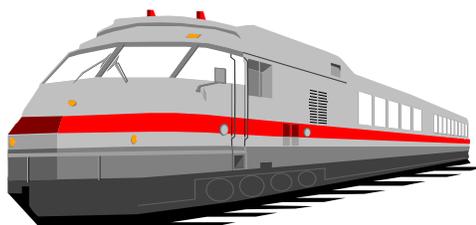


Peralta Community College District

PRE-TAX COMMUTER EXPENSE PROGRAM HANDBOOK

2013



Peralta Community College District

PRE-TAX COMMUTER EXPENSE PROGRAM

Peralta Community College District is pleased to sponsor an employee benefit Program known as the "Peralta Community College District Pre-Tax Commuter Expense Program" (the "Program") for you. Peralta Community College District is providing you with the opportunity to use pre-tax dollars to pay for eligible Commuter Expenses by entering into a salary reduction arrangement.

This Program Summary describes the basic features of the program, how it operates, and how you can get the maximum advantage from it. In the event there is a conflict between this summary and the Program itself, the terms of the Program will control. Upon request, you may obtain a copy of the actual Pre-Tax Commuter Expense Program document from the Program Administrator (Peralta Community College District).

Identification Of Program:

Company Name: Peralta Community College District
Program Name: Peralta Community College District Pre-Tax Commuter Expense Program
Address: 333 East 8th Street
City: Oakland, CA 94606

What Is A Pre-Tax Commuter Expense Program?

A Pre-Tax Commuter Expense Program, also known as a Section 132 Program, allows you to use pre-tax dollars to pay for your Qualified, Work Related, Transportation and Parking Expenses.

Who Can Participate?

As an employee of Peralta Community College District, you are eligible to participate in this Pre-Tax Commuter Expense Program as of the first of the month following your date of hire. This Plan is only for reimbursement of your own Commuting Expenses, not those of your spouse or other family members.

What Tax Advantages Are Available Through The Program?

The Program permits you to pay for eligible Commuter Expenses (defined in Q& A – 8) with pre-tax dollars through salary reduction rather than after-tax pay. The use of pre-tax dollars reduces your taxable income and you save income, Social Security and other taxes on the amount of your salary reduction.

The Table Below Illustrates This Savings.

	With Commuter Program	Without Commuter Program
Monthly Base Salary	3,000.00	3,000.00
Pre-Tax Parking	(100.00)	0.00
Pre-Tax Transportation	(150.00)	0.00
Adjusted Taxable Income	2,750.00	3,000.00
Federal Withholding (20%)	(550.00)	(600.00)
State Withholding (5%)	(137.50)	(150.00)
Social Security (6.20%)	(170.50)	(186.00)
Medicare (1.45%)	(39.88)	(43.50)
CA SDI (1.20%)	(33.00)	(36.00)
Subtotal	1,819.13	1,984.50
<u>Expenses</u>		
Parking	Paid by plan	(100.00)
Transportation	Paid by plan	(150.00)
Spendable income	1,819.13	1,734.50

This is a savings of \$84.63 a month which equals a total savings of \$1,015.56 annually.

How Do I Enroll?

Assuming you are eligible, you become a Participant by completing the attached Pre-Tax Commuter/Parking Enrollment Form and submitting it to your Human Resources representative. Your participation will begin on the first of the month following your submission. Your deductions will be taken monthly on the first payroll date of each month thereafter.

May I Enroll In Both The Parking And The Transportation Accounts?

Yes, as long as you have expenses that qualify under both programs and as long as you do not exceed the Monthly Maximums. Each account is tracked separately.

How Is My Account Funded?

When you complete the Pre-Tax Commuter/Parking Enrollment Form you specify the amount you wish to have deducted from your salary each month for either Transportation and/or Parking Expenses. That amount will be deducted from the first payroll each month and credited to the appropriate account(s). You may then submit receipts for your eligible Transportation and/or Parking Expenses against the balance available for reimbursement.

What Is An "Eligible" Commuter Expense?

