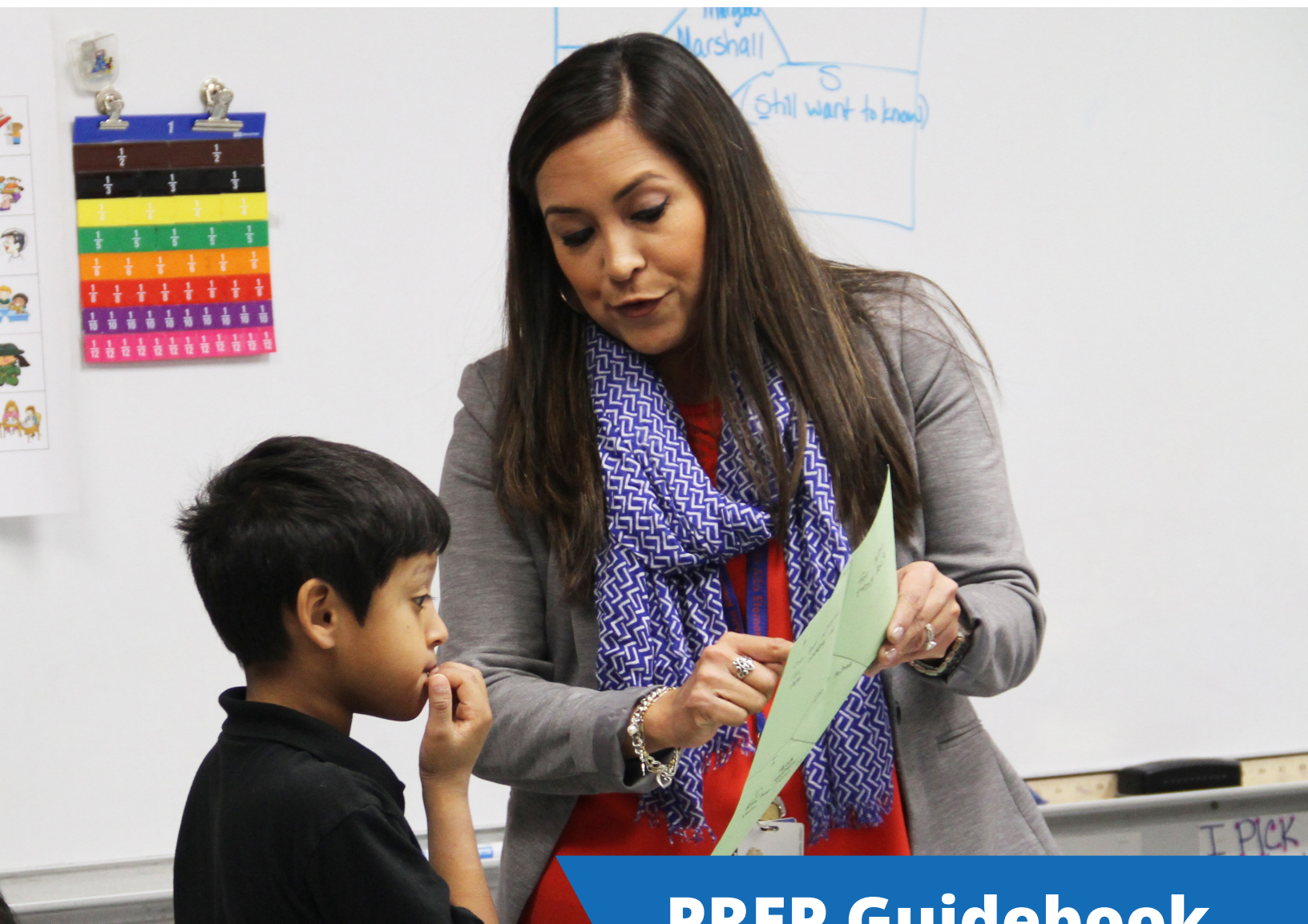




PREP Guidebook

Last Updated: October 2026

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Part I: PREP Overview

Overview of the PREP Program Allotment

The Preparing and Retaining Educators through Partnership (PREP) Program Allotment supports school systems in building and strengthening teacher talent pipelines from recruitment to preparation to mentorship. Together, PREP programs help school systems recruit aspiring educators, prepare them for successful entry into the profession, and provide the mentorship and support needed to develop and retain effective teachers. The 89th Texas Legislature established the PREP Program Allotment through House Bill 2, signed into law on June 20, 2025.

