

OREGON UNIVERSITY SYSTEM

STAFF FEE PRIVILEGES AND TRANSFERRED STAFF FEE PRIVILEGES

QUESTIONS & ANSWERS

These frequently asked questions, combined with the information located on the Staff Fee Privileges Approval Forms, will answer most questions about the Staff Fee Privileges Benefit available to eligible Oregon University System (OUS) staff and family members. For your convenience, there is an online “updateable” Approval Form at the following web address:

<http://www.ous.edu/departments/human-resources/employee-benefits/staff-fee-privileges>

For additional information, contact your campus Human Resources Office.

- Approval Forms for family members should be submitted to the employee’s Human Resources office **two weeks prior to the start of classes**.
- Staff may submit their Approval Forms up to **two days prior to the start of classes**.

Employees are eligible to use or transfer the benefit if employment begins **on or before** the first day of the term. Human Resources offices will send all approved staff fee forms to the campus enrollment offices before the first day of classes.

The universities reserve the right to deny staff fee rates for late submission of approval forms. If the form is submitted after the deadline specified above, it may be approved at the discretion of the both the employing and enrolling campuses; employees with approved late submissions will be responsible for accrued interest and billing charges. Denials may be appealed to the university.

I. Employee Use of Staff Privileges

1) What are Staff Fee Privileges and who is eligible to use them?

Oregon University System employees appointed at half time (.5 FTE) or more (not including temporary employees, graduate assistants, and other student employees) may register for courses.

The reduced tuition benefit may be transferred to eligible family members including a spouse or domestic partner and their qualifying dependents. Employees and family members may register for a maximum of twelve (12) credit hours per term. Course enrollments must be approved by an employee’s supervisor or manager and may not take precedence over the performance of an employee’s duties.

2) Are staff members required to submit Staff Fee Approval Forms prior to the first day of classes when taking classes themselves?

Yes. The expected number of enrollments by staff and eligible family members each term requires a cutoff date to adequately complete processing. The deadline for *staff* members to submit Staff Fee Approval Forms is two days prior to the start of classes.

3) I am a faculty ranked employee of the Oregon University System. May I use the Staff Fee Benefit to pursue an advanced degree at the campus where I am employed?

Yes. Per Oregon Administrative Rule 580-020-0005, employees who hold a *faculty rank* (instructor, senior instructor, research assistant, research associate, lecturer, assistant professor, professor), are required, *every term*, to obtain signed approval from the Graduate School Dean if seeking to pursue an advanced degree at the *campus where employed*. This approval process must be completed *before* submitting the Staff Fees Approval Form to your campus Human Resources Department.

Note: Chancellor’s Office employees are exempt from this approval requirement per Oregon Revised Statute 351.070, Definition of Unclassified Service.

4) Must I get my department's approval to use Staff Fee Privileges?

Yes. Your department or supervisor must approve your use of Staff Fee Privileges to ensure that your department and job duties will not be affected by the number of credit hours you request.

5) What is the staff fee rate for tuition?

The staff fee rate is *30% of resident undergraduate tuition*. Semester rates, where applicable, are calculated on adjusted term rates, rounded to the nearest dollar. At campuses where an undergraduate differential tuition structure is in effect, the staff fee rate will be assessed at the “regular” (not differential) resident undergraduate tuition rate for both undergraduate and graduate students. Additional information about staff fee rates is located in the current academic year fee book located at following: <http://www.ous.edu/factreport/tuition/>

6) As an employee using the staff rate, do I have to pay the same fees other students pay?

Staff members are not assessed Application, Health Services, Building and Incidental fees, and are therefore not eligible for services covered by these fees. No breakage or other deposit is required when registering for classes, however; employees are required to pay any applicable course fees, lab fees, payment deadline fees, registration fees, etc. A one-time Matriculation fee also applies to employees admitted into a program. Fees assigned to participating self-support programs are paid by employees unless waived by the university.

7) If I take a combination of graduate and undergraduate level courses, how is the staff fee determined?

To provide the highest value for Staff Fee Privileges, graduate level courses are offset by the staff rate first, before the staff fee rate is applied to undergraduate courses.

8) If I use Staff Fee Privileges, may I also audit courses?

