

UNITED STATES DEPARTMENT OF AGRICULTURE
FOOD SAFETY AND INSPECTION SERVICE
WASHINGTON, DC

FSIS DIRECTIVE	4461.1	2/24/03
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TRANSIT BENEFIT PROGRAM

I. PURPOSE

This directive:

- A. Provides FSIS policy on transit benefits payments.
- B. Provides guidelines under which employees may request transit allowances.

II. (RESERVED)

III. (RESERVED)

IV. REFERENCES

Departmental Regulation 4060-2, effective October 9, 2001
Executive Order 13150, issued April 21, 2000
IRS Code 132(f)
OPM Decision Letter S001842
Public Law 103-172, Federal Employees Clean Air Incentive Act of 1993
Public Law 105-34, Taxpayer Relief Act of 1997
Public Law 105-178, Transportation Equity Act for the 21st Century
5 CFR 550.103, Pay Administration Premium Pay Definitions
26 CFR Part 1 and 602, Qualified Transportation Fringe Benefits

V. ABBREVIATIONS AND FORMS

The following terms will be used in their abbreviated form in this directive.

DOT	Department of Transportation
HRD	Human Resources Division
NCR	National Capitol Region

[AD-1147](#), Public Transportation Benefit Program Application

DISTRIBUTION:
All Employees

OPI:
HRD – Performance, Evaluation,
and Recognition Branch

VI. POLICY

It is FSIS policy to offer employees transit benefits that encourage commuting to work by methods other than driving alone, to reduce congestion and conserve energy.

VII. DEFINITIONS

A. **Carpool Members.** Individuals who commute to and from work together on a regular full-time basis in a motor vehicle, and are registered with the Agency as a carpool to receive a free Federal parking benefit. Carpool members are not eligible for the transit subsidy benefit. A carpool is a minimum of two individuals (one driver and at least one rider). Since a sole-occupancy vehicle (driver only) does not qualify as a carpool, the driver does not qualify for the transit subsidy benefit.

B. **Cash Reimbursement for Transit Benefits.** Covers costs incurred by employees who use various forms of mass transit and live in geographic areas where vouchers or other forms of fare media are not available.

C. **Commuter Highway Vehicle (Qualified Van Pool).** Any highway vehicle with a seating capacity of at least 6 adults (not including the driver). At least 80 percent of the mileage use of this vehicle should be for the purpose of transporting passengers between their residences (or points of pick up) and places of employment. During such trips, the number of passengers transported is at least half of the adult seating capacity of the vehicle (not including the driver). A vanpool must be officially registered with the local transit authority where the vanpool operates for members and the driver to qualify for the transit subsidy.

D. **Direct Transit Benefits.** Benefits provided to employees in the form of vouchers purchased and paid for by the Agency. This benefit applies in areas where vouchers are available and can be exchanged for qualified transit facility passes, eligible bus/rail passes, tokens, fare cards, tickets, vanpool services, etc.

E. **National Capitol Region (NCR).** The District of Columbia; Montgomery, Prince George's, and Frederick Counties in Maryland; Arlington, Fairfax, Loudon, and Prince William Counties in Virginia, and all present or future cities which exist in Maryland or Virginia within the geographic boundaries of the combined area of the identified counties.

F. **Qualified Transit Facility Cost.** The cost of a pass, token, fare card, voucher, or similar item entitling someone to transportation (or transportation at a reduced price) on qualified transit facilities.

G. **Qualified Transit Facilities.** Private or publicly-owned mass transit systems, including but not limited to: buses, subways, rail, light rail, elevated rail, streetcars, trolleys, ferries, and commuter highway vehicles.

VIII. ELIGIBILITY

A. Agency employees (full-time, part-time, temporary, stay in school, etc.) who use qualified transit facilities or commuter highway vehicles on a regular and recurring basis, (almost daily), and do not receive a free Federal parking benefit are eligible to participate in the program. **EXCEPTION:** Drivers and alternate drivers of vanpools, and qualified vanpool passengers receiving a free Federal parking benefit are eligible for transit subsidy benefits.

B. This benefit does NOT include non-federal employees (employed by a contractor or a temporary services company) detailed to or working at FSIS.

C. Agency employees who live in geographic locations where vouchers or other forms of fare media are not available may apply for cash reimbursement. Vanpools that meet the criteria established by IRS Code 132(f) and other Agency guidelines (commuter highway vehicles with a seating capacity for 6 adults (not including the driver) and are certified by the local metropolitan transit authority) are eligible. **NOTE:** Carpools or other forms of transportation that do not meet established transit benefit program guidelines are not eligible.

