

612.02: TUITION ASSISTANCE

I. GENERAL

This tuition waiver program is designed for all full-time and Salary Schedule H-35 employees of The Alabama College System and the Alabama Department of Postsecondary Education and their dependents as defined under Section II. Courses taught by Athens State University are not subject to this policy. The program will be coordinated by each institution for employees within The Alabama College System and the Alabama Department of Postsecondary Education. An application form for the tuition assistance program is available at each institution and should be completed prior to registration for classes. A copy of the completed form must be maintained by the employing institution and the institution offering courses (if different).

II. DEFINITIONS

Employee: Any full-time or Salary Schedule H-35 employee of any System institution and the Alabama Department of Postsecondary Education. This program will not include temporary or part-time employees (other than Salary Schedule H-35 employees), or persons serving as independent contractors to any of the System institutions or to the Alabama Department of Postsecondary Education.

Dependent: The spouse of any full-time employee, the unmarried, natural or adopted children of any full-time employee, residing in the household of the employee or the employee's former spouse; the unmarried stepchildren of any full-time employee, residing in the household of the employee; a legal ward (a minor child placed by the court under the care of a guardian).

III. ELIGIBILITY

A. Requirements

Employees: Employees must have been employed by a System Institution or the Alabama Department of Postsecondary Education for one full academic year or at least 12 months, whichever is less restrictive, prior to the first scheduled day of class for the term for which the employee is applying. Employee eligibility will remain in effect for the duration of their employment in The Alabama College System or the Alabama Department of Postsecondary Education.

B. Termination of Eligibility

Employees: Eligibility terminates if the employee discontinues full-time employment at the respective institution for any reason except on an approved leave of absence.

Dependents: Dependents will be ineligible when said employee becomes ineligible, except that dependents of any employee who has 25 years of more of continuous service in The Alabama College System or the Alabama Department of Postsecondary Education upon retirement from The Alabama College System or the Alabama Department of Postsecondary Education are eligible to participate in the program for a five-year period commencing with the date of the employee's retirement.

IV. AMOUNT OF ASSISTANCE, LIMITATIONS, CONDITIONS, AND AUDITING

A. Tuition Cost

All eligible employees and their dependents will be allowed a waiver of one-third of the normally-charged tuition after the first year (full academic year or 12-month period) of employment; a waiver of two-thirds tuition after the second year of employment; and a waiver of full tuition after the third year of employment (partial tuition adjustments are to be rounded down to the nearest dollar). Salary Schedule H-35 employees will be allowed a waiver calculated at a prorated rate of full-time employment. Expenses for supplies, books, and fees other than tuition will not be waived. Each institution will be allowed to count the credit hours generated by these enrollees.

B. Limitation

There is no limitation as to the number of credit hours taken, other than the regular academic limitations that apply at the respective institutions. All students will be required to abide by the academic policies that are in effect at the institution they are attending. **Dependents:** Dependents will be eligible when said employee is eligible, and to the same degree to which the employee is eligible, except as herein modified.

C. Conditions

To be eligible for tuition waiver, the student-employee or dependent must maintain at least a "C" (2.0 on a 4.0 scale) in the courses for which he/she receives tuition assistance. Failure of the student-employee or dependent to meet this grade requirement will result in the employee or dependent's having to pay tuition for courses taken until his/her average grade is "C" or better. The student-employee or dependent can then again be eligible when his/her cumulative grade point average is brought back up to the "C" requirement.

D. Auditing

The student-employee or dependent will be allowed to audit one course (up to five credit hours) per term at no cost. The student-employee or dependent must meet all attendance requirements, class participation, and assignments as required of credit-enrolled students except the final examination is not required. Failure to comply with these requirements will result in the student-employee or dependent becoming ineligible for further participation as an audit student in credit hour-producing courses reported for funding purposes.

E. Repeating Class

Tuition costs for courses repeated will be the responsibility of the student-employee or dependent and consideration under the tuition assistance program will be disallowed. Tuition assistance will be disallowed for repeating a class for which the grade of "W" was originally received.

F. Records Transmittal

The student-employee or dependent must re-certify eligibility, as specified in Condition IV.C. above, prior to registering for a new term by providing verification of course completion to:

1. The Academic or Technical Dean at the institution of attendance; and/or
2. The Academic or Technical Dean at the institution of employment who will forward it to the President for the student-employee's or dependent's permanent file.

Those not registering for the next term must, within twenty (20) days after course completion, present official documentation of course completion to:

1. The Academic or Technical Dean at the institution of attendance; and/or
2. The Academic or Technical Dean at the institution of employment who will forward it to the President for the reportee's permanent file.

