

Flex 125 Plan

The Poughkeepsie Public Library District offers employees access to a Flex 125 Plan. A Flex 125 plan is a type of Section 125 plan that allows employees to pay for qualified expenses with pretax income. It is also known as a cafeteria or flexible spending account (FSA). The plan has been developed to offer the fullest tax advantages to all employees, except to employees in high school. To ensure the fullest protection of confidential information and proper administration, the Library District shall observe the following policy:

1. The Plan Administrator shall be responsible for ensuring the confidentiality of Flex 125 Plan records. Such information shall be kept separately from personnel files in a separate locked cabinet. The retention schedule for this information shall be in accordance with the latest IRS guidelines.
2. The Library District shall not discriminate based on any information obtained during the implementation or routine operation of the plan.
3. All employee requests for qualified reimbursement shall be honored in a timely manner.
4. Funds obtained by the Library District during the operation of the program shall be separately banked and accounted for.
5. After April 1 of each plan year, all unexpended funds shall revert to the Flex 125 Fund as administered by the Library District.
6. If an employee terminates employment before the end of the year, that employee is responsible for repayment to the plan of medical expenses reimbursed in excess of plan contributions.