

## Dependent Care Flexible Spending Account (DCFSA) Employee Fact Sheet

A Dependent Care Flexible Spending Account (DCFSA) allows you to set aside pretax dollars to pay for daycare for your tax dependent children 13 and under, or for adult daycare for a legal dependent, while you are at work or school. Contributions will save you money and will lower your taxable income. You can enroll in the DCFSA during your new hire/newly eligible enrollment period, Open Enrollment, or if you experience certain Qualifying Life Changes during the plan year. You must make a new election each Open Enrollment for each new plan year.

### DCFSA Details

**Eligibility:** If you are in a benefits eligible position, you are eligible for the DCFSA.

**Plan Administrator:** ASIFlex administers your DCFSA. You can manage it on the [ASIFlex website](#).

### Using Your Account:

- This account is regulated by the Internal Revenue Service (IRS), who determines contribution limits, qualifying expenses and has designated it as a 'use it or lose it' account. This means the money you elect to be contributed to your DCFSA must be spent and claimed within a designated period of time. Any amount that remains in your account past the deadline will be forfeited. You can learn more about this in the [IRS Publication 969 \(PDF\)](#).
- You can view the qualifying expenses on the [ASIFlex Qualifying Expenses website](#).
- Funds in the account must be spent on qualifying expenses, or you will pay both taxes and penalties.
- You will pay for your eligible expenses and then submit a claim for reimbursements online at asiflex.com, via ASIFlex Mobile App or by faxing or mailing a paper claim form.

DCFSA	Plan Year 2024 - 2025 (July 1, 2024 - June 30, 2025)	Plan Year 2025 - 2026 (July 1, 2025 - June 30, 2026)
<b>Contribution Limits</b>	\$5,000 per Household*	\$5,000 per Household*
<b>Incurred Expenses</b>	Expenses must be incurred by September 15, 2025	Expenses must be incurred September 15, 2026
<b>Deadline to Submit Claims to ASIFlex</b>	Reimbursement claims must be submitted by November 15, 2025	Reimbursement claims must be submitted by November 15, 2026

\*Employee is responsible for tracking their contribution limits and not elect an amount that would cause their household to exceed the IRS yearly contribution limits.

## DCFSA Contributions and Effective Date

You can elect a minimum amount of \$120 (\$10/month) up to the contribution limit for the plan year. Your pretax contributions are deducted monthly from your paycheck with the last contribution being June 30 of the plan year.

**New hire/newly eligible:** Your DCFSA becomes effective on your benefits effective date. You can find information on this on the [Benefits Effective Date website](#). Incurred expenses on or after this date, will be reimbursable. Your contribution election amount will be divided by the number of months remaining in the plan year (July 1 to June 30).

**Open Enrollment:** Your DCFSA contribution election will be divided by the 12 months of the plan year (July 1 to June 30). It becomes effective July 1. You **must** re-enroll during annual open enrollment by using the open enrollment function in your [Employee Portal](#).

**Qualifying Life Change:** Certain life events may make you eligible to enroll in or change your DCFSA during a plan year. Allowable elections are based on the event you are experiencing. Please refer to the [Qualifying Life Change website](#) or call our Benefits Professionals to discuss your options. Your DCFSA election is effective the first of the month following the receipt of the new election enrollment form. Your contribution election amount will be divided by the number of months remaining between that qualifying date and the remaining months of the plan year.

## Resources

[ASiflex website](http://www.asiflex.com) (www.asiflex.com)

[Flexible Benefits Plan Document website](http://www.cu.edu/node/115945) (www.cu.edu/node/115945)

[Internal Revenue Service \(IRS\) Publication 969](http://www.irs.gov/pub/irs-pdf/p969.pdf) (www.irs.gov/pub/irs-pdf/p969.pdf)

[Qualifying Expenses website](http://www.asiflex.com/EligibleExpenses.aspx) (www.asiflex.com/EligibleExpenses.aspx)

[Qualifying Life Changes website](http://www.cu.edu/node/153130) (www.cu.edu/node/153130)

[IRS Tax Dependent website](http://www.irs.gov/help/ita/whom-may-i-claim-as-a-dependent) (www.irs.gov/help/ita/whom-may-i-claim-as-a-dependent)

## Effect on Social Security

If you are a PERA member on or before June 30, 2019: Cafeteria plan dollars are deducted from your pay pretax, meaning before federal, state, Social Security and Medicare taxes are paid. Participating in cafeteria plans reduces the salary on which annual contributions to Social Security are calculated, which may result in a reduction of the Social Security benefits received at retirement. The reduction is minimal and you may wish to discuss it with your tax advisor.

## Effect on PERA

If you are a PERA member on or before June 30, 2019: Cafeteria plan dollars are deducted from you pay pretax, meaning before federal, state, and Medicare taxes are paid. Your PERA retirement annuity or disability retirement is based on your PERA Highest Average Salary (HAS) calculation. Since cafeteria plans reduce the salary on which PERA calculates benefits, your PERA retirement benefits may be reduced.

## Questions

**Contact our Benefits Professionals** at 303-860-4200, option 3 – Monday to Friday, 8:30 a.m. to 5:00 p.m.