
Subject: Tuition Assistance and Reimbursement Program for Salaried Employees

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1. Purpose

Tuition assistance and reimbursement is designed to assist employees in gaining the competencies important to their successful performance in their current positions and to promote the professional development of the university's workforce. This policy and Policy 4810, *Educational Leave for Employees* (<http://www.policies.vt.edu/4810.pdf>), outline a variety of educational options for employees.

The major purposes of tuition assistance are to:

- train employees in the use of new or modified methods and equipment
- train employees in skills and knowledge required by changes in the employees' current positions
- increase employees' knowledge and abilities so that they may take on greater responsibility and prepare for advancement opportunities within the university workforce
- assist employees to obtain advanced degrees when such degrees are required for continued employment
- enable employees to undertake research or advanced study necessary to meet specific needs of their programs/departments

The policy outlines program options, eligibility requirements, guidelines for supervisor approval, fee information, and employee obligations for the tuition assistance and reimbursement program.

2. Policy

Tuition assistance and tuition reimbursement are designed to support the training or further education of full- and part-time employees who are expected to continue employment with the university for a period that would justify such aid. Such consideration should guide supervisors in determining the nature and extent of investment in training and education for individual employees.

The tuition assistance program applies to full- and part-time salaried employees who take courses offered for degree credit at Virginia Tech or other accredited institutions. Participation in the tuition assistance and reimbursement program is contingent upon acceptance as a student by the university or other institution and compliance with academic requirements. Educational aid, including tuition assistance and reimbursements, will be included in the determination of financial aid eligibility by the university's Scholarships and Financial Aid office in accordance with federal and state

regulations and university policy. Tuition assistance and reimbursement may constitute a significant expenditure for the department and a considerable investment in the individual employee. In determining the propriety of approving tuition reimbursement, consideration should be given to the availability of funds, relevance of the program to the employee's position, likelihood of the employee continuing employment with the university, and equitable application of the policy to other employees in the department. The costs of required training are covered by the department and paid directly to the institution providing the training.

3. Procedures

3.1 Tuition Assistance and Reimbursement Program

3.1.1 Qualifications and Prior Approval

In order to qualify for tuition assistance or reimbursement, specific courses or degree programs must be approved by the employee's supervisor and approved by the department head, or designee, prior to enrollment. The courses should not interrupt or impede the normal work schedule or operational effectiveness of the unit/department. The tuition assistance program applies only to courses of instruction offered by Virginia Tech.

The cost of the employee tuition assistance benefit is funded in a manner consistent with the employee's salary funding. For employees with salaries paid by educational and general funds (Agency 208, Agency 229 Cooperative Extension, or Agency 229 Agriculture Experiment Station), sponsored programs or overhead, central accounts external to departmental funds provide the employee tuition assistance benefit. The university will recoup the cost of tuition assistance for employees on grants and contracts from sponsors through the fringe benefit rate charged to grants and contracts. Since the Commonwealth requires auxiliary enterprises (such as the Athletic Department, Communication Network Services, Residential and Dining Programs, and Recreational Sports) to be 100% self-supporting, a separate cost allocation is made to support this program for auxiliary enterprise employees.

Employees may not be enrolled in any class section under the tuition assistance program if a regularly enrolled student would be displaced.

Tuition reimbursements are funded by the department. Subject to department head approval, the tuition reimbursement program is available to full- or part-time salaried employees who wish to take credit classes at institutions of higher education other than Virginia Tech or to cover VT differential tuition rates that are above the approved rate. In exceptional cases, departments may request approval from the Department of Human Resources for tuition reimbursement for a wage employee to participate in for-credit courses that address specific job-related skills. The costs of tuition reimbursements may be fully or partially paid by the department. However, the costs of required training must be covered by the department and paid directly to the institution providing the instruction.

Books may be paid for by the department; however, they must remain the property of the department. The purchase of other study materials or equipment by the department is not appropriate.

3.1.2 Eligibility Requirements

Employees must meet all admissions requirements, registration, and payment deadlines. Student regulations may further limit the credit hour maximums cited in this policy.

Employees must have satisfactorily completed their three-month waiting period (90 days employment in a salaried appointment) in order to establish eligibility for tuition assistance or reimbursement. Department heads have the authority to waive the 90-day waiting period in exceptional circumstances.

