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OAKLAND

2013 MAY -2 PM 11:17

# AGENDA REPORT

TO: DEANNA J. SANTANA  
CITY ADMINISTRATOR

FROM: Jim Reese

SUBJECT: City Employee Access to UniversityNow DATE: April 22, 2012

City Administrator

Date

Approval

5/1/13

COUNCIL DISTRICT: City-Wide

## RECOMMENDATION

Staff recommends that the City Council accept this informational report regarding the City extending educational opportunities to City employees through programs like UniversityNow's College Works Scholarship Program to be used in conjunction with the City's Tuition Reimbursement Policy (AI 552).

## OUTCOME

On April 9, 2013, the Life Enrichment Committee received a report from Councilmember Desley Brooks which presented an overview of the Crisis in Higher Education and the College Works Scholarship Program. The City Administrator was directed to return with a report on how to make this opportunity available to City employees. In speaking with the representatives from UniversityNow, they have offered to establish an initiative by which City of Oakland employees can pursue a higher education degree at no cost or a markedly reduced tuition rate. This offer is for a limited time only and is in conjunction with the City's tuition reimbursement policy. This report is meant to provide information regarding the feasibility of the City creating a method by which employees may participate in this scholarship offer from UniversityNow.

## BACKGROUND/LEGISLATIVE HISTORY

At the April 9, 2013, Life Enrichment Committee Meeting, representatives from UniversityNow presented information regarding their organization and a proposed initiative for City of Oakland employees referred to as the *College Works Scholarship Program* (College Works).

UniversityNow describes itself as a social venture committed to transforming higher education. Their mission is to make a high quality college education available to everyone who seeks it by building the most affordable and accessible network of accredited universities in the world. Headquartered in San Francisco, Calif., UniversityNow operates two universities that offer Associate, Bachelor's and Master's degrees: Oakland-based Patten University, which is regionally

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accredited by the Western Association of Schools and Colleges, and New Charter University, which is nationally accredited by the Distance Education and Training Council. UniversityNow's learning platform employs a unique model of individualized instruction, self-paced learning, and collaborative technologies designed to facilitate student-to-instructor and peer-to-peer learning and support that is customized to each student's needs.

Though UniversityNow is based in San Francisco, several of its senior leadership reside in Oakland, and their anchor university - Patten University - was founded in Oakland. UniversityNow and Patten are committed to being a viable part of the education fabric in Oakland, and they strongly believe that high quality and affordable higher education can dramatically improve the quality of life and life chances for countless families in Oakland.

UniversityNow is proposing a scholarship program for City employees through which employees are able to pursue a degree in higher education at little to no expense of their own. UniversityNow proposes extending the ***College Works Scholarship Program*** to all City employees. For 90 days from the date the program is announced to employees, UniversityNow will limit the annual cost for tuition and fees for City employees, which could potentially allow an employee with tuition reimbursement to obtain university level credits at no expense. Once an employee is enrolled in a program through a ***College Works Scholarship***, UniversityNow commits to honor that scholarship for the duration of the employee's undergraduate experience with their schools as long as they remain in good academic standing.

Further, employees who may not be eligible for tuition reimbursement, as well as the family members of any City employee, would be able to obtain undergraduate college education at a sharply reduced rate, when compared to other higher education venues, and pay on a month-to-month basis, thus avoiding the need to take out costly student loans if they do not have sufficient savings to cover the typical up-front tuition and books charges incurred from college and university enrollments.

Through ***College Works***, UniversityNow is limiting the full cost of tuition and books at its schools to \$1,980 per year (or \$165 per month) for City employees and \$3,300 per year (or \$275 month) for their family members. Current pricing for a full year of education at Patten University is approximately \$3,948. The combination of the City's existing Tuition Reimbursement of up to \$400 per class (capped at 6 classes annually or \$2400) and the ***College Works Scholarship Program*** covers the entire cost of an online undergraduate degree program at a UniversityNow school of the individual's choice. Scholarships offered through the ***College Works Scholarship Program*** can be applied toward undergraduate degree programs online at either of the two universities operated by UniversityNow.

