Special Edition
Important Information
About Tuition Remission

Satisfactory Academic Progress
Employees and dependents who use the tuition remission benefit must maintain satisfactory academic progress in order to retain the benefit. Satisfactory academic progress is defined on the Student Financial Aid page of the UC web site at http://financialaid.uc.edu/eligibility/academicprogress.html. The requirements were recently updated so it is important for students using the tuition remission benefit to study the information and understand the requirements. In summary, the standards for satisfactory academic progress measure three components: grade point average; maximum timeframe; and pace of progress.

• Grade Point Average: After the second year of enrollment, undergraduate students must maintain a minimum 2.0 college GPA. Graduate and professional students must always meet the GPA requirement for their program.

• Maximum Timeframe: Students are required to complete their degree within one-and-a-half times the length of their program’s published hour requirement.

• Pace of Progress: To ensure that students earn a degree within the maximum timeframe allowed, students must show a minimum completion rate of 67% of classes attempted. Progress is not a measurement of going full-time or part-time. It is not a race to the degree. Register only for a course load you can handle. Concern for meeting the progress standard is most often due to registering for courses yet not successfully completing them. While some students do not meet the GPA requirement, students more often place their eligibility in jeopardy by withdrawing from, receiving incomplete (I) grades in, or otherwise not satisfactorily completing their coursework.

While the Satisfactory Academic Progress Policy is a minimum requirement to maintain tuition remission and/or financial aid eligibility, students are encouraged to work closely with academic advisers and college personnel to achieve their education goals. Good financial planning means selecting meaningful coursework, completing all registered classes with satisfactory grades, and completing your degree in a timely, intentional manner.

Annual Application
Every summer, employees must submit a tuition remission application to authorize tuition remission for dependents for the upcoming academic year. The form is numbered TR2 on the UC web site at www.uc.edu/hr/forms under tuition remission. The employee provides proof that the student is a dependent and therefore, eligible for the tuition remission benefit.

If the dependent is a spouse or domestic partner, the employee must submit verification of dependent status one time only. After the initial submission of verification documentation, the employee certifies on the tuition remission application that the spouse/domestic partner continues to be eligible for the benefit.

Employees who wish to provide tuition remission benefits to a domestic partner must provide (at initial request for tuition remission) a notarized Domestic Partner Affidavit along with three forms of financial interdependency confirming the existence of the relationship for a period of 6 months.

A copy of a marriage certificate is required to add a spouse (at initial request for tuition remission). If such documentation is not on file with UC, the documentation is due as part of the tuition remission application. If the dependent is a child, the employee should attach a copy of the latest IRS tax form listing the student as a dependent. If the tax form is not available, the employee should complete the UC form entitled Tuition Remission Application Affidavit. All tuition remission forms can be found at www.uc.edu/hr/forms. Tuition remission applications and supporting documentation should be submitted by June 30 for the upcoming academic year.

Questions? Call HR at 513-556-6381

HR Pulse

Inside This Issue

Satisfactory Academic Progress
Annual Application
Covered Expenses
Tuition Remission and Taxes
Tuition Remission Tax Schedule
Covered Expenses
Tuition remission covers the “instructional fee” (tuition) and other fees for employees. For dependents, tuition remission covers the instructional fee (tuition) but does not cover any other fees and the student should pay the fees, other than tuition, when due. Dependents should not wait for tuition remission to be applied before paying other fees due.

If non-tuition fees are not paid by the deadline, the dependent will incur a late fee. Late fees on the instructional portion of the bill will only be waived if UC Human Resources caused the delay. Late fees and interest will not be waived if the tuition remission application was received in Human Resources after the first day of classes. Tuition remission does not cover books for employees or dependents.

Tuition Remission and Taxes
While tuition remission for undergraduate coursework for the employee, spouse and eligible child is not taxable, there are certain circumstances when tuition remission is taxable. See the table below for further clarification.

<table>
<thead>
<tr>
<th>Undergraduate Coursework</th>
<th>Employee</th>
<th>Spouse</th>
<th>Domestic Partner</th>
<th>Eligible Child</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition Remission in excess of $5250 in a calendar year is taxable</td>
<td>Tax Free</td>
<td>Fully Taxable</td>
<td>Tax Free</td>
<td></td>
</tr>
</tbody>
</table>

Notification of Taxable Tuition Remission
Employees whose term tuition remission benefits are fully or partially taxable receive an email notice from Payroll prior to the payrun on which the increased tax withholding is applied.

- Those employees whose year-to-date graduate level SELF remission is greater than $5,250 will be taxed only on the amount received in the current term in excess of the limit.
- Those employees whose family members received graduate level remission or whose domestic partners received any tuition remission will be taxed on the full benefit.

Tuition Remission Tax Schedule
To ease the burden of additional tax withholding, the taxable value of the remission benefit is divided over two paychecks. See the schedule below for 2013. The amount appears as Tuit Rem-Txbl on the pay statements, and will result in increased tax withholding.

<table>
<thead>
<tr>
<th>Term</th>
<th>Transaction Date</th>
<th>Biweekly Pay Period</th>
<th>Biweekly Pay Date</th>
<th>Monthly Pay Period</th>
<th>Monthly Pay Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spring Semester</td>
<td>2/28/2013</td>
<td>5</td>
<td>3/12/2013</td>
<td>2</td>
<td>2/28/2013</td>
</tr>
<tr>
<td>Summer Semester</td>
<td>7/6/2013</td>
<td>14</td>
<td>7/16/2013</td>
<td>7</td>
<td>7/31/2013</td>
</tr>
<tr>
<td>Fall Semester</td>
<td>10/25/2013</td>
<td>22</td>
<td>11/5/2013</td>
<td>10</td>
<td>10/31/2013</td>
</tr>
</tbody>
</table>

Call Human Resources at 513-556-6381 if you have any questions about the tuition remission benefit.