



Transportation Incentive Program (TIP) Outside the National Capital Region (ONCR)

**Vanpool Risks
Department of Transportation Funds Recovery Conference**

Presented by Joshua Coover

July 25, 2012

Department of the Navy

Transportation Incentive Program (TIP) - Outside the National Capital Region (ONCR)

Background

- Department of the Navy Civilians and Military Members
- US Navy and US Marine Corps
- Outside the National Capital Region
- 22,000 participants
- 200+ local reviewing officials
- 500-700 new enrollment applications each month

Guidance

- Executive Order 13150 of April 21, 2000

*“Under this program, agencies shall provide their qualified Federal employees, ... transit passes... **in amounts approximately equal to employee commuting costs**, not to exceed the maximum level allowed by law.”*

- Department of Defense Instruction 1000.27 (page 9)

*“Claims for the MTBP shall be based solely on **costs associated with the use of a [qualified means of transportation] to and from the worksite** in conjunction with employment in the Department of Defense.”*

- Department of the Navy TIP Program Guidelines (page 1)

*“DON members are eligible for reimbursement up to the maximum benefit per month (parking fees are not included) **in qualified mass transportation costs not to exceed actual expenses**. Participants must accurately claim an amount that reflects their usage rate—failure to do so will result in fraudulent certification on the application and is subject to criminal prosecution.”*

Vanpool Risks

1. Price confusion causes participants to over certify their actual commuting cost
2. Inaccurate commuting cost certifications lead to large credit balances on vanpool invoices
3. Inaccurate commuting cost certifications lead to stockpiled benefits
4. Price collusion among vanpool operators to charge the maximum benefit leads to the government paying an above-market rate for vanpools
5. Participants not riding the vanpool on a regular basis leads to the government paying for services that are not being used

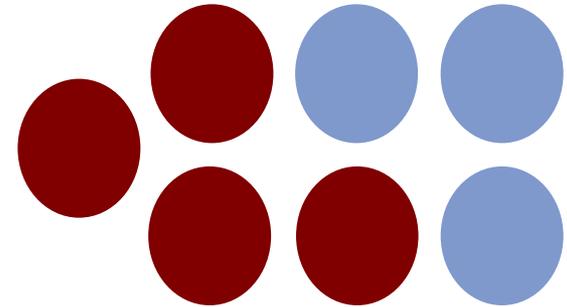
Risk #1 – Price confusion causes participants to over certify their actual commuting cost

Problem:

- How much do vanpools cost? Do I divide the cost by the number of people in the van or the number of seats?
- Can I include gas costs, car washes, insurance deductibles, pizza parties, haircuts, etc?
- Government was paying for vanpool seats that were always empty

Internal Controls:

- Limit individual commuting cost to the van lease plus the gas divided by the number of seats
- Require reviewing officials to review invoices to substantiate commuting cost



- RIDERS REGISTERED IN THE VANPOOL
- EMPTY SEATS PAID FOR BY THE GOVT

Risk #2 – Inaccurate commuting cost certifications lead to excess credit balances on vanpool invoices

Problem:

- Reviewed 105 vanpool invoices
- Significant credit balances were discovered on 69 of the 105 invoices
- Commuting cost certifications were not substantiated with documentation

Internal Controls:

- Require reviewing officials to review invoices to substantiate commuting cost and identify credit balances
- Any credit balance that exceeds \$200 must be returned the Federal government

INVOICE NUMBER 1691263

If writing about this invoice refer to the number above.

Invoice Date: 01/17/2011

Vehicle Number: 28387

Payment Must Be Received By: February 5th

Amount Due: \$ -20,663.36

Enclosed \$ _____

P.O. Number	Center Code	Vehicle Number
	0005101	28387

Total Vehicle Adjustments and Other Charges (cont'd)

Collected over \$300,000 in credit balances in FY11

Risk #3 – Inaccurate commuting cost certifications lead to stockpiled benefits

Problem:

- Reviewed 105 vanpool invoices
- Only 69 of the 105 invoices had a credit balance; 92 of the 105 should have reflected credit balances
- Participants were stockpiling benefits

Internal Controls:

- Educate participants and reviewing officials on program policy
- Review invoices for voucher payments in excess of distributed amounts

OFFICE OF THE ASSISTANT SECRETARY OF THE NAVY
FINANCIAL MANAGEMENT AND COMPTROLLER
OFFICE OF FINANCIAL OPERATIONS

TRANSPORTATION INCENTIVE PROGRAM NEWSLETTER
OUTSIDE THE NATIONAL CAPITAL REGION

ISSUE:
DECEMBER 2011

UPCOMING ENROLLMENT DEADLINES:

Next:
Friday, December 16, 2011

Future:
Thursday, January 19, 2012
Thursday, February 16, 2012



QUESTION OF THE MONTH:

When does an updated new command registration form need to be submitted?

