

STATE OF DELAWARE

Pre-Tax Commuter Benefit Program (CBP) Plan Booklet



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INTRODUCTION

The State of Delaware's Pre-Tax Commuter Benefit Program (**CBP**) is a qualified transportation benefit program authorized by Internal Revenue Code Section 132, which allows you to use pre-tax money to pay for your out-of-pocket parking, van pooling or mass transit expenses incurred as you travel to work, or parking expenses incurred at a mass transit provider. Since these deductions are taken on a pre-tax basis, you save money because you avoid paying Federal, State and FICA (Social Security and Medicare) taxes on the money you set aside. Most people save as much as 25% on every dollar that is set aside in the Commuter Benefit Program.

Eligible expenses include expenses incurred parking at your main place of employment or at a place where you take mass transit or meet your van pool, and mass transit/van pool expenses for which you are responsible as a part of your daily commute to work.

How does the Commuter Benefit Program (CBP) work?

When you enroll in the Commuter Benefit Program, you authorize your employer to deduct a pre-tax amount for parking or van-pooling/transit from each paycheck, up to the IRS limits. You pay for the qualified transportation & then file a claim with ASIFlex to recover the amount deducted from your paycheck. Qualified expenses are exempt from Federal, State and FICA (Social Security and Medicare) taxes.

There are two distinct categories for which you may enroll for expenses you incur related to traveling to and from work:

- ↳ Mass Transit/Van Pooling
- ↳ Pre-Tax Parking

The Commuter Benefit Program is a month-to-month commitment, meaning that you can enroll, cancel or make changes in the program at any time through ASIFlex's [enrollment website](#) or through Single Sign-On (SSO) via [State of Delaware Employee Self-Service](#). You will use a special ID number which includes your six digit Employee ID plus the last four digits or your Social Security Number to gain access to your account. Your elections roll over from year to year, and month to month, so if you enroll in December, and don't make any changes, your election will continue into January and beyond until you go into ASIFlex's website and make a change.

Any changes in deduction amount(s) must be received by the 15th of a month in order to be effective for the next month.

***For Example:** If you change your deduction amount from \$80 per month to \$95 per month on May 5th, the payroll change will become effective June 1, with the benefit change being effective July 1; if you make the change anytime from May 16th to June 15th, the payroll change will become effective July 1, and the benefit change will be effective August 1.*

The State of Delaware has contracted with ASIFlex to perform certain administrative functions for the Plan. If you need additional assistance with the online enrollment process or have questions that are not answered in this document, please call ASIFlex's Customer Service at **1-800-659-3035** or asi@asiflex.com.

ENROLLMENT

Enrollment Action Checklist

- **READ** your Pre-Tax Commuter Benefit Program information in this booklet.
- **PLAN** your out-of-pocket transportation expenses.
- **ENROLL** in the Pre-Tax Commuter Benefit Program by visiting ASIFlex's [enrollment website](#) or through Single Sign-On (SSO) via [State of Delaware Employee Self-Service](#). You will use a special ID number which includes your six digit Employee ID plus the last four digits or your Social Security Number to gain access to your account.

Important Reminders

- Employees **MUST** use a special ID number which includes the Employee ID plus the **last four digits of the Social Security Number** to enroll.
- There is **NO** set enrollment time for this program; eligible employees can enroll or make changes in the program any time by visiting ASIFlex's [enrollment website](#) or through Single Sign-On (SSO) via [State of Delaware Employee Self-Service](#). You will use a special ID number which includes your six digit Employee ID plus the last four digits or your Social Security Number to gain access to your account.
- You **MUST** enroll, cancel or make changes **by the 15th of the month** for pay deductions & coverage in the following month.
- Employees **SHOULD BE** proactive in planning expenses to insure the greatest tax benefit possible.

Eligibility. All State of Delaware permanent part-time and full-time employees* are eligible to participate, and there is no "initial waiting period."

NOTE: For purposes of Fleet Link Van Pooling **only, the term "employee" includes individuals who are deemed temporary employees, casual employees, or employees hired short-term to meet specific needs of the Employer so long as such persons are on the Employer's W-2 payroll.*

Employee Enrollment. There is no set enrollment time for this program; eligible employees can enroll anytime through ASIFlex's [enrollment website](#) or through Single Sign-On (SSO) via [State of Delaware Employee Self-Service](#). You will use a special ID number which includes your six digit Employee ID plus the last four digits or your Social Security Number to gain access to your account. Employees must enroll by the **15th of the month** in order for pay deductions to take effect for the following month.

