

BRYN MAWR COLLEGE
MEMORANDUM

TO: BENEFITS-ELIGIBLE FACULTY AND STAFF

FROM: MARTY MASTASCUSA, HUMAN RESOURCES

RE: 2009 FLEXIBLE SPENDING ACCOUNT OPEN ENROLLMENT

DATE: NOVEMBER 17, 2008

Enclosed are Flexible Spending Account Open Enrollment materials for the January 1 – December 31, 2009 Plan Year. **If you are planning to enroll in the dependent care spending account or medical care spending account in 2009, please complete and return the enclosed *Flexible Spending Account Election Form* by December 16, 2008.** You must do this even if you are a current participant. Flexible Spending Account elections do not carry over from one plan year into the next. Alternatively, you may enroll online using the attached instructions.

The annual maximum on the medical care spending account remains at \$4,500 in 2009. The dependent care spending account remains at the maximum limit permitted of \$5,000. Participation in the medical care spending account is limited to employees with a year of more of service as of January 1, 2009. If you are a current enrollee but are not participating in 2009, please check the Waive box on the *Flexible Spending Account Election Form* or online. **If you are not currently enrolled in the Flexible Spending Account and are not participating in 2009, you do not need to do anything.**

The Flexible Spending Account Plan was amended starting with the 2006 plan year to allow a grace period that runs from January 1 through March 15 in the year following the year of participation. Eligible services incurred during the grace period can be reimbursed from the prior year plan balance. **If you are a 2008 plan participant, eligible services must be incurred from January 1, 2008 through March 15, 2009. If you are a 2009 plan participant, eligible services must be incurred from January 1, 2009 through March 15, 2010.** If you are participating in both the 2008 and 2009 plan years, please note that any expense incurred from January 1 through March 15, 2009 will first be applied to any outstanding 2008 balance. **Please make sure to exclude 2009 expenses that you expect to apply against the 2008 grace period when making your 2009 election.**

The enclosed Flexible Spending Account Plan description contains a summary of reimbursable expenses. If you have specific questions regarding the reimbursement of an expense through the medical care spending account, you should consult IRS Publication 502, *Medical and Dental Expenses*. Please note that while insurance premiums are listed in Publication 502, they are only reimbursable if you are declaring medical expenses on your Form 1040 Schedule A. Insurance premiums are not reimbursable through a flexible spending

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account. If you have any questions regarding the reimbursement of an expense through the dependent care spending account, you should consult IRS Publication 503, *Child and Dependent Care Expenses*. Both of these publications can be found on the IRS website, www.irs.gov.

If you have any questions regarding your enrollment in the Flexible Spending Account, please contact Human Resources by December 16th. It is too late to enroll in 2009, as changes are not permitted (except for life/qualifying events) after the 2009 plan year begins on January 1. Please call me at ext. 5266 or send an e-mail (mmastasc@brynmawr.edu) if you have any questions.