Education Assistance Program

Overview

The UT Health Science Center at San Antonio encourages and supports continuing education for staff and faculty in order to enhance skills, to acquire new knowledge, and/or to obtain personal enrichment and growth. Therefore, the Education Assistance Program has been established to help pay for the costs of qualified continuing education and professional development programs for eligible employees.

This program provides reimbursement up to $4,000 per fiscal year, for up to four (4) years for certain expenses related to the cost of the successful completion of courses or certification programs from an accredited entity, such as a college, university, trade or vocational school, or professional association or society. **Eligible applicants may only submit one application per fiscal year.** The Education Assistance Committee will oversee the application and reimbursement process for the program.

In addition to the Education Assistance Program, individual departments within the UT Health Science Center at San Antonio will continue to have the ability to self-fund professional development and educational expenses from departmental budgets. Typically, departments who opt to self-fund Education Assistance require that the courses or programs are for graduate level courses that are related to an employee’s current duties or prospective duties.

Eligibility

To be eligible to receive reimbursement under the Education Assistance Program, an employee must:

- Be an active, regular, full time, benefits-eligible staff or faculty employee of the UT Health Science Center at San Antonio, at the beginning and completion of the approved course or certification program, and at the time of the reimbursement
- Have successfully completed at least twelve (12) months of employment at the UT Health Science Center at San Antonio as of the date of the application deadline
- Must meet or exceed current job performance expectations
- Not have been the subject of a disciplinary action in the six (6) months prior to the application deadline

Participation in the Education Assistance Program does not constitute a contract for employment and should not be construed as a guarantee of employment. In addition, participation in the Education Assistance Program does not guarantee employment in a particular position, job classification, or imply a transfer or change in salary.
Requirements

Qualified Courses & Programs

To be qualified for reimbursement under the Education Assistance Program, courses and programs must:

- Be provided by an accredited entity, such as a college, university, trade or vocational school, or professional association or society
- Be acknowledged by the supervisor of the employee and the department head
- Be approved by the Education Assistance Committee

Courses taken in pursuit of a degree program may be graduate or undergraduate level. Correspondence courses, including online courses may also qualify for approval.

Qualified Expenses

The Education Assistance Program provides for the reimbursement of qualified out-of-pocket expenses. This program does not allow for tuition advances. The following expenses are eligible for reimbursement through the Education Assistance Program:

- Tuition
- Program fees
- Certification fees

The Education Assistance Program WILL NOT reimburse for the following expenses:

- Admissions application or exam fees
- Books, supplies, or equipment
- Meals, lodging or transportation
- Miscellaneous fees associated with course enrollment; Examples include but are not limited to
  - Sports and/or Recreational Fees
  - Technology Fees
  - Student Medical Clinic Fees
  - Performing Arts Fees
- Fees for previously taken courses
- Fees for courses in which you are currently participating

Education Assistance Committee

The Education Assistance Committee is responsible for accepting, reviewing and approving (or denying) all applications for reimbursement on a quarterly basis. The Committee reserves the right, at its sole discretion, to make a final determination on the eligibility and/or approval of qualified courses as well as expenses related to a course or program for purposes of reimbursement through the Education Assistance Program.
The Education Assistance Committee is appointed by the President’s Office on a two year term per HOP Policy 1.6.17. The Education Assistance Committee will include representatives from various areas across the institution.

Application Process

Employees are eligible to submit only one application per fiscal year and are encouraged to discuss any aspirations for Education Assistance with their supervisors before starting the application process. The process to apply for participation in the Education Assistance Program is as follows:

1. **Before the start of a course or program**, the employee submits a completed application to their supervisor for review.
2. The supervisor will review the applicability of the course(s) to ensure eligibility requirements are met as well as relevant to the employee’s job and/or career path within the UT Health Science Center at San Antonio. The supervisor then acknowledges the application for submission to the department head for final acknowledgement.
3. The department head acknowledges the application.
4. Upon receipt of all acknowledgements, the completed application should be submitted to EducationAsst@uthscsa.edu along with an itemized tuition statement. This information will be submitted to the Education Assistance Committee for final approval. Note, the tuition statement is needed at the time of application to ensure that ineligible expenses are not being included for reimbursement.
5. The employee and their respective supervisor will be notified of approval or denial following the Education Assistance Committee’s quarterly review meeting.
6. Participants must submit required documentation to EducationAsst@uthscsa.edu within forty-five (45) days after completing the course. If the participant passes the course or program, he/she should follow the reimbursement steps set forth in this plan document.

*Education Assistance funds may be awarded based on priority to meet the critical staffing needs of the institution and based on available financial resources.*

Application Deadlines

Completed applications must be acknowledged by the department heads and received by the Education Assistance Committee on or before the last day in each quarter of the fiscal year in order to be included in the quarterly review. The committee will review applications based on the course start date as follows:

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Application Deadline</th>
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<tbody>
<tr>
<td>1</td>
<td>November 30th</td>
</tr>
<tr>
<td>2</td>
<td>February 28th</td>
</tr>
<tr>
<td>3</td>
<td>May 31st</td>
</tr>
<tr>
<td>4</td>
<td>August 31st</td>
</tr>
</tbody>
</table>
The Education Assistance Committee typically meets within a two week period following the above application deadlines.

