Note: Technical-service employees covered by the collective bargaining agreement between the University and Teamsters Local Union No. 8 are eligible for the grant-in-aid provisions that were in effect on July 1, 2014, as specified in Article XXXVI of the collective bargaining agreement. The following policy was effective from May 3, 2011 through August 31, 2015 and therefore was in effect on July 1, 2014. Effective September 1, 2015, this policy was updated and this version is no longer in effect for employees other than those represented by Teamsters Local Union No. 8 referenced above.

Policy HR37 GRANT-IN-AID FOR DEPENDENTS OF FACULTY, STAFF, AND RETIREES

POLICY'S INITIAL DATE: January 28, 1938
THIS VERSION EFFECTIVE: May 3, 2011 – August 31, 2015

Contents:

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- Eligible Faculty and Staff Members
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PURPOSE:

To provide dependents of faculty, staff, and retirees, the opportunity to take University courses at reduced fees.

A DEPENDENT DEFINED:

The following dependents of eligible faculty, staff, and retirees are entitled to a University grant-in-aid:

a. A spouse (unless appointed as a graduate assistant, graduate fellow, or non-stipend scholar);

b. An unmarried son or daughter, including adopted son or daughter and stepson or stepdaughter, only until such dependent child receives the first bachelor's degree from the University or any other college or university. (See also LIMITATIONS section below.)
Dependents who are eligible for the educational privileges provided by policy HR36 Educational Privileges for Faculty, Staff, and Retirees are not eligible for the grant-in-aid provisions of this policy.

**ELIGIBLE FACULTY AND STAFF MEMBERS:**

The following categories are eligible for a University grant-in-aid:

a. A regular employee, during active periods of employment and certain inactive periods of employment. See HR16, HR19, HR34, HR88, and HRG11 for eligibility of regular employees during inactive periods of employment.

b. A faculty or exempt staff member appointed on a full-time Fixed-Term II or full-time, faculty Visiting Appointment for at least one semester or summer session, during any time covered by that appointment which encompasses both the beginning and end of a semester or summer session.

c. A member of the armed services who is on the staff of the Department of:
   1. Military Science
   2. Air Force Aerospace Studies
   3. Naval Science

d. A retired employee provided the retiree meets the requirements for the continuation of benefits after retirement (see HR54).

**LENGTH OF SERVICE REQUIREMENT:**

The grant-in-aid for a spouse is available for any semester or summer session in which classes begin two years or later from the faculty or staff member's date of full-time, regular employment. The grant-in-aid for a dependent child is available for any semester or summer session in which classes begin on or after the faculty or staff member's date of full-time, regular employment.

Dependents are not eligible for a grant-in-aid, for any semester or summer session in which classes begin after the employee's final day of fulltime, regular employment status. Also, the faculty or staff member must remain in regular employment status for at least one-half of the semester or summer session in order to maintain eligibility for the grant-in-aid. These limits do not apply to an eligible retiree as indicated in "d" in the section above.

**APPLYING FOR GRANT-IN-AID:**

To apply for a dependent grant-in-aid, the faculty or staff member must complete the Dependent Grant-In-Aid request form, an online application. The online form must be completed before the end of the semester or summer session in which the grant-in-aid
is to begin. A hard copy of the application form can also be obtained from the Employee Benefits Division.

WHERE COURSES ARE OFFERED:

Eligibility for a University grant-in-aid applies at all University locations.

LIMITATIONS:

The grant-in-aid applies to all resident instruction and continuing education credit courses except for professional curriculum such as those offered at the College of Medicine at The Milton S. Hershey Medical Center, the Smeal College of Business Administration Executive MBA Program, and the Dickinson School of Law. It does not apply at summer camps or workshops operated by the University unless University credit is given and regular tuition is charged.

The grant-in-aid for a son or daughter applies only until the bachelor's degree is received. If a son or daughter chooses to pursue an additional bachelor's degree from Penn State, the grant-in-aid will not apply. Furthermore, if a son or daughter has obtained a bachelor's degree prior to attending Penn State, he/she is not eligible for the grant-in-aid because he/she has already obtained his/her first bachelor's degree.

When both parents are employed by the University, the grant-in-aid for a son or daughter is available to only one parent.

AMOUNT OF UNIVERSITY GRANT-IN-AID:

Regular tuition will be assessed for each dependent. A dependent is eligible for a University grant-in-aid provided application is made by a faculty or staff member, or in case the faculty or staff member is deceased, the person authorized to act for the dependent. The amount of the grant-in-aid would result in out-of-pocket costs for employees to be 25 percent of the effective in-state tuition rate (excluding other student fees).

NOTE: TUITION REDUCTION FOR A SPOUSE TAKING GRADUATE LEVEL CLASSES MAY BE SUBJECT TO TAXES. PLEASE CONTACT THE PAYROLL OFFICE FOR TAX INFORMATION.

DEPENDENT OF A DECEASED FACULTY OR STAFF MEMBER:

The grant-in-aid for the dependent of a deceased faculty or staff member is provided subject to the limits of the following schedule.

<table>
<thead>
<tr>
<th>LENGTH OF SERVICE BEFORE DEATH:</th>
<th>SEMESTERS GRANTED FOLLOWING DEATH:</th>
<th>TIME LIMIT FOR USAGE:</th>
</tr>
</thead>
<tbody>
<tr>
<td>If an employee had the following length</td>
<td>Each deceased employee's eligible</td>
<td>The dependent must be enrolled within a time limit</td>
</tr>
</tbody>
</table>
of full-time, regular active employment prior to death...

dependent is entitled to the following number of semesters with grant-in aid...

from the employee's death equal to the length of regular employment of the employee prior to death. (Exclude time spent by the dependent for required military duty.)

<table>
<thead>
<tr>
<th>At least</th>
<th>but less than</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>0 years</td>
<td>2 years</td>
<td>1 semester*</td>
</tr>
<tr>
<td>2</td>
<td>3</td>
<td>2 semesters</td>
</tr>
<tr>
<td>3</td>
<td>5</td>
<td>3 semesters</td>
</tr>
<tr>
<td>5</td>
<td>6</td>
<td>4 semesters</td>
</tr>
<tr>
<td>6</td>
<td>8</td>
<td>5 semesters</td>
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<td>8</td>
<td>9</td>
<td>6 semesters</td>
</tr>
<tr>
<td>9</td>
<td>11</td>
<td>7 semesters</td>
</tr>
<tr>
<td>11 years and over</td>
<td>8 semesters</td>
<td></td>
</tr>
</tbody>
</table>

*Note: For this policy, two summer sessions shall equate to one semester