

Childcare Choice Program

Employee Program Guidelines



HUMAN RESOURCES
**Life & Work
Connections**

The University of Arizona (“UA”) offers eligible employees reimbursement for qualified childcare expenses through the UA Childcare Choice Employee Reimbursement Program. This program is administered by **HR Life & Work Connections (LWC)** and is designed to assist employees with current work-related childcare costs incurred in the United States.

Reimbursement availability is contingent on funding, assessment of need, and distribution method and cannot be guaranteed due to limited resources; a waitlist will be maintained once funds are dispersed.

AT A GLANCE: IMPORTANT PROGRAM INFORMATION



Benefits-Eligible

To participate, employees must be eligible for full benefits and have childcare costs directly related to their work schedule.



100% reimbursement for qualifying childcare, not to exceed \$2,000 per household

\$2000 is the maximum total for one household and is **not** per child. If the household is two benefits-eligible employees or one employee and one student, only one can apply on behalf of the household.



Qualifying Childcare

Eligible work-related childcare in the U.S. must be regulated by state authorities and can include small family childcare homes, group homes, childcare centers, school-sponsored programs, Department of Defense-certified programs, or university-sponsored childcare.



Monthly Reimbursement Submissions

To receive a reimbursement, employees must submit a cost form through UAccess. Employees are encouraged to submit cost forms each month. Reimbursements are processed the week before each payday and will appear in the employee’s paycheck. Reimbursement claims and payments should occur while the employee is actively employed with U of A, within the fiscal year running from July 1 to June 30. Refer to the **reimbursement calendar**, which includes quarterly submission deadlines and University paydays.



Annual Application

Employees must submit a new application each year they want to participate in the program, even if they’ve previously participated.



Tax Implications

The IRS \$7,500 maximum (\$3,750 if married filing separately) annual dependent care assistance exception, includes monies reimbursed or subsidized through the Childcare Choice Employee, Back-Up Care, and Dependent Care FSA programs.

Childcare Choice Employee Program Guidelines

Employee Eligibility

- Current employees eligible for full benefits and with childcare costs related to their work schedule are eligible for the program. LWC will verify eligibility.
- If the employee’s spouse, partner, or other parent/guardian of the child is also affiliated with U of A as an employee or student, additional information may be required.
- In cases where one parent/guardian is a full benefits employee and the other is a currently enrolled U of A student, the employee parent should apply on behalf of the family.
- If a UA student (who have not received the Childcare Choice Student Subsidy) becomes an employee, they should apply for the Childcare Choice-Employee program.

Child’s Eligibility

- The program is open only to legal dependent children of eligible employees, which includes children by birth or adoption, foster children, children by court order and those defined as dependents for health coverage purposes.
- Eligible dependent children must be aged between birth and 12 years.
- Applications cannot be submitted until the child is fully enrolled in a regulated childcare program.

CHOOSING QUALIFYING CHILDCARE

Qualifying Childcare

Employees’ current, qualifying work-related childcare occurring in the United States must fall into one of the following categories:

- small-family childcare home regulated by the [Department of Economic Security \(DES\)](#) or other states’ equivalent;
- family childcare group home or childcare center regulated by the [Department of Health Services \(DHS\)](#) or other states’ equivalent;
- before and/or after school program or intercession program sponsored by a [school district](#); by a [charter school](#) or other states’ equivalent;
- child development program (childcare centers and family childcare homes) with a Department of Defense (DoD) Certificate to Operate;
- a program sponsored by the University of Arizona, Arizona State University, Northern Arizona University, or sponsored by a state community college as defined by the [Arizona Department of Education](#) or other states’ equivalent.

To find a database of your state’s regulated childcare, visit the [National Database of Child Care Licensing](#) or the [State and Territory Licensing Agencies and Regulations](#).

Ineligible Childcare

You may need different childcare arrangements, which can be reimbursed. However, some services labeled as “childcare” may not meet the required criteria and won’t qualify for UA Childcare Choice-Employee reimbursement.

- Assistance may not be used for optional classes offered at an additional cost during regular childcare hours.
- Assistance may not be used for a childcare provider who enters the employee’s home.
- Other programs not eligible for UA Childcare Choice-Employee submission are those:
 - offering experiences as “camp” or “recreational” opportunities not meeting “Qualifying Childcare” descriptions,
 - at schools without the supervision of state or local education authorities (e.g., “private schools”),
 - where participants are allowed to sign themselves in/out,
 - that reflects non-childcare tuition (registration fees, field trips, etc.)

Childcare Consultations: Childcare consultations are a shared educational opportunity to discuss thoughtful issues and responsive strategies for identifying, assessing, and selecting childcare and enrichment experiences.

AMOUNT OF JULY 1-JUNE 30 FISCAL YEAR FINANCIAL ASSISTANCE FOR FISCAL YEAR 2025/2026

Reimbursable Childcare Expenses: 100% reimbursement, not to exceed \$2,000 per household

- Please note that the descriptions and figures provided are for the fiscal year from July 1 to June 30 and may be revised in the future.
- Receipts are not needed when submitting a cost form. However, the UA Childcare Choice-Employee program checks compliance regularly, and you may need to provide extra eligibility documents. Keep original childcare receipts for one year. If you're deemed ineligible, you must pay back all funds to the University of Arizona. Not following these rules could lead to losing this benefit

Application

- **Responsibility:** Employees must understand the program details and accurately complete, submit, and update their information on time to receive reimbursements for work-related childcare expenses.
- **Application Submission:** You cannot apply until your child is enrolled in a regulated childcare program.

