



SF Environment

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A Department of the City and County of San Francisco

How to Implement a Commuter Benefits Program Guide for San Francisco Employers

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1 Background

1.1 What are Commuter Benefits?

Commuter Benefits are federally approved employer-provided incentives for employees to reduce their monthly commuting expenses for transit, vanpool, biking and parking (IRS code 132(f)).¹ You can offer employees a:

- Pre-tax employee-paid payroll deduction
- Employer-paid subsidy
- Employer financed transportation (bus or van service)
- Combination of the above

What are the Advantages?

1) Reduced Cost and Tax Savings

- Companies can realize savings through reductions in FICA, Medicare, Federal income and State income taxes
- Benefit is low cost or cost neutral for companies to offer, compared to other employee benefits
- Employees incur lower transit and vanpool costs than paying out of pocket

2) Recruitment and Retention

- Commuter benefits have proven to be a cost-effective tool for increasing job satisfaction and helping recruit and retain talent
- Employees who use sustainable commute modes to and from work are healthier, potentially reducing health insurance claims and sick leave. They arrive at work relaxed, less stressed from traffic congestion and ready to be productive, boosting morale and enhancing the work environment

3) Be recognized as a community leader and neighbor

- The award for the [Best Workplaces for Commuters](#) is given to organizations that offer commuter programs and meet the National Standard of Excellence criteria. Join other San Francisco Bay Area employers in attaining this mark of excellence in environmental leadership
- The [US Green Building Council \(USGBC\)](#) provides Leadership in Energy and Environmental Design (LEED) credits for sustainable employee transportation program

¹ To see the full federal regulations, please visit the IRS' Employer's Tax Guide to Fringe Benefits ([Publication 15-B](#)).

- By encouraging commuting by a variety of transportation options, commuter benefits help reduce traffic congestion and improve air quality, making our cities and regions better places to live

4) Save on parking needs

- As more employees use a variety of transportation modes, fewer parking spaces are needed. Organizations can reinvest the savings back into the company or free parking spaces up for customers or clients

1.2 What Resources Does the City Offer?

The City and County of San Francisco's Department of the Environment, provides low or no-cost consulting services and programs to make it easy for businesses to provide transportation benefits to their employees:

Consultations. Meet or talk with staff to discuss how to implement or add to your transportation programs for employees, as well as how to become electric-vehicle ready. [Request a consultation.](#)

Employer Guides. Step-by-step guidance on setting up a commuter benefits.

1.3 San Francisco vs Bay Area Commuter Benefits Ordinance

The [San Francisco Commuter Benefits Ordinance](#) has been in effect since 2009, and requires businesses with locations in San Francisco and 20 or more employees nationwide to offer commuter benefits to their employees.

As of 2014: [The Bay Area Commuter Benefits Program](#) was adopted by the Bay Area Air Quality Management District and the Metropolitan Transportation Commission in March 2014. Although the requirements are essentially the same as the San Francisco Ordinance, the businesses covered by each ordinance are different. You will only have to report to one program.

If you have 50 or more employees across all sites in the Bay Area², including San Francisco, you will register and report **only** to the Bay Area Commuter Benefits Program at <http://commuterbenefits.511.org>. *Businesses that are subject to the Bay Area Commuter Benefits Program do not need to submit a compliance form to the SF Department of the Environment.*

If you have fewer than 50 employees in the Bay Area but more than 20 nationwide, and a location in San Francisco only, you should complete a one-time registration of the San Francisco Commuter Benefits Program Compliance Reporting form at

² *The Bay Area Commuter Benefits Program covers the nine Bay Area counties, including all of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, and Santa Clara counties, as well as the western portion of Solano County (including Fairfield and points west) and the southern portion of Sonoma County (including Windsor and points south).

SFEnvironment.org/CBOcompliance. New and non-compliant businesses must complete the Compliance Reporting form to avoid penalties.

Where to report your company's compliance:



The remainder of this guide covers steps to implement a Commuter Benefits Program in compliance with the SF Commuter Benefits Ordinance. For information on the Bay Area Ordinance, please visit: <https://511.org/employers/commuter/overview>

To comply with the SF Commuter Benefits Ordinance, businesses are required to provide at least one of the following transportation benefit programs to Covered Employees:

1. An Employee-Paid Pre-Tax Deduction: A program allowing employees to elect to exclude transit passes or vanpool commuting costs from taxable wages and compensation, up to maximum level allowed by IRS code 132(f).³;
2. Employer-Paid Subsidy: A program whereby the employer supplies a transit pass or reimbursement for equivalent vanpool charges at least equal in value to the purchase price of a monthly Muni "A" Pass⁴; or
3. Employer-Provided Transportation Service: Transportation furnished by the employer at no cost to the employee in a vanpool or bus.

