TUITION REMISSION D070
Revised 3/13/2013

PURPOSE

To provide information regarding tuition remission as an incentive for self-improvement and a means of encouraging higher education for current and retired employees, as well as their dependents.

DEFINITIONS

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
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<tbody>
<tr>
<td>Continuous Employment</td>
<td>Uninterrupted and working regularly scheduled hours including time away from work for vacation and sick leave, based on the date of acceptance of the position or date of hire.</td>
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<tr>
<td>Dependent</td>
<td>A spouse recognized under Florida law, a University certified domestic partner or dependent child as defined. A marriage license is proof of dependency for a spouse.</td>
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<tr>
<td>Dependent Child</td>
<td>An unmarried natural, adopted or step-child receiving 50 percent or more support from the University Employee.</td>
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<td>Normal Progress</td>
<td>Continuous enrollment in a degree-seeking program, enrollment in a minimum of six credits per semester (both Fall and Spring) and earn 12 credits per year.</td>
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<tr>
<td>Regular Full-Time</td>
<td>An employee who is scheduled to work 100 percent time on a continuing basis.</td>
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<tr>
<td>Regular Part-Time</td>
<td>An employee who is scheduled to work 50 percent time or more on a continuing basis.</td>
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<tr>
<td>Retired Employee</td>
<td>A former employee who is eligible to receive benefits under the Group Retirement Plan and who also meets one of the following criteria: Rule of 70 (Age plus years of service equal or exceed 70) or age 55 with 10 years of service. (A former employee who is vested in the Group Retirement Plan, but does not meet one of the criteria above is not eligible to receive tuition remission benefits when separated from employment at the University.)</td>
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POLICY

The University will grant tuition remission to all regular full-time or regular part-time employees who have completed 90 calendar days of continuous employment at the University prior to the first scheduled day of class as published in the University Bulletin. If the completion of the 90 days falls after the first scheduled day of class, eligibility shall commence at the next successive regular registration.

REGULAR FULL-TIME EMPLOYEES are eligible for 100 percent tuition remission for no more than two (2) courses per semester with a maximum of fifteen (15) credits per calendar year.
Accountability:

Employees who do not successfully complete a course (i.e., do not receive credit for the course within the semester in which it was taken) will be responsible for all or a portion of the tuition cost for that course. The charge to the employee will be based on the amount actually charged to tuition remission for the unsuccessful course. The charge will be applied to the employee’s student account. Exceptions will be considered on a case by case basis.

Regular full-time employees accepted into the regular MBA "lock-step" program are eligible for a maximum of twenty-four credits per calendar year. Regular full-time employees must submit a signed form, generated by Human Resources, of approval by their supervisor to participate in this program.

Regular full-time employees may attend class during assigned regular working hours with the prior approval from the supervisor and appropriate vice president/dean.

Dependents of regular full-time employees are eligible for tuition remission at the University of Miami for a total of 128 credits, except in the School of Architecture where a maximum of 164 credits is permissible. Dependents who were enrolled at the University of Miami in Fall 2009 or Spring 2010 will be grandfathered into the current benefit of 150 attempted credits. There are restrictions as described in this policy.

Coursework that is begun but not completed for any reason will count against the 128 credit (164) maximum for dependents. Coursework that is failed will count against the 128 credit (164) maximum.

Dependents of employees hired before September 1, 2002 will receive 75 percent tuition remission during the employee’s first five years of regular full-time employment, and 100 percent thereafter.

A dependent of an employee hired on or after September 1, 2002 is eligible for tuition remission at the University of Miami after completion of one full year of full-time regular service at the rate of 70 percent during years two through five, 85 percent during years six through ten and 100 percent thereafter.

REGULAR PART-TIME EMPLOYEES are eligible for 50 percent tuition remission for no more than two (2) courses per semester with a maximum of fifteen (15) credits per calendar year.

Regular part-time employees accepted into the regular MBA "lock-step" program are eligible for 50 percent tuition remission for a maximum of twenty-four credits per calendar year.

