


**MEMORANDUM**

Date: July 26, 2023

To: Board of Regents' Finance and Facilities Committee

Thru: Teresa Costantinidis, EVP for Finance and Administration

From: Kevin Stevenson, VP for Human Resources 

Re: Approval of Revisions to Regents' Policy Manual Section 6.11: Dependent Education Benefits and Update on Proposed Enhancements to Employee Education Benefit Programs

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I am writing to provide an update on HR's efforts to simplify and enhance employee education benefits, and to request approval of proposed revisions to Regents' Policy Manual Section 6.11: Dependent Education Benefits.

***Summary***

Employee education benefits are designed to not only support an educated workforce, but are also a critical tool in attracting key talent and retaining great employees. Indeed, the availability of benefits such as tuition remission and dependent education scholarships can be the turning point for a candidate selecting UNM over other opportunities. HR is planning a series of updates to administrative policy to improve the quality and effectiveness of these benefits, some of which require us to make minor revisions to Regents Policy. These changes are necessary to continue evolving our benefit offerings in support of our UNM2040 objective of ensuring a stable and high-quality workforce for UNM.

***Background***

UNM currently offers a variety of education benefits to our employees, including tuition remission for academic, professional development, and health, fitness, and personal enrichment classes, as well as a dependent education scholarship that covers undergraduate tuition costs for spouses and dependent children. Over the past several years, HR has received feedback from various stakeholders regarding these benefit offerings to employees and ways to improve the overall value and effectiveness of the benefits.

Through this process, several key themes for improvement emerged:

- Simplification of eligibility criteria across employment types and between tuition remission and dependent education.
- Examination of tuition benefits for employees living and working out of state, where UNM provides support equivalent to in-state tuition and employees are required to pay the difference between in-state and out-of-state rates.
- Expansion of the type of courses that can be taken for professional and career development purposes.

In addition, the adoption of a new Remote Work policy and formalization of out of state remote work heightened the need for updates, particularly the tuition benefits for out of state employees. In collaboration with the Faculty Staff Benefits Committee and other campus partners including Enrollment Management and the Bursar's Office, HR developed recommendations for revisions to University Administrative Policy 3700: Education Benefits.

These revisions specifically addressed the themes referenced earlier, and comprised the following specific changes:

- Specifies that the University assesses all employees, retirees, and their eligible dependents in-state tuition for courses taken while utilizing applicable tuition remission or dependent education benefits.
- Aligns the eligibility criteria for tuition remission and dependent education benefits, removing the requirement that employees be employed in a benefits-eligible job for at least one continuous year as of the last day of student registration for the applicable semester.
- Expands eligibility for education benefits to Post-Doctoral Fellows.
- Expands the allowability for employees to use tuition remission benefits and paid time off for courses taken for professional and career development purposes.

### ***Assessing Employees In-State Tuition***

The most significant of the proposed changes is the desire to assess in-state tuition to employees, retirees, and their eligible dependents when utilizing UNM's Tuition Remission or Dependent Education programs. Historically, tuition charges for courses taken utilizing these programs have been charged based on residency status, with UNM policy limiting the value of the benefits provided to the equivalent of resident tuition. In cases where employees or their dependents cannot achieve resident status, either in the case of international employees physically working in New Mexico but unable to attain residency or employees working remotely out of state, current practice results in their UNM benefits covering only a portion of the total tuition charges. In contrast, employees who are NM residents have the full cost of their tuition covered via these programs.

In an effort to improve the value of the benefit provided to these employees, as well as bring equivalency to the value of the benefit across all employees (i.e. taking courses at no cost to the employee), HR has proposed charging in-state tuition to employees, retirees, and their eligible dependents taking courses through these programs. The creation of an employee "in-state" rate that is equivalent to the resident rate is expected to increase satisfaction amongst employees who for various reasons are unable to be considered residents for tuition purposes and/or employees who are working remotely outside of New Mexico. The creation of an employee "in-state" rate will also mitigate the potential of additional tax burden that may potentially exist if UNM were simply waiving, or paying, the difference between resident and non-resident tuition. This approach also supports a uniform benefit equally offered to all eligible employees.

In addition to collaborating with Enrollment Management and the Bursar's Office on this change, HR sought advice from University Counsel on this proposed change. Based on their review, they concluded that the proposed change poses a low risk to the institution, as there is not express law that prohibits the university from assessing a specific tuition rate to its employees. Further, utilization of this benefit by out of state employees is expected to be relatively low. Indeed, there are fewer than a hundred benefits-eligible employees currently working out of state, a very small fraction of which are projected to utilize these education benefits. While this number will likely grow over time, it will continue to comprise a relatively small portion of UNM's overall employee population and have only a marginal impact on the utilization of UNM's tuition remission and dependent education programs.

***Proposed Revisions to RPM 6.11***

As the proposed revisions to UAP 3700: Education Benefits progressed through the policy process, we became aware that some of the proposed revisions to the Dependent Education Scholarship program are out of sync with the content of Regents Policy Manual Section 6.11: Dependent Education Benefits. RPM 6.11 has not been amended since its initial adoption in 1996, and as such we are seeking approval of the attached minor revisions.

The requested revisions to RPM 6.11 remove overly specific eligibility requirements from Regents Policy (for instance, the applicability to only full-time, permanent employees), enabling the details of program eligibility and implementation to be managed via University Administrative Policy. With the evolving and dynamic benefits environment, this is an important change and provides key flexibility to the administration to further develop and evolve our benefit offerings to enhance the recruitment and retention of our faculty and staff.

Thank you for your consideration.

# Regents' Policy Manual - Section 6.11: Dependent Educational Benefits

Adopted Date: 09-12-1996

## Applicability

This policy applies to all faculty and staff employees of the University.

## Policy

The University wishes to improve employer-paid benefits for faculty and staff to enhance recruitment and retention. As one means of accomplishing this goal, the Regents authorize the creation of an educational benefits program in which the spouse, domestic partner and/or dependent children of ~~full-time permanent~~-employees may receive a waiver of tuition for up to eight ~~consecutive~~-semesters, ~~not including summer session~~.

## Implementation

The President shall adopt administrative policies and procedures to implement this policy which will address eligibility requirements, the number of tuition waivers that will be granted, the process for granting the waivers, and other features of the program.

## References

~~UBPPM Policy 3785~~UBPPM Policy 3700.  
Privileges and Benefits, [RPM 6.3](#).