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Dependent Care FSA [1]

Use a Dependent Care Flexible Spending Account (DCFSA DCFSA (Dependent Care Flexible Spending Account) Used to pay for childcare expenses for children under the age of 13 or qualifying adults, who cannot care for themselves and meet IRS guidelines. [2]) to save between 25-40% on the cost of childcare or daycare for children 13 and under, and for home care for an older or incapable dependent while you are at work or school.

Current plan year
(July 1, 2026–June 30, 2027)

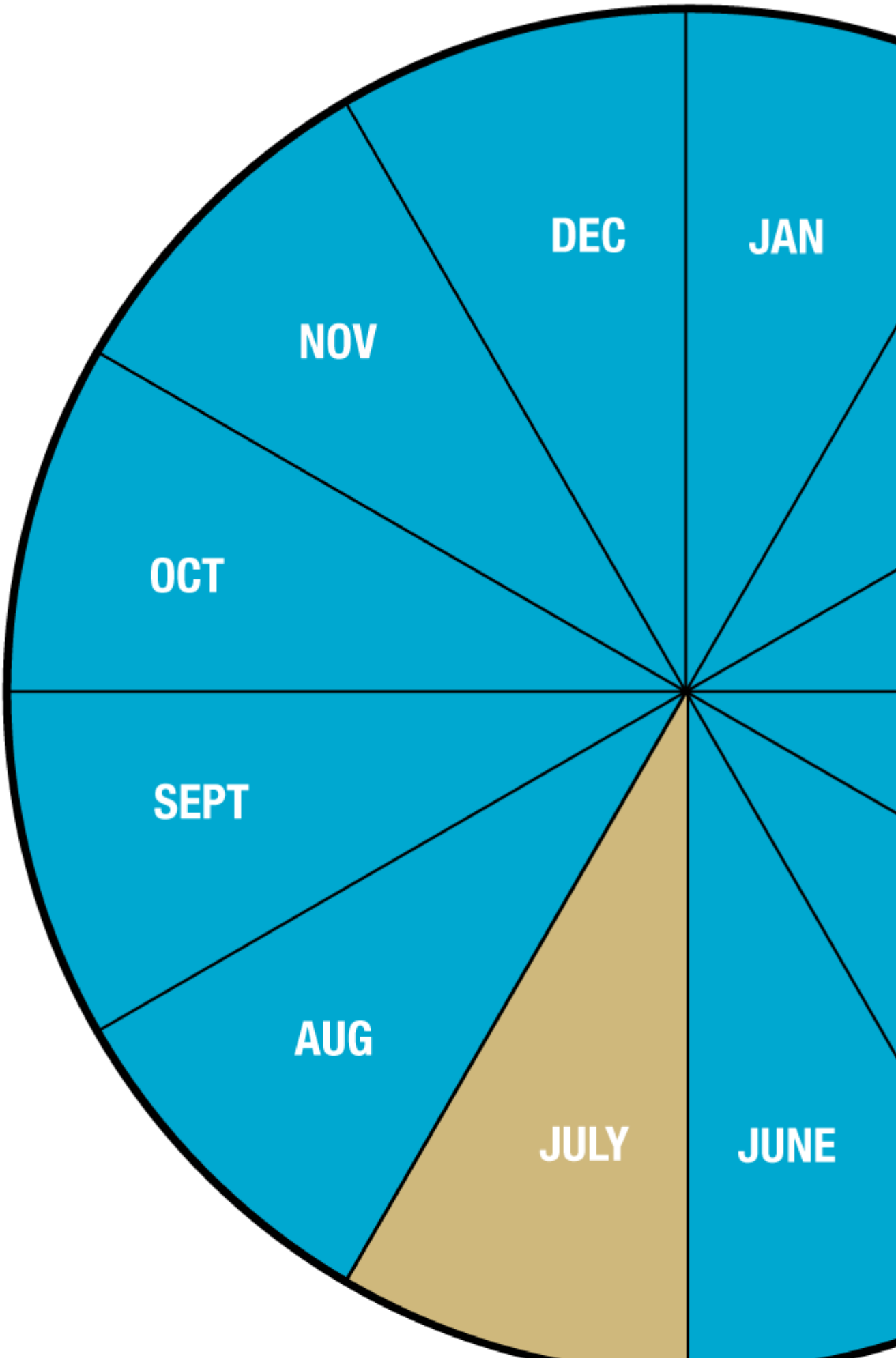
Deadlines:

- You must incur the qualifying expenseQualifying Dependent Care ExpensesThe expenses incurred by dependent care flexible spending accounts, as provided in accordance with IRS Code Section 129. [3] between July 1, 2026, and Sept. 15, 2027.
- ClaimsClaimA written request such as a reimbursement of a health care expense made by you or your health care provider to the plan administrator whether is medical, dental, vision or a flexible spending account. [4] for reimbursement must be submitted by Nov. 15, 2027.
- If you do not use all of your funds within the FSA, the remaining amount will be forfeited.

Determine your contributions

- FSA contributions start on July 1, 2026, the first day of the plan year.
- Contributions end on June 30, 2027, but you'll have until Sept. 15, 2027, to spend your money.

How much should you save? [5]


DEC
JAN
NOV
OCT
SEPT
AUG
JULY
JUNE

IRS contribution limit: $7,500 per household for the plan year.

