

# Employee Guide and Frequently Asked Questions (FAQs)

## MPC Educational Reimbursement Plan

**January 1, 2022**

As with all Company benefit plans, the Company reserves the right to amend, modify, terminate or change the Marathon Petroleum Educational Reimbursement Plan, in whole or in part. In addition, the Company intends to comply with the tax code requirements required for this Plan. In order to comply with these requirements, the Company may amend, modify, terminate or change this Plan as needed.



# Educational Reimbursement Plan FAQs

## 1. What benefits does the Educational Reimbursement Plan include?

The MPC Educational Reimbursement Plan (the Plan) provides financial assistance for two types of education-related expenses:

- A. Tuition Assistance: for courses under an approved Degree Program or single courses outside a degree (a Non-Degree Course); and
- B. Certification and Licensing (C&L) Assistance: for an approved professional licensing or certification program.

Throughout this document, “reimbursement of expenses related to a course” and “reimbursement of tuition-related expenses” refers to requests for Tuition Assistance; these terms are interchangeable.

## 2. What is a Non-Degree Course?

A Non-Degree course is a course offered by an accredited college or university that an employee takes on an individual or stand-alone basis, not as part of a specific Degree Program. These courses are generally intended to be a one-off course taken outside a degree, not in lieu of a degree.

Before beginning a non-Degree course, you must get approval from your current Manager/Supervisor and Human Resources Business Partner (HRBP). You should request approval before beginning the course to ensure it qualifies for financial assistance under the Educational Reimbursement Plan.

***Note: Any reimbursement received for a Non-Degree course is applied toward the \$5,250 undergraduate annual benefit maximum, even if the course is graduate level.***

## 3. If I want to pursue a degree at an accredited college or university, what do I do first?

Before beginning a Degree Program, you must get approval from your current Manager/Supervisor and HRBP. You should request approval before beginning the program to ensure it qualifies for financial assistance under the Educational Reimbursement Plan.

To request approval to begin a Degree Program, you will submit an online request within Workday, which includes a Tuition Repayment Agreement. The request will be routed to your Manager/Supervisor and HRBP for approval.

Documentation that describes the program and the costs associated with the degree is required and will be submitted online as part of your request. (See question #5 below.)

***Note: If you are pursuing a Degree that is outside your current organization (i.e., currently working in Accounting, but pursuing a degree in HR), it requires approval from the HRBP or HR Manager of the other organization before you begin the program. If this applies, contact your HRBP with questions.***

# Educational Reimbursement Plan FAQs

## 4. What if I want to go to college, but I am unsure what degree to pursue?

If you are unsure of the type of degree to pursue, you should discuss the options with your HRBP before seeking approval from your Manager/Supervisor. Your HRBP can provide general guidance on degrees that may supplement your career within MPC or may be applicable to a position that is “reasonably attainable” within the organization.

**Note: Once you select your Degree Program, you must obtain approval from your Manager/Supervisor before you enroll, as outlined in question #3 above.**

## 5. What information do I need to provide for my Program Description when I submit a Degree Program Request?

A **Degree Program Description** should be something from the school which, at a minimum, includes the following:

- An overview of the program, including the objective and/or goals;
- The required curriculum, including a list of the courses required to obtain the degree; and
- The number of credit hours and cost per credit hour for each of the courses listed in the curriculum.

Printed copies from the University’s web page and/or Programs Catalog or Brochures that clearly identify the institution and provide the above information are acceptable.

## 6. How do I know if a school is an eligible institution under the Educational Reimbursement Plan?

If the institution is accredited by a local or regional accrediting agency, the school should be considered an eligible school under the Educational Reimbursement Plan. You can verify the accreditation of a specific institution at the US Department of Education website:

<http://ope.ed.gov/accreditation/>.

## 7. When can I begin taking courses toward my degree?

Once you receive notification that your Degree Program Request has been approved, you may enroll for the next available semester or quarter.

## 8. Is there a waiting period for new employees?

There is no waiting period for the Educational Reimbursement Plan. However, it is up to your Manager/Supervisor to decide whether or not you have been in your position a reasonable amount of time to allow pursuit of further education without adversely affecting your job performance. Your Manager/Supervisor in conjunction with HR maintains final approval authority.

# Educational Reimbursement Plan FAQs

## 9. When can I request reimbursement for expenses related to a course?

You can request reimbursement of eligible expenses related to a course under the Educational Reimbursement Plan after the course has been successfully completed and you have received a final grade.

A grade of “C” or better or “Pass” if the course is Pass/Fail is necessary in order to be eligible for reimbursement under the Plan.

If required, you must pay up-front for your course and request reimbursement later. Some colleges may offer the option to defer payment until the course is complete. However, if you take advantage of that option, any charges associated with the deferment are NOT eligible for reimbursement under the Plan.