Yes. Staff members may audit courses in addition to using Staff Fee Privileges. Tuition and Mandatory Fees (Programmatic, Universal, Building, Health, Incidental) are not assessed to courses audited by employees. However, any applicable course, lab or material fees associated with auditing for-credit classes will be assessed by the institution and is the responsibility of the employee or family member.

Employees or family members may audit classes on a space-available basis and are required to obtain the instructor's consent. Courses approved for audit by the instructor confer no credit to the student. Institutions are required to maintain a record of the courses audited and staff members must indicate any audited courses being taken on the Staff Fees Privileges Approval Form each term.

9) Are there any programs or classes excluded from the Staff Fee Benefit?

Yes. There are certain programs / classes that are excluded. For a comprehensive list of classes / programs not eligible for the reduced tuition benefit, please go to the Exclude Programs by Campus listing. This document is located at:

<http://www.ous.edu/departments/human-resources/employee-benefits/staff-fee-privileges>

10) What happens to the reduced tuition benefit if my employment with the OUS is terminated even though I was approved to receive the benefit before termination?

In the event your employment terminates before the beginning of the next term (*even if the campus Human Resources Department has approved your request*), the reduced tuition benefit is no longer available for your use and you will be assessed the *full tuition amount if you continue to take classes*.

The above policy also applies if you have transferred your staff tuition to your spouse, dependents, spouse's dependents, domestic partners and/or dependents of domestic partners. However, you are eligible for the reduced tuition benefit in the term for which you were approved if you are employed on or after the first day of the single term.

11) What are the potential tax implications on the tuition benefit I received after my termination of employment with OUS?

You are still responsible for the income tax liability on the difference between the reduced tuition benefit received and the full-cost of tuition. The university will send you a letter requesting a tax payment if you have:

- a) Exceeded the IRS annual limit of \$5,250.00 for taking graduate courses
- b) Transferred the staff fee to family members taking graduate courses
- c) Transferred the staff fee to domestic partners and/or dependents of domestic partners who take *either undergraduate or graduate courses*.

12) I am an OUS retiree who is taking for-credit classes. Is there a tax liability for the reduced tuition benefit I receive?

Retirees are not taxed on tuition reductions when taking for-credit undergraduate courses or graduate courses taken to complete an undergraduate degree. Retirees are taxed on tuition reductions associated with for-credit graduate courses if the aggregate reduction for the class/course work in a calendar year exceeds \$5,250.

13) I see that the Oregon Health and Sciences University (OHSU) is an affiliate of the Oregon University System. As an OHSU employee, am I eligible to use the OUS reduced tuition rates?

No. In fall 2003, Oregon Health Sciences University stopped participating in the OUS Staff Fee Privileges Benefit Program and implemented its own reduced tuition program for OHSU employees. Additionally, OUS employees are not eligible to use the OUS staff fee benefit for classes or programs offered by Oregon Health Sciences on Oregon University System campuses. OHSU Employee Tuition Benefit Program information: please go to:

http://www.ohsu.edu/hr/docs/tuition_benefits_details.pdf.

14) May I use the staff fee benefit at more than one OUS campus during the term I have been approved for reduced tuition?

No. The benefit may be used at any Oregon University System institution, however; the *Concurrent Enrollment policy* was eliminated January 1, 2004.

II. Transferring Staff Fee Privileges to a Family Member

1) Who qualifies as a “dependent” for purposes of receiving transferred staff fees?

Staff Fee Privileges are transferable to eligible dependents of the employee, spouse, or domestic partner as defined in Internal Revenue Code Section 152. IRC Section 152 describes two types of dependents, a “qualifying child” and “qualifying relative.”

- a) Qualifying child criteria: 23 years or younger; student; not disabled; lived w/parent (guardian) at least 6 months of the year; or financially supported by parent (guardian) and is a ***dependent for tax purposes***.
- b) Qualifying relative criteria: 24 years or older; student; not disabled; lived w/parent (guardian) at least 6 months of the year; or financially supported by parent (guardian) and is a ***dependent for tax purposes***.

The Internal Revenue Service Code Section 152 and the Oregon University System generally defines a dependent child, or “qualifying child,” as a son, stepson, daughter, or stepdaughter of the taxpayer (employee, spouse or domestic partner). Additionally, the criteria for “qualifying relative” applies to a child over age 23, as well as a dependent brother, sister, niece or nephew of the employee, spouse or domestic partner so long as they meet the IRS conditions for tax purposes as listed above.

