

Action Item - 21

Board of Education Meeting Date: 6/26/2025

Title: Parent Flat Rate Payment for Transportation Expenses (\$191,100,000)

Action Under Consideration:

The Administration recommends that the Board of Education authorize The School District of Philadelphia, through the Superintendent or his designee, to reimburse parents of eligible students for transportation expenses, subject to funding, as follows:

Purpose: Flat rate monthly payment to households for their child's transportation expenses to and from school

Start Date: 9/1/2025

End Date: 6/30/2030

Compensation not to exceed: \$191,100,000 and broken out by fiscal year below:

- FY26: \$36,000,000
- FY27: \$37,080,000
- FY28: \$38,260,000
- FY29: \$39,340,000
- FY30: \$40,420,000

Location(s):

All schools

Description:

The Department of Transportation Services is seeking a continuation of the 2024–2025 Board Authorization to provide a flat rate of \$300/month, up to \$3,000/year per household, for eligible students who opt out of bus, van, or cab service to/from school.

Additionally, parents or guardians have the option of receiving a flat rate payment of \$150/month, up to \$1,500/year per household, for eligible students who opt out of bus, van, or cab service in the morning only but continue to use the service in the afternoon.

The requested authorization of \$191,000,000 will fund transportation for eligible families for five years during the 2025–2030 school years.

Approximately 15,000 families and 18,000 students are participating in the program during the current school year.

Why is this contract needed?

The Parent Flat Rate Payment for Transportation Expenses is needed to provide an alternative transportation option to families impacted by the national bus driver shortages.

How is this work connected to the District's plan to achieve Goals & Guardrails?

This work directly supports the Board of Education's Guardrail 1. Welcoming and Supportive Schools.

Does this Action Item support a specific strategy/intervention identified in the Strategic Plan?

This Action Item supports a specific strategy identified in the Strategic Plan, Accelerate Philly. The Parent Flat Rate Payment for Transportation Expenses aligns with the strategic priority to "Deliver Efficient, High-Quality Operations," specifically the intervention to expand transportation options to improve service availability and reliability. By offering families a financial incentive to transport their children to and from school, this program addresses ongoing operational challenges caused by the national school bus driver shortage. It provides a reliable alternative for families, helps reduce the demand on limited bus capacity, and enhances the District's ability to maintain consistent transportation services. Additionally, the initiative supports the broader goals of equity and accessibility by enabling transportation to remain a bridge to educational opportunity for all students, even in the face of staffing shortages.

If this is the continuation of a contract, how has success been measured in the past and what specific information do we have to show that it was successful?

The success of the Parent Flat Rate Program is measured by participation levels, cost efficiency, and parent feedback. Currently, over 15,000 families are enrolled in the program, demonstrating strong interest and widespread adoption as an alternative transportation option. Parent feedback, collected through the District's Let's Talk platform, provides valuable insight into the program's effectiveness and parents' satisfaction. Financially, the program offers a cost-effective solution, with an annual cost of \$3,000 per student compared to \$3,300 for yellow bus service. These indicators show that the program eases pressure from the national driver shortage.

Related resolution(s)/approval(s):

February 29, 2024 No. 22

Funding Source(s):

FY26 Operating
FY27 Operating
FY28 Operating
FY29 Operating
FY30 Operating

Office Originating Request:

Operations - Transportation Services