"Transportation Expenses" are defined as expenses incurred for a pass, token, fare card, voucher, or similar item for transportation (a) on mass transit facilities including BART, Muni, ferry, cable car, etc., or (b) in a Commuter Highway Vehicle (Vanpool) if such transportation is in connection with travel between your residence and place of employment. A Commuter Highway Vehicle is any highway vehicle with a seating capacity of at least six adults (not including the driver), and for which at least 80% of the mileage is for the purposes of transporting employees in connection with travel between their residences and their places of employment.

"Parking Expenses" are defined as expenses incurred to park your car on or near the business premises of your employer, or expenses incurred to park your car at a location from which you commute to work by (a) mass transit, (b) Commuter Highway Vehicle, or (c) carpool.

What Is An "Ineligible" Commuter Expense?

Individual carpools, bridge tolls and taxi fares are not eligible for reimbursement through this Plan. Individual carpools include "casual" carpools at bridges and other public locations. Also carpools you organize in your personal vehicle are not eligible Commuter Expenses.

What Is The Maximum Qualified Commuter Expense Benefit I May Elect?

The maximum amount you may contribute to each account cannot exceed the maximum amount specified in Code Section 132(f). The maximum amounts are:

For Parking Expenses	\$245/month
For Transportation Expenses (Public transportation/vanpool)	\$245/month

How Do I Receive Reimbursement Under The Program?

When you incur an expense that is eligible for payment, you will need to complete a Pre-Tax Commuter Claim Form and submit it, with any applicable receipts, to the Plan Service Provider for processing. Claims will be processed upon receipt and, providing you have funds available in your account, the payment will be deposited directly into your checking or savings account if you have signed up for direct deposit. Otherwise, a check will be sent to you at the address listed on your enrollment form within a day or two.

Claims that exceed your current account balance will pend, and will be paid out automatically as you continue to have funds redirected from each payroll. Therefore, if you have an election of \$100 per month that is deducted monthly and you submit a claim for \$150, you will receive \$100 as of the 1st payroll date of the month and the remaining \$50 on the next month's 1st payroll date.

Claim forms are available through your Human Resources Department or your Plan Service Provider. We request that you submit your claim within 90 days of incurring the expense. Upon request, our Plan Service Provider will assist you in making these claims.

Can I Change My Election?

Once executed, the agreement to reduce your salary will remain in effect until you submit a new Pre-Tax Commuter/Parking Enrollment Form stating a revised amount. If you are discontinuing the program, simply put \$0.00 as the elected amount. The requested change will be implemented on the first payroll of the month following your submission of the written request.

Failure To Elect

If you do not sign a new form for the Program, the most recent Pre-Tax Commuter/Parking Enrollment Form will apply, with the same reduction of compensation. If there is no signed Pre-Tax Commuter/Parking Enrollment Form on file at all, it is understood that you have chosen not to Participate in the Program.

What If I Overestimate My Expenses?

If your reimbursement request was for less than your current account balance, the unused amounts will roll over and be available for future reimbursements. You may need to adjust your monthly deduction amount for the next coverage period in order to use up your surplus account balance. For example, if your monthly parking election (and anticipated monthly expense) is \$100, but you only incur \$75 worth of eligible parking expenses in January, you might want to change your election for February (prior to February 1st) to \$75 in order to use up the \$25 surplus from January. Then you may want to increase your election back to \$100 for March (prior to March 1st). At no time may you exceed the Monthly Maximums set forth in Code Section 132(f).

What If I Underestimate My Expense?

If your reimbursement request was for an amount that was less than the monthly maximum amount but more than your current account balance, the excess part of the reimbursement request will be carried over into the following month(s) to be paid out as your balance becomes adequate (subject to monthly maximums described above). Remember, though, you may not be reimbursed for an expense that was incurred prior to your participation in the plan.

What If I Have An Account Balance And I Terminate My Employment?

If you have any funds in your account at the time you terminate employment, any amounts not applied for eligible Commuter Expenses incurred prior to the termination will be forfeited. You do have 90 days from your date of termination to submit claims incurred while you were employed.

How Long Will The Program Remain In Effect?

