



BOARD OF TRUSTEES

Executive Action Summary

Committee Name: Academic Affairs

Date: February 7, 2025

Agenda Item: Revisions to BOT 304, *Board of Trustees – Course Fee Courtesy*

Information

Review

Action

Resolution:

BE IT RESOLVED that the Board of Trustees hereby approves revisions to BOT 304, *Board of Trustees – Course Fee Courtesy*, as indicated in Attachment A.

Recommendation:

The Trustee Committee on Academic Affairs recommends that the Board of Trustees approve revisions to BOT 304, *Course Fee Courtesy*, as indicated in Attachment A.

Prior Action by BOT:

BOT 304, *Course Courtesy Fee*, was last amended in June 2002.

Responsible Officer:

Thomas Glasmacher, Interim Executive Vice President for Administration

Thomas Jeitschko, Interim Provost and Executive Vice President for Academic Affairs

Summary:

Human Resources (HR) and the University Committee on Faculty Affairs (UCFA) have identified areas of this policy that require attention due to inequities and outdated practices and language. UCFA has expressed a strong interest in enhancing benefits provided to faculty under this policy and the changes requested have been proposed in conjunction with the Office for Faculty and Academic Staff Affairs (FASA) and HR.

The Course Fee Courtesy policy currently provides a 50% in-state tuition discount for certain dependents of eligible employees pursuing undergraduate degrees at MSU, capped through the semester in which the 120th credit is attempted. However, the policy language is outdated, and certain aspects create inequities among employee groups.

Summary of Changes

#	Policy Differences	Current Policy (last revised 6/28/2002)	New Policy
1	Policy Name	Course Fee Courtesy	Tuition Benefit Program
2	Credit Cap ¹	120 credits	134 credits
3a	Eligibility	Fixed Term Faculty & Academic Staff: Eligible after completion of 60 FTE service months.	Fixed Term Faculty & Academic Staff: Immediate eligibility.
3b	Eligibility	Support Staff: Eligible after completion of 60 FTE service months.	Support Staff: Immediate eligibility.
4	Eligible Family Members	Dependent children, spouses, and MSU-recognized same-sex domestic partners	Dependent children and spouses
5a	Definition	Dependent children defined as (a) all legally dependent children of eligible faculty or staff; and (b) such children who have eligible faculty or staff as their legal guardians.	Dependent Children²: Any of the following individuals, up to the age of 26, provided they are enrolled as an MSU student by December 31 of the year they turn 26 and meet the criteria for dependency under federal income tax regulations: (1) a biological child, (2) a stepchild, (3) a legally adopted child, (4) a child under an eligible employee’s legal guardianship.
5b	Definition	Course Fees: The amount associated with credit hour enrollment and shall not include the registration fee or such fees, taxes, and charges as may be collected for third parties	Tuition Benefit: The credit of an amount equal to one-half of the applicable Michigan resident on-campus undergraduate tuition cost. The benefit does not include the cost for books, registration fee, or such fees, taxes, and charges as may be collected for third parties.

The incremental and ongoing cost of these changes is estimated at approximately \$900,406 per year.

What’s not changing?

1. Both the existing policy and the revised policy provide a 50% off tuition discount for the first baccalaureate degree or to a certificate in the Agricultural Technology program.
2. Eligible employees must be appointed prior to the second week of a semester or summer session to access the tuition discount.

¹ Half-off in-state tuition is granted through the semester in which the policy’s credit cap is attempted provided the student is in good academic standing at Michigan State University in a curriculum leading to the first baccalaureate degree or to a certificate in the Agricultural Technology program.

² This definition is specific to this policy only and is not applicable in other policies and benefit programs.

3. The student must be in good academic standing at Michigan State University in a curriculum leading to the first baccalaureate degree or to a certificate in the Agricultural Technology program.

Background Information:

Board of Trustees Policy 304, *Course Courtesy Policy*, was first enacted in July 1982. It was later amended in July 1983 to extend coverage to the surviving dependent children and spouses of eligible faculty and staff. In December of that year, the board approved the policy as a continuing program. In April 1984, the board approved recommendations to make the course fee courtesy eligible for dependent children and spouses of faculty and staff members who retired in accordance with MSU policy whereas it has previously only been eligible to those students enrolled before the employee had retired. In 1991, the board made additional technical changes to the Policy to account for the University transitioning to semester calendars. The Policy was most recently updated in June 2002, to extend the eligibility to all full-time fixed term faculty and academic staff who have 60 or more full-time-equivalent (FTE) service months. This change made the requirement the same as was in place for all University support staff under their collective bargaining agreement. This policy is meant to enrich the compensation and support for University employees in alignment with MSU’s mission as a land-grant university. On average, approximately 450-500 students receive access to this benefit each Fall/Spring semester.

