

**PLANNING & PROGRAMMING COMMITTEE
FEBRUARY 14, 2007**

**SUBJECT: QUARTERLY UPDATE ON IMPLEMENTATION
OF IMMEDIATE NEEDS TRANSPORTATION
PROGRAM AUDIT RECOMMENDATIONS**

ACTION: RECEIVE AND FILE

RECOMMENDATION

Receive and file this quarterly update on the implementation of the Immediate Needs Transportation Program (INTP) audit recommendation.

ISSUE

Thompson, Cobb, Bazilio and Associates (TCBA) audited the INTP, and we presented the audit results and our own follow-up results to the Board of Directors in May 2006. At that time, the Board directed us to report progress quarterly on implementation of the audit recommendations. This is our second quarterly update.

DISCUSSION

Metro established the INTP in May 1992 and has budgeted \$5 million annually to the INTP since 1993. Metro has allocated \$2.5 million each to the First African Methodist Episcopal Church (FAME) and the International Institute of Los Angeles (IILA) to administer the program. In total, the two brokers work with approximately 600 agencies to distribute taxi vouchers and bus tokens to persons with limited other transportation resources. Taxi vouchers and bus tokens are used for trips to medical, shelter, case management, job search/job interview, food and other essential destinations.

Update on the Progress on the Implementation of Audit Recommendations

In our last report, we informed the Board of Directors that we formed a working group to review and revise various elements of the INTP as the audit recommended. The working group includes representatives from the City of Los Angeles, Department of Transportation, City of Monterey Park, Shelter Partnership, Jewish Family Services, FAME and IILA, who helped review the program.

We also presented a matrix indicating the status of the tasks necessary to review and revise the program. The following matrix is an update that indicates the progress to date on the tasks and schedule presented in our last report.

Tasks	Timeline	Progress to Date
Establish working group consisting of Metro staff and stakeholders	July 2007	Completed. Working group was formed in August and since then five meetings held.
Review and strengthen the taxi company agreements	July 2006 to September 2006 to develop language. Brokers to incorporate into taxi agreements as quickly as possible	Development of new language is being finalized and is expected to be completed within next 30 days. The new language stipulates more severe penalties by brokers for inaccurate billings received from taxi companies. A progressive sanctioning process begins with probation at the first offense and escalates to monetary sanctions, suspensions and possible expulsion from the program. Once the language is finalized, the agreements with taxi companies will be revised to reflect the new language. Staff will also include stricter eligibility requirements for using variable taxi vouchers. The INTP will also be audited every year beginning FY 2007.
Review the mission statement and clarify the eligibility criteria	July 2006 to September 2006	Completed. The working group has finalized the mission statement and eligibility criteria as follow: Mission Statement – To provide supplemental transportation assistance to individuals with limited resources to meet their basic human needs. Eligibility Criteria – Los Angeles County residents who meet the Los Angeles County poverty guidelines and who would be using the INTP fare media to meet their basic medical, shelter/housing and job search

Tasks	Timeline	Progress to Date
		needs. Once the new program is in place we will initiate a teaming process for the distributing agencies.
Re-evaluate the mix of the token and taxi program based on the program's mission and target population	January 2007	Completed. The working group evaluated the mix of the token and taxi program and, based on the survey conducted, it concluded that on a trial basis the distribution of taxi coupons/vouchers should be limited to 35% and bus tokens should be increased to 65%. This change would be effective fiscal year (FY) 2008, which will constitute the trial period. The final ratio will be determined based on data gathered during FY 2008 and will be implemented in FY 2009.
Explore coordination and streamlining opportunities to minimize duplication with other programs and improve effectiveness of the program	July 2006 to January 2007	Completed. The working group has reviewed the scope of the other programs and, in defining the eligibility criteria, has made efforts to minimize duplication with other programs. New eligibility criteria do not allow the use of the INTP media for the rides or riders eligible under other programs. Based on the revised mission statement and eligibility criteria, INTP guidelines will be revised by June 2007 to include provisions to avoid overlaps and minimize duplication. We will monitor participating agencies to ensure that they are following the revised INTP guidelines. Any remaining areas of duplication will be further addressed through other revisions of the eligibility criteria and the corresponding guidelines. Staff will also reassess the administrative fee paid to the

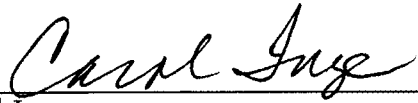
Tasks	Timeline	Progress to Date
		brokers and develop a cost methodology for allocating indirect expenses once the new program requirements are in place.
Consider procuring agency(ies) to administer the program	February 2007 to October 2007	Now that all the above-mentioned tasks are completed, we have started working on this task.
Board approval to award contract	July 2008 (new budget year)	Waiting for completion of the tasks mentioned above.

NEXT STEPS

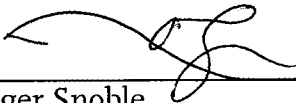
We will continue to work with the working group to implement the audit recommendations. We also will report on the progress made in our next quarterly report for May 2007.

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