

University of Rochester

TUITION BENEFIT PLANS

*TUITION BENEFITS FOR EMPLOYEES
(UNDERGRADUATE & GRADUATE)*

*TUITION BENEFITS FOR DEPENDENT CHILDREN
(UNDERGRADUATE)*

Table of Contents

TUITION BENEFITS FOR EMPLOYEES (UNDERGRADUATE & GRADUATE)

Eligibility.....	1
Tuition Waiver for Credit-Bearing Courses at the University of Rochester	1
Tuition Reimbursement at Other Colleges or Universities.....	2
Requirements for Tuition Reimbursement for Non-Credit Courses.....	2
Requirements for Certification/Recertification Exams.....	2
Eastman Community Music School.....	2

TUITION BENEFITS FOR DEPENDENT CHILDREN (UNDERGRADUATE)

Eligibility.....	3
Tuition Waiver for Dependent Children at the University of Rochester for Full-Time Faculty/Staff.....	3
Tuition Waiver for Dependent Children at the University of Rochester for Part-Time Staff.....	4
Grandparenting of the Portable Tuition Plan for Dependent Children.....	4
Eastman Community Music School.....	5

Important Information to Know	6-8
--	------------

How Your Coverage Is Affected	9-10
--	-------------

How to Apply for Tuition Benefits.....	11-12
---	--------------

Definition of Terms.....	13-14
---------------------------------	--------------

Appendix A-Flow chart for Determining Whether Employee Graduate Tuition Assistance Benefits and/or Tuition Reimbursement for Non-Credit Courses Exceeding \$5,250 in a Calendar Year are Taxable.....	15
--	-----------

CLAIMS AND APPEALS PROCEDURES FOR NON-PENSION BENEFITS.....	16-20
--	--------------

Tuition Benefits for Employees (Undergraduate and Graduate)

Eligibility

- ◆Regular Full-time Faculty/Staff: Upon completion of 1 year of service*
- ◆Regular Part-time Staff: Upon completion of 2 years of service*

Regular Part-Time Faculty and Part-Time Senior Administrative Staff in Salary Grades 58 and above are not eligible for tuition benefits.

Individuals represented by collective bargaining agreements receive benefits in accordance with those agreements.

Active employment in an eligible status must be maintained through the completion of the course and the faculty or staff member must successfully complete the course. If these criteria are not met, the faculty or staff member will be responsible for the payment of the course and any related late fees.

Tuition Waivers are approved only for the courses listed on the waiver form. Any change in course(s) listed on the form (add/drop/withdrawal), will result in the employee being responsible for payment of the course(s) as stated in the University Bursar's Office Refund Schedule.

Tuition Waiver for Credit-Bearing Courses at the University of Rochester

For regular **full-time faculty and staff**, the employee tuition waiver benefit is based on the current salary** (see salary bands below) of the full-time faculty/staff member at the beginning of each relevant period (e.g. semester/quarter) for up to two credit-bearing courses taken at the University of Rochester, if such course is deemed by the employee's immediate supervisor either to be related to the employee's job at the University or part of a degree plan that would prepare the employee for a future job within the University.

For regular **part-time staff**, the employee tuition waiver benefit is based on the current salary** (see salary bands below) of the part-time staff member at the beginning of each relevant period (e.g. semester/quarter) for **one** credit-bearing course taken at the University of Rochester, if such course is deemed by the employee's immediate supervisor either to be related to the employee's job at the University or part of a degree plan that would prepare the employee for a future job within the University.

Regular Full-Time Faculty/Staff and Part-Time Staff Earning: < \$50,000
(Employee Tuition Salary Band 1):
➤ **95%** Tuition Waiver

Regular Full-Time Faculty/Staff and Part-Time Staff Earning: \$50,000-\$124,000
(Employee Tuition Salary Band 2):
➤ **90%** Tuition Waiver

Regular Full-Time Faculty/Staff and Part-Time Staff Earning: > \$124,000
(Employee Tuition Salary Band 3):
➤ **80%** Tuition Waiver

For University of Rochester credit-bearing courses that *do not meet the criteria outlined above*: The amount of tuition waiver benefit will be set at **70%**.

The annual index for the salary bands are based on changes in the national average as reported by the Bureau of Labor Statistics.

**Please refer to Service Requirement section under Important Information to Know on page 6.*

***For an hourly-paid staff member, annual salary is standard annual hours times the hourly rate of pay; for a salaried faculty or staff member, annual salary is 12 times the regular monthly salary or 24 times the regular semi-monthly salary. For faculty members under the School of Medicine and Dentistry Master Clinical Faculty Compensation Plan, annual salary means "Targeted Salary."*

- ♦ Full-Time Strong Memorial Hospital Residents and Fellows and Full-Time Departmental Fellows are eligible upon appointment for a **95%** tuition waiver of two credit-bearing courses per semester or quarter only at the University of Rochester.

*See separate **Policy #305** if you are interested in University sponsorship of full-time employees for the Simon School Executive Development Program.*

Tuition Reimbursement at Other Colleges or Universities

(including approved non-credit courses and certification/recertification exams taken at the University of Rochester or at other Colleges or Universities)

- ♦ For regular **full-time faculty and staff, 70%** tuition reimbursement for up to **two** credit-bearing courses (including approved non-credit courses and certification/recertification exams)** in each relevant period (e.g., semester or quarter), if such course is directly related to the employee's job at the University.

**** Requirements for Tuition Reimbursement for Non-Credit Courses**

All Non-credit courses must meet established criteria and be approved by the Office of Total Rewards prior to the start of the course. Non-credit courses must be taken at a college or university and meet the criteria of being directly job-related, having at least 15 contact hours with a professor/teacher, having outside readings and assignments, and having a formal evaluation based on a final exam.

