

LINCOLN UNIVERSITY

Procedure: Tuition Remission Program
Policy number: HRM-107
Effective date: July 2000
Revision: February 2020, May 2023 (Edited)
Next review date: December 2023
Review officer: Vice President for Human Resources
Status: Approved by President and Board of Trustees and Active

1. Introduction

Lincoln University ("University") recognizes that the skills and knowledge of its employees are critical to the success of the organization. The Tuition Remission program ("Program") encourages personal development through formal education at the University so that employees and their dependents can maintain and improve job-related skills or enhance their ability to compete for reasonably attainable jobs within University.

2. Intent of Program

It is the intention of the University that the Program contain two separate and distinct sub plans. The first sub plan is intended to qualify as a plan providing qualified tuition reduction under Section 117(d) of the Internal Revenue Code of 1986, as amended ("Code") and that the tuition reduction under the Program be eligible for exclusion from the employees' income under Code § 117(d) (hereinafter, the "Tuition Reduction Plan").

The second sub plan is intended to qualify as a plan providing qualified educational assistance under Code § 127 and that the educational assistance under the Plan be eligible for exclusion from the employees' income under Code § 127(a) (hereinafter, the "Educational Assistance Plan").

3. Eligibility

- 3.1 Administrative and professional regular full-time benefited employees, their dependents and spouses, as defined below, are eligible for the University's Program beginning the first semester following the satisfactory completion of their probationary period.
 - A. A spouse, as recognized under state law based on the employee's state of residency, must be enrolled on a full-time basis; marriage certificate and/or a copy of most recent IRS form required. A spouse includes a domestic partner of an employee if recognized as a valid marriage under state law based on the employee's state of residency.
 - B. A dependent must be either: (i) younger than 24 years of age and be enrolled on a full-time basis (the University shall determine the number of hours or courses considered full-time attendance) at the University; (ii) younger than

19 years of age; or (iii) permanently and totally disabled with no age restriction. Proof of age (birth certificate) and proof of dependency (most recent IRS form and if pertaining to stepchildren, marriage certificate) required. The definition of dependent for purposes of the Program shall be the definition of dependent within the meaning of Code § 152(c), as amended.

- 3.2 The Tuition Reduction Plan is available to an employee, an employee's dependent child (as defined in Section 3.1 B), an employee's spouse (as defined in Section 3.1 A), and an employee's domestic partner (as defined in Section 3.1 A). The Tuition Reduction Plan is not available to an employee's dependent parent or dependent relative.
- 3.3 The Educational Assistance Plan is available only to an employee and is not available to an employee's spouse, domestic partner or a dependent child, parent or relative.
- 3.4 Eligibility for groups governed by a bargaining unit is determined in accordance with the corresponding Collective Bargaining Agreement ("CBA").

4. Program Benefits

To be eligible for Tuition Remission, benefits-eligible employees may not be registered as full-time benefit eligible students because they are already hired and classified as a full-time employee and may not receive benefits under both classifications.

- 4.1 Administrative Employees: Eligible employees not covered under a CBA may take up to two (2) undergraduate courses each semester during the Fall and Spring semesters, one (1) undergraduate course during the Summer semester in either Summer Session 1 or Summer Session 2 contingent upon the approval of the eligible employee's supervisor and the University meeting its regular full pay student required enrollment levels necessary to offer the course.
- 4.2 Graduate Courses at SACE: Eligible employees enrolled in any of the School of Adult & Continuing Education (SACE) Graduate Programs may take up to two (2) graduate courses each semester during the Fall and Spring semesters, one (1) graduate course in either Summer Session 1 or Summer Session 2 contingent upon the approval of the eligible employee's supervisor and the University meeting its regular full pay student required enrollment levels necessary to offer the course.

Credit courses may not be borrowed from a future academic year to be used in a current academic year.

- 4.3 Dependents: Through the Tuition Reduction Plan, dependents may take courses for eight (8) semesters or up to 128 credit hours, whichever comes first. A dependent may not be enrolled for more than eight (8) semesters.
- 4.4 Residence Hall Coordinator: Through the Educational Assistance Plan, an employee who holds the position of Residence Hall Coordinator is eligible for

graduate courses up to 12 credits per academic year over a consecutive four-year period.

Administrative Employees and Residence Hall Coordinators are required to remain employed with the University, barring unforeseen or extenuating circumstances, for at least one year beyond the last course covered by the tuition remission benefit. Failure to do so will result in mandatory repayment to the University for such course(s) taken under this benefit.

4.5 Program Benefits include tuition only and does not include fees, room and board, books, labs, tools or supplies, or the cost of meals, lodging or transportation incurred by a participant incidental to taking a course. The Program pays for the cost of classroom instruction only.

A. The Tuition Reduction Plan covers only undergraduate level courses with the exception that graduate level courses are permitted for graduate students engaged in teaching or research activities at the University.

B. The Educational Assistance Plan covers both undergraduate and graduate level courses except for a course that instructs the participant in any sport, game or hobby unless such courses are required as part of a degree program or are occupationally related as permissible by the Code.

