

U.S. DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250

DEPARTMENTAL REGULATION		Number: 4080-811-04
SUBJECT: Commuter Transit Subsidy Benefits Program	DATE: December 7, 2004	
	OPI: Office of Human Capital Management	

1 **PURPOSE**

This regulation states the authority, policy and responsibilities for managing the United States Department of Agriculture (USDA) Commuter Transit Subsidy Benefits Program (CTSB).

2 **POLICY**

USDA supports programs that improve air quality and reduce traffic congestion. USDA will provide a non-taxable subsidy designed to encourage employees to use mass transportation for their daily commute to and/or from their duty station by methods other than single occupancy vehicles.

Employees will be held accountable for misuse of commuter transit subsidy benefits, and subject to appropriate disciplinary action including disqualification from future participation in the USDA Commuter Transit Subsidy Benefits Program. Disciplinary penalties could range from a letter of admonishment to removal from Federal service depending on the severity of the misuse.

3 **CANCELLATION**

This directive supersedes Departmental Regulation 4060-02, Commuter Transit Subsidy Benefit Program, dated October 9, 2001.

4 **DEFINITIONS**

- a Carpool members. At least two full-time USDA employees, who commute to and from work on a daily basis via a motor vehicle, who are registered with the agency as a carpool for the purpose of receiving a free Federal parking benefit, and who are not registered users of the Commuter Transit Subsidy Benefits Program. For carpools having more than two members, the primary and secondary permit holders must be USDA employees.

- b Cash Reimbursement. Reimbursement for an individual's actual mass transportation commuting costs payable where there are no vouchers or other forms of fare media available in the city to and from which the individual commutes.
- c Commuter Benefit Program Coordinator (CBPC). The designated mission area/agency/staff office individual responsible for overseeing the program (i.e., policy, guidelines, counseling, training, resolving customer complaints, and maintaining liaison with both external and internal USDA offices).
- d Commuter Highway Vehicle (Vanpool). Any highway vehicle with a seating capacity of at least 6 adults (not including the driver). At least 80 percent of the mileage use of this vehicle can reasonably be expected to be for the purpose of transporting persons between their residences and their places of employment. During such trips, the number of persons transported is at least half of the adult seating capacity of the vehicle (not including the driver).
- e Department-Wide Service Agreement. An agreement between USDA and an external source to administer the Department-wide CTSB by purchasing and distributing fare media (e.g., vouchers, Metrocheks, passes, tokens), and administering the Cash Reimbursement and Smart Benefit Programs to eligible employees in the USDA workforce.
- f Direct Transit Benefits. Benefits provided to employees in the form of vouchers purchased and paid for by the agency. This type of benefit is applicable in geographic areas where vouchers are available and can be exchanged for qualified transit facility passes, e.g., bus/rail passes, tokens, fare cards, tickets, vanpool services.
- g Free Federal Parking Benefit. Parking space on limited access Federally-owned or leased property provided without charge to an employee or members of a carpool.
- h National Capital Region (NCR). Per Executive Order 13150, consists of the District of Columbia; Montgomery, Prince George's, and Frederick Counties in Maryland; Arlington, Fairfax, Loudon, and Prince William Counties in Virginia; and cities now or hereafter existing in Maryland or Virginia within the geographic area bounded by the outer boundaries of the combined area of the counties listed above.
- i Qualified Transit Facility Cost. The cost of any pass, token, fare card, voucher, or similar item entitling a person to transportation (or transportation at a reduced price) on qualified transit facilities.

- j Qualified Transit Facilities. Private or publicly-owned mass transit systems. This includes, but is not limited to, buses, subways, rail, light rail, elevated rail, streetcars, trolleys, ferries, and commuter highway vehicles (as defined in “d,” Commuter Highway Vehicle, of this section).
- k Qualified Vanpool. See “d,” Commuter Highway Vehicle, of this section.
- l Smart Benefits. Electronic media for participants using Metro Rail, Metro Bus, or Registered Van Pools within the NCR, and entitled to commuter transit subsidy benefits. Smart Benefits are electronically added each month to a participant’s registered SmarTrip card. The SmarTrip card is a permanent plastic farecard that a participant registers with Metro at the time of purchase.

