



State of Ohio Administrative Policy

Employee Development Fund for Exempt Employees

No: HR-33

State Human Resources Division

Effective:

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Issued By:

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I. Purpose

To administer the Exempt Employee Development Fund (Exempt EDF) as authorized by Ohio Revised Code (ORC) 124.182, Ohio Administrative Code (OAC) 123:1-39-01 and governed by this policy. The first occurrence of a defined term in the policy is in bold, italic type, and is hyperlinked to the definition in Section IV.

II. Scope

This policy applies to all state agencies, boards, and commissions under the authority of the Governor (collectively referred to as Agency or Agencies). This policy only applies to employees exempt from collective bargaining. Administration of separate employee development funds for bargaining unit employees is covered by separate policies and applicable collective bargaining agreement(s).

III. Policy

The Exempt EDF makes funding available to employees who are exempt from collective bargaining for: **Professional Development**, fees for professional **Licenses** and **Certifications**, and membership fees for professional or trade organizations.

Funds provided through the Exempt EDF are generally available on a reimbursement basis. There are a limited number of programs for which EDF can make a direct payment on behalf of a participating employee.

A. **Employee Eligibility:** All eligibility criteria outlined below must be met for an employee to be eligible for reimbursement through EDF.

1. To be eligible for reimbursement through the Exempt EDF, the employee must be:
 - a) A **Permanent Employee**;
 - b) Employed at a participating Agency (see Attachment 1);

- c) Paid directly by warrant of the director of the Ohio Office of Budget and Management;
 - d) Exempt from collective bargaining;
 - e) In **Active Pay Status**; and,
 - f) Actively employed at a participating Agency when a request for reimbursement is submitted.
2. Approved Medical or Military Leave. Exempt EDF eligibility may continue while an employee is on an approved medical or military leave if all other requirements for reimbursement are met, including availability of funds, and the employee was in Active Pay Status as of:
- a) The day the Professional Development activity began; or
 - b) The due date for the professional License/Certification expense; or
 - c) The due date for the professional/trade organization membership funds.
3. Position Abolishment/Layoff. Exempt EDF eligibility may continue for an employee who is separated from employment or moved to a bargaining unit position due to a position abolishment or layoff if all other requirements for reimbursement are met, including availability of funds and if:
- a) The Professional Development activity began prior to the effective date of the position abolishment/layoff; or
 - b) The due date for the professional License/Certification expense is prior to the effective date of the position abolishment/layoff; or
 - c) The due date for the professional/trade organization membership fee is prior to the effective date of the position abolishment/layoff.

B. **Eligible Professional Development Expenses:** Professional Development is education or training that builds or improves an employee's capabilities. Professional Development activities include college courses, conferences, continuing education instruction, seminars, and trainings. To be eligible for reimbursement, the Professional Development activity must provide knowledge and/or skills that relate to a job classification currently used by the State of Ohio. These major job classifications are listed on the Department of Administrative Services (DAS), Employee Relations, Office of Talent Management website. (See Section VI. Resources below for link.)

- 1. If grades are given, the employee must attain a "C" or better or receive a "pass" if assessed on a pass/fail basis.
- 2. Non-instructional fees that are required for enrollment in a Professional Development activity, such as application fees, registration fees, required class books, graduation fees, and other related expenses are eligible for reimbursement if they are included on the enrollment invoice from the organization that provided the Professional Development.
- 3. For an expanded list of eligible expenses, please see Attachment 2.

C. **Professional Certification/License Expenses:** Beginning in fiscal year 2024, employees may be reimbursed for costs as provided below for one professional Certification or for one professional License per fiscal year.

