

**The Drake University  
PhD Tuition Reimbursement Program  
Pilot Program  
Effective August 1, 2008**

***Philosophy and Purpose***

Drake University seeks to provide an environment conducive to professional development and life-long learning. Toward that end, Drake provides financial reimbursement for job-related PhD or other doctoral level degree programs for eligible faculty and staff when those programs are not otherwise available through Drake University and the Tuition Rebate Policy. PhD tuition reimbursement is not available for spouses or dependants of Drake employees. The Drake University PhD Tuition Reimbursement Program is an educational assistance program pursuant to Section 127 of the Internal Revenue Code.

***Eligibility***

Eligibility for the PhD Tuition Reimbursement Program requires two or more years of continuous full-time service in an exempt (professional/salaried) position. To be eligible the employee must be in good standing with a satisfactory performance record and have the approval of his/her Manager/Dean as evidenced by a statement of support from that Manager/Dean. The approval of the VP or Provost for the area is also required.

***Program Criteria***

The program must be directly related to the employee's position at Drake University. The program must be a PhD or other doctoral level program not otherwise available at Drake University. Programs of study must be taken at an accredited college or university. This policy applies only to PhD or other doctoral level programs not otherwise available through Drake University and the Tuition Rebate Policy. In the event such a program requires completion of a Master's Degree not otherwise available at Drake University, this policy does not provide benefits until the Master's level degree program is completed by the employee.

***Benefit Levels***

Employees approved for the program will receive a tuition reimbursement benefit of up to \$5,250 per calendar year for courses that are part of the approved degree program. Reimbursement will be provided upon successful completion of course(s) provided the employee remains actively employed and in good standing with a satisfactory performance record at Drake through the last day of the course. Proof of successful course completion and tuition receipts must be submitted in order to receive reimbursement. Successful completion shall be defined as a grade of "C" or better in those courses in which grades are awarded. Costs for books, lab fees, student activities fees and other miscellaneous expenses are not reimbursable. Reimbursement is subject to the continued employment conditions of the program.

### ***Workload and Commitment***

The employee shall be responsible to schedule class and class preparation time, with the concurrence of the immediate manager, in such a way that it does not interfere with job performance.

### ***Application Process***

Employees wishing to participate in the PhD Tuition Reimbursement Program must first submit a Tuition Reimbursement Program Application and a statement of support from his/her direct manager or, in the case of faculty, a statement of support from the applicable Dean. The Tuition Reimbursement Program Application requires the signature and approval of the direct manager, the Dean or Department Leader if other than manager and the Provost or VP Level manager if other than the manager. Human Resources will then submit applications to the President's Cabinet or a committee designated by the President's Cabinet, for review. If an employee's course decisions are dependent on approval of his or her application, he or she should submit the application as far in advance as possible. However, Drake University cannot guarantee approval decisions will be made prior to the start of the semester.

Once an application is approved, tuition reimbursements are authorized for a maximum of three (3) years (subject to termination of this Program) so long as reimbursements are for the same program at the same institution and so long as all other terms of the PhD Tuition Reimbursement Program remain satisfied. Any prior approval shall be automatically rescinded if any terms of the Program are no longer satisfied.

### ***Reimbursement Process***

After successful completion of the semester of study, the employee may receive tuition reimbursement by submitting a "Request for Reimbursement" form to Human Resources within forty-five (45) days of the employee's receipt of his or her grade for the course, along with an accounts statement from the applicable institution and satisfactory proof of successful course completion. Upon receipt of a properly completed and timely Request for Reimbursement form and supporting material, Human Resources will request a reimbursement check from Accounting, which will be provided to the employee within a reasonable time after submission of the reimbursement request, not to exceed forty-five (45) days. Employees must return any excess payments.

Both the Tuition Reimbursement Program Application and the Request for Reimbursement forms are found on the Human Resources web page at [www.drake.edu/hr/forms](http://www.drake.edu/hr/forms)

### ***Limit on Reimbursement Applications***

Drake University reserves the right to cease accepting applications for the PhD tuition reimbursement program at any time based on the number of current program participants and the availability of professional development funds.

### ***Continued Employment Conditions***

Staff/faculty approved for the program will be required to complete 3 full years of employment at Drake after completion of the program for which reimbursement is awarded pursuant to this policy. In the event the employee ends the program early or leaves Drake before the end of the three year period described above, the following penalty provisions apply:

- If employee quits the program before completion, he/she will be required to repay 50% of the tuition paid to or on his/her behalf to Drake
- If employee quits employment at Drake prior to completion of the degree, he/she will be required to repay 50% of the tuition paid to or on his/her behalf to Drake
- If employee quits employment at Drake after completion of the degree but before the completion of 3 full years of employment following the degree completion, the employee will be expected to repay the tuition reimbursement amounts paid under this policy by Drake according to the following schedule:
  - Quit within one year after degree completion; repayment of 50% of the tuition reimbursement
  - Quit within two years after degree completion (but after 1 full year); repayment of 35% of tuition reimbursement
  - Quit within three years after degree completion (but after 2 full years); repayment of 20% of tuition reimbursement
  - Quit after three full years of degree completion; no repayment required

If an employee is required to make repayment to Drake under the terms of this section, and is also entitled to reimbursement pursuant to another section of this Program, Drake may withhold the reimbursement and apply the amount withheld towards the amount the employee is obligated to repay Drake.

### ***Income Tax Information***

The taxability of the Tuition Reimbursement program is determined by federal and state law and regulations and, therefore, is subject to modification or change. Currently, \$5,250 per calendar year is exempted from income tax reporting through December 31, 2010.

***Other Program Terms***

In order to ensure compliance with Internal Revenue Code Section 127, the following program terms apply to the PhD Reimbursement Program at Drake University:

- Eligible employees will be given reasonable notice of this Program
- Employees cannot choose to receive cash or other benefits that must be included in gross income instead of tuition reimbursement.
- This program does not favor highly compensated employees as defined by the IRS.

***Pilot Program Terms***

This Program is a pilot program beginning on August 1, 2008 and ending on May 31, 2012 and Tuition Reimbursement Program Applications shall not be accepted or paid after that date, unless Drake University amends this provision to extend the Program. However, the repayment provisions in the *Continued Employment Conditions* section of this Program shall survive termination of the Program and shall remain in full force and effect at all times. Drake shall review this policy and pilot program on or before June 1, 2011, making a recommendation at that time whether to continue, end or alter the terms of the pilot program. Drake University reserves the right to modify, amend, rescind and terminate this Program.

All terms and conditions of this Program are subject to interpretation by Drake University in its sole discretion