Plan details

- Dependent Care FSA basics
- Dependent Care Flexible Savings Account fact sheet [6] (Spanish translation available)
- Contributions
- Spending your money
    - Eligible expenses [7]
    - Direct deposit form [8]
    - Mobile app for Android [9] and iPhone [10]
    - Claim forms [11]
- Effect on Social Security
- Effect on PERA

What is a Cafeteria Plan?

A cafeteria plan is a tax-savings benefits program designed to take advantage of Section 125 of the Internal Revenue Code. It allows you to pay certain qualified expenses on a pre-tax basis, reducing your taxable income. This includes CU's Premium-Only PlanPremium Only PlanThe benefit under IRS Section 125 that allows you to pay medical, dental and vision premiums on pre-tax basis. [12] and two Flexible Spending Accounts.

DCFSA Basics

- Our DCFSADCFSA (Dependent Care Flexible Spending Account)Used to pay for childcare expenses for children under the age of 13 or qualifying adults, who cannot care for themselves and meet IRS guidelines. [2] is administered by ASIFlex [13].
- This account is regulated by the Internal Revenue Service (IRSIRSThe Internal Revenue Service [14]), who determines contributionContributionIn reference to Flexible Spending Accounts and Health Savings Accounts, it’s the amount of money that you elect to be deducted from your paycheck to be deposited into your FSA or HSA account. [15] limits, qualifying expenses [16] and has designated it as a “use it or lose itUse It or Lose ItThe IRS regulations in regards to the money you elect to contribute to flexible spending accounts that must be spent and claimed within the designated period of time or the monies will be forfeited. [17]” account.
- The IRS allows these expenses to enable you to work. If you are married, your spouse must be working, looking for work or be a full-time student. If you have a stay-at-home spouse, you should not enroll in the DCFSA.DCFSA (Dependent Care Flexible Spending Account)Used to pay for childcare expenses for children under the age of 13 or qualifying adults, who cannot care for themselves and meet IRS guidelines. [2]
- Your DCFSADCFSA (Dependent Care Flexible Spending Account)Used to pay for childcare expenses for children under the age of 13 or qualifying adults, who cannot care for themselves and meet IRS guidelines. [2] becomes effective on July 1.

- DCFSADCFSA (Dependent Care Flexible Spending Account)Used to pay for childcare expenses for children under the age of 13 or qualifying adults, who cannot care for themselves and meet IRS guidelines. [2] enrollment elections do not roll over year after year. You must reenroll every year, during Open EnrollmentOpen Enrollment Period The period during which an eligible employee may enroll in, change or cancel CU benefits plans. This event is held every spring, with an effective date of July 1. [18], in order to continue your account for a new plan year.

Videos

- What is an FSA? [19]
- Dependent Day Care FSA [20]
- Filing an FSA Claim [21]

DCFSA Contributions

- Your pretax contributions can be a minimum of $10 per month up to an annual total maximum of $7,500 per plan year (July 1 to June 30) per household. The money is deducted from your pay pretax.
- The amount you elect will be divided by the number of remaining pay periods in the plan year. Your final contribution will be June 30.
- Your election is fixed for the Plan YearPlan YearThe date span from July 1 to June 30. [22]. However, changes are permitted if you experience a Qualifying Life Change [23].
- For tax purposes, you are responsible ensuring that your total calendar-year contributions do not exceed $7,500 per Household. For example, if you are hired by CU in the middle of our plan year and have contributed to a DCFSADCFSA (Dependent Care Flexible Spending Account)Used to pay for childcare expenses for children under the age of 13 or qualifying adults, who cannot care for themselves and meet IRS guidelines. [2] with your prior employer, you must keep track of the total contribution amount.

Spending DCFSA Funds

- Funds in the account must be utilized on qualifying dependent care expenses [7], or you will pay both taxes and penalties.
- Expenses qualify for the DCFSADCFSA (Dependent Care Flexible Spending Account) Used to pay for childcare expenses for children under the age of 13 or qualifying adults, who cannot care for themselves and meet IRS guidelines. [2] when they are incurred.
- To get reimbursed, submit your receipt for services on-line at ASIFlex.com [13], or you can download the free mobile app for Android and Apple devices.

Use it or Lose it Accounts

- Failure to incur the expense and claim the reimbursement by the deadline will result in the forfeiting of your funds.

Effect on Social Security

Cafeteria planCafeteria PlanA plan that meets the requirements of IRS Code Section 125 and offers participating employees certain non-taxable benefits, such as the Premium Only Plan and flexible spending accounts

[24] dollars are deducted from your pay pretax, meaning before federal, state, Social Security and Medicare taxes are paid. Participating in cafeteria plansCafeteria PlanA plan that meets the requirements of IRS Code Section 125 and offers participating employees certain non-taxable benefits, such as the Premium Only Plan and flexible spending accounts [24] 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 planCafeteria Plan
A plan that meets the requirements of IRS Code Section 125 and offers participating employees certain non-taxable benefits, such as the Premium Only Plan and flexible spending accounts [24] dollars are deducted from your 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.

Review the FSA plan document [25].

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Source URL:https://www.cu.edu/employee-services/benefits-wellness/gme-medical-residents/hsa-and-fsa/dependent-care-fsa

Links
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[4] https://www.cu.edu/es-benefits-glossary/claim [5] http://www.asiflex.com/Calculator.aspx
[6] https://www.cu.edu/docs/dcfsa-dependent-care-flexible-savings-account-fact-sheet
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