FEDERAL JUDICIARY BENEFITS PROGRAM

BENEFIT FOR LIFE

Commuter Parking Benefit Program

SUMMARY PLAN DESCRIPTION

YOUR GUIDE TO YOUR:

PARKING REIMBURSEMENT ACCOUNT

This summary is based on
the official Plan Documents.
If there is a difference between
the description in this booklet
and the official Plan Documents,
the Plan Documents will
always govern.

November 2018

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The Federal Judiciary Commuter Parking Benefit Program

The Federal Judiciary Commuter Parking Benefit Program has been designed to assist eligible judges and employees in defraying the cost of certain parking expenses. The Program consists of a Parking Reimbursement Account. Participation in this Reimbursement Account is completely voluntary. The account allows you to set aside part of your salary on a pre-tax basis. This means that your monthly contributions are deducted from your salary before taxes are deducted, thereby increasing your spendable income.

You may elect to participate in the **Parking Reimbursement Account** if you incur expenses for parking at or near your place of employment or near the site at which you board mass transit to commute.

Fast Facts About The Commuter Parking Benefit Program

- If you commute to work and elect to participate in the Commuter Parking Benefit Program, you may open a Parking Reimbursement Account.

- The monthly amount you contribute to your Reimbursement Account will be deducted from your paycheck before federal income, state and local income (in most cases), and Social Security taxes are calculated.

- Generally, you are eligible to participate in the Commuter Parking Benefit Program if you are an active employee, either full-time or part-time, with an appointment of more than 90 days and have eligible parking expenses. Judges, including senior judges and most recalled judges, are eligible to participate. Annuitants, judges retired from the office, intermittent employees and those with an appointment of 90 days or less are not eligible to participate. Your spouse and/or dependents are also not eligible to participate.

- If you are an eligible employee, you may enroll in or make changes to your account contributions at any time throughout the year. There is no “annual enrollment period” for the Commuter Parking Benefit Program.

- Eligible parking expenses are expenses you incur for parking any type of vehicle near your place of employment or near or at a location from which you commute to work via mass transit or vanpool. This can include a monthly parking pass, a daily fee or coins in a parking meter.

- Your election will continue from month to month and year to year unless you change it or terminate employment with the Federal Judiciary.

- Reimbursements for Qualified Parking Expenses will not exceed the monthly value set forth in Internal Revenue Code Section 132(f), as adjusted for inflation. Visit https://judiciary.adp.com for more information on the maximum monthly allowance.

SAVE MONEY

The Commuter Parking Benefit Program lets you set aside pre-tax dollars that you can use to pay for your eligible parking expenses.

WHAT IS THE JUDICIARY BENEFITS CENTER?

The Judiciary Benefits Center is operated by ADP Benefit Services KY, Inc., the third-party administrator for the Federal Judiciary Commuter Parking Benefit Program, and handles your elections and processes your claims for reimbursement. If you have any questions about your reimbursement or eligible expenses call the Judiciary Benefits Center at 888-442-3539, or you may visit the Judiciary Benefits Center web site at https://judiciary.adp.com.

- The money that you have in your account will "roll over" from month to month and year to year. However, should you terminate employment with the Federal Judiciary, you may file a claim for expenses incurred before you terminate employment. Any remaining account balance will be forfeited. Note that you have until April 30 of the following year to submit claims for expenses incurred before your date of termination.

What is the Commuter Parking Benefit Program?

The Federal Judiciary Commuter Parking Benefit Program is a tax-qualified transportation benefit based on the guidelines in Section 132(f) of the Internal Revenue Code. It offers you a way to pay for your eligible parking costs with tax-free income. You elect to have a portion of your salary set aside before federal income, state and local income (in most cases), and Social Security taxes are taken out.

Participation in a Reimbursement Account is completely voluntary. You simply determine how much you want to set aside each month up to the IRS limit and complete the enrollment form, and your election is deducted from each of your paychecks throughout the year. If you are paid biweekly, most months have two pay periods, therefore, your monthly election is divided by two and deducted each pay period. For the two months in the year that have three pay periods, there is no deduction the last pay period of the month.

To claim a reimbursement from your account, send a completed claim form with receipts or a signed certification of expenses to the Judiciary Benefits Center. Refer to page 10 for more information. Your reimbursement will be directly deposited to the same account as your pay via Electronic Funds Transfer (EFT). If you do not receive your pay by direct deposit, you will receive a paper check.

Pay As You Go

The Commuter Parking Reimbursement Account is set up as a "pay as you go" account. This means that your expenses can only be reimbursed up to the amount available in your account. You have access to your Commuter Parking Benefit funds once a contribution is deposited into your account.

You may only be reimbursed as the service is incurred, even if you pay in advance. A service is incurred on the date you receive the service, not the day you pay for it.

