



University of Washington
FACULTY SENATE
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Class C Bulletin No. 459:

Resolution regarding tuition waivers

Class C Resolution adopted at the May 24, 2007, Faculty Senate Meeting

Resolution endorsing a proposal for a 50% waiver of the full-time, standard, resident, undergraduate University of Washington tuition for dependent children of faculty, librarians and professional staff.

WHEREAS, the University of Washington seeks to be competitive in salary and benefits with peer institutions, many of whom offer some kind of tuition benefit; and

WHEREAS, the proposed new benefit would be a recruiting and retention tool that could be very attractive to a wide range of faculty, librarians, and professional staff; and

WHEREAS, the University of Washington's current tuition exemption benefit for faculty and staff is used significantly less by faculty and those with terminal degrees in their field; and

WHEREAS, the proposed benefit is relatively larger in impact for our lower-paid faculty colleagues; and

WHEREAS, the University community has recently launched initiatives related to improving childcare and making the University of Washington more 'family-friendly' by fostering a stronger sense of community and balance of work and family; and

WHEREAS, the proposal could be funded entirely by tuition forgone; therefore

BE IT RESOLVED, that the Faculty Council on Benefits and Retirement urges the University administration to consider offering a tuition waiver of 50% of the full-time, standard, resident, undergraduate UW tuition for dependents of Faculty, Professional Staff and Librarians.

*Approved by:
University of Washington Faculty Senate
May 24, 2007*

Note: Please see following proposal from the Faculty Council on Benefits and Retirement for a comprehensive rationale and background information in support of this resolution.

**Faculty Council on Benefits and Retirement
Dependent Tuition Benefit Proposal
April 2007**

Background: UW Faculty and staff currently have a UW Tuition Exemption Program benefit:

“The University of Washington Tuition Exemption Program, established under the authority of [RCW 28B.15.558](#), enables University of Washington employees, state of Washington employees and members of the Washington State National Guard who have been admitted to the University of Washington, to have tuition waived for up to six credits when enrollment is on a "space-available" basis. The Tuition Exemption Program is available at the University of Washington Seattle, Bothell and Tacoma campuses.” Reference: <http://www.washington.edu/admin/rules/APS/22.01.html#1>

Current eligibility for the program is as follows:

“Professional staff, faculty, librarians, and permanent classified staff who meet all of the following criteria are eligible to participate in the Tuition Exemption Program:

- Employed half-time or more;
- Employed on the first day of the quarter;
- Paid monthly (except for employees in the Print Plant Craft Bargaining Unit) and not hourly; and
- For classified staff new to the University, have completed the probation period prior to the first day of the quarter. “

Proposed Tuition Waiver Benefit

A Tuition Waiver Benefit developed within the Faculty Council on Benefits and Retirement (FCBR) would build on the current program and provide an expanded benefit:

- Dependent children of faculty, professional staff, and librarians¹ receive a quarterly tuition waiver equivalent of up to 50% of the full-time, standard, resident, undergraduate tuition at the UW (benefit is linked to undergraduate standard tuition rate, regardless of the program in which dependent is enrolled).

The proposed new benefit would be a recruiting and retention tool that could be very attractive to a wide range of faculty, librarians, and professional staff. It serves as a recruitment benefit by offering prospective faculty, librarians and staff the security of knowing that their service at UW will be rewarded by offering support for their children’s education. It serves as a retention benefit because the proposal recommends that the dependent benefit be made available for most employees after 5 years of employment. This rewards commitment and longevity in one’s position.

Parameters of the Benefit

Student Status

- 50% waiver benefit recipients would have full student status (**not** space available)
and
- must qualify for admission through standard guidelines (no special admission status for these students).
 - Enrollments would count against UW enrollment cap.

Parameters of the Benefit (cont’d)

¹ The FCBR represents faculty, professional staff and librarians. Thus our proposal does not speak to benefits for other employees.

