

Education Assistance, Information & Eligibility

Effective January 1, 2021

RRA prides itself on attracting talented individuals and is committed to the continuous learning and education of its employees. We encourage you to explore the vast opportunities and offerings of classes, coaching and instruction through degree and non-degree programs that would allow you to update an area of knowledge or skill set that enables you to be more successful within the firm or to make strides toward future career aspirations within RRA. To further enhance the firm's commitment to professional development, we are excited to offer various education assistance programs as described below:

	<i>Continuing Education (CE)</i>	<i>Undergraduate Degree (UD)</i>	<i>Advanced Degree (AD)</i>
<i>Description</i>	Continuing education involves any class taken to gain skill-specific training or update knowledge in your area of expertise including webinars, seminars, workshops, certificate programs, exam preparatory courses, and classes taken to attain or maintain a professional certification and/or license renewal.	Undergraduate degrees are those received post high school or secondary education. These would include, but are not limited to, associate and bachelor's degrees.	Advanced degrees are those received after an undergraduate degree has been earned. These would include but are not limited to master's degree programs and doctorate programs.
<i>Determining Eligibility</i>	<ul style="list-style-type: none"> ▪ employed six months <i>before</i> the start date of the CE ▪ CE costing >= \$1,000 is covered by this policy ▪ CE costing < \$1,000 are not covered by this policy. Instead, they should be approved in advance by the employee's direct manager and be submitted through Concur for reimbursement <p>The employee must:</p> <ul style="list-style-type: none"> ▪ be a regular full-time or part-time active employee of firm who is regularly working at least 20 hours per week (no reimbursement is offered while an employee is on sabbatical) ▪ be considered a strong performer* prior to the start of the program and maintain that level of performance throughout the reimbursement period ▪ be in Good Standing** throughout the course. ▪ demonstrate how the education would support and enhance the employee's performance 	<ul style="list-style-type: none"> ▪ employed one year <i>before</i> the start date of the class 	<ul style="list-style-type: none"> ▪ employed two years <i>before</i> the start date of the class
<i>Eligible Expenses</i>	<ul style="list-style-type: none"> ▪ tuition for individual classes, books, and registration ▪ travel expenses, housing, and food are <u>not</u> covered to attend degree programs ▪ travel expenses may be covered for continuing education, which is held out-of-town, but are subject to pre-approval by the employee's manager 		
<i>Reimbursement Requirements</i>	<p style="text-align: center;">Achieve and/or maintain a grade level of B or better Pass if taking a pass/fail class which offers no grade/grade equivalent or Proof of Attendance if no grade/grade equivalent is given</p>		



	<i>Continuing Education (CE)</i>	<i>Undergraduate Degree (UD)</i>	<i>Advanced Degree (AD)</i>
<i>Reimbursement Amount</i>	100% of the actual expenses up to US \$5,250 a year, or local equivalent.	100% of the actual expenses up to US \$5,250 a year, or local equivalent.	50% of the overall cost
<i>Reimbursement timing</i>	Reimbursement occurs in one installment upon completion of each class as evidenced by: <ul style="list-style-type: none"> ▪ proof of payment and registration ▪ a copy of the qualifying grade 		
<i>Lifetime Reimbursement Cap</i>	N/A	<ul style="list-style-type: none"> ▪ combined amount of reimbursement for Undergraduate and Advanced Degree Assistance is capped at \$50,000 ▪ only one undergraduate and one graduate degree are eligible for reimbursement during an employee's tenure ▪ Cost of degrees acquired under previous versions of this policy are applied to the lifetime cap 	
<i>Claw back</i>	N/A	<ul style="list-style-type: none"> ▪ Signed Promissory Note Required ▪ Voluntarily departures and Gross Misconduct: <u>all</u> Degree Assistance received during the 12-month period prior to termination must be refunded to RRA unless otherwise required by law. 	<ul style="list-style-type: none"> ▪ Signed Promissory Note Required ▪ Voluntarily departures and Gross Misconduct: <u>all</u> Degree Assistance received during the 36-month period prior to termination must be refunded to RRA unless otherwise required by law.
<i>Approval process</i>	Requests for CE assistance require the approval of the employee's Hub Leader or Department Head, and the People Director.	Follow Approval Process for Degree Assistance	

**Strong performer means that the employee's quality of work, responsiveness, cooperation, attendance, level of participation, compliance with Firm policies and procedures, and general progress meets or exceeds expectations.*

***Good Standing means that the employee is employed by Russell Reynolds Associates, has not given notice of resignation, is not under investigation for conduct that could result in the termination of employment, and to the extent permitted by law, is not on a leave of absence.*

Approval Process for Degree Assistance

Requests for Degree Assistance require the completion of an application that includes the following:

- Evidence of the employee's performance as defined by the policy
- A business case / value proposition for the degree, including what the degree will provide to enhance the employee's career and effectiveness/performance in their position at the firm
- A detailed plan of how the employee's degree class schedule will impact their working hours, keeping in mind that classes taken during the working day may require a reduced schedule and related reduction in salary if the work-day impact is substantial
- Estimated total cost of tuition and books for the entire degree

Approval is based on a review of the application by the Hub Leader or Department Head, and the employee cannot proceed until the application has been approved in writing by the Department Head or the Hub Leader, and the appropriate member of People Team.



After Degree Assistance is approved, individual classes must be discussed and approved by the employee's direct manager prior to enrollment.

Degree Assistance for undergraduate and advanced degrees will be subject to a claw back agreement. Claw back agreements must be signed by the employee and a member of the Operating Committee prior to reimbursement of any funds unless otherwise required by local law.

Education Assistance as Taxable Income

Employees are responsible for understanding their tax position and remitting any taxes related to Education Assistance.

In the United States, if you receive reimbursement for education expenses, you can exclude up to \$5,250 of those benefits from your taxable income each calendar year. For reimbursements that exceed \$5,250 in total during the year, you must pay tax on the amount over \$5,250. The amount that exceeds \$5,250 is subject to Social Security taxes, Medicare taxes, and federal and state income taxes.

For information regarding taxability for Education Assistance in other countries, please consult your tax advisor for the most current law.

For questions, please contact Syria Tague or Bridget Blake

