



Commandant
United States Coast Guard

2100 Second Street, S.W.
Washington, DC 20593-0001
Staff Symbol: CG-843
Phone: (202) 372-3651
Fax: (202) 372-3948
E-mail: Yvonne.C.Hicks@uscg.mil

COMDTINST 5382.1
DEC 22 2008

COMMANDANT INSTRUCTION 5382.1

Subj: COMMUTER TRANSIT SUBSIDY BENEFITS PROGRAM

- Ref:
- (a) Title 5 United States Code Section 7905
 - (b) Public Law 103-172, Federal Employees Clean Air Incentives Act, effective January 1, 1994
 - (c) Executive Order 13150 of April 21, 2000 (codified by 5 USC 7905)
 - (d) Public Law 102-486, Section 1911, Treatment of Employer Provided Transportation Benefits, effective December 31, 1992
 - (e) Treasury, Postal Service and General Government Appropriations Act, 1991 (Public Law 101-509, 104 STAT. 1389,1478)
 - (f) Qualified Transportation Fringes Under Code 26 USCA, Section 132(f) & United States Code Annotated Title 26 Internal Revenue Code Section 132(f) (Cumulative Annual Pocket Part)
 - (g) Information and Life Cycle Management Manual, COMDTINST M5212.12 (series)
 - (h) Federal Transit Benefits Program: Ineffective Controls Result in Fraud and Abuse by Federal Workers Report: GAO-07-724T April 24, 2007
 - (i) The Coast Guard Freedom of Information and Privacy Acts Manual, COMDTINST M5260.3 (series)
 - (j) Privacy Incident Response, Notification, and Reporting Procedures for Personally Identifiable Information (PII), COMDTINST 5260.5 (series)
 - (k) Physical Security and Force Protection Program, COMDTINST M5530.1 (series)

1. **PURPOSE.** As required by references (a), (b), (c), and (d), this Instruction prescribes policies and procedures governing the procurement, issue, use, monitoring, and reporting of fares benefits for Coast Guard members/employees who commute via public mass transportation.
2. **ACTION.** Area, district, and sector commanders, commanders of maintenance and logistics commands, Commander Deployable Operations Group, commanding officers of headquarters units,

DISTRIBUTION – SDL No. 150

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	
A	1	1			1	1		1					1	1	1		1	1			1						
B		8	20*	1	12	1		3	2			2		1				3		2			1				
C	3	3	1		2		2				2	1	5		1	1				1				2			
D		1		5	1					1															2	1	
E													2					1									
F																											
G																											
H																											

NON-STANDARD DISTRIBUTION: B:c MLC 6 extra

assistant commandants for directorates, Judge Advocate General, and special staff offices at Headquarters shall ensure that the provisions of this Instruction are followed. Internet release is authorized.

3. DIRECTIVES AFFECTED. None.
4. BACKGROUND. Section 7905 (b)(1) of reference (a) authorizes the head of each agency to establish a program to encourage employees of such agency to use means other than single-occupancy motor vehicles to commute to or from work. Public Law 101-509 authorizes Federal agencies to use appropriated funds to pay all or a portion of their employees' public transportation costs, provided such payments are in conjunction with existing programs encouraging the use of public mass transportation. Section 629 of reference (e) contains specific statutory authority for the Federal Government to subsidize an employee's cost of commuting to and from work. The IRS originally permitted the exclusion from fringe benefit taxation of no more than \$21 per month of public transit fare benefit provided to participants who commute by public transportation. Section 2105 of Title 5, United States Code, defines the term "employee" for purposes of Section 629. 26 USCA, Section 132(f)(2)(A) of reference (f) establishes the monthly maximum level allowed by law. The monthly maximum limitation under Section 132(f)(2)(A) is published annually by the Internal Revenue Service in the Annual Cost of Living Adjustments. Reference (e) provides statutory authority for the use of appropriated funds for fare benefits. Reference (d) provides guidelines for the reimbursement of participants and the authority for van pools to participate in the employer-provided transportation benefits. Carpools do not qualify for reimbursement under the Commuter Transit Subsidy Benefits Program. Together, the statutes and regulations provide the authority for the Coast Guard to establish a fare benefit program that encourages personnel to commute to and/or from work via public mass transportation. This program shall be effective contingent upon statutory law.
5. DISCUSSION. Coast Guard participants may receive a monthly transit benefit equal to their actual commuting cost, not to exceed the monthly maximum limitation established by the IRS. The benefit is either a nontaxable individual fare benefit or the local monthly cost of public mass transportation, whichever is less, consistent with IRS policy. Commandant (CG-843) shall centrally manage the program and maintain the appropriate records, which will include the official copy of each directive issued, along with significant historical background materials and program financial cost data. The historical records will be maintained permanently; *certain* records such as procurement files will be maintained either for 6 years/3 months or 3 years after final payment (for transactions exceeding \$2,000 or below this threshold accordingly) (ref(g); GRS 3, item 3.a). Maintenance and logistics commands (MLCs), districts, headquarters (HQ) units, and field units will also retain pertinent records. These records include, but are not limited to, a database of participants, and copies of the application forms (DOT F-1700.18A), applicable recertification forms (CG-5563), and the unit's monthly accountability reports (CG-5564). These records will be retained for five (5) years (reference (g)).

