



FlexSystem Participant Enrollment Guide

What is a Section 125 Cafeteria Plan?

With Section 125 Cafeteria Plans you can use pre-tax dollars to pay for out-of-pocket medical expenses, dependent care expenses, non-employer-sponsored insurance premiums, and qualified transit and parking expenses.* The amounts deducted from your salary to pay for these expenses are called elections. In addition, you may also use pre-tax dollars to pay for your portion of the employer-sponsored medical-related insurance premiums.

What does pre-tax mean?

Pre-tax is your pay before state, federal, and social security taxes have been deducted. Because these Section 125 expenses are paid with pre-tax dollars, you are taxed on a lower gross salary, thereby saving money that would otherwise be spent on federal, state, and FICA taxes—and you take home more pay! You should be paying certain out-of-pocket expenses with pre-tax dollars.

What are these expenses?

Your contributions toward medical-related insurance premiums.

- Medical-related expenses such as deductibles, co-insurance, or uninsured medical expenses.
- Dependent care expenses.
- Transit (public transportation, such as bus, train, ferry, or subway, or commuter highway vehicles) and qualified parking expenses (ramp, park 'n ride).

How does a Section 125 Plan work?

You elect the amount to have deducted from your salary and deposited into a Flexible Spending Account (FSA). FlexSystem maintains these funds in an account until reimbursement is requested.

How do I request reimbursements?

You may request reimbursement any time a qualified expense has been incurred. The service related to the expense needs only to have taken place; it need not be paid before requesting reimbursement. Simply complete a Request for Reimbursement Form and submit it to FlexSystem via your mobile device (free MyTASC Mobile App), online Request for Reimbursement form in MyTASC, text, fax, or mail. FlexSystem processes Requests for Reimbursement daily. Once a request is reviewed and approved, a reimbursement is issued to your MyCash account. You can access your MyCash funds in three ways: (1) swipe your TASC Card at any merchant that accepts major credit cards, (2) withdraw at an ATM using your TASC Card, or (3) transfer to a personal bank account (or paper check). Click on the MyCash Manager link in MyTASC to view and manage your MyCash funds.

Paper reimbursement checks are issued on a limited basis and only upon request. A convenience fee may be applied per check, and a \$30 service fee is charged for the reissue of lost, stolen, or expired checks. (Note: These fees can be avoided with the use of MyCash signature debit via the TASC Card or Automatic Transfer to a bank

Increase your take-home pay and improve your benefits with FlexSystem.

Here are three good reasons to sign up today!

IT'S EASY!

Simply complete an online form—and we do the rest!

IT SAVES TIME!

Daily reimbursement processing, online requests for reimbursement, and MyCash mean you get your money quickly.

IT SAVES MONEY!

Pay medical, transit and/or parking, and daycare expenses with pre-tax dollars and save substantial tax dollars. The result is an improved benefit package and substantial tax savings.

FlexSystem Participants save hundreds of dollars in taxes each year.

HOW MUCH WILL YOU SAVE?

* The Transit and Parking benefit meets the requirements of Code Section 132. It is not a benefit offered under a Cafeteria Plan. However, the administration of this benefit is similar to other benefits offered under a Cafeteria Plan.

account.) With Automatic Transfer to a bank account (direct deposit), funds are forwarded to your bank within 48 to 72 hours of a complete submission; actual timing is dependent upon the banking system.

What is the Use-It-or-Lose-It Rule?

To avoid an account balance at year-end, be conservative when making elections. Any funds left unused at the end of the Plan Year are forfeited, unless your employer offers a Carryover (for Medical Out-of-Pocket Expenses Benefit only). You are urged to take precautionary steps, such as tracking account balances on the FlexSystem website and/or using the Interactive Voice Response System, to avoid having funds in your account at year-end.

With Carryover, an employer may allow Participants in the Medical (Out-of-Pocket) Expenses Benefit to carryover to next year's Medical Expense Benefit a portion of their unused balance. The Carryover amount applies to the following year's benefit after close of the prior Plan Year Runout, at which time it may be used to reimburse expenses incurred in the new Plan Year. While the IRS Carryover maximum is \$500, your employer may establish a lower amount. Refer to your Summary Plan Description for details specific to your Plan.

Can I change elections during the Plan Year?

You may change your FSA elections during the Plan Year only if you experience a change of status such as a marriage or divorce, birth or adoption of a child, or a change in employment status. The change of election must be (a) on account of and correspond to the qualifying event and (b) made within 30 days of the qualifying event. Refer to the Change of Election Form (available from your employer) for a complete list of circumstances acceptable for changing elections mid-year. In addition, during each Plan Year anniversary, you may change elections for the next year.

What qualifies for the dependent care benefit?

Dependent Care expenses that may be run through a Section 125 Plan must be for the primary purpose of assuring the well-being and protection of a qualifying individual. In addition, the dependent care expenses must be necessary in order for you and your spouse to work, to look for work, to attend school full-time, or if you or your spouse are physically unable to care for the children. The dependent care expenses provided during a calendar year cannot exceed \$5,000. In the case of a married individual filing a separate tax return, the limit is \$2,500.

How do I enroll?

To enroll in FlexSystem, you must first determine elections for each benefit in which you want to participate during the course of the Plan Year. The elections are specific to each type of flexible spending account, meaning that dollars set aside for dependent daycare may be used for dependent care only, and not for out-of-pocket medical expenses, etc.

May I enroll online?

With online enrollment, you benefit from 24-hour access and the convenience and the privacy of being able to enroll from the location of your choice. In addition, you can check your FlexSystem account balances and other Plan information online. If you are new to the Plan, you must obtain the Client ID from your employer and then visit www.tasconline.com/tasconline/flexsystem/enroll and follow the prompts.

If you are a renewing Participant, use your existing username (12-digit TASC ID, located on your TASC Card or Request for Reimbursement Form) and password.

For additional instructions on enrolling online, refer to the How to Enroll Online flyer or watch this short presentation: http://portal.sliderocket.com/BOORR/FX_1021_102313-FlexSystem-Online-Enrollment.

What if I have no web access or my employer doesn't offer online enrollment?

You may complete a FlexSystem Enrollment paper form (obtained from your employer). Make a copy for your files and return the completed form to your employer. For enrollment assistance, call Customer Care at 608-241-1900 or toll-free 1-800-422-4661.