

EDUCATIONAL ASSISTANCE PLAN

The Educational Assistance Plan (“Plan”) provides tuition waiver or reimbursement to Eligible Employees for a portion of the cost of approved educational courses. To the extent the Plan meets the requirements of Internal Revenue Code (“IRC”) §127, the benefits provided to Eligible Employees under the Plan are excludable from gross income.

I. ELIGIBILITY

A. Employer. Employers covered by the Plan are Oral Roberts University (“University”) and any participating affiliate of the University listed in the attached schedule “A” (University and any participating affiliate(s) are collectively referred to as “Employer”).

B. Eligible Employee. An Eligible Employee is defined as an employee of an Employer who is in good standing with the Employer (e.g. not on any kind of disciplinary program or action) and is included in one of the following categories:

1. a full-time faculty member (as defined by the faculty contract) or an adjunct faculty member who teaches at least six credits per semester (excluding adjunct faculty who teach exclusively online courses); or
2. a full-time staff employee working at least 40 hours per week or part-time staff employee working at least 20 hours per week.

C. No Guarantee of Participation in the Plan. All requests to participate in the plan and receive reimbursement are subject to the discretion of the Employer and may be denied by Employer at its discretion, including for reasons relating to budgetary constraints. Participation in the Plan in one year does not guarantee participation in the plan in any subsequent year.

D. An Eligible Employee must be employed at least two weeks during a spring or fall semester (or for the entire summer session) to receive the tuition waiver or reimbursement for that semester or summers session. The term “employed” shall include a period of approved leave of absence.

II. ELIGIBLE EXPENSES.

- A. Expenses Eligible for Tuition Waiver.. Education courses eligible for the **tuition waiver** under the Plan are limited to: undergraduate or graduate courses offered by the University. Doctoral courses may qualify for the tuition waiver benefit, however they are subject to departmental budget limitations. For graduate level courses the employee must receive a grade of “B” or above. If an employee receiving any tuition waiver benefit receives a “C” or below, they will be required to repay the tuition, or retake the course at their expense earning a grade of “B” or better. Eligible courses do not include education or training in sports, games or hobbies unless required as part of a degree program or directly related to the Eligible Employee’s work responsibilities for the Employer. Eligible courses are not limited to courses that are part of a degree program. Eligible education courses do not include study abroad courses.

- B. TUITION WAIVERS by Employer for eligible graduate tuition expenses are limited based on the schedule below.

<u>Course Type</u>	<u>Grade Received</u>	<u>Amount of Eligible Expenses Reimbursed</u>
Graduate	B or above	100%*
	Below B	0%

* The percentage reimbursement for eligible employees who are part-time employees or adjunct faculty shall be reduced to the same percentage that would be allowed for the tuition reduction benefit under the University's Qualified Tuition Reduction Program.

C. Expenses Eligible for Reimbursement Education courses eligible for reimbursement under the Plan are limited to undergraduate, graduate or technical/vocational training courses offered by an approved college or university. Subject to departmental budget limitations, tuition expenses are reimbursable and must relate to an approved course(s) of education not to exceed six hours per semester or 18 hours per Plan Year (the Plan Year shall mean the 12-month period that ends on December 31 of each year). Educational reimbursement amounts in excess of limitations defined by IRC §127 will be reflected as taxable income to the Eligible Employee. Any expense that the Eligible Employee is not obligated to pay (due to a scholarship, grant or similar assistance) is not be a reimbursable expense under the Plan. For calendar year 2018, the maximum tax-favored benefit is \$5,250.

III. REIMBURSEMENT. Reimbursement by Employer of eligible expenses paid outside the University shall be made according to the schedule below.

<u>Course Type</u>	<u>Grade Received</u>	<u>Amount of Eligible Expenses Reimbursed</u>
Undergraduate	C or above	100%*
	Below C	0%
Graduate	B or above	100%*
	Below B	0%
Pass/Fail	Pass	100%*
	Fail	0%

* The percentage reimbursement for eligible employees who are part-time employees or adjunct faculty shall be reduced to the same percentage that would be allowed for the tuition reduction benefit under the University's Qualified Tuition Reduction Program.