**** Requirements for Reimbursement of Certification/Recertification Exams**

A certification/recertification exam must be directly job-related, and certified by the supervisor that the employee will either be eligible for a pay increment upon successful completion of the certification exam(s), the employee will lose a pay increment if not recertified or successful completion of the certification/recertification exam(s) is a requirement of the employee's job at the University. Reimbursement for a certification/recertification exam is **taxable wages unless** the exam satisfies the requirements for a tax deductible job-related exam under IRS rules. Generally, a job-related exam will satisfy these IRS requirements if it *maintains or improves skills for the individual's present job, or if the exam meets the employer's express requirements for retaining the job, and the exam is not part of a program that will qualify the individual for a new trade or business.*

NOTE: Courses taken at other colleges and universities, non-credit bearing courses taken at the University of Rochester or at other colleges or universities and certification/recertification exams will be reimbursed 70% upon receipt of proof of payment, proof of course/exam cost, and evidence of successful completion of the course/exam. In no instance is an employee eligible for more than a total of 2 courses/certification/recertification exams per semester or quarter.

Eastman Community Music School

Upon completion of one year of full-time service or two years of part-time service, regular full-time faculty and regular full-time and part-time staff are eligible for a 25% reduction in charges for musical instruction through the Eastman Community Music School.

Strong Memorial Hospital Residents and Fellows and Departmental Fellows are not eligible for the reduction in charges for musical instruction through the Eastman Community Music School.

Tuition Benefits for Dependent Children **(Undergraduate)**

Eligibility

Regular Full-Time Faculty and Regular Full-Time and Part-Time Staff*

Regular Part-Time Faculty and Part-Time Senior Administrative Staff in Salary Grades 58 and above are not eligible for tuition benefits.

Children of Strong Memorial Hospital Residents and Fellows and children of Departmental Fellows are not eligible for tuition benefits.

Tuition benefits must be used within ten years of the dependent child's high school graduation.

*Regular full-time and regular part-time (appointed to work at least 17.5 hours or more per week) staff who are members of SEIU 1199 Upstate-SMH and SEIU Local 200 United-River Campus are eligible for tuition benefits for dependent children.

This dependent children tuition benefit is available only while the employee is actively employed in an eligible status. Should employment cease (or eligibility otherwise cease) during a semester/quarter, the benefit will be pro-rated for that semester/quarter.

Dependent Children interested in enrolling at the University of Rochester, should visit the Admissions website at <http://enrollment.rochester.edu/admissions>.

Tuition Waiver for Dependent Children at the University of Rochester for Full-Time Faculty and Staff:

Upon the faculty or staff member's completion of ten years of full-time service, undergraduate dependent children of regular full-time faculty and staff who *matriculate as first-time, first year freshman students at the University of Rochester* are eligible for:**

- ♦ a tuition waiver equal to the difference between the stated full undergraduate tuition cost at the applicable UR school or college and the full undergraduate tuition for New York State residents for Baccalaureate Degree programs at SUNY colleges, for up to four years of undergraduate study, not to exceed a total of 8 semesters or 12 quarters (including summer semesters or quarters). Tuition Benefits will be pro-rated for part-time study.

Beginning in the fall 2017 semester, employees currently utilizing the 10-year service Dependent Children Tuition Waiver benefit—as well as employees who will use it for a first-time, first-year freshman student—will be eligible for a full tuition waiver if their adjusted gross income is less than \$100,000 as reported on the 2017–18 FAFSA form and their 2015 federal income tax return; \$110,000 as reported on the 2018–19 FAFSA form and 2016 income tax return; and \$125,000 on the 2019–20 FAFSA and 2017 income tax return. Employees whose adjusted gross income is above these figures will continue to pay the annual SUNY tuition rate.

***Please refer to Service Requirement section under Important Information to Know on page 6.*

If a dependent child is already matriculated either at the University of Rochester or at another college or university, full-time faculty and staff may be eligible for the 50% dependent child tuition benefit at the University of Rochester if the faculty or staff member meets the eligibility requirements.

For full-time faculty and staff members that do not have ten years of full-time service completed prior to their dependent child beginning their undergraduate education at the University of Rochester, and they begin utilizing the 50% dependent child tuition benefit, they will not be eligible to switch to the dependent child tuition benefit above if they complete the 10 year service requirement prior to their child completing 8 semesters/12 quarters of undergraduate study.

If your dependent child completed one semester at another college (even if the child is willing to not transfer any credits to the University), your dependent child would not be eligible for the 10-years of service Dependent Children Tuition Waiver Benefit. However, your dependent child may be eligible for the 50% benefit if you satisfy the eligibility criteria for the benefit under the tuition benefit plan.

If your dependent child enrolled for one semester either at the University or another college, but withdrew from all courses, your dependent child would be eligible for the 10-years of service Dependent Children Tuition Waiver Benefit if he/she begins undergraduate education at the University of Rochester if you satisfy the eligibility criteria for the benefit under the tuition benefit plan.

If your dependent child took only one college course during the summer (e.g. to brush up on a subject) prior to beginning his/her undergraduate education at the University, your dependent child would be eligible for the 10-years of service Dependent Children Tuition Waiver Benefit when he/she begins undergraduate education at the University of Rochester, if you satisfy the eligibility criteria for the benefit under the tuition benefit plan.

Upon the faculty or staff member's completion of five years of full-time service, children of regular full-time faculty and staff are eligible for:**

- ♦ 50% of the stated full undergraduate tuition cost at the applicable University of Rochester school or college, for up to four years of undergraduate study, not to exceed a total of 8 semesters or 12 quarters (including summer semesters or quarters). Tuition Benefits will be pro-rated for part-time study.

Tuition Waiver for Dependent Children at the University of Rochester for Part-Time Staff:

Upon the staff member's completion of **six years part-time service****, children of regular part-time staff are eligible for:

- ♦ 25% of the stated full undergraduate tuition cost at the applicable University of Rochester school or college, for up to four years of undergraduate study, not to exceed a total of 8 semesters or 12 quarters (including summer semesters or quarters). Tuition Benefits will be pro-rated for part-time study.

***Please refer to Service Requirement section under Important Information to Know on page 6.*

The combination of any merit award(s) and tuition benefits may not exceed tuition. Any tuition benefit will be part of the needs-based calculation.

Grandparenting of the Portable Tuition Plan for Dependent Children

Full-time faculty and senior staff salary grades 58 and above appointed to such positions prior to 1/1/96 are eligible for up to \$4,000 tuition award per dependent child per academic year (up to \$2,000 per semester or \$1,334 per quarter) for up to four years of undergraduate study at other institutions, not to exceed a total of 8 semesters or 12 quarters (including summer semesters or quarters) at other institutions and/or the University of Rochester. Tuition benefits will be pro-rated for part-time study.

