



# Educational Assistance Policy: Additional Rules and Conditions

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## Practice Note

Many employers offer educational assistance programs to improve recruitment and retention as well as to help maintain an educated and skilled workforce. See **Building a Pipeline of Future Talent**

([www.shrm.org/Publications/hrmagazine/EditorialContent/2012/1012/Pages/1012focus.aspx](http://www.shrm.org/Publications/hrmagazine/EditorialContent/2012/1012/Pages/1012focus.aspx)).

This sample policy illustrates some of the various restrictions an employer may place on the benefit to ensure that its dollars are being well spent. Favorable tax treatment for qualifying educational assistance programs has existed since 1978. Through paid training and tuition reimbursement programs, employers support employees who want to reach their career goals by continuing their education. A policy for tuition reimbursement or other education such as this sample can help make an employee's work experience a career rather than merely a job. See **Designing and Administering Educational Assistance Programs**

([www.shrm.org/Toolkits/Pages/EducationalAssistancePrograms.aspx](http://www.shrm.org/Toolkits/Pages/EducationalAssistancePrograms.aspx)).

## Objective

[Company Name] strongly encourages employees to pursue additional formal education in an effort to enhance knowledge and skills, thus improving potential for future opportunities.

## Definitions

- Minimum eligibility—six months of company service.
- Employment year—based on the employee's anniversary.
- Matriculating—course work leading to a degree.
- Nonmatriculating—course work that does not lead to a degree.

## Policy

To further these objectives, [Company Name] offers an education benefit of \$2,500 per employment year to full-time employees who have been employed by [Company Name] for six months. The benefit can be used for:

- Exams (e.g., SAT, GRE, GMAT) and exam preparation courses.
- Courses offered by an accredited institution (matriculating or nonmatriculating), including e-learning.
- Related course expenses to include academic fees and books.

The minimal acceptable grade is “C” for undergraduate work and “B” for graduate course work.

#### Procedure

To participate, the employee must submit a request by filling out an Education Benefit Request Form and e-mailing it to human resources (HR). HR will check the employee’s education benefit balance and employee’s compliance with policy rules and procedures. If the employee’s application complies with policy requirements, HR will advise the employee that the benefit has been approved and the amount of the benefit. If the employee’s application is not compliant, then HR will notify the employee of all deficiencies.

The employee may incur expenses only after receiving approval from the company president. All expenses must be charged to the company’s corporate business account card. The employee must then submit the following documents to finance: expense report, receipts and copy of the approved Education Benefit Request Form.

At the conclusion of the exam or course, the employee must submit a transcript, certificate of completion or other documentation to HR to be added to the employee’s personnel file.

#### Additional Rules

- [Company Name] will pay for a second exam only if the second exam score is higher than the prior exam score and the score received on the second exam is considered a passing score.
- [Company Name] will not pay for the employee to retake a course.
- Exams and courses must be taken outside of the employee’s normal work schedule.
- Travel or commuting expenses are not permitted under this policy.

The policy is a broad guideline developed by the company to assist with organizational decisions. The procedures detail how the policy should be applied. It is not possible to address every situation or circumstance, and decisions regarding this benefit will be made on a case-by-case basis. [Company Name] will make every effort to ensure that all employees are treated fairly and equitably. Please contact HR regarding any questions about the Education Benefit Program.

*This material is for informational purposes only and not for the purpose of providing legal advice. You should always contact your attorney to determine if this information, and your interpretation of it, is appropriate to your particular situation.*

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