

Education Benefits
Frequently Asked Questions
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What scholarship programs are currently offered to Puget Sound faculty and staff?

There are several scholarship programs currently offered through Puget Sound's education benefits program and the availability under each program differs as described later in this document.

- a) Tuition Remission Scholarships at Puget Sound
- b) National Tuition Exchange (TE) Scholarships
- c) Northwest Liberal Arts (NWLA) Tuition Scholarships *
- d) Open Tuition Scholarships

*Important Note: The NWLA scholarship is a grandfathered benefit available only to faculty and staff hired on or before July 1, 2012.

Who is eligible for education benefits?

Benefits for faculty and staff are available upon hire. Benefits for spouses/partners and dependent children are available to faculty and staff with five years of continuous employment with the university at the qualifying levels listed below for the full term of the benefit utilization.

Faculty and staff working at least three-quarter time can apply for scholarships for themselves, and for their spouses, partners, and/or dependent children. See below for additional information on eligibility requirements and limitations related to each scholarship program.

What's the difference between a tuition remission program, a tuition exchange program, and a tuition scholarship program?

- Puget Sound offers **tuition remission** scholarships, in which eligible faculty and staff, and their spouses, partners, and dependent children, may attend Puget Sound tuition free.
- **Tuition exchange** programs offer scholarships based on a balanced exchange of students between participating institutions. Tuition exchange scholarships are not guaranteed and availability is based on such factors as exchange balances, admission requirements (as is the case with remission), and in some cases competitive selection processes. There is no school-to-school transfer of money for a tuition exchange scholarship.
- **Tuition scholarship programs** are scholarships at other institutions of higher education for which Puget Sound directly sends money to the other institution to pay for the scholarship.

How do I decide which scholarship to apply for? Can I apply for more than one?

Eligible faculty and staff and their spouses, partners, or dependent children, may apply for a Puget Sound tuition remission scholarship once eligibility requirements have been met. Dependent children may apply for any available scholarship program after eligibility requirements have been met and may then select one scholarship from those that are available and offered. A dependent child may only use one type of education benefit at any one time.

For information about eligibility requirements, refer to [the education benefits policy](#).

TUITION REMISSION SCHOLARSHIPS AT PUGET SOUND

This program is for those who wish to take classes at Puget Sound and meet the following criteria:

Eligible faculty and staff members may receive a 100 percent Tuition Remission Scholarship when enrolled for credit in undergraduate or graduate courses at the University of Puget Sound.

Spouses and domestic partners of eligible faculty and staff may receive a 100 percent Tuition Remission Scholarship when enrolled in undergraduate or graduate courses at the University of Puget Sound. Benefits for domestic partners are taxable under IRS rules.

Dependent children of eligible faculty and staff may receive a 100 percent Tuition Remission Scholarship for up to 8 semesters or the attainment of their first baccalaureate degree, whichever comes first, when enrolled as full-time, degree seeking students. The scholarship does not cover non-tuition expenses.

Are there limits on the scholarships available through the Tuition Remission Scholarship Program at Puget Sound?

No, under current policy there is not a limit to the number of tuition remission scholarships offered at Puget Sound for faculty and staff members and their spouses/partners or dependent children. All candidates for tuition remission scholarships are subject to standard admission requirements.

NATIONAL TUITION EXCHANGE (TE) SCHOLARSHIPS

[Tuition Exchange, Inc.](#) is a non-profit association of more than 600 colleges and universities of which Puget Sound has been a member since 1954. This association enables a reciprocal scholarship program among participating institutions. The employing institution certifies eligibility and the receiving institution determines the number and criteria for award decisions. Dependent children of a faculty/staff member who meets eligibility requirements defined on [this website](#) may apply for TE Exchange scholarships.

Are there limits on the number of scholarships available through the TE Exchange?

Yes, scholarships under this program are subject to exchange balances and there can be more applications to some schools than the number of scholarships available. As indicated on the TE Exchange website, *“Tuition Exchange Scholarships are competitive and are not guaranteed.”* Each participating institution determines how many scholarships they will award each year.

Participating institutions are obligated under the agreement to maintain a balance between students sent and received as part of the exchange program. Member institutions are restricted from offering new scholarships to dependents of Puget Sound faculty and staff if the number of students sent exceeds the number received by 2-to-1 over a five-year period. For example, over the course of five years, 20 Puget Sound dependents can receive scholarships at participating colleges (exports), as long as Puget Sound provides scholarships to at least 10 dependents from other participating colleges (imports). Note that while Puget Sound may offer scholarships to dependents from other colleges, the scholarship offer only counts if the students accept the offer of admission from Puget Sound.

What is Puget Sound’s current status in the national TE Exchange?

As of spring 2018, the university is in good standing with this program (116 export semesters over the past five years and 86 import semesters).

If a dependent child applies for a scholarship through the TE Exchange, is it certain that he/she will receive a scholarship if admitted?

