



Department of Defense **INSTRUCTION**

NUMBER 1000.27

October 28, 2008

USD(P&R)

SUBJECT: Mass Transportation Benefit Program (MTBP)

References: See Enclosure 1

1. PURPOSE. This Instruction:

a. Establishes policy, assigns responsibilities, and sets procedural guidance consistent with the authority provided in DoD Directive 5124.02 (Reference (a)) for the administration and management of the MTBP as directed by section 7905 of title 5, United States Code (U.S.C.), and Executive Order 13150 (References (b) and (c)).

b. Incorporates and supersedes previous Deputy Secretary of Defense guidance (Reference (d)).

2. APPLICABILITY. This Instruction applies to OSD, the Military Departments, the Office of the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense (IG DoD), the Defense Agencies, the DoD Field Activities, and all other organizational entities within the Department of Defense (hereafter referred to collectively as the "DoD Components").

3. DEFINITIONS. See Glossary.

4. POLICY. It is DoD policy that:

a. The Department of Defense shall provide mass transportation benefits (MTBs) to offset commuting costs to its active duty military members and employees, including nonappropriated fund (NAF) employees, to the extent authorized by law and regulation, to reduce pollution and traffic congestion, preserve the environment, and expand transportation alternatives inside the National Capital Region (NCR) and outside the NCR (ONCR).

b. Only those active duty military members and civilian employees who meet the eligibility criteria in this Instruction may participate in the MTBP.

c. Command and installation MTBs shall be established when there is employee or military member interest, regardless of the number of personnel so interested.

d. MTBs will be authorized only when qualified means of transportation (QMOT) systems are used.

e. The MTBP shall be adequately funded to prevent benefit restriction or denial. The statutory increases governed by Reference (e) shall be adhered to by all the DoD Components.

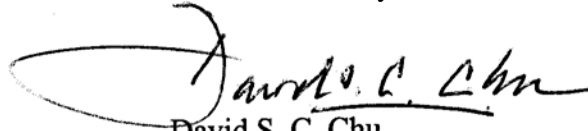
f. Commuting costs shall not include costs incurred for parking, van pool, ferry cost, or costs for holding van pool space during an extended absence.

5. RESPONSIBILITIES. See Enclosure 2.

6. PROCEDURES. Enclosures 3 through 8 provide overarching procedures and requirements for the administration, implementation, and management of the MTBP.

7. RELEASABILITY. UNLIMITED. This Instruction is approved for public release. Copies may be obtained through the Internet from the DoD Issuances Web Site at <http://www.dtic.mil/whs/directives>.

8. EFFECTIVE DATE. This Instruction is effective immediately.


David S. C. Chu
Under Secretary of Defense for
Personnel and Readiness

Enclosures

1. References
 2. Responsibilities
 3. Program Management and Oversight
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ENCLOSURE 1

REFERENCES

- (a) DoD Directive 5124.02, "Under Secretary of Defense for Personnel and Readiness (USD(P&R))," June 23, 2008
- (b) Section 7905 of title 5, United States Code
- (c) Executive Order 13150, "Federal Workforce Transportation," April 21, 2000
- (d) Deputy Secretary of Defense Memorandum, "Department of Defense Transportation Incentive Program," October 13, 2000 (hereby canceled)
- (e) Section 132 of title 26, United States Code
- (f) DoD Instruction 5010.40, "Managers' Internal Control (MIC) Program Procedures," January 4, 2006
- (g) Chapter 47 of title 10, United States Code
- (h) DoD Instruction 1015.15, "Establishment, Management, and Control of Nonappropriated Fund Instrumentalities and Financial Management of Supporting Resources," October 31, 2007
- (i) Section 1.132- 9 of title 26, Code of Federal Regulations
- (j) Section 101 of title 37, United States Code

ENCLOSURE 2

RESPONSIBILITIES

1. UNDER SECRETARY OF DEFENSE FOR PERSONNEL AND READINESS (USD(P&R)). The USD(P&R) shall have overall responsibility for the DoD MTBP.