For example: If you pay for your January parking expenses at the beginning of January, you will not be able to submit a claim for reimbursement until February at the earliest.

What are the advantages of participating?

Tax Savings

If you spend money on parking expenses you'll save money by participating in the Commuter Parking Benefit Program. When you contribute to a Reimbursement Account, you reduce your taxable income and increase your spendable income.

The example on page 6 compares your take-home pay if you earn a monthly salary of $4,100 and use the Parking Reimbursement Account to pay for your parking expenses pre-tax versus paying for expenses after taxes have been deducted.

IS THE ENROLLMENT FORM A SALARY REDUCTION AGREEMENT?

Yes. The enrollment/change form serves as a Salary Reduction Agreement. A Salary Reduction Agreement is an IRS required agreement that you must file to verify that you have agreed to reduce your compensation by redirecting a portion of your pre-tax salary to the Commuter Parking Benefit Program. Refer to page 7 for information on howto enroll.

TAX-QUALIFIED PLAN

The Commuter Parking Benefit Program is a tax-qualified plan based on the guidelines in Section 132(f) of the Internal Revenue Code.

	With the Parking Reimbursement Account	Without the Parking Reimbursement Account
If your monthly salary is:	$4,100	$4,100
And you elect to contribute $100	$100	N/A
You pay taxes on:	$4,000	$4,100
Minus federal income tax (28%):	– $1,120	– $1,148
Minus Social Security taxes (7.65%):	– $306	– $314
Your take-home pay is:	$2,574	$2,638
Your after tax parking expenses*:	N/A	$100
Your spendable income:	$2,574	$2,538
Your tax savings with a Reimbursement Account:	**$36/month or $432/year**	

* Remember, these are expenses that you would have incurred and paid for even if you didn't have a Reimbursement Account.

Also, the amount you save in taxes under this program will vary depending on the amount you set aside in the Reimbursement Account, your annual earnings, whether or not you pay Social Security tax, the number of exemptions and deductions you claim on your tax return, your tax bracket, and your state and local tax regulations. Check with your tax advisor for information on how participation will affect your tax savings.

Are there any disadvantages to participating?

When you elect to participate in the Commuter Parking Benefit Program, the salary on which your annual contributions to Social Security are based may be reduced, which may result in a reduction in the Social Security benefit you receive at retirement. However, increasing your personal savings by participating in the Commuter Parking Benefit Program can more than make up the difference.

If you should terminate employment with the Federal Judiciary, any unclaimed funds cannot be refunded to you unless you file a claim for expenses incurred before you terminate employment.

Who is eligible to participate?

You are eligible to participate in the Commuter Parking Benefit Program if you have an appointment of more than 90 days and you are a full-time or part-time employee. Judges, including senior judges and most recalled judges, are eligible to participate.

Annuitants, judges retired from the office, intermittent employees or those with an appointment Not-To-Exceed (NTE) date of 90 days or less are not eligible to participate in this Program.

New hires that meet the eligibility requirements may enroll in the Commuter Parking Benefit Program immediately. See "How do I enroll or change my election?" below.

When can I enroll in the Program?

There is no set annual enrollment period for the Commuter Parking Benefit Program. You may enroll or make changes to your account at any time, as explained below.

How do I enroll or change my election?

The Plan allows you to enroll or make changes to your contribution amount at any time throughout the year. Once you decide the amount that will cover your expected monthly parking expenses, there are four ways you may enroll or make a change to your Reimbursement Account:

- Use the Internet by going to the Judiciary Benefits Center web site at https://judiciary.adp.com; or
- Complete the paper enrollment/change form and mail it to:
  Judiciary Benefits Center
  Parking Benefit Program Administration
  P.O. Box 3810
  Alpharetta, GA 30023-3810
- Call the toll-free Interactive Voice Response (IVR) system at 1-888-442-3539;
- Fax your enrollment/change form to the Judiciary Benefits Center at 1-800-526-6175.

Enrollment forms can also be found on the J-Net under "Forms."

NEED TO CHANGE YOUR MONTHLY CONTRIBUTION?

Call the Judiciary Benefits Center Line at 1-888-442-3539 Monday through Friday, 9:00am until 9:00pm Eastern Time. Benefits Counselors are available by pressing the "#" key.

The effective date of your enrollment/change is based on the date your enrollment/change form is received by the Judiciary Benefits Center.

Please refer to the Monthly and Biweekly Payroll schedules located in the Get Documents section of the Judiciary Benefits Center web site at https://judiciary.adp.com for your specific effective date.

Your election will carry over month to month and year to year until you amend it, cancel it, or terminate your employment. Any funds that remain in your account upon your termination from employment with the Judiciary will be forfeited.

When you enroll, change or cancel your election, the Judiciary Benefits Center will send you a confirmation statement within approximately seven days. Be sure to review your confirmation statement for accuracy so that you may receive appropriate reimbursement.