- a. Definitions. The following definitions pertain to this program and are used in this Instruction.
- (1) Mass Transit System / Public Mass Transportation System – Any system identified by the local public transit authority or the local transit service agency as a public mass transit system.
 - (2) Commuter Transit Subsidy Benefits Program – An approved Headquarters-funded program that encourages Government employees to use public mass transportation.
 - (3) Fare Media – Any token, voucher, fare card, or other instrument which enables the holder to use the mass transit system.
 - (4) Fare Benefit – The monthly cost of fare media excludable from taxation. The monthly individual participant benefit shall not exceed the maximum limitation established by the IRS.
 - (5) Participants – Active duty Coast Guard military personnel, U.S. Public Health Service officers and U.S. Navy chaplains assigned to the Coast Guard, Coast Guard civilian and nonappropriated fund (NAF) personnel who are certified and active in the Commuter Transit Subsidy Benefits Program. Civilian and NAF personnel may be full-time, part-time, or temporary employees. Unpaid interns are not eligible.
 - (6) Local Program Manager – A person designated by the unit commanding officer or officer in charge of the unit to be responsible for the proper operation and accountability of the local Commuter Transit Subsidy Benefits Program.
 - (7) Fare Media Approving Official – A individual, designated by the commanding officer, who orders fare media, reviews and approves individual applications for participation in the local Commuter Transit Subsidy Benefits Program, and certifies each applicant's eligibility to participate in the program. This individual also signs the Claim for Reimbursement for Expenditures on Official Business (SF-1164) as the approving official and reviews, signs, and submits the Mass Transit Fare Benefit Program Accountability Report (CG-5564) to Commandant (CG-843).
 - (8) Fare Media Custodian and Alternate – The Fare Media Custodian is an individual, designated by the commanding officer, who prepares orders for fare media; receives, stores, and issues fare media; receives reimbursement requests (accompanied by receipts if appropriate); issues and maintains accountability of recertification forms; and is responsible for maintaining the unit's transit benefit program records. The Alternate Fare Media Custodian is a designated individual who operates in the absence of the fare media custodian.
 - (9) Authorized Certifying Official – A designated individual who certifies vouchers for payment. For the Commuter Transit Subsidy Benefits Program, the ACO will be FINCEN.
 - (10) Van Pool – An arrangement by which a group of people commute to work in a commuter highway vehicle. The term "commuter highway vehicle" means any highway vehicle having a seating capacity of at least six adults (not including the driver) and for which at least eighty

percent of the mileage use is (1) for purposes of transporting employees in connection with travel between their residences and their place of employment, and (2) for trips during which the number of employees transported for such purposes is at least one half of the adult seating capacity (not including the driver). The van pool should be registered with a transit agency in its appropriate service area, if such a transit agency is available. By registering with the local transit agency or transit authority, members of the van pool can take advantage of benefits such as the Guaranteed Ride Home Program. Public Law 102-486, reference (d), allows a reimbursement by an employer to an employee for transportation in a commuter highway vehicle, and outlines the established criteria.

- (11) Free Federal Parking Benefit – Parking space on limited-access federally-owned or leased property provided without charge to members of a carpool. The parking space can also be provided at minimum discounted rate to carpool participants. Reference (d) Public Law 102-486, Section 1911, Treatment of Employer Provided Transportation Benefits, states the limitation exclusion for the fringe benefit of qualified parking which is provided by an employer to an employee and which may be excluded from gross income. Reference (f) Qualified Transportation Fringes Under Code 26 USCA, Section 132(f), authorizes the IRS to publish annually the limitation exclusion for qualified parking.

b. Participation.

- (1) Basic Eligibility. Any member who is willing to use public mass transportation is eligible to participate in the fare benefits program provided:

- (a) The member is not listed as a member or holder of a workplace motorized vehicle parking permit issued by a Federal agency; is not authorized to commute to and/or from the workplace via a Government vehicle; or is not using Government-provided parking at the workplace.
- (b) The member certifies that any benefits received under this program shall be used solely for the personal commuting use of that member to and from work.
- (c) The member certifies that the benefits received under this program shall not be given, sold, or otherwise transferred to another individual.

