

U.S. Department of Transportation

Office of the Secretary



Transit Benefit Program Policy and Guidance

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1.0 Introduction

1.1 Objective

TRANServe offers transit benefit distribution services nationwide, to organizations throughout the Federal government. It distributes over 320 million dollars in cash equivalent fare media annually and provides service to over 275,000 transit benefit participants employed by over 100 federal organizations nationwide. During Fiscal Year 2011 this organization distributed approximately 150 million dollars in Federal transit benefit to over 106,000 Federal employees working at over 80 Federal employer organizations within the National Capital Region (NCR) alone.

From the perspective of providing an efficient, economical means to distribute the transit benefit, TRANServe enables federal agencies to make use of a single established distribution system with extensive and effective internal controls over the receipt, maintenance, and distribution of fare media provided to Federal employees. This single system approach eliminates duplicating these functions at agencies and individual offices throughout the country.

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.No.103--172) was signed into law, 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. 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. 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 and is responsible for removing a significant number of motor vehicles off the highly congested I-95 and I-66 corridors in Virginia.

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. **Certification.** Occurs during initial application, change in application and recertification, whereby the employee reads the certification statement and agrees to abide by it.
5. **EFM.** Electronic fare media.
6. **Extended leave.** A period greater than 90 days that a qualified federal employee is absent from work.
7. **False Claim.** Knowingly presenting, or causing to be presented to the Government an untrue statement for payment.
8. **Fare Media.** Any transit pass, token, fare card, voucher, or similar item that can be exchanged for mass transit.
9. **Fund Certifying Official.** Federal employee in authority who reviews the funding.
10. **Integrity Awareness Training.** Training Management System (TMS) course clarifies transit benefit requirements by 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.
11. **Mass Transit Expense Worksheet.** A form used by a qualified Federal employee to determine the amount of transit benefit they should receive in a given month.
12. **Mass Transportation.** Public Transportation operated for use by the public (e.g., buses, subways, ferries, commuter buses, trains, and qualified vanpools).
13. **Modal Transit Benefit Coordinator.** Federal employee who has the overall responsibility for communication, coordination, and management of their respective Organizational Administrations.
14. **POV.** Privately-owned vehicle.
15. **Qualified Federal Employee.** A DOT Federal employee, DOT volunteer, or DOT intern.
16. **Qualified Ferry.** Ferries are an approved form of public transportation under certain circumstances. See Policy, page 9.
17. **Qualified Vanpool.** A highway vehicle with seating capacity for at least six adults, excluding the driver. See Policy, page 10.
18. **Recertification.** The process by which a qualified Federal employee completes the electronic application to confirm his or her eligibility to continue to receive the transit benefit.
19. **Transit Benefit Managers.** Federal employees working for Transportation Services (TRANServe) who have overall responsibility to manage the Transit Benefit Program for an Agency or DOT mode.

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20. **Self-Certify.** Participants are required to self-certify the amount they spend each month and recertify annually in order to receive the transit benefit.
 21. **Transit benefit.** A nontaxable transportation fringe benefit providing employees with vouchers or other fare media when they leave their personal Occupancy Vehicle to commute via mass transit to and/or from work.

3.0 DOT Policy

The Department of Transportation 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.

1. The Transit Benefit Program is available to all qualified Federal employees (See Section 2.0 Definitions).
2. This policy and guidance applies to all DOT modal organizations including the Federal Aviation Administration (FAA). The FAA administers its own Transit Benefit Program instead of using TRANServe for this service.
3. Employees must display a valid Federal identification card before the transit benefit is issued at on-site distribution.
4. 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, are 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 #23 for vanpool regulations.
5. Employees receive a non-taxable subsidy in the form of electronic or paper "fare media" that can be used toward public transportation commuting costs. The employee is responsible for costs over the maximum subsidy authorized.
6. Effective January 1, 2012, electronic fare media is required for all transit benefit participants within the National Capitol Region (NCR).
7. Overestimating transit costs, giving or selling the transit benefit to others, or purchasing fare media from another is prohibited.
8. Participants are not permitted to accumulate fare media in excess of their actual monthly commuting costs. The monthly benefit amount may be issued in advance of the month for which it is intended, with the stipulation that the amount of any unused benefit is deducted from the next distribution period.
9. 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.
10. On an annual basis, all transit benefit recipients are required to self-certify the amount they spend each month in order to continue to receive the transit benefit. The transit benefit is tied to the calendar month and will not be issued retroactively.
11. Participants are responsible for adjusting their transit benefit amount upon changes to commuting methods, work schedules (such as leave, holidays or teleworking) or change of address.
12. Participants must recertify annually and will be automatically withdrawn from the program if annual recertification is not completed.
13. All transit benefit participants are required to complete Integrity Awareness Training. At a minimum, the training must be taken upon enrollment and annually during recertification.

