VII-4.20 - POLICY ON TUITION REMISSION FOR SPOUSES AND DEPENDENT CHILDREN OF USM EMPLOYEES AND RETIREES

(Approved by the Board of Regents on January 11, 1990; Amended by the Board on May 31, 1990; Amended February 28, 1992, Amended by the Board on August 24, 2001; Amended by the Board on December 7, 2001; Amended by the Board on August 23, 2002; Amended by the Board on December 6, 2002; Amended by the Board on June 27, 2003; Amended by the Board on June 17, 2011; Amended by the Board on September 19, 2014)

I. PURPOSE AND APPLICABILITY

The University System of Maryland (USM) supports the general policy of tuition remission for the spouses and dependent children of USM Faculty and Exempt and Nonexempt Staff Employees on Regular or Retired Status, by its constituent institutions, on an intra- and inter-institutional basis.

II. DEFINITIONS

For the purposes of this policy, the following definitions apply:

A. Dependent Child: The son/daughter, stepson/stepdaughter or legally adopted son/daughter of a USM Employee or Retiree who:

1. Is under the age of 26 prior to the institution's deadline for registration for courses in the semester or term for which tuition remission has been requested, or,

2. If the child is 26 or older, is claimed as a dependent on the employee's federal income tax return for the year(s) in which tuition remission is granted.

B. Spouse: A person in a legally contracted marriage recognized by the State of Maryland to a USM Employee or Retiree, with the exception of an estranged spouse who maintains a separate domicile.

C. Retiree: A former USM Employee who:

1. Is receiving State of Maryland retirement checks and/or Optional Retirement Plan (ORP**)** periodic distribution, and

2. Has retired with at least five years of total service credit at one or more USM institution(s) or has retired on accidental disability from a USM institution with less than five years of total service credit.

D. USM Employee: A Faculty or Staff employee on Regular Status who works in a position that:

1. Has been approved through the budgetary and pertinent appointment classification processes;

2. Is intended to last six months or more regardless of the nature of the source of funds or who has retired from such a position; and

3. Which may be on either a full-time basis or a part-time basis of at least 50%.

III. ADMINISTRATION

This program shall be administered by the constituent institutions as follows:

A. General Eligibility.

Tuition remission is extended to the spouses and dependent children of all USM Employees and Retirees, as defined above, on an equitable basis, subject to the requirements and limitations of this policy.

B. Scope of the Benefit.

Tuition remission does not include mandatory fees or surcharges, which remain the responsibility of the individual student.

C. Academic Requirements

The availability of the benefit of tuition remission shall be subject to the individual's admissibility to the institution and to the program in which the courses are offered and to the other academic regulations of the institution governing student enrollment.

D. Part-time USM Employees and Retirees

For spouses and dependent children of USM Employees and Retirees who are employed in, or retired from a position at fifty percent or more time, the percentage of tuition remitted shall be proportional to the percentage of employment service.

E. Exempted Programs of Study.

1. Programs of study that are exempted from this benefit shall include:

a. The M.D. and D.D.S. programs at the University of Maryland, Baltimore;

b. Self-support programs and courses, unless the President of the institution has recommended and the Chancellor has approved, that the benefit be available for such a program.

c. Other programs recommended for exemption, or limitation on the amount of tuition remission, by the President of the institution offering the program and approved by the Chancellor.

1. The President of the institution offering an exempted program shall apply the exemption equally to all spouses and dependent children who desire tuition remission, whether from the host institution or other institutions.

F. Application for Tuition Remission.

Each USM Employee or Retiree seeking tuition remission for a spouse or dependent child shall complete an application and accompanying certification that provides the information necessary to comply with both this policy and Internal Revenue Service regulations regarding the income tax law status of the tuition remission benefit requested by the Employee.

G. Communication of Tuition Remission Benefit Requirements.

Each institution and the USM shall publish on its website:

1. The institution's specific requirements for the implementation of this policy and any related institution procedures, including information regarding the extent to which tuition remission benefits are limited or unavailable for self-support and exempted programs under Section III.E.1. of this policy; and

2. A summary, prepared and maintained by the USM, of the implementation requirements of each USM institution and those non-USM institutions that extend tuition remission benefits to USM Employees under Section VI of this policy.