- (2) Partial Month Participation.

- (a) Absence. A participant who is unable to use the full value of the monthly fare media due to a temporary absence (e.g., TAD, leave, underway) must return all unused fare media that has an expiration date (i.e., that renders the media useless within the current month) to the Fare Media Custodian as soon as possible. The returned media may either be reissued to another eligible participant or returned to the vendor for credit. Fare media that has no expiration date may be retained by the participant for later commuting use. This shall not reduce entitlement in subsequent months.

(b) **Change in Eligibility.** Participants whose eligibility changes during a month due to a change of workplace or commuting mode shall be eligible to receive the monthly fare benefit for the period of eligibility.

- c. **Waste, Fraud and Abuse Controls.** Reference (h) documents instances of fraud, waste, and abuse in the Federal Transit Benefits Program. To prevent fraud, waste, and abuse, internal controls must be implemented in the Commuter Transit Subsidy Benefits Program. Adherence to the controls contained in the unit instruction (enclosure (1)) will be closely examined during audits. An annual review will be conducted by the Local Program Manager, and the results will be documented in a narrative report (RCN-5382-1). This report will be signed by the Local Program Manager and attached to the September monthly accountability report sent to Commandant (CG-843). The review will examine, for conformance with existing directives, at least the following areas: storage facilities, designation letters, relationship between the unit and the transit system(s), internal controls, and the completeness of the unit's instruction. The annual report will indicate that the review has been completed and will list any comments or concerns discovered in the review. Commandant (CG-843) will respond as required to each unit's annual report. The Local Program Manager must ensure that quarterly surprise audits are conducted and that the results are documented on the applicable monthly accountability report sent to Commandant (CG-843).
- d. **Commuter Transit Subsidy Benefits Program Plan.** Prior to implementing the program each participating unit must develop a draft unit instruction and submit it to Commandant (CG-843) for approval. A sample unit instruction is shown in enclosure (1). Upon approval, the unit instruction becomes the unit's Commuter Transit Subsidy Benefits Program Plan.
- e. **Funding.** Each participating district, MLC, and HQ unit that has an approved unit instruction will be designated an administrative target unit (ATU) and shall be assigned a separate program element. When administratively beneficial to the Coast Guard because of colocation or favorable geographic, facility, or service arrangements, one ATU may manage the benefit program for subunits specifically listed in the approved unit instruction. Commandant (CG-843) shall transfer funds to the ATU using the assigned program element. Each ATU is responsible for budgeting and reconciling these funds for their respective expenditures, including subunit expenditures as applicable. Each subunit purchasing fare media must be listed as a cost center for that ATU's program element. These funds are for the purchase of fare media and/or the reimbursement of participants. **Note: these funds are not reprogrammable and shall be returned to Commandant (CG-843) if not expended.**

6. RESPONSIBILITIES.

a. Program Management Responsibilities.

(1) Headquarters Program Manager, Commandant (CG-843), is responsible for:

- (a) Maintenance of historical (permanent) and other applicable records;
- (b) Review and approval of all unit instructions;

- (c) Management of the Commuter Transit Subsidy Benefits Program budget;
 - (d) Transfer of funds to specific ATU program elements;
 - (e) Receipt of any Commuter Transit Subsidy Benefits Program funds not expended;
 - (f) Receipt and review of the ATU's monthly accountability reports, including any consolidated quarterly reports and surprise audit reports;
 - (g) Receipt and review of the ATU's annual review report and any required response to address internal control and/or other issues;
 - (h) Preparation of any CG-wide consolidated reports as required.
- (2) The ATU Local Program Manager is responsible for:
- (a) Review of all subordinate unit instructions to ensure that local program coordination is maximized;
 - (b) Development of the ATU budget;
 - (c) Reconciliation of Coast Guard Finance Center (FINCEN)-generated Program Element Status (PES) Reports with subordinate unit expenditures;
 - (d) Ensuring that monthly accountability reports outlining program activity are being provided to Commandant (CG-843); and
 - (e) Authorization of fund expenditure for the purchase of, or reimbursement for, fare media.
- (3) Each ATU operating a Commuter Transit Subsidy Benefits Program is responsible for:
- (a) Development and implementation of a unit instruction;
 - (b) Verification of participant eligibility;
 - (c) Fare media distribution;
 - (d) Maintaining copies of individual applications;
 - (e) Recertification forms;
 - (f) Purchase receipts;
 - (g) Monthly accountability reports, quarterly surprise audit reports, and the annual review report; and
 - (h) Compliance with the overall program requirements.