Although we expect to maintain the Program indefinitely, we reserve the right to modify or terminate the Program at any time. It is also possible that future changes in state or federal tax laws may require that the Program be amended or modified.

What Happens If A Pre-Tax Commuter Claim Form Is Denied?

You will be notified in writing within 30 days of the date you submitted your request. Such notification will set out the reasons your request was denied.

What Effect Will Program Participation Have On Social Security And Other Benefits?

Program participation will reduce the amount of your taxable compensation. Accordingly, there could be a decrease in your Social Security benefits or other benefits (e.g. pension, disability and life insurance), which are based on taxable compensation.

If you have any further questions regarding the terms of this program, contact your Human Resources Representative. You may also contact Benefit Dynamics with questions via email at Benefits@PensionDynamics.com.



BENEFIT DYNAMICS

Peralta Community College District

Pre-Tax Commuter/Parking Enrollment Form

If you wish to participate in any portion of the Pre-Tax Commuter/Parking Plan, you must complete the following section. You may elect to participate in one or any combination of the two benefits out lined below.

Return this completed form to your Benefits/ Human Resources Representative

SECTION A – EMPLOYEE DATA (PLEASE PRINT OR TYPE)

Name:		SSN:	Home Phone:
Street Address:			
City:	State:	Zip Code:	
DOB (date of birth):	Date of Hire:	Date of <u>First Contribution</u> (payroll date):	
Email:			

SECTION B – ELECTION AND SALARY REDIRECTION INFORMATION

➤ **Pre-Tax Transportation Expense Reimbursement Account**

I hereby authorize my employer to deduct \$ _____ from my monthly wages on a pre-tax basis, not to exceed \$245, to be used for the reimbursement of my qualified Transportation Expenses.

➤ **Pre-Tax Parking Expense Reimbursement Account**

I hereby authorize my employer to deduct \$ _____ from my monthly wages on a pre-tax basis, not to exceed \$245, to be used for the reimbursement of my qualified Parking Expenses.

SECTION E – EMPLOYEE AUTHORIZATION AND SIGNATURE

- ❖ I WILL BE USING THE BENEFIT EXCLUSIVELY FOR MY REGULAR DAILY DIRECT COMMUTE FROM HOME TO WORK AND RETURN. I WILL NOT GIVE, BARTER, EXCHANGE, CONVEY, OR OTHERWISE TRANSFER THIS BENEFIT TO ANY OTHER PERSON.
- ❖ I UNDERSTAND THAT THIS ELECTION WILL GO INTO EFFECT THE FIRST OF THE MONTH AFTER I SUBMIT THIS FORM TO THE APPROPRIATE HUMAN RESOURCES / PAYROLL REPRESENTATIVE. I FURTHER UNDERSTAND THAT THIS ELECTION WILL REMAIN IN PLACE UNTIL I CHANGE OR RESCIND IT IN WRITING. TO CHANGE OR RESCIND THIS ELECTION I UNDERSTAND I WILL NEED TO COMPLETE A NEW ELECTION FORM AND SUBMIT IT TO THE APPROPRIATE HUMAN RESOURCES / PAYROLL REPRESENTATIVE..
- ❖ I FURTHER UNDERSTAND AND AGREE THAT FALSE CERTIFICATION OR CLAIMS MAY RESULT IN DISCIPLINARY ACTION TAKEN BY MY EMPLOYER UP TO AND INCLUDING DISMISSAL FROM EMPLOYMENT AND POSSIBLE PROSECUTION FOR FEDERAL INCOME TAX EVASION.