3. A summary of the conditions under which the tuition remission benefit may be deemed taxable income to the USM Employee or Retiree under relevant regulations of the Internal Revenue Service.

4. A summary of special tuition remission eligibility requirements for the former employees of former USM programs identified in Section VII of this policy.

IV. LIMITATIONS BASED ON DATE OF EMPLOYMENT

A. Spouses and Dependent Children of USM Employees and Retirees Whose Employment Began before January 1, 1990.

The Spouses and Dependent Children of USM Employees and Retirees whose appointment was made or whose contractual arrangements were completed before January 1, 1990, may register for courses at any of the institutions of the USM, with 100% tuition remitted at both the undergraduate and graduate level, subject to the restrictions in this policy.

B. Spouses and Dependent Children of USM Employees and Retirees Whose Employment Began on or after January 1, 1990 and before July 1, 1992.

Tuition remission benefits for such employees are provided as follows:

1. Applicable Programs and Courses

   Tuition remission is only available for courses and programs at the undergraduate level, and shall not apply to courses at the graduate or post-baccalaureate level.

2. Degree-Granting Institutions

   a. Spouses and dependent children of Employees or Retirees from degree-granting institutions may receive full tuition remission of one hundred percent (100 %) on courses toward a first undergraduate degree at the institution where the spouse or parent is employed ("home institution").

   b. Such spouses and dependent children may attend another institution of the USM to which the student has been accepted with 50% tuition remission. The remaining 50% of tuition cost is the responsibility of the individual student.

3. Special Circumstances and Limitations

   a. Non-Degree Granting Institutions: Spouses and dependent children of USM Employees of or Retirees from a non-degree granting institution may register for courses toward a first undergraduate degree at any institution of the USM with full (100%) tuition remission.

   b. University of Baltimore. Until the Chancellor determines that the first- and second- year undergraduate program of the University of Baltimore is fully implemented, full tuition remission is extended to any USM institution for spouses and dependent children of Employees of or Retirees from the University of Baltimore for the freshman and sophomore years.

   c. University of Maryland, Baltimore: Spouses and dependent children of Employees of and Retirees from the University of Maryland, Baltimore may receive full tuition remission for undergraduate programs not offered at that institution.

   d. University of Maryland, College Park University of Maryland Extension (UME) and Agricultural Experimental Station (AES): Spouses and dependent children of the UME and the AES may receive full tuition remission toward a first undergraduate degree at any USM institution with full tuition remission.

4. Inter-Institutional Funds Transfers. A transfer of funds equal to fifty percent (50%) of the tuition will accompany all inter-institutional enrollments.

C. Spouses and Dependent Children of USM Employees and Retirees Whose Employment Began on or after July 1, 1992

   Tuition remission benefits for the spouses and dependent children of USM Employees and Retirees whose employment began on or after July 1, 1992 shall be available:

1. Consistent with the requirements and limitations in Paragraph IV.B, above, and

2. After the employee has been employed by the USM for two years prior to the institution's deadline for registration in courses for the semester under consideration.

D. Effect of Break in Service

If a former USM employee is rehired by a USM institution within three years of termination from prior USM employment, the spouse and dependent children of the rehired employee shall be eligible for tuition remission, as provided in Section IV.A through C. above, according to the employee's original USM hire date.

E. Tuition Remission for Spouses and Dependents of Employees and Retirees who Reside Out-of-State.

Tuition remission charges to institutions and employees under this policy shall be at the in-state tuition rate, regardless of the state of residence of the eligible employee or retiree.

