

## **Motion from the UC HR Committee**

In September of 2014, the UGA Staff Council submitted a proposal to the University Council Human Resources Committee asking for a tuition assistance benefits program for spouses and dependents of university employees. HR Committee members voted to support the proposal and to draft a document outlining how such a program might be set up and providing links to similar programs at peer institutions. That document, "UGA Family Higher Education Program," has been finalized and is appended to the following motion, which was passed by the HR Committee on 6 October 2015:

*The University Council requests that the University System of Georgia study and offer tuition assistance benefits to spouses and dependents of system employees.*

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The University Council Human Resources Committee supports the following proposal originally submitted to the University Council Human Resources Committee in September 2014 by the University of Georgia Staff Council that recommends the University of Georgia consider offering the benefit of higher education to University of Georgia's faculty and staffs' dependents and spouses.

**Background:** University of Georgia (UGA) faculty and staff currently have a Tuition Assistance Program (TAP) benefit, which is a supplemental educational assistance program for University System of Georgia (USG) employees. TAP provides free tuition and general student fees for up to nine credit hours per semester for USG employees who have been full-time, benefits eligible for at least six months prior to the TAP application deadline for the term for which the employee is applying (Office of Registrar Website).

University of Georgia Staff Council (Staff Council) and University Council Human Resources Committee (UC HR Committee) are certainly not suggesting that the TAP program is insufficient to employees' needs; on the contrary, the TAP program is an excellent benefit that gave approximately 355 UGA employees an opportunity to grow professionally in higher education programs during the 2013-2014 academic year (UGA Registrar). However, from a competitive perspective and in alignment with the goals stated in the UGA 2010 – 2020 strategic plan (sections III and V specifically-please see attachments), UGA's competitiveness in the recruiting and retention of 'star quality' researchers, faculty, and staff is crucial. Staff Council and the UC HR Committee recommends a program be established to include UGA employees' spouses and dependents if not all University System of Georgia employees as a tool to attract and retain star quality UGA employees.

**Rationale:** There are several obstacles in offering quality higher education to the spouses and dependents of current 'star' quality faculty and staff and to those employees recruited to relocate to the state of Georgia. The HOPE Scholarship (HOPE) is 1) limited to students who have lived in Georgia for 12 consecutive months; 2) A dependent's residency status is based on their parent's residency status; 3) A student must be a U.S. citizen or an eligible non-citizen for 12 consecutive months; 4) A student's required GPA is 3.0 to be eligible for HOPE and must maintain a 3.0 at the end of each spring college semester.

HOPE does not assist with higher education costs in the following circumstances:

- Higher education scholarship to spouses of UGA faculty and staff
- Dependents of faculty and staff (families) who have recently moved for employment at UGA or a University System of Georgia institution
- Dependents of UGA faculty and staff who hold a high school GPA less than 3.0 when applying for HOPE
- Dependents of UGA faculty and staff who hold a college level GPA less than 3.0 at the end of each spring semester - <http://osfa.uga.edu/hope.html>

The rationale is that there are students who may not thrive well in high school, but will thrive and excel in college-level courses. Providing UGA families with a higher education program for their eligible dependents that may have less than a 3.0 GPA, for example, 2.93 (which could be a result of numerous reasons) does not necessarily determine how these dependents will perform in a college environment; especially if they are accepted to UGA or any USG institution through the standard

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admission process as emphasized later. Additionally, providing an opportunity to assist UGA employees with family education expenses may not necessarily mean that such dependents will attend UGA or any other Georgia academic institution. There are some Georgia student residents who have had full scholarships under HOPE if the students chose to stay in-state; however, students may have decided to attend private or public schools out-of-state and take out student loans. Based on email exchanges with the University of Kentucky, a major influx of spouses and/or dependents of UGA employees is not foreseen. Similar family education programs are offered in numerous peer and Southeastern institutions (see list below) in hopes of recruiting, retaining, and enriching the lives of their employees and to improve and maintain the well-being of their state institutions as well as their state.

## **Proposed Tuition Funding Program:** UGA Family Higher Education Program

**Eligibility:** UGA Family Higher Education Program (FHEP) benefits would be available to regular full-time employees' spouses and their unmarried dependent children (up to age 26). The recommended tuition funding is **75% of in-state tuition** cost. Any form of financial aid, scholarships, grants, or awards would be deducted from the tuition first, and then the amount equal to 75% of the full tuition rate would be applied. This excludes laboratory and additional course fees and textbooks.

The applicant's spouse/parent or guardian must remain a full-time employee of a qualified state educational institution during the period for which the FHEP scholarship is awarded. This scholarship will only be applied to the applicant's first undergraduate degree. The applicant must be enrolled in a degree-granting program and the scholarship can only be applied to a maximum of 130 credit hours. Employee spouses' and dependents' eligibility for FHEP does not guarantee admission to the UGA degree programs. All eligible applicants must follow policies and procedures to enroll in FHEP and apply to UGA through the standard admission process and be accepted to a degree program.

**Spouses** – The spouse of a full-time employee with six months of service credit may qualify for FHEP from the University.

