



**ADMINISTRATIVE
COMMUNICATIONS SYSTEM
U.S. DEPARTMENT OF EDUCATION**

DEPARTMENTAL DIRECTIVE

OM: 2-102

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Distribution:
All Department of Education
Employees

Approved by: _____/s/_____
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Delegated the Authority to Perform
the Functions and Duties of the
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Transit Benefits Program

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Supersedes OM: 2-102, Transit Benefits Program dated 03/10/2011.

I. Purpose

This directive establishes the policy for the U.S. Department of Education (ED) Transit Benefits Program.

II. Authorization

This Program is established in accordance with 5 U.S.C. § 7905 and Executive Order 13150 of April 21, 2000.

III Applicability

This policy applies to all ED employees.

IV. Definitions

- A. **Approving Official.** Authorized individuals required to review and approve transit applications for accuracy and completion.
- B. **Integrity Awareness Training.** Training that clarifies transit benefit requirements by educating participants on their roles and responsibilities and providing real-life scenarios to enhance participant understanding, addressing ramifications of non-compliance, and emphasizing internal controls in place to minimize fraud and abuse.
- C. **Mass Transportation.** Public transportation operated for use by the public (i.e., buses, subways, ferries, commuter buses, trains, and qualified vanpools).
- D. **Participating Employee.** A qualified employee who uses mass transportation to commute to and/or from work and requests participation in the Program.
- E. **Qualified Employee.** All Department of Education permanent and temporary employees who are full-time, college and graduate interns (paid or unpaid), or volunteers.
- F. **Qualified Vanpool.** A vanpool, or “commuter highway vehicle” must have a seating capacity of at least 6 adults (not including the driver) and at least 80% of the mileage use must be for purposes of transporting employees in connection with travel between their homes and places of employment.
- G. **Recertification.** The process by which a qualified Federal employee completes the annual electronic application process and integrity awareness training via www.TRANServe.dot.gov to confirm his or her eligibility to continue to receive the transit subsidy.

- H. **Register.** Certification that occurs during initial application, change in application and recertification, whereby the employee reads the certification statement and agrees to abide by it.
- I. **Recertify.** A process by which employees verify annually the amounts they spend on a monthly basis in order to continue receiving transit benefits.
- J. **Smart Benefit (SmarTrip®).** A SmarTrip® card is a permanent, rechargeable farecard. It's plastic, like a credit card, and is embedded with a special computer chip that keeps track of the value of the card. The card is also equipped with a functionality that allows for autoloading monthly funds within each participant's SmartBenefits® account.
- K. **Transit Benefits Verification Worksheet.** An electronic form completed via TRANServe (www.TRANServe.dot.gov) used by a qualified ED employee to determine the amount of transit benefits received in a given month.
- L. **TRANServe Debit Card.** The TRANServe Debit Card is a Visa-branded electronic fare media card provided by the U.S. Department of Transportation and issued by JPMorgan Chase. It provides agency-approved federal employees (who are not named on a worksite parking permit at any Federal Agency or participate in a carpool) the ability to receive monthly mass transit benefits electronically.
- M. **Transit subsidy.** A nontaxable transportation fringe benefit providing employees with vouchers or other fare media when they leave their privately owned vehicle to commute via mass transit to and/or from work.

V. Policy

ED promotes and endorses a nontaxable transit benefits subsidy program in an effort to improve air quality and reduce traffic congestion. The program is designed to encourage ED headquarters and regional employees to use mass transportation for their daily commute to and/or from work.

The following is applicable to all ED employees participating in the transit benefits subsidy program:

- A. Employees may receive a transit benefits subsidy to be used toward public transportation commuting costs. Employees are responsible for any additional transit costs over the maximum subsidy authorized.
- B. Employees must use the transit benefits 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.