Date:	Employee Signature:
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Benefit Dynamics
Direct Deposit Authorization Form

Employer Name: Peralta Community College District

Employee Name: _____ **Social Security #:** ____ - ____ - ____

Daytime Phone Number: _____ **Email (required):** _____

Please check the appropriate item: Initiate Direct Deposit ____ Change Account ____ Cancel Direct Deposit ____

Bank Information

Account Number: _____ **Type of Account (check one):** Checking ____ Savings ____

Nine Digit Routing Number: _____ **Bank Name** _____

I ACKNOWLEDGE THE FOLLOWING:

1. I must include a copy of a voided check in order for direct deposit to be established. Deposits slips cannot be accepted as the routing numbers are often different on these slips.
2. My financial institution can receive transactions via electronic transfer and the bank information provided can serve this purpose.
3. I authorize Pension Dynamics Corporation to initiate electronic credit entries and, if necessary, debit entries to reverse erroneous credits to the above account, and to allow the financial institution indicated above to credit and / or debit the same to such account.
4. Direct deposit of my reimbursement accounts shall commence within 2 (two) weeks of receipt of this form. This direct deposit will be for all reimbursement accounts that I have established with Benefit Dynamics.
5. My direct deposit may be terminated by any of the following: an online or written cancellation request submitted by me (when allowed by my employer), a failed bank transmittal due to incorrect bank information, or cancellation of direct deposit by my employer.
6. I understand that I must notify Benefit Dynamics immediately if I make any changes in my banking situation. Not doing so can delay my payment greatly.
7. I will not assume payment has been made to my bank account at any time. I am solely responsible for checking with my bank as to the deposit amount and date of direct deposits made. I am also responsible for any fees my bank may charge for direct deposits.

I hereby acknowledge that I understand the information on this form and authorize Pension Dynamics Corporation to complete my request as indicated:

Employee Signature: _____

Date: _____

Please send to:

Email: Benefits@pensiondynamics.com

Fax: 1-866-320-1931



Web Site Registration and Login Instructions:

1. Go to www.PensionDynamics.com (Internet Explorer Required)
2. Click the **LOGIN/FORMS** button (upper right corner of home page)
3. Click on **FLEX** (Left side of screen)
4. Click on **REGISTER** (Below login boxes)
5. Click on **PENSION DYNAMICS CORP. TEMPORARY LOGIN ID & EMPLOYER CODE**

Follow the instructions on the registration page:

6. Enter your SSN (no dashes or spaces) in the Login ID field.
7. Enter your Employer Code (**84641082**) in the Employer Code field and click CONTINUE.
8. Enter a login ID of your choice that is at least 6 but not more than 100 characters in length. Note: Since Social Security Numbers are no longer used as the login ID, the login ID you create may not be 9 characters in length.
9. Enter an e-mail address to be used to receive e-mails re: forgotten passwords.
10. Enter a secret question or use a predefined secret question to prompt your memory of your password.
11. Enter the answer to the secret question.
12. Click **SUBMIT**.
13. Click the continue link.
14. Enter a new password in the New Password field.
15. Re-enter the password in the Confirm New Password field.
16. Click **CHANGE PASSWORD**.
17. You are now logged on to the new **Benefit Dynamics** web page powered by *myRSC*.

If you have any questions, please call (925) 956-0514 or email us at Benefits@PensionDynamics.com



Commuter Plan Claim Instructions

Tips for Completing the Pre-Tax Commuter Claim Form

- Fill out each section completely. Any incomplete forms will not be able to be processed.
- Type or write legibly.
- Don't forget to sign your form. The employee who is participating in the plan is required to sign the form, not your spouse or other dependent.
- Expenses can only be incurred by the employee, not your spouse or other tax dependent.

Things to Include with your Pre-Tax Commuter Claim Form

- Fully completed and signed Pre-Tax Commuter Claim Form.
- Receipt for each expense which includes the date of service. Receipts must be submitted unless they are not provided in the normal course of business. If this is the case, circle NO under the Receiptable portion of the Claim Form.
- Cancelled checks and credit card receipts are not acceptable receipts under IRS regulations.
- Do not use a highlighter to highlight items or dollar amounts on substantiation.