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14. Employees who misuse transit benefit subsidies are subject to appropriate administrative action including discipline and disqualification for future transit benefits. 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 Coordinators are authorized to disqualify employees under their jurisdiction who have been determined to have misused the transit benefit subsidies. Instances of fraud or possible fraud will be referred to the DOT Office of the Inspector General.
 15. Approving Official, Supervisor, and/or the Modal Transit Benefit Program Coordinator must confirm or verify the employee worksheet.
 16. Approving Officials, Supervisors and/or the Modal Transit Benefit Program Coordinators must complete a mandatory training seminar. They must also complete a refresher training every two years.
 17. DOT employees who travel to work in any vehicle other than mass transit are not eligible for the transit benefit. This includes a single-occupancy vehicle, carpool, airplane, and any vehicle not designated as mass transportation.
 18. Participants who decide to stop participating in the Transit Benefit Program must officially withdraw from the program via the electronic application (<https://transitapp.ost.dot.gov>).
 - a. Participating employees on **extended leave** of 90 days or more are required to withdraw from the program and reapply when they return.
 19. Participants who do not pick up their transit benefit for six months will be automatically withdrawn from the program.
 20. There are occasions where available voucher denominations do not precisely match the cost of a ticket. When the voucher amount is \$2 or less over the actual ticket amount the additional cost is acceptable, if there are no other denominations available.
 21. 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, means an individual who drives, or is a passenger in a privately-owned or leased vehicle and who parks in a federally-subsidized parking area. Any government-provided, owned, or leased parking area is considered federally-subsidized.
 - a. 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. Participants are required to make a corresponding adjustment to their transit benefit.
 22. Ferries are an approved form of public transportation under certain circumstances. However, they are not approved to shuttle a participant's POV from one point to another then complete the journey by POV. The Federal Transit Benefit Program covers "walk on" fares only. This includes individuals who park their POV and walk onto the ferry. At the debarkation point, the ferry rider must 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 ticket.

23. Qualified Vanpool is a highway vehicle with seating capacity for at least six adults excluding the driver.
- a. Each vanpool will designate a primary operator who is the designated permit holder and will be responsible to ensure the minimum requirements are met. One alternate operator may be named.
 - b. 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.
 - c. Transportation of employees to and from work must represent 80% of the usage of the van.
 - d. Vanpools may be made up of Government and non-Government employees.
 - e. According to the IRS Regulation 26 CFR §1.132-9 – 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).”
 - f. Vanpools may be privately-owned, operated by a transportation company or a public transportation provider. In the National Capital Region (NCR), vanpools are required to register with the local transportation authority in order to be eligible to receive and negotiate vouchers.
 - g. 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.
 - h. 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.
 - i. Participants must withdraw from the vanpool program after 60 days of inactivity.
 - j. 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 U.S. Department of Transportation (DOT)

4.1.1 DOT TRANServe Program Office

TRANServe provides a service to DOT and other federal agencies with 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 designate Modal Transit Benefit Coordinators that will have overall responsibility for communication, coordination, and management of their respective organization's transit benefit program, 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 Transit Benefit Managers (TBM)

Transit Benefit Managers (TBMs) have overall responsibility to manage the Transit Benefit Program for DOT and non-DOT agencies. After the OST TRANServe Customer Agreement is signed, the TBM takes over the day-to-day contact to ensure the program is implemented efficiently and effectively.

NCR distribution occurs electronically via WMATA Smart Benefits or the TRANServe Debit Card. The TBM determines the location and frequency of fare media distribution for each region outside of the NCR per the agreement.

4.1.5 Budget and Finance Personnel

The Business Office Budget and Finance Personnel are responsible for:

- Processing returns to vendors.
- Processing agency credits.

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- Receiving shipments and program mail.
 - Researching inventory issues.
 - Procurement.