- C. Regional employees, where applicable, must display a valid ED identification card before transit benefits are issued at the monthly or quarterly on-site distributions. Benefits are distributed the last week of the month and one month in advance for the next three months, i.e., the January distribution is for the months of February, March, and April.
- D. Employees are prohibited from overestimating transit costs, giving, or selling the transit benefit to others, or purchasing media from another employee.
- E. Employees must adjust transit benefits amount upon changes to commuting methods or work schedules such as extended leave (greater than 30 days).
- F. Once transit benefits are issued, it remains in the personal possession of the employee who is responsible for its safekeeping. Lost, stolen, or damaged paper media by the employee will not be replaced.
- G. Employees receiving transit benefits and using Metro Bus, Metro Rail, Arlington Transit, CUE Fairfax, Dash, DC Circulator, Fairfax Connector, Loudon Commuter Bus, Martz, Montgomery County Ride On, PRTC, Quicks Bus, and The Bus are required to have a registered SmarTrip® card in order to have funds auto-loaded onto their SmarTrip® card on a monthly basis. Lost, stolen or damaged SmarTrip® cards are the responsibility of the employee to replace, register, and provide notification to the Transit Benefits Coordinator to continue receiving Smart Benefits.
- H. Employees receiving transit benefits and using Maryland Transit Authority (MTA), Maryland Area Rail Commuter (MARC), Virginia Railway Express (VRE), or New York and Atlanta mass transportations are required to have an activated Debit card in order to purchase monthly media. Lost, stolen or damaged Debit cards are the responsibility of the employee to notify Chase Customer Service at **1-866-891-6951** to have their card cancelled. A replacement card will be issued by the ED Transit Benefits Office and your unused funds will be safe.
- I. Employees receiving transit benefits and using vanpools are required to have a registered SmarTrip® card or a Visa branded Debit card in order for their vendor to extract monthly benefits.
- J. Employees are required to recertify annually in order to receive benefits. Employees who do not recertify annually will be suspended from the Transit Benefits Program until recertification has been completed.

- K. The transit benefit is tied to the calendar month and will not be issued retroactively.
- L. If employees do not purchase their fare media by using the TRANServe Debit Card by the 9th of the month, the benefits for that month expire and will be credited back to the Agency.
- M. If employees do not auto-load Smart benefits for the effective month, the benefits expire and will be credited back to the Agency.
- N. Employees named on a federally subsidized workplace motor vehicle parking permit with any Federal agency are **not** eligible to participate in the Transit Benefits Program, i.e., parking, or carpool rider.

The phrase, "named on a federally subsidized workplace motor vehicle parking permit," is defined as an individual who drives a privately owned or leased vehicle or is a passenger in such a vehicle and who parks in a federally subsidized parking area (i.e., a car pool). Any Government-provided, owned, or leased parking area is considered federally subsidized.

- O. Due to changes in workload, schedules, or exigent circumstances, participants of the Transit Benefits Program may request use of the LBJ or UCP parking facility on an extremely limited basis and under the procedures established by this Directive and the ACS Parking Program Directive, (OM:4-101). Employees may request temporary usage by sending a business justification to OMMSTransportationservices@ed.gov. Requests should be limited to no more than once a week and are subject to availability.
- P. Special circumstances exist for members of vanpools:
 - 1. Each vanpool will designate a primary operator who will be responsible for ensuring that the minimum requirements are met and will be the designated permit holder. One alternate operator may be named.
 - 2. The primary operator may not apply for transit benefits. All other Federal employees in the vanpool, including the alternate, are eligible for transit benefits.
 - 3. Transportation of employees to and from work must represent 80% of the usage of the van.
 - 4. Vanpools may be made up of Government and non-Government employees.

VI. Responsibilities

- A. **Office of Management/ Management Services (OM/MS)**: Develops ED policy and administers an efficient and effective nationwide Transit Benefits Program for ED employees.
- B. **Participating Employees**: Participants are required to withdraw from the program “two weeks in advance of their departure” by using ED’s Withdrawal Form located at share.ed.gov/om/Documents/trans-withdrawal-form.
- C. **ED Transit Benefits Coordinator**: Serves as the liaison between ED transit benefits participants, Executive Officers, Regional Transit Benefits Representatives, and the Department of Transportation (DOT) regarding all matters relating to ED’s Transit Benefits Program. Serves as the second-level Approving Official responsible for reviewing and approving electronic applications and processes withdrawal requests for all ED employees.
- D. **Regional Transit Benefits Representatives**: Serve as the liaison between ED headquarters transit benefits coordinator and regional employees regarding all matters relating to the Program.
- E. **Executive Officers**: Serve as the first-level Approving Official responsible for reviewing and approving electronic transit benefits applications and ensure the submission of withdrawal requests for employees within their Principal Offices (POs).
- F. **DOT Account Manager**: Serves as the third-level Approving Official responsible for reviewing and approving electronic transit benefits applications and processing withdrawal requests and suspensions from ED’s Transit Benefits Program.
- G. **Human Capital and Client Services**: Provides OM/MS with a bi-weekly separations report of ED employees that have departed. Produces comparison results of home addresses in Federal Personnel Payroll System (FPPS) and TranServe Database system annually.

