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Peralta Community College District

Section 132/Pre-Tax Commuter Expense Program

Employee Handbook

Plan Year: January 1, 2019 – December 31, 2019



Do You Know?

Pre-Tax Commuter Expense Program

A Pre-Tax Commuter Expense Program is an employee funded commuter benefit in which you designate a portion of your salary before taxes to pay for eligible expenses (up to the IRS allowable monthly maximum).

Pre-Tax

Money under this program is deducted pre-tax and is excluded from your gross income; therefore reduces your taxable income.

Eligible Expenses

An eligible expense in the form of qualified public transit, van pooling, or parking expenses. A complete list of eligible expenses is on page 4 of this handbook.

24/7 access

You have 24/7 access to your accounts through the secure online portal. The online portal has a mobile application too!



Information Directory

www.pensiondynamics.com

DOCUMENT DESCRIPTION	DOCUMENT NAME	WHERE TO LOCATE
Account Login Information	Website Registration Instructions	Refer to the last page of this document
Plan Details	Your Information Booklet and Summary Plan Description	Once you log into your benefits account: Resource>My Employer's>Forms and Documents
Eligibility Requirements	Your Information Booklet and Summary Plan Description	Once you log into your benefits account: Resource>My Employer's>Forms and Documents
Enrollment Instructions	Your Information Booklet and Summary Plan Description	Once you log into your benefits account: Resource>My Employer's>Forms and Documents
Pension Dynamics Wealth Care Portal	Website Registration Instructions and Online Claim Submission	Refer to the last page of this document for instructions or access the URL: benefits.pensiondynamics.com An User Guide can be found on the above link under Resources/FSA Resources/FSA Forms and Online Resources
Forms	Various Participant Forms	On the main website page, select the Participants link in the top right of the page and then select "Benefit Plan Forms" under "Forms" or access the URL: pensiondynamics.com/resources/benefits/forms



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. Your Employer 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 Handbook 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 SPD itself, the terms of the SPD will control. Upon request, you may obtain a copy of the actual Pre-Tax Commuter Expense Program SPD from your Human Resources department.

Identification of Program:

Company Name: Peralta Community College District
Program Name: Peralta Community College District Pre-Tax Commuter Expense Program

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 eligible expense in the form of qualified public transit, van pooling, or 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 expenses 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.

Description	Without Commuter Program	With Commuter Program
Monthly Base Salary	\$3,000.00	\$3,000.00
Pre-Tax Transportation	(0.00)	(100.00)
Pre-Tax Parking	(0.00)	(150.00)
Adjusted Taxable Income	3,000.00	2,750.00
Federal Withholding*	(600.00)	(550.00)
State Withholding*	(150.00)	(137.50)
Social Security Tax*	(186.00)	(170.50)
Medicare	(43.50)	(39.88)
CA SDI	(36.00)	(33.00)
Subtotal	\$1,984.50	\$1,819.13
Expenses		
Pre-Tax Transportation	(100.00)	Paid by Plan
Pre-Tax Parking	(150.00)	Paid by Plan
Spendable Income	\$1,734.50	\$1,819.13

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

*Assumption of tax rates applied

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 (HR) representative. Your participation will begin on the first of the month following your submission. Your deductions will be taken monthly 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 for each account. 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. Your deductions will be taken monthly 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. Debit cards may also be available. If they are, details on how the debit card works will be later in this handbook.

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 bus (for example MUNI), subway or BART, 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 on or near the business premises of your employer, or expenses incurred to park 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:

<u>Expenses</u>	<u>Max Amount</u>
For Parking Expenses	\$265/month
For Transportation Expenses (Public transportation/vanpool)	\$265/month

How Do I Receive Reimbursement Under The Program?

Claims can be submitted electronically via our website at www.pensiondynamics.com. A separate claim is needed for each calendar month.

Additionally, you are able to submit claims via our mobile app. The mobile app can be found by searching for "Pension Dynamics Wealth Care" in the Apple App Store or Google Play.

Get your reimbursement quicker by signing up for direct deposit! Sign up online for direct deposit if you have not already completed that information. Direct deposit allows Pension Dynamics to send your reimbursements to you electronically which will expedite your reimbursement. Payments are issued daily and deposited into your bank account within 1-2 business days.

Commuting Expenses cannot be reimbursed until the expense has been incurred. For example, expenses for the month of January cannot be reimbursed until January 1st. Also, you can only be reimbursed your current account balance. If you send in a claim for \$130 for expenses for January and you have \$100 deducted monthly we will reimburse \$100 once the January contributions are posted and the month has begun. The remaining \$30 of your claim will be reimbursed once additional contributions are posted to your account.

If your employment terminates mid-year, either voluntarily or involuntarily, your coverage in this plan will terminate as of that date. You will have 90 days to submit claims incurred while you were an active employee.

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 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.

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.

Debit Card

- You may request a debit card to help pay for expenses in the above-mentioned plans.
- The debit card will only work at authorized merchants as determined by the IRS.
- The debit card will only work when requesting UberPOOL and Lyft Line. When using the card, you will only be offered drivers with a full-size car that can carry at least 6 passengers. We are unable to reimburse transactions with Uber or Lyft as the only way to confirm they are conforming to the IRS regulations is via the IRA approved transit debit card you are provided when enrolling in the transit benefit.
- If the debit card does not work at the time of purchase, you can still submit a manual claim for reimbursement as long as it is an eligible expense, you have not gone over the monthly limit determined by the IRS, and you have enough funds available in your account. We are unable to approve claims for Uber or Lyft. You must use the card provided for the transit benefit when using Uber or Lyft due to IRS approved restrictions.
- Once you receive the card, you may use it to pay for your qualified expenses.
- It is important to keep all receipts in case of an audit.
- Also it is important to review the Cardholder's Guide and Policy for Disputed Point-of-sale Transactions which is located here: [Cardholder Guide to Claim Policy](#). This document is critical if you have any unauthorized charges on the card.
- If a card is lost or stolen it is important to notify us right away to limit unauthorized transactions.
- If needed, you can access your PIN by logging into your account online. Once online click the debit card icon, then click the arrows to expand the window. Here click on View PIN. However, since the card is used like a credit card there should be no reason to use this PIN.



