

Tuition Benefits People Center

SECTION I PURPOSE OF THE POLICY

Champlain College (the College) strives to support faculty and staff success. This policy outlines educational benefits provided by the College to employees in order to facilitate professional development and engagement.

SECTION II ELIGIBILITY PROVISION

This policy applies to all full time, regular employees of Champlain College.

SECTION III DEFINITIONS

Spouse: A legally married partner of an employee of same or opposite sex.

Eligible Dependent Children: An eligible child can include your own biological child, legally adopted child or child placed for the purposes of adoption, foster child, stepchild, and any other child state or federal law that requires a child to be treated as a dependent. An eligible child can also include the child of your civil union partner, although that coverage is generally not available on a tax-favored status.

- The date of placement for a child who is being adopted means the assumption and retention by a person of a legal obligation for total or partial support of the child in anticipation of adoption of the child. The child's placement with a person terminates upon the termination of the legal obligation of total or partial support.
- To be considered a dependent child, a foster child must be dependent on you for their principal support and maintenance, and must be placed by the court in your custody.
- To be considered a dependent child, a stepchild must be dependent on you for their principal support and maintenance and must not be a dependent child for tax purposes of any other individual. A stepchild means the child of your spouse by a previous marriage / partnership.

"Principal support" means more than half of the dependent child's support.

Non-dependent Children (as defined by IRS): An eligible child may include your own biological child, legally adopted child, stepchild, and child of your civil union partner who are not considered your dependent under IRS rules.



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Retired: For the purposes of the Tuition Benefits Policy only, "retired" is defined as someone who voluntarily terminates their full-time employment with the College following at least 10 years of service and who is at least 62 years of age on their last day of full-time employment with the College.

Space-available basis: For the purposes of this policy, employees, eligible dependents and non-dependents may be enrolled in courses during open registration periods. If courses become full with tuition-paying students, the employee or eligible dependent / non-dependents may be notified that the courses are no longer available and alternative courses may need to be identified.

Working Condition Fringe: Per the Internal Revenue Service (IRS); "certain job-related education provided by an employer may qualify for [tax] exclusion as a working condition benefit. To qualify, the education must meet the same requirements that would apply for determining whether the employee could deduct the expenses had the employee paid the expenses. The education must meet at least one of the following tests.

- The education is required by the employer or by law for the employee to keep their present salary, status, or job. The required education must serve a bona fide business purpose of the employer.
- The education maintains or improves skills needed in the job.

However, even if the education meets one or both of the above tests, it is not qualifying education if it:

- Is needed to meet the minimum educational requirements of the employee's present trade or business, or
- Is part of a program of study that will qualify the employee for a new trade or business.

Term: For purposes of this policy a "term" is defined as the common unit of academic time for the program as defined by the institution being attended. Examples are a semester, or a quarter; it may vary between undergraduate, graduate and doctoral programs.

IRS Regulations: For the purpose of this policy, this term refers to the IRS' tax regulations in place at the time the tuition benefit occurs. Champlain College refers to the IRS Publication 15-B, *Employer's Tax Guide to Fringe Benefits*.

SECTION IV POLICY

4.1 Non-Credit Courses and Workshops or Programs at Champlain College

4.1.1 Employee:

Fees may be paid by the staff or faculty member's department if the topic is relevant to the employee's current job or listed in the employee's development plan and payment is approved by the supervisor or is offered by the People Center as a staff development initiative.



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Unapproved course or workshop fees are covered by the employee.

Champlain College non-credit courses and workshops which are paid for by the College will not be reported as taxable wages on the employee's W-2 form.

4.1.2 Dependents(s)/Non-dependent Children:

The College does not provide tuition assistance or coverage for non-credit courses and workshops or programs for dependents or non-dependent children.

4.2 Undergraduate Tuition at Champlain College

4.2.1 Employee:

Employees may normally take for-credit course tuition-free on a "space-available" basis. Under special circumstance, an employee may be permitted to take one course during working hours with the approval of the employee's supervisor. There is no limit to the number of courses or degrees that an employee may take over the course of that individual's career at the College. The College does not pay bonuses for degrees earned.