5 AUTHORITIES

- a Public Law 102-486, Section 1911, Treatment of Employer Provided Transportation Benefits, effective December 31, 1992.
- b Public Law 103-172, Federal Employees Clean Air Incentives Act, effective January 1, 1994.
- c Public Law 105-178, Transportation Equity Act for the 21st Century, dated June 9, 1998.
- d Executive Order 13150 dated April 21, 2000.
- e 26 Code of Federal Regulations, Parts 1 and 602, Qualified Transportation Fringe Benefits dated January 11, 2001.
- f Department of Transportation Policy and Guidelines on Cash Reimbursements dated January 28, 2003.

6 RESPONSIBILITIES

- a The Assistant Secretary for Administration (ASA) will:
 - (1) Advise the Secretary of Agriculture, mission area and agency heads, and staff officials in the development and implementation of policies, programs, and oversight of the CTSB.
 - (2) Grant waivers, as appropriate, to a Department-wide service agreement.

- b The Director, Office of Human Capital Management (OHCM) will:
- (1) Advise the ASA, agency heads, and staff officials in planning, developing, and implementing policies, programs and systems to manage the CTSB.
 - (2) Provide and interpret Departmental policies and standards for the CTSB.
 - (3) Approve plans of mission areas, agencies, and staff offices not participating in a Department-wide service agreement.
- c The Director, Quality of Work Life Division (QWLD) will:
- (1) Develop Department-wide policy and guidance, and provide oversight of the CTSB.
 - (2) Provide agency heads and staff officials with technical assistance and consultative services for complex transportation transit benefit issues.
 - (3) Designate a program manager to serve as the Contracting Officer's Technical Representative with the designated external source administering the distribution of fare media for the USDA CTSB.
 - (4) Ensure the monthly administrative reports are posted on the USDA Transit Subsidy secure website.
 - (5) Conduct periodic program evaluations to ensure compliance with applicable Federal and Departmental regulations and guidelines.
- d The Director, Office of Operations will:
- (1) Designate a Program Coordinator to:
 - (a) Coordinate with the external source representative under the Department-wide service agreement to identify both quarterly and monthly distribution dates and locations within the NCR, as well as publicize the information.
 - (b) Assist mission area, agency, staff office, and commuter transit subsidy coordinators with inquiries related to the distribution of transit subsidy Metrocheks and Smart Benefits within the NCR.
 - (2) Review on a quarterly basis the list of employees receiving a commuter transit subsidy for verification that those employees are not also receiving Federal parking privileges as a carpool member.

- (3) Verify the list of employees receiving a commuter transit subsidy against the parking database to determine that there are no violations.
- (4) Notify the appropriate mission area, agency, or staff office representative of any carpool members on the commuter transit subsidy list who are also receiving Federal parking privileges, and terminate parking privilege in those cases that are not resolved within one week.

e Mission Area/Agency Heads/Staff Office Directors will:

- (1) Designate a CBPC, as well as an alternate to oversee the CTSB, who will provide policy guidance and administer the program, resolve customer complaints, maintain liaison with external sources and internal USDA offices, as necessary.
- (2) Participate in any Department-wide negotiated commuter transit subsidy benefit program service agreement to distribute fare media (Metrocheks, vouchers, passes, etc.), to administer the Cash Reimbursement and Smart Benefit programs and other pilot projects for eligible participating employees unless granted a waiver by the ASA.
- (3) Develop and implement a process for collecting unused and partially used fare media when a participant is going to be reassigned, transferred to another internal or external agency, retiring, resigning, etc.
- (4) Notify labor organizations, and bargain as appropriate, changes to transit subsidy programs affecting conditions of employment for bargaining unit employees.
- (5) Conduct an annual program evaluation to ensure compliance with applicable Federal and Departmental regulations and guidelines.

f Commuter Benefit Program Coordinator will:

- (1) Coordinate the mission area, agency, or staff office commuter transit subsidy program with both internal and external sources.
- (2) Develop and issue appropriate guidance governing the implementation of the commuter transit subsidy benefit program and related programs. Oversee the administration of the program.
- (3) Ensure subsequently designated representatives at headquarters and in the field are trained and provided updated information as it is received.
- (4) Provide technical advice and counseling.