³ To see the full federal regulations, please visit the IRS' Employer's Tax Guide to Fringe Benefits [\[Publication 15-B\]](#).

⁴ To see the current price, go to: www.sfmta.com/fares/monthly-adult

2 What Are the Options for Commuter Benefits?

2.1 Employee-Paid Pre-Tax Benefit

This option allows employees to set aside money for their transit, vanpool and parking expenses from their taxable income, to the maximum amount allowed by federal law.

Through their paycheck, employees have the option to set aside pre-tax funds each month to pay for their transit, vanpool and parking expenses. By doing so, taxable income is reduced, translating into travel savings for employees of up to 40 percent. As a result, business payroll taxes decrease, so you may see up to nine percent savings for each employee participating in the benefit. The more employees that participate, the greater the savings to the employer.

Transit/vanpool benefits may be combined with parking benefits under federal tax law. Please note that while parking is included in IRS section 132(f), it is not required by the SF Commuter Benefits Ordinance. For more information on transportation and parking benefits available under federal tax law, see “Transportation (Commuting) Benefits” in [IRS Guide 1.5-B](#).

2.2 Employer-Paid Subsidy

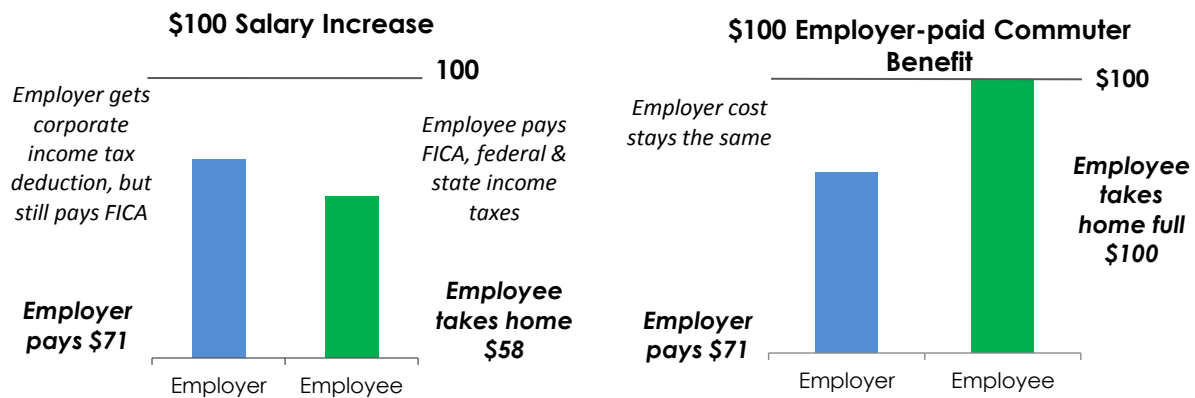
Commuter Benefits in the form of an employer-paid subsidy are federally approved employer-provided incentives for employees to reduce their monthly commuting expenses for transit, vanpool and parking (IRS code 132(f)).⁵ The amount provided must be equivalent to the price of the San Francisco [Muni “A” Pass](#) (including BART travel).

Through this option, you can subsidize employee transit and vanpool commuting costs. As with the Employee-Paid Benefit, employees do not pay federal or payroll taxes on the benefit amount, up to the current IRS pre-tax limit. Unlike the Employee-Paid Benefit, this option does not contribute to payroll tax savings for the employer.

The employer-paid subsidy can be more advantageous to employees as compared to a pay raise of the equivalent dollar value (See *Figure 2*).

⁵ To see the full federal regulations, please visit the IRS’ [Employer’s Tax Guide to Fringe Benefits](#)

Figure 1: Comparison of Taxable Salary Increase to Employer-paid Commuter Benefit of \$100



Source: Adapted from Transportation Research Board. "Strategies for Increasing the Effectiveness of Commuter Benefits Programs." Transit Cooperative Research Program Report 87. http://onlinepubs.trb.org/onlinepubs/tcrp/tcrp_rpt_87.pdf

The San Francisco Commuter Benefits Ordinance requires that a transit or vanpool subsidy must be at least of equivalent value to the [San Francisco Muni Pass 'A'](#), unless offered in combination with the Employee-Paid Pre-Tax benefit or Employer-Provided transportation service.

