

ALARACT 097/2024

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UNCLAS

SUBJ/ALARACT 097/2024 – DEPENDENT CARE FLEXIBLE SPENDING
ACCOUNT FEDERAL OPEN SEASON FOR MILITARY PERSONNEL

THIS ALARACT MESSAGE HAS BEEN TRANSMITTED BY JSP ON
BEHALF OF HQDA, DCS, G-9

1. (U) REFERENCES:

1.A. (U) SECRETARY OF DEFENSE MEMORANDUM, STRENGTHENING
OUR SUPPORT TO SERVICEMEMBERS AND THEIR FAMILIES,
MARCH 22, 2023 (AVAILABLE AT
[HTTPS://MEDIA.DEFENSE.GOV/2023/MAR/22/2003184739/-1/-
1/1/STRENGTHENING-OUR-SUPPORT-TO-SERVICE-MEMBERS-AND-
THEIR-FAMILIES.PDF](https://media.defense.gov/2023/MAR/22/2003184739/-1/-1/1/STRENGTHENING-OUR-SUPPORT-TO-SERVICE-MEMBERS-AND-THEIR-FAMILIES.PDF))

1.B. (U) EXECUTIVE ORDER 14100, ADVANCING ECONOMIC SECURITY
FOR MILITARY AND VETERAN SPOUSES, CAREGIVERS, AND
SURVIVORS, JUNE 9, 2023 (AVAILABLE AT
[HTTPS://WWW.WHITEHOUSE.GOV/BRIEFING-ROOM/PRESIDENTIAL-
ACTIONS/PAGE/79/](https://www.whitehouse.gov/briefing-room/presidential-actions/page/79/))

1.C. (U) UNDER SECRETARY OF DEFENSE FOR PERSONNEL AND
READINESS MEMORANDUM, AVAILABILITY OF DEPENDENT CARE
FLEXIBLE SPENDING ACCOUNTS FOR SERVICE MEMBERS,
AUGUST 3, 2023 (AVAILABLE AT
[HTTPS://MEDIA.DEFENSE.GOV/2023/AUG/03/2003273930/-1/-
1/0/AVAILABILITY-OF-DEPENDENT-CARE-FLEXIBLE-SPENDING-
ACCOUNTS-FOR-SERVICE-MEMBERS-SIGNED-AUGUST-3-2023.PDF](https://media.defense.gov/2023/AUG/03/2003273930/-1/-1/0/AVAILABILITY-OF-DEPENDENT-CARE-FLEXIBLE-SPENDING-ACCOUNTS-FOR-SERVICE-MEMBERS-SIGNED-AUGUST-3-2023.PDF))

2. (U) APPLICABILITY:

2.A. (U) THIS MESSAGE APPLIES TO MEMBERS OF THE REGULAR
(ACTIVE) COMPONENT, THE U.S. ARMY RESERVE PERFORMING
ACTIVE GUARD RESERVE (AGR) DUTY, AND THE UNITED STATES
ARMY NATIONAL GUARD PERFORMING AGR DUTY.

3. (U) PURPOSE: THIS ALARACT ANNOUNCES THAT SOLDIERS MAY
ENROLL OR RE-ENROLL IN A DEPENDENT CARE FLEXIBLE SPENDING
ACCOUNT (DCFSA) DURING FEDERAL OPEN SEASON FROM 11

NOVEMBER THROUGH 9 DECEMBER 2024 OR WITH A QUALIFYING LIFE EVENT, IN LINE WITH REFERENCES 1.A. THROUGH 1.C. THE DCFSA IS A PRE-TAX ACCOUNT USED TO PAY FOR ELIGIBLE DEPENDENT CARE SERVICES, SUCH AS PRESCHOOL, TRANSPORTATION TO AND FROM ELIGIBLE CARE (PROVIDED BY CARE PROVIDER), EMERGENCY CHILDCARE, AU PAIR/NANNY, ADULT CARE (FOR ELIGIBLE DEPENDENTS), BEFORE OR AFTER-SCHOOL PROGRAMS, DAY CAMPS, AND CHILDCARE. CONTRIBUTIONS ARE DIRECTLY DEPOSITED FROM PAY INTO A DCFSA BEFORE TAXES ARE DEDUCTED, WHICH REDUCES A SERVICEMEMBER'S TAXABLE INCOME.