V. BENEFITS FOR SPOUSES AND DEPENDENT CHILDREN OF DECEASED USM EMPLOYEES AND RETIREES

Subject to the requirements and limitations of this policy, spouses and dependent children of fulltime USM Employees or Retirees who die in service or after retirement, shall be permitted to register for courses with tuition remission as follows:

A. Extent of Tuition Remission Benefits

The number of years of allowable tuition remission for an eligible spouse or dependent child is dependent on the years of USM service of the USM Employees or Retiree, as follows:

1. One academic year, if the USM Employee or Retiree was employed in the USM for less than three years;

2. Two academic years, if the length of employment was at least three but less than five years;

3. Three academic years, if the length of employment was at least five but less than seven years;
4. Four academic years, if the length of employment was at least seven but less than nine years; and

5. Five academic years, if the length of employment was nine years or more.

B. Other Eligibility Requirements

Eligibility for tuition remission shall continue:

1. For spouses, for a maximum period of seven years after the death of the USM Employee or Retiree.

2. For children, as long as the child of a deceased USM Employee or Retiree qualifies as a "Dependent Child" under Section II.A.of this policy.

C. Part-time Employees

For spouses and dependent children of part-time USM Employees or Retirees who are employed at fifty percent (50%) time or more and who die in service or after retirement, the percentage of tuition remission shall be proportional to the percentage of employment service averaged for the three years immediately preceding the employee's retirement or death.

VI. RECIPROCAL TUITION REMISSION FOR THE DEPENDENT CHILDREN OF EMPLOYEES OF MORGAN STATE UNIVERSITY, SAINT MARY'S COLLEGE OF MARYLAND AND BALTIMORE CITY COMMUNITY COLLEGE

A. General Reciprocity

Dependent children of employees of Morgan State University, Saint Mary's College of Maryland and Baltimore City Community College ("the Non-USM Institutions") shall receive tuition remission at institutions of the USM at the same level of benefits as provided for dependent children of USM Employees, subject to the definitions, requirements and limitations of this policy. However, the extent of the tuition remission benefit under this section is dependent upon full reciprocity being extended by the Non-USM Institution to dependent children of USM Employees, and may be limited by the Chancellor or designee to align with any more restrictive requirements that may be established by the Non-USM Institution.

B. Retirees and Spouses

Tuition remission shall not be available to Retirees or the spouses of Employees and Retirees of Non-USM institutions.

C. Special Requirements for Tuition Remission for the Dependent Children of Employees and Retirees of Baltimore City Community College (BCCC)

1. If a parallel lower division instructional program is available at BCCC, dependents of BCCC employees are eligible for tuition remission at USM institutions only after they have earned the associate degree or completed 60 hours of transferable credit.

2. In programs for which the institution requires the student to formally transfer into the program prior to completion of either the associate's degree or sixty (60) credits, the tuition remission benefit is available upon admission to the program.

3. For programs where there is no parallel lower division instructional program available at BCCC, the tuition remission benefit is available immediately.

VII. CONTINUED APPLICATION OF PRIOR POLICIES

This policy supersedes all prior policies and procedures related to tuition remission benefits for USM Employees and Retirees, except as follows:

A. Current Beneficiaries.

Any child receiving tuition remission benefits on the effective date of this policy shall continue to receive such benefits as long as the student is making adequate progress toward a degree in the program in which the student is currently enrolled, notwithstanding the terms of this policy's definition of "dependent child."

B. Former Employees of Former USM Programs and Institutions

Special eligibility requirements for former employees and retirees of certain former USM programs shall remain in force as follows:

1. The USM former programs subject to this paragraph are: the Maryland Institute for Agricultural and Natural Resources (MIANR), the Maryland Institute of Emergency Medical Services Systems (MIEMSS), and the University of Maryland Biotechnology Institute (UMBI).

2. Eligibility for tuition remission for the spouses and dependent children of the above programs is set out in documentation established at the time that the programs were restructured and maintained at the USM.

3. Summaries of these special eligibility requirements shall be published on the websites of the USM and its institutions.

IMPLEMENTATION PROCEDURES

Each President shall: identify his/her designee(s) as appropriate for this policy; develop institution-specific policies and procedures as necessary to implement this policy; communicate this policy and applicable procedures to his/her institutional community; and post it on its institution website.