2. DEPUTY UNDER SECRETARY OF DEFENSE FOR CIVILIAN PERSONNEL POLICY (DUSD(CPP)). The DUSD(CPP), under the authority, direction, and control of the USD(P&R), shall:
 - a. Develop policy in coordination with the Deputy Under Secretary of Defense for Military Personnel Policy and the Under Secretary of Defense (Comptroller)/Chief Financial Officer.
 - b. Provide advice and guidance on policy interpretation, in support of the USD(P&R).
 - c. Assess field program accountability through Human Capital Accountability and Assessment Framework reviews.
 - d. Monitor program integrity by ensuring DoD Component completion of required Internal Controls and reviewing the IG DoD reports on MTBP operations.

3. IG DoD. The IG DoD shall:
 - a. Periodically review DoD Component program operations to ensure consistency with governing rules and regulations.
 - b. Report any findings to the USD(P&R) for needed program policy adjustments.

4. HEADS OF THE DoD COMPONENTS. The Heads of the DoD Components shall:
 - a. Develop an MTBP, to include budget and appropriate funding for transit subsidies and program administrative support. This authority may be re-delegated to the installation or field activity command level.
 - b. Ensure MTBP participation is adequately funded to prevent benefit restriction or denial and may further define funding sources in internal policy and procedure. Provide funding and administrative oversight, as needed, for participating DoD Component members ONCR.
 - c. Provide funding and administrative support, as needed, to the Washington Headquarters Services (WHS) for participating DoD Component members in the NCR.

- d. Develop DoD Component-level policy and procedures for program administration.
- e. Implement a comprehensive system of internal management controls that provides reasonable assurance that the MTBP is operating as intended, according to DoD Instruction 5010.40 (Reference (f)).
- f. Evaluate the adequacy of the internal management controls over the MTBP and review, assess, and report on the effectiveness of those controls in an annual Statement of Assurance according to Reference (f).
- g. Establish and implement an internal control program that ensures the integrity of and accountability for MTBP operations, in accordance with criteria in Enclosure 3.
- h. Investigate allegations of program abuse and determine sanctions as necessary.
 - (1) Civilian employees who fail to abide by the terms and conditions of the MTBP may be subject to disciplinary action, up to and including removal from the Federal service and/or criminal prosecution, as appropriate.
 - (2) Military members who violate the provisions of the MTBP may be subject to administrative action and/or punitive action under the Uniform Code of Military Justice (Reference (g)), as appropriate.
- i. Ensure procedures are in place for MTBP officials to have access to data needed to ensure program integrity, e.g., subsidized parking information.
- j. Appoint, in writing, an office of primary responsibility (OPR) to manage the MTBP. The program OPR shall be responsible, either personally or through delegations of administrative responsibilities to Program Managers (PMs) at local commands and installations, for:
 - (1) Developing the method for processing and overseeing applications and claims, or overseeing an automated application and claim process.
 - (2) Providing for purchase and distribution of transportation vouchers to eligible participants.
 - (3) Providing oversight to program operations through development and implementation of a comprehensive internal controls program.
 - (4) Providing guidance to command leadership regarding sanctions to address program abuse.
- k. Contract, where appropriate, to order, purchase, verify, maintain, and safeguard fare media.

(1) The DoD Components are responsible for ensuring contractor compliance with terms of contracts.

(2) Agreements with service providers should include a requirement for internal auditing as required by the DoD Component.

5. DIRECTOR, DEFENSE FINANCE AND ACCOUNTING SERVICE (DFAS). In addition to the responsibilities in section 4, the Director, DFAS, under the authority, direction, and control of the Under Secretary of Defense (Comptroller), shall:

a. Process, if applicable, mass transportation benefits or collections based on approved Standard Form (SF) 1164, "Claim for Reimbursement for Expenditures on Official Business," or other DoD-sanctioned reimbursement forms, applications, or automated systems.

b. Bill customers for processing costs consistent with Defense Working Capital Fund rules.

