

U.S. Department of Transportation

Office of the Secretary



Transit Benefit Program Policy and Guidance

September 2009

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1.0 Introduction

1.1 Objective

The Transit Benefit Program is a proven means to help increase the use of mass transit. According to its 2003 study of 85 urban areas in the United States, the Texas Transportation Institute estimated that highway congestion is imposing a high cost on the national economy. The study estimated that highway congestion causes 3.7 billion hours of travel delays and potentially wastes \$63 billion per year. For example, in the ten most congested areas in the United States, congestion has been estimated to cost individual commuters between \$850 and \$1600 in lost time and fuel each year. To address this growing concern, the U. S. Department of Transportation (DOT) announced the Bush Administration's National Strategy to Reduce Congestion on America's Transportation Network, a comprehensive new national initiative to reduce congestion across our entire transportation system. Increasing transit ridership nationwide is an important component of the National Strategy for reducing congestion.

1.2 Background

DOT's Transit Benefit Program was established in 1991 when the Federal Transit Administration (FTA) began pilot testing a program, which provided up to \$21 per month in transit fare media to its employees. In 1993, as part of a national effort to improve air quality and to reduce traffic congestion, the Federal Employees Clean Air Incentive Act (FECAIA Pub.L.103-172) was signed into law permanently authorizing Federal participation in the Transit Benefit Program. The FECAIA provides for the establishment of programs, which encourage Federal employees to commute by means other than single-occupancy motor vehicles. On April 21, 2000, President Clinton signed Executive Order 13150, Federal Workforce Transportation Fringe Benefit, which sought to reduce Federal employees' contribution to traffic congestion and air pollution. The executive order called upon DOT, the Environmental Protection Agency, and the Department of Energy to implement a nationwide pilot program, specifically a "transit pass" transportation fringe benefit program, to ascertain, among other things, its effectiveness in reducing single occupancy vehicle travel and local area traffic congestion. In a 2003 final report to the Office of Management and Budget, DOT reported that the interagency group found the transit benefit to be successful in reducing Federal employees' contribution to traffic congestion and air pollution, and expanding their commuting alternatives. The report estimated that the Transit Benefit Program resulted in over 15,000 fewer single occupancy vehicles on the roads, saving over 8 million gallons of gasoline, and eliminating emissions of almost 40,000 tons of carbon dioxide from the air, as well as reducing other tailpipe emissions. In 2005, the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) required Federal agencies to implement Transit Benefit Programs for all eligible employees.

Today, participation in the Federal Transit Benefit Program has increased considerably, and its impact in terms of congestion mitigation and air quality has grown. The Transit Benefit Program's importance is particularly evident when considering specific transportation alternatives. For example, the Virginia Railway Express (VRE), a growing commuter railroad relies on the transit benefit for about 65 percent of its revenue. With FY 2006 average daily ridership of nearly 15,000 people, Federal employees' transit benefit used on VRE alone is responsible for removing a significant number of motor vehicles off the highly congested I-95 and I-66 corridors in Virginia.

Overall, the Federal Transit Benefit Program now has extensive participation. Beginning in March 2009, benefit recipients became eligible to receive a maximum of \$230 of fare media per month, with the amount received dependent on their actual mass transit commuting costs. Many of Federal agencies are now participating in the Federal Transit Benefit Program.

2.0 Definitions

1. **Amended Application.** An application for transit benefits that reflects changes in requirements.
2. **Approving Official.** Supervisor, or person of authority, required to review application for completion and reasonableness.
3. **Daily commute to and/or from work.** Using some form of mass transportation when commuting to and from work.
4. **EFM.** Electronic fare media.
5. **Extended leave.** A period greater than 90 days that a qualified Federal employee is absent from work.
6. **False Claim.** Knowingly presenting, or causing to be presented to the Government an untrue statement for payment.
7. **Fare Media.** Any transit pass, token, fare card, voucher, or similar item that can be exchanged for mass transit.
8. **Fund Certifying Official.** Supervisor in authority who reviews the funding.
9. **Integrity Awareness Training.** Electronic Learning Management System (eLMS) course clarifies transit benefit requirements through educating participants to their roles and responsibilities by providing real-life scenarios to enhance participant understanding, addressing ramifications of non-compliance and emphasizing internal controls in place to minimize fraud and abuse.
10. **Mass Transit Expense Worksheet.** A form used by a qualified Federal employee to determine the amount of transit benefits they should receive in a given month.
11. **Mass Transportation.** Public Transportation operated for use by the public (i.e., buses, subways, ferries, commuter buses, trains, and qualified vanpools).
12. **POV.** Privately owned vehicle.
13. **Qualified employee.** A Federal employee, volunteer, or intern.
14. **Qualified Ferry.** Ferries are an approved form of public transportation under certain circumstances. See Policy, page 11.
15. **Qualified Vanpool.** A highway vehicle with seating capacity for at least six adults, excluding the driver. See Policy, page 11.
16. **Recertification.** The process by which a qualified Federal employee completes the electronic application process to confirm his or her eligibility to continue to receive the transit subsidy.
17. **Self Certification.** Certification that occurs during initial application, change in application and recertification, whereby the employee reads the certification statement and agrees to abide by it.
18. **Self Certify.** Participants are required to self certify the amount they spend each month and recertify annually in order to receive the transit benefit.

19. **Transit subsidy.** A nontaxable transportation fringe benefit providing employees with vouchers or other fare media when they leave their POV to commute via mass transit to and/or from work.

3.0 DOT Policy

This agency supports programs that improve air quality and reduce traffic congestion. The agency will provide a non-taxable subsidy designed to encourage its employees to use mass transportation for their daily commute to and/or from work by mass transportation methods.

- The Transit Benefit Program is available to all qualified Federal employees (See Section 2.0 Definitions).
- This policy and guidance applies to the Federal Aviation Administration (FAA). The FAA, while a DOT entity, administers its own Transit Benefit Program instead of using TRANServe for this service
- Employees must display a valid Federal identification card before the transit subsidy is issued at on-site distribution.
- Employees must use the transit benefit for their daily commute to and/or from work via public mass transportation. Only the mass transit portion of an employee's commuting cost is subsidized. Indirect costs, such as gas, mileage, parking, or an employee's payments for a personal or leased vehicle, is not included as part of the cost qualifying for the transit benefit. This statement is for individual participants. It does not apply to designated primary operators of a vanpool. Designated primary operators of a vanpool should refer to bullet #20 for vanpool regulations.
- Employees receive a non-taxable subsidy in the form of "fare media" that can be used toward public transportation commuting costs. The employee is responsible for any subsequent transit cost over the maximum subsidy authorized.
- Overestimating transit costs, giving or selling the transit benefit to others, or purchasing fare media from another is prohibited.
- Participants are not permitted to accumulate fare media in excess of their actual monthly commuting costs. Benefits may be issued in advance of the time period they will be used, with the stipulation that unused benefits are deducted from those required for the following month.
- Once fare media is issued, it remains in the personal possession of the employee who is responsible for its safekeeping. Lost, stolen, or damaged fare media will not be replaced.
- Within the National Capital Region (NCR), all employees receiving the transit benefit and using Metrorail, Metrobus, or a registered vanpool are required to have their transit benefit downloaded to a registered SmarTrip® Card. Commuters that use a combination of transit systems, of which one does not take or use electronic fare media (EFM), are not required to use EFM until they become available.
- All transit benefit recipients are required to self certify the amount they spend each month and recertify annually in order to receive benefits. The transit benefit is tied to the calendar month and will not be issued retroactively.
- All transit benefit participants are required to complete Integrity Awareness Training. At a minimum, the training must be taken annually during recertification or whenever a change is made to the benefit.

