Educational Assistance Policy Guide

TABLE OF CONTENTS

Introduction i

Questions to Consider as You Develop or Revise Your Assistance Policy 1

ACE Educational Assistance Policy Recommendations 2

Template: Educational Assistance Policy 3

Template: Employee Request for Enrollment Approval 5

Template: Employee Request for Educational Assistance Payment 6

Appendix A: Options for Building an Educational Assistance Policy 7

Appendix B: Glossary of Terms 9

Past and Present Commission on Lifelong Learning Task Force Members and Others Who Contributed to the ACE *Educational Assistance Policy Guide* 11

American Council on Education
Commission on Lifelong Learning

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Introduction

The American Council on Education (ACE) believes that widespread access to excellent postsecondary education is the cornerstone of a democratic society and contributes to a more productive and flexible workforce. Because of these beliefs, ACE's Center for Lifelong Learning encourages organizations to create and support educational assistance and to develop and administer policies and procedures for financing employee participation in these programs.

This document is designed to guide you as an employer, as you develop or revise your educational assistance policy. It provides helpful resources for corporations, businesses, associations, unions, agencies, and other organizations that offer employee educational assistance.

Who Should Use this Policy Guide?

Business, government, industry, labor, and other organizational leaders responsible for developing or managing an organization's educational assistance program.

Why Should You Develop or Revise Your Educational Assistance Policy?

By strengthening your educational assistance program, you can maximize use of the money that your organization contributes to employee tuition, become or maintain your status as an employer of choice, and contribute to your organization's competitive advantage.

ACE wishes to thank the Commission on Lifelong Learning Task Force, as well as select association and corporate organizations, for their input and time in developing this guide. (See page 11 for the list of Task Force members and other contributors to this guide.)

We hope you will find this resource useful as you develop or revise your policies for helping employees achieve their higher education goals.

Questions to Consider as You Develop or Revise Your Educational Assistance Policy

To assist you as you develop or revise your policies, ACE recommends that you ask the following questions:

Questions About Value and Administration

- What is your organization's vision for an educational assistance program and how will your policy achieve that vision?
- What do your leaders want the educational assistance program to accomplish?
- Who will be eligible to participate?
- How should your organization structure financial assistance, i.e., will employees receive reimbursement before or after course completion?
- How will you administer and manage the program, i.e., centrally or locally, in-house or outsourced?
- Will your organization offer financial support of external educational or career advice, in order to ensure efficient planning for and use of educational assistance funds?
- What kinds of professional expertise will your organization need to deliver and manage the educational assistance program? How will you develop or contract for such expertise?
- What financial resources can your organization dedicate to this program?
- How will your educational assistance program support the broad array of educational options currently available to employees, e.g., distance learning, credit by examination, prior learning assessment, and so forth? (See the following section for more information.)
- How will you promote your educational assistance program to your employees?

Questions About Educational Options

- What types of educational options will your organization subsidize or finance? For example, will you cover the cost of college entrance exams, such as the SAT and ACT Assessment, or other exams, including the GED Tests, GRE, GMAT, or LSAT?
- Will your organization offer financial support for courses, apprenticeship programs, and examinations that are recommended for college credit by the American Council on Education?
- Will you cover the cost of fees for assessing portfolios of prior experiential learning ("Prior Learning Assessment," or PLA)?
- Will you subsidize the cost of required textbooks, supplies, and materials?
- What criteria will you use to approve payment for courses taken at educational institutions or training organizations?
- Does your organization want to encourage *completion* of degrees, certificates, and programs? If so, what reward systems, if any, will you put in place as incentive for employees?
- Must employees complete their educational experiences on their own time?
- Must courses, programs, or examinations be directly related to increasing employees' productivity in their current positions?
- Will the pass/fail grading option be supported in order to reduce employees' anxiety about academic assessment and to honor those options that may be available only under pass/fail grading? What happens if employees fail?
- Does your educational assistance program encourage employees to take courses that will help them maintain their current field knowledge, as well as help your organization build for the future?
- Are there other considerations?

