

# Persona



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## Ben E. Fakter

### Sponsor

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*"Our accountant mentioned that the university doesn't provide the data he needs for federal reporting"*

### Objectives

- To support students who can be sponsored.
- To support sponsors by offering payment alternatives consistent with the sponsors need.
- To provide the processes that support alternative sponsored programs not described here.

*"Sixty-two percent of the students on the Quahog extension campus are our employees."*

### Scenario

#### Pay in advance

The sponsor—typically a business or government agency—wants to pay in advance for courses taken by the student. The sponsorship must not be refunded to the student if the student leaves the course, but any refund goes back to the sponsor

#### Pay after completion

The sponsor—typically a business or government agency—wants to pay after a course taken by the student has been completed. The student account would show the tuition and fees debit and a deferment. The sponsor is invoiced upon completion and payment made to the university. If the sponsor declines to pay, say the student left employment with the sponsor, then the student would be billed for the tuition and fees. IBM corporation in Washington, D.C. makes bulk payments; government agencies and some businesses make separate payments for each student upon completion.

#### Student does not complete

The sponsor has paid in advance and the student leaves the course. Here there is a tuition and fees charge and a payment, but now there may be a credit from tuition and fees paid by the sponsor. Depending upon the agreement the sponsor would

be refunded the amount of tuition and fees which leaves a debit balance that the student would be asked to pay. Another option would be to refund the balance after adjusting tuition and fees to the sponsor.

#### Advance retainer payment

The sponsor may be asked to pay in advance for a group of employees and pay the tuition and fees when each of the students complete the course. A transfer from the sponsor's account to each student's account can be used; the sponsor can access their account to determine for whom the payment has been made and the balance remaining.

*A 2008 survey by Hewitt Associates LLC of 1,287 large employers found that 88% offered some form of tuition reimbursement. The 2005 survey of 1,000 employers found that 75% offered tuition reimbursement and 78% offered some form of education assistance. The average reimbursement amount was \$5,000. Their 1993 survey of 858 employers reported 99% providing tuition reimbursement.*

### Concerns

- Sponsors may have a number of different policies about reimbursing universities and students; it may be difficult to automate all of these processes. (80% of employers provide some sort of tuition and expenses reimbursement).
- To automate the resulting transactions may require additional processes in other university systems.
- Employer education program and employee education are subject to a number of regulations, especially the Internal Revenue Service. Incorporating these processes would require significant additional resources and software maintenance.

### KSA Customer Rating: 2