For full-time faculty and senior staff salary grades 58 and above appointed to such positions 1/1/96 and thereafter, the portable plan for dependent children will not be offered.

Eastman Community Music School

Children of regular full-time faculty and regular full-time and part-time staff are eligible for a 25% reduction in charges for musical instruction through the Eastman Community Music School after the completion of one year of full-time service or two years of part-time service.

Children of Strong Memorial Hospital Residents and Fellows and **children of Departmental Fellows** are not eligible for the reduction in charges for musical instruction through the Eastman School of Music Community Education Division.

Important Information to Know

Number of Courses (Tuition Benefits for Employees)

The limit of two courses (one for part-time staff at the UR) applies to all courses taken at a given time, whether at the U of R or other colleges or universities.

In all cases, the University will not provide tuition benefits for the same course retaken to improve one's grade.

For courses taken at the U of R, an incomplete will be allowed for up to six months if the course is successfully completed by the end of the six-month period and eligibility has been maintained by the faculty or staff member.

Number of Semesters /Quarters (Tuition Benefits for Dependent Children)

For dependent children tuition benefits (including the grandparented portable tuition plan for dependent children), the maximum benefit is four years of full-time undergraduate study, not to exceed a total of 8 semesters or 12 quarters (including summer semesters or quarters) at other institutions and/or the University of Rochester, per child.

Service Requirement

For all Tuition Benefit Plans, the service requirement must be met by the faculty or staff member as of the start date of the course. For all Tuition Benefit Plans except the 10-years of service Dependent Children Tuition Waiver Benefit, service will be prorated for faculty and staff members who have changed status from part-time to full-time or vice versa.

For employee tuition benefits, service requirements may be met by service at another college, university, UR-affiliated teaching hospital, as well as service at a member of the controlled group* of the University that offered an employee tuition benefit plan for which the faculty or staff member was eligible.

For the 50%/25% Dependent Children Tuition Waiver Benefit, service requirements may be met by service at another college or university that offered a tuition benefit plan for dependent children for which the faculty or staff member was eligible.

For the 10-years of service Dependent Children Tuition Waiver Benefit, service requirements may be met by full-time service at another college or university that offered a tuition benefit plan for dependent children for which the faculty or staff member was eligible.

- ♦ The ten years of full-time service requirement must be met by the faculty or staff member as of the start date of the course.

To receive credit for service at another college, university, UR-affiliated teaching hospital as well as service at a member of the controlled group* of the University that offered a tuition benefit plan for which the faculty or staff member was eligible, complete the *Tuition Benefits Service Credit Form* available online at <http://www.rochester.edu/working/hr/benefits/library/TuitionServiceCredit.pdf>

**Members of the controlled group of the University of Rochester include: Highland Hospital, Highlands at Brighton, Highlands at Pittsford, Highlands Living Center, UR Medicine Home Care (VNS), Visiting Nurse Signature Care, High Tech Rochester, Nicholas H. Noyes Memorial Hospital, Jones Memorial Hospital and F.F. Thompson Health System, Inc.*

Multiple Eligibility Status

A faculty or staff member who is also the dependent child of a faculty or staff member may apply for tuition benefits as the dependent child or the employee — whichever is the most beneficial to the individual. However, the tuition benefit for more than one category cannot be combined for the same individual at any one time. (Also see Tuition Benefits for Employees and Dependent Children.)

For dependent children tuition benefits, when both parents are U of R faculty or staff members, only one parent may apply for the tuition benefit whichever is most beneficial to the child. The maximum benefit is four years of full-time undergraduate study, not to exceed a total of 8 semesters or 12 quarters (including summer semesters or quarters) at other institutions and/or the University of Rochester, per child.

Continuation of Enrollment

For employee tuition benefits, tuition for non-credit dissertations, theses, and continuation of enrollment at the U of R will be covered by tuition benefits for a maximum of one semester, per individual.

Tuition for “leave of absence from a program of academic study” at the U of R will not be approved for tuition benefits.

Application for employee reimbursement of tuition for non-credit dissertations, theses, continuation of enrollment, and “leave of absence from a program of academic study” at outside schools will not be approved for tuition benefits.

Calculation of Tuition Benefit Plan Payment and Other Financial Aid

Tuition waiver and reimbursement benefits are provided for the cost of tuition for credit-bearing and eligible non-credit courses and certification/recertification exams only. Tuition waivers will be calculated based on the appropriate approved percentage and rounded to the nearest dollar. Cost of supplies, textbooks and the like will not be covered. For the Tuition Reimbursement benefit, courses taken at other colleges and universities, non-credit bearing courses taken at the University of Rochester or at other colleges or universities and certification/recertification exams will be reimbursed 70% upon receipt of proof of payment, proof of course/exam cost, and evidence of successful completion of the course/exam. In no instance is an employee eligible for more than a total of 2 courses/certification/recertification exams per semester or quarter.

For the Tuition Reimbursement benefit, other financial or scholarship aid that does not have to be repaid by the faculty or staff member (i.e., grants) will be deducted from the tuition cost prior to calculating the 70% tuition reimbursement. Other financial aid (i.e., loans) will not affect the calculation of the University’s tuition reimbursement benefit. In no circumstance may the combination of the University’s tuition benefit and the tuition-restricted assistance exceed the cost of tuition for the semester or quarter.

Taxability of Employee Tuition Benefits

Ordinarily, graduate tuition assistance benefits and/or tuition reimbursement for non-credit courses up to \$5,250 in a calendar year are not taxable. Graduate tuition assistance benefits and/or tuition reimbursement for non-credit courses that exceed \$5,250 in a calendar year are **taxable wages unless** the course satisfies the requirements for a tax deductible job-related course under IRS rules.* Generally, a job-related course will satisfy these IRS requirements if it *maintains or improves skills for the individual’s present job, or if the course meets the employer’s express requirements for retaining the job, and the course is not part of a program that will qualify the individual for a new trade or business.* If you believe that your proposed graduate level course(s) and/or non-credit course(s) **satisfies the requirements for a tax deductible job-related course under IRS rules**, please complete the *University of Rochester Graduate Tuition Waiver/Reimbursement Tax Exemption Form* on **page 5** of the *Employee Tuition Waiver/Reimbursement application* available online at Rochester.edu/totalrewards/tuition (Please see Appendix B for a flow chart for Determination Whether Graduate Tuition Assistance Benefits and/or tuition reimbursement for non-credit courses Exceeding \$5,250 in a Calendar Year are Taxable). Return the application and the *University of Rochester Graduate Tuition Waiver/Reimbursement Tax Exemption Form* (if applicable) to the Office of Total Rewards, Box 270453. If the *University of Rochester Graduate Tuition Waiver/Reimbursement Tax Exemption Form* is not received within 30 days from the start of the course(s), you will be taxed on the course(s).

