



HUMAN RESOURCES  
(518) 388-6108

**200\_ HEALTH/DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT (FSA)**

Employee Name: \_\_\_\_\_ Soc. Sec. #: \_\_\_\_\_

Marital Status: \_\_\_\_\_ Number of Dependents: \_\_\_\_\_

I. I hereby enroll as a participant in the plan as of January 1, 200\_. I authorize my employer to reduce my compensation by the amount specified below in order to purchase benefits under the Plan. I understand that this election is irrevocable during the Plan Year unless the revocation is on account of and consistent with a change in family status.

II. Benefit Election: I elect to allocate the following amounts on an annual and pay period basis for the purchase of the benefits listed below:

	Amount Per Year	Amount Per Pay Period
A. Health Care Flexible Spending Account (Medical, Dental, Vision) - Plan year enrollment 1/1/200_-3/15/200_	_____	_____
B. Dependent Care Flexible Spending Account (Daycare Center, Babysitter, etc.) - Plan year enrollment 1/1/200_-12/31/200_	_____	_____
TOTAL	_____	_____

III. From January 1, 200\_ to December 31, 200\_, my per pay period compensation shall be reduced by \_\_\_\_\_ to create Health/Dependent Care Flexible Spending Account dollars during the Plan Year. The number of pay periods in this Plan Year, for deduction purposes, is 24.

I understand that all sums remaining in my account as of March 31, 200\_ will be forfeited. I further understand that only expenses incurred during the applicable Plan Year and while I am a participant will be eligible for reimbursement.

**AUTHORIZATION:**

Signed in Schenectady, New York this \_\_\_\_\_ day of \_\_\_\_\_, 200\_.

\_\_\_\_\_  
(Employee Signature)

\_\_\_\_\_  
(Employer Signature)

# INCREASE YOUR TAKE HOME PAY WITH A FLEXIBLE SPENDING ACCOUNT (FSA)

## WHAT IS A FLEXIBLE SPENDING ACCOUNT (FSA)

By selecting to redirect a portion of your salary to a health and/or dependent care Flexible Spending Account (FSA), you essentially “bank” your money TAX-FREE. The UNTAXED money can be used to pay for all those health and/or dependent care expenses that eat away at your take home pay. Expenses for you and your family members include, but are not limited to, the medical plan co-pays and deductibles, dental plan deductibles and visit fees, prescription co-pays, over-the-counter medication costs including aspirin, other pain relievers, allergy medications and antacids, contact lenses, chiropractor, acupuncture, hearing devices, insurance deductibles, child care or elder care.

## HOW A FLEXIBLE SPENDING ACCOUNT WORKS

Faculty and staff may enroll in one or both Flexible Spending Accounts. *You must re-enroll each year that you wish to participate.* You decide how much money to put into your account by estimating how much you expect your health and/or dependent care expenses to be during the calendar year. The amount is then deducted from your paycheck in equal installments throughout the year, before taxes are withheld, and deposited into your account(s).

After you pay for an eligible expense, you request reimbursement from your account(s) by using a Reimbursement Claim form. The completed form and appropriate original documentation, such as the receipt or paid bill, should be sent to the Payroll Office. Within two weeks you will be issued a check. Claim forms are available at [www.union.edu/HR](http://www.union.edu/HR) or from Human Resources.

## A LITTLE PLANNING GOES A LONG WAY

While Flexible Spending Accounts offer many advantages, there are a few key points to keep in mind to make sure your account(s) work for you:

- Once you sign up for one or both accounts, you cannot change or stop your contributions unless you experience a qualified family status change, such as marriage, divorce, the birth or adoption of a child, or a change in employment status of you or your spouse.
- When you use an account, you cannot claim the same expenses on your federal income tax return. In some cases, you may be able to receive a tax credit for certain dependent care expenses that are more advantageous than the tax free account reimbursement.
- You have until March 30th of the following year to submit claims for reimbursement for expenses incurred during the preceding 14-1/2 months (Jan. 1 – March 15). According to IRS rules, any money left in your account is forfeited.
- The Flexible Spending Account is a once a year election that must be made prior to the start of a new tax year.

## HOW A FLEXIBLE SPENDING ACCOUNT CAN SAVE YOU MONEY

	Without an Account	With an Account	Flexible Spending Account
Salary	\$20,000	\$20,000	
To Account			\$195
Taxable Salary	\$20,000	\$19,805	
Income Tax (20%)	\$( 4,000)	\$( 3,961)	
Social Security (7.65%)	\$( 1,530)	\$( 1,515)	
Salary After Taxes	\$ 14,470	\$ 14,329	
Medical Expenses			
5 Office Visits at \$15 each	\$( 75)	\$( 75)	
4 Generic Prescriptions at \$10 each	\$( 40)	\$( 40)	
2 Brand Name Prescriptions at \$25 each	\$( 50)	\$( 50)	
5 Over-The Counter Medications (@ \$6 each)	\$( 30)	\$( 30)	
Account Reimbursement		\$ 195	
Net Pay	\$ 14,275	\$ 14,329	
INCREASE IN ANNUAL TAKE HOME PAY		\$ 54	

## HOW TO ENROLL IN THE PLAN

To participate in the tax-free Flexible Spending Account program, complete the attached Union College Health/Dependent Care Flexible Spending Account form and return it to Human Resources.

The minimum contribution for a health care account is \$1 per pay period and the maximum contribution is \$5,000 per year.

The minimum contribution for a dependent care account is \$100 per year and the maximum contribution is \$5,000 per year.

## QUESTIONS

For more information about this or any other benefits, contact Human Resources at x6108.