

Tuition Assistance Program
July 31, 2020

As part of USAA's ongoing commitment to employees' work-life needs, a USAA Child Development Center (CDC) Tuition Assistance Program is available for qualifying employees. The CDC Tuition Assistance Program focuses on extending broader access to the Bright Horizons/USAA "onsite" CDCs. **To qualify, you must be a full-time employee with a total family income less than \$50,000 (based on tax returns or offer letter for new employees) whose child(ren) or legal dependent is or will be enrolled in full-time care at any USAA on-site CDC.**

The Program may also be available for use at other child care locations for USAA employees that work in a location without a USAA onsite CDC. Any USAA employee meeting the qualifications as mentioned is encouraged to apply; however, not all applicants may be selected for tuition assistance. The Tuition Assistance Program is managed by Bright Horizons Family Solutions.

Please note that families will be notified when they are required to re-qualify for tuition assistance each year with the previous years' tax return. Should you experience a qualifying life event (as defined by USAA benefits policies) during the year, you may reapply.

Application steps:

Please scan documents, do not send pictures from smartphones. If you need access to a fax, the CDC can provide you with access.

Step 1: Contact the center for a tour and to discuss availability and timeframe for your child to enroll. There may be a waitlist for certain age groups/classrooms.

Step 2: Print out and complete the current Tuition Assistance Application.

You are required to fill in all details since you are signing as to its accuracy.

Step 3: **Items required for applying for TA:** USAA ID Badge, 2019 1040 **Signed** tax pages and your offer letter (if a new employee). In certain circumstances, additional information may be requested to complete the Tuition Assistance Application.

Step 4: Email your application and documents to: Lorinda Bennett
lorinda.bennett@brighthorizons.com.

Please scan documents, **do not send pictures from smartphones.**
If you need access to a fax, the CDC can provide you with access.

Make sure you are using **HTML text format** when sending attachments using your USAA email address. You should receive communication within three business days regarding your Tuition Assistance status. If you have not heard back within that timeframe, please email Lorinda Bennett to verify your documents were received. If your CDC Tuition Assistance has been approved, you will receive an approval letter that will be sent to the CDC as well and the information in your ACH account will be updated to show the new tuition rates. If your Tuition Assistance has been approved for use in an Off-Campus childcare center, additional instructions will be provided.

This chart shows the income level (based on tax return or offer letter if new employee) and the corresponding subsidy percentages for which they qualify.

| Income Breakdown | |
|------------------|-----|
| less than \$30K | 50% |
| \$30K - \$34,999 | 40% |
| \$35K - \$39,999 | 30% |
| \$40K - \$44,999 | 25% |
| \$45K - \$49,999 | 20% |

Important Tax Information:

IRS allows an annual maximum of \$5,000 tax-free, per family for dependent care support. **You will be taxed on all amounts of dependent care support over \$5,000.**

Three types of dependent care support are considered part of the \$5,000.

- 1) Employee contributions to a Dependent Care Spending account
- 2) Tuition Assistance subsidy provided by your employer
- 3) Fair market value of backup childcare (\$17 per hour) minus your copayment

If you contribute to a Dependent Care Spending Account obtaining tuition assistance may allow you to change your contribution. Contact the USAA Benefits Center at 800-210-8722 to make dependent care enrollment changes. Please refer to the example below as a guide to help you determine your maximum bi-weekly dependent care contribution.

Example of bi-weekly Dependent Care Spending Account Contributions

| | |
|--|-------------|
| USAA bi-weekly subsidy amount | \$130 |
| Annual subsidy (\$130 x 26) | \$3,380 |
| Maximum annual tax-free support for dependent care | \$5,000 |
| Maximum annual amount you can contribute to a Dependent Care Spending Account. (\$5,000 - \$3,380) | \$1,620 |
| Maximum Dependent Care Spending Account bi-weekly contribution. | \$62 |

Please contact Lorinda Bennett via email at lorinda.bennett@brighthorizons.com, if you have any questions about the CDC Tuition Assistance application or requalification process.

2020 USAA CDC Tuition Assistance Application

| | |
|--|----------------------------|
| Employee's Office Location: _____ | Date of Hire: _____ |
| **Please indicate if RealCo employee | |

| | |
|---|----------------------------------|
| USAA Child Development Center | |
| <input type="checkbox"/> Colorado Springs | <input type="checkbox"/> Phoenix |
| <input type="checkbox"/> San Antonio ** | <input type="checkbox"/> Tampa |

OR

| |
|---|
| Remote USAA Location (city, state): _____ |
| Name of Preferred Center: _____ |

Purpose of Application (check one): New Applicant Re-enrollment Annual Income Re-Validation

| | | | | |
|---|-------|--------------------|------------------------------------|---|
| USAA Employee ID #: | _____ | Employment Status: | <input type="checkbox"/> Full-time | <input type="checkbox"/> Part-time (not eligible) |
| USAA Employee Legal Last Name: | _____ | Legal First Name: | _____ | |
| Preferred Name: | _____ | Personal Email: | _____ | |
| Home Address: | _____ | City: | _____ | State: _____ Zip: _____ |
| Home Phone #: | _____ | Work Phone #: | _____ | |
| USAA Email Address: | _____ | | | @usaa.com |
| *Spouse/Co-Sponsor Last Name: | _____ | First Name: | _____ | |
| (Adult living in your home who contributes to overall household income, if applicable) | | | | |

| Child(ren) enrolling at CDC: | Child 1 | Child 2 | Child 3 |
|-------------------------------------|---------|---------|---------|
| Name: | | | |
| Date of Birth: | | | |
| Male/Female: | | | |
| Classroom: (infant, toddler, 2, PS) | | | |
| Date Care Starts: | | | |

Household Income Information (taken from Federal Income Tax Return and/or Offer Letter if new employee):
Note: If applicable, include information from both household providers if filing separately (even if not married)

| | | |
|---|----------------------|-------------------------------|
| Enter the Adjusted Gross Income as it appears on your 2019 Federal Income Tax Return. Line 7b | Employee \$ _____ | Spouse/Co-Sponsor \$ _____ |
| Adjusted Gross Income may be found as follows: Form 1040 (line 8b); | | |
| Total Adjusted Gross Income/Annual Income from Offer Letter (if new employee) | \$ _____ / _____ | |

(Hourly rate x 80 hours x 26 weeks)

Application must be completed and signed before eligibility is considered.

By signing below I am certifying that the information provided by me herein and the copies provided as required proofs are, to the best of my knowledge and belief, true and correct, and that I have not knowingly withheld any facts or circumstances that would affect this application. I understand that the IRS allows an annual maximum of \$5,000 tax-free per family for dependent care support and that I will be taxed on all amounts of dependent care support over \$5,000. I understand that if I knowingly receive tuition assistance for which I am not eligible, USAA may take corrective action, up to and including termination of employment, or other legal action. In addition, I understand that it is my obligation to complete and sign a USAA CDC Tuition Assistance Application annually in order to qualify for any tuition discount for which I may be eligible. I understand that USAA, at its sole discretion, may suspend, alter or terminate this offer for tuition discount at any time.

Applicant's Signature

Date

Send documents to Lorinda Bennett: Email: lorinda.bennett@brighthorizons.com