4.1.6 DOT Office of the Inspector General

The DOT Office of Inspector General (DOT-OIG) provides independent oversight and investigative capability related to DOT employee participation in the Transit Benefit Program. The DOT-OIG provides centralized monitoring and initial investigation 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 participate in a carpool.
- To use their transit benefit only for their home to work transportation.
- To make sure that the amount of the transit benefit received does not exceed actual monthly commuting cost by public transportation even though they receive the benefit quarterly.
- To 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 leave, holidays or teleworking) or change of address.
- To withdraw from the transit benefit program via the electronic transit benefit application.
- To report to the DOT Office of the Inspector General when transit providers charge additional or excessive fees to transit benefit recipients. Employees are responsible for determining that charges represent fair market value.

4.3 Participating Agencies

TRANServe enters into a customer agreement with each Federal entity it services. The customer agreement is attached in Appendix D. The customer agreement specifically states 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, Appendix E, is also provided along with the customer agreement to outline the respective responsibilities of the partner and TRANServe.

Participating Agencies must name a Point of Contact (POC) and an Approving Official to serve as an independent verification of an employee's eligibility. A Funds/Certifier Manager must also be named to verify the eligibility of funds.

Participating Agencies have responsibility for internal controls over their employees' eligibility and 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.

5.2 Federal Employees Clean Air Incentive Act

Congress enacted the Federal Employees Clean Air Incentive Act (FECAIA) Pub. L. No. 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.”

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. “

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. TRANServe issues an Assurance Letter to customers annually.

5.5 OMB Memorandum, M-07-15, “Federal Transit Benefits Program,” May 14, 2007

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.

6.0 DOT Transit Benefit Program

DOT 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 and light)
- Bus (transit authority and commuter)
- Ferry – approved form of public transportation when used as walk on fares or on bicycle
- Bicycle – Federal employees who ride bicycles to and from work may claim the transit benefit to cover the cost of using mass transit as part of the commute. (See DOT Bicycle Benefit Policy for details)
- Qualified vanpools

6.2 Eligibility

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

- All DOT employees working in a full or part time paid status
- Eligibility for enrollment in the Transit Benefit Program begins after all process are completed:
 - Transit Benefit Integrity Awareness Training
 - Submission of transit benefit application
 - Approval of transit benefit application
- It is the participant's responsibility to follow up on the status of their transit benefit application
- The transit benefit is tied to the calendar month and will not be issued retroactively

6.3 Program Consistency

DOT seeks to continually improve the Transit Benefit Program. The Agencies participating in the program 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 program costs, improving internal controls 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 employee's 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. 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 request 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, which is a part of the Transit Benefit Self Certification/Recertification Form, in Appendix C must be used when calculating transit benefit requirements.

Employees must ensure 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. 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.

Transit links for major cities around the country are listed on the website <http://transerve.dot.gov>.

6.5 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 from the program. This application for agency employees is found in Appendix B.

A database is maintained that identifies all eligible participants in the program who 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.

6.6 Receipt of Transit Benefits

Effective January 1, 2012, electronic fare media is required for all transit benefit participants within the NCR. Employees at a regional location will either receive a government issued personal debit card to purchase their monthly transit benefit or Modal Transit Benefit Coordinators will distribute transit fare media locally.

6.7 Recertification

Federal employees who are participants in the Transit Benefit Program are required to recertify on an annual basis. To recertify, click on <http://transitapp.ost.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.

6.8 Termination of Benefits

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 H.

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 (www.transitapp.ost.dot.gov)

6.9 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.

6.10 Reporting

6.10.1 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. Based on the data collected; there are a variety of reports available for use.

6.10.2 Account Activity 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.

6.10.3 Six-Month Report

The Quarterly Six-Month report is used as a means to review 6 months' worth of pickup records for participants and gives the Modal Transit Benefit Coordinator the tool to evaluate if participants are adjusting their transit benefit amounts upon changes to commuting methods, work schedules (such as leave, holidays or teleworking) or changes of address.

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 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 provides 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, 2012, EFM is required for all transit benefit participants within the NCR.

7.2.2 Application/Estimate of Transit Benefit

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

- The Participant must certify that information is accurate and acknowledge punitive actions may result from violations of program requirements.
- Continuing Eligibility –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.
- TRANServe will crosscheck the transit and parking systems on a random basis to determine that employees are not receiving both benefits.