(4) FINCEN is responsible for:

- (a) Processing purchase requests for fare media and related expenditures from the MLCs, districts, and HQ units against the appropriate individual statements of account for payment thereof;
- (b) Release of PES reports to the MLCs, districts, and HQ units; and
- (c) Certifying forms SF-1164 for payment by Treasury.

b. Command Responsibilities. Coast Guard commands that elect to establish a Commuter Transit Subsidy Benefits Program must implement the policies and procedures prescribed in this Instruction.

(1) Commanding Officer. The unit commanding officer or officer in charge will designate a Local Program Manager to be responsible for proper program operation and accountability. The Local Program Manager must then designate separate individuals to serve as:

- (a) Fare Media Approving Official;
- (b) Fare Media Custodian;
- (c) Alternate Fare Media Custodian; and
- (d) Audit Board members (two selections).

A copy of the designation letters must be sent to Commandant (CG-843). These individuals are held to a high standard of care and are personally liable in the event of a physical loss of fare media due to negligence.

(2) Colocated Commands. When two or more Coast Guard Commands are colocated, or where favorable geographic, facility, and/or services arrangements permit, one commanding officer should designate the Local Program Manager for all of the Coast Guard units in the area. The local Commuter Transit Subsidy Benefits Program Plan must name the Local Program Manager and indicate all participating Coast Guard units in the area. The Local Program Manager must include all internal and inter-unit implementing guidance in the unit instruction which is submitted to Commandant (CG-843).

7. PRIVACY ACT REQUIREMENTS. The policy and procedures outlined in reference (i) apply to individuals who are applicants and/or participants in the Commuter Transit Subsidy Benefits Program. In order to participate in this program applicants are required to provide personally identifiable information (PII). Consequently, Commanding Officers, program managers, custodians, and personnel implementing the provisions of this program shall ensure they diligently safeguard PII in accordance with reference (i). Unintended disclosure or compromise of an individual's PII constitutes a privacy breach. All suspected or confirmed privacy breaches must be reported in accordance with reference (j).

8. SECURITY REQUIREMENTS. The policy and procedures outlined in reference (k) apply to fare media safeguarding and storage.
9. ENVIRONMENTAL ASPECT AND IMPACT CONSIDERATIONS. Environmental considerations were examined in the development of this Instruction and have been determined to be not applicable.
10. FORMS/REPORTS. The forms called for in this Instruction are available in USCG Electronic Forms on the Standard Workstation or on the Internet: <http://www.uscg.mil/forms/>, CG Central at <http://cgcentral.uscg.mil/>, and Intranet at <http://cgweb2.comdt.uscg.mil/CGFORMS/Welcome.htm>. Claim for Reimbursement for Expenditures on Official Business, SF-1164, is available at <http://www.gsa.gov/Portal/gsa/ep/formsWelcome.do?pageTypeId=8199>. The annual report (RCN-5382-1) will be in a narrative format and may include tables, charts, and other illustrative formats to best communicate annual results.

K. A. TAYLOR /s/
Rear Admiral, U. S. Coast Guard
Assistant Commandant for Resources
Chief Financial Officer

Encl: (1) Sample Unit Instruction

Sample Unit Instruction

U.S. Department of
Homeland Security

United States
Coast Guard



Commanding Officer
Unit Name

Staff Symbol: Unit Staff Symbol
Phone: Unit Phone Number
Fax: Unit Fax Number
Email: POC E-mail Address

[INSERT UNIT ACRONYM] INST 5382.1
[INSERT DATE DD MMM YYYY]

[INSERT UNIT NAME] INSTRUCTION 5382.1

Subj: COMMUTER TRANSIT SUBSIDY BENEFITS PROGRAM

Ref: (a) Commuter Transit Subsidy Benefits Program, COMDTINST 5382.1 (series)

