Print

Human Resources: Dependent Care Subsidy Program

This is a summary of the benefits available under the Institution's Dependent Care Subsidy program. The actual administration is governed by the Plan Document. If you have specific questions regarding application of the Dependent Care Subsidy program for your personal situation, please contact Human Resources at Ext. 2253.

Related Files

» Dependent Care Enrollment Form (see Section 4)
(pdf format)

» Dependent Care Reimbursement Form
(pdf format)

» Dependent Care Reimbursement Form
(ms word format)

» Employee/Spouse Work Verification Form
(pdf format)

» Employee/Spouse Work Verification Form
(ms word format)

» 2012 WHOI Payroll Schedule

General Information

Reimbursement: $2.00 per hour, per eligible dependent, for day care expenses incurred to enable you and your spouse/domestic partner (if any) to work. Reimbursement will be based on:

1. Actual time worked (includes all paid time for regular, sick/disability, vacation, holiday, emergency leave, etc.)
2. Dependent's Day Care hours
3. Benefit is based on the lesser of: a) the Employee's hours worked, or b) the Spouse/Domestic Partner's hours worked, or c) the Dependent's day care hours each week
4. Benefit is based on a maximum of 40 hours per week

Annual Maximum: $2,000.00 per dependent, per year. Per IRS rules, there is a $5,000.00 total annual maximum that can be reimbursed on a pre-tax basis for dependent care reimbursement benefits. This pre-tax limit is combined with amounts reimbursed under the separate Dependent Care Flexible Spending Account (DC-FSA) plan.

Example: An employee participates in the DC-FSA with an annual contribution of $4,000. The employee also participates in the Dependent Care Subsidy program for one child. This employee is eligible to receive up to $2,000 for that child under the subsidy benefit; however, because the employee is contributing $4,000 pre-tax in the DC-FSA, the employee can only receive $1,000 as pre-tax and the remaining $1,000 of subsidy will be paid as taxable income.

Eligibility: Regular full-time and part-time employees who are expected to be employed for a minimum of one (1) year and who work at least 20 hours per week. In addition, the Dependent Care Subsidy benefit is extended to Postdoc Scholars/Fellows and Joint Program Students upon approval by the Academic Programs Office.

Enrollment Deadline: Employees should enroll in the subsidy program during the annual Open Enrollment period each year. However, employees have until November 1st each year to enroll and take advantage of this benefit.

Definitions

Day Care: A licensed child care center, nursery school, daytime summer camp, adult day care center, and in-home care.

Day Care Expenses: Expenses incurred by a Participant and paid to a licensed Service Provider for care of a Dependent that enables the Employee and Spouse/Domestic Partner (if any) to work.

Dependent:

- Any child under the age of 13 years who resides with the participant and for whom the Participant is entitled to a federal tax deduction.
- An adult family member who is dependent on the participant because of a physical or mental disability and spends at least 8 hours a day in the participant's home

Service Provider: Any licensed individual or day care center which provides day care services in compliance with the Internal Revenue Code.

Forms

Dependent Care Subsidy Enrollment Form
» View Form (pdf format)
To enroll in the Dependent Care Subsidy benefit, you must complete the Benefits Enrollment Form under Section 4(b). If not previously submitted, you must also provide verification of your child's birth or adoption (copy of birth certificate or adoption decree) to be included with the first submission for subsidy for the year.

Dependent Care Expense Reimbursement Form
» View Form [pdf format]

- Complete the top section with all pertinent information:
  1. Two-week period date information (same as WHOI pay period schedule)
  2. Dependent's Name
  3. TOTAL number of hours for that two-week period
- List the total dollar amount of expenses incurred from the Service Provider for that four-week period
- Information must be verified by the Service Provider

Spouse Work Verification Form
» View Form [pdf format]

- For WHOI employees, you do not need to provide a separate time sheet - Human Resources will verify this information each pay period.
- If your spouse/domestic partner is not a WHOI employee, you must supply a weekly or bi-weekly time sheet showing the hours worked during the appropriate period. However, if your spouse works consistent hours on a weekly basis, you may opt to submit a letter from your spouse's employer stating the set hours scheduled to work for the current year. If those hours change during the year, you must notify us promptly with a revised letter or copy of a current time sheet.
- Complete Section 2 with appropriate information.
- Insert:
  1. Two-week period ending date (same as WHOI's pay period schedule).
  2. TOTAL number of hours worked for each two-week period.
- Verify the information provided by having the employer complete his/her section or, if your spouse is self-employed, have your spouse sign and date the form.

Reimbursement Procedure

- The following documentation must be received by Human Resources no later than the 8th of each month in order to be processed that month.
  - A completed Dependent Care Reimbursement Form showing total number of day care hours and the total dollar amount of expenses incurred for the time period.
  - A completed Spouse Work Verification Form to verify your spouse's hours worked for that time period, if applicable. As mentioned above, a letter from the spouse's employer is also acceptable.
- Documentation received after the 8th of the month will be held and processed in the following month.
- No more than three (3) months of documentation will be processed at one time. If more than three (3) months is submitted, payment for those months will be made the following month.
- Reimbursement will be issued to you in the last paycheck of the month, including those months in the year with three (3) pay periods.
- All incurred expenses must be received by Human Resources by January 9th, for the previous year's expenses. Any Dependent Care Subsidy payment made to you in the following year for the previous year's expenses WILL BE taxable.
- Up to $5,000.00* in eligible day care expenses may be reported as tax free ($2,500.00 if married filing separately).
- Dependent Care Subsidy amounts in excess of $5,000.00* will be reported on an *after-tax* basis.

* This limit may be less if you are also participating in a Dependent Care Flexible Spending Account. As a reminder, there is an annual IRS limit of $5,000 for pre-tax benefits for dependent care reimbursement programs. For WHOI, this limit is combined for both programs.

Last updated: October 8, 2013

Copyright ©2007 Woods Hole Oceanographic Institution, All Rights Reserved.
Mail: Woods Hole Oceanographic Institution, 266 Woods Hole Road, Woods Hole, MA 02543, USA.
E-Contact: info@whoi.edu; press relations: media@whoi.edu, tel. (508) 457-2000
Problems or questions about the site, please contact webdev@whoi.edu