

# EDUCATIONAL REIMBURSEMENT AGREEMENT

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\_\_\_\_\_ (Company) is willing to pay for the cost of Employee education that will improve the value of employees to the Company. However, due to the considerable expense involved, the Company must have a commitment from the employee receiving the education . . . a commitment to insure they will apply this education while employed with the Company.

Beginning on or about \_\_\_\_\_, \_\_\_\_\_ (Employee) will begin a training program entitled \_\_\_\_\_. This training is scheduled to last until \_\_\_\_\_. The fees for this program are in the amount of \_\_\_\_\_. Educational cost reimbursement is limited to tuition, textbooks and instructor-required materials. There shall be a maximum reimbursement of \$75.00 per semester for books and instructor-required materials.

**Employee agrees and understands this training is a voluntary effort for which no wages will be paid.** *(Note: Use this sentence if in fact “voluntary”. If the training is non-voluntary and the employee is non-exempt, wages will be owed for time training, including possible overtime).*

As consideration for the above payment, Employee agrees to continue employment with Company, after conclusion of the training, for an additional \_\_\_\_\_ years, through \_\_\_\_\_. If for any reason the Employee voluntarily leaves the Company, or is terminated for good cause, he or she agrees upon termination to repay the amount indicated above on a prorated basis of months completed from the beginning of the training to his or her termination date. So for example, if the Employee quits or is terminated for good cause one year after course completion, and they are required to remain employed for three years, they would owe two-thirds of the tuition amount.

If Employee is obligated to refund tuition reimbursement under the terms of this Agreement, the Company will withhold any amount due under this Agreement from Employee’s last paycheck from the Company. By signing this Agreement, Employee expressly authorizes and agrees to have the Company deduct any amounts owed under this Agreement from his/her last paycheck. After such deduction, any remaining balance owed to the Company shall continue to be an obligation of Employee to the Company. Employee agrees to repay any remaining balance owed after the deduction from the final paycheck to the Company within ten (10) business days of the date of termination. *(Note: before taking **anything** out of a final paycheck, check with state law requirements. It is generally not advisable to withdraw anything from a final paycheck without doing so.)*

This agreement does not constitute an Employment Agreement. The employment relationship remains “at-will”, meaning Employee and the Company have the right to terminate employment at any time, with or without notice, and without the need for cause. Employee understands that he or she must meet the Company’s standards of conduct and performance during this period of time. No one other than the President or Vice President of the Company has the authority to alter this arrangement which will be provided to the Employee in writing.

If the Employee does not complete the training or does not attain a grade of “C” or better, will be borne by Employee and reimbursable within 30 days, whether still employed or not.

Should it become necessary for the Company to file suit in order to collect these costs, Employee agrees to pay all costs of said suit, attorney’s fees, and other related costs by the Company, as well as interest allowed at the legal rate on the amount owed to the Company.

Employee’s signature below indicates that the Employee has fully read this Agreement, fully understands and agrees to its terms and is entering into this Agreement knowingly and voluntarily.

\_\_\_\_\_  
Signature of Employee

\_\_\_\_\_  
Signature of Supervisor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date