6. DIRECTOR, WHS. In addition to the responsibilities in section 4, the Director, WHS shall:

a. Develop, administer, monitor, and evaluate the MTBP for all of the DoD Components in the NCR.

b. Bill and receive funding from DoD Components for services rendered to DoD Component members under the WHS NCR MTBP.

7. LOCAL COMMAND AND INSTALLATION PMs. In accordance with DoD Component policy, and as needed for effective program operations, local command and installation commanders shall appoint a PM to support the OPR in the administration of the local program and to perform the following:

a. Implement DoD Component MTBP policies and procedures.

b. Ensure the local command or installation MTBP complies with applicable law, regulations, and ethics principles.

c. Provide DoD ethics briefing materials for participants upon initial enrollment in the program and, where program administration is automated, provide annual ethics reminders thereafter.

d. Provide for purchase, which may be accomplished through a service provider, and distribution of transportation vouchers to eligible participants (except in areas where vouchers are not readily available).

e. Perform, at a minimum, a 10 percent annual record reconciliation to ensure participant accounts are correct.

f. Conduct 100 percent annual participant re-enrollment at locations where program administration is automated.

g. Institute procedures for identifying and processing applicant situational changes that could impact mass transportation benefit eligibility or require reimbursement to the government, e.g., departure from command, change of residence, and extended temporary duty (TDY) or leave.

h. Annually assess program operations in accordance with DoD Component policy or procedures, to ensure program integrity and affirm completion of this assessment to DoD Component OPRs.

i. Perform the duties of the OPR, depending on the scope of the program.

8. REVIEWING OFFICIAL (RO). The RO is the local responsible party, designated in accordance with DoD Component policy, who is knowledgeable of the program requirements. The RO shall:

a. Review program requirements with, or provide requirements information to, program participants.

b. Receive and review applications for completeness, including work address, commuting origination point, reasonableness of commuting costs, and supervisory signature.

c. Ensure participant eligibility in accordance with criteria in Enclosures 4 and 5 as indicated in the cost calculation worksheet and participant application.

d. Ensure applicants are not in receipt of a parking subsidy, as defined in Enclosure 6, through comparison of participant and parking databases.

e. Receive certification from program participants, which indicates understanding of and agreement to conform to all program requirements.

f. Require supporting documentation for program participants, including commuting cost calculations as outlined in Enclosure 7, and conduct a random sample of calculations to ensure program compliance with program regulations.

g. Sign the application form in the appropriate block or return to applicant for clarifying information. Upon automation of application functions, follow system procedures replacing the manual review and signature processes.

9. SUPERVISORS. Supervisors shall:

- a. Confirm the applicant as an eligible military member or a DoD civilian employee.
- b. Confirm the accuracy of the duty station as stated on the MTBP.
- c. Ensure the commuting cost calculation reflects the applicant's correct work schedule, e.g., part-time or full-time, and/or work situation, e.g., telework.
- d. Sign the application form.
- e. Conduct other actions that may be required by local, command, or DoD Component policy.
- f. Forward application according to applicable local, command, or DoD Component policy and procedures to ensure the application is processed in accordance with criteria in Enclosure 8.

10. PARTICIPANTS. Participants are responsible for adhering to all program criteria outlined in this Instruction and with local, command, or DoD Component procedures. Participants shall use this benefit solely for the purposes outlined in the Policy section of this Instruction. Participants shall not seek personal financial gain through trade or sale of the benefit. Claims for the MTBP shall be based solely on costs associated with the use of a QMOT to and from the worksite in conjunction with employment in the Department of Defense. Benefits are authorized only if a QMOT is used. Parking costs may not be claimed under the MTBP. Participants shall:

- a. Request participation in the MTBP using either the DoD MTBP standard application form and any local supplemental form that may be required or automated application, as available.
- b. Meet the eligibility requirements in Enclosures 4 and 5 to participate in the program.
- c. Adhere to all governing program rules and regulations.
- d. Complete required ethics training.
- e. Submit SF 1164 or other reimbursement forms designated by DoD Component procedures within the timeframes required for reimbursement claim.
- f. Forward application according to applicable local, command, or DoD Component policy and procedures to ensure the application is processed in accordance with criteria in Enclosure 8.
- g. Upon separation, extended leave or TDY, or when fare media is unused, participant will return unused fare media or reimburse the Government via applicable Service or agency guidelines.