A new command registration form should be submitted any time a Command identifies a new Point of Contact (POC). In addition, all POCs have been asked to submit an updated form to the Office of Financial Operations by 31 December 2011 via fax or email. Forms can be found at: http://www.fmo.navy.mil/docs/SERVICES/TIP/NewCommandRegistration_2011_08_01.pdf

RETURNING BENEFITS

When benefits are distributed, participants must either use them for the month they were intended for, or return them to the Department of Transportation (DOT) for a credit. Excess funds may not be stored away for "rainy days." With the maximum benefit reducing to \$125 beginning in January 2012, some participants may need to cover some of their commuting expenses out-of-pocket. When commuting costs are greater than the maximum benefit, participants are not allowed to use vouchers they have accumulated from a prior period to offset these out-of-pocket costs. While this should not be an issue, as all unused benefits are to be returned each month, if any outstanding vouchers are floating around, they must be returned immediately.



Any vanpool credit balances exceeding \$200 (the maximum that is allowed per program guidelines), must be refunded and returned to the Office of Financial Operations by the end of the year. All participants are encouraged to check with their vanpool company and review their invoice to ensure that they have not been overpaying and do not have a balance exceeding \$200.

Transportation Incentive Program (TIP) Points of Contact (POCs) are required to institute internal control procedures to ensure program guidelines are being followed. One way to implement these controls is to monitor credit balances by requiring participants to submit vanpool invoices on a monthly basis. POCs can then reconcile the invoices against the certification logs to ensure that the participants are using the vouchers in accordance with program policy. The amount of TIP benefits used to pay for the vanpool should never be more than the amount the vanpool participants received for that particular period. For example, if ten participants each receive three \$120 TIP vouchers to ride in a vanpool for January, February and March, the invoice for January should reflect ten \$120 TIP vouchers (not eleven and not nine). Beginning in January, invoices should not reflect more than \$125 per person in voucher payments. (Additional out-of-pocket payments may be required to pay the remaining balance on the invoice. These cash, personal check, or debit/credit card payments are typically easily identified because the amount is distinct from standard voucher amounts.)

The Office of Financial Operations is currently conducting internal control reviews at programs across the nation and have found that some invoices reflect payments with more vouchers than were distributed for a given period. This is strictly prohibited by program policy. Prior period benefits cannot be used to purchase mass transit in a future period. The unused benefits must be returned to DOT. Please ensure that all participants understand that any excess benefits should be returned to the POC, and all POCs should return the unused benefits to DOT for credit.

UP-TO-DATE APPLICATION



It is the responsibility of the participant to ensure that they have an up-to-date Transportation Incentive Program (TIP) application on file with their local Point of Contact (POC). Many participants have been involved with the TIP for many years and have had several local POCs come and go during this time. While the Office of Financial Operations is working with POCs to ensure accurate applications are maintained locally, participants are encouraged to check with their POC and make sure that they have an up-to-date application on file. Participants are only eligible for the amount that they have certified to on their most recent application or change form. POCs should review their applications on a regular basis to ensure that the certified commuting cost equals the amount the participant receives as his or her monthly benefit.

IMPORTANT REMINDER:

The Department of Transportation (DOT) has mailed out all January-March benefits as of 30 November 2011 for active participants. Points of Contact (POCs) should have received the DOT mailing by 1 December. If any POC has not received their benefit mailing yet, please contact Keesha Perry at DOT. Benefits for new enrollees for January will arrive no later than 27 December.

**DEPARTMENT OF THE NAVY
OFFICE OF FINANCIAL OPERATIONS CONTACT INFORMATION**

PROGRAM MANAGER:
Joshua Coover
joshua.coover@navy.mil
202-685-0399

PROGRAM ASSISTANT:
Jimmy Morrow
james.morrow.ctr@navy.mil
202-685-0374

MAILING ADDRESS FOR MONEY ORDERS:
Director, Office of Financial Operations
720 Kennon St., SE, Bldg 36, Rm 115
Washington Navy Yard, DC 20374-5025
ATTN: Transportation Incentive Program

FAX: 202-685-6765
E-MAIL ADDRESS: M_WNYD_TIP@navy.mil
WEBSITE: <http://www.fmo.navy.mil/services/tiptip.htm>

**DEPARTMENT OF TRANSPORTATION
TRANSERVE CONTACT INFORMATION**

DOT AGENT:
Keesha Perry
keesha.perry@dot.gov
202-366-0254

DOT ALTERNATE AGENT:
Tina MacAulay
tina.m.macaulay.ctr@dot.gov
202-366-5491

MAILING ADDRESS FOR RETURNING VOUCHERS
DOT/TRANServe
1200 New Jersey Avenue, SE
Room W12-150
Washington, DC 20590
ATTN: Budget & Finance Office
FAX: 202-493-2436



Risk #4 – Price collusion among vanpool operators to charge the maximum benefit leads to the government paying an above-market rate for vanpools

Problem:

- 800 TIP vanpool participants at one location used an independent, employee-owned vanpool
- Vanpools charged \$120 per person up until April 2009
- Vanpools increased their rates to \$230 when the maximum benefit increased
- Most vanpools in other cities in the region charged significantly lower rates

Internal Controls:

- Reviewing officials can determine if a commuting cost is reasonable
- DON conducted a pilot using a vanpool pricing chart based on mileage to assist reviewing officials

