

Tuition Waiver Policy

FULL POLICY CONTENTS

Reason for Policy
Scope
Policy Statement
Procedures
Definitions
Exceptions
Sanctions
Related Policies, Documents & Forms
Archival

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Responsible University Office: *Administration*

Policy Contact: *Associate Vice President, Human Resources*

Reason for Policy

Gonzaga University's tuition waiver benefit provides continuing opportunities for educational development for eligible employees and their spouses and dependent children.

This policy is intended to provide qualified tuition reduction benefits under Internal Revenue Code (IRC) § 117(d) and to serve as an educational assistance program under IRC § 127.

This policy sets forth the process through which employees may request the tuition waiver benefit and establish dependent child eligibility.

Scope

This policy applies to Gonzaga University employees.

Nothing in this policy reduces the Tuition Benefits afforded to faculty under the Faculty Handbook.

Policy Statement

These eligibility requirements apply to regular employees and their spouses and Eligible Children, for courses at Gonzaga University:

1. Employees: Regular employees are eligible to receive tuition waiver for courses that begin after one year of continuous employment.
 - a. Full-time employees, scheduled 30 hours or more per week are eligible for 100% tuition waiver. Part-time employees (faculty 50%-74% contract) are eligible for 50% tuition waiver. Adjunct faculty are not eligible for tuition waiver benefits.

- b. Tuition waiver is available for undergraduate, graduate, and doctoral courses. Tuition waiver is not available for Law School or Medical School courses.
- c. Staff employees are limited to one course during their regularly scheduled working hours per semester. Regular working hours include lunch and break periods; employees cannot use their intended lunch and break periods to attend classes unless it meets two requirements: (1) compliance with federal and state regulations on break periods, and (2) it is the employee's election, not the supervisor's directive.
- d. Supervisory approval is required for enrollment and for work schedule adjustments. Supervisors must consider the needs of the department when determining whether to permit an employee to enroll in one course per semester during working hours. All job duties must continue to be performed according to expectations while utilizing the tuition waiver benefit.
- e. Under this policy, employees are limited to one of each degree type: one bachelor's degree, one master's degree and one doctoral degree. Tuition Waiver is not available for a second degree if the second degree would be of lower academic level than the first degree received under the Tuition Waiver. For example, once a Master's degree has been earned, completion of a Bachelor's degree is not allowed under the Tuition Waiver benefit.

2. Spouse and Eligible Children: Legal spouses and Eligible Children of full-time employees are eligible for tuition waiver based on the employee's employment anniversary date, before the beginning of the semester, as follows:

After the 1st year anniversary date - 50%
 After the 3rd year anniversary date - 75%
 After the 5th year anniversary date - 100%

- a. Spouse tuition waivers are for one Gonzaga University degree, either undergraduate or graduate courses (excluding Doctoral, Law and Medical).
- b. Eligible Children tuition waivers are for one undergraduate degree. Admitted High School Dual Enrollment students are covered under this policy as non-matriculated students.

3. Eligible Child of Retired or Deceased Employees: An Eligible Child of a retired employee in good standing (at least age 55 with a minimum of 10 years of service) or a deceased employee are eligible for 100% waiver benefit if, at the time of the employee's retirement or death, they were otherwise eligible employees. All other policy provisions apply. Written hardcopy Tuition Waiver certification forms must be completed annually. Contact HR for a copy of this form.

4. ROTC Personnel: Fulltime ROTC personnel may participate in Gonzaga's Tuition Waiver program on the same basis as Gonzaga employees. However, all available federal tuition assistance must be used to reduce the amount of such waivers. Special guidelines exist for ROTC personnel; each case should be referred to HR. Written hardcopy Tuition Waiver certification forms must be completed annually. Contact HR for a copy of this form.

