

**MEMORANDUM**

January 30, 2025

**TO:** Rich Wallen, General Manager/Chief Executive Officer

**VIA:** Tod Ayers, Chief Human Resource Officer  
Thomas Stredwick, Senior Manager of Employee Experience

**FROM:** Scott Sundberg, Organizational Development Supervisor  
Annette Hernandez, Employee Experience Specialist

**SUBJECT:** Revised Educational Reimbursement Policy

**Purpose:** To provide notification to the Commission regarding proposed changes to the Educational Reimbursement Policy associated with Resolution 8613. The resolution provides that the General Manager is authorized to modify the policy from time to time provided the proposed changes are submitted to Grant PUD’s Commission at least 20 days prior to being put into effect.

**Discussion:** The current policy is in need of updates based on employee, auditor, and administrator feedback. This update includes:

- Programs will no longer have to be based on fulltime enrollment;
- Adding more flexibility for students to modify course schedules within the approved program; and,
- Updated list of criteria where an employee would not be required to repay Grant PUD for an educational reimbursement (Example: “Employee separation due to disability”).

**Justification:** The proposed changes allow for easier administration of the program and more flexibility for students within their intended programs. Also, in order to prevent any undue hardship related to the policy requirement to repay, to fall on an employee separating service for a verified disability, there would be the option for no repayment required.

**Financial Considerations:** Funding for the Educational Reimbursement program is capped annually in order to provide a degree of budgetary certainty. The annual budgetary cap may change annually as it is subject to the financial condition of the Utility and subsequent Executive Leadership Team allocation. There is currently \$260,000 allocated for educational reimbursement in the 2025 Leadership & Organizational Development budget.

**Recommendation:** Inform the Commission of the changes made to the Educational Reimbursement Policy as described above. The documentation in this packet includes:

- Commission memo
- Copy of Resolution 8613
- Clean copy of the current policy
- Red-lined version of the policy to identify edits
- Clean copy of the revised policy

**Legal Review:** See attached e-mail.

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TS

TA

**Signature:** Thomas Stredwick

Thomas Stredwick (Jan 30, 2025 08:25 PST)

**Email:** [tstredwick@gcpud.org](mailto:tstredwick@gcpud.org)

**Signature:** *Scott Sundberg*

**Email:** [ssundbe@gcpud.org](mailto:ssundbe@gcpud.org)

**Signature:** *Tod Ayers*

**Email:** [tayers@gcpud.org](mailto:tayers@gcpud.org)

Attorney review see email  
Auditor review \_\_\_\_\_  
Manager review CB

RESOLUTION NO. 8613

A RESOLUTION RESTATING THE DISTRICT'S BENEFITS AND AMENDING  
RESOLUTION NO. 7953

Recitals:

1. The District had previously adopted a tuition reimbursement policy revised pursuant to Resolution No. 6569;
2. The District consolidated the tuition reimbursement policy and superseded Resolution No. 6569, into a benefit policy pursuant to Resolution No. 7322, which was subsequently superseded by Resolution No. 7540;
3. The District revised the benefit policy pursuant to Resolution No. 7953 which then became the Management Benefits Policy, although the District has continued to provide benefits not included in the Collective Bargaining Agreement to bargaining unit employees; and
4. The District's General Manager has requested that he be delegated authority to modify the tuition reimbursement policy as he deems to be in the District's best interest subject only to the limitations set forth below.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 2 of Grant County, Washington that:

Section One: The Tuition Reimbursement Policy attached as Exhibit A is hereby adopted.

Section Two: The General Manager is hereby authorized to modify the District's tuition reimbursement policy from time to time subject to the following limitations:

1. The policy shall at all times be subject to and consistent with the requirements of all applicable laws and regulations.
2. Any proposed changes to the tuition reimbursement policy shall be submitted to the District's Commission and Auditor at least twenty (20) days prior to being put into effect.

