PRESIDENT STATEMENT

This policy/procedure defines the Medical University of South Carolina guidelines for remission of the cost of tuition, fees and health insurance for full-time PhD Students enrolled at MUSC. These costs may be charged to Sponsored or Un-sponsored Projects according to Federal, State and Award-specific guidelines.

Eligible students must be employed as Graduate Student Research Assistants to work on one or more sponsored or unsponsored research projects.

Graduate Students who are employed in the Graduate Research Assistant category and funded by either institutional or external sponsors are eligible for graduate student compensation, including tuition remission costs. This is the only category of graduate student employment eligible for tuition remission compensation. Students employed in the categories of teaching assistant or student assistant are not engaged directly in research activities and will not be eligible for tuition remission. These students may be eligible for educational assistance or scholarships.

Institutional and sponsored projects that support a Graduate Research Assistant’s salary and fringe benefits may also fund a portion of the student’s tuition, subject to the guidelines, allowability and exceptions specified below. This portion of tuition, referred to as Tuition Remission, will be a percentage of current College–based in-state tuition rates each term.

General Guidelines

The University’s “Policy for Reimbursement of Tuition and Fees for Full-time PhD Students (revised)” was issued on February 7, 2006 (http://research.musc.edu/orsp/Tuition.pdf). This policy allows the University to fund all, or a portion of, tuition charges that the student was formerly responsible for paying. These expenditures are charged within the University's accounting system, and could be charged to Sponsored and/or Non-Sponsored funds.

Facilities and Administrative (F&A) costs will not be charged on Tuition Remission in accordance with Federal regulations. Students meeting the eligibility criteria may have all, or a percentage of, their tuition and fees paid as part of their compensation for the work they perform for their College. This portion of their compensation shall be referred to as Tuition

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Remission. The Tuition Remission rate will be established annually by the Vice President for Academic Affairs and Provost. The salary paid to the Graduate Student will be according to institutional guidelines and the fringe benefit rate will be according to the composite rate established for students and published annually by the Office of Research and Sponsored Programs. Both the salary and the Tuition Remission rate will be reviewed and approved by the Provost prior to implementation. Total compensation from salary, fringe, and tuition remission may not exceed the 0 NRSA stipend level established for that year per NIH Notice: NOT-OD-02-017.

It is the policy of the University to distinguish Tuition Remission from educational assistance/scholarships and to ensure that Tuition Remission costs are appropriately charged to institutional or sponsored projects.

Graduate Students may receive educational assistance (e.g., scholarships) to further their academic studies. Educational assistance or scholarships are not conditioned on the graduate student's providing any service to the College may not be charged to National Institutes of Health (NIH) research grants. Educational assistance may be charged to other types of federal projects only when the purpose of the project is training or fellowships (i.e. T or F grants), and then only with federal agency approval.

Awards subject to the Ruth L. Kirschstein National Service Award levels for stipends, tuition/fees and other expenses must follow the guidelines published by the National Institutes of Health, the Agency for Healthcare Research and Quality, and the Health Resources Services Administration.

Other exceptions may occur in the following cases:

A. when sponsors have a written policy that prohibits or limits the charging of tuition as a direct cost to a sponsored project, or

B. when the PI, Department Chair, and/or Dean deem an exception appropriate after review of specific circumstances involved. Grants and Contracts Accounting will review these exceptions as part of normal business monitoring.

The University may also elect to provide reimbursement of health insurance premiums paid by the student; however these reimbursements may only come from non-sponsored funds.

**Tuition Remission Allowability**

Tuition Remission and other forms of Graduate Student compensation paid as or in lieu of wages are allowable costs to federal research projects, provided that the following conditions are satisfied:

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• The Graduate Student is in a bona fide employer-employee relationship with the institution for the work performed;
• The Graduate Student is performing activities necessary to the project;
• Payment reflects the percentage of time actually devoted to the project and is conditioned explicitly on the performance of the work;
• The Graduate Student is enrolled in an advanced degree program, and his or her activities on the project are related to that degree program;
• The compensation is provided in accordance with established institutional policy and is awarded consistently to students performing similar activities conducted in Non-Sponsored as well as in Sponsored activities; and
• When Graduate Student compensation is charged to federal awards, the University must do so in accordance with the funding agency’s guidelines.

Questions regarding charging tuition remission to sponsored projects should be addressed to the MUSC Grants and Contracts Accounting office.

Definitions

Tuition – A fee for instruction or the academic charges for enrollment; may be per semester or per credit hour for each course in which the student is enrolled.

Fees – Costs in addition to tuition that are charged to the student for enrollment, for example: program fees, library fees, laboratory fees, etc.

Health Insurance – Insurance against loss by illness or bodily injury. Health insurance provides coverage for medicine, visits to the doctor or emergency room, hospital stays and other medical expenses.

Facilities and Administration (F&A) Costs – Costs that are incurred for common or joint objectives and, therefore, cannot be identified readily and specifically with a particular sponsored project, an instructional activity, or any other institutional activity. F & A costs are synonymous with “indirect” costs.

Authority and Accountability

All personnel who have responsibility or authority to implement tuition remission must familiarize themselves with this procedure. Principal Investigators will be held accountable for the activity of Ph.D. students on their grants. Grants and Contracts accounting will have the authority and accountability for charges related to this policy being charged to grants accurately and in compliance with this procedure. Research Administration will be accountable for monitoring tuition and fee remission being charged to sponsored projects. Department Business Administrators will be accountable for monitoring tuition, fees and insurance being charged to non-sponsored projects.

