

October 15, 2015

Cafeteria Plan Overview Memo for U.S. Missionaries

RELIANT'S CAFETERIA PLAN

Reliant offers a Cafeteria Benefit Plan. What is a Cafeteria Plan? It is similar to how you select the food items you want to eat when you go to a cafeteria. Reliant's Cafeteria Plan allows employees to "select" certain benefits they would like to participate in. Our 2016 Cafeteria Plan offering will contain the following three selections:

- Vision Plan Benefit (Vision premiums are paid for by you the employee out of your paycheck)
- Health Savings Account (HSA) – Personal Employee Contributions to your HSA spending account
- Child Care Benefit - Employee Contributions

WHY DOES GCM OFFER A CAFETERIA PLAN?

Reliant does this primarily for the tax benefits it offers our employees. The contributions/payments for any of these three benefits are processed on a pre-tax basis. So they will be taken from your monthly paycheck before taxes. Thus, your tax savings could really add up!

With the Child Care Benefit, employees are able to submit child care expenses for reimbursement, using the employee contributions set aside from their monthly paychecks.

TAX BENEFITS FOR YOU

- HSA employee monthly contributions (through Reliant payroll) are treated as pre-tax deductions.
- Vision Plan Benefit monthly premiums are deducted from your paycheck pre-tax.
- Child Care Benefit employee monthly contributions are deducted from your paycheck before tax as well.
- Employees' pre-tax contributions/payments are not subject to federal income or social security tax. (It also means NO employer FICA matching portion comes out of the MTD account you're responsible for.)

THINGS TO KEEP IN MIND

- Employees need to stay enrolled in the Vision Plan for the entire year, if Vision Benefit is elected.
- Employees need to stay enrolled at the same HSA employee monthly contribution level for the entire year, if this is elected.
- Employees will need to stay enrolled in the Child Care Benefit for the entire year, if this is elected.
- To take advantage of Reliant's Cafeteria Plan, you only need to either select the Vision Plan Benefit, Health Saver 1500, Health Saver 3000, (HSA-compatible plans), or the Child Care Benefit. You do not need to be enrolled in all three.
- The yearly maximum contribution amount for the Child Care Benefit is \$5,000.
- Child Care Benefit Plan - Employees submit their child care expenses directly to Reliant for reimbursement in a manner very similar to how they currently submit for their Reliant ministry expenses.

WHAT DO I NEED TO DO NEXT?

- Fill out Reliant's Cafeteria Plan Enrollment Form if you enroll in either the Vision Plan, Health Saver 1500 (HSA), Health Saver 3000 (HSA), and/or the Child Care Benefit Plan.
- Enrollment Form is available on StaffNet at [2016 Cafeteria Plan Enrollment Form](#)

Send completed Enrollment Form to hr@reliant.org by **November 15, 2015**.

NOTE: All employees enrolling in the Cafeteria Plan need to submit a new Cafeteria Plan Enrollment Form every year.