This tuition benefit is excludable under IRS regulations and is therefore not reported as taxable wages on the employee's W-2.

Books, residency costs, labs, fees and other non-tuition expenses are not paid for by the College.

4.2.2 Eligible Dependent Children and Spouses

Eligible Dependent children and spouses may take for-credit undergraduate courses tuition-free. The benefit is available to spouses and dependent children of active full-time, regular employees on a "space-available" basis. If an individual is matriculating in a degree program every effort will be made to accommodate that student in the current term and if space prohibits then the student will be seated in the following terms for that course. There is no limit to the number of courses or degrees that may be taken. Tuition for programs at Champlain's Education Abroad sites is covered under the policy; non-tuition expenses are not covered. The tuition benefit is excludable under the IRS regulations and is not reported as taxable wages on the W2.

Books, residency costs, labs, fees and other non-tuition expenses are not paid for by the College.

The benefit is provided to Eligible Dependent children of retired or deceased full-time employees, or full-time employees on long-term disability (see Definitions above) until the end of the academic year in which the child reaches the age of 25.

If an employee dies or becomes disabled (per the terms of Champlain College's short and long-term disability insurance programs) while a dependent child is enrolled in a College undergraduate program, the dependent child(ren) will be provided this benefit through graduation.

4.2.3 Non-dependent children (as defined by IRS), and Civil Union Partner

Non-dependent children and Civil Union Partners may take courses at no cost to the employee, on a "space available" basis. Non-dependent children are limited to two courses per semester. There are no limits to the number of courses a civil union partner may enroll in. The benefit is not available to non-dependent children of retirees (see Definitions).

Books, residency costs, labs, fees and other non-tuition expenses are not paid for by the



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College.

The total amount of the benefit is reported as taxable wages on the employee's W-2 and is considered taxable income. Champlain College pays employer FICA taxes on this taxable income; the employee is responsible for all other taxes and is subject to appropriate withholding during normal payroll cycles.

4.2.4 Student Handbook

All employees, dependents and non-dependents must abide by the College policies and procedures in the current Student Handbook.

4.3 Graduate Tuition at Champlain College

4.3.1 Employee

Employees of the College may normally take for-credit Graduate courses tuition-free on a "space-available" basis. If an individual is matriculating in a degree program every effort will be made to accommodate that student in the current term and if space prohibits then the student will be seated in the following terms for that course. Under special circumstances, an employee may be permitted to take one course during working hours with the approval of the employee's supervisor. Any time limitations on degree completion may be adjusted for employees if their schedule is impacted by the "space-available" clause.

Books, residency costs, labs, fees and other non-tuition expenses are not paid for by the College.

IRS regulations determine the maximum amount of tuition value, per calendar year, that need not be reported as taxable wages. Note: IRS regulations stipulate that tuition benefits valued at over \$5,250 per calendar year are to be reported as taxable wages on the employee's W-2 form unless the amount is excludable as a "working condition fringe."

Champlain College pays the employer FICA taxes on taxable wages. The employee is responsible for all other taxes. Employee taxes are deducted during normal payroll cycles. This benefit is not available to retirees.

4.3.2 Spouse, Dependent and Non-Dependent children (as defined by the IRS), and Civil Union Partner

Spouses, dependents, non-dependent children and civil union partners may take one graduate course per term at no cost to the employee, on a "space available" basis. Any time limitations on degree completion may be adjusted for these individuals. If an individual is matriculating in a degree program every effort will be made to accommodate that student in the current term and if space prohibits then the student will be seated in the following terms for that course. However, preference will always be given to Employees matriculating in the program over those in this classification.

Books, residency costs, labs, fees and other non-tuition expenses are not paid for by the College.

The total amount of the benefit is reported as taxable wages on the employee's W-2 and is considered taxable income. Champlain College pays employer FICA taxes on this taxable income; the employee is responsible for all other taxes and is subject to appropriate withholding during normal payroll cycles.