ACE Educational Assistance Policy Recommendations

To assist you as you develop or revise your policies, ACE recommends the following:

Recommendations for Administration

- Ensure that the policy is in strategic alignment with the organization's vision and mission.
- Involve key staff and relevant parties from within the organization when developing or revising an employee educational assistance policy.
- In cases when a union represents employees, involve the union in the development, revision, and implementation of the educational assistance policy.
- Determine what kinds of professional expertise your organization will need to deliver and manage the educational assistance program, and whether you should develop such expertise in-house or contract with an outside provider.
- When possible, provide full or partial financial support *before* employees enroll in a course or program. Less financially advantaged employees may not be able to participate fully in your educational assistance program if they must bear the entire cost of tuition themselves upfront.
- Ensure that those who administer your educational assistance program are knowledgeable about the various options available. Take care that program administrators are not biased toward particular options, e.g., when considering regionally accredited vs. nationally accredited institutions, four-year vs. two-year colleges, classroom vs. distance learning delivery methods, and so forth. (Note: Independent education and career advising services are available from organizations such as the Council for Adult and Experiential Learning.)
- Widely communicate the educational assistance policy to all employees.
- Be sure that legal counsel reviews the policy before implementation.

Recommendations for Options to Consider

- Consider including assistance for *all* suggested traditional and nontraditional options for which employees can seek credit. See Appendix A.
- Determine how your educational assistance policy will address the broad array of educational options currently available to employees, e.g., distance learning, credit by examination, prior learning assessment, and so forth.
- Support employees who wish to take the GED Tests or participate in other high school equivalency programs. (Often, a high school diploma or the GED is required for employees to pursue postsecondary education.)
- Consider financing specialized certification programs. Today, more and more certification programs are emerging to keep employees updated on critical changes in their specialized fields. Some examples of industry certifications include Microsoft's Office Specialist Certification program and the Joint Commission on Allied Health Personnel in Ophthalmology's Certified Ophthalmic Assistant program.
- Some certificate programs are also recognized for academic credit toward degrees at colleges or universities. For example, George Washington University's six-course graduate certificate program integrates diverse expertise and current research for persons engaged in or seeking professional careers in crisis, disaster, and emergency management in the public, private, and not-for-profit sectors (http://www.gwu.edu/~mastergw/programs/cerm/index.html). The University of Maryland University College's online certificate in distance education is aimed at adults working in this technology field who want to complete their degree without interrupting their careers (http://www.umuc.edu/prog/gsmt/certificates/dist_ed.html).

Template: Educational Assistance Policy

The template that follows is designed to guide you as you develop or revise your educational assistance policy. Use this as you consider the key components of an educational assistance policy. For each component, adopt language that fits your organization's culture and strategic goals.

The key components of this template are:

- Purpose of the Educational Assistance Program
- Educational Assistance Policy
- Employee Education Options
- Employee Eligibility
- Maximum Annual Education Benefits
- Administrative Responsibility
- Employee Processes and Procedures for Participating in this Program

Purpose of the Educational Assistance Program

The educational assistance program outlined below is designed to _____***[this language should fit your organization's proposed purpose, e.g.,*** "assist employees in their professional development and in advancing their careers by encouraging voluntary academic studies that contribute to improved performance."].

Educational Assistance Policy

Recognizing the mutual benefits for this organization and its eligible employees, we provide financial assistance to employees for courses, certification programs, and examinations requested by management or voluntarily taken by employees interested in furthering their formal education. The courses, programs, and examinations covered under this policy must meet certain criteria established by this organization.

While successful completion of a course of study improves an employee's educational background, such accomplishment does not obligate the organization to reward participants with promotion, transfer, reassignment, compensation increase, or other employment-related benefits ***[unless the organization decides to provide such rewards].***

Employee Education Options

Employees have a variety of education options available to them, including ***[to be determined by the organization] (see Appendix A for full descriptions of the following):***

- Associate, bachelor's, and graduate degree courses or programs.
- Credit or noncredit courses or programs.
- American Council on Education's College Credit Recommendations
- Recognized postsecondary testing programs.
- Lifelong learning (portfolio) assessment programs.
- Professional certification programs.

Employee Eligibility

Educational assistance is available to employees who meet the organization's eligibility requirements ***[to be determined by the organization; list specific eligibility requirements here, e.g., full-time or part-time employees]:*** _____

Maximum Annual Education Benefits

The maximum assistance to be provided to an eligible employee during a calendar year is $_____ ***[to be determined by the organization].*** To be eligible for educational assistance, employees must meet all requirements outlined in this policy. Employees should carefully read through the policy and complete the appropriate paperwork *before* enrolling in any educational program or registering for an examination, certification program, or portfolio assessment program.

