

Duke Employee Tuition Assistance Program



Duke Employee Tuition Assistance Program

Duke offers an Employee Tuition Assistance Program that provides reimbursement of tuition for classes taken at Duke or any other higher educational institution accredited by the Southern Association of Colleges and Schools with a physical presence in North Carolina. The purpose of the program is to encourage and increase professional development opportunities for staff and provide reimbursement of tuition for classes at community colleges or other higher educational institutions that may be closer to home, evening classes, or classes otherwise, not available at Duke.

This program provides reimbursement of tuition for a maximum of two classes per semester or quarter, limited to six semester classes or 8 quarter classes, and \$5,000 per calendar year, for full-time employees with at least two years of continuous service.

The term “Duke” is used throughout this document. For purposes of this Benefit program description, “Duke” refers to the University, Duke University Health System, Inc., and any other entity which is or becomes controlled by Duke University and where, upon appropriate action by the Board of Trustees, the employees of that entity are included in the membership of this program.

Grandfathering provision

Employees currently participating in the existing Educational Assistance Plan can be grandfathered under those benefit provisions through Spring 2009 in order to complete a degree. To be grandfathered under the existing benefit provisions, employees must:

- Have taken classes and received reimbursement during Fall 2005, Spring 2006, Summer 2006, or be enrolled for Fall 2006, or
- Be admitted and enrolled in a degree-seeking program at Duke by December 31, 2006

Duke Employee Tuition Assistance Program **Table of Contents**

■ Eligibility and Enrollment	Page 232
Eligibility for Coverage	232
Assignment or Alienation of Coverage	232
Leaves of Absence	232
■ How the Employee Tuition Assistance Program Works	Page 233
What the Program Covers	233
What the Program Does Not Cover	233
How to Apply for the Program	233
How to Get Reimbursed	234
What Happens if You Leave Duke	235
Taxes and Withholding of Plan Benefits	235
■ Claims Information	Page 236



Eligibility and Enrollment

Eligibility for Coverage

You are eligible to apply for the program if you:

- Have completed two or more years of consecutive full-time service at Duke University or Duke University Health System in a benefits-eligible category
- Are an active regular, full-time staff member scheduled to work at least 30 hours per week, a faculty employee holding a regular rank appointment who is receiving wages for Social Security purposes, or a faculty employee holding other than a regular rank appointment and classified as a full-time member of the faculty, who is receiving wages for Social Security purposes
- Are actively working on or before the following dates:
 - September 1 for fall semester,
 - January 1 for spring semester, and
 - May 1 for summer school
- In good standing with a satisfactory performance record and your application is approved by your supervisor. Health system employees must have approval of supervisor/manager and associate operating officer.

Participants must be in an active employment status at the time reimbursement is made.

House Staff are not eligible for the Employee Tuition Assistance Program. However, once a House Staff member moves into a regular faculty position, prior to any break in service, the continuous service date as House Staff is used for calculating eligibility for this program.

Assignment or Alienation of Coverage

Benefits under this plan may not be assigned to anyone else.

Leaves of Absence

Participation in the program is suspended during a personal leave of absence. If you are a regular full-time faculty member who is on a sabbatical leave approved in writing by Duke, you will be considered to be employed as a regular full-time employee. Likewise, if you are a regular full-time faculty member or a regular full-time non-faculty employee who is on a long term disability leave approved in writing by Duke, you also will be considered to be employed as a full-time employee or faculty member for as long as you are actually receiving benefits under the Disability Program.

How the Employee Tuition Assistance Program Works

What the Program Covers

To be eligible for reimbursement, courses must meet the following guidelines:

- Must be related to the employee's current job or continued career growth at Duke
- Must provide academic credit
- Must be listed in the institution's course catalogue
- Must be taken at Duke or any other higher educational institution in North Carolina that is accredited by the Southern Association of Colleges and Schools and has a physical presence in North Carolina.
- Must be documented as part of an employee's professional development plan
- Must be completed with a grade of "C" or better, or "Pass" if a grade is not provided

Exceptions to the above guidelines will be allowed only if a course or degree is not offered by a school that is accredited by Southern Association of Colleges and Schools with a physical presence in North Carolina and/or when the employees' primary work location is outside of North Carolina or the geographic area that is accredited by Southern Association of Colleges and Schools.

Courses can be classroom, video-based, distance learning, web based, e-learning, and certain correspondence coursework. ESL (English as a Second Language) courses that are offered through any higher educational institution accredited by the Southern Association of Colleges and Schools are also eligible for reimbursement.

A list of schools accredited by the Southern Association of Colleges and Schools is available online at www.sacscoc.org/meminfo.asp or by calling (404) 679-4500.

Reimbursement is available for a maximum of nine semester or quarter courses or eight quarter classes per calendar year, with a maximum of three courses taken in any one semester/quarter (i.e. spring, fall, summer). The maximum amount that can be reimbursed in a calendar year is \$5,250. Reimbursement is limited to incurred tuition expenses. Transportation costs, late fees, parking costs, graduation fees, examination fees, textbooks, supplies, registration fees, student fees, and other similar costs are not eligible for reimbursement. Schools without a physical presence in North Carolina are not eligible for reimbursement.

In order to receive reimbursement under this program, the approved course must be successfully completed with a "C" or better in a course where a grade is provided or official documentation from the institution that the course was "Passed" or "Satisfactory" for coursework where a final grade is unavailable. An "Incomplete" is not reimbursable.

Departments are not allowed to "float" loans for employee tuition. In the event of such an occurrence, there will be no tuition reimbursement made to the employee since it is required that the employee pay for tuition expenses and then be reimbursed.

