

The University of Michigan - Flint

Tuition Prepayment for UM-Flint Staff Members

Eligibility:

- Refer to SPG 201.69

UM-Flint Staff attending UM-Flint classes:

- 100% of in-state tuition and fees paid from central fund as long as funds are available and a passing grade(s) is attained
- 18 credits maximum per fiscal year
- Eligible grades are: A, B, C for undergraduate courses and A, B for graduate courses.
- Courses receiving an I or Y grade will not be acceptable for tuition payment unless grade is changed to one of the eligible grades before 60 days following the end of the semester. **It is the employee's responsibility to notify Student Accounts and assure with their instructor their grades are received in the Registrar's Office within the 60 day deadline.**
- Payment is from Central Pool unless depleted, then tuition will be charged to the department signing the pre-payment form.

Responsibilities:

- **Employee** – Obtain supervisor approval on pre-payment form and submit to Student Accounting by the appropriate deadline dates of:
 - Spring 2011 – must submit by Friday, May 13, 2011 5pm.
 - Summer 2011 – must submit by July 11, 2011, 5pm.
 - Fall 2011 – must submit by Monday, September 12, 2011, 5pm.
 - Winter 2012 – must submit by Tuesday, January 9, 2012, 5pm.
- Employees are responsible for assuring instructor grade changes are submitted within the 60 day deadline as listed above.
- Employees are responsible for tax implications. See below and SPG 201.69 as reference.
- **Departmental Supervisors** - Approve or disapprove employees' class request; (per SPG 201.69).
- **Student Accounting** - Supply forms to and receive, date stamp and verify forms for UM-F employees attending UM-F; tracking expenditures for the fiscal year; submitting a copy of forms to Human Resources; submitting necessary payroll information to A2.
- **Human Resources** - Interpretation of 201.69 and determination of appeal process.

Taxes Implications:

The Internal Revenue Code (IRC) requires reporting and withholding of income and FICA taxes for tuition support for **graduate status students**, whenever those payments exceed \$5,250.00 annually for each employee. Tuition advances/reimbursements, exceeding \$5,250.00 in a calendar year, for students listed as graduate students will be considered taxable income and will be reported to the Internal Revenue Service. Federal, state and FICA taxes will be withheld on any amount in excess of \$5,250.00. This applies to all classes taken while under the status of "Graduate" (i.e. graduate students taking undergraduate courses).

Revised: January 2011