

# Tuition Waiver Program

## Introduction

The Tuition Waiver Program offers eligible employees free tuition and fees for up to three courses per academic year (defined as fall semester, spring semester, and the summer sessions that follow) at any of the [17 institutions within the UNC System](#). Courses may or may not be job-related - there are no restrictions on the field(s) of study.



### ANNOUNCEMENTS

Did you know only **4%** of eligible employees at App State are using the Tuition Waiver program as of 06/15/22? Help us spread the word about this valuable employee benefit by sharing the URL to this site. 😊

## Philosophy

The Tuition Waiver program supports App State's commitment to employee performance, engagement, and retention by providing a tool for professional development and career growth. It also supports strategic organizational development of competencies and behaviors needed to achieve the University's mission, vision, and values.

## Policies

In accordance with [North Carolina General Statute 116-143\(d\)](#) the Board of Governors of the University of North Carolina has enacted [The UNC System Policy Manual and Code, Chapter 1000.2 on Tuition Waivers](#), and issued [administrative regulations \(10002.2.1\[R\]\)](#) governing the waiver of tuition and fees. The policy and regulations permit each constituent institution to waive tuition and fees at their discretion and to establish policies and procedures consistent with this regulation.



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**Employing Institution** - As the employer of record, App State is responsible for managing the tuition waiver application policy and process including verification of eligibility, obtaining the manager's approval, and tracking usage.

**Enrolling Institution** - Any one of the constituent institutions within the UNC System in which the employee is enrolled and receiving academic credit and to which tuition/fees would be paid if not covered under tuition/fee waiver. The enrolling institution is responsible for managing the student experience including enrollment, registration, degree requirements, student account activity, and the academic calendar (e.g. registration and drop/add deadlines) as well as enforcing the tuition waiver policies and processes for students therein.

**Eligible Employee** - The Tuition Waiver Program is available to eligible students defined as:

- full-time, permanent faculty, EHRA, SHRA, and ROTC employees on their first day of work who are regularly scheduled to work 30 hours or more each week, 9 months of the year or longer;
  - meet normal work obligations and continue permanent employment status for the entire semester during which the course is taken;
  - have been admitted to the UNC-system school and registered for course(s); and
  - complete the full schedule of normal work obligations.
- It is also available to law enforcement officers with a probationary, timelimited, or permanent appointment employed 20 or more hours per week on a continuing basis, regardless of eligibility for participation in either the North Carolina Teachers' and State Employees' Retirement System (TSERS) or the UNC Optional Retirement Program (ORP). Temporary staff, including student temporary staff, are not considered law enforcement officers for purposes of this regulation.

**Employee/Student** - The employee of the Employing Institution and the student of the Enrolling Institution is responsible for following the App State tuition waiver process and policies as well as finding and following the academic calendar and tuition waiver policies, processes, and procedures established by the enrolling institution.

An approved tuition waiver may be canceled if the course is dropped or withdrawn from BEFORE the drop/add deadline of the enrolling institution. (Click [here](#) for more information.)

Eligible employees, defined as full-time, permanent, faculty, EHRA, SHRA, and ROTC employees of the UNC System may use **up to three** (see exception below) tuition waivers each academic year (defined as fall, spring and summer semesters) throughout their employment when they:

- Are regularly scheduled to work 30 hours or more each week, 9 months of the year or longer,
- Meet normal work obligations and continue permanent employment status for the entire semester during which the course is taken, and
- Have been admitted to the UNC-system school and registered for course(s).

★ Exception: Law Enforcement Officers employed at constituent UNC System institutions or affiliated entities, excluding student employees who are working as parttime law enforcement officers, may use an **unlimited** number of tuition waivers per academic year.

**App State Courses** - No more than two waivers may be used during either the fall or spring semester, and only one waiver may be used between spring commencement and the first day of classes for the following fall semester as pictured in the table below.

Options	Fall Semester	Spring Semester	Summer Semester
A	2 waivers	1 waiver	0
B	1 waiver	2 waivers	0
C	1 waiver	1 waiver	1 waiver
D	2 waivers	0	1 waiver
E	0	2 waivers	1 waiver

### ! IMPORTANT

Each institution within the UNC System is entitled to establish its own policy on tuition waiver usage by semester. You must find and follow the academic calendar and tuition waiver policies and procedures established by the enrolling institution. Contact the Student Accounts /Bursar's Office, Registrar's Office, or the degree program director of the enrolling institution to learn more about the academic calendar, tuition waiver policies, and where to send your approved waiver for processing.