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- Employees who misuse transit subsidies are subject to appropriate administrative action including discipline and disqualification for future transit benefit. Disciplinary penalties could range from a letter of admonishment to removal from Federal service depending on the severity of the abuse. Facility Directors and Modal Transit Benefit Coordinator are authorized to disqualify employees under their jurisdiction who have been determined to have misused the transit subsidies. Instances of fraud or possible fraud will be referred to the DOT Office of the Inspector General.
 - Approving Officials, Supervisors, and/or the Transit Benefit Program Coordinator must confirm or verify the employee worksheet.
 - DOT employees who travel to work in a single occupancy vehicle, carpool, airplane, or any vehicle other than mass transit are not eligible for the transit benefit.
 - When participating employees are on **extended leave** of 90 days or more, they are required to remove themselves from the program and reapply when they return.
 - In the regions, there may be occasions where the available voucher denominations do not precisely match the cost of a ticket. In cases where the voucher amount is \$2 or less over the actual ticket amount and there are no other denomination options available, the additional cost is acceptable.
 - Employees named on a federally subsidized workplace motor vehicle parking permit are not eligible to participate in this program. The phrase, “named on a federally subsidized workplace permit,” is defined as an individual who drives a privately owned or leased vehicle or is a passenger in such a vehicle and who parks in a federally subsidized parking area. Any government-provided, owned, or leased parking area is considered federally subsidized.
 - Managers may determine that it is necessary to agency operations for selected employees to use federally subsidized parking areas because of changes in their work schedules or in exigent circumstances. Accordingly, participants of the Transit Benefit Program may request authority to use the facility parking areas on an extremely limited basis, at the discretion of, and under procedures established by the Modal Transit Benefit Program Coordinator. Managers are strongly encouraged to limit this authority to no more than two times each month for individual employees. Employees may request authority for limited use of federally subsidized parking areas from the Parking and Transit Office.
 - Ferries are an approved form of public transportation under certain circumstances. They are not approved, as a means of shuttling a participant’s POV from one point to another where the completion of the journey to an individual’s duty station is completed in the POV. The Federal Transit Benefit Program covers “walk on” fares only. This would include individuals who park their POV and walk on to the ferry. At the debarkation point, the ferry rider would walk to work, use a public transit connection, or make other arrangements at his/her own expense. Individuals who ride bicycles on to the ferry and then use the bicycle to complete the journey to their duty station are eligible to claim transit benefits to cover the pedestrian fare rates of the ferry. Approved vanpools and their riders are eligible to claim ferry ticket costs and may include the cost of the van.
 - Qualified Vanpool is a highway vehicle with seating capacity for at least six adults excluding the driver.

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- Each vanpool will designate a primary operator who will be responsible to ensure that the minimum requirements are met and will be the designated permit holder. One alternate operator may be named.
 - The primary operator may not apply for the transit benefit. All other Federal employees in the vanpool, including the alternate, are eligible to collect the transit benefit.
 - Transportation of employees to and from work must represent 80% of the usage of the van. Vanpools may be made up of Government and non-Government employees.
 - According to the IRS Regulation 26 CFR1.132-9 – Qualified transportation fringes – General Rules – Q3 A3(b)- ... A qualified vanpool service must be “provided by any person in the business of transporting persons for compensation or hire in a highway vehicle with a seating capacity of at least 6 adults (excluding the driver).”
 - Vanpools may be privately owned, operated by a transportation company or a public transportation provider. In the NCR, vanpools are required to register with the local transportation authority in order to be eligible to receive and negotiate vouchers.
 - Individual Federal employees are eligible to start up a private vanpool. Private vanpools are subject to the same criteria as all other vanpools. When a private vanpool meets the established criteria, riders are eligible to receive the transit benefit. Private vanpools operated by Federal employees are in no way connected with or sanctioned by the Federal government.
 - The primary operator will provide an application to include a list of active participants to the agency parking transit offices. The application will include clear language defining the eligibility and program rules for vanpools. It is the responsibility of the primary operator to keep the application updated, and to submit an updated list of participants each time information changes. This information must be provided within five (5) business days of any changes. Failure to comply with these guidelines will render the vanpool ineligible to receive the transit benefit.
 - Vanpool riders may not use their transit benefit to “hold” a seat for a period of 30 days or more. Employees may only collect the transit benefit when they are actively riding in the vanpool.
 - Participants must withdraw from the vanpool program after 60 days of inactivity.
 - Vanpool charges must reflect reasonable costs and rates charged and must be the same for all passengers. Rates may be reduced or waived for the driver, who is not eligible to receive the transit benefit.

4.0 Roles and Responsibilities

4.1 Department of Transportation (DOT)

4.1.1 DOT TRANServe Program Office

TRANServe provides a service to DOT and other participants in the Transit Benefit Program. The role of the TRANServe Program Office is to:

- Enroll new participants.
- Distribute the Transit Benefit.
- Administer the Transit Benefit Program.
- Establish and implement Best Practices.

4.1.2 Internal Controls Officer

The Internal Controls Officer is responsible for:

- Monitoring and examining current internal controls.
- Identifying potential program vulnerabilities.
- Developing solutions for identified vulnerabilities.
- Having knowledge of existing rules and regulations concerning internal controls.
- Keeping abreast of new developments for best practices in internal controls.
- Designing training classes for TRANServe employees and DOT transit benefit participants.
- Offering training packages to federal agencies as a resource tool.

4.1.3 Modal Transit Benefit Coordinator

The agency Modes will establish Modal Transit Benefit Coordinators that will have overall responsibility for communication, coordination, and management of their respective organizations nationwide. TRANServe will provide guidance and serve as the point of contact for DOT Modal Transit Benefit Coordinators on national Transit Benefit Program questions or issues. DOT Modal Transit Benefit Coordinators will receive, review, and forward all transit applications from DOT field offices to TRANServe.

4.1.4 Agency Account Managers (AAMs)

Agency Account Managers (AAMs) have overall responsibility to manage the Transit Benefit Program for the agency. Once a Mode signs the OST TRANServe Customer Agreement, the AAM takes over the day-to-day contact with the Mode to ensure the program is implemented efficiently and effectively.

NCR distribution occurs at the DOT Headquarters building daily from 8:30AM – 4:00 PM. Using the OST Customer Agreement and the modal Point of Contact (POC), the AAM determines the location and frequency of fare media distribution for each region.

4.1.5 Budget and Finance Personnel

The agency Budget and Finance Personnel are responsible for:

- Processing returns to vendors and processing agency credits.
- Receiving shipments and program mail.

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- Researching inventory issues.
 - Procurement.

4.1.6 DOT Office of the Inspector General

The DOT Office of Inspector General (OIG) assists DOT management in providing independent oversight and investigative capability related to DOT employee participation in the Transit Benefit Program. The DOT-OIG provides centralized monitoring and initial follow up of alleged transit benefit sales on the internet in order to avoid duplication of effort within DOT.

4.2 Participants

Federal employees who participate in the Transit Benefit Program are required:

- To understand the scope and limitations of the Transit Benefit Program.
- Not to sell or transfer the benefit or make a false claim.
- To understand the penalties involved in misuse or false claims involving the transit benefit.
- Not to be named on a worksite parking permit at any Federal agency, nor otherwise participating in a carpool.
- To use their transit benefit only for their home to work transportation.
- Ensure the amount of the transit benefit received does not exceed actual monthly commuting cost by public transportation even though they receive the benefit quarterly.
- Understand that it is a violation of law to provide false or fraudulent information to obtain the transit benefit, to transfer, or to sell the transit benefit.
- To personally adjust the transit benefit amount upon changes to commuting methods, work schedules (such as extended leave or telecommuting) or change of address.
- To report cases where transit providers charge additional or excessive fees to Transit Benefit recipients to the DOT Office of the Inspector General. Employees are responsible for determining that charges represent fair market value.

4.3 Participating Agencies

TRANServe enters into a customer agreement with each of the Federal entities it services. The customer agreement is shown in Appendix D. The customer agreement specifically states that it is the responsibility of the Customer (i.e., the participating federal entity) to verify the eligibility of its employees to receive the transit benefit. This means that the participating agencies are responsible for identifying, determining the amount of eligibility, and overseeing the participation of their employees in the Transit Benefit Program. A Transit Benefit Program Partnership Agreement shown in Appendix E is also provided along with the customer agreement to outline the respective responsibilities of the partner and TRANServe.

Participating agencies have responsibility for internal controls over their employees' eligibility and in the amounts received.

