Cornell University’s Child Care Grant helps you pay for your child care expenses by granting awards of up to $5,000 a year, tax-free. In order to receive Grant funds on a tax-free basis, you must be eligible to participate in the Flexible Spending Dependent Care Account each year. The Grant covers eligible child care, including infant and toddler day care, pre-school/pre-K programs, care on school holidays, school-age summer day camps/programs, and school-age before/after school care. This Grant helps you explore options and find creative solutions to some of the child care challenges you face.

Basic information

What is the Cornell Child Care Grant for Faculty and Staff?

Cornell University’s Child Care Grant helps you pay for your child care expenses by granting awards of up to $5,000 a year, tax-free. In order to receive Grant funds on a tax-free basis, you must be eligible to participate in the Flexible Spending Dependent Care Account each year. The Grant covers eligible child care, including infant and toddler day care, pre-school/pre-K programs, care on school holidays, school-age summer day camps/programs, and school-age before/after school care. This Grant helps you explore options and find creative solutions to some of the child care challenges you face.

Why has Cornell University instituted the Cornell Child Care Grant?

Cornell University has a long-standing commitment to addressing the work/life and work/family issues of its diverse population. One of these issues, the cost of quality child care, was identified by the university’s Task Force for Working Families in 1990. Since that time, Cornell University, through the Division of Human Resources, has developed programs to address the needs of its faculty and staff, such as the flex policy, an onsite and a near-site child care center, adoption assistance, the catastrophic leave policy, and many others. The Child Care Grant is one of these many programs.

Does the Grant amount show anywhere on my W-2 form and/or is it considered taxable income?

Yes, the amount will be reflected on your W-2 and this amount is not considered taxable income. It is employer money and it is displayed for IRS reporting purposes. The full grant amount awarded is displayed on your W-2 whether or not you use the entire amount.

Where can I find out more about the Grant or get help with the application?

Help is available on the website at https://hr.cornell.edu/benefits-pay/retirement-finances/financial-assistance/child-care-grant, or by calling the HR Services and Transitions Center (HRSTC) at (607) 255-3937. You may also...
How do I learn more about child care options available?

You may contact Diane Bradac, Work/Life Consultant in Human Resources, for information on local child care options and parenting resources. She is available for individual confidential consultations whether you currently have children, you are expecting a baby, planning on adoption, need assistance with breastfeeding and returning to work and/or exploring flexible work arrangements. Diane coordinates a Preparing for Baby series twice a year as well. Diane can be reached at sdb39@cornell.edu or (607) 255-1917.

The Child Development Council of Tompkins County (CDC) is also available to assist you with identifying child care options and can help you understand registered and licensed childcare. Trained Referral Specialists at the CDC maintain a database of licensed and registered child care centers, family and group homes, providers, pre-k programs and summer care options. For more details about the CDC, see: www.childdevelopmentcouncil.org or call (607) 273-0259.

What if I do not know what my child’s name will be?

If your child is not born yet and you are not sure what you are going to name them, please complete the application using Baby (as the first name) and then enter in your last name. Example: Baby Smith

Eligibility

Who is eligible?

To be eligible for the Grant, you must:

- Be a benefits-eligible Cornell faculty or staff member eligible to participate in Cornell’s Flexible Spending Dependent Care Account. Note that County Extension Association employees are not eligible to apply for the Grant.

- Be unmarried or, based on IRS rules for Dependent Care Accounts, have a spouse/partner who is:
  - Employed at least part time, or
  - A full-time student (you will need to provide proof of enrollment in classes and an expected graduation date), or
  - Considered legally disabled, or
  - Unemployed but actively seeking employment: must have legal work authorization to work in the United States (work visa is required and must be attached as documentation).

- Have a total household gross income of less than $150,000 per year.

- Have a child who is your legal dependent (as defined by IRS regulations), and for whom you are financially responsible or be pregnant and anticipating child care expenses for 2019.

- Have a child under age 13 or have an older child that has a disability-related special need that can be documented (we will need a note from a doctor if your child is 13 years of age or older).

According to Internal Revenue Service rules, faculty and staff who work part time or whose spouse/partner is a full-time student, legally disabled, or unemployed but actively seeking employment may receive a smaller Grant.

Is there a household income limit?

