

Academic Student Employee and Graduate Student Researcher Childcare Reimbursement Program

For UAW-represented Student Employees

UNIVERSITY
OF
CALIFORNIA

University of California Academic Student Employees (ASE) and Graduate Student Researchers (GSR) represented by the United Auto Workers (UAW) are eligible for reimbursement of some childcare expenses through a program established in the ASE and GSR collective bargaining agreements between UC and the UAW. The program described below is effective January 1, 2023.

Overview

PROGRAM OVERVIEW

Effective January 1, 2023, each eligible ASE may receive up to \$1,350 per quarter or \$2,025 per semester for expenses incurred during the appointment period during the regular academic year. Each eligible GSR may receive up to \$1,350 per fiscal quarter (as defined in the collective bargaining agreement). An employee must have a valid appointment for a minimum of 25 percent time for the duration of the term for which reimbursement is submitted.

On October 1, 2023, the reimbursement amounts will increase to \$1,375 per quarter (or fiscal quarter) or \$2,062.50 per semester. On October 1, 2024, the reimbursement amounts will increase to \$1,400 per quarter (or fiscal quarter) or \$2,100 per semester.

In addition, an ASE who meets the standard eligibility criteria for a summer session appointment in 2023 can be reimbursed up to \$1,350 for eligible expenses incurred during the summer session terms. The \$1,350 maximum applies regardless of the number of summer terms an ASE may work in a calendar year. For summer 2024, the amount will increase to \$1,375. To be eligible for reimbursement during the summer term, the ASE must also be a registered student in the regular academic terms preceding and following the summer session appointment.

GSRs who are employed for the equivalent of a fiscal quarter during the summer (defined as July 1- September 30) are eligible to receive up to \$1,350 in 2023 and \$1,375 in 2024.

Eligibility

ELIGIBILITY

An eligible ASE or GSR is a registered student with at least a 25 percent appointment who has (a) qualified dependent(s). For the purposes of this program, qualified dependents are children in the custody of the ASE/GSR who are 12 years old or under as of July 1st for the following fiscal year which includes the current summer session and the new academic year.

Reimbursement

REIMBURSEMENT PROCESS

The childcare reimbursement is paid through payroll as taxable earnings to the ASE/GSR. At the end of a quarter or a semester, or when the maximum reimbursement amount has been reached during the term, the employee completes an *Academic Student Employee (ASE) and Graduate Student Researcher (GSR) Childcare Reimbursement Program* (UBEN 254) and submits it with applicable childcare provider receipt(s) to their hiring department's personnel officer. The UBEN 254 form is available on UCnet (ucnet.universityofcalifornia.edu/forms/pdf/uben-254.pdf).

SUBMITTING A REIMBURSEMENT FORM

Reimbursement requests for expenses must be submitted after the expenses are incurred. Reimbursement requests should be submitted via the UBEN 254 form based on campus-specified deadlines but no later than the last day of the following term.

The employee will be required to certify on the reimbursement form that the expense is not being claimed under both the ASE/GSR Childcare Reimbursement and the ASE/GSR Dependent Care programs. GSRs will also need to certify that they are not receiving a childcare reimbursement through an external training grant or fellowship in excess of the amounts provided for in the collective bargaining agreement.

Once a UBEN 254 is submitted, the hiring department's personnel office certifies that the form is complete, that the employee has/had an appropriate appointment, and that the applicable documentation is attached.

Note: Two employees may not each claim the credit for the same provider care for an eligible child unless the provider care exceeded the applicable term dollar limit. The second employee may claim the additional expense reimbursement. For example, if the reimbursable amount for childcare totals \$6,000 in the academic year, the first employee may claim \$4,050 (3 quarters at \$1,350 or 2 semesters at \$2,025) and the second employee may claim \$1,950.

An ASE/GSR employee who is eligible for the Dependent Care program cannot submit receipts for the same expense for both Childcare Reimbursement and the Dependent Care program.

