



Travis County Commissioners Court Agenda Request

Meeting Date: February 28, 2012

Prepared By/Phone Number: Dana Hess/ 854-2743; Diane Blankenship/854-9170

Elected/Appointed Official/Dept. Head:

Diane Blankenship, Director, HRMD / 854-9170

Leroy Nellis, Interim County Executive, PBO / 854-9106

Commissioners Court Sponsor: Samuel T. Biscoe, County Judge

AGENDA LANGUAGE:

CONSIDER AND TAKE APPROPRIATE ACTION REGARDING CHANGES TO CURRENT TRAVIS COUNTY CODE CHAPTER 10 (TUITION REIMBURSEMENT), SECTIONS 10.020, 10.021 AND 10.022.

BACKGROUND/SUMMARY OF REQUEST AND ATTACHMENTS:

Sections 10.020, 10.021, and 10.022 were last amended on September 26, 1995.

Tuition and fees have increased substantially since this policy was implemented in 1995. In addition, a survey of other public organizations which was conducted in March of 2011 shows that Travis County's Tuition Refund caps (both by semester and fiscal year) lags significantly behind the market (see attachment).

STAFF RECOMMENDATIONS:

Staff recommends approval and adoption of the attached revision.

FISCAL IMPACT AND SOURCE OF FUNDING:

Currently, a regular, full-time employee is eligible for up to \$900 in reimbursement per fiscal year. This policy revision increases the amount eligible for reimbursement to \$2000 per fiscal year for undergraduate and graduate courses. Under the current plan, the County typically expends between \$40,000 and \$50,000 per fiscal year, and \$42,440 was budgeted for tuition reimbursement in the FY 2012 adopted budget.

AGENDA REQUEST DEADLINE: All agenda requests and supporting materials must be submitted as a single pdf to Cheryl Aker in the County Judge's office, Cheryl.Aker@co.travis.tx.us by **Tuesdays at 5:00 p.m.** for the next week's meeting.

It is expected that the expenditure for Tuition Reimbursement would triple, possibly quadruple, if the attached revision is adopted. Accordingly, PBO has put a \$200,000 earmark in allocated reserves in the FY 2012 adopted budget in anticipation of this increase.

REQUIRED AUTHORIZATIONS:

Diane Blankenship, Director, HRMD, 854-9170
Leroy Nellis, Interim County Executive, PBO, 854-9106
Cheryl Aker, County Judge's Office, 854-9555

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HRMD *Human Resources Management Department*

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BACK-UP MEMORANDUM

February 28, 2012

TO: Samuel T. Biscoe, County Judge
Ron Davis, Commissioner, Precinct 1
Sarah Eckhardt, Commissioner, Precinct 2
Karen L. Huber, Commissioner, Precinct 3
Margaret Gomez, Commissioner, Precinct 4

FROM: Diane Blankenship, Director, HRMD 

VIA: Leroy Nellis, Interim County Executive, PBO

SUBJECT: Tuition/Fee Reimbursement Program

On February 21, 2012, the Travis County Commissioners Court unanimously voted to approve revisions to the current Tuition/Fee Reimbursement Program. In addition, the court made recommendations and requested the following items be incorporated in the revised program.

Reimbursement Caps

The proposed policy allows for a \$1,000 per semester reimbursement with a \$2,000 fiscal year cap for graduate and undergraduate courses. The City of Austin also has a \$2,000 annual reimbursement cap for employees.

Tenure/Turnover

The revised policy requires an employee to have at least six months of tenure with the County prior to the start of any class for which he/she is seeking reimbursement. In addition, the revised policy requires that an employee remain with the County for six months after the end of any class for which he/she is seeking reimbursement.

As surveyed, Tarrant County had a tenure requirement in their tuition reimbursement program. Also, in surveying Travis County's program for the last two years, employees who participated in the program had a turnover rate of just under 7%, neither significantly higher nor lower than the general employee population.

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Taxation

Depending on the situation and the applicability of courses to the employee's current position, tuition reimbursement may be a taxable benefit. The current policy does not address this issue. The revised policy addresses the taxation issue.

