



## **Kepler Research's Educational Assistance Program Guidelines**

**Purpose:** To financially assist employees in developing knowledge and skills that are beneficial to them and Kepler Research.

**Eligible Employees:** Kepler Research's educational assistance benefits are offered to all full-time regular employees, in good standing, who seek financial assistance to pursue a degree or certificate.

### **Program Coverage**

With an approved education plan, Kepler Research will provide an employee with an advance of 100 percent of allowable expenses up to \$5,000 in a given school year.

Courses covered include those specifically required by the educational institution for the approved program plus employee-selected elective courses that relate to Kepler Research's current or future work and satisfy degree requirements.

An employee's program must be structured to minimize the impact on work responsibilities and schedules. Depending on the university calendar system involved (i.e., term, quarter, semester, etc.), there is a limit of the equivalent of five semester courses that can be taken within a given year. The employee's respective Program Manager (PM) shall review and monitor the employee's educational plans and progress to ensure minimal impact on work schedules.

Prerequisite or qualifying courses required by an educational institution in order to meet admission requirements for a degree program will be considered if the employee provides a program plan for the degree along with documentation from the educational institution stating the requirement for the prerequisite/qualifying courses.

### **Covered Degree/Certificate Programs**

A covered degree program must be university/college/community based (henceforth known as university-based). Certification programs will also be considered. All covered programs must be job-related, related to Kepler Research's current or future work, and closely linked with corporate goals and objectives to be considered for approval.

Educational Assistance Program/certification funding for non-university-based certification programs will also be considered.

## **The Review Process**

All employees must obtain their PM's approval for their education assistance application. The President of Kepler will have final approval authority for granting educational assistance. Once approved by the President the VP of Business Operations, with the assistance of the employee's PM, will oversee the rest of the educational assistance program.

In reviewing certificate and degree plans for approval, the PM and President considers applicability to Kepler Research's work, cost effectiveness, corporate need for the expertise, individual and organizational growth potential, projected overall return-on-investment for Kepler Research, and fiscal constraints. School selection, cost, and time to complete degree requirements will also be considered.

Whether educational assistance should be granted, and if so how much, is a discretionary decision for Kepler Research. No employee is "entitled" to educational assistance from Kepler Research.

## **Taxes**

Certain types of employer-provided educational assistance may be considered income subject to Federal and State Income Tax and FICA tax withholding. At this time benefits received under Kepler Research's educational assistance program have been confined to categories of assistance not deemed taxable. However, program participants are encouraged to seek advice from their tax advisors on the extent that approved benefits will affect their personal income tax status.

If deemed taxable, taxable amounts will be included in the employee's taxable gross income at settlement and withholdings deducted from the applicable paycheck.

## **Use of Resources**

While it is permissible for a participant to make reasonable personal use of Kepler Research computers and limited photocopying for purposes related to an approved educational assistance program, participants must do so outside of their core office hours, and on a non-interference basis with Client/Kepler Research work with the approval of the VP of Business Operations. No client equipment can be used.

Employees must receive approval from their cognizant PM (and the responsible Government Contracting Officer) prior to using any data and/or information developed through Kepler Research-related work for use in their school-related activities.

Participants may not request support (e.g., library searches, computer support, typing, editing) from Kepler Research staff for use in their education-related activities.

## Expenses

The following chart lists the educational assistance benefits subject to the maximum limits and those not covered.

<b>Advances</b>	<b>Reimbursements</b>	<b>Expenses Not Covered</b>
Tuition	Course-required texts & materials	Transcript Fees
Registration Fees	Fees connected with preparation and publication of a thesis or dissertation if a degree requirement.	Admission Fees Application Fees
Laboratory Fees		Admission Testing Fees
Mandatory Student Activity Fees		Diploma Fees
Continuous Enrollment and Comprehensive Exam Fees		Commencement Fees
College Level Placement Examination Fees		Parking Fees
		Mileage to and from school
		Suggested texts, software, etc. not specifically required on a course syllabus

Approved educational assistance advances will be made payable to the educational institution, whenever possible, or payable to the employee, if direct payment arrangements are not possible. Each participant must sign a grade release form allowing the educational institution to submit grades directly to Kepler Research. Each participant also must sign a promissory demand note at the time of receiving a tuition advance, indicating the participant's understanding of and agreement to immediately reimburse Kepler Research in full for any tuition advances outstanding, according to the terms and conditions stated in the promissory demand note and those stated under the Settlement section below.

