



Universal Policy

# State Tuition and Professional Development Reimbursement Program

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## **I. Introduction and Statement of Purpose**

Tuition and professional development reimbursement programs are effective strategies that help attract, develop, and retain employees. The objective of the State tuition and professional development reimbursement program (State program) is to provide employees with opportunities for workplace growth and development, and to further increase employee retention and engagement.

The State tuition and professional development reimbursement program (hereinafter State Program) is administered under the authority of the State Personnel Director by the Division of Human Resources of the Department of Personnel & Administration (DPA).

This Policy sets forth the requirements and expectations for the State program and individual department programs.

## **II. Scope**

The State Program applies to all classified employees (which includes term-limited employees) within the State Personnel System and Institutions of Higher Education (IHEs) and non-classified employees in the executive branch (hereinafter Department). Temporary employees are excluded from this program.

## **III. Statement of Policy**

Departments are required to have a documented tuition and professional development policy clearly defined and communicated to all employees prior to issuing any reimbursements or requesting reimbursements from the State Program. The department policy must include an application procedure, documented criteria for reviewing applications, and information about the department's approval process.

Departments are responsible for the comprehensive administration of their respective tuition and professional development reimbursement programs. This includes ensuring that all employee reimbursement requests meet established requirements, including those of the State Program, maintaining all pertinent documents and records, and appropriately handling any tax implications associated with the reimbursements.

The State Program is intended to supplement any department's tuition assistance, professional development, or reimbursement policies or programs. Departments may provide full reimbursements to employees as part of their program using their funds, or may submit a pre-approval and reimbursement request to the State Program for the portion that they cannot entirely fund, based on funding availability.

The State Program will only reimburse departments for job-related coursework and development opportunities as outlined in the "Eligibility and Stipulations" section of this Policy.

Approvals do not guarantee future approvals, and reimbursements are limited to available funds.

#### **IV. State Program Eligibility and Stipulations**

The State Program may be used for any of the following categories, and is subject to available funds.

1. English language proficiency;
2. Trade school courses or certificates;
3. General Education Development (GED) or high school courses;
4. Associate degrees;
5. Bachelor degrees;
6. Advanced college degrees;
7. Language classes;
8. Maintaining a certificate, license, or credential that is needed as a requirement for a position as stated in the position description;
9. Pursuing a professional development opportunity, certificate, license, or credential that the State Entity agrees will benefit the State and enhance the Employee's performance; or
10. Other similar classes or courses to those listed in numbers 1-9.

Further eligibility and stipulations include:

- Employees who receive reimbursement(s) are required to maintain their employment with the State for a minimum of one (1) year from the date of reimbursement, or the employee will be required to repay the reimbursement in full to the State.
- Undergraduate and graduate coursework must be completed at an accredited college or university, with preference for state institutions of higher education.

- Students are required to receive a grade of “C” or higher, or “P” for classes graded as pass/fail.
- Online courses are covered.
- The course or professional development opportunity must be completed within the same fiscal year funds are requested and reimbursed.
- Reimbursement(s) are limited to:
  - Expenses incurred for courses, tuition, required course materials, exam fees, and mandatory fees less educational funding given through scholarships, military coverage, or non-repayable grants or stipends.
  - If requesting reimbursement from the State’s Program, 50% of eligible expenses may be reimbursed, up to \$2,000 per employee, per fiscal year, regardless of the number of departments or divisions the employee works for during the fiscal year.
    - The federal maximum that can be exempt from withholding tax is \$5,250, and departments are required to monitor whether the reimbursement(s) are taxable.
    - Departments are required to tax as necessary.
- Travel-related expenses including, but not limited to per diem, incidentals, lodging, ground/air transportation, parking, or mileage are not eligible for reimbursement through this program.
- If approved, employees must provide copies of their transcript(s), grade report(s), certificate of course completion, license, or credential to the Department to receive reimbursement. The Department is responsible for verifying eligibility for reimbursement and retaining documentation.

## V. Reimbursement Process and Requests

### Pre-Approval

Requests for funds from the State’s Program must be pre-approved in order to ensure funding is available for reimbursement after the course is completed. In order to request pre-approval, departments must follow the steps outlined in this [State Tuition and Professional Development Reimbursement Standard Operating Procedure](#).

## Reimbursement Requests

Once an employee completes their course(s), departments will review documentation, reimburse the employee (if applicable), and then request reimbursement from the State Program by following the steps outlined in the [State Tuition and Professional Development Reimbursement Standard Operating Procedure](#).

## Expense and Time Tracking

Agencies requesting reimbursement from DPA are responsible for ensuring the employee is reimbursed appropriately. Departments are required to track their tuition and professional development reimbursement expenses throughout the fiscal year. Departments must develop and maintain sufficient documentation from time, leave, and/or payroll systems to meet any audit standard should the transaction be inspected.

DPA is responsible for tracking the State program fund balance, including pre-approved funds and disbursed funds.

## Reimbursement Request

***Executive Branch Department - not an Institution of Higher Education:*** Following the aforementioned guidelines, departments will submit a request for reimbursement using the template developed and approved by DPA. In order to receive reimbursement, departments must request reimbursement from the State program within sixty (60) days of the completion of the course.

***Institutions of Higher Education:*** For Institutions of Higher Education (IHEs), the process is different due to the lack of a line item and fund source appropriation control exercised elsewhere by the General Assembly. To request reimbursement, IHEs will need to provide a list of the specific classified position (position number and class title) and the detailed expense. Reimbursements will be mailed to the IHE via check.

***Reimbursement transaction:*** To the extent that a department qualifies for a reimbursement, DPA will process the transaction within a minimum of thirty (30) days, subject to fiscal year-end directives. Note that due to processing time, reimbursements received after the end

of year deadline will be considered for the employee as completed in that fiscal year, but taken out of the funds in the subsequent fiscal year, pending funding availability. The transaction will be processed through the State's financial system. Departments will have (60) days from the completion of the employee's course to submit for reimbursement from DPA DHR. If the course completion date is within (60) days from the end of the fiscal year, then departments will have until July 20 as the final deadline.

## **VI. Laws, Statutes, Executive Orders, and Policies**

The [Partnership Agreement](#) between the State of Colorado and Colorado Workers for Innovative and New Solutions (COWINS), effective Sept. 23, 2024, through July 31, 2027.

### [1 CCR 101-1, State of Colorado Fiscal Rules](#)

- Rule 2.5: Miscellaneous Compensation and Other Benefits (Perquisites)
  - 3. RULE
    - 3.1.4. Instructional courses and job-related training
- Rule 3-1. Commitment Vouchers
  - 5.5.7. Financial aid or tuition assistance programs that is paid directly to a beneficiary
  - 9.4.31. Tuition, registration, and fees charged for trainings, classes, conferences, and seminars

### [Internal Revenue Service Benefits for Education: Information Center](#)

## **VII. Disclaimer**

Every attempt is made to keep the information in this universal policy updated. However, subsequent revisions to rule or law could conflict with this information. If a rule or law conflicts with this universal policy information, the rule and law are the official sources on which to base a ruling or interpretation. For additional information or clarification, please contact your department's HR unit.