What types of expenses can I submit for reimbursement?

Expenses reimbursable through the **Parking Reimbursement Account** include parking expenses for any type of vehicle near your place of employment or near or at a location from which you commute to work via mass transit or vanpool. This may include a monthly parking pass, a daily fee or coins in a parking meter.

How much should I contribute?

When determining how much money to contribute to your Reimbursement Account you should take into consideration the amount of expenses that you will incur on a monthly basis. The Program allows you to make changes to your election at anytime by contacting the Judiciary Benefits Center. Remember to deduct vacation time so that you will not have an excess of money in your account. You will also want to account for any Commuter Parking Benefits that are provided to you by your court. Any additional benefits that are provided to you for your parking are subject to the monthly maximum set by the IRS. Your total for the month between your pre-tax benefit and the benefit provided by your court cannot exceed the monthly maximum set by the IRS.

Example 1: If you typically spend $40 per month on parking, your monthly contribution would be $40. However, say you're planning a two-week vacation in July, expenses for that month would only be $20. You should contact the Judiciary Benefits Center in late May or early June to make an adjustment to your contribution for the month of July. You would then want to contact the Judiciary Benefits Center again to adjust your election for the month of August. Please speak with a Benefits Counselor for assistance on how to make these adjustments to your election.

Is there a limit on how much I can contribute?

Yes. The Internal Revenue Code sets limits on the amount you may contribute into your Reimbursement Account. These limits are adjusted each year for inflation. The monthly maximum for parking expenses may be increased according to IRS regulations. If and when the IRS announces a change, the Judiciary will keep you informed, or visit https://judiciary.adp.com to keep updated on the monthly maximum allowance for your reimbursement account.

Do I have to "use or lose" the money in my Reimbursement Account?

No. The amount you contribute to your account will be rolled over from month to month and year to year, as long as you are eligible to participate in the Commuter Parking Benefit Program. However, you would forfeit funds if you terminate employment with the Federal Judiciary and there are unused funds remaining in your account.

ESTIMATE YOUR ANNUAL PARKING EXPENSES

Use the worksheets on page 15 to help estimate your expenses.

WANT TO TRACK YOUR COMMUTER PARKING BENEFIT PROGRAM ACCOUNT BALANCE(S)?

You can obtain your account balance and the status of your last claim by phone. Call the Judiciary Benefits Center at 1-888-442-3539. You may also visit the Judiciary Benefits Center web site at https://judiciary.adp.com. This automated system and the Judiciary Benefits web site is available 24 hours a day; however, in order to keep the system up to date and better serve your needs, you may experience infrequent brief delays due to routine system maintenance.

Can I receive a mass transit subsidy from my court and participate in a parking reimbursement account?

Yes. Internal Revenue Code section 132(f) sets a monthly limit for each – $265 for mass transit and $265 for parking – and permits eligible employees to participate in one or both of these programs. The Parking Reimbursement Account is in addition to programs that some courts are administering; under which employees receive, as tax-free fringe benefits, public transportation subsidies that are in addition to gross income. Therefore, you may use both of these programs to help defray the cost of your commuting expenses as long as you do not exceed the IRS maximum limits.

For example, if your court gives you a monthly mass transit pass and you park at the train station which charges a parking fee, you can contribute to the parking reimbursement account which allows you to pay your parking fees using pre-taxed dollars.

How do I get reimbursed for my expenses?

To obtain reimbursement for an eligible parking expense, you have three options to submit your claim.

- **Online:** Log in to your account on the Judiciary Benefits Center web site for online claim submission.
- **Fax:** Completed claim form to 1-800-778-0045.
- **Mail:** Completed claim form to:

Judiciary Benefits Center
P.O. Box 35680
Louisville, KY 40232

**Make sure to sign and date the claim form and keep a copy with your supporting documentation for your records if you fax or mail in your form.*

If you receive your paycheck by Electronic Funds Transfer (EFT), reimbursement payments will be made to the same banking account. You will only be reimbursed for expenses if you have sufficient funds in your Reimbursement Account. Any portion of an eligible claim that is not paid will be “pended” until sufficient payroll deposits are received.

For example, If you submit a claim for $50, but you only have $30 in your account, you will be paid the $30, and the remainder will be paid when you have future payroll deposits into your account.

If you do not receive your paycheck by EFT, the Judiciary Benefits Center will send a paper check to you.

When does my participation in the Commuter Parking Benefit Program end?

Your participation in the Commuter Parking Benefit Program will end when:

- You are no longer employed by the Federal Judiciary;
- You are no longer eligible to participate based on your appointment;
- You elect to stop contributing to your Reimbursement Account; or
- The Administrative Office of the U.S. Courts terminates the Commuter Parking Benefit Program.