4. (U). ELIGIBILITY: ACTIVE COMPONENT SERVICEMEMBERS, TO INCLUDE ARMY NATIONAL GUARD (ARNG) AND U.S. ARMY RESERVE (USAR) PERFORMING AGR DUTY ON TITLE 10 OR TITLE 32 ORDERS ARE ELIGIBLE FOR ENROLLMENT IN DCFSA. ACTIVE COMPONENT SOLDIERS AND ARNG/USAR SOLDIERS PERFORMING AGR DUTY ON TITLE 10 OR TITLE 32 ORDERS MAY USE DCFSA FOR DEPENDENT CARE EXPENSES THAT ALLOW SOLDIERS AND, IF MARRIED, SPOUSES TO WORK, LOOK FOR WORK, OR ATTEND SCHOOL FULL-TIME. FOR COMPLETE ELIGIBILITY INFORMATION, SEE [HTTPS://FINRED.USALEARNING.GOV/BENEFITS/DCFSA](https://finred.usalearning.gov/benefits/dcfsa).

4.A. (U) ELIGIBLE DEPENDENTS INCLUDE CHILDREN UNDER AGE 13 WHO ARE CLAIMED AS DEPENDENTS FOR TAX PURPOSES.

4.B. (U) SPOUSE OR DEPENDENT OF ANY AGE WHO IS PHYSICALLY OR MENTALLY INCAPABLE OF SELF-CARE IS ELIGIBLE.

4.C. (U) SOLDIER AND SPOUSE (IF APPLICABLE), MUST USE ELIGIBLE DEPENDENT CARE SERVICES TO WORK, LOOK FOR WORK, OR ATTEND SCHOOL FULL-TIME.

4.D. (U) DEPENDENT MUST BE CLAIMED ON TAX RETURN FOR THE YEAR ENROLLING IN A DCFSA.

4.E. (U) IF SPOUSE IS A FULL-TIME STUDENT OR INCAPABLE OF SELF-CARE, FOR PURPOSES OF DCFSA ELIGIBILITY, SPOUSE IS CONSIDERED TO HAVE UP TO \$3,000 PER YEAR IN EARNED INCOME FOR ONE DEPENDENT, AND UP TO \$5,000 PER YEAR IF YOU HAVE MORE THAN ONE DEPENDENT.

5. (U) ENROLLMENT:

5.A. (U) ELIGIBLE SOLDIERS MAY ENROLL IN A DCFSA FOR THE 2025 PLAN DURING THE FEDERAL OPEN SEASON FROM 11 NOVEMBER

THROUGH 9 DECEMBER 2024. ENROLLMENT WILL BE PROCESSED BY THE FEDERAL FLEXIBLE SPENDING ACCOUNT PROGRAM AT [HTTPS://WWW.FSAFEDS.GOV/EXPLORE/USMDCFSA](https://www.fsafeds.gov/explore/usmdcfsa). A DCFSA ENABLES PARTICIPANTS TO CONTRIBUTE \$100 TO \$5,000 PER HOUSEHOLD PER YEAR IN PRE-TAX INCOME TO PAY FOR DEPENDENT CARE EXPENSES (\$2,500 IF MARRIED AND FILING SEPARATE TAX RETURNS).

5.B. (U) A DCFSA OPERATES ON A CALENDAR YEAR BASIS, STARTING 1 JANUARY AND ENDING 31 DECEMBER.

5.C. (U) ELIGIBLE SOLDIERS MAY ALSO ENROLL AT ANY TIME IN A DCFSA FOLLOWING A QUALIFYING LIFE EVENT SUCH AS THE BIRTH OR ADOPTION OF A CHILD, A DIVORCE, OR A PERMANENT CHANGE OF STATION.

5.D. (U) UPON ENROLLMENT, THE SPECIFIED AMOUNT OF FUNDS WILL BE WITHHELD FROM THE SOLDIER'S BIWEEKLY PAYCHECK BEGINNING THE 15TH OF THE MONTH FOR THE EFFECTIVE YEAR OF ELIGIBILITY (FOR EXAMPLE, 15 JANUARY 2025) AND DEPOSITED INTO THEIR DCFSA.

5.E. (U) FUNDS ARE AVAILABLE IN THE SOLDIER'S DCFSA AFTER EACH PAY PERIOD. FUNDS CAN BE WITHDRAWN TO DIRECTLY PAY DEPENDENT CARE PROVIDERS OR TO REIMBURSE DEPENDENT CARE EXPENSES PAID OUT OF POCKET. FOR THE PROCEDURES TO FILE A CLAIM, SEE [HTTPS://FINRED.USALEARNING.GOV/ASSETS/DOWNLOADS/FINRED-DCFSACLAIMS101-G.PDF](https://finred.usalearning.gov/assets/downloads/finred-dcfsaclaims101-g.pdf).

5.F. (U) CONTRIBUTIONS SHOULD BE CAREFULLY PLANNED NOT TO EXCEED THE TOTAL AMOUNT OF QUALIFIED EXPENSES ANTICIPATED TO BE INCURRED DURING THE YEAR.

5.G. (U) THE SOLDIER'S DEPENDENT MUST BE CLAIMED ON THEIR TAX RETURN FOR THE YEAR THEY ARE ENROLLING IN A DCFSA.

