



Frequently Asked Questions - FAQ

Dependent Care Flexible Spending Account (DCFSA)

This guide answers some of the most frequently asked questions for the Dependent Care Flexible Spending Account (DCFSA). More resources are available at www.cu.edu/benefits, or you can contact a benefits professional by email at benefits@cu.edu, or by phone at 303-860-4200, option 3, during regular business hours.

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Dependent Care Flexible Spending Account

Q. When do I need to enroll in the DCFSA?

A. It depends on the event:

New Hire: You must enroll within 31 days from date of hire otherwise, the next opportunity to enroll will be during Open Enrollment or if you experience a Qualifying Life Change. Your DCFSA will be effective on your benefits eligibility date.

During Open Enrollment: This is a three-week period during spring which allows you to make changes in your benefits. You may enroll or re-enroll in the DCFSA for a July 1 effective date.

Qualifying Life Change event: Events such as having a newborn or getting married will allow you to enroll or make changes to your DCFSA. You must do it within 31 days from date of the [Qualifying Life Change](#).

Q. How much do I need to contribute?

A. You should make your election by carefully examining your expected out-of-pocket dependent care expenses for the plan year. The DCFSA is regulated by the IRS and has designated it as a “use it or lose it” account, meaning expenses must be incurred and claimed within the designated period or the monies will be forfeited. Any funds that are not used within the plan year period will be forfeited.

Q. Do I have access to my entire DCFSA election amount at the beginning of the year?

A. No. You will only have access to DCFSA funds that have been deducted from your paycheck each pay period.

Q. What if my spouse participates in a DCFSA?

A. The IRS limit is \$5,000 per household, per calendar year. You may not “double dip” expenses, meaning expenses reimbursed under your DCFSA cannot be reimbursed under your spouse’s DCFSA and vice versa.

Q. I had a DCFSA with my prior employer. Can I transfer those funds?

A. No. You cannot transfer those funds. You must check with your prior DCFSA administrator or employer regarding the use of the balance in your account.

Q. Can I change my election at any time?

A. No. Your elections are irrevocable for the plan year (July 1 to June 30). However, if your dependent care needs change during the plan year, you may be able to enroll, adjust or cancel contributions. Please visit our website or contact Employee Services.

Q. Is there a list of eligible expenses?

A. Eligible dependent care expenses can be viewed by visiting our plan administrator, [ASIFlex website](#) or [IRS Publication 503](#).

Q. Can I claim dependent care expenses under my DCFSA after my child turns 13 years old?

A. Expenses for dependent care no longer qualify for the DCFSA on the day your child turns age 13, unless your child is physically or mentally disabled and incapable of self-care. For more information, please visit our plan administrator, [ASIFlex website](#) or [IRS Publication 503](#).

Q. Do summer camps that include an overnight stay qualify for my DCFSA?

A. No. The Internal Revenue Code disqualifies expenses that include overnight care. The charges cannot be prorated to include the portion that was for care during the day while you were working. For more information, please visit our plan administrator, [ASIFlex website](#) or [IRS Publication 503](#).

Q. Do soccer, baseball, football, gymnastics, ballet, etc. day camps qualify for my DCFSA?

A. If the primary purpose of these camps is for care and well-being in order for you (or you and your spouse, if married) to be gainfully employed, they may qualify. ASIFlex will verify the primary purpose of the camp and will request a statement that the primary purpose is for care and well-being and not for educational/instructional purposes. For more information, please visit our plan administrator, [ASIFlex website](#) or [IRS Publication 503](#).

Q. How do I pay for my qualified dependent care expenses?

A. After services are rendered, you can file a claim online or by sending a claim form to ASIFlex via fax or regular mail. Supporting documentation is required. Please visit the ASIFlex website for instructions.

Q. Can I use my DCFSA to reimburse previous year's dependent care expenses?

A. No. Expenses must be incurred during the current plan year and from your DCFSA's effective date.

Q. What happens if I do not spend all the money within the plan year?

A. You will lose the money that remains in your account after the deadline. The IRS regulations require that DCFSA funds must be spent and claimed within the established deadlines, and do not allow employers to return the money to participants or to carry unused funds over the next plan year.

Q. What happens if I am laid off, furloughed, or switch jobs and leave CU?

A. Your contributions and enrollment in your Dependent Care Flexible Spending Account (DCFSA) will end on the last day of the month in which you terminate employment. However, funds in your account will continue to be available for reimbursement of qualifying expenses incurred prior to the end of the plan year. Please remember that if you do not incur eligible expenses and/or file a claim for reimbursement by the deadlines, these funds will be forfeited.

Q. Can I transfer money from my Dependent Care FSA (DCFSA) to my Health Care FSA (HCFSA)?

A. No. You can use funds only for the purpose for which the election was initially made. IRS regulations do not allow funds to be transferred or commingled between accounts. Therefore, the money in your Dependent Care FSA may only be used for dependent care expenses.