Please consult an Oregon tax professional if you have any questions regarding whether or not your dependent meets the IRS qualifications. ***Note: A disabled “qualifying child” or “qualifying relative” who is a dependent for tax purposes of the employee, spouse or domestic partner, at any age, is eligible to receive the staff fee benefit.***

2) How does Oregon University System define an eligible family member?

Per the Oregon Department of Justice and OUS, an eligible family member is defined as a spouse, dependent child of the employee or spouse, domestic partner or dependent child of a domestic partner and dependent qualifying relative (i.e., child over age 23, as well as brother, sister, niece, or nephew of employee taxpayer).

3) What is the staff rate for tuition benefits available to a family member?

A qualified family member may take up to twelve (12) credit hours per term at the staff instructional fee (tuition) rate. At Eastern Oregon University, Portland State University, Southern Oregon University and Western Oregon University; the family member staff fee rate is 30% of regular (not differential) resident undergraduate tuition for both undergraduate and graduate students.

Instruction rates vary by teaching institution and should be confirmed with the institution where classes will be taken. Note: There is no tuition plateau available to family members using the staff fee rate.

4) How does the university determine whether my family member is eligible for the staff tuition rate?

You must certify that your family member is eligible on the Staff Fees Approval Form. For example, with regard to a spouse, you certify that you are legally married; for a domestic partner, you complete and submit an Affidavit of Domestic Partnership with the Approval Form or obtain a "Certificate of Domestic Partnership." For a dependent child, you certify that the child or qualifying relative is your dependent, or the dependent of your spouse or domestic partner, for tax purposes. Note: You may be required to submit a copy of your last year's tax return if asked to do so by the campus where you're employed.

5) I have a stepson and I personally have no custodial rights, but my wife does and we list him as a dependent on our taxes. Does he qualify?

Yes. As long as your stepson qualifies as your dependent child for tax purposes, the child is your dependent and considered eligible for purposes of this program.

6) Is my child eligible to use the Staff Fee Privileges to enroll in university classes while still in high school?

Yes. If your dependent child meets the enrollment requirements of the university where classes are taken, he or she may use the reduced tuition up to the maximum of 12 credit hours per term.

7) May I transfer my benefit to more than one family member during a given term?

No. Staff fee benefits may not be subdivided among family members during a term.

8) If I allow a family member to use my staff rate, may I also use it the same term?

No. A maximum of twelve (12) hours per term may be used, and the benefit may not be subdivided between the employee and family members during a term.

9) If I transfer my staff rate to one of my family members for one term, can I use it myself the next term?

Yes. You will need to complete a new approval form *each term or semester* and may change the qualified recipient each term or semester.

10) May I transfer my benefit to a family member to use at another Oregon University System institution? If yes, which form do I use and where can I get the form?

Your family member may use your staff fee privilege at any of the OUS universities with the exception of Oregon Health Sciences University. The same approval form is used by all Oregon University System campuses and can be printed directly from the OUS website at:

<http://www.ous.edu/departments/human-resources/employee-benefits/staff-fee-privileges> You may also pick up an Approval Form at your campus Human Resources office.

11) My spouse and I both work for the Oregon University System. May we combine our staff fee privilege so our child would receive 24 credit hours at the staff tuition rate?

No. An employee or transferee may use staff fee benefits only once per academic term, limited to twelve (12) academic credit hours per term.

12) My son and I both work for the Oregon University System. May I transfer my staff fee privilege to him, so he can transfer his staff fee privilege to his own dependent child?

No. An employee or transferee may use the staff fee privileges only once per academic term or semester, limited to twelve (12) academic credits per term.

13) If I transfer my staff fee privileges, will it affect financial aid for my family member?

Yes. The value of the reduced tuition is considered a resource available to the family member and is added into the calculations for determining the total financial aid package. It may affect the type of award or amount of award given. Contact the campus financial aid office for more information.

14) Do staff rates apply if the person enrolling in classes has not met residency requirements?

Yes. OUS employees who work at least half-time as well as their eligible family members, may enroll at the campus where courses are taken at the resident undergraduate rate. Staff fee privileges are not affected by residency.