## ANALYSIS

The City, through *Administrative Instruction 522 (Attachment A)*, provides for tuition reimbursement for City employees. Under AI 522 - Tuition Reimbursement Policy, employees are reimbursed up to two classes per semester/quarter, with a limit of six classes per year. The maximum reimbursement is for \$400. Originally written for unrepresented employees, the policy has since been expanded to most of the City's bargaining units by way of the various *Memoranda of Understanding (Attachment B)*. The reimbursement amount may vary from one bargaining unit to another, but ultimately the financial impact of the reimbursement is comparable across bargaining units.

Each department establishes its individual Tuition Reimbursement budget. The funds are included as part of the departmental line item funding in account 55212 – Registration and Tuition. While the budgeted amount in each department varies, on a City-wide basis, the funding for this account in Fiscal Year 2011-12 was \$973,959 and in Fiscal Year 2012-13 it was \$ 1,026,901. Of this amount budgeted, departments have utilized approximately 60-65% of the available funding for Registration and Tuition. From a City-wide perspective, there appear to be resources that could be expended to support employees who would like to pursue a higher education.

The Tuition Reimbursement policy states the intent of the policy is to seek to benefit both the employee and the public by improving the overall effectiveness of the organization. Coursework that qualifies for Tuition Reimbursement must directly correlate with City government. The coursework must either improve the skills used by the employee in his/her current position; and/or prepare the employee for advancement on the logical, reasonable career path within the City's organization.

In review the current curricular programs available through UniversityNow, employees could obtain undergraduate degrees in Organizational Management with emphasis on Public Relations or Leadership, Business Management/Leadership. Although not eligible for the College Works Scholarship, employees could also request tuition reimbursement to pursue relevant advanced degree programs such as Masters of Business Administration (MBA) with an emphasis in Finance or Management. Other degree programs are also available through UniversityNow, and department directors would use their discretion to determine whether the program qualified for Tuition Reimbursement.

Based on the above information, the City currently has the means and policy in place to enable employees to take advantage of the proposed scholarship program offered by UniversityNow. Since the offer is limited to a finite period, staff proposes to enter into a letter of agreement with UniversityNow to establish a commitment from both sides to initiate a promotional campaign, ensuring high visibility among the employee population. Upon conclusion of the scholarship availability period, the City will continue to consider employee's requests for tuition reimbursement through programs like UniversityNow. The City Administrator's Professional

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Development Taskforce will explore additional educational and staff development opportunities meant to better equip our workforce for furthering the City's policies and agendas.

### **PUBLIC OUTREACH/INTEREST**

The City Administrator's Professional Development Taskforce will monitor and assess the level of employee interest and participation in the City's Tuition Reimbursement Program. Depending on the success of this initial partnership with UniversityNow and the results of the *College Works Scholarship Program*, the Taskforce may determine comparable relationships with other higher education institutions may provide positive outcomes for our employee population and their families.

### **COORDINATION**

The City Administrator's Professional Development Taskforce will provide monitoring and oversight for this initiative and other employee development opportunities. This report was prepared in coordination with Oakland City Attorney and Budget Offices.

### **COST SUMMARY/IMPLICATIONS**

The City funds Tuition Reimbursement through departmental budgets as a line item (Account 55212 – Registration and Tuition.) This account is a multi-purpose account used by departments to not only reimburse employees for tuition expenses, but also to fund conference and workshop registration fees. Historically, departments have utilized approximately 60-65% of the monies funded in this account.

### **SUSTAINABLE OPPORTUNITIES**

*Economic:* This is an informational report and therefore does not provide any economic benefits or opportunities.

*Environmental:* This is an informational report and therefore does not provide any environmental benefits.

**Social Equity:** This is an informational report and therefore does not provide any social equity benefits.

For questions regarding this report, please contact Deborah Grant, Risk Manager at (510) 238-7165.

