

F I N A L R E P O R T
EDUCATIONAL LEAVE SUBCOMMITTEE

OF THE
LEGISLATIVE COUNCIL

January, 1980

Introduction and Activities

The Educational Leave Subcommittee was appointed by the Legislative Council from among its members to review the current statute governing educational leave for state employees and to recommend revisions that would provide for a more meaningful, uniform system of granting educational leave and for monitoring expenditures by state agencies for that purpose.

Members of the Subcommittee are:

Senator Willard R. Hansen, Chairperson
Senator John Murray
Senator Bob Rush
Senator William Palmer
Representative Richard Welden
Representative William Harbor
Representative Bob Anderson
Representative Donald Avenson

The Subcommittee held meetings on June 13, September 4, October 9 and November 6. At the second meeting, Mr. James Anderson and Mr. Eldon Sperry from the State Comptroller's Office presented information on current policies and practices of state agencies regarding educational leave. The Legislative Service Bureau also presented information collected as the result of a survey of educational leave statutes, rules and policies in other states. At the third meeting the Subcommittee received comments and suggestions from representatives of the Departments of Social Services, Revenue, Public Instruction and the State Board of Regents regarding a proposed bill draft. The Subcommittee also discussed with Mr. Gene Vernon, Director of Employment Relations, the relationship between the proposed draft and the collective bargaining process.

The Current Law and Reasons for Revision

The current law relating to educational leave for state employees reads as follows:

"The head of any department, agency, or commission may grant an educational leave to employees for whom the head of the department, agency, or commission is responsible and funds appropriated by the general assembly may be used for such purposes. The head of such

department, agency, or commission shall notify the legislative council of all educational leaves granted within fifteen days of the granting of the educational leave. If the head of a department, agency or commission fails to notify the legislative council of an educational leave the expenditure of funds appropriated by the general assembly for the educational leave shall not be allowed." (Section 79.3, Code of Iowa (1979))

The Legislative Service Bureau periodically transmits reports of educational leave granted to state employees by their respective departments to the Legislative Council as required in this paragraph. The Council has no power of discretionary review however, the process being informational only and intended to notify the Council of the extent to which state employees are using educational leave. Even the value of this informational process must be questioned as the statute does not define educational leave (the intent appears to include educational assistance, however initially state agencies did not follow this interpretation) and the reports to the Council do not contain sufficient information to determine the nature, purpose and benefits to the state of assistance that is granted. It was because of this rather meaningless process and the lack of any uniform rules or guidelines regarding educational leave that the Council authorized this study.

In meeting with persons from the State Comptroller's Office, the Subcommittee discovered that as a corollary to their audit function, that Office has adopted guidelines regarding educational leave that were developed by the Director of Employment Relations at the request of the Governor. The guidelines are not designated by law to be mandatory but a survey of state executive agencies reveals that 41 agencies do not have a formal written policy on educational leave but basically follow the State Comptroller's guidelines. Twenty-six agencies have policies which generally conform to the guidelines but differ in minor respects to reflect a specific agency situation. In most cases these policies are more stringent than the Comptroller's guidelines. The guidelines address such questions as the purpose of the leave or assistance, the extent of reimbursement allowed, and the types of expenses that are reimbursable, the length of time an employee must remain in state employment after accepting leave or assistance and grade requirements. While the Subcommittee does not object to any particular features of the guidelines, it does feel that legislative guidance in this area is important both to preserve the Legislature's role in establishing policy and to create a system that is uniform among the various departments. Thus while the attached bill draft does not differ substantially from the present system monitored by the State Comptroller through the audit function, it does solve those problems which prompted this review. It replaces the current questionable reporting system with a system based on legislative guidelines which will be uniformly administered by the various state agencies and monitored by the State Comptroller's Office through the audit function. The primary difference between the current practice and the draft is the

inclusion of the requirement that agencies submit an annual report to the State Comptroller detailing the direct and indirect costs to the agency of educational leave and assistance. It is the intent of the Subcommittee that this report will provide a more valuable tool in judging the cost effectiveness of the program than does the present report to the Legislative Council.

Recommendations and Explanation

The Subcommittee recommends to the Legislative Council that the attached draft be referred to the appropriate standing committees of the General Assembly for consideration. The bill basically grants to the State Comptroller broad rule-making authority to determine the specifics of an educational leave and educational assistance program for state employees within prescribed guidelines. The Subcommittee received some testimony to the effect that the State Comptroller's Office is not the logical executive office to promulgate the rules; the Merit Employment Office being suggested as more appropriate. However, the Subcommittee is of the opinion that the State Comptroller's Office is most appropriate because it is assumed that it will consult with those offices having personnel functions which are directly responsible to the Governor during the drafting of the rules, the result being that rules governing executive agencies will reflect the collective thinking of the most appropriate executive department agencies. Furthermore, since the State Comptroller's Office performs the audit function, it should be the agency having the ultimate responsibility for promulgation of the rules because it must insure compliance with those rules.

