



BENEFITS



Transportation Savings Plan

Plan Information

The Transportation Savings Plan (TSP) is a tax code provision that allows you to redirect a portion of your wages, on a pre-tax basis, to pay for work-related parking and/or mass transit commuting expenses. To receive these benefits, you must elect the amount you want to contribute up to the statutory dollar amount limits. In turn you will be reimbursed for eligible expenses up to that amount on a tax-free basis. Eligible expenses include: commuter trains, park and ride, buses, parking, and van pooling (at least six passengers).

Parking

The amount you elect to defer for parking expenses will be deducted on a pre-tax basis from your pay throughout the year and deposited to your personal TSP account. If the cost of your parking is greater than the allowable pre-tax amount, you may elect to deduct the remaining portion on an after-tax basis. To be reimbursed from this account, you must submit a reimbursement form along with a receipt. Your claim will be processed and a reimbursement check will be sent to your elected destination. You may also choose direct deposit as your method of reimbursement rather than receiving the payment by check. Additionally, you can set up your account to pay your parking provider directly from your TSP account.

Mass Transit

The amount you elect to defer for mass transit expenses will be deducted on a pre-tax basis throughout the year. If the cost of your transportation is larger than the allowable pre-tax amount, you may elect to deduct the remaining portion on an after-tax basis. You will then be sent a transit pass on a monthly basis that will have the amount you elected on the pass. Due to the IRS provisions you must have a full month's worth of deductions before a card is sent to you. For example, if you enroll for transportation benefits by December 10, 2010 you will receive your first pass at the end of January 2011 for February use.

Savings

Because you make all contributions using pre-tax dollars, you save the amount of all taxes (federal income and FICA taxes plus, where allowable by the particular state/other municipal body, state and/or local income taxes) that you otherwise would have paid on your earnings. In effect, you are paying for these services with untaxed earnings. You pay less in taxes, which allows you to bring home more money and extend the purchasing power of your income.

Enrolling and Making Changes

Employees can enroll or make changes on line by going to www.wageworks.com and entering your user name and password. (If you have not yet registered to use this site, click on "First-Time User" and follow the registration instructions.) Click the "Commuter" or "Parking" tab and then click "Place Order."



Frequently Asked Questions (FAQ's)

- 1. Why should I participate?** Participating in the TSP provides a tax savings advantage. You contribute to your TSP account through automatic payroll deductions. Because your contributions are deducted before taxes are withheld, your current taxable pay is reduced and so are your taxes. You are able to pay for your eligible mass transit and parking expenses on a pre-tax basis.
- 2. Are there any negatives?** Your social security benefits may be slightly reduced because you do not pay social security taxes on your deductions.
- 3. How much can I contribute to a TSP account on a pre-tax basis?** The maximum pre-tax contribution to a transit reimbursement account is determined by the federal government. These limits are adjusted periodically. You can consult the Commuter/Parking "Program Information" on the Wageworks website, <https://employee.wageworks.com>, to determine the current limits.
- 4. What happens if I have money left in my account at the end of the month?** TSP account balances can be rolled forward from month to month or even (unlike Flexible Spending Accounts) year to year.
- 5. How often can I change my election?** You can change your election as often as monthly. Your payroll deductions will begin within one month following your election change. For mass transit passes, there is a delay between the time you make an election change and the date in which you will receive your first pass reflecting your election change. For example, if you make an election change before January 10, 2010 you will receive your first pass at the end of February 2011 for March use.
- 6. What happens if my employment with the company ends?** Your participation in the TSP ends on the day your employment with the company ends. However, you may request reimbursement for eligible expenses incurred while you were employed and participating in the plan. Your reimbursement requests must be submitted within 90 days of your termination date. Any funds remaining in your account will be forfeited 180 days after your termination date.
- 7. How will I know how much money I have in my TSP account?** Your current activity can be viewed by logging into your account at www.wageworks.com. You will be able to see your current account balance, as well as view previous account transactions (i.e., election changes, reimbursement requests).

Transit Questions

- 8. How will I order my mass transit passes?** You will enroll and make election changes online at www.wageworks.com two months in advance. For more information on making changes, refer to question #22.
- 9. Can I elect any amount for transit passes?** Yes. However, the acceptance of your order is based upon the available funds in your account and the IRS maximum limit (\$230/month is the current limit). If your transit pass exceeds the maximum pre-tax limit, the remaining amount necessary to purchase your transit pass can be made through an after-tax payroll deduction.
- 10. What happens if my transit order is not approved?** If your order is not approved, you will receive an explanation via email. If you have received a denial email and would like further explanation, please contact customer support at 1-800-577-3322.

