

COUNTY OF TUOLUMNE EDUCATIONAL ASSISTANCE PROGRAM

PROGRAM OVERVIEW

The County of Tuolumne's Educational Assistance Program provides non-taxable financial support to employees who pursue professional growth and development through higher education, pursuant to any percentages and/or dollar limits agreed to in the various Memoranda of Understanding. This policy is intended to be a qualified educational assistance program pursuant to the Internal Revenue Code [26 USC Section 127] and Internal Revenue Service (IRS) Regulations [26 CFR 1.127-2]. This policy complies with existing IRS laws and regulations and takes advantage of favorable changes in IRS Regulations effective January 01, 2002. These changes in IRS Regulations broaden the scope of tax-exempt educational assistance.

The IRS requires that the tax-exempt program be maintained separate from any other County of Tuolumne educational assistance program. The Education Assistance Program does not discriminate between employee classifications; favor higher compensated employees over other employees, or favors one type of qualified educational pursuit over another. The IRS recognizes that collective bargaining agreements may provide employees with different levels of educational benefits. The IRS Regulations exclude bargained educational benefits from the discrimination prohibition [26 CFR 1.127-2(e)].

ELIGIBLE EMPLOYEES

- All County full-time and part-time permanent benefitted, employees are eligible for qualified assistance under the program.
- For the purposes of the program, "part-time" is defined as working 40 hours or greater per pay period.
- Spouses and dependents of employees who are not County employees are not eligible for assistance.
- Employees participating in the program must maintain continuous County employment from the date of enrollment until the date the reimbursement request is submitted. The only exception is that employees who are laid off for lack of work or economic reasons are eligible for benefits under the program for courses that were approved, and for which enrollment has already commenced, prior to the effective date of the layoff.

ELIGIBLE COURSES

- Reimbursement under this plan shall be limited to educational assistance as defined by the IRS. The benefits provided under the program must consist solely of educational assistance as defined by IRS Regulation 1.127-2(c).
- For purposes of the program, the term "education" is defined as any form of instruction or training that improves or develops the capability of an individual. The benefits provided by the program are intended to facilitate the educational benefits addressed in

Memorandums of Understanding to ensure employees receive the appropriate tax advantages.

- The County retains discretion to determine which educational courses are eligible for reimbursement under the program.
- Nothing in this program suggests or guarantees that the County will fund every class within an Associate of Arts, Bachelors or Masters Degree program. The County Administrator will withhold approval of individual classes that do not clearly relate to an employee's existing job or any other County job to which they might aspire.
- For purposes of this program, eligible courses shall be defined as follows:
 1. Coursework shall relate to the work of the employee's position or occupation, or
 2. Coursework shall prepare the employee to transition to an alternate County occupation, or
 3. Coursework shall prepare the employee for advancement to positions of greater responsibility in the County.
- Education paid for or provided under a qualified program may be furnished directly by the employer, either alone or in conjunction with other employers, or through a third party such as an educational institution. [26 CFR 1.127-2(c)(4)]
- The program treats institutions located outside of Tuolumne County the same as institutions within Tuolumne County.

ELIGIBLE EDUCATIONAL EXPENSES

The following costs are eligible for reimbursement:

- Tuition Fees
- Registration Fees
- Student Identification Card Fees
- Required Lab Fees
- Required Textbooks
- Required supplies that are not retained after the course is completed.

EDUCATIONAL EXPENSES WHICH ARE NOT ELIGIBLE FOR REIMBURSEMENT

The County will not reimburse or pay for the provision of:

- Tools or supplies (other than textbooks) that the employee may retain after completing a course of instruction
- Meals, lodging, transportation (including parking and mileage)
- Education involving sports, games, or hobbies, unless such education involves the business of the County of Tuolumne or is required as part of a degree program. The phrase "sports, games, or hobbies" does not include education that instructs employees how to maintain and improve health as long as such education does not involve the use of athletic facilities or equipment and is not recreational in nature. [26 CFR 1.127-2(c)]
- Processing or financing fees relating to tuition deferral or installment payments
- Postage, shipping, or handling of educational materials, textbooks, or supplies
- Workshops, conferences, and seminars of five business days duration or less are not

eligible courses for purposes of this program.