Yes, in order to be eligible for the Grant, you must have a total household gross income of less than $150,000 per year. See previous question for additional eligibility requirements.
Why must my spouse/partner be employed, a full time student, disabled, or actively seeking employment for us to be eligible for the Grant?

IRS regulations of Flexible Spending Dependent Care Accounts govern the Grant. The IRS considers child care expenses to be eligible expenses if they allow you and your spouse/partner, to work or look for work. If your spouse/partner is unemployed as of the time you expect to receive the Grant, you will be required to provide a projection of income for the upcoming year if he or she is actively seeking employment. This amount can be based on the previous tax year tax return or an estimation of salary of his or her given profession. To be eligible for the Grant, any spouse/partner who is looking for work must have legal work authorization to work in the United States (work visa is required and must be attached as documentation). If your significant other remains unemployed throughout the year and doesn’t meet one of the other exceptions/conditions (is disabled or a full time student), you will be ineligible for the Grant and will not be able to use the Grant funds. To understand the term, “actively seeking employment,” you should check the IRS regulations related to flexible spending accounts (www.irs.gov) publication 503.

I share custody for my child with another person who is not my spouse/partner. Can I still apply for the Grant?

Yes, but only if you will be claiming the child as a dependent on your tax return for the year in which you use the Grant. If you will not claim the child as a dependent, you cannot apply for the Grant in relation to that child.

I’m a student. Am I eligible?

Undergraduate and graduate/professional students are not eligible for this program, but can be covered under a separate Cornell program exclusively for them. Information can be found at the Cornell Students with Families website.

What types of child care expenses are eligible for the Grant?

Only expenses related to legal child care, as defined by the New York State Office of Family and Children’s Services, are eligible for the Grant. This includes expenses for regulated and informal care. All care must be provided for children aged from 6 weeks through age 12. More detailed information on the definition of legal care is listed below. By submitting an application for the Grant, you are certifying that your expenses are accurately estimated and eligible under the legal care definitions. Cornell Benefit Services and Administration will be reviewing all applications, awards, and claims, in an effort to detect any potential fraudulent activity. Any misrepresentation of information can result in the termination of the Grant and could have adverse employment consequences.

What are the program definitions of legal care?

In New York State, there are several forms of legal care, including both informal and regulated care. These include the following categories:

**Informal Care** - Unregulated but legal (no permit required):

- Provider is required to claim income from child care services provided on taxes, and
  - A person who provides child care in his/her home for a maximum of two children at a time, in addition to his/her own children, or
  - A person or program providing care for any number of children for less than three hours a day, or
  - A person who provides care in the home of the child (in-home care).

**Regulated Care** – Child care that is regulated by the NYS Office of Children and Family Services, which issues permits (registrations and licenses). Some common types include:

- **Family Day Care** - must be registered. One provider, age 18 or older, receives a permit to care for a maximum of five to eight children on a regular basis in a personal residence. Maximum capacity depends on the ages of children in care.
Group Family Day Care - receives a license. The maximum capacity is 10 to 14 children and depends on the ages of children in care. Care is provided on a regular basis in a personal residence by approved caregivers who are age 18 or older. One caregiver is required for every two children under age two years. A minimum of two providers must be present whenever seven or more children are in care.

Day Care Center - must be licensed. Care is provided to six or more children on a regular basis for more than 3 hours a day, usually at a location other than a residence. There are strict building, staffing and program requirements. Children are grouped by age (6 wks. - 18 mo., 18 mo. - 3 years, 3 - 5 years, 6+ years), which may not mix with other groups.

Small Day Care Center - must be registered. Care is provided to three - six children on a regular basis at a location other than a residence.

School Age Child Care - must be registered. Care is provided on a regular basis to seven or more children who are under 13 years of age and who attend kindergarten or a higher grade. Care is usually provided at a site other than a personal residence.

Camps – In NYS, summer camps must have a permit from the Department of Health to operate legally. The camp is required to be inspected twice yearly and the inspection reports and required plans are filed at the health department and are available for review.

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Do overnight camp expenses qualify for the Grant?

No, overnight camp expenses do not qualify for the Grant, per IRS guidelines for Flexible Spending Accounts. However, day camp expenses are eligible.

Does the cost for extracurricular activities qualify for the Grant?

No, expenses for extracurricular activities (for participation on sports teams, for music lessons, or similar) do not qualify for the Grant per IRS guidelines for Flexible Spending Accounts.

