

STANDARD PROCEDURE

APPROVED BY: /s/ Ray Steen

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TUITION REIMBURSEMENT

PURPOSE

To define the process for tuition reimbursement for employees seeking higher education that enhances their value to Bath Iron Works.

GENERAL

All active full-time Bath Iron Works employees meeting eligibility requirements may request tuition reimbursement.

FORMS/EXHIBITS USED

<u>FORMS/EXHIBITS USED</u>	<u>FORM NO.</u>	<u>EXHIBIT NO.</u>
BIW Tuition Reimbursement Program Form	F-2140-1	1
BIW Tuition Reimbursement Payment Request Form	F-2700	2
BIW Tuition Reimbursement Degree Lump Sum Payout Form	F-2701	3

DETAILED PROCEDURE

1.0 Employee Eligibility

- 1.1 Employees who have completed BIW probationary periods
- 1.2 Employees must be currently working during the duration of the course.
- 1.3 Full-time employees who are in good standing at the time of enrollment and at the time of reimbursement. Good standing includes performance, work habits, and policy/procedure compliance.
- 1.4 Employees who have requested and been placed on a voluntary leave of absence (excluding protected leaves) will not be eligible for reimbursement for courses taken during that period of time. Employees who have been placed on involuntary lay off will be eligible to receive reimbursement for the completion of courses taken during that time period.
- 1.5 Employees on a Performance Improvement Plan (PIP) are not eligible unless coursework is part of the PIP. If approved coursework was started prior to the employee being placed on a PIP, a determination will be made by management and HR regarding the employee's continuation with the degree program and/or coursework.
- 1.6 Temporary, contract, intern, co-op and consultants are not eligible.
- 1.7 All exceptions require approval from the VP of Human Resources.

2.0 Course Eligibility

- 2.1 Courses that enhance an employee's contribution to Bath Iron Works. Courses must be taken at, or with an accredited institution and be approved by the employee's division management.
 - 2.1.1 College-level courses required by the institution as preparation for acceptance into a degree program may be approved.
 - 2.1.2 Courses in only one degree program at a time will be eligible.

2.1.3 College-Level Examination Program (CLEP). The employee shall provide documentation of acceptance of the examination results by the college/university for college credit.

2.2 Technical courses provided by accredited colleges, universities or other professional education institutions where the content will be immediately beneficial to the employee's current job assignment as determined by Division Management and Human Resources.

2.3 Courses leading to a high school diploma or GED are eligible for reimbursement.

2.4 Courses must be taken outside the employee's normal working hours. Courses must not negatively impact the employee's ability to perform their job responsibilities.

3.0 Reimbursement

3.1 Written approval for courses shall be received and approved by Human Resources prior to the beginning of the course or program.

3.1.1 Division management shall describe how the course or degree program is directly related to the employee's current position, sign the form, and return it to the employee for submission to the Tuition Program Administrator prior to the beginning of the class. Please note: Apprentices should seek division approval from the Apprenticeship Program Manager.

3.2 Employees entering a formal degree program with an accredited institution shall provide a complete listing of required courses along with letter of acceptance into the degree program no later than one (1) week prior to the start of classes.

3.2.1 Employees enrolled in formal degree programs are not required to complete Tuition Reimbursement Form #F-2140-1 for each semester/trimester. The course listing will act as class enrollment notification.

3.3 Employees not enrolled in a specific degree program shall complete Tuition Reimbursement Form #F-2140-1 with the eligibility information from Division Management. This form and all required documentation shall be submitted to Human Resources at tuition@gdbiw.com prior to the first day of class or examination (i.e. Professional Engineer, CLEP) date.

3.4 Upon completion of an accredited degree program only, employees have the opportunity to receive a lump sum payout if the following guidelines are met:

3.4.1 Employees have successfully completed two-thirds (2/3) of required coursework at an accredited institution, and within a formal degree program, while a full-time employee at Bath Iron Works.

3.4.2 BIW Tuition Reimbursement Degree Lump Sum Payout Form #F-2701 shall be completed and contain all required documentation, and approved with the Division/Area Director's approval signature. This form and all required documentation must be submitted to tuition@gdbiw.com no later than eight (8) weeks after completion of your degree.

3.4.3 Lump Sum Payouts

- \$3,000 – Master's Degree
- \$2,000 – Bachelor's Degree
- \$1,000 – Associates Degree

3.4.4 Lump sum payouts are considered taxable income and will be processed through the BIW Payroll Department.

4.0 Process for Receiving Tuition Reimbursement

4.1 Employees shall provide a formal grade report prepared by the academic institution indicating successful completion of the course with a letter grade of "C" or better ("Pass" for Pass/Fail course).