## 10. Once my course is complete, how do I request reimbursement? What documentation is required to be submitted with my request?

Upon satisfactory completion of a course (see question #9 above), a request for reimbursement of eligible expenses related to the course should be submitted online through Workday. Click [here](#) for instructions on how to submit a Tuition Reimbursement Request in Workday.

**Please note:** Your final grade and total cost are part of the request. ***Please do not enter your request until you have the final billed amount.***

The following items are required to be scanned and uploaded as part of your request for reimbursement:

- Official grade report; can be an online print-out as long as it clearly identifies the institution and the student’s name.
- Itemized statement of tuition and fees charged, less any payments made; can be an invoice from the school as long as it includes the required details.
- Receipts for textbooks, supplies, and equipment purchased for the course.
  - ***A course syllabus may be required if there is a discrepancy in the documentation submitted and the amount being requested.***
- Statement of Financial Aid or assistance (if applicable).

## 11. Do I have to receive a certain grade to be eligible for reimbursement of a course?

Yes. As mentioned above in question #9, in order to be eligible to receive reimbursement for a course you have taken, you must receive a grade of “C” or better in the course. If the course is graded “Pass/Fail,” you must receive a Passing grade in order to be eligible for reimbursement for that course.

## Educational Reimbursement Plan FAQs

### **12. If I transfer colleges, do I have to complete a new Degree Program Request?**

No. As long as you are still within the degree that was initially approved, you do not have to complete a new Degree Program Request due to transferring between colleges. However, your HRBP may require that you submit a new course curriculum once you transfer schools and/or proof that the new school is accredited. See question #6 above for information on how to verify accreditation.

### **13. Does MPC limit the number of degrees one person is able to obtain under the Education Reimbursement Plan?**

While there is not a limit to the number of degrees one person is able to obtain, each degree must be determined to be in line with your current position and must be within the scope of the Company's operations.

### **14. What expenses can I be reimbursed for under Tuition Assistance?**

Tuition and the cost of textbooks and/or supplies required to take a course are eligible for reimbursement, up to the annual Plan limits.

Some Degree Programs may require you to take the GRE or GMAT for admission. Expenses related to the GRE and GMAT exam are eligible for reimbursement, but any expenses for a prep course or similar fees related to studying or preparing for these exams are NOT eligible.

In addition, fees related to the GRE/GMAT are considered pre-admission testing and, therefore, must be submitted with the first eligible course. They are not eligible to be reimbursed separately or on a stand-alone basis. (See question #15 below.)

### **15. How do I submit charges for the GMAT to request reimbursement under the Tuition Assistance portion of the Educational Reimbursement Plan?**

If you take the GMAT to obtain entry to a university prior to beginning a Degree Program, the fees associated with the GMAT can be submitted after you have successfully completed your first college course and should be submitted with the course.

Fees for the GMAT should NOT be entered as a stand-alone request; the cost(s) related to the GMAT exam should be added together with all other eligible expenses (including tuition and books) for the course and submitted as one total cost.

For a description of the treatment of expenses related to the GMAT when taken to waive the threshold for the CPA Exam, see question #34 in the C&L Section below.

### **16. What expenses are NOT eligible for reimbursement under Tuition Assistance?**

Fees assessed to students to take a course are not eligible for reimbursement under the Educational Reimbursement Plan, even if they are required to take the course. Only tuition expenses, textbooks, and/or supplies are eligible for reimbursement.

## Educational Reimbursement Plan FAQs

### **17. Where do I enter the cost of my books and supplies when requesting reimbursement of a course in Workday?**

Within the request, there will be a field where you can enter the cost of your textbooks and supplies. (The total cost of textbooks and supplies should be added together and entered in this field.) The documentation you provide with your request for reimbursement must match exactly the amount you enter in this field.

### **18. How long do I have to submit a request for reimbursement after I complete a course?**

You must submit all requests for Tuition Assistance and/or Certification & Licensing Assistance and the supporting documentation within six (6) months following completion of the course or program.

***Note: If you submit a request more than six months after you complete the course or program, your request will be denied.***

### **19. Is there a limit to how much I can get reimbursed for an approved course?**

The Plan does not include a per course limit. Eligible expenses (as described above) will be reimbursed 100% up to the annual maximum benefit amount, as provided in question #20 below.

### **20. Is there an annual maximum for how much Tuition Assistance I can receive?**

The MPC Plan includes an annual limit of \$5,250 for an undergraduate degree program (Associate's Degree or Bachelor's Degree) and an annual limit of \$9,000 for a graduate program (Master's Degree), subject to the following guidelines:

- The annual maximum is based on the year in which reimbursement is received, regardless of when a course was completed.
- A graduate program is one that leads to an advanced academic or professional degree, including a Master's degree, with the general prerequisite the employee has attained a Bachelor's degree.
- The maximum reimbursement an employee can receive under any combination of non-degree courses or courses taken under an approved undergraduate degree program in a calendar year is \$5,250.
- The maximum reimbursement an employee can receive under any combination of non-degree courses, courses under an approved undergraduate program, and/or courses under a graduate program in a calendar year is \$9,000.