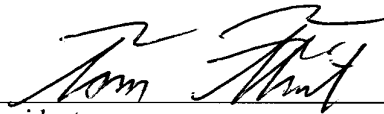
Section Three: The following benefit programs are available to all eligible employees, including Commissioners and Appointees:

1. Retirement Plan – Individuals in eligible positions are required to participate in the Washington State Public Employees Retirement System (PERS). The costs of this program are apportioned between the District and the individual as specified by state law. Employees employed prior to February 1970 may also receive retirement benefits under an Aetna Insurance Company program.

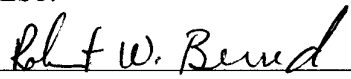
2. Official Travel AD&D - The District provides accidental death and dismemberment insurance coverage of \$150,000 for individuals traveling on official District business. The premium cost is paid entirely by the District
3. Frequent Flyer Miles - All District employees are allowed to retain any Frequent Flyer Miles earned on official travel so long as they have purchased their airline tickets in the most prudent and economical manner.
4. Section 125 Cafeteria Plan - Eligible employees may participate in the District's Flexible Benefits plan during open enrollment at the beginning of each calendar year. This plan provides for eligible employees to set aside a specific amount from their paycheck for un-reimbursed health care expenses or dependent child care for the tax year.

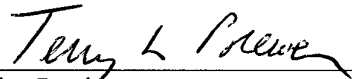
Section 4: Resolution No. 7953 is amended to remove Sections 4, 6c, 9, and 13 from the Management Benefits Policy.

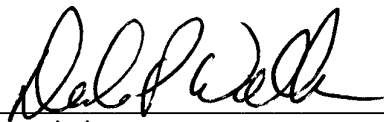
PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this 9<sup>th</sup> day of April, 2012.

  
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President


ATTEST:

  
\_\_\_\_\_  
Secretary

  
\_\_\_\_\_  
Vice President

  
\_\_\_\_\_  
Commissioner

  
\_\_\_\_\_  
Commissioner

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|---|---|--|
| <b>Effective Date:</b><br>10/30/2023  | <b>Version:</b> 3<br><b>Supersedes:</b> 2 | <b>Related Documents:</b> See Section 6                    |
|  |   | <b>DISTRICTWIDE POLICY</b>                                 |
| <b>Approved by:</b> Executive Management  |   | <b>Regulation:</b>   |
| <b>Policy Owner:</b> Senior Manager Employee Experience                           |   | <b>Policy Category:</b> Employment, Benefits and Workplace |

## **OD-DW-POL-100 – EDUCATIONAL REIMBURSEMENT POLICY**

### **1. Scope**

This policy applies to all full-time regular Grant PUD employees.

### **2. Policy Statement**

As an organization that values innovation and continuous learning, Grant PUD encourages employees to continue their education and further their professional development. The educational reimbursement policy is designed to eliminate barriers to continued professional development, and financially support employees pursuing courses of study. This includes degree programs which are directly related to present or future job interests within Grant PUD. Degrees must be obtained via an accredited institution.

### **3. Eligibility**

Full-time regular employees are eligible to apply for educational reimbursement. Employees on a performance improvement plan at the time of application are ineligible for reimbursement. Employees that are currently in the middle of an approved term, then go on a PIP, are allowed to finish their term and then their participation will be on hold. Participants could re-apply after they are no longer on a PIP but would be subject to the approval process. Grant PUD’s FERC license Article 417 considerations may allow for other plan participation at the pre-approval of the General Manager/CEO.

Approval of educational reimbursement shall be made in accordance with the requirements of the applicable tier (see Appendix A).

Applications for reimbursement must be submitted and approved in accordance with the applicable procedure prior to course registration. Programs must be on a fulltime basis unless the participant is only needing a few classes to graduate. All terms must be pre-approved in a single application that covers the entire degree program.


Ongoing funding is subject to the financial condition of the utility and Executive Management funding allocation on an annual basis.