15) Must family members pay all of the student fees?

Yes. Staff fee privileges reduce only tuition amounts for family members. Except for courses taken on audit status, all applicable student fees are charged to eligible family members using the transferred benefit.

16) May staff fee privileges be used for "on-line" classes?

Yes. Generally, on-line courses are treated the same as other classes. How a class is delivered is not a question that determines whether specific classes are included or excluded within a given program. However, certain Distance Education classes as well as other classes excluded from the reduced tuition benefit are identified on the list of excluded programs at the following URL:
<http://www.ous.edu/departments/human-resources/employee-benefits/staff-fee-privileges>

17) May a family member audit courses?

Yes. Eligible family members may audit courses in addition to using transferred staff fee privileges during a term. Only one person in a family, including the staff member, may audit or use staff fee privileges during a term or semester. Because universities track workload for audited courses, family members must provide a completed Staff Fee Privileges Approval form to the campus Human Resources Office in order to audit classes. Space availability and the instructor's approval are required just as they are for staff members.

18) Are fees assessed to staff or family members/domestic partners who audit courses?

No. There are no fees assessed to audit a course. See information on fees applicable to family member who is auditing for-credit courses in section 1(8), above.

19) For a non-resident, how are staff fees calculated?

Staff fee rates for up to 12 credit hours per term are based on resident undergraduate rates for eligible, non-resident family members. A non-resident qualified family member or same-sex domestic partner enrolled for *more* than twelve (12) credits per term or semester pays the campus *non-resident rates* for credits in excess of the allowable credit hours.

20) As an employee, do I have to complete a form each term or semester to request that my staff rate for tuition benefit be transferred to a family member?

Yes. The Staff Fee Privileges Approval Form for Staff and Family Members must be completed each term. You can print the form directly from:

<http://www.ous.edu/departments/human-resources/employee-benefits/staff-fee-privileges>

Family members' completed approval forms must be submitted to Human Resources at least two (2) weeks before the first day of classes to ensure enrollment offices have them prior to the start of each term. When enrolling for undergraduate courses, the approval form may be turned in before a family member officially registers for classes.

21) Must I get my department's approval to transfer my staff fee privileges to my family member?

No. You do not need department or supervisor approval to transfer staff fee privileges.

22) I am an employee who is legally separated from my spouse. Is my spouse still eligible to use the staff fee benefit?

Yes. Although you and your spouse are legally separated, your spouse is still eligible to receive the reduced tuition benefit. Please note that when you, as the employee, sign the family transfer approval form and submit it to your campus Human Resources Department each term, the benefit cannot be revoked after the first day of classes.

23) Are there any exceptions to the requirement to have the completed application for Staff Fee Privileges before the first day of classes?

Staff members and their family members are required to adhere to the enrollment deadlines when they are applying to host institutions (campuses other than the employing institution). The rules of their employing (home) institution apply when classes are taken at the employee's home institution. *The universities reserve the right to deny staff fee rates for late submission of approval forms. Denials may be appealed to the university where classes are taken.*

III. Domestic Partner Questions

1) I am transferring my staff fee privileges to my domestic partner. How does withholding work in this case?

The dollar value of the tuition reduction is reported to your employing university, and taxes are withheld based on this "imputed income." You do not see the tuition reduction as an increase in your paycheck; the tax withholding for the value of the benefit is all that is shown. State and federal income taxes, plus Social Security withholding, is taken on the value of the benefit for both undergraduate and graduate tuition for your domestic partner and dependents of domestic partners.

Same-sex domestic partners who take undergraduate classes are not subject to Oregon income tax on the imputed value of the benefit.

The OUS will provide the amount of the imputed income withheld on the employee's W-2 form. The employee is advised to seek tax advice regarding how to claim the associated Oregon income reduction.

2) Are my domestic partner's children eligible to take classes at staff rates?

Yes. Your domestic partner's children are eligible if they are considered your domestic partner's dependents for tax purposes. You will pay state and federal withholding on the imputed value of the tuition benefit for both undergraduate and graduate tuition for a dependent child who is the natural or adopted child of your domestic partner. However, if your domestic partner's child is also your child, or if you have adopted the child and are able to claim the child as a dependent on *your* tax return the tuition benefit is not taxed.