7.2.3 Verification of Eligibility

The Approving Official 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 and sent to TRANServe.

7.2.5 Distribution

For onsite distribution, check the following information:

- Government identification.
- Enrollment in the program.
- Enrollment in the SmartBenefits® 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 does not report to work in accordance with the calculation as submitted on the transit benefit application. Examples of these types of instances are: changes his or her 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 the transit benefit exceeds the amount needed, participants must adjust his or her benefit.

7.2.8 Integrity Awareness Training

Integrity Awareness Training is mandatory for all employees who receive a transit benefit. 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 are required to complete the Transit Benefit Integrity Awareness Training. At a minimum, the training must be taken at enrollment and annually during recertification. The Transit Benefit Program has developed an electronic learning package implemented through the electronic Training Management System (TMS).. This package 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. These range from admonishment to dismissal, depending on the circumstances. TMS is incorporated in DOT's on-line recertification process. 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 TMS training. The participant is required to present documentation to their training officer to update TMS records. TMS reports indicating completion of training are the source document for the DOT TBM to approve the participant's application for the transit benefit.

8.2 Frequently Asked Questions (FAQ)

FAQs are posted on the TRANServe website at <http://transerve.dot.gov>.

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 SmartBenefits® 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, DC, 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 CFR §1.132-9 – 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 DC, 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
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
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
TBM	Transit Benefit Manager
TAM	Transportation Acquisition Manual
UDO	Undelivered Orders
VRE	Virginia Rail Express
WCF	Working Capital Fund

Appendix B – Transit Benefit Application

RECERTIFY

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 <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>				
Other Bus Mode from Work (commuter or county)	Name of Company <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>				
Rail to Work (MARC, VRE, Metro, other)	Name of Company <input type="text" value="Metro"/>	\$ <input type="text" value="5.00"/>	\$ <input type="text" value="25.00"/>	\$ <input type="text" value="100.00"/>				
Rail from Work (MARC, VRE, Metro, other)	Name of Company <input type="text" value="Metro"/>	\$ <input type="text" value="5.00"/>	\$ <input type="text" value="25.00"/>	\$ <input type="text" value="100.00"/>				
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"/>	<input type="text"/>	\$ <input type="text"/>				
Calc Total				\$ <input type="text" value="200.00"/>				
Converting Daily and Weekly Cost to Monthly Cost								
40-hour workweek and compressed workweek								
8-hour work day conversion			9-hour work day conversion		10-hour work day conversion			
Daily Cost \$ <input type="text" value="10.00"/>	No. Days Worked x 20	Total Monthly Cost \$ <input type="text" value="200.00"/>	Daily Cost \$ <input type="text"/>	No. Days Worked x 18	Total Monthly Cost \$ <input type="text" value="0.00"/>	Daily Cost \$ <input type="text"/>	No. Days Worked x 16	Total Monthly Cost \$ <input type="text"/>
Other Work Schedule Conversions (telecommuters, part-time, maxiflex, etc.)				Weekly Work Schedule Conversions				
Daily Cost \$ <input type="text"/>	Number of commute days per month x no. days <input type="text"/>	Total Monthly Cost \$ <input type="text"/>	Weekly Cost \$ <input type="text"/>	Number of weeks per month x 4	Total Monthly Cost \$ <input type="text"/>			
Employees are responsible for adjusting their monthly transit benefits each month in accordance with their actual work commute each month.						Total Monthly Costs \$ <input type="text" value="200.00"/>		

NATIONAL CAPITAL REGION PUBLIC TRANSPORTATION
TRANSIT BENEFIT PROGRAM APPLICATION

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:

Work Status:

I certify that my usual **monthly commuting costs** 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 within the jurisdiction of an agency of the United States. Making a false, fictitious, or fraudulent certification may constitute criminal violations punishable under Title 18, United States Code, Section 1001, by imprisonment up to five years and fines up to \$10,000 for each offense, and/or agency disciplinary actions up to and including dismissal.

- I certify that I am employed by the U.S. Federal Government.

- I certify that I am not named on a federally subsidized parking permit with 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.