Source of Funds:

The costs are allocated to the university's overall budget for employee benefits, which may draw from sources like tuition revenue, state appropriations, and other general funds.”

Resource Impact:

This change will extend eligibility to an estimated 2,634 employees. Using the current utilization rate of 6.35%, approximately 167 students will obtain access to this benefit.



Board of Trustees Policy

POLICY NUMBER: BOT 304

POLICY NAME: Tuition Benefit Program

Effective Date:	July 23, 1982 (changes approved Feb. 7 2025 are effective August 1, 2025 for the Fall 2025 semester)
Last Review Date:	February 7, 2025
Next Scheduled Review Date:	December 2029

I. POLICY STATEMENT

As a land-grant university, MSU's mission is centered on expanding access to education, fostering opportunity, and serving the public good. Offering a tuition discount for the children and spouses of full-time, benefit-eligible employees aligns with this mission by extending the transformative power of higher education to the families of those who dedicate themselves to our institution. This program not only honors the contributions of the University's employees but also reflects its commitment to making education more accessible and building stronger, more resilient communities.

Providing half-off in-state tuition for the children and spouses of full-time, benefit-eligible employees also underscores our values as a land-grant institution dedicated to equity and opportunity. By supporting the educational aspirations of employees' families, the University strengthens the connection between its workforce and MSU's mission. This

benefit is an investment in the future, fostering a culture of learning and advancement within the University community and beyond. In offering this program, the University reaffirms its belief that education is a public good and its commitment to serving not just its students and employees but also the families who are integral to their success.

II. RESPONSIBLE OFFICES

The Office of the Executive Vice President for Administration and the Office of the Provost.

III. SCOPE

This Policy applies to eligible employees as defined in Section IV. of the policy.

IV. DEFINITIONS

Dependent Children: Any of the following individuals, up to the age of 26, provided they are enrolled as an MSU student by December 31 of the year they turn 26 and meet the criteria for dependency under federal income tax regulations: (1) a biological child, (2) a stepchild, (3) a legally adopted child, (4) a child under an eligible employee's legal guardianship.

This definition is specific to this policy only and is not applicable in other policies and benefit programs.

Spouse: The legally recognized spouse of an eligible employee.

Tuition Benefit: The credit of an amount equal to one-half of the applicable Michigan resident on-campus undergraduate tuition cost. The benefit does not include the cost for books, registration fee, or such fees, taxes, and charges as may be collected for third parties.

V. POLICY

Dependent Children and Spouses of eligible employees who are appointed prior to the second week of a semester or summer session are entitled to a Tuition Benefit.

A. Employee Eligibility

Employees eligible under this Policy are as follows:

- full-time, benefit-eligible faculty and academic staff
- full-time, benefit-eligible executive managers
- full-time, benefit-eligible support staff
- those eligible by virtue of a collective bargaining agreement.

B. Duration of Eligibility

The Tuition Benefit will be granted through the semester in which the 134th credit is attempted provided the Dependent Child or Spouse is registered as a student in good academic standing at Michigan State University in a curriculum leading to the first baccalaureate degree or to a certificate in the Agricultural Technology program. For undergraduate students with transferable credits, the Tuition Benefit is granted through the semester in which the combination of transferable credits and Michigan State University credits attempted equals 134.

C. Impact of Employment Changes

1. Full-time benefit-eligible employees on an approved leave of absence remain eligible for the Tuition Benefit.
2. Except as stipulated below (IV.C.3), the Tuition Benefit will be discontinued at the conclusion of the semester or summer session in which the employment of the eligible employee is terminated.
3. The Tuition Benefit remains in effect for eligible employees who: (a) are participating in the University's Long-Term Disability Program; (b) who die while on active service or while participating in the University's Long-Term Disability Program; or (c) retire in accordance with Michigan State University's retirement policy, as long as the Dependent Children or Spouse meet the other eligibility requirements of the Tuition Benefit policy.

D. Additional Provisions

If the Dependent Child or Spouse drops courses or withdraws from school during the refund period, any refund applicable to the Tuition Benefit will revert to the University.

V. PROCEDURES

Eligible employees must complete and submit the Tuition Benefit application form according to the semester deadlines established by Human Resources. Application procedures and deadlines are available [here](#).

VI. RELATED POLICIES AND INFORMATION

1. Frequently Asked Questions <<insert link to HR website>>

VII. HISTORY

Enacted: July 23, 1982

Amended: July 29, 1983
December 2, 1983

April 6, 1984
July 26, 1991
December 6, 1991
June 28, 2002
February 7, 2025

Retired Policy No. 02-10-01