



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

May 14, 2007

M-07-15

MEMORANDUM FOR THE HEADS OF DEPARTMENTS AND AGENCIES

FROM: Robert Shea
Associate Director for Management

SUBJECT: Federal Transit Benefits Program

The Federal Transit Benefits Program is designed to subsidize Federal employees' cost of using public transportation to travel to and from work. On April 24, 2007, the Government Accountability Office (GAO) reported numerous instances of fraud and abuse of Metrocheks by Federal employees.¹ In one instance, GAO found, after a three-day investigation, an employee who drove to work, parked for free in an agency-provided parking, and still collected \$105 per month in Metrocheks, most of which he sold on the Internet auction site, eBay. In several instances, Federal employees were caught selling their benefits on the popular community website, Craigslist. In other instances, former Federal employees continued to receive transit benefits even after they left their agencies.

We must preserve the benefits of this program while eliminating the opportunity for waste, fraud, and abuse. In response to press reports, many agencies immediately notified their employees of the proper and improper uses of transit benefits. To prevent further abuse, GAO and others have identified additional internal controls to improve administration of the program.

Please confirm to me, in writing, no later than June 30, 2007 that you have implemented at a minimum the internal controls listed in the attachment, Transit Benefit Internal Controls. If you believe other, existing controls are in place and that additional controls are unwarranted, please make that assertion also in writing. For your additional reference, attached to this memo are copies of (1) an agency note to employees reminding them of the proper and improper use of transit benefits, (2) a transit benefit application that adopts the application controls described below, and (3) a mass transit expense work sheet to assist employees in calculating their usual monthly mass transit commuting cost.

Attachments

¹ *Federal Transit Benefits Program: Ineffective Fraud and Abuse by Federal Workers*, [GAO-07-724T](#), (Washington, D.C., April 24, 2007).

Transit Benefit Internal Controls

Application Requirements

Employee Home Address
Employee Work Address
Commuting Cost Breakdown
Employee Certification of Eligibility
Warning Against Making False Statements in Benefit Application

Note: Some agencies require employees to affix a copy of a completed Washington Metropolitan Area Transit Authority online Trip Planner, which employees can use to determine the participant's actual daily, and then monthly, public transportation costs.

Independent Verification of Eligibility

Commuting Cost Verified by Approving Official (e.g. employee's home address validated and commuting costs correctly calculated)

Eligibility Verified by Approving Official

Implementation

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

----- Original Message -----

From: Postmaster

To: [REDACTED]

Sent: Fri May 04 18:45:18 2007

Subject: Transportation Subsidy Benefit

Use of Your Transportation Subsidy Benefit

This is a reminder to all employees who receive the transportation subsidy that it is a benefit and may only be used to pay the costs of YOUR public transportation to and from work, which may include Metro subway/bus, Virginia Railway Express (VRE), MARC trains, and other eligible commuter buses and vanpools. The amount of the transit benefit will equal the actual amount paid for public transportation, not to exceed \$110.00 per month.

The certification that each recipient signed on the Transportation Subsidy Benefit Program application form states:

- I work for [REDACTED], and I am not listed as a member of a Federal commuter vanpool or carpool.
- I am not the holder of any other form of workplace motor vehicle parking permit, nor am I receiving transportation benefits from another Federal organization.
- I am eligible for a transportation subsidy benefit for use on a participating public transportation system, am obtaining the subsidy for my work-related commuting use, and will not transfer the benefit to anyone else.
- I have accurately listed the commuting cost to and from my home to work using public transportation.
- I acknowledge that it is my responsibility to return any unused transportation subsidy to the component (e.g., subsidy unused due to leave taken or separation).
- I understand that this certification and making false, fictitious, or fraudulent certification may render me subject to criminal prosecution under Title 18, United States Code, Section 1001, and/or adverse action, including removal from the Federal service.

Should you have questions regarding the Transportation Subsidy Benefit Program, please contact the [REDACTED] on [REDACTED].

Thank you.

DOC APPLICATION FOR TRANSIT BENEFIT

(Please Print)

New Application

Modification

Recertification

Name: _____
(Last) (First) (M.I.) (Last 4 Digits of Social Security No.) (Grade/Rank)

Home Address: _____
(Number/Street/Apt. No.) (City) (State) (Zip)

Work Address: D.O.C. _____
(Agency) (Bureau) (Office)

(Building) (Room Number) (Mail Stop) (Phone Number)

CURRENT MODE OF TRANSPORTATION USED FOR COMMUTING: (Please check all that apply)
 Car (single or double occupancy, not including drive to Commuter Parking Lot) Other _____ (Specify)
 Car/Van Pool Commuter Bus Commuter Train Metro Bus Metro Rail

MASS TRANSIT BENEFIT MODE OF COMMUTING: (Please check all that apply)
 Commuter Bus Commuter Train Metro Bus Metro Rail Metro-Approved Vanpool

DO YOU RECEIVE REDUCED FARE PUBLIC TRANSPORTATION RATES (Employee with disabilities or Senior Citizen) YES NO

EMPLOYEE Certification: I hereby certify that I am employed by the Department of Commerce (DOC) and am not named on a worksite parking permit with DOC or any other federal agency. I also certify that I am eligible for a public transportation subsidy benefit, will be using it for my regular daily commute to and/or from work, and will not transfer it to anyone else. In addition, I certify that the monthly transit benefit I am receiving does not exceed my average monthly commuting cost (based on my workweek schedule).

This certification concerns a matter within 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 \$5000 per violation, and/or agency disciplinary actions up to and including dismissal.

