



UPCOMING ENROLLMENT DEADLINES:

Next:
Wednesday, July 18, 2012

Future:
Friday, August 17, 2012
Tuesday, September 18, 2012



QUESTION OF THE MONTH:

Can I include the parking cost at my bus or train station in my certified monthly commuting cost?

No, Department of Defense Instruction 1000.27 page 18 states that "parking costs... shall not be used in establishing commuter costs."

MAXIMUM BENEFIT TO REMAIN AT \$125

On 29 June 2012, the House and Senate passed the "Moving Ahead for Progress in the 21st Century Act" - an act to authorize funds for Federal-aid highways, highway safety programs, and transit programs, and for other purposes. The original Senate version of this bill contained language to expand the maximum benefit from \$125 to \$240 through the end of year. However, the final conference report that was presented to the President on 2 July did not contain any language to expand the maximum benefit for transit benefits. This bill was likely the last opportunity this year for a change in the maximum benefit amount. With an election fast approaching, Congress is unlikely to take up additional legislation that will impact mass transit benefits before November. It looks like \$125 is here to stay for at least for the rest of the year.

OMB CONCERNED WITH VANPOOL EXCESSES

In April 2012 the Office of Management and Budget (OMB) instructed the Department of Transportation (DOT) to address a growing concern that excess transit benefits may be accumulating among those who use vanpools to commute to and from work. DOT has been asked to undertake corrective actions to collect any accumulated funds. In an internal control review, independent from OMB, the Department of the Navy found that in multiple locations, vanpool participants had overestimated their commuting costs associated with using a vanpool. Transportation Incentive Program (TIP) participants are only eligible to receive transit benefits up to their actual commuting costs. When vanpool participants receive benefits greater than their actual commuting costs, they are responsible to return those unused benefits back to the Federal government. In some cases the participants sent all the benefits they received over to their vanpool company even though the total amount of benefits exceeded the amount that was charged by the vanpool company. In these cases, the vanpool account accumulated a credit balance. Vanpools are permitted to maintain a credit balance up to \$200 per vanpool account to accommodate for

fluctuating gas expenses. However, the Office of Financial Operations (FMO) has identified some vanpool accounts that have accrued more than \$10,000 in accumulated transit benefits. This is the same concern identified by OMB.

In other cases, vanpool participants hold onto extra transit benefits either personally or by having a vanpool treasurer maintain a stockpile of unused transit benefits. Either scenario (overpaying the vanpool company or stockpiling unused benefits) is strictly prohibited. Department of Defense (DoD) Instruction 1000.27 states that participants "may not accrue and stockpile unused fare media from one disbursement period to be used in a subsequent disbursement period so as to reduce their own out-of-pocket expenses." This prohibits participants from either stockpiling transit benefits or allowing large credit balances to accumulate on their vanpool invoices. As DOT develops additional internal controls to address the concerns that OMB has identified, it is important that TIP participants ensure that all DoD and Department of the Navy internal controls are in place and operating effectively.

If you are a vanpool participant and you have unused transit benefits or you know that your vanpool has unused benefits, be sure to turn them back into your local reviewing officials.

Reviewing officials should collect and review vanpool invoices to ensure that participants have accurately certified their commuting cost and that invoices have not accumulated credit balances greater than \$200. Any invoice that demonstrates that participants have over-certified their commuting cost should prompt reviewing officials to have the participants submit a "making a change" form to correctly certify their commuting cost. If there is an accumulated credit balance, the reviewing official should require the participants in the vanpool to return the accumulated funds before receiving any additional benefits.

Unused fare media should be returned to DOT using a fare media return form: http://www.fmo.navy.mil/documents/Divisions/FMO3/TIP/4D_ReturnMediaForm.xls. If a vanpool needs to return an excess credit balance from their vanpool account, payment can be made with a United States money order, cashier's check or corporate check from the vanpool company. Payments should be submitted to the local reviewing official for processing. Local reviewing officials should submit all repayments to the Office of Financial Operation at the address below. Payment should be accompanied by a cover memo that specifies the following: participant's name, last four digits of social security number, unit identification code (UIC), major command, and funding source to ensure that the proper account is credited. Reviewing Officials working with non-appropriated fund employees should contact FMO for additional re-payment instructions.

One way to protect the mass transit benefit program across the government is to demonstrate that the existing internal controls are effective in addressing vanpool excesses similar to the ones identified by OMB. Together, we can ensure that OMB has the confidence that tax-payer dollars are not being wasted in the Transportation Incentive Program.



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