Reimbursement Timing

The reimbursement would occur six months after completion of classes. This change is to ensure that the employee meets the tenure requirements of the policy prior to issuing reimbursement.

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Tuition Refund Program Survey (3/11)

	Travis County
Do you have TRP	Yes
Workforce size	≈4,500
TRP budget	\$42,440.00
Fees eligible	Tuition & required fees
Eligible Employees	Full-time regular
Eligible Classes	College credit related to current job or reasonable advancement
Class Limits	2 per semester which can't exceed 7 hours.
Amount Reimbursed	80% of out of pocket expenses, not to exceed \$300 per semester
Comments	We average 65 applicants with approx. 58 finishers each semester

Tuition Refund Program Survey (3/11)

	Bexar County Linda Amaro 210.335.2643	Dallas County Susan Bethal 214.653.6045	Tarrant County Larry Wilson 817.884.2744	COA Human Resources 974.3400	LCRA Human Resources Nina Marburger 473.3200	City of R.R. Karin Holland 512.671.2701	Williamson County HR- Michelle
Do you have TRP	YES	NO	YES	YES	YES	YES	NO
Workforce size	4,800 Approx.	7,000 +	4,300	10,000 +	2,253	850	1,500
TRP budget	\$210,000 for FY 2010-2011	NA	\$175,000	340,000	500,000	\$50,000	NA
Fees eligible	Tuition and mandatory fees only, no books or parking reimbursement	NA	Tuition Only	Tuition for classes only	Tuition and Books	Tuition only	NA
Eligible Employees	FT and PT	NA	All employees	FT and PT only	All full-time and part-time, regular employees who have completed six months of employment as of the course or program start date, have received a "Met Expectations" or better performance rating on their last performance review and have submitted proper documentation.	Regular full-time employees with six or more months of service	NA
Eligible Classes	Degree sought can be related to any position with the County	NA	Credit classes resulting in a letter grade	Anything related to City field Classes must be offered by	All courses must be taken for a grade. Courses cannot be taken on a credit/non-	Anything related to City field. Classes must be	NA

Tuition Refund Program Survey (3/11)

				<p>an accredited school or university</p>	<p>credit basis. If the course does not provide a letter grade, a pass/fail grade will be accepted. An approved course of study may consist of an individual course or an entire degree program (Associates, Bachelors, or Masters only) that is offered by an accredited educational institution.</p>	<p>offered by an accredited school or university and must have the opportunity to be taken for a grade.</p>	
<p>Class Limits</p>	<p>2 courses per semester with a maximum of 6 courses per year</p>	<p>NA</p>	<p>Continuing Education (non-credit) not reimbursed. Doctoral work limited to the departments that require or prefer that degree (PH and ME) Eight classes per calendar year limit.</p>	<p>Unlimited - 2,000 per year per employee</p>	<p>The decision by an employee's managers to approve or deny a request will be based on an assessment of the cost and the nature of the course, the employee's current and future assignments and potential impact on the employee's ability to meet his or her work responsibilities. If approved by the employee's first and second level</p>	<p>Provides up to \$2,000 in education assistance per fiscal year to eligible employees. These funds are allocated on a first-come, first-served basis.</p>	<p>NA</p>

Tuition Refund Program Survey (3/11)

					<p>managers, the Application is then forwarded to Human Resources. Human Resources will review the Application and make a final determination of the employee's eligibility to participate in the Program. Upon approval and processing by Human Resources, the employee will receive a copy of the approval for his or her records.</p>		
<p>Amount Reimbursed</p>	<p>100% for an A 90% for a B 80% for a C For undergraduate 100% for A 90% for B And 0% for C or below For Graduate programs 80% reimbursement for continuing education or</p>	<p>NA</p>	<p>Maximum is \$690 per courses and \$900 for Graduate courses</p>	<p>2, 000 per year, per employee For undergraduate Level A B or C For Graduate Level A or B</p>	<p>Full-time, Regular (40 hrs/wk)- 80% of eligible expenses Part-time, Regular (30 – 39 hrs/wk)- 60% of eligible expenses Part-time, Regular (20 – 29 hrs/wk)- 40% of eligible expenses</p>	<p>The employee must obtain a grade of 'C' or better for undergraduate level classes or a grade of 'B' or better for graduate level classes.</p>	<p>NA</p>