11. PURPOSE. This Instruction prescribes policies governing the [insert unit name] Commuter Transit Subsidy Benefits Program in accordance with reference (a).
12. ACTION. The Local Program Manager of the Commuter Transit Subsidy Benefits Program shall ensure compliance with the provisions of this Instruction. Participants of the program should be provided a copy of this Instruction.
13. DIRECTIVES AFFECTED. None.
14. DISCUSSION. By using public mass transportation to commute to and from their workplace, Coast Guard participants may receive a transit benefit equal to their actual commuting cost, not to exceed the monthly maximum limitation established by the Internal Revenue Service.
15. PROCEDURE. Program procedures and definitions are included in the [insert unit name] Commuter Transit Subsidy Benefits Program Plan, Enclosure (1).
16. ENVIRONMENTAL ASPECT AND IMPACT CONSIDERATIONS. Environmental considerations were examined in the development of this Instruction and have been determined to be not applicable.
17. FORMS/REPORTS. The forms called for in this Instruction are available in USCG Electronic Forms on the Standard Workstation or on the Internet: <http://www.uscg.mil/forms/>, CG Central at <http://cgcentral.uscg.mil/>, and Intranet at <http://cgweb2.comdt.uscg.mil/CGFORMS/Welcome.htm>

[COMMANDING OFFICER SIGNATURE]

Encl: (1) [Insert unit name] Commuter Transit Subsidy Benefits Program Plan

Sample Commuter Transit Subsidy Benefits Program Plan

[Insert unit name]

COMMUTER TRANSIT SUBSIDY BENEFITS PROGRAM PLAN

Fare Benefits for Coast Guard Personnel
Commuting via Public Transportation
In the Area of [insert geographic area covered]

Unit Program Manager: [Insert title of Local Program Manager]

Telephone Number: [Insert phone number with area code]

Telefax Number: [Insert FAX number with area code]

1. Commands and Organizational Units Covered by this plan:

[List the names of each participating command, one per line. Each command must certify their endorsement to follow the procedures prescribed for the implementation of this program. One enclosure is required for each command's endorsement.]

Note: In the event of colocated commands, follow the guidance in paragraph 6.b.(2) of Commuter Transit Subsidy Benefits Program, COMDTINST 5382.1 (series).

2. Mass Transit Services Included in Program: [List the mass transit carriers or systems, the modes of transportation, the types of fare media that will be purchased, and the purchase price of each type of fare media in the table below.]

Transit Carrier or System	Mode	Type of Media	Purchase Price
[insert name]	[e.g., Rail, Bus]	[e.g., dollar value fare cards, one-way tokens, monthly passes]	

3. Eligibility and Application Requirements.

a. Eligible Participants. Coast Guard military members and civilian employees (including nonappropriated fund employees) of [list CG units from paragraph 1] who use public transportation and who certify that they are not listed as members or holders of a workplace motorized parking permit issued by a Federal agency, do not use a Government parking space, and do not have the use of a Government vehicle for commuting to and/or from their workplaces. Eligibility for the benefit starts on the date that the application is approved and is not retroactive.

b. Participant Initial Application. The application form, DOT F 1700.18A, is available from the USCG Adobe Forms Library.

- (1) Applicants shall furnish all of the information requested on the application form before submitting it for approval. The applicant shall sign the form, thereby certifying that the fare media is for the participant's personal commute to and/or from work and that the fare media shall not be transferred to another individual.
- (2) The Fare Media Approving Official (described in paragraph 4 below) shall complete the Accounting Classification and the Approved for Availability of Funds information. The cost center's name is written on the Operating Administration line. The Fare Media Approving Official shall then sign on the Signature of Approving Official line.
- (3) The Fare Media Approving Official shall write the first month that the participant is eligible to use the program in the upper left corner of the application.

c. Participant Monthly Recertification. The recertification form, CG-5563, is available from the USCG Adobe Forms Library.

- (1) Each month, participants in the fare benefit program who receive physical fare media or who wish to be reimbursed for fare media expenditures must recertify their eligibility on form CG-5563. Participants who receive benefits electronically through local transit systems (e.g., Washington DC area Metro "smart card" recipients) must report any changes in circumstances that impact fare benefits (e.g., address change or decision to carpool) to their local program manager and recertify as applicable. Recertification criteria for eligibility are the same as the initial eligibility criteria stated in paragraph 3.a. Participants shall sign the form, thereby certifying that the fare media is for the participant's personal commute to and/or from work and that the fare media shall not be transferred to another individual.

4. Fare Media Approving Official. [Insert title of Local Program Manager] shall designate in writing a Fare Media Approving Official (hereinafter referred to as the "Approving Official"). The designee must be a commissioned or warrant officer, a petty officer in pay grade E-6 or above assigned duties as executive petty officer, or a civilian employee in grade GS-9 or above. The Approving Official may not be designated as a Fare Media Custodian or an Alternate Fare Media Custodian (described in paragraph 5 below).

a. Responsibilities. The Approving Official is responsible for:

- (1) Ordering fare media;
- (2) Reviewing and approving applications for participation in the local Commuter Transit Subsidy Benefits Program per paragraph 4.b below;
- (3) Verification of continued eligibility prior to the monthly issue of fare media or the approval of reimbursement claims per paragraph 4.b below; and
- (4) Approval of SF-1164 claims per paragraph 4.b.(7) below.