* If you worked at one of the members of the University’s controlled group during this calendar year (Highland Hospital, Highlands at Brighton, Highlands at Pittsford, Highlands Living Center, UR Medicine Home Care (VNS), Visiting Nurse Signature Care, High Tech Rochester, Nicholas H. Noyes Memorial Hospital, Jones Memorial Hospital and F. F. Thompson Health System, Inc.), and utilized employee tuition benefits, please advise the University’s Office of Total Rewards of the amount of that tuition benefit.

For taxable tuition benefits, applicable Federal and State income taxes and FICA taxes (approximately 39.27% of the taxable tuition amount) will be deducted from the employee's paycheck when the waiver is approved or the reimbursement is paid to the employee. In addition, the taxable income will be reflected on the W-2 for the calendar year when the actual tuition benefit is posted to the student's account or reimbursed to the employee. If you determine that your proposed graduate level course(s) and/or non-credit course(s) do not satisfy the requirements for a tax deductible job-related course under IRS rules, and you wish to manually calculate how much tax will be withheld from your paychecks(s), please see the *Graduate Tuition Assistance Benefits and/or Tuition Reimbursement for Non-Credit Courses Taxation Worksheet* available online at Rochester.edu/totalrewards/tuition.

Taxability of Tuition Benefits for Children of Domestic Partners

The employee will have imputed income equal to the value of the tuition benefit provided by the University for undergraduate courses, even if the dependent child is a tax dependent. **Applicable Federal and State income taxes and FICA taxes (approximately 39.27% of the tuition amount) will be deducted from the employee's paycheck when the waiver is approved** and the taxable income will be reflected on their W-2 for the calendar year when the actual tuition credit is posted to their dependent child's account.

Audited Courses

Courses taken for audit will not be approved under the tuition benefits plan.

Courses Required by the Supervisor

For hourly paid staff required by the supervisor to take a job-related course, class time will be considered working time, and will be paid as such. If a course occurs outside the normal work hours, pay will be required for class time, including overtime premium if work exceeds 40 hours in a work week.

Courses During Working Hours

A course required as part of an approved degree program or a course directly related to the current position or related to a future career interest or position may be taken during work hours if not available at other times, provided it is approved by the employee's supervisor. Individuals released for courses during work hours will be expected to make up the time.

How Your Coverage Is Affected

When You Retire...

Full-time faculty/staff retirees will be eligible for a **70%** tuition waiver benefit for two credit-bearing courses in each relevant semester or quarter at the University of Rochester. **Part-time staff retirees** will be eligible for a **70%** tuition waiver benefit for one credit-bearing course in each relevant semester or quarter at the University of Rochester. Ordinarily, graduate tuition assistance benefits up to \$5,250 in a calendar year are not taxable. However, graduate tuition assistance benefits that exceed \$5,250 in a calendar year are **taxable wages** and the imputed income will be reported on a Form 1099 each year the benefit is received.

Eligibility for the reduction in charges for musical instruction through the Eastman School of Music Community Education Division ends on the date of retirement.

Dependent children of retired full-time faculty and full-time/part-time staff remain eligible for tuition benefits, regardless of whether they had begun college before you retired. Please see *page 8* for tax implications for dependent children of domestic partners.

If you Terminate or Change to an Ineligible Status...

If a faculty or staff member terminates employment or changes to an ineligible status, eligibility for employee tuition benefits ends on the date of termination or change. (Active employment in an eligible status must be maintained through completion of the course. If this criterion is not met, the employee will be responsible for payment of the course and any related fees.)

If a faculty or staff member terminates employment or changes to an ineligible status, eligibility for dependent children tuition benefits ends on the date of termination or change. (Active employment in an eligible status must be maintained through completion of the course(s). If this criterion is not met, the benefit will be pro-rated for that semester/quarter.

If you Become Disabled...

When a faculty or staff member is receiving payments under the Sick Leave Plan for Short-Term Disability, eligibility for employee or dependent children tuition benefits is continued.

During the first six months that a faculty or staff member is receiving Workers' Compensation payments, eligibility for employee or dependent children tuition benefits is continued.

During Long-Term Disability, employee or dependent children tuition benefits for an individual who has met service requirements prior to being approved for benefits under the University Long-Term Disability (LTD) Plan can be claimed during the approved period of long-term disability as though the individual were actively at work. For completion of service requirements for tuition benefits, time on an approved period of long-term disability does not count.

If you are on an Unpaid Leave of Absence (including the unpaid portion of a Short-Term Leave of Absence)...

During an Unpaid Leave of Absence, employee tuition benefits are suspended.

During an Unpaid Leave of Absence, dependent children tuition benefits are not interrupted.

If you are on a Paid Leave of Absence (including the paid portion of a Short-Term Leave of Absence)...

Tuition benefits for employees or dependent children are not interrupted during the employee's paid Leave of Absence.

If you are on FMLA...

Tuition benefits for employees or dependent children are not interrupted during the employee's portion of Leave under the FMLA.

If you are on NYS Paid Family Leave...

During Paid Family Leave, tuition benefits for employees or dependent children are not interrupted.

If you are on a Layoff and Recall...

During Layoff and Recall, employee or dependent children tuition benefits for an individual who has met service requirements prior to layoff can be claimed during layoff as though the individual were actively at work. For completion of service requirements for tuition benefits, time on Indefinite Layoff does not count. Time on Temporary Layoff not later changed to Indefinite Layoff does count toward service requirements for those on regular full-time or part-time status immediately prior to layoff.

If you Die...

Eligibility for tuition benefits will continue for children of deceased faculty, staff, and retirees provided the faculty or staff member or retiree had completed ten or more years of active service at the time of death.

