An Employee Guide to the Transportation Reimbursement Incentive Plan (TRIP) Program

Benefit Strategies, LLC has been engaged by Young and Rubicam Group based on their technical ability to manage a program of this size, strong references and established experience as a provider of benefit programs, to administer the Transportation Reimbursement Incentive Plan (TRIP) program.

This document will answer the most frequently asked questions (FAQ) that employees inquire about concerning the Transportation Reimbursement Incentive Plan (TRIP) program.

Overview

Q: What exactly is the TRIP program made up of and who is eligible to enroll into the program?

A: The TRIP program is a Pre-tax benefit that consists of two (2) distinct categories: Parking and Transit. If you park in a garage at or near your work, that monthly expense can be tax exempt up to the IRS maximum of $240 per month. If you ride the MTA, LIRR, bus, ferry, or other public transportation to work, that monthly expense can also be tax exempt up to the IRS maximum of $125 per month.

All benefit eligible employees are eligible to enroll in either Transit or Parking, or both plans, if applicable.

Q: How do I enroll?

A: All new employees to the program will need to enroll through Benefit Strategies in order to receive the pre-tax benefit. The enrollment form is available on our www.benstrat.com website. At the lower right hand side of the home page, there will be a client link section. Click on the Young & Rubicam Group link. Once you are on the Y&R home page, you will see both an enrollment form link and an account login link. Once your enrollment form has been received and processed, your account will be established and you can login to your account and track balances, file claims and access other important documents.

On the enrollment form, you will see an effective month. This will be the month in which your deductions will start. You must pay into the benefit one (1) month prior to the plan being effective.

Example: You complete the enrollment form and the month effective date is May. This means you will have your May paychecks deduct the amount you elect and, at the end of May, you will have accrued the necessary funds to purchase June’s pass.
Q: If I no longer wish to participate in the program, for whatever reason, can I opt out of the program at any time? If so, how?

A: Yes, you may opt out of the program at any point during the plan year. Since it is a month-to-month benefit, you can be enrolled one month and opt out for the following month**. To cease your participation in the plan, you simply access the aforementioned enrollment form on the www.benstrat.com website and check off the box next to the statement:

I wish to cease contributions to this account going forward. I understand changes can be made on a month-to-month basis and can resume contributions at a later date, if I so choose.

Once you submit the form, a copy of the request will be sent to Benefit Strategies, who will make the necessary updates to process your request.

**Caution: Though you can make election changes or opt out at any time, you must do so by the 27th of a month to be effective for the following month’s paychecks. For example, you cannot decide on May 31 that you want to opt out effective June 1 because the deadline for changes is the 27th. In this example, a May 31 cancellation request would not reflect until your July 15th paycheck.

Transit

Q: How will I be reimbursed once I have submitted my enrollment form?

A: Once your account with Benefit Strategies has been established, a welcome letter will be sent to your home. The letter will contain MasterCard debit card. The debit card will contain your available balance for the TRIP program you are enrolled in once your deductions have begun. You will use your new debit card to purchase your pass, ticket or load value onto your card.

Q: What expenses are considered eligible Transit expenses?

A: Qualified Transit expenses include:

- The cost of any pass, token, fare card, voucher, or other item that entitles the employee to use mass transit for the purpose or traveling to or from his/her place of work.

Transit may be via:

- A mass transportation system.
- A private mass transit enterprise conducted by a company or individual that is in the business of transporting people in a "commuter highway vehicle." Such a vehicle must have a seating
capacity for six or more adults and at least 80 percent of the vehicles mileage must be from transporting employees to and from their place of work.

Q: How can I use the card to purchase my pass?**

A: This can be done in a variety of ways:

- At a MTA/LIRR vending machine
- At an eligible independent merchant
- Online through the MTA website (Park and Ride program)

**IMPORTANT: Recent legislation passed requires that all Transit passes/purchases be procured using a debit card for pre-tax reimbursement. Effective April 1, 2012, you are no longer able to submit manual claims via fax/mail/email/online for Transit expenses. This restriction only applies to the Transit benefit. Manual claim forms are still being accepted for Parking benefit expenses.

Q: What is the maximum Pre-tax deduction allowed?

A: For 2012, the Transit limit is $125/month.

Q: What happens if my monthly pass for transit exceeds the pre-tax maximum?

A: The Employee Transit and Parking accounts have a Pre and Post-tax option, so if your monthly expense exceeds the pre-tax maximum, but you would still like to purchase the entire month’s expense via the Benefit Strategies debit card, you would elect the pre-tax maximum and then elect the remainder as post-tax.

