

DEPENDENT GRANT-IN-AID

Purpose

Dependents (spouse and/or eligible children) of full-time benefited staff and faculty are eligible to receive grant-in-aid assistance (100% tuition reduction) to take courses at Liberty University.

Eligibility

Staff: This benefit is available to dependents of full-time benefited staff employees who have worked a minimum of 6 months after being classified as a benefited employee (for most this will be the date of hire). The employee must be actively at work in their normal place of business at the time of application, enrollment and start of classes. Employees who are on approved paid or unpaid leave may apply upon returning to work in a full-time capacity.

Faculty: The benefit is available to dependents of full-time benefited faculty from the date of hire. Anyone using DGIA at the time he/she is hired into a full-time benefited position by Liberty University will be exempt from the six month waiting period under the Continuing Education benefit.

Dependent Eligibility

- (a) A spouse (unless employed as a full-time benefited employee of the University);
- (b) An unmarried son or daughter including an adopted son or daughter and stepson or stepdaughter.
 - 1) You will be required annually to submit the current year's tax return form showing your dependent is eligible. If you claimed your child as a dependent this will be a copy of your taxes. If you were unable to claim your child due to age or income you may submit a copy of their tax form.
 - 2) Dependent must be accepted in a degree program.
 - 3) A dependent in high school taking college level courses who qualifies in a special student status. The student cannot be enrolled in the Liberty Online Academy.
 - 4) The DGIA will cover until the end of the academic year in which he/she turns age 27.

Conditions of Benefit

The Financial Aid Satisfactory Academic Progress (SAP) policy is incorporated into the DGIA benefit. The maximum number of hours allowed shall be the minimum number of hours required to complete their degree. In addition, any student taking courses using DGIA must be admitted into a degree program before using the benefit.

Coverage of Benefit

Tuition/Fees – The benefit will cover tuition only and will not cover any fees.

The DGIA benefit covers no more than the minimum hours* required in the program at each degree level, i.e. bachelor's, master's, doctoral, in the resident or online learning programs of the University. The benefit does not cover Institutes or certificate programs.

Programs Not Covered — The CE benefit does not include the following programs: Doctor of Osteopathy, Law School, degree programs or JURI courses offered by the Law School, A.A. and B.S. in Paralegal Studies, M.B.A.–American Legal Studies, M.B.A.–International Legal Studies, (undergraduate or graduate certificate programs).

Waiting Period – The employee must be benefited for a minimum of 6 months before the dependent is eligible to take his/her first course using the DGIA benefit. If the full 6 months has not been reached before the start of the course, the employee's dependent must wait until the next sub-term to use the DGIA benefit.

*Please see Coordination of Benefits section if the dependent has already attempted hours toward a degree he/she is seeking to complete.

Taxation

Employees will not be taxed for dependent(s) undergraduate degree tuition reduction. Graduate courses extended to the dependent(s) are fully taxable and the employee is subject to income reporting and regular withholding for the full tuition reduction value of graduate classes for their dependent(s). The only exceptions to taxation of graduate classes applies to those dependent(s) enrolled in graduate classes who are performing teaching or research for the University.

Dependent(s) who believe they may meet the taxation exclusion for graduate courses due to performing teaching or research for the University, should fill out the *CE and DGIA Taxation Exemption Form* to request authorization, have it signed by the appropriate supervisory party as indicated on the form, and return to HR for approval. The *CE and DGIA Taxation Exemption Form* can be found on the Human Resources website. This form should be filled out as soon as possible after enrolling in any graduate classes.

If using Continuing Education, the total amount of all taxable income and correlating withholding is calculated on a collective basis and includes the dollar value of all employee graduate courses over \$5,250 plus the full value of DGIA participant graduate classes during the calendar year.

Taxation of the Benefit – Administrative Process

Since the IRS requires the University to deduct regular withholding taxes from the full education reduction value of DGIA graduate classes (many employees meet this threshold early in the year), HR has instituted a process to periodically assess when an employee is subject to income reporting and taxation. This process allows the employee to pay the taxes associated with the benefit as required by the IRS on a “pay as you go” pro-rata basis during the year, eliminating the year-end impact of the full benefit addition to income and taxation.

Restrictions

- In the event the University employs both parents, the grant-in-aid is available through only one parent.
- If an eligible employee is married between the start of the semester/term and the ADD/DROP period, then HR will approve the DGIA for the dependent in the same semester/term. If the employee is married after the ADD/DROP period, then DGIA will not be approved for the current semester or term, but would cover beginning the start of the next semester or term.
- The grant-in-aid, when combined with the Virginia Tuition Assistance Grant Program (VTAG) and federal Pell Grant, when applicable, shall not exceed the total tuition rate for the academic year.
- No other institutional aid can be combined with DGIA.
- The University reserves the right to never allow the grant-in-aid to overpay the account.

LCA Scholarship

A dependent who is also eligible for the LCA scholarship may continue on the LCA scholarship or elect to use the DGIA benefit. However, once the dependent has switched from the LCA scholarship to the DGIA benefit he/she will not be able to switch back to the LCA scholarship for any reason.

Coordination of Benefits

Degree at LU

If a degree was earned at LU, the dependent may not use DGIA to complete another degree at the same level.

Degree at Another Institution

If a degree was earned at another institution; the dependent may use DGIA to complete another degree at the same level.

Degree in Process

All hours at Liberty University or through Liberty Online will go toward the minimum number of hours to complete the degree. Once the minimum number of hours required to complete the degree is reached, no more hours will be available to take courses at that same degree level.

Prerequisites

Prerequisites will be covered under DGIA when required for a graduate degree program in which the dependent is majoring.

Process

- An application for DGIA must be completed by the employee in the DGIA portal. The portal is located on the Human Resources website (www.liberty.edu/hr) in the HR Forms Library (under benefits and education).
- The DGIA application should be completed in the portal by April 30th annually for the following academic year.

- Employee's not eligible for the Fall semester due to the waiting period, may submit the DGIA application once they become eligible.
- Employees who marry during the year may submit DGIA to cover their spouse.

Undergraduate Students

- Undergraduate students must complete and submit the Free Application for Federal Student Aid (FAFSA) each year that they are enrolled. If the FAFSA application is selected for verification the employee/dependent must provide requested documentation to the Financial Aid Office.
- In addition, the Virginia Tuition Assistance Grant (VTAG) application must be completed – regardless of major – by the required published deadline which occurs before the student's first academic year of enrollment.
 - In certain circumstances the dependent may be required to complete another VTAG application. If this is required, a Financial Aid representative will contact the dependent upon receipt of the DGIA form.

Graduate Students

- Graduate students are not required to submit the FAFSA application.
- Only students under a qualifying graduate degree will be required to complete a VTAG application. Students who may be eligible for graduate VTAG should apply in ASIST for the VTAG funds before the state deadline of July 31st. Examples of previously eligible graduate programs include: MSN: Adult/Acute CNS Track (MNAC); MSN: Community Track (MNCT); MSN: Nurse Educator Track (MNED); MPH: Nutrition; MPH: Health Promotion.

Disclaimer – Participation in a degree program should not be construed as a condition for employment or a future promotional guarantee.

Liberty University strictly follows all IRS regulations pertaining to a Tuition Reduction Program under IRC Section 117(d).

This document is for informational purposes only and is not to be construed as an employment agreement or contract. Liberty University retains the right to amend or change policies contained here-within at any time without prior notice.