Pension Dynamics Wealth Care Portal

Web Site Registration Instructions and Online Claim Submission via the WealthCare Portal

Claims can be submitted online at pensiondynamics.com or via our mobile application. The mobile application can be found by searching for “Pension Dynamics WealthCare” in the [Apple App Store](#) or [Google Play](#). Please note you must register and create a username and password in order to login to the Pension Dynamics WealthCare App.

Web Site Registration Instructions

[Click here](#) to register or go to:

<https://benefits.pensiondynamics.com/Page/Registration?employerId=PDCEB231>

- Complete the registration form:
 - Choose a username (8-100 characters) and password (8-16 characters).
 - Enter the required demographic information.
 - **Your employee ID is your Social Security Number (SSN) with no spaces and no dashes.**
 - Before clicking register, be sure to view and accept the terms of use.
 - After successfully completing the registration form, click Next (may take several seconds).
- Next you will set up your secure authentication, which helps ensure your account is secure and private:
 - To start, click the “**Begin Setup Now**” button.
 - Select four security questions and provide your secret answers.
 - Verify your email address. Once complete, click “**Continue Setup**”.
 - Submit setup information. You will be asked to verify all of the information you have entered. After you’ve reviewed and confirmed the information, please click “**Submit Setup Information**”.
- A confirmation page will display showing the registration process has been completed. At this point, you can either 1) sign off, or 2) proceed to your account.

After registering, for all subsequent logins you can click the “**Log-In**” link in the upper right corner of the home page. You will be prompted to enter your username, two of your four security questions, and finally your password.

Online Claim Submission

[Click here](#) to login to your account or go to:

<https://benefits.pensiondynamics.com>

- At the navigation bar at the top of the page, select “**Submit Claims**” and click the “**Add New**” button.
- Complete the claim form. Items with an asterisk are required. Add a receipt file, if you have one. Select “**OK**” when finished.
 - Newly-entered claims appear in the “**New Claims Box**”. Click the “**Edit**” button to edit anything you have entered on a claim. Additional claims can be added by pressing “**Add New**” again.
 - **NOTE:** Once you submit your claim, you are no longer able to edit it. You would need to resubmit it instead of edit it.
- When complete, acknowledge the certification text by checking the checkbox and click the “**Submit**” button.
- If it is preferable to fax your receipts, click “**View Receipt Submittal Form**” for a printable cover page you can submit while faxing.
- Faxing in your receipt without this cover page may cause your reimbursement to be delayed, as the cover page contains specific information that speeds up the process of linking your receipt with your claim in our system.

If you need assistance with the WealthCare Portal, [click here](#) to download the Employee User’s Guide

COMMUTER/PARKING ENROLLMENT

Plan Year: January 1, 2019 through December 31, 2019

INSTRUCTIONS: Complete this Enrollment Form if you wish to participate in any portion of the flexible benefit plan. You may elect to participate in one or any combination of the benefits outlined below. Return the completed forms to your in-house Benefits Administrator. Pension Dynamics will set up your account within two (2) business days after receiving the completed forms from your employer. After your account is set up, please go to www.pensiondynamics.com and log in to your account per the instructions included in your plan handbook. If you do not have a copy of the handbook for this benefit please contact your in-house Benefits Administrator or Pension Dynamics.

Plan Name:

Example "ABC Company 132(f) Tax-Free Transportation Plan" If you are unsure about your Plan Name please contact your human resources or benefits department.

SECTION 1. EMPLOYEE INFORMATION (all fields in this section are required)

Name	Social Security Number	Date of Birth	Male or Female Gender (circle)
Address	Personal E-mail Address		
City	State	Zip Code	Phone Number

SECTION 2. PLAN PARTICIPATION (To terminate your participation in a benefit, please elect zero for the benefit you wish to terminate)

Transportation Expense Reimbursement Account

I elect \$ _____ monthly.

I authorize my employer to reduce my salary on a pre-tax basis, **not to exceed \$265 per month**, to be used for the reimbursement of my eligible transportation expenses.

Parking Expense Reimbursement Account

I elect \$ _____ monthly.

I authorize my employer to reduce my salary on a pre-tax basis, **not to exceed \$265 per month**, to be used for the reimbursement of my eligible parking expenses.

Decline I am declining participation in **both** benefits.

SECTION 3. PENSION DYNAMICS BENEFITS CARD (if applicable, please refer to your plan's handbook)

I elect to receive a Pension Dynamics Benefits Card

SECTION 4. PARTICIPANT AUTHORIZATION

I understand that:

- ❖ 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; I will need to complete a new election form and submit it to the appropriate Human Resources/Payroll representative to change or rescind this election.
- ❖ I will be using the benefit exclusively for my regular daily direct commute from home to work and the return commute. I will not give, barter, exchange, convey, or otherwise transfer this benefit to any other person.
- ❖ I understand that this plan will end if I am terminated mid-year. I will have 90 days to submit claims incurred while I was an active employee.
- ❖ The plan handbook has more detailed information and I can request said handbook from either my in-house Benefits Administrator or Pension Dynamics.
- ❖ 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.

Employee Signature

Date