

Education Reimbursement Plan



Education Reimbursement Plan

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Education Reimbursement Plan

I. Introduction

AVESI offers educational reimbursement benefits to encourage self-development by providing financial assistance for certain education-related expenses. This benefit is intended to encourage professionalism and assist employees in increasing effectiveness in their current position, preparing employees for possible advancement, and/or increasing an employee's adaptability to new ideas and change.

The Educational Reimbursement Plan (the "Plan") includes assistance with the cost of tuition and other expenses related to the pursuit of a degree or the expenses related to a non-degree college course ("Tuition Assistance"), as well as expense reimbursement for Company-approved Certification or Licensing programs, including the examinations required as part of those programs ("C&L Assistance"). The Company will determine the number of employees approved for educational reimbursement based on available budget in each calendar year.

II. Employee Eligibility

Regular Full-time and Regular Part-time employees are eligible to participate in the Plan. For eligibility purposes:

1. Regular Full-time means a normal work schedule of at least 40 hours per week, or at least 80 hours on a bi-weekly basis.
2. Regular Part-time means a non-supervisory employee scheduled to work on a part-time basis (minimum of 20 hours but less than 35 hours per week), and not on a time, special job completion, or call when needed basis.

Also, an employee must have been in his or her position a reasonable amount of time to allow pursuit of further education without adversely affecting job performance, which should be taken into consideration when a request to participate is made.

An employee must complete the **Education Reimbursement Request Form** prior to the start of the coursework unless otherwise understood and accepted. The form requires the employees to outline the overall degree program, the current semester coursework, and all anticipated or paid fees. Backup documentation, such as receipts, course catalog, institution description and location, etc., should also be included with the form. The form should be reviewed by the employee's immediate supervisor and then submitted to the VP of Operations for approval.

III. Tuition Assistance

Tuition Assistance provides reimbursement of tuition and other expenses related to a course taken in the pursuit of a degree or the expenses related to a non-degree college course at an approved facility or institution.

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A. Degree Program Criteria

To be approved under the Plan, a Degree Program must meet the following criteria:

1. The degree is consistent with the employee's ability, potential, and scholastic background or a reasonable chance exists for the employee to use the acquired knowledge.
2. The degree is reasonably applicable to the work the employee is doing or for which the employee might be reasonably expected to be qualified to do.
3. The required curriculum leading to the degree and the number of hours to be completed is appropriate.
4. The degree is in a field of interest to the company and a reasonable chance exists for the Company to derive some benefit from it.

B. Eligible Fees and Expenses

The following expenses may be eligible for reimbursement:

1. **Tuition:** The fees charged by an institution for an eligible course. Eligible courses include the following:
 - a. Formal college-credit courses offered by an accredited college or university.
 - b. Online courses offered by an accredited college or university.
 - c. Adult education non-credit and/or non-degree courses offered by an accredited institution, including public school systems, colleges, or universities.
 - d. Private, business, or technical school courses, when comparable training is not available through one of the above categories. (Before approving such courses, the Manager/Supervisor should evaluate the school's standards and determine if costs are compatible with the level of training received.)
 - e. Required courses within a curriculum that lead to a diploma, certificate, or degree in a field of interest to the Company, even though these courses are not specifically job-related (i.e., religion or art courses).
2. **Required Textbooks:** May include books in printed or electronic format (including shipping charges if purchased online by the student), newspaper subscriptions, or magazine subscriptions, provided the materials are required for the enrolled course(s).
3. **Required Fees:** Fees assessed by the institution which are required for enrollment in and completion of an approved course or degree and are not refundable after completion of a course or course of study. For a list of required fees and expenses that are considered eligible for reimbursement consideration under this Plan, see Appendix A.

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An employee is eligible for reimbursement of a course under this Plan only if he or she is an active employee at the time the course commences and at the time of reimbursement. Courses that commence prior to employment are not eligible for reimbursement.

C. Ineligible Fees and Expenses

Not all expenses related to a Degree Program or Non-Degree course are eligible for reimbursement. Ineligible fees and expenses include:

1. **Ineligible Course:** College courses required to complete an employee's usual job responsibilities are not eligible for reimbursement under the Plan. The following are also considered ineligible courses under the Plan:
 - a. Recreation or leisure time courses such as golf, bridge, sewing, and dancing are not covered, unless they are part of the curriculum stated above.
 - b. Dale Carnegie, Evelyn Wood Reading Dynamics, and other similar programs are not covered under Tuition Assistance. If a Manager/Supervisor recommends one of these courses for an employee as a Company-sponsored development action, it may be eligible for reimbursement as a business expense.
 - c. Preparation courses to prepare for an exam that is required to attend graduate school, including GMAT/GRE test-prep courses.
2. **Optional Supplies:** The cost of materials, instruments, supplies, or equipment are not reimbursable unless they are included as an indistinguishable part of the total cost of the course.
3. **Optional Fees:** Fees charged as the result of the institution providing services not automatically assessed or related to the enrollment in and completion of a course or degree. Optional fees also include charges for expenses that are the result of employee choice or negligence.

See Appendix B for a list of optional fees and expenses that are not eligible for reimbursement under this Plan.

D. Reimbursement of Fees and Expenses

To qualify for reimbursement, an employee must receive a grade of "C" or better, or "Pass" if taking a "Pass/Fail" course. No benefit will be payable unless these requirements are met.

Once a course has been satisfactorily completed, an employee may request reimbursement for eligible fees and expenses related to the course. Eligible fees and expenses, as described above, will be reimbursed at 100% up to the annual maximum based on the degree program.

E. Reimbursement Maximum

An employee may be reimbursed up to a maximum of \$5,250 per calendar year for an approved program.

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F. Reimbursement Deadline

Reimbursement requests must be submitted **no later than three months following completion of the course or receipt of final grade.**

Upon VP level approval, incomplete course work may still qualify for reimbursement if an employee is prevented from completing the course because of a transfer, temporary relocation, change in work schedule, or a significant increase in work load.

G. Repayment Requirements

The AVESI Educational Tuition Repayment Agreement Clause is a provision that requires an employee to repay amounts received for tuition assistance in the event the employee voluntarily separates employment from the Company.

By signing the Reimbursement Form containing the Repayment Clause, an employee agrees to repay tuition assistance benefits received under this Plan based on the following schedule, should the employee voluntarily terminate employment with the Company:

Time Elapsed <i>The amount of time between the date(s) of the Tuition Assistance reimbursement and the employee's termination date.</i>	Percentage of Repayment <i>Applicable to the amount of Tuition Assistance received during the 24 months prior to the employee's termination date.</i>
6 months or less	100 percent
More than 6 months, but less than 12 months	50 percent
More than 18 months, but less than 24 months	25 percent

Under this provision, the Company may withhold from an employee's final paycheck (base salary, bonuses, vacation pay, and/or expense reimbursements), to the extent permitted by applicable law, monies up to the amount due the Company for any Tuition Assistance paid within the above timeframes.

H. Time Off Work

Course schedules should not conflict with the employee's work schedule. However, special situations which might require time off the job may be considered. Such situations might involve the scheduling of an examination by the school or graduation exercises at a time when the employee is usually at work.

IV. Certification and Licensing Assistance

A Certification or Licensing ("C&L") Program is a program through which an employee obtains a professional license or certification as a result of passing a uniform examination, such as a CPA, PHR, or PE. The C&L benefits under this Plan allow time and expense reimbursement for the preparation for and taking of an exam required to obtain a Company-approved certification or license.

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The approval of expenses related to obtaining a certification or license is made by the employee's Manager/Supervisor and HRC and is based on the eligible expenses as described below and the supporting documentation provided at the time of the request.

A. Program Criteria

To qualify for C&L Assistance:

1. The certification or license must relate to the employee's job function or career.
2. The employee must incur expenses related to completing the program to obtain the certification or license and must not be reimbursed for these expenses in any other manner.

B. Eligible Expenses

The expenses related to obtaining a certification or license are eligible.

Note: When maintaining a certification or license is necessary for an employee to perform his or her job (for example, a yearly recertification exam), reimbursement may be made through business expense if approved by the employee's Manager/Supervisor.

The following expenses are eligible for reimbursement when an employee is pursuing a professional certification or license:

1. **Examination Fees and Expenses.** Employees will be reimbursed the cost of sitting for an exam related to a specific certification or license. No more than two sittings of the examination are eligible. If a second sitting is necessary, it is recommended an approved review course be completed prior to the second exam sitting. Note: As stated above, employees will be reimbursed for one review course.
2. **Travel Expenses.** Employees may be reimbursed for travel expenses while away taking the examination. The examination must be taken at the test site nearest to the employee's location.
3. **Expenses Associated with a Review Course.** Employees may also be reimbursed for the cost of one review course, provided they qualify and sit for the examination. (i.e., review course for the CPAExam)
 - a. The review course is at the choice of the employee, but it must be properly approved by the employee's Manager/Supervisor in advance and must be specific to the certification or licensing exam being taken.
 - b. Books, materials, and fees required as a part of the review course, including online or electronic review courses or materials, are also eligible for reimbursement.

Note: The expenses related to the review course cannot be submitted until the employee sits for the exam, unless the employee is prevented from completing the course or from taking the exam because of a transfer, temporary relocation, change in work schedule, or a significant increase in work load. In that case, the expenses may still be eligible as determined by the employee's Manager/Supervisor.

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C. Ineligible Expenses

1. Certifications and licenses which qualify an employee for a specific career from which the Company would be unlikely to benefit.
2. Fees for a certificate program or other program that results in a certificate of completion or other type of certificate that is not a professional license or certification.
3. Costs associated with periodic license renewal and dues for membership in professional affiliations are not covered under these guidelines. Such expenses should be submitted as business expense if the license renewal or membership is necessary for the employee to perform their job and if approved by the employee's Manager/Supervisor.

D. Reimbursement of Expenses

Once a program has been satisfactorily completed, an employee may request reimbursement for eligible fees and expenses. Eligible fees and expenses, as described above, will be reimbursed up to the annual maximum as specified in Article E below.

Eligible expenses are reimbursed at the rate of 100% after any grant, scholarship, financial aid, and all other sources of reimbursement are applied. (Reimbursements made under these guidelines shall not duplicate those made by any other parties.)

To request reimbursement, an employee must submit the original invoices and/or receipts of expenses to their supervisor along with the completed and preapproved form in Appendix C.

E. Reimbursement Maximum

An employee may be reimbursed up to a maximum of \$5,250 per calendar year under the guidelines of this program.

F. Reimbursement Deadline

All reimbursement requests must be submitted **no later than three months following completion of the program or receipt of grade/passing status.**

V. Approval

Employees must secure proper approval prior to enrolling in a Degree Program, Non-Degree course, or Certification and Licensing Program to avoid incurring expenses that are not reimbursable under the Plan. Appendix C provides the Education Reimbursement Request Form that must be completed and approved prior to the start of coursework.

Approval for all expenses under this Plan is at the discretion of Management.

A. Degree Course

The following steps should be taken to obtain approval prior to beginning a degree program:

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1. Submit a completed Education Reimbursement Form (Appendix A). Include Degree Program information, along with the payment documentation described in this plan, to the immediate Manager/Supervisor for review. Then submit to the Vice President of Operations for approval.
2. Employee should save all correspondence for submittal of reimbursement request.

B. Non-Degree Course

A Non-Degree course is a course offered by a college or university that an employee takes on an individual or stand-alone basis, not as part of a specific Degree Program. To obtain approval of a Non-Degree course, an employee must take the following steps:

- Provide the VP of Operations with a description of the course, including the cost and duration of the course and how it relates to their career.
- Once the course is approved the employee should save all correspondence for submittal of reimbursement request.

C. Certification and Licensing (C&L) Program

To obtain approval for a C&L Program, an employee must take the following steps:

- Discuss the program with their direct AVESE Manager/Supervisor and provide documentation, including a description of the program for the Certification or License they wish to pursue, as well the total cost and duration of the program.
- Once the Manager/Supervisor verbally confirms approval, forward the information to the VP of Operations for review.
- Once the program has been completed, the employee should include all approval correspondence in the submittal to request reimbursement of related expenses.

An employee may obtain a certification or license in more than one area.

VI. Taxability of Educational Reimbursement Benefits

Taxable and non-taxable reimbursements made under the Educational Reimbursement Plan will be processed through Payroll as specified below.

1. Reimbursements up to \$5,250 per calendar year per employee are considered non-taxable income.
2. Reimbursement for travel expenses is taxable unless it qualifies as a business expense deduction.

VII. Termination of Employment

Terminated employees will likely lose all benefits under this plan. The VP of Operations will determine eligibility on a case by case basis.



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VIII. Modification and Termination

The Company reserves the right to modify or terminate this Plan, in whole or in part, in such manner as it shall determine, either alone or in conjunction with other plans of the Company. Modification or termination may be made by the Company for any reason.

Appendix A

Required Fees and Expenses — Tuition Assistance

The following are examples of required fees and expenses, which are eligible for reimbursement consideration:

- Tuition fees
- Registration fees
- Student ID card fees
- Required lab fees
- Required textbooks, including those ordered online
- Required supplies or equipment
- Required student fees or charges assessed to all students (when unable to opt out)
- 1st time enrollment fees
- Application fees
- Printed course material and/or electronic media/material, in lieu of textbooks (subscriptions, online articles, etc.)
- Non-resident fees
- Matriculation fees
- Exam fees (includes GRE and GMAT*)
- Building-use fees
- Proficiency exams
- Library fees
- Student activity fees
- Technology fees

* Although fees related to the GRE and GMAT exam would be eligible for reimbursement, any fees for a prep course or fees related to studying or preparing for the exam are **NOT** eligible. Also, fees related to the GRE/GMAT are considered pre-admission testing and, therefore, must be submitted along with the first eligible course. They are not able to be reimbursed separately or on a stand-alone basis.

Note: This list is not all-inclusive. As a general rule, if the fee is mandatory and applied to all students attending that school, it may eligible for reimbursement under the Plan.

Appendix B

Optional Fees and Expenses — Tuition Assistance

The following are examples of optional fees and expenses that are **NOT** eligible for reimbursement:

- Parking fees
- Meal charges
- Fees for room & board or lodging
- Travel, transportation fees, or mileage
- Late fees, service charges, or fines
- Healthcare related expenses
- Fees for dropped or added classes
- Fees to repeat a course
- Fees to replace equipment or supplies
- Class ring fees
- Deferred payment charges
- Interest charges
- Credit transfer fees
- Living costs
- Tutoring fees
- Fees for field trips
- Recreation facility fees, unless charged to all students
- Deposit fees
- Graduation fees, including fees for cap and gown
- Legal and/or insurance fees (when able to opt out)
- Green Fees (when able to opt out)
- Shipping charges/fees associated with the return of required textbooks or materials
- Computer hardware, internet access fees, and connectivity equipment or charges related to an online course
- Software used for program and system upgrades
- Expenses for auditing or testing out of a college level course
- The cost of materials, instruments, or equipment that are not a required and/or not an indistinguishable part of the cost of the course.

Note: Schools may vary in the type of required fees assessed to their students. If any of the above fees are proven to be mandatory or required fees, then they may be eligible for reimbursement consideration.

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Appendix C Education Reimbursement Form

Employee Name/Number	
Date	
Job Title/work location	
Educational Institution	
Degree Program (Associate, Bachelor, Master)	
Major (Area of focus)	
Initial request or current participant	
Anticipated degree completion date	
Course 1 (title, credit hrs)	
Course 2 (title, credit hrs)	
Course 3 (title, credit hrs)	
Total credit hours	
Cost breakdown	
This \$ request/calendar year \$ total	

Employee must provide the following documentation to be submitted with this form:

- Explanation on how obtaining the education requested will apply to their position
- Course description information such as copies of the course catalog
- Explanation/breakdown of enrollment costs
- Final grades when requesting reimbursement

By submitting this Reimbursement Form, the employee agrees to repay tuition assistance benefits received under this Plan as outlined in the policy should the employee voluntarily terminate employment with the Company.

Step 1: Obtain Approval for course work		Signature	Date
Employee Submittal			
Manager Approval			
Step 2: Submit final grades for reimbursement		Signature	Date
Employee Reimbursement Request			
VP Authorization for Payment			



Education Reimbursement Plan

The AVESI Education Reimbursement Plan is administered by the following positions:

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