I Agree

I Do Not Agree

Appendix D –TRANServe Customer Agreement

OST CUSTOMER AGREEMENT		AGREEMENT NUMBER	
		0	
PARTIES TO THE AGREEMENT			
a. CUSTOMER CONTACT / BILLING ADDRESS		b. OST CONTACT/ADDRESS	
Attn:		U.S. Department of Transportation Attn: Transit Benefits Program, M-73 1200 New Jersey Ave., SE Washington, D.C. 20590	
PHONE:	FAX:	Phone:	Fax: 202-493-2436
E-MAIL:		Email Address:	
APPROPRIATION/ACCOUNT CODE CHARGEABLE		COST ACCOUNT PROGRAM ELEMENT CODE	
		14X4520000.2012.0000000000.1103006000	
EFFECTIVE DATE		COST (ESTIMATED)	
10/1/2011 - 09/30/2012		a. FY 2012	b. AMOUNT \$ -
<p>DESCRIPTION OF SERVICES: This Customer Agreement between the CUSTOMER NAME ("Customer") 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> <input checked="" type="checkbox"/> The Administrative Working Capital Fund (49 U.S.C. 327) <input checked="" type="checkbox"/> The Economy Act of 1932 as amended (31 U.S.C. 1535) <input checked="" type="checkbox"/> Interagency Acquisitions (48 CFR 17.5) </p> <p>This Customer Agreement provides a written understanding of the Transit Benefit Program Services TRANServe will provide to the Customer.</p> <p>PHYSICAL FARE MEDIA: TRANServe will act as the liaison between the Customer and the Washington Metropolitan Area Transit Authority (WMATA) 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>ELECTRONIC FARE MEDIA : Transit authorities across the nation are moving away from paper fare media and implementing electronic fare media such as WMATA's SMARTrip® Card in the National Capital Region. TRANServe is shifting its distribution methodology away from paper fare media to electronic fare media to tighten internal controls and support Green Government. Since the Federal Government Transit Benefit Program is not only governed by the Internal Revenue Code (IRS) and IRS regulations but also by applicable Federal government-wide policy and regulations, it was necessary to work with Treasury's Financial Management Service and IRS to develop the TRANServe Debit Card. The TRANServe Debit Card is a personalized Visa-branded card that provides the transit benefit electronically. TRANServe will strategically target major metropolitan areas until the card is fully implemented. In order for participants to activate their TRANServe Debit Card, the following information is required: work zip code; work phone; common identifier; and eligibility date. The debit card is funded the 10th of every month. Participants use the card to purchase fare media between the 10th of the current month through the 9th of the following month. The card is swept of unused funds on the 10th of every month.</p> <p>RESPONSIBILITIES: It is the responsibility of the Customer to verify eligibility of recipients. A Transit Benefit Program Partnership Agreement ("Partnership Agreement") is attached outlining the responsibilities of DOT and the Customer and is incorporated in, and made a part of this Customer Agreement. In addition, the following statement is included on each of the Account Activity Statements sent with the monthly reports:</p> <p>TRANServe works to provide transit benefits to eligible federal employees as requested by your agency. A transit benefit is an employee benefit and we strongly urge you to take all measures necessary to protect the fare media prior to its distribution to eligible employees. TRANServe is responsible for ordering, obtaining, verifying, and safeguarding fare media prior to its distribution. We also maintain a database that identifies all agency participants based on information provided by you.</p> <p>CONTINUED ON PAGE 3:</p>			

OST CUSTOMER AGREEMENT**AGREEMENT NUMBER**

0

We use this information to distribute the appropriate amount of transit benefits to authorized employees. The customer is responsible for carrying out the following tasks: All transit benefit enrollment applications must be thoroughly reviewed by your agency's authorizing official prior to submission to DOT for processing. Utilizing a self-certification process - it is your agency's responsibility to ensure each employee eligible to receive a transit benefit is instructed that he/she is certifying under section 1001 of title 18, United States Code, that he/she will not transfer this benefit to anyone else, he/she is not named on a federally subsidized parking permit, and the benefit received does not exceed his/her monthly commuting costs. If an employee collects more transit benefits than he/she uses in a given month, is on extended sick leave, or is on temporary duty elsewhere, the employee must be instructed to return the unused benefit or receive an appropriately reduced benefit amount at the next distribution. If you have any questions regarding these responsibilities, please contact your TRANServe account representative or the TRANServe office at 202-366-0064.

