

# Dependent Care Reimbursement Account (DCRA)

## Open Enrollment

Nov. 16 – 30, 2009

Online only — 100% paperless 

### Flexible Spending Accounts

Flexible Spending Accounts (FSA) offer you the opportunity to reduce your taxable income. You can set up an account with pre-tax dollars to pay for eligible, not-reimbursed health care expenses and qualifying dependent care expenses. By using pre-tax dollars, money that is set aside in an FSA is not included in your earnings for tax purposes. The amount of federal, state and Social Security taxes you pay is reduced.

While the tax savings advantage of a flexible spending account is very valuable to you, it is important to carefully plan your contributions. Internal Revenue Service (IRS) regulations do not allow you to receive any unused money left in your account at the end of the calendar year. This means any money deposited during the calendar year that is not used for eligible expenses incurred that year is forfeited.

### Dependent Care Reimbursement Account (DCRA)

The Dependent Care Reimbursement Account is a flexible spending account. If you participate, you can reimburse yourself for child care expenses for dependents under age 13. You also may use this account to pay for the care of dependents of any age who are mentally or physically handicapped, live with you and are claimed as dependents on your federal income tax return.

Dependent care may be provided in the home or in a facility outside the home. The care may be provided by a baby-sitter, licensed facility or by a relative who is not your dependent.

If you decide to participate, you may contribute from \$120 to \$5,000 annually to your DCRA in addition to any company contribution for which you are eligible. Your annual contribution will be converted to a per-pay-period amount and deducted from your first and second paycheck each month. If you are single or are married and filing income taxes jointly, you may contribute up to \$5,000 of pre-tax income for eligible dependent care expenses each year. If you are married and filing income taxes separately, you may contribute up to \$2,500 annually.

### How the DCRA works

You estimate your eligible dependent care expenses for 2010, and during Open Enrollment, you specify the amount of your paycheck

you want to allocate to your DCRA account. The money you set aside is automatically deducted from your salary on a pre-tax basis and deposited into your DCRA account before federal, state and Social Security taxes are withheld.

ADP Benefit Services (ADP) is the claims administrator. After you incur eligible child care expenses, you submit a paper claim for reimbursement to ADP. After ADP processes the claim, you are reimbursed by check or direct deposit.

### For more information

The Benefits Web site is available to you 24 hours a day, seven days a week. For questions about specific plan benefits, contact ADP.



### Additional Information

	Customer Service	Web Access
Dependent Care Reimbursement Account (DCRA)	1-800-654-6695	<a href="http://www.flexdirect.adp.com">www.flexdirect.adp.com</a>

ADP Services — Access Web address for tax savings worksheet, listing of eligible expenses, view your claims history, arrange for direct deposit of your reimbursement checks.