X _____
(Applicant Signature) (Date)

PRIVACY ACT STATEMENT: This information is solicited under authority of 5 U.S. C. Sections 301 and 7905. Furnishing the information on this form is voluntary, but failure to do so may result in disapproval of your request for a public transit fare benefit. The purpose of this information is to facilitate timely processing of your request, to ensure your eligibility, and to prevent misuse of the funds involved. This information will be matched with lists at other Federal agencies to ensure that you are not listed as a carpool or vanpool participant or a holder of any other form of vehicle work site parking permit with Department of Commerce or any other Federal agency.

COMPLETED BY EMPLOYEE'S SUPERVISOR:

Accounting Classification Code: (Print Clearly)

Enter Appropriate Dollar Amount of the Fare Media Requested: \$ _____ (Monthly Cost) (Not to Exceed \$110.00 per month)

X _____
(Supervisor's Signature) (Print Name) (Date) (NOTE: Approval is based on person's eligibility to receive benefits in the amount stated above.)

COMPLETED BY BUREAU'S BUDGET OFFICE:

Servicing Accounting Office: _____

ALC: _____

APPROVED FOR AVAILABILITY OF FUNDS:

X _____
(Signature of Budget Approving Official) (Print Name) (Date)

COMPLETED BY TRANSIT POINT OF CONTACT:

X _____
(Signature of Transit Point of Contact) (Print Name) (Date)

MASS TRANSIT EXPENSE WORK SHEET

NOTE: DOC Application for Public Transit Fare Benefit, requires DOC participants to calculate their usual monthly mass transit commuting cost to the nearest dollar for their daily commute to work. This work sheet must be completed to receive subsidy benefits and will assist employees in computing their usual monthly mass transit commuting cost.

INSTRUCTIONS: Calculate your Total Monthly Mass Transit Expenses by the way you pay for commute. List your mode of mass transportation, and how much it cost you; daily, or if paid weekly, or if purchased in monthly passes. Then using the work sheet below, convert all costs to a total monthly amount. It is possible that an employee may have a combination of daily, weekly or monthly expenses in computing their total monthly mass transportation expenses.

REMEMBER: Parking fees are not allowed and cannot be included when computing monthly transit costs. If you are a person with a disability or senior citizen receiving reduced fare rates, you must calculate the reduced rates you pay.

MODE OF TRANSPORTATION		DAILY EXPENSE	WEEKLY PASS EXPENSE	MONTHLY PASS EXPENSE
BUS TO WORK <i>(Local)</i>	<input type="checkbox"/>	NAME OF COMPANY	\$	
BUS FROM WORK <i>(Local)</i>	<input type="checkbox"/>	NAME OF COMPANY	\$	\$
OTHER BUS MODE TO WORK <i>(Commuter or County)</i>	<input type="checkbox"/>	NAME OF COMPANY	\$	
OTHER BUS MODE FROM WORK <i>(Commuter or County)</i>	<input type="checkbox"/>	NAME OF COMPANY	\$	\$
RAIL TO WORK <i>(Light Rail or Subway)</i>	<input type="checkbox"/>	FROM WHAT STATION	\$	
RAIL FROM WORK <i>(Light Rail or Subway)</i>	<input type="checkbox"/>	FROM WHAT STATION	\$	\$
COMMUTER RAIL TO WORK <i>(Train)</i>	<input type="checkbox"/>	NAME OF COMPANY	\$	
COMMUTER RAIL FROM WORK <i>(Train)</i>	<input type="checkbox"/>	NAME OF COMPANY	\$	\$
OTHER <i>(Specify)</i>	LIST MODE TO WORK	NAME OF COMPANY	\$	
	LIST MODE FROM WORK	NAME OF COMPANY	\$	\$
VAN POOL COST PER MONTH		NAME OF COMPANY		
TOTAL ▶			\$0.00	

CONVERTING DAILY AND WEEKLY COST TO MONTHLY COST

40-HOUR WORKWEEK SCHEDULE CONVERSION

EIGHT HOUR WORK DAY CONVERSION			NINE HOUR WORK DAY CONVERSION			TEN HOUR WORKDAY CONVERSION		
DAILY COST	NO. DAYS WORKED	TOTAL DAILY COST PER MONTH	DAILY COST	NO. DAYS WORKED	TOTAL DAILY COST PER MONTH	DAILY COST	NO. DAYS WORKED	TOTAL DAILY COST PER MONTH
\$	x 20	\$ 0.00	\$	x 18	\$ 0.00	\$	x 16	\$ 0.00
LESS THAN 40-HOUR WORKWEEK SCHEDULE CONVERSION					WEEKLY PASS CONVERSION			
<i>Complete if you work less than 40-hours per week (Telecommuter, part-time, etc.)</i>					WEEKLY PASS COSTS	NUMBER OF WEEKS PER MONTH	TOTAL WEEKLY COST PER MONTH	
DAILY MASS TRANSIT COST	NUMBER OF DAYS WORKED PER MONTH	TOTAL DAILY COST PER MONTH						
\$	X	\$			\$	X 4		

NOTE: If the scheduled number of hours you work per month changes, see your Transit point of contact.

NAME OF EMPLOYEE <i>(Please print your name clearly)</i>	TOTAL DAILY COST PER MONTH (if any) ▶	
	TOTAL WEEKLY COST PER MONTH (if any) ▶	
SIGNATURE OF EMPLOYEE	TOTAL MONTHLY COST PER MONTH (if any) ▶	
	GRAND TOTAL COST PER MONTH (if any) ▶	
MY GRAND TOTAL MONTHLY MASS TRANSIT COMMUTING COSTS ROUNDED TO THE NEAREST DOLLAR <i>(Round either up or down to nearest dollar)</i>		\$