Policy title	Category
NWU Undergraduate Tuition Remission and Tuition Exchange Plan Document	Business Office Financial Aid Human Resources
Owner Human Resources	**Approved by** Ad Council

Policy statement

Nebraska Wesleyan University (NWU) offers undergraduate tuition remission benefits to eligible employees, their spouse, and dependent children. NWU also offers undergraduate tuition remission benefits to eligible domestic partners and their dependent children. (However, neither domestic partners nor their dependent children qualify for tax free tuition remission benefits under the Internal Revenue Code (IRC). Taxation for domestic partners and their dependent children is outlined below under the section “Tax Liability for Employees, Spouses, Dependent Children, and Domestic Partners”). The NWU tuition remission benefit may be used for 135 hours of academic credit, or 150 hours of credit under the Business, Economic, and Accounting Department’s accounting major at NWU using the tuition remission benefit, whichever occurs earlier.

The undergraduate tuition remission benefit will apply only to credit earned at NWU and will include tuition for regular academic year classes, Wesleyan Honors Academy classes, regularly scheduled Summer Session classes, and Winter Term classes. Requests for tuition remission for off-campus programs will be reviewed on a case-by-case basis. The recipient of this benefit is still responsible to pay all associated fees, non-tuition related costs charges, tuition assessed in addition to “full regular tuition”, or summer session courses arranged to meet the needs of individual students (such as tutorials, special projects, and internships).

Employees classified as 1.0 FTE are eligible for a 25% tuition remission benefit during their first year of employment and a 100% tuition remission benefit after having worked 2,080 hours (1 year) for undergraduate level courses.

Part-time employees classified as less than 1.0 FTE are eligible for a 25% tuition remission benefit until they have accumulated the number of worked hours to equal the equivalent of one full year of employment (2,080 hours) at which time they will be eligible for a 50% tuition remission benefit for undergraduate level courses. For example, part-time athletic coaches may earn a 25% tuition remission at the beginning of employment and after 4 years of employment will be considered to have worked and accumulated the number of hours to equal the equivalent of one full year of employment (2,080 hours) and would be eligible for a 50% tuition remission benefit.

Adjunct faculty will receive tuition remission benefits per the calculation as outlined in the benefits section of the Faculty Handbook.

Tax Liability for Employees, Spouses, Dependent Children, and Domestic Partners:

Undergraduate tuition remission benefits for eligible employees, their spouse, and dependent children are considered a non-taxable benefit to the employee with the submission of the employee’s prior year Income Tax Return (page 1) listing dependents. Failure to submit the employee’s prior year Income Tax Return prior to the start of the term in which the tuition remission benefit is given will cause the tuition remission benefit to become a taxable benefit for the employee during the term in which courses are taken. In the event an employee needs to file an extension for the prior year’s Income Tax Return, the most recently filed Income Tax Return must be provided to Human Resources prior to the start of the term in which the tuition remission benefit is given.

Undergraduate tuition remission benefits for eligible domestic partners and their dependent children are considered a taxable benefit to the employee under the Internal Revenue Code (IRC). The value of the tuition remission benefit for a domestic partner or their dependent children received during a semester is imputed to the employee’s income from NWU and taxed during standard payroll processing for the period the benefit is received.

Effective May 12, 2023, NWU will use Federal and State financial aid in the calculation of the amount of tuition remission benefits.

Employees and students receiving the 100% undergraduate tuition remission benefit may not receive other scholarship, aid, student employment, or grant from NWU unless approved by NWU's President. Tuition remission will not be granted to any student on disciplinary probation or not meeting Satisfactory Academic Progress (SAP) guidelines. Tuition remission is not automatic; it is reviewed each semester through the Director of Financial Aid. All enrollment standards must be met before the tuition remission benefit is provided. NWU reserves the right to deny this benefit to an employee where enrollment would exclude a tuition-paying student.

Employees receiving the tuition remission benefit will be required to sign a payroll reduction/taxation agreement for any required repayment or taxation necessary in accordance with this policy.