1. To be reimbursed for the cost of one professional Certification or one professional License, the Certification/License must be used in a State of Ohio job classification. The major job classifications are listed on the Department of Administrative Services (DAS), Employee Relations, Office of Talent Management website. (See Section VI. Resources below for link.)
 2. Exams/Tests and Other Initial Fees. Employees may be reimbursed for fees required to take one professional Certification/licensure exam once per fiscal year. Eligible expenses include exam application/registration fees, background check fees, or separate fees for the License/Certification itself.
 3. Renewal Fees. Certified/Licensed employees may be reimbursed for periodic fees required to renew a professional Certification/License.
 4. For an expanded list of eligible expenses, please see Attachment 2.
- D. **Professional Association Membership Dues/Fees:** Beginning in fiscal year 2024, employees may be reimbursed for annual membership dues to one professional association or trade organization per fiscal year if the association/trade organization is related to the Agency's business and the employee is performing duties for the Agency that are related to the professional organization's focus or mission. For an expanded list of eligible expenses, please see Attachment 2.
- E. **Ineligible Expenses:** Certain expenses are not eligible for reimbursement under this policy. Ineligible expenses include, but are not limited to, the following:
1. Travel expenses (e.g., parking, travel, food, or lodging expenses);
 2. Any non-instructional fees that are not required to enroll in a course (e.g., application fees, drop or late fees, non-instructional field trips, flight instruction, airtime fees, fuel expenses, and other similar expenses);
 3. Elective and pre-requisite courses are not eligible for reimbursement unless the employee is enrolled in a degree program and the electives/pre-requisites are part of that degree program;
 4. Expenses involving sports, games, or hobbies are not eligible for reimbursement unless the employee is enrolled in a degree program and those courses are part of that degree program;
 5. Hardware or commercial software fees, unless the hardware or commercial software is required for course participation and completion;
 6. Equipment;
 7. Subscriptions for periodicals;
 8. Software subscriptions;
 9. Taxes or fees for shipping and handling;
 10. Multi-year professional memberships;
 11. Previously reimbursed expenses—Employees may only receive reimbursement for an expense once per fiscal year;
 12. Any other expense from which a State of Ohio Agency is unlikely to benefit.
 13. For an expanded list of ineligible expenses, please see Attachment 2.

- F. **Reimbursement Eligible Amounts and Limits:** Eligible employees may be reimbursed up to the amounts set forth below and subject to the limits contained in this section.
1. ***Full-Time:*** Subject to the limitations of the fund for the Exempt EDF, beginning in fiscal year 2024, eligible Full-Time, Permanent Employees may be reimbursed up to a maximum of four thousand five hundred dollars (\$4,500) per fiscal year for eligible expenses.
 2. ***Part-Time:*** Subject to the limitations of the fund for the Exempt EDF, beginning in fiscal year 2024, eligible Part-Time, Permanent Employees may be reimbursed up to a maximum of two thousand two hundred and fifty dollars (\$2,250) per fiscal year for eligible expenses.
 3. An exempt employee's appointment type (e.g., Full-Time or Part-Time) on the date the Request for Reimbursement is submitted will determine the maximum yearly amount that the employee is eligible to receive from the Exempt Employee Development Fund.
 4. Bargaining Unit employees that become eligible exempt employees may access the Exempt Employee Development funds immediately. However, the yearly individual limit for such an employee must be reduced by any amount previously reimbursed to the employee during the present fiscal year from one of the bargaining unit employee development funds. The yearly individual funding limit for such employees is based on the employee's status (e.g., exempt or bargaining unit) at the time of request for reimbursement submission.
 5. Reimbursement is not available for expenses that are fully paid for by scholarship, grant, or Agency funds. For expenses that are partially paid for by scholarship, grant, or Agency funds, reimbursement is not available for the portion of the cost that is paid for by the scholarship, grant, or Agency funds.
 6. Disbursement of funds is contingent upon the availability of funds at the time of request for reimbursement submission.
- G. **Request for Reimbursement:** Once an activity has been satisfactorily completed, an employee may request reimbursement for eligible fees and expenses pursuant to the requirements outlined in this section. Eligible fees and expenses will be reimbursed up to the annual maximum as specified in Section F.
1. Unless otherwise noted in this policy, employees shall apply for reimbursement within ninety (90) calendar days of the completion of the activity; attainment or renewal of Certification/licensure; or membership in a professional/trade organization. In the event an employee cannot submit the request within 90 calendar days, the employee should contact DAS at 1.800.409.1205 or EDFunds@das.ohio.gov. The DAS Administrator of Learning and Talent Development will review extension requests on a case-by-case basis.
 - a) DAS will communicate the annual fiscal year deadline for reimbursement request submissions on MyOhio.gov and the EDF website (see Section VI. Resources below).
 - b) Submission on or before the annual deadline will ensure that the request is charged against the employee's reimbursement allotment for the current fiscal year.
 2. Request and Proof of Expense(s): To be reimbursed for eligible expenses, an employee must submit a completed reimbursement request along with documentation (or "proof") to substantiate the cost of the expense(s), and to establish the employee paid the expense(s) using personal funds and the employee completed the Professional

Development activity. Typically, electronic forms of proof are acceptable. See below for additional details regarding these requirements.

