

MEMORANDUM

DATE: April 4, 2002

TO: PERSONNEL MANAGEMENT LIAISONS REFERENCE CODE: 2002-021

THIS MEMORANDUM SHOULD BE DISTRIBUTED TO:

Accounting Officers
Employee Relations Officers
Personnel Officers
Travel and Relocation Liaisons

FROM: Department of Personnel Administration
Policy Development Office

SUBJECT: Vanpool Incentives - Bargaining Units 1, 3, 4, 11, and 15

CONTACT: Charlotte Gehringer, Personnel Management Analyst
(916) 323-6938
FAX: (916) 324-9393
Email: CharlotteGehringer@dpa.ca.gov

The purpose of this memorandum is to inform departments that transit subsidies have been extended to eligible vanpool riders in Bargaining Units 1, 3, 4, 11, and 15, effective January 31, 2002.

For other bargaining units that may subsequently agree to this new benefit, their respective Memorandums of Understanding will determine the effective date.

Employees riding in vanpools may now be eligible for a State-paid 75% reimbursement of the monthly fee, up to a maximum of \$65 per month. For the primary vanpool driver, and in lieu of the vanpool rider reimbursement, the State shall continue to provide \$100 per month to each State employee who is a primary vanpool driver.

Employees headquartered out of State and eligible for subsidies may participate in the vanpool program. To qualify for the vanpool subsidy, a vanpooler must participate in a vanpool that meets both the Internal Revenue Service (IRS) Code Section 132 and Department of Personnel Administration (DPA) Rule 599.936 criteria:

- To meet the IRS Code definition of "commuter highway vehicle," the seating capacity of the van must be at least six adults

(not including the driver), and at least 80% of the mileage use must reasonably be expected to be for purposes of transporting employees in connection with travel between their residences and their places of employment, on trips during which the number of employees transported for such purposes is at least one-half of the adult seating (not including the driver).

- Consistent with IRS law, the DPA rule specifies that a vanpool is a group of 7 to 15 people who commute together. This criterion applies to both rank-and-file and excluded employees. Therefore, to qualify for the vanpool subsidy, the vanpool must have enrolled at least seven riders, including the driver.

If you have any questions regarding transit or vanpool subsidies, please contact Charlotte Gehringer at (916) 323-6938 or e-mail her at CharlotteGehringer@dpa.ca.gov.



Bob Painter, Chief
Policy Development Office