11. **Since transit passes are ordered online, will I still need to submit paper receipts for reimbursement?** No, paper receipts are not necessary.
12. **Can I sign up to submit my transit order automatically each month?** Yes, you can set-up recurring orders by selecting the check box for recurring payments on the Payment Information Page, when you configure your transit selection. You will not need to return unless you wish to make a change to the amount or the type of selection.
13. **Can I schedule an order to occur at a specific time during the month?** No. If you select recurring payments, your order will be submitted on the specified cut-off date listed on the "My Transportation" screen.
14. **I pay for parking at a transit station; can I use pre-tax dollars for parking and transit?** You can use pre-tax dollars for parking and for transit by electing each benefit separately. Click on "Add Transit Payee" and select your transit operator and the specific pass you will use. For your parking expenses, you will need to submit receipts to receive reimbursement from your parking account.
15. **I take both the train and the subway to get to work. Can I sign up for both transit providers?** Yes. You will need to add two separate payees -- one for the train and one for the subway. Simply select the specific transit operator and your particular pass and follow the remaining steps. Once you are back at the My Transportation screen, click on "Add Payee" then choose your second provider. Then follow the remaining steps.
16. **What happens after I submit my order?** Your transit pass will be sent to your chosen address of delivery. Your pass should arrive to you by the 28th of the month for use the following month.
17. **What if my Transit Authority and/or Transit Pass are not listed?** If your Transit Authority and/or Transit Pass are not listed, select "Click Here" at the bottom of the drop-down menus. This will take you to a screen, where you enter the Transit Authority/Transit Pass information. The Transit Authority/ Transit Pass will be verified to ensure accuracy and then added to the database. You will be notified via email within 5 business days when the requested Authority/Pass has been positively identified and added. At that time you will be able to setup your Payee by selecting the newly added Transit Authority/Transit Pass from the dropdown menus.
18. **What if I do not know what type of Transit Pass I normally purchase?** After you select the Transit Authority you use, a table of available Transit Passes will display at the bottom of the screen. If you are not sure what pass you normally purchase, you can visit the Transit Authorities website, by clicking on the Hyperlink immediately above the Transit table.
19. **If deductions are being taken from my pay in January, will I receive my pass for use in February?** In order to have funds available in your account to pay for your pass, payroll deductions are taken one month in advance. Since no deductions will have been processed by the first week in January 2011, the company will provide advance funding for participants to purchase the transit passes which will be used in February 2011. Due to the timing of payroll deductions, if you terminate your employment or cancel your participation, additional payroll deductions may be taken from your final payroll check to cover your next month's transit pass.

Parking Questions

20. **Can I elect to pay for my parking through the online method?** Yes, you can set up your account to pay your parking provider directly from your account or you can submit a 'Pay Me Back' request.

21. **How can I receive reimbursement for my parking expenses?** If you are submitting a 'Pay Me Back' request for parking, it can be done via paper claim or online. Instructions including fax and address information are located on the claim form which can be found at www.wageworks.com.

Deadlines

22. **What are the deadlines to order, change or cancel my order?** The deadline for ordering, changing information or canceling your order for transit passes will be the 10th of each month. For payroll deductions, your change will become effective on the first day of the following month. Your transit passes will be available for use the second month following your change. For example, transit changes made by March 10th will have payroll deductions effective April 1st and transit passes delivered by April 28th for use in May.
23. **I missed the deadline for next month. What do I do?** The deadline for ordering, changing or canceling existing orders cannot be changed. You will need to pay for this month's transit expense with after-tax dollars. IRS regulations will not allow you to submit a mass transit claim for reimbursement. You will need to go back online and submit your order for the following month and choose "recurring" as a frequency from the payment information page. You can change the recurring order at anytime by the 10th of the month deadline.
24. **If I order now, can I make changes later?** Yes, you can change or discontinue your orders at a later time. Remember, the deadline for ordering, changing or canceling orders is the 10th of each month. For payroll deductions, the change will become effective on the first day of the following month. Your transit passes will be available for use the second month following your change. For example, in order to receive a transit pass with a change effective May 1st, you must indicate your change via the online tool by March 10th.
25. **When do I need to make changes or cancel my pass order?** If you need to change or cancel your pass, do so by the 10th, two months ***before*** you need the change to take effect. For example, in order to receive a transit pass with changes effective May 1st, you must indicate your change via the online tool by March 10th.

Missing Passes

26. **What should I do if my transit pass has not arrived by the 28th day of the month prior to the benefit month?** If you have not received your pass by the first day of that benefit month, please call Wage Works Customer Service at (877) 924-3967, M-F 8am-8pm EST. Customer service will assist in providing a *Special Handling* form.