ENCLOSURE 3

PROGRAM MANAGEMENT AND OVERSIGHT

1. To prevent and detect waste, fraud, and abuse, commands and field installations are required to develop internal management control procedures and mechanisms and conduct internal reviews to assess whether their MTBPs conform to the DoD policy, guidance, and procedures established in this Instruction. In an annual Statement of Assurance (see Reference (f)), each DoD Component must provide assurance that internal management controls are operating as intended. Internal controls shall include:

a. Provision of DoD ethics briefing materials for participants upon initial enrollment in the program and, where program administration is automated, provide annual ethics reminders thereafter.

b. Periodic reviews and reconciliations or comparisons of mass transportation benefit and parking databases to ensure adherence to applicant eligibility criteria.

c. Institution and implementation of procedures to identify and process situational changes that could impact the amount of the mass transportation benefit, or would require reimbursement to the Government, e.g., change in commuting patterns, extended TDY or leave.

d. Removal from the MTBP as part of the installation or command exit procedures.

e. Validation of information provided on participants' applications, including:

(1) Eligibility

(2) Work address

(3) Commuting origination point

(4) Certification statement

(5) Commuting cost breakdown

f. Confirmation that:

(1) Participants have been provided a false statement warning.

(2) Participants' supervisors have reviewed and signed the participant's application form.

2. Until such time as the application process is automated, a minimum of 10 percent of MTBP participants will be required to recertify annually to ensure the overall integrity of the program.

Upon implementation of an automated application process, participants may be required to reapply or recertify annually.

3. The MTBP shall be included as an assessable unit in both the command's Managers' Internal Control Program and DoD Component Inspector General audits.

4. MTBP PMs must ensure that internal controls are not accusatory and conform to governing laws and ethics principles, including relevant labor relations statutes. The intent of internal control measures is not to discourage participation through harassment, but to ensure compliance with program guidelines.

5. DoD Components are encouraged to collect and periodically review, as part of their program management oversight responsibilities:

a. Official documentation on work schedules for participants who work part-time, telework, or have unusual working hours.

b. Copies of contracts, invoices, or receipts from van pool participants, to ensure the van pool is in compliance with the regulations of the program.

6. The DoD Components shall optimize the use of DoD automated systems, where available, to improve the efficiency, effectiveness, and accountability of processing applications; verification and reconciliation of applicant information; and program reporting. Systems used shall be compatible with automated DoD personnel and pay systems.

ENCLOSURE 4

PARTICIPANT ELIGIBILITY

1. To be eligible to participate in the DoD MTBP, participants must:

a. Use a QMOT as the primary mode of transportation to commute to and from work or to a designated telework center;

b. Not be receiving mass transportation benefits from other sources;

c. Not be in receipt of a parking subsidy; and

d. Fall within one of four categories:

(1) DoD Active Component (AC) Military Service members.

(2) DoD Reserve Component (RC) Military Service members (including both Reservists and National Guard Members) who are on qualifying active duty. Eligible RC Service members on Active Duty for less than 30 days:

(a) Must apply for the MTB in the same manner as is applicable to AC Service members in the same geographic area. Approved program enrollment is a prerequisite for any form of reimbursement under the MTBP.

(b) May be denied fare media disbursement of MTB by DoD Component policy. In those cases where fare media is not disbursed to these members, DoD Component policy must allow for the MTB via reimbursement procedures.

