



HR Related Policies & Procedures

Eff. Date: October 22, 2004

Revised:



FSU-HRPP 04:40

Tuition Benefit Program

COVERED EMPLOYEES

- Full-Time Administrative
- Full-Time Support
- * Full-Time Temporary
- Bargaining Unit Employees
- Job Share Employees

<http://www.ferris.edu/htmls/administration/trustees/boardpolicy/6sub6-0.htm>

Note: Bargaining unit employees are covered by the terms and agreements of the [collective bargaining unit agreement \(CBA\)](#). Please refer to the CBA for details.

*Note: One year temporary faculty receive tuition waiver for themselves, not for other family members. Temporary administrative and support employees receive tuition waiver for themselves and/or eligible dependents.

BOT POLICY

Sec. 6-1001. Tuition Benefits Program:

1. The University offers two tuition benefit programs: one that complies with IRS code, Section 117 and one that complies with IRS Code 127.
2. Full-time employees may take up to eight (8) hours of undergraduate or graduate class work per term at the University.
3. Tuition charges for such courses will be waived and/or reimbursed as appropriate, provided that the employee is an eligible full-time employee on the first day of the semester. The waiver extends only to tuition costs that exceed the amount of any financial assistance, fellowships, or scholarships, and does not include other fees, books, etc.
4. Full-time, non-bargaining unit administrative and support personnel who are laid off or whose workload is reduced from full-time to part-time shall be eligible for tuition waiver benefits up to twenty-four (24) University credit hours. All waivers under this subsection must be used within one (1) year of the effective lay-off date or time reduction date, and in such cases the limit of eight (8) credits per term shall be waived.

5. The spouse and/or dependents of an employee who is eligible for tuition waiver benefits may receive the choice of (1) the transfer of all or the available balance of the eligible employee's eight (8) credits, or (2) a 30% waiver of the cost of tuition charges at the University each term.
6. In the event that both spouses are eligible employees, in no event shall more than 60% of the tuition charges be waived nor more than sixteen (16) credit hours be transferred for a spouse or dependent per semester.
7. The President, or his or her designee, shall develop policy and procedures regarding the accumulation, use, and other administrative considerations of this benefit.
8. The Tuition Benefit Program can be used to take courses at Kendall College of Art and Design, up to a maximum value of \$1,440 per semester.

HR PROCEDURES/DESCRIPTION/DEFINITIONS

- I. The University offers two methods of using the 8 tuition credits:
 - A. **The FSU Tuition Expense Reimbursement Plan, which complies with the rules and regulations of Section 127 of the IRS tax code.** An employee may utilize the eight (8) tuition credits to take either undergraduate or graduate courses. Graduate courses will not be taxed under this IRS tax code unless the value of the graduate classes taken for the calendar year exceeds the IRS maximum limit (\$5,250 in 2004). The value of graduate courses in excess of that amount will be taxable to the employee.
 - B. **The FSU tuition waiver program which complies with Section 117 of the IRS tax code.** The employee and dependents and spouse may take up to eight (8) credits of undergraduate courses without any taxation. However, an employee using this option to take graduate classes will be subject to taxation based on the full value of the graduate credits.
 - C. Employee must designate on the Tuition Benefit Program Application form which option he/she prefers.
- II. The employee will be taxed on the monetary value of graduate courses taken by a dependent/spouse.
- III. No carry-over from semester to semester or accumulation of tuition credits will be permitted.
- IV. Courses cannot interfere with regular work assignments. Supervisory approval to take a course must be indicated on all tuition waiver request forms.

