

2009/2010 Employee Child Care Voucher Program Program Guidelines

This Program is designed specifically to help employees pay for qualifying, work-related child care occurring in Arizona.

Employee Eligibility

Employees must be benefits-eligible (.50 FTE or greater) and have child care costs directly related to their work schedule. Spouse/partner must be employed, enrolled in school, or have a documented disability that prevents full-time parenting.

Qualifying Child Care

Child care must fall into one of the following categories:

- either a Department of Economic Security (DES) certified or a United States Department of Agriculture (USDA) certified Family Child Care Provider;
- either a DES-certified relative care provider;
- either a Department of Health Services (DHS) licensed child care center or certified child care group home;
- programs sponsored by The University of Arizona

Additionally:

- A DES certified relative care provider may not be the parent or guardian of the child(ren) and may not live in the same home as the parent.
- Multiple child care arrangements are often necessary and are eligible for reimbursement.
- No assistance will be awarded when a public school alternative is available.
- Assistance may not be used for optional classes offered at an additional cost during regular child care hours.
- Assistance may not be used for a child care provider who comes into the employee's home.

Exceptions are permitted only in the case of a before and/or after school program or intercession program sponsored by a school district, and child development programs (child care centers and family child care homes) with a valid Department of Defense (DoD) Certificate to Operate. Programs offering experiences as "camp" or "recreational" opportunities, and where participants are allowed to sign themselves in/out are not eligible for Voucher submission.

Amount of Financial Assistance

Annual Family Income*	Assistance for One Child	Assistance for Additional Child(ren)
Up to \$25,000/year	50% not to exceed \$2000	Additional \$200
\$25,001 to \$40,000/year	40% not to exceed \$1500	Additional \$150
\$40,001 to \$60,000/year	30% not to exceed \$1000	Additional \$100
\$60,001 and over/year	20% not to exceed \$500	Additional \$50

* (Income figures are for fiscal year 2009/2010 only and may be subject to revision in future program years.)

- Fiscal year 2009/2010 assistance is based on family income as documented by 2008 federal tax forms.
- Tax returns must be submitted by both parents/guardians who file separately.
- In the case of two UA employee parents, voucher monies will be awarded to a single individual on behalf of the family.
- This program will not reimburse at rates higher than those charged to other children in the same care. If an employee's child is the only one in the provider's care, the reimbursed rate will not exceed the market rate (average rate of providers offering similar services in the same zip code area) as documented by this office.
- If the parent removes his/her child(ren) from qualified child care and this results in a refund to the parent, that portion of costs previously reimbursed by the Employee Child Care Voucher Program is required to be returned to this office within 30 days.
- If an over-payment is made, an adjustment will be made in the subsequent pay period. The amount of over-payment will be subtracted from the next reimbursement check.

- UA Life & Work Connections' Child Care and Family Resources is responsible for the administration of funds. Correspondence can be sent by mail to 1125 N. Vine, Room 211, Tucson, AZ, 85721 or by fax to 621-4474, and telephone inquiries may be directed to 621-4365.

Application Process

1. Current application forms are available at <http://lifework.arizona.edu>. Upon request, application materials will be distributed to requesting employees and to departments via their campus address.
2. Applications will be dated as they are received and processed on a first come, first served basis.
3. Employee income, benefits eligibility and FTE status will be verified by this office.
4. Child care providers will be contacted to verify state regulatory status, the child(ren's) enrollment status and fees.
5. Employees will be notified of eligibility, award and/or contact list status.

Priority for Funding

- Complete employee application packets (Application Form, Provider Enrollment Verification Form and prior year 1040 tax form) will be accepted on a first come, first served basis.
- A contact list will be maintained throughout the fiscal year and as funds become available, additional employees will be awarded assistance.

Child's Eligibility

- Children, birth through age 12, are eligible under the following circumstances: by birth and adoption, as a foster child or stepchild living with the University employee, or as a child placed by court order in an employee's household.

Reimbursement Process

- University employees must submit a completed Monthly Cost Verification Form to Child Care and Family Resources to initiate reimbursement by:
Mail and Delivery: 1125 N. Vine, Room 211, Tucson, AZ, 85721 or Fax: (520) 621-4474
- Reimbursements will be processed the week before each University payday and included in your paycheck.
- Monthly Cost Verification Forms must be submitted in the current fiscal year (July 1, 2009-June 30, 2010).
- **The deadline to submit forms for expenses incurred through June 2010 is Wednesday, June 10, 2010.**

Dependent Care and Tax Liability Issues

The Internal Revenue Service has determined that employees may allocate up to \$5,000 per year in a dependent care assistance account established by their employer. This \$5,000 allocation includes the combined monies applied to the following UA sponsored pre-tax programs:

- Flexible Spending Account (FSA)* for dependent care only (excludes medical expenses)
- Employee Child Care Voucher Program
- Employee Sick Child and Emergency/Back-Up Care Program (includes the entire value of the programs - employee and employer costs)

*You may designate an amount of pre-tax salary to be placed in a dependent care related and/or medical expenses related FSA. These tax-free dollars may then be used to reimburse you for qualified out-of-pocket medical care and/or dependent care (child/elder care) expenses. You reduce your taxable income, as no Social Security, federal or state income taxes are taken from the designated dollars and this amount is excluded from your taxable income.

It is critical to note that dependent care expenditures that exceed the \$5,000 limit are subject to income tax. The annual FSA figures (total costs) will appear on your Form W-2 Wage and Tax Statement. This information is not intended to serve as tax advice. Please consult your professional tax advisor to determine the optimal use of dependent care offerings. For information about the status of your FSA or qualified deductions, contact ASI at <http://www.asiflex.com> or at (800) 659-3035 or (573) 442-3035.

Thank you for your Guidelines review. Please contact the appropriate University resource if you have related questions:

Child Care and Family Resources	(520) 621-4365	http://lifework.arizona.edu
Benefits	(520) 621-3662	http://www.hr.arizona.edu/benefits