

Handbook

Tuition Remission

Purpose



- The purpose of Claremont Graduate University (CGU) Tuition Benefit policy is to encourage eligible employees of CGU to take advantage of the educational opportunities offered by the Claremont Colleges.

ELIGIBILITY



Full-time professors, associate professors, assistant professors, administrative staff, and other staff will become eligible under this Tuition Benefit policy after one year of continuous employment.



Transfers from another Claremont College with one year of continuous full-time service become eligible at the beginning of the next semester after transfer.

ELIGIBILITY

When eligibility is established within a semester or summer session, the employee is eligible for the benefit the beginning of the next full semester or summer session.

Employees who have worked in regular positions at least 20 hours per week but less than 32 hours per week, and whose hours per week worked are increased to 32 or more on a regular basis, become eligible under this Tuition Benefit policy at such time as their total hours worked as a regular employee reach 1,664 or 32 hours per week for 52 weeks.


Employees must be actively employed through the entire semester to remain eligible for tuition payments.

Benefits for Dependents


- For purposes of this Tuition Benefit Policy, dependents are defined as the spouse or dependent children (as defined by IRS rules) of any eligible full-time staff or faculty member. Full-time staff are defined as employees of CGU who work a minimum of 32 hours per week on a regular schedule. Full-time faculty are those faculty members with a full-time regular appointment.

ELIGIBILITY FOR DEPENDENTS

Full-time professors, associate professors, assistant professors, administrative staff, and other staff will become eligible under this Tuition Remission Policy after one year of continuous employment. This waiting period includes employees from another Claremont College hired to work at CGU.



When eligibility is established within a semester or summer session, the employee is eligible for the benefit the beginning of the next full semester.



Employees who have worked in regular positions at least 20 hours per week but less than 32 hours per week, and whose hours per week worked are increased to 32 or more on a regular basis, become eligible under this Tuition Benefit Policy at such time as their total hours worked as a regular employee reach 1,664 or 32 hours per week for 52 weeks. Eligible employees must be actively employed through the entire semester to remain eligible for tuition payments.



- Dependents who have already earned a baccalaureate degree from an accredited undergraduate college are not eligible for undergraduate course work under this Policy.
- Payment will be made to the appropriate undergraduate institution or CGU only after evidence is received of successful completion of courses taken. A new application for tuition benefit must be submitted for each semester or module.
- This Tuition Benefit Policy applies only to the payment of tuition. The Policy provides no guarantee of admission to one of The Claremont Colleges.

Dependents

DEFINITIONS

- For purpose of this Tuition Benefit policy, full-time staff are defined as employees of CGU who work a minimum of 32 hours per week on a regular schedule. Full-time faculty are those members with a full-time regular appointment.

Amount of Tuition Benefit

Full tuition payment is made for one course or four (4) units per semester (including summer session) taken for credit in a degree program at any of the Claremont Colleges, including the Certificate Programs at CGU.



The program does not cover the cost of student fees, lab fees, library fines, books or any other non-tuition related expenses.



Amount of Tuition Benefit

- Tuition Remission benefit eligible employees are not eligible to receive any additional institutional funding.
- Staff members can only take one course or four (4) units per semester whether through the tuition remission program or paid for personally.
- Payment will be made to the appropriate undergraduate institution or CGU only after evidence is received of successful completion of courses taken. A new application for tuition benefit must be submitted for each semester or module.
- Classes may be taken during working hours only with the permission of the departmental supervisor. The policy for class attendance requires course hours taken during working hours must be made up within the same day or at a time when overtime would not be applicable.

AMOUNT OF TUITION BENEFIT



Employees who have already earned a baccalaureate degree from an accredited undergraduate college are not eligible for undergraduate course work under this policy.



Payment will be made to the appropriate undergraduate institution or CGU only after evidence is received of successful completion of courses taken. A new application for tuition benefit must be submitted for each semester or module.



Classes may be taken during working hours only with the permission of the departmental supervisor. The policy for class attendance requires course hours taken during working hours must be made up within the same day or at a time when overtime would not be applicable.