(3) DoD Federal civilian employees, including Federal employees on part-time work schedules and paid interns.

(4) DoD NAF personnel employed by a duly constituted DoD nonappropriated funded instrumentality (NAFI). To the extent Military Departments are authorized to provide appropriated fund support to NAIs for military and civilian personnel under Table E4.T1 of Reference (h), the Departments may budget to include amounts for MTBs for supported categories of personnel.

2. Personnel ineligible for participation in the DoD MTBP include:

a. DoD civilian employees and military members who are named on a Federally subsidized parking permit. However, relinquishment of a Federally subsidized parking permit will allow the employee to apply for the MTBP.

- b. Van pool owners who are drivers or passengers of a for-profit van pool.
 - c. Military member, civilian, and NAF employee van pool drivers riding at no cost or receiving compensation, monetary or non-monetary, for driving the van pool (except for those only receiving a reduced rate).
 - d. DoD RC Service members who are drilling or training in an inactive duty for training status.
 - e. Students or others who provide voluntary service.
 - f. NAF-employed personnel whose salary is not funded by a duly constituted NAFI.
 - g. Reserve Officer Training Corps students unless they are enlisted in a military branch and serving on active duty.
 - h. DoD military retirees and DoD civilian retirees unless otherwise eligible.
 - i. Military dependents unless otherwise eligible.
 - j. Military members, and civilian and NAF employees who are receiving transportation benefits from other sources.
 - k. Contractors.
 - l. Intergovernmental Personnel Act employees (except those appointed to Federal positions or those who meet the definition of employees under 5. U.S.C. 2105), Foreign Exchange personnel, and personnel detailed to DoD from other Federal agencies, nongovernment organizations, private industry, and academic institutions.
3. Eligible personnel may not be placed on a waiting list for enrollment into the program outside the normal enrollment process.

ENCLOSURE 5

QMOT

QMOT are:

- a. Commuter bus
- b. Commuter train
- c. Subway or light rail
- d. Ferry

(1) Ferries are an approved form of mass transportation to the workplace. Program participants using a ferry are authorized to claim the foot passenger rate only. This includes walkers, bicyclists, and van pool members (not including the driver).

(2) Ferries are not an approved form of public transportation when used as a means to shuttle the participant's privately owned vehicle (POV) from one point to another where the POV is used to complete the journey to a participant's duty station.

- e. Van Pools

(1) To be considered as a QMOT, van pools must meet the guidelines stated in section 1.132-9, title 26 of the Code of Federal Regulations (CFR) (Reference (i)) and be engaged in "for profit" as that term is interpreted under section 162 of title 26, U.S.C. (Reference (e)). The vehicle may be owned and operated by either public transit authorities (commercial) or by a private vendor in the business of transporting persons for compensation or hire, and must have seating capacity for at least six adults, not including the driver. Private van pools are subject to the same eligibility criteria as commercial or private vendor van pools. Where local transit authorities exist, van pool operators should comply with rules and procedures established by that local transit authority, to include registration. DoD Components may require van pool registration in internal policy.

(2) Rental vehicles, personal car-pools, ride sharing by individual riders often referred to as "slugs," or employee purchased vans that do not meet the requirements under section 132 of Reference (e) are not considered QMOT.

(3) Van pool drivers may be eligible for the MTB only when they:

- (a) Do not own or operate the van pool;
- (b) Are not in receipt of another form of compensation for their driving service;

- (c) Do not profit for the service of driving the van; and/or
 - (d) Incur a cost for participating in the van pool
- (4) If van pool operators need advice on QMOT eligibility requirements, the operator should consult with his or her own private attorney, accountant, etc., to determine whether the requirements are met.
- (5) Van pool riders who must pay to “hold” their space in the van pool due to extended absence (e.g., TDY or leave) or part-time work schedule are responsible for the cost of holding their space. This expense may not be included in commuter cost calculations. Exceptions to this policy will be made on a case-by-case basis by the command or installation MTBP PM.