Administrative Responsibility

The _____ Department ***[to be determined by the organization]*** will administer the educational assistance program. It will give final approval to all requests for educational assistance and reimbursement for related expenses, based upon employee eligibility and verification of successful completion of approved courses, programs, or examinations ***[to be determined by the organization].***

Employee Processes and Procedures for Participating in this Program

[Note: Many organizations provide employees with access to internal or external educational or career advising services *before* starting the enrollment or registration process. To maximize the value of the educational assistance program for your organization, it is recommended that you consider providing internal or external career advising services for your employees.]

Employees interested in participating in this program are required to complete an Employee Request for Enrollment Approval (see page 5), available in _____ ***[publication or location to be determined by the organization].***

Employees must submit the completed form to their supervisor for approval at least 30 days before course or program registration ***[to be determined by the organization].*** Following review and endorsement by the supervisor, the form is then submitted for approval to _____ ***[to be determined by the organization].*** A copy of the processed form will be returned to the employee. Upon approval, pre-payment or reimbursement ***[to be determined by the organization]*** will be made directly to the employee.

After successful completion of an approved course, examination, or program, the employee is required to complete and submit to his or her supervisor ***[or other person assigned by the organization]*** an Employee Request for Educational Assistance Payment (see page 6). Employees may also be required to submit the course grade and related expense receipts. The form and all attachments are then to be forwarded to _____ ***[to be determined by the organization]*** for processing. Upon approval, payment will be made directly to the employees. The organization reserves the right to receive a copy of the grade report. (Final payment will be made within ____ days ***[to be determined by the organization]*** of receipt of all documentation.)

Template: Employee Request for Enrollment Approval

Employee Name: _____

Position: _____

Department: _____

Dates of Employment: _____

I hereby request approval for enrollment in the following course(s), examination(s), certification(s), or portfolio program(s) covered under the organization's Educational Assistance Policy. I understand that if my employment with the organization is terminated [voluntarily or involuntarily] within _____ ***[to be determined by the organization]*** of course completion and educational assistance, the full amount is due back to the organization upon my departure from employment.

Course/examination/certification/portfolio program title: _____

Dates of the course/examination/ certification/portfolio program: _____

Number of credits:_____
Undergraduate or graduate? (circle one)

Educational assistance amount requested: $_____
Due date: _____

Assistance amount used to date (January 1–December 31): $_____

Assistance amount remaining: $_____

[Sample Note: This organization's policy provides for payment or reimbursement for *actual* course/program tuition, application and registration fees, library access fees, and the cost of required textbooks *only*. Other fees will not be automatically covered by this organization.]

Reasons for course, examination, and certification program selection (describe the relationship to your current employment position responsibilities, if pertinent):

_____
_____
_____
_____
_____

Supervisor comments and recommendations:

_____
_____
_____
_____
_____

APPROVAL:

_____ Date: _____
(Signature)

_____ _____
(Title) (Department)

Template: Employee Request for Educational Assistance Payment

Employee Name:_____

Position: _____

Department: _____

Dates of Employment: _____

__I plan to take the course(s) listed on the Employee Request for Enrollment Approval and request payment.

__I have successfully completed my course(s) of study and hereby request fee reimbursement.

Total Tuition, Examination, and Other Approved Fees: $_____

Actual Assistance Amount: $_____

[Sample Note: This organization's policy provides for payment or reimbursement for *actual* course or program tuition, fees for postsecondary testing programs, application and registration fees, library access fees, and the cost of required textbooks *only*. Other fees will not be automatically covered by this organization.]

(If applicable, my course tuition receipt(s) and grade report(s) are attached ***[to be determined by the organization])***.

Employee signature: _____

Date: _____

I understand that if my employment with the organization is terminated [voluntarily or involuntarily] within _____ ***[to be determined by the organization]*** of course completion and educational assistance, the full amount is due back to the organization upon my departure from employment ***[or other timeframe determined by the organization].***

APPROVAL:

_____ Date: _____

(Signature)

_____ _____

(Title) (Department)

Appendix A

Options for Building an Educational Assistance Policy

When developing or revising your educational assistance policy, give serious consideration to offering *ALL* these options to employees.

- **Associate, Bachelor's, and Graduate Degree Courses or Programs.** All associate, bachelor's, and graduate degree programs must be from institutions accredited by an accrediting body that is recognized by the Council for Higher Education Accreditation (CHEA) or by the U.S. Department of Education. Such institutional accreditation includes national and regional, as well as specialized and professional programmatic accreditation.

  The American Council on Education's *Accredited Institutions of Postsecondary Education* lists these institutions and provides more information on accreditation. Read more about this publication at http://www.acenet.edu/bookstore/pubInfo.cfm?pubID=117.

