

# Education Reimbursement Policy



## Overview

**Purpose** To support the educational goals of ARAG’s team members that current and/or future business needs.

**Policy Owner/ Contact** Human Resources Department

**Individuals Covered** All regular team members of ARAG North America, Inc. working a minimum of 30 hours per week.

## Revision History

Revision History			Administrative Review	
Version	Updater	Date	Reviewer	Date
1.30	Erin Barfels	01/01/2010	Ann Cosimano	01/01/2010

## Policy

ARAG North America Inc. supports team members who wish to continue their education in order to secure increased responsibility and growth within their professional careers. In keeping with this philosophy, we have established a reimbursement program for expenses incurred through approved and accredited educational institutions of learning.

## Eligibility

All full-time regular team members who have completed one year of service and are in good performance standing are eligible to participate in this program provided they are working towards a degree and the courses are job and/or industry related. Non-job related, but industry-related degrees would be eligible provided the degree would enable the team member to pursue another position within the Company. Limitations may be made based on the number of degrees pursued.

Job specific training is not covered under this policy.

Expenses eligible for 100% reimbursement include tuition, registration, required fees, and textbooks. Other miscellaneous expenses, such as parking, supplies, social dues, athletic fees, computer access charges, etc., are not reimbursable. Company reimbursement will be reduced by any other financial aid that does not have to be repaid (i.e., GI Bill, scholarships, and grants). Reimbursement is limited to 100% of actual expenses up to the annual maximum allowed by the 2004 IRS Code of \$5,250.00. Reimbursement amounts will be applied to the annual allotment of \$5,250.00 within the year of the reimbursement date, not the course completion date.

Team members must obtain approval for coursework **prior** to enrolling in the course(s). **Failure to do so may result in the request being denied.** Proof of school accreditation and course descriptions are

**required.** Upon completion of the course, official documentation of course grade(s) and itemized receipts documenting all of the expenses must be submitted to Human Resources on this form within 90 days from the end of the semester or term to receive payment per the policy. Reimbursement will be subject to grade requirements as outlined in the policy below. Pass/Fail option will only be allowed if it is the only grading option\*. The official grade record and itemized receipts documenting all of the expenses should be provided to the Human Resources Department along with the reimbursement request form for approval and processing.

Tuition will be reimbursed according to the following schedule:

Course Grade	Reimbursement %
A	100%
B	80%
C	50%
D or below	0%
Fail*	0%

### Termination of Employment

Team members receiving tuition reimbursement will be expected to repay any tuition reimbursed by ARAG should they leave the organization voluntarily within 2 years from their reimbursement date (not course completion date). After one year, the repayment obligation will be prorated by month. If the team member leaves the company prior to the balance being paid, the remaining balance will be deducted from his/her final check. If the remaining balance exceeds the amount of the final check, the team member will be required to reimburse ARAG for the difference within 30 days of his/her final day of employment.

*Examples:*

*Team member receives \$1,000 in reimbursement for tuition and voluntarily leaves 11 months after the reimbursement date. Since 11 months is less than 1 year, the team member would be required to repay the reimbursed tuition in full.*

*Team member receives \$1,000 in reimbursement for tuition and voluntarily leaves 15 months after the reimbursement date.*

*1 year = 50% reduction = \$500  
 3/12 months = 25% reduction  
 \$500 \* 75% = \$375 due to ARAG*

*OR*

*15/24 months = 62.5%  
 \$1000 \* 37.5% = \$375 due to ARAG*