



Governance Recommendation

Council Name: Staff Council	Council Chair: Shakenna Adams-Gormley
Date: 10/2020	Recommendation Presenter: Shakenna Adams-Gormley
<p>Recommendation Issue or Concern: <i>(Provide background reasoning or justification for recommendation)</i></p> <p><i>The recommendation being brought forth is a Tuition Waiver for Dependent Children of deceased Montgomery College employees at the time of service, while employed at the college. This concern was brought to the attention of the Staff Council due to the untimely passing of Pete Vidal. Currently, the College does not have a policy in place for dependent children to start or continue receiving tuition waiver benefits for their education once said employee has passed. The Staff Council has received overwhelming support for the recommendation to be brought forth to College Council and leadership from Pete's former co-workers, the Office of Advancement & Community Engagement and various college employees. The Staff Council would also like to make this recommendation retroactive as of June 1, 2020.</i></p> <p><i>The Staff Council conducted the following research in developing this recommendation by contacting the College's General Council, HRSTM, Office of Policy & Procedure, and the SVP of Administrative & Fiscal Services- all of whom support this recommendation. We understand this will be a policy and procedure addition related to 35001C and 35001CP, Section E: Tuition Waiver Plan for Dependents/Spouses.</i></p> <p><i>This benefit will become available to an eligible employee upon their start date in accordance with the current Tuition Waiver Plan for Dependents/Spouses.</i></p> <p><i>In addition, Staff Council has researched other university's best practices related to this topic. Based on our research it appears that Montgomery College would be the first community college to offer this benefit. (Please see attached chart)</i></p>	
<p>Resolution: The college to adopt the policy allowing for Tuition Waiver Benefits to continue for dependent children of deceased Montgomery College employees.</p> <ol style="list-style-type: none">1. A deceased MC employee shall be defined as one who at the time of death was in active service as a regular full-time or part-time permanent employee with benefits.	

2. An eligible dependent shall be defined as children who are considered dependents under IRS section 152.(Children: natural, step, adopted)
3. Dependent children may not pass the age of 26 at the time of registration. If the dependent child(ren) is/are not of college age at the time of the passing the waiver shall be deferred until the child comes of age to use said benefits.
4. If the dependent is age 24, is claimed as a dependent on the employee's federal income tax return, and the dependent is enrolled in a MC program of study, then the dependent has 2 years to complete the program.
5. Eligibility of dependent children shall terminate at the age 26.
6. Eligible study is any credit course taken at Montgomery College.
7. To apply for Tuition Waiver Plan benefits, the eligible student must complete the form and submit to the VP of HRSTM (or designee).
8. Add section E-3c-d of policy 35001CP for dependent children only.

Student Impact: *(Explain the impact of this recommendation on MC students.)*

The impact on students would mean that they could complete or start their programs with a sense of security knowing that their cost would be very minimal compared to not having the benefit.

Economic Impact: *(Explain cost factor or any economic impact of this recommendation, if known.)*

*The economic impact to the College for this recommendation is unknown because cost projections are quite difficult as our final days on this earth are not predictable. The practices, procedures, and policies of the existing tuition waiver benefits to dependent children will apply and expand based on this recommendation if approved. Tuition waiver benefits are recorded in our general accounting ledger system. Current dependent tuition waivers, reduce tuition revenue in the amount equal to the waivers approved. For example, if one credit hour of tuition is \$132 and the waiver is approved for the full credit, the waiver will equal \$132, and net tuition revenue would equal \$0, which is currently the case.

Without knowing the full census of our employees today and into the future, this is overall unpredictable. An estimate for this should be given for Pete Vidal, however, it should be caveated at today's rate of tuition. Assuming 6 children at TODAY's county rate of tuition, all attending MC for two year and earning 60 credit hours would equal $6 \times 60 \times 201 = \$72,360$.

Final Disposition/Recommendation: *(Complete once decision is made by College Council)*

**This recommendation was modified to expand the economic impact statement and to correct the IRS dependent age of 24. Information about Economic impact was provided by the Chief Business/Financial Strategy Officer.*

Tuition Waiver Benefits Comparison Chart (deceased employees)

College/University dependent tuition waiver	Deceased Employee Years of Service Requirement	Deceased Employee Status	Dependent Status	Age Dependent(s) Ages Out	Percentage of Tuition Waiver	Miscellaneous
Southern Illinois University	At least 5 years as a fulltime employee	Full-time active pay, retirement or disability status	Natural born, adopted or foster who are considered dependents for federal income tax purposes	Children shall not be eligible for participation if they have passed the age of 22 at the time of the death of the employee unless they are enrolled in the university at time of death. Eligibility of dependent children shall terminate at age 28	Not stated, assume 100%	Dependents who take advantage of the waiver can only work at the college as student employees. Max. of 8 semesters.
DePaul University	One year of cumulative full-time employment in an eligible classification	Retiree, totally disabled or full-time employee	Children who are considered dependents for federal income tax purposes	Age 25	Not stated, assume 100%	Reference to tuition waiver being tax fee (?)
Bowling Green State University	Not Stated	Permanent fulltime employee actively employed	Children who are considered eligible dependents by IRS Section 152.	Not stated, assume IRS rules apply	Not stated, assume 100%	

