



Petersburg Medical Center Foundation, Inc.

103 Fram Street
PO Box 589
Petersburg, AK 99833

Phone: 907-772-4291
Fax: 907-772-3085

Education Scholarship/Loan Fund

SERVICE COMMITMENT AGREEMENT-Employee

The Petersburg Medical Center Foundation, Inc. (“Foundation”) and _____ (“Recipient”) understand and agree the Foundation will expend significant sums of money for the training and education of the Recipient in the specialized skills necessary for continued employment in the health care industry. These sums of money will result in a substantial direct benefit, as well as provide substantial indirect and intangible benefits to the Recipient.

The Education Scholarship/Loan Fund is provided by donors who make contributions to the Foundation. The Foundation decides how much of non-designated funds will fund the Education Scholarship/Loan Fund.

The Recipient agrees to reimburse award amounts received from the Education Scholarship/Loan Fund through continued employment or cash as explained below.

The Foundation and the Recipient agree as follows:

1. Benefit Amount. The amount of tuition assistance benefits provided to the Recipient from the Education Scholarship/Loan Fund will be established or evidenced through proof of acceptance to a program or enrollment in classes. This Service Commitment Agreement (“Agreement”) applies to the total amount of tuition assistance benefits provided to the Recipient for the following degree or program _____.

2. The tuition assistance shall be reimbursed by the Recipient in full by an in-kind service commitment or in cash in the event the service commitment is not met. The in-kind service commitment applies to those Recipients who complete the degree or program for which they have received tuition assistance.

3. The Recipient, after completing the training, education degree or program, for which tuition assistance was provided, agrees to continue to work for Petersburg Medical Center and receive reimbursement credit for fulfilling the service commitment. The service commitment will be calculated as follows:

A. Up to \$5,000 received in tuition assistance from the Education Scholarship/Loan Fund will require 1 year of FTE (2,800 hours) employment from the date of degree or program completion or graduation.

B. \$5,001 to \$10,000 received in tuition assistance from the Education Scholarship/Loan Fund will require 2 years of FTE (5,600 hours) employment from the date of degree or program completion or graduation.

4. In the event of a layoff (not termination for cause), the Recipient shall be released from the Service Agreement to the extent there is no other commensurate job openings at Petersburg Medical Center.

The Recipient shall not be required to take a position at a lower FTE or higher FTE than the position s/he currently holds in order to fulfill the service commitment. However, the Recipient may choose to take a lower or higher FTE position to fulfill the service commitment.

5. If the Recipient voluntarily resigns their job, is terminated for cause, or otherwise fails to meet the required in-kind service commitment, the Recipient agrees to reimburse the full amount of tuition assistance benefit received, reduced prorated based on the length of service commitment completed compared to the time remaining in the service agreement. The payment of the remaining balance shall also be prorated to reflect time left on the service agreement.

For example, if the payback period is twenty four (24) months and the Recipient voluntarily resigns after twelve (12) months, the Recipient will reimburse the Foundation in cash for the 50% of tuition assistance benefit provided to the Recipient. Payment will commence within thirty (30) days of Recipient's last day of employment. Payment plan may not exceed a twelve (12) months.

6. If the Recipient withdraws from the enrolled program before successfully completing it or graduating from the program, the Recipient agrees to reimburse the full amount of the tuition assistance benefit received within thirty (30) days of withdrawal.

7. Unless otherwise provided, it is a breach of this Agreement if the Recipient fails to meet the in-kind service commitment requirement. In that case the Recipient shall reimburse the Foundation for all tuition assistance benefits and costs incurred by the Foundation, adjusted for any reimbursement credit under paragraph 3 above. Failure to reimburse the Foundation shall result in ineligibility for future Education Scholarship/Loan Fund benefits unless and until full reimbursement is made.

8. If the Recipient breaches this Agreement at any time, all amounts due and owing on the benefits amounts received will become immediately due and payable.

9. Upon written petition by the Recipient, a breach of this Agreement can be waived in writing by the Foundation in its sole discretion. Any such waiver does not preclude enforcement of any other Agreement between the Foundation and Recipient.

10. Recipient agrees to notify the Foundation of any change in address.

11. Recipient has read and understands the Foundation's Education Scholarship/Loan Fund.

Signed and agreed to this _____ day of _____, 20__.

Name of Recipient: _____

Signature: _____