The rules promulgated by the State Comptroller would apply to all employees within the executive branch except employees of the State Board of Regents and employees whose leave of absence is covered under a collective bargaining agreement. The State Board of Regents must adopt rules relating to educational leave and assistance as must the Legislative Council and the Supreme Court. Rules adopted by the legislative and judicial branches must be consistent with and not exceed the rules promulgated by the State Comptroller. All executive rules would be subject to the chapter 17A rules review process. It is the intent of the Subcommittee to create a uniform program while allowing the various departments the flexibility to meet their own particular needs.

Subsection 1 of section 1 of the bill makes the distinction between educational leave and educational assistance. The former is time off from employment to pursue a course of study at or sponsored by an educational institution either with or without pay and may include payment of certain educational expenses. Educational assistance is reimbursement for educational expenses incurred when the course is taken on the employee's own time or when the employee's work schedule is somewhat adjusted or when the absence is short enough to still permit the employee to discharge the full responsibilities of the position. Expenses incurred in

attending short courses, workshops and seminars such as those offered to provide information which will aid the employee to perform his or her job and, in some cases, to also satisfy continuing education requirements would be reimbursable under educational assistance since the employee would still be discharging his or her regular job responsibilities.

The definitions also establish guidelines for the use of educational leave and assistance. The bill allows assistance only when the coursework will contribute to the individual's growth and development in his or her present position. Educational leave may be granted also to prepare the employee to assume another position as needed by the particular state agency.

Subsection 3 offers guidelines to the State Comptroller on the substance of the program to be determined by the rules. It is the intent of the Subcommittee that the rules would specify the types of educational institutions and programs which are acceptable under the program and would distinguish between the type of educational development aid received and the extent of support, (i.e. an employee may receive total reimbursement for books and tuition under educational assistance but only a percentage of these costs if leave were taken). The rules require the agency head to document how the leave or assistance will improve the employee's job capabilities or will enable the employer to better meet staffing needs. The rules should also address requirements for state service following the use of educational leave or assistance and penalties for failure to fulfill this obligation and the issue of continuation of employee benefits.

Finally, as previously mentioned in this report, the bill requires state agencies to report the indirect and direct costs of leave and assistance annually to the State Comptroller. It is the intent that this information be used in a cost/benefit analysis of the program and therefore agencies are to include in their annual reports their assessment of the benefits achieved (which may include money saved by training a current employee to perform a certain job rather than hiring someone new). The State Comptroller must periodically and at least annually review the implementation of educational leave and educational assistance programs by state agencies.

The bill essentially preserves the audit function now being performed by the State Comptroller. It does not impose additional requirements on state agencies aside from the annual report nor does it affect the present authority of an agency head to act on an employee's request for leave or assistance.

PROPOSED SENATE/HOUSE FILE _____

By (PREFILED BILL RECOMMENDED BY THE
EDUCATIONAL LEAVE SUBCOMMITTEE OF
LEGISLATIVE COUNCIL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to educational leave and educational assistance
2 for state employees.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Chapter seventy-nine (79), Code 1979, is amended
2 by adding the following new section:

3 NEW SECTION. EDUCATIONAL LEAVE--EDUCATIONAL ASSISTANCE.

4 1. DEFINITIONS. As used in this section, unless the con-
5 text otherwise requires:

6 a. "Educational assistance" means reimbursement for
7 tuition, fees, books or other expenses incurred by a state
8 employee in taking coursework at an educational institution
9 or attending a workshop, seminar or conference without a
10 reduction in ordinary job responsibilities and that the
11 appointing authority determines contributes to the growth
12 and development of the employee in his or her present position.

13 b. "Educational leave" means full or partial absence from
14 an employee's ordinary job responsibilities either with full
15 or partial pay or without pay, to attend a course of study
16 at an educational institution or a course of study conducted
17 by a reputable sponsor on behalf of an educational institution.
18 Educational leave may include reimbursement for all or a
19 portion of educational expenses incurred.

20 c. "Educational leave and educational assistance" do not
21 apply to job training and employee development programs and
22 departmental seminars that are conducted or sponsored by a
23 state agency for the exclusive benefit of employees of that
24 state agency.

