DEPARTMENT OF THE NAVY
OFFICE OF THE ASSISTANT SECRETARY
(FINANCIAL MANAGEMENT AND COMPTROLLER)
1000 NAVY PENTAGON
WASHINGTON, D.C. 20350-1000

FEB 21 2002

MEMORANDUM FOR DISTRIBUTION

Subj: OUTSIDE THE NATIONAL CAPITAL REGION MASS TRANSPORTATION INCENTIVE PROGRAM FINANCIAL PROCESS

Ref: (a) SECNAV WASHINGTON DC 192056Z Apr 01 (ALNAV 038/01)
(b) DEPSECDEF memo of 13 Oct 00
(c) DFAS-CL Appropriation, Cost and Property Accounting (Field) Manual, Paragraph 035411

Encl: (1) DON ONCR Financial Process
(2) DON Implementing Guidance/Procedures for Use of the SF-1164

As outlined by reference (a), the Department of the Navy (DON) began implementation of the Transportation Incentive Program (TIP) Outside the National Capital Region (ONCR) in July 2001. Effective immediately, the Assistant Secretary of the Navy, Financial Management and Comptroller (ASN(FM&C)), Office of Financial Operations (FMO) will act as the program manager and will be responsible for providing overall guidance for the ONCR portion of the TIP.

DON personnel who qualify and wish to participate must submit a DON ONCR application to their designated Installation or Command Point of Contact (POC). Eligibility requirements, applications, and POC information may be found at http://www.fmo.navy.mil/services/services.htm. Installation and Command POCs must forward applications to ASN(FM&C) FMO for review and processing. As required by reference (b), this program must be funded from the same appropriation/fund that finances an individual's salary, including the Operation and Maintenance (O&M); Military Personnel; Research, Development, Test and Evaluation; Family Housing; Working Capital Fund; and Nonappropriated Fund (NAF) accounts.

To facilitate employee participation in this program, the DON has made arrangements for the Department of Transportation (DoT) to purchase and distribute fare media (vouchers/passes) to participating personnel in a number of geographic regions. In areas where DoT can centrally provide fare media, DON commands

are required to use this service. Administrative costs associated with the services provided by DoT will be paid centrally from the O&M, Navy appropriation. Reimbursement to DoT for purchased fare media will be centralized to the maximum extent possible and will be accomplished through the use of reimbursable orders. Field Support Activity (FSA) will be the Executive Agent for execution of the O&M, Navy appropriation portion of TIP costs and the central payment to DoT. The Navy Exchange Service Command (NEXCOM) will serve as the Executive Agent for NAF employees receiving fare media distribution from DoT. Further NAF guidance will be provided under separate correspondence.

A waiver to the policy, contained in reference (c), requiring that a minimum of 51 percent of the work effort financed on a reimbursable order must be performed in-house by the receiving activity is hereby granted for ONCR funding requirements. The details of this reimbursable process are specified in enclosure (1).

In areas where DoT cannot provide fare media distribution, the SF-1164, Claim for Reimbursement for Expenditures on Official Business will by used by participants to obtain reimbursement. ASN(FM&C), FMO will notify the Installation or Command POC of site approval to use the SF-1164 for reimbursement. Enclosure (2) provides detailed instructions for use of the SF-1164.

General ONCR TIP information may be found on the FMO website. For specific questions, you may contact Mr. Brian Powell at (202) 685-6757, DSN 325, email powell.brian@fmo.navy.mil or Ms. Nancy Carpenter at (202) 685-6725, DSN 325, email carpenter.nancy@fmo.navy.mil. Specific questions regarding Marine Corps TIP may be addressed to Mr. Kerry Cerney at (703) 784-9388, DSN 278, email cernyka@manpower.usmc.mil.

GLADYS J. COMMONS
Principal Deputy
Assistant Secretary of the Navy
(Financial Management and Comptroller)

Distribution:
(see next page)

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DON ONCR TIP FINANCIAL PROCESS

- **BUDGET POLICY**
  - The transit subsidy benefit will be funded using existing budgetary resources without supplemental funding. The transit pass program is considered to be a personnel benefit and will be funded from the same appropriation/fund that finances an individual's salary, i.e. O&M,N, O&M,NR, O&M,MC, MPN, MPMC, etc.
  - Navy Working Capital Fund (WCF) activities will finance this benefit for civilian personnel as an indirect cost that is charged to overhead accounts and funding will be provided to FSA at the Activity Group level.
  - Military personnel will be funded from Military Personnel appropriations.
  - NAF employees will be funded by NAF resources.
  - Costs should be reported in Object Class 12.1, Civilian Benefits, and 12.2, Military Personnel Benefits.

- **FINANCIAL/ADMINISTRATIVE EXECUTION AGENT**
  - As the major command providing financial and administrative support to ONCR, FSA will be the financial/administrative execution agent for appropriations other than NAF for the DoT Transportation Administrative Service Center (TASC) Customer Agreement (CA). NEXCOM will be the financial/administrative execution agent for NAF and facilitate a separate TASC CA with DoT.
  - For appropriations other than O&M,N and NAF, FSA will collect reimbursable funding from each appropriation/ Activity Group sponsor prior to submission of the CA to DoT. The DoT TASC CA will cite FSA's O&M,N funds. FSA will bill each customer's order based on DoT estimates and adjust to actuals on a monthly basis upon receipt of detailed user reports.

