



DEPARTMENT OF THE NAVY  
OFFICE OF THE SECRETARY  
1000 NAVY PENTAGON  
WASHINGTON, D.C. 20350-1000

3/21/03

MEMORANDUM FOR DISTRIBUTION

Subj: PAYMENT OF EXPENSES FOR ACADEMIC DEGREES AND PROFESSIONAL CREDENTIALS

Ref: (a) ASD (FMP) Memo of 15 Aug 01, ``Civilian Academic Training''  
(b) ASD (CPP) memo of 17 Aug 02, ``Payment of Expenses to obtain Professional Credentials''  
(c) Civilian Human Resources Manual

Encl: (1) Civilian Academic Degree Training Program, Policy Requirements  
(2) Payment of Expenses to Obtain Professional Credentials, Policy Requirements

This memorandum authorizes Echelon I and II commands to pay for academic degrees, licenses, and other professional credentials in accordance with references (a) and (b) and the detailed guidance described in enclosures (1) and (2). Reference (c) will be updated to incorporate this guidance into final policies. This authority may be redelegated to the lowest practicable level at command discretion.

The payment of expenses for academic degrees and payment for licenses and professional credentials can support workforce development to meet organizational objectives. Department of the Navy commands may use these authorities as appropriate to recruit, develop, and retain a world-class workforce through planned, systemic, and structured programs of development.

Please share this information with your command, including your human resources offices. If you have any questions, please contact Dr. Edith Alexander, Training Program Manager, who may be reached on (202) 764-0642 or DSN 764-0642.

William A. Navas, Jr.  
Assistant Secretary of the Navy  
(Manpower and Reserve Affairs)

Distribution:  
(See next page)

Subj: PAYMENT OF EXPENSES FOR ACADEMIC DEGREES AND PROFESSIONAL  
CREDENTIALS

Distribution:

AAUSN

OGC

ASN(FM&C)

ASN(I&E)

ASN(M&RA)

ASN(RD&A)

OPA

OLA

CHINFO

NIG

JAG

ECHELON I AND II COMMANDS

Copy to:

DCPPs

HROs

HRSCs

OCHR

## Guidance for Civilian Academic Degree Training Programs

a. Payment of costs associated with obtaining an academic degree to assist in recruiting or retaining employees is no longer restricted to occupations in which a shortage of qualified personnel is identified.

b. Funding is authorized only for individuals participating in planned, systemic, and coordinated professional development programs. Such programs must meet all of the following criteria:

1. Financial support for the program is pre-planned rather than ad hoc.

2. The program consists of a sequenced set of instruction or assignments that clearly support organizational objectives.

3. The program produces measurable improvement in either individual or organizational performance.

c. The Chief of Naval Operations (CNO), the Commandant of the Marine Corps, the Assistant for Administration, Office of the Under Secretary of the Navy, and the Commanders of Navy Echelon I and II commands reporting to the CNO are delegated the authority to implement this authority and determine the circumstances under which payment for academic degrees shall be made. The authority to approve planned, systemic and coordinated programs of professional development for academic degree payment may be delegated to the activity head at command discretion.

d. Programs of professional development administered under this policy must be consistent with Merit System Principles. Identification and selection of employees for training and development opportunities must be done fairly and equitably, without regard to political affiliation, race, color, religion, national origin, sex, marital status, sexual orientation, status as a parent, age, or handicapping condition.

e. Funding is permitted for any course of post-secondary education delivered through classroom, electronic, or other means provided that it shall be administered or conducted by an institution that is

accredited by a nationally recognized accrediting body to provide a curriculum of post-secondary education. The Department of Education (DOE) publishes a listing of accredited bodies under section 1001(c) of title 20 U.S.C. This listing can also be found on the DOE website [www.ed.gov](http://www.ed.gov)

f. Funding may include such additional expenses as may be necessary to ensure successful participation including but not limited to supplies and equipment, application fees, registration fees, and parking fees.

g. A continued service agreement shall be completed prior to degree payment. For full-time attendance, the continued service agreement obligates employees for whom academic degree training is paid to serve in a Government agency for a period at least three times the length of the time spent in academic degree training. The period of obligated service begins the day after the last training class. For part time training, the period of obligated service will be computed in accordance with DON guidance related to time and cost factors.

h. Academic degree payment is not authorized for any employee occupying or seeking to qualify for appointment to any position that is excepted from the competitive service because of its confidential policy-determining, policy-making, or policy-advocating character.