IX. TRANSIT ALLOWANCES

A. **Amount.** Eligible employees may apply for up to \$100.00 per month for the cost of the round trip commute from home to the office to pay for qualifying transit. **NOTE:** This amount is in addition to the employee's salary and is not subject to Federal payroll or Federal income tax. Depending on the state of residence, some employees may be responsible for paying state tax on this allowance.

B. **Effect on Basic Rate of Pay.** An employee's decision to receive transit benefits will **not** affect the employee's basic rate of pay, which is fixed under 5 CFR 550.103. **EXAMPLE:** An employee's rate of pay for purposes of overtime, lump-sum annual leave, and calculating an employee's retirement annuity would be based on the employee's rate of basic pay without regard to whether the employee elected to receive transit benefits.

X. APPLYING FOR TRANSIT ALLOWANCES

A. Employees should complete Form AD-1147 (Attachment 1) and forward the completed form to:

USDA FSIS HRD PERB
ROOM 3817 SOUTH BUILDING
1400 INDEPENDENCE AVENUE SW
WASHINGTON DC 20250-3700

B. An electronic PDF version of Form AD-1147 is available in MS Outlook at: *Public Folders/ All Public Folders/ Agency Issuances/ Forms/ AD Forms*. Printed copies are available at the Field Service Center in packages of 50.

C. Employees eligible for cash reimbursement for transit benefits should contact FSIS' transit subsidy coordinator at 202-720-7983.

XI. **SUBMITTING FORM AD-1147**

A. **Timeframe.** Employees may submit Form AD-1147 at any time to take effect in the current year.

B. **Changes and Cancellation.** Employees should submit Form AD-1147 to report a name, address, or eligibility amount change, or request a cancellation when the employee is no longer eligible for qualified transit allowances. Any unused Metrocheks should be attached by paper clip (not stapled) to the transit application, and returned to the transit coordinator.

XII. **QUESTIONS AND ANSWERS**

Attachment 2 lists frequently asked questions and answers about transit subsidy benefits.



Acting Deputy Administrator
Office of Management

Attachments

- 1 Form AD-1147, Public Transportation Benefit Program Application
- 2 Transit Subsidy Benefit Questions and Answers

**FORM AD-1147, PUBLIC TRANSPORTATION BENEFIT PROGRAM
APPLICATION**

Check Action _____ **U.S. DEPARTMENT OF AGRICULTURE** **Temporary NTE Date** _____
New: _____ **PUBLIC TRANSPORTATION BENEFIT PROGRAM APPLICATION**
Change: _____ **(Please type or print legibly in blue or black ink)**
Cancellation: _____
USDA Agency Code (For example: 02 for Agricultural Marketing Research): _____

A. Applicant Information: Last Name: _____ First Name: _____ MI: _____
Home Address: _____
City: _____ State: _____ Zip Code: _____
Work Address: _____
If applicable: Div/Unit _____ Rrr#/Sub Unit: _____
City: _____ State: _____ Zip Code: _____
Work Telephone Number _____ SSN (Last 4 numbers): _____
E-Mail Address (Optional) _____

SAMPLE COPY

Prior to applying for this benefit, did you drive to work or use some form of mass transit? _____

B. Modes of Transportation to be used to and from workplace:
Please provide the name of the transit company/system that you use in the space below:
Bus _____ Light Rail _____ Subway _____ Train _____ Ferry _____

Authorized *Commuter Highway Vehicle (Van pool) _____ Other (explain) _____
*Any authorized vehicle with a seating capacity of at least 6 adults (not including the driver). At least 80 percent of the total mileage use of this vehicle can reasonably be expected to be for purposes of transporting persons in connection with travel between their residences and their place of employment. During these trips passengers will number at least 1/4 of the adult seating capacity (not including the driver).

Please provide the specific type of faremedia you use (e.g., ticket, pass, token, etc.): _____

C. Employee Certification:
WARNING: This certification concerns a matter with the jurisdiction of an agency of the United States and making a False, fictitious, or fraudulent certification may render the maker subject to criminal prosecution under title 18, United States Code, Section 1001, Civil Penalty Action, providing for administrative recoveries of up to \$10,000 per violation, and/or agency Disciplinary actions up to and including dismissal.

