

Title/Subject: **TUITION WAIVER**

Applies to: faculty staff students student employees visitors contractors

Effective Date of This Revision: January 1, 2009

Contact for More Information: Human Resources

Board Policy Administrative Policy Procedure Guideline

BACKGROUND:

This program is intended to provide eligible staff, faculty, Military Science staff, and in some cases, their spouses, Other Eligible Individuals and dependent child(ren), and CMU Retirees with the opportunity of furthering their educational/career development or pursuing their vocational interests by making undergraduate and graduate courses available to them at reduced cost.

DEFINITIONS:

- Other Eligible Individual is defined as designated in the Other Eligible Individual program description available at www.cmich.edu/x12965.xml. Other Eligible Individual benefits will be implemented effective October 1, 2008.

POLICY:

The privilege of participation in this plan is extended to all full and part-time regular and provisional faculty and staff. The plan also applies to temporary faculty members who are at least three-quarter (3/4) time.

Full-time employees and retirees are limited to a maximum of twenty-four (24) tuition waiver credit hours in any one benefit year¹ which will follow a 12-month tuition waiver benefit cycle. The tuition waiver benefit year will commence with the start of the Fall semester, continue through the Spring semester, and conclude at the end of the Summer semester. The deadline to submit a tuition waiver application for courses taken anytime during the benefit year will be August 30 following the end of the summer semester.

Tuition waiver credit hours for part-time employees with appointments of at least one half time (50%) will be pro-rated based on their FTE appointment. Part-time temporary faculty must have at least a three-quarter-time appointment to be eligible to participate in the program.

This program is provided by the University as a privilege and a benefit for employees, eligible CMU retirees, and in some cases, current employee spouses, Other Eligible Individuals or dependent child(ren) of employees. Abuse of the plan by an individual may result in the loss of the privilege of participation. An example of abuse would be repeated enrollment in the same class(es) after failing to earn credit, indicating lack of a serious commitment to furthering his/her education.

Employees must receive permission of their supervisor to attend classes during working hours and all time missed must be charged to leave time or made up. An exception to the regular vacation utilization policy is allowed which provides for hourly employees, with the approval of their supervisor, to take vacation in increments of less than one-half day, but not less than one hour.

Authority: M. Rao, President
History: 1-1-04; 8-9-05; 7-1-06; 6-1-07.
Indexed as: Employee Tuition Waiver; Waiver of Tuition; Tuition Benefit

¹ Further restrictions in the number of credit hours, which may be waived, apply to certain contracts. Check employee contract for details.

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Spouses, Other Eligible Individuals and dependent children of CMU retirees are not eligible to participate in this program.

1) TUITION WAIVER PLAN FOR CMU CLASSES

The plan applies to all courses offered for credit by the University; by whatever means and in whatever location they may be offered. Courses offered by an institution affiliated with, but not part of the University, are not considered University courses. The plan waives tuition not exceeding the regular on-campus tuition charged to Michigan residents for undergraduate and/or graduate credit hours.

The Student Activity Center fee, and any special course fees or incidental fees, such as the late registration fee, parking fee, etc., and any tuition costs in excess of on-campus tuition are not covered by tuition waiver and must be paid by the employee.

This plan applies to all CMU courses provided that:

- a) The employee must have earned the normal credits for the course taken. A class may not have the tuition waiver applied to it more than once (i.e., retakes, repeats). Reimbursement will not be made for staff members who audit classes. Regular faculty will be allowed to audit classes.
- b) An employee must be in a paid status on the official day classes begin for the semester, as detailed in the University Calendar in the CMU Bulletin, in order to be eligible for this plan.

Exception: For employees who are eligible for tuition waiver benefits and who go on an unpaid leave of absence as a result of a terminal illness: at the time the unpaid leave of absence begins, tuition waiver benefits will be continued for dependents according to the [Survivor Benefit Policy](#). Terminal illness means a life expectancy of 12 months or less.

- c) To enroll in University courses under this program, employees must follow the procedures outlined in the Course Offering Guide or Class Schedule, and complete the Tuition Waiver form, which is available on the Human Resources website at <http://www.cmich.edu/x14081.xml>.

Spouse, Other Eligible Individuals and Dependent Child(ren) - This section does not apply to CMU retirees.

If an employee does not enroll for courses or enrolls for fewer credits than allowed, the employee's spouse, Other Eligible Individual, and/or dependent child(ren) may enroll for courses to the extent of the unused credit allowance. If both parents are employees of the University and are eligible under the plan, the allowance available to their dependent child(ren) will be the sum of the unused allowances of the parents. If the employee has an unused credit allowance which will be used by a spouse, Other Eligible Individual or dependent child(ren), the employee must complete the Tuition Waiver form indicating that they are aware of how their allowance is being used.

Dependent child(ren) will include sons, daughters, stepsons, stepdaughters, and legally adopted sons and daughters or Other Eligible Individual's dependent child(ren)] for purposes of this plan. They must be claimed as dependents for income tax purposes. Effective 1/1/09 children who otherwise meet the requirements to be considered a dependent under Code Section 152 but who are married filing jointly with their spouses will continue to be eligible for tuition waiver; however the benefit will be treated as taxable income to the employee. Dependency status for a child of divorced parents will be determined under the Internal Revenue Code 152(e).