RATES: TRANServe disbursing agents will be made available to cover distribution hours agreed upon by the Customer and TRANServe. A copy of the annual distribution schedule will be provided for review and confirmation. All per diem will be within the Joint Federal Travel Regulations listed costs. In the regional offices, fare media will be sent via courier to representatives designated by the Customer for distribution.

- All courier fare media will be charged at \$7 per package.
- Each disbursing agent will be billed at \$40.00 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 6.00% financial management fee.

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" or as permitted by the Economy Act (31 U.S.C.1535) for orders authorized under such authority.

This will be an advance billing agreement as indicated on page seven in the Intra-Government Payment and Collection System ("IPAC") "Advances Taken" box. Advances are drawn quarterly. This occurs before the scheduled distribution date to ensure sufficient funds are on hand at TRANServe to purchase the fare media. Fare media purchase is based on the total amount of active participants and their requested dollar amount. Participants will be auto-withdrawn after 6 months to avoid excessive credits. The advances will be drawn in October, December, February, and June. Additional advances are drawn when funds are needed to cover estimated expenses. The IPAC amounts may not be in equal installments. The IPAC is based upon the current enrollment numbers at the time of the IPAC.

Advances are processed through the IPAC system. DOT-OST Finance provides the Customer's point of contact, identified on this agreement, a copy of the account activity report. The IPAC system automatically generates the SF-1081. If an additional copy of the SF-1081 is required, please contact your designated Transit Benefit Manager.

DOT/OST-WCF can only process ONE line of accounting for each customer agreement.

If funding is not advanced, as detailed above, to the WCF or is charged back through the IPAC system, TRANServe will immediately suspend services. This includes during a Continuing Resolution (CR) where funding is limited.

Actual monthly expenses are applied to the advance amounts, and the Customer is provided an account activity report by the 25th of each month following distribution detailing the amount applied to the advance.

Total agreement estimates are based on the number of active participants and their requested dollar amount using the most current enrollment information at the time the agreement is created.

CONTINUED ON PAGE 4:

OST CUSTOMER AGREEMENT**AGREEMENT NUMBER**

0

FRAUD, WASTE, AND ABUSE OF FARE MEDIA: The Partnership Agreement between your agency and TRANServe states that, "TRANServe will maintain a database that identifies all participants in the Program that are currently deemed eligible by your agency, the original effective date of program participation, the value of fare media provided and the effective date of termination, as appropriate." TRANServe recognizes there are times when a Regional and/or NCR POC does not maintain accurate records. In order to allow for these rare occasions when an agency must return fare media without individual records in a bulk credit, a letter from an appointed person of authority must accompany the fare media return form. The letter must state the NCR and/or Regional POC did not follow procedures and accurate records are not available. The letter must also acknowledge that TRANServe will not be held responsible for the records of participants in that region during the time the records were not kept in proper order. All other procedures for fare media return must be followed as stated below under Credit Policy.

CREDIT POLICY: In order to follow the Partnership Agreement and maintain accurate information, we cannot accept bulk credits.

- All returns for monthly passes must be received by TRANServe by the 4th of the distribution month for credit, i.e. April passes must be received by the 4th of April. Passes received after the 4th of the distribution month cannot be processed.
- All other media must be received by TRANServe no later than 30 days after the intended month or quarter.
- Media that is not credited by TRANServe will be returned to your agency and billed accordingly.
- Media must be returned by overnight delivery to the address provided on the Return Fare Media Form.
- All returns must have a Return Fare Media Form filled out completely in order for the credit to be processed. Two copies are required. One copy is emailed to the address on the form prior to shipment of the returned fare media and the second is included with the shipment.
- All credit returns must include the name of the participant not picking up as well as the amount and type of fare media being returned.
- No bulk credits will be accepted.
- TRANServe reserves the right to access a fee for processing credits.
- Credits will be applied only to media that was issued by TRANServe.
- Personal checks from your participants cannot be accepted by TRANServe. Personal checks turned in by your participants must be processed through your agency.
- Expired, written-on, stapled, partially used, torn media, or vouchers without receipts still attached cannot be credited.

FULL COST RECOVERY: By law, both Economy Act agreements (31 U.S.C. 1535) and those authorized by DOT's WCF (49 U.S.C. 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 Economy Act, 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. It is recommended that the Customer not close out the funding on the Customer Agreement until the final Economy Act billing is processed by DOT-OST after the fiscal year of this Customer Agreement ended.