Reimbursements in excess of \$5,250 in a calendar year may be subject to certain tax restrictions as set forth by the IRS. (See question #21 below.)

# Educational Reimbursement Plan FAQs

## **21. If I receive Educational Reimbursement Benefits, will I be taxed?**

The IRS governs how educational reimbursement benefits are taxed, which is set forth in the Internal Revenue Code. The following rules apply as of January 1, 2022, subject to change based on IRS guidelines:

- Reimbursements up to \$5,250 per calendar year per employee are considered non-taxable income.
- Reimbursements in excess of \$5,250 per calendar year per employee are generally taxable and subject to tax withholding. Taxable reimbursements will be included as gross income on the employee's W-2 form.
- Reimbursement for travel expenses is taxable unless it qualifies as a business expense deduction. If this is the case, expenses should be submitted through the BER process.

## **22. Do I have to pay back reimbursements I received if I leave the Company?**

Possibly. The MPC Educational Reimbursement Plan includes a Repayment Provision for Tuition Expenses, which requires repayment of reimbursements received if you leave the organization less than two (2) years after receiving a reimbursement, as allowed by law. (Repayment requirements apply to both non-degree courses and courses taken as part of a Degree Program.)

See the Educational Reimbursement Plan for the repayment schedule that summarizes how much you are required to repay based on when you leave the Company.

## **23. Once I have obtained a degree, how do I update my profile to include the degree information?**

Once you have successfully obtained a degree, forward your final transcripts that designate "Degree Obtained" and/or a copy of your diploma to your HRBP, who will follow up internally to ensure your profile is updated accordingly.

## **24. Is there a cut-off for tuition assistance expenses to be paid in the current calendar year?**

Yes. There is an annual payroll deadline by which requests must be submitted to be eligible for reimbursement within the current calendar year. Requests submitted after that date are not processed until the following calendar year. This deadline generally occurs in December. Employees are responsible to consult with their HRBPs for deadline details and to work within that deadline.

**Note:** Expenses submitted after the annual deadline will be processed the following calendar year, provided the course was completed within 6 months and all other terms of the Plan are met. In this case, reimbursements will be subject to the annual benefit maximums and IRS tax limits for the new year (even if the program was completed during the prior year).

## Educational Reimbursement Plan FAQs

### **25. Can I split the reimbursement of a course between two calendar years if I meet my annual benefit maximum?**

No. A course can only be entered once. If you meet your annual benefit maximum on a specific course, there will be no additional reimbursements for that course. **You cannot enter the same course the following calendar year to request additional reimbursement.**

It is each employee's responsibility to monitor and manage their expenses in a given year. The 6-month deadline is designed to allow employees to hold courses and submit them in the following calendar year to work with their annual maximums, if needed. This is not the responsibility of HR to monitor, it is the responsibility of the employee.

### **26. If I want to pursue a professional license or certification, what do I do first?**

Before beginning a professional Certification or Licensing (C&L) Program, you must obtain approval from your current Manager/Supervisor and HRBP. ***You should request approval prior to beginning the program to ensure it qualifies for financial assistance under the Educational Reimbursement Plan.***

To request approval to begin a C&L Program, you must submit an online request within Workday, which will be routed to your Manager/Supervisor and HRBP for approval. Documentation from the agency that issues or sponsors the license or certification must be submitted online as part of your request, including a description of the program and the costs associated with it. (See question #27 below.)

### **27. What information should I provide to obtain approval for a certification or licensing program?**

At a minimum, the following information should be provided as part of your request:

- An overview of the program, including a description of the license or certification, including the objective and/or goals;
- The required curriculum, including a list of courses required to obtain the certification or license and the date of the examination, if required;
  - The total cost of the program; and
  - The duration and estimated completion date.

### **28. Are all certification programs eligible for reimbursement?**

The C&L Assistance portion of the Educational Reimbursement Plan is intended to reimburse employees for expenses related to a professional license or certification that is obtained as a result of passing a uniform examination, such as a CPA, PHR, or PE.

General certificate or training programs are not eligible under the Educational Reimbursement Plan, but may be considered under the organization's business expense process. Employees should consult with their Manager/Supervisor or HRBP with questions.

The license or certification must be new (versus one you are renewing or maintaining) and must be related to a career that is reasonably attainable within the Company and one from which the Company is likely to benefit.



# Educational Reimbursement Plan FAQs

## 29. What expenses can I be reimbursed for under C&L Assistance?

Eligible expenses under C&L Assistance include fees associated with obtaining the license or certification, such as:

- Exam Fees;
- Fees required as part of taking an exam (i.e., sitting fees, background checks, application fees, etc.);
- Travel and lodging expenses (limits apply);
- One Review Course and related study material (i.e., books, study guides, etc.).