For faculty, staff, and retirees, who had not completed ten or more years of active service at the time of death, tuition benefits for dependent children will continue to completion of a collegiate program [not to exceed a total of 8 semesters or 12 quarters (including summer semesters or quarters)] that commenced prior to the date of death.

NOTE: Tuition Benefits for dependent children of a deceased faculty, staff member or retiree are non-taxable *if the dependent child is under age 25 and BOTH parents are deceased*. If one parent is living, the benefit will be taxable to the dependent child, and the imputed income will be reported on a Form 1099 each year the benefit is received.

How to Apply for Tuition Benefits

Applications/forms for tuition waiver and tuition reimbursement are available from the Office of Total Rewards or online at Rochester.edu/totalrewards/tuition.

For timely processing, all tuition benefit applications, in addition to, any applicable *University of Rochester Graduate Tuition Waiver/Reimbursement Tax Exemption Forms* should be approved in advance of the course by the Office of Total Rewards. Applications and applicable *University of Rochester Graduate Tuition Waiver/Reimbursement Tax Exemption Forms* must be received by the Office of Total Rewards for authorization no later than 30 days after the start of the course. Retroactive authorizations will not be approved beyond the 30-day limit.

To apply for the *Dependent Child Tuition Waiver Benefit*, log on to HRMS (www.rochester.edu/people) and click on “**Self-Service>Benefits>Tuition>Apply-Dependent Tuition Wavier.**” Applications must be submitted no later than 30 days after the start of the course. Retroactive authorizations will not be approved beyond the 30-day limit. You only have to apply for the *Dependent Children Tuition Waiver* once, per individual, per academic year. If you need to complete the *Dependent Information Request Form* to add your dependent to HRMS, please submit this form to the Office of Total Rewards before completing the application online. If you do not have access to a computer or the internet, paper applications are available from the Office of Total Rewards.

For employee tuition reimbursement, proof of payment, proof of cost and proof of successful course completion at other colleges or universities must be received by the Office of Total Rewards within 90 days of the course completion for reimbursement. Reimbursement will not be made if course documentation is not received within 90 days of course completion.

Tuition waiver applications for dependent children of domestic partners should be approved in advance of the course by the Office of Total Rewards. In addition, the employee must also sign and file with the Office of Total Rewards the **University’s Certification of Domestic Partner Status**. The Certification covers all eligible domestic partner benefits (i.e., the University’s health care, dental care, life insurance, long-term care, employee assistance, lifestyle management, and tuition assistance programs).

If your domestic partnership ends, then the University must be notified within 60 days of the terminated relationship. You satisfy this requirement by filing a *Statement of Termination of Domestic Partnership* with the Office of Total Rewards.

To apply for the *Portable Tuition Benefit for Dependent Children* (for grandfathered full-time faculty or senior staff only, whose children are attending an outside college/university), log on to HRMS (www.rochester.edu/people) and click on “**Self-Service>Benefits>Tuition>Faculty Child Scholarship Pgm.**” Applications must be submitted no later than 30 days from the start of the child’s first semester at the other college/university (you will not have to apply online again unless the child transfers to a different college/university). If you need to complete the *Dependent Information Request Form* to add your dependent to HRMS, please submit this form to the Office of Total Rewards before completing the application online. If you do not have access to a computer or the internet, paper applications are available from the Office of Total Rewards.

Payment will be made directly to the institution attended each semester or quarter. Proof of obligation of the faculty or senior staff member to pay the child’s tuition must be received by the Office of Total Rewards each semester or quarter before payments will be released to the college or university. It is the faculty or senior staff member’s responsibility to see to the timely delivery of the tuition bill or statement of financial obligation to the Office of Total Rewards.

The University administers the Tuition Benefit Plans and has sole discretionary authority to interpret the Tuition Benefit Plans, to make eligibility and benefit determinations, and to make factual determinations in connection with any of the Tuition Benefit Plans. The determinations of the University are final and binding. The Tuition Benefit Plans are to be construed, administered, and governed by the laws of the State of New York except to the extent superseded by the Internal Revenue Code or other federal law.

Definition of Terms

The following terms are used to define eligibility for participation in the plan:

Appointment: The action which begins a relationship with the University in a specific position, such as a member of the faculty; the period during which such a relationship is in effect.

Continuous employment: Actively at work in a position eligible for the full range of University Benefit Plans. Absences due to Leave of Absence or Layoff would be included in determining continuous employment.

Dependent child: An employee's son, stepson, daughter, stepdaughter, adopted child, child placed with the employee for adoption by an authorized placement agency, or eligible foster child placed with the employee by an authorized placement agency or by judgment, decree, or other order of a court, who the employee can claim as a dependent on his or her federal tax return under Code §152. Generally, a child of divorced or separated parents can be treated as a dependent of both parents provided that the child receives more than 50% of his or her support from either or both parents combined and the child has the same principal residence as is in the custody of either or both parents for more than one-half of the year (temporary absences to attend school do not affect the child's primary residence). It also includes a son, stepson, daughter, stepdaughter, adopted child, child placed with the individual for adoption by an authorized placement agency, or eligible foster child placed with the individual by an authorized placement agency or by judgment, decree, or other order of a court, of a domestic partner/same-sex spouse who the domestic partner/same-sex spouse can claim as a dependent on his or her federal tax return under Code 152.

Full-time: For nonexempt job classifications (excluding those in PAS job classifications paid hourly): a regular weekly work schedule of at least 35 hours; for all professional, administrative, and supervisory (PAS) job classifications (including PAS paid on an hourly basis): a weekly work schedule of 40 hours or more; for faculty: a normal full teaching and research load as defined for the faculty by the college or school concerned.

Layoff (indefinite): An indefinite suspension of University employment because of reduction of staff or elimination of a position for more than four months or for unspecified duration, not over one year.

Layoff (temporary): A layoff that equates to a temporary suspension of University employment because of reduction of staff or elimination of a position with the expectation of return to work within four months of the day the layoff begins.

Leave of Absence: An approved absence which does not end, but does change, the appointment relationship. Leave may be for research or study, to permit a visiting appointment elsewhere, for personal reasons, or for disability.