Example: Monthly Transit cost is $200. The Pre-tax maximum is $125, so a Post-tax election of $75 will also be deducted from your paycheck.

Q: What should I do if my debit card does not work at the station when I go to purchase my monthly pass?

A: Please contact Benefit Strategies immediately if you experience an issue with the debit card. *Please note: Benefit Strategies will not be reimbursing employees for daily commuting expenses should there be an issue purchasing their monthly pass with the debit card.
Parking

Q: What expenses are considered eligible Parking expenses?

A: Qualified parking expenses include:

- Parking a vehicle in a facility that is near the employee’s workplace
- Parking at a location from where the employee commutes to work (e.g., train station, or by carpool)

Q: How will I pay for my Parking pass once I have submitted my enrollment form?

A: Once your account with Benefit Strategies has been established, a welcome letter will be sent to your home. The letter will contain MasterCard debit card. This debit card will contain your available balance for the TRIP program you are enrolled in.

You will use your new debit card to purchase your pass or ticket from the garage/parking lot. If the parking garage you use does not have the capability to run your card, you will simply need to submit a claim form for the expense and Benefit Strategies will reimburse you.

Q: What’s the maximum Pre-tax Parking deduction allowed?

A: For 2012, the Parking limit is $240/month.

Q: What happens if my monthly Parking expense exceeds the Pre-tax maximum?

A: The Employee Transit and Parking accounts have a Pre and Post-tax option, so if your monthly Parking expense exceeds the pre-tax maximum, but you would still like to purchase the entire month’s expense via the Benefit Strategies debit card, you would elect the pre-tax maximum and then elect the remainder as post-tax.

Example: Monthly Parking cost is $300. The Pre-tax maximum is $240, so a Post-tax election of $60 will also be deducted from your paycheck.
Other FAQs

Q: If I drive to a MTA station, park my car in their lot and take the MTA into work, can I enroll in both Parking and Transit?

A: Yes. You can enroll in both accounts. The monthly pre-tax maximum remains the same for each plan.

Example: Your Monthly Transit cost is $200 and the Monthly Parking cost is $250. The pre-tax eligible amount for Transit is $125. The pre-tax eligible amount for Parking is $240. This is a total pre-tax amount of $365 Federal. Any amount in excess of the maximums would be put on a post-tax account.

Q: On what date each month will the debit card be loaded with my monthly amount?

A: Once the second payroll of the month has been reported, the following month’s amount will be loaded onto your Benefit Strategies debit card. The target date for this occurring each month is the 28th, which will give participants a few extra days to obtain the following month’s pass. Your online account will also show this balance at that time and you can file online claims for Parking reimbursements in lieu of using the debit card.

Q: Should an employee need to submit a claim form for Parking to Benefit Strategies instead of using the Benefit Strategies debit card, how and when are they reimbursed?

A: Benefit Strategies sends direct deposits or reimbursement checks every Monday and Thursday.

Benefit Strategies offers two forms of reimbursement:
1. Direct Deposit
2. Reimbursement check mailed to the employee home address (Default method).

In order to have Direct Deposit, you would simply need to log into your account and set it up under the Manage Banking Information section of the portal or complete a direct deposit authorization form and return to Benefit Strategies. The form is also found here or in the “Forms and Resources” section on www.benstrat.com.

Q: What happens if I don’t use all of my funds for a given month?

A: Your TRIP balances will roll forward with you from month-to-month and year-to-year as long as you stay actively employed with the company.
Q: What happens to any balance on my account if I leave the company?

A: Any balance left on the account at the time you separate from the company, which cannot be claimed for, will be forfeited back to the plan. It does not go to Y&R or Benefit Strategies directly. This follows the guidelines set in place by the IRS tax codes. It is not a rule that was made up by Benefit Strategies and/or Y&R.

Q: How can I contact Benefit Strategies if I have a question about my account?

A: You can get up to date account information by logging into your online account or calling Benefit Strategies and using the automated phone system provided there 24 hours a day, 7 days a week. Benefit Strategies also offers an experienced, well-trained professional staff to answer any issues that employees come across during the office hours of 8:00 AM to 6:00 PM ET, Monday through Thursday and 8:00 AM to 5:00 PM ET on Friday. Employees can email any inquiry they have to flexdept@benstrat.com.

Email: flexdept@benstrat.com

Phone: 1-888-401-3539