TERMINATION AND CANCELLATION CLAUSE: Any party may terminate this Customer Agreement by providing 90 days written notice to the other party. If the requesting agency cancels the order, the providing agency is authorized to collect costs incurred prior to the cancellation of the order plus any termination costs.

RESOLUTION OF DISAGREEMENTS: Should a disagreement arise on the interpretation of the provisions in this Customer Agreement or the Partnership Agreement, the dispute shall be resolved pursuant to the Business Rules for Intragovernmental Transactions delineated in the Treasury Financial Manual, Vol. 1, Bulletin 2007-03 Section VII (Resolving Intragovernmental Disputes and Major Differences).

OST CUSTOMER AGREEMENT	AGREEMENT NUMBER 0
SPECIFICS OF THIS AGREEMENT	
FARE MEDIA:	
- emp (NCR) rec'v an average of	\$ - Per Month times 12 Months: \$ -
- emp (region) rec'v an average of	\$ - Per Month times 12 Months: \$ -
\$ 230 Maximum amount per month within the National Capital Region (NCR).	
\$ 230 Maximum amount per month for the customer's regional areas.	
OTHER SERVICE COSTS: (Vendor Surcharges, Shipping, Travel, etc. if applicable)	
	\$ -
Anticipated 10.00% growth in the program:	\$ -
	SUBTOTAL: \$ -
FINANCIAL MANAGEMENT:	
SUBTOTAL x Management Fee of 6.00%	\$ -
DISTRIBUTION SERVICES:	
NCR Distribution - Number of hours 0 hours 0 times \$ 40.00	\$ -
Regional Distribution - Hours 0 hours 0 times \$ 40.00	\$ -
Regional mailings/prep Hours 0 hours 0 times \$ 40.00	\$ -
Total estimated annual cost:	\$ -
SUBJECT TO AVAILABILITY OF FUNDS	
PAGE 5 of 7	

DOT / OST Working Capital Fund Financial Information Sheet
(Please complete all information.)

	OST Working Capital Fund	Customer
Customer Number (If Applicable)	0000000000	
Customer Name as it will appear on billing statement	OST - WCF	
Department / Agency	U. S. Department of Transportation	
Administration / Bureau or Major Command	Office of the Secretary of Transportation	
Office / Division / Center	Transportation Services	
OST-WCF Agreement / Project Number	0	
Agency Location Code - ALC	69-01-0007	
Taxpayer Identification Number TIN	52-2211023	
Dun and Bradstreet Number DUNS	13-222-7039	
Treasury Appropriation Fund Symbol TAFS	69X4520	
Trading Partner Code TPC	690000	
Business Event Type Code BETC	COLL	DISB
Agency Accounting Code (Agency's Line of Accounting)	14X4520000.2012.0000000000.1103006000	
MIPR or Agency Obligating Document Number	N / A	N/A
OST-WCF Services Utilized	Transit Benefits (NON-DOT)	Transit Benefits (NON-DOT)
Program Contact	0	

OST Customer Agreement Number
0

DOT / OST Working Capital Fund Financial Information Sheet
(Please complete all information.)

	OST Working Capital Fund	Customer
Program Contact Phone Number	0	
Program Contact E-Mail Address	0	
Program Contact Mailing Address	U.S. Department of Transportation Transit Benefits Program, M-73 1200 New Jersey Ave., SE Washington, D.C. 20590	
Bill Paying / Collecting Activity	FAA Oklahoma City	
Bill Paying / Collecting Activity Contact	Norma Bowles	
Bill Paying / Collecting Activity Contact Phone Number	405.954.2568	
Bill Paying / Collecting Activity Contact E-Mail Address	Norma.Bowles@faa.gov	
Bill Paying / Collecting Activity Address	FAA / OST / WCF Account WCF Account c/o AMZ-120 P.O. Box 25730 Oklahoma City, OK 73125	
Advances Taken (Yes / No)	YES	YES

OST Customer Agreement Number
0

Appendix E – Transit Benefit Program Partnership Agreement



000-TFC-0000000000-12

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 **Template Customer Name** as described in the annual OST Customer Agreement. Specifically, TRANServe provides appropriate transit benefits to qualified participants deemed eligible by **Template Customer Name**.

