

SUMMARY PLAN DESCRIPTION
for the
Section 127 Plan

The Employer named below also serves as Plan Administrator:

Monroe County ISD
1101 S Raisinville Rd
Monroe, MI 48161

The Employer accepts services of legal process.

Federal Tax ID: 38-1910600

Plan Name: Educational Assistance Program

Plan Effective Date: 3/19/2024 (ISD Board adopted on 3/19/2024)

Plan Year(s): 03/19/2024 to 12/31/2025

Account Plans included in this Plan: District-Funded Educational Assistance and Grant-Funded Educational Assistance.

Educational Assistance Program

MONROE COUNTY INTERMEDIATE SCHOOL DISTRICT

This Educational Assistance Plan (the “Plan”) is established by the Monroe County Intermediate School District (the “District/Board”) to provide eligible employees with educational assistance benefits under Section 127 of the Internal Revenue Code (“Section 127”) to enhance employee proficiency and opportunity for advancement, or in the case of educational assistance provided through grant-funded loan repayment programs, to recognize past academic accomplishments.

This Plan is not intended to change or alter the terms of a collective bargaining agreement between the District’s Board of Education and a labor organization. Collective bargaining agreement terms supersede any inconsistencies with this Plan unless contrary to State or Federal law.

This Plan is further not intended to change or alter the terms of a District Board Policy or Employee Handbook. District Board Policy and Employee Handbook terms supersede any inconsistencies with this Policy unless contrary to State or Federal law.

1. **District-Funded Educational Assistance.** District-funded educational assistance, which consists of payment from District resources of expenses incurred by or on behalf of an employee for any form of instruction or training that improves or develops the employee’s capabilities, may be available to employees who are employed by the District under contracts with educational assistance provisions.
2. **Grant-Funded Educational Assistance.** Grant-funded educational assistance consists of grant funds received by the District from a third party for repayment of eligible student loans. To the extent such grant funding is available, the District will distribute this funding in accordance with grant requirements to employees who meet the grant program’s guidelines and eligibility requirements, and who complete any District-required certifications and documentation of eligibility.
3. **Plan Revision or Termination.** The District reserves the right to change the terms or terminate the Plan without prior notice. In this event, the District will reimburse employees according to the terms of this Plan for all courses or eligible loan payments in process prior to termination, but reimbursement will not be provided for any course and/or loan payment that began after termination and notification of the same.
4. **Taxation.** Section 127 provides an exemption from gross income of up to \$5,250 of educational assistance per calendar year, including employer-paid student loan payments through December 31, 2025. Once the receipt of benefits of \$5,250 is exceeded in a calendar year, or if an educational assistance benefit is no longer exempt from gross income under the Internal Revenue Code, the employee is responsible for any resulting tax consequences.