VII. Procedures and Requirements - Headquarters

- A. **Participating Employees** shall:
 - 1. Prior to submitting the initial application or annual recertification at www.TRANServe.dot.gov, complete the online Integrity Awareness Training to gain an understanding of the Program requirements and to understand their roles and responsibilities as transit participants.

2. Forward a copy of the Integrity Awareness Training certificate via the Talent Management System to their Executive Officer or designee to confirm they have taken the training.
3. Complete the electronic transit benefits application (i.e., Transit Benefits Verification Worksheet) at www.TRANServe.dot.gov and annually recertify to the terms and conditions of the Program.
4. Agree to the certification statement in the transit benefits application.
5. Submit their electronic application to their respective Executive Officer (i.e., Approving Official) for approval.
6. Complete a withdrawal form located at: share.ed.gov/om/Documents/trans-withdrawal-form, two weeks in advance of their effective withdrawal date from the Transit Benefits Program and submit the withdrawal form to OM/MS/TSD via fax at 202-205-1866 or by email to OMMSTransportationservices@ed.gov for processing.
7. Upon withdrawal from the program:
 - a. Smartcard users: Funds will be suspended and remaining benefits will be credited back to the Agency.
 - b. TRANServe Debit card users: Should return their TRANServe debit card to the Transportation Services Division, LBJ, 2W100 for disposal.
8. Upon transferring between Regions or from a Regional Office to Headquarters (employees should allow 45 days for processing):
 - a. Notify their Regional Representative of the impending transfer or contact the TSD team via email at OMMSTransportationservices@ed.gov or call 202-401-2905;
 - b. Provide the Region to Region information;
 - c. Return unused media from the current Region if applicable; or
 - d. Update transit application via www.TRANServe.dot.gov to reflect new Region and mode of transportation.

B. Executive Officers or Designees shall:

1. Serve as the first-level Approving Official responsible for reviewing and approving new electronic transit benefits applications, changes, and withdrawal requests for employees within their Principal Office (PO) within two (2) business days of receipt.

2. Obtain signed Integrity Awareness Training certificates from their PO employees before approving the electronic applications.
3. Review electronic applications to validate the following:
 - a. Employees are assigned to their PO;
 - b. Applications are completed correctly; and
 - c. Amounts provided in the applications match (i.e., Subtotal, Total Monthly Costs, and Monthly Commuting Costs).
4. Provide an updated listing of employees per PO who have completed the Integrity Awareness Training certificates to the ED Transit Benefits Coordinator by the last day of each month.
5. Require employees to complete a withdrawal form located at share.ed.gov/om/Documents/trans-withdrawal-form, two weeks in advance of their effective withdrawal date from the Transit Benefits Program if they are separating from ED.
6. Validate and verify that the employees listed in the PO Monthly Transit Benefits Report are still assigned to their PO and report any discrepancies to the ED Transit Benefits Coordinator within two weeks after receipt.

C. ED Transit Benefits Coordinator shall:

1. Serve as the second-level Approving Official responsible for reviewing and approving new electronic and paper transit benefits applications, changes, and withdrawal requests for all ED employees within three (3) business days of receipt.
2. Work with DOT, transit benefits participants, and Executive Officers, to withdraw or suspend participants from the Program.
3. Provide monthly PO Transit Benefits Reports to Executive Officers for validation and verification by the 15th of the month.
4. Provide HCCS with an encrypted list of ED employees home addresses in the TranServe Database within 120 days of the annual Transit Recertification process.
5. Maintain files of all Transit Benefits correspondence up to three years.

D. **Human Capital and Client Services** shall:

1. Provide MS with an encrypted comparison list of ED employees home addresses in FPPS and TranServe within 60 days of the annual Transit Recertification.
2. Provide MS with an encrypted bi-weekly separation report.

E. **DOT** shall:

1. Serve as the third-level Approving Official responsible for reviewing and approving new electronic transit benefits applications, changes, suspensions, and withdrawal requests for all ED employees within five (5) business days of receipt.
2. Provide Monthly Program participation reports for validation and verification to include the following:
 - a. ED SMART Benefits Activity Report;
 - b. ED SMART Benefits Detail Report;
 - c. ED SMART Benefits Alphabetical Listing;
 - d. TRANServe Account Activity for ED;
 - e. Fare Media Disbursement Report by PO;
 - f. Customer Statement Transit Benefits;
 - g. ED Transit Benefits Detail Report by PO; and
 - h. ED Detail by Office and Region Report (employee name, PO, location, last four of SSN, region, monthly benefit amount, pick up date).