5.0 Applicable Laws and Regulations

5.1 Executive Order No. 13150

Federal agencies are required by Executive Order No. 13150 to implement a Transportation Fringe Benefit Program providing qualified employees the option of excluding from gross income from certain commuting costs. President Clinton issued Executive Order No. 13150 on April 21, 2000 consistent with section 132 of the Internal Revenue Code (26 USC 132) and its implementing regulations at 26 CFR 1.132-9. For employees of Federal agencies in the NCR, the Executive Order requires agencies to provide the benefit in the form of transit passes in addition to current compensation. Specifically, section 2 of the Executive Order provides:

Federal Agencies in the (NCR) shall implement a “transit pass” transportation fringe benefit program for their qualified Federal employees by no later than October 1, 2000. Under this program, agencies shall provide their qualified Federal employees, in addition to current compensation, transit passes as defined in section 132(f)(5) of title 26, United States Code, in amounts approximately equal to employee commuting costs, not to exceed the maximum level allowed by law (26 USC 132(f)(2)).

5.2 Federal Employees Clean Air Incentive Act

Congress enacted the Federal Employees Clean Air Incentive Act (FECAIA Pub. L. 103-172) in 1993 to “improve air quality and to reduce traffic congestion by providing for the establishment of programs to encourage Federal employees to commute by means other than single-occupancy motor vehicles.” FECAIA, section 1(b), 5 USC 7905 note. Specifically, 5 USC 7905(b) provides:

- (1) The head of each agency may establish a program to encourage employees of such agency to use means other than single-occupancy motor vehicles to commute to or from work.
- (2) A program established under this section may involve such options as –
 - a. Transit passes (including cash reimbursements therefore, but only if a voucher or similar item that may be exchanged only for a transit pass is not readily available for direct distribution by the agency);
 - b. Furnishing space, facilities, or services to bicyclists; and
 - c. Any non-monetary incentive, which the agency head may otherwise offer under any other provision of law or other authority.

5.3 Section 132 of the Internal Revenue Code

Executive Order No. 13150 must be viewed in conjunction with section 132 of Title 26, United States code, Internal Revenue Code (IRC, 26 USC 132). Section 132(a) permits an employee to exclude from gross income a “qualified transportation fringe” provided by the employer. Section 132(f) (1) defines “qualified transportation fringe” as any of the following:

- (1) Transportation in a commuter highway vehicle if such transportation is in connection with travel between the employee’s residence and place of employment.
- (2) Any transit pass.
- (3) Qualified parking.

Section 132 (f) (2) also limits the amount of the benefit that can be excluded from gross income. It provides the amount of the fringe benefits that are provided by an employer to any employee which may be excluded from gross income under subsection (a)(5) as of January 2008, shall not exceed –

- (1) \$115 per month in the case of the aggregate of the benefits described in subparagraphs (A) and (B) of paragraph (f)(1) of section 132, and
- (2) \$220 per month in the case of qualified parking.

Finally, section 132(f) (5) (A) defines “transit pass” as follows:

- (1) Transit pass. The term “transit pass” means any pass, token, fare card, voucher, or similar item entitling a person to transportation (or transportation at a reduced price) if such transportation is –
 - a. on mass transit facilities (whether or not publicly owned), or
 - b. provided by any person in the business of transporting persons for compensation or hire if such transportation is provided in a vehicle meeting the requirements of subparagraph (B)(i) of section 132 (f)(5).

5.4 OMB Circular A-123 Appendix A Implementation Plans

Circular A-123 Appendix A prescribes a strengthened management process for assessing internal controls over financial reporting. Appendix A also requires a new management assurance statement specifically addressing the effectiveness of internal controls over financial reporting based on the results of management’s assessment. The initial management assurance statement for internal controls over financial reporting was required to be completed as of June 30, 2006, and reported in the Performance and Accountability Reports due November 15. The Implementation Guide provides a step-by-step process to assist agencies in complying with requirements in Appendix A, along with examples of best practices and sample templates. http://www.cfoc.gov/documents/Implementation_Guide_for_OMB_Circular_A-123.pdf.

5.5 OMB Memorandum for the Heads of Department and Agencies as “Federal Transit Benefits Program,” May 14, 2007, M-07-15

On May 14, 2007, OMB issued a memorandum to the Heads of Department and Agencies regarding the Federal Transit Benefit Program. The memorandum required agencies to implement at a minimum certain internal controls for the administration of the program. These included:

- Application Requirements
 - Employee Home Address
 - Employee Work Address
 - Commuting Cost Breakdown
 - Employee Certification of Eligibility
 - Warning Against Making False Statements on Application
- Independent Verification of Eligibility – Commuting Cost Verified by Approving Official (e.g., employee’s home address validated and commuting costs correctly calculated)

- Implementation

- Applicants Checked Against Parking Records
- Benefits Adjusted Due to Travel, Leave, or Change of Address
- Removal from Transit Benefit Program Included in the Exit Procedures.

6.0 DOT Transit Benefit Program

The agency seeks to maintain a program with extensive Federal employee participation and use of mass transit, in line with its strategic goal for congestion reduction, while having effective and useful controls in place to ensure the program accomplishes its intended results.

6.1 Approved Public Transportation Modes

- Rail (subway, commuter, light)
- Bus (transit authority, commuter)
- Ferries – approved form of public transportation when used as walk on fares or on bicycle.
- Bicycling – Federal employees who ride bicycles to and from work may claim transit benefit to cover the cost of using mass transit as part of the commute.
- Qualified vanpools

6.2 Eligibility

The DOT transit benefit is available to members of its workforce as follows:

- All DOT Federal employees working in a full or part time paid status
- All DOT interns and volunteers working in a non paid status

6.3 Program Consistency

The agency seeks to continually improve the Transit Benefit Program from the perspective of providing services to the federal agencies that participate in and support the program. The agencies participating in the program would benefit from consistency in several processes including:

- Application for benefits
- Annual recertification for benefits
- Internal controls
- Eligibility verification
- Agency Point of Contact
- Education for participants

There is an opportunity to draw from the best practices across all participating agencies to determine the most effective and streamlined method. The use of consistent processes would benefit the program across the board by reducing over program costs, improving internal controls through consistency, and increasing the ability to replicate the processes for new participants. The OMB has mandated that some of these processes be consistent, including the application for benefits and requirement for an agency transit benefit program manager.

6.4 Calculation of Benefit

It is the employees' responsibility to research the projected cost of transit fares to and from work. The DOT Transit Benefit website <http://transerve.dot.gov> provides links that can assist in the benefit estimating process. The required backup information can be printed from these websites.

Although there is no single formula for calculating monthly commuting costs, it is a generally accepted rule to multiply the daily commuting costs by the average number of workdays each month. This works well where fare rates are based on a single ride or per trip basis. In places where monthly or annual passes are the primary fare media choice, the cost is fixed. In all cases, it is the responsibility of each participant to evaluate his/her commuting pattern, determine the most cost effective and beneficial means of public transportation to meet his/her needs and then accept only the amount of benefits that are needed to cover those expenses. In some cases, the cost for commuting is higher than the maximum benefit provides. In this case, the participant will have out of pocket expenses. The Mass Transit Expense Worksheet in Appendix G must be used when calculating transit benefit requirements.

Employees must ensure that vanpool charges reflect reasonable costs and profits. For example, employees must ensure that the monthly vanpool fare is based on some reasonable methodology, e.g. the average daily round-trip mileage and the number of riders (See attached Sample Vanpool Rate Tables). Employees must ensure that vanpool rates reimbursed with the transit benefit are the same for all passengers within approximately the same commuting route and distance. Rates may be reduced or waived for the driver, who is not eligible to receive the transit benefit.

