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FSA Administration Service

Paylogix® FSA (flexible spending accounts) administration service provides employers with everything necessary to take full advantage of employer and employee tax savings as well as effectively manage compliance under IRS Section 125.

Commonly referred to as a Flex Plan or a Cafeteria Plan, Section 125 is an IRS regulated, employer-sponsored benefit plan that allows employees to voluntarily convert part of their compensation into tax-free benefits. Unlike tax-deferred benefit plans, contributions made through Section 125 are free of federal, FICA and most state taxes.

In addition to employee tax savings, Section 125 provides employer tax savings by reducing the FICA & FUTA taxes from matching payroll contributions. Employers and employees agree that the Section 125 flexible benefit plan is an excellent complement to any employee benefit package.

Section 125 provides for a wide variety of benefits. The benefits most often represented in the Section 125 flexible benefits plan are any combination of the following:

- Group Health and Supplemental Insurance Programs – use pre-tax dollars to pay eligible group insurance premiums
- Healthcare Reimbursement Account – use pre-tax dollars to pay for eligible out-of-pocket expenses
- Dependent Care Reimbursement Account – use pre-tax dollars to pay for eligible dependent daycare expenses

Paylogix® FSA Administration service is designed to help employers and employees make the most of this tax savings program.

Paylogix® Plan Administration Includes:

- Enrollment forms & worksheets
- Summary Plan Description
- Reimbursements 24-48 hours of receipt
- Account balances included on check stub
- Direct Deposit/Debit Card/Payroll Interface of Reimbursement
- Automatic Transfer of Employee Deduction to FSA Account
- Quarterly Statements to Participants via e-mail

Paylogix® Plan Implementation Includes:

- Customized Plan Document
- Corporate/Board Resolution
- Non-discrimination Testing
- Required amendments as changes in IRC occur
- IRS filing Form 5500 (when necessary)

Paylogix® FSA Administration Fees:

Paylogix® FSA service is only available as a supplement to our Common Remitter® premium administration service. Paylogix® FSA fees are in addition to administrative fees and minimums for Paylogix® Common Remitter® services.

Service	Cost
Group Set Up Fee (1x)	\$250.00
Annual Renewal Fee	\$200
Monthly Administrative Fee	\$2.75 per Participant per Month (\$50 Minimum)
FSA Debit Card	\$1.30 per Participant/Mo.
Early Termination Fee (1x)	\$150 per Employer/Group
Electronic Data Transfer Fee (1x)	\$250 per Employer/Group
Premium Only Plan (POP) Kit	\$350 (above fees waived)
POP Annual Fee	\$100

If you're interested in adding flexible spending accounts (FSAs) to your employees' benefits package, visit our web site at www.paylogix.com/FSA.htm

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