TAXABILITY OF BENEFITS

The tuition benefits you receive for courses taken through a graduate program (degree or non-degree) are considered taxable income by the government once you exceed \$5,250 in benefits for a calendar year.

Under current law, graduate tuition benefits for faculty and staff are subject to federal income tax, FICA (Social Security tax), Medicare tax and city wage tax to the extent that the benefits exceed \$5,250 per calendar year. This means you can receive up to \$5,250 in tuition benefits for each calendar year tax-free.

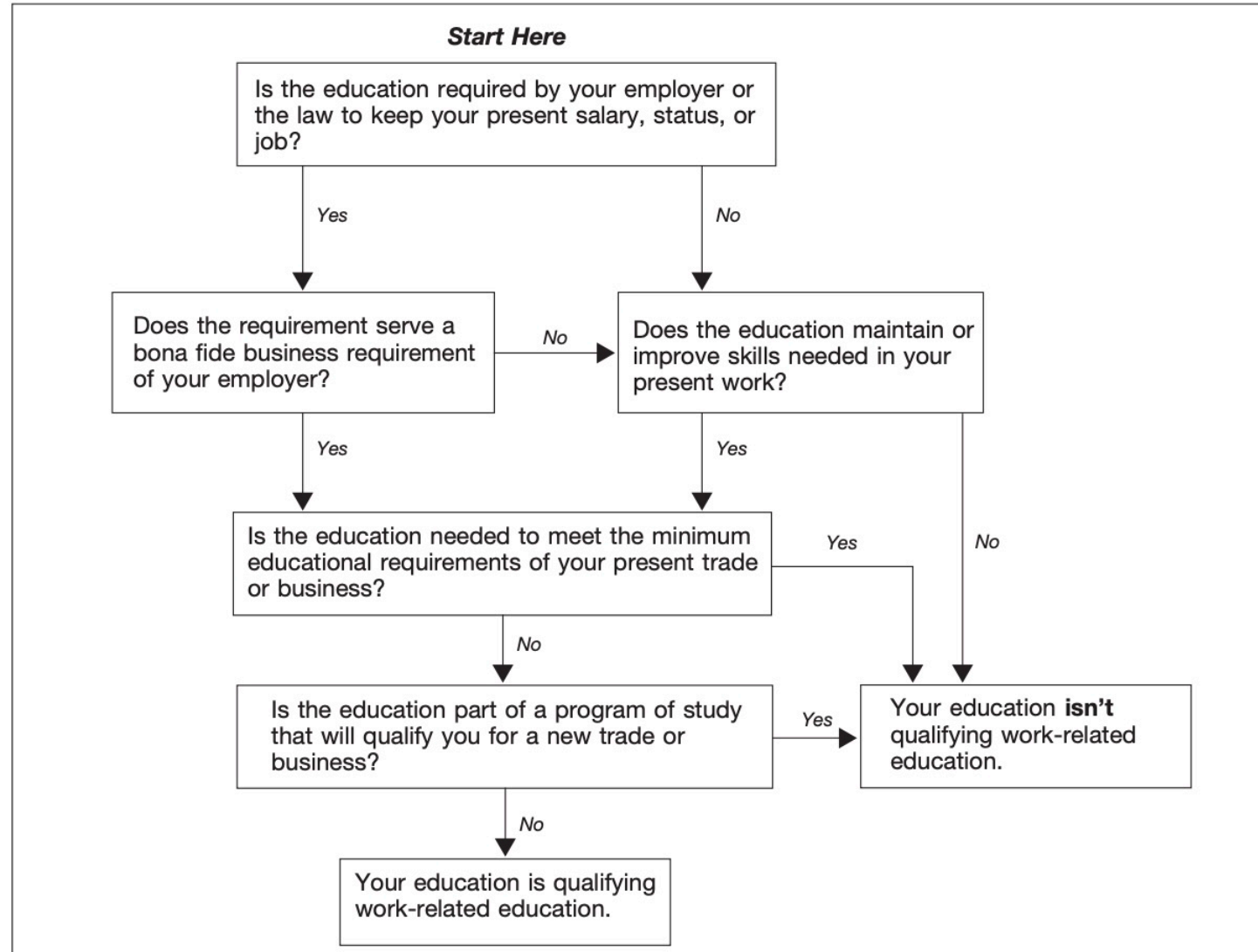
TAXABILITY OF BENEFITS

Any applicable taxes are withheld directly from your benefit and the remaining amount (net benefit) is awarded to you as the scholarship. In other words, CGU is covering your tuition charges per the benefit plan (gross benefit) but is deducting the taxes from your benefit and paying them on your behalf, so nothing is altered in your actual paycheck.

After the Tuition Benefit Office has made the payment of the net benefit to your student account, you'll have a balance left on your account which will include the amount withheld for taxes, in addition to any other fees or charges that aren't covered by the benefit.

Calculating Your Estimated Withholding

Figure 12-1. Does Your Work-Related Education Qualify?



Example of Calculations for Spring



SPRING - TAXABLE -
YES



$\$7,920 - \$5,250$
(WAIVED BY IRS) =
 $\$2,670$



OWE FOR SPRING
 $2,670 / 6 \text{ MONTHS} =$
 $\$445$



$\$445$ ADD TO
INCOME FOR TAX
PURPOSES



- Summer - Taxable - Yes
- $\$7,920 / 6 \text{ months} = \$1,320 + \$445 \text{ (from spring semester)}$
- $\$7,920 / 4 \text{ months} = \$1,980 + \$445 \text{ (from spring semester)}$
- Add to income for tax purposes

Example of Calculations for Summer

Taxes

- The *amount subject to withholding* is reported to the IRS as a part of your earnings and will appear on your W-2. The *withholding*, or taxes withheld from the benefit, is paid to the government and reported on your W-2 as taxes paid. The *net benefit* (after withholding has been deducted) is paid to your student account.
- You are then responsible for paying the remaining balance on your student account. The balance left on your student account is generally equal to what our office withheld for tax purposes, although it can also include any additional fees that the benefit does not cover