Respectfully submitted,



JIM REESE  
Interim Director, Department of Human Resource  
Management & Information Technology

Prepared by:  
Deborah Grant, Risk Manager  
DHRM, Risk & Benefits Unit

Attachments:  
A – Administrative Instruction 552  
B – MOU Excerpts re: Tuition Reimbursement

ATTACHMENT A

CITY OF OAKLAND



ADMINISTRATIVE INSTRUCTION

SUBJECT	Tuition Reimbursement Policy	NUMBER	A1 552
REFERENCE		EFFECTIVE	01/01/88
SUPERSEDE	A1 552 dated July 1, 1980		

1. PURPOSE

This Administrative instruction describes the City's tuition reimbursement policy for all unrepresented employees, provides a description of classes which are eligible for reimbursement, and outlines the steps necessary to apply for and receive reimbursement.

2. POLICY

(a) Course Content:

The tuition reimbursement policy seeks to benefit both the individual employee as well as the public by improving the overall effectiveness of the organization. Consequently, courses funded by the City must have direct application within City government.

University and College classes and training courses which may qualify for reimbursement by the City are restricted to those which:

- (1) improve the skills used by the employee in his/her current position; and/or
- (2) Prepare the employee for advancement on the logical, reasonable career path within the City organization.

Employees may seek reimbursement for individual, one-time courses as well as for courses which are required as part of a degree program. If an employee is enrolled in a degree program, each class must be separately approved by the department head. Employees are eligible to receive payments for no more than two classes per semester or quarter, with a limit of six total classes per year, regardless of whether the institution is on the semester or quarter system.

For the purposes of this policy, a "professional degree" is

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defined as one which is required in addition to a license before practicing the profession. Examples of professional degrees include, but are not limited to, law, architecture, and medicine. Classes which are a required part of a professional or doctoral degree program are not eligible for reimbursement except in extraordinary circumstances. Exceptions must be approved by the City Manager's Office.

(b) Reimbursement

The City desires to ensure that the benefits of this program are available to as many employees as possible. Since resources are limited, the maximum amount of tuition reimbursement which may be granted to an employee for any one class will not exceed \$300.

The City acknowledges that private institutions offer valuable training opportunities and encourages employees to take advantage of all educational resources. However, the level of reimbursement per class will be no greater than \$300, regardless of the cost charged by the institution.

Employees may be granted approval to take a class costing more than \$300, but reimbursement from the City will not exceed the \$300 per class limit, and the employee is responsible to pay the difference. Exceptions to this reimbursement ceiling will be granted only if the City will receive demonstrably significant benefits as a result of the extra cost. Such exceptions require approval of the City Manager's office.

Tuition includes the charges incurred for the cost of classroom instruction. Application fees, books, materials, and other course supplies are ineligible for reimbursement. Individuals must be employed by the City throughout the period the course is offered to be eligible for reimbursement.

(c) Reimbursement Schedule

The amount of tuition reimbursed for each class depends upon the grade received and is based on the following schedule:

Graded Courses

<u>Grade</u>	<u>Reimbursement</u>
A or B	100% of tuition fee, or \$300, whichever is less
C	50% of tuition fee, or \$150, whichever is less
D or F	No reimbursement

NOTE: Employees enrolled in a masters degree program must receive a grade of at least S to receive any reimbursement.

Pass/Fail or Informational CoursesGradeReimbursement

Pass  
Fall

75% of tuition fee, or \$225, whichever is less  
No reimbursement

## 3. PROCEDURES

- A. Employee: Obtains three copies of the Request for Approval of Training Course Form 600-51 for each course. Completes Section A of the form and submits all three copies to department head.
- B. Department Head: Reviews request for tuition reimbursement of \$300 or less and approves or disapproves request.
- If the department head believes that a request for reimbursement which exceeds the established ceiling of \$300 is justifiable, he/she works with employee to prepare documentation demonstrating the specific benefits to be gained by the extra expenditure, and forwards the documentation and all three copies of the form to the City Manager's Office for approval.
- If the request for reimbursement is for a class that is part of a professional or doctoral degree program (as defined in the Policy section of this A1) and the department head believes that it is justifiable, he/she submits it to the City Manager's Office for approval.
- C. City Manager's Office: Reviews request for reimbursement of tuition costs in excess of the \$300 ceiling, approves or disapproves request, and returns the three copies of form 600-51 to the department head.
- Also reviews request for reimbursement of tuition for classes which are part of a professional or doctoral degree program (as defined