If an employee dies or becomes disabled (per the terms of the College's short and long-term



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disability insurance programs) while a dependent child is enrolled in a Graduate program of the College, the dependent child(ren) will be provided this benefit through graduation. This benefit is not available to retirees' spouse, civil union partner or other dependents and non-dependents.

4.3.3 All employees, dependents and non-dependents must abide by the College policies and procedures in the current Student Handbook.

4.4 Tuition Assistance: Education Study at Other Accredited Institutions

4.4.1 Employee: Undergraduate and Master's Degree Study

Champlain College pays 50% of tuition, up to \$1,500 per term. The cost of the benefit may not exceed \$3,000 per fiscal year. Not more than 8 credits may be taken in one term without permission of the employee's supervisor.

Books, residency costs, labs, fees and other non-tuition expenses are not paid for by the College.

The selected program of study must be deemed beneficial (i.e. work related) to Champlain College.

IRS regulations determine the maximum amount of tuition value, per calendar year, that need not be reported as taxable wages. Note: IRS regulations stipulate that Graduate tuition benefits valued at over \$5,250 per calendar year, are to be reported as taxable wages on the employee's W-2 form unless the amount is excludable as a "working condition fringe."

Continued Employment Conditions

Staff/faculty approved for master degree studies tuition reimbursement will be required to complete one (1) full year of employment at Champlain College after completion of the course(s) for which reimbursement is awarded pursuant to this policy. In the event the employee ends the program early or leaves Champlain before the end of the one year period described above, the following penalty provisions apply: *(The year period will be measured back from termination date to course start date.)*

- If employee quits the program before completion, they will be required to repay 50% of the tuition paid to or on their behalf to Champlain College.
- If employee voluntarily leaves employment at Champlain prior to completion of the degree, they will be required to repay 50% of the tuition paid to or on their behalf to Champlain College.
- If employee voluntarily leaves employment at Champlain after completion of the degree but before the completion of 1 full year of employment following the degree completion, they will be required to repay 50% of the tuition paid to or on their behalf to Champlain College

Employees whose employment is terminated non-voluntarily will not be required to reimburse the college. Nothing in this policy shall be interpreted as creating a contract of employment between the employee and the college.



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4.4.2 Employee: Doctoral Study

Full-time staff and full-time regular faculty (as defined in the Faculty Handbook) with three(3) or more years of full-time employment status who do not have a doctoral degree, are eligible to receive partial tuition reimbursement for their studies toward their doctoral degree.

Champlain College pays 60% of tuition, up to \$2,500 per term, however, the cost may not exceed \$5,000 per fiscal year with a lifetime maximum of \$30,000.

The College will pay half of dissertation holding fees for up to two terms; exceptions to this limit must be approved by the Chief Academic Officer and the Senior Vice President of Finance and Administration. This benefit may be applied towards one doctoral degree.

Participants in this benefit must obtain advanced approval from the Senior Vice President of Finance and Administration for staff reimbursement, and the Chief Academic Officer for faculty reimbursement. The selected program of study must be deemed beneficial (i.e. work related) to Champlain College.

Books, residency costs, labs, fees and other non-tuition expenses are not paid for by the College.

IRS regulations determine the maximum amount of tuition value, per calendar year, that need not be reported as taxable wages. Note: IRS regulations stipulate that tuition benefits valued at over \$5,250 per calendar year are to be reported as taxable wages on the employee's W-2 form unless the amount is excludable as a "working condition fringe."

Continued Employment Conditions

Staff/faculty approved for doctoral studies tuition reimbursement will be required to complete two (2) full years of employment at Champlain College after completion of the program for which reimbursement is awarded pursuant to this policy. In the event the employee ends the program early or leaves Champlain before the end of the two year period described above, the following penalty provisions apply: *(The 2-year period will be measured back from termination date to course start date.)*

- If employee quits the program before completion, they will be required to repay 50% of the tuition paid to or on their behalf to Champlain
- If employee voluntarily leaves employment at Champlain prior to completion of the degree, they will be required to repay 50% of the tuition paid to or on their behalf to Champlain
- If employee voluntarily leaves employment at Champlain after completion of the degree but before the completion of 2 full years of employment following the degree completion, they will be required to repay 50% of the tuition paid to or on their behalf to Champlain College

Employees whose employment is terminated non-voluntarily will not be required to reimburse the college. Nothing in this policy shall be interpreted as creating a contract of employment between the employee and the college.