PREP funds five partnership program types that support different stages of the educator pipeline: PREP Grow Your Own, PREP Residency Preservice, PREP Traditional Preservice, PREP Alternative Preservice, and PREP Mentorship. Each program is designed around strategic partnerships that strengthen teacher pipelines.

**Policy references: House Bill 2, 89th Texas Legislature (2025); TEC sections 21.901-21.911; TEC section 48.157*

PREPARING AND RETAINING EDUCATORS THROUGH PARTNERSHIP (PREP) ALLOTMENT



Preparing and Retaining Educators through Partnership (PREP) Allotment includes five formula-funded programs to support teacher recruitment, preparation and mentorship. Research shows that teachers who receive preservice practice prior to becoming a teacher and receive ongoing mentoring are more effective and more likely to stay in the profession.

PREP PROGRAMS



PREP Grow Your Own

The PREP Grow Your Own (GYO) program supports current school system employees who do not hold a bachelor's degree or teaching certificate in completing their degree

and enrolling in an educator preparation program (EPP) while continuing to work in the school system. PREP GYO also supports high school students in completing career and technical education (CTE) courses that prepare them to become classroom teachers. Each participating GYO employee, up to 40 employees per year, may generate between \$8,000 and \$12,000 depending on the high-needs and rural factor of the school the employee is employed in at the start of the program. The school system earns 50% as initial funding and 50% as success-based funding when the employee attains a bachelor's degree and enrolls in an EPP.

PREP Residency Preservice

The PREP Residency Preservice Program funds school systems and their approved EPP partners to implement year-long, paid teacher residencies. Residents engage in 750 clock hours of deep clinical practice under the supervision of a trained host teacher and earn an enhanced standard teaching certificate. Each resident, up to 40 residents per year, may generate between \$24,000 and \$39,500 depending on the resident's certification area and the high-needs and rural factor of the school the resident is employed in at the start of the program. The school system receives \$12,000 initially and additional success-based funding upon the resident attaining the enhanced standard certificate.

PREP Traditional Preservice

The PREP Traditional Preservice Program places teacher candidates in paid, semester-long student teaching experience under the supervision of trained cooperating teachers. Candidates complete at least 490 clock hours of clinical teaching while earning a standard certificate. Each candidate, up to 80 per year combined with Alternative Preservice candidates, may generate between \$10,000 and \$21,500 depending on the high-needs and rural factor of the school to which they are assigned at the start of the program. The school system receives \$4,000 initially and additional success-based funding upon the candidate completion of their preparation program.

PREP Alternative Preservice

The PREP Alternative Preservice Program places teacher candidates in a pre-internship clinical experience of at least 120 clock hours under the supervision of a trained cooperating teacher, followed by an internship as teacher of record under the supervision of an intern mentor teacher. Each candidate, up to 80 per year combined with Traditional Preservice candidates, may generate between \$10,000 and \$21,500 depending on the high-needs and rural factor of the school to which they are assigned at the start of the program. The school system receives \$4,000 initially and additional success-based funding upon the candidate completion of their preparation program and issuance of an Intern with Preservice Certificate.

PREP Mentorship

The PREP Mentorship Program provides funding for school systems to implement high-quality beginning teacher mentorship programs. School systems receive \$3,000 per beginning teacher mentored, for up to 40 beginning teachers per year. Mentorship has no success-based component; the full allotment flows annually.

See [Part III: Program Details](#) for the complete funding and spending requirements for each of the five PREP programs.

Overview of PREP Allotment Funding

PREP is an allotment funded through the Foundation School Program (FSP); it is not a grant.

- **PREP funding is available for every eligible school system in the state.**
- Each PREP program includes a specific funding formula in policy and provides funding for up to a specific number of supported teacher candidates, employees, or beginning teachers per year per school system.
- Certain policy spending requirements apply and are described later in this guidebook. For more details on spending and funding requirements for each program, see the [Program Details](#) section of this guidebook, and for funding and spending guidance, see [Appendix 3: Fiscal Guidance for Business Offices](#) of this guidebook.

PREP Program Allotment funds move through the Foundation School Program (FSP) based on the data that school systems enter in the Educator Certification Online System (ECOS). For PREP Grow Your Own (GYO) and PREP Preservice programs, success-based funding calculations also use Public Education Information Management System (PEIMS) data.

