenience is not the only benefit the YourPassNow digital

platform offers. For federal land management agencies that offer passes, permits, or licenses for recreation on public lands, YourPassNow serves as a valuable new way to collect the revenues needed and used to protect and maintain our nation's most treasured places.

And YourPassNow serves another important function as well — it allows these agencies to detect and prevent fraud, waste, and abuse through a credential validation feature that requires no internet connection to use.

YourPassNow is a powerful tool that provides a new level of recreation access on America's public lands. And any land management agency can use it.

Federal Motor Carrier Safety Administration: Pre-Employment Screening Program

When commercial motor carriers hire drivers, they need quick and easy access to their crash and inspection histories to make informed hiring decisions. This information used to only be available through a Freedom of Information Act (FOIA) request — an often time-intensive process.

In 2005, an unfunded congressional mandate required the Federal Motor Carrier Safety Administration (FMCSA) to improve highway safety by increasing motor carrier and passenger carrier access to existing safety data.

As a result, FMCSA used a no-cost transaction-based contract to partner with NIC and deliver the Pre-Employment Screening Program (PSP).

NIC provides full operational support, customer service, maintenance, enhancement, and promotion of PSP at no cost to FMCSA. Since contract start, PSP website traffic has increased by 20 percent each year, the user base has increased by 300 percent, and the program has won nine national awards.

A recent FMCSA study found that carriers using PSP prevented 863 commercial motor vehicle crash occurrences and on average, reduced their crash rates by eight percent.

PSP is helping FMCSA improve the safety of commercial motor vehicles and ultimately saving lives on America's roadways at no cost to the government by using an innovative contracting model for digital service delivery.

HOW NIC CAN HELP

Using public-private partnerships coupled with an innovative contracting model to deliver transaction-based services supports the federal government's digital mission.

Risk and accountability is transferred from government to the private sector and contracting partners are incentivized to actively enhance and promote services to drive adoption rates, eliminating the "build it and forget it" mind-set.

This ensures there are no change orders, maintenance costs, or other unexpected contract requirements, all amounting to cost savings and increased efficiency for the federal government.

For 25 years, NIC has been inspiring digital government innovation. We are driven by a guiding principle — to be the best partner government has ever worked with. Through our public-private partnerships, we strive to enhance the digital government experience for all. And our approach to digital service delivery using transaction-based contracting provides efficiency for our government partners by minimizing risk, cost, and oversight requirements.

Learn how your agency can benefit from public-private partnerships and transaction-based contracting today. Visit www.nicfederal.com for more information.