

SHORELINE PUBLIC SCHOOLS
FLEXIBLE SPENDING ARRANGEMENT ENROLLMENT FORM
FOR PLAN YEAR OCTOBER 1, 2011 through SEPTEMBER 30, 2012
AND GRACE PERIOD through DECEMBER 15, 2012

Section I – Employee Information

Last Name, First Name		Employee SSN	
Address		City	St Zip
Email	DOB (MM-DD-YYYY)	<input type="checkbox"/> HCE <input type="checkbox"/> 5% Owner <input type="checkbox"/> KE	If outside open enrollment: Effective Date

Instructions

1. Complete Section I — Employee Information. Fill this section out completely to ensure proper enrollment.
2. Complete Section II — Elections. Indicate the benefits you will enroll in and the per plan year and per paycheck deduction amounts.
3. Complete Section III — Signature. Return the enrollment form to the appropriate contact by the specified deadline.

Premium Conversion

The group insurance premiums you pay through your paycheck are taken pretax.
Premium contributions toward domestic partner coverage will be deducted post-tax unless they qualify as a tax dependent.

Automatic

Section II – Elections

Benefit	Yes/No	Annual Election	No. of Paychecks	Paycheck Deduction
Health Care FSA Maximum of \$3,000.00 per plan year	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$ _____ per plan year	11	\$ _____ per paycheck
Benny™ FSA Debit Card A debit card that pays for your expenses from the Health Care FSA	<input type="checkbox"/> Yes <input type="checkbox"/> No	There is no cost for you to receive the Benny™ Debit Card. You must provide an email address to receive the Benny™ Debit Card. By checking YES I acknowledge that I have read the reverse page and agree to allow my employer to deduct improper Benny Expenses from my wages. You must elect the card each year you want to use the card and your current card will be reloaded.		
Day Care FSA Maximum of \$5,000.00 per plan year (\$2,500 if married, filing separately)	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$ _____ per plan year	11	\$ _____ per paycheck
Direct Deposit Reimbursements are electronically deposited into your bank account. The first reimbursement will be in the form of a live check to verify account information.	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Checking Routing # _____ <input type="checkbox"/> Savings Account # _____		

This election form will remain in effect and cannot be revoked or changed during the plan year unless the revocation and new election are on account of and consistent with federal regulations. I understand that Health FSA reimbursements will be available only for qualifying medical care expenses for myself, spouse, and dependents. I also understand that Day Care reimbursements will be available only for qualifying day care expenses. I agree to notify the Employer if I have reason to believe that any expense for which I have obtained reimbursement is not a qualifying expense. I also agree to indemnify and reimburse the Employer on demand for any liability it may incur for failure to withhold federal, state or local income tax or Social Security tax from any reimbursement I receive of a nonqualifying expense, up to the amount of additional tax actually owed by me. I understand the benefits and I have read the reverse page. I hereby authorize and direct my employer to reduce my salary by the amount necessary to pay for the benefit(s) as shown above for the plan year indicated above.

Section III – Signature

- YES, the above benefits have been explained to me and I elect to participate as indicated.
- NO, the above benefits have been explained to me and I decline participation.

X _____
Employee Signature

Date

Completed enrollment form must be returned to:

Human Resources

Please see the reverse for important information regarding the above benefits.

Additional Information

- **Premium Conversion:**
 - If the enrollment status is marked as 'AUTOMATIC', you must notify your employer in writing to decline enrollment in this benefit. Premium Conversion is subject to the change in status rules and is considered an election equal to the amount of your premium deductions.
- **Health Care Flexible Spending Arrangement ("Health Care FSA"):**
 - Reimbursement will only be available for qualifying medical care expenses as set forth in the Plan Document and Section 213 of the Internal Revenue Code. It is your responsibility to check the eligibility of an expense prior to enrollment.
 - Group Medical Plan Premiums cannot be reimbursed through the Health Care FSA and will be deducted pre-tax through the Premium Conversion Plan. Therefore, do not include the cost of premiums in your FSA annual election amount.
- **Day Care Flexible Spending Arrangement ("Day Care FSA")**
 - Reimbursement will be available only for qualifying day care expenses as described in the Internal Revenue Code Section 129, the Plan document and the Summary Plan Description.
 - Participation in a Day Care FSA will require you to complete tax form 2441 when filing federal taxes. If your plan includes a Grace Period any amounts carried forward or forfeited during a taxable year should be entered in Line 13 of Form 2441. If you or your spouse is a full-time student, please consult IRS Publication 503.
 - If the Plan Year is less than twelve (12) months, the plan limit may be prorated to be less than the \$5,000 calendar year limit mandated by the IRS.
- **Use-It or Lose-It**
 - You must claim all elected funds by the end of the run-out period. Money left in the plan after the end of the run-out period cannot be refunded to you; this is referred to as the Use-it or Lose-it rule.