Note: These responsibilities may not be re-delegated. If the Approving Official is a participant in the Commuter Transit Subsidy Benefits Program, then the Local Program Manager shall perform the approval / disapproval function for the Approving Official.

- b. Review and Approval Process. The Approving Official performs the following tasks:
- (1) Review the application form, DOT F 1700.18A, for completeness. If the application is completely filled out, proceed with the approval process. Incomplete application forms shall be returned to the applicant.
 - (2) Verify that the applicant will be using a transit system, is not a member or holder of a workplace motorized vehicle parking permit issued by a Federal agency, is not authorized to commute with a Government vehicle to and/or from the workplace, and is not using Government-provided parking at the workplace.
 - (3) If the applicant participates in a workplace motorized vehicle parking permit issued by a Federal agency, uses a Government vehicle to commute to/from the workplace, or is using Government-provided parking at the workplace, the applicant must request removal from the respective list so that the application may be approved. Otherwise, the Approving Official shall write the word “VOID” across the application and return it to the applicant.
 - (4) When the applicant is determined to be eligible to participate in the program, complete the “Approved for Availability of Funds” section, including signature, and distribute the form as follows:
 - (a) One copy to Commandant (CG-843) (monthly mailings are sufficient);
 - (b) One copy to the Fare Media Custodian (described in paragraph 5 below). The Approving Official shall be the only individual who delivers approved applications to the Fare Media Custodian.

Exception: When the Local Program Manager signs the Approving Official’s application, the Local Program Manager shall deliver the application directly to the Fare Media Custodian.
 - (c) One copy to the applicant.
 - (5) Prior to the issue of monthly fare media or reimbursement for fare media purchased, recertify the participant’s eligibility per paragraph 4.b.(2) above.
 - (6) Sign the recertification forms (CG-5563) and monthly reports (Form CG-5564) generated by the Fare Media Custodian in the Approving Official block.
 - (7) Fill in the Accounting Classification and document identification information for forms SF-1164 submitted by eligible program participants. Sign the forms in the Approving Official block and forward them to FINCEN.

Note: Approving Officials are NOT authorized to sign in the Authorized Certifying Officer

block.

5. Fare Media Custodian and Alternate Fare Media Custodian: [Insert title of Local Program Manager] shall designate in writing a Fare Media Custodian (“Custodian”) and an Alternate Fare Media Custodian (“Alternate”). Each designee must be a commissioned or warrant officer, a petty officer in pay grade E-6 or above, or a civilian employee if grade GS-7 or above. Any exceptions to this rule must be approved by Commandant (CG-843). Authority to approve such requests may not be re-delegated.
 - a. Responsibilities of the Custodian. The Custodian is responsible for receiving, storing, and issuing fare media and for preparing media orders for the signature of the Approving Official. Additionally, the Custodian is responsible for maintaining accurate accounting records and preparing required reports.
 - (1) Ordering of Fare Media. The Custodian is responsible for preparing the purchase request for the purchase of fare media from the transit carriers listed in paragraph 2. The Custodian shall determine the amount of fare media to order each month based on approved applications and recertification forms. After determining the dollar amount of fare media to purchase, the Custodian shall verify the availability of funds. Fare media purchases shall be executed in accordance with procurement procedures outlined in the Simplified Acquisitions Procedure (SAP) Handbook, COMDTINST M4200.13 (series).
 - (2) Receipt of Fare Media. Upon receipt of the purchased fare media, the Custodian shall immediately verify the media received against the purchase order for accuracy and completeness. The Custodian shall record the fare media receipt in the accountability ledger, noting the date of receipt, the dollar value, the source of the media, and the quantity of fare media received.
 - (3) Storage of Fare Media and Custodian Records. All fare media, ledgers, and supporting documents shall be stored in the approved storage container.
 - (4) Issue of Fare Media.
 - (a) The Custodian shall notify all program participants of the dates, times, and places for the issue of fare media.
 - (b) The Custodian shall issue fare media to or receive SF-1164 forms from only those individuals who have an approved application on file with the Custodian and whose eligibility has been certified by the Approving Official for the current month. The Custodian shall accept only approved applications from the Approving Official, except as noted in paragraph 4.b.(4).(b). Each participant in the program must present a valid military or DHS employee photo ID before being issued fare media. In no case will fare media be issued to an individual’s agent. All physical fare media shall be signed for on the monthly recertification form by the individual receiving the fare media.

