

# JHU Tuition Assistance Plan

## PROGRAM PURPOSE

Johns Hopkins University (“JHU” or the “University”) establishes this JHU Tuition Assistance Plan as an educational assistance program to provide tuition benefits to eligible employees as defined herein. This JHU Tuition Assistance Plan (“Plan”) is governed by Section 127 of the Internal Revenue Code (“Code”) and constitutes a qualified educational assistance program within the meaning of Code Section 127 and applicable IRS regulations. JHU reserves the exclusive right to terminate or amend this Tuition Assistance Plan at any time and in its sole and exclusive discretion.

## ELIGIBILITY & WAITING PERIODS

Full-time benefits-eligible faculty or staff members employed by JHU for 120 days or more and continuing in a full-time position are eligible for benefits under the Plan. Full-time benefits-eligible LIUNA bargaining unit members employed by JHU for 90 days or more and continuing in a full-time position are eligible for benefits under the Plan. Notwithstanding the foregoing, employees under disciplinary action within 12 months of any academic period or at the time of submitting an application are not eligible for benefits under this Plan. Disciplinary actions include: documented verbal warnings, written warnings (2 levels), performance improvement plans, and/or suspensions. In addition, employees who satisfy the applicable waiting period and are on an approved leave of absence (paid or unpaid) for no more than 12 months are also eligible for benefits under the Plan.

Eligible employees must be actively employed at the commencement of all courses. The University reserves the right to seek repayment if an employee terminates employment prior to course completion.

This Plan provides educational assistance for the exclusive benefit of eligible employees, as defined herein. Retirees, part-time employees, limited employees, casual employees, visiting faculty and staff, residents, interns, postdoctoral fellows, spouses and dependents are not eligible to participate in this Plan.

## ELIGIBLE EXPENSES, ELIGIBLE PROGRAMS, AND MAXIMUM ANNUAL BENEFIT AMOUNTS

Eligible expenses under this Plan include tuition and course-related fees, only. Approved expenses will be covered up to the maximum annual benefit amount for the education programs described below for the calendar year in which the course begins.

Ineligible expenses under the Plan include, but are not limited to: books, non-course related fees, meals, lodging, transportation and tools or supplies that can be kept after completing the course of instruction. Employees are solely responsible for paying the cost of all ineligible expenses.

<u>Education Program</u>	<u>Eligibility Criteria</u>	<u>Maximum Annual Benefit Amount</u>
Undergraduate Programs: Associate’s and Bachelor’s Degree	Courses taken as part of an approved degree program, as well as prior learning assessments and tests used to document knowledge for the purpose of granting credit toward an approved degree (e.g. CLEP, ACE, DANTES)	\$5,250
Graduate Programs: Master’s Degree, PhD, Doctorate, EMBA	Graduate level coursework taken as part of an approved graduate degree	\$10,000
Individual Courses;	Courses must be directly related to the LIUNA	\$5,250

<i>(LIUNA bargaining unit members only)</i>	bargaining unit member's current position or career path that aligns with JHU's business needs.	
Non-degree Credit Classes at JHU	Part-time credit courses offered through one of JHU's academic divisions	\$5,250 annual family limit.

Educational programs that not covered under this Plan include, but are not limited to, all of the following:

- Individual courses for sports, games, or hobbies, unless part of a degree program;
- Non-credit bearing certificates;
- Non-credit bearing individual courses (does not apply to bargaining unit members);
- Certification, designation and license exams;
- Seminars, conferences and workshops.

### ACCREDITED EDUCATION PROVIDERS

All courses related to a degree program must be provided by an institution holding regional accreditation. School accreditation can be verified via the [U.S. Department of Education \(USDE\)](https://www.usde.gov/) website.

### COURSE COMPLETION REQUIREMENTS

**Traditional Reimbursement.** All courses related to a degree or certificate program must be completed with a minimum grade equivalent of C-. Courses taken by LIUNA bargaining unit members that are based on a pass/fail grading system must be completed with a passing grade. Any courses in which an employee receives an incomplete, withdrawal, or equivalent grade are ineligible under the Plan.

**Direct Bill.** All courses related to a degree or certificate program must be completed with a minimum grade equivalent of C-. Courses taken by LIUNA bargaining unit members that are based on a pass/fail grading system must be completed with a passing grade. Repayment of tuition and fees will be required for any course in which the employee fails to meet the policy course completion requirements.

### ACADEMIC ADVISING

EdAssist offers Academic and College Finance Advisors who are available to discuss program and school considerations, and assist with finding career relevant educational options. Employees are strongly encouraged to reach out to an EdAssist Academic and College Finance Advisor prior to submitting their first application for a new educational program. To schedule an advising appointment, use the self-scheduler option available under "Education Coaching" on the EdAssist website.

