



**DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY
MANPOWER AND RESERVE AFFAIRS
111 ARMY PENTAGON
WASHINGTON DC 20310-0111**



20 June 2003

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Payment of Expenses to Obtain Professional Credentials for Army Civilian Employees

In order to provide an incentive for recruiting and retention of civilians, the National Defense Authorization Act for Fiscal Year 2002, permits agencies to pay expenses for employees to obtain professional credentials. The Department of Defense policy authorized the military Services to capitalize on this opportunity for both appropriated and nonappropriated fund employees. This policy permits agencies to pay expenses for employees to obtain and renew professional credentials, including expenses for professional accreditation, professional licenses, certification, and examinations to obtain such credentials.

I am delegating the authority to you to approve payment for professional credentials, as described in section 5757, Title 5, United States Code. You may use this authority, funding permitted, when it benefits the systematic development and enhances the job performance of employees in support of Army mission and goals. This authority may be further delegated, in writing, to the lowest practicable level. The Defense Civilian Personnel Data System must be used to record payments made pursuant to this authority. Authorization of payment must be in complete compliance with Department of Defense policy contained at Enclosure 2 and Army requirement at Enclosure 1. Local bargaining unit obligations must be met prior to implementation.

You may contact Mr. Mike Okin at 703-325-6563 if you have questions concerning this issue.

// ORIGINAL SIGNED//

Reginald J. Brown
Assistant Secretary of the Army
(Manpower and Reserve Affairs)

Enclosures

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SUPERINTENDENT, U.S. MILITARY ACADEMY

CF:

**DEPUTY UNDER SECRETARY OF DEFENSE (CIVILIAN PERSONNEL POLICY)
DIRECTOR, CIVILIAN PERSONNEL OPERATIONS CENTER MANAGEMENT
AGENCY
NAF PERSONNEL PROGRAM OFFICE, ARMY**

FUNCTIONAL CHIEF REPRESENTATIVE:

**CIVILIAN HUMAN RESOURCE MANAGEMENT
COMPTROLLER
SAFETY AND OCCUPATIONAL HEALTH MANAGEMENT
SUPPLY MANAGEMENT
CONTRACTING AND ACQUISITION
QUALITY AND RELIABILITY ASSURANCE
ENGINEERS AND SCIENTISTS (NC)
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PHYSICAL SECURITY AND LAW ENFORCEMENT**

CF (Continued):

FUNCTIONAL CHIEF REPRESENTATIVE (Continued):

QUALITY ASSURANCE SPECIALIST (AMMUNITION SURVEILLANCE)

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GENERAL INTELLIGENCE

MILITARY PERSONNEL MANAGEMENT

Army Requirements for Payment of Expenses to Obtain Professional Credentials

References:

- a. Department of Defense (DoD) Policy – Civilian Licenses, Certifications, and Related Expenses (Enclosure 2)
- b. Section 1112 of the National Defense Authorization Act for Fiscal Year 2002, Public Law 107-107, amending Title 5, United States Code, Section 5757

Reference a. delegates the authority to approve payment for licenses, certification, and related expenses, with the ability to further delegate this authority in writing. The Assistant Secretary of the Army (Manpower and Reserve Affairs) delegated this authority to major Army commands, independent reporting activities, and to the Administrative Assistant to the Secretary of the Army. This authority may be further delegated in Army, in writing, to the lowest practicable level.

All authorization on payments under this authority must completely comply with DoD policy contained at Enclosure 2 and with the following Army requirements.

1. Payment of expenses under this authority is NOT an entitlement. Continued payment of expenses associated with licenses and certification is discretionary and not guaranteed.
2. Priority for payment for expenses associated with licenses and certification and related expenses will be given when it is required by appropriate local, state, or Federal Government authority to perform the work required by an employee's position.
3. This authority does not apply to payment for academic degrees or fees for membership in professional societies or associations
4. Payment shall be made on a reimbursable basis upon the successful receipt of the credential. Reimbursement will be through the completion of the SF 1164 and will be paid from the appropriation that pays the employee's salary.
5. Reimbursement of expenses covered under this authority may not be retroactive. The employee requesting reimbursement under this authority must have written approval from the appropriate approving official prior to incurring the expense.
6. Payment of certification expenses for a non-appropriated (NAF) fund employee will be from the funds used to pay other pay and benefits to that employee. If a NAF employee is paid with NAF funds exclusively, then NAF funds will be the exclusive source of funds for those payments. If a NAF employee is paid with NAF funds derived from contributions made from appropriated funds, then the contributions from appropriated funds to non-appropriated funds for that employee could include any certification expenses incurred by that employee. In every case the payments will come from NAF.
7. Functional chiefs and career field proponents may issue guidance on payments to employees in their respective career programs and career fields for career related professional credentials, professional accreditation, licenses, professional certification, and examinations to obtain such credentials.