- Educational courses normally paid by a department are not eligible.

ANNUAL REIMBURSEMENT LIMIT

- Reimbursement under this program shall not exceed the calendar year limit established by the IRS. The current limit is \$5,250
- This policy in no way amends, modifies or replaces any language contained in any adopted Memorandum of Understanding
- The Employee should check his/her applicable Memorandum of Understanding for any limitations on educational reimbursement.

DEPARTMENT ROLE

- The Department Head reviews and makes recommendations for approval or disapproval of requests and eligibility.
- The Department Head or designee will facilitate the process by reviewing the paperwork for completeness and then forwarding requests and attachments to the County Administrator's Office.
- In this policy, the term Department refers to the Department Head or designee.
- The Department will provide information to the employee about the program.

COUNTY ADMINISTRATOR'S ROLE

- The County Administrator or designee will administer the program
- The County Administrator or designee will determine eligibility and approve or disapprove requests.
- In this policy, CAO refers to the County Administrator or designee.

EMPLOYEE OBLIGATIONS

Grades:

- In order to qualify for reimbursement for educational expenses under this program, an employee must receive a passing grade of "C" or better (or the equivalent).
- If an "I" or "Incomplete" is given, the employee will have until the end of the following quarter/semester in which to complete the course in order to receive reimbursement.
- For eligible courses taken on a "Pass/Fail" basis, a grade of "Pass" must be awarded to be eligible for reimbursement.
- Withdrawal from a course prior to completion will result in the denial of reimbursement.
- Educational Assistance funds may not be used for courses that are only audited by the employee (e.g., the employee does not receive a grade or units of credit).

Reimbursement:

- Employees must comply with the Educational Assistance reimbursement procedures below.
- Employees must complete the required notification and claim forms, provide documentation regarding course completion and grades, as well as receipts, cancelled checks, or other substantiating documentation for other costs being claimed.
- Expenses that are reimbursed by other sources of financial aid are not eligible for reimbursement under the Educational Assistance Program. This exclusion does not apply to loans.

Scheduling:

- Employees may not apply for educational courses more than one semester or quarter in advance.
- Courses should normally be taken outside of scheduled working hours. However, if the course is offered only during working hours, the employee must have department approval to alter their work schedule. The department must determine that the employee's attendance at class (es) will not adversely affect department services and approve an alternate work schedule.

Noticing Requirement

- The County shall notify all employees of the terms and availability of this program on a regular basis. [26 CFR 1.127-2(g)]
- Employees shall provide notice of intent to seek reimbursement and confirm understanding of the conditions of reimbursement prior to or at the time of enrollment in the course.

PROCEDURES

APPLYING FOR EDUCATIONAL ASSISTANCE

1. An eligible employee obtains "EDUCATIONAL ASSISTANCE/CLAIM FORM" (Form) from the Department or for each course in which the employee intends to enroll.
2. The eligible employee completes Part A of the FORM and returns it with a copy of the course description to the Department at least four weeks prior to commencement of the course.
3. The Department shall review the Form and attachments for completeness and conformance with the program policy and determine whether course is outside scheduled work hours or employee has an approved alternate work schedule.
 - a. If complete, the Department forwards packet to the CAO within three business days along with a recommendation and assurance that sufficient funds are available.
 - b. If not complete, the Department shall return the Form to the employee as soon as possible.
4. CAO shall review Part A of the Form to ensure that the request complies with all of the requirements of the program.
 - a. If the request meets the requirements, CAO may approve the request and return a signed copy to the employee.

b. If the request does not comply with the requirements, CAO shall return it to the Department with reason(s) for denial and, if applicable, the steps necessary to meet eligibility requirements. The Department shall return the form to the employee for further action as may be appropriate. The employee must then resubmit the Form prior to commencement of the course.

5. An eligible employee who has applied for educational assistance shall not be entitled to reimbursement pursuant to the program unless prior approval of the course or courses has been given as provided above.