MAKING A CHANGE

Employees can make a change to deduction amounts at any time, including terminating enrollment in the Commuter Benefit Program, through ASIFlex's [enrollment website](#) or through Single Sign-On (SSO) via [State of Delaware Employee Self-Service](#). You will use a special ID number which includes your six digit Employee ID plus the last four digits or your Social Security Number to gain access to your account. However, all changes are effective on checks issued the **first of the month following** the change or termination so long as the changes are completed by the 15th of the month. If changes are made after the 15th of the month, then changes will not take effect until the first of the second month following the change.

ESTABLISHING AND USING YOUR PRE TAX VAN POOLING/ MASS TRANSIT BENEFIT

Pre-Tax Van Pooling/Mass Transit* per month Maximum: \$315.00.

**The IRS considers the Van Pooling and/or Mass Transit Expenses to be one category and you cannot exceed \$315 per month for these expenses.*

Van Pooling. The IRS defines a Van Pool as being a commuter highway vehicle with a seating capacity of **at least seven (7) adults**, including the driver. In order to be eligible for a tax break through the CBP, at least 80% of the vehicle's mileage must be for transporting employees between their homes and workplace, with employees occupying at least one-half of the vehicle's seats (not including the driver's seat). There are no restrictions on who is the owner of the vehicle in order for it to qualify.

If you ride in the Fleet Link van pool, ASIFlex will collect the money and reimburse the State of Delaware (the owner of the vans). **Enrollment in the Pre-Tax Commuter Benefit Program is required and is automatic if you are a Fleet Link rider.** When you sign your Fleet Link contract, you are authorizing pre-tax deductions for your van pool expenses, and you will automatically have your monthly fee deducted from your paycheck pre-tax. If the monthly fee to ride in the Fleet Link van changes, your next paycheck will reflect the different deduction amount, and your monthly payment will automatically be modified. If you have additional Fleet Link questions, please visit www.gss.omb.delaware.gov/fleet or contact Fleet Link directly at 302-739-VANS.

If you ride in another van pool, you will need to submit claims to ASIFlex in order to receive reimbursement.

Mass Transit. Mass Transit expenses will be reimbursed by having ASIFlex issue you a transit pass that you can use to commute to and from work. Eligible expenses include any publicly or privately operated bus, rail or ferry expenses you incur while commuting to and from work. Currently, transit passes will be issued for **SEPTA** and **DART**, and you request the appropriate denomination of transit pass through ASIFlex's enrollment website. If you take another form of mass transit, please contact ASIFlex for clarification as to whether or not a transit pass can be issued.

Please note that if you are receiving a transit pass, **your entire monthly election will be taken from the first paycheck of each month**, and no deduction will occur from the second (or third, if appropriate) paycheck in a month. The deduction taken each month is for the next month's transit pass, and passes are received by the last week of month.

***For Example:** David enrolls in Mass Transit and selects a DART transit pass on September 12. The cost of the pass will be deducted from the first pay in October for November's pass. David will receive his November DART transit pass the last week of October.*

If you need to change the type of pass you receive or if you would like to cancel your monthly pass, you must do this online through ASIFlex's [enrollment website](#) or through Single Sign-On (SSO) via [State of Delaware Employee Self-Service](#). You will use a special ID number which includes your six digit Employee ID plus the last four digits or your Social Security Number to gain access to your account..

ESTABLISHING AND USING YOUR PRE-TAX PARKING BENEFIT

Pre-Tax Parking per month Maximum: \$315.00

Pre-Tax Parking. There is more than one option for receiving reimbursement for parking expenses. If you have a monthly contract to park at either **Colonial Parking** or the **Wilmington Parking Authority (WPA)**, you can, if you choose, sign up to have ASIFlex pay the parking garage directly. Elections you make by the 15th of a month will be deducted from the first two paychecks of the next month to pay for the transportation benefit the month after the deductions are taken. You are not required to have ASIFlex reimburse your garage directly, but if you sign up it will eliminate the need to pay the garage yourself and then file a claim for reimbursement.

***For Example:** Sally signs a monthly contract to park with the Wilmington Parking Authority (WPA). She visits the ASIFlex enrollment site and completes her enrollment on March 8. Since the election was made by March 15, her parking cost will be deducted from the first two paychecks in April to pay for the parking in May.*

If you are a daily parker, or if you park at a facility other than Colonial or the Wilmington Parking Authority, you will have to submit a claim to ASIFlex in order to receive reimbursement. Payments for valid claims will generally be issued within one business day of receipt of the reimbursement request. There are two reimbursement options: ASIFlex can mail you a check or can deposit your reimbursement into a checking or savings account and send you an email notification of the payment information. **If you park at or near your home, these expenses do not qualify for reimbursement through the CBP.**

If you need to change your parking election or if you would like to cancel your enrollment in the plan, you must do this online through ASIFlex's [enrollment website](#) or through Single Sign-On (SSO) via [State of Delaware Employee Self-Service](#). You will use a special ID number which includes your six digit Employee ID plus the last four digits or your Social Security Number to gain access to your account.