Any deviation from an approved program schedule (for example: skipping of terms or changing degrees) will require a new application to be completed and new approvals to be obtained with no guarantee of acceptance back into the program.

Employees are limited to one degree per degree type (Associates, Bachelors, Masters), for the duration of their career at Grant PUD.

### **4. Reimbursement**

The maximum reimbursement per year is up to \$20,000 and is based on a tier system (see Appendix A). Employees should note that the educational reimbursement amount is first subject to any IRS exclusion and then is subject to tax withholding and other appropriate

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deductions and will be reported on the W-2 form as part of the employee’s total compensation. Additional information about IRS exclusion and tax withholding can be obtained by contacting the program administrator or at [www.IRS.gov](http://www.IRS.gov) and referencing Publication 970.

Reimbursement of tuition cost, including mandatory course fees and required books and/or manuals called out in the course syllabus, shall be made upon acceptable completion of the program. Documentation of such supplemental costs and fees must be submitted along with the application. Travel, mileage, meals, equipment (such as laptops), calculators, and other associated costs are not covered.


Approval of tuition reimbursement does not constitute a promise of continued employment for any specific period, nor does it change the at-will nature of non-union employment with Grant PUD. Bargaining unit employees remain subject to all provisions of the Collective Bargaining Agreement. Reimbursements must be submitted via the SharePoint process no later than 30 days after term completion date or the date term grades are posted, whichever is later. Exceptions to the reimbursement submittal date must have two levels of approval within the employee’s chain of command (e.g., supervisor and manager, manager and senior manager, senior manager and managing director), up to the General Manager.

In certain instances, a member of Executive Management may also approve up to 5% of an employee’s time on the job toward coursework completion, allowing the employee to study during part of their workday. This request should be formally made within the educational reimbursement application. Participants in the program with study on work time must add applicable attributes on their time sheet, as approved, using activity code AC124. Per the Technology Acceptable Use Policy, IT resources are for conducting Grant PUD business only, therefore use of PUD equipment/resources (computers, printers, etc.) is not allowed for completing courses under this program.

## 5. Employment Commitment

In consideration of the educational reimbursement provided by Grant PUD, employees choosing Tier 1 (as shown on Exhibit A) shall commit to two years of service and employees choosing Tier 2 (as shown on Exhibit A) shall commit to four years of service from the date which Grant PUD issues each educational reimbursement. If employment ends (voluntarily or involuntarily) prior to completing the associated time commitment, the employee shall repay Grant PUD 100% of educational reimbursements received.

Employee participation in the educational reimbursement program and acceptance of funding constitutes authorization for the payroll deduction or deduction from employee’s personal leave to repay Grant PUD the amounts owed.

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Employee termination due to a reduction in force will not require the employee to pay the reimbursement back. In the event of employee fatality, the survivors will not have to reimburse the District for any payments due.

The rights and obligations of Grant PUD and the employee shall be governed by the laws of the State of Washington. Venue of any action filed to enforce or interpret the provisions of this agreement shall be exclusively in the Superior Court, County of Grant, State of Washington or the Federal District Court for the Eastern District of Washington at Grant PUD's sole option. In the event of litigation to enforce the provisions of this agreement, the prevailing party shall be entitled to reasonable legal fees in addition to any other relief allowed.

## 6. Risk/Risk Owners


A. This policy, along with other control mechanisms, is intended to mitigate the following risks:

- Human Capital Risk – Failure to effectively attract, develop, retain, and properly align the skilled people necessary to conduct, sustain and grow the business may hinder the company's ability to execute, manage and monitor key business activities.
- Performance Risk – Lack of clear, measurable, relevant, and attainable performance goals that are aligned with strategies may result in employee actions and performance that do not consistently meet the company's expectations.
- Leadership Risk – The risk that the people responsible for the important business processes do not or cannot provide the leadership, vision, and support necessary to help employees execute the current strategic plan to be effective and successful in their jobs.
- Financial Risk - Risk that demand for education reimbursement out strips supply of funding leading to too little benefits or budget exceedances.

