

Dependent Care Stipend Program

Frequently Asked Questions

Q. Are all MTM Transit employees in the Austin, TX locations eligible for the stipend?

- A.** Yes, you must be a full-time employee of MTM Transit located in the Austin, TX locations who meets the income and dependent criteria and works at least 40 hours/week. If your spouse also works for MTM Transit in Austin or for CapMetro or any other CapMetro Service Provider, only one family member can enroll in the program.

Q. What are the income and dependent criteria for eligibility?

- A.** Family size includes the employee, spouse, and qualifying dependents. (Annual income limits will change yearly.)

Total Number of Family Members (Including Yourself, Spouse and Dependents)	Annual Base Salary Equal to or Less Than Limits Below
2	\$110,864
3	\$125,203
4	\$138,566
5	\$149,669
6	\$160,716
7	Contact Benefits

Q. When may I apply for the stipend?

- A.** The initial enrollment period will be held in March 2025 for an April 1, 2025, effective date. You will be able to apply annually during open enrollment or within 30 days of a qualified life event (e.g. birth of a child, adoption, divorce, dependent is no longer eligible).

Q. What if I receive a salary increase above the limit during the year?

- A.** The salary used to determine eligibility will be based on your annual salary/annualized hourly salary as of the date of your application. Any future increases will not be taken into consideration until the following year's application process.

Q. How much will I receive from the Program?

- A.** Once approved, you will be eligible to receive \$115.38/pay period, which will be deposited into your Lifestyle Spending Account at Inspira financial.

Q. Once I am approved, when do I start receiving the employer contribution into my Lifestyle Spending Account at Inspira Financial?

- A.** The bi-weekly contribution will begin with your first paycheck issued in April 2025. If you are enrolling later due to a qualified life event, you will begin receiving your stipend the month following your approval date. You have 30 days to apply if you've experienced a qualifying life event.

Q. Is the amount I receive taxable to me?

A. Yes. Your approved reimbursements will be paid to you through your normal bi-weekly paycheck and added as taxable earnings.

Q. If I am already enrolled in the Dependent Care FSA account, will this new program affect that plan?

A. No. Since the Dependent Care Stipend Program is considered a taxable program, it will not affect the amount you contribute to the Dependent Care FSA account, however, it is always advisable to consult your tax professional.

Q. Can I change my employee contribution to the Dependent Care FSA based on whether I am approved for the Dependent Care Stipend Program?

A. No. You may only change your employee contribution in the Dependent Care FSA plan if you incur a qualified life event, which includes any of the following: change in legal marital status, an event that changes the number of your dependents (birth, adoption, death), a change in employment status (for you, your spouse, or dependent), an event that causes your dependent to satisfy or cease to satisfy the eligibility requirements, a change in your dependent care provider, or a significant increase/decrease in the cost of dependent care (only applicable if the care provider is not related to you). You must notify MTM of the change within 30 days of the event. No change in the election will be permitted after 30 days.

Q. What can I use the funds in my Lifestyle Spending Account for?

A. Eligible expenses that can be reimbursed from your account are expenses incurred for household and dependent care services that enable you and (if married) your spouse to be gainfully employed, which generally means working or actively looking for work. If your spouse has no earned income, you cannot use funds in the account unless your spouse is physically or mentally incapable of caring for himself or herself, is looking for work or is a full-time student for at least five months during the Plan year.

Q. What if I don't have a dependent child or adult that I'm paying daycare expenses for, can I still receive the Stipend?

A. No, this program is designed to help offset daycare expenses for qualified dependents of our employees.

Q. How do I request reimbursement for the money in my Lifestyle Spending Account?

A. The Lifestyle Spending Account is managed by Inspira Financial. You will need to file your dependent care receipts to Inspira Financial for approval. Once approved, you will receive your reimbursement via your normal bi-weekly paycheck as soon as administratively feasible.

Q. What type of daycare is qualified for reimbursement?

A. The daycare expense must be incurred outside of your home and the facility or provider must be licensed to provide these services. Further details can be found on the last page of the application.