Transportation Incentive Program
Outside the National Capital Region
Vanpool Benefit Chart - Cherry Point, NC

Roundtrip Mileage	7 Passenger Van	15 Passenger Van
<30	\$65.00	\$40.00
35	\$75.00	\$45.00
40	\$85.00	\$55.00
45	\$95.00	\$60.00
50	\$105.00	\$65.00
55	\$120.00	\$75.00
60	\$130.00	\$80.00
65	\$140.00	\$85.00
70	\$150.00	\$95.00
75	\$160.00	\$100.00
80	\$170.00	\$105.00
85	\$180.00	\$115.00
90	\$195.00	\$120.00
95	\$205.00	\$125.00
100	\$215.00	\$135.00
105	\$225.00	\$140.00
110	\$230.00	\$145.00
115	\$230.00	\$155.00
120	\$230.00	\$160.00
125	\$230.00	\$165.00
130	\$230.00	\$175.00
135	\$230.00	\$180.00
140	\$230.00	\$185.00
145	\$230.00	\$195.00
150	\$230.00	\$200.00
155	\$230.00	\$210.00
160	\$230.00	\$215.00
165	\$230.00	\$220.00
170	\$230.00	\$230.00
175	\$230.00	\$230.00
180	\$230.00	\$230.00
185	\$230.00	\$230.00
190	\$230.00	\$230.00
195	\$230.00	\$230.00
>200	\$230.00	\$230.00

Planned Program Improvements

- Online enrollment application
- Automated validation process
- Monthly claims and certification process

The screenshot shows the FMO Transportation Incentive Program website. The header features the FMO logo (Office of Financial Operations) and the program title: "TRANSPORTATION INCENTIVE PROGRAM OUTSIDE THE NATIONAL CAPITAL REGION". The background of the header includes icons for a car, bus, train, and subway, along with a network diagram. The main content area is divided into two columns. The left column is for "Navy and Marine Corps Military and Civilians" and the right column is for "Supervisors, Reviewing Officials, Program Office Personnel". Both columns have a "Click Here" button. Below the buttons, there is a "Login Problems" section with a text box containing instructions on how to contact support.

FMO Office of Financial Operations

TRANSPORTATION INCENTIVE PROGRAM
OUTSIDE THE NATIONAL CAPITAL REGION

Navy and Marine Corps Military and Civilians
To enroll or update your information

Click Here

Includes Active Duty, all Reservists, Civilian (including NAF and NEX) Employees.

Supervisors, Reviewing Officials, Program Office Personnel
(must have been granted access)

Click Here
(CAC Required for Access)

To perform duties for Supervisor, RO, Program Office and other related tasks.

Login Problems
If you have problems accessing TIPS, [click here](#) to send an email for assistance. Please include your name, phone number and UIC (if possible) in order for us to contact you. Please, do **NOT** include SSN/DOB.

Department of the Navy

Transportation Incentive Program (TIP) - Outside the National Capital Region (ONCR)

Resources:

- Website
- Newsletters
- Vanpool Policy Memo
- Vanpool Info Sheet

FMO Office of Financial Operations

Office of Financial Operations (FMO)
Office of the Assistant Secretary of the Navy
Financial Management and Comptroller

Home Who We Are What We Do Divisions Policies and Documents Careers Links

Home > Divisions > FMO3 > Transportation Incentive Program

Financial Services Division Quick Links

- Pay and Disbursing Operations Branch
- Military Pay
- Civilian Pay
- Transportation Incentive Program
- TIP Archived Newsletters
- TIP Document Links
- TIP Eligibility Requirements
- How to Participate
- How Tip Works
- TIP Frequently Asked Questions (FAQs)
- Email TIP
- eCommerce and Military Banking Branch
- Government Purchase Card Program Overview
- Government Purchase Card Reports, Metrics, and Policy
- Government Travel Card Program Overview
- Government Travel Card Report and Guidance

Transportation Incentive Program (TIP) - Outside the National Capital Region (ONCR)

Transportation Incentive Program Application (PDF, 668KB)

The application deadline for the August TIP distribution (for benefits that can be used in September) is **COB Wednesday, July 18, 2012**.

Future Deadlines:

- September Distribution Deadline: Friday, August 17, 2012
- October Distribution Deadline: Tuesday, September 18, 2012

Any changes (specifically amount changes) sent in by the 1st of the month will be effective for the distribution that occurs at the end of that same month, and any changes sent in after the first will be effective for the following month's distribution.

All applications MUST BE TYPED, not hand-written.

July 2012 Newsletter (PDF, 85KB)

Important Announcement!!

The Deputy Assistant secretary of the Navy for Financial Operations recently signed a memorandum revising some of the Transportation Incentive Program (TIP) for Outside the National Capital Region (ONCR) vanpool policy. The memo can be found by following the link below. In addition, a "Vanpool Information Sheet" has been created to provide a quick reference to the policy issues addressed in the memo in a more user friendly format that can printed and distributed to interested participants.

Financial Institutions
Overseas Military Banking and Credit Union Program (OMBCUP)



http://www.fmo.navy.mil/Divisions/FMO3/transportation_incentive_program.html