G. Work Week

Participation in this program is in addition to the employee's full-time work week, and should not be considered when computing the employee's time for financial compensation. However, in certain cases the employee's work schedule may be adjusted to permit course attendance. Adjustments to an employee's weekly work schedule must be recommended by the employee's supervisor and/or Dean, and approved by the President.

Educational Benefit Policy

Unit: [Human Resources](#)
Effective Date: 1/1/2012
Revision Date: 1/9/2019

Contact: Nancy Whittaker
Title: Associate Vice President for Human Resources

Purpose

The purpose of this policy is to provide information about and establish guidelines to administer the University's educational benefit policy. It is the policy of The University of Alabama to offer an educational benefit to eligible employees and their eligible spouse and/ or child(ren) who are enrolled at the University. In accordance with usual academic rules, admission to the University must first be obtained in order to receive educational benefits.

This educational benefit applies only to enrollment at The University of Alabama. The University does not have a reciprocity agreement with The University of Alabama at Birmingham or The University of Alabama in Huntsville.

The calculation of the benefit is based on a certain percentage of the tuition costs. This calculation does not include the cost of fees, e.g., course fees, college fees or charges associated with the auditing of a course.

Policy

Eligibility for Educational Benefits

Upon employment, all regular (not temporary) full-time and part-time employees are eligible to receive the educational benefit if enrolled at The University of Alabama.

Spouses and unmarried children up to the age of 26 are eligible to receive the educational benefit after the employee has completed six (6) months of employment in an eligible class. Only one educational benefit per student will be awarded even if there is more than one eligible employee in their family unit.

University retirees with at least 10 years of UA service time and their spouse and children will maintain eligibility for this benefit if they were eligible on the last day of the retiree's employment. Benefits for spouses and dependents will cease at the retiree's death.

The educational benefit for spouses and dependents is not chargeable to Federal grants and must be provided from other University sources.

Educational Benefit for Eligible Employees

Full-Time Employees

The educational benefit provides eligible full-time employees an amount to assist with educational costs equal to 100% of the tuition costs for up to three (3) credit hours during the fall and spring semesters and up to six (6) credit hours during the summer terms at the standard on-campus, in-state tuition rate. All other hours taken will result in assistance at an amount equal to 50% of the tuition costs at the standard on-campus, in-state tuition rate. The applicable rate is based on the classification of the enrolled student, i.e., undergraduate, graduate, law or medical. Higher tuition rates for special enrollment programs do not entitle employees to amounts above the standard on-campus, in-state tuition rate.

Part-time Employees

Eligible part-time employees will receive a prorated amount of educational assistance based upon their full-time equivalency (FTE). For example: an eligible part-time employee of .50 FTE would be eligible for an amount equal to 50% of the tuition costs for up to three (3) credit hours in the fall and spring semesters and for 50 % for up to six (6) credit hours in the summer terms, and for 25 % for all other credit hours at the standard on-campus, in-state tuition rate. The applicable rate is based on the classification of the enrolled student, i.e., undergraduate, graduate, law or medical. Higher tuition rates for special enrollment programs do not entitle employees to amounts above the standard on-campus, in-state tuition rate.

Educational Benefit for Spouse and Child(ren) of Eligible Employee

After eligible employees have been employed six (6) continuous months, spouses and/ or children may receive an amount to assist with educational costs equal to 50% of the tuition costs at the standard on-campus, in-state tuition rate for eligible courses. The applicable rate is based on the classification of the enrolled student, i.e., undergraduate, graduate, law or medical. Higher tuition rates for special enrollment programs do not entitle the eligible dependent to amounts above the standard on-campus, in-state tuition rate. If the sponsoring faculty or staff is a regular part-time employee this benefit is prorated based on their FTE.

Spousal/ Child(ren) Verification

Documentation to substantiate whether an individual is a spouse and/ or child of the employee is required. Such documentation includes tax returns, birth certificates, marriage certificates, etc. If it is determined that the information provided has been intentionally falsified, the employee may forfeit the educational benefit and may be responsible for reimbursing the University for any amount paid in benefits. The employee should notify the UA HR Service Center immediately of any change in eligibility or tax status.

Full-Time and Part-Time Employment Status/ Termination

The employee must be in an eligible employment status through the first day of classes for the dependent to receive an educational benefit for the fall semester, spring semester or summer terms (to be eligible for summer, the employee must be in an eligible status through the first day of the summer interim term). If it is later determined that the employee was not eligible, the educational benefit will be recalled and the appropriate charges will be billed to the student's account. Employees are responsible for notifying the HR Service Center of any information that would affect eligibility for the educational benefit.