Dependent Status

- Definitions match current PEBB medical/dental dependent eligibility:
 - Dependent children through age 23
 - A 15-quarter limit per dependent

Employment service requirement

- Proposed eligibility requirement is 5 years
- POSSIBLE: Faculty offered tenure at employment, librarians offered permanent or continuing status at appointment, and newly hired senior administrators (grade 10 or above) may receive benefit immediately on employment.

Restrictions:

- Benefit may only be used by one eligible dependent at a time.
- Benefit cannot be additive between two married/same-sex partner employees, but each could support a different eligible dependent.
- Benefit would not cover additional tuition costs beyond full-time, standard, resident, undergraduate tuition.
- Benefit for enrolled students only (not non-matriculated).
- Benefit would be taxable.

Peer Institutions – as of 2004

- HECB list: 58% offer some tuition benefit ranging from 50% – 100% of tuition costs
 - Includes Ohio State, Michigan State, University of Pittsburgh.
- OFM Peer list: 50% offer tuition benefit ranging from 50% – 75% of tuition costs
 - Includes University of Oregon, University of Arizona, University of Illinois

Funding

- The 'cost' of the tuition waiver in Table 1 attached represents tuition foregone. Our estimate is that, in equilibrium, the total cost estimate to fund tuition waivers for dependents of faculty, professional staff and librarians is approximately \$1 million per year – based on 2006-2007 tuition rates and employment/enrollment figures from 2003-04. The estimated cost would be less than \$250,000 in the first year and then costs would increase gradually over five years as eligible dependents under this benefit are added to each freshman class, approaching \$1 million in the fifth year.
- The estimate assumes that student slots occupied by dependants of faculty/professional staff/librarians would displace other *full-tuition* paying students. To the extent that student slots remain vacant or are filled with subsidized students, foregone tuition would be less and could even be zero. If *out-of-state full-tuition* paying students are displaced, these amounts could be understated.
- While the number of students served by this benefit may remain relatively stable, the cost of the benefit will increase as the cost of UW tuition increases.
- The estimate was based on actual enrollments of dependents of employees in 2003-04. While this waiver would likely attract more applications from dependents of employees, it is a self-regulating benefit because University Admissions are very selective and would not consider a student's dependent status.
- Table 1 includes an estimate of the incremental cost to fund a tuition waiver for classified staff.

TABLE 1. Cost Estimates for Dependent Tuition Benefit.

Personnel Type	Student Level	Number of Students	Annual Waiver Amount
ACADEMIC ADMINISTRATORS	1. UG	12	\$66,831
EDUCATIONAL OUTREACH	1. UG	2	\$11,970
FACULTY	1. UG	78	\$461,344
LIBRARIANS	1. UG	3	\$17,955
NON-GRADUATE STUDENT	1. UG	1	\$5,985
PROFESSIONAL	1. UG	79	\$463,385
RESIDENTS/INTERNS	1. UG	1	\$5,985
CLASSIFIED	1. UG	160	\$943,531
CLINICALS	1. UG	1	\$6,106
Faculty/Professional Staff/Librarians		175	\$1,033,455
All Faculty & Staff		336	\$1,983,092

Notes:

Estimates prepared by Carol Diem, Office of Institutional Studies, University of Washington with the following conditions: 1) only dependent children under 24, 2) only one child at a time for an employee, 3) employees with 5 yrs at UW, and 4) excluding waivers for costs beyond full-time, standard, resident undergraduate tuition.

The number of dependent students by employee group is estimated from 2003-04 enrollments.

The annual waiver amounts are tuition dollars lost relative to a student paying 100% of the posted in-state tuition.

This is a steady-state estimate assuming the program had been in place approximately 5 years. To the extent there are vacancies, (i.e., some full-tuition paying students are not displaced), these amounts are overstated.

To the extent out-of-state full-tuition paying students are displaced, these amounts are understated.

While the number of students served by this benefit may remain relatively stable, we assume that the cost of the benefit will increase as the cost of UW tuition increases.