No, the receiving institution may limit the number of scholarships in any given year as they manage their exchange balances and their budgets. Tuition Exchange Scholarships are competitive and are not guaranteed. The receiving institution (i.e. the institution your child applies to) sets the number of scholarships to be granted in any given year and the criteria for their award decisions. The probability of receiving an award varies by institution; there is helpful information on the TE Exchange website about participating institutions’ percentage of award offers made to TE Exchange candidates. TE Exchange scholarships, if granted, may be limited to fewer than eight semesters of support, or limited to freshmen or some other classification of student. The amount of scholarship might be less than full tuition. The 2018-19 scholarship amount, established by TE Exchange as the minimum scholarship for high-tuition institutions (such as Puget Sound), is \$36,000.

Information on policies and practices at specific institutions is available at www.tuitionexchange.org.

NORTHWEST LIBERAL ARTS (NWLA) TUITION SCHOLARSHIPS

NWLA Tuition Scholarships provide scholarships to dependent children (of eligible faculty and staff hired before July 1, 2012) attending Lewis & Clark, Reed, Whitman, and Willamette in the amount of up to 75 percent of Puget Sound’s tuition. Eligibility requirements are more clearly defined [here](#).

OPEN TUITION SCHOLARSHIPS

Open Tuition Scholarships provide scholarships to dependent children to any accredited institution of higher education, with the scholarship amount graduated based on years of service. Eligibility requirements are clearly defined on [this website](#).

What are the scholarship amounts?

The tuition scholarship benefit is graduated based on length of service as of July 1 of each year, as shown below:

| Length of Service as of July 1 of the Academic Year | Amount of Annual Scholarship at Any Accredited Institution (Not to Exceed Tuition at School Attended) |
|--|--|
| 5 | \$3,600 |
| 6 | \$4,320 |
| 7 | \$5,040 |
| 8 | \$5,760 |
| 9 | \$6,480 |
| 10 | \$7,200 |
| 11 | \$7,920 |
| 12 | \$8,640 |
| 13 | \$9,360 |
| 14 | \$10,080 |
| 15+ | \$ 10,800 |

Can an Open Tuition Scholarship be used at community colleges or vocational/ technical colleges?

This scholarship program is available for use at any accredited institution of higher education in the United States when the dependent child is in a degree-seeking program and enrolled full-time.

Can my dependent child use this benefit for an occasional course?

To be eligible for this benefit, the dependent child must be registered as a full-time, degree-seeking student and the class must be eligible for credit toward that degree.

Can dependents use an Open Tuition Scholarship to pay for Running Start?

Based on the [Running Start website](#), Running Start students and their families do not pay tuition for the college courses, so this benefit may not be used for Running Start.

Is the Open Tuition Scholarship amount listed per academic year per student, or is that a one-time lump sum amount per family?

The scholarship amount listed is per academic year per eligible dependent child.

GENERAL QUESTIONS

How do I apply for education benefits?

Please complete an [Application for Education Benefits form](#) prior to the beginning of the quarter/semester in which the benefit will be used. The Application for Education Benefits form contains additional information, instructions and timelines pertaining to each specific scholarship program.

When should I initially apply for education benefits for my dependent child?

To apply for education benefits for dependent children, faculty/staff parents should contact Human Resources in September of the child's senior year in high school.

Are the TE Exchange, NWLA Tuition Scholarship, or Open Tuition Scholarship available just for dependent children or can these scholarships also be used for faculty/staff members, spouses and partners?

These scholarships are available only to dependent children of eligible faculty and staff. A **dependent child** is defined as one who is claimed as a dependent child on the faculty or staff member's or the faculty or staff member's partner's previous year's income tax return and who is the faculty or staff member's natural or adoptive child or the natural or adoptive child of the faculty or staff member's partner living permanently in the faculty or staff member's home. A divorced faculty or staff member's dependent children, for the purposes of education benefits, are treated as the dependents of both parents. Court-appointed legal wards and foster children are not eligible for education benefits.

Are dependent children only able to use these scholarship programs for undergraduate coursework?

Yes, dependent children are eligible for a combined total of all education benefits, up to the equivalent of four years of undergraduate coursework or a first bachelor's degree, whichever comes first. Education benefits may not be used for graduate courses for dependent children.

How will the NWLA Tuition Scholarship and Open Tuition Scholarship impact merit- and need-based financial aid offered by other institutions?

Colleges will take into consideration the value of the educational benefit and will offer aid consistent with federal and institution-specific policies. You will need to consult with the financial aid office of the college your dependent child plans to attend to learn about applicable aid policies, which vary from school to school.

If you or your spouse/partner/dependent child plans to attend Puget Sound, please contact Puget Sound's Student Financial Services office (sfs@pugetsound.edu or 253.879.3214) for helpful information about how tuition remission benefits under this policy might be coordinated with student financial aid.

Are education benefits taxable income?

Undergraduate education benefits for faculty and staff, spouses and dependent children are not currently taxable income as they meet the IRS definition for "scholarship". Graduate education benefits for faculty, staff and spouses of faculty and staff, in excess of the IRS allowed amount (currently \$5,250/year) is taxable income. Undergraduate and graduate education benefits for domestic partners is taxable income. IRS tax law is subject to change at any time.

If you have questions about any of these programs, contact Kenni Simons, Benefits Manager, at benefits@pugetsound.edu or at ext. 3296.