Employees in a leave without pay status are not eligible for tuition assistance, except in the case of leave without pay/layoff where the approved assistance would be continued through the semester in which the layoff occurred. A department head may approve tuition assistance or reimbursement for an employee on approved Educational Leave.

Tuition assistance or reimbursement is contingent upon the employee's satisfactory academic progress.

3.1.3 Limitation on Number of Hours Waived or Reimbursed

If tuition assistance or reimbursement is approved by the supervisor and department head, salaried employees may benefit from tuition for a total of twelve (12) hours per academic year (Fall through Summer II) with no more than six (6) credit hours of assistance/reimbursement in an enrollment period (Fall, Winter, Spring, Summer I, Summer II).

A Vice President, Dean, or other senior manager may authorize assistance and/or reimbursement for up to 24 credit hours per year for Virginia Tech programs (e.g. PMBA, EMBA, XMNR) where the program schedule is specifically designed to accommodate full-time employment and has a cohort requirement which does not allow part-time participation, by utilizing future educational benefits for the hours in excess of 12 per year. As a result, the employee will have a period of time after completion of the program in which the educational benefit would not be available. If an employee separates from VT employment during the period in which future hours were applied (12 credit hours per academic year) the employee must repay that prorated portion of the tuition at the time of separation.

Part-time salaried employees are limited to a maximum assistance or reimbursement of six (6) credits per year with no more than three (3) credit hours in an enrollment period (Fall, Winter, Spring, Summer I, Summer II) with supervisor and department head approval.

All credits, including audited courses, will count toward the maximum allowance of twelve credit hours (six credit hours for part-time salaried employees), whether assistance, reimbursement, or both are provided. Payment of tuition for hours over the allowable maximum is the responsibility of the employee with the exception of professional graduate programs as noted above.

Employees may be simultaneously enrolled in courses eligible for tuition assistance or reimbursement under this policy and in courses ineligible for assistance or reimbursement. Courses not covered by this assistance or reimbursement program do not count towards the maximum credit hours allowed under this policy.

3.1.4 Limitation on Number of Hours Taken During Normal Work Schedule

If tuition assistance/reimbursement and class schedule are approved by the supervisor **and** department head, full-time salaried employees may enroll in a maximum of five (5) credit hours or as the number of hours required by a VT cohort-based program during their normal work schedule. Exceptions to take courses with required laboratory sections requiring more than five credit hours during the normal work schedule must be approved by the department head, **and** the Dean or Vice President, prior to submission of the assistance request to the Department of Human Resources. No exceptions will be made to the maximum number of hours that may be approved for assistance/reimbursement under section 3.1.3.

Additional credit hours may be taken outside the normal work schedule.

3.1.5 Auditing a Course under Tuition Assistance

Salaried employees may audit courses upon meeting the admission and application requirements and with signature approval of department head and supervisor.

3.1.6 Making Up Time

Unless the course is required for continued employment, time used to attend courses during normal work hours must either be made up on an hour-for-hour basis or the employee must submit use of the appropriate leave as approved by the department head or supervisor.

Employees participating in the tuition assistance and reimbursement program must use time outside the normal work schedule to complete study assignments or research projects, or use the appropriate leave category.

3.1.7 Responsibilities of the Employee

All tuition assistance or reimbursement by the university is contingent upon the employee maintaining academic eligibility and continued salaried employment.

- For tuition assistance for Virginia Tech courses, the employee will be responsible for the cost of the course on a pro-rated basis should there be a separation from university employment prior to the completion of the course. The employee is responsible for any applicable fees or costs other than tuition.
- For reimbursed tuition, the employee will be responsible for the cost of the course should there be a separation from employment during the semester/enrollment period. The department may choose to reimburse, fully or partially, the separated employee if there are valid reasons. If an employee voluntarily transfers from one university department to another in the middle of a semester in which a class is taken, the new department may choose to partially or fully reimburse the employee for the tuition; otherwise, the employee will assume full responsibility.
- Employees enrolled in programs requiring the use of future tuition credits must complete a Memorandum of Agreement and Promissory Note for Tuition Credits.

