

**Memorandum of Agreement (MOA) between the Corporation for  
National and Community Service  
And  
The Corporation for National and Community Service Employees  
Union**

**In regards to the  
Corporation's Bicycle Benefit Policy**

Agreed to on 12/15/2010

For the Corporation Management Robert Velasco

For the Corporation Union Kelly Daly

## **Section 1. Purpose**

This agreement states the guidelines and procedures for the Corporation for National and Community Service (CNCS) Bicycle Benefit program. Participant violations of these rules may be grounds for revocation of the participant's benefit and/or result in disciplinary action.

## **Section 2. Background**

In 1993, Congress enacted the Federal Employees Clean Air Incentives Act, Pub. L. No. 103-172, 107 Stat. 1995 (Dec. 2, 1993), codified as 5 U.S.C. § 7905, which authorizes each Agency head to establish a program to encourage employees to use means other than single occupancy motor vehicles to commute to and from work.

On January 1, 2009, the qualified bicycle commuting reimbursement was added to the list of qualified transportation fringe benefits covered in section 132 (f) of the Internal Revenue Service Code, which addresses the tax consequences of certain fringe benefit programs.

The Bicycle Commuter Act passed as an inclusion to the larger Renewable Energy Tax Credit legislation in 2008. The original intent of the provision was to provide a simple, equitable solution for cyclists to receive a qualified transportation benefit similar to the benefit provided to employees who take public transit to and from work.

## **Section 3. Definitions**

1. **Daily commute to and/or from work.** The daily bicycle trip to and from the participant's residence and place of employment.
2. **Substantial Portion of Travel.** Using a non-motorized bicycle for a portion of travel (at least 10 roundtrip commutes) when commuting to and from work during each month.
3. **Non-motorized bicycle.** A bicycle is a human-powered vehicle designed to transport by the act of pedaling.
4. **False Claim.** Knowingly presenting or knowingly causing to be presented to the Federal Government an untrue statement to obtain payment or funds from the Federal Government.
5. **Qualified participant.** A Federal employee and volunteers providing services under United States Code, Title 5, Government Organization and Employees (5 U.S.C. § 2105).
6. **Commuting Cost.** Bike lock, bike parking/storage, bike upgrades (lights, rack), repairs and general maintenance.

#### **Section 4. Policy**

1. Per Statute, participants applying for the bicycle benefit program are NOT eligible for other transportation benefits (e.g., transportation in a commuter highway vehicle, transit pass, or qualified parking benefits) during the months they receive the bicycle commuting benefit.
2. CNCS will reimburse up to the monthly IRS limit (currently \$20 per month, not to exceed \$240 per calendar year), toward bicycle commuting expenses for eligible participants, effective January 1, 2011.
3. Participants regularly using a non-motorized bicycle for a substantial (10 roundtrip commutes or greater) portion of travel between the participant's residence and the worksite can receive assistance to defray some of the costs they incur. Bicycle commuting costs under this program may include the purchase of a commuter bicycle, bike lock, bike parking/storage, bike upgrades (lights, racks), repairs and general maintenance. These are considered reasonable expenses as long as the bicycle and equipment are regularly used for travel between the participant's residence and place of employment.
4. The benefit will be provided through a cash reimbursement method twice a year. Participants will certify bicycle-commuting months on the form provided under Section 6 of this Policy.
5. Participants may claim reimbursement for an item that costs more than the monthly limit only in the calendar year of the purchase. Participants must follow the procedures for submitting claims for reimbursement as outlined under Section 6. Receipts for covered expenses, certification form, and a paper SF 1164 form must be submitted in March and/or September after the participant has incurred the expense. The only exception will be when the participant is leaving the CNCS and must apply for reimbursement off schedule. The participant is responsible for submitting documentation of cost.
6. Participants are required to self certify the amount they spend each month, for items which reimbursement is sought under the bicycle benefit program.
7. The participant is responsible for submitting these claims for reimbursement twice per calendar year as detailed in Section 6.
8. The participant is responsible for certifying bicycle commuting on the proper forms as detailed in Section 6.
9. All bicycle benefit participants must adhere to this policy and the rules of the building policy for safeguarding a bicycle on CNCS-owned or leased property.