As with the Employee-Paid Pre-Tax Benefit, subsidies are typically provided to employees in the form of a transit card or voucher. Subsidy programs are typically set up in one of two ways: 1) you directly purchase passes or vouchers for employees, or 2) you fund a debit/credit card or transit card for employees.

2.3 Employer-Provided Transportation Service

You may choose to provide a transportation service using a bus or van between employee residential areas or transit stations and place of business. You may also consider offering a shared service with other nearby businesses or purchasing seats on an existing shared service for employees. Many of these options include wireless internet services, allowing employees to use their commuting time to work.

2.4 Combination of Programs

You may opt to offer a combination of any programs to your employees, or different programs to different groups of employees. For example, you may offer a small subsidy in addition to a pre-tax employee paid deduction program. Likewise, you may offer a shuttle option for employees that live in a concentrated area and have a pre-tax or subsidy program available for those who are not able to utilize the shuttle.

You may decide on a subsidy of a lesser value if offered in tandem with pre-tax deductions. For example:

- You provide a \$40/month subsidy, and set up a pre-tax deduction program for employees
- In addition to receiving the \$40 subsidy, employee chooses to deduct money from their paycheck pre-tax to cover their full transportation costs

The total tax-free benefit, including subsidy and pre-tax salary, may not exceed current IRS pre-tax limits. If the employee chooses to deduct beyond this limit, they may do so with post-tax dollars.

2.5 Carpooling

Businesses not located near transit lines (bus, light rail, or train) may offer carpool benefits to their employees, such as subsidizing parking and toll costs or priority parking for carpoolers. To meet Ordinance requirements, a pre-tax or subsidy must also be offered. *Please note that carpool subsidies are not tax-free under current IRS guidelines.*

2.6 Bicycling

To encourage sustainable commuting, employers may offer bicycling benefits to their employees, such as secure-on-site bike parking, or bikeshare membership. To meet Ordinance requirements, a pre-tax or subsidy must also be offered. *Please note that under current IRS guidelines, bicycle subsidies are not tax-free, nor are bicycle-related expenses eligible for pre-tax dollars.*

2.7 Telecommuting

San Francisco businesses with employees who solely telecommute and do not travel to an office location are not required to provide a commuter benefits program. However, if employees telecommute on a temporary basis or part of the week only, you are required to comply with the Ordinance and offer a commuter benefits program as described in the previous sections. Businesses with all employees telecommuting and opting to not participate in a commuter benefits program should have employees complete the [Employee Voluntary Waiver Form](#) and keep the form on file to maintain a record of their decision. Businesses should also complete the [Reporting Form](#) for compliance with either the San Francisco or Bay Area Commuter Benefits program.

3 How Can My Organization Comply with the Ordinance?

3.1 Getting Started – First Steps

1. Meet with your Staff

Engage all relevant staff in conversations about the commuter benefits program as you begin to implement your program and throughout the process. Including upper level management in the decision-making process about what type of program to offer is imperative. Begin by checking in with the relevant parties to determine available budget and how the benefit will fit within company culture and enhance existing benefits. Human resources and payroll staff will also play a role in the program to assist with payroll and benefit provision.

2. Conduct a Transportation Survey

To determine how many employees will participate and their current commute preferences, send a quick survey to your employees.

3. Decide Which Type of Benefit to Offer

To make decisions about your program, you will need to coordinate with payroll, human resources and upper management and others who need to be involved.

Work with these parties to review the information gathered from the transportation survey from Step 2 and choose which type of benefit best fits your company. Factors that will affect the decision include: budget, employee transportation preferences, number of interested employees, etc.

The following benefits may be offered individually or in combination:

- Employee-Paid Pre-Tax deduction
- Employer-Paid Subsidy
- Employer-Provided Transportation Service

3.2 Implementing a Commuter Benefits Program

3.2.1 Employee-Paid Pre-Tax Benefit

Through their paycheck, employees have the option to set aside pre-tax funds each month to pay for their transit, vanpool and parking expenses. By doing so, taxable income is reduced, translating into travel savings for employees of up to 40 percent. As a result, business payroll taxes decrease, so you may see up to nine percent savings for each employee participating in the benefit.