If the employee has applied for financial aid, the employee is responsible for promptly reporting tuition assistance or reimbursements to the Scholarships and Financial Aid office.

3.1.8 Overtime Implications

If required for continued employment, such training time is considered hours worked. If an employee who is non-exempt under the Fair Labor Standards Act works more than 40 hours in one workweek, including time spent in training, that employee must be paid overtime at the rate of one and one-half times the regular rate of pay for all hours over 40. The employee's schedule may be adjusted within the same workweek to avoid incurring overtime. See Policy 4320, *Guidelines for the Fair Labor Standards Act* (<http://www.policies.vt.edu/4320.pdf>), for further guidance.

3.1.9 How to Apply

3.1.9.1 Tuition Assistance Program

An online tuition assistance request can be completed on the Human Resources website (<http://www.hr.vt.edu/benefits/tuition/>). The employee should complete the electronic request and submit to the appropriate supervisor(s). Supervisor(s) approval should be obtained at least one week prior to the published deadline for payment of fees.

3.1.9.2 Tuition Reimbursement Program

A Form P126: *Memorandum of Agreement for Educational Aid Reimbursement*, (<http://www.apps.hr.vt.edu/hr/forms>), must be submitted to the Department of Human Resources, where employee eligibility and allowable credit hours will be verified, then returned to the employee to maintain until the completion of the course. The form documents prior approval from the supervisor **and** the department head.

Upon successful completion of the course, the employee must supply the appropriate documentation to the department for reimbursement. Upon receipt from the employee, the department will submit the following documents to Human Resources: the academic grade report (for-credit courses), a copy of the tuition bill, documentation of the reimbursement

request (as processed through the university's payment system) to the appropriate departmental account, and the previously approved Memorandum of Agreement for Educational Aid Reimbursement.

Payment for approved tuition expenses will be in the form of full or partial reimbursement to the employee contingent upon completion of the course with a grade of C or better or Pass in a pass/fail system for undergraduate courses or a grade of B or better for a graduate course.

4. References

Human Resources Forms Library

<http://www.apps.hr.vt.edu/hr/forms>

Policy 4320, *Guidelines for the Fair Labor Standards Act*

<http://www.policies.vt.edu/4320.pdf>

Policy 4810, *Educational Leave for Employees*

<http://www.policies.vt.edu/4810.pdf>

5. Approval and Revisions

Policy 4800: Educational Aid for Full-time Faculty and Staff replaced with Policy 4800: Tuition Waiver Program for Salaried Employees.

Approved July 12, 2001, by Vice President for Budget and Financial Management, M. Dwight Shelton, Jr.

October 10, 2001: Technical corrections to update policy links.

- Revision 1

Minor changes for clarification.

Deletion of Section 3.1.8: Taxation of Employees Who Have Earned a Four-Year Undergraduate Degree. Due to change in tax laws effective January 1, 2002, employees using the tuition waiver and tuition reimbursement will no longer be taxed.

Approved March 14, 2002 by Vice President for Budget and Financial Management, M. Dwight Shelton, Jr.

- Revision 2

Minor changes for clarification.

Added provisions for tuition reimbursement for credit courses and non-credit programs.

Added references to 4410

Approved February 24, 2006 by Vice President for Business Affairs, Kurt Krause

- Revision 3

September 1, 2006 – Technical revisions to include University Staff in accordance with resolution approved by the Virginia Tech Board of Visitors June 12, 2006 to cover University Staff under policies identical to the current human resources policies until the new human resources system is developed.

- Revision 4

Update to web links. Changed Leadership Development to Organizational and Professional Development.

Approved February 19, 2010 by Vice President for Administrative Services, Sherwood G. Wilson.

- Revision 5

Updated references and links. Technical corrections and slight re-organization for clarity. Updated Section 3.1.1 to reflect the establishment of a tuition waiver fund for the auxiliary units.

Approved October 14, 2013 by Vice President for Administration, Sherwood G. Wilson.

- Revision 6

Updated to better accommodate differential pricing and executive education programs. Technical correction to replace the word "waiver" with the more accurate "assistance."

Approved October 6, 2015 by Vice President for Administration, Sherwood G. Wilson.