6.5 Transit Links

Transit links for major cities around the country are as follows:

Washington DC

www.wmata.com – Washington Metropolitan Transit Authority – Subway/Vanpool/Bus
www.mwcog.org/commuter/ccindex.html – Commuter Connection
www.mtmaryland.com – Maryland MTA - Bus
www.virginiadot.org – VDOT
www.vre.org – Virginia Railroad - Rail

Atlanta

www.itsmarta.com – Metropolitan Atlanta Rapid Transit Authority (MARTA) - Rail
www.cobbdot.org – Cobb Community Transit – Bus
www.co.gwinnett.ga.us/ – Gwinnett County Transit – Bus
www.187ridefind.com/html/index.htm – Atlanta Regional Commission - Vanpool

Boston

www.mbtta.com – Massachusetts Bay Transportation Authority (MBTA) – Rail/Bus
www.harboexpress.com – MBTA Harbor Express – Ferry
www.massport.com/ports/about.html Port of Boston – Ferry
www.commute.com – MassRIDES – Vanpool

Chicago

www.transitchicago.com – Chicago Transit Authority (CTA) – Rail/Bus
www.pacebus.com – Pace Suburban Bus – Bus
www.wendellariverbus.com – Riverbus–Chicago's Water Transportation System – Ferry
www.pacebus.com/sub/vanpool – Pace Bus Vanpool – Vanpool

Cleveland

www.gcrt.org – Cleveland Rapid Transit (The Rapid) – Rail/Bus

Dallas

www.trinityrailwayexpress.org - Ft.Worth Transportation Authority – Trinity Railway Express – Rail

Denver

www.rtd-denver.com – Regional Transportation District (RTD) – Subway/Rail/Bus
www.drcog.org – DRCOG RideArrangers – Vanpools

Houston

www.ridemetro.org – METRORail – Bus/Rail/Van

Los Angeles

www.mta.net – Los Angeles County Metropolitan Transportation Authority – Rail/Bus/Subway
www.metro.net – MetroRail – Rail/Subway/Vanpool
www.metrolinktrains.com – Metrolink – Rail/Subway
www.commutesmart.info– CommuteSmart – Vanpool

New York

www.mta.nyc.ny.us – MTA New York City Transit – Rail
www.mta.nyc.ny.us/mnr – MTA Metro–North Railroad – Rail
www.mta.nyc.ny.us/lirr – MTA Long Island Rail Road – Rail
www.panynj.gov/commutingtravel/path/html – PATH – Rail
www.mta.nyc.ny.us/nyct/bus – MTA Bus Company – Bus
www.mta.nyc.ny.us/libus/bus_info – MTA Long Island Bus – Bus
www.njtransit.com/ – NJ Transit – Bus
www.panynj.gov/CommutingTravel/path/html/– PATH – Bus
www.nyc.gov – Staten Island Ferry – Ferry
www.seastreak.com/seastreak – Seastreak – Ferry
www.nywatertaxi.com – New York Water Taxi – Ferry
www.nywaterway.com – NY Waterway – Ferry
www.njtransit.com – Newark AirTrain
www.panynj.gov/airtrain – JFK AirTrain

www.mta.nyc.ny.us/nyct – MTA New York City Transit – Subway
www.rioc.com – Roosevelt Island Tramway – Tram

Philadelphia

www.septa.org – Southeastern Pennsylvania Transportation Authority (SEPTA) – Rail/Bus
www.ridepatco.org/ – PATCO Speedline – Rail
www.riverlinkferry.org – RiverLink Ferry System – Ferry

San Francisco

www.sfmta.com – San Francisco Municipal Transit Authority (SFMTA) – Rail
www.acerail.com – Altamont Commuter Express (ACE Rail) – Rail
www.bart.gov – Bay Area Rapid Transit (BART) – Subway
www.caltrain.com – Caltrain – Rail
www.vta.org – VTA – Rail/Subway/Bus
www.actransit.org – AC Transit – Bus
www.samtrans.com – San Mateo County Transit District (SamTrans) – Bus
www.harborbayferry.com – Alameda Harbor Ferry – Ferry
www.goldengate.org – Golden Gate Ferry Service – Ferry
www.baylinkferry.com – Vallejo Baylink Ferry – Ferry
www.blueandgoldfleet.com – Blue and Gold Fleet – Vanpool
www.rideshare.511.org – 511 RideMatch – Vanpool
www.sfmuni.com/cms/mms/rider/cablecar.htm – Cable Car – Tram
www.sfmuni.com/cms/mms/rider/histcars.htm – Historic Street Cars – Tram
www.sfmuni.com/cms/mms/rider/trolley.htm – Trolley Buses – Tram

For additional cities go to – <http://www.transitcenter.com/TransitResources/>

6.6 Application

For DOT employees, the Transit Benefit application must be completed on-line at <http://transerve.dot.gov>. Employees are asked to confirm specific information including their complete home address as well as their permanent duty station location. Per OMB guidance, this information is verified by an official in the position of authority over the program or the employee.

The electronic application is used for new enrollees; changes affecting current participants, including changes that affect an employee's organizational code; recertification; and withdrawals to the program. This application for agency employees is found as Appendix B.

A database is maintained that identifies all eligible participants in the program that are currently deemed eligible by the agency, the original effective date of program participation, the value of fare media provided and the effective date of termination, as appropriate. Benefits are calculated using the worksheet on the top of the application. This package is reviewed by an approving official and/or supervisor and approved by the Funds Certifying Official.

6.7 Receipt of Transit Benefits

Benefit recipients can pick up transit media at the DOT Headquarters Building in the Parking and Transit Benefit Office for NCR employees. For employees at a regional location, Modal Transit Benefit Coordinators will distribute transit media locally.

6.8 Recertification

Federal employees who are participants in the Transit Benefit Program are required to recertify on an annual basis. To recertify, click on <http://transerve.dot.gov>. Failure to recertify by the deadline will result in withdrawal from the program. The certification statement shown in Appendix C is used with the initial application, recertification, and changes to the account.

6.9 Termination of Benefits

When an employee terminates Federal service or transfers to another agency, he/she must do the following:

- Return or repay excess fare media in the form of a money order
- Withdraw from the program (<http://transerve.dot.gov>)

6.10 Parking

Employees who are receiving the transit benefit may not be named on a federally subsidized parking permit nor allow their name to be used on a carpool list if that carpool parks in a federally subsidized parking lot.

6.11 Media

DOT employees in the NCR receiving the transit benefit and using Metrorail, Metrobus, or a registered vanpool are required to have their transit benefit downloaded to a registered SmarTrip® card. SmarTrip® Cards may be obtained through a Metro Commuter Store or purchased on line www.wmata.com.

Smart Benefits are mandatory for DOT employees who solely use Metrobus or Metrorail. As other transit providers retrofit their systems to accept the SmarTrip® technology, participants will be required to obtain a card for that provider. In order to receive parking discounts participating NCR employees' may supplement their SmarTrip® card with personal funds.

6.11.1 Returning Media

Media can be returned by mail or in person to the Modal Transit Benefit Coordinator. The media must be undamaged, unused, and accompanied with a completed Media Return Form found in Appendix I. In the NCR, media must be returned to DOT headquarters – Parking and Transit Office.

6.12 Reporting

6.12.1 Distribution Reports

The Transit Benefit Program maintains a certified reporting system, an Oracle database, based on information submitted on the application. Standard reports are produced for DOT customers. However, based on the data collected, there are a variety of reports available for use.

6.12.2 Activity Account Statement (AAS)

A monthly AAS will be provided with a detailed report of employee participation in the program. These reports will include a description of specific services provided that month, such as the name of the employee who picked up the transit benefit that month, the fare media expenses, vendor fees, billable

hours, travel, mailing expenses, administrative and distribution costs. The monthly reports will be sent to the modal transit benefit coordinator no later than the 25th of each month for review.

Billing records and other information will be maintained according to National Archives and Records Association (NARA) guidelines and requirements to enable the agency to comply with audit requirements. In addition, TRANServe will provide required technical consulting expertise to answer and or address audit issues that may occur.

7.0 Internal Controls and Testing

Fare media is a cash equivalent and requires an extensive system of internal controls that provide oversight for inventory maintenance and distribution activities. The system of internal controls must range from regular independent inventory counts to full quarterly audits to ensure effective inventory control. Internal controls must be tested on an annual basis and subjected to a Certified and Accredited audit by a third party every three years. The controls must be highlighted in management's assurance statement.

DOT's Transit Benefit Program created an Internal Controls Officer position in April 2007. This position heightens review of the organization's internal controls and ensures all policy and procedure requirements are effectively fulfilled. The Internal Controls Officer is responsible for maintenance and testing of internal controls for the transit benefit as well as employee awareness training.