4.6 Class and Work Schedule: When an employee is absent from work to attend any course in which he or she is enrolled at the University, the employee shall make up the work time missed in the same workweek by reducing his or her lunch period from one (1) hour to thirty (30) minutes, reporting to work one-half hour (30 minutes) before his or her scheduled workday begins, or remaining at work one-half hour (30 minutes) after the scheduled workday ends.

5. Procedure

5.1 Degree Seeking Candidates. Eligible employees and their dependents seeking to obtain a degree are required to seek application and acceptance through the Office of Admissions prior to completing the tuition remission process.

5.2 Non-Degree Seeking Candidates. Non-degree seeking employees must complete the "Non-classified" application process through the Office of Admissions.

5.3 Upon notification of acceptance, the *Request for Remission of Tuition* (Attachment I) may be obtained in the Office of Human Resources or from the University website at www.lincoln.edu/hr/notices.html.

5.4 The Request for Remission of Tuition must be completed in full and include:

- Employee name;
- Date of request;
- Semester of course;
- Indicate self or dependent as benefit recipient; include employment category and/or dependent-relationship;

- Recipient date of last attendance;
 - Employee date of full-time employment;
 - Name of tuition recipient;
 - Indicate course title/number, credit hours, hours of class, and days class is scheduled; and
 - Signatures as specified. Proper approval signatures must be obtained prior to receipt of Program benefits.
- 5.5 Completed forms are returned to the Office of Human Resources for disbursement to appropriate departments for recording on applicant's record. The original form is forwarded to the applicant via interoffice mail. It is the applicant's responsibility to confirm the benefit has been deducted from his or her account.
- 5.6 Financial Awards and Scholarship: Any financial awards or scholarships the applicant receives will be included with Program benefits. If the total of these benefits exceeds the applicant's charges for tuition and fees, the Program benefit will be adjusted so that only the balance of the applicant's account will be covered, consistent with the appropriate policy governing the use of the scholarships and awards.

6. Program Taxability

- 6.1 Courses taken under the Tuition Reduction Plan qualify as a gross income exclusion to the employee, and are not subject to income tax or tax withholding by the University. There is no dollar limitation associated with this benefit.
- 6.2 Courses taken by an employee under the Educational Assistance Plan up to and including \$5,250 per calendar year are not subject to income tax. Amounts in excess of \$5,250 are taxable to the employee, subject to income and payroll tax withholding by the University at the time the benefit is provided. The \$5,250 is an annual limitation provided by the Internal Revenue Service and will be adjusted accordingly.

7. Miscellaneous

- 7.1 The University may amend or terminate the Program at any time.
- 7.2 This Program shall not be deemed to constitute a contract between the University and any participant or to be consideration or an inducement for the employment of any participant or employee. Nothing contained in this Program shall be deemed to give any participant or employee the right to be retained in the service of the University or to interfere with the right of the University to discharge any participant or employee at any time regardless of the effect which such discharge shall have upon him or her as a participant of this Program.

- 7.3 This Program shall be construed and enforced according to the laws of the Commonwealth of Pennsylvania, other than its laws respecting choice of law, to the extent not preempted by any federal law.

Questions regarding this Program may be addressed to:

*Lincoln University Office of Human Resources
1570 Baltimore Pike
Lincoln University, PA 19352
484-365-8059*

LINCOLN UNIVERSITY

REQUEST FOR REMISSION OF TUITION BENEFITS

Employee Information

Date: / /

Employee Name	
Employee Signature	
Date of Hire	
Employee Title	

Tuition Benefit Recipient

Name of Benefit Recipient	
Benefit Recipient's Last 4 digits of SSN	
Tuition Recipient (check one)	☐ Self* ☐ Dependent** ()***
Previously Enrolled? (check one)	☐ Yes () ☐ No
Semester (check one)	☐ Fall () ☐ Spring () ☐ Summer ()

* Revised work schedule with supervisor approval required

** Your signature verifies that the dependent lives in your household, is supported by you, and is not otherwise so profitably employed as to pay his or her own expenses

***If dependent is a child – proof of dependency and/or evidence of legal adoption are required; if dependent is spouse – proof of marriage is required. All other dependents are subject to approval by Lincoln University Office of Human Resources

Course Selection

Course Number	Course Title	Credit Hours	Class Duration	Class Schedule						
				M	T	W	R	F	ST	SN
				☐	☐	☐	☐	☐	☐	☐
				☐	☐	☐	☐	☐	☐	☐
				☐	☐	☐	☐	☐	☐	☐
				☐	☐	☐	☐	☐	☐	☐
				☐	☐	☐	☐	☐	☐	☐
				☐	☐	☐	☐	☐	☐	☐

Approvals Required (in sequence)

1. ☐ Supervisor Approval (Of scheduled course(s) indicated above)		2. ☐ Registrar Approval (Eligibility to register)	
(Supervisor Signature)		(Signature)	
Name of Supervisor	Date	Registrar	Date
3. ☐ Human Resources Approval (Of benefit eligibility)		Office of Human Resources use only	
(Signature)		☐ Sent to Financial Aid Date _____ By _____ ☐ Sent to Bursar Date _____ By _____	
Office of Human Resources	Date		