



# Tuition Remission & Tuition Exchange



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**New full-time staff must have completed their introductory period or have been employed for ninety (90) calendar days following their full time hire date, which ever comes first, before they are eligible to enroll in any courses.**



# Tuition Remission

## Full Time Employees

Degree and non degree seeking employees may enroll in up to two undergraduate or graduate courses per semester with a full waiver of tuition.

Generally, degree seeking employees are limited to two courses per semester. However, degree seeking employees may receive approval for a tuition waiver for additional courses by filing a personal academic plan with their advisor and supervisor. An approved personal academic plan requires the employee have completed their introductory period or have been employed for ninety (90) calendar days following their full time hire date, whichever comes first; be enrolled strictly on a part-time basis; and be expected to continue employment for at least two years upon earning a degree.

## Part Time Employees

Part Time employees who completed one year of service and at least 1,000 hours in a calendar year or five years of continuous service may enroll in one undergraduate, continuing education, or graduate course per semester.

**If the employee increases or decreases their course enrollment, it is the EMPLOYEE responsibility to notify the Office of Financial Aid for remission fund adjustment.**



## What is Dependent Tuition Remission?

It is a program that allows employees, dependents, and siblings of Franciscans to enroll in undergraduate or continuing education courses.



# Tuition Remission When Tuition Remission Begins? For Dependents...

The next semester following the completion of employee's years of service:

- 1 year: 20% reduction
- 2 years: 40% reduction
- 3 years: 60% reduction
- 4 years: 80% reduction
- 5 years: 100% reduction
- Full-time employees eligible for full tuition remission are eligible to apply for a tuition exchange scholarship.



The tuition benefit is available to eligible spouses and each eligible dependent child for the number of equivalent credits needed to fulfill his/her undergraduate degree requirements.

**Employees taking graduate courses should notify Human Resources.**



Spouses and dependents of faculty and staff who receive tuition remission of less than 100% of tuition costs may qualify for additional aid through the University.

# Mandatory Participation in Financial Aid Programs

**New full-time employees hired on or after July 1, 2011**, who are undergraduate students **must** file the Free Application for Federal Student Aid (FAFSA) no later than May 1 of every academic year.

\*\*\*Any grants/scholarships shall be applied first, and then tuition remission benefits.

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**Current full-time employees hired prior to July 1, 2011**, the University will continue to apply tuition remission benefits first, and then grants/scholarships.





\*The Dependency Verification form only needs to be completed by employees for their dependents when they first begin classes at SFU or for dependent Tuition Exchange. Employees do not have to complete the dependency verification form if they are taking classes themselves

# Tuition Remission Guidelines

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**Step 1** Fill out the *Dependency Form* at the Human Resources office\*

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**Step 2** Dependent and/or Employee **sign up** for class(es)

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**Step 3** Human Resources will **run a report** at the beginning of each semester

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Human Resources will **review and approve** employees and/or dependents for tuition remission and forward to Business Office

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**Step 5** The Business Office reviews student schedules and provides Financial Aid the charged amount per number of credits

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**Step 6** Financial Aid will **award the remission fund**

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**If the dependent and/or spouse increases or decreases their course enrollment, it is the EMPLOYEE responsibility to notify the Office of Financial Aid for remission fund adjustment.**





**Under section 117(d) of the Internal Revenue Code, educational institutions offering a full reduction of tuition charges to employees, their spouses and dependent children for undergraduate coursework may exclude the value of this education from their employees' taxable wages. This exclusion does not extend to graduate coursework.**



# Tuition Remission

## **Taxability of Graduate Tuition Remission for Employees (Effective January 2011)**

Section 127 of the Code allows the university to provide each employee with up to \$5,250 of educational assistance per year on a tax-free basis for both undergraduate and graduate coursework. For employees who are at a graduate level, any remission in excess of \$5,250 must be added to the employees' taxable wages as a taxable fringe benefit, and employment taxes, including federal income tax, Social Security, and Medicare taxes must be withheld.

If an employee is enrolled in a graduate-level program, the cost of all courses taken (including any at an undergraduate-level) counts toward the annual exemption limit.

The Human Resource Office will track the credits and cost of graduate courses and any undergraduate level courses an employee has enrolled in as a graduate-level student on a monthly basis. Once the total cost of these courses exceeds \$5,250 in the calendar year, that amount will be reported to the Payroll Office, and will be added to the employee's taxable wage and taxed over the calendar quarter in which the limit is exceeded. For example, if the limit is exceeded in August, your tax will be withheld over any remaining pays in August and September. IRS rules require that the additional tax must be recorded and collected by the end of the calendar quarter in which the benefit is received. Employees are encouraged to track their own tuition remission benefit and plan accordingly, as the increase in taxable wages will increase the amount of tax owed.



# Tuition Remission Questions?

## Contact us!

### **Business Office**

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### **Human Resources**

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## What is Tuition Exchange?

It is a reciprocal scholarship program for dependents of fulltime employees, and siblings of Franciscans. It is a network of colleges and universities who award scholarships to dependents of participating institutions. The program is available to dependents of fulltime employees eligible for full tuition remission for their dependents at Saint Francis.



# Tuition Exchange

Saint Francis University is a member of three tuition exchange programs:

- CIC (Council of Independent Colleges) ([www.cic.edu](http://www.cic.edu))
- Catholic College Cooperative Tuition Exchange Program ([www.cccte.org](http://www.cccte.org))
- Tuition Exchange, Inc. ([www.tuitionexchange.org](http://www.tuitionexchange.org))

### Additional fees, such as:

- Books
- School supplies
- Lab fee
- Comprehensive fee
- Technology fee
- Graduation fee
- Music fees
- Or any other special fees are the responsibility of the eligible spouse or eligible dependent child.

