

SUPERINTENDENT  
Cynthia Nava

CHIEF FINANCIAL OFFICER  
Steven W. Suggs



4950 MCNUTT  
SUNLAND PARK, NM

P. O. DRAWER 70  
ANTHONY, NM 88021  
PHONE (575) 882-6243  
FAX (575) 882-6265

## Proposed Changes to Benefits Plan FY 2010-2011

### Current Status

**Section 125 (Cafeteria Plan)** is enrolled one person at a time. Each individual is required by IRS regulations to either participate or affirmatively opt out of the program, consequently every employee must be seen by an enroller each year to either enroll or opt out of the plan.

**403(b) Tax Sheltered Annuities** ING is the district's exclusive provider of 403(b) Tax Sheltered Annuities.

**Auto and Home Insurance** is not currently offered by the school district but is one of the ranked products in the District's voluntary benefits survey.

**Long-Term Care** is not currently offered by the school district but is one of the ranked products in the District's voluntary benefits survey.

### Proposed Changes

**Section 125 (Cafeteria Plan)** would be enrolled on the basis of a "negative enrollment". The Internal Revenue Service, under IRS Rule 2002-27, allows plan sponsors to use a "negative election", or automatic enrollment, for employees that choose to participate in a Section 125 Plan, provided that the district follows appropriate notification requirements as outlined in the regulations.

**403(b) Tax Sheltered Annuities** Valic would be added as an additional provider of 403(b) Tax Sheltered Annuities, and become the exclusive provider of the 403(b) ROTH.

**Auto and Home Insurance** would add Auto and Home Insurance to the district's menu of voluntary benefits.

**Long-Term Care** would add Long-Term Care to the district's menu of voluntary benefits.