



HUMAN RESOURCE POLICY MANUAL

Topic: **Educational Benefit Policy (Previously: Tuition Benefit Policy)**

Policy # 702.00

Version: 5.0

Effective Date: January 8, 2010

Purpose:

The purpose of this policy is to provide information about and establish guidelines to administer the University's educational benefit policy.

Policy:

It is the policy of The University of Alabama to offer an educational benefit to eligible faculty and staff and dependents who are enrolled at the University. Admission to the University must first be obtained in accordance with usual academic rules in order to receive educational benefits.

This educational benefit only applies 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, etc.) or charges associated with the auditing of a course.

Eligibility for the Educational Benefits

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

Spouses and dependents of eligible employees are eligible to receive the educational benefit after six months of employment of the employee.

All University retirees and the spouses and dependents of retirees maintain eligibility for this benefit if they were eligible on the last day of the retiree's employment. Benefits for spouse and/or 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

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 term 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.

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 term, and for 25% for all other credit hours at the standard on-campus in-state tuition rate. The applicable rate is based on the enrolled student's classification; 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.

The employee must be in an eligible employment status through the first day of classes to receive an educational benefit for the fall semester, spring semester or summer terms. 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 employee's student account. Employees are responsible for notifying the Benefits Office of any information that would affect eligibility for the educational benefit.

If the employee terminates employment with the University or becomes ineligible during the course of the term, the educational benefit will remain in effect for the remainder of that term only.

Educational Benefit for *Dependents* of Eligible Employees

After eligible employees have been employed six (6) continuous months, spouses and dependent 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 spouse or 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.

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. 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 Benefits Office of any information that would affect eligibility for the educational benefit.

If the employees terminates employment with the University or a dependent becomes ineligible during the course of the term, the educational benefit will remain in effect for the remainder of that term 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.

Procedures

Eligible employees who wish to apply for an educational benefit for themselves or for their dependents should complete and submit an educational benefit application to the Benefits Office at least one month prior to the beginning of the academic year. Applications are available in the Benefits Office and on the Benefits webpage under "Forms". Only one application per student is necessary for the academic year. The academic year begins with the fall semester and ends with the summer term.

Eligible employees and dependents will receive the educational benefit as a credit applied to the enrolled student's account maintained by the Office of Student Receivables.

The educational benefit will be granted, if eligibility criteria are met, regardless of any other source of funds (e.g. State of Alabama P.A.C.T., scholarships, federal financial aid, sponsored projects, etc.).

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.

The educational benefit may have withholding tax implications. The Payroll office can provide up-to-date information concerning this possible tax liability.

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 and, if the supervisor approves attendance, employees are not required to make up the time.