The tuition benefit is not available for graduate courses for spouses and dependents.



# Tuition Exchange Guidelines

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Communication is very important. So be sure to maintain constant communication with the Saint Francis Tuition Exchange coordinator throughout the process.

**Step 1** Have your dependent **identify** their **top priority schools**

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**Step 2** **Notify** the Tuition Exchange Coordinator (by visit or email) about your dependent's wish to apply for tuition exchange

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**Step 3** **Supply** the coordinator with the three top priority school choices by October 1<sup>st</sup> of the dependent senior year of high school

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**Step 4** **Proceed** with **admission application** process with the chosen schools. Decisions on awards are only made from "accepted for admission" students.

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**Step 5** **Submit** the Tuition Exchange application by October 31<sup>st</sup> of the year preceding enrollment

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# Tuition Exchange Guidelines

\*The Dependency Verification form only needs to be completed by employees for their dependents when they first begin classes at SFU or for dependent Tuition Exchange. Employees do not have to complete the dependency verification form if they are taking classes themselves

- Step 7** Alert the Coordinator to any **special interests/skills** the student may possess (athletics, music, art, etc)
- Step 8** Fill out the Dependency Verification form with Human Resources\*
- Step 9** The Tuition Exchange Coordinator will give you the contact information of the liaison at the chosen schools.
- Step 10** Do research on the selected colleges/universities to find out what is included in the award, i.e. tuition only, room and board included, and study abroad
- Step 11** Find out the **application deadline** at your dependent's priority schools, the **selection criteria** for the scholarship, the **number awarded** each year, and the **award date** for the scholarships of the various schools.



## Export Fee

Effective fall 2011, a \$35 annual export fee will be charged to each student who is exported through the TEI program. Not applicable to students processed through the CIC or CCCTE programs.



# Tuition Exchange Guidelines

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**Step 12** Human Resource will notify the Tuition Exchange Coordinator of the dependency status

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**Step 13** The Tuition Exchange Coordinator will begin to submit tuition exchange applications to the dependent's top priority schools. Please note that there are limits set as to the number of applications that can be submitted through TEI.

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**Step 14** Address any questions or concerns to the TE Coordinator.  
**Communication is an important factor.**

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**Step 15** The Tuition Exchange Coordinator will notify the employee of their dependent's tuition exchange award acceptance as soon as it is received.

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## If Awarded

If your dependent is awarded a tuition exchange scholarship:

Be certain that your dependent understands the requirements of the scholarship, such as GPA requirements, housing requirements, etc.



# Questions?

**Continue to the next pages for:**

# Tuition Exchange Frequently Asked Questions

**Or contact us:**

**Tuition Exchange Coordinator**

Darlene Prosser

814-472-3029

DProsser@francis.edu

# Tuition Exchange FAQ



## **1. Tuition Exchange is going to be phased out at SFU**

Not true, there are no current plans to eliminate Tuition Exchange as a benefit.

## **2. My son/daughter just needs to complete college applications to be considered for Tuition Exchange**

Not true, you will also need to complete a Tuition Exchange application with your T.E Coordinator.

## **3. Employees can only have one dependent at a time take advantage of Tuition Exchange**

Not true, all children meeting the definition of dependent can qualify for Tuition Exchange, provided they are admitted and are awarded Tuition Exchange scholarships from participating Institutions. Determinations will be made as to the avenue used: TEI, CIC or CCCTE.

## **4. Tuition Exchange is taxed by the Federal Government**

Not true, currently the Federal Government does not view Tuition Exchange as taxable benefit.

# Tuition Exchange FAQ



## **5. SFU chooses who gets to receive Tuition Exchange at other schools**

Not true, the school (s) to which the student has applied decide(s) who will be awarded Tuition Exchange scholarships depending on their selection criteria.

## **6. The Tuition Exchange Scholarship will cover the entire cost of my son/daughter's educational expenses**

Not true, Tuition exchange scholarship funds may be used only for tuition charges. If the student receives other "tuition only" scholarships, adjustments to the awards will be necessary. Beginning fall semester 2011, the scholarship will be awarded as tuition charges less Federal and State Grants (Pell, PHEAA, etc) as determined through the Free Application for Federal Student Aid.

## **7. Because I will be using Tuition Exchange, I don't need to complete a FAFSA**

Not true, because Tuition Exchange is for a set amount, any costs above that amount are the responsibility of the family. You may qualify for additional funds to help defray those costs. Those additional funds can only be awarded by completing the FAFSA.

# Tuition Exchange FAQ



## **8. If my son/daughter is admitted to an institution they will automatically be granted a Tuition Exchange Scholarship**

Not true, schools have limited numbers of Tuition Exchange Scholarships, and varied criteria for acceptance/award.

## **9. If my son/daughter applies to a school participating in Tuition Exchange they will automatically be admitted to the institution**

Not true, Tuition Exchange is separate and not tied to the Admission Process. Only those students who have applied and been accepted for admission will be considered in the pool for consideration of the awards.

## **10. Every school in the country participates in Tuition Exchange**

Not true, schools choose to participate in the Tuition Exchange Program and may drop in and out of the program on an annual basis. The listings must be checked regularly.

**The Tuition Exchange Scholarship will supersede any Saint Francis University scholarships, grants or awards received toward your tuition invoice.**



**SAINT FRANCIS  
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