PROCEDURE

1. The faculty mentor, or Principal Investigators of funded projects may fund Tuition Remission for full-time, PhD Student-Employees, working as Graduate Student Research Assistants from Sponsored and/or Non-Sponsored funds.

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2. Tuition Remission for PhD student(s) may be written into Grant Applications if allowed by the funding agency and the specific guidelines of the funding announcement. There is no requirement that Principal Investigators seek tuition assistance from the granting agency, so the potential for Tuition Remission from a sponsored project will be determined at the time of the grant submission. If the Principal Investigator desires to include a Graduate Student in the Personnel of the grant and can fund the student’s salary and fringe benefits, but the budget cannot also support the Tuition Remission, then the Dean’s Office and/or Department Chair must sign off on the application, thereby guaranteeing a Non-Sponsored source for the Tuition Remission portion of the Graduate Student’s compensation should the grant be awarded.

3. If a grant is awarded that allows Tuition Remission, the Principal Investigator will determine if there is a candidate among the full-time PhD students who has the interest and the qualifications to work on his/her research project. The student must be hired as an employee of MUSC before beginning work on the research project and before he/she can qualify for Tuition Remission.

4. Upon student registration at the beginning of the semester, Student Accounting will charge a To-Be-Named (TBN) Clearing UDAK directly for the Tuition Remission amount as determined by the annual rate set by the Provost. Requisitions and/or Inter-Institutional Transfers will not be necessary.

5. On a monthly basis, Grants and Contracts Accounting (GCA) will transfer these expenditures in monthly increments from the TBN Clearing UDAK to the appropriate Sponsored and/or Non-Sponsored UDAKs. Charges will be determined by the amount of Tuition Remission divided by the number of months in the semester. Other expenses, such as enrollment fees may be reimbursed in accordance with the NIH Grants Policy Statement, specific award terms and conditions, and an awarded budget.

6. If a Graduate Student is working on more than one Sponsored project, the amount of Tuition Remission paid by each project will be equal to the percentage of effort being contributed to each project.

7. If a Sponsored project can support the student’s salary and fringe benefits, but the budget cannot also fund all, or a portion of, the Tuition Remission, Non-Sponsored funds may be used to pay that portion of the Tuition Remission that cannot be covered by the grant. In this event, a Cost Share UDAK must be established to track the payment of the Tuition Remission. The funds from the Non-Sponsored account will be transferred to the Cost Share account, then GCA will then transfer the expenditures from the Clearing UDAK to the Cost Share UDAK.

8. In the event that the PhD Student-Employee defends his/her dissertation before the end of the semester and his/her University employment is terminated before the end of the semester, GCA will transfer the unallocated portion of his/her Tuition Remission from the Clearing UDAK to a Non-Sponsored (unrestricted) UDAK in the faculty mentor’s department.

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9. PhD Students who are not enrolled full-time and do not need the full amount of the established rate of Tuition Remission (for example, if returning for dissertation only and enrolled for one credit hour), will be exempt from receiving Tuition Remission. These students may be hired as Graduate Student Research Assistants, but will receive salary and fringe benefits only; they will not receive tuition support.

10. Students who receive Tuition Remission from their respective College and who choose Pearce and Pearce, Inc. for their insurance provider, may have their premium paid by their College. It is a MUSC policy that all enrolled students have health insurance coverage. Students are welcome to find their own insurance coverage on the open market, be covered on a spouse or parents insurance, or obtain coverage through Pearce and Pearce, Inc. Proof of health insurance must be provided to the MUSC Student Health Office. The total reimbursement for the year cannot exceed the annual Pearce and Pearce rate.
   a. For more information, please access the Student Health Services web site at the following URL: http://www.musc.edu/studenthealth/index.html
   b. If you are interested in the Pearce and Pearce policy, please access them at the following web site: http://www.studentinsurance.com/
   c. To take advantage of this option, a student will need to follow the instructions on the following website: http://www.musc.edu/grad/NewStudent/Insurance.html

11. Insurance expenses can only be charged to unrestricted (MUCU) UDAKs. They cannot be charged to restricted (MUCR) grant UDAKs due to the fact that these expenses are not included in the annually negotiated composite fringe rate for students.

POLICY PURPOSE

The purpose of this policy is to enable MUSC to support its full-time Ph.D. students by providing the opportunity for Tuition Remission through Sponsored or Non-Sponsored funds. Additionally, the purpose of this policy is to ensure compliance with Federal, State, MUSC, regulations, policies, and procedures.

WHO SHOULD READ THIS POLICY

Any employees involved in the recruitment and employment of Ph.D. students, including (a) faculty who are seeking to hire students to work on their research, (b) staff who are involved in the hiring process, (c) research administrators who are managing the sponsored projects, (d) business administrators.

RELATED DOCUMENTS

Related MUSC Documents:

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- Finance and Administration Policy Procedure 4-3.13
- Student Health Insurance
  [http://www.musc.edu/grad/NewStudent/Insurance.html](http://www.musc.edu/grad/NewStudent/Insurance.html)
  Related Other Documents:
- NIH Guide: Reasonable Compensation for Graduate Students Employed on NIH Research Grants; Volume 24, Number 18, May 19, 1995;
- NIH Guide: Graduate Student Compensation; Volume 25, Number 8, March 15, 1996;
- NIH Notice: NOT-OD-02-017; Graduate Student Compensation;
- Ruth L. Kirschstein National Research Service Award (NRSA) Stipends, Tuition/Fees and Other Budgetary Levels Effective for Fiscal Year 2014; Notice Number: NOT-OD-14-046

**CONTACT INFORMATION**

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Vice President for Academic Affairs and Provost  Date  3/21/15