The reimbursement will usually be in the same form as the employee normally receives pay (check or electronic deposit). If an employee is no longer actively employed at the time of the reimbursement, then a paper check will be issued.

Frequently Asked Questions

WHAT IS THE AGE LIMIT FOR A QUALIFIED DEPENDENT?

The ASE/GSR Childcare Reimbursement program covers children up to the age of twelve (12) years old, provided they are 12 or under on July 1st. If the child qualifies on July 1st, the employee can claim the child for the following academic year and for the current summer session(s).

Example: The child's birthday is July 2nd. On July 1st, the child is 12. The employee can submit reimbursement for that summer session (or summer fiscal quarter) and for the Fall, Winter and Spring terms following, provided the employee meets the eligibility criteria.

HOW WILL THE AGE OF THE CHILD BE VERIFIED?

The employee will be required to show proof of birth by presenting either the child's birth certificate or passport and identification showing the child is a qualified dependent.

HOW IS APPLICABLE CHILDCARE PROVIDER DEFINED?

The childcare provider must have a valid tax I.D. or Social Security number. If the center cares for six or more dependents who are not residents, it must comply with all state and local licensing laws and applicable regulations. Childcare provided by the spouse, a child of the employee under age 19, a friend or relative living in the same household as the employee or someone else the employee claims as a dependent for tax purposes is not reimbursable.

ARE SUMMER CAMPS OR OTHER SUMMER ENRICHMENT PROGRAMS APPLICABLE CHILDCARE PROGRAMS?

If the summer program meets the criteria noted in question 3, then the program will be treated as an applicable childcare program. It is the employee's responsibility to produce applicable documentation for reimbursement.

HOW WILL THE REIMBURSEMENT BE TAXED?

Federal tax will be at 25 percent, state tax at 6 percent. Defined Contribution Plan contributions and Medicare tax will be deducted, if applicable.

HOW WILL I RECEIVE MY REIMBURSEMENT?

The reimbursement will be processed through the payroll department and will be provided in the same manner in which you usually receive payment, either direct deposit or a paper check. If the reimbursement is processed more than 30 days after employee no longer has an active appointment, then the reimbursement will probably be via a paper check.

Frequently Asked Questions

WILL THE DEPENDENT CARE LIMIT BE REDUCED BY AMOUNTS REIMBURSED UNDER THE CHILDCARE REIMBURSEMENT PROGRAM?

ASEs and GSRs may participate in both childcare reimbursement programs. Because the reimbursements paid to the employees under the ASE/GSR Childcare Program will be treated as additional wages, such reimbursements will not reduce the maximum pretax amount that can be deducted from the employee's paycheck under the Dependent Care program.

WHY IS THE CHILDCARE REIMBURSEMENT TAXABLE?

The Childcare Reimbursement Program does not meet IRC dependent care assistance program requirements as a nontaxable program; therefore, the reimbursements under this program are treated by the IRS as additional wage income.

CAN I CLAIM THE CHILDCARE CREDIT ON MY TAX FORM?

You should consult with your tax advisor in determining whether you are eligible to claim this credit.

HOW IS A 25 PERCENT APPOINTMENT DEFINED FOR PURPOSES OF THIS PROGRAM?

An ASE or GSR must be appointed so that over the term of the appointment the average time is at least 25 percent. An ASE or GSR might be appointed for 50 percent time for one-half of the term, which would result in the average over the term being 25 percent.

WILL THE CHILDCARE REIMBURSEMENT AFFECT MY ELIGIBILITY FOR FINANCIAL AID?

It is possible that the childcare reimbursement might impact eligibility for financial aid. It is the responsibility of the employee to inform the appropriate agencies and offices of the childcare reimbursement.

WHO IS RESPONSIBLE FOR PROCESSING THE ACADEMIC STUDENT EMPLOYEE (ASE) AND GRADUATE STUDENT RESEARCHER (GSR) CHILDCARE REIMBURSEMENT FORM (UBEN 254)?

The hiring department will be responsible unless another department or unit has been designated by the campus. If so, the hiring department should inform the ASE or GSR when the form is submitted.

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