

UTM Employee Tuition Assistance Program Contract

This contract is by and between THE UNIVERSITY OF TENNESSEE, acting by and through its Martin campus, ("UTM"), and _____ ("Employee"). The Employee and UTM shall collectively be referred to herein as the "parties."

WITNESSETH:

WHEREAS, in consideration of Employee pursuing education terminating in the receipt of a _____ degree (the "Degree Program") to be conferred by _____ (the "Enrolling Institution"), UTM agrees to pay the tuition charges, maintenance fees, student activity fees, or registration fees (collectively, "Tuition Assistance") net of any scholarships ("Tuition Assistance") conferred upon Employee by the Enrolling Institution and in an amount not to exceed \$__ during the academic terms identified below. Said Tuition Assistance will be paid directly to the Enrolling Institution upon receipt of a valid itemized invoice. **However, Tuition Assistance will not exceed \$__ during the term of this agreement.**

Semester	Enrolled Hours	Tuition	Program Services Fees	Scholarships	Tuition Assistance

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained, the parties agree as follows:

- 1. No Guarantee of Employment.** This Agreement shall not be construed in any way as providing contractual rights to employment with UTM for a specified period, any legitimate expectation of continued employment for a specified time, or any other kind of agreement that would confer a property right or interest on Employee or otherwise alter the Employee's at-will status. Employee is pursuing this degree voluntarily and it is not a requirement for continued employment by UTM.
- 2. Employee Obligation.** Employee agrees to participate in and pursue the educational program to the best of his/her/their ability and to use reasonable efforts to complete the Degree Program. Should Employee not complete the Degree Program, including should the Employee fail the Degree Program, withdraw, or be expelled from the Degree Program,

UTM's financial obligation under this contract shall immediately cease and Employee will be required to reimburse UTM for one hundred percent (100%) of the Tuition Assistance plus interest as computed according to paragraph 3.

3. **Satisfaction of Obligation.** Employee agrees to render full-time employment service, with compensation, to UTM for a period of two (2) years for a master's degree and five (5) years for a doctor's degree, commencing at the completion of the degree as herein described. Upon each anniversary of Employee's completion of the degree, the amount that Employee would be required to reimburse UTM for Tuition Assistance pursuant to section 4 shall be reduced by fifty percent (50%) for master's degree and twenty percent (20%) for doctor's degree.

In the event Employee is required to reimburse UTM for Tuition Assistance under this Agreement, then within sixty (60) days of the date of the event that triggered Employee's reimbursement obligation (e.g., date of voluntary resignation of employment by Employee; date of termination of employment for gross misconduct by the University), Employee shall pay UTM the full amount of the Tuition Assistance owed or enter into a repayment plan not to exceed twenty-four (24) months. Interest at the rate of six percent (6%) per year calculated from commencement of the Degree Program will be applied to the amount owed to UTM. Employee further agrees to pay all attorney's fees and other reasonable collection costs and charges necessary for the collection of any amount not paid when due.

4. **Employee Repayment Obligation in the Event of Termination or Resignation.** If Employee's employment with UTM is terminated involuntarily, Employee shall not be required to reimburse UTM for any Tuition Assistance. However, this paragraph shall not apply if Employee resigns from UTM or is terminated for gross misconduct, in which case the repayment obligations contained in paragraph 3 will apply. In the event Employee resigns from UTM or is terminated for gross misconduct prior to degree completion, Tuition Assistance will terminate immediately, and Employee shall reimburse UTM one hundred percent (100%) of the Tuition Assistance that was paid under this contract.
5. **Employee Repayment Obligation in the Event of Death or Disability.** If Employee's employment with UTM is terminated due to death, or permanent and total disability, then neither the Employee nor the Employee's estate shall be required to reimburse UTM for Tuition Assistance.
6. **Deduction Authorization.** Employee agrees that UTM, in its sole discretion, shall be entitled to withhold, offset, and deduct from the final paycheck that is owed to Employee by UTM the amount of any indebtedness owed to the University by Employee, including but not limited to reimbursement for Tuition Assistance. Employee also agrees that UTM, in its sole discretion, shall be entitled to withhold, offset, and deduct from any payout for accrued annual leave that is owed to Employee by UTM the amount of any indebtedness owed to the UTM by Employee, including but not limited to reimbursement for Tuition Assistance.
7. **Indemnity.** Employee understands that tax laws are subject to change, and UTM strongly recommends that Employee consult with his/her/their tax advisor to determine if the tuition assistance benefit is taxable income to Employee. Employee shall indemnify and save harmless UTM from and against any and all suits, claims, actions, damages and other losses which Employee or UTM suffers or incurs as a result of any governmental taxing authority assessing the reimbursement of the tuition payments hereunder as a benefit to Employee.

8. **General.** This Agreement contains the complete agreement relating to Tuition Assistance and Employee's obligation to reimburse. Neither Employee nor UTM has made any representation with respect to the subject matter of this Agreement not specifically included in this Agreement, nor has either party relied on any such representation in entering into this Agreement. The invalidity of any portion of this Agreement shall not be deemed to affect the validity of any other provision. In the event any provision of this Agreement is held to be invalid, the parties agree that the remaining provisions shall be deemed to be in full force and effect as if they had been executed by both parties subsequent to the expungement of the invalid provision. This Agreement shall be interpreted in accordance with Tennessee law.

WITNESS the hands of the parties on this ____ day of _____, _____.

By: _____

Employee

For UTM:

By: _____

Senior Vice Chancellor for Finance & Administration