

# TAP

**BROWN UNIVERSITY**  
TUITION AID PROGRAM  
for DEPENDENT CHILDREN



Information Guide for  
Campus-Based Uncapped Faculty

EFFECTIVE JULY 1, 2002



**BROWN UNIVERSITY  
TUITION AID PROGRAM (TAP)  
FOR DEPENDENT CHILDREN**  
INFORMATION GUIDE FOR  
CAMPUS-BASED UNCAPPED FACULTY  
Effective July 1, 2002

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## Campus-Based Uncapped Faculty TAP

### OVERVIEW

Brown University offers eligible uncapped faculty a program to provide assistance in paying costs of undergraduate tuition for their eligible dependent children.

The Tuition Aid Program (TAP) is administered pursuant to the approval of the Corporation of Brown University, as adopted on June 2, 1979 and as amended from time to time and the Internal Revenue Code, as may be amended from time to time.

Additional information regarding the terms and conditions and administration of TAP may be found in the Human Resources Policies and Practices Manual, Policy # 30.007.

The purpose of this summary is to provide an overview of pertinent features of the Program for the general information of Brown University uncapped faculty.

### DEFINITIONS

- “Dependent child” means the natural or legally adopted child(ren) of an eligible uncapped faculty member who is unmarried, under the age of 24, reliant upon the parent for primary support and maintenance, and who otherwise meets IRS definitions of a dependent, as amended from time to time. Stepchildren who have not been legally adopted are not eligible for TAP benefits. There is no limit to the number of eligible dependent children for whom an eligible uncapped faculty member may receive TAP benefits.
- “Disabled” means unable to work due to an impairment for which an uncapped faculty member qualifies for Brown University Long Term Disability benefits and/or Social Security Disability Insurance (SSDI) for total disability. A faculty member who ceases to be eligible for Brown University Long Term Disability benefits and/or Social Security Disability Insurance (SSDI) for total disability will not be considered as meeting the definition of disabled.

## **TAP Campus-Based Uncapped Faculty**

- “Employee” means, for the purpose of this document, an active uncapped faculty member on the Brown University regular payroll (except for a disabled uncapped faculty member as defined above).
- “Full-time student” means a student enrolled in a course of study on a full-time basis as defined by the institution she or he attends (generally, a minimum of 12 credits per semester).
- “Highly compensated employee” means an employee who meets the IRS definition of highly compensated per Internal Revenue Code section 415(c)(3), as amended from time to time. (For example, in 2002, an employee shall be considered highly compensated if she/he received compensation in the amount of \$85,000 or more in the prior year.)
- “Mandatory academic fee” means a mandatory fee that is academic in purpose. (Additional fees may be covered for certain faculty as designated in 1979. Please contact the Benefits Office for additional information.)
- “Maximum Academic Year Benefit” means the benefit amount available to eligible uncapped faculty each academic year for classes commencing between July 1 and June 30 to offset tuition expenses and, if applicable, academic fees for their eligible dependent child(ren). Pursuant to a 1979 agreement with Brown University, the maximum TAP benefit for eligible uncapped faculty per academic year per eligible child is equal to Brown’s tuition.
- “Normal academic year” refers to the regular academic year of the institution attended. It generally means two semesters, three trimesters, or four quarters within a 12-month academic year.
- “Title IV “ means a federal grant program designed to offer eligible students education loans such as Stafford Loans and Perkins Loans. In the event of an uncertainty regarding whether an institution is considered eligible for federal Title IV grants, it is the responsibility of the faculty member applying for TAP benefits to obtain proof of such eligibility.

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- “Tuition” means an expense for the specific purpose of providing individual academic enrichment through a formal course of study. Tuition is generally considered to exclude charges or fees designated for general institutional maintenance and expenses that do not provide for the academic enrichment of the individual student. (Please refer to the Appendix for a partial list of excluded fees.)

Some institutions (primarily, certain state colleges and universities) may charge general or curriculum support fees to all students that are actually for tuition-related expenses. In those cases, the Benefits Office may authorize payment of these specific fees as long as the total payment does not exceed the Maximum Academic Year Benefit.

A list of these fees, which may be eligible for payment under TAP, include:

- Curriculum Support Fees
- College Fees
- Non-resident Maintenance/Surcharge Fees

Please note that this list is not “all inclusive”; interpretations may need to be made by the Benefits Office. If information is required from the institution attended to assist in this determination, it is the faculty member’s responsibility to obtain such information.