ENCLOSURE 6

SUBSIDIZED PARKING

1. A military member or DoD civilian or NAF employee who receives subsidized parking is not eligible to participate in the MTBP.

2. Subsidized parking refers to a space, which may be occupied by a POV, including motorcycles, and which the Government owns or pays any part of the cost. Subsidized parking includes:

- a. Parking spaces specifically reserved for an individual by name or title.
- b. General parking spaces for which an applicant must register and obtain a parking permit.
- c. Spaces in a commercial lot for which the Government has obtained preferred or discounted rates.

(1) These rates may be obtained through terms included in negotiated lease agreements in buildings occupied by DoD employees or members of the Services.

(2) Spaces may be located on or in:

- (a) Government installations.
- (b) Leased buildings.
- (c) Government-owned buildings.
- (d) Areas adjacent or located in the vicinity of Government installations or leased buildings.

3. Issuance of a decal for entrance onto a military or DoD facility does not constitute subsidized parking.

4. Installations and commands must establish standard operating procedures that govern parking for employees who are MTPB participants. At a minimum these procedures must require:

- a. Participants to relinquish assigned parking spaces as a condition of participation in the MTBP. Exceptions to this policy will be made on a case-by-case basis by the command or installation MTBP PM.

b. Periodic reconciliation of parking registrant and MTPB applicant records and/or databases to identify for corrective action those receiving benefits under both programs where automated systems enable cross-referencing of data. DoD Component policies will prescribe a procedure for periodic reconciliation of available parking records to MTBP participants to ensure program integrity.

ENCLOSURE 7

CALCULATING COMMUTING COSTS

1. Participants shall estimate their monthly commuting costs, based on the actual average number of days they use mass transportation. Parking costs, tolls, and van pool ferry cost shall not be used in establishing commuter costs, nor shall costs for holding van pool space.

2. In order to calculate commuting expenses:
 - a. Compute the monthly cost by multiplying the daily commute cost by the average number of days when mass transportation will be used. There are 21 workdays in an average month for a participant working full time and commuting 5 days per week.

 - b. Part-time employees or participants not using mass transportation for every workday, or working compressed work schedules, will calculate costs based only for days commuting to and from the workplace using a QMOT.

 - c. All participants must work in a prudent manner to purchase the most cost-effective combination of fare media available. For example, if a monthly pass costs less than four weekly passes or 21 daily passes, the participant must purchase the monthly pass. Similarly, if a participant uses mass transportation 10 days out of a month and 10 daily passes are less than a monthly pass, he or she must purchase the daily passes. MTBP application should provide information regarding commuter choices to facilitate applicant's ability to determine most cost-effective fare media.

3. Applicants' commuting costs shall be verified by the DoD Component's designated RO to the extent practicable.

4. In those locations where the Department of Transportation (DOT) purchases fare media from local transit authorities, the fare media issued to each participant will be based on the denominations purchased by DOT from local transit vendors. In some locations, the denominations issued do not provide the flexibility to exactly match the employee's monthly allowance. In those cases, participants may receive more than their monthly allowance. For example, if the participant is claiming \$58, DOT may send fare media totaling \$60 as a result of not having exact denominations. When fare media exceeds actual costs, the difference will be absorbed into the local transit system. Participants are not authorized to receive change from a vendor for fare media they submit. DOT does not issue fare media in denominations less than \$1.

5. A participant may not accrue and stockpile unused fare media from one disbursement period to be used in a subsequent disbursement period so as to reduce their own out-of-pocket expenses.

6. When the amount of the MTB received in previous disbursement periods exceeds the amount needed (e.g., due to unforeseen leave or TDY), participants must adjust their calculations of commuting costs in the following disbursement period, or reimburse the Government via applicable DoD Component guidelines.

ENCLOSURE 8

CRITERIA FOR SUBMISSION OF CLAIMS

1. Participants shall not make false claims overstating commuting costs or claim costs for days they did not commute to work via a QMOT.

