

# Saint Joseph's College

## Policy Manual

**Human Resources**  
**Section Name:** Benefits  
**Section Number:** 8.14  
**Effective Date:** 1/1/2019

### **SUBJECT: Tuition Remission**

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#### **Purpose:**

To provide financial assistance and serve as a recruitment and retention strategy for qualified employees.

#### **Eligibility:**

Employees: Regular full-time administrative staff after six months of full time continuous service or its equivalent in continuous part time service.

IRS Eligible Dependents Child(ren) and/or Spouse: One year of continuous full time service by sponsoring employee or its equivalent in prior continuous part time service.

*Note: Service requirements must be met by the beginning of the semester in which an employee requests tuition remission.*

Dependent Child(ren) are defined for this purpose as those claimed for federal income tax purposes. IRS Eligible Dependent Definition: The student must be claimed as a “qualifying child” and meet all (5) five tests:

1. Relationship,
2. Age,
  - a. To meet this test, a “Qualifying Child” must be:
    - i. Under age 19 at the end of the year and younger than you (or your spouse if filing jointly),
    - ii. A student under age 24 at the end of the year and younger than you (or your spouse if filing jointly), or
    - iii. Permanently and totally disabled at any time during the year, regardless of age.
3. Residency,
4. Support, and
5. Joint return

## **Policy:**

### Employee Undergraduate Benefit:

Employees requesting the benefit must be academically qualified and may attend classes at Saint Joseph's College on a space available basis during non-working hours (or during working hours with written approval of their supervisor). A maximum of four classes may be taken per academic year. There will be no charge for tuition. The employee is responsible for any incidental costs including but not limited to books, lab fees, etc. Continued participation in this plan requires that the employee remain current with all charges.

### Employee Graduate Benefit:

Employees requesting the benefit must be academically qualified and may attend classes at Saint Joseph's College on a space available basis. A maximum of four classes may be taken per academic year. There will be no charge for tuition. The employee is responsible for any incidental costs including but not limited to books, lab fees, etc. Continued participation in this plan requires that the employee remain current with all charges.

Each calendar year, the first \$5,250 of graduate level tuition is non-taxable. Once the \$5,250 threshold has been met, any amount over becomes a taxable benefit subject to Federal, State, Social Security, and Medicare taxes. The tuition amount will be added to your gross earnings the pay period after the add/drop period in accordance with IRS Code. Federal, State, Social Security and Medicare taxes will be withheld on the tuition benefit amount.

### IRS Dependent Child(ren) and/or Spouse Undergraduate Benefit:

After twelve months of continuous full time service or its equivalent at the College, a full-time employee's dependent child(ren) and/or spouse are eligible to attend classes at the College as long as the employee's full-time employment continues. The customary admission procedures apply, only tuition is waived. The dependent and/or spouse is responsible for any incidental costs including but not limited to books, lab fees, etc. The IRS dependent's and/or spouse's undergraduate tuition remission is a tax-free benefit to the sponsoring employee. Continued participation in this plan requires that the dependent and/or spouse remain current with all charges. All dependents and/or spouse participating in this plan are considered sponsored by the full-time employee. Should a dependent and/or spouse fail to remain current with all charges, the sponsoring employee will be held responsible. No additional family participation will be allowed until all charges are paid.

### IRS Dependent Child(ren) and/or Spouse Graduate Benefit:

After twelve months of continuous full time service or its equivalent at the College, a full-time employee's dependent child(ren) and/or spouse are eligible to attend graduate classes at the College as long as the employee's full-time employment continues. The customary admission procedures apply, only tuition is waived. The dependent child(ren) and/or spouse is responsible for any incidental costs including but not limited to books, lab fees, etc. IRS dependent's and/or the spouse's graduate tuition remission is a taxable benefit subject to Federal, State, Social Security, and Medicare taxes taxable to the sponsoring employee. Continued participation in this plan requires that the dependent and/or spouse remain current with all charges. All dependents and/or spouses participating in this plan are considered sponsored by the full-time employee. Should a dependent and/or spouse fail to remain current with all charges, the sponsoring

employee will be held responsible. No additional family participation will be allowed until all charges are paid.

NON-IRS Dependent Undergraduate Benefit:

After twelve months of continuous full time service or its equivalent at the College, a full-time employee's natural or adopted child under the age of 30 is eligible to attend classes at the College as long as the employee's full-time employment continues. The customary admission procedures apply. This benefit will be set at 90% of the current tuition cost and is a taxable benefit. The amount of the tuition will be added to sponsoring employee's gross pay and taxes withheld. Sponsoring employees are advised that additional federal and/or state tax liability may remain at the end of the year. Continued participation in this plan requires that the child remain current with all charges. All child(ren) participating in this plan are considered sponsored by the full-time employee. Should a child fail to remain current with all charges, the sponsoring employee will be held responsible. No additional family participation will be allowed until all charges are paid.

The College requires all full-time and part-time (if a matriculated undergraduate student enrolled at least half time) tuition remission recipients to apply for federal and state grant aid. This aid, if any, is applied first toward the tuition costs. The tuition remission benefit will cover the remaining tuition. To be eligible for tuition remission, the Free Application for Federal Student Aid (FAFSA) **must** be completed by March 1<sup>st</sup> to meet the priority deadline for any State or Pell grant funds. To apply for the FAFSA, please go to [www.fafsa.ed.gov](http://www.fafsa.ed.gov) Failure to do so by the March 1<sup>st</sup> deadline, **will result** in the forfeiture of this benefit. Also, before your tuition remission benefit will be approved, a copy of your federal tax return (tax year used to complete the FAFSA) listing the student as a "qualifying child" will need to be submitted to Human Resources.