25 2. GENERAL APPLICABILITY--RULES. The purpose of the edu-
26 cational leave and educational assistance program created
27 by this section is to assist state employees to develop skills
28 that will improve their ability to perform their present job
29 responsibilities or in the case of educational leave to also
30 provide training and educational opportunities for employees
31 of a state agency that will enable the agency head to better
32 meet the staffing needs of the state agency. The state
33 comptroller shall promulgate rules for educational leave and
34 educational assistance subject to the guidelines in this
35 section for all full-time state employees in the executive

1 branch except employees of the state board of regents.
2 However, employees who are covered by a collective bargaining
3 agreement negotiated under chapter twenty (20) of the Code
4 are not subject to rules of the state comptroller as they
5 relate to leaves of absence if the collective bargaining
6 agreement includes provisions relating to leaves of absence.
7 The legislative council, the supreme court and the state board
8 of regents shall each promulgate rules providing for edu-
9 cational leave and educational assistance for full-time em-
10 ployees of the legislative and judicial departments and the
11 state board of regents respectively. Rules promulgated by
12 the legislative council and the supreme court shall be
13 consistent with and shall not exceed the requirements and
14 benefits contained in the rules promulgated by the state
15 comptroller.

16 3. GUIDELINES FOR RULES. The rules promulgated by the
17 state comptroller pursuant to subsection two (2) of this
18 section shall include but are not limited to requirements
19 and policies for the following:

20 a. Educational leave with pay and educational leave without
21 pay and the extent of reimbursement for educational expenses
22 for each.

23 b. Reimbursement rates for educational assistance.

24 c. Educational institutions and programs covered by leave
25 and assistance provisions.

26 d. The extent of continuation of employee benefits,
27 including insurance benefits, workers compensation, sick
28 leave, vacation, holidays and retirement benefits.

29 e. Determination of whether periodic salary adjustments
30 and merit increases will be granted to employees on education
31 leave.

32 f. The amount of time an employee who received leave or
33 assistance must remain an employee with the state and the
34 penalties for noncompliance with the requirement. An employee
35 may be required to sign a written contract agreeing to a pre-

1 scribed length of continued state service as a condition of
2 receiving educational leave or assistance.

3 g. Limits on the length of educational leave.

4 h. Documentation by the agency head of how the leave or
5 assistance will improve the employee's ability to perform
6 his or her job or will enable the agency head to better meet
7 the staffing needs of the agency.

8 4. REPORTING AND REVIEW.

9 a. The state comptroller shall periodically and at least
10 annually review the implementation of educational leave and
11 educational assistance programs by state agencies subject
12 to the rules issued under subsection three (3) of this section.

13 b. The head of each state agency, department or commission
14 including agencies in the legislative and judicial departments
15 shall report to the state comptroller not later than August
16 fifteenth of each year the direct and indirect costs to the
17 agency of educational leave and educational assistance granted
18 to agency employees during the preceding fiscal year. The
19 report shall include an estimate of costs saved by the state
20 agency, department or commission through the use of educational
21 leave and educational assistance. As used in this subsection
22 "indirect costs" includes but is not limited to, adjustments
23 in employee work assignments and agency operations necessitated
24 by educational leave or assistance.

25 Sec. 2. Section seventy-nine point one (79.1), unnumbered
26 paragraph seven (7), Code 1979, as that section is amended
27 by Acts of the Sixty-eighth General Assembly, 1979 Session,
28 chapter two (2), sections thirty-eight (38) and thirty-nine
29 (39), is amended by striking the unnumbered paragraph.

30 Sec. 3. This Act is effective January first following
31 its enactment. This Act does not affect collective bargaining
32 agreements which became effective on July 1, 1979.

33 EXPLANATION

34 This bill completely rewrites current Code provisions al-
35 lowing educational leave for state employees. The bill grants

1 to the state comptroller broad rule-making authority to
2 determine the specifics of the program within prescribed
3 guidelines. The rules promulgated by the state comptroller
4 would apply to all employees within the executive branch
5 except employees of the state board of regents and employees
6 whose leave of absence is covered under a collective bargaining
7 agreement. The state board of regents must adopt rules
8 relating to educational leave and assistance as must the
9 legislative council and the supreme court. Rules adopted
10 by the legislative and judicial branches must further be
11 consistent with and not exceed the rules promulgated by the
12 comptroller. All executive department rules would be subject
13 to the chapter 17A rules review process.

14 The bill allows educational assistance only when the
15 coursework will contribute to the employee's growth and
16 development in his or her present position. Educational leave
17 may be granted also to prepare the employee to assume another
18 position as needed by the particular state agency.

19 Finally the bill requires state agencies to report the
20 indirect and direct costs of leave and assistance annually
21 to the state comptroller. It is the intent that this
22 information be used in a cost/benefit analysis of the program
23 and therefore agencies are to include in their annual reports
24 their assessment of the benefits achieved (which may include
25 money saved by training a current employee to perform a certain
26 job rather than hiring someone new). The state comptroller
27 must periodically and at least annually review the
28 implementation of educational leave and educational assistance
29 programs by state agencies.

30 The bill does not affect collective bargaining agreements
31 which became effective July 1, 1979.

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