i. Academic degree payment is not authorized for any employee attending an institution that discriminates on the basis of political affiliation, race, color, religion, national origin, sex, marital status, sexual orientation, status as a parent, age, or handicapping condition.

j. With the exception of a Federal grant of funds made available solely for student financial assistance or related administrative costs, funds may not be provided by contract or grant to an institution of higher education or any sub-element of that institution if either the parent institution or any sub-element of that institution has a policy or practice that prevents the Reserve Officers Training Corps (ROTC) units or student ROTC participation, or prevents military recruiting on campus, or access to student directory information.

k. Any bargaining obligations must be satisfied prior

to implementation of this subchapter.

l. Offices with the authority to approve the establishment of programs of professional development that offer academic degree payment shall ensure that the programs are implemented in a manner that will result in better organizational or individual performance. The effective use of programs of professional development shall be considered as a part of the overall assessment of human resources management. The nature and extent of the use of programs of professional development shall be documented as a part of the review of organization health in the annual report required by DON policy.

m. This authority does not apply to Navy Student Loan Repayment Plan under 5 USC Section 5379 and 5 CFR 537.

Guidance for Payment of Expenses to Obtain Professional  
Credentials

a. Payment of costs associated with obtaining and renewing professional credentials including professional accreditation, State-imposed and professional licenses, and professional certifications; and examinations to obtain such credentials is authorized to support the Department of the Navy's human capital goals. Given the availability of funding, an activity may pay for professional credentials that are necessary or beneficial for the employee in the performance of official duties.

b. This authority will be implemented in a manner consistent with merit system principles and as described by the following criteria. The license or certification:

1. Enhances productivity.
2. Improves performance.
3. Maximizes recruitment opportunities, especially for shortage category occupations and other labor market conditions.
4. Increases retention, especially for "high turnover" career fields.
5. Broadens and develops the skill base for a quality work force to accomplish the DON's mission and ensure readiness.
6. Supports civilian leadership development initiatives and career path improvements to meet future requirements.

c. This authority is discretionary and is not an entitlement or benefit of employment.

d. Naval activities and Marine commands shall document the use of this authority. The Defense Civilian Personnel Data System (DCPDS) will be modified to provide essential data for program evaluation. Specific data listed below must be retained by the activities until the DCPDS accommodates these new requirements. Each approving official is responsible for ensuring that the use of this authority is documented.

e. Funding is permitted for license and certification as defined in this document. This authority may not be used to obtain licenses or certifications from organizations that discriminate on the basis of race,

color, religion, age, sex, national origin, parental status, sexual orientation or disability.

f. This authority may not be exercised on behalf of employees occupying Schedule C and non-career (political) SES positions. This authority is not applicable to active duty military personnel, local national and non-appropriated fund employees.

g. Payment for licenses and certifications, and their subsequent renewals, may include, at the discretion of the activity and command, such additional expenses as dues or fees required by the licensing or certifying agency, fees for preparation for examinations, examinations, registration fees, and travel and per diem costs. Payment may not include employees' membership fees in societies or associations.

h. Payment shall be made on a reimbursable basis upon successful receipt of the credential. Reimbursement shall be through the completion of the SF 1164.

i. Any collective bargaining obligations must be satisfied prior to implementation of this instruction.

j. Unless permitted by law or regulation, minimum qualification requirements may not be established based upon the presence or absence of a license or certification.

k. The Chief of Naval Operations (CNO), the Commandant of the Marine Corps, the Assistant for Administration, Office of the Under Secretary of the Navy, and the Commanders of Navy Echelon 1 and 2 commands reporting to the CNO are delegated the authority to implement this authority and determine the circumstances under which payment for professional credentials will be made. This authority may be further delegated to the lowest practicable level. Echelon 1 and 2 commands retain responsibility for ensuring funding support, assessing the effectiveness of these programs, and reporting program data.

1. Definitions

1. Licensing is the process by which an agency of [federal, state, or local] government grants permission to an individual to engage in a given occupation upon finding that the applicant has attained the minimal degree of competency required to engage in that occupation.

2. Certification is recognition given to individuals who have met predetermined qualifications set by an agency of government, industry, or a profession.

m. Data Elements

1. License/Certificate (license name as it appears on the certificate)
2. Date License/Certificate Obtained
3. Initial Annual/Renewal
4. License/Certificate Cost      Cumulative Costs
5. Date Paid
6. Amount Paid
7. Training for certificate/license