- V. Tuition waiver for spouse and dependents:
- A. Eligibility for a spouse/dependent to use the tuition benefit is:
1. That he/she is the eligible employee's natural or adopted child who is 24 years of age or less on the first day of classes for that term; or
 2. That he/she is the eligible employee's stepchild who is 24 years of age or less on the first day of classes and is claimed by the employee as a dependent on his/her federal income tax return, or
 3. That he/she is the spouse of an eligible employee.
- B. Taxability of Tuition Waiver: the value of the tuition waiver for any graduate-level classes (defined by the University as number 500 or above and leading to an advanced degree) taken by a spouse or dependent is considered taxable to the employee.
- C. The spouse/dependent may be required to present evidence to Human Resources (HR) confirming his/her eligibility as defined above.
- VI. An employee, spouse or dependent shall be subject to all University academic standards and policies and may be refused admission to the University, enrollment in courses, or continued enrollment at the University the same as any other applicant or student.
- VII. Tuition credit may be used for graduate or undergraduate level courses. Graduate courses are defined as those at the 500 level or above.
- VIII. The employee must complete the [Tuition Benefit Program Application form](#) and submit it to HR by each semester's registration deadline. Failure to submit to HR a completed application for the tuition benefit program by the end of the semester will result in loss of the tuition benefit for that semester.
- IX. The tuition benefit is not available for auditing classes.
- X. An employee who is working under the provisions of the Job Share Program is eligible for four (4) credits of tuition per semester, for use for him/herself or to transfer to eligible dependents or spouse (instead of eight (8) credits).
- XI. Tuition Waiver and Financial Aid: The tuition waiver benefit for employee, spouse and/or dependent(s) shall be applied only toward tuition costs. Other financial aid will be applied to the student's account after the waiver has been applied. The benefit will be applied based upon the per credit hour rate for the tuition. Tuition waiver will not be applied to non-tuition costs. If a spouse/dependent receives a scholarship or grant for partial tuition payment, the

tuition waiver benefit will provide for up to the cost of eight (8) credit hours, or full tuition, whichever is less.

XII. For an employee and eligible spouse or dependents taking courses at Kendall College of Art and Design:

A. If an employee or eligible spouse or dependent takes all FSU-Kendall courses, the value of the tuition benefit is \$180.00 per credit, to a maximum value of \$1,440 each semester. If the employee or eligible spouse or dependent takes courses at both FSU and FSU-Kendall within the same semester, the number of credits will be applied to FSU courses first and then any remaining credits converted to and valued at \$180.00 per credit will be applied to the FSU-Kendall courses. For example:

1. Example #1: an employee takes 6 credit hours at FSU-Kendall. The value of the tuition credits is \$1,080 ($\180×6) for the 6 credits. The employee will be responsible for paying the remainder of the tuition cost.
2. Example #2: an employee takes 5 credits at FSU and 3 credits at FSU-Kendall in the same semester. He will be given the 5 tuition credits for the course(s) taken at Ferris. The value of the 3 course credits at FSU-Kendall will be \$540 ($\180×3). The employee will be responsible to pay the remainder for the tuition for the 3 credits taken at FSU-Kendall.

XIII. Tuition waiver for a laid-off or time-reduced employee:

A. Personnel who are laid off or whose workload is reduced from full-time to part-time shall be eligible for tuition waiver benefits up to twenty-four (24) University credit hours. All waivers must be used within one year of the effective lay-off date or time reduction date, and the limit of eight (8) credits per semester shall be waived.

B. In order to obtain the tuition waiver, the qualified individual must obtain, complete, and process the Tuition Waiver Form from HR; if taking more than eight (8) credits in one semester, a notation on the bottom of the form should be made stating that the request is pursuant to the Board-approved policy for laid-off/time reduced, full-time, and non-bargaining unit employees.

RESPONSIBILITY

Employee: Must complete the correct Tuition Benefit Program Application form for Employee or for Spouse/Dependent for each semester. The forms are available in HR

or on the HR website at

<http://www.ferris.edu/htmls/administration/adminandfinance/Human/Forms/tuitionwaiver/tuitionwaiver.htm> Provide any further information that may be requested.

Supervisor: Review and complete the employee's tuition form each time the employee requests to use the benefit.

Refer Questions To: Human Resources