Berkeley USD

Parking & Transit Reimbursement Plan

Plan Year: **January 1, 2012** through **December 31, 2012**

What does this packet include?

- Newsletter (Q&A)
- List of Approved Payment Terminals
- Enrollment/Change Form
- Parking & Transit Claim Form
- Direct Deposit Authorization

What expenses are eligible for reimbursement under this Plan?

- Eligible expenses are parking and mass transit costs associated with your travel to and from work. They are divided into two types of expenses (1) Parking Expenses and (2) Mass Transit Expenses.
- Eligible **Parking** Expenses include the costs you incur for parking your car at or near your work premises or at a location that you commute to work to use Mass Transit.
- Eligible **Mass Transit** Expenses include your costs for a pass, token, fare card, voucher or stored-value card (e.g. the "Clipper Card") used exclusively to pay for mass transportation. The transportation can be on a public or privately owned facility. Vanpools or Commuter Highway Vehicles used for travel to and from your work, or to a Mass Transit location that you commute from, are eligible Mass Transit Expenses.

  To be eligible however, a Vanpool must: (a) have a seating capacity of at least six (6) adults excluding the driver; (b) be used 80% for purposes of transporting eligible employees to and from work; and, (c) be used by more than half the riders to commute to and from work.
- Toll charges & carpooling expenses do not qualify as a "Mass Transit Expense" and are, therefore, not eligible for reimbursement.

What is the maximum monthly contribution during 2012?

- Parking Spending Account: **$240**
- Transit & Van Pooling Spending Account: **$125**

What is the maximum benefit that I may receive?

- You may not be reimbursed more than the maximums listed above for expenses incurred during a month. For example, if you incur $250 of parking expenses in the month of January, the most you can be reimbursed is $240 for January expenses (this assumes you have at least $240 available in your Parking Account). If you use the debit card, you will not be permitted to charge more than these maximums in a calendar month.

Does the maximum contribution and benefit ever change?

- Yes! Each year on January 1, the federal government adjusts the maximum contributions and benefits permitted for each account. While the amounts generally increase, they can also be decreased. If the maximums are increased, you will be permitted to increase your election(s). If the maximums decrease and your election exceeds the new maximum, your contributions will automatically be reduced to the new maximum. Of course, if you already contribute less than the new maximum, your contributions will not be impacted.

How often may I change my election?

- You are permitted to change your Parking or Transit Account elections on the first day of each calendar month. To change your election, complete a new Enrollment/Change Form and submit it to your employer prior to the beginning of the month during which you want the change to take place.

May I stop my contributions during the Plan Year?

- Yes! You are permitted to stop making contributions to the Parking & Transit accounts (meaning you change your contributions to $0.00) as of the first day of each calendar month. To stop your contributions, simply complete a new Enrollment/Change Form (entering $0.00 as your new election) and submit it to your employer prior to the beginning of the month during which you want your contributions to cease.
- If you have a balance in your Parking or Transit account, you may still access your funds even if you are not currently contributing.

May I transfer funds between accounts?

- No! You may not transfer funds between the Transit and Parking accounts. For example, if you have a balance in your Parking account that you cannot use, you may not transfer this balance to your Transit account.

Who Administrates the P&T Plan?

- Custom Benefit Administrators (CBA) is the Third-Party Administrator (TPA) for the Parking & Transportation Plan. CBA is located in Rocklin, California.

Does our P&T Plan include a debit card?

- Yes! The debit card can be used when you purchase transit vouchers/tickets at most dedicated transit locations (you may NOT use your CBA debit card to purchase transit vouchers from a retailer). In addition, your debit card can be used to add funds to the ***Clipper Card***! The Clipper Card is now accepted on AC Transit, BART, Caltrain, Golden Gate Transit and Ferry, and Muni.
- To order a Clipper card, log onto: https://www.clippercard.com/ClipperWeb/index.do
- The debit card is provided for you at no cost. Refer to page 4 of the attached Parking & Transit Newsletter for more information about your debit card.
- The debit card will be mailed to your address on record. Your card should arrive within three weeks after the end of your open-enrollment period.
- You do not have to activate a new debit card. It will automatically activate upon first use.
- Your debit card also works for the Medical Flexible Spending Account (FSA). If you enroll in both the FSA and P&T accounts, one card will be used for all eligible transactions.
- You may only use the debit card to pay for your individual qualified parking and/or transit expenses. You may not use these accounts to pay for the expenses of anyone other than yourself.
- The debit card is valid for up to 3 years at a time. Do not throw your debit card away even if you have a $0 balance in your account(s).
- You may only use your debit card to add funds to your ***Clipper Card*** or to pay for transit fare at approved transit terminals. Unfortunately, debit cards will not work at all mass transit vendor terminals. This is because some vendors have not yet updated their payment terminals to comply with the debit card requirements (refer to the attached list of approved terminals). If the location you use does not accept your CBA debit card, you will need to use another form of payment and then submit your expense to CBA for reimbursement.
- **Helpful Hint:** Even though the card is referred to as a "debit card", there is no PIN. Therefore, in the VISA card system, it functions like a "credit card". When you use your card to pay for transit or parking faire, always select the "credit" option. This also helps to avoid those nasty debit card transaction fees that are so common these days.