  In addition, you may view a list of recognized, accredited colleges and universities on the CHEA web site at http://www.chea.org.

  Note: Successful completion of a course or program is required for educational assistance, and is interpreted as achieving a minimum grade of _____ ***[to be determined by the organization].***

- **Credit or Noncredit Courses or Programs.** Employees may choose to enroll in various courses or programs offered by a variety of educational institutions or training organizations. The amount of educational assistance upon successful course completion is ____ percent ***[to be determined by the organization].*** This organization's policy provides for pre-payment or reimbursement for course or program tuition, application and registration fees, library access fees, lab fees, and the cost of required textbooks ***[to be determined by the organization].*** Other fees are not automatically covered by this organization, but employees may request consideration of additional fees.

  Employees who are beginning or continuing their higher education studies should consider taking courses, apprenticeship programs, or examinations that have been recommended for college credit by the American Council on Education (ACE). Many colleges award credit for courses, apprenticeship programs, or examinations offered by organizations such as Delta Air Lines or Learning Tree International that have been evaluated and recommended for college credit by ACE. (For a listing of such courses, see the *National Guide to Educational Credit for Training Programs* or the *Guide to Educational Credit by Examination* at http://www.acenet.edu/clll/corporate/inside_guides.cfm. You may also search for courses online at http://www.acenet.edu/clll/corporate/participating_orgs.cfm.)

- **Recognized Postsecondary and Other Testing Programs.** A number of recognized standardized tests are available to employees who may have acquired learning outside the classroom. A few examinations that employees may take to determine their educational benefits include: the College-Level Examination Program (CLEP), the DSST Program (formerly DANTES DSSTs), and Excelsior College Exams (formerly ACT-PEP) (see Appendix B, Glossary of Terms, for more information about Postsecondary Testing Programs). In addition, high school equivalency examinations, such as the GED Tests, are options for employees under the educational assistance program.

The educational assistance program will reimburse you for successful completion of these examinations ***[to be determined by the organization].*** Organizations should review any information regarding the examinations before employees register. Some examinations may yield credit that applies to a degree related to an employee's educational goals. (Note: College and university catalogs or counseling centers may assist with this process.)

These examinations will be reimbursed at a rate of _____ percent ***[to be determined by the organization].***

- **Lifelong Learning (Portfolio) Assessment Programs.** Many accredited institutions throughout the United States offer portfolio assessment courses for employees who have obtained significant learning through their professional or life experiences (e.g., computer skills, business management skills, and so forth). Employees typically enroll in a course that assists in developing the portfolio. Once the portfolio is completed, college faculty with appropriate subject-matter expertise will evaluate it. Credit is then awarded based upon the documented learning. The costs of such a process will typically include tuition for the portfolio development course, evaluation fees, and college fees when credits are awarded.

  Visit the Council for Adult and Experiential Learning (CAEL) web site at http://www.cael.org or refer to the CAEL publication *Prior Learning Assessment: A Guidebook to American Institutional Practices* for more information about prior learning assessment and the colleges and universities that run portfolio programs.

  This organization will reimburse for expenses incurred only for portfolio programs within accredited higher education institutions. To receive reimbursement, employees must receive a grade of ___ or higher ***[to be determined by the organization].*** (Payment example: We agree to pay ____ percent of the tuition for the course; ____ percent of the portfolio evaluation fees; and/or ____ percent of the college credit transcript fees.)

- **Professional Certification Programs.** Professional and industry certification programs may be related to the employee's current job or provide promise of development for a future position (e.g., Microsoft Office Specialist Certification or Society for Human Resource Management Certification) ***[certification to be determined by the organization].*** The professional certification program must follow a certification process that is recognized by an appropriate industry or professional governing authority. A copy of the certification indicating successful completion of the program must be provided to this organization ***[at a time to be determined by the organization].***

Appendix B

Glossary of Terms

Accreditation

A process of nongovernmental, external review of institutions and programs that involves self-evaluation against academic quality standards, onsite visits by peers, recommendations, determination as to whether the institution or program meets specified standards; and a decision about accredited status. The purposes are quality assurance and quality improvement. See http://www.chea.org and the *CHEA Almanac of External Quality Review*, 2003.

Accredited Institutions of Postsecondary Education

A reference guide published by the American Council on Education. See http://acenet.edu/bookstore/pubInfo.cfm?pubID=117.