1. Ways to Administer the Benefit

Depending on your organization's size, budget, location and staff resources you may choose to order benefits for your employees or you may prefer to use a vendor to fully administer the program. Consider the results from your transportation survey and the tasks involved in administration, then choose which option is best for you. The vendor may be the same company that does your payroll or administers your other employee benefits. Talking to them is a good place to start; they may also have recommendations for you even if they cannot administer the benefit for you.

Please note that regardless of the option selected, you are encouraged to work with a commuter benefits vendor to ensure that the benefit is used for qualified transportation expenses in accordance with IRS guidelines.

The program options below are examples of the solutions offered by vendors; program options and responsibilities for employers will vary with each vendor.

Employer Managed:

- **What you do:** Take employee orders, make payroll deductions, purchase benefit from vendor, distribute benefit to employees, answer employee questions about benefit
- **What the vendor does:** Has benefit available for purchase
- **Pros:** Very low-cost, easy to change orders each month
- **Cons:** Requires a higher level of staff time to administer, limited benefit options available for purchase

With this option, you will take primary responsibility for most of the legwork involved in offering a commuter benefits program. You will take orders from employees, make payroll deductions and simply purchase bulk vouchers or debit/credit cards from a vendor. This program is best for small businesses. However, please note that this program may require more staff time to coordinate administration and there is generally a small minimum fee associated with the purchase.

Shared Management:

- **What you do:** Take employee orders, make payroll deductions, place benefit order with vendor, distribute benefit to employees, answer employee questions about benefit

- **What the vendor does:** Transfers benefit to employees in form of a voucher or debit card
- **Pros:** Low-cost, more options available for benefit
- **Cons:** Requires some staff time to administer

This option takes some of the burden from the previous program and involves more vendor engagement. In this type of program, you will be responsible for taking orders from employees, making payroll deductions and providing those orders and funds to the vendor. The vendor, in turn, will supply the benefit to your employees directly as a voucher, debit/credit card or direct-deposit to Clipper Cards. This option is slightly more costly than simply ordering items from a vendor but provides your employees with more options for utilizing their benefit. This option is best for employers with fewer than 50 employees.

Vendor Managed:

- **What you do:** Make payroll deductions, coordinate with vendor
- **What the vendor does:** Takes employee orders, purchases benefit for employees, distributes benefit, answers employee questions about benefit
- **Pros:** Minimal staff time to administer, employees manage their commuter accounts and deductions
- **Cons:** Slightly higher cost, vendors may require a minimum number of participants

This option entrusts the bulk of program operations to the vendor of your choice. With this option, the only responsibilities for the employer are making the payroll deductions and coordinating with the vendor; the vendor will take orders from your employees, provide and distribute the benefit and answer any employee questions about the benefit. In some cases, employees can manage their own benefit through the vendor's online platform.

Though the costliest of the options (\$3-5 per participant per month on average) this option is often worthwhile to a larger business with more than 50 employees participating, or to any employer wanting to minimize staff time to administer the benefit.

If your organization has fewer than 20 total employees, contact the Department of the Environment to learn how a commuter benefits program can be tailored for you.

2. Talk to Vendors

A list of vendors is included in the [Vendor Directory](#). Please contact the vendors for program options and pricing information that is specific to your organization's needs. Please note you should contract with a vendor even if opting for an employer-managed program to ensure that pre-tax funds are being utilized only for qualified transportation purchases.

Possible questions for vendors include:

- What is the cost per participant?
- In what form does the benefit come? Vouchers, Clipper cards, transit cards, etc?

- Can I purchase vouchers, Clipper Cards, transit cards only? What are the shipping costs?
- How can employees use the benefit to make their transportation purchases?
- When does the vendor need the money? (This will determine which paycheck(s) deductions are taken from)
- What information does the vendor need each month? When do they need it by? What format should it be in?
- Will the vendor distribute the benefit or do you need to do this?

3. Coordinate within Your Organization

Work with upper management and payroll to decide on your program administration process.

Possible questions for upper management include:

1. Should the company administer the benefit, or should we have a vendor administer the program? In making this decision, remember to compare the time that employer administration will take a staff person each month versus vendor costs.
2. If management decides on the employer managed program, who will be the appointed staff person to administer the benefit?
3. If management decides on vendor administration, who will be the appointed staff person to coordinate with the vendor?

Possible questions for payroll include:

1. How many pay periods do we have?
2. How will we do payroll deductions? Do we need to set up a new deductions code?
3. When do we want to deduct the money from employee's paychecks?

After you have checked in with upper management and payroll, it is finally time to make a decision!