Procedures

1. Employees are responsible for conforming to this policy to receive tuition waiver benefits.
2. Registration must be confirmed through the Student Accounts Office to be valid.
3. Tuition Waiver and Certification forms are due one month prior to the start of the term.
4. Dependents and spouses must have an active student record with the University prior to submitting a tuition waiver form. Parents of new incoming students should contact the benefits manager with their students ID number prior to completing the tuition waiver.
5. Employees must complete the tuition waiver for the academic year.
6. Upon an employee's initial request for tuition waiver benefits for an Eligible Child, the employee shall be required to: (a) to complete a tuition waiver certification form certify that their child meets all federal tax criteria under IRC §152(c) (Dependent Qualifying Child) or §152(d) (Dependent Qualifying Relative (Child)) as set forth on the tuition waiver certification form; and (b) provide documentation establishing that all federal tax criteria for a Dependent Qualifying Child or Dependent Qualifying Relative (Child) are satisfied if such documentation exists. In subsequent years, employees shall be required to complete the tuition waiver certification form.

Definitions

Eligible Child: An eligible child is a child of an employee that is either a Dependent Qualifying Child or a Dependent Qualifying Relative (Child).

Dependent Qualifying Child: A dependent qualifying child satisfies all federal tax criteria for a Dependent Qualifying Child under IRC § 132(h) & §152(c). A dependent qualifying child: (a) is a son, daughter, stepson, or stepdaughter of the employee; (b) is younger than the employee (or the employee's spouse, if the employee files a joint federal tax return); (c) has not attained age 24, and will not attain age 24 during the calendar year; (d) resides with the employee more than one-half of the calendar year (students living away from home while at school are considered to be living with the parent); (e) does not provide more than one-half of his/her own support during the calendar year; and (f) is unmarried or is married but will not file a joint return with their spouse, unless the joint return is filed for the sole purpose of obtaining a refund .

Dependent Qualifying Relative (Child): A dependent qualifying relative (child) satisfies as all federal tax criteria for a Dependent Qualifying Relative under IRC § 132(h) & §152(d) in addition to being the requesting employee's child. A dependent qualifying relative (child): (a) is a son, daughter, stepson, or stepdaughter of the employee, (b) has/will not attain the age 26 as of the close of the applicable calendar year, (c) is not an IRC §152(c) "Qualifying Child" of any taxpayer, (d) has a gross income for the calendar year less than the federal exempt amount, (e) will receive

more than on-half of their support from the employee for the calendar year, and (f) is unmarried or married and will not file a joint return with his/her spouse, unless the joint return is filed for the sole purpose of obtaining a refund.

Fees: This policy covers tuition only; all related mandatory fees (GSBA, matriculation, workshops, lab fees, technology, etc.) text books and other supplies are the responsibility of the student.

Credit Limits: Employees and their eligible dependents may take no more than 30 Undergrad Non- matriculated credits or 12 non-matriculated graduate level credits per academic year. Employees and their eligible dependents are allowed a maximum of 155 credits to complete their undergraduate degree under the Tuition Waiver benefit. Employees and their spouses are allowed only the number of credits required to earn any graduate or doctoral degree. Tuition charges related to taking courses beyond those required for the degree are not covered under the Tuition Waiver benefit and are the responsibility of the student.

Eligible Courses: Eligible courses or programs are regular courses for matriculated students at the graduate or undergraduate level. Study abroad courses (with the exception of GU in Florence), Principal Certification, Continuing Education/Workshop and site based classes are excluded from tuition waiver.

Study abroad programs: Eligible Children who are matriculated Gonzaga University students are eligible to participate in Gonzaga-in-Florence study abroad program. Additional fees related to travel, books and other cost will be the responsibility of the student. The Tuition Waiver benefit does not apply to the following programs Gonzaga-in-Paris, Faculty-Lead, Exchange Programs and Sponsored Programs. Employees and spouses are not eligible for tuition waiver on study abroad programs.

