

FLEXIBLE SPENDING ACCOUNTS

Two Flexible Spending Accounts (FSA's) are offered as a part of your group insurance plan - the Health Care Spending Account reimburses you for uninsured or non-covered medical, dental or eye care expenses and the Dependent Care Spending Account reimburses you for child and dependent care expenses required in order for you or your spouse to work. The monies taken for these accounts are pre-tax accounts must be used for expenses not reimbursed by other coverage. Monies not recovered through claims will be lost under the IRS rule Use It or Lose It.

The University of Akron has adopted IRS Notice 2005-42 which allows participants an additional 2 ½ months of claim incurrence for the health care spending account beyond the end of the calendar year. It does not eliminate the "Use It or Lose It" rule but will reduce participant forfeitures by allowing claims to be incurred up to March 15th. The dollars do not roll forward but the account remains active for the additional 2 ½ month period. Accordingly the claim filing date has been extended until May 31st.

Maximum annual contributions are as follows:

Health Care Account \$3,500

Dependent Care Account \$2,500 or \$5,000
if married, filing jointly on tax return