What the Program Does Not Cover

Transportation costs, late fees, parking costs, graduation fees, examination fees, textbooks, supplies, registration fees, student fees, and other similar costs are not eligible for reimbursement. Schools that are not accredited by the Southern Association of Colleges and Schools and schools without a physical presence in North Carolina are not eligible for reimbursement.

Certification programs and correspondence courses are not eligible for tuition reimbursement.

How the Employee Tuition Assistance Program Works

Effect of Scholarships/ Grants on Reimbursement

Scholarships/grants and departmental funding will be taken into consideration prior to determining tuition reimbursement. If a scholarship/grant is received, the employee is to provide a receipt for the cost of books upon submission of all completed documentation to Benefits.

If a scholarship/grant is not designated towards tuition and is not greater than the cost of books and fees, then the scholarship/grant has no impact on the Employee Tuition Assistance Program reimbursement.

If a scholarship/grant is not designated towards tuition and is greater than the cost of books and fees, then the amount exceeding the cost of books and fees will be deducted from the Employee Tuition Assistance Program reimbursement.

If the scholarship/grant is designated towards tuition, then the scholarship/grant will reduce the amount of the Employee Tuition Assistance Program reimbursement on a dollar-for-dollar basis.

If more than three courses are being taken, scholarships/grants will be applied towards the cost of the other courses in order for the employee to get the maximum tuition reimbursement for which they are eligible.

How to Apply for the Program

If you are interested in participating in the program, you should first discuss your professional development plan with your supervisor. Once you and your supervisor have approved a course or courses that are related to your current job or will enable continued career growth at Duke and this is documented in your professional development plan, you and your supervisor should complete and submit the application by mail or fax to:

**Duke Human Resources Benefits
Employee Tuition Assistance Program
Administrator
P.O. Box 90502
Durham, NC 27705
Fax: (919) 684-8620
Phone: (919) 684-5600**

University employee applications must have approval of supervisor/manager. Health system employee applications must have approval of supervisor/manager and associate operating officer.

Duke Human Resources Benefits will send you a confirmation statement by email or fax within 10 business days after Benefits receives your completed application. The confirmation statement will indicate whether your application has been approved for reimbursement upon successful completion of the class. Keep a copy of your confirmation statement to send with the documentation of successful completion and proof of the tuition payment and amount.

How to Get Reimbursed

After completing the course, send official institutional documentation of successful completion (a “C” grade or better, “Pass” or “Satisfactory”) and proof of the tuition payment (Reimbursement Request Form) to:

**Duke Human Resources Benefits
Employee Tuition Assistance Program
Administrator
P.O. Box 90502
Durham, NC 27705
Fax: (919) 684-8620
Phone: (919) 684-5600**

Also send a copy of the confirmation statement you received from Duke Human Resources in the application process to expedite the reimbursement.

Please allow four weeks for reimbursement following receipt of your proof of tuition payment and grade information.

If you have your pay direct deposited, then your tuition reimbursement payment will be direct deposited into your account. This will be separate from your payroll deposit. A notice will be sent to you from Employee Travel & Reimbursement once the check has been deposited.

If you receive a paycheck rather than direct deposit for your normal paycheck, your tuition reimbursement will be in a separate check that you will need to pick up at the Employee Travel & Reimbursement Office (located at the American Tobacco Campus in the Washington Building). A notice will also be

How the Employee Tuition Assistance Program Works

sent to you from Employee Travel & Reimbursement informing you that the check is ready to be picked up. Your check should be ready to be picked up within four weeks from the Benefits Office's receipt of your proof of tuition payment and grade information.

Overpayment

In the event of overpayment, you agree to return the amount of the overpayment to the plan administrator or have the amount of the overpayment deducted from your paycheck.

What Happens If You Leave Duke

Participants must agree to remain at Duke for two years following a total reimbursement of \$2,500 or more. If you voluntarily terminate employment before completing two years of service after receiving tuition reimbursements from Duke totaling at least \$2,500, you must repay 50% of the amount reimbursed over \$2,500. Duke Benefits reviews the two years prior to your last day worked to determine if you have received total tuition reimbursement payments in excess of \$2,500. If you have received more than \$2,500 in payments during this period, then you must repay 50% of the amount reimbursed over \$2,500. Refer to the chart below for an example of the repayment calculation.

Repayment Calculation Example:

Employee's last day worked: April 8, 2010

Two year look back period:

April 8, 2008 to April 8, 2010

Date of Tuition Payment	Amount of Payment
May 15, 2007	\$3,500
December 15, 2007	\$1,500
May 16, 2008*	\$1,750
December 16, 2008*	\$2,400

*Total tuition payments made within two year look back period: \$4,150

— \$2,500

Sub-total \$1,650

Amount to be repaid by employee (50% of \$1,650): \$825

Taxes and Withholding of Plan Benefits

Each employee approved for tuition reimbursement is eligible for a maximum benefit of \$5,250 for courses taken in a calendar year. The benefit is not considered taxable income for most eligible employees. However, any amount reimbursed which exceeds the program maximum in a calendar year (\$5,250), will be reportable by Duke as taxable income and it will be up to each individual in consultation with his or her tax advisor to determine the final tax status. Taxability is determined based on the date that the reimbursed payment is issued. Taxes are withheld up front and the employee receives the net amount. There may be instances where reimbursements are issued in a different tax year from which the courses were taken.

Claims Information

The Duke Employee Tuition Assistance Program is administered by the University, which shall have final authority to construe the provisions of the program, to determine all questions of eligibility for benefits, and to establish any administrative rules for operation of the program. The University may amend or terminate the program at any time, with respect to benefits not yet paid, for any reason that it deems appropriate in its discretion.