



NIH Individual NRSA Fellowship

Childcare Reimbursement Process August 11, 2021

Consistent with the National Institutes of Health (NIH) Announcement of Childcare Costs for Ruth L. Kirschstein National Research Service Award (NRSA) Individual Fellows, codified at [NOT-OD-21-074](#), The University of Vermont recognizes that the high cost of childcare impacts Pre-doctoral and Post-Doctoral Fellows funded by individual NIH-NRSA fellowship awards and will put the following procedures in place for the processing of the reimbursement from these awards.

Effective April 8, 2021, full-time NIH National Research Service Award (NRSA) supported Fellows can receive up to \$2,500 per 12-month budget period for costs for childcare provided by a licensed childcare provider. Childcare costs are permitted for dependent children living in the eligible Fellow's home under the age of 13, or children who are disabled and under the age of 18. Fellows with current awards may request a supplement to their current award for child care expenses.

The reimbursement of childcare cost is a taxable distribution to both Pre and Post-Doctoral Fellows and how the Fellow is classified within our PeopleSoft HCM system will determine how the payment is made and the reporting for tax purposes.

Recipients must maintain all supporting documentation (e.g., proof provider is licensed, eligibility of child, proof of payment to provider). NIH reserves the right to request proof at any time.

The NRSA childcare costs are not tied to the NIH-NRSA payback obligations, nor should it be reported as such.

When childcare costs are awarded, they are generally restricted and cannot be re-budgeted without prior written approval from the NIH awarding IC. In cases of early termination, recipients may not use any unused portion of the childcare costs. It will remain unobligated and will be adjusted by the agency as part of the closeout process.

Reimbursement Procedures:

Post-Doctoral Fellows

Post- Doctoral Fellows are classified within PS HCM as employees and therefore the payment of their reimbursement will be processed by the department on an electronic additional pay form charging the NIH NRSA grant chartstring. The Post-Doctoral Fellow must provide documentation to substantiate the payment.

The payment will be made through payroll and all the appropriate federal and state taxes will be withheld. The payment will be included as part of the Post-Doctoral Fellow's gross wages and reported as such on their form W-2.

Pre-Doctoral Fellows

Pre-Doctoral Fellows receive a sustenance award from the NIH and are paid by the University as a matter of convenience through PS HCM but are not classified as employees and do not receive a W-2 form from the University.

In order to process their childcare reimbursement, departments will need to prepare a check request and attach a completed W-9 form and documentation as stated above, substantiating the request. The department will use the NIH NRSA chartstring and will forward all of the documents to the Disbursement Center. The Disbursement Center will process the payment through the PS Accounts Payable system and remit a check or ACH payment to the Fellow.

At the end of the calendar year in which the payment is made the University will issue a form 1099-Misc to the Fellow. It is the responsibility of the Fellow to report the payment on their tax return and pay the applicable taxes.