Dependent Care Flexible Spending Account (FSA)

Overview

This account offers the opportunity to pay for the first $5,000 of annual employment-related dependent care (child or adult) expenses tax free. Broad will contribute up to $2,000 to the account, on your behalf, if you elect to participate.

Quick Points:
- Use for child day care expenses (under age 13)
- Care must allow you (and spouse, if applicable) to work or attend school full time
- Obtain bill/receipt from provider and submit for reimbursement
- You will only be reimbursed for amounts contributed year-to-date
- Services must be incurred during the current plan year
- Election changes only allowed if you have a qualified status change

Eligible Expenses Include:
- Au pair and nanny services
- Before and after-school care (extended day programs)
- Babysitter (not employee’s child) for care so parent(s) can work
- Dependent adult day care (for tax dependents)
- Late fees (qualifies if a late pickup)
- Nursery and pre-school
- Summer day camp

INeligible Expenses Include:
- Kindergarten
- Overnight camps
- Non-work related day care expenses

The maximum contribution to the dependent care FSA is $5,000 per calendar year, per family. Broad will contribute up to $2,000 towards the account for employees who elect to sign up. When you go into Employee Self Service Portal you will see two buckets. The first one is the employer contribution bucket which allows you to put $2,000 into it. If you put $2,000 into this first bucket, the second employee bucket will open up and allow you to put the remaining $3,000 into it for a combined total of $5,000.

Once enrolled, the employer contribution will display as an employee deduction on your enrollment confirmation statement. This is necessary so the amount is accurately tracked on your W2 for tax purposes. Broad will be contributing up to $2,000 to the account on your behalf so you will not see this amount as a deduction from your paycheck. Please be sure to check your paystub to make sure this is accurately reflected.

If you elect a Dependent Care FSA, Broad will include your dependent care deduction on your Form W-2 for IRS reporting purposes only. You may also want to compare estimated savings using the Federal Dependent Care Tax Credit. Consult your tax advisor if you have questions about your individual situation.