

Sam Houston State University
A Member of The Texas State University System

Finance & Operations Human Resources Policy B-6
Dependent Scholarship Program

- SUBJECT** SHSU Dependent Scholarship Program for Sam Houston State University (SHSU) Employee Dependents, hereinafter referred to as “the Program,” or “SHSU’s Program,” in this policy.
- PURPOSE** To provide tuition scholarship assistance to the eligible dependent children and spouse of full-time, benefit eligible employees.
- POLICY** As a benefit to eligible employees, an employee’s eligible undergraduate degree-seeking dependent children and spouse may receive a reduction of a portion of the costs of undergraduate courses offered at Sam Houston State University (SHSU or University).
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1. Definitions

- a. The program is a qualified tuition reduction/assistance program as defined in the Internal Revenue Code §117.
- b. "Program participant" or "participant" is a dependent or spouse of an eligible employee who receives tuition assistance through the Program.
- c. "Eligible employee" is a full-time (1.0 FTE) benefits-eligible staff or faculty member employed at SHSU for at least one year. The eligible employee must have a minimum of one-year full-time continuous employment at SHSU by the dependent’s first class day.
- d. "Spouse" and "dependents," are defined in accordance with current Internal Revenue Code § 132(h) and 152(f)(1). In general, an eligible dependent must be a son, daughter, stepson, stepdaughter, or eligible foster child under the age of twenty-four (24) by the end of the calendar year. References to “dependents” in this policy includes an employee’s spouse.
- e. "Course" is defined as any credit course offered by the University for which a grade will be issued upon completion of the course.

2. Dependent Education Assistance Program

- a. The dependents of eligible employees must first apply for admissions, and be accepted through SHSU’s student admission process.
- b. Program participants may receive up to a maximum benefit not to exceed successful completion of an undergraduate degree as stated in the current satisfactory academic progress criteria. Link: <https://www.shsu.edu/dept/financial-aid/policiesdisclosures/SAP.pdf>
- c. Or 150 undergraduate semester credit hours attempted, whichever comes occurs first.
- d. Program participants will receive a scholarship in an amount equal to the designated tuition incurred for their enrollment in the term. Program participants are responsible for payment of all other institutionally assessed charges related to their enrollment.

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- e. An employee applying for dependent scholarship must complete a separate application form for each dependent participant each semester. Forms must be submitted to the Human Resources Office no later than the following deadlines:
 - Fall Semester – 20th class day
 - Spring Semester – 20th class day
 - Summer Semester – 15th class day

- f. To maintain ongoing eligibility, program participants must:
 - 1. Comply with Satisfactory Academic Progress (SAP) for federal aid. Link: <https://www.shsu.edu/dept/financial-aid/policies-disclosures/SAP.pdf>
 - 2. maintain status as an eligible dependent of the employee,
 - 3. ensure neither the employee nor the dependent program participant owes a past due balance to the University.

- g. Unpaid balances, such as tuition and fees, are subject to the University's normal collections activities as explained on the Cashier's website.

- h. As a qualified tuition reduction program for undergraduate education, the scholarship is generally not taxable. However, should the benefit be deemed taxable, the employee assumes all income tax liability. The employee should confer with their tax professional to determine their tax liability.

- i. In the event a program participant no longer meets the Internal Revenue Code eligible spouse or dependent definition, the employee must immediately notify Human Resources. A program participant shall reimburse the University for any benefits received if the individual no longer meets the dependent eligibility. Any income tax owed on benefits awarded to ineligible dependents shall be the sole responsibility of the employee.

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Reviewed by: AVP for Human Resources 03/05/2021