ADP Online Commuter Benefits

Take advantage of tax savings and employee benefits without administrative burden

Tax-free transportation reimbursement for qualified vanpooling, transit passes, and parking costs is fast becoming a highly-valued voluntary benefit. Under the Transportation Equity Act of the 21st Century, employees can use pre-tax contributions to pay for commuting expenses. Valuable to both employer and employee, commuter benefit contributions are exempt from Federal, most State and Social Security income taxes, as well as the payroll tax paid by employers. With ADP Online Commuter Benefits, you can provide your employees this valuable benefit without additional administration.

The ADP Solution

Utilizing the industry's leading transportation and parking ordering system, ADP's Online Commuter Benefits facilitates initial set up of your commuter benefits plan and maintains a database of all employees eligible to participate. We support your employee communications and benefit plan rollout efforts with easy-to-understand communication materials. As employees choose to participate in the commuter benefits plan, they are automatically enrolled in the program upon placing their initial "fare media" order. "Fare media" is a term used to represent purchases for commuter benefits and may include transit fare vouchers and media cards, smart cards, parking vouchers, and direct-pay parking programs.

Through the online ordering system, employees have access to more than 300 transit authorities and other transportation providers, and over 10,000 parking locations across the United States. Participants are prompted to select their fare media, or set up a monthly payment account with their parking provider. If the fare media they have requested to conduct their daily commute is unavailable, employees are able to request that a new relationship is forged for future ordering.

The ADP Online Commuter Benefits system monitors all orders and facilitates pre- and post-tax payroll deductions within IRS regulations. Each month, fare media is fulfilled and payment is facilitated within tight processes coordinated and negotiated with all transportation authorities and providers. This "best-practice" fulfillment approach ensures that each participant receives timely home delivery of current and accurate fare media. Comprehensive reporting on all participant order activity, trends and exceptions is provided through the online ordering system provided directly from ADP Client Services.

Convenience for Employees

ADP Online Commuter Benefits offers a simple, employee-friendly ordering and delivery system for all of your plan participants' commuting needs. Your participating employees will love the convenience of online enrollment, home delivery of the monthly commuting products, and the flexibility of monthly participation. For those participants with consistent commuting patterns, the ability to set up recurring monthly orders is particularly convenient by removing unnecessary administrative steps from their busy lives. All of these benefits result in high levels of employee participation – a clear sign of a successful voluntary benefit plan!

ADP's World-Class Service

ADP Online Commuter Benefits is simple to administer and use. Once implemented by our experienced specialists, all system and service processes are managed by ADP on behalf of our clients, eliminating significant administrative burden. In addition to the current data provided through the ordering system for ADP Online Commuter Benefits, we provide each client with a team of service professionals to answer administrative and program management questions in a timely and thorough manner. For employee participants, ADP augments online support with a toll-free telephone number as a convenient way to inquire about accounts, payments, or ordering procedures for your commuter benefits program. While telephone support is available Monday through Friday, 8 a.m. to 8 p.m. EST, clients have the option of making internet inquiries for prompt resolution 24 hours a day, 7 days a week.

Reporting

In addition to providing access to a comprehensive history of transactions and plan activity through the ADP Online Commuter Benefits ordering system, ADP produces summary account statements and funding notifications for the employer, as well as individual statements for all participants.
Compliance
The ADP Online Commuter Benefits Solution is designed to give employers the peace of mind that their plan is being administered in strict compliance with IRS regulations. The model virtually eliminates the outdated and non-compliant cash reimbursement process, while direct sourcing and delivery to employee homes ensures that plan usage meets regulatory requirements. This reduction of compliance risk, combined with the ability to offer employees a value-added benefit, results in a win-win situation for all participants.

ADP Flexible Spending and Savings Solutions
In addition to Commuter Benefits, ADP also administers other types of flexible spending and savings accounts such as FSAs for health care and dependent care accounts. ADP solutions help companies lighten their administrative workloads and optimize efficiencies through proven practices that can be customized for specific needs. Drawing on ADP’s knowledge base and experience, employee programs are enhanced with ADP solutions.

With ADP Online Commuter Benefits
Everybody Benefits.
Employers...
- Create tax savings with participant contributions
- Simplify, automate and consolidate deduction transactions
- Ensure overall compliance with Section 132 regulations
- Increase employee satisfaction with virtually no additional costs

Employees...
- Eliminates the perception of ‘paying twice’ – contributions are made in the month of media order
- Flexibility of monthly or recurring orders allows for a customized employee solution
- Convenience of home delivery of passes and other fare media
- Obtain real-time access to accounts and order-tracking via the telephone or Internet

Standard Online Commuter Benefit Services:
- Online enrollment and access for all participants
- Service for employer contact and plan participants
- Online ordering system for fare card, media and parking purchases
- Adjudication-free processing for all online media orders
- Payroll deductions at time of fare media order
- Tracking and loading of participant payroll deductions
- Quarterly, personalized participant-account-summary reporting
- Data interfaces with ADP Payroll solutions

Standard Participant Web Services:
- Presentation of over 100,000 types of fare media
- Direct payment access to over 10,000 parking lots
- Detailed participant activity history
- Detailed participant order and payment history
- Detailed participant contributions information
- Tax savings worksheets
- "Lost pass” process
- Participant service
- Access to frequently asked questions

Standard Client Web Services:
- Access to plan setup and participant information
- Plan communications and resources
- Management report access and delivery
- Compliance updates and information

Optional Services:
- Welcome kits for each participant
- ADP-led employee meetings