Grace Period

- The grace period allows you to incur expenses against the prior plan year for 2 ½ months after the plan year ends. Any amount not claimed after the end of the plan year and grace period will be forfeited.

Lost Checks and Reissues

- Lost or stale dated FSA checks can be reissued 10 business days after the original check date. There is a \$25.00 check reissue fee. The check reissue request will require at least one business day to process.
- Any fees associated with presenting a canceled check will be deducted from your FSA as well as the face value of the check.

Direct Deposit

- All electronic funds transfers (EFT) will be initiated on the same day as the normal check reimbursement date. Deposits may take up to two (2) business days to appear in the designated account.
- The first reimbursement of the plan year or a reimbursement processed after making changes to your bank account information will be issued as a live check.
- Returned items due to incorrect banking information will be assessed a \$10.00 fee that will be deducted from your FSA balance.

Deductions

- FSA deductions will be deducted from your paycheck evenly throughout the plan year. You must indicate an annual election and a per paycheck deduction on your enrollment form.

Change in Status

- All elections set forth are considered irrevocable for the entire plan year unless there is a qualifying change in status. Please consult the plan document or summary plan description for a list of qualifying events.
- In the event of a change in status the change in election must be necessitated by and consistent with the change in status and the change must be acceptable under IRS Regulations.

Eligibility

- Independent contractors and self employed individuals are not eligible to participate in the Plan. Self employed individuals include: Sole Proprietors of their own business; General Partners in a general partnership and General Partners in a limited partnership; Limited Partners of partnerships with guaranteed payments; more than 2% Shareholders of an S corporation as well as the spouse, children, parents and grandparents of a more than 2% Shareholder; and non-employee Members of an LLC. It is your responsibility to determine your eligibility.
- Expenses must be incurred during the plan year and while you are an active participant in the plan. Any expense incurred prior to your effective date or after your termination date cannot be reimbursed.

Ineligible Benny Card Expenses

- The IRS provides the following 3 methods for correcting the reimbursement of an ineligible Benny Card Charge. A participant must: a) repay the plan for the amount of the ineligible expense, or b) request the substitution or offset of future claims to repay the plan. If neither option "a" nor "b" is successful the final option illustrated by the IRS permits the employer to deduct the ineligible expense from the participant's wages or other compensation consistent with federal and state law.
- For example, if you use the card for an ineligible expense the card will be suspended to prevent further use. We will reactivate the card once you reimburse the plan for the amount of the ineligible expense. If you do not reimburse the plan the card will remain suspended. You may still submit claims via fax or mail and, upon request, we will substitute or offset those future claims against the amount of the ineligible expense until the amount of the ineligible expense is repaid. If you do not repay the plan or substitute or offset future claims against the amount of the ineligible expense your employer may withhold the improper payment amount from your wages or other compensation consistent with applicable federal or state law.

Lost or Stolen Benny Card

- Participant will be charged \$5.00 for the reissue of any lost, stolen, or otherwise misplaced Benny Card. The fee will be deducted from the participant's Health Care FSA.

Electronic Disclosure Notice

- By providing your email address you consent to receive email communications regarding the Plan.
- If you no longer wish to receive information electronically, you may withdraw consent at anytime at no cost. To withdraw consent, please contact Flex-Plan.
- You have a right to receive a paper version of an electronically furnished document at no cost.
- To access documents you must have Adobe Reader. A link to download this software will be provided with all electronic documents provided.