8. To ensure oversight of this program, the Office of the Deputy Chief of Staff, G-1 (DCS, G-1) will provide an annual report, effective March 2004, to the ASA(M&RA), evaluating the effectiveness of this program. This will include, at a minimum, payments made (by MACOM) by job series and grades. RNO data will also be reflected.
9. Local bargaining unit obligations must be met prior to implementation.

The point of contact for payment of expenses to obtain professional credentials is Mike Okin, 703-325-6563 or DSN 221-6563. Email is Michael.Okin@asamra.hoffman.army.mil

**DEPARTMENT OF DEFENSE (DoD) POLICY
CIVILIAN LICENSES, CERTIFICATIONS, AND RELATED EXPENSES**

A. REFERENCES

1. Title 5, United States Code, section 5757, enacted by section 1112 of the National Defense Authorization Act for Fiscal Year 2002.

2. Chapter 23 of title 5, United States Code

B. BACKGROUND

1. Prior to enactment of 5 U.S.C. § 5757 (reference (1)), the Comptroller General had interpreted federal law as prohibiting payment for expenses related to licenses and certifications. There were exceptions for requirements established in law or for qualifications set by the Office of Personnel Management.

2. Section 5757 now permits agencies to use appropriated funds or funds otherwise available to the agency to pay for “expenses for employees [in any federal pay system] to obtain professional credentials, including expenses for professional accreditation, State-imposed and professional licenses, and professional certification; and examinations to obtain such credentials.” This authority may not be exercised on behalf of any employee “occupying or seeking to qualify for appointment to any position that is excepted from the competitive service because of the confidential, policy-determining, policy-making, or policy-advocating character of the position.” This authority is discretionary on the part of agencies and is not an entitlement or benefit of employment.

C. 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.

3. DoD Components are the Office of the Secretary of Defense, the Military Departments, the Chairman of the Joint Chiefs of Staff, the Inspector General of the Department of Defense, the Defense agencies, the DoD Field Activities, and other organizational entities of the Department of Defense.

D. POLICY

1. Heads of DoD Components with appointing authority may approve payment for licenses, certifications, and related expenses consistent with this policy. This authority may be redelegated in writing.
2. The Director, Washington Headquarters Services (WHS), is delegated the authority to approve payment for licenses, certifications, and related expenses, consistent with this policy, for the Office of the Secretary of Defense and those organizations receiving civilian personnel services from WHS.
3. Use of this authority shall be consistent with any collective bargaining obligations.
4. Components may use this authority where it is beneficial to the systematic development and enhanced job performance of employees in support of Administration management objectives, Departmental national security, or Component mission imperatives and goals. Components shall develop criteria for implementation of this authority and provide those criteria to the Office of the Deputy Assistant Secretary of Defense for Civilian Personnel Policy.
5. Payment for licenses and certifications, and their subsequent renewals, may include, at the Component's discretion, such additional expenses as membership fees, fees for preparation for examinations, examinations, registration fees, and travel and per diem costs.
6. Components shall ensure that criteria for payment of expenses to obtain professional credentials are applied consistent with merit system principles as set forth in 5 U.S.C. § 2301. All criteria shall be reviewed at regular intervals, as established by each Component.
7. Unless permitted by law or regulations, Components may not establish minimum qualification requirements based upon the presence or absence of a license or certification.
8. Components may not use this authority to obtain licenses or certifications from organizations that discriminate on the basis of race, color, religion, age, sex, national origin, parental status, or disability.

9. Components shall use the Modern Defense Civilian Personnel Data System (DCPDS) for recording payments for licenses, certifications, and related expenses. The Modern DCPDS will be used to evaluate such payments.