

Your Flexible Spending Accounts

Flexible Spending Accounts (FSAs) help you save money by allowing you to set aside part of your salary on a before-tax basis to pay for health care and/or dependent day care expenses. Before-tax means the money is deducted from your paycheck before taxes are calculated. This reduces taxes withheld today and lowers your taxable income.

The College has contracted with Sheakley to administer this plan. Questions about reimbursement eligibility should be directed to Sheakley at 1-800-877-6630, and all claims should be submitted directly to them.

- **Options** — You may contribute to one or both of the spending account options:

The health care flexible spending account. You may contribute up to \$5,000 (including the College's contribution, if any) to reimburse yourself for eligible expenses. Eligible expenses include amounts not paid under a medical, prescription drug, or dental plan (e.g. co-pays and deductibles) for you or your dependents (but not a domestic partner or their dependents).

The dependent day care flexible spending account. You may contribute up to \$5,000 (including the College's contribution, if any) to reimburse yourself for day care expenses for your eligible dependents. If you are married, your spouse must be employed, actively seeking employment, or attending school full time. Expenses for a domestic partner's dependents are not covered.

- **Flexible Spending Account contributions from the College**

For plan year 2007-08 the college will contribute up to \$2,400 on your behalf to a flexible spending account if you waive medical coverage and submit a Flexible Spending Account (FSA) Enrollment form. (The total amount will be prorated based upon your date of hire within the plan year.) This contribution would be paid on the first and second paychecks of each month to the account of your choice. You may designate 100% of the \$2,400 to be placed in either a health care account or a dependent day care account, or you may designate 50% (\$1,200) into each account. **To be eligible to receive this contribution, you must complete the Benefit Waiver form, provide proof of other group medical insurance coverage, and complete the Flexible Spending Account (FSA) Enrollment form.**

- **Flexible Spending Account rules**

Before you enroll in a flexible spending account, there are a few things you should consider:

1. Once you elect to participate in a flexible spending account, your election stays in effect until the next open enrollment period. You can change or stop contributions during the year only if you have a qualifying change in status.
2. Any unused money in either account at the end of the plan year is forfeited. That is why it is important to carefully estimate your medical, dental and vision or day care expenses.
3. IRS regulations limit use of dependent day care flexible spending accounts to \$5,000 per *calendar* year per household.
4. The total funds to be contributed by you or the College over the plan year to your health care FSA are available to you at the beginning of the plan year on July 1. Funds contributed to your dependent day care FSA are available only when the contribution is made.
5. You will have 90 calendar days after the end of the plan year (June 30) to submit a claim for eligible health or day care expenses incurred during the plan year. Claims received after September 28 for the prior plan year will not be paid.