

BROWN UNIVERSITY
TUITION AID PROGRAM (TAP)
FOR DEPENDENT CHILDREN

INFORMATION GUIDE FOR CAMPUS-BASED FACULTY AND STAFF
EFFECTIVE March, 2019

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OVERVIEW

Brown University offers eligible faculty and staff a program to provide assistance in paying costs of undergraduate degree tuition for their eligible dependent child (ren).

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.

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

DEFINITIONS

- "Continuous Employment" means service as an active employee on the Brown University regular payroll working 66.7% time or greater with no breaks in service or changes in payroll status. University Human Resources Policy #20.023 (Credit for Prior Service) does not apply to TAP.
- "Dependent child(ren)" means the natural or legally adopted child(ren) of an eligible faculty or staff 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. Stepchild(ren) 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 faculty or staff member may receive TAP benefits.
- "Disabled" means unable to work due to an impairment for which an employee qualifies for Brown University Long Term Disability benefits and/or Social Security Disability Insurance (SSDI) for total disability. Long Term Disability must be approved at the onset of the disability while employee of Brown University. A person 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.
- "Employee" means, for the purpose of this document, an actively working employee on the Brown University regular payroll at 66.7% time or greater, except for a disabled employee as defined above.
- "Equivalent of four full years" means a period of service equal to four years of continuous full-time service. For faculty, the basis for determining a year of full-time service is the faculty member's "standard working schedule" (e.g., the standard 9-month academic year). For staff, regularly scheduled to work 37.5 hours per week, the equivalent of four full years equates to 7,800 hours (37.5 hours/week X 52 weeks/year X 4 years) on the Brown University regular payroll. For staff, regularly scheduled to work 40 hours per week, the equivalent of 4 full years equates to 8,320 hours (40 hours/week X 52 weeks/year X 4 years) on the Brown University regular payroll. Faculty and staff working a "non-standard work schedule" must contact the University Human Resources/Benefits office to determine their eligibility date.

- "Full-time student" means a student enrolled in a course of study on a full-time basis as defined by the school she or he attends (generally, a minimum of 12 credits per semester).
- "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 University Human Resources/Benefits Office for additional information.)
- "Maximum Academic Year Benefit" means the benefit amount available to eligible faculty and staff members 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). Effective July 1, 2019, the maximum TAP benefit for eligible faculty and staff is up to \$12,792.00 per academic year per eligible child.
- "Normal academic year" refers to the regular academic year of the school 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. In the event of an uncertainty regarding whether a school is considered eligible for federal Title IV grants, it is the responsibility of the employee applying for TAP benefits to obtain proof of such eligibility.
- "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 University Human Resources/Benefits Office may authorize payment of these specific fees as long as the total payment does not exceed the Maximum Academic Year Benefit. (Additional fees may be covered for certain faculty as designated in 1979. Please contact the University Human Resources/Benefits Office for additional information.)

Lists 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 University Human Resources/Benefits Office. If information is required from the institution attended to assist in this determination, it is the faculty or staff member's responsibility to obtain such information.

- "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.

BENEFIT LEVELS

Effective July 1, 2019 the tuition amount has been increased by 5.14%, the percent equal to the increase in the University's tuition. The amount for academic year 2019/2020 will be up to \$12,792.00.

Brown University will pay TAP benefits up to \$12,792.00 per eligible dependent child per academic year. TAP provides benefits 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 below), 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. **For those with eligible dependents enrolled in an institution with Co-op Programs applying for summer benefits, we recommend you contact us to discuss the benefit.**

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 faculty or staff.

TAP benefits could affect your dependent child (rens) financial aid package, scholarships, or other financial awards. Employees are responsible to contact the financial aid office at the student's school for more information.

For students who enroll in school outside of the U.S., you are responsible for obtaining proof from the institution that the same U.S. eligibility criteria is met in order to receive the TAP benefit.

EMPLOYEE ELIGIBILITY FOR TAP BENEFITS

Faculty Tenured after 7/1/79

To be eligible for TAP benefits, you must be an active tenured faculty member with a permanent appointment working 66.7% time or more on the Brown University regular payroll. No waiting period applies.

Tenured 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, a tenured 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 \$6,396.00 per child (i.e., one-half of the maximum academic year benefit), assuming all other eligibility requirements are met.

** Faculty tenured on or before 7/1/79 are subject to their respective agreements, which are still in effect.*

Staff and Non-Tenured Faculty Eligibility for TAP Benefits

To be eligible for TAP benefits, you must be an active staff or non-tenured faculty member, including Post Doctoral Research Associates and other faculty designated as "Research" Faculty, working 66.7% time or more on the Brown University regular payroll and have been continuously employed at the University for the equivalent of four years of full-time employment at the time of application. There is no limit to the number of eligible dependent children for whom you may receive TAP benefits.

Post Doctoral Fellows and Visiting and Adjunct Faculty are ineligible to receive TAP benefits.