- TRANServe will obtain and safeguard specific types and volumes of fare media in preparation for distribution to eligible employees at the **Template Customer Name**.
- TRANServe will process all enrollment applications for the Program, once those recipients have been approved by the **Template Customer Name**.
- TRANServe will test the controls over the activities for which it performs for **Template Customer Name** 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.
- TRANServe will provide a monthly invoice with detailed reports to the **Template Customer Name** 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 the **Template Customer Name** 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 the **Template Customer Name** request.
- TRANServe will maintain billing records and information in accordance with NARA guidelines and requirements to enable the **Template Customer Name** 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 the **Template Customer Name**, 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 **Template Customer Name** Program coordinators to ensure participant enrollment is updated and accurate.
- TRANServe will distribute fare media on a mutually agreed upon basis to **Template Customer Name** approved transit benefit participants at the disbursement locations agreed upon by the **Template Customer Name** 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.

As **Template Customer Name** enters into an annual Customer Agreement with TRANServe for administrative and distribution services, **Template Customer Name** 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. **Template Customer Name** program coordinator will retain responsibility for communication with the **Template Customer Name** management structure and individual program participants.
- **Template Customer Name** 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 not receiving parking benefits and are using mass transit for the bulk of their commute to work.
- **Template Customer Name** is required to ensure employees are fully aware of their responsibilities for participation in the Program, such as:

¹ The Economy Act of 1932, as amended, 31 U.S.C. § 1535

Code of Federal Regulations, Title 26, Volume 2 CITE: 26CFR1.132-9 (Revised as of April 1, 2003)

IRS Publication 15-B (Revised February 2007)

VOĐNOVICH Human Capital Legislation added to Homeland Security Bill July 24, 2002 permitting transit subsidies to interns

Federal Employees Clean Air Incentives Act, 5 U.S.C. & 7905, P.L. 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. 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. Personally responsible for adjusting the transit benefit amount upon changes to commuting methods or work schedules such as extended leave or telecommuting
- **Template Customer Name** will provide Program oversight including identification of any participants making false claims, selling, illegally transferring, or otherwise violating benefit requirements.
 - **Template Customer Name** is responsible for taking appropriate action for 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 **Template Customer Name**.

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

Date

Template Customer Name
Program Manager

Date

DOT TRANServe
Program Manager

Return to TRANServe with your FY-2012 Customer Agreement.

Appendix F – DOT 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 for which 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.

¹ The Economy Act of 1932, as amended, 31 U.S.C. § 1535

Code of Federal Regulations, Title 26, Volume 2 CITE: 26CFR1.132-9 (Revised as of April 1, 2003)

IRS Publication 15-B (Revised February 2007)

VOINOVICH Human Capital Legislation added to Homeland Security Bill July 24, 2002 permitting transit subsidies to interns

Federal Employees Clean Air Incentives Act, 5 U.S.C. & 7905, P.L. 103-172, December 2, 1993

- **DOT MODE** is required to ensure employees are fully aware of their responsibilities for participation in the Program, such as:
 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. 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. Personally responsible for adjusting 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, and 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 G – 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>

Appendix H Media Return Form



Date: _____

Media Return Form

Region:				DOT AAM:					
Agency:				FROM:					
				PHONE #					
Employee	IDENTIFIER	WITHDRAW CUSTOMER?	DENOMINATIONS						TOTAL
Example: John Smith	1234	YES	2	\$30	1	\$20	3	\$10	120.00
Use copies of this form if additional room is needed.				TOTAL:					

- ▶ Media returned without this form **cannot** be credited.
- ▶ Credits will be applied only to media that was issued by the US DOT
- ▶ Expired, written-on, stapled, partially used, torn media, or vouchers without receipts still attached **cannot** be credited.
- ▶ Current monthly passes must be received by the 5th of the respective month or your agency **cannot** be credited. i.e., April passes must be returned by the 5th of April. Portland passes must be received by the 1st.
- ▶ Please do not include Applications, Withdraw Forms, changes, or any other correspondence in the Media Return Package.
- ▶ Media must be returned by overnight delivery to:



DOT/OST TRANServe
 1200 New Jersey Ave., S.E.
 RM W12-183
 Washington, DC 20590
 ATTN: Budget & Finance Office