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4.4.3 There is no coverage for tuition assistance at other institutions for retirees, retirees' dependents or non-dependent children, spouse or civil union partner.

4.5 Tuition Exchange Program

The Tuition Exchange benefit is limited to full-time, active employees' dependent children and the children of deceased or disabled employees who died or became disabled while full-time, active employees. It is available *only* on a space-availability basis (see *Tuition Exchange Benefit*). Dependent children of employees who retire while the dependent is enrolled in the Tuition Exchange program may remain in the program subject to the conditions of the program.

SECTION V POLICY ADHERENCE

The Senior Vice President of Institutional Advancement and Finance is the responsible official for this policy. Any exceptions to this policy must be approved by the Senior Vice President of Institutional Advancement and Finance.

SECTION VI CONTACT

Questions related to the interpretation of this policy should be directed to the Benefits Director or Vice President, People and Technology.

People Center policies and procedures are updated on an as-needed basis. As such, the College reserves the right to alter, amend or suspend the terms of this policy at its sole discretion; please refer to the policies posted on the People Center website for the most current version. This policy does not constitute an employment contract.

Tuition Exchange Benefits



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Champlain College is a member of [The Tuition Exchange, Inc.](#), a higher education consortium that provides scholarships to dependent children of employees who attend participating colleges and universities. Champlain College's agreement with The Tuition Exchange, Inc. ("TE") permits a limited number of students each year to enroll in undergraduate degree programs at over 600 participating colleges and universities located across the U.S. and the United Kingdom.

The key requirement of the Program is that member institutions must maintain a balance of "import" credits and "export" credits over a five-year period. We (Champlain College) may import as many students as we wish; however, we cannot send out more students (exports) than we receive (imports). Please note that the selection criteria for participation in the Tuition Exchange program is made by the admitting institution, and not Champlain College, and may be limited by the availability of Tuition Exchange program slots, academic rules and regulations, and other requirements of the admitting institution. Even if students are admitted to an institution, there is no guarantee that they will receive the TE Scholarship.

The following Guidelines are applicable to regular full-time Champlain College employees or retirees who participate in the Tuition Exchange Program. The College reserves the right to review and modify these guidelines and eligibility requirements to insure an appropriate balance of "import" and "export" students.

Eligibility

The Tuition Exchange program is a scholarship program, and not a fringe benefit provided by Champlain College. Submitting a [Champlain College Application for the Tuition Exchange program](#) does not guarantee acceptance at a Tuition Exchange member institution or insure a Tuition Exchange scholarship.

1. The employee must remain in employment during the term of the scholarship. If an employee:
 - a. Terminates employment after a student is enrolled with a scholarship, the dependent child would be allowed to complete the current semester.
 - b. Becomes permanently disabled from further employment while employed by the College, their dependent children are entitled to the same tuition benefits they would have received had the parent continued employment.
 - c. Dies while a dependent child is enrolled in a scholarship, the dependent child would be allowed to continue with the awarded scholarship through to graduation.

Scholarships may cover up to four years (eight semesters) of full-time undergraduate education and must be renewed every year. TE scholarship will be awarded to only one child of an eligible employee at a time. Each child must undertake the eligibility and application process. Scholarships are not granted for graduate study, non-degree study, or second undergraduate degree.

Definitions

1. **Dependent Child:** Defined as any natural or adopted child who is legally dependent by IRS definition upon the employee or for whom legal guardianship can be documented. The dependent child must enroll in a program of undergraduate study prior to their 23rd birthday.



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2. **Tuition Exchange Liaison Officer:** The Benefits Director is responsible for ensuring that campus employees are informed about the TE program and for assisting interested candidates and their families with TE application procedures. The Admissions Office will field inquiries from applicants for import scholarships.