4. Create a Commuter Benefits Policy

Create a written company policy to use as reference for employee questions. Include procedures or policies for:

- Important dates or deadlines (paycheck deductions, changes to benefit order, cancellation)
- Reimbursement policy (note that IRS guidelines generally do not allow cash reimbursement of pre-tax funds)
- Lost voucher/pass/benefit
- Who employees can contact for more information
- Availability of funds when an employee terminates
- Which employees are eligible to receive the benefit (the program rules define this to some extent)
- Establishing a waiting period, if necessary

5. Choose a Vendor

Choose which vendor you'd like to order your transit-specific media (vouchers, debit cards, etc.) from so that you can administer your program. Contact one of the vendors in the "Employer Administration" section of the [Vendor Directory](#) to confirm logistics, including:

- Cost per participant
- Form of the benefit (vouchers, Clipper cards, debit cards, etc.)
- When the vendor must receive pre-tax deductions or employer-subsidized benefit amount and order information
- When you will receive benefit

6. Set Up Pre-Tax Deductions

Work with your payroll administrator to set up a commuter benefit pre-tax deduction code. From the information you have gathered from your vendor, you will already have determined when employees' paychecks will be deducted.

7. Promote the Program to Your Employees

Now that a program is implemented, employee outreach is critical to success and utilization. Consider using the following outreach techniques. Samples of these documents are found in the *3. Communicate to Your Employees* section on our [website](#).

- Include Commuter Benefits information in new employee orientations
- Post [flyers](#) in high-visibility places (e.g. break rooms, the front desk, the HR department, the mailroom)
- Include a notice in employee [paychecks](#), mailboxes, or on your organization's Intranet site
- Send out an [email announcement](#) to all employees
- Make an announcement at an all-staff meeting or relay the message through team managers
- Update your personnel policy handbook with your Commuter Benefits Policy

Don't forget to periodically remind new and current employees Commuter Benefits are available to them! You can download editable versions of the following internal communications from our website:

Commuter Benefits:

- [Employee Enrollment Form](#)
- [Employee Interest Survey](#)
- [Employee Voluntary Waiver Form](#)
- [Sample Company E-mail for Pre-Tax Benefits](#)
- [Sample Paycheck Insert](#)
- [Sample Promotional Flyer](#)
- [Sample Promotional Flyer \(Simplified Version\)](#)

8. Enroll Employees in the Program

Customize and distribute our [Sample Employee Enrollment form](#) to collect orders and to inform employees about important program dates, including deadlines to change orders and the paycheck deduction dates. You will compile the employee order information into the format specified by your vendor. Employees may opt not to participate in the program; simply have them complete the [Employee Voluntary Waiver Form](#) and keep the form on file to maintain a record of their decision.

9. Place Benefit Order with Vendor & Distribute to Employees

Send employee order information to the vendor. Distribute the commuter benefit to your employees according to the process you and your vendor have decided on.

10. Report Compliance

If you have **50 or more employees across all your locations in the Bay Area combined** (including San Francisco), you need to register and report to the Bay Area Commuter Benefits Program at Commuterbenefits.511.org.

If you have **fewer than 50 employees in the Bay Area but more than 20 nationwide, and a location in San Francisco**, you are subject to the San Francisco Commuter Benefits Ordinance, and should submit a [Compliance Reporting Form](#) to the San Francisco Department of Environment. Please visit our website to submit your [Compliance Reporting Form](#).

If your organization has fewer than 20 total employees, you are not required to comply with the Ordinance. However, we still encourage you to report your program in the [Compliance Reporting Form](#) to the Department of the Environment.

11. Notify Employees of the Emergency Ride Home Program

Emergency Ride Home is a free City program that provides a ‘safety net’ for San Francisco commuters using sustainable transportation, walking, biking, taking transit or ridesharing. When employees use a sustainable mode to travel to work and experience a personal or family emergency while at work, or a flat bike tire, they can take a taxi or transit, and the City will reimburse the cost of the ride.

Emergency Ride Home is **free to employers and employees**.

Emergency Ride Home:

- [Emergency Ride Home brochure](#)
- [Emergency Ride Home flyer](#)
- [Emergency Ride Home online claim form](#)

EMPLOYEE-PAID PRE-TAX PROGRAM CHECKLIST

Use this handy checklist to track your progress towards successfully implementing your employee-paid pre-tax benefits program!