FACHEX and Tuition Exchange: FACHEX and Tuition Exchange are undergraduate tuition waiver exchange programs involving other Jesuit Colleges and Universities and other participating universities. This program is open to Eligible Children of Gonzaga University employees who are eligible for 100% tuition waiver. Eligible Children that are accepted to other Universities are subject to the host schools' terms and conditions. Because it is a competitive process and only limited spots are available based on the policies of the host institutions, there are no guarantees given to eligible employees that their eligible dependents will be awarded a Tuition Waiver at the school of their choice. Each school determines how many waivers are available and sets their own criteria for deciding who will be awarded tuition exchange waivers.

General information and a current list of participating institutions is available on the benefits.gonzaga.edu website, specific arrangements for FACHEX and Tuition Exchange should be made through the Financial Aid Office. Applications for FACHEX and Tuition Exchange are available on the benefits.gonzaga.edu website.

Taxable Waivers: All undergraduate waivers are non-taxable, except waivers granted to grandfathered dependent children who do not meet the Internal Revenue Service definition of dependent Post - Bachelor and Graduate waivers for employees are only taxable if the value of the tuition is greater than \$5,250 per calendar year. Graduate waivers for spouses are taxable in full. The value of taxable waivers is included in an employee's gross income and the applicable taxes are withheld during the semester that the waiver is incurred. Please contact payroll with questions regarding your taxable waiver amount. Please consult a tax advisor with questions regarding the effect on your individual taxes.

Satisfactory Academic Progress: All students, including those receiving tuition waiver, must be in good academic standing, as defined by the Financial Aid Office's satisfactory academic progress policy, to maintain eligibility for the tuition waiver and other types of financial aid. Students who fail to meet the requirements have the option of appealing their status to the financial aid office. The complete policy, including details on the satisfactory academic progress measures, statuses, and options for appealing are available at www.gonzaga.edu/SAP.

Financial Aid: Employees are encouraged to complete a Free Application for Federal Student Aid (FAFSA) to determine financial aid eligibility for other sources of financial aid. Students eligible for tuition waiver under this policy may retain any Gonzaga-funded merit, department, activity, and athletic scholarships for which they qualify; however, the value of the award and tuition waiver combined cannot exceed 100% of the tuition. Gonzaga's financial aid office will coordinate from other sources (federal, state, etc.) according to the appropriate regulations. In general, external aid does not affect the value of the waiver. Students attending Gonzaga through FACHEX are subject to the limitation noted above. Students attending other institutions on FACHEX are subject to the financial aid policies of the receiving institution.

Employment Status: Employees under formal disciplinary actions that are deemed to be connected to attendance and/or ability to perform job functions may not be eligible to receive the tuition waiver benefit for themselves.

Student Accounts: All employee, spouses and dependents must have their student accounts paid in full and/or their payment plan in good standing at the end of each semester. Students with balances due from a prior semester will not receive the tuition waiver for any subsequent semesters until all balances have been paid in full.

Employment End: If an employee **voluntarily** leaves employment, prior to October 15th for fall semester, March 1st for spring semester or July 1st for summer sessions, the tuition waiver will be revoked and the employee and/or dependents will be personally responsible for full amount of tuition and fees incurred during that semester. If an employee is dismissed, eligibility for this program will cease at the end of the semester in which the employee's employment ends.

Exceptions

Regular Faculty hired prior to November 1, 1996 may have additional grandfathered benefits for themselves and their dependents. Please contact Human Resources for additional details.

Sanctions

Failure to comply with the requirements of the policy and/or the certification form(s) may subject an employee to denial of tuition waiver benefits, adverse federal tax consequences, and/or disciplinary actions up to and including dismissal from employment, depending on the nature and severity of the policy violation.

Related Policies, Documents & Forms

Employee Tuition Waiver – Dependent Qualifying Child Certification Form

Employee Tuition Waiver – Dependent Qualifying Relative (Child) Certification Form

Employees and their eligible dependents utilizing benefits are considered Gonzaga students and must adhere to all applicable policies including Admissions, Registration, and Office of Community Standards, fee assessment, financial holds, Financial Aid and academic requirements.