- (c) The Custodian shall record each individual issue of fare media in the accountability ledger. Each ledger entry must include the date of issue, the dollar value, the type of media, and the quantity of media issued. Batch posting of multiple recertification-form issues on a single ledger line is not authorized.
- (5) Return of Fare Media. Participants may return unexpired fare media to the Custodian. The Custodian may then reissue the returned fare media to eligible program participants who have not been issued fare media for the current month (not to exceed the monthly maximum allowable benefit).
- (a) Issued fare media that has no expiration date (e.g., bus tokens) may be returned to the Custodian at any time. The Custodian shall store the fare media in the approved storage container until it can be reissued to eligible participants.
 - (b) Issued fare media that has a specific expiration date may be returned to the Custodian prior to the expiration date. If the Custodian is unable to reissue the fare media, the Custodian shall return the fare media to the vendor for either credit toward the next purchase or reissue in kind with updated fare media. All vendor credit must be documented by the vendor. If the vendor does not provide credit for returned fare media, the Custodian shall store the fare media in the approved storage container until it has expired, then destroy the fare media and document the destruction.
 - (c) The Custodian shall record all return, reissue, in-kind replacement, and destruction of fare media in the accountability ledger. All vendor credit shall be recorded in the financial ledger.
- (6) Issuing Reimbursements. The reimbursement claim form, SF-1164, is available from the USCG Adobe Forms Library.
- (a) The participant shall completely fill out blocks 1, 4 (a, b, c, d), 6 (a, b, c, d, g), 7, and 10 on form SF-1164, writing "Commuter Transit" in block 6c and "Subsidy Benefits" in block 6d. The participant shall submit the completed form to the Custodian along with all relevant mass transit receipts.
 - (b) Form SF-1164 must generally be submitted for payment no later than 15 days after the purchase of the fare media. The Custodian may grant an additional 30 days to the participant due to unforeseen circumstances such as TAD or a death in the family. All claims that refer to a purchase receipt after 45 days will be deemed unacceptable under the Commuter Transit Subsidy Benefits Program and will not be approved. Participants are responsible for submitting their claims in a timely manner, generally within the 15-day period, in order to receive the reimbursement.
 - (c) The Custodian reviews the form SF-1164 for completeness.
 - (d) The participant completes and signs the recertification form, CG-5563.

- (e) The custodian delivers the form SF-1164 and the mass transit receipt to the Approving Official.
 - (f) The Approving Official verifies the participant's eligibility in the program, reviews the SF-1164, fills in the accounting classification and document identification information in the appropriate block, and signs block 8 as the Approving Official.
 - (g) The Approving Official forwards the signed SF-1164 and the mass transit receipt to FINCEN.
 - (h) The participant receives a reimbursement check (or electronic payment) per FINCEN SOP.
- (7) Accounting for Fare Media. The Custodian is responsible for the maintenance of financial and media accountability ledgers, reports, and supporting documents. Ledgers shall be updated each day that fare media is received and/or issued, or forms SF-1164 are received. The ledgers must balance at all times. If an automated ledger system is used, a current backup of the ledger shall be maintained.
- (a) Financial Ledger. The financial ledger shall be used to track the unit's funding target (provided by the ATU), along with the unit's commitments, expenditures (including forms SF-1164), and vendor credits.
 - (b) Fare Media Accountability Ledger. Separate media accountability ledgers shall be maintained for each type of fare media (e.g., bus passes, tokens, rail passes). At a minimum, each ledger shall have columns for:
 - 1. Date and description of each transaction. Examples of transaction descriptions include receipts; issues; returns of unexpired fare media to Custodian; returns of unexpired fare media to vendor for credit; and lost, not accounted for, or destroyed fare media. For media that is returned, lost, or stolen, the ledger entry shall include the participant's name and the last four digits of the Social Security number.
 - 2. Dollar value and quantity of fare media received (e.g., purchase receipts, returns of unexpired media, and receipts of in-kind replacements from unexpired media returned to vendor).
 - 3. Dollar value and quantity of fare media expended (e.g., issues, returns of unexpired media to vendor for credit or in-kind replacement, and Custodian lost, not accounted for, or destroyed media). Do not include form SF-1164 claims.
 - 4. Dollar value and quantity balances. These balances must equal the current holdings of fare media.
- (8) Monthly Reports. The Custodian shall prepare a monthly accountability report detailing the local Commuter Transit Subsidy Benefits Program transactions for the current month. The

report shall be prepared on Form CG-5564, which is available from the USCG Adobe Forms Library. The completed report shall be presented to the Approving Official for review and signature. After the report is signed, the Custodian shall forward the original by the 30th of the present month to Commandant (CG-843) and shall retain a copy for the unit's files. The Custodian shall include copies of the current month's signed recertification forms along with the report.