Things to Remember:

- Carefully consider your parking expenses. If you will not incur parking costs because of vacation or leave, make sure to adjust your contributions accordingly. For a worksheet to help plan your parking expenses, please see page 15. To make a change to your account, use the Judiciary Benefits Center web site at https://judiciary.adp.com, or call the Judiciary Benefits Center at 1-888-442-3539.
- The IRS sets monthly limits on the maximum contributions for tax-free transportation plans. The limits are adjusted for inflation each year.
- The amount you contribute to your account will carry over from month to month and year to year until you elect to change it or cancel it, or until you terminate employment with the Federal Judiciary. However, any funds remaining in your account is forfeited if you leave the employment of the Judiciary.

GET A CLAIM FORM ON-LINE

For your convenience, Commuter Parking Benefit Program claim forms are available on the J-Net, at https://judiciary.adp.com or by calling the Judiciary Benefits Center at 1-888-442-3539.

Important Administrative Information

Plan Administration

Both the Administrative Office of the U.S. Courts and the third-party administrator, ADP Benefit Services KY, Inc., play a role in providing you the benefits described in this booklet. ADP Benefit Services KY, Inc. determines eligibility, provides enrollment materials, processes enrollments/changes, adjudicates and pays claims for reimbursement, maintains account information, and answers employee questions.

The Administrative Office of the U.S. Courts has sole, complete and final discretionary authority to make all determinations regarding eligibility, elections, contributions, reimbursements and administration under the Commuter Parking Benefit Program and to construe all terms under the Plan Documents and all other relevant documents.

Denial of Claims

If you submit an expense for reimbursement that is denied, you will receive written notice within 90 days after the receipt of your claim that will include:

- The specific reason or reasons for the denial;
- Specific reference to pertinent Plan provisions on which the denial is based;
- A description of any additional material or information necessary for you to perfect the claim and an explanation of why such material is necessary; and
- An explanation of the Plan's claim review procedure.

You may appeal the denial in writing within 60 days after you have received the notice of denial. The Plan administrator will then review your claim. The decision on whether to deny or grant your claim will be sent to you within 60 days after the receipt of your request for review of your claim.

Employer's Right to Amend or Terminate the Plan

The Administrative Office of the U.S. Courts may amend or terminate the Commuter Parking Benefit Program at any time and without prior notice. The decision to terminate the Plan will be made in writing and will be approved by the Administrative Office of the U.S. Courts in accordance with its normal procedures for transacting business. Affiliated employers (Federal Judicial Center and United States Sentencing Commission) may withdraw from participation in the Plan, but may not terminate the Plan.

Benefits Cannot Be Assigned

Except as permitted by law, no assignment of any rights or benefits arising under the Plan shall be permitted or recognized. The Administrative Office of the U.S. Courts shall not be liable for or subject to the debts, contracts, or liabilities of any person entitled to benefits under this Plan.

Plan Participation Doesn't Guarantee Employment

Nothing in this booklet says or implies that participation in the Plan is a guarantee of continued employment with the Federal Judiciary.

Taxability of Benefits

The Employer makes no guarantee as to the excludability of benefits under this Plan from federal, state, or local taxes, and it shall be the employee's sole responsibility to pay any taxes due as a result of the payment of benefits hereunder.

Benefits in the Event of Your Death

If you die while you are a Plan participant, reimbursement for any eligible expense you may have incurred will be paid to your surviving spouse if you are married. Otherwise, the benefit will be paid to your estate. The remaining balance in your account will be forfeited upon your death.

Plan Facts

Legal Name of Plan	Commuter Parking Benefit Program
Plan Sponsor	Administrative Office of the U.S. Courts One Columbus Circle, NE Washington, DC 20544
Plan Type	The Plan is a tax-free transportation plan under Section 132(*f*) of the Internal Revenue Code.
Plan Year	January 1 to December 31
Plan Administrator	Administrative Office of the U.S. Courts
Third-Party Administrator	Judiciary Benefits Center operated by ADP Benefit Services KY, Inc. P.O. Box 3810 Alpharetta, GA 30023-3810 1-888-442-3539
Agent for Services of Legal Process	Administrative Office of the U.S. Courts
Plan Funding	Employee contributions are made through employee salary reduction contributions. Costs for administering the Plan are paid by the Administrative Office of the U.S. Courts.

Worksheets to Estimate Commuter Parking Benefit Expenses

Parking

1. Do you park at work, near work, or at the place where you catch mass transit? _____

2. Does your court provide you a subsidy for parking expenses? _____

How much per month? _____

To calculate the amount you can set aside in the reimbursement account:

$ _____ Actual monthly cost or the IRS allowable limit, whichever is less

– _____ Minus court subsidy

$ _____ Amount you can set aside in the parking reimbursement account

Notes

Notes

BeneFit for Life

Your Finances. Your Family. Yourself.

Commuter Parking Benefit Program

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