

STATE CONTROLLER'S OFFICE
PERSONNEL AND PAYROLL SERVICES DIVISION
P.O. BOX 942850
SACRAMENTO, CA 94250-5878

DATE: August 31, 2021

CALATERS GLOBAL LETTER #21-005

TO: All Agencies Participating in the California Automated Travel Expense Reimbursement System

FROM: Jil Barraza, Chief
Personnel and Payroll Services Division

RE: INCREASED TRANSIT/VANPOOL COMMUTE PROGRAM SUBSIDIES

On August 18, 2021, the Department of Human Resources (CalHR) announced increased transit/vanpool subsidy rates for eligible employees in Bargaining Units (BU) 2 and 12, including employees headquartered out of state ([HR Announcements \(ca.gov\)](#)). Represented employees within these groups may receive a 75% reimbursement for commute expenses, not to exceed \$100 per month for Transit/Vanpool Passengers, and \$135 per month for primary Vanpool Drivers. Per CalHR announcement dated February 19, 2020, these same rates also apply to all eligible excluded employees effective February 1, 2020, unless superseded by current policy or MOU language.

When employees claim amounts in excess of configured rates in CalATERS Global, tax implications result in the system reporting overages to SCO W-2. In CalATERS Global, any time one Transit Subsidy/Vanpool Passenger expense exceeds \$100, CalATERS will automatically report the overage to SCO W-2. However, CalATERS is unable to accommodate the new subsidy rate for the Vanpool Driver expense type. For this expense type, Department Accounting Offices (DAOs) must report any overages manually, utilizing the STD. 676P Non-USPS Adjustment Request-Payments form. CalATERS recommends the best practice of DAO staff auditing vanpool expense reimbursements carefully, to ensure that each occurrence of a claimed Vanpool Driver expense by an employee in one of the aforementioned groups is limited to \$135. This will prevent the need to submit the STD. 676P.

DEPARTMENT ACCOUNTING OFFICE INSTRUCTIONS:

*To manually report tax information for monthly payments **exceeding** \$135 for BU 2, 12, or Excluded Vanpool Drivers...*

- Use the STD. 676P form, available here: <https://www.documents.dgs.ca.gov/dgs/fmc/pdf/std676P.pdf>
- Use the Item Code "TV" and Item Description "Vanpool Driver". Multiple employees may be listed on the same form for one Item Code.
- Once all fields are complete, print and provide signature, then write "CALATERS" in large letters at the top of the form.
- Submit the completed STD. 676P to the SCO mailing address provided at the top right corner of the form.

DAOs requiring assistance when reporting taxable Vanpool Driver expense amounts can contact the CalATERS Help Desk at calaters@sco.ca.gov. If there are additional questions regarding the 676P process, please contact: Statewide Tax Support Program – PPSDtaxsupport@sco.ca.gov. We apologize for any inconvenience.

JEB:DM