- (5) Accept and review accurately completed Public Transportation Benefit Program Application (AD-1147) and USDA Cash Reimbursement Application (AD-1170) to determine employee eligibility to receive commuter transit subsidy and/or cash reimbursement. Sign the reviewed application certifying completeness and employee eligibility. Forward the application, with original signature, to the appropriate representative designated under the Department-wide service agreement.
- (6) Resolve customer complaints pertaining to commuter transit subsidy benefits with appropriate external and/or internal offices.
- (7) By the 25th of each month, review monthly administrative reports posted on the USDA secure website to determine if any changes are required. Changes must be reported to the QWLD or designated representative within 7 business days of the report being posted. After this date no credits will be made unless an exception is given by the QWLD.
- (8) Collect unused and partially used fare media (i.e., tokens, metrocheks) from a participating employee when he/she separates and/or is no longer eligible for the commuter transit subsidy benefit.
- (9) Report misuse and/or ineligibility to appropriate manager and/or supervisor when an allegation is made against an employee receiving a commuter transit subsidy benefit.

g Managers and Supervisors will:

- (1) Advise employees of their responsibilities, rights, and benefits under this program.
- (2) Ensure all employees are treated equitably and fairly.
- (3) Follow up to ensure that observed or reported instances of alleged transit subsidy misuse are referred for investigation and, if substantiated, that appropriate administrative action is taken.

h Participating employees will:

- (1) Complete an AD-1147, certifying their use of qualified transit facilities or commuter highway vehicles to commute to and from work and submit it to the designated mission area, agency, or staff office CBPC.
- (2) Submit a completed AD-1147 when there is a change, e.g., reassignment and/or transfer to another internal or external agency, retirement, resignation, etc. Unused fare media vouchers must be

returned with the application. If unused fare media vouchers are not available employee may write a check to the "U.S. Department of Agriculture" for the unused amount.

- (3) Prior to receiving vouchers, present the USDA employee identification card at the time of distribution to verify identity and continued eligibility.
- (4) Submit a completed AD-1170 at the end of each quarter to the CBPC when eligible to receive a cash reimbursement for expended qualifying expenses. The employee's initial certification will suffice when a receipt (i.e., farecard, train ticket, etc.) verifying usage of a qualified transit facility or commuter highway vehicle is not available.
- (5) Not use more than the monthly-authorized amount in any given month.
- (6) Use the fare media provided only for commuting to or from work.
- (7) Not use the fare media to and from work location to business meetings/conferences, training, lunch, and/or transportation to the airport for official travel.
- (8) Not give or sell fare media to others, purchase fare media from another, or otherwise abuse this benefit. False claims may be investigated and prosecuted.
- (9) Notify (at the time of monthly or quarterly distribution) the representative disbursing fare media that a lesser amount should be received due to vacation, temporary travel, extended sick leave, details where the gaining agency absorbs transit subsidy cost, etc. Participants will be held accountable for this notification.
- (10) Return unused and partially used fare media to the designated CBPC at least 3 days prior to separation and when they are no longer eligible for a commuter transit subsidy benefit.
- (11) Re-certify eligibility each Fiscal Year through the completion of a new application.

8 PROGRAM ADMINISTRATION

a Commuter Transit Subsidy Benefits:

- (1) Employees in the NCR who commute using qualified transit

facilities or commuter highway vehicles will receive transit benefits as specified herein up to the statutory limit, currently \$100 per month, or their actual commuting cost, whichever is less.

- (2) Outside of the NCR, employees who commute using qualified transit facilities or commuter highway vehicles will receive agency-supplied transit vouchers in the amount of \$30 per month or their actual commuting cost, whichever is less. Agencies may elect to provide a greater subsidy amount for qualified expenses (up to \$100 per month or the subsequent statutory limit).
- (3) Outside of the NCR, where a voucher or similar item is not readily available for direct distribution and exchange, qualified employees will receive cash reimbursements at the end of a quarter. This includes locations where the monthly transit voucher allotment is more than the normal amount of monthly benefits provided to employees.
- (4) Commuter transit subsidy benefits become effective on the date of the employee's signed application. However, if the application is received after the date identified in Appendix A, Application Timeframes and Action for Transit Subsidy Benefit, the appropriate action identified in Appendix A will take precedence.

