EXECUTIVE MANAGEMENT AND AUDIT COMMITTEE JANUARY 15, 2003

SUBJECT: STREAMLINED PROCESS FOR LAUSD STUDENT PASSES

ACTION: RECEIVE AND FILE

RECOMMENDATION

Receive and file the report on options for streamlining the student pass program.

ISSUE

In response to Director Burke's motion on August 21, 2003, staff has reviewed the current student ID program, has met with representatives from the Los Angeles Unified School District (LAUSD) and has reviewed alternative approaches to improve the process for students seeking to obtain MTA student IDs and transit passes.

BACKGROUND

MTA provides two reduced fare programs to students: the \$20 monthly pass for eligible K-12 students; and the \$30 monthly pass for college and vocational students.

Students participating in the reduced fare program must submit an application for an MTA-issued photo ID card. The application process requires students to provide their name, mailing address, a full-face photo, and verification from their school along with a \$1.00 processing fee. The photo ID card is valid for one-year and allows the student to purchase a monthly reduced fare student stamp for \$20.00 or \$30.00. The MTA photo ID cards are necessary to avoid fraudulent use and issued by the MTA because schools do not issue standard ID's to students if they issue them at all. Currently, 5 percent of the LAUSD's student population requests a Student ID card for each school year.

The most common complaint surrounding this program is the application processing time. Prior to July 2002, there were considerable delays in getting the cards to students due to manual processing by a third party vendor. Since that time, an automated digital ID card system has been implemented and the vendor is now required to generate and mail student ID cards within five business days of receipt. The process can take up to 10 to 15 business days due to batch processing and handling issues. The longest delays, however, occur typically because of incomplete or inaccurate applications. These applications have to be returned and corrected.

incomplete or inaccurate applications. These applications have to be returned and corrected. Currently, 75% of all applications mailed in by individual students are acceptable. Some schools have programs that assist students in completing applications. Oddly, these applications have only a 40% acceptance rate. About a year ago, MTA and LAUSD Staff met several times to develop some options to address these delays, including allowing the school to collect the \$1.00 application fee and also to sell monthly stamps. However, some issues concerning the commission rate remained unresolved, and the talks were tabled at that time.

In the last several months, MTA Staff has been meeting with LAUSD representatives to help streamline the application process. Some of the concepts that have been developed in the meetings include the following:

- Extending the validity of the ID card from one year to multiple years.
- Establishing a mobile ID center (possibly the Metro Experience) to provide IDs at campuses.
- Implementing a pilot programs that moves greater responsibility to school administrators.
- Providing monetary incentives (sales commissions) for schools that participate.
- Adjusting age limits and ID policies to lighten requirements for younger students.
- Moving to a "student" fare or creating a specific "Student" monthly pass that could be purchased at retail outlets.
- Incorporating electronic transfer of data and leveraging schools' on-line capabilities.
- Increasing communications to students.
- Simplifying forms and/or requiring less information from applicants.

Staff is continuing to research options as it works with representatives from the LAUSD.

The barriers and/or challenges in moving forward include: available technology; MTA's willingness to compensate schools; the schools' ability to accept administrative responsibility; and the apparent tradeoff of simplicity versus security (i.e. the easier it is for students to obtain passes, the higher likelihood of abuse).

NEXT STEPS

Work proactively with LAUSD representatives to further develop acceptable alternatives.

Bring forward recommendations to MTA and LAUSD Boards.

Implement pilot program in 2004.

Report back progress.

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Prepared by: April McKay, Executive Manager Gail M. Harvey, Executive Manager

Matt Raymond

Chief Communication Officer

Roger Snoble

Chief Executive Officer

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