College/University dependent tuition waiver	Deceased Employee Years of Service Requirement	Deceased Employee Status	Dependent Status	Age Dependent(s) Ages Out	Percentage of Tuition Waiver	Miscellaneous
University of Maryland	One academic year-less than three years. Two academic years-at least three but less than five years. Three academic years-at least five but less than seven years. Four academic year-at least seven but less than nine years. Five academic years-if the length of employment was nine years or more.	Full-time employee (Dependent children of part-time USM Employees or Retirees who are employed at fifty percent (50%) time or more and who die in service or after retirement, the percentage of tuition remission shall be proportional to the percentage of employment service averaged for the three years immediately preceding the employee's retirement or death	A "dependent child" is defined as the son/daughter, stepson/stepdaughter, or legally adopted son/daughter of a USM employee or retiree who under the age of 26.	26 th birthday	Full tuition	Limited to first undergraduate degree only except for employees hired before January 1, 1990
University of Massachusetts	At least five years of fulltime service	Full-time employee	A dependent Child, as defined by the IRS.	Over the age of 25 unless specifically approved in writing by the President	One program of study or degree program tuition free.	If a University Employee dies, while his or her...dependent child is enrolled in a program of study or degree program, the...dependent child may complete the program without paying tuition. All fees, books and other course materials are the employee's responsibility.

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Utah State University	Employed in an eligible position (working 75% time or more) for 2 years.	Employees who are budgeted 75% time or more	Not stated, assume as defined by the IRS.	Under the age of 26 and single at the time of registration	50% except for those hired before 7-1-2010 in which case it is 100%	Dependent children taking University courses must pay full non-tuition fees.
Northern Illinois University	7 years of full-time service	A full-time equivalency of 50% or more	Not stated, assume as defined by the IRS	Under 25 years of age	50% and other registration fees.	Child must maintain satisfactory academic progress toward graduation to continue receiving the waiver.
Catholic University	Employees with ten or more years of service. Tuition remission will be extended to a surviving spouse and dependent children of a deceased employee with fewer than ten years of service at the time of death only for undergraduate programs in which they are already enrolled at the time of the employee's death.	Regular full-time and regular part-time staff and faculty employees	Employees are required to provide proof of birth or adoption or the required information on dependent status of a stepchild	Dependent meets and maintains the tests set forth in Internal Revenue Code ("IRC") §152 for being deemed a dependent, including but not limited to the specific age requirements contained in IRC §152(c)(3).	Full tuition	Undergraduate degree only

To: Dr. Tracey Smith-Bryant, College Council Chair

From: Dr. DeRionne P. Pollard, President

Subject: **College Council Recommendation 20-03: Tuition Benefit Wavier for Dependent Children**

Date: January 12, 2021

Thank you and all the members of the College's participatory governance system for your leadership in considering issues of importance to the Montgomery College community. I have reviewed the College Council's recommendation 20-03: Tuition Benefit Wavier for Dependent Children that the College Council voted to move forward to the president on November 10, 2020. The document presented to me by the College Council is attached.

This recommendation concerns a modification to Procedure 35001CP, section XVII.D, which delineates the College's tuition waiver plan. The plan provides the waiver of tuition to employees who receive benefits, and to their dependents, when they enroll in MC credit courses for credit. Specifically, the recommendation asks that the dependent tuition waiver benefits be extended to dependents of deceased Montgomery College employees, who pass away while employed at the College. We all mourn such tragic losses, which have deep and life-changing impacts on the deceased's loved ones and dependents. It is for such situations that the College provides a life insurance benefit (up to \$100,000), as well as options for additional life insurance. Given the manner in which benefits are structured, the addition of a new benefit would have a new cost to consider. While the recommendation represents deep compassion and care, we would have to explore the impacts and feasibility. Therefore, I am referring this recommendation to Senior Vice President for Administrative and Fiscal Services Donna Schena and Chief Human Resources Officer Krista Leitch Walker, who is responsible for administering the tuition waiver plan for further research and follow-up. Given the unique nature of this situation, I am also asking Senior Vice President for Advancement and Community Engagement David Sears to review any options within the Montgomery College Foundation for such situations.

Thank you for your dedicated service to Montgomery College's governance system and all of the work you do to support Montgomery College's mission and vision. Please do not hesitate to contact me if you have further questions or concerns.

Attachment

cc: Senior Administrative Leadership Team
Governance Director

To: Dr. Tracey Smith-Bryant, College Council Chair

From: Dr. DeRionne P. Pollard, President

Subject: **College Council Recommendation 20-03: Tuition Benefit Wavier for Dependent Children (Follow-up)**

Date: May 17, 2021

In my January 12 memorandum to you on this topic (see Attachment), I referred this recommendation to Senior Vice President for Administrative and Fiscal Services Donna Schena and Chief Human Resources Officer Krista Leitch Walker for further research and follow-up. Extensive research has been completed and I have reviewed the information with College leaders and general counsel. The research examined pros and cons, cost implications, policy perspectives, practice at other Maryland institutions, and legality.

After examination and analysis of the research, I have decided to move this recommendation forward as a proposed change to Procedure 35001CP and am asking Chief Human Resources Officer Krista Leitch Walker, who is responsible for administering the tuition waiver plan in Procedure 35001CP, to bring this proposal to the President's Executive Cabinet (PEC) for its consideration. As you know, PEC has a deliberate process of review and a period of public comment. At the conclusion of that process, PEC makes a recommendation to the president, who decides on adoption. I would expect this process to play out next fall.

Again, I thank you for your dedicated service to Montgomery College's governance system and all of the work you do to support Montgomery College's mission and vision. Please do not hesitate to contact me if you have further questions or concerns.

cc: Senior Administrative Leadership Team
Chief Human Resources Officer
General Counsel
Governance Director

ATTACHMENT

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