



SUBJECT:	Educational Assistance
POLICY NO:	III:10
APPLICABLE TO:	All Employees
PAGE NO:	1 of 4
EFFECTIVE DATE:	May 1, 1997
REVISION DATE:	August 1, 2018 (due to name change)

I. POLICY:

It is the belief of the Hennepin Healthcare Research Institute (HHRI) that continued education is a valued asset to our organization. Therefore, HHRI supports both voluntary educational reimbursement as well as employer required continuing education.

II. EDUCATION REIMBURSEMENT:

1. It is the policy of HHRI to provide an Educational Reimbursement program to **employees who seek** to improve their education in direct line with their present job or reasonable future positions within HHRI, **to the extent permitted by available funding. Reimbursement from sponsored funds may be subject to sponsor approval and reimbursement limitations.**
2. IRS Definition: A qualified educational assistance program is a formal program and plan offered to employees that allows the employer to offer tuition reimbursement tax-free to employees. Tax-free tuition reimbursements under these programs are limited to \$5,250 per year, per employee. Reimbursements in excess will be considered taxable income for the employee.
3. An eligible employee is one:
 - Who is accepted by an accredited, approved educational institution;
 - Who is taking a course or courses directly related to his/her job; or
 - The furtherance of whose education will improve his/her job performance and enhance his/her contribution to HHRI.
4. Temporary, casual, or part-time positions that are less than 0.5 FTE, and student/trainee positions, are not eligible for Education Reimbursement
5. Participation in the plan is voluntary and in no case supersedes the at-will nature of employment with HHRI.
6. You must earn a "B" or above or a "Pass" to receive 100% reimbursement. A grade of "C" will be reimbursed at 50%. Grades below "C" will not qualify for reimbursement.
7. Employees who voluntarily leave employment within twelve (12) months of receiving an educational reimbursement payment will be responsible for repaying HHRI the amount of any reimbursement during the prior twelve (12) months. Such repayments may be subtracted from the employee's remaining vacation balance, and/or final paycheck.

III. EMPLOYER REQUIRED COURSES:

1. Employer Required Courses is **"education at the request of the employer"**.



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2. Reimbursement for Employer Required Courses is intended to meet the requirements of Internal Revenue Code Section 132(d) and is not treated as taxable wages. HHRI reserves the right to deny any reimbursement which does not meet the requirements of Code Section 132(d) or to treat such reimbursement as taxable.
 3. Employer required courses are job-related education that must meet at least one of the following tests and are **not limited** to the \$5,250/year non-taxable income:
 - The education is required by the employer or by law for the employee to keep his/her present salary, status or job. The required education must serve a bona fide business purpose for the employer.
 - The education is required to maintain or improve skills needed to do the employee's current job.
- AND, it cannot be for:**
- Meeting the minimum education requirements of the employee's present position/trade, or
 - Be part of a program of study that will qualify the employee for a new trade or business.
4. An eligible employee is one:
 - Who is taking a course or courses required to keep his/her current position.
 - Regular Full-time, Part-Time, and Casual positions may be eligible for Employer Required Courses.
 5. Employees required to take a course will receive 100% reimbursement regardless of course grade.
 6. Employer required courses may be pre-paid or reimbursed depending on the situation.
 7. Reimbursement is not required for any Employer Required Courses, even if the employee voluntarily leaves employment within 12 months of receiving the reimbursement payment.

IV. EDUCATIONAL ASSISTANCE:

- A. **All educational assistance is subject to the availability of funds. Reimbursement from sponsored funds may be subject to sponsor approval and reimbursement limitations.**
- B. An employee will be reimbursed for tuition, fees and other approved materials for courses at accredited educational institutions at the high school, vocational, college or graduate level.



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- C. If you are receiving educational assistance from any other source, HHRI will limit its financial assistance to costs above those paid by other sources.
- D. If an employee resigns or is terminated for any reason prior to the completion of the course, HHRI is not obligated to pay any part of the expense.
- E. Reimbursement is not provided for courses purely cultural, aesthetic, leisure, general interest or non-business oriented, or intended to train employees for positions outside of HHRI.
- F. Every effort should be made to take courses of study during off-work hours. Schedules may be rearranged, at the discretion and approval of the manager/principal investigator as work volumes and department/unit needs permit.

V. PROCEDURE:

A. Educational Planning and Process:

1. **An employee should first discuss the proposed course of study with the immediate manager/principal investigator, to determine whether reimbursement is applicable under the provisions of this policy.**
2. The employee completes an Educational Reimbursement Form and has it approved by the manager/principal investigator and forwards to HHRI Grants and Contracts for verification of allowability. Grants & Contracts will then forward to HHRI Human Resources for approval.
3. For "Employer Required Courses", the manager/principal investigator should note "REQUIRED COURSE" on the Educational Reimbursement Form.
4. Human Resources will review for policy compliance and tax implications, and approve. The original forms are returned to the employee to retain until after the course is completed. Human Resources will retain a copy until completion of the course.

B. Application for Reimbursement:

1. After successfully completing the course with a passing or successful completion grade, the employee should provide: (a) a copy of his/her paid fee statement and evidence of satisfactory completion of the course; (b) the original Educational Reimbursement Form, and (c) the signed Educational Assistance Agreement for Repayment Form. (Note, item (c) is not required if the reimbursement is for Employer Required Courses only.) These forms should be provided to the employee's manager/principal investigator for approval, then to Grants & Contracts for verification of allowability. Grants and Contracts will then forward to Human Resources for approval. This should be done within two (2) months of completing the course.



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2. The cost of books and materials will be reimbursed, however, special fees and travel expenses will not be reimbursed.

VI. EDUCATIONAL RECORD:

- A. A record will be filed in the employee's personnel file to show previous educational background and such courses as may be completed under this program (with grades), so that they may be reviewed when the employee is considered for advancement.
- B. HHRI's policy is to fill vacancies from within the organization whenever possible. However, the fact that an employee utilizes the Educational Reimbursement Plan is not a guarantee that the employee will receive a transfer to another type of work or promotion to a higher level position since many factors, as well as educational preparation, must be considered.

Note: Employee tuition reimbursement forms can be obtained online on the HHRI Internet under Employee Resources or from the Human Resources Department.