6. If the employee does not take a course as approved or does not satisfactorily complete the course, the employee shall notify the Department, and the Department shall send information to the CAO to modify or cancel the employee's application. All modifications are subject to review and must meet requirements. Failure to comply with requirements for the program will result in denial of the reimbursement of claims.

PROCESSING A CLAIM FOR REIMBURSEMENT

1. Once approved, the employee shall return the completed Part B of the Form to the Department within 45 days after the course grade is posted with the following attachments:

- Completed County of Tuolumne Claim for Payment form which has been signed by the employee
- Copy of official grade report, certificate, or letter of satisfactory completion.
- In order to qualify for reimbursement for educational expenses under the program, an employee must provide documentation that he or she received a passing grade of "C" or better (or the equivalent). For eligible courses, which are taken "Pass/Fail", a grade of "Pass" must be awarded to be eligible for reimbursement.
- If an "I" or "Incomplete" is given, the employee shall so notify the Department and the employee will then have until the end of the following quarter/semester in which to complete the course in order to receive reimbursement.
- Copies of all receipts associated with coursework (e.g., registration, tuition, textbooks, lab fees, etc.)
- Proof that the instructor for the course requires the textbook.
- Reimbursement of claimed items shall be based upon the availability of associated receipts. If receipt(s) are not included with claim form, item(s) being claimed will not be reimbursed.
- Information about any other financial assistance, such as grants or scholarships, should be attached with explanations as appropriate.

2. The Department verifies that:

- Course was completed with a grade of "C" or better, or a grade of "Pass" if the course is offered on a Pass/Fail basis.
- all receipts for expenses incurred are associated with reimbursement claim.

3. The Department reviews the packet, indicates approval by signing the Claim form and forwards appropriate forms and attachments to the Auditor/Controller Office Attn: Accounts Payable.

4. Auditor/Controller processes the claim for payment and forwards the check within 15 days from the time received by the Administrative Office.
5. Failure to seek reimbursement within the 45 day period is deemed a waiver by the employee to seek reimbursement and the employee shall be forever estopped from receiving reimbursement.

EDUCATIONAL ASSISTANCE/ CLAIM FORM

PLEASE SUBMIT ONE FORM PER COURSE

It is my intent to further my development through continuing education. I plan to seek reimbursement for eligible expenses under the Educational Assistance Program.

PART A

EMPLOYEE INFORMATION

Date: _____

Name: _____

Employee Number: _____

Status: Full-time Part-time

Employee Phone# _____

Classification/

Department/Budget Unit: _____

Bargaining

Unit: _____

COURSE INFORMATION

Institution: _____ Online: Yes No

Course/Degree Category: Associate Bachelor Masters Doctoral Non-Degree Other
Major _____

Course Start Date: _____

Course Completion Date: _____

Course Number and Title	Grade	Credit Hours	Semester/Quarter Units
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Estimated cost of course and reimbursable expenses: \$ _____

Amount requested during calendar year: \$ _____

(Attach copy of course description)

If you will receive any Veteran's benefits or any other outside Tuition Aid, please attach information listing types and amounts.

I understand that only eligible expenses can be reimbursed and that I must comply with the Administrative Procedures, and my claim will be paid upon the approval of the appointed authority. **Form must be completed and forwarded to Department designee at least two weeks prior to commencement of the course.**

Employee Signature: _____
Name Signature Date

Departmental Review: _____
Name Signature Date

County Administrative Office Approval: _____
Name Signature Date

PART B

EXPENSES: Attach copy of grade report and all receipts for which you are seeking reimbursement to this form. Reimbursement payments will not be made without supporting documentation. **The County Education Assistance Program policy states all claims for reimbursement must be submitted within 90 days of satisfactory course completion.**

I attest the above information is accurate to the best of my knowledge. My signature below indicates I have read and understand the contents of this application.

Employee Signature: _____
Name Signature Date

Department Review: _____
Name Signature Date

County Administrative Office Approval: _____
Name Signature Date