Reminders for Submitting your Pre-Tax Commuter Claim Form:

- Retain the original of all requests including the substantiation, sending us a copy of the documents only. Benefit Dynamics is not responsible for providing copies.
- Please allow 2 business days for your claim to be processed.
- If your claim is denied, you will receive a written statement telling you why the item could not be processed. If we need further information the denial letter will state what you can do in order to have your item re-processed.
- Do NOT combine your claim with your co-workers' claims. It will cause a delay in processing and may not be processed at all.
- If possible scan your Pre-Tax Commuter Claim Form and all substantiation and email the documents to us at Benefits@PensionDynamics.com. This is the preferred method of claim submission as you will get a personal response back stating your claim was received.
- You may also Fax your Pre-Tax Commuter Claim Form to 1-866-320-1931
- If you mail your Pre-Tax Commuter Claim Form please send only copies, not originals, to: Benefit Dynamics, 2300 Contra Costa Blvd, Ste 400, Pleasant Hill, CA 94523-3987.

Benefit Dynamics Customer Service

- The best way to check your claim status is to log into your account online at www.pensiondynamics.com. If you have not yet registered for an account, please see Website Registration and Login Instructions included with this packet of information. The website is available 24/7 and is a great resource once you have registered.
- Customer Service is available at 925-956-0514 from 8 AM – 5 PM PST, Monday – Friday. You can also email us at Benefits@PensionDynamics.com. Please include your name and your employer name on any correspondence sent to us but do not include confidential information such as your Social Security Number.



Pre-Tax Commuter Claim Form

FAILURE TO COMPLETE THIS FORM IN FULL MAY DELAY PAYMENT

SECTION A – EMPLOYEE DATA (PLEASE PRINT)

Name of Employer: (must complete):

Last 4 of SSN:

Name:

Daytime Phone:

SECTION B – CLAIM ENTRY- PLEASE BE SURE ALL INFORMATION IS ENTERED.

CLAIMS CANNOT EXCEED \$245/MONTH

- These expenses must be for a pass, token, fare card, voucher, or similar item for transportation either on mass transit facilities (including BART, Muni, ferry, cable car, etc.) or in a Commuter Highway Vehicle (Vanpool).
- A Commuter Highway Vehicle is any highway vehicle with a seating capacity of at least six adults (not including the driver), and for which at least 80% of the mileage is for the purposes of transporting employees in connection with travel between their residences and their place of employment.
- Individual car pool, bridge toll, or taxi fare does NOT qualify.
- The transportation must be for travel between your residence and/or public transportation location (i.e. Bart station, VanPool) and place of employment.

TRANSPORTATION

Provider / Vendor	Date(s) of Service	Receiptable		Requested Amount
_____	_____	YES	NO	\$ _____
_____	_____	YES	NO	\$ _____
_____	_____	YES	NO	\$ _____
		TOTAL		\$ _____

CLAIMS CANNOT EXCEED \$245/MONTH

- "Parking expenses" are defined as expenses incurred to park your car on or near the business premises of your employer, or expenses incurred to park your car at a location from which you commute to work by mass transit, Commuter Highway Vehicle (Vanpool), or carpool.

PARKING

Provider / Vendor	Date(s) of Service	Receiptable		Requested Amount
_____	_____	YES	NO	\$ _____
_____	_____	YES	NO	\$ _____
_____	_____	YES	NO	\$ _____
		TOTAL		\$ _____

SECTION C - DISCLOSURE. PLEASE READ AND SIGN BELOW

I request reimbursement for the above expenses. I certify that any transit and/or van pooling expense claimed on this form is for the purpose of transportation for me to and from my place of employment. Any van pooling is in a vehicle with a seating capacity of 6 or more adults (not including the driver), and at least 80% of the mileage is for the transportation of employees in connection with travel between their residences and their places of employment.

I certify that the parking expenses submitted on this claim form for reimbursement are for my automobile to be parked either at a site near my place of business or for a parking space from which I commute by public transit, van, or carpool. The parking space is not near my place of residence.

I certify that I have included any available proof of the claims that I have made above. The claims made here are pursuant to IRS Code Section 132 and I understand that any falsification is subject to penalty under law.

I hereby certify that all of the above claim information is true and correct and compliant with the rules of the plan.

Date:

Employee Signature:

Attach proof of expense and send completed form to:

Fax: (866) 320-1931

E-mail: Benefits@PensionDynamics.com