Accrediting Organizations

Voluntary, nongovernmental associations of institutions or programs whose purpose is to review and render decisions about accreditation status for institutions or programs that are included within the scope of each accrediting organization's domain. See http://www.chea.org and http://www.ed.gov/ope.

American Council on Education (ACE)

ACE is the major coordinating body for all the nation's higher educational institutions. It seeks to provide leadership and a unifying voice on key higher educational issues and to influence public policy through advocacy, research, and program initiatives. See http://www.acenet.edu.

Within ACE's Center for Lifelong Learning, the College Credit Recommendation Service arranges faculty reviews of examinations, formal courses, and apprenticeship programs offered by corporations, government agencies, and organizations including training suppliers, associations, labor unions, schools, institutes, and others. If college-level learning can be documented, the ACE faculty team will recommend college credit for the courses, apprenticeship programs, and examinations. Colleges and universities across the country accept these recommendations when students apply for credit. See http://www.acenet.edu/calec/corporate/participating_orgs.cfm and http://www/acenet.edu/calec/corporate/certif-exam.cfm.

Certification Programs

Certification programs provide employees with targeted skills and capabilities that may enhance their productivity. These are normally short-term educational programs that include an evaluation to determine the skills gained by the individual during the program, such as the Microsoft Office Specialist Certification.

Council for Adult and Experiential Learning (CAEL)

The Council for Adult and Experiential Learning is a national not-for-profit association that promotes quality assurance standards and provides professional development events concerning prior learning assessment (PLA) (see Lifelong Learning (Portfolio) Assessment Programs, next page). CAEL also acts as a service bureau that provides tuition assistance program transaction processing and education/career advice to employers who wish to outsource their program. See http://www.cael.org.

Council for Higher Education Accreditation (CHEA)

CHEA is a voluntary, nongovernmental policy and coordinating association that serves as a national voice for higher education quality assurance through research and publication, review and recognition of accrediting organizations, and advocacy for non-governmental self-regulation. Members include 3,000 degree-granting colleges and universities; 60 regional, national, and specialized accrediting organizations; and seven national higher education associations. See http://www.chea.org.

College Entrance Examinations

These are standardized tests used by colleges and universities as part of the admissions process for undergraduate and graduate programs. They include such exams as the GED Tests, ACT Assessment, SAT, GMAT, GRE, MCAT, and LSAT.

Diploma Mills

These are organizations or institutions that offer courses or degree programs that have not received any of the levels of accreditation recommended in this policy. Such institutions may imply they have been accredited in their advertising materials but, in fact, the accrediting organizations to which they refer are not recognized by the Council for Higher Education Accreditation or by the U.S. Department of Education. Employers and employees alike should learn to recognize and avoid diploma mills. See http://www.chea.org or http://www.ed.gov/students/prep/college/consumerinfo/questions.html.

Joint Statement on the Transfer and Award of Credit

Three leading higher education organizations—the American Council on Education (ACE), the Council for Higher Education Accreditation (CHEA), and the American Association of Collegiate Registrars and Admissions Officers (AACRAO)—have jointly published a document encouraging institutions and organizations to take a fresh look at transfer of credit policies. The statement also addresses the growing proliferation of distance learning sources of accreditation, learning outcomes, and the diversity of new providers. See http://www.acenet.edu/clll/joint.cfm.

Lifelong Learning (Portfolio) Assessment Programs

Many accredited institutions throughout the United States offer portfolio assessment courses for individuals who have obtained significant learning through their professional or life experiences (e.g., computer skills, business management skills, and so forth). Employees typically enroll in a course that assists them in developing the portfolio. Once the portfolio is completed, college faculty with appropriate subject-matter expertise evaluate it. Credit is awarded based upon the documented learning.

Postsecondary Testing Programs

These programs administer tests that assess an individual's learning acquired outside the classroom. The content of such programs should adequately represent the curriculum and intended goals of instruction. These might include, but are not limited to: the College Board's College-Level Examination Program (CLEP); Excelsior College Exams (formerly American College Testing Proficiency Examination Program [ACT-PEP]); DSST Program (formerly DANTES Subject Standardized Tests); and TECEP.

U.S. Department of Education (DOE)

Insofar as relevant here, the U.S. Department of Education is the federal agency that is required by law to publish a list of recognized accrediting agencies, which the Secretary of Education determines to be reliable authorities regarding the quality of education or training provided by higher education institutions, as well as the programs these agencies accredit. See http://www.ed.gov/admins/finaid/accred/index.html.

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