4.2 Tuition will be reimbursed based on grade received upon completion of the course

- "A" reimbursed @ 100%
- "B" reimbursed @ 90%
- "C" reimbursed @ 80%
- Non-degree courses "Pass", if Pass/Fail ranking, will be reimbursed @ 100%
- Licenses – (i.e. FE/PE) exam cost will be reimbursed at 100%

4.3 All grades and receipts for tuition, required textbooks, and fees along with the BIW Tuition Reimbursement Payment Request Form, #F-2700, shall be submitted to tuition@gdbiw.com within three (3) months of the course completion date.

4.4 Reimbursement may not exceed the Federal taxable threshold of \$5,250 per calendar year.

4.5

5.0 Exclusions

5.1 Tuition reimbursement will not be approved when the BIW Tuition Reimbursement Program Form has not been received by Human Resources prior to the first day of the class.

5.2 Fees covering the following:

5.2.1 Equipment / Materials / Supplies and Software / Tools

5.2.2 Insurance / Health Insurance

5.2.3 Fees: Late / Parking / Returned Check / Add / Withdrawal / Drop / Software Equipment Usage / Student-to-Student Grant / Student Activity / Registration,

5.2.4 School Provided Bus Pass

5.2.5 Transportation / Parking

5.2.6 Travel / Food / Lodging / Study Abroad

5.3 Reimbursement is not provided when the employee is receiving educational assistance from any other source (i.e. VA GI Bill, Federal/State/Private grants, scholarships). All exceptions shall be submitted to the Human Resources for approval.

5.4 Certificates or licenses that are mandated by law, regulation, or customer contract and are required by the Company to perform the employee's current assignment will be covered by the training budget of the employee's division, not by Tuition Reimbursement.

6.0 Compliance with Federal and State Tax Laws and Regulations

6.1 The Procedure will comply with applicable federal and state laws and regulations relating to Educational Assistance Programs (such as Internal Revenue Code Section 127).

6.2 Changes in laws and regulations, including those applied retroactively to payments already made or courses already begun will be applied to the provisions of this procedure effective on the date of the change.

6.3 If applicable laws or regulations deem any or all reimbursements, including those already paid, to be treated as taxable income to the employee, the employee will be responsible for any taxes owed.

7.0 Termination of Employment

7.1 Employees who self-terminate their employment within twenty four (24) months after receiving tuition reimbursement benefits for course, certification program and/or degree, must reimburse the company 1/24th of the total amount for each month short of the twenty four (24).

7.2 An Employee who has been terminated for cause or resigns is not eligible for reimbursement.

EXHIBIT 1

TUITION REIMBURSEMENT PROGRAM

SUBMIT WITH APPROVAL SIGNATURES AND DOCUMENTATION TO TUITION@GDBIW.COM BEFORE THE FIRST DAY OF CLASS. LATE FORMS WILL NOT BE APPROVED. EMPLOYEES ARE RESPONSIBLE FOR MAKING SURE APPROVED FORMS ARE SUBMITTED ON TIME.

Name _____ Badge (include check digit) _____ Extension _____

Employee Position _____ Dept. _____ Mail Stop _____

Course Description Course Title and Code Number	College	Course Start Date	Tuition Cost
1.			
2.			

COURSE INFORMATION (To be completed before approvals are obtained)

- Course is a degree requirement in an approved job-related degree program.
Type of Degree _____ Major _____ Expected date of completion _____
- Course is last course of degree program. Course prepares for degree eligibility
- Course is job-related college credit course not currently part of a degree program.
- Other _____

REQUIRED DOCUMENTATION (To be attached to this form)

- New degree candidates: degree program acceptance letter; course outline and credit hours required for degree; tuition cost
- Ongoing degree candidates: official notice of school's current tuition cost
- Other program applicants: official course description and tuition cost

FORMS WITH INCOMPLETE INFORMATION OR DOCUMENTATION WILL NOT BE APPROVED

EMPLOYEE AGREEMENT

I hereby state that I have not applied for and that I shall not receive other tuition aid for the course(s) listed above. (This includes scholarships, grants, Veterans Education allowances or other formal financial aid programs.) I have also read and understand the applicable standard procedure. I agree to be responsible for any future or retroactive taxes that may be owed for tuition reimbursement as required by applicable state and federal laws and regulations.