2. Claims shall only be submitted when they meet the program criteria as stated in this Instruction.
 - a. Claims can be made for the days an employee uses a QMOT to commute to work. PMs may make an exception when a monthly fare media is less expensive than a claim made for individual days of ridership.

 - b. Claims for part-time work for participants, including teleworkers and those on compressed work schedules, are calculated based on the actual number of days they commuted to and from work or a designated telework center.

3. Claims are not permitted:
 - a. On a retroactive basis for disbursement of fare media. Delays between the date of application for the MTBP and approval of the application are not an exception.

 - b. For commuting costs while on TDY status. Participants on TDY should make claims for reimbursement of actual transportation costs incurred via travel vouchers through appropriate programs or procedures and funds established for that specific purpose.

 - c. While the participant is on leave unless the leave is used during the workday and does not preclude commuting to or from the worksite via a QMOT.

 - d. If the participant is named on a federally subsidized workplace motor vehicle parking permit (including motorcycles) unless otherwise provided in Enclosure 7.

 - e. If the participant has separated from the Department of Defense or from the command. Participants who make a change in permanent duty station may be required to reapply in the MTBP at the new duty station or work location.

4. Participants must return unused fare media received for future months if they have lost eligibility for the DoD MTBP, electively withdrawn from the program, or unused fare media is remaining. DoD Component procedures for fare media return must be followed. Participants who do not return unused fare media must make a repayment to the DoD Component before they leave DoD employment status.

5. SF 1164 may be used as a method of reimbursement for the MTBP in areas where transit fare media are not available. OPRs, MTBP PMs, and/or resource managers will have joint responsibility for approval and administration of the SF 1164 portion of the MTBP.

a. Participants will refer to their local procedures for completion and submission of the SF 1164. At a minimum, the SF 1164 should include:

(1) That reimbursement is being sought under the DoD MTBP.

(2) The method of transportation used.

(3) The period for which reimbursement is being sought.

(4) The amount of reimbursement being sought, with the basis for the calculation.

(5) Certification that the costs reflect only those accrued for transportation back and forth to work via a QMOT.

b. The resource manager or other designated individual will forward the SF 1164 to the appropriate paying entity for processing.

c. Participants will be reimbursed through electronic funds transfer. The payment will be directly deposited into the account that the participant has designated for receipt of their salary.

6. Subject to the rules under 26 CFR 1.132-9 (Reference (h)), payments correctly received under the MTBP are not considered income for the purpose of income tax.

GLOSSARY

PART I. ABBREVIATIONS AND ACRONYMS

AC	Active Component
DFAS	Defense Finance and Accounting Service
DOT	Department of Transportation
DUSD(CPP)	Deputy Under Secretary of Defense for Civilian Personnel Policy
IG DoD	Inspector General of the Department of Defense
MTB	mass transportation benefit
MTBP	Mass Transportation Benefit Program
NAF	nonappropriated fund
NAFI	nonappropriated fund instrumentality
NCR	National Capital Region
ONCR	outside the National Capital Region
OPR	office of primary responsibility
PM	program manager
POV	privately owned vehicle
QMOT	qualified means of transportation
RC	Reserve Component
RO	Reviewing Official
SF	Standard Form
TDY	temporary duty
USD(P&R)	Under Secretary of Defense for Personnel and Readiness
WHS	Washington Headquarters Services

PART II. DEFINITIONS

These terms and their definitions are for the purpose of this Instruction.

active duty military members. Full-time duty in the Active Service in an AC or RC. In the case of an RC member, such service shall be under a call or order to active duty as defined in section 101 of title 37, U.S.C. (Reference (j)).

cash reimbursement arrangement. A nontaxable cash payment, in addition to regular compensation, by the Department of Defense to its MTBP participants for expenses incurred or paid for fare media or van pools. The term “cash reimbursement” does not include cash advances. A cash reimbursement arrangement is not authorized when vouchers are readily available.

disbursements. For the DoD MTBP, the act of providing a voucher to trade for fare cards, or other acceptable form of payment for mass transportation to commute to and from the workplace or a designated telework center, prior to an upcoming period.

distribution. Act of disbursement of the MTB to participants via a voucher or other fare media.