Tuition Refund Program Survey (3/11)

	non-graded courses	NA	<p>Recipients must remain with the County for two years following the last courses reimbursed. Three years ago, I started a recognition ceremony in CC for those employees who complete degrees in a given year. The Commissione rs love it. We will have our first law degree recipient recognized this year.</p>		<p>For all course reimbursement requests: Fee statement Proof of payment Grade statement - A final grade of "B" or above is required for all undergraduate-level courses. A final grade of "B" or above is required for all graduate-level courses. A final standing of "Pass" is required for courses designated as Pass/Fail. For all book reimbursement requests: Course syllabus or other documentation listing required textbooks Proof of payment 3. For all other reimbursement requests: Proof of payment</p>	<p>GED testing is also included in the Education Assistance program.</p>	<p>NA</p>
<p>Comments</p>							

10.020 Tuition/Fee Reimbursement Program

(a) Purpose

The purpose of the tuition reimbursement program is to improve public services through the enhancement of employee skills and to retain qualified and highly motivated employees through the extension of an additional benefit.

(b) Program Administration

(1) Employee Responsibility

The employee seeking reimbursement through the Tuition Reimbursement Program is responsible to contact the Human Resources Management Department to determine employee, school, course, and expense eligibility before enrolling in any class for which the employee will seek reimbursement, and in any case, before the first day of class for the course. The employee is also responsible for procedural compliance with the Tuition Reimbursement Program once enrolled, including submitting course descriptions, receipts, and grade reports before each semester's deadline.

(2) Management Responsibility

Supervisors and Managers are responsible to ensure that the employees who report to them are aware of the Tuition Reimbursement Program. Supervisors and Managers are also responsible to direct employees who express an interest in the Tuition Reimbursement Program to the Human Resources Management Department.

(3) Human Resources Management Department Responsibility

The Director of HRMD or his/her designee is responsible to administer the program including assisting employees, determining whether eligibility requirements are met, processing reimbursements, submitting agenda items for the Court's consideration, and submitting approved reimbursement requests to the Treasurer's Office.

10.021 Tuition/Fee Reimbursement Eligibility

(a) Employee Eligibility

To be eligible for reimbursement under this program, an employee must be a regular, full-time employee:

- (1) who has been employed with Travis County continuously for at least six months prior to the start of the semester in which classes are taken and reimbursement is requested, and
- (2) who remains continuously employed with Travis County through the completion of any class for which reimbursement is requested, and
- (3) who remains continuously employed with Travis County for at least six months after the completion of any class for which reimbursement is requested.

Temporary and Part-Time employees are not eligible for tuition reimbursement. Elected and Appointed Officials are not eligible for tuition reimbursement.

(b) School Eligibility

To be eligible for reimbursement, the course(s) must be taken from an accredited college, university, or technical school that is located within the United States. Accreditation will be verified by the Human Resources Management Department.

(c) Course Eligibility

(1) Undergraduate Classes

To be eligible for reimbursement, course(s) must be directly related to the employee's current position and duties or related to the duties of a position within the County that the employee may reasonably hope to advance.

(2) Graduate Classes

To be eligible for reimbursement, courses must be directly related to the employee's current position and duties or related to the duties of a position within the County that the employee may reasonably hope to advance.

(3) Continuing Education Courses and Developmental Courses

Continuing Education Courses and Developmental Courses are not eligible for the Tuition Reimbursement Program.

(d) Expense Eligibility

(1) Tuition and required fees that are waived by the school or reimbursed or paid for by another party (i.e. company, organization, scholarship, etc.) are not eligible for the Travis County Reimbursement Program.

