

## **5.10 Flexible Spending Accounts**

The College provides a program whereby employees have a flexible and convenient method to use tax- sheltered dollars to pay for their personal share of healthcare and/or child and dependent care expenses. These two benefit options are called Flexible Spending Accounts (FSAs). They are designed to increase the employee's disposable income by reducing the amount of taxes the employee pays.

The FSA has a plan year of January 1st to December 31st. Upon enrollment in one of the FSA plans, the employee will choose the specific amount of their annual salary that will be withheld from each paycheck and deposited into an FSA. These withholdings are on a pre-tax basis (before federal and state income taxes).

Newly hired College staff may enroll within 30 days of hire for exempt employees or within 30 days of completion of the introductory period for non-exempt employees. Current employees are eligible to enroll during the annual open enrollment period or for 30 days following a qualifying event.

Employees should be aware that according to IRS provisions, funds left in the account at year end are not refundable to the employee.

Detailed information concerning flexible spending accounts is available in the Human Resource office