



## **New York University**

*A private university in the public service*

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### **MEMORANDUM**

**TO:** All Full-time and Part-time Office and Clerical (Code 106/116) and Laboratory & Technical (Code 104/114) Staff Covered by the Collective Bargaining Agreement between New York University and the Union of Clerical, Administrative & Technical Staff (UCATS) at NYU, Local 3882, NYSUT, AFT

**FROM:** Barbara Cardeli-Arroyo, Assistant Vice President, Employee Relations  
Joyce Rittenburg, Manager, NYU Family Care, Office of Faculty Resources

**DATE:** September 1, 2011

**RE:** Child Care Subsidy Fund – 2012 Calendar Year

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As a result of the Collective Bargaining Agreement between the University and UCATS, Local 3882 effective November 1, 2005, the University will provide a Child Care Subsidy Fund totaling \$125,000 for calendar year 2012 to assist Office and Clerical and Laboratory and Technical Staff with their child care expenses.

Individual awards for eligible full-time and part-time Code 106/116 and Code 104/114 employees will be made in accordance with financial need. A joint University-Union committee will review the applications and use objective criteria to make the awards. No one on the committee will be eligible for reimbursement from the Child Care Subsidy Fund. Funds will be disbursed to qualifying individuals through a Dependent Care Flexible Spending Account (FSA) and therefore will not be included in your taxable income.

One subsidy award is available per eligible family per year; applicants must reapply for the Child Care Subsidy each year.

### **APPLICATION PERIOD**

The application period for the Child Care Subsidy Fund **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](http://www.nyu.edu/family.care)). Applications must be submitted by midnight Friday, September 30, 2011.

### **ELIGIBILITY**

To apply for a child care subsidy for calendar year 2012 you must meet the following requirements:

1. You must be a full-time or part-time Code 106/116 or 104/114 employee.
2. Your household income from all sources must not have exceeded \$90,168 in 2011, nor be projected to exceed \$92,875 in 2012.

3. Your spouse/domestic partner must be employed, disabled or a full-time student or you must be a single parent.
4. Your child must be under age 13 years during the time you are claiming reimbursements and be someone you, your spouse, or your domestic partner claim as a dependent on your tax return. Children from kindergarten age through age 12 will be considered eligible for after-school and summer day camp awards only.
5. You must have eligible child care expenses. Eligible child care expenses include:
  - Payments made for services outside your home, such as pre-school tuition (below first grade), child care centers, family child care, after-school, school holiday and vacation programs, summer day camps (not overnight camps), etc.
  - Payments made for services in your home as long as the services are not provided by someone you also claim as a dependent, nor by a child of yours under 19 years of age, whether or not a dependent.
  - Payments made for services that provide care for your child(ren) so that you and your spouse/domestic partner can work.
  - Your child care provider must provide a Tax ID or Social Security Number and must report the child care income on their tax return.

**APPLY ON-LINE for the Child Care Subsidy 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](http://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 Subsidy 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 download and complete the worksheet available from [www.nyu.edu/family.care](http://www.nyu.edu/family.care) and have all of the necessary information in front of you when you sit down at the computer.

The form is easy to complete and 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 household income as well as your current or anticipated child care and the cost for child care services.

**HOW IT WORKS**

The Child Care Subsidy is distributed to you through NYU's Dependent Care Flexible Spending Account (FSA) and is therefore not included in your taxable income. If you qualify for a Child Care Subsidy, 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 Subsidy, you may also elect to make additional contributions to your NYU 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 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 Subsidy 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 - Flexible Spending Account 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 subsidy as it will automatically be placed into your Flexible Spending Account on January 1, 2012.

For more information about the NYU Dependent Care Flexible Spending Account, see the Benefits Office website [www.nyu.edu/hr/benefits](http://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](http://www.irs.gov).

### **HOW THE AWARD WILL BE PAID**

Your subsidy 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 Subsidy based on the same rules and regulations governing Dependent Care Flexible Spending Accounts.

Payments from the Dependent Care FSA can only be made to you personally. You must pay the care provider directly and file for reimbursement from the Account. When requesting reimbursement for qualifying child care expenses, you must include the name and Employer ID or Social Security number of your child care provider and provide 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 SUBSIDY AWARD**

If you are awarded a child care subsidy, the award 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.

*Please note:* These benefits, which were negotiated between Local 3882 and New York University, are part of your NYU benefits package. You may be asked for, and must provide, any additional documentation necessary to confirm the information provided on your application.

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

Enclosure