What age is a child considered school age?

If the child turns 5 years old between January 1-September 30, 2019 they are considered school age.

My child attends a private kindergarten. Are those costs eligible?

Costs associated with an educational program for age-eligible school children are not covered by the Grant. However, those expenses associated with before-school and after-school care, even if provided by the same provider, are eligible. For example, the fee schedule for a child, age 5, enrolled in a Montessori-type program might show one rate for a program that is scheduled from 8:30 a.m. to 3:30 p.m. (the length of a typical school day) and a different rate for enrolling in a program scheduled for 8:30 a.m. to 5:30 p.m. (the typical school day plus after-school care). Only the difference in the rates is the portion that is eligible for the Grant, in addition to any before-school care costs.

By submitting an application for the Grant, you are certifying that your expenses are accurately estimated and eligible under the legal care definitions. Cornell Benefit Services and Administration will be reviewing all applications, awards, and claims, in an effort to detect any potential fraudulent activity. Any misrepresentation of information can result in the termination of the Grant and could have adverse employment consequences.

I’m expecting to add a child to my family during calendar year 2019. Can I apply even though the
child is not in our home yet?

If you or your partner is currently pregnant or you are planning to adopt, you must apply by the September 28, 2018 deadline to be eligible for a Grant any time in 2019, even though your child has not yet been born or has not yet arrived in your home. In order to calculate your expected expenses, please consider what your costs will potentially be for the period starting when both parents have returned to work, up until 12/31/2019.

Whenever you estimate your potential expenses for 2019, please remember: by submitting an application for the Grant, you are certifying that your expenses are accurately estimated and eligible under the legal care definitions. Cornell Benefit Services and Administration will be reviewing all applications, awards, and claims, in an effort to detect any potential fraudulent activity. Any misrepresentation of information can result in the termination of the Grant and could have adverse employment consequences.

I have a child with a disability-related special need. Can I apply?

Costs associated with specialized care giving, for example a one-on-one aid, required for a child with special needs are covered by the Grant. However, therapy services (speech, physical, occupational or any other therapy provided by a licensed, certified provider) are not.

My special-needs child will be 13 this year. Is she/he still eligible?

Yes, if you have a child age 13 or older and you can provide documentation from a medical doctor (at the time you apply for the grant) that your child has a disability-related special need requiring care beyond the age of 13, you may apply for the Grant. The costs associated with therapy services (for example, for speech, physical, or occupational therapy) are not covered by the Grant.

Can I use grant funds to pay a relative to watch my child?

Yes, as long as the family member is not a dependent of the employee. The definition of a dependent is a child under the age of 19 or an adult living in the member’s household receiving 50% of support from the member. Your relative must claim the money they receive from the grant as income on their IRS income return.

By submitting an application for the Grant, you are certifying that your expenses are accurately estimated and eligible under the legal care definitions. Cornell Benefit Services and Administration will be reviewing all applications, awards, and claims, in an effort to detect any potential fraudulent activity. Any misrepresentation of information can result in the termination of the Grant and could have adverse employment consequences.

Estimating the cost of care

How do I estimate the cost of care?

To submit an accurate estimate of the cost of care; contact the day care provider that you will use in 2019 and request 2019 rates in writing on their letterhead, including tax ID for larger providers and SSN for smaller providers (attach this to your application to help accelerate the processing of your application). If you are new to the area or are a new parent/expecting parent, you may contact Work/Life and/or the Child Development Council of Tompkins County for assistance. All information submitted will be reviewed and verified by HRSTC as a fraud prevention method. In all cases, your reimbursement will be based on what you actually have paid to your provider and documented with receipts.
I have more than one child who is cared for by one provider, and I pay “family” rate. How do I report that?

If your provider does not break out costs per child, you should divide the total rate by the number of children included and report the same rate for each child.

How to apply

How do I apply for the Grant?

The Child Care Grant has an annual application period each September for the following calendar year. Applications are now closed.

Applications are completed online, but the completed applications must be printed and submitted with all required documentation attached to HR Services and Transitions Center either in person, via the Cornell Dropbox, or by sending via U.S. Mail (postmarked by September 28, 2018.)

If sending by U.S. Mail, mail to:

Child Care Grant
Cornell University
395 Pine Tree Road
East Hill Office Building, Suite 110
Ithaca, New York 14850

If using the Cornell Dropbox, please scan and send all pages as one document.