- Meet with staff within your organization. *Who will be involved?*
- Conduct a transportation survey to determine:
 - How many employees will participate in the commuter benefits program?
 - Which transit services do they use?
- Decide how to administer the program
 - Employer Managed
 - Shared Management
 - Vendor Managed
- Choose a vendor to work with
- Appoint a staff member to administer benefit/coordinate with vendor
- Create a Commuter Benefits Policy
- Set up pre-tax payments with payroll and vendor
- Tell employees about the program
- Employees sign up to participate
- Tell employees about the Emergency Ride Home program (sfenvironment.org/erh)
- Report compliance at <http://www.sfenvironment.org/CBOcompliance>

Need assistance?

**SF Department of the
Environment can help you
assess and implement your
commuter benefits options.**

Visit

sfenvironment.com/commutesmart

or email

CommuteSmart@sfgov.org

3.2.2 Employer-Paid Subsidy Program

1. Administering the Benefit

An employer-paid subsidy can be offered to employees in a variety of ways:

- Vouchers
- Debit/credit cards linked to a commuter account
- Directly load Clipper card with Clipper cash or tickets/passes

Consider the results from your transportation survey and the tasks involved in administration, and then choose which option is best for you.

Please note that the IRS has strict regulations regarding reimbursement for transit and vanpool. Please consult your tax professional for more information about these guidelines and to ensure that your program meets all requirements.

If your organization has fewer than 20 total employees, contact the San Francisco Department of the Environment to learn how a commuter benefits program can be tailored for you.

2. Talk to Vendors

A list of vendors is included in the [Vendor Directory](#). Please contact the vendors for pricing information that is specific to your organization's needs.

Possible questions for vendors include:

1. What is the cost per participant?
2. How will the subsidy be provided to the participants? Voucher, debit/credit card, Clipper Card, etc.?
3. Can I purchase vouchers, Clipper cards or transit cards only? What are the shipping costs?
4. When does the vendor need the money each month?
5. Will the vendor distribute the benefit or do you need to do this?

3. Coordinate Within Your Organization

Work with upper management and payroll to decide on your program administration process.

Possible questions for upper management include:

1. How does the company want to offer the subsidy to employees?
2. Who will be the appointed staff person to administer the benefit and coordinate with the vendor?
3. Who will send the funds to the vendor each month and how will that payment be made?

After you have checked in with upper management and payroll, it is finally time to make a decision!

4. Create a Commuter Benefits Policy

Create a written company policy to use as reference for employee questions. Include procedures or policies for:

- Important dates or deadlines (changes to benefit order or cancellation)
- Who employees can contact for more information
- Availability of funds when an employee terminates

5. Promote the Programs to Your Employees

Now that a program is implemented, employee outreach is critical to success and utilization. Consider using the following outreach techniques. Samples of these documents are found in the *Communicate to Your Employees* section on our [website](#).

- Include Commuter Benefits information in new employee orientations
- Post flyers in high-visibility places (e.g. break rooms, the front desk, the HR department, the mailroom)
- Include a notice in employee paychecks, mailboxes, or on your organization's Intranet site
- Send out an [email announcement](#) to all employees
- Make an announcement at an all-staff meeting or relay the message through team managers
- Update your personnel policy handbook with your Commuter Benefits Policy

Don't forget to periodically remind new and current employees Commuter Benefits are available to them! You can download editable versions of the following internal communications from our website:

Subsidy program:

- [Employee Interest Survey](#)
- [Employee Voluntary Waiver Form](#)
- [Sample Company E-mail for Subsidy](#)

6. Enroll Employees in the Program

Now's the time to tell your employees about the subsidy program and have them enroll to receive the benefit! Customize your employee enrollment form to make sign-up easy. Employees may opt not to participate in the program; simply have them complete the [Employee Voluntary Waiver Form](#) and keep the form on file to maintain a record of their decision.

Remember that you can also allow employees to make pre-tax deductions from their paycheck, up to the IRS monthly limit, if your subsidy is below that amount.

7. Report Compliance

If you have **50 or more employees across all your locations in the Bay Area combined** (including San Francisco), you need to register and report to the Bay Area Commuter Benefits Program at Commuterbenefits.511.org.

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8. Notify Employees of Emergency Ride Home

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Emergency Ride Home is **free to employers and employees**.

Emergency Ride Home:

- [Emergency Ride Home brochure](#)
- [Emergency Ride Home flyer](#)
- [Emergency Ride Home online claim form](#)

EMPLOYER-PAID SUBSIDY CHECKLIST

Use this handy checklist to track your progress towards successfully implementing your employer paid subsidy program!