B. Risk Owners includes Organizational Development, members of Executive Management, supervisors, and employees applying for and receiving reimbursement under this policy.

## 7. Review/Revision History


| Date       | Description   |
|------------|---|
| 4/9/2012   | v1 Effective Date   |
| 9/28/2020  | v2 Effective Date. Increase reimbursement amount based on a tier system, incorporate educational recognition credit.  |
| 10/30/2023 | v3 Effective Date. Revise reimbursement tiers, remove educational recognition credit and loan provisions, added new Risk section, incorporate new procedures and forms. |

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### Appendix A – Tier Table

|                       | <b>Tier 1</b>   | <b>Tier 2</b>   |
|-----------------------|---|---|
| Program Requirements  | Any degree program that relates to current or desired roles within Grant PUD.   | Any degree program that supports a position deemed hard to fill as outlined by HR's process for hard to fill positions. |
| Eligible Credentials  | Associate of Arts; Bachelor's Degree; Master's Degree   |   |
| Maximum Reimbursement | 100% up to \$10,000 (maximum \$10,000 per year)   | 100% up to \$10,000 then 90% of costs over \$10,000 (up to a maximum \$20,000 per year).                                |
| Approval Requirements | <p>Senior Manager (if the applicant is a Senior Manager, the next level of authority must approve).</p> <p>Must also have approval from a member of Executive Management if applicant is requesting study on work time.</p> | Member of Executive Management  |
| Employment Commitment | 2 years   | 4 years   |
| Grade Requirements    | Minimum GPA of "2.5" or "Pass" when grades are awarded (per course).  | Minimum GPA of "3.0" or "Pass" when grades are awarded (per course).  |



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compensation. Additional information about IRS exclusion and tax withholding can be obtained by contacting the program administrator or at [www.IRS.gov](http://www.IRS.gov) and referencing Publication 970.

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Employee participation in the educational reimbursement program and acceptance of funding constitutes authorization for the payroll deduction or deduction from employee’s personal leave to repay Grant PUD the amounts owed.

Employee termination due to the following reasons will not require any reimbursements to be paid back to Grant PUD:

- Reduction in force

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- Employee separation due to disability (verified by Human Resources)
- Employee death (the estate will not have to reimburse Grant PUD for any payments due)
- Other circumstances where the General Manager/CEO believes it's in the best interest of Grant PUD.

The rights and obligations of Grant PUD and the employee shall be governed by the laws of the State of Washington. Venue of any action filed to enforce or interpret the provisions of this agreement shall be exclusively in the Superior Court, County of Grant, State of Washington or the Federal District Court for the Eastern District of Washington at Grant PUD's sole option. In the event of litigation to enforce the provisions of this agreement, the prevailing party shall be entitled to reasonable legal fees in addition to any other relief allowed.

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| X/X/2025   | v4 Effective Date. Removed requirement that programs are based on full-time enrollment. Repayment forgiveness criteria updated.   |

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## 5. Employment Commitment

In consideration of the educational reimbursement provided by Grant PUD, employees choosing Tier 1 (as shown on Exhibit A) shall commit to two years of service and employees choosing Tier 2 (as shown on Exhibit A) shall commit to four years of service from the date which Grant PUD issues each educational reimbursement. If employment ends (voluntarily or involuntarily) prior to completing the associated time commitment, the employee shall repay Grant PUD 100% of educational reimbursements received.

Employee participation in the educational reimbursement program and acceptance of funding constitutes authorization for the payroll deduction or deduction from employee’s personal leave to repay Grant PUD the amounts owed.

