



# Cornell University

## Division of Human Resources

### Cornell Child Care Grant for Faculty and Staff

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## Basic information

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### **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 Benefit Services at (607) 255-3936.

### **How do I learn more about child care options available?**

You may contact Diane Bradac, Dependent Care Consultant, in Work/Life Services, for information on local child care options and parenting resources. She is available for individual confidential consultations whether you currently have children or you are expecting a baby. Diane can be reached at [sdb39@cornell.edu](mailto:sdb39@cornell.edu) or (607) 255-1917.

The Child Development Council of Tompkins County is also available to assist you with identifying child care options if you should find that your child(ren) are not in legal care, and if the Child Care Grant affords you the opportunity to choose other care options. For more details about the Child Development Council, see: [www.childdevelopmentcouncil.org](http://www.childdevelopmentcouncil.org) or call (607) 273-0259.

### **What if I do not know what my child's name will be?**

If your child isn't born yet and you aren't 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

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### Who is eligible?

To be eligible for the Grant, you must:

1. Be a benefits-eligible Cornell faculty or staff member eligible to participate in Cornell's Flexible Spending Dependent Care Account. **County Extension Association employees are not eligible to apply for the Grant.**
2. Be unmarried or, based on IRS rules for Dependent Care Accounts, have a spouse/partner who is:
  - a. Employed at least part time or
  - b. A full-time student (You will need to provide proof of enrollment in classes and an expected graduation date.)
  - c. Considered legally disabled or
  - d. 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).
3. Have a total household gross income of less than \$150,000 per year
4. 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 2018.
5. 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](http://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?

Students are not eligible for this program. There is, however, a separate program available for students that can be accessed here: (<http://studentswithfamilies.cornell.edu/>)

### 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 (<http://www.ocfs.state.ny.us/main/childcare/>) are eligible for the Grant. This includes expenses for primary and backup or occasional care arrangements provided for children from 6 weeks through age 12. (For definitions of legal care, see information listed in the question below). Your child(ren) must be enrolled in legal care to be eligible for the Grant. By submitting an application for the Grant, you authorize Cornell University to verify that your child care arrangement fits within these definitions. 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):

1. Provider is required to claim income from child care services provided on taxes, and
2. 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
3. A person or program providing care for any number of children for less than three hours a day, or
4. A person who provides care in the home of the child (in-home care), or

#### **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.

### **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, 2017 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.

**I'm expecting to add a child to my family. 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 29, 2017 deadline to be eligible for a Grant any time in 2018, even though your child has not yet been born or has not yet arrived in your home. Within 60 days of both parents' return-to-work date, you should contact Benefit Services to make sure other benefit plan coverage you need will be in effect for the child. Child Grant awards will be pro-rated based on when the child will be placed in day care and cannot be used to pay for child care prior to both parents' return to work date. For more information about the Flexible Spending Dependent Care Account, visit the Web at: [www.hr.cornell.edu/benefits/fsa.html](http://www.hr.cornell.edu/benefits/fsa.html), e-mail: [benefits@cornell.edu](mailto:benefits@cornell.edu) or call: (607) 255-3936.

**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 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.

## How to apply

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### How do I apply for the Grant?

You must **complete and submit** a Child Care Grant application and supporting documentation on or before September 29, 2017 at 4:30 p.m. The online application will be available on September 4, 2017 at [www.hr.cornell.edu/](http://www.hr.cornell.edu/).

Applications are not complete until all required documentation is attached to your printed application and the package is submitted to Benefit Services either in person, via the [Cornell Dropbox](#), or by sending via U.S. Mail (postmarked by September 29, 2017.)

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

Child Care Grant  
Cornell University  
395 Pine Tree Road  
East Hill Office Building, Suite 130  
Ithaca, New York 14850

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

- <https://dropbox.cornell.edu>
- Log in with net id
- Click on Prepare Upload
- Enter the following net id: TR19 for Theresa Rapacki
- Upload documents
- Send

**A complete application is a printed copy of the online application and copies of two most recent pay stubs for the applicant and spouse/partner.** Please make sure to submit any tax forms, proof of partner student enrollment, daycare contract, or doctor's note if required for your application to be complete.

Applications (including required documentation) that do not have a September 29, 2017 (or earlier) U.S. postmark and/or applications received after the September 29, 2017 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](mailto:childcare@cornell.edu) or call (607) 255-3936.

### What types of documentation do I need to provide?

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).

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

If your spouse or partner is self-employed, please do your best to anticipate his or her earnings based on information from past years. As verification of income, submit Form 1099 or Schedule C from the self-employed party's most recent tax return.

## Estimating the cost of care

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### **How do I estimate the cost of care?**

To estimate your cost of care for the 2018 award year, review the child care expenses you had over the last 12 months. If you anticipate a change in the amount or type of care you used, adjust your estimates accordingly. If you anticipate a change in day care costs as a result of a rate increase/decrease and/or a change in your child care provider, adjust your estimates accordingly. If you are moving and do not know what child care provider or what type of care you will be using, use an estimate based on the fees charged by child care providers in the area to which you are moving. 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.

## What to expect once you've applied

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

Once an application has been received, it is then reviewed to ensure that the applicant meets the eligibility criteria, that the child meets eligibility criteria, and that the applicant is requesting Grant funding for a legal child care situation. Those families who meet all of the eligibility criteria will receive a Grant that they can access during the Grant award year, through the Flexible Spending Dependent Care 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 to fit the pre-tax provisions in the IRS regulations that govern the Flexible Spending Dependent Care Account. As a result, the maximum award is \$5,000.

Please note that the estimated Grant amounts in the chart are based on full-time employment (39 hours). Grant funding is limited. We will do our best to meet the targeted amounts shown below.

Income Category	Infant, Toddler, or Preschooler - year round	School Age (typically 5 years through age 12) School year only	School Age Summer months only
Up to \$34,999	50%	50%	50%
\$35,000 - \$59,999	40%	35%	40%
\$60,000 - \$84,999	25%	20%	25%
\$85,000 - \$99,999	10%	5%	10%
\$100,000 - \$150,000	5%	Not Covered	5%

### 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 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 going to Workday (<https://www.workday.cornell.edu>), click on **Personal Information, Change Contact Information**.

### When will I be notified about a decision on whether I'll receive an award?

You will receive your decision letter prior to the annual benefits open enrollment so that you have time to enroll in the Flexible Spending Dependent Care Account if you choose. Grant award letters will be sent by U.S. Mail during the last week of October 2017.

### 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 2018. As soon as you have incurred child care expenses, you can request reimbursement. Learn more about reimbursement: <https://hr.cornell.edu/benefits/fsa.html>. 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 put into one.

**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 to reach the maximum amount of \$5,000 if the Grant award will not cover your expenses.

**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 2017; **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, 2018 – December 31, 2018. You will have to file a request for reimbursement to receive your funds.

**How do I file a request for reimbursement?**

Learn about filing a request for reimbursement by visiting the web at:.

**What should I do if I leave Cornell during this year?**

If you leave Cornell during the award year, be sure to notify Benefit Services via e-mail at [childcare@cornell.edu](mailto:childcare@cornell.edu). You should also be sure to request reimbursement for child care only for the time during which you were employed with Cornell University.

**Where can I find more information on the Flexible Spending Dependent Care Account as well as on how to file a claim?**

For more information on the Flexible Spending Dependent Care Account, please visit the Benefits website at: <http://hr.cornell.edu/benefits/fsa.html>