

HAVERFORD COLLEGE
TRANSITCHEK® PLAN AND PAYROLL DEDUCTION AUTHORIZATION

TRANSITCHEK PLAN DESCRIPTION

The Haverford College TransitChek Plan (the “Plan”) is a tax-free fringe benefit plan established under Internal Revenue Code (“IRC”) §132(f), as expanded by the Transportation Equity Act of the 21st Century. Regular, full-time and part-time faculty and staff are eligible to participate in the Plan. The Plan allows eligible employees to set aside up to \$230 per month of their salary on a pretax basis to pay for certain work-related transit expenses. Only expenses for a qualified transit pass under IRC § 132(f), which enable eligible employees to commute to or from work, are eligible under the Plan.

A qualified “transit pass” means any pass, token, farecard, ticket or similar item which entitles you to transportation (or transportation at a reduced price). For these purposes, transportation is on mass transit facilities that participate in the Delaware Valley Regional Planning Commission’s TransitChek program (“TransitChek program”). These include the following local transit providers:

SEPTA NJ TRANSIT DART PATCO AMTRAK

HOW THE TRANSITCHEK PLAN WORKS

Employees elect to participate in the Plan by completing the TransitChek Payroll Deduction Authorization located on the back of this form, and returning the form to the Business Office – Marlene Keller (mkeller@haverford.edu; 610-896-1247) at least 10 days before the Agreement becomes effective. Money set aside for transit pursuant to this Agreement is exempt from federal income tax and Social Security (FICA) tax. State income and Philadelphia city wage taxes are unaffected. The payroll deduction amounts under this Agreement will be treated as compensation for all other benefit plan purposes, including the Haverford Retirement Plan and long term disability insurance. Participation may affect Social Security benefits upon retirement, as earnings reported to the Social Security Administration will be reduced.

Employees who elect a pretax payroll deduction will be issued a TransitChek(s) for the months in which the employee elects to participate. TransitChek(s) cannot be used on the bus or train to pay for your ride. You must redeem them in advance to purchase a qualified transit pass from a participating transit provider, using the TransitChek(s) in lieu of cash. **Transit providers will not make change, so the amount of the purchase should equal or exceed the face amount of the TransitChek(s).**

TransitCheks are obtained at the Business Office, located on the first floor of Stokes. Participating employees must pick up the TransitChek(s) in person, on a monthly basis. The TransitChek(s) can be picked up on or after the 25th day of the preceding month. Employees must sign that they have received each TransitChek. If the TransitChek is lost, stolen, damaged or otherwise not redeemed, a replacement cannot be issued; the loss is borne by the employee, not the College. Likewise, the College will not issue any refunds once the monthly deduction is made from your paycheck, even if you fail to pick up your TransitChek(s).

Participating employees who are paid monthly will have the elected pretax payroll deduction taken from their regular month-end paycheck preceding the month of participation. Participating employees who are paid bi-weekly will have their elected pretax payroll deduction taken from the first regular paycheck of each month. If the participating employee misses a pay period, or has insufficient funds available to cover the salary reduction, the reduction will be taken from the next regular paycheck. If an employee terminates employment, and has received but not paid for a TransitChek, the amount owed is due and payable to the College.

The Agreement will stay in effect unless it is revoked by the participating employee or by the College. Employees may change the amount of their salary reduction once per calendar year or have the option of canceling altogether for that year. The College reserves the right to amend or terminate this Plan at any time. For further information contact Marlene Keller (mkeller@haverford.edu; 610-896-1247) in the Business Office. Further information can be located at www.gettransitchek.org.



Getting to work can be a lot less taxing.

Payroll Deduction Authorization

In accordance with the "Qualified Transportation Fringe Benefit" governed by 26 USC Section 132(f), I authorize my employer to deduct \$_____ from my monthly wages (on a pretax basis, not to exceed \$230 per month) to be used for purchase of my transit fare as defined by the IRS code. I understand that I will receive TransitChek vouchers for this amount, to be redeemed for fare materials.

Signature

Date

TransitChek vouchers come in seven denominations that can be combined in any way up to \$230 per month. Which denominations work best for you? Remember, you will not get change back for a TransitChek, and you can redeem up to five vouchers at a time.

- | | |
|------------|------------|
| _____ \$15 | _____ \$35 |
| _____ \$20 | _____ \$60 |
| _____ \$21 | _____ \$65 |
| _____ \$30 | |

PATCO Riders:

FREEDOM Card #: _____

Amount of upload: \$ _____