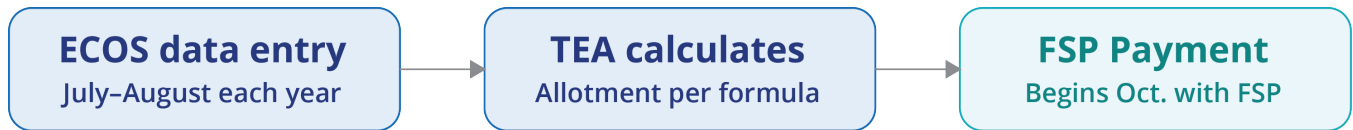
School systems must submit their ECOS data to verify participation numbers according to the date windows communicated annually by TEA. More details on ECOS submissions are provided in [Part IV: Data and Program Submissions](#) in this guidebook.

Policy references: TEC §48.157; TAC §153.1302(b)

PREP Allotment Funding Flow for School Systems

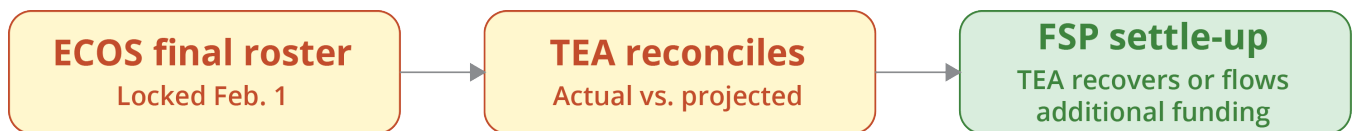
From ECOS data entry to FSP payment

FSP Initial Funding



School systems enter participant data (GYO employees, residents, beginning teachers) into ECOS during July and August. TEA calculates the allotment based on ECOS data + the statutorily based funding formula. For PREP GYO, PREP Residency Preservice, Traditional Preservice, and Alternative Preservice this includes the high-needs and rural factor.

FSP Settle-Up (initial funding adjustment)

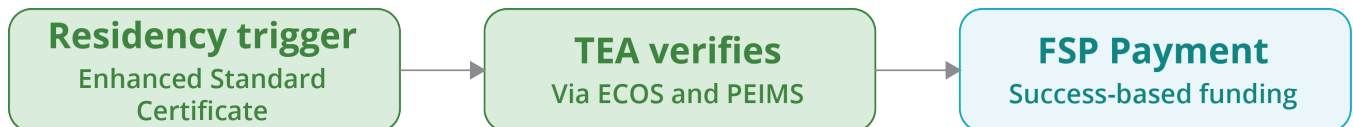


Changes to participant records may be made until Jan 31 (adds, drops, campus changes). TEA compares final ECOS roster against initial data. Any difference is resolved through FSP settle-up.

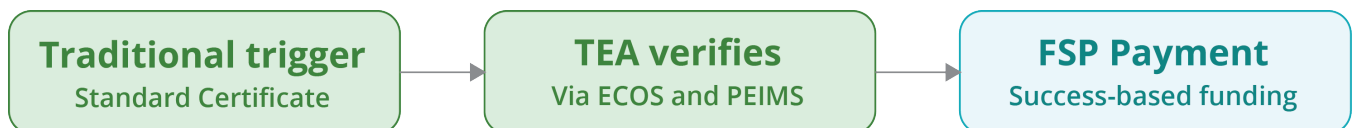
Success-based Funding



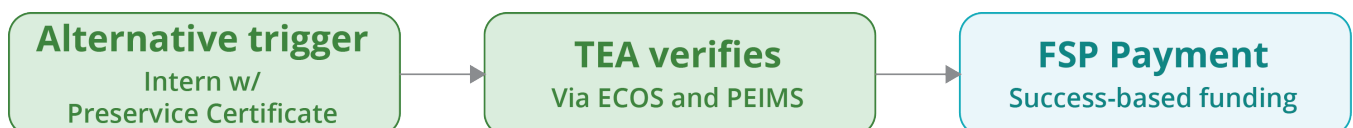
GYO: 50% success-based funding flows after employee completes bachelor's degree AND enrolls in accredited EPP within three years.



Residency Preservice: Success-based funding flows after the resident earns an enhanced standard certificate.



Traditional Preservice: Success-based funding flows after the candidate earns a standard certificate.



Alternative Preservice: Success-based funding flows after the candidate successfully earns the **Intern** with Preservice Certificate.

Mentorship: No success-based component. The full \$3,000 per beginning teacher is paid annually.

Educator Preparation Program (EPP) Funding (separate from school system allotment)

In addition to the school system allotment, EPPs partnering in PREP Preservice Programs receive success-based funding through the Foundation School Program (FSP). EPP funding flows after teacher candidates meet program completion milestones. For the Alternative Preservice Program, the school system also pays the EPP up to \$1,500 per candidate for Reading and Math Academies, using its Early Education Allotment or other available funds.