Definitions for Spouse, Domestic Partner and Dependent Children:

- A spouse is an employee's husband or wife, as recognized by the laws of the State of Nebraska.
- Dependent children include any naturally born child, legally adopted child (or a child lawfully placed with the employee for legal adoption by the employee), stepchild, or foster child of an employee who qualifies as the employee's dependent.

To qualify as the employee's dependent, the child must: (1) have the same principal place of abode as the employee for more than one-half of such taxable year and have not provided over one-half of their own support for the calendar year, (2) either (a) not have attained age 19 as of the close of the calendar year, or (b) be a full-time student and not have attained age 24 as of the close of the calendar year, and (3) not have filed a joint return with the child's spouse for the calendar year. For purposes of meeting the requirement of a "dependent" of the employee, a child generally must be listed on the employee's prior year's income tax return as a dependent; however, a child of divorced parents shall be treated as a dependent of both parents.

- A domestic partner is defined as a person of the same or opposite sex meeting all of the following eligibility criteria. The employee and domestic partner must:

1. Be at least age 18 and mentally competent to enter into a legal contact;
2. Be each other's sole domestic partner;
3. Have maintained the same principle residence together for more than 12 months;
4. Be responsible in full or in part for each other's welfare and have joint financial commitments;
5. Not be married to or legally separated from anyone else nor have had another domestic partner within the last 12 months; and
6. Not be related by blood closer than would bar marriage in their state of residence.

NWU "Flex time work schedule privilege": Guidelines for the use of flex time when taking classes while using the tuition remission benefit:

NWU tries to provide employees with the opportunity to modify their work schedule to take classes at NWU. The flex time work schedule benefit to take classes, however, is not an automatic right but a privilege provided only if the nature of the employees' duties allows the employee to flex their daily work schedule. It is important to understand that there are positions on campus that by their very nature cannot accommodate a flex time work schedule. When "flex time work schedule" appears in this tuition remission policy it is understood to mean a flexible work schedule for the purpose of taking classes at NWU.

Educational courses can be taken during an employee's duty hours under NWU's "flex time work schedule privilege" benefit after meeting the following guidelines.

- An employee may request a "flex time work schedule" which may include up to three (3) designated hours per week during which the employee may, with the approval of the supervisor, request an alternative work schedule, in order to take classes at the NWU. Other classes may be taken outside the employee's work schedule.
- A flex time work schedule means the employee must flex worked hours within the standard workweek; Sunday through Saturday.
- Flextime must be arranged to meet the job responsibilities without the use of overtime; however, in the event NWU needs to have an employee work additional time in a work week, hours to attend class will not be counted in an employee's overtime calculation.
- Courses of study are not restricted to courses that directly benefit the individual's performance and fulfillment of the responsibilities of their position but may be for any course.
- A flex time work schedule may require coverage by a second employee and may be acceptable unless severe hardship is documented or additional cost to NWU is incurred.
- An employee's proposed flex time work schedule will be approved if it does not interfere with the work or service to be performed. Within this framework, every effort should be made to accommodate an employee's flex time work schedule request.

- It is intended that with the implementation of the flex time work schedule, a commitment by the supervisor or department is made for a period of not more than one course session or term at a time.
- Selection of the flex time work schedule for each course session or term shall be made at least one month prior to the start of the term. The supervisor can waive the one-month period of review.
- An approved flex time work schedule should remain stable, except when a special need arises. Emergencies in the work area are given first priority and absences from class can be required due to emergencies in the work area.
- In the event that multiple flex time work schedule requests would leave an area understaffed, the following options for handling such a situation are available:

1. Seniority.

2. Waiting List.

3. Rotating which employee in an area receives first choice for flextime.

- It is the responsibility of the supervisor to arrange work assignments and schedules.
- Duties and responsibilities can be temporarily reassigned to make the work assignments more equitable. (If an employee who is not flexing time is required to take on the assignment of answering the phones for another employee during their flexed work time, the employee flexing time worked would be assigned one of the employee's duties who is not flexing time to compensate.)
- Employees are allowed to adjust their meal break schedules to take classes. The supervisor must approve any adjustment in meal break schedules.
- If a class is scheduled over the employee's meal break, it is expected the employee will not use flex time for the amount of time of the standard meal break. If employees take classes during their meal breaks; meals may not be taken during other work hours.