Employee termination due to the following reasons will not require any reimbursements to be paid back to Grant PUD:

- Reduction in force

|  |   |  |
|--|---|--|
| <b>Effective Date:</b><br>X/X/2025   | <b>Version:</b> 4<br><b>Supersedes:</b> 3 | <b>Related Documents:</b>                                  |
|  <h2 style="text-align: center;">DISTRICTWIDE POLICY</h2> |   |  |
| <b>Approved by:</b> GM and CHRO  |   | <b>Regulation:</b>   |
| <b>Policy Owner:</b> Senior Manager Employee Experience  |   | <b>Policy Category:</b> Employment, Benefits and Workplace |

- Employee separation due to disability (verified by Human Resources)
- Employee death (the estate will not have to reimburse Grant PUD for any payments due)
- Other circumstances where the General Manager/CEO believes it's in the best interest of Grant PUD.

The rights and obligations of Grant PUD and the employee shall be governed by the laws of the State of Washington. Venue of any action filed to enforce or interpret the provisions of this agreement shall be exclusively in the Superior Court, County of Grant, State of Washington or the Federal District Court for the Eastern District of Washington at Grant PUD's sole option. In the event of litigation to enforce the provisions of this agreement, the prevailing party shall be entitled to reasonable legal fees in addition to any other relief allowed.

## 6. Risk/Risk Owners

This policy, along with other control mechanisms, is intended to mitigate the following risks:


- Human Capital Risk – Failure to effectively attract, develop, retain, and properly align the skilled people necessary to conduct, sustain and grow the business may hinder the company's ability to execute, manage and monitor key business activities.
- Performance Risk – Lack of clear, measurable, relevant, and attainable performance goals that are aligned with strategies may result in employee actions and performance that do not consistently meet the company's expectations.
- Leadership Risk – The risk that the people responsible for the important business processes do not or cannot provide the leadership, vision, and support necessary to help employees execute the current strategic plan to be effective and successful in their jobs.
- Financial Risk - Risk that demand for education reimbursement out strips supply of funding leading to too little benefits or budget exceedances.

Risk Owners includes Organizational Development, members of Executive Management, supervisors, and employees applying for and receiving reimbursement under this policy.

## 7. Review/Revision History

| Date       | Description   |
|------------|---|
| 4/9/2012   | v1 Effective Date   |
| 9/28/2020  | v2 Effective Date. Increase reimbursement amount based on a tier system, incorporate educational recognition credit.  |
| 10/30/2023 | v3 Effective Date. Revise reimbursement tiers, remove educational recognition credit and loan provisions, added new Risk section, incorporate new procedures and forms. |
| X/X/2025   | v4 Effective Date. Removed requirement that programs are based on full-time enrollment. Repayment forgiveness criteria updated.   |



|  |   |  |
|--|---|--|
| <b>Effective Date:</b><br>X/X/2025   | <b>Version:</b> 4<br><b>Supersedes:</b> 3 | <b>Related Documents:</b>                                  |
|  <h2 style="text-align: center;">DISTRICTWIDE POLICY</h2> |   |  |
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### Appendix A – Tier Table

|                       | <b>Tier 1</b>   | <b>Tier 2</b>   |
|-----------------------|---|---|
| Program Requirements  | Any degree program that relates to current or desired roles within Grant PUD.   | Any degree program that supports a position deemed hard to fill as outlined by HR's process for hard to fill positions. |
| Eligible Credentials  | Associate of Arts; Bachelor's Degree; Master's Degree   |   |
| Maximum Reimbursement | 100% up to \$10,000 (maximum \$10,000 per year)   | 100% up to \$10,000 then 90% of costs over \$10,000 (up to a maximum \$20,000 per year).                                |
| Approval Requirements | <p>Senior Manager (if the applicant is a Senior Manager, the next level of authority must approve).</p> <p>Must also have approval from a member of Executive Management if applicant is requesting study on work time.</p> | Member of Executive Management  |
| Employment Commitment | 2 years   | 4 years   |
| Grade Requirements    | Minimum GPA of "2.5" or "Pass" when grades are awarded (per course).  | Minimum GPA of "3.0" or "Pass" when grades are awarded (per course).  |