Part-time: A regular weekly or monthly schedule which is less than that required for full-time status but generally not less than 17.5 hours per week in the case of those in nonexempt and/or professional, administrative, and supervisory (PAS) job classifications. For faculty, it indicates that the individual carries at least half the normal (full) teaching and research load as defined for faculty by the college or school concerned.

Regular: Period of appointment in nonexempt and/or professional, administrative, and supervisory (PAS) job classifications that is expected to exceed four months, unless otherwise defined in collective bargaining agreements; period of appointment for faculty-instructional staff that is at least one year (or one academic year) or, if shorter, is expected to be renewed. Appointments primarily for furthering education (for example, graduate assistant) are not considered "regular" appointments.

Rehired: For purposes of determining Post-Retirement Benefits, “rehired” is defined as an Appointment to a position that is eligible for the full-range of University Benefit Plans from an Appointment that was not eligible for the full range of University Benefit Plans or following Termination or Retirement.

Retirement or Retire: ending of Appointment (whether voluntary or involuntary) at normal retirement age (as defined by the University of Rochester Retirement Program) or beyond after having met the ten-year service requirement or,

- Regular Full-Time and Part-Time faculty and staff Hired or Rehired prior to 1/1/96 at an earlier age if the individual has reached age 55 and has met the ten-year service requirement. (The ten-year service requirement may be met by cumulative employment at the University or another higher education institution).
- Regular Full-Time and Part-Time faculty and staff Hired or Rehired 1/1/96 and thereafter at an earlier age if the individual has reached age 60 and has met the ten-year service requirement. (The ten-year service requirement may be met by cumulative employment at the University or another higher education institution, as long as there is Continuous Employment at the University for the immediate 5 years prior to Retirement).

Once Retired, Post-Retirement Benefits continue to be based on status, age, and years of service at the time of initial Retirement, even if the Retiree returns to work. There is no adjustment to the Grandparent Level, years of service, or age calculation to determine the level of Post-Retirement benefits based upon Post-Retirement Rehire and employment. However, in the event a Retiree returns to work and becomes eligible for Health Care Plan coverage, Dental Plan coverage, and/or University-paid Basic Term Life insurance coverage because the Retiree has satisfied the eligibility criteria for active employees to participate, the Retiree will be limited to the active employee options, and will become ineligible for the post-retirement benefit options.

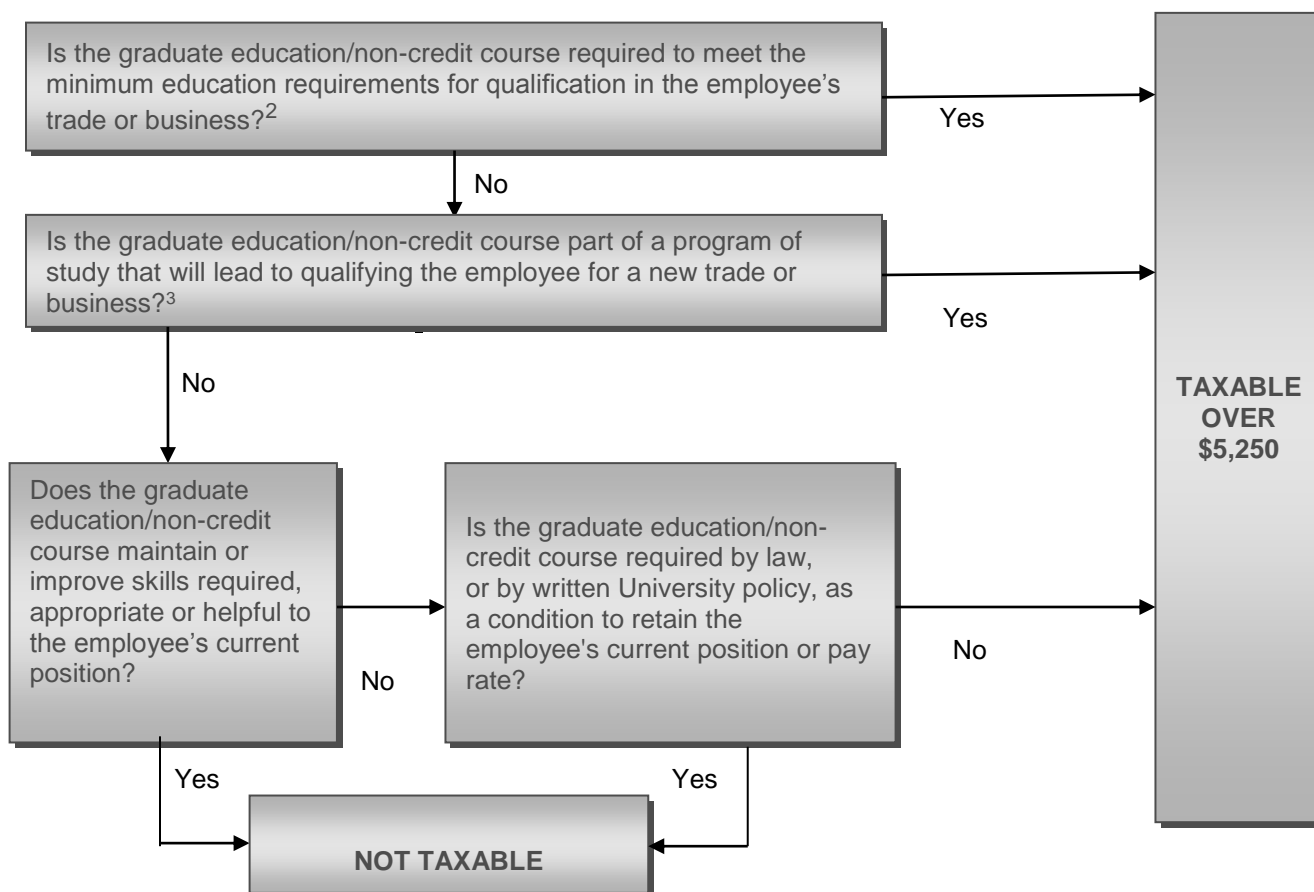
Retirees: (University Retired faculty and staff members): Regular Full-Time and Part-Time faculty and staff who were Hired or Rehired prior to 1/1/96 and who have retired and (1) reached age 55 and (2) met the 10-year service requirement. (The 10-year service requirement may be met by cumulative employment at the University or another higher education institution).