## **Section 5. Roles and Responsibilities**

The Office of Human Capital (OHC) administers the CNCS Bicycle Benefit Program. The role of the OHC is to:

- serve as a point-of-contact for questions regarding the program;
- ensure a supervisor or appropriate person signs the SF 1164; and
- establish and implement internal controls for employee participation.

The role of the participant under 5 U.S.C. § 2105 in the Bicycle Benefit Program is to:

- complete all paper work as described in the policy for the Bicycle Benefit Program;
- understand the scope and limitations of the Bicycle Benefit Program;
- not make a false claim;
- understand the penalties involved in misuse or false claims involving the bicycle benefit;
- not receive any other transit benefit during the month the bicycle benefit is claimed; and
- understand it is a violation of law to provide false or fraudulent information to the Federal Government to obtain the bicycle benefit.

## **Section 6. CNCS Bicycle Benefit Program Process**

1. Complete the certification form found in Appendix A.
2. Complete SF Form 1164 found in Appendix B. Attach receipts and obtain the appropriate signatures.
3. Turn in the certification form with the appropriate receipts and signatures, the completed SF Form 1164, to the Office of Human Capital, Transit Benefit Coordinator, Room 10710, Washington, DC,
4. Submission dates are as follows: Between July 1 and July 31 for costs incurred from January through June. Between December 1 and December 24 for costs incurred from June through December.
5. The cash reimbursement will be posted to the participant's account within 30 days after approval:

## **Section 7. Applicable Laws and Regulations**

- Federal Employees Clean Air Incentives Act, Pub. L. No. 103-172, 107 Stat. 1995 (Dec. 2, 1993), codified at 5 U.S.C. § 7905.
- Internal Revenue Code, 26 U.S.C. § 132.

## **Section 8. Frequently Asked Questions**

### Frequently Asked Questions (FAQs)

	Questions	Answers
1	What is the bicycle benefit?	<i>An employer-provided reimbursement intended for the purpose of defraying some of the costs a bicycle commuter may incur.</i>
2	What is considered a bicycle-commuting month?	<i>A qualified bicycle commuting month is any month in which a participant: (1) regularly (10 round trips or more) uses a bicycle for travel between his/her residence and his/her place of employment or the employee's tour of duty, AND (2) does not receive any other qualified transportation benefit such as transit and/or parking.</i>
3	Who is eligible under Section 132?	<i>CNCS Federal employees and volunteer interns providing services under 5 U.S.C. § 2105.</i>
4	Do I have to commute via bicycle every day in order to qualify for the benefit?	<i>No. In order to qualify for the bicycle benefit, you must use a non-motorized bicycle for at least 10 round trips to and from work each month.</i>
5	Is the bicycle benefit taxable?	<i>No. In 2010 and 2011 you are eligible to receive up to \$20 per month tax-free. This amount may be increased by the IRS.</i>
6	What is the maximum amount of reimbursement I can receive?	<i>Currently, CNCS will reimburse up to \$20 per month, not to exceed up to \$240 per calendar year, toward bicycle commuting expenses for eligible participants. This amount may increase as IRS rules permit.</i>
7	How do I know if I am eligible for the bicycle benefit?	<i>Participants regularly using a non-motorized bicycle for at least 10 round trips between the participant's residence and the worksite can receive assistance defraying some of the costs a bicycle commuter may incur.</i>
8	I am new. How do I apply?	<i>Complete the certification form (make sure you have Direct Deposit if this is your first submission) and a SF Form 1164. Attach receipts to the completed SF Form 1164, obtain the proper signatures for supervisor and/or authorized certifying officer and turn the packet in to the Transit Coordinator within the Office of Human Capital. The cash reimbursement will be posted to your personal account. If you are parking your bicycle at a CNCS owned or leased site, you must adhere to the rules and policy of the garage and/or building policy for safeguarding a bicycle. The Corporation is not responsible for theft or damage to bicycles.</i>