Participants need to advise the VP of Business Operations whether they are applying for in-state or out-of-state tuition.

## Settlement

Within 30 calendar days of completion of a course, the participant must submit to the VP of Business Operations a completed Settlement of Educational Assistance form and original receipts covering allowable course costs. No settlements will be processed until official grade reports have been received from the participant's educational institution or from the participant.

A participant must reimburse Kepler Research immediately for the full advance costs received if the participant:

- Drops a course
- Fails to enroll
- Cannot enroll due to course cancellation
- Receives an “Incomplete”
- Fails to complete a course
- Fails to receive a grade of “B” (3.0) or higher on an undergraduate course or a grade of “B” (3.0) or higher on a graduate course.
- Fails to provide properly completed settlement form and original receipts as specified in this policy.
- \* Voluntarily resigns, retires, or is discharged from Kepler Research for cause prior to successful course completion or with less than 12 months worked since class completion. An employee terminating prior to paying the outstanding balance must settle the outstanding balance prior to the last day of employment.

\* If the participant resigns, retires, or is fired for cause by Kepler Research prior to completing 12 months of work with Kepler Research following completion of their classes, he/she will be required to reimburse Kepler Research any tuition assistance they received. (Example: If an employee leaves Kepler Research in December, they would be liable to reimburse Kepler Research for any educational assistance expenses received during the last 12 months. If it had been longer than 12 months since their last class – they would owe nothing. If the participant took a class 6 months ago, then they would owe the full amount for that class).

In the event that a participant does not settle outstanding balances in full within 30 days as specified, automatic payroll deductions will be initiated to promptly recover balances due. Settlements handled through payroll deduction must be repaid at a minimum rate of \$75 per pay period; higher deduction rates can be made at the discretion of the employee. The participant will not receive additional tuition advances until the outstanding balance has been paid in full. If the participant terminates employment with Kepler Research, all settlements of outstanding balances with Kepler Research will be paid in full by the last day of employment with Kepler Research.

If the participant cannot complete the course due to a formal order to report for active military duty, the participant must promptly notify the VP of Business Operations for assistance in contacting the educational institution to recover any portion of the tuition and remain a student in good standing. **Any educational reimbursement received by the employee from the educational institution will be repaid to Kepler Research.** If it is not possible for the employee to obtain a full or partial refund of tuition advanced, Kepler Research will not require the employee to repay any tuition not refunded by the educational institution.

## **Initial Approval Procedures**

- Employee* Completes an Educational Assistance Program Application form, provides a detailed schedule of the education program (including cost, overall payment plan, and course description), provides a Kepler Research-workload impact assessment, and forwards to his/her PM for signature and recommendation.
- PM* Reviews the application, makes a recommendation on program approval, and signs the application. Forwards the application to the VP of Business Operations for review of compliance with the appropriate guidelines, approval/disapproval, and final disposition.
- President* Reviews the application and makes determination on program approval/disapproval. Notifies the VP of Business Operations of the final decision.
- VP of Business Op* Notifies the employee, and those in the approval chain, of President's final decision.

## **Prior Approved Plan Procedures**

- Employee* Completes and signs an Educational Assistance Course Approval form and Grade Release form for courses the employee plans to take for the upcoming semester, quarter, or term. Submits both forms to their PM for approval. (Note: Participants must allow a minimum of five working days after forms are submitted for processing of tuition advance/loan requests.) A Course Approval form must be completed for every term, quarter, or semester in which an employee enrolls for classes. [Additionally, as detailed schedules of the education program changes, especially in regards to course requirements/descriptions, informs the VP of Business Operations of those changes.]
- PM* Reviews the course plan and if agrees forwards to the VP of Business Operations.
- VP of Business Op* Reviews the request against the previously approved degree plan, processes and sends the paperwork to Finance for tuition advance (if applicable). Processes tuition advance, notifies employee to pick up the check, and has the employee execute a Promissory Demand Note and Wage Assignment relating to the tuition advance.
- Employee* Within 30 calendar days of course completion, submits a Settlement of Educational Assistance form, along with original receipts for all expenses to the VP of Business Operations.

Immediately notifies the VP of Business Operations when a course is canceled or if employee fails to complete and/or withdraws from course(s). Takes appropriate actions described in Expenses and/or Settlements section of this Policy.

Immediately notifies the VP of Business Operations of any changes to the approved education plan.