b Eligibility:

- (1) Participants must be salaried USDA employees (i.e., full-time, part-time, temporaries, stay-in-school, etc.) who use qualified transit facilities or commuter highway vehicles on a regular scheduled monthly basis to commute to and from work, and who do not receive a free Federal parking benefit except as noted in 2 below.
- (2) Drivers, alternate drivers, and passengers of qualified vanpools receiving a free Federal parking benefit are eligible for transit subsidy benefits.
- (3) Eligible employees are not excluded from participating in the separate Commuter Pre-Tax Parking Benefit Program.
- (4) USDA will not replace lost or stolen faremedia.

c Recordkeeping and Reporting:

- (1) Mission areas/agencies/staff offices who have been given an exception to participation in the Department-wide service agreement must maintain records to ensure recording of and accounting for expenditures (i.e., transit passes or vouchers ordered, dispensed, accounted for, etc.) to ensure

protection against loss and possible abuse. The service provider will provide Recordkeeping for those mission areas/agencies/staff offices participating in a Department-wide service agreement to the QWLD.

- (2) Mission areas/agencies/staff offices not participating in a Department-wide service agreement must submit an annual report to the Director, OHCM, for the period October 1 thru September 30. Reporting requirements are identified in Appendix B. Reporting for those mission areas/agencies/staff offices participating in a Department-wide service agreement will be provided by the service provider to the QWLD for review and appropriate action.

9 INQUIRIES

Direct all inquiries to the Office of Human Capital Management, Quality of Work Life Division, and Room 3021 South Building, Washington, D.C. 20250, telephone number (202) 720-8248.

-END-

APPENDIX A

APPLICATION TIMEFRAMES AND ACTIONS FOR TRANSIT SUBSIDY BENEFIT

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TRANSIT SUBSIDY TYPE OF BENEFIT	MONTHLY DEADLINE DATE	QUARTERLY DEADLINE DATE	ACTION WHEN RECEIVED AFTER THE DATE	ACTION WHEN RECEIVED BEFORE THE DATE
Metrochek		The last business day of each month in the quarter.	A current employee transit subsidy participant will only receive the current month, and any remaining month(s) in that quarter. Fare media for month(s) in that quarter that have passed prior to the employee picking up the subsidy will not be disbursed. A new employee transit subsidy participant's disbursement for the first month will be prorated from the effective date of employment to the last business day of that month, and the full-authorized amount for the remaining month(s) in a quarter. Fare media for month(s) in that quarter that have passed prior to the employee picking up the subsidy will not be disbursed.	None
Smart Benefit	10 th of each month		Employee will not receive the benefit until the following month. This is because Metro has a specific deadline for receiving information on participants in order to process requests.	None

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TRANSIT SUBSIDY TYPE OF BENEFIT	MONTHLY DEADLINE DATE	QUARTERLY DEADLINE DATE	ACTION WHEN RECEIVED AFTER THE DATE	ACTION WHEN RECEIVED BEFORE THE DATE
Voucher/Passes/Tokens	5 th of each month	15 th of each month	Monthly – Employee will not receive the benefit until the following month. Quarterly – Employee will not receive the benefit until the following month.	None
Cash Reimbursement		15 th of the month following the end of the previous quarter	Employee will not be reimbursed for that ending quarter, unless it is one of the defined exceptions.	None

APPENDIX B

**COMMUTER TRANSIT SUBSIDY BENEFIT REPORT
October 1 Thru September 30, _____ (Insert Year)**

Mission Area/Agency/Staff Office: _____

1. Total Number of Employees In Mission Area/Agency/Staff Office: _____

2. Number of Employees participating in Employer Paid Transit Subsidy:

Headquarters: _____ Field: _____

3. What has been the employer's cost of providing the paid transit subsidy benefit?

Headquarters: _____ Field: _____

4. What has been the increase/decrease in employee participation since the beginning of this reporting period? _____

5. Have there been any substantiated program violations? ____ Yes ____ No
If yes, how many? _____

6. Have the violations been addressed: ____ Yes ____ No
If no, please explain: _____