A Partnership Agreement must be executed for any agency receiving transit benefit services from DOT's Transit Benefit Program. (Appendix E)

TRANServe will test the controls over the activities for which it performs for any agency on a yearly basis. These controls will be highlighted in management's assurance statement provided to its customers in draft form in July and final copy in September.

7.1 Secure Media

TRANServe recognizes the fare media it distributes is a cash equivalent and has an extensive system for internal controls that provide oversight for inventory maintenance and distribution activities. TRANServe uses various types of internal controls that range from weekly independent inventory counts to full quarterly audits to ensure effective inventory control. This system has been independently reviewed by security experts and auditors. The Internal Controls Officer will monitor and review DOT's internal controls and ensure that all requirements are effectively fulfilled.

7.2 Fraud and Abuse

7.2.1 Electronic Fare Media (EFM)

Effective January 1, 2008, EFM is required for all transit benefit participants within the NCR using Metrorail, Metrobus, and registered vanpools. If a card is lost, the employee can recover the benefit of the lost card simply by re-registering for a new card. The employee's monthly benefits are loaded on the card. Benefits can be downloaded at pass fare card machines.

7.2.2 Application/Estimate of Transit Benefit

Initial applications include street address, city, work location, mode of transportation costs, and commuting costs. This information, along with the Expense Worksheet and supporting data, must be reviewed and approved by a person of authority.

- The Participant must certify that information is accurate and acknowledge punitive actions may result from violations of program requirements.
- Continuing Eligibility – for the same amount originally applied for. All participating employees must update their enrollment information annually. Updates include changes to mode of transit and monthly commuting costs. In addition, the employee must verify specific information such as zip code, state, and work location. A warning is prompted.
- TRANServe will crosscheck the transit and parking systems to determine that employees are not receiving both benefits on a random basis.

7.2.3 Verification of Eligibility

The official in charge must ensure that the employee is aware of the limitations and use requirements of the transit benefit. This must be accomplished by review and approval of the Mass Transit Expense Worksheet with supporting data used to determine commuting cost.

7.2.4 Human Resources Exit Procedures

Human Resources Exit Procedures include withdrawal of participants from the Transit Benefit Program. In addition, a list must be generated by HR on a bi-weekly basis to include all employees who have separated from DOT or have been hired by a different DOT organization.

7.2.5 Distribution

At onsite distribution, check the following information:

- Government identification.
- Enrollment in the program.
- Enrollment in the Smart Benefit Program.
- Amount of benefits.

7.2.6 Parking Permit List

All agency employees who receive parking are not eligible for the transit benefit.

7.2.7 Self Monitoring

Participants are required to adjust the transit benefit as appropriate. Benefits must be adjusted when an employee changes their address, takes a vacation, is out sick, takes a leave of absence, or travels for work or for any other reason. When the amount of your transit benefit exceeds the amount you need, you must adjust your benefit.

7.2.8 Integrity Awareness Training

Integrity Awareness Training is mandatory for all employees who receive transit benefits. The training will emphasize the internal controls in place to minimize fraud and address ramifications of noncompliance.

8.0 Integrity Awareness Training

8.1 DOT Employees

All DOT participants of the Transit Benefit Program must receive and pass Transit Benefit Integrity Awareness Training each time an application for the transit benefit is submitted or amended. The Transit Benefit Program has developed an electronic learning package that is implemented through the electronic Learning Management System (eLMS). This package was pilot tested with DOT employees and reemphasizes responsibility and identifies prohibited practices such as unauthorized use by ineligible employees and inappropriate transfer of fare media. It also enumerates the potential penalties associated with inappropriate actions, which range from admonishment through dismissal depending on the circumstances. eLMS is incorporated in the DOT's on-line recertification process, so it is necessary for participants to complete the training course each year, as part of the recertification process.

A slide presentation is available on <http://transerve.dot.gov> for participants who do not have access to the eLMS training.

8.2 Frequently Asked Questions (FAQ's)

FAQ's will be posted on the DOT Transit Benefit Intranet as well as available by calling the OIG Hotline 800.488.8244 or e-mail transitbenefit@dot.gov

Questions		Answers
1	What is Fare Media?	<i>An employer- provided benefit used to encourage employees to use mass transit.</i>
2	Is the transit benefit taxable?	<i>No. The transit benefit is not taxable and does not have to be reported as income.</i>
3	I am new. What will my commute cost?	<p><i>Go to http://transerve.dot.gov Click the "DOT Employee" tab Click the "Transit Links" button</i></p> <p><i>These websites provide tools to assist you in estimating your commuting costs in the NCR. Once you have your estimated commuting cost, follow these steps:</i></p> <p><i>Go to http://transerve.dot.gov Click the "DOT Employee" tab Click the "Forms" button Click on "Transit Benefit Application and Worksheet" Click "Register" Fill out the required information, then click "Register" Type your newly created User Name and Password, and click "Log In" Select "Transit Benefit Application" Select "Enroll in the Transit Benefit Program"</i></p>

	What if it turns out my commuting cost is different than I estimated?	<p><i>Complete the information, and click “Submit”</i></p> <p><i>Go to www.transitapp.ost.dot.gov</i></p> <p><i>Click on “Transit Benefit Application”</i></p> <p><i>Click “Change an existing account”</i></p> <p><i>Update your application with your new commuting cost.</i></p>
4	Is the expense worksheet required every month?	<i>No. The expense worksheet is required during the annual recertification process or when changes are made to your application.</i>
5	Does everyone receive the maximum amount?	<i>Eligible employees may receive up to the statutory limit, currently \$230 per month, or their actual commuting costs, whichever is less. If your costs exceed the maximum benefit, you are required to cover the additional costs with personal funds.</i>
6	What is the maximum amount I can receive?	<i>Currently the statutory limit is \$230 per month. You may request your actual commuting cost up to that limit. If your costs exceed the maximum benefit, you are required to provide for additional costs with personal funds.</i>
7	Why can't I use my driver's license as my form of ID?	<i>You must use your identification card to prove you are currently a Federal employee.</i>
8	What if my fare media is lost, stolen, or damaged?	<i>Once the fare media is distributed to you, it becomes personal property. You are responsible for its safekeeping. Lost or stolen fare media will not be replaced. In the NCR, damaged fare media may be replaced by taking it to a Metro Sales Office. (www.wmata.com) In the regions, damaged fare media should be reported to your POC.</i>
9	Why do I have to recertify when none of my information has changed?	<i>It is a requirement that all transit benefit participants recertify on an annual basis. This is done to verify that all participant information is correct and up-to-date.</i>
10	I am leaving my agency. What do I have to do?	<p><i>You must withdraw from the Transit Benefit Program by taking the following steps:</i></p> <p><i>Go to www.transitapp.ost.dot.gov</i></p> <p><i>Click on “Transit Benefit Program”</i></p> <p><i>Click “Withdraw”</i></p> <p><i>Click “Proceed”</i></p>
11	I am leaving the agency and I have leftover transit benefits. What can I do?	<i>Return your unused Metro cards. Excess EFM should be taken to DOT Parking/Transit office.</i>
12	If I owe money to the DOT, where do I send it?	<i>If you owe money, you need to return your unused fare media in the form of a money order either by mail or in person to the DOT Parking/Transit office.</i>
13	What happens on “Code Red” days when bus	<i>Any time the amount of your transit benefit exceeds the amount you need, you must adjust your benefit. When you pick up your transit benefit the following month, you must</i>

