

TRANSIT EXPENSE PLAN (TEP)

Pay for Parking or Bus Pass or Vanpool Expenses with Tax-Free Dollars!



General TEP Questions

1. What is a Transit Expense Plan (TEP)?

The TEP covers the Transit Expense Account (TEA) for both parking (PKEA) and the Bus Pass/Vanpool (BVEA), and the Payroll Deduction Account (PDA). This plan allows an employee to have tax-free payroll deductions for these separate accounts.

2. How much money can I set aside on a tax-free basis for the PKEA and BVEA?

The monthly maximum tax-free limit for the PKEA and the BVEA is \$260.

Note: A \$50 minimum election and contribution per year is required to participate in the Parking Expense Account or Bus Pass/ Vanpool Account. A new election must be made by 12/31/2017 in order to have 2017 funds rollover to 2018.

3. What is a Payroll Deduction Account (PDA)?

The Payroll Deduction Account (PDA) allows you to pay for payroll-deducted parking and bus pass expenses (for example, the Metro Pass) with pre-tax dollars. The PDA is administered by your agency. If you currently have parking or bus pass deductions from your paycheck, and payments are administered through your agency, you are already enrolled in the PDA (and unless you have any additional out-of-pocket parking or transit expenses, you would not need to enroll in a TEA). Enrollment in the PDA is “automatic” when you sign up for these expenses through your agency; you do not enroll in this program during Open Enrollment.

4. Are expenses such as carpool lane passes, HOV lane fees, commuting mileage, taxicab fares and fuel eligible?

No, only qualified expenses for your workplace Parking, Bus Pass/Vanpool or the Northstar commuter line are eligible.

5. What is a qualified expense for the PKEA?

Eligible expenses for the TEA-Parking are defined as expenses incurred to park your car (or bicycle) in a facility near the business premises of the employer or expenses incurred to park your car at a location from which you commute to work by (a) mass transit, including the light rail system, (b) a Commuter Highway Vehicle (vanpool), or (c) carpool.



6. What is a qualified expense for the BVEA?

Eligible transportation expenses for the TEA-Bus Pass/Vanpool are defined as work-related expenses incurred for transportation on mass transit including the light rail system and expenses incurred for participation in a vanpool that provides transportation to and from work.

7. What qualifies as a vanpool?

Vanpools are defined by the IRS as any highway vehicle that has seating for at least six adults, excluding the driver. At least 80% of the vehicle mileage is expected to be used to transport employees to and from work, and at least half of the vehicle must be occupied for such purpose.

8. Can I use a TEA to pay for my spouse's and/or dependent's workplace mass transit or parking expenses?

No, this account can only be used to pay for your own qualified transportation expenses.

9. Can I use a TEA to pay for business or personal travel expenses?

No, only work-related qualified expenses are eligible for your Parking and Bus Pass/Vanpool accounts.

10. Can money in a Parking Account be used for the Bus Pass/Vanpool Account expenses and vice versa?

No, money directed to one type of account can be used only for expenses relating to that account.

11. What happens to the balances if I do not use all the money deposited into my TEA in a given plan year?

Excess balances at the end of a plan year will be carried over to the subsequent plan year as long as a new election of at least the \$50 minimum is made during Open Enrollment or prior to January 1, 2018. You may adjust your future TEA elections to avoid having excess balances in your TEA, but cannot reduce the amount to less than \$50 nor lower than your payroll contributions. If you do not elect to continue your TEA election in the new Plan year (at least a minimum \$50 election), and if you have funds remaining in your account after the last day of February of the following year, your funds will be forfeited.

12. Can I change my TEA election once it is made?

Yes, you can change an election monthly; however, your election cannot be changed to less than the \$50 minimum, nor to less than what has been contributed. Such changes can be made at any time during the plan year and are effective the first day of the pay period following SEGIP's receipt of the completed Change form.

13. Can I stop contributing to a TEA?

You can elect to stop contributing to your TEA once you meet the \$50 minimum election. Your account balance will continue to be available for your use as long as you continue to remain eligible in the plan (i.e. an active employee).