*I certify that I am employed by the Department of Agriculture.
I certify that I am eligible for a public transportation fare benefit, will use it for my daily commute to and from work, and will not give, sell, or transfer it to anyone else.
I certify that I am not a member of a carpool and/or I do not receive disability or executive parking privileges.
I certify that the monthly transit benefit I am receiving does not exceed my monthly commuting costs.
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 monthly statutory limit, then I will supplement { TC MI } those additional costs with my own funds rather than use a Government-provided transit benefit designated for use in a future month.
I understand that I am responsible for returning ALL partially used and unused faremedia to my agency's { TC MI } designated commuter benefits coordinator three working days before my effective date of reassignment, transfer, { TC MI } resignation, retirement, etc.*

I certify that my usual monthly commuting costs, exclusive of parking, are: \$ _____

Employee Original Signature: _____ **Date:** _____

D. Commuter Benefit Coordinator: _____ **Agency Maximum Benefit:** _____

Name: _____ **Title:** _____

Signature: _____ **Date:** _____

PRIVACY ACT STATEMENT: This information is solicited under authority of Public Law 101-509. Furnishing the information on this form is voluntary, but failure to do so may result in disapproval of your request for a public transit fare benefit. The purpose of this information is to facilitate timely processing of your request, to ensure your eligibility, and to prevent misuse of the funds involved. This information will be matched with lists at other Federal agencies of Government-assigned parking to ensure consistency with mode of transportation checked.
AD-1147 (Revised 10/22/02)
(Other form obsolete)

TRANSIT SUBSIDY BENEFIT QUESTIONS AND ANSWERS

Q1: *Who is eligible to receive the transit benefit?*

A1: The transit subsidy is for all Federal employees, full-time, part-time or temporary, as long as the Federal government is paying them. However, volunteers and temporary employees who are assigned from private temporary services may not participate.

Q2: *How do I apply for the transit benefit?*

A2: Make sure you meet the eligibility requirements and complete Form AD-1147.

Q3: *What are the eligibility requirements for the transit subsidy?*

A3: Participants must be Agency employees who use qualified transit facilities (subway, train, bus, ferry, vanpool, etc.) on a regular and recurring basis (almost daily). **Exception:** Drivers and alternate drivers of vanpools, and qualified vanpool passengers receiving a free Federal parking benefit are eligible for transit subsidy benefits.

Q4: *What authority allows USDA to provide transit subsidy to eligible employees?*

A4: Public Law 102-486, Section 1911, Treatment of Employer Provided Transportation Benefits, effective December 31, 1992. Public Law 203-172, Federal Employees Clean Air Incentives Act, effective January 1, 1994. Internal Revenue Service Notice 94-3 dated 1994, Qualified Transportation Fringes Under Code 26 USC, Section 132 (f). Public Law 105-178, Transportation Equity Act of the 21st Century, dated June 9, 1998. Executive Order 13150 dated April 21, 2000. 26 CFR, Part I, Qualified Transportation Fringe Benefits.

Q5: *Who administers the transit subsidy program?*

A5: DOT.

Q6: *Who should I contact when I have a question about the transit subsidy program?*

A6: Your mission area/agency/staff office transit subsidy coordinator. Go to <http://www.usda.gov/da/employ/ffwg.htm>, and select Transit Subsidy Coordinators, or contact FSIS' transit subsidy coordinator at 202-720-7983.

Q7: *Do I receive the \$100 monthly maximum subsidy even though my actual monthly commute amount is \$60?*

A7: No. You will receive either the maximum amount of \$100 or the actual commute cost, whichever is less. So, your amount would remain \$60 per month. **EXAMPLE:** Mary Smith's monthly commuting cost is \$110, so Mary would receive the maximum benefit of \$100 per month, (\$300 quarterly). Bob Dulles' monthly commuting cost is \$50, so Bob would receive \$150 quarterly.

Q8: *When does the transit subsidy become effective?*

A8: Commuter transit subsidy benefits become effective on the date of the employee's signed application. However, in the NCR, if the application is received by DOT after the 15th of the month, actual distribution of the fare media will not be until the next month's distribution. Field applications received by DOT after the 5th of the month will not receive benefits until the following month.

Q9: *Are carpoolers eligible to receive transit benefits?*

A9: No. The transit benefit program's purpose is to encourage employees to use qualified transit facilities. Carpools do not meet the definition or purpose of qualified transit facilities.

