

CAFETERIA PLAN

Bear River Head Start

HIGHLIGHTS

Bear River Head Start has established a "Cafeteria Plan" to help you pay for your out-of-pocket medical expenses. One of the most important features of our Plan is that the benefits being offered are generally ones that you are already paying for, but normally with money that has first been subject to income and Social Security taxes. Under our Plan, these same expenses will be paid for with a portion of your pay before Federal income or Social Security taxes are withheld. This means that you will pay less tax and have more money to spend and save. However, if you received a reimbursement for an expense under the Plan, you cannot claim a Federal income tax credit or deduction on your return.

GENERAL PLAN INFORMATION

Plan Name:

**Bear River Head Start
Cafeteria Plan**

Address:..... 95 West 100 South, Suite 200
Logan, UT 84321

Telephone: (435)755-0081

Tax I.D. Number: 87-0272159

Plan Number: 501

Plan Effective Date: 9/1/1998

Amended: 11/20/2013

Plan Year End:..... December 31st

Maximum Medical Limit:..... \$ 2,500

Maximum Dependent Care Limit:..... \$5,000

Health FSA Carryover

..... Up to \$500 following the Plan run-out

Run-out Period:..... 90 Days

Plan Administrator:..... Bear River Head Start

Company Contact: Ilise Andersen

CONTRIBUTIONS

Before each Plan Year begins, you will select the benefits you want and how much of the contributions should go toward each benefit. It is very important that you make these choices carefully based on what you expect to spend on each covered benefit or expense during the Plan Year.

Generally, you cannot change the elections you have made after the beginning of the Plan Year. However, there are certain limited situations when you can change your elections if you have a "change in status". Please refer to your Summary Plan Description for a change in status listing.

ELIGIBILITY

If you work 29 hours or more each week for the company, you will be eligible to join the Plan following 30 days of employment.

You will enter the Plan on the first day of the month following 30 days of employment.

BENEFITS

Under our Plan, you can choose the following benefits.

Health Flexible Spending Account:

The Health Flexible Spending Account (FSA) enables you to pay for expenses allowed under Section 105 and 213(d) of the Internal Revenue Code which are not covered by our insured medical plan and save taxes at the same time. The most that you can contribute to your Health Flexible Spending Account each Plan Year is \$2,500. Each Calendar year the amount may increase for cost of living adjustments.

Dependent Care Flexible Spending Account:

The Dependent Care Flexible Spending Account enables you to pay for out-of-pocket, work-related dependent day-care cost with pre-tax dollars. Please see Summary Plan Description for definition of eligible dependent. The law places limits on the amount of money that can be paid to you in a calendar year. Generally, your reimbursement may not exceed the lesser of: (a) \$5,000 (if you are married filing a joint return or you are head of a household) or \$2,500 (if you are married filing separate returns; (b) your taxable compensation; (c) your spouse's actual or deemed earned income. Also, in order to have the reimbursements made to you from this account be excludable from your income, you must provide a statement from the service provider including the name, address, and in most cases, the taxpayer identification number of the service provider on your tax form for the year, as well as the amount of such expense as proof that the expense has been incurred.

Premium Expense Account:

A Premium Expense Account allows you to use tax-free dollars to pay for certain premium expenses under various insurance programs that we offer you.

Please note: Policies other than company sponsored policies (i.e. spouse's or dependents' individual policies etc.) may not be paid through the Cafeteria Plan. Furthermore, qualified long-term care insurance plans may not be paid through the Cafeteria Plan.

BENEFITS PAYMENT

During the course of the Plan Year, you may submit requests for reimbursement of expenses you have incurred. Expenses are considered "incurred" when the service is performed, not necessarily when it is paid for. You can get a claim form at www.NBSbenefits.com for reimbursement.

You must submit claims no later than 90 Days after the end of the Plan Year for the Health Flexible Spending Account and the Dependent Care Flexible Spending Account. However, if you have unused contributions in your Health Flexible Spending Account following the Plan run-out period, you may roll up to \$500 to the new plan year. Any Dependent Care contributions remaining at the end of the Plan Year or any amount above \$500 in your Health FSA at the end of the plan year run-out will be forfeited.

HIGHLY COMPENSATED & KEY EMPLOYEES

Under the Internal Revenue Code, "highly compensated employees" and "key employees" generally are Participants who are officers, shareholders or highly paid.

If you are within these categories, the amount of contributions and benefits for you may be limited so that the Plan as a whole does not unfairly favor those who are highly paid, their spouses or their dependents. Please refer to your Summary Plan Description for more information. You will be notified of these limitations if you are affected.

FAMILY AND MEDICAL LEAVE ACT

Notwithstanding anything in the Plan to the contrary, in the event any benefit under this Plan becomes subject to the requirements of the Family and Medical Leave Act of 1993 and regulations thereunder, this Plan shall be operated in accordance with proposed Regulation 1.125-3.

ADDITIONAL PLAN INFORMATION

As a participant in the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). Please refer to your Summary Plan Description for more information on your ERISA rights.

Updated April 16, 2014



(801) 532-4000 - Salt Lake City, UT