14. Do I have to sign up each year?

If you wish to continue participation in the plan and roll over any remaining balance, you must elect either during Open Enrollment or prior to January 1, 2018. Elections can be made or changed during the year, not just during Open Enrollment.



15. How do I know how much money is in my Parking or Bus Pass/Vanpool Account?

You can go online to www.121benefits.com or use the mobile app to view your balances and account activity. You can also call 121 Benefits at (612) 877-4321 or toll free at (800) 300-1672, Monday through Friday, to find out the balance in your accounts.

How to Enroll or Change an Election

16. How do I enroll in the Plan?

You can enroll in the TEA during Open Enrollment through the State's Self Service site for the following plan year. If you are electing enrollment outside of Open Enrollment, you must complete a Transit Expense Enrollment form. If you are adjusting your election during the year, complete a Transit Expense Change in Participation form. Both forms are found on the 121 Benefits' website (www.121benefits.com). Be sure to use the forms designated for State of Minnesota participants.

Claims Reimbursements

17. How do I get reimbursed for my Parking or Vanpool expenses?

After you have incurred your expense, you will need to submit a completed and signed claim form to 121 Benefits by mail, fax to (612) 877-4322, via the mobile app, or you can submit your claim online at www.121benefits.com. 121 Benefits will review your claim and issue you a reimbursement for eligible expenses.

18. How do I access the funds in my TEA-Bus Pass/Vanpool for transit expenses?

Effective 1/1/2018, you must use the benefit debit card to purchase bus and light rail fares and passes. A benefits debit card will be mailed to new participants as well as those who have been in the BVEA, but do not already have a benefits debit card with the MDEA or HRA. Use this card as your form of payment at transit stations, transit service centers, or at the online websites of transit providers. Reimbursement requests will not be accepted for bus and light rail fares. These debit card purchases will automatically adjudicate as eligible expenses at the allowed vendors and no additional documentation is needed. The debit card for commuter expenses will not work at locations such as Cub Foods, for example, and commuter passes purchased at Cub Foods would not be reimbursed.

Funds are available in the TEA-Bus Pass/Vanpool Account after each pay period. You cannot access the funds until they have been deposited to the account.

19. After a service is provided, how long do I have to submit my claim for parking or vanpool expenses?

Your completed claim must be received by 121 Benefits within 180 days after the service was incurred or paid or by February 28 (29 if it's a Leap Year), whichever comes first.

20. What happens if I submit a claim and my TEA balance is less than the amount of the claim?

You will be reimbursed up to the amount of your Transit Expense Account balance. The remaining portion of the claim will be paid when the account(s) are funded again with a payroll deduction.



21. What kind of supporting documents need to be submitted with the claim form for parking or vanpool reimbursement?

A receipt from the vendor which shows the vendor's name, the type of service provided, the date(s) the service was provided and the cost of the service should be provided along with the claim form.

22. What if I can't secure proper documentation (i.e. receipts) for an eligible expense?

In the case where there are legitimate circumstances which prevent you from obtaining appropriate documentation from the vendor (such as using a parking meter), include a note with your reimbursement with the reason documentation couldn't be provided.

23. Can I have my reimbursements deposited directly into my savings or checking account?

Yes, you may sign up for direct deposit under your online account or complete and submit the 'Direct Deposit Authorization Form', which is available on the 121 Benefits website.

24. When can I use my debit card to purchase a commuter pass?

Reimbursements can only be made from a Transit Expense Account if there is money in the account. If you are new to the Transit Expense Account and have not made any contributions to the account, your debit card will not work for a commuter pass purchase. For example, if you elect a BVEA for mass transit purchases with an effective date of January 1, 2018, your first payroll contribution will be made to the account on January 5, 2018. You would be unable to use your pretax account for a January 2 purchase because there are no funds in the account at the purchase time.

For additional information, please visit us online at www.121benefits.com or contact us at 612.877.4321 or toll free at 800.300.1672