Spouses, Other Eligible Individuals or dependent child(ren) will have any tuition specific scholarship, graduate assistantship, tuition remission, or award (including payments for dual-enrolled students) applied before the tuition waiver. In no event will an employee, spouse, Other Eligible Individual and/or dependent child(ren) be eligible to receive a cash refund as a result of the utilization of the tuition waiver plan. This also applies to

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dependent child(ren) who are dual-enrolled at CMU through their high school where the tuition is paid for by the high school.

Taxability - Whether or not courses which are taken by employees, spouses, Other Eligible Individual and/or dependent child(ren) are taxable income to the employee is determined by the ever-changing Internal Revenue Service law and regulations. Sometimes the taxability of the benefit will vary from employee to employee or between undergraduate and graduate courses. The University can provide no advice or assurance to University employees whether the tuition benefit they receive is taxable. The University will regularly review income tax laws and regulations and will withhold on the value of the tuition benefit and add the value of the benefit when it has a duty to do so. The University may require supporting affidavits from the employee to exclude the applicable amount from income.

Under current law, tuition for undergraduate courses taken by the employee, the employee's spouse and/or the employee's dependent child(ren) will not be reported on the employee's W-2 or be subject to withholding but graduate and doctoral courses taken by the employee's spouse and/or the employee's dependent child(ren) are considered taxable and will be reported as income on the employee's W-2 and be subject to withholding.

Tuition for courses taken by an Other Eligible Individual is currently considered taxable, and will be reported as income on the employee's W-2 or be subject to withholding. Effective 1/1/09, all courses taken by an employee's dependent children who are married will reported as income on the employee's W-2 and be subject to withholding.

2) EXTENDED DEGREE TUITION PROGRAM - ProfEd employees working off-campus and Admissions and Libraries employees working off-campus.

Tuition at the off-campus rate will be waived for ProfEd and Admissions and Libraries employees working off-campus provided there is adequate space in the class without interfering with the instructional quality of the course. Tuition will not be waived at the ProfEd rate for spouses, Other Eligible Individuals and/or dependent children of these qualifying employees. Any special or incidental fees, such as enrollment fees, music fees, parking fees, etc., must be paid by the employee.

The total tuition waiver for full time employees working off-campus is subject to the same 24 credit hour benefit year maximum. Benefit year maximums are prorated for part-time employees.

3) EDUCATION AT OTHER INSTITUTIONS – Salaried Professional & Administrative employees and ProfEd employees working off-campus.

The education acquired through this program must have the potential of increasing the effectiveness of the employee in his/her current assignment, or of preparing him/her to assume positions of greater responsibility within the University.

This plan provides tuition reimbursement for the equivalent number of courses taken at other accredited institutions of higher education. This plan is available for regular and provisional salaried Professional and Administrative and ProfEd employees working off-campus, providing the following conditions are met prior to registering for the course:

- a) The employee must be employed for at least twelve (12) months prior to the commencement of the course and remain employed by CMU during the entire length of the course.
- b) The employee must complete the Education At Other Institution form available on the Human Resources website at <http://www.cmich.edu/x14081.xml>. This form must be completed PRIOR to registering for

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the course. The form requires the formal approval of the immediate supervisor and the appropriate Vice President or designee. P&A employees must return the completed form to Benefits & Wellness for reimbursement.

- c) The course is not available at CMU, or the course is part of a professional development program, which is not available at CMU.
- d) The employee must have earned the normal credits for the course taken. Reimbursement will not be made for audited courses.
- e) Doctoral Dissertation Credit Hours: an employee who has been accepted into a doctoral program at another institution will not be reimbursed for dissertation credit hours exceeding the equivalent of fifty (50) CMU hours of course work. Prior to requesting the reimbursement of doctoral dissertation credit hours, there must be a formal written agreement made between the employee and the appropriate Vice President or designee. The dissertation credit hour agreement must specify any conditions or obligations assumed by the employee, and the manner in which the University shall reimburse the employee. It must be signed by the employee and Vice President or vice president designee and forwarded to Benefits & Wellness prior to starting dissertation credit hours. Tuition reimbursement for doctoral dissertation credit works in conjunction with the 24 credit hour waiver maximum. Specifically, the eligible employee in the doctoral program is still subject to an annual tuition waiver maximum of 24 credit hours in a benefit year.

Reimbursement for all courses will be at the CMU in-state, on-campus rate for graduate or undergraduate courses or the other institution's rate, whichever is lower. Any special or incidental fees, such as registration fees, music fees, parking fees, etc., are not reimbursable.

Within forty-five (45) days after completion of the course, the employee must make application for reimbursement through Benefits & Wellness/Human Resources and must present a grade report to verify completion of the course(s) taken and copy of their tuition bill. All reimbursements will be processed through direct deposit only.

Central Michigan University reserves the right to make exceptions to, modify or eliminate this policy and or its content. This document supersedes all previous policies, procedures or guidelines relative to this subject.