- a) Reimbursement Request: A completed online *Employee Development Fund Request*. See Section VI. Resources below for link.
 - b) Proof of Cost: Employees must submit copies of original invoices and/or receipts of expenses. Documents should be itemized and provide a breakdown of the specific costs for each expense.
 - c) Proof of Payment: Employees must submit copies of original receipts or other documentation that establishes the employee paid the cost of the eligible expense(s).
3. Proof of Completion: To be reimbursed for eligible expenses, an employee must also submit proof of completion.
- a) For Professional Development activities, proof of completion must be a certificate of completion, continuing education unit (CEU) certificate, or a letter/email from the provider of the Professional Development activity on letterhead. If the Professional Development activity is a graded course, including pass/fail, the proof of completion must be documentation of the grade. For a graded course provided by a college/university, the documentation must be issued by the registrar of the institution. For graded courses provided by non-college/university organizations, the documentation must be on the organization's letterhead.
 - b) For professional License/Certification exams, the proof of completion must include the exam results. For License/Certification fees, the proof of completion must include a copy of the Certificate or License acquired.
 - c) For memberships to professional/trade organizations, proof of completion must include documentation from the organization confirming membership.
4. Please refer to the Exempt EDF Reimbursement checklist, included below (see Section VI. Resources), for explanations and examples of the required documentation. DAS retains the right to request additional documentation as necessary in order to validate the reimbursement request.
5. All complete and accurate requests will be approved on a first-come, first-served basis provided funds are available. The application submission date is the date of submission when the request is complete and accurate. A request that does not contain sufficient proof as described above is not complete and accurate. Such requests will not be processed until the employee submits the requisite proof.
6. If an employee submits a request that is incomplete or has errors, the employee will be notified via email that the request has been paused. The employee will refer back to the request in the electronic system, which will explain what information is incorrect or missing. The request will remain in a paused status until the missing information is provided or any errors are corrected.

- H. **Reimbursement and Tax Withholding.** Reimbursement will be included in the employee's biweekly paycheck. Tax withholding will be done in accordance with the Internal Revenue Code. Additional information can be found in Internal Revenue Service (IRS) Publication 970 (see Section VI. Resources below).

1. Professional Development: Amounts over five thousand two hundred and fifty dollars (\$5,250) reimbursed to an employee in a calendar year for Professional Development activities will be treated as taxable income and corresponding payroll taxes will be withheld from such amounts.
 2. Professional License/Certification and Professional Memberships: Any amount reimbursed to an employee for professional License/Certification expenses (as described above in Section C) or professional membership expenses (as described above in Section D) will be treated as taxable income and corresponding payroll taxes will be withheld from such amounts.
- I. **Appeal of Decision Application.** If an employee's Request for Reimbursement is denied, the employee may appeal to the DAS Administrator of Learning and Talent Development. A link to the appeal form is included in Section VI. Resources and is also available on the EDF website on myOhio.gov. If the appeal is denied by the DAS Administrator of Learning and Talent Development, the employee may appeal to the Deputy Director of the State Human Resources Division. The decision made by the Deputy Director of the State Human Resources Division shall be final.

IV. Definitions

- A. Active Pay Status. The conditions under which an employee is eligible to receive pay. This includes, but is not limited to, vacation leave, sick leave, bereavement leave, military leave, compensatory time, holidays, and personal leave. Active pay status does not include full-time disability leave, workers' compensation leave, administrative leave, or other leave of absence except approved education leave or if working to supplement a leave at the time that the request for reimbursement is submitted.
- B. Certification. A voluntary program in which a private organization or the state grants nontransferable recognition to an individual who meets personal qualifications established by the private organization or state law (e.g., CompTIA+, AWS, SHRM-CP).
- C. Full-Time Employee. A full-time employee is an employee who is assigned a normal work schedule of at least forty (40) hours per week or at least eighty (80) hours on a bi-weekly basis.
- D. License. A nontransferable authorization in law that an individual must possess in order to perform a lawful occupation for compensation based on meeting personal qualifications established by statute, or by a rule authorized by statute (e.g., law license, medical license).
- E. Part-Time Employee. A part-time employee is an employee who is assigned a normal work schedule of less than eighty (80) hours on a bi-weekly basis or less than the full-time standard accepted by the appointing authority.
- F. Permanent Employee. Any full-time or part time employee holding a position that requires working a schedule of twenty-six (26) consecutive bi-weekly pay periods, or any other regular schedule of comparable consecutive pay periods. It does not include intermittent, temporary, seasonal, external interims, student help or individuals covered by personal service contracts.
- G. Professional Development. Education or training that develops or improves an exempt employee's knowledge and/or skills that relate to a job classification currently used by the State of Ohio.

