

Tuition Benefits for Faculty and Staff Members

Carnegie Mellon enables you to further your education, enhance your skills and pursue career development through the Tuition Benefits program.

Step 1: Discuss utilizing tuition benefits with your supervisor

Meet with your supervisor to discuss a program or course you are interested in pursuing. Discuss how enrollment in a course(s) may affect your current workload and schedule. Complete the [Supervisor Approval Form \[pdf\]](#) including your signature as well as the signature of your supervisor.

Faculty and staff tuition benefit applications will not be processed without a signed Supervisor Approval Form.

Step 2: Finalize your course schedule

Finalize your course registration prior to applying for tuition benefits in Workday. Any changes in your course schedule may adversely affect taxation of your tuition benefit (if applicable).

If you need to update a processed tuition application, contact the HR Service Center [by creating a ticket](#) as soon as possible to ensure the appropriate taxation and tuition YTD is reflected on your payslip.

Step 3: Understand tuition taxation

Graduate and certain undergraduate employee tuition benefits that exceed \$5,250 in a calendar year are considered taxable by the IRS. Carnegie Mellon University is required to report tuition benefits as taxable wages on your W-2. Taxation for tuition benefits is withheld at approximately 30% (withholdings for federal, Social Security and Medicare taxes).

Taxation will begin with the paycheck following your application approval, and will be withheld across three months (three paychecks for monthly paid employees and six paychecks for biweekly paid employees), or the number of months remaining in the calendar year, whichever is less. Changes to your benefit level in the middle of a semester (for example, adding or dropping a class) will be reflected in the taxes withheld in the remaining month(s).

The federal tuition taxation exemption of \$5,250 is per calendar year, not per term.

For example: If your tuition benefits total \$6,320 for the fall 2019 term (and it is your first term for 2019), your taxable tuition benefit over the course of three months is \$1,070 (\$6,320 tuition total – \$5,250 federal exemption). The additional tax withheld from your paycheck over three months is \$107 per month (\$1,070 taxable tuition benefits × 30% withholding rate = \$321/3 months = \$107). If your tuition benefits total \$6,320 for the spring 2020 term, your taxable tuition benefit over the course of three months would be the same as the fall 2019 term (\$6,320 tuition total – \$5,250 federal exemption = \$1,070). The additional tax withholding would also be approximately \$107 per month for three consecutive months. If your tuition benefits total \$6,320 for the fall 2020 term, your taxable tuition benefit over the course of the three months would be \$2,106.67 per month (\$6,320/3) and the additional tax withholding would be approximately \$632 per month (\$2,106.67 × 30%).

Carnegie Mellon University

Human Resources

Faculty and staff members applying for tuition benefits for themselves (for the first time) should set up an in-person or phone meeting with the Office of Human Resources to discuss the application process and any applicable tax implications from utilizing tuition benefits. To set up a meeting, [create a ticket](#).

Step 4: Apply for Carnegie Mellon University tuition benefits online through Workday

The application process is completed in Workday for faculty and staff members. A new application for tuition benefits must be completed for each term. Refer to the [Applying for Employee Tuition Benefits Quick Guide \[pdf\]](#) for detailed instructions.

The Online Submission Process:

1. Log in to Workday
2. Click on the Benefits icon
3. Select **Apply for Tuition Benefits** (right, top quadrant)
4. Choose **New Employee Request**
5. Complete required fields and attach documentation (requirements differ depending on whether you are attending CMU or an outside institution)
6. Submit the application

You will receive an email confirming the submission of your tuition application for processing and a second email once your application has been approved for payment.

[Contact the HR Service Center](#) if you need additional assistance.