

City of San Marcos
TUITION REIMBURSEMENT PROGRAM

The City of San Marcos offers an educational assistance program to regular full-time employees under Section 127 of the Internal Revenue Code (IRC 127), which covers employer-provided education assistance programs. Under IRC 127 an employer may exclude qualified expenses from an employee's gross income, up to a maximum dollar amount per calendar year. This plan is for exclusive benefit of employees of the City of San Marcos to provide such employees with educational assistance. The purpose of the educational assistance program is to broaden the knowledge of employees in their fields and/or to provide an avenue for career development. The City Benefits Manager will administer the program and review all reimbursement applications. This program is contingent upon annual appropriation of funds and is subject to change at any time.

1. Eligibility Requirements

This program is available to employees who wish to voluntarily pursue educational advancement or training. ***It does not apply to courses or training that are required by the City.*** It also does not cover professional licensing and professional development seminars. Any course, training, licensing or certification that is required by the City will be covered by professional development funds within each department. All regular (completed introductory period), full-time (40 hour per week) employees are eligible for the tuition reimbursement program.

All courses reimbursed under this program must be taken on the employee's own time, in accordance with the Employee Handbook, Section 5.40. If a class is only available during an employee's normal work hours, the employee may request a flexible schedule from the employee's Department Director. A memorandum outlining the employee's flexible work schedule must be signed by the employee, approved by the Department Director and forwarded to the Human Resources Department with the completed Tuition Reimbursement Program Application. When there is a conflict between classes and the employee's job responsibilities, the job responsibility must come first.

Employees must attain a course grade equivalent to a "C" or better ("pass" in pass/fail) in each course to be eligible for reimbursement. Reimbursement will not be provided for classes not completed successfully.

2. Reimbursement Categories

This section defines the eligible categories for tuition reimbursement. Reimbursement will be made at rates not to exceed current Texas State University – San Marcos tuition and fee scheduled rates for Texas residents. Fees for tuition, mandatory fees, and parking permit fees are eligible for reimbursement at 100% up to the hour limit for each reimbursement category; additional class fees not to exceed \$40 per semester are also eligible for reimbursement. **Supplies, books, travel, late fees, property deposits or other expenses are not eligible expenses.** Categories include:

A. **College/University Tuition Degree Program:**

Includes course work in pursuit of an Associate, Bachelor, or Master degree. A maximum of 19 hours may be reimbursed per fiscal year. The amount reimbursed will not exceed Texas State University – San Marcos residential rates. A list of Texas Institutions of Higher Education that are eligible for this program is available at www.collegefortexans.com. CollegeForTexans.com is a project of the Texas Higher Education Coordinating Board.

1. **Associate** Most majors will be accepted.
2. **Bachelor** Most majors applicable to advancement within the City will be accepted.
3. **Master** Must be specifically applicable to City advancement.
4. **Vocational** Includes individual courses taken in pursuit of a degree or certification equivalent to an Associate Degree.

B. **Individual Courses:**

Includes individual college/university/vocational courses not in pursuit of a degree. A maximum of 9 hours may be reimbursed per fiscal year. Courses must benefit the City, be approved by the Employee's Department Director and the Benefits Manager.

3. Service Requirements/Repayment Obligations

Requirements for continued service with the City after course completion are an assurance that the City will benefit from employee participation in this program. If an employee leaves City employment **for any reason** before a service requirement is completed, the employee must repay to the City all or part of the tuition that was paid to the employee.

A two (2) year service requirement begins on the reimbursement check date. A separate two year service requirement must be completed for each reimbursement payment made to the employee. If the service requirement is not completed, the debt will be paid in one of the following ways:

1. If the employee has worked less than one year of the service requirement, the employee will repay to the City the full amount of the reimbursement payment made to the employee.

2. If the employee has worked at least one year, but less than two years, of the service requirement, the employee will repay to the City 50% of the amount of the reimbursement payment made to the employee.

A service requirement is **not** an assurance of continued employment by the City.

If a separation of service or termination of employment occurs (voluntary or involuntary) and a repayment amount is owed by the employee, and the employee does not otherwise repay the amount, the employee agrees to have the repayment amount deducted from the employee's paychecks that are issued after the termination decision occurs.