Staff and non-tenured faculty who attain eligibility and apply for TAP benefits prior to the completion of the applicable semester, trimester, etc., may receive a pro-rated academic year benefit for the academic period during which they attain eligibility. For example, a staff or non-tenured faculty member who attains eligibility and applies for TAP benefits during the second semester of their dependent child(ren)'s academic year, may apply for and receive a maximum TAP benefit of \$6,396.00 per child (i.e., one-half of the maximum academic year benefit), assuming all other eligibility requirements are met.

Non-tenured faculty and staff working less than 66.7% time and employees working on the limited duration payroll are ineligible to receive TAP benefits.

Benefits Upon Leave of Absence

Faculty and staff while on an unpaid, paid, medical, or sabbatical leave of absence must contact the University Human Resources/Benefits Office for TAP eligibility.

Benefits Upon Termination of Employment

Faculty and staff 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. For TAP purposes, severance periods do not apply.

Benefits Upon Death or Disability

Faculty and staff who are eligible for TAP benefits and who die or become permanently disabled during active service will continue to be eligible to receive benefits for eligible dependent children who are currently enrolled in college. Faculty and staff with a minimum of five (5) years full-time employment who are eligible for TAP benefits and who die or become permanently disabled during active service will continue to be eligible to receive benefits for all eligible dependent children they have at the time of death or disability.

Note: The benefit available to an eligible dependent child of a deceased or disabled faculty or staff member is the benefit level in place at the time of death or disability.

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, dependent child(ren) 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 child(ren) who:

Faculty/Staff

- are the natural or legally adopted children of eligible employees;
- meet Brown University's requirements for eligibility and the IRS definition of "dependent";
- attend school 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 school they attend.

** Note: Copies of each dependent child's birth certificate or proof of legal adoption papers must be submitted with each initial, completed TAP application.*

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 *University Human Resources/Benefits Office* will require submission of substantiating documentation of the condition for review. In some instances, re-certification is required.

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 faculty or staff member's responsibility to arrange for return of the TAP benefit or to reimburse the University Human Resources/Benefits Office directly. Part time courses are audited for correct disbursement of funds.

Eligible Expenses

The TAP benefit will be applied toward the cost of full-time tuition, including summer and mandatory academic fees as approved by the University Human Resources/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 a school charges a fee that meets the definition of tuition, such fee may be eligible for payment under TAP.

Benefit may be eligible for payment of summer course(s) assuming you have not utilized your maximum eligibility. The course(s) must be accepted toward the student's degree program. For summer course(s) completed prior to June 30th, the student must be full time status in spring semester. For summer course(s) completed on or after July 1st, the student must be full time status in fall semester. An application is needed if attending different school for summer course(s).

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 applicant for the benefit is responsible for repayment of the cost for the course to Brown University. TAP will not pay for vocational or technical certification programs.

Administration

Responsibility for the day-to-day policy interpretation and administration of the TAP program resides with the University Human Resources/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 University Human Resources/Benefits Office by calling at 401-863-2141 or via email to Benefits_Office@Brown.edu.

Application and Payment

TAP applications should be submitted by June 30 for the upcoming academic year and must be signed by the eligible faculty or staff 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. The faculty or staff member must submit itemized tuition bill copy(ies) promptly for each semester, trimester or quarter to the University Human Resources/Benefits Office. It is the faculty or staff member's responsibility to inform the University Human Resources/Benefit's Office of a student's unsatisfactory performance, to provide (upon request) academic transcripts or other documentation from the academic school 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 tuition bill is received before the end of the applicable semester, trimester, etc.

Payments will be made directly to the institution attended, on or by September 15 for the fall semester and on or by January 15 for the spring semester. Tuition bills received after September 15 or January 15 payment date (but before the end of the applicable semester) will be processed for payment as received. Although the University Human Resources/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, the maximum academic year benefit is up to \$12,792.00 and if the student is eligible or attends school for only one semester of the academic year, the maximum TAP payment will be limited to an amount up to \$6,396.00.

If payment is made to the school and the student withdraws, fails, or reduces to less than full-time status, it is the faculty or staff member's arrange for return of the tuition payment or to reimburse the University Human Resources/Benefits Office directly.

The tuition cost for the Brown University Advanced Secondary School Program for incoming students who have graduated from high school taking college level courses at Brown for secondary school credit is eligible. The course amount of the program will be deducted from the incoming student's TAP benefit for the fall semester.

Taxation of Benefits

Brown University administers TAP in accordance with Internal Revenue Service (IRS) code. TAP is not considered to be a discriminatory (economic) benefit for this group. Therefore, it is not a taxable benefit, except for over-age dependents as follows: for a student currently receiving the benefit who began his/her semester before reaching age twenty four (24), the University will continue providing TAP benefits until the end of the year in which the student turns twenty five (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 24th birthday.

Disclaimer

This document is designed to serve as a general information guide for faculty and staff 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).

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 schools other than Brown University may be covered for faculty tenured on or before 7/1/79 that are covered by their respective agreements, which are still in effect. Please contact the University Human Resources/Benefits Office for additional information.