Submit applications to EducationAsst@uthscsa.edu.

Work Schedule Arrangements

To the extent possible, participants in the Education Assistance Program should not take a course(s) that would require absences from work during regularly scheduled work hours. If attendance requires that an employee be absent from his/her assigned workstation during normal work hours, various accommodations may be possible. The supervisor should ensure that the employee's participation in the Education Assistance Program will not adversely affect departmental services, or, result in undue hardship for other employees. Alternate work arrangements will only be granted at the discretion of the department head as outlined in HOP 4.7.4.

Reimbursement

Grade Requirements

The reimbursement of eligible educational expenses will be processed upon verification of the successful completion of an approved course or program. Participants must provide a grade report or transcript in order to qualify for reimbursement.

To receive reimbursement, participants must satisfy one of the following grade requirements:

1. Receive a grade of "C" or better in an undergraduate course
2. Receive a grade of "B" or better in a graduate course
3. Receive a "Pass" in a pass/fail course

A grade of "Incomplete" or "Missing grade" does not constitute completion of coursework. Employees will not be eligible to participate in the Education Assistance Program until the coursework is completed and a final grade is recorded.

Reimbursement Process

1. Within forty-five (45) days after completion of the course or program, the employee must submit the Notice of Completion form along with the final certified grade report or transcript, or “pass” certification. You will also need to submit your tuition billing statement if you did not already do so at the time of application. Submit documentation to EducationAsst@uthscsa.edu for processing.

2. Reimbursements will be processed within forty-five (45) days of receiving completion documentation.
Maximum Reimbursement

The maximum reimbursement for eligible employees under this program is $4,000 per fiscal year, for up to four (4) years. The fiscal year is from September 1st to August 31st.

Taxability

Under current IRS regulations, reimbursements through the Education Assistance Program benefit may be considered taxable income to the recipient. The IRS rules will be followed in determining taxability to individual recipients.

Whenever the IRS tax code allows, educational expenses reimbursed under this program will be excluded from taxable wages and paid through the Accounting Office. Taxable reimbursements will be paid through the Payroll Office as W-2 wages with taxes withheld. Tax treatment of reimbursements under the Education Assistance Program will be assessed by the Office of Business Affairs. See Appendix A for more information.
Appendix A - Tax Implications for Participants

Internal Revenue Code (IRC) §127 allows for tax deductibility of Education Assistance up to $5,250 per calendar year, if the Education Assistance program meets certain criteria. The Education Assistance Program is intended to serve as a section 127 written plan.

Internal Revenue Code (IRC) §132 allows for tax deductibility of Education Assistance for work-related education. The coursework must
1. be work-related,
2. not qualify the employee for a new trade or business, and
3. not be needed to meet the minimum requirements of the employee’s present position.

This section is most frequently applicable when an employee pursues a graduate degree within the same field in which he or she is already employed by the UT Health Science Center at San Antonio.

Comparison of Code Sections Covering Education Assistance
The following table is for quick reference. For more information, see Chapter 18 of the Fringe Benefit Guide, the relevant Internal Revenue Code sections §127 and §132, or Publication 970.

<table>
<thead>
<tr>
<th>Feature</th>
<th>$127 Qualifying Educational Assistance</th>
<th>$132(d) Working Condition Fringe</th>
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</thead>
<tbody>
<tr>
<td>Written Plan Required</td>
<td>Yes</td>
<td>No</td>
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<tr>
<td>Undergraduate Courses Covered</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Graduate Courses Covered</td>
<td>Yes</td>
<td>Yes</td>
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<tr>
<td>Must Be Job-Related</td>
<td>No</td>
<td>Yes</td>
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<tr>
<td>Courses Qualifying Employee for New Trade or Business Covered</td>
<td>Yes</td>
<td>No</td>
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<tr>
<td>Courses Needed to Meet Minimum Job Requirements Covered</td>
<td>Yes</td>
<td>No</td>
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<tr>
<td>Can Discriminate in Favor of Highly Compensated Employees</td>
<td>No</td>
<td>Yes</td>
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<tr>
<td>Dollar Limitation</td>
<td>$5,250</td>
<td>No</td>
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</tbody>
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**Definition of Employee Includes:**
- Current Employees: Yes, Yes
- Family Members: No, No
- Laid-Off Employees: Yes, No
- Employees Retired or on Disability: Yes, No
- Independent Contractors: No, Yes

**Educational Expenses Covered:**
- Tuition: Yes, Yes
- Books, Supplies, Equipment: Yes, Yes
- Tools or Supplies employee may keep: No, No
- Education involving Sports, Games, Hobbies: No**, No**
- Meals, Lodging or Transportation: No, Yes

* See text for exceptions
** Yes, if specifically job related

Note: These are general rules. For details, refer to the text and Publication 970.

Tax treatment of reimbursements under the Education Assistance Program will be assessed by the Office of Business Affairs. Reimbursements will be paid through the Accounting Office or the Payroll Office, depending on taxability.