Title/Subject: TUITION BENEFIT PLAN

Applies to:  ☑ faculty ☑ staff ☐ students ☐ student employees ☐ visitors ☐ contractors

Effective Date of This Revision: February 14, 2013

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 here.

POLICY:
The privilege of participation in this plan is extended to all full and part-time staff in regular and provisional appointments, regular faculty and College of Medicine faculty. The plan also applies to fixed-term 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 benefit credit hours in any one benefit year which will follow a 12-month tuition benefit cycle. The tuition 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 an online Tuition Benefit Request form for courses taken anytime during the benefit year will be September 30 following the end of the Summer semester.

Tuition benefit credit hours for part-time employees with appointments of at least one half time (50%) will be prorated based on their FTE appointment. Part-time fixed-term 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: George E. Ross, President
History: 1-1-04; 8-9-05; 7-1-06; 6-1-07; 1-1-09.
Indexed as: Employee Tuition Waiver; Tuition Waiver; Waiver of Tuition
Spouses, Other Eligible Individuals and dependent children of CMU retirees are not eligible to participate in this program.

1) **TUITION BENEFIT 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 covers tuition costs by an amount not to exceed the regular on-campus tuition charged to Michigan residents for undergraduate and/or graduate credit hours; the tuition cost covered for College of Medicine courses will be at an amount not to exceed the regular, on-campus tuition charged to Michigan residents for doctoral 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 the tuition benefit and must be paid by the employee.

This plan applies to all CMU courses provided that:

a) The student must have earned the normal credits for the course taken. A class may not have the tuition benefit applied to it more than once (i.e., retakes, repeats). Reimbursement will not be made for staff, fixed-term faculty or College of Medicine faculty 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 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 benefits will be continued for dependents according to the [Survivor Benefit Policy](#). Terminal illness means a life expectancy of 12 months or less.

c) Once the student is admitted and enrolled in University courses following the procedures outlined in the Course Offering Guide or Class Schedule, the employee must complete the online Tuition Benefit Request form, which is available on the Human Resources website [here](#).

**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 online Tuition Benefit Request 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. Children who otherwise meet the requirements to be considered a dependent under Code Section 152 but who are married will be eligible for tuition benefits but 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).
Application of Tuition Benefits with Other Financial Assistance - The tuition benefit plan is considered a financial aid resource and must be reported to the Office of Scholarships and Financial Aid (OSFA). The OSFA will review the financial aid award and revise the award as appropriate, which may include reduction or cancellation of a CMU need-based grant.

Unless otherwise specified, any tuition specific scholarship, graduate assistantship, tuition remission, or award (including payments for dual-enrolled students) will be applied before the tuition benefit. 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 Benefit Plan. This also applies to 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 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 will regularly review income tax laws and regulations and will withhold tax on the value of the tuition benefit and report it on the employee’s W-2 when it has a duty to do so. The University may require supporting affidavits from the employee to exclude the applicable amount from income.

Current taxability provisions are available through CMU’s Payroll website here.

2) GLOBAL CAMPUS TUITION BENEFIT PROGRAM - Staff employees whose primary work assignment is external to Mount Pleasant.

Tuition for staff employees whose primary work assignment is in a location external to Mount Pleasant will be covered at the standard Global Campus rate provided there is adequate space in the class without interfering with the instructional quality of the course. Tuition for spouses, Other Eligible Individuals and/or dependent children of these qualifying employees will be covered by the lesser of the regular on-campus tuition charged to Michigan residents or the standard Global Campus rate. Any special or incidental fees, such as enrollment fees, music fees, parking fees, etc., must be paid by the employee.

The total tuition benefit for full-time employees working external to Mount Pleasant 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 Global Campus staff employees with primary work assignments external to Mount Pleasant.

This program is intended to provide accessible educational opportunities to eligible staff employees whose primary work assignments are in a location external to Mount Pleasant. 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 as approved by the employee’s supervisor and senior manager.

Eligibility – This plan is available to salaried Professional and Administrative and Global Campus staff employees provided the employee’s primary work assignment is external to Mount Pleasant.

Salaried Professional and Administrative employees who primarily work in Mount Pleasant will continue to be eligible for tuition reimbursement through completion of their approved program of study provided that:

a) The individual was employed as a salaried Professional and Administrative employee prior to July 1, 2013; and

b) By December 15, 2013, the employee was accepted into the program of study and submitted a completed Education at Other Institution form to Human Resources documenting the approval of the immediate supervisor and senior manager.
Plan Rules and Procedures - This plan provides tuition reimbursement for the equivalent number of courses and/or dissertation credit hours taken at other accredited institutions of higher education for eligible employees, providing ALL of the following conditions are met:

a) The employee must be employed for at least twelve (12) months prior to the commencement of the course or dissertation credit hours and remain employed by CMU during the entire length of the course or dissertation credit hours.

b) The course is not available at CMU, or the course is part of a professional development program, which is not available at CMU.

c) The employee must complete the Education at Other Institution form available on the Human Resources website here. This form must be completed PRIOR to registering for the course or dissertation credit hours. The form requires the formal approval of the immediate supervisor and the appropriate Senior Manager (senior officers and directors who report directly to a vice president or the president). P&A employees must return the completed form to Benefits & Wellness/HR for reimbursement.

d) The employee must have earned the normal credits for the course or dissertation credit hours taken. A class may not have the tuition benefit applied to it more than once (i.e., retakes, repeats). Reimbursement will not be made for audited courses.

e) Reimbursement for all courses or dissertation credit hours 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.

f) Within sixty (60) days after completion of the course or dissertation credits, the employee must make application for reimbursement through Benefits & Wellness/HR by presenting a grade report to verify completion of the course(s) taken and a copy of the tuition bill. All reimbursements will be processed through direct deposit only.

g) Doctoral Dissertation Credit Hours: an employee who has been accepted into a doctoral program at another institution will be eligible for reimbursement for dissertation credit hours up to the equivalent of fifty (50) CMU hours of course work.

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.