VIII. Procedures and Requirements - Regions

A. **Participating Employees** shall:

1. Prior to submitting the initial application or annual recertification at www.TRANServe.dot.gov, complete the online Integrity Awareness Training to gain an understanding of the Program requirements and to understand their roles and responsibilities as transit participants.
2. Forward a copy of the Integrity Awareness Training certificate via the Talent Management System to their Executive Officer or designee to confirm they have taken the training.

3. Complete the electronic transit benefits application (i.e., Transit Benefits Verification Worksheet) at www.TRANServe.dot.gov and annually recertify to the terms and conditions of the Program.
4. Agree to the certification statement in the transit benefits application.
5. Submit their electronic application to their respective Executive Officer (i.e., Approving Official) for approval.
6. Complete a withdrawal form located at share.ed.gov/om/Documents/trans-withdrawal-form. two weeks in advance of their effective withdrawal date from the Transit Benefits Program and submit it to their Regional Transit Benefits Representative for submission to OM/MS via fax at 202-205-1866 or by email to OMMSTransportationservices@ed.gov.
7. Upon withdrawal from the program:
 - a. Paper Media users: Participants will need to return unused media to regional representative to be mailed to LBJ headquarters office. Headquarters Transit Benefit Coordinator will document and return unused media to the DOT to be credited back to the Department.
 - b. TRANServe Debit card users: Should return their TRANServe debit card to the Transportation Services Division, LBJ, 2W100 for disposal.
8. Debit card users: Should return their TRANServe debit card to the Regional Transit Representative for submission to OM/MS/Transportation Services Division for disposal.
9. Upon transferring between Regional Offices or from a Regional Office to Headquarters, employees shall:
 - a. Alert their Regional Representative of the impending transfer, contact the TSD team via email at OMMSTransportationservices@ed.gov or call 202-401-2905.
 - b. Provide the Region to Region information.
 - c. Return unused media from the current Region.
 - d. Update transit application via www.TRANServe.dot.gov to reflect new Region and mode of transportation.

B. Regional Transit Benefits Representatives shall:

1. Distribute transit benefits to regional employees upon receiving the benefits from the ED Transit Benefits Coordinator within one week of receipt.

2. Sign and submit the Federal Employee Transit Benefits Program Delivery Receipt Record to the ED Transit Benefits Coordinator within one week after distribution.
 3. Return Federal Employee Transit Benefit Certification Forms after each distribution to ED Transit Benefits Coordinator within one week after distribution.
 4. Complete and return Media Return Form with unused media and Debit card(s) within one week after distribution.
 5. Submit withdrawal forms and unused media and Debit Card(s) to the ED Transit Benefits Coordinator via fax at 202-205-1866 or by email to OMMSTransportationservices@ed.gov for processing.
- C. **ED Transit Benefits Coordinators** shall:
1. Send via overnight mail, regional transit benefits to the Regional Transit Benefits Representatives for distribution to the regional participants within 48-hours of receipt from DOT.
 2. Review and submit regional transit benefits applications and withdrawal requests to DOT for processing via fax or email within three (3) business days of receipt.
 3. Work with DOT, Regional Transit Benefits Representatives, Executive Officers, and regional employees to withdraw transit participants from TRANServe by their effective withdrawal date.
- D. **Executive Officers or Designees** shall:
1. Serve as the first-level Approving Official responsible for reviewing and approving new electronic transit benefits applications, changes, and withdrawal requests for employees within their PO within two (2) business days of receipt.
 2. Obtain signed Integrity Awareness Training certificates from their PO employees before approving the electronic applications.
 3. Review electronic applications to validate the following:
 - a. Employees are assigned to their PO;
 - b. Applications are completed correctly; and
 - c. Amounts provided in the applications match (i.e., Subtotal, Total Monthly Costs, and Monthly Commuting Costs).

