

# STANDARD PROCEDURE

CITY OF WILSON

PERSONNEL MANUAL

| SUBJECT                    | NUMBER | REVISED | EFFECTIVE DATE | SUPERSEDES | PAGE   |
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| Flexible Spending Accounts | C-2    | 1       | June 1, 2007   |            | 1 of 1 |

Prepared By:  
Policy Review Committee

Approved By: Grant Goings  
City Manager

## 1.0 Purpose

To provide employees of the City of Wilson with the option of participating in a Flexible Spending Accounts Program that will permit them to pay for certain uninsured medical expenses and/or child care expenses with pre-tax dollars.

## 2.0 Policy

The City will provide a Flexible Spending Accounts program for use by all full-time and permanent part-time employees.

## 3.0 Scope

All full-time and permanent part-time employees are covered by this policy.

## 4.0 Definitions

4.1 Beneflex: The official name of the City's Flexible Spending Accounts Program.

4.2 Plan Year: The period beginning January 1 and ending December 31 each year.

## 5.0 Rules/Procedures

5.1 All full-time and permanent part-time employees are eligible to participate in the Beneflex Program, provided they enroll during either the first 30 days of employment or during the open enrollment period scheduled for each December.

5.2 All amounts deducted under the Beneflex Program will be exempt from federal, state and social security taxes.

5.3 All funds remaining in an employee's account at the end of the plan year will be forfeited in accordance with Internal Revenue Service (IRS) guidelines.

5.4 All Beneflex claims for reimbursement must be submitted to the Human Resources Department by the first Wednesday of each pay period.