STATEMENT OF POLICY

Memorial Health System is committed to assisting in the education goals and pursuits of employees. This policy currently applies to employees of the following affiliates: Memorial Medical Center, Memorial Health System Corporate, Memorial Home Services, Abraham Lincoln Memorial Hospital, Taylorville Memorial Hospital, Memorial Physician Services, and Memorial Behavioral Health.

The purpose of the Tuition Reimbursement program is for workforce planning and development. It provides a mechanism to support academic activities that directly relate to the organization’s identified knowledge, skills, and behaviors (organizational competencies), and which support the mission, vision, and values of the organization. The Tuition Reimbursement program is not an employee benefit, right, or entitlement; it is a program for workforce development.

Tuition Reimbursement is financial assistance, in the form of reimbursement for qualified education expenses. Tuition Reimbursement is available to eligible employees to support their education development aligning with their career goals and the goals of Memorial Health System in exchange for a work commitment.

The Tuition Reimbursement program is designed to provide financial support to help employees reach their educational goals. Before applying for Memorial’s Tuition Reimbursement program, employees must complete the Free Application for Federal Student Aid (FAFSA) to determine all alternate sources of financial aid that may be available to them. This includes but is not limited to Pell Grants, Vietnam Veterans Tuition Assistance, Department of Veterans Affairs Education benefits (GI Bill), and college stipends. In the event the employee qualifies for alternate sources of tuition assistance or financial aid, the Tuition Reimbursement program will pay any remaining amounts not covered by alternative sources, not to exceed the annual allowable amount as stated in this policy.

The Tuition Reimbursement program is a partnership between Memorial Health System and the applicant and is not intended to cover all expenses related to the applicant’s education but rather assist in relieving some of the financial burden. Employees may take advantage of only one type of Memorial Health System Education Assistance at any one time.

GUIDELINES FOR TUITION REIMBURSEMENT

1. Employee Eligibility
   a. May be a Full-Time, Part-Time, or Per Diem employee.
   b. Successful completion of 6 months of employment with favorable performance evaluation.
   c. Cannot have an active corrective action on file.
d. Cannot be actively receiving any other Memorial Health System sponsored financial assistance (i.e., tuition reimbursement, loan forgiveness, etc.).

2. Academic Coursework Eligibility
   a. Course must be related to the employee's present job or to prepare the employee for future advancement at Memorial.
   b. Applicants' selected education institution and program of study must both be fully accredited. Please follow this link to search for your education institution's accreditation status. (See APPENDIX A for accreditation requirements.)
   c. Programs of study through for-profit institutions are discouraged.
   d. Course may be for academic credit, or non-credit if approved in advance by the applicant's System Leadership Team representative.
   e. Courses in games, hobbies or sports not related to employer’s business are not covered under the Tuition Reimbursement program. These would include, but are not limited to, Art Appreciation, Music Appreciation, Ceramics, etc.

3. Professional Development Coursework
   a. This type of education is not supported through Memorial’s Tuition Reimbursement Policy.
   b. Financial assistance for professional certification coursework may be available through an employee’s respective department. Such support is considered on a case-by-case basis and requires department manager as well as System Leadership Team representative approval.

4. Application Process
   a. Complete the online application for Tuition Reimbursement through the TuitionManager Portal.
   b. Application must be completed and approved prior to the start of the course.
   c. Employee will be notified via email of approval or denial of application.
   d. Decisions will be rendered based on the following criteria:
      - Education preparation will lead to a position that meets a business and/or strategic need of the organization.
      - There is funding available to support the reimbursement.
      - The applicant meets all eligibility requirements
   e. Applicants will be then notified of their acceptance or denial for Tuition Reimbursement.

5. Expense Eligibility
   a. The following expenses are considered eligible for reimbursement
      - Tuition
      - Books
      - Class-required fees
      - Exam / lab fees
b. Expenses not named above are not eligible for reimbursement. These would include, but are not limited to, parking, testing, travel, student ID cards, and late registration fees.

c. According to the IRS regulations that govern tax-free tuition reimbursement programs, an exclusion from income is not allowed for supplies (other than textbooks) that the employee can retain after the course is over. Therefore items such as computers, calculators, printers, scrubs, etc. are not eligible for reimbursement.

6. Reimbursement Guidelines
   a. Calendar year maximum for all applicants is as follows:
      i) Full-Time and Benefit Eligible (.4 FTE) Part-Time employees: $3,500
      ii) Non Benefit Eligible (<.4 FTE) Part-Time and Per-Diem employees: $1,750
   b. Under no circumstances will Memorial Health System provide education assistance that exceeds total program costs. This includes the combined total of tuition reimbursement, scholarships, grants and loan forgiveness.
   c. Within 30 days of successful completion of coursework, employee must submit the following via the online TuitionManager Portal:
      - Final grade(s)
      - Itemized invoice of tuition and fees
      - Itemized receipt(s) for textbook purchases
      - Proof of payment
   d. Itemized receipts should identify the employee and the educational institution attended. The receipts must also provide an itemized breakdown of tuition, books and fees. (If the school does not itemize, then the receipt must have documentation from the school explaining this each time the applicant submits for reimbursement.)
   e. Minimum grade of B required.
   f. The Organization Development Department will verify final grade(s) and costs and notify General Accounting to proceed with reimbursement, if applicable.
   g. Reimbursements are processed one pay period per month.
   h. Upon receipt of supporting documentation, please allow up to two pay periods for processing.
   i. The student will be notified via email of the acceptance or denial of the request for reimbursement.
   j. The Organization Development Department reserves the right to adjust the requested reimbursement amount based on factors including, but not limited to, calendar year maximums, insufficient documentation, and other eligibility requirements.
   k. If an employee submits required documentation to the Organization Development Department after the second week in December, reimbursement may not be issued until January or later of the next calendar year. PLEASE NOTE: The annual reimbursement limits are based on the year the employee receives the reimbursement, not when the course(s) were taken.

