



June 19, 2007

MEMORANDUM

TO: All Benefits Eligible Faculty and Staff

FROM: Brett L. Morris
Assistant Vice President for Human Resources

SUBJECT: The UT FLEX Advantage
(OHR 2007-34)

UT employees have had the option of using UT FLEX accounts since September 1, 1988. Over the years, the UT FLEX program has saved employees many thousands of dollars by using the *UT FLEX Advantage*. What is UT FLEX and how does it work?

How It Works

You set aside money from your paycheck to go into your UT FLEX account. That happens before we calculate your income taxes. You use money from the account to reimburse yourself for medical or day care expenses. Because the money is subtracted before taxes are figured, you lower your taxable income. That means you pay less money in income taxes.

Why Should I Participate?

Most of us have medical expenses. Many of us have dependent care expenses as well. By estimating those costs for the upcoming fiscal year and then enrolling in the UT FLEX program during annual enrollment, you too can get the *UT FLEX Advantage*.

Are There Any Downsides To The Program?

You must use the money you set aside or lose it. There is a grace period at the end of the plan year if you miscalculate your expenses. The UT FLEX Advantage usually far outweighs the downside for most employees. As with all benefits, only you can decide what is best for you and your family.

How Can I Learn More About The UT FLEX Advantage?

Check out the UT System website at

<http://www.utsystem.edu/benefits/2006/employee/flex.asp> or contact a benefits advisor in the Office of Human Resources at 567-2600 if you have any questions concerning The *UT FLEX Advantage*.

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