

**PHARMACY EMPLOYEE EDUCATIONAL
ASSISTANCE REIMBURSEMENT PROGRAM**

Overview

Safeway provides employee reimbursement of pharmacy school educational expenses leading to a Doctor of Pharmacy degree.

Reason/Purpose for Guidelines

This document provides guidance regarding requirements that must be met in order to be reimbursed by Safeway for educational expenses.

Eligibility

Employees enrolled in an ACPE accredited Pharmacy School, who have maintained a grade point average of "C" or above, and are interested in working for Safeway Inc. ("Safeway") or an affiliated company upon graduation. *Proof of grades and proof must be provided with application.*

Guidelines

Questions concerning any provision of this policy should be directed to Human Resources. Any exceptions to this policy must be approved in writing by the Vice President of Talent Acquisition.

Reimbursable Expenses

Educational reimbursements are to be used only for tuition, laboratory and program fees, and books. Application and registration fees, expenses for tools or supplies that may be used after the completion of a course, and lodging and transportation are ineligible for reimbursement.

In accordance with provisions of IRS Code, Section 127, educational assistance up to \$5,250 per calendar year may be provided to the eligible employee as a non-taxable benefit. The Director of Pharmacy Talent Acquisition is under no obligation to approve or provide educational assistance in any amount. Upon completion of 1-year full-time employment as a Pharmacist, you will receive forgiven notification of your employee educational reimbursement for up to \$5,250.

Courses must be successfully completed to be eligible for reimbursement. Successful completion is defined as achieving a "C" average for the semester. Withdrawal from a course, regardless of the circumstances, invalidates all requests for reimbursement of fees related to the incomplete course. Future employee educational reimbursement and loan eligibility are dependent upon the beneficiary maintaining an overall grade point average of "C" or higher.

Any benefit from Safeway will be reduced by any other forms of company loans or reimbursement from any other sources specifically designated for educational purposes and which the beneficiary is not required to repay. It is the beneficiary's responsibility to report all other forms of educational assistance.

Educational Assistance Conditions and Service Commitment

Employees who are granted employee educational assistance reimbursement will be required to sign and acknowledge written receipt of funds and agree to work as a full-time licensed pharmacist upon graduation for a period of one year for each year an educational reimbursement is granted. The service commitment is prorated (i.e. extended) for part-time employment. For purposes of this policy part-time is defined as sixteen hours or more per week, but less than 40 hours per week. Employees are expected to begin employment as a licensed pharmacist within 90 days post graduation.

Educational Assistance Conditions and Service Commitment (Cont'd)

When assistance is provided, the employee must acknowledge the written receipt of funds and the dates of the resultant service commitment. The original signed receipt/service commitment is retained by the Director of Pharmacy Talent Acquisition and a copy is forwarded to the Division or ESC for the employee file.

If the employee fails to fulfill a service commitment agreement, the employee must repay the entire educational reimbursement applicable to the period of service not satisfied within 6 months. Each service commitment agreement will include the employee's authorization to withhold up to the full amount of the employee's final pay, including the lump sum payment for any accrued unused vacation time due at separation, as full or partial payment of educational assistance for which the employee did not complete the service commitment. The employee may also be required to execute a promissory note if the employee's final pay is not adequate to repay the total amount due.

Termination of employment, voluntary or involuntary, prior to completion of the approved educational reimbursement will cancel any obligation of Safeway. However, any and all obligations of the employee under this policy will remain and continue in full force and effect.

Failure to fulfill a service commitment agreement may include but is not limited to the following:

- a) Declining a Safeway offer of employment as a licensed pharmacist
- b) Ineligible to work as a licensed pharmacist
- c) Resignation or termination from employment from Safeway or an affiliated company
- d) Working fewer than sixteen hours per week

Tax Reporting

The taxability of educational expense reimbursements is subject to the current provisions of the Internal Revenue Code. Reimbursements will be processed as non-taxable up to the maximum amount allowable in a calendar year in accordance with IRS Section 127 guidelines at the time of reimbursement. It is the employee's responsibility to obtain advice from his or her tax counsel or advisor as to the reporting and exclusion of educational reimbursements. Note: Upon forgiveness, if your Employee Educational Assistance Reimbursement is combined with a \$5,000 Pharmacy Education Loan (given for Difficult to Staff positions only), the Employee Educational Assistance Reimbursement will be forgiven and NOT reported as income, however, the \$5,000 loan will be reported as income, and taxes will be deducted weekly from your payroll check until paid.

