

COUNTY OF VENTURA

**TRANSPORTATION
BENEFIT REIMBURSEMENT
PROGRAM**

PLAN DOCUMENT

Revised September 16, 2008

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1. PRELIMINARY MATTERS

1.1 Form. The Transportation Benefit Reimbursement Program (“Plan”) is set forth in this document, the accompanying Plan Description, which is incorporated herein by reference, and any amendments to these documents.

1.2 Plan Purpose. This Plan is intended, and shall be interpreted and administered, to comply with Section 132(f) of the Internal Revenue Code. The sole purpose of this Plan is to provide benefits to Eligible Employees and it is maintained for their exclusive benefit.

2. DEFINITIONS

2.1 “Account” means the set up for each Participant under this Plan.

2.2 “Code” means the Internal Revenue Code of 1986, as amended.

2.3 “Eligible Employee” means regular full-time and part-time County of Ventura employees eligible to participate in this Plan as provided in Article 3.1.

2.4 “Eligible Benefit” means a Qualified Public Transportation Expense as permitted under Section 132(f) of the Code and subject to reimbursement through the Plan. The Plan does not cover expenses for commuter highway vehicles, private vehicles or parking.

2.5 “Employee” means a regular full-time and part-time County of Ventura employee who performs services and receives compensation other than a pension, retirement allowance, retainer, or fee under contract. The following are not considered Employees for purposes of this Plan and are therefore not eligible to participate in the Plan: (i) persons providing services to the Employer through temporary agencies or leasing organizations; (ii) independent contract arrangements; (iii) volunteers and/or vendors; (iv) dependents.

2.6 “Employer” means the County of Ventura and any other employer identified in the Plan Description. Employer also means any related or successor entity assuming the obligations created in this Plan, as identified in the Plan Description.

2.7 “Participant” means an Eligible Employee who has elected to participate in the Plan in accordance with the procedures described in Article 5.

2.8 “Plan” means the Transportation Benefit Reimbursement Account Program set forth in this document and the accompanying Plan Description, as amended from time to time.

2.9 “Plan Administrator” means the person identified in Article 6.

2.10 “Plan Description” means the accompanying Plan Description document which the Employer completes and is part of the Plan.

2.11 “Plan Month” means a calendar month during which an election is in effect.

2.12 “Qualified Public Transit” means Public transit facilities (i.e. bus, train, subway, ferry) if such transportation is used to travel between the Participant’s residence and place of employment

2.13 “Qualified Transportation Expense” means an expense for Qualified Public Transit as permitted under 132(f) of the Code. This includes expenses for any pass, token, fare card, unlimited monthly pass, or similar item that entitles the Participant to such transportation. Cash purchases without receipts are not reimbursable under this program.

3. PARTICIPATION

3.1 Eligibility Requirements. An Employee who meets the eligibility requirements specified in the Plan Description shall be eligible to participate in the Plan.

3.2 Participation Date. An Employee shall become a Participant in the Plan on the date specified in the Plan Description.

3.3 Duration of Participation. Except as otherwise provided in this Plan, an employee shall continue as a Participant so long as he/she remains an Employee of the Employer and continues to meet the eligibility requirements of Section 3.1. Notwithstanding the foregoing, if the Plan Administrator reasonably believes that an Employee knowingly has submitted an expense which is not a Qualified Transportation Expense, is an expense for someone other than the enrolled employee, or is otherwise not eligible under this Plan, the Plan Administrator may, in his or her sole and complete discretion: (i) immediately discontinue the Participant’s participation in the Plan; (ii) prohibit the Participant from again participating in the Plan; (iii) require repayment of all monies paid to the Participant for ineligible expenses (repayment amounts to be returned to the Participant’s Account). The Plan Administrator may request, and the Participant shall provide, any information reasonably necessary to assist in such determination; failure of the Participant to do so shall be cause for the Plan Administrator to find that the Participant knowingly submitted an expense for reimbursement that is not a Qualified Transportation Expense.

4. BENEFITS

4.1 Maximum Eligible Benefit. The Eligible Benefits received by a Participant for a Plan Month shall not exceed the lesser of (i) the Participant’s Qualified Transportation Expenses for the Plan Month and (ii) the maximum amount allowed by the IRS per month as set forth in the Plan Description.

4.2 Reimbursement for Qualified Transportation Expenses. A Participant may be reimbursed up to the Account balance or maximum Eligible Benefit by completing and submitting the “Transportation Benefits Reimbursement Claim Form” to Human Resources-Benefits. Such claims must be addressed to Human Resources, 800 S. Victoria Avenue, Ventura, CA 93009-1970, Attention: Benefits, or Brown mail to L#1970, and received within the timeframe specified in the Plan Description. The Plan Administrator shall provide claim forms for this purpose. A copy of the receipt supporting the Qualified Transportation Expense shall accompany requests for reimbursement. Normally, the reimbursement of Qualified Transportation Expenses shall be made within 30 days after submission of the claim form. The amount reimbursed shall reduce the amount credited to the Participant’s Account.

Employees must submit reimbursement claims within 180 days from the date of the eligible expense. Any receipt dated beyond 180 days will not be accepted.

4.3 Carry-over Amounts. There is no annual “use it or lose it” rule. Unused amounts can be carried over to provide Eligible Benefits to the Employee in subsequent years. Any balances remaining in the Participant’s Account for a Plan Month after all reimbursements have been made for the Plan Month, shall be carried over to reimburse the Participant for Qualified Transportation Expenses for services provided in subsequent Plan Months.