- Visit dropbox.cornell.edu
- Log in with NetID
- Click on “Prepare Upload”
- Enter the following NetID: TR19 for Theresa Rapacki and click “Add.”
- Click “Choose File” and upload documents
- Click “Send”

Applications (including required documentation) that do not have a September 28, 2018 (or earlier) U.S. postmark and/or electronic applications received after the September 28, 2018 deadline will not be accepted. Incomplete applications, including any with missing documentation, will not be considered for the Grant and will be returned. For details about the Grant, visit the Cornell University Child Care Grant website or e-mail childcare@cornell.edu or call (607) 255-3937.

By submitting an application and documentation for the Grant, you are certifying that your expenses and your household income are accurately estimated and eligible under the legal care definitions. Cornell Benefit Services and Administration will be reviewing all applications, documentation, awards, and claims, in an effort to detect any potential fraudulent activity. Any misrepresentation of information can result in the termination of the Grant and could have adverse employment consequences.

What types of documentation do I need to provide with the application?

You will need to provide your two most recent pay stubs as well as the two most recent pay stubs for your spouse/partner (a 1099 or Schedule C for self-employed spouses/partners and proof of student enrollment if your partner is a full-time student). You will need to provide information about your child care provider, including the provider’s address and either tax identification number or Social Security number (if known). In order for your application to be considered for grant funding, day care costs submitted by you will be verified. To submit an accurate estimate of the cost of care; contact the day care provider that you will use in 2019 and request 2019 rates in writing on their letterhead, including tax ID for larger providers and SSN for smaller providers (attach this to your application to help accelerate the processing of your application).
By submitting an application and documentation for the Grant, you are certifying that your expenses and your household income are accurately estimated and eligible under the legal care definitions. Cornell Benefit Services and Administration will be reviewing all applications, documentation, awards, and claims, in an effort to detect any potential fraudulent activity. Any misrepresentation of information can result in the termination of the Grant and could have adverse employment consequences.

What if my spouse/partner other is self-employed?

If your spouse or partner is self-employed, please estimate his or her earnings based on information from the prior year. As verification of income, submit Form 1099 or Schedule C from your spouse/partner’s most recent tax return. If there are no prior years’ income to use, document (and retain) how you estimate the income. You may be called upon to share that documentation.

What to expect once you’ve applied

How is the decision made on who will receive the Grant?

Once an application and documentation has been received, it is then reviewed to ensure that the applicant meets the eligibility criteria, that the child meets the eligibility criteria, and that the Grant funding request is for legal child care expenses. Those families who meet all of the eligibility criteria will receive notice of the amount of the Grant that they will receive. The Grant award will be provided through the 2019 Flexible Spending Dependent Care Account, and the staff member will have access to that account as long as they continue to be employed with Cornell University.

I’ve received a Grant before. Can I expect the same amount of Grant money this year?

You should not expect the same amount every year. Since Grant funding is limited and the number of Grant applicants fluctuates from year to year, Grant awards may increase or decrease from one award year to the next. Changes in income, age of the child and child care expenses may also affect the amount of the Grant you receive each year.

Can I estimate how much I might receive?

Yes, you can, but the funding is limited and the amount you might receive may vary each year.

The chart below is based on the financial impact that child care costs place on different income groups. To determine your estimated Grant award:

1. Determine your total gross annual household income (this is your income before taxes).
2. Find the income range for your gross annual household income on the chart.
3. Determine the percent of Grant money associated with the age of your child and, if applicable, the time of year.

Please note that the program is designed in compliance with IRS regulations that govern the Flexible Spending Dependent Care Account. As a result, the maximum pre-tax award is $5,000.

The estimated Grant amounts in the chart below are based on full-time employment (39 hours). Grant funding is limited, and our goal is to provide more support to the lower income categories. The chart below represents the amount of expenses we
hope to cover in the 2019 awards. Please remember, these are targets and are limited by the IRS maximum listed above.

