



University of South Alabama Health Care Authority

EDUCATIONAL BENEFIT CERTIFICATION

INSTRUCTIONS:

- 1) A certification form must be completed each **academic year** by employees requesting the educational benefit for eligible spouses/dependents. One certification covers Fall, Spring, and Summer terms (within the same academic year).
- 2) Complete sections I, II, and III.
- 3) Section IV and V must be completed and signed by the department head/supervisor to include the payroll account distribution information, if applicable.
- 4) Return the completed form to Human Resources as early as the first day of registration for the applicable semester and no later than the first day of classes according to the Academic Calendar. Tuition credits cannot be applied to student accounts retroactively.

Per USA policy, the maximum total allowable combined aid from all internal sources is \$16,962 per academic year. This total includes the dollar amount received from Employee Educational Benefit. If the total combined amount of the USA funded tuition scholarship and the employee educational benefit exceeds \$16,962, the employee educational benefit will be reduced by the excess amount. This policy is applicable to all employees of the University of South Alabama Health Care Authority who are recipients of the employee/dependent educational benefit.

TAX IMPACT: In accordance with current Internal Revenue Service regulations, educational benefits received by the employee when enrolled as a student will be tax free up to \$5,250 per calendar year. Any benefit received by the employee/student above this amount will be subject to taxes. Educational benefits received by dependent children or the employee's spouse, for undergraduate and graduate students, will be fully taxable to the employee or surviving spouse, as applicable. The applicable tax rate is the supplemental rate (25% federal, 5% state and 7.65% FICA). Taxes will be withheld from the employee's payroll check prior to the end of the calendar quarter in which the semester began for each semester the eligible dependent was enrolled and received the educational benefit. For deceased employees, a 1099 will be issued to the surviving spouse (parent) at the end of the calendar year.

NOTE: The responsible individual is required to report to Human Resources any changes that affect eligibility, such as reduction of FTE, marriage of a dependent, divorce or when a dependent child reaches age 25. Failure to report qualifying eligibility changes may result in the reversal of the tuition credit. Spouses and dependents who have applied for financial aid (including student loans) must disclose educational benefits as a resource. Failure to include this in your financial aid application could result in required repayment of Federal Financial Aid grants or loans.

THIS CERTIFICATION IS FOR (check all that apply):	<input type="checkbox"/> Child - son, daughter, stepson, stepdaughter, legally-adopted son or daughter, or foster child	Spouse	<input type="checkbox"/> Self
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I. EMPLOYEE (parent) INFORMATION			EMPLOYMENT STATUS:		Regular full-time	Deceased Employee
LAST NAME	FIRST NAME	MIDDLE INITIAL	EMPLOYEE J#		ACADEMIC YEAR APPLYING FOR	
TITLE	DEPARTMENT/DIVISION	OFFICE PHONE NUMBER	ALTERNATE PHONE NUMBER	E-MAIL ADDRESS		

II. STUDENT INFORMATION <input type="checkbox"/> Check here if student is enrolled in PASSAGE USA						
SELF	LAST NAME	FIRST NAME	MI	DOB	J#	
SPOUSE	LAST NAME	FIRST NAME	MI	DOB	J#	
CHILD	LAST NAME	FIRST NAME	MI	DOB	J#	
CHILD	LAST NAME	FIRST NAME	MI	DOB	J#	
CHILD	LAST NAME	FIRST NAME	MI	DOB	J#	

III. CERTIFICATION AND SIGNATURE OF EMPLOYEE (parent)	
I certify that the information provided on this form is true and complete sign below	Date

IV. PAYROLL ACCOUNT DISTRIBUTION INFORMATION (Grant funding may not be used for this purpose) (to be completed by department head or supervisor, if applicable)			
Payroll account distribution information should be completed for employees, when the cost associated with the employee/dependent educational benefit needs to be charged to a funding account (FOAPAL) that is not assigned to the employee's payroll distribution account.			
FUND	ORGN	ACCT	PROG

Human Resources Use Only

Date Received: _____

FTE: _____

Approved by: _____

Date Approved: _____

V. SIGNATURE OF DEPARTMENT HEAD OR SUPERVISOR	
_____ Signature of Department Head or Supervisor	_____ Date