(2) Fees that could have been avoided or are not necessary to enroll in the course (i.e. late fees, parking fees, graduation fees, etc.) are not eligible for the Tuition Reimbursement Program.

10.022 Tuition/Fee Reimbursement Rates, Funding, Deadlines

(a) Reimbursement Rates

Reimbursement will be paid at the following rates, up to the employee's yearly reimbursement cap

(1) Tuition for graded courses:

(A) Completed with a grade of C- or better (70-100): 80% reimbursement

(B) Completed with a grade of D+ or below (0-69), incomplete: 0% reimbursement

(2) Tuition for pass/fail courses:

(A) Completed and passed: 80% reimbursement

(B) Completed and failed, incomplete: 0% reimbursement

(3) Required Fees for graded courses:

(A) Completed with a grade of C- or better (70-100): 80% reimbursement

(B) Completed with a grade of D+ or below (0-69), incomplete: 0% reimbursement

(4) Required Fees for pass/fail courses:

(A) Completed and passed: 80% reimbursement

(B) Completed and failed, incomplete: 0% reimbursement

(b) Reimbursement Cap

Undergraduate and Graduate classes: Eligible employees may receive up to \$2000 per fiscal year in reimbursement under this program from Travis County; reimbursement in any given semester may not exceed \$1000.

(c) Funding

The Tuition Reimbursement Program budget is funded through the budget process and approved by the Commissioners Court each year. Reimbursements are considered by the Commissioners Court three times per year:

- (1) Courses completed in the Spring Semester (January through May) will be considered for reimbursement in November of that year;
- (2) Courses completed in the Summer Semester (June through August) will be considered for reimbursement in February of the next calendar year; and
- (3) Courses completed in the Fall Semester (September through December) will be considered for reimbursement in June of the next calendar year.

(d) Deadlines

- (1) A Tuition Reimbursement Program Application must be received in the Human Resources Office before the first day of class
- (2) Itemized receipts for Tuition and Fees and official grade reports must be received in the Human Resources Office by June 15th for courses completed in the Spring Semester, September 15th for courses completed in the Summer Semester, and January 15th for courses completed in the Fall Semester.
- (3) Reimbursement must be requested in the fiscal year in which the course is completed.

(e) Taxation

- (1) Employees should be aware that some reimbursements under the Tuition Reimbursement Program may be considered taxable income to the employee based on the tax code in effect at the time of reimbursement.
- (2) If the County is able to determine that a reimbursement(s) is taxable income to the employee based on information provided by the employee, it will be included in the employee's income as reported on the W2 for the year in which the reimbursement is received. The employee is responsible for the payment of income and payroll taxes for any course reimbursements which are determined to be taxable income.
- (3) If, from the information provided to the County, a reimbursement does not appear to be taxable income to the employee but it is later determined to be taxable income, the employee is responsible for reporting the income as well as the payment of income and payroll taxes for any course reimbursements which are determined to be taxable income under the federal tax laws in effect at the time of reimbursement.

**ORDER AMENDING TRAVIS COUNTY CODE, SECTION 10.020 THROUGH 10.022,
CHAPTER 10, TRAVIS COUNTY**

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

Pursuant to Sections 1.0051 and 1.0052 of the Travis County Code, the Commissioners Court makes the following order:

1. Sections 10.020 through 10.022 of the Travis County Code is deleted and the form of Sections 10.020 Tuition/Fee Reimbursement Program, 10.021 Tuition/Fee Reimbursement Eligibility and 10.022 Tuition/Fee Reimbursement Rates, Funding, Deadlines attached to this order are added to Chapter 10, Travis County Personnel Benefits Guidelines and Procedures Manual of this Code in their place.

Date of Order: _____

TRAVIS COUNTY COMMISSIONERS COURT

Samuel T. Biscoe, County Judge

Ron Davis
Commissioner, Precinct 1

Sarah Eckhardt
Commissioner, Precinct 2

Karen Huber
Commissioner, Precinct 3

Margaret Gómez
Commissioner, Precinct 4