Q10: *Can employees apply for this program at any time?*

A10: Yes. The program is open continuously for new, changed, or cancelled applications.

Q11: *What is fare media?*

A11: Fare media is the type of ticket or pass you will receive for monthly transit expenses.

Q12: *When computing my monthly cost, how many working days should I use, and can I include other expenses?*

A12: You should use the exact number of days you actually use mass public transportation or a commuter highway vehicle (vanpool). DO NOT include parking fees, gasoline costs, or mileage on the AD-1147.

Q13: *How, when, and where will fare media be distributed to employees?*

A13: In the NCR, fare media is distributed quarterly and the distribution schedule is available at www.usda.gov/00/subsidyschedule.htm. In the field, distribution can occur monthly or quarterly based on arrangements made with local mass transit companies and procedures set by the local coordinator.

Q14: *When do I have to fill out a new form?*

A14: If you have a change of name, address, or monthly commuting cost, you should fill out a new form. If you are leaving the Agency, you should fill out the form and check the space for cancellation. You should return any Metrocheks or vouchers you have in your possession with your application. Attach them to the form with a paperclip, (not stapled), and submit them to the transit coordinator. It is best if they are returned in person and not through the mail system. If you are new to the Agency, but have been in a Federal transit subsidy program before, you must still fill out a new transit application, and check the space for new employee.

Q15: *In the NCR, if I am not at work during the quarterly distribution and I miss it, what can I do?*

A15: After the regular quarterly distribution, you can go to the DOT headquarters office (Plaza Level) and pick up your subsidy at their Transportation Administrative Service Center (TASC) office. Take the Metro to L'Enfant Plaza. Exit at the 7th & D Street, SW (DOT exit). Go up the escalator to the Plaza Level. Veer slightly to the right and straight ahead, and go through the Southwest Entrance glass doors. The guard will direct you to the TASC office on the entry level. Show the clerk your USDA badge, provide the last 4 digits of your social security number, and you will receive the subsidy. Additionally, USDA holds monthly make-up sessions in the rear of the South Building cafeteria for distribution to those who have missed the regular distribution dates.

Q16: *Can another individual pick up my fare media for me?*

A16: No. You must pick up your own fare media.

Q17: *Do I need to present any identification to pick up my fare media?*

A17: Yes. You need either your Government ID or a driver's license.

Q18: *Can I be reimbursed for prior months when I am unable to pick up my fare media?*

A18: No. **EXAMPLE:** Distribution for April, May and June takes place in March. If you wait until May to pick up your fare media, you will not receive fare media for April. You will only receive fare media for May and June.

Q19: *What can I do if I am disabled and have difficulty picking up my subsidy?*

A19: USDA has made arrangements with the TARGET Center on the first floor of the South Building to have your subsidy picked up and distributed directly to you. Call 202-720-0600, identify that you are a disabled user, and follow the instructions for obtaining the quarterly subsidy.

Q20: *Am I permitted to transfer my subsidy to other family members, such as my husband or children?*

A20: No. Transfer of the transit subsidy benefit is permitted to no one, (family member, co-workers, or others). You may not sell the transit benefit to another person. If you cannot use the subsidy, return it to your transit coordinator. If you need to withdraw from the program, fill out a form and note that you are canceling. You can always sign up for the program again.

Q21: *I am a disabled employee in the NCR who needs tokens to ride Metro Access. Can I get tokens from DOT?*

A21: No. Obtain your Metrocheks, take them to Metro Center, and get the Washington Metropolitan Area Transit Authority cashier to exchange the Metrocheks for tokens, which can be used to pay Metro Access.

Q22: *When I leave the Agency, what do I do about my transit benefit?*

A22: Cancel your transit benefits through your program coordinator. They will calculate what unused fare media you need to return to the Agency at that time.

Q23: *What if I don't have enough fare media to cover what I owe the government?*

A23: Write a check to the Department of Agriculture for the balance of your fare media. Then, attach a speed memo and submit to your budget or financial office to credit FSIS as a Refund of Expense. The Budget office should then forward the check to NFC. If you do not have a checking account, you may pay with a money order or a cashier's check.

Q24: *If I get a job in another agency within USDA, can I keep my unused transit subsidy?*

A24: No. You must cancel your transit subsidy through your program coordinator. They will calculate what unused fare media you need to return to the Agency at that time. When you get to your new agency, the Human Resources staff will get you in contact with the transit coordinator to sign up in your new agency.