Application Accuracy

- **Name Consistency:** Ensure your name matches exactly as it appears in UAccess. Report any changes promptly to avoid delays.
- **Accurate Information:** It's essential to provide correct details about yourself, your family, and your childcare provider. Notify the office of any changes promptly.
- **Compliance:** Failure to meet program guidelines may disqualify current full-benefit employees from participating.

Application Process

- **Application Period:** E-applications can be submitted from August 1 to June 1 each fiscal year, July 1 to June 30.
- **Annual Applications:** You must submit a new application each year to continue participating in the program, even if you've participated before.
- **Processing Applications:** E-applications are dated upon receipt. Incomplete applications may delay the approval process.
- **Notifications:** Employees will receive updates about their eligibility and enrollment via their UA email accounts.

Funding

- **Fiscal Limits:** If the program's fiscal limit is reached (and one parent/guardian is a UA student) and your household has not received funds, you may apply for the UA Childcare Choice-Student program. However, no new applications to the employee program will be accepted until the next fiscal year.
- **Remaining Funds:** If a participant who is also a UA student becomes ineligible and hasn't used the full \$2,000, they may be able to access the remaining funds from the UA Childcare Choice-Student program. Contact lifework@arizona.edu for details.
- **Expense Claims:** If approved mid-fiscal year, you can claim qualifying expenses from the beginning of the quarter in which you were waitlisted. Submit claims before the deadline for the first paycheck after approval.
- **Priority for Funding:** Complete employee E-application information will be processed and prioritized based on application date. Once funds are dispersed, a contact list will be maintained.

Reimbursement

- **Eligible Expenses:** The UA Childcare Choice program is designed for childcare expenses that have already been incurred and are related to the employee's work in the United States.
- **Active Employment Requirement:** Reimbursement requests and payments must occur while the employee is actively employed with the University during the fiscal year from July 1 to June 30.

Reimbursement Submission: After receiving approval from Life & Work Connections, employees must submit a reimbursement E-Cost Form based on the reimbursement calendar, which includes quarterly submission deadlines and University paydays.

- **Submission Period:** The E-Cost Form must be submitted through UAccess during the current fiscal year, which runs from August 1, 2025, to June 16, 2026.
- **Monthly Submissions:** Employees are encouraged to submit reimbursement requests each month. Reimbursements are processed the week before each payday and will appear in the employee's paycheck.

- **Reimbursement for Dual-Employee Families:** If both parents or guardians are eligible employees, the reimbursement will be made to one individual on behalf of the family. If one becomes ineligible, the other eligible parent or guardian can request a transfer of unused funds.
- **Quarterly Notifications:** At the end of each quarter, employees who have not submitted requests will receive an email asking if they wish to continue participating in the program. Failing to respond could lead to the reallocation of unused funds to other participants.
- **Maximum Reimbursement Notification:** Employees will receive a notification via their UA email when they reach their maximum reimbursement limit for the fiscal year.
- **Voluntary Decline:** Employees may opt out of the program at any time. This choice does not affect future eligibility. If declined, employees have two business days to request to remain in the program.
- **Refunds from Childcare Providers:** If a child is withdrawn from qualified childcare and the parents receive a refund, any previously reimbursed amounts must be returned to the office within 30 days.
- **Overpayment Adjustments:** If an overpayment occurs, the adjustment will be made in the next pay period. The overpayment amount will be deducted from the next Cost Form or paycheck submitted.

Dependent Care and Tax Liability Issues - Employees

The Internal Revenue Service (IRS) allows employers to exclude up to \$5,000 per year from an employee’s income through a dependent care assistance program. For those who are married and filing separately, the limit is \$2,500. This \$5,000 limit includes any contributions made through the following University-sponsored pre-tax programs:

- **Flexible Spending Account (FSA):** This can be used for qualified dependent care expenses (such as child and elder care), but it does not cover medical expenses.
- **Childcare Choice - Employee:** For qualified childcare expenses.
- **Backup Care Program:** Applicable for qualified dependent care expenses, including employer-subsidized costs.

Employees can designate a portion of their salary to a flexible spending account (FSA) for dependent care and medical expenses. This allows them to reimburse eligible out-of-pocket costs using pre-tax dollars, reducing their taxable income since no FICA or federal/state income taxes are withheld.

Note: If dependent care expenses exceed \$7,500 (or \$3,750 if married filing separately), the extra amount may be subject to income tax. Contributions will be reported on Form W-2.

This information isn’t tax advice. Please consult a tax advisor for more details on tax implications or to maximize your benefits. For questions regarding your FSA or qualified deductions, contact ASI at <http://www.asiflex.com> or (800) 659-3035.

Thank you for your review. Contact the appropriate University resource if you have related questions:

Life & Work Connections	U of A Registration	520-621-1530	lifework.arizona.edu
HR Solutions	Benefits	520-621-3662	hr.arizona.edu/benefits/benefits-overview

UA Childcare Choice Employee Reimbursement Program for Qualified Childcare Expenses is contingent upon funding, assessment of need, and distribution method. In order to manage limited resources and provide equitably across the employee population, funding reimbursement for the entire fiscal year cannot be guaranteed. Once funds are dispersed, a contact list will be maintained.