

FLEXIBLE SPENDING – DEPENDENT CARE

A dependent care flexible spending account (FSA) is a pre-tax payroll deduction that can be used to reimburse dependent care expenses (usually daycare). For eligible expenses, see <http://www.irs.gov/pub/irs-pdf/p502.pdf>

Eligible employees may elect to participate during Benefits Orientation when hired or during the open enrollment process in November. The annual dollar amount elected will be spread out over 24 pay periods (18 pays if you are paid over nine months) in the applicable calendar year. The maximum pretax election is \$5000 annually.

Use it or lose it. Unused dependent care FSA benefits at the end of a plan year must be forfeited if not claimed before the March 31st deadline.

The minimum claim should be no less than \$100 unless it is your last claim of the year.

To file a claim you must complete a [Flexible Spending Claim Form](#) and attach a paid receipt that must include:

- Provider name
- Provider contact information
- Provider signature
- Dates of service (begin and end)
- Dependent name
- Description of service
- Expense amount

Claims will be paid based on the accrued balance in your dependent care FSA, with any remaining claims held in a pending status until your next pretax deduction.

Midyear election changes are allowed only with an eligible status change. For example: a marriage or divorce of the employee; death of employee's spouse or dependent; birth or adoption of employee's child, or employment status change.

IRS regulations place strict guidelines on reimbursements for Dependent Care expenses. Prepaid service will not be reimbursed until the expenses have been fully incurred.