

Policy Name: Professional Licenses, Certifications, and Specialized Training Policy

Policy Owner: Controller's Office

Policy Contact: Amry Stanley, Financial Compliance Program Manager,
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Reviewed By: Campus Finance Directors (College of Sciences and Facilities Administration); Finance Council; Associate VP Finance and Planning; Vice President for Finance and Planning and Chief Financial Officer; Executive Director Business Services; Director Procurement; Senior Director Academic Administration; Chief Research Operations Officer; Senior Director EVPR Administration; Faculty Services Committee; Interim Sr. Director of Total Rewards GTHR; Department of Internal Auditing.

Policy Steering Committee Approval: October 2023

Policy Purpose: This policy formalizes current guidance and provides support to financial managers across campus when communicating allowable costs to their units. The formalization also promotes equitable application across campus. In alignment with the strategic goal to "Lead by Example" and the value of "We are Responsible Stewards," the Institute is committed to enhancing employee skills while also ensuring the Institute is the primary beneficiary of the license, certification, or specialized training.

Summary of Substantive Policy Elements:

- Formalize guidance that payment for licenses, certification fees, specialized training, or other similar expenses is generally not allowable, as the primary beneficiary is considered to be the employee instead of the Institute. The Institute may pay for certain professional licenses, certifications, or specialized training when required to perform the duties of a position related to health, safety, or legal compliance, or is required by an external third-party.
- Further clarifies that the Institute may also pay for expenses in certain cases where the license, certification, or specialized training is not required to perform the duties of the job as indicated above, but a documented, specific, and direct monetary benefit to the Institute must exist.
- Documents allowable funding sources for various scenarios related to payment for licenses, certification fees, specialized training.



Georgia Institute of Technology®

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Type of Policy: Administrative

Effective Date: TBD

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1. Reason for Policy

The purpose of this Policy is to outline requirements for units of the Institute as to when it is appropriate to pay or reimburse for professional licenses, certifications, and specialized training.

2. Policy Statement

Payment or reimbursement for licenses, certification fees, specialized training, or other similar expenses are generally not allowable as the primary beneficiary is the employee rather than the Institute.

The Institute may pay for certain professional licenses, certifications, or specialized training when required to perform the duties of a position related to health, safety, or legal compliance or required by an external third-party provided it is allowable per the funding source (see "Source of Funds").

The Institute may pay for expenses in certain cases where the license, certification, or specialized training is not required to perform the duties of the job as indicated above, but a documented, specific, and direct monetary benefit to the Institute exists. This is generally not common.

The requirement for a license, certification, or specialized training to perform the duties of the job or the justification of the direct monetary benefit to the Institute must be documented on the "Justification for Payment or Reimbursement of Professional Licenses, Certifications or Specialized Training" form. Requests for payment to a vendor or reimbursement to an employee should be processed via the financial management system for Georgia Tech, Georgia Tech Foundation (GTF), Georgia Tech Research Corporation (GTRC) or Georgia Tech Applied Research Corporation (GTARC), as appropriate. The required form, which includes unit leadership approval, must accompany the payment or reimbursement request. Employees should seek management approval

prior to incurring a personal expense for a professional license, certification, or specialized training that may not be approved for reimbursement.

Specialized training should not involve course credit that is applied towards a degree program. For information on potential reimbursement for degree programs, diplomas, and certificates, please refer to the [Institute's Staff Tuition Reimbursement Assistance Program \(STRAP\) Policy](#) or the [USG's Tuition Assistance Program \(TAP\) policy](#).

The University System of Georgia (USG) offers "Critical Skills Retention Incentive" compensation under the [HRAP Policy on Incentive Compensation and Rewards](#). This allows the Institute to hire and retain employees with job-related industry-specific credentials if certain criteria are met. Employees are not eligible to receive compensation for critical skills under the USG program and to receive reimbursement or payment for the same professional license, certification, or specialized training under this policy.

Source of Funds

Institute general operating funds (GenOps) including State Appropriations, Tuition, Indirect Cost Recovery, Auxiliary Services, and Department Sales and Services funds, may be used for payment or reimbursement of employee licenses, certifications and specialized training that are required to perform the duties of a position related to health, safety, or legal compliance or required by an external third party.

Discretionary funds including GTF, GTRC or GTARC funds, must be used for payment or reimbursement of licenses, certifications or specialized training that are not required to perform the duties of the job as indicated above. A documented, specific, and direct monetary benefit to the Institute must exist and these expenses must be allowed by the funding source.

Sponsored funds may be used for specific licensing, certification, or specialized training expenses that are relevant to the sponsored agreement, allowed by the sponsoring entity and approved in the sponsored award budget.

Approval

Payment or reimbursement for licenses, certifications or specialized training that meet the criteria above must be approved by a unit level manager such as a chair, dean, department head, director, or vice president via the justification form.

Taxability

Licenses, certifications, and specialized training paid for by the Institute, an affiliated organization (i.e., GTF, GTRC or GTARC), or sponsored funds are generally not taxable to the employee. See [IRS publication 5137](#) (Fringe Benefit Guide) and consult a tax professional for additional details.

3. Scope

This policy applies to all Georgia Tech employees, affiliates, and students.

4. Definitions

License	Official permission granted by an external authority that gives a person the right to provide certain services to the public.
Certification	Confirmation by an external authority of credentials regarding knowledgeability within a certain area or discipline.
Specialized Training	Additional focused training outside of normal professional development which generally includes education on current trends, issues, and best practices related to the employee's position.
Specific and Direct Monetary Benefit	Cost savings realized by the Institute.

5. Forms

Title	Link
Justification for Payment or Reimbursement of Professional Licenses, Certifications, and Specialized Training	https://controller.gatech.edu/ProfessionalLicensesCertificationsandSpecializedTraining

6. Responsibilities

Units

Units of the Institute are responsible for reviewing and completing the justification form, ensuring the funding source is appropriate and obtaining the required approvals.

Unit Leadership

The Chair, Dean, Department Head or Vice President who approves the justification form is responsible for confirming that the expense is allowable per policy.

Controller's Office

The Controller's Office is responsible for periodically reviewing payments and reimbursements for Professional Licenses, Certifications, and Specialized Training. Any non-compliant transactions will be reported to the unit financial leadership.

Accounts Payable

Accounts Payable is responsible for ensuring the justification form is attached to the payment or reimbursement form.

7. Related Information

Resource	Link
Allowable Cost Matrix	http://www.controller.gatech.edu/allowable-cost-matrix
Frequently Asked Questions	https://controller.gatech.edu/ProfessionalLicensesCertificationsandSpecializedTraining

- **Policy History**

Revision Date	Author	Description
TBD	Controller's Office	New Policy