4.4 Closing An Account. With 30 days prior notice, a Participant may close an Account at anytime. Expense claims must be received by Human Resources-Benefits before the end of the “Grace Period”. The Grace Period ends on the last day of the month that the Employee closes the Account or terminates employment. Any amount remaining in an Account for which no claim is made during the Grace Period shall be forfeited.

4.5 Contributions. With 30 days advance notice, a Participant may elect to cease contributions to an Account (that is, to make a \$0 election) without actually closing the Account. Upon cessation of contributions to a Participant’s Account(s), the Participant may continue to request reimbursement for Qualified Transportation Expenses as provided in Section 4.2. Subject to Section 4.6, the Participant may restart or change contributions, in accordance with the Plan Description. Annual maximum contributions, including the “Carry-over Amounts”, defined in Section 4.3, should not exceed the Section 132(f) maximum annual limits.

4.6 Transaction Effective Dates. Participants may suspend, restart, change, and/or close their Account by submitting a “Transportation Benefit Reimbursement Program Authorization Form ” to Human Resources-Benefits 30 days in advance of the effective date of the change.

4.7 Termination of Employment. Expense claims for services must be received by Human Resources-Benefits before the end of the Grace Period.

4.8 Forfeited Amounts. All forfeited amounts under this Plan shall be returned to the Employer. Forfeited funds will be credited to Medical Insurance accounts.

5. ELECTION PROCEDURES

5.1 Elections. On a quarterly basis, participants can increase, decrease, suspend or reinstate the contribution amount, subject to submitting a change notice 30 days in advance of effective date. Newly eligible participants can elect to participate in the program within 31 days from their date of eligibility and quarterly thereafter. Each Participant must set aside a certain flat dollar amount of pre-tax salary to cover qualified costs incurred in commuting to work. All changes will take effect on the normal payroll cycle. The participant's election will remain in effect until an "Payroll Deduction Authorization / Cancellation" election change is submitted Human Resources-Benefits.

6. PLAN ADMINISTRATION

6.1 Plan Administrator. Plan Administrator is the Director of Human Resources. The Director of Human Resource may designate this responsibility to other staff members as may be appropriate.

6.2 Duties. The Plan Administrator shall have full discretion, authority, and responsibility to control and manage the operation and administration of the Plan

6.3 Powers. The Plan Administrator shall have the exclusive right to interpret the Plan and to decide any and all questions arising in the administration, interpretation, and application of the Plan, including eligibility for benefits. The Plan Administrator shall establish whatever rules it finds necessary for the operation and administration of the Plan and shall endeavor to apply such rules in its decisions so as not to discriminate in favor of any person. The decisions of the Plan Administrator or its action with respect to the Plan shall be conclusive and binding upon all persons having or claiming to have any right or interest in or under the Plan.

6.4 Claims Denial Procedure. If a claim for reimbursement under this Plan is wholly or partially denied, a written notice of adverse benefit determination shall be furnished to the claimant within a reasonable period of time, not to exceed 60 days after receipt of the claim by the Administrator. Upon receipt of an adverse benefit determination, the claimant must within 60 days appeal the denial, in writing, to the Administrator (seeking reconsideration of the denial). This appeal step is a prerequisite to pursuing any other avenues of relief.

7. AMENDMENTS AND TERMINATION OF THE PLAN

7.1 Amendment. The Employer may amend the Plan at any time or from time to time by resolution of the Board of Supervisors. However, no amendment shall affect the rights of Participants with respect to reimbursement for Qualified Transportation Expenses incurred prior to the effective date of the amendment.

7.2 Termination. The Plan is intended by the Employer to be a long-term program for the

provision of benefits for its Employees. The Employer nevertheless reserves the right to terminate the Plan at any time and for any reason. Such termination shall be effected by a Board Letter approved by the Board of Supervisors. Termination of the Plan shall not affect the rights of Participants with respect to reimbursement for Qualified Transportation Expenses incurred prior to the effective date of termination.

8. MISCELLANEOUS

8.1 No Employment Rights Conferred. The adoption and maintenance of the Plan shall not be deemed to constitute a contract between the Employer and any Participant or to be a consideration for, or an inducement to or condition of, the employment of any person. Nothing herein contained shall be deemed to: (i) give to any Participant the right to be retained in the employment of the Employer, (ii) interfere with the right of the Employer to discharge any Participant at any time, (iii) give to the Employer the right to require any Participant to remain in its employment, or (iv) interfere with any Participant's right to terminate his or her employment with the Employer at any time.

8.2 No Compensation for Other Purposes. Benefits paid under this Plan shall not be treated as additional compensation to the Participant for purposes of determining contributions or benefits under any qualified retirement plan maintained by the Employer or for purposes of any other benefit obligations of the Employer unless otherwise provided under the terms of the retirement plan or other benefit program.

8.3 General Assets. Benefits are paid from Employee Accounts and there are no contributions to this program by the County of Ventura.

8.4 Impossibility of Performance. In the event that it becomes impossible for the Employer to perform any act under the Plan, that act shall be performed which in the judgment of the Employer shall most nearly carry out the intent and purposes of the Plan.

8.5 Governing Law. All legal questions pertaining to the Plan shall be determined in accordance with the laws of the State Of California, except when those laws are preempted by the laws of the United States.

8.6 Impact on Other Plans. Internal Revenue Code Section 415 does not provide for adding back Section 132(f) salary reduction amounts. Salary reductions made in exchange for transportation benefits may affect the benefit level under an employer's life insurance or disability income plans.

RECORD OF ADOPTION

POLICY MATTER #46 – On May 15, 2007, the Board of Supervisors approved the Adoption of an Employee Transportation Benefit Reimbursement Program Per Section 132(f) of the Internal Revenue Code, and Direct the County Executive Officer to Implement the Program and Offer it to County Employees.