

# Operating Procedure

Title: **EDUCATIONAL EXPENSE ASSISTANCE**  
Effective Date: September 1, 1983  
Revised Date: October 1, 2001

Number: **21-002**  
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## A. POLICY

1. Educational expense reimbursement is provided by Metro-North ("MN") to encourage the professional development of its employees, to enrich employees intellectually and enhance the capabilities and competency of the workforce. It is optional and does not guarantee promotion or continued employment. It is offered on a non-contractual basis and may, in whole or in part, be modified or discontinued by the Company. Effective December 1, 2000, the reimbursement limit is \$4,000 in a 12-month period based upon the dates on which the courses are commenced.

2. This reimbursement is available to all full time employees of MN in active pay status who have completed, by the date on which the course begins, at least six months of continuous service at MN and any MTA agency, or the probationary period specified in their craft agreement, whichever is longer. It does not apply to persons hired on a seasonal, temporary, per diem or part-time basis. The program is conditioned upon the right of MN to cancel previously approved reimbursement if the employee is no longer in good standing in terms of attendance or performance.

3. To qualify for reimbursement, individual courses must be directly related to the employee's current or potential job responsibilities. Degree programs must be relevant to the business of the MTA as a whole, to MN or the employee's role in it. This includes:

- a. All course work required to earn an approved Associate's, Bachelor's or graduate degree;
- b. Individual relevant courses;
- c. Courses taken to obtain or maintain relevant professional certifications or licenses;
- d. Programs helping to prepare for an exam leading to professional certification or licensing.

4. Courses must be given by two or four year colleges, universities or trade, technical or vocational schools which are accredited by the appropriate Regional Association of Colleges and Secondary Schools, a State Board or Department of Education, a comparable educational association, or a professional society or association. Independent home study programs and courses delivered electronically, e.g., via the Internet, as well as home study courses required to retain certification or licensing, qualify for reimbursement.

5. Reimbursement will be made for courses only when specific grades have been achieved (C minus or better for undergraduate courses and B minus or better for graduate ones) or when the license or certificate has been obtained. A grade of "pass" or notice of successful completion will be accepted only if no letter grades are given for that course.

6. The employee assumes all financial obligations related to the program or courses unless and until approval is granted. Employees must apply for assistance no later than two weeks prior to registration and, in any case, must secure approval within 60 days of registration.

7. Subject to the limits in effect in the calendar year the course is completed, employees will be reimbursed for:

- a. Tuition for approved courses;
- b. Fees for approved courses, including application, registration, laboratory, student activity, facility use or access and graduation;
- c. Tuition for review courses for examinations leading to relevant professional licensing or certification. If the employee needs to take the same review course more than once, the employee will only be reimbursed for the first course.
- d. Fees necessary to take an examination to obtain or maintain relevant professional licenses or certifications. If the employee needs to pay for the same test more than once, the employee will only be reimbursed for the first test.

8. Reimbursement will not be made for:



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- a. Textbooks or publications, equipment or supplies;
  - b. Late registration or parking fees or penalties of any kind;
  - c. Costs for items such as dropping a course or reinstatement except as set forth A. 11, below;
  - d. Deferred payments or costs associated with them, including but not limited to interest charges, penalties or other fees;
  - e. Miscellaneous items, including but not limited to copying/reproduction, typing, Internet access fees and telecommunication charges.
9. An employee who receives educational assistance from other sources (e.g., a scholarship or veteran's benefits), must notify the Company of such assistance. The Company will reimburse for costs remaining after the other assistance has been applied.
10. Class attendance and study must occur on the employee's own time; courses or programs requiring the employee to take a leave of absence for full-time education are not eligible for reimbursement.
11. An employee is only eligible for reimbursement for courses completed prior to termination or separation from employment. Reimbursement will not be made if, before completion of the courses, the employee's employment is terminated, the employee resigns or the employee retires. An employee whose employment is terminated because of reasons such as organizational restructuring, consolidation, budget reduction, serious illness or disability will remain eligible for approved courses already completed or in progress on the date that the personnel action is taken.
12. An employee who transfers from one MTA agency to another will continue to be eligible for reimbursement for courses in progress on the date of transfer: the new agency is responsible for assuming any educational expenses not yet reimbursed. However, an employee who transfers from one MTA agency to another will not automatically be approved for subsequent educational programs or courses and must apply for reimbursement from the new agency.
13. This policy is subject to cancellation or modification at the sole discretion of Metro-North at any time. This policy is not a contract, express or implied, guaranteeing employment or any terms of employment for any duration. Participation in the Educational Expense Reimbursement program is on a strictly voluntary basis and Metro-North does not guarantee, expressly or implied, continued employment, promotion or transfer.
14. Metro-North has the right to periodically audit documentation submitted and may verify with the applicable institution that the employee's enrollment and status are in compliance with this Policy. The employee will be required to sign a release permitting such audit and verification. Should the Company learn that the employee has falsified or misrepresented information submitted pursuant to this Policy, Metro-North may take appropriate administrative or disciplinary action, including but not limited to termination of employment.
15. Reimbursement for training, seminars, professional training and review courses of short duration is to be handled under Operating Procedures 30-002: Professional Membership, Licensing Fees and Publications and 30-005: Travel and Business Expense Reimbursement.
16. Certain educational assistance reimbursements may be considered taxable income and are reported on W-2 forms. Employees participating in the program are responsible for meeting any associated Federal, State or local tax obligations and are advised to contact a tax advisor for information and guidance.

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## **B. STEPS**

1. Compensation and Management Development's Educational Assistance Coordinator should be contacted for specific instructions for completing the course or program application.
2. The completed form must be signed by the employee's manager and department head and submitted no later than two weeks prior to registration, along with any required attachments, to the Coordinator. The application will be approved or denied within sixty days and a copy sent to the employee.
3. Each semester, a new course approval application must be completed by the student, signed by management and submitted to the Coordinator.
4. The employee must request reimbursement within six months of course completion, by submitting to the Coordinator original official grade reports, registrar's transcripts and original bursar's receipts. Copies of the front and back of cancelled checks, money order receipts, original credit card receipts, payment by electronic means, etc. may be accepted as equivalent proofs of payment.
5. The Payroll Department will reimburse the employee upon notification by the Coordinator.

## **C. ADMINISTRATION**

1. The Director, Human Resources is responsible for administering the policy, i.e., reviewing, processing and approving applications and requests for reimbursement.
2. Exceptions to this policy with respect to individual applications for reimbursement must be recommended by the Vice President, Human Resources and approved in writing by the Executive Vice President.
3. The MTA Executive Director may grant written exceptions to this policy, in circumstances deemed by the Executive Director to warrant special consideration.

This procedure sets forth only guidelines and does not constitute a contract, express or implied. Metro-North expressly reserves the right to change or cancel this Policy at its sole discretion at any time.

**Approved:** *Signed by David Bownas, Deputy Director, Human Resources, on 10/22/01*

*Signed by Gregory Bradley, Vice President, Human Resources & Diversity, on 10/23/01*

*Signed by Genevieve Firnhaber, Executive Vice President, on 10/24/01*