

## **SUMMARY**

### **Fraud Controls in the Paratransit Zero-Fare Metrocard Program MTA/OIG #2014-10**

In June 2012, in an effort to reduce costs, the MTA Board authorized Paratransit to establish a Zero-Fare MetroCard program (Zero-Fare). The concept of the program, offering free travel to AAR-eligible customers on fixed route service (subways and buses), is that by encouraging customers to use mass transit instead of individualized AAR services whenever feasible, Paratransit would save the cost of providing those AAR services, which average \$66 per trip.

In approving the Zero-Fare program, NYC Transit and the MTA Board expected that strong controls and oversight would be developed, implemented, and enforced to limit fraudulent use of the new Zero-Fare cards. At that time, Paratransit promised the Board that proper controls would be in place. The audit report, however, concludes that the agency has not yet created the comprehensive system of controls that it promised when the program was first proposed.

#### **Press**

[NY Post 10/1/14 – Free MetroCard program has led to rampant abuse: report](#)

[NY Daily News 10/1/14 – Vast fraud uncovered in free MetroCards given to Access-A-Ride customers: MTA Inspector General](#)

[AM NY 10/1/14 – Free paratransit MetroCard program rife with fraud: report](#)