Residency Preservice Program: The EPP receives \$10,000 per completer. This is funded via the formula under TEC §48.157; this is not an additional cost.

The EPP may receive an additional \$1,500 per completer of the Reading and Math Academies. This is funded via the formula under TEC §48.310; this is not an additional cost.



Traditional Preservice Program: The EPP receives \$5,000 per completer. This is funded via the formula under TEC §48.157; this is not an additional cost.

The EPP may receive an additional \$1,500 per completer of the Reading and Math Academies. This is funded via the formula under TEC §48.310; this is not an additional cost.



Alternative Program: The EPP receives \$5,000 per candidate of success-based funding: \$2,500 per candidate who attains an Intern with Preservice Certificate and \$2,500 upon completion of the standard certificate and first full year of teaching in Texas school.

For the Alternative Preservice program only, the school system must also pay the EPP an additional \$1,500 per completer of the Reading and Math Academies.

**Policy references: TEC §48.157; TEC §48.310; TEC §48.272; TAC §153.1302(b); TEC §21.4553(f), 21.4552(f).*

Success-based funding timing:

- **For PREP Residency Preservice**, school system success-based funding flows in the

FSP September settle-up following the school year in which the resident attained the enhanced standard certificate. EPP success-based funding flows after the resident completes one full year of employment as a teacher of record following attainment of the enhanced standard certificate.

- **For PREP Traditional Preservice**, school system success-based funding flows in the FSP September settle-up following the school year in which the candidate successfully completes program requirements under TEC §21.903 by the TEA deadline. EPP success-based funding (\$5,000) flows after the candidate earns a standard certificate and completes one full year of employment as a teacher of record.
- **For PREP Alternative Preservice**, school system success-based funding flows in the FSP September settle-up following the school year in which the candidate successfully completes program requirements under TEC §21.905 and is issued an intern with preservice experience certificate by the TEA deadline. EPP success-based funding flows in two stages: \$2,500 upon the candidate attaining the intern with preservice experience certificate, and \$2,500 upon the candidate earning a standard certificate.
- **For PREP GYO**, school system success-based funding flows in the September settle-up following the year in which the employee both completed the bachelor's degree and enrolled in an accredited EPP (within the three-year program window).
- **For EPPs partnering in a Residency Preservice Program**, EPP success-based funding (\$10,000) flows after the resident completes one full year of employment as a teacher of record following attainment of the enhanced standard certificate. EPPs may also receive \$1500 per candidate for Reading and Math Academies completion (TEC §48.310).
- **For EPPs partnering in a Traditional Preservice Program**, EPP success-based funding (\$5,000) flows after the candidate earns a standard certificate and completes one full year of employment as a teacher of record. EPPs may also receive \$1500 per candidate for Reading and Math Academies completion (TEC §48.310).
- **For EPPs partnering in an Alternative Preservice Program**, EPP success-based funding flows in two stages: \$2,500 upon candidate attaining the intern with preservice experience certificate, and \$2,500 upon the candidate earning a standard certificate. EPPs may also receive \$1500 per candidate for Reading and Math Academies completion (TEC §48.310).

Relevant Policy

PREP is governed by the Texas Education Code (TEC) as established by HB 2 (89th Legislature, Regular Session, 2025). See [Appendix 2: PREP Policy](#) for specific policies and policy links.

Part II: Eligibility, Applications, and Partnerships

School System Eligibility

School systems (which include school districts and charter schools as defined below) are eligible to apply for the PREP Program Allotment. For the purposes of the PREP Program Allotment, a charter school is defined as a Texas public school that meets one of the following criteria:

- An open-enrollment charter holder with its own county district number granted either by the State Board of Education or commissioner of education
- A charter granted under TEC Chapter 12, Subchapter C
- A charter granted under TEC §12.256 and Human Resources Code §221.0071 (*see note below*)
- A charter granted under TEC §11.157(b).

Each eligible applicant is subject to the PREP Program Allotment funding caps described in the [PREP Program Details](#) section for each program.

Note regarding SB 1882 Operating Partners: SB 1882 Operating Partners (OP) are eligible applicants and subject to the funding caps described in each of the PREP programs' guidelines in the following sections. However, PREP Allotment funding flows to the partner school systems in which the participating 1882 campuses are located. The SB 1882 OP must have a written agreement with the partner school system documenting how allotment funds generated through the partnership will be spent.