	transportation is free?	<p><i>adjust your amount by the number of days that were designated “Code Red.”</i></p> <p><i><u>Example:</u> You have certified that your estimated commuting cost is \$5.00 per day, or \$100.00 per month. There were three “Code Red” days and you were able to ride the bus free. At the next transit benefit distribution, you must request \$85.00, having reduced the amount by the amount of media left from last time.</i></p>
14	My commuting costs have changed. What do I do?	<p><i>All changes to your commuting costs must be updated on your application. To make these changes, follow the steps below:</i></p> <p><i>Go to www.transitapp.ost.dot.gov</i> <i>Click on “Transit Benefit Application”</i> <i>Click on “Change an Existing Account”</i> <i>Follow the step-by-step instructions to update your application.</i></p>
15	I drive to work on occasion. Do I need to adjust my benefit amount?	<p><i>When the amount of your transit benefit exceeds the amount you need you must adjust your benefit.</i></p> <p><i><u>Example #1:</u> You must adjust your benefit amount if you have certified that your estimated commuting cost is \$4.00 per day, or \$80.00 per month. On two days during the month you request and receive visitor parking, reducing your cost by \$8.00. At the next transit benefit distribution you must request \$72.00, having reduced the amount by the amount of media left from last time.</i></p> <p><i><u>Example #2:</u> You do not have to adjust your benefit amount if you have certified your estimated commuting cost is \$14.00 per day, or \$280.00 per month. You receive a transit benefit of \$230.00 per month. On two days during the month you request and receive visitor parking, reducing your transit cost by \$28.00. At the next transit benefit distribution you do not need to reduce your transit benefit as your actual commuting cost still exceeds the amount of transit benefit you received.</i></p>
16	Can I use my transit benefit for my carpool? Are carpool participants eligible to receive the transit benefit?	<p><i>No. Carpool participants are not eligible to receive the transit benefit.</i></p> <p><i>The transit benefit is for those commuting on mass transit (bus, rail, light rail, or authorized vanpools).</i></p>
17	Can I use my benefit to go to/from meetings?	<p><i>No. Transit benefits are solely for your daily commute to and/or from work via mass transportation.</i></p>

18	My work schedule has changed. Do I need to adjust my transit benefit to account for the change?	<i>Yes, if your commuting costs have changed when your work schedule changed. All changes must be updated on your application. To make these changes, go to www.transitapp.ost.dot.gov and click on “Transit Benefit Application.” Follow the step-by-step directions to update your application.</i>
19	I missed work for a few days. What do I do with my transit benefit for those days?	<i>If you are absent from work and your actual commuting cost falls below the amount of transit benefit you receive, you must take a lesser amount of benefit during the next distribution. The amount depends on your actual commuting expense during that period. <u>Example:</u> You have certified that your estimated commuting cost is \$5.00 per day, or \$100.00 per month. You are on leave for 10 days. During the next transit benefit distribution, you must request \$50.00, having reduced the amount by the amount of media left from last time.</i>
20	If I do not use all my benefit, can I give it to my co-worker? What should I do with them?	<i>No. Your transit benefit belongs to you and no one else. It is against the law to sell or give your vouchers to someone else. The program was designed to assist employees with public transportation costs in an effort to cut-down air pollution and relieve traffic congestion. Benefits are not transferable and are not to be sold. Should you retire, leave the agency, or otherwise withdraw from the program, you must return all unused and undamaged fare media to the DOT Parking/Transit Office. If you are in the EFM Program or have added Metrocheks onto a SmarTrip® card, those benefits must be returned by submitting a money order payable to the DOT. You must adjust your benefit accordingly the following month. When employees enroll in the Transit Benefit Program, they must certify that the benefit amount requested does not exceed actual monthly commuting costs. To do otherwise constitutes a false statement. The statement on the agency enrollment form reads, “This certification concerns a matter with the jurisdiction of an agency of the United States. Making a false, fictitious, or fraudulent certification may render the maker subject to criminal prosecution under Title 18, United States Code, Section 1001, providing for a fine and imprisonment. Agency disciplinary actions up to and including dismissal may also be pursued.”</i>
21	I know I am going on leave and will not need the full benefit amount. What should I do?	<i>Take a lesser amount of transit benefit during the next distribution. The amount depends on how many days you were out due to annual leave. <u>Example:</u> You have certified that your estimated commuting cost is \$5.00 per day, or \$100.00 per month. You are on</i>

		<i>leave for 10 days. During the next transit benefit distribution, you must request \$50.00, having reduced the amount by the amount of media left from last time.</i>
22	I have fare media left over from the previous quarter. What do I do?	<i>Take a lesser amount of transit benefit during the next distribution. The amount depends on how many days you were out due to annual leave, sick leave, and/or travel. <u>Example:</u> You have certified that your estimated commuting cost is \$5.00 per day, or \$100.00 per month. You are on leave for 10 days. During the next transit benefit distribution, you must request \$50.00, having reduced the amount by the amount of media left from last time.</i>
23	Can I receive my transit benefit while on extended leave?	<i>No, This is a monthly benefit based upon actual commuting costs. If you are not coming to work, you do not need it and therefore should not take it. You must adjust your benefits for the time you will be out and return the benefits that you did not use.</i>
24	I have been on TDY the past two months. Can I pick up my transit benefit for the months I missed?	<i>No. When the amount you receive exceeds the amount you need monthly, you must always adjust your benefit. When you receive the benefit in advance of going on TDY, you must factor your absence into the amount you pick up at the next distribution.</i>
25	My SmarTrip® card stopped working. What should I do?	<i>If your SmarTrip® card stops working, call 1-888-762-7874 to cancel your card and to request a new one. If the problem is in the chip, WMATA will transfer your benefit to a new card and send the card to you, free of charge. Register your new SmarTrip® card (www.wmata.com) and complete a change form via the TRANServe electronic application (http://transerve.dot.gov).</i>
26	I lost my SmarTrip® card: How do I get my benefit?	<i>If you lose your SmarTrip® card, call 1-888-762-7874 to cancel your card and request a new one. WMATA will transfer your benefit to a new card, less a \$5 new card fee, and send the card to you. Register your new SmarTrip® card (www.wmata.com) and complete a change form via the TRANServe electronic application (http://transerve.dot.gov). You may pick up fare media from the Parking/Transit office as long as you have not already downloaded your monthly benefit to your SmarTrip® card.</i>
27	I forgot to download my monthly benefit. Am I able	<i>No. Transit benefits are for the current calendar month.</i>

	to get two months next time?	
28	<p>Can I use my benefit to pay for parking at my commuter lot?</p> <p>May I add personal funds to my SmarTrip® card?</p>	<p><i>No. Indirect costs, such as gas, mileage, or parking cannot be included as part of the estimated commuting cost.</i></p> <p><i>Yes. When parking in some Metro parking lots, you should use the same SmarTrip® card in order to receive discounted parking.</i></p>
29	Do I need a separate SmartCard for transit benefit and for Parking at the Metro station?	<i>No. The Metro takes the same card for both applications.</i>

9.0 References

Broadcast Message, Transit Benefit Program Requirements and Expectations, Linda Washington, Acting Assistant Secretary for Administration, April 30, 2007.

Broadcast Message, Implementation of Mandatory Smart Benefits Program Use, Office of the Assistant Secretary for Administration, 2007.

DOT Order 1750.1, Employee Commuter Transportation Programs Manual, Office of Administrative Services and Property Management Office of the Assistant Secretary for Administration Office of the Secretary, March 21, 1995.

Executive Order 13150, Federal Workforce Transportation, April 21, 2000.

Government Accountability Office (GAO), Federal Transit Benefits Program: Ineffective Controls Result in Fraud and Abuse by Federal Workers, GAO-07-724T, Washington, D.C., April 24, 2007.

Fiscal and Payroll Policies and Procedures for the Transit Benefit Program, OF Bulletin 07GA2.12, March 27, 2007.

GAO Testimony before the Permanent Subcommittee on Investigations, Committee on Homeland Security and Government Affairs, US Senate. Federal Transit Benefits Program – Ineffective Controls Result in Fraud and Abuse by Federal Workers, April 24, 2007.

IRS Regulation 26 CFR1.132-9 – Qualified Transportation Fringes – General Rules.

Internal Revenue Service (IRS) Notice 94-3, Qualified Transportation Fringes Under Section 132 (f).

Office of Management and Budget (OMB) Memorandum for the Heads of Departments and Agencies From Robert Shea, Associate Director for Management. “Federal Transit Benefit Program,” May 14, 2007.

Secretary of Transportation Memorandum to Heads of Operating Administrations, Assistant Secretaries and Office Directors, from Norman Y. Mineta, October 4, 2005.

OMB Circular 123 Management’s Responsibility for Internal Control, Washington D.C., December 30, 2005, Appendix A, Implementation Plans August 1, 2005.