Employment separation and tuition remission parameters:

If an employee voluntarily separates prior to the end of course session or term in which the employee or a dependent is receiving tuition remission benefits, the employee will be expected to pay the prorated portion of the tuition for that course session or term. Non-payment of the prorated portion of the tuition will result in a hold on the student’s account which will also withhold transcripts/diploma until payment is made.

If an employee is involuntarily terminated from employment for cause or for performance reasons, the tuition remission benefit may end as early as the date the eligible employee ceases employment or at the end of the course session or term.

If an employee is terminated from employment due to lay-off or a reduction in force, the employee, the employee’s spouse, and/or the employee’s dependent children will continue to receive tuition remission benefits for the course session or term. Eligibility to receive tuition remission benefits for any subsequent term(s) ceases unless authorized by NWU’s President.

Other Tuition Remission Benefits for Employees’ Dependents in Undergraduate Programs or Degrees

Tuition remission benefits for the spouse or dependent child of an employee who becomes deceased while employed

A tuition remission benefits eligible employee who dies while an active employee of NWU, will continue to receive tuition remission benefits for an eligible spouse or dependent child(ren) at a rate of 10 percent for each year the employee was eligible to receive tuition remission benefits, up to 100% for employees classified as 1.0 FTE while employed at NWU and up to 50% for employees classified as less than 1.0 FTE while employed at NWU.

For a spouse to be eligible for these benefits, the spouse must have been married to such employee at the time of death and provide legal documentation of the relationship. Eligibility of the spouse will cease upon remarriage or when the maximum number of credits allowed through NWU’s tuition remission benefit have been utilized.

A dependent child will be eligible for these benefits prior to age 24 and until the maximum number of credits allowed through NWU’s tuition remission benefit have been utilized.

Tuition Remission benefits for a spouse or dependent child of a disabled employee

A tuition remission benefits eligible employee who becomes continuously disabled during employment as an employee of NWU will receive tuition remission benefits for the employee’s spouse or dependent children at a rate of 10 percent for each year the employee was eligible to receive tuition remission benefits. Disabled means the inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months.

For a spouse to be eligible for these benefits, the spouse must have been married to such employee at the time of the disability and provide legal documentation of the relationship. Eligibility of the spouse will cease upon divorce from the disabled employee or when the maximum number of credits allowed through NWU's tuition remission benefit have been utilized.

A dependent child will be eligible for these benefits prior to age 24 and until the maximum number of credits allowed through NWU's tuition remission benefit have been utilized.

Employees with a current hire date on or after the effective date of this policy will have benefits administered according to this policy. Employees with a current hire date prior to the effective date of this policy (May 5, 2023) will have benefits administered using the prior policy, with the exception of how NWU calculates the tuition remission benefits using Federal and State financial aid as noted in this policy.

Tuition Exchange Degrees

The Tuition Exchange (TE) program was founded in 1954 providing students more choices and an opportunity to find the right school for every student. TE is a potential tuition award and scholarship program which awards up to full tuition or the annual TE established set tuition rate. This benefit only applies to full-time, degree-seeking students who are eligible for 100% tuition remission benefits under NWU. Costs not covered by the TE scholarship include fees, books, room and board. There is a maximum of 8 semesters of scholarship award.

Important Dates:

Selection of incoming candidates will be completed by April 1st or earlier of each year. Employees who have dependents interested in this program should seek additional information about the exchange program from the Director of Scholarship and Financial Aid by October 1st of each year.

Questions about this policy and implementation procedures should be referred to the Human Resource Office.

Last revised date
May 5, 2023