Regular Full-Time and Part-Time faculty and staff who were Hired or Rehired 1/1/96 and thereafter and who have retired and (1) reached age 60 and (2) met the 10-year service requirement. (The 10-year service requirement may be met by cumulative employment at the University or another higher education institution, as long as there is Continuous Employment at the University for the immediate five years prior to Retirement).

Temporary: A period of appointment in hourly and professional, administrative, and supervisory positions of not over four months, unless otherwise defined in collective bargaining agreements; period of appointment for faculty-instructional staff of less than one year (or one academic year) and for which renewal is not expected.

Termination: An ending of appointment for reason other than retirement.

**University of Rochester Graduate Tuition Waiver/Reimbursement Benefits
Determination Whether Graduate Tuition Assistance Benefits and/or Tuition
Reimbursement for Non-Credit Courses Exceeding \$5,250 in a Calendar Year are Taxable¹**



1. **About this Chart:** Ordinarily, employer-provided graduate tuition assistance benefits and/or tuition reimbursement for non-credit courses that exceed \$5,250 are taxable wages, while benefits up to \$5,250 are not taxable. However, certain job-related education is not taxable over \$5,250. This chart is intended to assist in determining whether an educational benefit sought by an employee meets the exception to taxability. **This does not constitute tax advice to employees, and employees should consult their personal tax advisors.**
2. **Minimum Required Education:** For example, suppose an employee, who holds a bachelor's degree, obtains temporary employment as an instructor at the University and undertakes graduate courses as a candidate for a graduate degree. Also, suppose the employee may become a faculty member only if he/she obtains a graduate degree and may continue as an instructor only so long as he/she shows satisfactory progress towards obtaining his/her graduate degree. The graduate courses taken by the employee constitute education required to meet the minimum educational requirements for qualification in the employee's trade or business and, thus, the expenditures for such courses in excess of \$5,250 are not deductible.
3. **New Trade or Business.** For example, a program of study qualifies an employee for a new trade or business if successful completion of the program would qualify the employee to: (1) meet a new category of professional licensure or certification required to perform a particular job (e.g. nurse practitioner certification); or (2) be employed in a position that has a different educational requirement than his/her current position, either within or outside the University. NOTE: Intention or actual job change is irrelevant; even if the employee does not intend to change positions, or does not take a new position, the tuition benefit is taxable if the employee becomes qualified to do so.

UNIVERSITY OF ROCHESTER
CLAIMS AND APPEALS PROCEDURES FOR NON-PENSION BENEFITS

ELIGIBILITY CLAIMS PROCEDURES

Any participant (employee) or beneficiary (dependent), or an authorized representative acting on behalf of a participant or beneficiary, may assert a claim for eligibility. Throughout this section, any of these individuals are referred to generically as a “Claimant.”

The following procedures shall apply if a Claimant is inquiring about eligibility to participate in a Program. These rules do not apply if a Claimant is also claiming the right to receive benefits under a Program rather than just inquiring about eligibility. If a Claimant is also filing a claim for benefits, the Claimant shall use the Benefits Claims Procedures that apply to the particular Program under which the claim is being brought, as described in the following section.

A. Determination of Benefits

A claim for eligibility must be submitted to the University of Rochester Office of Total Rewards (the “Office of Total Rewards”) in writing. The Office of Total Rewards will generally notify the Claimant of its decision within 90 days after it receives the claim. However, if the Office of Total Rewards determines that special circumstances require an extension of time to decide the claim, it may take an additional 90 days to decide the claim. If an extension is needed, the Office of Total Rewards will notify the Claimant, in writing and before the end of the initial 90-day period, of the special circumstances requiring the extension and the date by which the Office of Total Rewards expects to render a decision.

B. Notification of Adverse Claim Determination

If the claim is denied in whole or in part, the Office of Total Rewards will provide the Claimant, within the time period described above, with a written notice of the denial. The notice will be written in a manner calculated to be understood by the Claimant and will include:

- the specific reason(s) for the denial;
- references to the specific Plan provisions upon which the benefit determination is based;
- a description of any additional material or information necessary for the Claimant to perfect a claim and an explanation of why such information is necessary; and
- a description of the Plan’s appeals procedures and applicable time limits, including the right to bring a civil legal action under ERISA (if applicable) if the claim continues to be denied on review.

C. Appeal of Adverse Claim Determination

If the claim for eligibility is denied by the Office of Total Rewards, the Claimant may submit a written appeal to the Manager of the Office of Total Rewards (the “Manager”) requesting a review of the decision. The written appeal must be submitted within 60 days of the Claimant receiving the initial adverse decision. The written appeal should clearly state the reason or reasons why the Claimant disagrees with the Office of Total Rewards’ decision. The Claimant may submit written comments, documents, records and other information relating to the claim even if such information was not submitted in connection with the initial claim for benefits. Additionally, upon request and free of charge, the Claimant may have reasonable access and copies of all Plan documents, records and other information relevant to the claim.

The Manager will generally decide an appeal within 60 days. If special circumstances require an extension of time for reviewing the claim, the Claimant will be notified in writing. The notice will be provided prior to the commencement of the extension, describe the special circumstances requiring the extension and set forth the date the Manager will decide the appeal, which date will be no later than 60 days from the end of the first 60-day period.

D. Notification of Decision on Appeal

If the claim on appeal is denied in whole or in part, the Claimant will receive a written notification of the denial. The notice will be written in a manner calculated to be understood by the Claimant and will include:

- the specific reason(s) for the adverse determination;
- references to the specific Plan provisions on which the determination was based;
- a statement that the Claimant is entitled to receive upon request and free of charge reasonable access to, and make copies of, all records, documents and other information relevant to the Claimant’s benefit claim upon request; and
- a statement describing the voluntary alternative dispute resolution options that may be available by contacting the U.S. Department of Labor, and the right to bring a civil legal action under ERISA (if applicable).

BENEFITS CLAIMS PROCEDURES

Any participant (employee) or beneficiary (dependent), or an authorized representative acting on behalf of a participant or beneficiary, may assert a claim for benefits. Throughout this section, any of these individuals are referred to generically as a “Claimant.”

All claims for benefits should be submitted in accordance with the terms of the claims procedures below. The “Claims Reviewer” is the individual or entity assigned to review claims or appeals for a Program.