V. Authority

ORC 124.182
OAC 123:1-39-01

VI. Resources

Document Name	Location
EDF Online Resources	Employee Development Fund Website
Online Employee Development Fund Request	Request Form
Online Appeal Form	Appeal Form
EDF Reimbursement Checklist	Checklist
Office of Talent Management Website	OTM Website
IRS Publication 970	IRS Website

VII. Inquiries

Direct inquiries regarding the Exempt Employee Development Fund Program to:

SHRD-Operations/Pay Fiscal and SHRD Learning and Talent Development
Ohio Department of Administrative Services
30 East Broad Street, 40th Floor
Columbus, Ohio 43215

1.800.409.1205 | EDFunds@das.ohio.gov

Direct inquiries about this policy to:

Labor Relations and Human Resources Policy
Office of Collective Bargaining
Ohio Department of Administrative Services
4200 Surface Road
Columbus, Ohio 43228

614.752.5393 | DASHRD.HRPolicy@das.ohio.gov

State of Ohio Administrative Policies may be found online at
<https://das.ohio.gov/home/policy-finder/filter-policy-finder>

VIII. Revision History

Date	Description of Change
07/01/2013	Policy reissued in new format.
07/01/2014	Policy reissued; eliminated preapproval process.
06/07/2023	Policy reissued in new format; expanded fees that are eligible for reimbursement for college courses, certifications, licenses, and professional memberships; and adjusted fees that are ineligible for reimbursement.
08/30/2023	Policy reissued in new statewide policy template.

Attachment 1

Agency Participation Listing

- Except for the non-participating Agencies listed below, all state Agencies that contribute according to ORC § 124.182(B), including the Governor's office, Attorney General's Office, and the Secretary of State's office, participate in the Employee Development Fund Program.
- Non-Participating Agencies: The following Agencies are **not** participating in the Exempt Employee Development Program:
 - A. Auditor's Office
 - B. Court of Claims
 - C. House of Representatives
 - D. Joint Committee on Agency Rule Review
 - E. Joint Legislative Ethics Commission
 - F. Judicial Conference
 - G. Judiciary
 - H. Legislative Services Commission
 - I. Senate
 - J. Supreme Court
 - K. Treasurer's Office

Attachment 2

List of Ineligible and Eligible Expenses

This Attachment provides an expanded list of expenses that are eligible and not eligible for reimbursement under this policy.

Ineligible Expenses

Fees

- A. Drop or late fees
- B. Graduation fees
- C. Payment plan enrollment fee
- D. Transcript fees

Non-instructional/equipment fees

- A. Travel expenses
- B. Food
- C. Lodging
- D. Parking
- E. Car rental
- F. Insurance
- G. Equipment, tools, or supplies (ammunition, protective eyewear, etc.)
- H. Computer hardware (laptops/tablets, etc.)
- I. Computer software (CD's, speakers, etc.)
- J. Protective eyewear
- K. Lab coats
- L. Cap and gown
- M. Non-instructional field trips
- N. Flight time/air time

Miscellaneous

- A. Shipping/handling
- B. Subscriptions
- C. Taxes

Eligible Expenses

- A. Books (required to complete an eligible course or professional development event)
- B. Event fee
- C. Exam fee (if required to complete an eligible course)
- D. Information technology & instructional equipment fee
- E. Hardware or commercial software fees (if necessary, to access the course)
- F. Lab fees
- G. Technology fees
- H. Tuition fee
- I. Distance learning fees

The following expenses and fees are eligible for reimbursement only if it can be shown that the expenses are a non-optional or required fee and/or expense for attendance at a seminar, conference, workshop or for tuition reimbursement.

- A. Application fees
- B. Combined fees
- C. Course fees
- D. General fees
- E. Matriculation fees
- F. Membership fees
- G. Program fees
- H. Recreational fees
- I. Registration fees
- J. Resource fees
- K. Student activity fees
- L. Student union facility fees
- M. System network fees