If the employee terminates employment with the University or an eligible dependent becomes ineligible during the course of the semester, the educational benefit will remain in effect for the remainder of that semester only. Dependent children must be unmarried and under age 26 on the first day of classes.

Only one educational benefit per student will be awarded even if there is more than one eligible employee in their family unit.

Procedure

Eligible employees who wish to apply for an educational benefit for themselves or for their eligible dependents should complete and submit an educational benefit application to the HR Service Center at least one month prior to the beginning of the academic year. The academic year begins with the fall semester and ends with the summer terms. Instructions for completing the educational benefit application can be found on the [Human Resources website](#). Eligible employees, their spouse, and/ or their child(ren) will receive the educational benefit as a credit applied to the enrolled student's account maintained by the Office of Student Account Services. The deadline to submit an application is consistent with the last day to add or drop a course per the [academic calendar](#) on the University registrar's website. For applications submitted after the deadline, no benefits will be received for the current semester. The application will be

processed, however, for the next eligible semester of the currently approved application period. No application will be approved for previous semesters.

The educational benefit will be granted, if eligibility criteria are met, regardless of any other source of funds, e.g. scholarships, federal financial aid, sponsored projects. These funds will also be credited to the student's account. Excess credit will be available for refund to the student.

For student financial aid purposes, the educational benefit is considered a financial resource that must be deducted from estimated financial need in accordance with Federal regulations. Contact the Student Financial Aid Office if additional information is needed.

Taxation of Benefits:

Education benefits received by University employees and/ or dependents may be taxable to the employee. IRS regulations consider anything of value provided to an employee by an employer to be a form of compensation; therefore, the educational benefit may have tax withholding implications.

See chart below.

Course/Type	Employee	Spouse	Children
Undergraduate	Non-taxable	Non-taxable	Non-taxable**
Graduate <IRS limit (\$5,250)	Non-taxable	Taxable***	Taxable***
Graduate >IRS limit (\$5,250)	Taxable*	Taxable***	Taxable***

* An exception may apply in limited cases, if the education qualifies as a working condition fringe benefit as outlined by IRC §§ 132 and 162.

** A Child that is NOT an IRS tax dependent is subject to taxation.

*** An exception may apply in limited cases, if the student is a graduate teaching or researching assistant.

A graduate-level course may qualify for the tax exclusion, if it is taken for credit toward an undergraduate degree. On the contrary, an undergraduate-level course may be taxable, if it is taken for credit toward a graduate degree.

Working Condition Fringe Benefit (Employee only)

Under Section 132(d) of the Internal Revenue Code ("IRC"), to qualify for the working condition fringe benefit exception, the educational benefit must:

- Be required by your employer or the law to keep your present salary, status, or job AND serve a bona fide business purpose for your employer; OR
- Maintain or improve skills needed for your current job.

Even if one of the above criteria has been met, the benefits may not be excluded from taxable income if such benefits are:

- Needed to meet the minimum educational requirements of your current trade or business; OR
- Part of a program of study that will qualify you for a new trade or business, even if you have no plans to enter that trade or business.

IRS Tax Dependent

An IRS Tax Dependent is a biological, step, eligible foster, and/ or adopted child of the employee. See IRC 152(f)(1). In addition to meeting the criteria outlined in the preceding sentence, the dependent must:

- **Be under 19** as of the **close of the calendar** year in which the taxable year of the taxpayer begins **OR** a student **under the age 24** as of the **close of such calendar year**,
- Reside with the taxpayer for more than half the taxable year,
- Not have filed a joint return with spouse (other than only for a claim of refund)), and
- Not have provided more than one-half of his/her own support.

Special Rule for Divorced Parents, etc.

For purposes of the exclusion outlined under IRC 117(d), if a child receives over one-half of his/her support during the year from his/her parents--

- Who are divorced or legally separated under a decree of divorce or separate maintenance,
- Who are separated under a written separation agreement, or
- Who live apart at all times during the last six (6) months of the calendar year, and
- The child is in custody of one (1) or both of the parents for more than half of the calendar year, **then the child shall be treated as the dependent of both parents.** See IRC Sections 132(h)(2)(B) & 152(e).

A child is required to be an IRS tax dependent to receive the exclusion from taxation. For additional information on the IRS definition of tax dependent, refer to [IRS Publication 501](#).

When Fringe Benefits Are Considered Paid and Subject to Withholding

The benefit may be considered paid on one or more dates throughout the calendar year, even if the entire benefit is acquired at one time. The taxes will be reported for the same tax period in which the benefit is considered paid. See IRC Section 3501.

