I. Purpose and Scope

Dependent children and spouses of regular full-time employees are eligible to receive tuition discounts for courses taken at Western Kentucky University. This applies to all courses offered for credit, but does not include continuing or community education courses and courses offered through overseas programs. Audit, independent learning and bi-term courses are included in this policy. Dual credit (high school/college) courses are not included as allowable coursework under this policy.

A 50% tuition discount applies to the full tuition and mandatory fees for courses taken. Fees which are not considered a part of this policy include course specific fees, student teaching fees, and other similar fees.

II. Policy

A. Dependent Children

1. Dependent children of regular full-time employees are eligible to receive a tuition discount of 50% on all undergraduate courses until the degree requirements for one baccalaureate degree at WKU are met. Graduate courses are not included in this policy. In order to participate in the program, dependent children must meet general admission requirements and any specific program requirements of the University. A
minimum cumulative grade point average of 2.0 on a 4.0 grade scale must be maintained. If the GPA falls below 2.0, the dependent child will be ineligible to participate in the tuition discount program until his/her GPA improves to 2.0. Dependent children are eligible to participate in this program until the degree requirements for one baccalaureate degree at WKU are met. The tuition discount is renewable each semester by application.

2. A dependent child is defined as one who is an unmarried, natural child, adopted child, step-child, or legal ward and who (a) is claimed as a dependent by the employee on the most recently filed federal income tax return and who (b) is eligible to be claimed as a dependent for the tax year in which classes are taken. In the case of legal separation or divorce, a natural or adopted child or legal ward may participate in this program regardless of which parent declares the child as a dependent for income tax purposes.

3. Eligible dependent children may receive the reduced tuition benefit only for classes which begin subsequent to the related employee’s employment date. For purposes of this policy, the employee, through whom this tuition discount is gained, must be employed on or before January 15 for the Spring semester or August 16 for the Fall semester. For the May and Summer terms, individuals must be employed on or before May 1. For the Winter term, individuals must have been employed on or before December 15 of the preceding year. Should the employee, through whom the tuition discount is gained, terminate employment during the time a course is being taken or prior to its completion, the dependent child will be allowed to complete the current semester and continue to receive the previously approved tuition discount. Dependent children of full-time employees on an approved leave of absence (including sabbatical leave) are eligible for the discounts under this program for the duration of the employee’s approved absence.

4. Dependent children receiving less than full institutional tuition scholarships are eligible for the tuition discounts provided herein, however, the combined amount of all institutional tuition scholarships and discounts shall not exceed the total amount of tuition and mandatory student fees. \textit{For dependent children who receive full institutional scholarships and whose enrollment begins with the 2007/2008 academic year or after, the tuition discount benefit shall be applied to the dependent child’s account prior to the awarding of an institutional tuition scholarship.} The sum of the discount and institutional tuition scholarship shall not exceed the total cost of tuition and mandatory student fees. The limits imposed by this policy do not affect institutional scholarships which cover charges other than tuition and mandatory fees (i.e., room, board, meals). Similarly, the limits imposed do not affect those students who receive external scholarships.

B. Spouses

1. Legal spouses of regular full-time employees are eligible for a 50 percent tuition discount for up to six (6) credit hours per semester (Fall and Spring) and up to six (6) credit hours during the Winter and Summer (May included) terms combined (total of 18 credit hours per calendar year). This discount applies to undergraduate or graduate course work. This benefit applies to all courses offered for credit, but does not include continuing or community education courses and courses offered through overseas programs. Audit, independent learning and bi-term courses are included in this policy.
The 50 percent tuition discount applies to the full tuition and mandatory fees for courses taken. Fees which are not considered a part of this policy include course specific fees, student teaching fees, and other similar fees.

2. A minimum cumulative grade point average of 2.0 on a 4.0 grade scale must be maintained. If the GPA falls below 2.0, the spouse will be ineligible to participate in the tuition discount program until his/her GPA improves to 2.0.

3. Spouses must meet general admission requirements and any specific program requirements of the University. For purposes of this policy, the employee, through whom this tuition waiver is granted, must be employed on or before January 15 for the Spring semester or August 16 for the Fall semester. For the May and Summer terms, individuals must be employed on or before May 1 in order to be eligible. For the Winter term, individuals must have been employed on or before December 15 of the preceding calendar year. Should the employee, through whom the tuition discount is gained, terminate employment during the time a course is being taken or prior to its completion, the spouse will be allowed to complete the current semester and continue to receive the previously approved tuition discount. Spouses of full-time employees on an approved medical or professional leave of absence (including sabbatical leave) are eligible for the discounts under this program for the duration of the employee's approved absence, not to exceed one (1) year. Tuition discounts are not cumulative where two spouses work at WKU.

C. Dependent Children and Spouses of Retirees

1. Dependent children and spouses of retirees are eligible for tuition discounts following the same guidelines as regular full-time employees. For purposes of this policy, a retiree is defined as any of the following individuals: 1) individuals who have gained official retirement status with the Kentucky Teachers' Retirement System (KTRS) or the Kentucky Employees' Retirement System (KERS), or 2) individuals who participate in the Optional Retirement Plan (ORP) whose age and years of full-time employment equal 60 or greater, with a minimum of ten (10) years of full-time employment at WKU.

D. Dependent Children and Spouses of Deceased Employees

1. Dependent children (as defined in this policy) and spouses, of full-time employees who die while in an active full-time status, shall be eligible for tuition discounts following the same guidelines as dependent children and spouses of active full-time employees. For his/her dependents to be eligible, the deceased employee must have had at least five (5) years of full-time service with Western Kentucky University. This benefit shall apply to all dependent children and the surviving spouse who were qualified dependents at the time of the employee’s death.

2. Dependent children of employees having less than five (5) years of full-time service who are enrolled and receiving benefits under this policy at the time of the employee’s death, shall continue to remain eligible for tuition discounts until degree requirements for one baccalaureate degree are met.

III. Procedure
A. General

1. For individuals requesting the tuition discount benefits provided by this policy, after registration for classes has been completed, an on-line tuition discount form must be completed each semester and forwarded to the Office of Finance and Administration. The Department of Human Resources and the Office of Billings and Receivables are responsible for verifying eligibility and accounting for benefits received under this program.

B. Tax Reporting and Withholding Requirements

1. Under U.S. Internal Revenue Code, WKU is permitted to provide educational benefits to employees and dependents, but with different limitations and tax implications depending on the level of study. (For tax implications pertaining to “employees” please see HR Policy 4.6501.)

2. All undergraduate course work provided to dependent children and legal spouses is allowed to be considered tax-free and is excluded from an employee’s taxable wages.

3. Graduate level course discounts provided to legal spouses of WKU employees are fully taxable income to the employee.

4. The taxable value of tuition waiver benefits will be added to employee taxable wages in February, May, September, and November for the Winter, Spring, Summer, and Fall terms respectively. This increase in taxable wages will result in an increase of tax withholdings and a reduction in net pay. All employees are encouraged to track their education-related benefits for each calendar year and the payroll implications of such.

5. Taxable educational benefits provided to legal spouses of eligible retirees beyond the retiree’s last year of employment with WKU will be reported on IRS Form 1099.

IV. Exclusions

V. Related Policies

See also: University Policy; 4.6501 Tuition Waiver Program for Employees

VI. Reason for Revision

Appendices: