



AMHERST COLLEGE EDUCATIONAL ASSISTANCE PLAN

Plan Document

As an institution of learning committed to academic achievement and lifelong learning, Amherst College supports the educational pursuits of its staff. The Amherst College Educational Assistance Plan (the Plan) encourages and assists employees in preparing for future growth opportunities within the College by continuing their formal education. The Plan is intended to qualify under Internal Revenue Code Section 127. This Plan applies only to courses approved in advance, taken by eligible employees outside of normal working hours, and at accredited educational institutions. It is not the intent of the College to imply that participation in the Plan will guarantee career advancement.

A. Terms and Conditions

Eligible employees will receive payment for normal tuition charges each fiscal year as follows. For non job-related courses for credit, 50% of the total tuition paid, not to exceed \$1,500 per fiscal year. For job-related, degree courses for credit, 100% of total tuition paid, not to exceed \$3,000 per fiscal year. Payments are prorated for regular part-time employees. Payments for professional development workshops/seminars/conferences relevant to an employee's current position are limited to \$150 per fiscal year for registration and/or tuition only. Additionally, payments to employees for a combination of non job-related and job-related, degree granting courses and workshops/seminars/conferences may not exceed \$3,000 per fiscal year.

To be eligible for payment, the course for credit or degree program must either be directly related to the employee's job function or consist of courses which, while not directly related to the employee's present position, are within disciplines utilized by the College. Courses unrelated to an employee's job function, but required for the completion of a degree program, will be covered under the Plan. A prerequisite course whose successful completion is necessary for admittance to a degree program will be reimbursed as a degree related course. However, non-degree courses unrelated to an employee's job function, or unrelated to disciplines utilized by Amherst College, will not be eligible for payment.

Courses approved in accordance with the provisions of this Plan must generally be taken outside of normal working hours. Where deemed necessary, and with advance approval of their Department manager, an individual may be excused for a reasonable length of time to expedite arrival to classes. However, arrangements must be made to make up such excused time without additional compensation.

An applicant must be actively employed by Amherst College at the commencement and completion of all courses. Generally, an individual who terminates employment prior to course completion, or leaves within a year of receiving payment for a prior course, is required to reimburse the College for its payments in accordance with the terms outlined in Section B, 3.0.

1.0 Eligibility

Regular full-time and part-time Trustee Appointed and Staff employees are eligible for job-related courses after one (1) year of continuous regular employment, and after three (3) years of continuous regular employment for non job-related courses. There is no length of service requirement for workshops/seminars/conferences. An employee on any type of Leave of Absence is not eligible to participate in the Plan while on such leave. Approved courses must commence and be successfully completed while actively employed.

2.0 Courses, Programs and Schools

Courses and programs must be offered by an accredited educational institution acceptable to the College.

2.01 Seminars, Workshops, Symposia, Etc.

Training and development educational assistance is defined as professional development workshops/seminars/conferences that are relevant to an employee's current position. There is no length of service requirement. Employees are allowed \$150 per fiscal year for registration and/or tuition only. Workshops/seminars/conferences are normally held during working hours. Training and development reimbursements apply toward the \$3,000 fiscal year limit for educational assistance.

2.02 Life/Work Experience/ Equivalency Examinations

No educational assistance will be available for tuition associated with courses that base credits or certifications on "life" or "work" experience or the passing of equivalency exams. Similarly, educational assistance will not be available for degrees or certifications granted by institutions or organizations based solely on the payment of a fee. Educational assistance is available, however, for the cost of courses taken to prepare for High School Diploma Equivalency Exams such as a GED Diploma.

2.03 Advanced Degree Programs

An employee undertaking an advanced degree program is eligible for educational assistance subject to previously stated Plan provisions.

2.04 Prerequisite Courses

Individuals will be required to furnish a letter from the university signed by an authorized representative such as the dean or director of the admitting school confirming that the prerequisite course is required for admission into the degree program.

B. Procedures

1.0 Approvals/Applications

An employee is responsible for obtaining approval of an application for educational assistance from their department manager. This includes initial approval of a degree program being undertaken. Applications must then be submitted to the Office of Human Resources prior to the commencement of the course or degree program to determine payment eligibility.

2.0 Course substitutions

Where an employee finds it necessary to alter course selection after courses have been approved, written notification indicating the pertinent changes must be again forwarded via the original approval cycle.

3.0 Payment and Proof of Completion For Course(s)

Upon approval of a course(s) and submission of acceptable cost documentation, Amherst College will provide the employee with a check for 75% of reimbursable course costs, as defined in Section A, payable to the course sponsor. The remaining 25% of reimbursable course costs will be paid upon successful completion of the course(s). Prior to the issuance of a payment, the employee must sign an Educational Assistance Repayment Agreement which will require employee to repay to the College the advance payment in the event the course(s) is not successfully completed. Instead of an advance payment, the employee may pay for the course and following course completion, apply for reimbursement.

Upon successful completion of the course(s), the employee must provide the Office of Human Resources with proof of successful completion in the form of an Official report card/grade transcript. In the case of a seminar/workshop, some sort of documentation that the program was attended and successfully completed must be submitted.

All payments will be subject to the maximum fiscal year limits established in Section A, Terms and Conditions.

If a course is not successfully completed within one (1) month of the normal course completion date, the amount advanced by Amherst College to pay for the course must be repaid to the College, either by a check within two months, or through payroll deduction. No future advance payments will be made until prior course payments for failed or uncompleted courses have been repaid.

An employee terminating employment prior to completion of a previously approved course for which an advance payment was provided, must repay the amount of advanced funds either by check or by withholding any unpaid amount from final compensation, in accordance with the Educational Assistance Repayment Agreement.

Employees leaving the College within one year of receiving educational assistance must reimburse the College for its payments in accordance with the following schedule:

- Within one month of completion: ½ the amount
- Between one to twelve months: a proportional share of ½ the amount

When an employee's approved course suffers an interruption due to death, disability, or the employee retires from Amherst College, the employee will not be required to repay the tuition advance payment.

C. Supplemental Information

1.0 Scholarships, Financial Aid, Grant

Where an employee is receiving financial tuition assistance from sources other than the College, the payment will be calculated so that the combined total does not exceed the actual charges. If an employee is receiving financial aid, this fact should be noted in the space provided on the Educational Assistance Application. Falsification of an Educational Assistance Application may result in the termination of an employee's eligibility in the Plan.

2.0 Tax Information

The Internal Revenue Code of the United States Government regulates taxation on employer-paid educational assistance. Based on Section 127, amounts paid in a calendar year that do not exceed \$5,250 are not taxed. Payment amounts exceeding \$5,250 per calendar year may or may not be subject to taxation depending on certain criteria outlined in the tax code. Since these laws may have changed, contact the Office of Human Resources for their current status.

3.0 Fees not Eligible for Reimbursement

The following is a list of fees which will not be considered for reimbursement:

- late/delinquent fees
- parking fees
- deferred payment fees
- matriculation fees
- books
- interest charges

The College reserves the right to approve or deny a fee not directly related to the course(s) taken and not appearing in the list of excludable fees.

D. Administrative Information

Your Indemnification of Amherst College

If you elect to receive reimbursement under the Plan, you agree to indemnify and reimburse Amherst College for any liability it may incur for failure to withhold Federal and state income or Social Security tax, should any of your reimbursement claims be determined to be ineligible under the Plan.

Amendment and Termination

This Plan is expected to be continued indefinitely, but Amherst College reserves the right to terminate or change the Plan's provisions in the future. Provisions of the Plan will automatically be adjusted to conform with changes in Internal Revenue Code Section 127.