



Flexible Spending Account Enrollment Form

Client TASC Id:
4300-8219-5874
Plan Name:

Southeast Polk Community Schools

SANDY ELY
SOUTHEAST POLK COMMUNITY SCHOOLS
8379 NE UNIVERSITY AVE
PLEASANT HILL, IA 50327

Every line must be completed. Please enter zero (0) on the lines where no amount is being deducted. Make sure to sign and date the enrollment form. Return the completed and signed form to your employer.

Participant Information:

Full Name _____
Address _____
City _____ State _____ Zip _____
Email _____
Building/Department _____ Position _____

Benefit	Medical (Out-of-pocket) Expenses	Dependent Care Expenses
Maximum Allowed	\$5,000	\$5,000
Your Plan Year Election Amount:	\$ _____	\$ _____

AUTHORIZATION: I certify the above information to be true to the best of my knowledge and that the children for whom I will be claiming dependent or child care expenses either reside with me in a parent-child relationship or are legally dependent on me for their support. I agree to have my compensation reduced by the deductible amount(s) stated above. I understand that any amounts remaining in my account(s) not used for qualified expenses incurred during the plan year will be forfeited in accordance with current plan provisions and tax laws. I further understand that the Flexible Spending Amount will be in effect for the entire plan year and cannot be revoked except as permitted by federal law. I understand that my share of eligible group premium(s) automatically will be deducted before taxes. I also understand, that if I do not wish to take advantage of having my eligible insurance contributions deducted pre-tax and prefer to be taxed on these dollars, I will contact my payroll department.

Authorize Signature _____

Date: _____

Enrollment Form Instructions

Medical (Out-of-Pocket) Expenses: This amount is usually paid toward deductible and co-insurance portions of health insurance, dental expenses, orthodontic expenses, eyecare and other miscellaneous health care expenses per year. After determining the per payroll amount, multiply that number by the number of payrolls to determine your annual election.

Dependent Care Expenses: Amount paid for day care expenses per year. The maximum allowable amount under IRS regulations is \$5,000 per calendar year per family; \$2,500 per calendar year for married individuals filing single. This limit is regardless of the number of dependents you may have.

PLEASE NOTE: Effective January 1, 2011

As part of the Patient Protection and Affordable Care Act

- Over the Counter Medications will no longer be an eligible expense without a prescription
- Exception for insulin
- Further communication to follow once additional guidance is issued defining Over the Counter Medications.

Questions Frequently Asked by Employees

Pre-Tax Example

	Without FlexSystem	With FlexSystem
Gross Pay	\$3,500/mo	\$3,500/mo
Pre-Tax Benefits		
-Medical/Dental Premiums	0	300
-Medical Expenses	0	100
-Dependent Care Expenses	0	400
TOTAL	<u>0</u>	<u>800</u>
Wages subject to tax	3,500	2,700
Federal Tax	525	405
FICA Tax (Social Security)	268	207
State Tax	175	135
Out-of-Pocket expenses	<u>800</u>	<u>0</u>
Spendable Income	1,732	1,953

Net Increase in Take-Home Pay = \$221/mo

This is an illustration only and actual numbers may vary. Paying certain qualified expenses before tax increases your take-home pay.

1. What does FlexSystem offer?

FlexSystem offers you a choice to pay for certain qualified benefits on a pre-tax basis. Paying for certain benefits with pre-tax dollars reduces the amount you pay in taxes and increases your take-home pay. Every dollar paid on a pre-tax basis results in a savings to you. (See example in box.)

2. Any cost or fee to me?

No.

3. Must I participate in my employer's health insurance?

FlexSystem is not tied to any insurance plan or company. You may participate in FlexSystem regardless of your particular insurance provider.

4. What are qualified medical expenses?

These expenses include dental care, prescriptions, eyeglasses, and out-of-pocket medical expenses not covered by insurance. In addition, any over-the-counter medication needed to alleviate or treat personal injuries and/or illness are eligible. However, vitamins and other dietary supplements taken for general health purposes are not eligible. Here are some examples of eligible expenses. (This list is for reference only. For an entire listing visit www.irs.gov.)

Alcoholism, treatment of

Ambulance hire

Birth Control

Braces

Chiropractors

Co-insurance

Contact lenses and cleaning solution

Deductibles

Dental fees, unless cosmetic

Diagnostic fees

Eyeglasses, including exam fee

Hearing devices and batteries

Insulin

Laboratory fees

Medical supplies

Nurses' fees

Orthodontia

Orthopedic shoes

Over-the-counter medications

Prescribed medicines

Psychiatric care

Routine physicals and other non-diagnostic services and treatments

Surgical fees

Transportation expenses primarily for rendition of medical services

X-rays

5. How does the Dependent Care Account compare with the tax credit available on the individual Form 1040?

The circumstances that determine which option offers greater savings vary from family to family; as such, the decision to choose the tax credit or the dependent care deduction may be made on a case by case basis only. Participation in FlexSystem results in an immediate savings on Federal State and Social Security tax, whereas the Federal credit will affect Federal Income Tax only and will be taken at year-end.

6. How does a Cafeteria Plan affect Social Security benefits?

Reduction of your Social Security benefits will be minimal and is offset by the tax savings and lower health care costs available under FlexSystem. To compensate for this minimal reduction you may consider increasing your retirement plan funding.

7. Under what circumstances can the annual election be changed?

The elections can be changed only if there is a change in family or employment status. See the "Change the Elections Form" for more details.

8. What is the "Use-It-or-Lose-It" rule?

Any funds left unused at the end of the Plan Year are forfeited. Take precautionary steps to avoid having balances in the Flexible Spending Accounts at year-end. The key is to be conservative when making elections.

9. Who determines the rules and regulations of FlexSystem?

Flexible Spending Accounts are regulated by the IRS. Our documentation guidelines are intended as a means to ensure eligibility of your Requests for Reimbursement. It is the participant's responsibility to comply with these guidelines and to avoid duplication of requests or submission of ineligible charges. Failure to adhere to the above requirement could lead to payment delays or reimbursement denial.

In the event of an error or omission in the course of administering the Plan on behalf of the employer and participating employees, TASC will notify and remedy the error or omission within a reasonable period of time following the error or omission. The employer and employees agree to TASC's procedures for making any corrections, including but not limited to payroll reduction. An error by the employer or TASC does not constitute an assumption or liability for the amount of the error.