(9) Record Keeping. A copy of each approved application shall be kept on file as long as the member is a participant in the program. The Custodian shall maintain a complete and orderly file of the following records:

- (a) Approved applications;
- (b) Transit benefit recertification forms;
- (c) Receipts for unit fare media purchases;
- (d) Unit purchase requests and purchase orders;
- (e) Monthly accountability reports;
- (f) Approved forms SF-1164 along with the corresponding fare media purchase receipts.

These records, except for active approved applications, shall be destroyed after five (5) years, in accordance with Information and Life Cycle Management Manual, COMDTINST M5212.12 (series).

6. Relief of Custodians: Whenever the Custodian is to be absent from the unit, accountability for the fare media and all records shall be transferred to the Alternate. Prior to accepting responsibility, the Alternate shall review the accounting ledger(s) and records, and shall inventory the fare media on hand in the presence of the Custodian. When satisfied that the ledger(s), records, and media are in order, the Alternate shall sign and date a written statement in all accounting ledger(s), on the next available line, relieving the Custodian of custody of the ledger, records, and media. The reverse process shall occur whenever the Custodian relieves the Alternate. In emergency situations when the Custodian is not available for an on-site relief, the Commanding Officer or the Approving Official shall witness the verification process and shall sign the ledger entry along with the Alternate. The entry must state the circumstances for the unilateral relief. All permanent reliefs of the Custodian or the Alternate shall be reported to Commandant (CG-843).

7. Internal Controls.

- a. Physical Security. [Insert title of Local Program Manager] shall ensure that funds, property, and other program assets are properly accounted for and safeguarded against waste, fraud, abuse, mismanagement, or misappropriation. The safeguarding and storage of fare media shall be the same as that of funds, in accordance with Physical Security And Force Protection Program,

COMDTINST M5530 (series).

- b. Maintenance of Records. The Approving Official, the Custodian, and the Alternate shall properly record and account for the revenues and expenditures applicable to the operation of this program. The approving, recording, and accounting process must ensure that there is proper and accurate maintenance of accounts for the preparation of reliable financial reports.
- c. Application Review. The Approving Official shall review all applications for completeness and accuracy.
- d. Eligibility Review. The Approving Official shall review and certify that applicants are not participating in other Federal Government subsidized commuter programs (e.g., workplace motorized vehicle parking permit member or holder, authorized use of Government vehicle to and from workplace). This review and certification is required for each initial application and each subsequent month of participation.
- e. Issue of Media. The Custodian and the Alternate are the only individuals authorized to issue fare media.
- f. Reimbursement for Media Purchased by Eligible Applicant. Some public transportation systems do not lend themselves to fare media purchase and issue by a central activity. Therefore, it may be prudent for the eligible participant to personally procure fare media and to submit receipts for reimbursement up to the monthly maximum allowable benefit which is annually published by the Internal Revenue Service. This method of providing the benefit is acceptable only when transit passes are not readily available. The term “readily available” is to be interpreted strictly, not liberally. Not readily available means: a) transit passes are not available from the transit company, or b) transit passes are not available in denominations that match the monthly maximum allowable benefit. Reimbursements must follow appropriate procedures for record keeping and applicant qualification. The unit Approving Official shall sign each SF-1164 for reimbursement of fare media expenditures.
- g. Quarterly Surprise Audits. [Insert title of Local Program Manager] shall:
 - (1) Ensure that a surprise audit of the program is conducted quarterly. The audit shall focus on financial accuracy and program compliance with Commuter Transit Subsidy Benefits Program, COMDTINST 5382.1 (series), and the Commuter Transit Subsidy Benefits Program Plan. All audits shall be recorded on form CG-5564, Mass Transit Fare Benefit Program Accountability Report, and subsequently forwarded to Commandant (CG-843).
 - (2) Designate, in writing, the members of the audit board. The audit board shall consist of two disinterested individuals in pay grade E 6 or above and/or civilian employees in grade GS 7 or above. The Approving Official, the Custodian, and the Alternate may not be designated as members of the audit board.
- h. Privacy Act. [Insert title of Local Program Manager] shall ensure that the policy and procedures outlined in The Coast Guard Freedom of Information and Privacy Acts Manual, COMDTINST

Enclosure (1) to COMDTINST 5382.1

M5260.3 (series), are adhered to when providing information obtained from individual applications. The policy and procedures of the manual apply to individuals who are applicants and/or participants in the program.

Encl: [list the enclosures required by paragraph 1]