

2017 Flex Credits for Western Faculty Members

Making the best use of your Professional Expense Reimbursement Account, Health Care Spending Account, and Taxable Wellness Spending Account

In addition to many other benefits, Western provides its full-time faculty members with three accounts that can be used to cover a wide variety of expenses. A total of \$2,000 is available to you in 2017, in the form of “Flex Credits” that may be allocated into one or more of the three accounts:

- The **Professional Expense Reimbursement Account (PER)** can be used to pay for professional expenses including conference registrations, travel and accommodation, membership fees for professional and/or learned societies, journal subscriptions, to purchase a computer or software, and for other expenses. (See end of this document for a list of eligible expenses and restrictions).
- The **Health Care Spending Account (HCSA)** can be used to pay for many medical and dental expenses that are not covered or only partially covered by your Extended Health and Dental plans.
- The **Wellness Spending Account (WSA)** is designed to support your personal health and wellness. The WSA can be used to pay for fitness equipment, sporting equipment, a personal trainer, nutritional counselling, weight loss programs, smoking cessation programs, green home initiatives and it can be used to seek reimbursement for the unpaid portion of health, dental and HCSA claims. Note that, unlike the PER and the HCSA, any WSA reimbursements to you are taxable benefits, and Western is required to report them on your T4.

The deadline to allocate your \$2,000 Flex Credit allocation for the 2017 calendar year is December 2, 2016. If you do not actively choose where your Flex Credits will go, the default allocation will be \$1,400 to your PER and \$600 to your HCSA. The allocation is irrevocable.

What is the right Flex Credit allocation decision for you?

In November 2016 and each year, you will be asked to make a decision about your Flex Credit allocations for the following year. Here are some things to consider:

Do you expect to have higher professional costs in the next calendar year?

You may anticipate the need for a new computer or software, or plan to attend a major conference and will incur registration, travel and accommodation expenses. If so, you may wish to allocate more or all of your Flex Credits to your PER Account.

Do you foresee higher medical/dental expenses?

Sometimes you are able to anticipate upcoming medical or dental expenses for the next calendar year. If your child requires orthodontic work, or you have an injury that requires ongoing physiotherapy or massage therapy, you may choose to allocate more of your Flex Credits to your Health Care Spending Account. Your HCSA can be used to claim for expenses above the dollar maximum for benefits such as vision care, drug dispensing fees, and to pay for the 15% co-insurance costs you may pay on some dental and medical expenses.

Do you want to use some of these funds for your wellness?

If you are looking to improve your health by joining a gym, or through a weight loss or smoking cessation program, you may wish to choose a higher Wellness allocation.

Making your Choice

A notice will be sent to you in November each year, letting you know it is time to make your Flex Credit allocation for the following year. At that time, you may sign into [My Human Resources](#) prior to the deadline, and make your election.

Carry Forward Provisions

Flex Credits may not be carried forward into a new year. They must be allocated into one or more of your three accounts. Once allocated to an account, the carryforward provisions of those accounts are as follows:

PER - Unused credits can be carried forward to March 31, 2018 but not beyond. Claims for any given year must be submitted by March 31st of the following year during the term of the Collective Agreement. Thus, the deadline to submit 2016 expenses for reimbursement is March 31, 2017.

HCSA - Unused credits in your HCSA will be carried forward and added to credits for the following calendar year. At the end of the second calendar year, tax laws require that any credits remaining from the previous year be forfeited.

WSA - Unused credits in your taxable WSA will be carried forward and added to credits for the following calendar year. At the end of the second calendar year any credits remaining from the previous year will be forfeited.

Checking your Balances

To see your current balance in your PER, go to the Finance website at <http://uwo.ca/finance/>. Navigate to Corporate Accounting → Professional Expense Reimbursement and click on the link "Professional Expense Reimbursement Balance". You will need to use your Western user ID and password at the prompt to log on. You will see any carry forward from the previous year, your entitlement this year, any claims you have made in the current year, as well as the current balance in the account.

To see the current balance in your Health Care Spending Account and/or your taxable Wellness Spending Account, visit the [Manulife Financial website](#) and sign in. Once logged in, click on "My Benefits", then the link that says HCSA Balance/WSA Balance. For the HCSA, you will see amount deposited in current year, claims paid, and your current balance. For your taxable Wellness Spending Account you will see your WSA balance.

To see your claims history details for both the HCSA and taxable WSA – see 'Claims History' then choose either HCSA or WSA.