9	Is the certification form required every month?	<i>Yes. You must certify each month that you used a non-motorized bicycle for a substantial (50 percent or greater) portion of travel between your residence and your worksite. Submit the certification form in March and/or September (see table on page 12). You must keep a record of the months that you commute via bicycle and items purchased so you are able to complete the certification form correctly.</i>
10	What costs are covered?	<i>Bike lock, bike parking/storage, bike upgrades (lights, rack), and general maintenance.</i>
11	Some months, I take mass transit to work and receive the transit benefit. Can I receive both the transit benefit and bicycle benefit in the same month?	<i>No. An employee cannot receive both the transit benefit and bicycle benefit in the same month.</i>
12	Are there specific dates to apply for reimbursement?	<i>Beginning January 2011, the following reimbursement dates apply: Items purchased in January through June should be submitted for reimbursement no later than July 31. Items purchased in July through December 2011 must be submitted for reimbursement no later than December 24.</i>

13	I bought a bicycle helmet for \$50 in March. Will I only receive up to \$20?	<p><i>No. A qualified bicycle reimbursement may be claimed in more than one month, not to exceed 12 months within the calendar year of the purchase. You will be able to submit the helmet receipt on the certification form you submit in September.</i></p> <p><i>Since you purchased the helmet in March, you may claim the amount in July. You can receive up to \$20 per month for qualifying items purchased. For example, in March you buy a helmet for \$50. On the certification form, you certify that you used a non-motorized bicycle for a substantial (50 percent or greater) portion of travel between your residence and your worksite in March, April and May. In July, you may claim \$20 for March, \$20 for April, and \$10 for June.</i></p> <p><i>Please note that you are only able to submit a reimbursement claim for up to \$20 during the months in which you commuted a substantial portion (50 percent or greater) to and from work by bicycle.</i></p>
14	I bought a bicycle lock and helmet in March. The total of both items equals \$60. Am I able to apply for reimbursement for both items?	<p><i>Yes. A qualified bicycle reimbursement may be claimed more than one month, not to exceed 12 months within the calendar year of the purchase. You may submit the lock and helmet receipts on the certification form you submit in July. Since you purchased the lock and helmet in March, you may claim the amount in July. You can receive up to \$20 per month for qualifying items purchased. For instance, in March you buy a lock and helmet totaling \$60. You certify that you commuted to and from work by bicycle for a substantial (50 percent or greater) portion of that travel for March, April and June. In July, you may claim \$20 for March, \$20 for April and \$20 for June. Please note that you are only able to submit a reimbursement claim for up to \$20 during the months in which you commuted a substantial portion (10 days or greater) to and from work by bicycle.</i></p>

15	I bought a bicycle in December for \$1,000. Can I claim \$240 over the next couple of months?	<i>No. If you commuted to and from work by bicycle for a substantial portion of December, you are only eligible to receive \$20. The IRS Regulations stipulate that a qualified bicycle reimbursement may be claimed more than one month, not to exceed 12 months within the calendar year of the purchase. Expenses incurred late in the calendar year cannot be carried over into the following year.</i>
16	I bought a bicycle in January for \$1,000. Can I claim \$240 over the next couple of months?	<i>Yes. IF you commuted 10 round trips or greater by bicycle to and from work for twelve months. You can submit a claim for January through June in July for \$120. You may submit a claim for July through December by December 24<sup>th</sup> for \$120.</i>
17	I certified for January through June, but purchased a bicycle for \$500 in March. Can I claim this purchase for January and February?	<i>Yes. Since you commuted 10 days or greater by bicycle to and from work during January through April, you may submit a claim in July for \$120. You may claim \$20 for January, \$20 for February, \$20 for March, \$20 for April, \$20 for May, and \$20 for June. Furthermore, you may claim an additional \$120 July through December. The IRS Regulations stipulate that a qualified bicycle reimbursement may be claimed more than one month, not to exceed 12 months within the calendar year of the purchase.</i>