- Meet with staff within your organization. *Who will be involved?*
- Conduct a transportation survey to determine:
 - How many employees will participate in the commuter benefits program?
 - Which transit services do they use?
- Decide how to administer the program
 - Voucher
 - Debit/credit card
 - Clipper Card
- Choose a vendor to work with
- Appoint a staff member to administer benefit/coordinate with vendor
- Create a Commuter Benefits Policy
- Set up subsidy payment with payroll and vendor
- Tell employees about the program
 - Emails, paycheck insert, flyers
- Employees sign up to participate
- Tell employees about Emergency Ride Home (sfenvironment.org/erh)
- Report compliance at www.sfenvironment.org/CBOcompliance

3.2.3 Employer-Provided Transportation Service

1) Research Local Transportation Options and Other Employer-Provided Services

Before you establish your own program, it will be helpful to know if any existing shuttle or vanpool services are already serving or are in close proximity to your workplace.

Contact agencies or other companies for more information:

- [511Transit](#): Lists the shuttles currently in operation
- [Transportation Management Association of San Francisco](#)
- [Mission Bay Transportation Management Association](#)

2) Map Employee Residential Locations

You have already conducted a general transportation survey, so you have an idea of how many employees are interested in participating in your commuter benefit program. However, to set up a shuttle or vanpool service you will need more detailed information, including employees' residential locations (zip codes), what time they usually arrive to and leave work, what mode of travel they use, etc.

Using survey results, map employee residential locations to determine their density and proximity to transit. Medium to high density of employees in a location allows for more cost-effective commuter service. For example, some companies offer a commuter bus service leaving from the Mission District in San Francisco, as they found a high concentration of employees live in the neighborhood. Other employers offer a shuttle from a BART and Muni station to the office location.

3) Determine the Service to Implement

Now that you have gathered more information about your employees' commuting habits, assess your workplace to get a better idea of how to shape your program.

- If possible, partner with nearby companies to share costs
- If your survey found that many of your employees already ride or would like to ride transit, start your shuttle or vanpool program with a last mile shuttle that provides transportation from the nearest regional transit stop to the office

Contract with charter bus companies: These companies are experienced in helping determine route and schedule and provide drivers, a variety of vehicles, and overall transportation expertise. Some contractors in the Bay Area are found in the [Vendor Directory](#).

4) Create a Commuter Benefits Policy

Create a written company policy to use as reference for employee questions. Include procedures or policies for:

- Availability of service
- Conditions for use
- Who employees can contact for more information

5) Promote the Programs to Your Employees

Now that a program is implemented, employee outreach is critical to success and utilization. Consider using the following outreach techniques.

- Include your Shuttle Program in new employee orientations
- Post flyers in high-visibility places (e.g. break rooms, front desk, mailroom)
- Include a notice in mailboxes or on your organization's Intranet site
- Send out an email announcement to all employees
- Make an announcement at an all-staff meeting or relay the message through team managers
- Update your personnel policy handbook

You can download editable versions of the sample [internal communications](#) from our website, which can be adapted for shuttle services.

6) Report Compliance

If you have **50 or more employees across all your locations in the Bay Area combined** (including San Francisco), you need to register and report to the Bay Area Commuter Benefits Program at Commuterbenefits.511.org.

If you have **fewer than 50 employees in the Bay Area but more than 20 nationwide, and a location in San Francisco**, you are subject to the San Francisco Commuter Benefits Ordinance, and should submit a [Compliance Reporting Form](#) to the San Francisco Department of Environment. Please visit our website to submit your [Compliance Reporting Form](#).

If your organization has fewer than 20 total employees, you are not required to comply with the SF Commuter Benefits Ordinance. However, we still encourage you to report your program in the [Compliance Reporting Form](#) to the Department of the Environment.

7) Notify Employees of Emergency Ride Home

Emergency Ride Home is a free City program that provides a 'safety net' for San Francisco commuters using sustainable transportation, walking, biking, taking transit or ridesharing. When employees use a sustainable mode to travel to work and experience a personal or family

emergency while at work, or a flat bike tire, they can take a taxi or transit, and the City will reimburse the cost of the ride.

Emergency Ride Home is **free to employers and employees.**

Emergency Ride Home:

- [Emergency Ride Home brochure](#)
- [Emergency Ride Home flyer](#)
- [Emergency Ride Home online claim form](#)

EMPLOYER PROVIDED TRANSPORTATION SERVICE CHECKLIST

Use this handy checklist to track your progress towards successfully implementing your pre-tax employee paid benefits program!