Submitting a PER Claim

The quickest way to obtain reimbursement for your PER claim is to submit an online claim form. The following links provide step-by-step instructions on how to submit a PER claim online:

- [Instructions for submitting a PER claim online](#)
- [Video on how to create an online Professional Expense Claim](#)

Once you've submitted the claim online, print the PER cover page and forward it, along with your original receipts to your Chair, Director, Dean, or Vice-President. Once the Chair, Director,

Dean or Vice-President approves the claim online, forward the PER cover page, along with original receipts to Financial Services, Room 6100, Support Services Building.

When the cover page and receipts are received by Financial Services, your claim will be processed within a day and funds will be directly deposited to your bank account. You will receive an e-mail notification to your @uwo email address when this transaction has occurred.

You can also continue to submit a paper claim for your PER by following the instructions below.

1. Download a copy of the applicable form from the [Financial Services Forms page](#), found under the heading Professional Development/Expense.
2. Complete, sign and submit the form and receipts to your Chair, Director, Dean, or Vice-President for approval. Once the claim form is signed return the form, along with original receipts to Financial Services, Room 6100, Support Services Building. Claims will be processed as soon as possible and directly deposited to your bank account. You will receive an e-mail notification to your @uwo email address when this transaction has occurred.

Submitting a HCSA Claim

To submit a health or dental claim to your HCSA, complete a [Manulife Financial Health Care Spending Account Claim form](#). This is the same form you use to seek reimbursement for those items covered under your regular Manulife Financial health and dental care plans.

Here are a few tips:

- You can submit claims at any time in the year, but all claims must be received by Manulife no later than March 31st of the year following the year in which the expenses have been incurred (i.e. March 31, 2017 for expenses incurred in 2016).
- Before making claims under your HCSA, you are required to make claims under your regular benefits program – the Extended Health and Dental plans. You will see a box you can check that says “Check here to use your Health Care Spending Account (HCSA) to reimburse any unpaid portion of this claim”.
- You should also co-ordinate any available coverage from a spouse’s health or dental plan before using your HCSA credits to take advantage of the maximum coverage available to you.

Submitting a taxable WSA Claim

The taxable Wellness Spending Account is only available to be used for claims by Western faculty members. Family members are not eligible to submit claims to the Wellness account. You may submit your claim on-line or by completing a claim form and sending to Manulife directly. You will receive an electronic notification when your claim has been processed. You can also submit a paper claim using the [Taxable Wellness Spending Account Claim Form](#).

Eligible Expenses and Conditions

The PER, the HCSA and Flex Credits are all non-taxable benefits to you, however there are some limitations imposed by the Income Tax Act and the Canada Revenue Agency (CRA) including carry-over and other provisions.

Flex Credits: The allocation of flex credits must be made in advance of the calendar year in which the expenses are expected to be incurred.

PER Eligible Expenses: The following expenses incurred by faculty members are eligible for reimbursement:

- membership fees for professional and/or learned societies related to the Member's discipline;
- subscriptions to professional and/or learned journals;
- books, instruments, supplies, materials, computer software, the purchase or lease of equipment and services (see **Note** below);
- registration fees for the Member to attend scholarly conferences;
- transportation, food and accommodation, according to the University travel policies, for the Member for professionally related courses, conferences, meetings, seminars or workshops and to visit other universities or research sites to conduct research and scholarly work; and
- page and reprint charges or costs incurred in the preparation and completion of scholarly manuscripts.

Note: To be eligible, equipment must be used primarily for work purposes. Furniture and upgrades to personal computers are not eligible. Upgrades to University-owned computers are acceptable. Personal use of equipment should be incidental, less than 10%. The reimbursement must purchase the equipment outright without contribution from the Member.

Equipment receipts can only be submitted when there are sufficient funds in the Member's PER account to cover the full cost of the equipment. All equipment purchased is the property of Western University. Equipment is not eligible in the year of retirement.

HCSA Eligible Expenses: The Canada Revenue Agency governs the expenses that can be claimed using your HCSA, as they are the same expenses that can be claimed for the medical expense tax credit on your income tax return. A list of eligible expenses can be found on the [CRA website](#). Note that if you receive a HCSA reimbursement for an expense, you cannot also claim the CRA medical expense tax credit for the same expense.

WSA Eligible Expenses (taxable): Please read the extensive [list of eligible expenses](#) that can be claimed using your WSA. Note that, unlike the PER and HCSA, the WSA is a taxable benefit. This means that claims paid from your WSA will show as taxable income on your Western T4. All claims must be submitted to Manulife Financial by the member, not the provider. There is no advance payment of claims. All items or services must be purchased and paid for before reimbursement can occur.

Want more information about any of these accounts? You may find what you're looking for in [the FAQ](#).