

CITY OF CHICO
Administrative Procedure and Policy Manual

Subject: Educational & Tuition Reimbursement		Number: 15-5
		Effective Date: August 1, 2024
Department(s) Affected: All Departments		Supersedes: 15-5, approved January 24, 1989.
Authority: Section 2.12.010 Chico Municipal Code	File Reference: Minute Order 5-89	
	Approved: Mark Sorensen <small>Digitally signed by Mark Sorensen Date: 2024.07.23 14:34:27 -07'00'</small>	

I. PURPOSE

The purpose of this policy is to encourage and financially assist employees to continue their education. All requests for tuition reimbursement are subject to the terms of this policy. This Administrative Policy & Procedure applies to all full-time City employees.

II. POLICY

Tuition reimbursement is not intended to replace training made available by City Departments to employees to participate in on City time. An employee who does not obtain prior Department Director and Director of Human Resources approval of the "Tuition Reimbursement Program Application" form or does not meet the timeline as specified herein, is not eligible for any reimbursement from the City. Each fiscal year, the City will set aside funds for tuition reimbursement for employees who receive approval in advance to the fiscal year and/or so long as funding is available.

Eligibility: The following requirements must be met to be considered an eligible employee under this policy.

1. Employees must be employed by the City full-time at 30 hours or more per week.
2. Employees must have completed and passed their probationary period.

Reimbursement for courses is subject to the following conditions:

1. Department Director and Director of Human Resources approval of the "Tuition Reimbursement Program Application" form to be eligible for reimbursement. Application must include a copy of the full course program.
2. The employee has achieved a letter grade of "C" or higher. In cases where no letter grade is given, a certificate of completion or written proof that the college course work was successfully completed in a satisfactory manner.
3. The maximum reimbursement amount shall be \$3,000 per full-time employee per fiscal year. Reimbursable expenses include application fees, tuition costs, and required supplies as outlined in a course syllabus. Reimbursement will be paid upon receipt by the Human Resources Department of proof of successful completion of the course(s) and proof that payment of fees has been made.
4. The City has set up procedures that allow for expedient reimbursement for classes completed and fees paid. Employees may request reimbursement within 60 calendar days of receipt of the college, university, or institution issuing grades or proof of successful completion for the course(s). Failure to request reimbursement within the timeline prescribed and/or classes taken in excess of the allowable reimbursement level cannot be carried over to a future fiscal year reimbursement period. This benefit may not be transferred or assigned from one employee to another employee.

Completing coursework on-line or studying for any courses may not occur on City paid time, nor shall City vehicles be utilized for transportation to and from classes. Mileage or transportation costs are not reimbursable. Books or materials or costs associated with coursework are not reimbursable.

Accredited College Coursework: Reimbursable courses must be coursework taken towards obtaining an Associate's degree or higher and related to:

1. The employee's current occupation;
2. A City classification to which the employee may reasonably expect promotion; or
3. Required for the completion of the pre-approved job-related major.

Coursework must be completed at an accredited college or university. Accredited colleges or universities are those accredited by Western Association of Schools and Colleges (WASC, www.wascsenior.org), Council for Higher Education Accreditation (CHEA, www.chea.org), or pre- approved by the Director of Human Resources or designee.

Coursework that duplicates previously taken courses, or coursework not in pursuit of an Associate's degree or higher are not eligible for reimbursement.

Certification Programs: Reimbursable courses must be coursework taken towards obtaining a certification and related to:

1. The employee's current occupation;
2. A City classification to which the employee may reasonably expect promotion; or
3. Required for the completion of the pre-approved job-related certification.

III. REIMBURSEMENT PROCEDURE & TIMELINE FOR COMPLETION

The following must be submitted to the Human Resources Department within the specified timeline:

1. Employees shall submit a request for "Tuition Reimbursement Form" a minimum of thirty (30) calendar days prior to the scheduled program start date and obtain written approval from the employee's Department Director and Director of Human Resources or their designee.
2. Upon completion of the approved program, the completed "Tuition Reimbursement Form" must be submitted within 60 calendar days of receipt of the college, university, or certification program administrator issuing grades or certificates for course(s) with the following attachments:
 - a. Verification of grade achieved ("C" or higher or "Satisfactory/Pass" (for Pass/Fail courses) or equivalent.
 - b. Receipt(s) for eligible expenses as defined above and/or certification of fees paid.

Failure to submit the required documentation within the established timeline will disqualify the employee from receiving tuition reimbursement for the course.

If the employee receives tuition payments or other subsidies from other sources, the City will contribute the difference between the amount the employee is receiving from other sources and the eligible costs up to the maximum City tuition reimbursement. In no case may the employee receive full reimbursement for the same coursework from the City and other sources. Funds received from any outside sources for the same purpose, such as a scholarship, grant or Veteran's Educational Benefits must be applied toward the tuition/fees before the City's tuition reimbursement plan shall apply.

The education/tuition reimbursement may be a taxable benefit depending upon the provisions of the Internal Revenue Code. The individual employee will be responsible for any tax liability. The education/tuition reimbursement is not subject to CalPERS contributions and may not be used in the calculation of the regular rate for overtime purposes.