- “Uncapped Faculty” means faculty who, pursuant to an agreement with the University in 1979, elected to receive a TAP benefit level that equals Brown tuition.
- “Undergraduate degree program” means a course of study pursuant to the applicable attended institution’s requirements to receive an Associate’s or Bachelor’s degree.

## **TAP Campus-Based Uncapped Faculty**

### **BENEFIT LEVELS**

The Maximum Academic Year Benefit amount for active, uncapped faculty is equal to the level of Brown tuition. TAP provides benefits, for each eligible dependent student, for a total of up to four normal academic years. Summer and special session enrollment, including participation in the Brown University Advanced Secondary School Program (please see Eligible Expenses on Page 6), qualifies for the benefit but is counted toward the maximum benefit in the academic year in which the session is completed. TAP benefits are not reduced as a result of other sources of financial aid/scholarship awards.

*Note: The TAP benefit is not a part of, and may not be used in combination with, any other Brown University-provided tuition aid benefit for dependent children of uncapped faculty.*

### **UNCAPPED FACULTY ELIGIBILITY FOR TAP BENEFITS**

To be eligible for TAP benefits, you must be an active uncapped faculty member who, pursuant to an agreement with the University in 1979, elected to receive a TAP benefit level that equals Brown tuition.

Uncapped faculty who apply for TAP benefits prior to the completion of the applicable semester, trimester, etc., may receive a pro-rated academic year benefit. For example, an uncapped faculty member who applies for TAP during the second semester of their dependent child(ren)'s academic year, may apply for and receive a maximum TAP benefit of half of Brown's tuition (i.e., one-half of the maximum academic year benefit), assuming all other eligibility requirements are met.

### **BENEFITS UPON TERMINATION OF EMPLOYMENT**

Uncapped faculty who leave the employment of Brown University may receive the benefit for the duration of the dependent student's semester, trimester or quarter during which their employment ends, as long as the benefit has been applied for and paid prior to the termination date.

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### **BENEFITS UPON DEATH OR DISABILITY**

Uncapped faculty who are eligible for TAP benefits and who die or become permanently disabled during active service may continue to receive benefits for all eligible dependent children they have at the time of death or disability. In the event of an uncapped faculty member's death or disability, the benefit level for eligible dependent children will be at the same level as if the eligible faculty member were in active service.

### **BENEFITS UPON DUAL EMPLOYMENT**

If both parents are employed by Brown University (as either faculty and/or staff) and are eligible to receive TAP benefits, a child may receive only one parent's benefit. However, if their benefits differ based on eligibility or employee group, they may select the higher benefit amount.

### **DEPENDENT CHILD ELIGIBILITY TO RECEIVE TAP BENEFITS**

Eligibility for a TAP benefit shall be for dependent children who:

- are the natural or legally adopted children of eligible uncapped faculty;
- meet Brown University's requirements for eligibility and the IRS definition of "dependent";
- attend an institution eligible for federal Title IV grants;
- are enrolled full-time\* in an undergraduate degree program; and
- are in good standing and make normal academic progress as defined by the institution they attend.

*\*Note: TAP benefits may be approved in instances where a student has a chronic, disabling medical condition that precludes full-time enrollment. Prior to approving TAP benefits, the Benefits Office requires submission of substantiating documentation for review.*

If a dependent child withdraws from school or drops from full to part-time student status during a semester, that semester is no longer eligible for TAP benefits. It is the uncapped faculty member's responsibility to arrange for return of the TAP benefit or to reimburse the Benefits Office directly.

## **TAP Campus-Based Uncapped Faculty**

### **ELIGIBLE EXPENSES**

The TAP benefit will be applied toward the cost of full-time tuition, including summer and special session enrollment, and mandatory academic fees as approved by the Benefits Office. Tuition expenses for the Brown University Advanced Secondary School Program for students taking college-level courses at Brown for secondary-school credit qualify for the TAP benefit. In instances where an institution charges a fee that meets the definition of tuition, such fee may be eligible for payment under TAP. Uncapped faculty are also eligible for payment of mandatory academic fees, orientation fees, and commencement fees as long as the total tuition and (where applicable) fee payment does not exceed the Maximum Academic Year Benefit.