### ✓ TIP

Employees who wish to take more than three courses during the academic year may want to explore the [Tuition Reimbursement program](#).

Approved Tuition Waiver requests must be submitted no later than the Drop/Add deadline of the enrolling institution.

### ! IMPORTANT

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The tuition waiver program is available to full-time, permanent faculty, EHRA, SHRA, and ROTC employees on their first day of work as long as they meet the criteria listed below. Eligible employees may take courses that are, or are not job-related - there are no restrictions on the field(s) of study.

- Regularly scheduled to work 30 hours or more each week, 9 months of the year or longer,
- Meet normal work obligations and [continue permanent employment status](#) for the entire semester during which the course is taken, and
- Have been admitted to the [UNC System](#) school and registered for course(s).

Any course, graduate certificate program, distance education, and extension program offered by one of the [17-campus UNC system](#) that earns academic credit is eligible for tuition waiver.

### ! NOT ELIGIBLE

Continuing education workshops and seminars that provide continuing education units (CEU) are **not** eligible for tuition waiver.

If you register for a course through [UNC Online](#), you may not use the Tuition Waiver program to pay for it. (Please note, UNC Online is NOT the same as UNC Chapel Hill online courses, or online degree programs within the UNC System)

The tuition waiver program *waives* (not pays) some student fees required for the course(s) in which the employee has enrolled as well as the tuition charged for credit instruction, regardless of when the instruction occurs or by what means it is delivered. Since money does not actually change hands, staff/faculty members who use tuition waiver are not generating income to support student facilities or services such as UREC, Student Health Center, etc. Use of these and other student facilities and services must be paid for out of pocket.

App State's Tuition Waiver policy waives the:

- \$200 enrollment deposit for App State courses (click [here](#) for more information).
- Admission Fee for undergraduate applicants (click [here](#) for more information).



### IMPORTANT

the waiver of fees for an employee may be limited according to institutional policy determined by the board of trustees of each institution. The Enrolling Institution may adopt a policy that specifies under what circumstances if any, the employee/student may receive a waiver of fees and a waiver for receipt supported courses. Therefore, the employee/student is advised to find and follow the academic calendar and tuition waiver policies, processes, and procedures established by the enrolling institution.

If you do **NOT** live in North Carolina when your application for tuition waiver is approved, your tuition will be waived at the **out of state rate**.

If/when your residency **CHANGES** to North Carolina **AFTER** an approved tuition waiver is applied, please contact the Office of Student Accounts to discuss options.

If you **DO** live in North Carolina, in accordance with [N.C.G.S. 116-143.1\(m\)](#), permanent full-time employees of App State, **as well as spouses and children** of such, who are legal residents of NC qualify as residents for tuition purposes even if they have not maintained legal residency for the required 12 consecutive months prior to residence classification. In other words, an employee of the UNC System who is a legal resident of North Carolina qualifies as a resident for tuition purposes **irrespective of the length of legal residency** in the state.

For more information about NC residency, visit the [Residency web-page](#).

**Undergraduate** courses covered by tuition waiver are NOT taxed.

- Qualified tuition reduction is the amount of any reduction in tuition provided to an employee of an organization for education below the graduate level at a university. Gross income shall not include any qualified tuition reduction in accordance with [IRC §117](#). Specifically, IRC §117(d)(2) states that any qualified tuition reduction provided to an employee of an educational institution for undergraduate courses is excludable from gross income.

**Graduate** courses covered by tuition waiver that are valued under \$5,250 are NOT taxed.

- Under IRC §127(a), graduate level tuition waivers provided by a university to its employees are excludable from taxation in the amount up to \$5,250 per calendar year if the tuition waivers are provided as part of an educational assistance program described in IRC §127(b).
- Under IRC §117(d)(5), in the case of graduate students who are engaged in teaching or research activities at the educational institution, tuition reduction for graduate level education is considered qualified tuition reduction. This section applies only to teaching and research assistants who are graduate students and not faculty or staff engaged in research or teaching.
- Tuition waiver or reduction provided over \$5,250 is considered a taxable fringe benefit for income tax purposes, unless the education is necessary for the employee to maintain or acquire skills necessary for current employment or the education meets an explicit requirement by the employer, law, or regulations and, therefore, would qualify as a deductible business expense under IRC §162 had the employee paid the tuition out of pocket.

The table below provides guidance on account codes used to code employee education.