APPEALS PROCESS

If a claim for benefits is denied in whole or in part, an appeal process is available. You may appeal by sending a signed letter of appeal to ASIFlex within 30 days after the denial is received.

If ASIFlex denies the appeal, participants may appeal a second and final time within 20 days of the denied appeal by sending a signed letter of appeal to the following address:

Appeals Administrator
RE: APPEAL
Statewide Benefits Office
841 Silver Lake Boulevard, Suite 100
Dover, DE 19904

If an appeal is not made within the above referenced timeframes, all rights to appeal will be forfeited.

GENERAL QUESTIONS

Q. Can I elect any amount for CBP benefits?

A. Yes, but only election amounts up to the current monthly IRS limit will be a pre-tax payroll deduction. Any election amounts over the monthly limit will use post-tax dollars for amounts in excess of category maximum.

Q. If I change my election amount, when will the change be effective?

A. If you make a change by the 15th of a month, your deductions in the following month will be changed for benefits you receive the month after that. If you make a change after the 15th of a month, your benefit change will be pushed back one full month. For example, if you enroll to have a DART pass sent to your home by February 15th, your first payroll deduction will occur in March, and you will receive your transit pass by the last week of March, for use in April.

Q. What are the deadlines to enroll, change or cancel my benefit election?

A. All enrollments, changes or cancellations must be received by the 15th of a month to affect the following month's payroll deduction. Examples: A change received on May 15th will affect the June payroll deduction. A change received on May 16th will affect the July payroll deduction.

Q. What are the deadlines to submit claims?

A. Claims can be submitted at any point in time as long as you are still actively contributing to the CBP. Once you terminate your participation in the program, or terminate employment with the State, you must submit all claims **within six (6) months** of your termination date in order to be reimbursed.

For example, if you cancel your enrollment in the CBP by 12/15, your last payroll deductions will occur in December, and you will be considered to have terminated coverage as of 12/31. The six month rule requires that you submit all claims to ASIFlex by the following June 30th for reimbursement.

Q. What happens to the funds if I do not timely submit claims before the deadlines stated above?

A. The funds are forfeited and retained by the State to be used for the administration of the program.

Q. I have canceled my enrollment in the CBP, but still have some money left. I'm still employed by the State of Delaware. Can I submit claims for expenses incurred after my termination date in the program to access this money?

A. No. You can only request reimbursement for expenses you incur while you are still actively participating in the program.

Q. What do I need to submit in order to be reimbursed for my expenses?

A. You must submit receipts for the month or week and a signed reimbursement claim form to ASIFlex. Service dates are either the date that you paid for the expense, or period in which you are receiving the service. For example, if you purchase a transit pass on May 26th, to be used June 1st-15th, you can submit a claim for service period of May 26th; or service period of June 1st-15th. Please note that the period must have begun before reimbursement can be made.

If a receipt is not available, you will need to state this on claim form, and reimbursement will be made, as appropriate.

Q. What happens if I receive a check for reimbursement and forget to cash it?

A. If you receive a check for reimbursement and forget to cash it, the check is valid for six months from the issuance date. If you have received a check and haven't cashed it within six months, ASIFlex will attempt to contact you via email or postal mail, and will offer to reissue the reimbursement to you. If ASIFlex cannot reach you, the amount of the uncashed check will be reported and remitted to your state

of residence's unclaimed property division. For State of Delaware residents, remittance shall be made to the State of Delaware Department of Finance, Bureau of Unclaimed Property.

Q. What should I do if I transfer to a non-benefit eligible position?

A. You need to cancel your election as you are no longer eligible for the program. Please immediately access the enrollment system at [enrollment website](#) or through Single Sign-On (SSO) via [State of Delaware Employee Self-Service](#). You will use a special ID number which includes your six digit Employee ID plus the last four digits or your Social Security Number to gain access to your account. Once in the enrollment system, enter \$0.00 for the amount of the deduction. This will cancel your enrollment.

Q. I have cancelled my enrollment in the CBP and Colonial or WPA refunded money to ASI. What should I do?

A. Once the funds are received from Colonial or WPA, ASI will post those funds to your account. You then need to file an "out of pocket claim" to have the money refunded. Please date that claim for the first month of coverage in which you were enrolled in the program. You do not need to send in any documentation to receive the refund.