4. Provide the Integrity Awareness Training certificates to the ED Transit Benefits Coordinator by the last day of each month via PDF format.
 5. Require employees to complete a withdrawal form located at share.ed.gov/om/Documents/trans-withdrawal-form, two weeks in advance of their effective withdrawal date from the Transit Benefits Program if they are separating from ED.
 6. Validate and verify that the employees listed in the PO Monthly Transit Benefits Report are still assigned to their PO and report any discrepancies to the ED Transit Benefits Coordinator within two weeks after receipt.
- E. **DOT** shall:
1. Review and approve regional transit benefits applications within five (5) business days of receipt.
 2. Send via overnight delivery, transit benefits to the ED Transit Benefits Coordinator after receipt and validation for regional transit distribution.
 3. Return copy of Federal Employee Transit Benefit Certification Forms to the ED Transit Benefits Coordinator after each monthly or quarterly distribution.

IX. Monitoring and Controls

- A. ED will use internal controls and/or the DOT's established procedures to safeguard against waste, fraud, abuse, mismanagement, or misappropriation of Government funds. These procedures provide for:
1. Ensuring that the monthly transit benefit to participants does not exceed the monthly tax-excludable benefit under Internal Revenue Service regulations.
 2. Ensuring that participants leaving ED or the Federal service do not continue receiving benefits.

Authority to collect transit benefits overpayments for a current employee, retiree, or former employee using 5 USC §5514:

Current/Retired Employees: 5 USC §5514 can be used to collect a debt incurred as the result of an overpayment of transit benefits. Specifically, 5 USC §5524(a) (1) states:

When the head of an agency or his designee determines that an employee ...is indebted to the United States for debts to which the United States is entitled to be repaid at the time of the determination by the head of the agency or his designee the amount of the indebtedness may be

*collected in monthly installments, or at officially established pay intervals. The deductions may be made from **basic pay**, special pay, **retired pay**.*

Any such collections for any period may not exceed 15% of disposable pay, except that a greater percentage may be agreed to by the parties upon the written consent of the individual involved. See 5 USC §5514(a)(1). However, **if the employee's employment ends before the collection of the total indebtedness is completed, ". . . deductions shall be made from subsequent payments of any nature due the individual from the agency."** The Treasury Offset Program (TOP) may also be used for collections of this nature.

3. Ensuring the eligibility of personnel transferring between POs or to different duty locations within a PO.
 4. Ensuring follow up on complaints that individuals are not complying with this policy.
- B. Participation is monitored at the regional distribution sites as applicable where transit benefits are provided to ensure employees only receive the amount of benefits approved on their Transit Benefits electronic application.
- C. Ensure employees annually recertify by agreeing to the certification page which signifies the information they provide is true and correct, and that the benefits shall be used for their daily commute and do not exceed the employee's actual commuting costs. Employees also recertify that if they make a false, fictitious, or fraudulent certification, it may constitute criminal violations punishable under Title 18 U.S.C. § 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 as outlined in the terms and conditions of the Transit Benefits Program.
- D. Ensure employees are not participating in the Parking Subsidy Program and receiving transit benefits with the implementation of an interface with the Sunflower Database System, which is used for ED's Parking Program. On the first day of each month, ED automatically receives a file from the DOT containing the names of all ED employees who are active in DOT's TRANServe (Transit) database. After the first of each month, the ED Transit Benefits Coordinator runs the Dual Enrollment Report. The Dual Enrollment Report will retrieve the names of those employees who, according to the data in Sunflower, are active in BOTH transit and parking benefit programs. When discrepancies are determined, they are reported to the MS Director. If a discrepancy cannot be corrected by proof of a withdrawal form from the Transit or Parking Programs, the names are turned over to the Office of Inspector General (OIG) for investigation and appropriate disposition in accordance with the terms and conditions of the Program and Title 18 U.S.C. § 1001.

- E. ED will conduct an annual spot check of ED's Transit Benefits Program in accordance with OMB requirements. Randomly selected employees will be required to submit the following for validation and verification by an independent entity if selected:
 - 1. Verification of Employee Mode of Transportation; and
 - 2. Verification of Employee monthly costs (via train/bus schedule, or WMATA website to include to and from locations).
- F. Recapturing benefits inappropriately received by current and former employees.

Failure to repay an excess or improper transit benefit constitutes a salary overpayment. The collection of an amount of excess benefits received by a current employee or any individual that leaves his or her job at ED or withdraws from the transit benefits program shall be conducted in accordance with the procedures for collecting salary overpayments. The notice of overpayment will be forwarded to OM/HCCS for current employees and the notice and case file will be forwarded to Office of the Chief Financial Officer/Financial Management Operations for former employees in accordance with the OM-04, Handbook for Processing Salary Overpayments.