- **FINANCIAL EXECUTION**
  - **FY 2002 and Beyond**
    - Appropriation managers/WCF customers will provide a reimbursable order (NAVCOMPT Form 2275/2276A or DD Form 448) to FSA for projected annual subsidy costs by appropriation/fund, excluding NAF. The reimbursable order will include a statement specifying funding is for personnel using mass transportation or qualified van pools in accordance with the transportation incentive program.

- The document must be received by FSA no later than 30 September of the fiscal year preceding planned execution. (Activities must ensure that obligation phasing plans reflect annual ONCR requirements in the first quarter of the fiscal year.)
- The document will cite funds to the year of execution, indicating on the document, "These funds are issued in anticipation of and contingent upon the enactment of a FY ____ Continuing Resolution or FY ___ Defense Appropriation Act, whichever comes first".
- The initial funding document will finance the annual transportation incentive program even though Continuing Resolution Authority (CRA) may be anticipated.
- Upon approval and notification by FMO, participants in locations not serviced by DoT will request reimbursement quarterly via a SF-1164 or applicable reimbursement method for NAF participants; reimbursement will be funded by the local command. NAF guidance will be provided under separate correspondence.
- By 5 October of the fiscal year of planned execution, FSA will provide FMO a list of major commands and/or administering offices delinquent in providing initial reimbursable orders.
- The DON will grant an exemption to policy requiring that a minimum of 51% of the work effort financed on a reimbursable order must be performed in-house by the receiving activity.

- **FINANCIAL EXECUTION CHANGES**
  - Adjustments to initial transportation subsidy service orders will be initiated by FSA as an amendment to the user's original work request.

- **FINANCIAL BILLING PROCESS**
  - DoT TASC will provide an estimated annual bill to FSA NLT 30 days before the commencement of the fiscal year. The bill will provide an itemized estimate of payment for fare media, financial management, and other services provided by DoT TASC under the CA agreement. These itemized annual estimates will be adjusted throughout the year as necessary.
  - FSA will forward the signed, certified DoT TASC CA to DoT upon receipt of all reimbursable orders from major commands and administering offices. Payment to DoT TASC will be accomplished upon receipt of the CA via Intra-governmental Payment and Collection system. Disbursement and

payment documentation will be provided to FSA upon completion.

- DoT TASC will submit to FMO on a monthly basis an itemized account activity of actual expenses (by appropriation/fund and major command).
- FMO will forward the monthly itemized account reports to the major commands and administering offices for reconciliation. FMO will forward any adjustments to DoT for processing.
- Based on the DoT annual estimate bill, FSA will process billings against customer reimbursable orders and adjust to actuals upon validation.

Department of the Navy
Instructions for Completing SF-1164,
Claim for Reimbursement for Expenditures on Official Business
with Mass Transportation Fringe Benefit Program

Department of the Navy (DON) participants in the Transportation Incentive Program (TIP) are required to use Department of Transportation (DoT) services where available. In areas where DoT cannot purchase transit fare media (vouchers/passes), the SF-1164, Claim for Reimbursement for Expenditures on Official Business will be used by participants to obtain reimbursement.

DON personnel who qualify and wish to participate must submit a DON Outside the National Capital Region Mass (ONCR) TIP application to their designated Installation or Command Point of Contact (POC). Eligibility requirements, applications, and POC information, may be found at http://www.fmo.navy.mil/services/services.htm. POCs must forward applications to the Assistant Secretary of the Navy, Financial Management and Comptroller (ASN(FM&C)), Office of Financial Operations (FMO). Applications must be on file with DoT for participants to be eligible for cash reimbursement. DoT will notify ASN(FM&C) FMO if the applicant's area is serviced by DoT. If DoT does not service the applicant's area, the following information applies:

1. Participants will purchase tickets/passes with their own funds, maintaining receipts and/or cancelled checks or used passes to document payment. At the end of each quarter, participants will request reimbursement of qualified mass transportation, including subway, light rail, buses, qualified van pools and qualified foot passenger ferries.

2. A maximum of three months of tickets/passes can be submitted at one time and must be submitted only at the end of each quarter (December, March, June, September). Completed SF-1164s must be submitted to the Installation or Command POC for verification. A participant can only claim reimbursement from the date of entry into the DoT database. Verification of that date should be confirmed before signing as the Approving Official.

The Installation or Command POC will sign in Block 8 as the Approving Official. Approving Officials must have a Letter of Authority on file with the participant's servicing Personnel

Support Activity (PSA), Personnel Support Detachment (PSD), Finance/Disbursing Office or other travel settlement organization. The SF-1164 will then be processed through normal channels as a local travel claim through the participant's command or activity. Reimbursement will be funded by the local command.

