

# OVERVIEW

## About Tuition Exchange and its History

Tuition Exchange was founded to advance higher education and to make careers in higher education more attractive. Its underlying concept originated in the tradition of remitting or reducing tuition costs for faculty children attending their home institution. Vanderbilt University offered "tuition discounts" to faculty and staff children from the time of its founding in 1875. In 1901, the trustees of the University of Chicago voted to provide "tuition assistance" to faculty children. During the Depression of the early 1930's, the availability of tuition-remission programs rapidly increased; today, such programs are in place at many American colleges and universities.

In 1947, Dean Robert R.R. Brooks of Williams College introduced multi-institution exchanges (as distinguished from one-on-one exchanges), and in 1952, forty-one colleges and universities joined together to create the Faculty Children's Tuition Exchange.

Following a 1953 study on the post-war economic status of college teachers by the Teachers Insurance and Annuity Association (TIAA), the Ford Foundation Fund for the Advancement of Education made a generous grant to support of the exchange program. On May 28, 1954, Tuition Exchange (successor to the Faculty Children's Tuition Exchange) was incorporated.

From 1954 to 1972, Williams College served as headquarters for Tuition Exchange. From 1972 to 1993, Muhlenberg College served as host to the organization under the leadership of G. N. R. Smart. In August 1993, the organization's headquarters moved to Washington, D.C. In July, 2010, the organization relocated to Bethesda, Maryland.

## Membership

Tuition Exchange (TE) is a nonprofit consortium of more than 630 colleges and universities. It has participating institutions in 47 states plus the Virgin Islands, the District of Columbia, Canada, Greece and the United Arab Emirates.

One of TE's strengths is the diversity of its membership: major universities and liberal arts colleges, highly competitive and moderately competitive institutions, and members have specialized curricula and comprehensive institutions. Membership in TE is open to all regionally accredited nonprofit institutions of higher education. Members of this consortium confer on their eligible employees the right for them and their family members to apply for a TE scholarship to study at other TE member schools. Over 6,600 students receive TE scholarships annually. TE is governed by a board of directors, whose members are drawn from the higher education community.

## Universal and Institutional Rules

### Fundamental Principles

The fundamental principle by which TE operates, is exchange: members benefit from the opportunity to send students on scholarship to other institutions, and they also make a commitment to host an approximately equal number of students. No money changes hands and no accounting is done of the variation among tuition fees.

Flexibility is another characteristic of TE. Tuition Exchange has a few umbrella policies and procedures, but within these, colleges and universities have considerable leeway to structure the program as they see fit.

Each member institution is obligated to:

- Limit the exchange to employees (past and current) and members of their families;
- Establish an eligibility policy that sets forth criteria for determining which employees will be certified (or sponsored) for TE scholarships and have a mechanism to determine which eligible employees have priority;
- Establish guidelines for the award of scholarships (imports) and set the number of new scholarships that will be awarded each year;
- Have an explicit commitment to honor all commitments made to exchange scholars;
- Appoint one staff or faculty member to coordinate the campus program (Liaison Officer), submit an annual report, and pay the \$500 annual dues and \$35 fee per export (participation fees).

### Institutional Policies

With the framework described above, each member institution establishes its own policies and procedures for administering its TE program. The purpose of this handbook is to assist the Liaison Officer with the day-to-day operation of the program. The Liaison Officer must have a copy of his or her institution's TE policies, which should have been prepared when the institution became a member of TE. If you cannot locate your institution's policies, please contact TE Central for help with preparing them.

## A Typical Path to a TE Scholarship

Perhaps the best way to introduce the Liaison Officer to the TE program is to provide an example of the path a student typically travels to obtaining a TE scholarship.

"Susan" is a 17-year-old high school junior who is beginning to look seriously at colleges and universities she might want to attend. Her mother, a controller at Omega University, receives an email message reminding her that Omega is a member of Tuition Exchange. Seeing that she meets the criteria to be an eligible employee for the program and that children of eligible employees can participate in it, she looks at TE's web site and gives Susan the list of member schools to investigate.

In the meantime, Susan's mother contacts Omega's TE Liaison Officer regarding Omega's deadlines and procedures for the program. The Liaison Officer determines that family members of Susan's mother are eligible for a four-year, eight-semester TE scholarship. There are several employees at Omega who are eligible for TE scholarships. Based on its historic record, Omega will only make new commitments to five students this year. Based on her seniority, Susan's mother is third on the priority list. The Liaison Officer informs her that Susan will be sponsored for a TE scholarship. Omega is her sending institution and Susan is considered an export of Omega.

After investigating the member institutions to narrow her search, Susan applies to four schools, including one "safety" school. The Liaison Officer fills out the online TE Certification and Application Forms to the schools to which she has applied. These institutions contact Susan directly about further application procedures and the TE award process at their school.

Susan is offered a TE scholarship at three schools. She decides to enroll at Alpha College and accepts their offer. As a courtesy, she notifies the other schools about her decision. She is an import to Alpha's program.

Susan attends Alpha College for four years. Each year, Omega honors its commitment to her and re-certifies her as a continuing TE scholar. Her mother is thrilled that Susan has received an exemplary education at an excellent institution.