4. **Application Procedures**

1. Obtain a tuition reimbursement packet from the Human Resources Department. This packet is also available at www.sanmarcostx.gov via the Human Resources link.
2. Fill out the *Tuition Reimbursement Program Application* form and obtain any required approvals.
3. Attach a school-approved degree plan for degree program reimbursement categories. ***If this is the first term in a new degree plan, you must submit the degree plan with your application.*** If an individualized plan cannot be submitted, you must submit a recommended plan (i.e., course catalog recommendations) or a letter of approval from the school stating that the courses you have chosen will fulfill requirements under your plan. Applications requesting reimbursement for upper level courses will not be considered unless you have submitted an individualized degree plan.
4. Applications for classes during the employee's scheduled work time must be accompanied by a memo from your Department Director approving a flex time schedule for you. Attach the memo to your application.
5. Attach a copy of the tuition receipt, a copy of the school's current tuition schedule, and your current class schedule to the application.
6. You must turn in the completed application form and all required attachments to the Human Resources Department within 30 days after the class start date. **Incomplete applications and applications received late will not be approved.**
7. The request will be approved or denied by the Benefits Manager. You will receive a memo notifying you of the status of your request within 30 days of receipt of your application.

After course completion:

8. To be considered for reimbursement, the employee must submit an official grade report within 30 days of the last day of class. Alternate methods of grade verification may be submitted along with the *Grade Verification* form. Confirmation by any acceptable means other than an official grade report will allow the employee to receive a reimbursement check as soon as possible, however an official grade report must be submitted to Human Resources before subsequent courses will be reimbursed.
9. The *Tuition Reimbursement Service Agreement* form must be signed at or before reimbursement. **Requests for reimbursement received more than 30 days after the last day of class, and those without an application on file will not be honored.**

It is your responsibility to complete all of the required forms and to provide all information necessary for each application. It is also your responsibility to submit this information in a timely manner to receive consideration, both by the Department Director and the Benefits Manager.

5. Special Considerations

- A. The City will **not** pay the cost of tuition and mandatory fees which are paid by other sources, such as scholarships, grants, veterans programs, U.S. Military Reserve, aid programs or other subsidies.
- B. **Paying overtime to the employee, or to another employee, in order to accommodate courses is not permitted for the purposes of this program.**

Reminder: *It is your responsibility to complete all steps of the process within the specified deadlines. This includes Department Director approval and the time constraints placed on the Initial Application and on the deadline for submission of an official grade report. The Human Resources Department will not be responsible for notifying the employee of deadline dates. Any required documentation or forms not submitted within the stipulated time frame will not be reimbursed.*

City of San Marcos Tuition Reimbursement Grade Verification*

Name: _____
Last First Middle

Date Course(s) Completed: _____
Date Semester/Year

____ Attached is alternate documentation to verify grades by means other than an official grade report, or,

____ The employee has met with a Human Resources representative to verify grades by means other than an official grade report.

Documentation Source: _____

***Please note: Confirmation by any acceptable means other than an official grade report will allow the employee to receive a reimbursement check as soon as possible, however an official grade report must be submitted to Human Resources as documentation before a subsequent course will be reimbursed.**

HR use only	C _____	G _____	C _____	G _____
	C _____	G _____	C _____	G _____
Human Resources Verification _____				
Signature				

Employee Signature

Date

City of San Marcos
Tuition Reimbursement Service Agreement

This agreement is made between the City of San Marcos (the "City") and the Employee.

Employee Agreement

In accordance with the terms and conditions of the City of San Marcos Tuition Reimbursement Program, the employee agrees to repay the City in the event of separation of service or termination of employment for any reason prior to completion of the two-year service agreement, which begins on the date of the reimbursement (direct deposit or check date). If an employee has completed at least one year of the service agreement the employee will reimburse the City 50% of the amount of the reimbursement.

If a separation of service or termination of employment occurs (voluntary or involuntary) and a repayment amount is owed by the employee, and the employee does not otherwise repay the amount, the employee agrees to have the repayment amount deducted from the employee's paychecks that are issued after the termination decision occurs.

RECORD OF REIMBURSEMENT

Reimbursement is for the _____ Semester.

Employee
Signature _____ Date _____