

# HOW PSAs WORK

## *Frequently Asked Questions*

### 1. What is a Parking Spending Account?

A Parking Spending Account (PSA) allows you to set aside up to **\$260** pre-tax per month or \$130.00 per pay period from your paycheck to pay for parking expenses you incur when commuting to work.

### 2. What does saving “pre-tax” mean and how is PSA a benefit to me?

Saving pre-tax means that the amounts you save are not treated as taxable income. As an example, if you contributed \$260 from your paycheck into a PSA, that amount would not be included in your taxable income for that year. The benefit is that you get to keep the amount of tax you would otherwise have owed on that \$260 of income.

### 3. How would I purchase my parking pass using a PSA?

You have two options: (1) purchase it directly through the program administrator, WageWorks, which then contacts the parking garage/lot administrator on your behalf; or (2) purchase them on your own.

### 4. How quickly after I sign up for my PSA will the funds become available to me?

Your first payroll deduction should occur within two (2) pay periods from the time you signed up. You should see your account with WageWorks credited with your payroll contribution on or slightly after payday. Once you see the funds credited online they are available for your use.

### 5. What are the rules for making my purchase through WageWorks?

Once you have a balance in your PSA, you can place an order for a parking pass through the WageWorks website, at [www.WageWorks.com](http://www.WageWorks.com). **Your order is due by the 10<sup>th</sup> of each month in order to have the garage/lot administrator notified before the 1<sup>st</sup> of the following month.**

### 6. How can I be sure WageWorks has a relationship with the garage/lot I use to park?

Many public parking lots are owned by a relatively small number of firms. WageWorks has relationships with most of these firms and has developed processes to notify when passes for their lots are purchased through the WageWorks system. They have an extensive online list of parking lots and garages. If your lot is not on their list, you can provide them with information about the lot and they can add it to their list.

### 7. What are the rules for making purchases on my own?

There are a couple of ways for making purchases on your own.

(a) **You must log on to WageWorks and you must inform WageWorks by the 10<sup>th</sup> of the month what you plan to spend in the following month.** Submit a claim form with receipts issued by the garage/lot administrator up to six months after your purchase(s) to receive reimbursement from your PSA. If your lot does not issue a receipt, you may still submit a claim and inform WageWorks that no receipt was provided by the lot administrator.

(b) You may also use the PSA by requesting a Parking Card from WageWorks. The Parking Card functions like a credit card, if your garage/lot administrator accepts Visa or Mastercard. However, **you must inform WageWorks by the 10<sup>th</sup> of the month how much you want to load to the Parking Card in the following month. The amount you request will be loaded by the 20<sup>th</sup> of the month, in order to be able for use the subsequent month.**

**8. Can I use my PSA to pay for my City parking?**

If you have a payroll deduction for parking provided by the City to its employees at a City owned or leased lot **you cannot use your PSA to pay or be reimbursed for that expense.** This is because the parking fees that are being payroll deducted for your City permit are already being paid on a pre-tax basis. The exception to this would be employees who are paying by check for certain limited passes (e.g. night permits), since those payments are being provided after-tax.

**9. When can I enroll and cancel my contributions?**

You are eligible to enroll, increase or decrease contributions, or cancel participation, at any time.

**10. How do I enroll in a PSA?**

You enroll by calling the Benefit Service Center at (800) 778-2133 or through the City's Benefits website at [www.keepingLAwell.com](http://www.keepingLAwell.com). This site will allow you to establish your payroll deduction into the program. Once you have your first deduction taken, you can go to [www.WageWorks.com](http://www.WageWorks.com) to register and manage your account, make purchases, learn more about the program, etc.

**11. How do I modify or cancel my contributions to a PSA?**

You can modify or cancel your contributions to your PSA by calling the Benefit Service Center at (800) 778-2133 or returning to the City's Benefits website at [www.keepingLAwell.com](http://www.keepingLAwell.com).

**12. If I decide to cancel my contributions can I receive a refund of amounts I've already placed into my account?**

No. Once you make a contribution into a PSA the funds may only be used for the purpose of purchasing parking for your work commute.

**13. What if I don't use up my account balance by the end of a given month or year?**

Any unused amounts automatically roll forward and are available for use. You can do this indefinitely. However, once you terminate employment (or transfer to the Department of Water and Power), any remaining balance in your account would be forfeited to the City.

**14. Is there a limit on how much I can accumulate in my WageWorks Account and Parking Card?**

Yes, there is a limit of up to \$1,500 that you can accumulate on your WageWorks Account and \$1,500 on your Parking Card at any given time.