

# Independent School District No. 701

800 E. 21<sup>st</sup> Street  
Hibbing, Minnesota 55746

## BUSINESS OFFICE

SCOTT WIRTANEN, Business Manager

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August 22, 2017

TO: All I.S.D. #701 Staff  
FROM: Scott Wirtanen, Business Manager *sw*  
RE: Information for Flexible Benefit Plan

Once again, during the 2017-18 school year, ISD #701 will enter into a contract with Educators Benefit Consultants to provide our employees with a flexible benefit plan.

The basic concept behind a flexible benefit plan is to shift out-of-pocket medical expenses and child-care expense from a post-tax deduction to a pre-tax deduction, thus giving each employee a greater net take-home pay. **This is strictly a voluntary program on the part of each employee and participation is not required.**

Due to lack of participation in prior year meetings, a representative from Educators Benefit Consultants **will not** be in our district to conduct individual meetings at each building as was done in the past.

Our school district will implement the 2017-18 benefit program beginning October 1, 2017 and run our plan year through September 30, 2018.

If you are in need of a more detailed explanation of how the program works, please feel free to contact either Trina Baumgardner, Superintendent's Office, or Kathy Koschak, Business Office, for more details.

Below is some information brought forth during prior year's educational sessions. I hope this will be helpful to you as you make your decisions regarding the Flexible Benefit Plan.

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1. The Flexible Benefit Plan does not affect any PERA &/or TRA retirement benefits. It may reduce your Social Security benefit, but only minimally, as Social Security is based on a 35 year average.
2. All employee Health & Dental Insurance payroll contributions will be moved from a post-tax deduction to a pre-tax deduction, thus increasing your take-home pay. If, for some reason you would choose not to elect this service, **you must sign a Waiver of Election form in the Business Office prior to September 12, 2017.**
3. Employees opting to use the Dependent Care Option of the Flexible Benefit Plan will need to obtain receipts from your day-care provider. If you would like sample receipt forms, they are available in the Business Office.



4. Reclassification of expenses will occur once each month if you desire. Certified staff will need to submit to the Business Office the Reclassification Request Form no later than the 15th of each month for reclassification to occur on your end-of-the-month payroll check

Non-Certified staff will need to submit to the Business Office the Re-classification Request Form no later than the 25th of each month for reclassification to occur on your next month-10th day payroll check.

5. This plan year runs from October 1, 2017 through September 30, 2018.
6. **All Out-Of-Pocket Election Forms in your packets need to be submitted to the Business Office no later than Tuesday, September 12th.** If you have trouble meeting that deadline, please contact the appropriate Payroll Clerk.
7. Packets are available in the Business Office or Principal's Office.

Please feel free to contact me at 208-0849 if you have any further questions.

SW/af