

## East Central ISD

### Cafeteria Plan Benefits (Section 125)

Employees may be eligible to participate in the Cafeteria Plan (Section 125) and, under IRS regulations, must either accept or reject this benefit. This plan enables eligible employees to pay certain insurance premiums on a pretax basis (i.e., medical coverage or qualifying supplemental products). The District's Section 125 plan is administered by a Third-Party Administrator, First Financial Group of America.

New employees can either accept or decline this benefit during their first 31 days of employment by completing their enrollment or declination of health insurance and other benefits. In addition, all eligible employees may accept or decline this benefit on an annual basis during open enrollment and/or 31 days for change in family status or other qualifying life events. **When enrolling in a product eligible for cafeteria plan participation, the online enrollment system will automatically default to a pre-tax (Section 125) deduction unless the employee specifically changes the selection to decline pre-tax status, and is verified through electronic signature upon completion of the enrollment process.** In addition, all eligible employees may accept or decline this benefit on an annual basis during open enrollment and/or 31 days for change in family status or other qualifying life events.