



New York University

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Office of the Provost
Elmer Holmes Bobst Library
70 Washington Square South, 12th Floor
New York, NY 10012

MEMORANDUM

TO: All Full-time Faculty, Administrators, and Research Staff

FROM: Debra Szybinski, Executive Director, Office of Faculty Resources
Joyce Rittenburg, Manager, Work-Life Services

DATE: September 1, 2011

RE: Child Care Scholarship Program – Calendar Year 2012

We are delighted to announce that NYU will continue to offer the Child Care Scholarship program to assist faculty, administrators and professional research staff with the costs of child care for pre-school age children during Calendar Year 2012.

The Child Care Scholarship Program is a needs-based scholarship funded with up to \$275,000 from the Child Care Fund. Full-time faculty, administrators and professional research staff whose household income was \$130,000 or less during 2010 are eligible to apply. Scholarship awards can be used for a variety of child care situations including in-home care, pre-school tuition, child care centers, and family child care. One scholarship grant is available per eligible family per year; applicants must reapply for a Child Care Scholarship each year.

A scholarship committee, comprised of representatives from the Offices of the Provost and Human Resources Division, will review all applications through a confidential review process and, using objective criteria, determine the awards.

The scholarship will be distributed through the NYU Dependent Care Flexible Spending Account (FSA) and therefore will not be included in a grantee's taxable income. If you receive a Scholarship, you may also elect to make additional contributions to your Dependent Care FSA from your wages on a pre-tax basis.

APPLICATION PERIOD

The application period for the Child Care Scholarship Program **begins on September 8, 2011 and ends on September 30, 2011**. All applications must be submitted on-line through the Family Care website (www.nyu.edu/family.care). All applications must be submitted by midnight Friday, September 30, 2011.

ELIGIBILITY

To be considered eligible for a Child Care Scholarship for calendar year 2012, you must meet the following requirements:

- You must be a full-time Faculty Member (102), Administrator (100), or Research Staff (103).
- Your total household income for 2010 and 2011 may not exceed \$130,000.
- You must be a single parent or your spouse/domestic partner must be employed, disabled, or a full-time student.
- Your child(ren) must be under five (5) years of age on December 31, 2011.
- Your child must be cared for in a licensed family child care home, child care center, nursery school, or in your own home.
- Your child care expenses must be incurred so that you and, if applicable, your spouse or domestic partner can work.
- Your child care provider must provide a Tax Identification or Social Security number and must report the child care income on their tax return.
- Your caregiver cannot be your spouse, domestic partner, or dependent.

APPLY ON-LINE for the Child Care Scholarship BY MIDNIGHT FRIDAY, SEPTEMBER 30

Applying on-line is easy. The application can be completed by logging onto NYU's Family Care website (www.nyu.edu/family.care) from your personal computer (PC) at work, home, or on campus. It takes just 10-15 minutes to complete the entire form. On-line applications will be accepted until midnight Friday, September 30, 2011.

The application for the Child Care Scholarship is divided into four parts. *All four parts* of the application *must be completed and submitted at the same time*. Since the computer program does NOT store your information, it is recommended that you print the worksheet found on-line and use it as a tool to assist you when you sit down at the computer.

The form is easy to complete. You will have the opportunity to review each of the four parts, make changes to the information, and print the confirmation sheet before moving on to the next part. The application requests information about your family size and anticipated household income for 2010 as well as your current or anticipated child care and the cost for child care services. In addition, you are required to scan and upload the first two pages of your 2010 Federal IRS Tax forms and W-2 forms, and a copy of IRS Schedule C, if your spouse/domestic partner is self-employed, as well as copies of yours and your partner's two most recent pay check stubs.

HOW IT WORKS

The scholarship grant is distributed to you through your Dependent Care Flexible Spending Account (FSA) and is therefore not included in your taxable income. If you qualify for a Child Care Scholarship, you are responsible for understanding and complying with the rules and regulations that govern NYU's Dependent Care FSA plan. Federal tax law has strict rules about the use of these accounts, including the "use it or lose it" rule which requires that you forfeit any funds remaining in your Dependent Care FSA at the end of the Plan Year and its Grace Period. These rules must be followed without exception.

If you receive a Child Care Scholarship, you may also elect to make additional contributions to your Dependent Care FSA from your wages on a pre-tax basis. If you choose to do so, you need to be sure that the total of the scholarship plus your own contribution does not exceed the maximum annual total of \$5,000 per family (\$2,500, if you are married and file taxes separately).

If you receive a Child Care Scholarship and choose not to open an FSA account for 2012 with your own contributions one will be opened for you. In the event that you wish to make your voluntary Dependent Care FSA election please be sure to have your award letter in front of you. Remember, during Open Enrollment you will indicate only the amount you want deducted from your paychecks. Do not include the amount of your scholarship as it will automatically be placed into your Flexible Spending Account on January 1, 2012.

Your additional contributions, if any, may be used to reimburse dependent care expenses incurred for the care of your dependent children eligible through the Child Care Scholarship Program or for the care of your other eligible dependents' expenses which are also eligible for reimbursement from your Dependent Care FSA.

For more information about the NYU Dependent Care Flexible Spending Account, see the Benefits Resource Center at <https://home.nyu.edu> ["Work" tab]), the Benefits Office website www.nyu.edu/hr/benefits or contact the Benefits Office at 212-998-1270 to speak with a representative. For specific details on the IRS rules governing dependent care expenses that can be reimbursed from a Dependent Care Flexible Spending Account, see IRS Publication 503, "Child and Dependent Care Expenses," found at www.irs.gov.

HOW THE AWARD WILL BE PAID

Your scholarship, as well as any money you decide to contribute to an NYU Dependent Care FSA during the fall Open Enrollment period, is divided by 12 and credited to your Dependent Care FSA on a *per-pay-period basis* throughout the plan year. It will be paid to you on a reimbursement basis.

Once the money is credited to your Dependent Care FSA, you may request reimbursement by filing a claim with United HealthCare, which administers NYU's Flexible Spending Account programs. United Health Care administers dependent care claims reimbursements for the Child Care Scholarship based on the same rules and regulations governing Dependent Care FSAs.

When requesting reimbursement for qualifying child care expenses, you must provide the name and Tax ID or Social Security Number of your child care provider and documentation that the expense meets eligibility requirements and has already been incurred. "Incurred" means you have both paid for and received the service. The total annual award amount accrues on a monthly basis, and reimbursement is limited to the portion of your award that has actually accrued as of the date your reimbursement request is processed.

NOTIFICATION OF CHILD CARE SCHOLARSHIP AWARD

If you are awarded a Child Care Scholarship, the scholarship will reimburse you for a portion of your child care expenses for the period of January 1, 2012 through December 31, 2012. Each applicant will be informed of the award determination by email, no later than October 14, 2011, and by letter sent to your home address on record, no later than October 21, 2011.

If you have any questions, please contact Joyce Rittenburg, NYU Family Care at 212-998-9085 or family.care@nyu.edu.

Enclosure