

**Partnership for Children of Cumberland County, Inc.**  
**Human Resources Policies and Procedures**

**Employment Information – Benefits**  
**Section 419 – Flexible Spending Account**

**1. General Information**

- a. The Partnership for Children of Cumberland County, Inc. (PFC) provides a Flexible Spending Account (FSA) program that allows employees to have pre-tax dollars deducted from their salaries to pay for eligible out-of-pocket expenses.
- b. The pre-tax contributions made to the FSA can be used to pay for predictable non-reimbursed health care expenses and dependent (under the age of 13) care expenses during the plan year.
- c. Through the FSA program, an employee can reduce his/her taxable income without reducing his/her real income.
- d. Participation in the health care and dependent care benefits in the FSA program is optional and determined on an annual basis for the plan year.
- e. All employees will complete the enrollment form each plan year
- f. The employee determines how much to contribute to the account, up to a specified maximum, based on anticipated expenses during the plan year.
- g. A maximum of \$2,500 dollars may be contributed each year for the Health Care FSA.
- h. The maximum contribution for the Dependent Care FSA is \$5,000 dollars per year.
- i. Contributions are directed to the account through salary reduction on a pre-tax basis. This set-aside or deferred amount is then available to the employee for reimbursement of out-of-pocket expenses.
- j. Any deferred amounts that remain in the account at the end of the plan year are forfeited; therefore, employees should make every effort not to “over-fund” their accounts.
- k. The plan year (period during which expenses may be incurred) and deadline for reimbursement requests for each plan year will be specified by the provider. Employees will be notified of these dates via an annual email sent by the Human Resources Coordinator.
- l. Additional details of the FSA program are described in the Summary Plan Description.

**2. Policies**

- a. Regular full-time and abbreviated schedule employees are eligible to participate in the FSA program.
- b. Employees choosing to participate will complete an enrollment form for the FSA program upon completion of the introductory period, or at the start of a new plan year.
- c. Once started, a deduction may be stopped or changed only:
  - 1) at the start of a new plan year;
  - 2) when there's a change in family status (such as divorce or the death of a qualifying dependent); or upon termination.