**Dependents** – An unmarried child of a full-time employee with six months of service credit may qualify for FHEP from the University. The dependent may be a natural, adopted, step, foster, or any other child for which legal guardianship can be documented.

FHEP would not be limited to incoming freshmen. Spouses and dependents who would like to transfer to UGA may apply for admission. If admitted, the benefit will be applied to the registered semester.

Spouses are required to take at least 3 and up to 9 credit hours a semester and dependents are required to take at least 6 and up to 15 credit hours a semester. Enrollment must be continuous excluding summer session and students must receive a passing grade to avoid semester suspension.

## **Parameters of UGA FHEP:** Proposed Employment Service Requirement

- Full-time, benefits-eligible employees
- At least 6 months of service credit

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## Restrictions:

- FHEP may only be used by one eligible spouse or dependent at a time (i.e. one eligible employee could not use the FHEP for a spouse and dependent at the same time.)
- FHEP could not be combined by married employees for one eligible dependent (i.e. combine percentages to cover 150% of one dependent's tuition), but could be used to support two separate, eligible dependents of married employees at 75% each.
- FHEP would not cover additional tuition costs beyond full-time, standard, in-state, undergraduate tuition
- FHEP could require a minimum 2.5 accumulative grade-point average per semester.
- FHEP may be taxable

## Peer and Aspirational Institutions:

**Peer:** Half of our peer institutions have a spouse and/or dependent tuition assistance program in place with two others working on proposals.

**Aspirational:** Approximately half of our aspirational institutions have a spouse and/or dependent tuition assistance program in place with two others working on proposals.

## Examples of Funding for UGA and Peer/Aspirational:

- Based on 50 eligible applicants to enroll in FHEP at UGA, the cost for UGA for a 9-month academic year could be approximately \$435,825, based on 75% of the in-state tuition of \$11,622 with no scholarship deductions. The UGA benefit cost will be lowered when scholarships, awards, etc. are included in the cost of tuition. University Foundation funds could be used to support the UGA Family Higher Education Program.
- Based on 50 eligible applicants, spouses or dependents would pay \$145,275 with no scholarship deductions. The out-of-pocket cost employees will need to pay for the FHEP benefit will be lowered when scholarships, awards, etc. are included in the cost of tuition.
- This estimate assumes that student slots occupied by eligible spouses and dependents would displace other *full tuition* paying students; however, there is 1) a very small percentage of in-state students who do not qualify for tuition assistance through the HOPE Scholarship and 2) eligible spouses and dependents will have to be admitted into a degree program following UGA's standard admission process with no guarantee of acceptance (unless so specified by UGA to hold a percentage of slots for FHEP eligible and UGA admitted applicants). Otherwise, FHEP applicants will need to compete with all other incoming or transferring students for UGA admission.
- University of Kentucky (UK - peer institution) and Cornell University (aspirational institution) have a benefit department pool established where each college/school unit contributes a percentage to the spouse and/or dependent higher education tuition benefit pool based on the number of employees within the unit that actually use the family education benefit. A department benefit pool can cover up to 35-40% of tuition cost. The

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tuition balance is then covered by university discretionary funds. UK's program has a staggered discount system based on the employee's years of service, and Cornell's program offers 50% tuition discount for dependents. (Please refer to supporting documents attached for further details.)

- University of Florida's (peer institution) program is not state supported. Donations are used to fund the program and the budget is managed by their Provost's office. Florida has a lottery that is limited to 50 eligible dependents per year (but once accepted into the program, each student receives the benefit until graduation if the student remains in good standing according to benefit terms). Program pays 100% in-state tuition. (All of these programs are in addition to the institutions' employee educational program similar to UGA's TAP program.)

## Higher Education Tuition Program Websites

### Peer institutions spouse/dependent

- University of Florida: <http://hr.ufl.edu/learn-grow/education-programs/higher-education-opportunity/>
- University of Kentucky: <http://www.uky.edu/hr/benefits/more-great-benefits/employee-family-education-program>
- University of Arizona: [http://www.hr.arizona.edu/qualified\\_tuition\\_reduction](http://www.hr.arizona.edu/qualified_tuition_reduction)
- Ohio State University: [https://hr.osu.edu/benefits/eb\\_tuitionassistance](https://hr.osu.edu/benefits/eb_tuitionassistance)
- Michigan State University: <http://www.hr.msu.edu/documents/facacandhandbooks/facultyhandbook/coursefee.htm>
- University of Maryland: <http://uhr.umd.edu/benefits/tuition-remission/>

**Southeastern conference institutions spouse/dependent (only researched the following institutions, there may be more that offer such programs).**

- University of Alabama: <http://uasystem.ua.edu/ua-system-office/human-resources-2/employee-benefits-2/tuition-assistance-program/>
- Auburn University: [http://www.auburn.edu/administration/human\\_resources/hrd/educ\\_opp.htm](http://www.auburn.edu/administration/human_resources/hrd/educ_opp.htm)
- University of Tennessee: <http://onestop.utk.edu/your-money/covering-costs/discounts-waivers/>
- University of South Carolina: <http://www.sc.edu/faculty/benefit.shtml>

### Aspirational institutions

There are several aspirational institutions as mentioned previously that offer family education programs that may be presented upon request.