

## Frequently Asked Questions (FAQs)

### General Questions

#### **What is a commuter spending account (CSA)?**

A CSA lets you set aside money from your paycheck, pre-tax, to use for eligible parking and transit expenses. Because this program allows for tax-savings, it is regulated by the Internal Revenue Service (IRS).

#### **When did ERS start offering a CSA?**

In February 2015, the ERS Board of Trustees approved a Qualified Transportation Fringe Benefit plan, also known as a commuter spending account. Enrollment for CSA is scheduled to begin January 1, 2016.

#### **Who administers CSA?**

The ERS Board of Trustees awarded the third-party administrator contract for CSA to ADP, LLC (ADP). The contract will cover a four-year term, beginning September 1, 2015, through August 31, 2019. Enrollment for CSA begins January 1, 2016.

#### **What type of accounts are available with CSA?**

There are two separate accounts:

The **parking account** is used to pay for eligible parking expenses either near your place of employment or at a location from which you commute to work via transit or vanpool\*.

The **transit account** is used to pay for eligible mass transit or vanpool\* expenses associated with travel to and from work, including bus, train or subway.

\*Generally, a vehicle is eligible for vanpool expenses if it seats at least six adults (not including the driver) and at least 80 percent of its mileage is used to transport employees to and from places of employment.

### **Can I use my own vehicle as an eligible vanpool expense?**

Under current IRS rules, the shared cost of participating in a vanpool through a mass transit system (either a public system or private company) is an eligible transit expense as long as it is primarily used for commuting to and from work (at least 80% of the time), with a seating capacity of at least six adults and must be carrying at least three passengers (not including the driver).

A van that you or one of the other riders own or operate as your personal vehicle is not an eligible vanpool or transit expense.

### **If I participate in a vanpool through my agency and have the cost automatically deducted from my paycheck, can I file a paper claim and be reimbursed?**

No. With a CSA transit account through ERS, you can only use the TexFlex debit card to pay for eligible transit expenses. The IRS doesn't allow you to file paper claims for reimbursement of transit expenses.

### **Can I participate in a CSA offered through the agency or higher education institution I work for and the CSA offered by ERS?**

Yes. However, the total amount you contribute between the two CSAs cannot exceed the monthly maximum determined by the IRS. Also, you can't file the same claim under both CSAs.

### **Are gas and toll road fees an eligible expense?**

No. Under current IRS rules, gas and toll road fees are not eligible transit or parking expenses.

## Enrollment and Elections

### **How do I enroll in a CSA?**

Starting January 1, 2016 you can log in to your ERS account and enroll in either a CSA parking account, transit account or both, by electing a monthly election amount. You may also contact your benefits coordinator to enroll.

### **When can I enroll?**

CSA is a month-to-month benefit. You can enroll in, change your election amount, or disenroll in the parking and transit accounts at any time. Enrollment starts January 1, 2016.

### **When will my election amount be deducted from my paycheck and available for me to use?**

Your election must be made by the last day of the month and your contribution would be deducted from the following pay period.

For example, if you enroll on January 26, 2016 and elect a monthly contribution amount of \$100 for the transit account, the \$100 contribution would be deducted from your March 1, 2016 paycheck (the February pay period) and funds would be available to use on March 1.

### **What is the monthly minimum contribution amount for each CSA?**

The minimum contribution amount is \$15 each for both the parking and transit accounts.

### **What is the monthly maximum contribution amount for each CSA?**

The maximum contribution amount is:

- \$255 for the CSA **parking account** and
- \$255 for the CSA **transit account**

Note: Because both accounts are pre-tax benefits, the IRS determines the maximum contribution amount and can change the limit from year to year.

## **What if my CSA balance is greater than the monthly maximum contribution amount?**

For both the parking and transit account, you can't spend more than the monthly maximum contribution amount for each account. This means:

- you can't spend more than \$255 of your parking account funds in a month, even if you have a balance greater than \$255; and
- you can't spend more than \$255 of your transit account funds in a month, even if you have a balance greater than \$255.

Remember, you can change your monthly election amount or disenroll at any time during the plan year.

## **Can I combine my parking and transit contributions?**

You can't combine the funds or move funds from one account to another. Contributions for parking and transit accounts are separate.

## **Is there an administrative fee for CSA?**

Yes. Each month, you'll pay a \$3 administrative fee that's deducted from the balance of one of your CSA accounts.

## **CSA Funds and Balances**

### **How do I use my CSA funds?**

When you enroll in the CSA parking or transit account, you'll receive a free TexFlex debit card in the mail. You can use this card to pay for both eligible parking and transit expenses once your first contribution has been deducted from your paycheck.

*If you're already enrolled in the TexFlex health care account you won't receive a separate debit card. The same TexFlex debit card can be used for eligible health care, parking and transit expenses.*

### **Do I have to use my TexFlex debit card for parking and transit expenses?**

The TexFlex debit card is the quickest and easiest way to pay for eligible parking and transit expenses.

If you are enrolled in the **parking account** and don't have your TexFlex debit card when payment is due, you can pay out of pocket. You could then submit a claim to ADP online, by mail or fax.

Participants of the **transit account** can only use the TexFlex debit card for eligible transit expenses. The IRS doesn't allow you to file paper claims for reimbursement of transit related expenses.

### **Do I have to save my receipts for parking and transit expenses?**

No. You don't have to save or submit receipts for eligible parking or transit expenses.

### **What if I have an excess balance in my account?**

Whether you're enrolled in, or disenrolled from the parking or transit accounts, you can use the funds as long as you are actively employed. Any balance greater than \$3 rolls over to the next month and is subject to the \$3 monthly administrative fee. You forfeit any amount less than \$3.

### **What happens to my CSA funds if I leave employment?**

If you leave state employment or retire, and have a balance in a parking or transit account, you have until the last day of your employment to use your TexFlex debit card.

Note: If you pay out of pocket for an eligible parking expense during the month you leave state employment, you have 180 days from the date you incurred the parking expense to submit the claim to ADP.

## **If I leave state employment, can I transfer my CSA balance to a private employer's CSA?**

You can't transfer your ERS CSA balance to a private CSA. If you leave state employment and have a balance in a parking or transit account, you have until the last day of your employment to use your TexFlex debit card. If you transfer from one state agency to another, your balance is still available for use.

Note: If you pay out of pocket for an eligible parking expense during the month you leave state employment, you have 180 consecutive days from the date you incurred the parking expense to submit the claim to ADP.

## TexFlex Debit Card

### **How does the TexFlex debit card work?**

The card can be used for both CSA parking and transit accounts. It lets you conveniently pay for eligible parking and transit expenses once your first contribution is deducted from your paycheck.

### **What if I am enrolled in the TexFlex health care account and already have a TexFlex debit card?**

If you already contribute to a TexFlex health care account, you won't receive a new card. Your TexFlex debit card can be used for eligible health care, parking and transit expenses. Funds would be deducted from the appropriate account.

### **What if I don't have my card when payment is due?**

You can pay out of pocket for eligible parking expenses and submit a claim by mail, fax, or online.

If you are enrolled in the CSA transit account, Internal Revenue Service (IRS) rules don't allow you to file a paper claim for transit expenses. You can only use the TexFlex debit card to pay for eligible transit expenses.

**How do I request additional debit cards?**

Call 1-844-884-2364 to request additional debit cards for your account. ADP will mail them 3-5 days from the date of your request.

**Who do I call if my card is lost or stolen?**

To report a lost or stolen card, call UMB Health Care Services immediately at 1-888-835-3060. Please see your Benefits Card Cardholder Agreement for additional lost/stolen information.