

QUALIFIED TRANSPORTATION EXPENSE
Pay for Mass Transit Expenses with Tax-Free Dollars!!



General Questions

1. What is a QTE Plan?

The QTE Plan allows employees to pay for their workplace commute via mass transit with tax-free dollars. Tax-free means no FICA (Social Security/Medicare), federal, state* or local taxes are calculated on QTE expenses. The QTE Plan allows employees to participate in Mass Transit Reimbursement.
(*varies by state)

2. How much does it cost to enroll in the QTE Plan?

There is no charge to employees who enroll in the QTE Plan. All administrative fees are paid by The University.

3. Are participants required to include any special reporting on their tax returns (1040 Form) with regard to their contributions to the QTE Plan?

Information about a QTE Account does not need to be reported for income tax purposes. The total earnings reported on the W-2 form will exclude any pre-tax QTE payroll deductions.

4. How much can a participant put into each QTE account?

Mass Transit Accounts are allowed to deduct up to \$110 a month tax-free by the payroll department as per the IRS limit.

5. Once a QTE election is made, can the participant change his/her election during the year?

Certain situations can arise during the Plan Year that allows the participant to change an election. These situations include:

- a. Change in work schedule
- b. Change in residence or worksite.
- c. Change in monthly QTE expense.

6. What happens to the balances if employees do not use all the money deposited into their QTE account?

Excess balances will be carried over to the subsequent plan month. Participants will have the ability to adjust future monthly QTE elections to avoid having excess balances in their QTE account.

7. How do I enroll?

To enroll, please complete the QTE Reimbursement Plan Enrollment/Change form and submit directly to the Employee Benefits Office, Queens Campus, CCK Building. This form is available on the University's website at <http://www.stjohns.edu/>. Select HR, Employee Benefits, Benefit Forms, QTE Reimbursement Plan Enrollment form.

8. What other resources are available to answer specific questions I have?

You may contact the Benefit Resource, Inc. Customer Service Dept. at (800) 473-9595, ext. 200 or visit their website:
<http://www.ibenefitresource.com>

Qualified Mass Transit Reimbursement Accounts

1. Can a participant stop contributing to the Mass Transit Account?

A participant who is still employed can stop contributing to the Qualified Mass Transit Account at anytime. The Qualified Mass Transit Account balance will continue to be available for use until the account is exhausted or closed. The change form must be completed and faxed to payroll as directed on the form to stop contributions.

2. How do I get reimbursed for Qualified Mass Transit expenses?

You must retain your receipts and complete a QTE Expense reimbursement form. The form and the accompanying receipts must be forwarded to Benefit Resource, Inc. using the address on the form.

3. Can my reimbursements for Mass Transit Expenses be Directly Deposited into my checking account?

Yes, although QTE Expenses must be submitted via a claim form for reimbursement, the reimbursement can be direct deposited into your checking account by completing the appropriate form and forwarding it to Benefit Resource, Inc.

4. What happens if a participant has a Qualified Mass Transit claim at the end of the Plan Year and does not submit it by the last day of the Plan Year?

Participants will have a grace period after the end of the Plan Year (30 days) to file claims for eligible QTE expenses that have been incurred during the Plan Year.

5. What happens if a participant submits a claim and his/her Qualified Mass Transit Account balance is less than the amount of the claim?

The participant will be reimbursed up to the amount of their Qualified QTE Account balance. The remaining claim submission will be paid when payroll deduction(s) are posted to the Qualified QTE Account.

6. Is there a minimum claim amount?

There is no minimum claim amount; however the Plan minimum on the amount for which reimbursements may be issued is \$15. If a claim is submitted for less than \$15, it will be held until subsequent claims total more than the minimum.

7. What kind of supporting documents need to be submitted with the claim form?

An expense receipt from the vendor that shows the name of the vendor, the date(s) the service was provided and the cost for the service must be provided with the claim form. Canceled checks are acceptable as sufficient supporting documentation.

8. What if a participant is unable to secure proper documentation (i.e. receipts) for an eligible QTE expense?

In the case where there are legitimate circumstances that prevent a participant from obtaining appropriate documentation, the participant must sign the Expense Certification portion of the claim a second time for the expense.