

~HSCFDC Documentation/Monitoring System~

Title of Form:	125 Cafeteria Plan
Related Policy:	To provide Head Start staff with pre-tax benefits related to health insurance.
Program Area:	1304.52 <i>Human Resources</i>
Procedures	
Filled Out By:	Fulltime Employees that enroll into the Health Insurance Plan
Timeline:	Upon request to be enrolled into Heath Insurance Plan
Specific Directions:	<ol style="list-style-type: none"> 1) Employee is given the form to be read and completed. 2) After completion the employee is to turn the form into the Administrative Assistant. 3) The Administrative Assistant ensures that all areas have been completed and makes a copy. The copy is retained in the employee's personnel file. 4) The original copy is given to the finance director to be processed and filed in the finance office personnel files.
Submitted To:	Administrative Assistant then forwarded to the Finance Director.
Timeline:	Upon completion of Member Enrollment Form for health insurance benefits.
Filed In: <i>Note: For duplicate or triplicate forms, please note where each copy of the form is filed.</i>	<ol style="list-style-type: none"> 1) Copy of form is retained in the employee's personnel file. 2) The original form is filed in the Finance Department.

Head Start Child & Family Development Centers Inc.
CAFETERIA PLAN
Election Form and Compensation Redirection Agreement (Short Form)

Employee Name: _____

Employee Address: _____

Employee Social Security Number: _____ Employee Number: _____

Plan Year: _____

The HSCFDC and I hereby agree that my cash compensation will be reduced by the amounts set forth below for each pay period during the plan year (or during such portion of the year as remains after the date of this agreement).

Election and Compensation Redirection Agreement for Coverage Under Certain Benefit Plans

On the appropriate benefit enrollment form(s), I have enrolled for health insurance coverage.

I elect to receive **health insurance** coverage under the Cafeteria Plan.

I understand that:

- If my required contributions for the elected benefits are increased or decreased while this agreement remains in effect, my compensation redirection will automatically be adjusted to reflect that increase or decrease.
- Prior to the first day of each plan year I will be offered the opportunity to change my benefit election for the following plan year. If I do not complete and return a new election form at that time, I will be treated as having elected to continue my benefit coverage then in effect for the new plan year. In addition, this compensation redirection agreement will continue by its terms in the amount of the required contribution for the benefit option.

Other Terms and Conditions

I understand that:

- I can not change or revoke this compensation redirection agreement at any time during the plan year unless I have a change in family status, (including marriage, divorce, death of a spouse or child, birth or adoption of a child, termination of employment of a spouse or such other events as the Plan Administrator determines will permit a change or revocation of an election).
- The Plan Administrator may reduce or cancel my compensation redirection or otherwise modify this agreement in the event he/she believes it advisable in order to satisfy certain provisions of the Internal Revenue Code.
- The redirection in my cash compensation under this agreement shall be in addition to any redirections under other agreements or benefit plans.
- The amount of my compensation redirection for each pay period during the year will be credited to an insurance account and such amount will be paid on my behalf or I will be reimbursed, up to the balance in that account, for the applicable expenses incurred during the year.

THIS AGREEMENT IS SUBJECT TO THE TERMS OF THE COMPANY'S CAFETERIA PLAN, AS AMENDED FROM TIME TO TIME IN EFFECT, SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH APPLICABLE LAWS, SHALL TAKE EFFECT AS A SEALED INSTRUMENT UNDER APPLICABLE LAWS, AND REVOKES ANY PRIOR ELECTION AND COMPENSATION REDIRECTION AGREEMENT RELATING TO SUCH PLAN(S).

Employee's signature

Date

Accepted and agreed to by the Company's Authorized Representative

Administrative Personnel signature

Date