Statement of Linda J. Washington, Acting Assistant Secretary for Administration Office of the Secretary United States Department of Transportation (DOT) Hearing on the Transit Benefit Program Before Permanent Subcommittee on Homeland Security and Governmental Affairs, United States Senate, April 24, 2007.

U.S. Department of Transportation Implementation Plan for OMB Circular A-123, Appendix A, Revised December 30, 2005.

Appendix A – Acronyms List

Acronyms	Description
AAM	Agency Account Manager
ALC	Agency Location Code
A/R	Accounts Receivable
ASMR	Acquisition Strategy Meeting Record
BPA	Blanket Purchase Agreements
BPAC	Budget Program Activity Code
BPR's	Blanket Purchase Requests
NCR	NCR
CIO	Chief Information Officer
CO	Contracting Officer
COCO	Chief of the Contracting Office
COTR	Contracting Office Technical Representative
DOT	Department of Transportation
DUNNS	Dunn & Bradstreet Universal Numbering System
EAS	Electronic Access System
EFM	Electronic Fare Media
FAR	Federal Acquisition Regulations
FASAB	Federal Accounting Standards Advisory Board
FAQ's	Frequently Asked Questions
FMFIA	Federal Managers' Financial Integrity Act (P.L. 97-255)
FTA	Federal Transit Administration
GSA	General Service Administration
HCA	Head of Contracting Activity
IPAC	Intra-Governmental Payment and Collections
MOU	Memorandum of Understanding
NCR	National Capitol Region
OA	Operating Administration
OIG	Office of Inspector General
OMB	Office of Management and Budget
OST	Office of the Secretary of Transportation
PRISM	Procurement Request Information System for Management
PO	Purchase Order
PR	Purchase Request
SBS	Small Business Specialist
SF	Standard Forms
SFFAS	Statement of Federal Financial Accounting Standard
TAR	Transportation Acquisition Regulations
TAM	Transportation Acquisition Manual
UDO	Undelivered Orders
VRE	Virginia Rail Express
WCF	Working Capital Fund

**National Capital Region Public Transportation
Transit Benefit Program Application**

Appendix B – Transit Benefit Application

ENROLL IN THE TRANSIT BENEFIT PROGRAM

TRANSIT BENEFITS VERIFICATION WORK SHEET

All employees are required to certify their monthly commuting costs by calculating to the nearest dollar for their **daily commute** to work.

Employees are reminded that parking fees are not eligible for transit benefits and should not be included when computing daily, weekly or monthly commuting costs.

Instructions: Calculate your **Total Monthly Mass Transit Expenses** based on the way (daily, weekly, monthly) that you pay for your commute. List your mode of mass transportation and how much it costs you. All costs must be computed to a monthly expense.

Mode of Transportation		Daily Expense	Weekly Expense	Total Monthly Expense
Bus to Work (local)	Name of Company <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>
Bus from Work (local)	Name of Company <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>
Other Bus Mode to Work (commuter or county)	Name of Company Keller Bus	\$ <input type="text"/>	\$ <input type="text"/>	\$ 76.48
Other Bus Mode from Work (commuter or county)	Name of Company Dillon Bus	\$ <input type="text"/>	\$ <input type="text"/>	\$ 76.48
Rail to Work (MARC, VRE, Metro, other)	Name of Company Metro	\$ 1.35	\$ <input type="text"/>	\$ 27.00
Rail from Work (MARC, VRE, Metro, other)	Name of Company Metro	\$ 1.35	\$ <input type="text"/>	\$ 27.00
Other Mode to Work: <input type="text"/>	Name of Company <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>
Other Mode from Work: <input type="text"/>	Name of Company <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>
Van Pool	Name of Company <input type="text"/>			\$ <input type="text"/>
Calc Total				\$ 206.96

Identifier: (Last 4 digits of Social Security No)

Name: (First) (MI) (Last)

Email Address: Work Phone:

Department of Transportation

Agency/Mode: Region: Vendor:

Admin: Location/Building: Transit System:

Civilian/Military:

I certify that my usual **monthly commuting cost** are:

Residence Information

Address:

City: State: Zip:

Approving Official: [Select...](#)

Manager/Fund Certifier: [Select...](#) Manager Phone:

SmartTrip Card Number:

PRIVACY ACT STATEMENT:

This notice is provided pursuant to the Privacy Act of 1974, 5 U.S.C. § 552a: This information is solicited under authority of 5 U.S.C. § 7905. Furnishing the information on this form is voluntary, but failure to provide all or part of the information may result in disapproval of your request for a public transit fare benefit. The principal purposes of the information are to facilitate timely processing of your request, to ensure your eligibility for transit benefits, and to prevent misuse of the funds involved. The information may be used for production of listings and reports and for periodic review or revalidation of transit benefits. *Partial SSN (last 4 digits) is used to compare applications within the system to detect duplicate applications.* Other routine uses are published in the Federal Register at 65 F.R.19476 (April 11, 2000).

Appendix C – Transit Benefit Certification Statement/Recertification Form

WARNING !

This certification concerns a matter with the jurisdiction of an agency of the United States and making a false, fictitious, or fraudulent certification may render the maker subject to criminal prosecution under Title 18, United States Code, Section 1001, Civil Penalty Action, providing for administrative recoveries of up to \$10,000 per violation, and/or agency disciplinary actions up to and including dismissal.

- I certify that I am employed by the U.S. Department of Transportation (DOT).
- I certify that I am not named on a federally subsidized parking permit with DOT or any other federal agency.
- I certify that I am eligible for a public transportation fare benefit, will use it for my daily commute to and from work by public transit or vanpool, and will not give, sell, or transfer it to anyone else.
- I certify that in any given month, I will not use the Government-provided transit benefit in excess of the statutory limit. If my commuting costs per month on public transit exceed the month statutory limit, then I will supplement those additional costs with my own funds rather than use a Government-provided transit benefit designated for use in a future month.
- I certify that I will not claim the transit benefit in excess of my actual monthly commuting expense. If at anytime during a given month I am out of work due to sickness, vacation or any other reason; on official travel; or use a private vehicle for commuting, I will claim less and adjust the amount of my transit benefit the following month if appropriate.
- I certify that my parking fees are not included in the computation of the daily, weekly or monthly commuting costs for my transit benefit.

Appendix D – TRANServe Customer Agreement

Attachment 1 – Sample TRANServe Customer Agreement (Highlight Added)

OST CUSTOMER AGREEMENT		AGREEMENT NUMBER	
PARITIES TO THE AGREEMENT			
a. CUSTOMER CONTACT / BILLING ADDRESS		b. OST CONTACT / ADDRESS	
AGENCY: Attn: ADDRESS: Phone: Fax: Email:		U.S. Department of Transportation Attn: Cheri Johnson M-71, Room 0327, P2 Level 400 7 th Street, SW Washington, D.C. 20590 Phone: 202.366.1227 Fax: 202.493.2436 Email: cheri.johnson@dot.gov	
APPROPRIATION / ACCOUNT CODE CHARGEABLE		COST ACCOUNT PROGRAM ELEMENT CODE	
		14X4520000.2007.0000000000.1103006000	
EFFECTIVE DATE		COST (ESTIMATED)	
10/01/2006 – 09/30/2007		a. FY 2007	b. Amount \$
<p>DESCRIPTION OF SERVICES: This Customer Agreement between the XX [make sure to include agency and any subagency] and the U.S. Department of Transportation (DOT) Office of the Secretary -Transportation Services (TRANServe), is entered into under the following statutory authorities (please check all that apply):</p> <p>_____ The Administrative Working Capital Fund (49 U.S.C. 327) and/or [For Intra-agency agreements within DOT]</p> <p><input checked="" type="checkbox"/> The Economy Act of 1932 as amended (31 U.S.C. 1535) [For Inter-agency agreements with agencies other than DOT]</p> <p>This Customer Agreement provides a written understanding of the Transit Benefit Program Services TRANServe will provide to the customer. TRANServe will act as the liaison between the Customer and the Washington Metropolitan Area Transit Authority and regional transit providers and will order, purchase, verify, maintain, and safeguard fare media prior to disbursing to participants. TRANServe shall bear full responsibility for any fare media that is in its possession prior to disbursement to participants.</p> <p>It is the responsibility of the Customer to verify eligibility of recipients.</p> <p>TRANServe will provide disbursing agents to cover distribution hours agreed upon by the Customer and TRANServe. A copy of the annual distribution schedule is attached for review and confirmation. In the regional offices, fare media will be sent via courier to representatives designated by the Customer for distribution. Each disbursing agent will be billed at \$28.75 per hour for either mailing or on-site distribution. Estimated distribution hours include preparation, balancing and travel time. All expenditures made on behalf of the Customer except for distribution services (e.g., fare media, fare media voucher fees, shipping, travel costs, etc.) will be subject to the 4.95% financial management fee.</p> <p>FUNDING / REPORTING: The DOT Office of the Secretary Working Capital Fund (DOT/OST-WCF) will take an advance as required by 49 U.S.C. 327 "Administrative Working Capital Fund" not earlier than 30 days prior to the commencement of each Federal fiscal quarter. Advances will be processed through the IPAC system. These quarterly advances will be adjusted throughout the year as necessary. Actual monthly expenses will be applied to the quarterly advance amounts, and the Customer will be provided account activity reports by the 25th of each month detailing the amount applied to the estimated quarterly advance. DOT-OST Finance will also provide the Customer's point of contact, identified on this agreement, a copy of the account activity reports along with the SF-1081s which document the IPAC payments. If an increased or decreased level of services is required, this</p>			