in the Policy section of this A1), approves or disapproves request, and returns the three copies of form 600-51 to the department head.

D. Department Head:

Returns the three copies of the approved form to the employee, or informs employee if the request has been disapproved.

E. Employee:

Completes his or her portion of Section D of all three copies of form 600-51 after successfully passing the approved class or training course.

Secures proof that he/she has made the tuition payment and proof of the grade received for the course, and submits them along with the form to the department head.

F. Department Head:

Completes his or her portion of Section D, approving the appropriate amount of tuition reimbursement based on the schedule in Section 2(c) of this A1.

Completes Section E, and forwards the original of form 600-51, one copy of the proof of tuition payment, and one copy of a grade report to the Accounting Department. Files one copy of the form in the employee's departmental personnel file and gives one copy of the form to employee.

  
HENRY L. GARDNER  
City Manager

INTEROFFICE LETTER  
City of Oakland

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for  
AI No

To: Deborah Edgerly, Director  
Financial Services Agency

From: Dolores E. Blanchard, Assistant City Manager

Co: Bill Neland

Date: November 2, 1999

Re: Increase in Tuition Reimbursement

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Please be advised that the adoption of the 99/01 Budget increased tuition reimbursement from \$300 to \$400 per class effective July 1, 1999. The City Manager's OfBcc is in the process of revising the current Tuition Reimbursement Administrative Instruction to reflect this change. In the interim, please advise staff to honor requests for reimbursements up to \$400 per class, if approved by City Manager. Thank you.

*Dolores E. Blanchard*

**Attachment B  
Tuition Reimbursement Clauses  
(by MOU)**

<b>Labor Memorandum Of Understanding</b>	<b>TUITION REIMBURSEMENT</b>
<b>SEIU Local 1021</b>	<p>The City shall reimburse a unit member for the cost of job-related academic courses and books, approved in advance by the department head or the designated representative, upon successful completion, in accordance with the following table:</p> <p><u>GRADE REIMBURSEMENT:</u>  A or B     100% of the tuition fee and books, or \$400 whichever is less.  C            50% of the tuition fee and books, or \$200 whichever is less.</p> <p>In the event that the course is graded on a pass/fail basis, reimbursement shall be seventy-five percent (75%) of the tuition fee, or three hundred dollars (\$300), whichever is less. A unit member failing a course, or receiving a grade lower than a C shall not be reimbursed.</p> <p>A unit member shall be allowed to take up to two (2) courses eligible for reimbursement during any given semester or quarter, with a limit of six (6) total classes per year, regardless of whether the institution is on the semester or quarter system.</p>
<b>SEIU Local 1021 Part-time Unit</b>	None

**Attachment B**  
**Tuition Reimbursement Clauses**  
**(by MOU)**

Labor Memorandum Of Understanding	TUITION REIMBURSEMENT
OPOA	<p>City shall reimburse, upon notice of completion, an employee for the cost of a job-related academic course, approved in advance by the department head or his/her designated representative, in accordance with the following table:</p> <p><u>GRADE REIMBURSEMENT:</u></p> <p>A 100% of the cost of the course, or \$400.00 whichever is less            B 75% of the cost of the course, or \$400.00 whichever is less            C 50% of the cost of the course, or \$200.00 whichever is less</p> <p>An employee failing or not completing a course, or receiving a grade lower than C, shall not be reimbursed. In the event that the course is graded on a Pass/Fail basis, reimbursement shall be made at fifty percent (50%) of the cost of the course, or two hundred dollars (\$200.00) whichever is less.</p> <p>An employee shall be allowed to take up to two (2) courses eligible for reimbursement at any one time.</p> <p>Tuition Reimbursement shall be paid through regular payroll check or in a manner specified by the City.</p>