7. Work Commitment
   a. Employees who receive tuition reimbursement will agree to a work commitment equal to one year, regardless of the amount of funding received or the number of years that an employee receives tuition reimbursement.
   b. If the employee separates from the organization prior to completing the one-year work commitment they will be responsible for repaying the full amount awarded during the 12 months immediately prior to separation.
   c. The work commitment will begin when the reimbursement payment is sent to the employee.
8. Tax Implications
   b. Employees should be aware that educational assistance under this policy may or may not be
deductible under the IRS tax code; in addition, the receipt of this educational assistance may well
be taxable. The following information is provided as information for the employee’s benefit only,
and should not be construed as the Company providing tax advice to employees. Employees are
strongly encouraged to discuss this information with their personal tax advisor.
   c. An employee can exclude from income amounts paid by an employer for educational assistance
furnished pursuant to an educational assistance program. Currently, the annual exclusion is
limited to a maximum of $5,250 per calendar year, from employers in that year. Amounts in
excess of $5,250 in a calendar year are includible in income and subject to income and
withholding taxes.

This policy has been reviewed and approved by:

Aimee J. Allbritton, PhD
Vice President, Organization Development
and Chief Learning Officer

Tuition Assistance policy reviewed - July 2000
Education Grants policy approved - January 2001
Policies combined and approved - September 2000
Review and Revised - February 2005
Review and Revised – August 2006
Review and Revised – August 2007
Review and Revised – November 2007
Review – April 2009
Review and Revised – September 2010
Review and Revised – February, 2011
Review and Revised – April, 2013
Review and Revised – June, 2013
Tuition Reimbursement Policy, Review and Revised – March, 2017
Appendix A

Approved Discipline-specific Accrediting Agencies and Institutional Accrediting Bodies

**Institutional Accreditation:** Regional accreditation is the most basic accreditation an institution should have. This accreditation encompasses the entire college or university and is referred to as an institutional accreditation. This type of accreditation shows that the entire institution is contributing towards achievement.

Students applying for education assistance must provide documentation that their chosen institution is accredited by one of the following regional accrediting bodies:

- Middle States Association of Colleges and Schools/Middle States Commission on Higher Education (MSCHE)
- North Central Association of Colleges and Schools The Higher Learning Commission (NCA-HLC)
- New England Association of Schools and Colleges Commission on Institutions of Higher Education
- Northwest Commission on Colleges and Universities(NWCCU)
- Southern Association of Colleges and Schools (SACS)Commission on Colleges Western Association of Schools and Colleges
- Accrediting Commission for Senior Colleges and Universities (WASC-ACSCU) Western Association of Colleges and Junior Colleges (WASC-ACJC)

**Program Accreditation:** In addition to institutional accreditation, students must show documentation that their chosen program of study is accredited by one of the following accrediting bodies. If applying for an education grant to study a discipline other than one listed in the table below, the applicant must work with his/her System Leadership Team Representative and the Organization Development Team to review and confirm an acceptable accreditation similar in rigor to the others approved.

The disciplines listed in the table below are currently viewed as mission-critical to the System; however, MHS workforce needs will be evaluated on an ongoing basis. Applying for education assistance for one of these fields does not guarantee funding but rather allows for prioritization of applications. Applications for financial assistance for study in a field outside of the ones listed will be reviewed on an individual basis to determine need within MHS.
### Table 1
Approved Accrediting Bodies for Education Programs Funded by Education Assistance at Memorial Health System

<table>
<thead>
<tr>
<th>Discipline</th>
<th>Approved Accrediting Body/Bodies</th>
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<tbody>
<tr>
<td><strong>Nursing</strong></td>
<td>- Commission on Collegiate Nursing Education (CCNE)</td>
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<td></td>
<td>- National League for Nursing Accrediting Commission (NLNAC)</td>
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<td></td>
<td>- Council of Accreditation of Nurse Anesthetists (COA)</td>
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<tr>
<td><strong>Physical Therapy</strong></td>
<td>- Commission on Accreditation of Physical Therapy Education - branch of American Physical Therapy Association (APTA)</td>
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<tr>
<td><strong>Physical Therapy Assistant</strong></td>
<td>- American Speech Pathology &amp; Hearing Association (ASHA)</td>
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<tr>
<td><strong>Medical Diagnostic Sonography</strong></td>
<td>- Commission on Accreditation Allied Health Education Programs (CAAHEP)</td>
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<tr>
<td><strong>Surgical Technology</strong></td>
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<tr>
<td><strong>Cytotechnology</strong></td>
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<tr>
<td><strong>Radiologic Technology</strong></td>
<td>- Joint Review Committee on Education in Radiologic Technology (JRCERT)</td>
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<td><strong>CT Technology</strong></td>
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<td><strong>MRI Technology</strong></td>
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<td><strong>Ultrasound Technology</strong></td>
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<tr>
<td><strong>Medical Coding</strong></td>
<td>- American Academy of Professional Coders (AAPC)</td>
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<tr>
<td></td>
<td>- American Health Information Management Association (AHIMA) – branch of Commission on Accreditation for Health Informatics and Information Management (CAHIIM)</td>
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<tr>
<td><strong>Data Analytics</strong></td>
<td>- Association to Advance Collegiate Schools of Business (AACSB)</td>
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<tr>
<td><strong>Accounting</strong></td>
<td>- Accreditation Council for Business Schools and Programs (ACBSP)</td>
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