Regular part-time employees may not attend classes during their scheduled working hours. Dependents of part-time employees are not eligible for tuition remission.
RETIREDEMPLOYEES: who meet one of the following criteria: Rule of 70 (Age plus years of service equal or exceed 70) or age 55 with 10 years of service are eligible for 100 percent tuition remission for themselves and their dependents, except in the case of involuntary termination (excluding layoff) at the time of separation from the University where as the tuition remission benefit will cease at the end of the current semester.

BFRAG REQUIREMENTS - All full-time undergraduate dependents that plan to use tuition remission are required to apply for the William L. Boyd, IV, and Florida Resident Access Grant (BFRAG). All dependents that qualify for the BFRAG will have the amount of the BFRAG subtracted from their charges for tuition and fees, and tuition remission will cover the remaining entitled costs. If a dependent qualifies for the BFRAG and does not apply as required, tuition remission will be reduced by the amount of the BFRAG. This BFRAG policy affects only dependents that are full-time undergraduate students eligible for 100 percent tuition remission. This BFRAG policy does not affect dependents receiving less than 100 percent tuition remission.

ADMISSION & NORMAL PROGRESS REQUIREMENTS

- Employees and dependents must meet admission requirements.
- The application fee is waived for employees and dependents.
- Dependent children must be enrolled in a college level degree program before they reach the age of 23.
- Dependent children must make normal progress toward graduation or until the maximum benefit has been received per this policy.
- If a semester(s) is/are missed due to extenuating circumstances, documentation may be submitted to Benefits Administration who will consider each request on a case-by-case basis.

Normal progress towards graduation requirement is modified for dependents who obtain an undergraduate degree using the tuition remission and who wish to pursue a graduate course of study at the University of Miami. Within a two- year period following the graduation date, a dependent may resume utilizing tuition remission for graduate study credits (balance of 128 credits).

To be eligible for resumption, the dependent must submit certification of dependent status and a letter of justification for making an exception to the "normal progress towards graduation" requirement. Each request will be handled on a case-by-case basis.

PROOF OF DEPENDENCY - Every dependent of a University employee enrolled in the University of Miami health care plan will be eligible for tuition remission, provided they meet all the other tuition remission requirements. Certification of a dependent child normally requires a copy of the employee’s most recent IRS tax return (1040 U.S. Individual Income Tax Return); exceptions will be made in certain circumstances, however, such as divorce.

DEPENDENT CHILD ELIGIBILITY – To be eligible for this benefit, the dependent child must begin an undergraduate degree-seeking program before reaching the age of 23. For graduate study, the dependent child must begin a graduate degree-seeking program within two years of the date of the
completion of an undergraduate degree. The dependent child will not be eligible for tuition remission for any semester that begins after reaching 27 years of age.

DOCTORAL LEVEL STUDY is excluded from the tuition remission benefit.

NON-CREDIT COURSES - Only employees are eligible for approved non-credit classes. Preparatory classes (GRE, GMAT, LSAT, SAT, etc.) are not eligible for tuition remission. CLEP exams will be reimbursed for up to three failed exams. There is no limit on passed exams for all tuition remission recipients.

COURSES EXCLUDED FOR TUITION REMISSION - Tuition remission is not available in the following:

- School of Law or School of Medicine
- Special programs including the Executive MBA, Working Professional Program MBA and the Master of International Business programs in the Graduate School or Undergraduate School
- Private music lessons
- All private lessons and hobby courses
- Auditing of courses
- In-service courses in Miami Dade County Schools
- Courses required for certification or licensure that are conducted in whole or in part by outside vendors, and
- Non-credit courses.

Exceptions to the above policy will be made for adult education courses in the non-hobby, non-sports category, provided that the course offers job related training for University personnel, as certified by the department chair or supervisor, charges market rates for tuition, and has space available after all regular tuition paying enrollees are accommodated and has no more than 20 percent of the enrollees eligible for tuition remission. Non-credit language training courses will have to meet the previous requirements for an exception to the non-credit course tuition remission policy; however, no more than 30 percent of the enrollees in the non-credit language training courses will be eligible for tuition remission.