How to Apply

1. Review the list of Tuition Exchange institutions available at www.tuitionexchange.org.
2. Complete and submit the Champlain College Tuition Exchange Employee Application Form to the Benefits Director in the People Center. **Proof of the dependent's relationship to the employee** must be provided with the application. Acceptable documentation is a copy of the dependent's birth certificate or a copy of your most recent tax return. The application must be received by the People Center no later than **November 1st for the following academic year.**
3. Tuition Exchange scholarship candidates must apply for admission to each member institution they wish to attend and complete any financial assistance documents required by that institution.
4. The TE Liaison Officer will verify the eligibility and longevity of the employee/parent.

Selection Process

1. By April 1, of each academic year, Champlain College will be given the number of TE "units" available for the upcoming academic year. The number of available "units" or "slots" will be determined by the current number of Champlain College "imports" and "exports"; correspondingly, these will vary from year to year. Slots will be assigned to applicants. These will correspond to the number of scholarships available.
 - a. If the number of applicants is equal to the number of TE scholarships available, each applicant will be given the opportunity to apply for a TE scholarship.
 - b. If the number of applicants exceeds the number of TE scholarships, candidates will be selected on the following priority ranking:
 1. First priority will be given to students who are already enrolled in a member institution, and who are holding a TE scholarship. The student must also be in good academic standing (at least 2.5 on a 4.0 scale) at the end of the academic year.
 2. Second priority will be given to applicants based on employment seniority of the parent. Seniority is based on years of full-time service at Champlain College starting from the date of full-time regular employment. Among applicants whose parents have the same years of longevity, priority will be determined by financial need as measured by the Parents' Confidential Statement. A family may have only one dependent in the TE program at a time.
 3. Third priority will be given to retirees.
 4. Fourth priority will be given to students with siblings who are currently enrolled in the TE program or have already received a TE scholarship.



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5. Fifth priority will be given to students who have withdrawn from school for other than medical reasons.
 - c. Applicants who are not selected as TE recipients will be placed on a waiting list as alternates for the upcoming academic year in accordance with the priority ranking in item b. above.
 - d. In the event that a TE recipient chooses to attend a non-TE institution or otherwise forfeits the right to receive a TE scholarship, alternates will be reconsidered for any available slots.
 - e. Alternates who are not selected may reapply for a TE scholarship for the following academic year in accordance with the priority ranking described in item b. above.
2. Verifying with the Finance Office, the TE Liaison Officer certifies the eligibility of selected applicants to apply for a TE scholarship. The selected applicants will complete an "Application/Certification for Tuition Exchange Scholarship" which is available from the People Center, and upon completion, will return it to the TE Liaison Officer. Failure to return this form in a timely fashion may result in forfeiture of application.
3. Selected applicants must accept the TE scholarship award in writing by May 1 for the upcoming academic year and notify the TE Liaison Officer of the decision to enroll in a TE member institution. Applicants who do not meet this requirement will forfeit their awards to alternates on the waiting list.
4. Students will ordinarily be able to remain in the program for four years, but continued participation depends upon yearly certification of eligibility, the student's adequate academic standing at the host institution, and Champlain College's ability to attract sufficient "imports" to offset or balance its "exports." Accordingly, renewal forms must be completed and processed no later than January 1 for the academic year beginning in September.
5. Eligibility to apply for a TE scholarship is determined by Champlain College. However, TE scholarships are granted by the host institution. Champlain College cannot guarantee that any applicant, no matter how well qualified, will receive a TE scholarship from the host institution which may choose to restrict its imports if their number exceeds exports.
6. Continued participation in the program is contingent upon maintaining a GPA of at least 2.5 on a 4.0 scale. Each recipient who is awarded a TE scholarship must submit a transcript to the TE Liaison Officer within one month after the end of each academic year.

If a TE recipient takes a leave of absence or withdraws from school, the student must notify the TE Liaison Officer at both Champlain College and the host institution immediately.

