

## PLAN AMENDMENT COVERSHEET

This document contains all applicable plan amendments associated with the Consolidated Appropriations Act of 2020. Please indicate which provisions will be adopted by checking the applicable box(es) below.

- ☐ Carry Forward Rule for Dependents who Aged Out During Pandemic
- ☐ Carryover of Unused Funds in Health and Dependent Care Flexible Spending Arrangements for 2020 and 2021 Plan Years. (Not compatible with the Grace Period extension.)
- ☐ Post-Termination Reimbursements from Health FSAs
- ☒ Section 125 Change in Status under the Health or Dependent Care FSA
- ☒ Extension of Grace Period for Plan Year ending in 2020 (Not compatible with Carryover of Unused Funds.)

On the pages to follow please remove any text associated with provisions not being adopted from the Plan Amendment and following Summary of Material Modifications.

## **ELK GROVE UNIFIED SCHOOL DISTRICT FLEXIBLE BENEFITS PLAN AMENDMENT 2**

### **ARTICLE I PREAMBLE**

- 1.1 **Adoption and effective date of amendment.** The Employer adopts this Amendment to Elk Grove Unified School District Flexible Benefits Plan (the "Plan"). The sponsor intends this Amendment as good faith compliance with the requirements of these provisions. This Amendment shall be effective on or after the date the Employer elects in Section 2.1 below.
- 1.2 **Supersession of inconsistent provisions.** This Amendment shall supersede the provisions of the Plan to the extent those provisions are inconsistent with the provisions of this Amendment.
- 1.3 **Construction.** Except as otherwise provided in this Amendment, any reference to "Section" in this Amendment refers only to sections within this Amendment and is not a reference to the Plan. The Article and Section numbering in this Amendment is solely for purposes of this Amendment, and does not relate to any Plan article, section, or other numbering designations.

### **ARTICLE II ELECTIONS**

- 2.1 **Effective Date.** The provisions of this Amendment, unless otherwise indicated are effective as of January 1, 2021 (the "Effective date").
- 2.2 **H.R. 133 Consolidated Appropriations Act Amendment(s).** The Employer hereby amends the Plan as follows:

#### **Section 125 Change in Status under the Health or Dependent Care FSA**

Effective as of the effective date, the Employer amends their plan to allow for the below change in status flexibility. This is a temporary change effective only for the plan year ending in 2021.

On December 27, 2020, H.R. 133 Consolidated Appropriations Act was signed into law, impacting section 125 cafeteria plans. This guidance is designed to provide temporary flexibility for employers and employees and assist with the National response to the 2019 Novel Coronavirus outbreak (COVID-19). These changes permit, under certain circumstances, prospective changes to health and dependent care FSA elections as follows:

- a) employees may revoke a health FSA election, make a new election, or decrease or increase an existing election on a prospective basis; and
- b) employees may revoke a dependent care FSA election, make a new election, or decrease or increase an existing election on a prospective basis.

Employers are not required to allow unlimited election changes but may determine the extent to which such changes are permitted and applied. Any change allowed shall not permit a revocation or decrease in election below the amount already disbursed.

#### **Extension of Grace Period for Plan Year ending in 2020**

Effective as of the effective date, the Employer amends their plan to allow for the extension of the Grace Period for plan year ending in 2020 to 12 months after the end of such plan year.

In general a plan that includes a health flexible spending arrangement or dependent care flexible spending arrangement shall not fail to be treated as a cafeteria plan under the Internal Revenue Code of 1986 merely because such plan or arrangement extends the grace period for a plan year ending in 2020 to 12 months after the end of such plan year, with respect to unused benefits or contributions remaining in a health flexible spending arrangement or a dependent care flexible spending arrangement.

This amendment has been executed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Name of Employer: Elk Grove Unified School District

By: \_\_\_\_\_  
EMPLOYER

**CERTIFICATE OF ADOPTING RESOLUTION**

The undersigned authorized representative of Elk Grove Unified School District hereby certifies that the following resolutions were duly adopted on \_\_\_\_\_ (date) and that such resolutions have not been modified or rescinded as of the date hereof;

RESOLVED, that the Amendment to the Plan (the Amendment) is hereby approved and adopted, and that an authorized representative of the Employer is hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the amendment.

The undersigned further certifies that attached hereto is a copy of the Amendment approved and adopted in the foregoing resolution.

Date: \_\_\_\_\_

Signed: \_\_\_\_\_

\_\_\_\_\_  
[print name/title]

## **SUMMARY OF MATERIAL MODIFICATIONS for the**

Elk Grove Unified School District  
Flexible Benefits Plan

### **I INTRODUCTION**

This is a Summary of Material Modifications regarding the Elk Grove Unified School District Flexible Benefits Plan (the “Plan”). This is merely a summary of the most important changes to the Plan and information contained in the Summary Plan Description (“SPD”) previously provided to you. It supplements and amends that SPD so you should retain a copy of this document with your copy of the SPD. If you have any questions, contact the Administrator. If there is any discrepancy between the terms of the Plan, as modified, and this Summary of Material Modifications, the provisions of the Plan will control.

### **II SUMMARY OF CHANGES**

**H.R. 133 Consolidated Appropriations Act Amendment(s).** The Employer hereby amends the Plan as follows:

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