How do I enroll in the Parking & Transit Accounts?

- To enroll, complete the enclosed Enrollment/Change Form and return it to your employer prior to your enrollment deadline.

How do I file a claim for the Parking & Transit Accounts?

- A claim form is attached for your convenience. In addition, after you enroll, CBA will send you a Welcome Packet, along with your ENROLLMENT CONFIRMATION. The Welcome Packet includes lots of great information about your account(s), including how to file a claim and access information via the web portal. If CBA has your email address on file, the packet will be emailed to you. If not, CBA will mail the packet to your address of record.

Am I required to submit documentation for all claims?

- If you use your CBA debit card to pay for qualified expenses, you will not be asked to provide supporting documentation after a transit purchase (but you may be required to provide supporting documentation for a parking expense).
- If you file a claim using the online system, you will be asked if you received documentation from your vendor. If you answer "yes", you must provide CBA with a copy of your documentation. If you did not receive documentation from the vendor, simply answer "no" to this question and your supporting documentation requirement will be waived. This special waiver only applies to Parking & Transit accounts.
- If you file a traditional claim using a claim form, you must attach supporting documentation if you received it from the vendor. If you did not receive documentation from the vendor, simply sign the certification that you did not receive documentation on your claim form. This special waiver only applies to parking & Transit accounts.

When will I be reimbursed?

- Traditional, non-debit card claims are paid every Wednesday and Friday (except holidays).
- The claims "cut-off" is noon on the previous business day (Tuesday and Thursday). This means the entire claim (the claim form AND your receipt or statement, if received from the vendor) must be received. If any portion of your claim is missing, it is not considered "received".
- You may choose to be reimbursed for non-debit card claims by check or Direct Deposit. Direct Deposit is fast, convenient and reliable. If you are reimbursed via Direct Deposit, CBA can email you a confirmation notice every time you are reimbursed. To enroll, simply complete the attached Direct Deposit Authorization form. That's it! If you enroll in Direct Deposit for the Medical Spending Account, you do not have to complete a second authorization for the Parking & Transit accounts. You will automatically receive all reimbursements by Direct Deposit.
- After the plan year ends, / active participants have until **January 5, 2013** to submit claims for expenses incurred by December 31, 2012. This is called your claims "run-out period". During the "run-out" period, any funds remaining in your prior year accounts may only be used to pay for expenses incurred during the previous plan year. Once the run-out period ends, any unclaimed balance will be rolled-over to the new plan year and you may no longer be reimbursed for services rendered during the previous plan year, so be sure to claim out every dollar by your claim filing deadline!
- If you lose your eligibility to participate during the plan year, CBA must receive your Parking & Transit claims no later than 60 days after the date you lost your eligibility to participate. Claims must be for expenses incurred while you were an active participant.
- There is no charge for you to participate in the Parking & Transit accounts. Your employer pays all administrative charges for this benefit.

Are there any negatives to my participation?

- As with any tax break, there is always a potential "downside". Participating in any pre-tax reimbursement account reduces your taxable compensation, which in turn reduces your Social Security tax. Reducing your Social Security tax could potentially reduce future Social Security benefits. Consult your tax advisor to determine if before-tax contributions may potentially reduce your future Social Security benefits.
- In addition, if you were to terminate employment (or otherwise lose your eligibility), you may not be reimbursed for expenses incurred after the date you lost your eligibility. To avoid any risk of forfeiture, never allow your account balance to grow beyond the amount that can claim out at any point in time. If your balance gets too high, just reduce or stop your contributions until you spend it down.

How do I contact CBA (Custom Benefit Administrators)?

- Web Site: www.cbadministrators.com
- Telephone Hours: 8:30 AM to 4:30 pm (PST)
- Telephone Numbers: (916) 303-7090 / Long distance (800) 574-5448
- E-Mail Address: customerservice@cbadministrators.com
- FAX Numbers: (916) 303-7083 / Long distance (800) 584-4591
- Mailing Address: CBA, P.O. Box 2170, Rocklin, CA 95677