Q25: *How should I return unused fare media?*

A25: The best option for returning unused fare media is in person. If this is not practical, use Federal Express so you will have a receipt and be able to track the delivery of your package. Regular mail is irradiated and Metro will not accept irradiated cards, so if you use the regular mail to return fare cards, your Agency may hold you financially liable for your returned cards. Remember that until your coordinator receives your fare media, you are financially responsible.

Q26: *Will I be held financially responsible for returned fare media that is damaged and cannot be returned to DOT for a refund to the Agency?*

A26: This is up to the individual Agency and will depend on the circumstances that caused the damage to the fare media.

Q27: *Can I use my fare media to travel between the USDA buildings during the day?*

A27: No. Fare media is for travel from your residence to your place of employment and back.

Q28: *What do I do with my fare media if I transfer within the same Agency, but go to the field from the NCR or vice versa?*

A28: If you use a form of mass transit at your new location, change your transit application through your program coordinator. They will calculate what unused fare media you need to return to the Agency at the time of application. You must return fare media because it is not interchangeable between systems. If you are not going to use mass transit at your new location, cancel your application through your program coordinator. They will calculate what unused fare media you need to return to the Agency.

Q29: *Can I use my fare media on travel from the airport to the hotel and vice versa?*

A29: No.

Q30: *Is fare media replaced if lost or stolen?*

A30: No, unless the Agency authorizes a second payment for the same fare media.

Q31: *Can I put all my fare media for the quarter toward my Metro Smart Card, vanpool driver, or Virginia Railway Express at one time?*

A31: No. You may only use the fare media one month at a time. The application you sign when you enter the program states that, "I certify that in any given month, I will not use the Government provided transit benefit in excess of the statutory limit." By using your quarterly fare media at one time, you violate the agreement you signed when you applied for the program.

Q32: *In the NCR, standing in line to receive fare media is cumbersome. Can disbursement take place in a less time consuming way?*

A32: Not at this time. DOT and USDA have set the procedure for distribution of fare media and have worked together to create more distribution points and expanded times to reduce wait periods.

Q33: *My spouse drops me off at work, but I take mass transit home. Am I eligible to receive a benefit?*

A33: No. In order to qualify for the transit subsidy, under Agency requirements, you must use mass transit on a regular and recurring basis, (100% of the time), for round trip, home to work basis.

Q34: *If a person only uses mass transit during bad weather or occasionally, are they eligible for the program?*

A34: No.

Q35: *What do I need to do if I have a change in the way I commute or the cost?*

A35: Submit an updated application to your program coordinator as soon as possible.

Q36: *What should I do if I commute fewer days a month than I stated on the form due to vacation, extended sickness, etc.?*

A36: Reduce your next quarterly pick up amount by the balance you have left. You will be required to inform the DOT agent that you should receive less and tell them the amount.

Q37: *Employees living in some areas receive a cash reimbursement rather than fare media. Who determines who gets cash and who gets fare media?*

A37: DOT has entered into agreements with mass transit companies all over the country and is authorized to pay a cash reimbursement to eligible employees where fare media is not available. DOT determines who will get cash and who will get fare media.

Q38: *Can fare media be provided more than 3 months in advance?*

A38: No. The Internal Revenue Service code only authorizes a 3-month advance of fare media.

Q39: *How do I replace a demagnetized Metrochek in the NCR?*

A39: You can ask a Metro station attendant for an envelope to mail the tickets back to Metro for replacements, or take them to the Metro Center Sales Office.

Q40: *Will DOT replace a demagnetized Metrochek for USDA employees?*

A40: No. USDA does not have an agreement with DOT to replace demagnetized Metrocheks. There would be an additional charge to the organization to replace them.

Q41: *Where can I exchange Metrocheks for the Marc train or other fare media?*

A41: Go to www.wmata.com and select Fares, then Metrocheks, and then click on Metrochek Exchange Sites.

Q42: *I am a qualified employee who lives in an area where vouchers or other forms of fare media are not available. Can I participate in the transit program?*

A42: Yes, you can participate through the cash reimbursement program for transit benefits. Employees who use various forms of mass transit, including vanpools that meet the criteria established by IRS Code 132(f) (commuter highway vehicles with a seating capacity for 6 adults (not including the driver) and are certified by the local metropolitan transit authority). Carpools or other forms of transportation that do not meet established transit benefit program guidelines are not eligible. Benefits will be provided in the form of reimbursement checks. Contact FSIS' transit coordinator for more information.