



Commuter Benefits

January 2010

The cost of gas—and the desire to be kinder to our environment—has many associates parking their cars and turning to bus and train transportation for their daily commute. If you're among them—or still driving, but thinking about making the change—Advocate has good news: the Commuter Benefits Program.

This program is available for the benefit of active Advocate associates only.

Pre-tax dollars cut transportation costs

When you enroll in the Advocate Commuter Benefits Program, you can use pre-tax dollars to pay the cost of your commuter-related bus and train fares—cutting the cost of these fares by as much as 20 to 40%.

How the Commuter Benefits Program works

When you enroll, you decide an amount to deduct from your paycheck each month—up to the \$230 a month maximum allowed under IRS guidelines. The amount is automatically deducted from your paychecks the second pay period each month before any taxes (payroll or income) are taken from your earnings. You can use these pre-tax dollars to pay for monthly transportation passes, fare cards and/or vouchers for buses and trains.

Your dollars go farther when they're tax free

Contributions to your Commuter Benefits account are exempt from federal income taxes, Social Security (FICA) taxes and, in most cases, state income taxes. Together, these taxes total 20% to 40% of your pay.

When you pay for your monthly commuter passes with pre-tax dollars, your dollars go farther.

Here's how:

Let's assume:

- Your monthly train pass is \$75
- You pay 20% in income taxes, and
- You decide to contribute \$75 each month to the Commuter Benefits Program.

Your tax savings reduce your monthly commuter-related transportation costs by \$15—and that's money that you can spend on other things (or save)!

	What you'll pay if...	
	You participate in the Commuter Benefits Program:	You do NOT participate in the Commuter Benefits Program:
Cost of monthly ticket*:	\$75	\$75
Monthly pre-tax contribution:	\$75	\$75
Amount you save on taxes (at 20%)	\$15	\$0
Out-of-pocket costs:	\$60	\$75
You save:	\$15	\$0

* Monthly cost of Chicago Card Plus available through Chicago Transit Authority.

What's eligible? What's not?

The IRS determines what type of commuter expenses can be paid using a Commuter Benefits account.

Expenses eligible for payment through your account:	Expenses NOT eligible for payment through your account:
<ul style="list-style-type: none">• Monthly passes• Fare cards• Vouchers for buses or trains	<ul style="list-style-type: none">• Bridge tolls• Road tolls• Gas• Mileage• Carpool or taxi (unless the vehicle meets the requirements of vanpooling)• Spouse or dependent commuting expenses

Planning your commuter expenses

The key to getting the most from the Commuter Benefits Program is to use it to cover as much of your monthly commuter-related expenses as possible—up to the IRS-allowed limit. To figure out your contributions, follow these simple steps.

1. Review the list of eligible expenses.
2. Determine which of your commuting expenses are eligible under the plan.
3. Write down the total monthly amount you spend for eligible transportation costs.

You're done! The amount of your purchase should reflect your actual cost of commuter passes each month. Remember—your contributions are calculated monthly, not annually. It's also important to remember that your Commuter Benefits account is not a savings account. You may use your contributions only to pay eligible commuting expenses.

Manage your Commuter Benefits account online

You can save time—in addition to dollars—when you manage your account in the Advocate Commuter Benefits Program online at www.flexdirect.adp.com.

You can access your online account any time, day or night. This 24/7 access allows you to:

- **Skip ticket lines**—you can choose convenient home delivery of your commuter passes.
- **Eliminate “buy metro pass” from your monthly to-do list**—you can schedule automatic recurring purchases of your commuter passes.

- **Make changes when your commuting plans change**—you can change your commuter pass order or how you pay for it as often as every month.
- **Make changes when your commuting costs changes**—you can reduce or increase your contribution amount.

Getting started... easy as 1, 2, 3

1. Access the Participant Login section of the www.flexdirect.adp.com website and register as a first time user. You will be prompted to create a Username and Password.
2. Verify your address under the Participant Profile tab. If it is incorrect, please update it with HR Direct.
3. Update your e-mail address on the Participant Profile tab. There is no letter mailing option.
4. To set-up a new order, click on *Commuter Benefits*, then click on *Transit Order* then follow through the subsequent screens. You will be given the option to choose a transportation pass, fare card and/or voucher for the state you commute in. Once you fill in the necessary information, you will be sent to the *Pending Orders* page where you will see your new order.
5. Your order will be confirmed via email within 24 hrs. Soon after the close of the enrollment/change period, your payroll deductions will begin.
6. Your pass will be mailed to you for use in the following month.

Once enrolled, you can choose to have commuter passes purchased on your behalf automatically; each month a new pass will be mailed to your home. If you wish, you can change your order each month. In any case, you do not have to re-enroll each year; you will remain enrolled until you choose to end your participation in the program.

If you have any questions, you can call 800.654.6695 and talk with a customer service representative Monday–Friday, 7 a.m. to 7 p.m. CT.

Important! To use pre-tax dollars to buy a bus or train pass starting any subsequent month you must enroll in the Commuter Benefits Program no later than the 4th of the preceding month.