DEATH OF EMPLOYEE - Upon the death of a regular full-time employee who has five or more full-years of service to the University at the time of death or upon the death of a retired employee, his/her dependents are eligible for tuition remission as set forth in this policy.

TERMINATION - Upon the effective date of termination of an employee, (excluding involuntary termination, death or eligible retired employees), all tuition remission ceases. The former employee or dependent has the option of continuing in that semester’s class by paying the prorated share of tuition.

An employee who leaves the University through an involuntary termination (excluding layoff) is eligible for the tuition remission benefit for him/herself, spouse and dependent children through the end of the semester or summer session then in progress.
EMPLOYEE PLACED ON LAYOFF

An employee who is placed on layoff is eligible to continue through the end of the semester that falls within the 13-month layoff period as long as he or she has started classes or has been accepted and confirmed prior to the effective layoff date. Tuition remission benefit eligibility for employees on layoff status is based on the benefit in effect at the time of layoff. The employee will continue to be exempt from taxation for undergraduate courses through the end of the semester in which the effective date of layoff occurs. For subsequent semesters during the 13-month layoff period, employees on layoff will be exempt for the first $5,250 of undergraduate and graduate tuition remission per calendar year. The value of undergraduate and graduate tuition remission received by an employee on layoff status over $5,250 per calendar year will be taxable income.

Dependent child (ren) of an employee placed on layoff will continue through the end of the semester that falls within the 13-month layoff period as long as he or she has started classes or has been accepted and confirmed prior to the layoff date. Tuition remission benefit eligibility is based on the benefit in effect as of the effective date of layoff. Tuition remission benefits for graduate level programs will only continue through the end of the semester in which the effective date of layoff occurs. Dependents will continue to be exempt from taxation for undergraduate courses through the end of the semester in which the effective date of layoff occurs. For subsequent semesters during the 13 month layoff period, the value of all undergraduate tuition remission received by dependent children during the 13-month layoff period will be taxable income to the person on layoff status.

A dependent spouses or certified domestic partner of an employee who is on layoff will continue through the end of the active semester or summer session in which he/she is taking classes.

An employee who is laid off has 13 months in which to return as an active employee and, therefore, receive tuition remission at the same level as when he/she was last employed.

If an employee is involuntarily terminated or resigns, he/she must become reemployed as an active full-time employee within 30 days to receive an immediate tuition remission benefit, otherwise, 90 calendar days of continuous employment must be completed to receive tuition remission.

An employee hired prior to September 1, 2002 who has completed five or more years of continuous regular full-time employment and returns to regular full-time employment after being separated from employment for a period less than he/she had worked prior to separation will be eligible to receive the 100 percent tuition remission benefit for dependents after completing 90 days of re-employment.

An employee hired on or after September 1, 2002 who leaves the University after completing five or more years of continuous regular full-time employment and returns to regular full-time employment after being separated from employment for a period less than he/she had worked prior to separation
will be eligible to receive the same tuition remission benefit he/she was entitled to upon leaving the University.

UNIVERSITY LEAVE - All military, medical or industrial disability leaves (i.e., Worker's Compensation) are excused absences. Tuition remission continues while on one of the above leave of absences. All other types of Leaves of Absence without pay are not eligible for tuition remission.

DISABILITY - Employees approved for Long-Term Disability are eligible for tuition remission for themselves and eligible dependents as set forth in this policy.

GRADUATE TAXATION (employee, spouse, dependent child and domestic partners) - The University manages its tuition remission plan in accordance with Internal Revenue Service (IRS) regulations. Graduate tuition remission is subject to Federal Income and Social Security withholding taxes. Employees enrolled in graduate level courses will be exempt from taxation for the first $5,250 of graduate tuition remission per calendar year. The value of graduate tuition remission received by employees over $5,250 per calendar year is taxable income to the employee. The value of graduate tuition remission received by employees over $5,250 per calendar year will be allocated over the remaining pay periods in the semester for which the graduate tuition remission is received unless the employee has contacted Benefits Administration regarding the allocation of taxes over the calendar year.

Employees will be taxed on all graduate tuition remission received by dependents. The value of graduate tuition remission received by dependents will be allocated over the employees remaining pay periods in the calendar year.