

Executive Board

02/24/26

Administration Support Committee

02/23/26

Item of

Consideration: Recommendation to revise policy 852 – Flexible Spending Accounts Plan

Highest Authority Executive Board

For this item:

Originating Source: General Council and Executive Leadership

Background: Policy 852 - Flexible Spending Accounts Plan. This policy generally covers the provisions and requirements set forth by the Internal Revenue Service (IRS) regarding the BGCT's offering of various types of Flexible Spending Accounts, which allow employees to set aside pre-tax dollars to help cover out-of-pocket dependent care, medical, prescription drug, dental and vision expenses each calendar year.

However, there is a section of the policy that addresses Health Savings Accounts (HSA). As of January 1, 2026, BGCT no longer offers a High-Deductible Health Plan as part of its medical plans. HSAs can only be offered in conjunction with a High-Deductible Health Plan. Therefore, the policy should be updated to remove language referencing HSAs.

Background Attachments: A redline version of Policy 852 is included below.

Recommendation: The recommendation is the entire policy should be removed from the policy manual.

POLICY 852 FLEXIBLE SPENDING ACCOUNTS PLAN

All regular full time BGCT employees are eligible for participation in the Flexible Spending Account plan which is based on the current Internal Revenue Service guidelines for Section 125 plans. Part-time, occasional, and temporary employees are not eligible for participation in the plan.

This plan allows eligible employees to set aside a portion of their salary before taxes and place the money into an account designated for qualifying medical expenses and dependent care expenses. An employee's portion of his or her salary as designated will be set aside in a Section 125 account to receive the pre-tax benefit.

Each year eligible employees must complete an application to participate in the plan and authorize how much of their earnings they want to set aside for the benefit. The designated amount of pay will be deducted from the pay over the course of the year per pay period.

~~BGCT will follow the IRS guidelines set for each year regarding the maximum total of contributions for each type of spending account offered under the plan and will communicate these amounts to employees during the annual enrollment period. The maximum total of contributions for the Health Care Reimbursement is \$5,000 per plan year and the Dependent Care Reimbursement is \$5,000 per plan year. Under the Health Care Reimbursement option, employees actively participating in a Health Savings Account may only participate in the Limited Flex Plan, which reimburses dental and vision expenses only.~~

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