- Meet with staff within your organization. *Who will be involved?*
- Conduct a transportation survey to determine
 - number of employees
 - high density locations
 - nearby transit stations used
 - existing shuttles/vanpools
- Decide what kind of transportation service to offer
- Choose a vendor to work with
- Appoint a staff member to administer benefit/coordinate with vendor
- Tell employees about the free Emergency Ride Home program provided by the City and County of San Francisco:
<https://sfenvironment.org/emergency-ride-home>
- Report compliance at www.sfenvironment.org/CBOcompliance

4 What Else Can You Do?

Employers can have a significant impact on their employees commuting choices.

Commuter Benefits are one tool to reduce any financial barrier to taking sustainable transportation – walking, cycling, riding transit, carpooling or vanpooling – to work. Here are some of the other tools you can use to support these commute choices and help reduce congestion in San Francisco:

1. Promote **carpooling** amongst your employees. 511.org can help your employees find potential carpool and vanpool partners to share the ride to work.
2. Provide **secure bike parking** for your employees. Commercial property owners are required to provide secure bicycle parking, or allow tenants to bring their bicycles into the building under the [Tenant Bicycle Parking in Existing Commercial Buildings Ordinance](#).
3. Support employee access **to car share or bike share** services for at-work travel.
4. Support **teleworking, compressed work weeks** or **work hour flexibility**.
5. Provide **parking cash-out** to employees who receive free or subsidized parking.

5 Glossary of Terms

Bay Area: The Bay Area Commuter Benefits Program covers the nine Bay Area counties, including all of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo and Santa Clara counties, as well as the western portion of Solano County (including Fairfield and points west) and the southern portion of Sonoma County (including Windsor and points south).

Car Share/Bike Share: These programs allow individuals or companies to gain the benefits of private cars or bicycles without the costs and responsibilities of ownership. Business memberships are available and can reduce the need for a corporate fleet of vehicles for business travel.

Clipper Card: A Bay Area wide transit card. Individual Clipper Cards can be registered and loaded with e-cash or transit passes at clippercard.com. The Autoload feature at clippercard.com allows Clipper users to link a credit card to their Clipper Card so that a monthly pass or e-cash is automatically loaded when the card balance gets low. Multiple Clipper Cards can be linked to one account.

ERH: San Francisco's free [Emergency Ride Home](#) program. When commuters walk, bicycle, ride transit or share a ride to work, the City will reimburse the cost of the ride if they need to leave work for a personal emergency.

Muni Monthly "A" Pass: A monthly pass to ride Muni, San Francisco's bus agency. The Muni "A" Pass also allows the user to ride BART within San Francisco. The current cost can be found at: <http://www.sfmta.com/fares/monthly-adult>.

Parking Cashout: Under a parking cashout program, a company gives employees a choice to keep a parking space at work or accept a cash payment to give up the space. This program can help to manage growing employee parking demand and reduce the number of employees driving alone to work. Learn more [here](#).

Pre-Tax Limit: The amount of pre-tax funds that can be deducted each month to be used towards transit or parking. The IRS regulates the maximum deduction. Current regulations can be found at: www.irs.gov/publications/p15b.

Rideshare: This form of commuting involves sharing motor vehicle transportation with others. A carpool is two to five people riding together, while a vanpool is five to twelve people.

Transit Card: A transit-specific debit card onto which employee transit benefits are loaded. The card can be used to purchase transit passes or add funds to a Clipper Card. It cannot be used at establishments that sell other products besides transit media such as grocery or drug stores.

Transit Voucher: A paper voucher for a specified dollar amount that can be used to purchase transit passes or loaded onto a Clipper Card.

6 Resources

- 1) [Vendor Directory](#) – this is a listing of some of the many benefits vendors who can assist you with setting up a commuter benefits program. Don't forget to also ask your payroll provider for recommendations.
- 2) [Sample communications](#) – which you can edit to suit your company's program and needs.

[Sample Employee Interest Survey](#)

[Employee Enrollment Form](#)

[Employee Interest Survey](#)

[Employee Voluntary Waiver Form](#)

[Sample Company E-mail for Pre-Tax Benefits](#)

[Sample Company E-mail for Subsidy](#)

[Sample Paycheck Insert](#)

[Sample Promotional Flyer](#)

[Sample Promotional Flyer \(Simplified Version\)](#)