DoD MTBP. A DoD program whereby the Department of Defense provides fare media or implements a cash reimbursement arrangement for participant commuting costs to reduce traffic congestion, air pollution, and to expand participant commuting alternatives.

fare media. Any pass, token, farecard, voucher, or similar item that entitles a person to transportation (a) on mass transit facilities (whether or not publicly owned); or (b) in van pools owned and operated either by public transit authorities or by a person in the business of transporting persons for compensation or hire. A voucher is an item that may be exchanged only for fare media.

ferry. A boat used for carrying passengers across a river or other body of water. (See Enclosure 6 for information on the use of a ferry as a QMOT.)

NCR. Includes the District of Columbia; Montgomery, Prince George’s, and Frederick Counties in Maryland; Arlington, Fairfax, Loudoun, and Prince William Counties in Virginia; and all cities now or hereafter existing in Maryland and Virginia within the geographic area bounded by the outer boundaries of the combined area of said counties.

OPR. The organizational entity with responsibility for management of the DoD Component MTBP PM. The local command or installation individual responsible for implementing, monitoring, and assessing the local program. The PM may also serve as the RO.

ONCR. The 50 states (exclusive of the area included in the definition of the NCR), the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

PM. Individual assigned duties by the local command or installation to support the OPR in the administration of the local program.

QMOT. Commercial or public transportation operated for use by the general public and/or modes of transportation that meet the requirements of section 1.132-9 of Reference (i).

readily available. A transportation voucher or similar item that a DoD Component can obtain (a) on terms no less favorable than those available to an individual member or employee; and (b) without incurring a significant administrative cost.

recertification. The process by which a qualified participant confirms his or her eligibility to continue to receive the transit subsidy. Recertification may be accomplished through required re-enrollment.

reimbursement. For areas where fare media are not available, payment of MTB to a participant after the transportation has occurred and an appropriate claim has been made and approved.

repayment. Participant or former participant reimbursement to the DoD Component following an overpayment.

RO. Local individual responsible for reviewing program requirements, providing information to participants, receiving certifications from participants, and reviewing applications for completeness and compliance with eligibility requirements.

self-certify. Confirmation that occurs during the initial application, change in application, and/or recertification process, whereby the eligible employee reads a certification statement that outlines all program requirements, and agrees to abide by those requirements, by his or her written or electronic signature.

subsidized parking. Parking that is owned by the Government or for which it pays any part of the cost. Subsidized parking includes parking spaces, specifically reserved for an individual by name or title. (See Enclosure 7 for subsidized parking information.) Subsidized parking does not include installation access decals on POVs.

telework. An arrangement in which an employee performs officially assigned duties at an alternative worksite on either a regular and recurring or an ad hoc basis (not including while on official travel). Telework locations may be the employee's home or a telework center.

telework center. A designated site set up with computer(s) and telephone(s), specifically provided for use by teleworkers, that enables employees to work at an alternative work location.

transportation benefit. A nontaxable benefit whereby the Department of Defense provides vouchers or similar items in amounts that do not exceed personal commuting costs, up to the maximum amount allowed by Reference (e).

transit subsidy. A nontaxable transportation benefit providing employees with vouchers or other fare media to commute via mass transit to and/or from work up to the maximum amount allowed by Reference (e).

van pool. A commercially owned highway vehicle with seating capacity for AT LEAST six adults, not including the driver, and that meets the QMOT requirements identified in Enclosure 5.

voucher. A non-monetary item that may be exchanged only for fare media that serves as payment for use of a QMOT under this program, such as a transit pass or van pool payment.