



## **POLICY**

Chatham Area Transit Authority recognizes the mutual benefits derived from personal growth and increased work competence. It is the policy of Chatham Area Transit Authority to provide financial assistance to eligible employees interested in furthering their formal education. Such assistance is provided through our Tuition Reimbursement Plan. The program provides eligible employees with reimbursement of the cost of tuition for courses or programs approved by CAT and successfully completed at accredited state and non-profit private colleges, universities and technical schools.

While completion of a course or program of study provides an improved educational background, the accomplishment does not obligate CAT to reward such completion through promotion, transfer, reassignment, wage or salary increase, etc.

## **POLICY SPECIFICS**

### **Eligibility**

To be eligible for reimbursement under the Tuition Reimbursement Plan, the employee must:

- Have been employed by CAT for one (1) year; prior to the commencement of the course or program, and
- Be currently functioning as a full-time employee, and
- Receive a grade of "C" or equivalent in the course or program.

Exceptions to the eligibility requirement may be made by the Executive Director/CEO.

### **Approved Course or Program**

Courses or programs which may be approved for tuition reimbursement consideration must:

- Directly improve the employee's abilities in the employee's present position or increase the employee's potential in a foreseeable future position with CAT; and,
- Be taken at a technical or business school of post-high school level or be undergraduate or graduate courses or program taken at an accredited college or university, state and non-profit private college, university or technical school.

### **Applying for Assistance**

Eligible employees interested in participating in the program should complete an "Application for Tuition Reimbursement" form available from the Human Resources department and present it to his or her supervising Manager for approval and processing prior to registering for the course or program. After approval, the form is to be forwarded to the Human Resources department. A copy of the processed form will be returned to the employee.



Upon successful completion of the course or program, the employee must submit a copy of the passing grade report together with a statement showing tuition paid. Reimbursement is limited to tuition expenses, class required books and fees. Reimbursement will be paid upon satisfactory completion and presentation of appropriate documentation. The amount of reimbursement is dependent upon the final grade or equivalent:

- A = 100% (or Pass under a Pass/Fail grading scale)
- B = 75%
- C = 50%.

An employee may be reimbursed up to the state tuition rate of the same or similar type program.

Under certain circumstances, CAT may elect to make payment directly to the University for the employee's portion of the tuition assistance. However, the following semester, the tuition assistance will be adjusted for the employee's prior semester grade.

### **Tax Liability**

Employees should be advised that receipt of tuition reimbursement may have tax consequences. All applicable taxes due under the Internal Revenue Code for tuition reimbursements will be the responsibility of the employee. Employees should contact their tax consultant if they have questions.

### **Mandatory Repayment for Early Separation**

Any employee who voluntarily terminates, or is terminated for cause from CAT, may be obligated to repay to CAT any tuition reimbursement assistance received during the prior 12 months. By his or her signature on the Tuition Reimbursement Application, the employee expressly acknowledges the employee's liability and agreement to repay CAT all amounts reimbursed to the employee by CAT to the extent permitted by applicable law or regulations.

- The employee's signature on the Application should serve as authority and permission for
- CAT to make payroll deductions from the employee in order to repay amounts owed to CAT under the Plan.

### **APPLIES TO:**

All non-union employees of Chatham Area Transit Authority.