Employee Signature _____ Date _____

APPROVALS (Division Management approval indicates employee eligibility as described in Standard Procedure 2-9)

Degree is job-related. Describe how it is related to current job _____

Course is directly related to current job. Describe how _____

Other _____

Employee is currently at work.

Division Management Signature _____ Date _____

HR Approval _____ Date _____

Reimbursement will be made to the employee upon presentation of grade report or course completion certificate and official receipts indicating exact tuition cost within three months of course completion date. Reimbursement includes: Tuition cost, included fees, books (\$200 per class maximum) and graduation cost (\$200 maximum.)

Copy of this form will be returned to employee as the approved record for tuition reimbursement.

(INSTRUCTIONS ON OTHER SIDE)

FOR INTERNAL USE ONLY

EXHIBIT 1 (Cont'd)

INSTRUCTIONS

REQUEST FOR TUITION REIMBURSEMENT

- Complete the Tuition Reimbursement Program Form (other side) in full each time you submit a request to tuition@gdbiw.com including:
 - Employee information
 - Course information as described on the form including tuition cost
 - All required documentation applicable to your request
 - Your signature and approval from Division Management
- **The completed form with approvals must be received by HR before the first day of class.**
 - Late forms will not be approved and will be returned.
 - It is the employee's responsibility to ensure that the form is signed by Division Management and **received** by Human Resources before the first day of class.
 - HR will not accept forms without required documentation and approvals.
- Once HR approves the request, an approved copy of the form will be returned to the employee.
- If the request is not approved, employees will be notified.
- The Tuition Reimbursement Program applies to college courses, degree programs and other approved courses which are directly related to the position or assignment where the employee is currently working.
- Refer to BIW Standard Procedure 2-9 "**TUITION REIMBURSEMENT**" for detailed information.
- A formal grade report prepared by the academic institution must be received by Human Resources **within 3 months from the date the course ended** or reimbursement will not be paid.
- Reimbursements are processed through Accounts Payable for non-computer user employees and are mailed to the employee's home address. Processing takes 2-4 weeks.
- Reimbursements for computer users are processed through the Concur Expense System, by the employee, once they have received all of the approved documentation. Processing takes 2 – 4 weeks.

Email forms to: tuition@gdbiw.com

(SEE OTHER SIDE)

FOR INTERNAL USE ONLY

EXHIBIT 2

GENERAL DYNAMICS
Bath Iron Works

TUITION REIMBURSEMENT PAYMENT REQUEST FORM

<i>Name</i>	
Badge #	Extension
Dept.	Mail Stop #

<u>Course(s)/Tuition Only</u>	<u>Grade</u>	<u>Amount</u>	<u>Tuition Cost</u>
1.			
2.			
3.			
Total:			

<u>Book Titles</u> (up to \$200 per course)	<u>Course #</u> (1, 2, 3.)	<u>Amount</u>	<u>Book(s) Cost</u>
Total:			

<u>Fees</u>	<u>Amount</u>	<u>Total Fees Cost</u>

<u>Graduation – School</u>	<u>Amount – up to \$200</u>	<u>Graduation Cost</u>

<u>Total Payment Requested</u>

Attach for Verification:

- Formal grade report prepared by the academic institution with the school/college’s name and your name on the report.
- Book receipts must have the title of book verifying which course it pertains to and cost.

Signature	Date
HR Approval	Date

Please email form to tuition@gdbiw.com

EXHIBIT 3

GENERAL DYNAMICS
Bath Iron Works

BATH IRON WORKS

TUITION REIMBURSEMENT DEGREE LUMP SUM PAYOUT FORM

Name

Badge

Extension

Dept.

Mail Stop

College

Degree

Completion Date

Lump Sum Payout Amount

BIW employees have to complete two-thirds of their classes at an accredited degree program while a full-time employee at Bath Iron Works. Lump sum payouts are considered taxable income and will be paid through the Payroll Department

Attach for Verification:

- Copy of your transcripts
- Copy of your diploma

Employee's Signature _____ Date _____

Division/Area Director's
Signature _____ Date _____

HR Approval _____ Date _____

Please email form to tuition@gdbiw.com

REVISION SUMMARY SHEET

- Administrative – updated approver
- Added clarification for eligibility under section 1.0
- Under 2.4, specified course must not affect employee’s job responsibilities
- Added section 7.0 Termination of Employment
- Amended 4.2 for to reflect “A” reimbursed @ 100%, “B” reimbursed @ 90% and “C” reimbursed @ 80%