agreement may be modified with the approval of both the Customer and OST. Changes may be made by a modification to the original agreement with the signature of both parties. Estimated costs for the Customer's transit benefit program are shown on page two.

FULL COST RECOVERY: By law, both Economy Act agreements (31 USC 1535) and those authorized by DOT's WCF (49 USC 327) must achieve full cost recovery. Full cost recovery includes direct and indirect costs. Further, neither statute permits DOT to receive a profit when providing goods or services. Accordingly, all TRANServe agreements will correspond with the Federal Fiscal year. After each Fiscal Year has closed, DOT-OST will determine the final financial Over / Under recovery for the TRANServe program. In accordance with the above stated quote, a determination will be made whether to refund or collect additional funds from the Customer to balance out the annual program. TRANServe will monitor the financial status of the program throughout the year to bring the final balance as close to zero as possible. This may result in rate adjustments during the year. TRANServe will work with each Customer to keep program costs as low as possible while still providing the requested services.

CONTINUED ON PAGE 2:

OST FORM VER 1.9 WKAUTH9.FRP for Form Flow 1.1 (26 SEP 96) w/Customer Agreement

Appendix E Transit Benefit Program Partnership Agreement



Transit Benefit Program Partnership Agreement

The purpose of this Partnership Agreement is to outline respective responsibilities of each partner in the implementation of Transit Benefit Programs as administered by the U.S. Department of Transportation, Transportation Services (TRANServe), in both the National Capital Region and nationwide.

TRANServe provides Transit Benefit Program administration and distribution services for **DOT MODE** as described in the annual OST Customer Agreement. Specifically, TRANServe provides appropriate transit benefits to qualified participants deemed eligible by **DOT MODE**.

- TRANServe will obtain and safeguard specific types and volumes of fare media in preparation for distribution to eligible employees at **DOT MODE**.
- TRANServe will process all enrollment applications for the Program, once those recipients have been approved by **DOT MODE**.
- TRANServe will test the controls over the activities that it performs for **DOT MODE** on a yearly basis. These controls will be highlighted in management's assurance statement provided to its customers in draft form in July and in final copy in September.
- TRANServe will provide a monthly invoice with detailed reports to **DOT MODE** on employee participation in the Program. These reports will include a description of specific services provided that month such as the name of each employee who received transit benefits, the fare media expenses, vendor fees, billable hours, travel, mailing expenses, administrative and distribution costs. The monthly reports will be sent to **DOT MODE** no later than the 25th of each month for review and approval of charges for the previous month. TRANServe will make other reports from its Program database available upon **DOT MODE's** request.
- TRANServe will maintain billing records and information in accordance with NARA guidelines and requirements to enable **DOT MODE** to comply with audit requirements. In addition, TRANServe will provide required technical consulting expertise to address audit issues that may occur.

- TRANServe will maintain a database that identifies all participants in the Program that are currently deemed eligible by **DOT MODE**, the original effective date of program participation, the value of fare media provided and the effective date of termination, as appropriate.
- TRANServe will provide customer service support to all **DOT MODE** Program coordinators to ensure participant enrollment is updated and accurate.
- TRANServe will distribute fare media on a mutually agreed upon basis to **DOT MODE** approved transit benefit participants at the disbursement locations agreed upon by the **DOT MODE** and TRANServe .
- TRANServe will meet with agency management to explain the conveniences, program savings, and other advantages of electronic fare media.
- TRANServe will provide presentations for employees, assisting them in the enrollment process.
- TRANServe will crosscheck transit and parking systems to determine that employees are not receiving both benefits.

As **DOT MODE** enters into an annual Customer Agreement with TRANServe for administrative and distribution services, **DOT MODE** retains key management responsibilities for its Transit Benefit Program. These responsibilities include:

- Identification of a Program Coordinator to serve as a primary point of contact for interactions with TRANServe. **DOT MODE**'s program coordinator will retain responsibility for communication with the **DOT MODE**'s management structure and individual program participants.
- **DOT MODE** will verify federal employees meet the requirements for participation in the Transit Benefit Program as outlined in Executive Order 13150 "Federal Workforce Transportation," April 21, 2000, and related statutory, regulatory, and administrative standards.¹ This includes a determination that employees are using mass transit for the bulk of their commute to work.
- **DOT MODE** is required to ensure employees are fully aware of their responsibilities for participation in the Program, such as familiarity with:

¹ 26 USC 132; 26 CFR 1.132-9 (Revised as of April 1, 2003)

IRS Publication 15-B (2008)

Federal Employees Clean Air Incentives Act, 5 U.S.C. 7905, Publ. 103-172 (December 2, 1993)

1. Understanding the limitations of the Transit Benefit Program
 2. Prohibitions against transferring or selling the fare media to anyone
 3. Potential penalties for misuse of, or making a false claim in obtaining, a transit benefit
 4. Not named on a worksite parking permit at any federal agency nor otherwise participating in a carpool
 5. Authorized to use the transit benefit only for their regular home to work transportation
 6. Requirement that the amount of transit benefits received does not exceed actual monthly commuting cost by public transportation
 7. It is a violation of law to provide false or fraudulent information to obtain transit benefits, to transfer or to sell the transit benefit
 8. Responsibility to adjust the transit benefit amount upon changes to commuting methods or work schedules such as extended leave or telecommuting
- **DOT MODE** will provide Program oversight including identification of any participants making false claims, selling, illegally transferring, or otherwise violating benefit requirements.
 - **DOT MODE** is responsible for taking appropriate action against participants found to be violating program requirements.

TRANServe will provide administrative guidance, best practices, materials such as billing records, reports, invoices, resource tools, and expertise to the **DOT MODE**.

TRANServe does not assume responsibility for ensuring **DOT MODE** internal controls over the Program, nor does it take responsibility for ensuring recipient integrity with regard to the Program.

DOT MODE Program Manager

TRANServe Program Manager

Appendix F – TRANServe Participant Reminder

TRANServe
Parking Transit Office
(202) 366-1398

Each time you receive *Transit Benefits*:

You are reminded that you are legally bound to abide by the terms of the *Transit Benefits* program. This includes certifying that:

You are not named on a worksite parking permit at any Federal Agency, or participating in a carpool.

You are using *Transit Benefits* only for your regular home to work transportation and will not transfer the media to anyone else.

The amount of Transit Benefits you receive does not exceed your actual monthly commuting cost by public transportation.

It is a violation of law to provide false or fraudulent information to obtain Transit Benefits, or to transfer or sell transit benefits.

The benefits must only be used for home to work transportation.

Any misuse of your Transit Benefits may be grounds for disciplinary action up to and including dismissal, along with civil and criminal penalties and other criminal action.

3/2007

<http://transitapp.ost.dot.gov>