**Attachment B  
Tuition Reimbursement Clauses  
(by MOU)**

<b>Labor Memorandum Of Understanding</b>	<b>TUITION REIMBURSEMENT</b>
<b>OPD Management</b>	<p>The City shall reimburse, upon notice of completion, an employee for the cost of a job-related academic course, approved in advance by the Chief of Police or his/her designated representative, in accordance with the following table:</p> <p><u>GRADE REIMBURSEMENT:</u>  A - 100% of the cost of a course.  B - 75% of the cost of a course.  C - 50% of the cost of a course.</p> <p>An employee failing or not completing a course, or receiving a grade lower than C, shall not be reimbursed. In the event that the course is graded on a Pass/Fail basis, reimbursement shall be made at fifty percent (50%) of the cost of the course. An employee shall be allowed to take up to two (2) courses eligible for reimbursement at any one time. The combined cost of the courses shall not exceed the cost of part-time enrollment (0-6 units) in the California State University System at the tuition rate applicable as of Spring 2008 (semester and quarter). The employee shall be required to provide proof of registration costs at the time they seek reimbursement.</p> <p>Tuition Reimbursement will be paid through regular payroll check or in a manner specified by the City.</p>
IAFF Local 55	None

**Attachment B  
Tuition Reimbursement Clauses  
(by MOU)**

<b>Labor Memorandum Of Understanding</b>	<b>TUITION REIMBURSEMENT</b>
<p style="text-align: center;">IFPTE Local 21</p>	<p>The City shall reimburse a represented employee in Unit UM1, UM2, UH1, TF1, TA1, TW1, or TM2 for the cost of university or college classes and training courses, approved in advance by the department head or the designated MEMORANDUM OF UNDERSTANDING between CITY OF OAKLAND and I.F.P.T.E. LOCAL 21 representative, which: (1) improve the skills used by the represented employee in his/her current position; and/or (2) prepare the represented employee for advancement on the logical, reasonable career path within the City organization. Upon successful completion of the approved classes or courses, a represented employee shall be reimbursed in accordance with the following table:</p> <p><b><u>GRADE REIMBURSEMENT:</u></b></p> <p>A or B 100% of the tuition fee and books, or \$400 whichever is less.  C 50% of the tuition fee and books, or \$200 whichever is less.</p> <p>In the event that the course is graded on a pass/fail basis, reimbursement shall be seventy-five percent (75%) of the tuition fee, or three hundred dollars (\$300), whichever is less.</p>
<p style="text-align: center;">IBEW 1245</p>	<p>The City shall reimburse a unit member for the cost of job-related academic courses and books, approved in advance by the department head or the designated representative, upon successful completion, in accordance with the following table:</p> <p><b><u>GRADE REIMBURSEMENT:</u></b></p> <p>A or B 100% of the tuition fee and books, or \$400 whichever is less.  C 50% of the tuition fee and books, or \$200 whichever is less.</p> <p>In the event that the course is graded on a pass/fail basis, reimbursement shall be seventy-five percent (75%) of the tuition fee and books, or three hundred dollars (\$300), whichever is less. A unit member failing a course or receiving a grade lower than a C shall not be reimbursed.</p> <p>A unit member shall be allowed to take up to two (2) courses eligible for reimbursement during any given semester or quarter, with a limit of six (6) total classes per year, regardless of whether the institution is on the semester or quarter system.</p>

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**Tuition Reimbursement Clauses**  
**(by MOU)**