For those educational benefits which are taxable, Federal, State, and Social Security taxes will be withheld from the employee's payroll checks at the end of each semester in which the educational benefit was received. Taxes will be withheld over four (4) pay periods for bi-weekly paid employees and over two (2) pay periods for monthly-paid employees. Employees will be notified of these pay periods in advance. See ANN 85-113, 1985-31 IRB 31 and Treas. Reg. Section 31.3501(a)-1T.

Class Attendance for Credit Courses during Working Hours

In order for an employee to attend a class during working hours, prior approval by the appropriate administrative official must be given. Such approval is limited to three (3) work hours per week with the understanding that the time off does not interfere with the daily operation of the work unit. Time off to attend a class during working hours may be approved as comp time or annual leave or the time off may be made up.

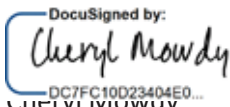
Release Time for Non-Credit Courses/Programs

The Department of Human Resources offers specific training that affords opportunities for career development of employees. This training is normally conducted during regular working hours. If the supervisor approves attendance, employees are not required to make up the time.

Scope

This policy applies to eligible employees and their spouses and/or child(ren) who are enrolled at the University.

Office of the Vice President of Finance and Operations

Signed:  _____ 1/9/2019
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 CHERYL MOWDY
 Assistant Vice President for Finance and Operations

STILLMAN

Tuscaloosa, Alabama



STAFF HANDBOOK 2018-2019

4.1.1.6 Excused Leave

Excused leave is paid time off from regular duties for a short period, granted by special permission of the administration for emergencies or other unforeseen circumstance, performance of a special civic or professional function, or attendance at professional meetings/ conferences.

4.1.1.7 Maternity Leave

The College may grant maternity leave upon request. A request for maternity must be filed at least three months prior to anticipated leave. An employee who receives maternity leave is paid through the number of remaining sick leave days. After that time, the employee is on leave without pay status.

4.1.1.8 Excessive Absences

The College provides for all its employees leave with or without pay for the purpose of obligations outside of the College. It is the responsibility of supervisors and or department heads to monitor and ensure that time cards and employee attendance reports reflect time accurately. (See policy under Leaves section 4.)

Except for periodic instances of absences, workers compensation and disability, it is expected that all employees will adhere to the policies regarding leave. The supervisor has the right to deny the time off if the employee's absence will interfere with or adversely affects the operation of the workplace.

Employees, who supervisors consider to have excessive absences from their jobs, may be subject to disciplinary actions not limited to termination.

4.2 Leave Without Pay

The College may grant voluntary leave of absence without pay for further study and other activities, which contribute to the professional growth and enrichment of staff. A request for such leave should be filed at least three months prior to the leave period. Since such leaves may depend on the receipt of fellowships, scholarships, or other sources of funding, a staff member should keep unit administrators or vice presidents apprised of the intention to request voluntary leave.

4.2.1 Civil Leave (Poll Workers)

The College grants employees permission to work in voting activities as poll

5.1.1.8 Excessive Absences

The College provides for all its employees leave with or without pay for the purpose of obligations outside of the College. It is the responsibility of supervisors and or department heads to monitor and ensure that time cards and employee attendance reports reflect time accurately. (See policy under Leaves section 4.)

Except for periodic instances of absences, workers compensation and disability, it is expected that all employees will adhere to the policies regarding leave. The supervisor has the right to deny the time off if the employee's absence will interfere with or adversely affects the operation of the workplace.

Employees, who supervisors consider to have excessive absences from their jobs, may be subject to disciplinary actions not limited to termination.

5.1.2 Leave Without Pay

The College may grant voluntary leave of absence without pay for further study and other activities that contribute to the professional growth and enrichment of faculty. A request for such leave should be filed at least three months prior to the leave period. Since such leaves may depend on the receipt of fellowships, scholarships, or other sources of funding, a faculty member should keep department and division chairpersons apprised of the intention to request voluntary leave.

In determining eligibility for tenure, the College will not count voluntary leave as interruption in years of service; however, the time period for voluntary leave will not be counted as a year of service toward eligibility for tenure.

5.1.2.1 Civil Leave (Poll Workers)

The College grants employees permission to work in voting activities as poll workers when required.

5.1.2.2 Military Leave (Extended Periods)

The College will grant employees extended leave of absence without pay for military service under the Selective Service Act or through activation of their Reserve or Guard unit. Upon completion of extended military service, employees are entitled to reinstatement of employment if they apply within ninety days of discharge from active duty or within one year if hospitalized.

5.1.3 Family and Medical Leave of Absence