### **How the Bicycle Commuting Benefit Works**

A qualified bicycle commuting benefit reimbursement means any employer, if they chose to do so, may provide a reimbursement of up to \$20 per month for reasonable expenses incurred by the participant in conjunction with their commute to work by bicycle.

Unlike the other qualified transportation fringe benefits, a qualified bicycle commuting reimbursement benefit cannot be funded through employee pre-tax income, nor can an employee receive both the transit benefit and bicycle benefit in the same month.

Please note the table below for the reimbursement schedule

<b>Year</b>	<b>Expense Date</b>	<b>Reimbursement Date</b>
FY 2011	1/1 to 6/30	Between July 1 and 31.
FY 2011	7/1 to 12/24	Between December 1 and December 24.
FY 2012 and on-going	1/1 to 6/30	Between July 1 and 31.

**Appendix A**

Claims for reimbursement will be accepted by the Office of Human Capital (OHC) twice yearly during the months of July and/or December. Attach the completed form below and your paid receipt(s) to a paper form 1164. Proper signatures are required. An exception to this timeline occurs when a participant is leaving the Corporation.

<p>January – Year _____  I certify that I rode my bike to and from work a minimum of 50% of my commute this month. Receipt(s) for expenses are attached.</p> <p>_____  Participant Initials</p>	<p>February – Year _____  I certify that I rode my bike to and from work a minimum of 50% of my commute this month. Receipt(s) for expenses are attached.</p> <p>_____  Participant Initials</p>
<p>March – Year _____  I certify that I rode my bike to and from work a minimum of 50% of my commute this month. Receipt(s) for expenses are attached.</p> <p>_____  Participant Initials</p>	<p>April – Year _____  I certify that I rode my bike to and from work a minimum of 50% of my commute this month. Receipt(s) for expenses are attached.</p> <p>_____  Participant Initials</p>
<p>May – Year _____  I certify that I rode my bike to and from work a minimum of 50% of my commute this month. Receipt(s) for expenses are attached.</p> <p>_____  Participant Initials</p>	<p>June – Year _____  I certify that I rode my bike to and from work a minimum of 50% of my commute this month. Receipt(s) for expenses are attached.</p> <p>_____  Participant Initials</p>
<p>July – Year _____  I certify that I rode my bike to and from work a minimum of 50% of my commute this month. Receipt(s) for expenses are attached.</p> <p>_____  Participant Initials</p>	<p>August – Year _____  I certify that I rode my bike to and from work a minimum of 50% of my commute this month. Receipt(s) for expenses are attached.</p> <p>_____  Participant Initials</p>
<p>September – Year _____  I certify that I rode my bike to and from work a minimum of 50% of my commute this month. Receipt(s) for expenses are attached.</p> <p>_____  Participant Initials</p>	<p>October – Year _____  I certify that I rode my bike to and from work a minimum of 50% of my commute this month. Receipt(s) for expenses are attached.</p> <p>_____  Participant Initials</p>
<p>November – Year _____  I certify that I rode my bike to and from work a minimum of 50% of my commute this month. Receipt(s) for expenses are attached.</p> <p>_____  Participant Initials</p>	<p>December – Year _____  I certify that I rode my bike to and from work a minimum of 50% of my commute this month. Receipt(s) for expenses are attached.</p> <p>_____  Participant Initials</p>

Participant Name: \_\_\_\_\_

Participant Signature: \_\_\_\_\_ Date: \_\_\_\_\_