3. Participants must complete information in Blocks 1, 4(a), 4(b), 4(c), and 4(d), 6, and 7. Block 6 must state that the employee is seeking reimbursement under the Mass Transportation Fringe Benefit Program. The form must include the method of transportation (e.g. bus, qualified van pool), the period for which the employee is seeking reimbursement, and the amount of the reimbursement.

4. Under Block 6, Expenditures:

a. Annotate Code C for "Other Expenses"

b. Annotate the months being claimed for the transit subsidy and the total amount claimed for tickets/passes. The amount claimed should be the actual amount spent up to $65.00 per month ($195.00 quarterly). Effective January 1, 2002, the allowable amount per month increased to $100.00 per month ($300.00 quarterly).

5. Attach applicable receipts/supporting documentation to justify the claim:

a. A used transit pass and/or receipt with the following statement on the SF-1164, Block 6: "I certify that I purchased this transportation, and I used it during this period solely for the purpose of commuting to and from work." The activity must have no reason to doubt the member or employee's certification.

b. If a receipt is not provided in the ordinary course of business (e.g., if used transit passes cannot be returned to the user) the employee may certify on the SF-1164, Block 6: "I certify that I have purchased transportation that does not provide a receipt, and reimbursement was used solely for the purpose of commuting to and from work." The activity must have no reason to doubt the member or employee's certification.

6. With the exception of DON military personnel, Block 9, Authorized Certifying Officer, must be completed by the participant's command or activity certifying the Accounting

Classification provided on the SF-1164 is proper. For DON military personnel, Block 8 AND Block 9 will be the installation or command POC. In accordance with the Department of Defense Financial Management Regulation, Volume 5, Chapter 33, the certifying official must be appointed in writing and have a DD Form 577, Signature Card on file with the servicing Finance/Disbursing Office.

In accordance with Department of Defense guidance, the accounting classification provided for military and civilians must be the appropriation/fund that finances their compensation. The accounting classification cited for all Navy military personnel will be paid centrally and provided separately by FMO as sites are approved for SF-1164 use. For Marine Corps military personnel, the accounting classification will be provided by Headquarters, Marine Corps. For DON civilian employees paid from appropriated funds, the accounting classification will be provided by the command that pays the employee's salary.

7. Participants must sign and date the SF-1164 in Block 10.

CLAIM FOR REIMBURSEMENT FOR EXPENDITURES ON OFFICIAL BUSINESS

1. DEPARTMENT OR ESTABLISHMENT, BUREAU, DIVISION OR OFFICE

2. VOUCHER NUMBER

3. SCHEDULE NUMBER

Read the Privacy Act Statement on the back of this form.

5. PAID BY

4. CLAIMANT

a. NAME *(Last, first, middle initial)*: SMITH, DAVID R.

b. SOCIAL SECURITY NO.: XXX-XX-XXXX

c. MAILING ADDRESS *(Include ZIP Code)*: 32 COOK STREET, HARRISBURG, PA

d. OFFICE TELEPHONE NUMBER: XXX-XXX-XXXX

6. EXPENDITURES *(If fare claimed in col. (g) exceeds charge for one person, show in col. (h) the number of additional persons which accompanied the claimant.)*

Show appropriate code in col. (b): A - Local travel; B - Telephone or telegraph, or C - Other expenses *(itemized)*; D - Funeral Honors Detail

(Explain expenditures in specific detail.)

DATE (a)	CODE (b)	(c) FROM	(d) TO	MILEAGE RATE ¢ / NO. OF MILES (e)	AMOUNT CLAIMED: MILEAGE (f)	FARE OR TOLL (g)	ADD PERSONS (h)	TIPS AND MISCELLANEOUS (i)
04/01/01 06/30/01	C	TRANSIT SUBSIDY	APRIL			5500		
		ABC BUS SERVICE	MAY			5500		
			JUNE			5500		
		APPROPRIATE STATEMENT/	CERTIFICATION					
If additional space is required continue on the back.			SUBTOTALS CARRIED FORWARD FROM THE BACK					
7. AMOUNT CLAIMED *(Total of cols. (f), (g) and (i).)* ▶ $165.00			TOTALS			16500		

8. This claim is approved. Long distance telephone calls, if shown, are certified as necessary in the interest of the Government. *(Note: If long distance calls are included, the approving official must have been authorized in writing, by the head of the department or agency to so certify (31 U.S.C. 680a).)*

Sign Original Only

APPROVING OFFICIAL SIGN HERE ▶ Installation/Command POC — DATE

9. This claim is certified correct and proper for payment.

Sign Original Only

AUTHORIZED CERTIFYING OFFICER SIGN HERE ▶ Local Command (Civilian Pers) / Installation/Command POC (Military Pers) — DATE

ACCOUNTING CLASSIFICATION

10. I certify that this claim is true and correct to the best of my knowledge and belief and that payment or credit has not been received by me.

Sign Original Only

CLAIMANT SIGN HERE ▶ — DATE

11. CASH PAYMENT RECEIPT

a. PAYEE *(Signature)*

b. DATE RECEIVED

c. AMOUNT $

12. PAYMENT MADE BY CHECK NO.

To be completed by the Installation or Command Point of Contact for military personnel. To be completed by participant's local command for civilian personnel.