5.H. (U) THERE IS A GRACE PERIOD THROUGH 15 MARCH FOLLOWING THE PLAN YEAR (FOR EXAMPLE, 15 MARCH 2026 FOR THOSE THAT ENROLLED FOR THE 2025 PLAN YEAR) TO INCUR EXPENSES. ALL CLAIMS MUST BE SUBMITTED BY 30 APRIL FOLLOWING THE PLAN YEAR.

5.I. (U) UNCLAIMED CONTRIBUTIONS WILL BE FORFEITED AFTER 30 APRIL FOLLOWING THE PLAN YEAR (FOR EXAMPLE, 30 APRIL 2026 FOR THOSE ENROLLED IN THE 2025 FEDERAL PLAN YEAR).

5.J. (U) RE-ENROLLMENT. ELIGIBLE SOLDIERS MUST RE-ENROLL EACH YEAR DURING THE FEDERAL OPEN SEASON TO CONTINUE PARTICIPATION. A SOLDIER'S PARTICIPATION WILL NOT AUTOMATICALLY CARRY OVER FROM YEAR TO YEAR.

5.K. (U) THINGS TO CONSIDER BEFORE YOU ENROLL IN DCFSA:

5.K.1. (U) REVIEW YOUR FAMILY'S BUDGET AND CASH FLOW. ENROLLING IN A DCFSA WILL IMPACT YOUR TAKE HOME PAY.

5.K.2. (U) UNDERSTAND YOUR TAX BENEFITS. FREE TAX SOFTWARE AND ONE-ON-ONE HELP FROM MILITARY TAX EXPERTS ARE AVAILABLE TO SERVICEMEMBERS AND THEIR FAMILIES FROM MILTAX VIA MILITARY ONESOURCE AT [HTTPS://WWW.MILITARYONESOURCE.MIL/FINANCIAL-LEGAL/TAXES/MILTAX-MILITARY-TAX-SERVICES/](https://www.militaryonesource.mil/financial-legal/taxes/miltax-military-tax-services/).

5.K.3. (U) FREE ASSISTANCE IS AVAILABLE TO HELP SOLDIERS AND THEIR FAMILIES MAKE AN INFORMED DECISION, PROVIDE ENROLLMENT INFORMATION, AND UNDERSTAND HOW THE DCFSA AFFECTS BOTH THEIR FAMILY'S FINANCIAL BUDGET AND TAX SITUATION. THE OFFICE OF FINANCIAL READINESS DCFSA WEBPAGE HAS RESOURCES TO ASSIST IN MAKING AN INFORMED DECISION. THE WEBPAGE CAN BE FOUND AT [HTTPS://FINRED.USALEARNING.GOV/BENEFITS/DCFSA](https://finred.usalearning.gov/benefits/DCFSA). FREE FINANCIAL COUNSELORS ARE AVAILABLE ON INSTALLATIONS AT ARMY COMMUNITY SERVICE AND THROUGH THE OFFICE OF THE SECRETARY OF DEFENSE PERSONAL FINANCIAL COUNSELOR PROGRAM. FIND YOUR CLOSEST COUNSELOR AT [HTTPS://FINRED.USALEARNING.GOV/PFCMAP](https://finred.usalearning.gov/PFCMAP). MILITARY ONESOURCE OFFERS FREE, VIRTUAL FINANCIAL COUNSELING SERVICES AT [HTTPS://WWW.MILITARYONESOURCE.MIL/BENEFITS/DEPENDENT-FSA/](https://www.militaryonesource.mil/benefits/dependent-fsa/).

5.K.4. (U) THE FSAFEDS WEBSITE HAS INFORMATION ON HOW TO REGISTER AND RESOURCES OF ASSISTANCE AT [HTTPS://WWW.FSAFEDS.GOV/EXPLORE/USMDCFSA](https://www.fsafeds.gov/explore/usmdcfsa).

6. (U) ELIGIBLE EXPENSES INCLUDE PRESCHOOL, TRANSPORTATION TO AND FROM ELIGIBLE CARE (PROVIDED BY CARE PROVIDER), EMERGENCY CHILDCARE, AU PAIR/NANNY, ADULT CARE (FOR ELIGIBLE DEPENDENTS), BEFORE OR AFTER-SCHOOL PROGRAMS, AND DAY CAMPS, AND CHILDCARE.

7. (U) POINT OF CONTACT ON BEHALF OF HQDA DCS, G-9 IS: USARMY PENTAGON HQDA DCS G-9 MAILBOX ARMY FINANCIAL LITERACY AT USARMY.PENTAGON.HQDA-DCS-G-9.MBX.FINANCIAL-LITERACY@ARMY.MIL.

8. (U) THIS ALARACT MESSAGE EXPIRES ON 5 DECEMBER 2025.