Loyola University Maryland
2014-2015 Child Care Voucher Program Guidelines
(July 1, 2014 through June 30, 2015)

(updated 6/26/14)

The Child Care Voucher Program is designed specifically to help benefits eligible employees pay for qualifying, work-related child care.

Employee Eligibility

Employees must be benefits eligible and have child care costs directly related to the employee's work schedule. Additionally, the employee's spouse (if applicable) must be employed, enrolled in school, or have a documented disability that prevents full-time parenting. Newly hired eligible employees are able to begin participation the month following (after) their date of hire.

Qualifying Children and Child Care Providers

Children, birth through age 12, are eligible under the following circumstances: by birth, adoption, stepchild or foster child living with the Loyola employee, or a child placed by court order in an employee's household. Children over age 12 with disabilities that qualify for dependent status under IRS regulations also qualify for this program.

Qualifying child care providers must fall into one of the following categories:

- Either a USDA, DLLR or Baltimore City Certified Family Child Care Provider; and
- Infant care (6 weeks to 17 months),
- Toddler care (18 months to 23 months),
- Preschool/Pre-Kindergarten Aged Care (2 years to 5 years),
- Before School,
- After School, or
- Before/After School Combined.

Additionally:

- Multiple child care arrangements are eligible for reimbursement.
- "Camp" or "recreational" facilities that do not meet the IRS definition of child care are not eligible.
- Assistance may not be used for optional classes offered at additional cost during regular child care hours.

Amount of Financial Assistance

- The total funds allocated, percentages and income levels are set by the University each year, and may vary benefit year to benefit year.
- The reimbursed rates for 2014 – 2015 can be found in the Child Care Voucher Reimbursement Rates document.
- If the child is removed from qualified child care and this results in a refund from the provider to the parent, that portion of costs previously reimbursed for that month by the University shall be returned to the Human Resources Department within 30 days.

- If an overpayment is made to the employee by Loyola, the amount of overpayment will be subtracted from the next reimbursement check.

Application Process

1. Current blank application forms are available at www.loyola.edu/hr/forms/. A new application must be submitted for each benefit year.
2. Incomplete forms will be returned to the employee and will be date stamped when they are completed and returned.
3. Employee benefits eligibility status will be verified by the Benefits Unit. Spousal information and dependent information may also be verified by the Benefits Unit.
4. A copy of the child care provider's state license or certification and your tax Form 1040 must be submitted with the application.

Reimbursement Process

1. Employees must have approved applications, care providers license/certification verification, and a copy of their most recent Form 1040 on file with the benefits unit. This documentation is needed each benefit year (currently, each July 31st).
2. Employees must submit a Monthly Cost Verification Form along with a receipt for payment to the child care provider each month to be issued a voucher for the respective month.
3. Forms may be mailed to Human Resources or faxed to (410) 617-5072.
4. Monthly Cost Verification Forms and receipts for the current month are due by the 5th of the following month. If the 5th falls on a weekend or non-business day, the payment will be due the next business day.
5. The voucher payment will be included in your next pay based on published pay schedule deadlines. This may be the first or the second pay date of that month.
6. The one exception to this pay schedule is the December deadlines. For accurate year-end processing, the deadline for child care voucher forms for December is December 5th, not January 5th as would be expected.

Dependent Care and Tax Liability Issues

The Internal Revenue Service determines the maximum allowance for dependent care assistance programs sponsored by employers. The combined total allowance is $5,000 per year, per family and includes:

- Flexible Spending Accounts for dependent care, and
- The Child Care Voucher Program.

This information should not be understood to be tax advice. Please consult your professional tax advisor to determine the optimal use of dependent care offerings.

NOTE: Selecting a child care provider is the exclusive responsibility of the employee. Except for possibly verifying license status at the time of application, the Human Resources Benefits Unit does not perform screening and background checks of dependent care providers.