The Claims Reviewer for the Tuition Benefit program described in this booklet is:

Office of Human Resources
Total Rewards
60 Corporate Woods, Suite 310
P.O. Box 270453
Rochester, NY 14627-0453
585-275-2084
Facsimile-585-273-1054
benefitoffice@rochester.edu
Rochester.edu/totalrewards

CLAIMS FOR BENEFITS

The following procedures apply for claims for benefits described in this booklet.

A. Determination of Benefits

Claims for benefits described in this booklet shall be submitted to the University of Rochester Office of Total Rewards (the “Office of Total Rewards”) in writing. The Office of Total Rewards will generally notify the Claimant of its decision within 90 days after it receives the claim. However, if the Office of Total Rewards determines that special circumstances require an extension of time to decide the claim, it may obtain an additional 90 days to decide the claim. Before obtaining this extension, the Office of Total Rewards will notify the Claimant in writing, and before the end of the initial 90-day period, of the special circumstances requiring the extension and the date by which the Office of Total Rewards expects to render a decision.

B. Notification of Adverse Claim Determination

If the claim is denied in whole or in part, the Office of Total Rewards will provide the Claimant with a written notice of the denial. The notice will be written in a manner calculated to be understood by the Claimant and will include:

- the specific reason(s) for the denial;
- references to the specific Plan provisions upon which the benefit determination is based;
- a description of any additional material or information necessary for the Claimant to perfect a claim and an explanation of why such information is necessary;
- a statement that the Claimant is entitled to receive upon request and free of charge reasonable access to, and make copies of, all records, documents and other information relevant to the Claimant’s benefit claim upon request; and
- a description of the Plan’s appeals procedures and applicable time limits, including the right to bring a civil legal action under ERISA (if applicable) if the claim continues to be denied on review.

C. Appeal of Adverse Claim Determination

If the claim is denied in whole or in part, the Claimant may submit a written appeal to the Manager of the Office of Total Rewards (the “Manager”) requesting a review of the decision. The written appeal must be submitted within 60 days of receiving the initial adverse decision. The appeal should clearly state the reason or reasons why the Claimant disagrees with the Office of Total Reward’s decision. The Claimant may submit written comments, documents, records and other information relating to the claim even if such information was not submitted in connection with the initial claim for benefits. Additionally, upon request and free of charge, the Claimant may have reasonable access and copies of all Plan documents, records and other information relevant to the claim.

The Manager will generally decide an appeal within 60 days. If special circumstances require an extension of time for reviewing the claim, the Claimant will be notified in writing. The notice will be provided prior to the commencement of the extension, describe the special circumstances requiring the extension and set forth the date the Claims Reviewer will decide the appeal, which date will be no later than 60 days from the end of the first 60-day period.

D. Notification of Decision on Appeal

If the claim on appeal is denied in whole or in part, the Claimant will receive a written notification of the denial. The notice will be written in a manner calculated to be understood by the Claimant and will include:

- the specific reason(s) for the adverse determination;
- references to the specific Plan provisions on which the determination was based;
- a statement that the Claimant is entitled to receive upon request and free of charge reasonable access to, and make copies of, all records, documents and other information relevant to the Claimant's benefit claim upon request; and
- a statement describing the voluntary alternative dispute resolution options that may be available by contacting the U.S. Department of Labor, and the right to bring a civil legal action under ERISA (if applicable).

VOLUNTARY APPEAL PROCEDURES

To the extent the Plan's or a Program's claims procedures include a voluntary level of appeal, the Plan: waives any right to assert that a Claimant has failed to exhaust administrative remedies because the Claimant did not elect to submit a benefit dispute to any such voluntary level of appeal provided by the Plan or Program;

- waives any right to assert that a Claimant has failed to exhaust administrative remedies because the Claimant did not elect to submit a benefit dispute to any such voluntary level of appeal provided by the Plan or Program;
- agrees that any statute of limitations or other defense based on timeliness is tolled during the time that any such voluntary appeal is pending;
- declares that a Claimant may elect to submit a benefit dispute to such voluntary level of appeal only after exhaustion of the mandatory appeals permitted by ERISA claims regulations;
- shall provide to any Claimant, upon request, sufficient information relating to the voluntary level of appeal to enable the Claimant to make an informed judgment about whether to submit a benefit dispute to the voluntary level of appeal, including a statement that the decision of a Claimant as to whether or not to submit a benefit dispute to the voluntary level of appeal will have no effect on the Claimant's rights to any other benefits under the Plan or Program and information about the applicable rules, the Claimant's right to representation, the process for selecting the decisionmaker, and the circumstances, if any, that may affect the impartiality of the decisionmaker, such as any financial or personal interests in the result or any past or present relationship with any party to the review process; and
- shall not impose any fees or costs on the claimant as part of the voluntary level of appeal.

You may not commence a judicial proceeding against any person, including the Tuition Benefit Plans, the Plan Administrator, the University, the Office of Total Rewards, or any other person without first exhausting the claims procedures set forth above. If you have exhausted these procedures and are dissatisfied with the decision on appeal of a denied claim, you may bring an action in an appropriate court to review the Plan Administrator's decision on appeal, but only if the action is commenced no later than the earlier of (1) the applicable statute of limitations, or (2) the first anniversary of the Plan Administrator's decision on appeal.

Plan Information

The University Plan Administrator is the agent for legal process in any action involving the Tuition Benefit program.

The University Plan Administrator for Tuition Benefits is:

Associate Vice President for Human Resources
University of Rochester (Employer ID No. 16-0743209)
Office of Human Resources
Total Rewards
60 Corporate Woods, Suite 310
P.O. Box 270453
Rochester, NY 14627-0453
585-275-2084

The University reserves the right to modify, amend or terminate the plans at any time, including actions that may affect coverage, cost-sharing, or covered benefits, as well as benefits that are provided to current and future retirees. For example, there may be such changes as reducing the coverage of a plan, requiring employee contributions, or increasing or decreasing benefit levels. If one or more plans are terminated, the termination will not affect those benefits that are being paid to employees prior to the termination but there will be no benefits paid to those who would have become entitled to payment after the date of termination. Payment of benefits, if any, is made from the University's general assets.

August 2018