IV. REPAYMENT OF REIMBURSEMENT AND COMMITMENT TO REMAIN EMPLOYED FOLLOWING TUITION WAIVER OR REIMBURSEMENT. An Eligible Employee who receives tuition waiver or reimbursement from the Plan for any courses taken outside of the University and/or graduate level courses taken at the University shall maintain employment with Employer for one year for every \$15,000 in benefit (“Term of Service”) or be required to reimburse Employer for the amount of reimbursement as more fully set forth below:

<u>Amount of Benefit</u>	<u>Term of Service</u>
Less than \$15,000	<u>Staff</u> - 1 year of employment with Employer following receipt of the degree or completion of the last course in a non-degreed or vocational/technical program.
	<u>Faculty</u> - 1 academic year of employment with University (consecutive fall and spring semesters in that order) following receipt of the degree or completion of the non-degreed discipline specific approved educational plan.
\$15,000 to \$30,000	<u>Staff</u> - 2 years of employment with Employer following receipt of the degree or completion of the last course in a non-degreed or vocational/technical program.
	<u>Faculty</u> – 2 academic years of employment with University (consecutive fall and spring semesters in that order) following receipt of the degree or completion of the non-degreed discipline specific approved educational plan.
More than \$30,000	<u>Staff</u> - 3 year of employment with Employer following receipt of the degree or completion of the last course in a non-degreed or vocational/technical program.
	<u>Faculty</u> – 3 academic years of employment with University (consecutive fall and spring semesters in that order) following receipt of the degree or completion of the non-degreed discipline specific approved educational plan.

If prior to completing the required Term of Service as set forth above, the Eligible Employee resigns employment with the Employer or is terminated by Employer (other than University’s non-renewal a faculty contract or a reduction in force), the Eligible Employee is required to pay the Employer all monies provided under the Plan. Such repayment shall be made by deductions from any compensation or other payments due the Eligible Employee to the extent available and/or by any other payment method agreed to by the Employer. By participating in the Plan, Eligible Employee agrees to sign documentation confirming this obligation for service or terms of repayment.

V. APPROVAL PROCESS.

A. Faculty. Before faculty members enroll in courses seeking reimbursement through this Plan, they should prepare (in memo form) an application containing a plan of study listing the courses they plan to take; the educational institution at which they plan to enroll; and a statement of the requested reimbursement expenses. This application should be sent to: (1) the department chair, (2) the college dean, and (3) the Provost/Chief Academic Officer. If the application is approved, the faculty member may enroll in the course(s) requested. Upon completion of the course(s), the faculty member shall submit the Professional Curriculum Application form along with the grade report and a billing statement from the educational institution attached to the application. All three items are necessary for reimbursement.

B. Staff. Eligible Employees must apply for approval of courses tuition waivers, and reimbursement at the time and in the manner established by the University's Human Resources Department from time to time.

VI. GENERAL

A. Amendment/Termination/Interpretation. This Plan is subject to amendment or termination at any time. The University retains the sole discretion in interpreting and apply the terms of the Plan

B. No Guarantee of Employment. This Plan is not a contract between any Employer and any employee. Nothing contained in this Plan shall be deemed to give any employee the right to be retained in the service of an Employer (or any affiliate thereof employer of the Employer) or to interfere with the right of an Employer (or any affiliate employer) to discharge any employee at any time, regardless of any effect that such discharge shall have upon him or her under this Plan.

C. Taxation of Reimbursement. While reimbursements under the Plan are intended to qualify for exclusion from income under IRC §127 for certain Eligible Employees of the University, the University does not guarantee a particular tax result or application of federal, state, local or any other tax law. In addition, reimbursements may be limited (or taxable income reported with respect to an employee) by the University to satisfy any nondiscrimination or other requirement of law as determined appropriate or necessary in the discretion of the University.

D. Governing Law. This Plan shall be construed and enforced according to the laws of the State of Oklahoma, except as superseded by federal law, and in accordance with IRC §127.

Schedule A

The following affiliates of Oral Roberts University participate in the Plan as “Employers”:

University Broadcasting, Inc.