

# START A TRANSIT PASS PROGRAM



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## WHY A TRANSIT PASS PROGRAM?

Commuter benefits are the next level of recruitment and retention tools that companies are providing to employees. A well-rounded commuter benefits offering is anchored by a transit pass program, which enables employees to order transit fare through your company, providing direct delivery of the passes to their desk or home. Employers have an influence over the habits of employees, including how they travel to work. Commuter benefits display a further commitment to employees' health and well-being, in addition to their work/life balance.

## PROGRAM OVERVIEW

Perimeter Connects partners with MARTA (rail and local bus) and GRTA Xpress (bus routes from neighboring suburbs) to offer discounted transit passes to employers in the Perimeter market. Companies can also partner with a 3rd party benefits provider like [ADP](#), [EdenRed Commuter Benefits Solutions](#), or [WageWorks](#) for these benefits.

Through MARTA's partnership program, Perimeter Connects offers a 20% discount on the monthly MARTA fare. All other passes are sold at cost.

Transit Agency	Pass	Price
MARTA	Monthly Benefit: Unlimited pass for the calendar month	\$76.00 (through the employer partner program, this is a 20% discount from the general pass)
	Breeze card (permanent card to be used with all fares)	\$2.00
	2-trip/round trip fare	\$5.00
	10-trip fare	\$25.50
	20-trip fare	\$43.00
GRTA Xpress	10-Ride Green Zone Pass	\$25.00
	Monthly Green Zone Pass	\$100.00
	10-Ride Blue Zone	\$35.00
	Monthly Blue Zone Pass	\$125.00

Interested in ordering from Perimeter Connects? Contact Brigitte Graham, Transit Pass Administrator, [Brigitte@PerimeterConnects.com](mailto:Brigitte@PerimeterConnects.com) to get started

## BENEFITS OF PRE-TAX PAYROLL DEDUCTION

Your company can save on taxes by allowing employees to set aside pre-tax dollars to pay for transit. Instead of collecting cash or checks from employees, you can streamline the process. With minimal initial set-up, payroll deduction saves administrative time and payroll taxes for both your employees and the company with qualified transportation fringe benefits (Section 132(f) of the Internal Revenue Code). Employees can set aside up to \$255/month for qualified transportation costs and employers can realize up to a 7.65% savings on payroll taxes.



Learn more about [Pre-Tax Transportation Benefits your company can offer](#)

## IMPLEMENTATION RECOMMENDATION

Internal processes will be different for each company, but Perimeter Connects has identified a few best practices for the implementation of the transit pass program that can be applied to almost every company. Whether ordering through Perimeter Connects, or a 3rd party organization, consider the following steps:

1. Obtain management and administrative approval to offer this program to employees.
2. Identify an internal transit pass coordinator within company to submit monthly transit pass orders to Perimeter Connects via order spreadsheet.

Transit Pass Coordinator(s) will be responsible for accepting internal orders: submitting orders to Perimeter Connects by email; triaging ongoing troubleshooting and replacement requests; communicating with payroll on employees eligible for transit passes versus parking; and managing inventory of Breeze cards.

3. Work with tax specialist to define appropriate recordkeeping measures. There is no written plan necessary for the IRS, nor do you have to get permission from the IRS to implement this program, but it is strongly recommended you keep records of the following:
  - a) List of participating employees
  - b) Enrollment/registration forms
  - c) Authorization forms that allow employers to set aside wages for these products
4. Determine the level of benefit needed for each office location. Utilize a survey tool to ask employees about their commuting habits to help figure out what level of benefit is needed. Decide how much, if any, you are going to subsidize your employees commute expenses.
5. Plan how you will distribute the benefit. There are many companies who specialize in administering this type of program, including Perimeter Connects, ADP, WageWorks and EdenRed Commuter Benefits Solutions. Standard logistics considerations include:
  - a) Will the employer automatically withdraw the employee's specified amount, pre-tax, from each employee's paycheck; or

- b) Will the employer fully purchase and then distribute the qualifying products (like transit passes) to their employees?
  - c) Will the employer provide direct desk or home delivery of the transit passes; or
  - d) Will the employer establish a central point of contact at which the participants can pick up their passes each month?
6. Update your company policies and personnel manuals, etc. to reflect the new benefit.
  7. Create internal process for employees to place transit pass orders. Recommendation would be for employees to complete initial order form and submit via intranet to designated department.



Download Form: [Transit Pass Payroll Deduction Authorization Form](#)

8. Have employees complete a revised W-2 statement if they are choosing to withdraw money pre-tax. If employees are not going to withdraw any of their own money, a W-2 form does not have to be revised.
9. Implement your program and monitor its progress! Promote new transit pass benefits to employees via mass email or transit pass launch event.

## ORDER PROCESS RECOMMENDATION

Most transit agencies process bulk orders for the monthly cards, activated on a calendar-month basis, before the activation date of the card. Taking that administration into account, the recommended timeline below will ensure that your company achieves a seamless order process.

For transit passes that will be used on the trains or buses starting April 1st, 2017:

- ▶ **In February:** Conduct worksite assessment to determine feasibility of transit pass program at your site. Promote the transit pass benefit to all current employees, with upcoming timeline and order process.
- ▶ **Late February:** Transit pass coordinator will receive inventory of inactive Breeze cards for employees.
- ▶ **March 11:** Employees complete April order form and submit to transit pass coordinator.
- ▶ **March 14:** Transit pass coordinator submits order form to Perimeter Connects. If there are any new participants, distribute cards internally to employees.
- ▶ **March 22:** Perimeter Connects processes all Perimeter orders within Breeze system.
- ▶ **March 23:** Perimeter Connects submits April invoice to company. Payment is due within 15 days.
- ▶ **April 1:** Fare is activated on employee cards. Employees already have these cards in their possession.
- ▶ **April 11:** Employees complete May order form with any changes (new activations or deactivations) and submit to transit pass coordinator.