Educational Assistance Process

Student Employees must complete parts 1-3 and sign in part 4, of the Pharmacy Educational Assistance Application. Student employees must also submit proof of payment for the courses as well as proof of successful completion of the courses in the current calendar year. Student employee sends the completed application to the **Regional Pharmacy Recruiter**.

Regional Pharmacy Recruiter signs in part 5 and forwards the completed application, grades, and receipts, to the **Director Pharmacy Talent Acquisition** for review, and applicant notification. Approvals are sent to the applicant via completion of the Pharmacy Approval Notification form.

The employee must acknowledge the written receipt of funds and the dates of the resultant service commitment. The original signed receipt/service commitment is forwarded and retained by the Director of Pharmacy Talent Acquisition and a copy is forwarded to the Division or ESC for the employee file.

Assignment upon Completion of Degree

For difficult to staff locations, seniors will be provided a list of openings within two to three months of graduation. Positions will be available on a first come first serve basis. For those receiving loans and or educational reimbursement for difficult to staff openings, upon completion of assignment and satisfactory job performance, relocation to any location with an appropriate opening will be considered.



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Pharmacy Employee Educational Reimbursement Assistance Application

Section 1 – Personal Data

Full Name: _____
Last First MI Social Security #

Address: _____
Street Address City State Zip Code

Home Phone: () Cell Phone: () E-mail Address: _____

Section 2 – Work Information

Job Title: _____ Employee ID: _____

Store #, City, and State: _____ E-mail Address: _____

Work Phone: () _____

Section 3 – School Information

Institution: _____ Begin Date: _____ End Date: _____
Name mm/dd/yyyy mm/dd/yyyy

Current Year: _____
Junior, Senior, Other Anticipated Date of Graduation

School Address City State ZIP Code

Total Annual Anticipated Cost
(Tuition, Books, Fees)

Total Amount of Outside Grants

Difference

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Student Employees must submit proof of payment of \$5,250 as well as proof of successful completion of courses in the year in which you apply for reimbursement

Section 4 – Agreement Commitment

In requesting the Educational Assistance, I understand that I must sign a Service Agreement Commitment upon receipt of funds and agree to a service commitment of one year for each educational reimbursement granted

Employee's Signature _____ Date _____

Section 5 – Approvals

The Educational Assistance Application is approved: Yes ☐ No ☐

Pharmacy Recruiter _____ Date _____

Director of Pharmacy Talent Acquisition _____ Date _____

Pharmacy Educational Assistance Service Commitment Agreement

As a condition of participation in the Pharmacy Educational Assistance Program, I hereby request Educational Assistance in the amount of \$_____, and agree that I will continue my employment with Safeway, as a full time pharmacist, for a period of service equal to one year for each \$5,250 obtained. Such service will begin upon licensure as a pharmacist, or the next date immediately following the completion of a prior service agreement in accordance with this policy. The service commitment for this educational reimbursement is for the equivalent of one year of full time employment as a licensed pharmacist.

I understand and agree that if I fail to fulfill this service commitment agreement, the entire educational expense reimbursement received for the period of service not satisfied will be due within 6 months, and will not be prorated for time worked. I hereby authorize Safeway to withhold up to the full amount of my final pay, including the lump sum-payment of any unused vacation due at my separation, as full or partial repayment of educational assistance for which I did not fulfill the agreed service commitment.

Lastly, I understand and agree that if my employment terminates and I have not fulfilled the entire service commitment as agreed, or repaid the entire educational assistance amount as agreed, I may be required to execute a promissory note in favor of Safeway in the amount of educational assistance received but not satisfied through service with the organization.

Print Employee's Name

Employee's Signature

Date Signed

Witnessed By Print Name

Witness Signature

Date Signed

Managers Name and Title

Manager's Signature

Date Signed