Employee Degree Program Fact Sheet and Frequently Asked Questions

- Eligibility: one year full time waiting period. Must be eligible on or before the first day of classes of the semester you are applying for
- may enroll for up to 8 credits per semester, 2 semesters of more than 8 credits
- job-related or Cornell career related
- undergraduate is not taxable, graduate is taxable under Section 127 of the Internal Revenue Code (first $5,250 in calendar year is not taxable)
- supervisor’s approval is necessary
- class time is considered time worked
- Last piece of the process – EDP is funding source

http://hr.cornell.edu/benefits/education/edp.html

Is there a deadline to apply?
We ask that you have your completed EDP application in our office three weeks prior to the start of classes. This allows time for our office to process your paperwork and have your status entered as EDP for registration purposes.

Will prior credits from another school transfer in to my Cornell degree?
That is a decision of the college you apply to.

How many credits will I be allowed to transfer to Cornell?
Cornell will only accept a maximum of 60 credits towards an undergraduate degree. Graduate students need to check with the Graduate School regarding the acceptance of prior credits.
I already have an undergraduate degree. Can I get another one?
We have been told that Cornell will not confer a second undergraduate degree whether you received your first degree from Cornell or not. You may check with Student Services for confirmation.

Do I have to reduce my work status to part time if I register for more than 8 credits?
The EDP policy allows you to reduce your time to no less than 50% and maintain the benefit. You will need to check with the Graduate School as to their policy.

Do I have to register for classes every semester?
No, you do not but you do have to stay in touch with your college to let them know of your plans.

Do I have to get my supervisor’s permission to register for classes each semester?
Yes. Although your supervisor has signed off giving you permission to be a part of the EDP, you must have his/her permission to register each semester as there may be job responsibilities that will need to take precedence over taking a class that semester.

How long will I have to complete the degree?
There is no timeframe for completion of a degree through the Employee Degree Program. You have an open-ended graduation date to complete the degree at your own pace. There are two programs in the Johnson that you must complete within the timeframe for those programs. They are the Executive MBA Metro NY and the Cornell Executive MBA Americas. The Executive Masters Program in ILR must also be completed within the timeframe stated.

Are all graduate programs taxed?
All graduate programs fall under the guidance of Section 127 of the Internal Revenue with the exception of the Executive MBA Programs in the Johnson. The
Tax and Counsel’s Offices have reviewed these programs and have determined that under certain circumstances, these may not be taxable. Completion of the Waiver Taxation Form, along with required signatures, is necessary for consideration of tax-free treatment for these programs. This should be done once you have received an acceptance by the Employee Degree Program.

**How do I know when I will be taxed on my graduate tuition?**

Each program has a semester tuition rate. The semester tuition is divided by 12 which provides the per credit rate for your program. You can multiply your credits by this rate. The amount that exceeds the $5250, is considered taxable income to you. Once this occurs, you will receive an email alerting you to the fact that you have taxable income. Once you have exceeded the $5,250 amount, all future coursework in that calendar year, will be taxable. The exception to the tuition rate would be the Executive MBA Programs in the Johnson.

**How does the taxation work?**

Most graduate programs in the Employee Degree Program are governed by Section 127 of the Internal Revenue Code. Under this provision, the first $5,250 of employer paid tuition, is not taxable. Under special circumstances, those accepted into the Cornell Executive MBA, Metro NY or EMBA Americas Programs, may be eligible for a tax waiver. Please visit the DFA website to learn more or contact the Tax Office at tax@cornell.edu.

**Can I be a degree student and not use EDP?**

No. In order to get release time for classes, you have to be enrolled in the EDP.

**Is my department charged for my courses?**

Each benefits-eligible position pays a benefit rate on that position. These funds pay for the educational benefits.

**Do I have to take the GRE’s/GMATs?**

That is a decision of the Graduate School.
Do I have to take the SAT’s?
That is a decision of the college you apply to.

Is there a commitment clause that states I must stay for a certain amount of time upon completing a degree at Cornell?
No.

Who can I contact if I have additional questions?
Contact Benefit Services at 607-255-3936 or you can email benefits@cornell.edu. Benefit Services is located at 395 Pine Tree Road, Suite 130. No appointment is necessary.

What is a 1098T form and will I get one?
The 1098T form is a statement of tuition billed and scholarships/grants issued. For additional information, go to http://www.dfa.cornell.edu/tax/universitymatters/reporting/othersyearend/1098t/1098tfaq.cfm

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7/28/2016 mpb