<b>Labor Memorandum Of Understanding</b>	<b>TUITION REIMBURSEMENT</b>
<p>IFPTE Local 21 - Deputy City Attorney V and Special Counsel</p>	<p><u>Conferences, Seminars, And Meetings</u>            It may be desirable for a represented employee to attend conferences, seminars, or meetings that have as their primary purpose professional development, or acquiring concepts and knowledge that are directly beneficial to the represented employee in the performance of his/her job; and/or where such attendance is in the City's best interests. In addition to using the CEB Passport described in Section 6.3 below, each represented employee shall be entitled to use up to a maximum of \$1,300 per fiscal year to pay for the costs of professional development materials and professional development conferences, seminars, or meetings, including associated travel expenses. Represented employees shall submit requests for City-paid professional development funding to the City Attorney. The City Attorney or designee will approve the funding request upon determining that: (1) the requested professional development will directly benefit the represented employee's job performance; (2) the professional development is in the City's interests; (3) the represented employee has not exceeded the \$1,300 fiscal year annual cap; and (4) the represented employee's absence from his or her regular duties on the proposed dates will not be detrimental to the City. The City Attorney or designee shall either directly pay the provider/vendor or reimburse the represented employee.</p> <p><u>Mandatory Continuing Education</u>            Each represented employee is responsible for meeting his/her Mandatory Continuing Legal Education requirements. The City will purchase one Continuing Education of the Bar ("CEB") Passport for the office that will entitle represented employees to attend CEB programs as specified in the Passport agreement selected by the City Attorney.</p>

**Attachment B**  
**Tuition Reimbursement Clauses**  
**(by MOU)**

Labor Memorandum Of Understanding	TUITION REIMBURSEMENT
<p style="text-align: center;">IFPTE Local 21 Deputy City Attorney Unit I-IV</p>	<p><u>Conferences, Seminars, And Meetings</u>            It may be desirable for a represented employee to attend conferences, seminars, or meetings that have as their primary purpose professional development, or acquiring concepts and knowledge that are directly beneficial to the represented employee in the performance of his/her job; and/or where such attendance is in the City's best interests. In addition to using the CEB Passport described in Section 6.3 below, each represented employee shall be entitled to use up to a maximum of \$1,000 per year to pay for the costs of professional development materials and professional development conferences, seminars, or meetings, including associated travel expenses. Represented employees shall submit requests for City-paid professional development funding to the City Attorney. The City Attorney or designee will approve the funding request upon determining that: (1) the requested professional development will directly benefit the represented employee's job performance; (2) the professional development is in the City's interests; (3) the represented employee has not exceeded the \$1,000 annual cap; and (4) the represented employee's absence from his or her regular duties on the proposed dates will not be detrimental to the City. The City Attorney or designee shall either directly pay the provider/vendor or reimburse the represented employee.</p> <p><u>Mandatory Continuing Education</u>            Each represented employee is responsible for meeting his/her Mandatory Continuing Legal Education requirements. The City will purchase one Continuing Education of the Bar ("CEB") Passport for the office that will entitle represented employees to attend CEB programs as specified in the Passport agreement selected by the City Attorney.</p>



**Attachment B  
Tuition Reimbursement Clauses  
(by MOU)**

<b>Labor Memorandum Of Understanding</b>	<b>TUITION REIMBURSEMENT</b>
CMEA	<p>The City shall reimburse a represented employee the cost of university or college classes and training courses, approved in advance by the department head or the designated representative, which: (1) improve the skills used by the represented employee in his/her current position; and/or (2) prepare the represented employee for advancement on the logical, reasonable career path within the City organization. Upon successful completion of the approved classes or courses, a represented employee shall be reimbursed in accordance with the following table:</p> <p><b>GRADE REIMBURSEMENT:</b></p> <p>A or B    100% of the tuition fee and books, or \$400 whichever is less.  C            50% of the tuition fee and books, or \$200 whichever is less.</p> <p>If the course is graded on a pass/fail basis, reimbursement shall be seventy-five percent (75%) of the tuition fee, or three hundred dollars (\$300), whichever is less.</p>