### APPLICATION SUBMISSION AND APPROVAL

To be eligible to receive benefits under this Plan, eligible employees must submit a course approval application to EdAssist for each quarter, semester or academic term. Applications must be submitted prior to the course start date to determine payment eligibility. The University reserves the right to reject applications that are not submitted in a timely manner and in no event will applications be accepted more than 30 days after the course start date. Applications will be reviewed for policy compliance by EdAssist and then will be forwarded to the employee's immediate supervisor and HR Business Partner for approval.

### PAYMENT PROCESS

Once an eligible employee's application is approved, the payment process will be as follows:

- Undergraduate Direct Bill Programs: EdAssist will issue a "Letter of Credit" to the employee to present to the educational provider at the time of course registration. Educational providers will then need to submit an itemized invoice of tuition and fees to EdAssist. Once received, EdAssist will process payment directly to the educational provider for eligible tuition and fees on behalf of the employee.

- Undergraduate and Graduate Reimbursement Programs: Employees will need to submit receipts to substantiate the payments of eligible tuition and fees to EdAssist. Once EdAssist has reviewed and approved the receipts, EdAssist will issue reimbursements for the eligible expenses to the employee.
- Individual Courses (LIUNA bargaining unit members, only): [Reference Undergrad Direct Bill or Reimbursement
- Degree and Non-degree Credit Courses at JHU: Employees will need to submit their itemized invoices and fees to EdAssist upon application approval (no later than 30 days past course start date). Employee's accounts will be credited by student accounts for their approved benefit and JHU will tax any benefit above \$5,250 through payroll.

For all programs, employees are required to submit proof of successful course completion (grades) to EdAssist no later than 60 days after course completion in order to close out the application. Repayment of tuition and fees will be required for any course in which the employee fails to meet the policy course completion requirements. The Plan Administrator will contact the employee to arrange for repayment.

### **SCHOLARSHIPS, FINANCIAL AID, GRANTS**

Employees must disclose in their application all financial assistance, including, but not limited to, all scholarships, grants, financial aid, military benefits or discounts, and provide documentation of how the funds were applied. Funds received from such sources will be deducted first from any expenses not covered under the Plan. Any remaining funds received will be deducted from eligible tuition and fees. Financial Aid received in the form of student loans will not be deducted. Falsification of an application may result in the termination of an employee's eligibility in the Plan.

### **TAX IMPLICATIONS**

In compliance with Code Section 127 and applicable IRS regulations, employer provided educational assistance is exempt from taxation up to a maximum of \$5,250 per calendar year. Taxes will be assessed if, at the time of payment processing, the total amount of educational assistance paid in the calendar year exceeds \$5,250. The amount over \$5,250 shall be subject to federal income tax and payroll tax withholding in accordance with federal and state law and will be withheld from the employee's paycheck. Employees should consult a tax advisor for additional information.

To minimize the impact on an employee's net pay, once Payroll determines that additional tax withholding is required, the additional taxes will be spread out evenly across the paychecks issued during the current academic quarter/semester. If the employee has already received one or more paychecks during the current academic quarter/semester, the additional taxes will be spread out across the remaining pay checks that the employee will receive during the quarter/semester.

### **MISCELLANEOUS**

The Plan Administrator of this Plan shall be the JHU Human Resources Office. The Plan Administrator shall have the authority to control and manage the operation and administration of the Plan, including the authority to make and enforce rules or regulations for the efficient administration of the Plan; to amend the plan to conform to any changes in the tax law; to interpret the Plan; and to decide all questions concerning the Plan and the eligibility of any person to participate in the Plan.

By accepting educational assistance benefits under this Plan, employees agree to all the Plan terms described herein and in the application and further expressly authorize the University to withhold any amounts owed from their paychecks.

This Plan is intended to benefit JHU's employees in general and shall not discriminate in favor of University officers or highly compensated employees. This Plan will not be considered discriminatory merely because any educational assistance that is available under the Plan to a non-discriminatory class of eligible employees is utilized to a greater degree by officers or highly compensated employees included in that class. Otherwise, the classification of eligible employees for tuition benefits shall comply with the non-discrimination standards of Code Section 410(b)(1)(B), without regard to the exceptions in Code Section 401(a)(5). Eligible employees

seeking educational assistance under this Plan must comply with all applicable rules and procedures, including but not limited to eligibility rules and approval and reimbursement procedures, as set forth herein or other applicable University policies and procedures.

This Plan prohibits the University from offering eligible employees a choice between educational assistance and other compensation.

Courses approved in accordance with the provisions of this Plan must generally be taken outside of normal working hours.

This Plan shall not be deemed to constitute a contract between JHU and any eligible employee.

This Plan shall be construed and enforced according to the laws of the State of Maryland, to the extent not preempted by federal law.

### **QUESTIONS**

If you have questions concerning the JHU Tuition Assistance Plan, please contact EdAssist by logging into <https://clients.brighthorizons.com/JHU> to use Live Chat or submit a Virtual Help Desk Ticket. You may also contact JHU Benefits Service Center at 410-516-2000 or [Benefits@jhu.edu](mailto:Benefits@jhu.edu)