**Note: C&L reimbursement requests can only be submitted AFTER you have taken the exam (if applicable) or completed the program.**

## 30. What expenses are NOT eligible for reimbursement under C&L Assistance?

The following expenses incurred as part of a licensing or certification program are not eligible for reimbursement:

- Charges associated with license renewal;
- Charges required to maintain the license or certification;
- Annual dues for membership in professional affiliations;
- Charges for general certificate or training programs.

**Note: These charges may be eligible outside this Plan as a business expense; see your Manager/Supervisor or HRBP to discuss.**

## 31. Does MPC limit the number of certifications or licenses one person is able to obtain under the Education Reimbursement Plan?

While there is not a limit to the number of certifications or licenses one person is able to obtain, each one must be determined to be in line with your current position and must be within the scope of the Company's operations.

You should obtain approval (following the process in question #26 above) prior to pursuing any certification or license to ensure it qualifies for reimbursement.

## 32. Is there a limit to reimbursements for C&L Assistance?

Under the MPC Educational Reimbursement Plan, eligible expenses related to obtaining a professional license or certification (as described above) will be reimbursed up to a maximum of \$5,250 per calendar year, subject to certain tax restrictions as set forth by the IRS as stated in question #35 below.

## Educational Reimbursement Plan FAQs

### 33. How long do I have to submit a request for C&L Assistance after I complete a program?

You must submit all requests for Certification & Licensing Assistance and the supporting documentation within six (6) months following the date you took the exam (if applicable) or completed the program.

**Note: If you submit a request more than six months after you take the exam (if applicable) or complete the program, your request will be denied.**

### 34. If I take the GMAT as part of a C&L Program (i.e., as part of obtaining my CPA), is this considered an eligible expense? Is mileage associated with taking the GMAT eligible for reimbursement under C&L?

Yes, if you take the GMAT as part of obtaining your CPA, it would be considered an eligible expense under the C&L Assistance portion of the Educational Reimbursement Plan; mileage associated with the GMAT would also be considered an eligible expense.

After you take the exam, the charges related to the GMAT (including mileage) should be included as part of the total expenses you submit with your request for reimbursement. **Fees associated with a prep course to help you prepare and/or study for the GMAT are NOT eligible expenses under the plan.**

*For a description of the treatment of expenses related to the GMAT when taken to obtain entry to an Institution prior to beginning a Degree Program, see question #15 in the Tuition Assistance Section above.*

### 35. If I receive reimbursement for a certification or licensing program, will I be taxed?

The IRS governs how reimbursements for certification or licensing programs are taxed. The following rules apply as of January 1, 2022, subject to change upon IRS guidelines:

- Obtaining certification and licensing: Educational reimbursements up to \$5,250 per calendar year per employee are non-taxable. Reimbursements in excess of \$5,250 per calendar year per employee are taxable and subject to withholding.
- Travel expenses are taxable unless they qualify as a business expense deduction. Non-taxable travel expenses do not count toward the \$5,250 annual exclusion limitation.

Please refer to the current Educational Reimbursement Plan document to confirm the current amounts.

### 36. Is there a cut-off for C&L expenses to be paid in the current calendar year?

Yes. There is an annual payroll deadline by which requests must be submitted to be eligible for reimbursement within the current calendar year. Requests submitted after that date are not processed until the following calendar year. This deadline generally occurs in December. Employees are responsible to consult with their HRBPs for deadline details and to work within that deadline.

**Note:** Expenses submitted after the annual deadline will be processed the following calendar year, provided the program was completed within 6 months and all other terms of the Plan are met. In this case, reimbursements will be subject to the annual benefit maximums and IRS tax limits for the new year (even if the program was completed during the prior year).

## Educational Reimbursement Plan FAQs

**37. How are reimbursements under the Educational Reimbursement Plan processed once they are approved?**

Reimbursements for eligible expenses under the Educational Reimbursement Plan are processed through Workday. Once your request has been processed, it is paid through payroll so the total amount reimbursed per year can be tracked and taxed, as applicable.

You will generally see the eligible amount in your paycheck within two (2) pay periods of it being approved. Taxable reimbursements will also be included as gross income on your W-2.

**38. Where can I look for assistance with applying for Educational Reimbursement benefits?**

For more information, see the Educational Reimbursement Plan, which can be found online at [www.myMPCbenefits.com](http://www.myMPCbenefits.com).

Contact your HRBP with questions regarding Educational Reimbursement benefits and/or for assistance with the online process.

**39. Where can I find instructions for submitting requests for approval in Workday?**

Step-by-step instructions for submitting a request online within Workday can be found [here](#).