ADMISSION OF EMPLOYEES TO THE CLAREMONT COLLEGES



This Tuition Benefit policy applies only to the payment of tuition. The policy provides no guarantee of admission to one of the Claremont Colleges.



The employee should make his or her own arrangements for admission and enrollment. They should meet their College's requirements for continued enrollment. This policy comes into effect only when the employee has been admitted to a degree program in the college concerned.

ADMISSION OF EMPLOYEES TO THE CLAREMONT COLLEGES



Employees will not be granted admission into the program in which they are employed. This is a conflict of interest for both the employee and the faculty member.



Some staff positions within CGU may not be eligible to participate in the tuition remission program due to conflict issues. This would be determined and communicated during the hiring process.

PAYMENT OF TUITION REMISSION

Employees receiving a grade of "I" (incomplete) will not be allowed to continue their studies unless the tuition is paid by the employee, or until the employee receives an actual satisfactory/passing grade (C and above) for the course (s).

If the employee elects to pay the tuition before receiving a passing grade, they will forfeit the tuition benefit for that course. An incomplete grade may be carried over a total of two semesters.


PAYMENT OF TUITION REMISSION



If a passing grade is not received by the end of the second semester, the employee is responsible for the tuition payment and will forfeit the tuition remission benefit for that course.



Employees are required to turn in their Tuition Remission Form to the Human Resources Office and Student Accounts when registering for the new semester BEFORE the start of the term.



A registration hold is placed on employee student accounts at the end of each semester. Once the approved Tuition Remission Form has been received, the registration hold will be released.

Forms must be turned in according to the following schedule:



FALL: August 1



SPRING: January 1



SUMMER: May 15



Employees need to be aware of the payment due dates every semester and have all fees paid by the due dates.

PAYMENT OF TUITION

REMISSION

- Failure to turn in tuition documents and timely payment of fees will result in the assessment of late fee of 1.5% of the remaining balance. This fee will be charged monthly until the balance is paid.



Thank you!

Multa Lumina, Lux Una