CODE	EARNs ACADEMIC CREDIT?	TAXABLE?	EMPLOYEE EDUCATION DEFINED AS
739510	YES	NO if < \$5,250	Tuition Waiver and Tuition Reimbursement for Undergraduate AND Graduate level courses
739520	YES	YES if > \$5,250	Tuition Waiver and Tuition Reimbursement for Graduate level courses ONLY
739530	NO	NO	Conferences, seminars, training, workshops, etc.

## Process

Stage	Description
1	<p>Explore Options</p> <ul style="list-style-type: none"> <li>• Visit the <a href="#">UNC System Program and Degree Finder</a>.</li> <li>• Visit <a href="#">App State Transfer Admissions and Engagement</a> for more information about the undergraduate application process.</li> <li>• Visit <a href="#">App State Graduate Admissions</a> for more information about the graduate application process.</li> </ul>
2	<p>Apply to the University</p> <ul style="list-style-type: none"> <li>• Submit an application to the university of your choice through their admissions process and get accepted.</li> <li>• Find and follow the established tuition waiver policies, procedures, and academic calendar of the enrolling institution. Unfortunately, some institutions have elected NOT to accept tuition waivers for certain courses/programs (e.g. UNC-Chapel Hill Executive MBA program, MBA@UNC, MPA@UNC, MPH@UNC, Masters of Accounting, and or study abroad courses.)</li> <li>• Meet with your manager to discuss your plans. If the class you want to take meets during your regular work day, work with your manager to create an alternate work schedule, if possible</li> </ul>
3	Register for course(s)
4	Submit the completed App State Tuition Waiver Application to the enrolling institution

## Procedures

- [How can I get the admission fee waived?](#)
  - [How do I apply for tuition waiver?](#)
  - [How do I cancel an approved tuition waiver?](#)
  - [How do I update my supervisor?](#)
  - [What is the manager's role and responsibilities in the Tuition Waiver application process?](#)
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## Frequently Asked Questions

- [Do I have to pay the \\$200.00 enrollment deposit?](#)
  - [What are the next steps after my manager approves my tuition waiver?](#)
  - [When are tuition waiver applications due?](#)
  - [How do I apply for tuition waiver?](#)
  - [How do I update my supervisor?](#)
  - [Where can I find a comprehensive list of programs and degrees available for tuition waiver?](#)
  - [Where can I get guidance on the college application process before using the tuition waiver program?](#)
  - [What are the roles and responsibilities associated with the tuition waiver process?](#)
  - [What's the difference between tuition waiver and tuition reimbursement \(aka academic assistance\)?](#)
  - [What is the manager's role and responsibilities in the Tuition Waiver application process?](#)
  - [How does my residency \(where I live\) impact tuition waiver?](#)
  - [Are law enforcement officers eligible for unlimited Tuition Waivers?](#)
  - [How can I get the admission fee waived?](#)
  - [Can I apply for tuition waiver during the probationary period - my first 12 months on the job?](#)
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- [What courses are eligible for the tuition waiver program?](#)
  - [How many tuition waivers am I entitled to use?](#)
  - [If the course I'm taking with Tuition Waiver is a development goal in my performance plan, do I still have to meet my normal employment obligations?](#)
  - [Eligibility for Tuition Waiver](#)
  - [When employees are on paid parental leave, are they still eligible for tuition waiver?](#)
  - [Are "UNC Online" courses eligible for tuition waiver?](#)
  - [What are the eligibility requirements for the tuition waiver program?](#)
  - [Can I use the tuition waiver program to cover labs?](#)
  - [Are audited courses eligible for tuition waiver?](#)
  - [What are the roles and responsibilities associated with the tuition waiver process?](#)
  - [What's the difference between tuition waiver and tuition reimbursement \(aka academic assistance\)?](#)
  - [What account codes are used for Tuition Waiver?](#)
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  - [What if I leave the University, or my employment status changes while I'm using Tuition Waivers?](#)
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- [Do I have to pay the \\$200.00 enrollment deposit?](#)
  - [What fees are covered by Tuition Waiver?](#)
  - [Fees Associated With Tuition Waiver](#)
  - [Do I have to pay taxes on Tuition Waiver?](#)
  - [Am I entitled to a free UREC gym membership and other student benefits through the tuition waiver program?](#)
  - [What account codes are used for Tuition Waiver?](#)
  - [How does my residency \(where I live\) impact tuition waiver?](#)
  - [What if I leave the University, or my employment status changes while I'm using Tuition Waivers?](#)
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## Key Contacts

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