### Income Category

<table>
<thead>
<tr>
<th>Infant, Toddler, or Preschooler - year round</th>
<th>School Age (typically 5 years through age 12) School year only</th>
<th>School Age Summer months only</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to $34,999</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>$35,000 - $59,999</td>
<td>40%</td>
<td>35%</td>
</tr>
<tr>
<td>$60,000 - $84,999</td>
<td>25%</td>
<td>20%</td>
</tr>
<tr>
<td>$85,000 - $99,999</td>
<td>10%</td>
<td>5%</td>
</tr>
<tr>
<td>$100,000- - $150,000</td>
<td>5%</td>
<td>Not Covered</td>
</tr>
</tbody>
</table>

**Is there a maximum total amount I might receive?**

Yes. The maximum amount of Grant funding that any household may receive is $5,000. This is because Grant awards are distributed by process of reimbursement through the Flexible Spending Dependent Care Account and the IRS maximum amount of sheltered income allowed for a Flexible Spending Dependent Care Account is $5,000.

**How / When will I be notified about whether I’ll receive an award?**

A decision will be mailed via U.S. mail to your home address. Verify that the university has your correct address on file by reviewing your Workday address. In Workday, click on Personal Information, View Addresses.

Grant award letters are expected to be sent by U.S. Mail during the last week of October 2018. This will allow you to receive your decision letter prior to the annual benefits open enrollment, when you will enroll in the Flexible Spending Dependent Care Account if you choose to add your own pre-tax contribution to the Account.

**How will I receive the Grant?**

Once your application is processed and an award amount is determined, funds are transferred to your Flexible Spending Dependent Care Account in January 2019. As soon as you have incurred child care expenses, you can request reimbursement. All daycare expenses incurred must be submitted to PayFlex, Cornell’s Flexible Spending Account administrator, for reimbursement. Expenses incurred must allow you and your spouse to work, actively look for work or attend college and must meet FSA dependent care account requirements.

By submitting claims to PayFlex, you certify that all information is accurate and that you will not seek or receive reimbursement for these claims from any other source and that you will not list these expenses on your IRS tax return because doing so may constitute fraud.

Learn about filing a request for reimbursement by visiting our webpage for Cornell Flexible Spending accounts. Note: Even if you do not elect to have your own money set aside in a dependent care flexible spending account, your Grant money will be deposited into a dependent care account.
By submitting an application and documentation for reimbursement, you are certifying that your expenses are eligible under the legal care definitions. Cornell Benefit Services and Administration will be reviewing all applications, documentation, awards, and claims, in an effort to detect any potential fraudulent activity. Any misrepresentation of information can result in the termination of the Grant and could have adverse employment consequences.

Will the Grant be paid to my day care provider?
As long as you file your claim online, you can choose to have the reimbursement paid to your day-care provider.

How will the Grant affect my Dependent Care Account if I am already contributing my own money to it?
Once you know the amount of your Cornell Grant, you will be able to calculate whether the Grant will fully fund your needs for the rest of the year. You may still want to contribute from your own salary to your Flexible Spending Dependent Care Account. The maximum amount of $5,000 for 2019 includes BOTH the Grant award and any additional contribution you choose to make.

When is the Flexible Spending Dependent Care Account Open Enrollment Period?
The Open Enrollment period for endowed faculty and staff will be held in November 2018; contract college faculty and staff will be able to enroll in Flexible Spending Dependent Care Account during the New York State Option Transfer/ Flexible Spending Dependent Care Account Open Enrollment period. The Option Transfer period begins when New York State releases health insurance rates and ends 30 days later.

When can I expect to begin using my Grant award?
You can use Grant funds for eligible day care expenses incurred from January 1, 2019 – December 31, 2019. You will have to file a request for reimbursement to receive your funds.

Where can I find more information on the Flexible Spending Dependent Care Account and how do I file a claim?
All daycare expenses incurred must be submitted to PayFlex, Cornell’s Flexible Spending Account administrator, for reimbursement. Expenses incurred must allow you and your spouse to work, actively look for work or attend college and must meet FSA dependent care account requirements. By submitting claims to PayFlex, you certify that all information is accurate and that you will not seek or receive reimbursement for these claims from any other source and that you will not list these expenses on your IRS tax return because doing so may constitute fraud. Learn about filing a request for reimbursement by visiting our webpage for Cornell Flexible Spending accounts.

What should I do if I leave Cornell during this year?
If you leave Cornell during the award year, be sure to notify the HR Services & Transitions Center via e-mail at childcare@cornell.edu. You are only eligible to request reimbursement for child care only for services provided during the time you were employed with Cornell University.

[/accordion]