



TUITION BENEFITS FOR FACULTY AND STAFF OF WILLAMETTE UNIVERSITY

Employee Tuition Remission

Benefit

- Eligible employees can receive 100% tuition remission on **one** course per semester at Willamette University. One additional course may be approved, but will be 50% of tuition.
- Both undergraduate and graduate coursework qualifies. Individual instruction courses (ie. music lessons) do not qualify under this program.
- Benefits are based on the employee's continuous employment during the term of the benefit (the course period). Should an employee terminate employment (unless due to retirement, disability, or death) prior to completion of the course, he/she will be required to make a prorated reimbursement of the tuition expense back to WU.
- Benefits are only available for tuition costs and not for any course-related expenses such as lab fees, material fees, or books.

Eligibility

- Employees must be scheduled to work a minimum of 1,560 hours per year, or otherwise be in a minimum 75% FTE (full-time equivalency) position. Faculty must be in a full-time continuing faculty post to be eligible. Temporary staff and faculty are not eligible.
- Eligibility begins after completion of six months of service in an eligible position. In order for tuition remission to be paid, the course for which an application is being made must start on or after the employee's six-month service anniversary.
- As described above, employees must be employed in an eligible status during the full period of the course in order to retain eligibility for full tuition remission for the course.

Approval

Approval is based on the following:

- Meeting the eligibility requirements as listed above.
- Admission into the course for credit or as "academic listener"
 - Approval by the employee's supervisor and area vice president or dean. In evaluating tuition remission requests, supervisors and VP's/deans consider the impact that such approval will have on the operations of the employee's department, including the employee's work schedule, the employee's performance and attendance history, as well as the employee's objective in taking such courses.

Impact on Work Schedule

- In general, if a course conflicts with an employee's work schedule, non-exempt employees are required to make up the missed work time. However, if it can be demonstrated that the coursework, or degree toward which the course is being counted, has relevance to the employee's work, or has the potential to significantly improve an employee's future contribution to the organization, then the requirement to make up missed work time may be waived at the discretion of the employee's supervisor and VP/Dean. Exempt employees, in keeping with FLSA rules, will not be required to make up time, but must maintain the quality and quantity of their work during the period of the course.

Employee Tuition Remission (cont'd)

Procedure

1. **Discuss Your Plans With Your Supervisor**

It is advisable to discuss your intentions for taking a class with your supervisor prior to applying for admission. This will help you assess, in advance, whether or not your supervisor will accommodate your request, and will also help you to determine if you will be required to make up missed work time in the event that the class conflicts with your work schedule. Your supervisor can also help provide valuable insight into career objectives.

2. **Apply for Admission**

In order to apply for tuition remission benefits, an employee must first apply for admission into the course through the Office of Admission. Admission is not guaranteed in light of this benefit and will be based on normal admission standards. Employees may apply for admission on a credit-earning basis, or may apply to participate as an "academic listener".

3. **Complete Tuition Remission Application Form**

Once accepted, Tuition Remission Application forms may be obtained through HR, the Office of Admission, or on-line at www.willamette.edu/dept/hr/tuition_exchange/.

4. **Submit to Your Supervisor/Manager**

Your supervisor/manager will evaluate your request and discuss any organizational impact with the Vice President or Dean over your area. If approved, your manager and VP/Dean will sign the form and return to you for submission to Human Resources.

5. **Submit Application to Human Resources to Verify Eligibility**

Human Resources will look at your employment history and status to determine whether or not you are eligible for tuition remission. If you are, HR will sign form in approval and will forward to Financial Aid so that the benefit can be applied against your tuition bill for the course(s).

6. **Human Resources Approves/Rejects**

Upon receipt, Human Resources reviews the application for eligibility and approves or rejects. If approved, the application is forwarded to Financial Aid to apply against the employee's enrollment and corresponding tuition bill.

Other Considerations

Taxability

For most employers, the IRS allows up to \$5,250 of non-taxable educational assistance benefits to be provided to employees per tax year, whether courses are graduate or undergraduate. Amounts above \$5,250 are then charged as a taxable benefit to employees such that they will need to pay taxes on these amounts as if they received the dollar value of the benefit in cash. However, by virtue of Willamette's status as an institution of higher education, undergraduate educational assistance is considered a "tuition reduction" and, therefore, not taxable even if the value of the reduction is over \$5,250. Taxability, however, still applies to graduate educational reductions over \$5,250.

***All employees** who utilize this benefit are strongly encouraged to track their tuition remission benefit for the year and plan accordingly with Linda Gerlits in the payroll department. Graduate tuition remission becomes taxable to the employee when the benefit is received and exceeds the \$5,250 exclusion. At that point, every dollar of the graduate-level tuition remission benefit is taxable. If you are taking graduate courses throughout the year, this means that the additional income and additional taxes will always occur in the latter part of the year. Employees who are receiving this taxable benefit should plan accordingly for the decrease in net pay that will occur when the additional taxes are withheld.*

Space Limits

If space is limited in a particular course, preference will be given to full tuition-paying students.

Other Financial Aid

Anyone who is eligible for any type of state or federal grant (including, but not limited to Pell Grants, Social Security benefits and Veterans benefits) should apply for such assistance prior to applying for tuition remission through Willamette.

***Information for this communication is based on Tuition Remission Policies found in the Classified, Administrative and Faculty handbooks, as well as standard practices and procedures utilized in administering tuition remission benefits. Where this communication and the policy vary, the policy shall govern.**