

The University of Alabama System Office

Educational Benefit Policy

The UA System Office offers educational assistance to eligible employees and their eligible dependents who are enrolled at any of the UA System campuses. In accordance with usual academic rules, admission must first be obtained in order to receive educational benefits.

Fees and other charges of any kind will not be reimbursable under this policy effective with fall 2019 enrollment. This includes, and is not limited to, the cost of housing, meal charges, or fees, e.g., course fees, college fees or charges associated with the auditing of a course. The calculation of assistance is based on a certain percentage of the tuition costs only.

Benefit Cap

Some UA System campuses may apply a dollar cap to educational assistance for employees and/or their dependents. If a UA System employee or their dependent(s) attends a university that applies a dollar cap to their education benefit, the same dollar cap will be applied to the UA System benefit.

Eligibility for Educational Benefits

Upon employment, all regular (not temporary) part-time and full-time employees are eligible to receive educational assistance if enrolled at any of the System campuses.

Spouses and dependents of eligible employees are eligible to receive educational assistance after the employee has been employed six (6) months.

All System Office retirees and their spouse and dependents maintain eligibility for assistance if they were eligible on the last day of the retiree's employment. Assistance for spouses and dependents will cease at the retiree's death.

Note: Eligible System Office retirees are those individuals who meet the (retirement) service and age requirements as defined by the Teachers' Retirement Systems of Alabama.

Educational Benefit for Eligible Employees

The educational assistance provides reimbursement to eligible full-time employees of an amount equal to 100% of the tuition costs for three (3) credit hours in the fall and spring semesters and six (6) credit hours in the summer terms at the standard on-campus, in-state graduate or undergraduate tuition rate. All other hours taken will result in reimbursement of an amount equal to 50% of the tuition costs at the standard on-campus, in-state undergraduate or graduate tuition rate. Higher tuition rates for special enrollment programs, such as but not limited to law school, medical school, or executive programs do not entitle employees to amounts above the standard on-campus, in-state graduate tuition rate.

Eligible part-time employees will receive a prorated amount of educational assistance based upon their full-time equivalency (FTE).

The employee must be in an eligible employment status through the first day of classes to receive educational assistance for the fall semester, spring semester, or summer terms. If it is

later determined that the employee was not eligible, any applicable educational assistance may be recalled. Employees are responsible for notifying the HR Department of the UA System Office regarding any information that would affect eligibility for educational assistance.

If the employee terminates employment or becomes ineligible during the course of the term, any educational assistance in place at the time of termination will remain in effect for the remainder of that term only.

Educational Benefit for Spouses and Dependents of Eligible Employees

After eligible employees have been employed six (6) continuous months, spouses and dependents may be reimbursed an amount equal to 50% of the tuition costs at the standard on-campus, in-state undergraduate or graduate tuition rate for eligible courses. Higher tuition rates for special enrollment programs, such as but not limited to law school, medical school, or executive programs do not entitle the eligible dependent to amounts above the standard on-campus, in-state graduate tuition rate.

The employee must be in an eligible employment status through the first day of classes for the spouse or dependent to receive educational assistance for the fall semester, spring semester or summer terms. If it is later determined that the employee was not eligible, any applicable educational assistance may be recalled. Employees are responsible for notifying the HR Department of the UA System Office regarding any information that would affect eligibility for educational assistance.

If the employee terminates employment with the System Office or an eligible dependent becomes ineligible during the course of the term, any educational assistance in place at the time of termination will remain in effect for the remainder of that term only.

For the purposes of this policy, a dependent child must either meet the definition of an IRS dependent or must be unmarried and under age 26 on the first day of classes.

Only one educational assistance occurrence per student will be awarded even if more than one family member is employed by the System Office.

Dependents of eligible part-time employees will receive a prorated amount of educational assistance based upon the employee's full-time equivalency (FTE).

For student financial aid purposes, the educational benefit may be considered a financial resource that must be deducted from estimated financial need in accordance with Federal regulations. Contact the campus's Student Financial Aid Office if additional information is needed.

Spousal/Dependent Child(ren) Verification

Documentation to substantiate whether an individual is a spouse and/or dependent child of the employee is required. Such documentation includes tax returns, birth certificates, marriage certificates, and etc. If it is determined that the information provided has been intentionally falsified, the employee may forfeit the educational benefit and may be responsible for reimbursing the University for any amount paid in benefits. The employee should notify UA System Office Human Resources immediately of any change in eligibility or tax status.

Procedures

Eligible employees who wish to apply for educational assistance for themselves or for their eligible spouse/dependents should complete and submit an educational assistance application to the HR Department of the UA System Office. Applications are available online on the UA System Office webpage. Only one application per student is necessary for the academic year. The academic year begins with the fall semester and ends with the summer terms. To obtain reimbursement, receipts and a completed requisition form must be submitted to Payroll who will then process the reimbursement.

For those educational benefits which are taxable, reimbursement will be processed through payroll as a separate check from the employee's regular payroll check.

Class Attendance for Credit Courses during Working Hours

In order for an employee to attend a class during working hours, prior approval by the appropriate supervisor must be given. Such approval is limited to three (3) work hours per week with the understanding that the time off does not interfere with the daily operation of the work unit. Time off to attend a class during working hours may be approved as annual leave or personal leave or the time off may be made up.

Taxation of Benefits

Tuition benefits can be taxable at the federal and/or state level depending on a number of factors. Please refer to the educational assistance application for up-to-date and detailed taxation information and consult your accountant for tax advice.