TAP will not pay for the cost of retaking a failed or “dropped” course. If a course is dropped or failed after the deadline to receive a refund of tuition payments, the faculty applicant for the benefit is responsible for repayment of the cost for the course to Brown University. Please see the note above regarding the ineligibility of part-time tuition expenses.

TAP will not pay for vocational or technical certification programs.

### **ADMINISTRATION**

Responsibility for the day-to-day policy interpretation and administration of the TAP resides with the Benefits Office. The final authority for decisions relating to interpretation of policy resides with the Executive Vice President for Finance & Administration/Chief Financial Officer.

For questions regarding TAP, contact the Benefits Office by phone at (401) 863-2141 or via email to [Benefits\\_Office@Brown.edu](mailto:Benefits_Office@Brown.edu).

## Campus-Based Uncapped Faculty TAP

### **APPLICATION AND PAYMENT**

TAP applications should be submitted by June 30 for the upcoming academic year and must be signed by the eligible faculty member. Only one application is required per academic year, unless a change in status (e.g., the student changes schools) requires a modification to the annual application. Uncapped faculty members must submit itemized tuition bills promptly for each semester, trimester or quarter to the Benefits Office. It is the faculty member's responsibility to inform the Benefits Office of a student's unsatisfactory performance, to provide (upon request) academic transcripts or other documentation from the academic institution attended, and to indicate if the student withdraws from college or fails to return during the academic year for which the TAP application has been approved.

Benefits will be paid **only** if the itemized tuition bill is received before the end of the applicable semester, trimester, etc.

Payments will be made directly to the institution attended, generally by September 15 for the fall semester and by January 15 for the spring semester. Tuition bills received after the September 15 or January 15 payment date (but before the end of the applicable semester) will be processed for payment twice monthly. Although the Benefits Office will try to accommodate late bill submissions, late fees are the responsibility of the parent and/or student.

The annual benefit, less tuition expenses for summer or special session courses, will be pro-rated among the semesters, trimesters or quarters of each academic year. For example, if the maximum academic year benefit is \$15,000 but the student is eligible or attends school for only one semester of the academic year, the maximum TAP payment will be limited to \$7,500.

If payment is made to the institution and the student withdraws, fails, or reduces to less than full-time status, it is the uncapped faculty member's responsibility to arrange for return of the tuition payment or to reimburse the Benefits Office directly.

## **TAP Campus-Based Uncapped Faculty**

### **TAXATION OF BENEFITS**

Brown University administers TAP in accordance with Internal Revenue Service (IRS) code. TAP is considered to be a discriminatory (economic) benefit for uncapped faculty. Therefore, it is considered a taxable benefit to highly compensated employees. If you meet the definition of highly compensated, income tax withholdings will be deducted from your pay during January through April for spring semester TAP benefits, and September through December for fall semester TAP benefits. In addition, for a student currently receiving the benefit who began his/her semester before reaching age 24, the University will continue providing TAP benefits until the end of the year in which the student turns 25, as long as he/she remains continuously enrolled as a student who is otherwise eligible to receive TAP benefits. Brown University is required to withhold taxes on any TAP benefits that are paid for courses for a dependent's undergraduate education commencing after his/her 24<sup>th</sup> birthday.

### **DISCLAIMER**

This document is designed to serve as a general information guide for uncapped faculty and does not include all terms and conditions of the plan. The terms and conditions as included in the Tuition Aid Program as approved by the Corporation and amended from time to time control and any conflict or omission shall be resolved in accordance with the governing document(s).

## Campus-Based Uncapped Faculty TAP

### APPENDIX

A partial list of excluded fees/expenses\* may include:

- health or other insurance
- transportation and travel
- study abroad costs (non-tuition costs)
- meals
- room, lodging or damage
- books
- parking
- laboratory breakage
- auditing
- counseling
- appliances
- periodicals
- registration
- student union
- student activity
- late fees or interest charges
- transcript charges
- admission
- facilities/maintenance
- commencement
- orientation
- tutoring
- other fees or costs not enhancing the education experience

\* *Certain general fees at institutions other than Brown University may be covered for faculty tenured on or before 7/1/79 who are covered by their respective agreements, which are still in effect. Please contact the Benefits Office for additional information.*



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INFORMATION GUIDE FOR CAMPUS-BASED FACULTY AND STAFF

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