Note regarding §221.0071 adult charters: Because the partnership preservice programs require preservice practice in a prekindergarten through Grade 12 classroom, charters granted under TEC §12.256 and Human Resources Code §221.0071 are ineligible for the PREP Residency, Traditional, and Alternative Preservice Programs and the PREP Grow Your Own Program. These charters remain eligible for the PREP Mentorship Program.

**Policy references: TEC §12.101; TEC §12.256; TEC §11.157(b); TEC §21.901(a); Senate Bill 1882, 85th Texas Legislature (2017); Human Resources Code §221.0071*

School System Applications for Funding

The school system application for the PREP Program Allotment is housed within the annual Learning Acceleration Support Opportunities (LASO) application cycle. For more information on LASO, visit the [TEA Learning Acceleration Support Opportunities \(LASO\) website](#).

- The LASO cycle allows school systems to apply for PREP program funding annually.
- TEA communicates the timeline and minimum application requirements each year through the LASO process.
- School systems must apply separately for each PREP program; approval of one PREP program does not guarantee approval of another.
- If an application is incomplete, it will not be approved for funding. If an application is denied, the school system may submit a written response or request a second review within 30 days of TEA's notification.
- Once approved for a specific PREP program, school systems do not need to reapply each year if it was previously approved for that program through LASO, received a LASO award announcement for that program, and submitted to TEA a written agreement for GYO or a partnership preservice program, unless participation has been prohibited through the periodic review process.
- **Funding is determined each year based on participant information entered in ECOS** by the relevant deadlines. See [Annual Timelines in Appendix 3](#) of this guidebook.

School System Staff PREP Roles

School systems participating in the PREP Program Allotment will identify designated PREP contacts in the LASO Cycle 5 application to support implementation and communication across PREP programs. Depending on the size and structure of the school system, a single individual may serve in multiple roles. Clear role designation helps ensure timely communication, effective coordination, and successful implementation of PREP programs. To update this information, school systems may submit a request through the [PREP Support Portal](#).

PREP Allotment Lead (School System Role)

The PREP Allotment Lead serves as the primary point of contact between the school system and TEA regarding the PREP Program Allotment. As a best practice, this individual should have visibility across all PREP programs implemented by the school system and be positioned to coordinate planning, communications, reporting, and key deadlines across participating departments and staff. For school systems participating in multiple PREP programs, TEA recommends designating a single PREP Allotment Lead to serve as the central coordinator for all PREP-related activities.

PREP ECOS Lead (School System Role)

The PREP ECOS Data Lead serves as the school system's primary contact for ECOS data

collection, entry, and verification activities. As a best practice, this individual should have access to educator workforce data and work closely with PREP Program Managers to ensure information is submitted accurately and on time, as ECOS submissions are used to calculate PREP Program Allotment funding. Because the primary ECOS reporting window occurs during the summer, school systems should designate an individual who is available during that period.

PREP Program Managers (School System Role)

School systems must designate a PREP Program Manager for each PREP program in which they participate (Grow Your Own, Residency Preservice, Traditional Preservice, Alternative Preservice, and/or Mentorship). The PREP Program Manager serves as the primary staff member responsible for supporting implementation of a specific PREP program. As a best practice, PREP Program Managers should monitor program requirements and timelines, coordinate with partners and internal stakeholders, support required reporting and data submission activities, and communicate regularly with the PREP Allotment Lead to ensure successful implementation across all PREP programs.

EPP Staff PREP Roles

PREP EPP Lead (EPP Role)

The PREP EPP Lead is the EPP's primary point of contact with partner school systems and TEA; coordinates planning, communications, reporting, and deadlines across the EPP's PREP programs; ensures participation in governance meetings and completion of partnership agreements.

PREP EPP ECOS Lead (EPP Role)

The EPP PREP ECOS Data Lead serves as the EPP's primary point of contact for PREP-related ECOS data entry and reporting requirements. The PREP EPP ECOS Lead enters and maintains participant and placement information in ECOS, coordinates with school system partners so data are complete and on time, and resolves data issues. Because the primary ECOS reporting window occurs during the summer, EPPs should designate an individual who can maintain availability during summer reporting periods when annual ECOS data entry and verification activities occur.

School System Partnerships

PREP Allotment Programs are built and sustained through strong partnerships.

- School systems must engage in communication with educator preparation

programs (EPPs), institutions of higher education (IHEs), and Texas Mentorship Training (TMT) training partners to identify potential partnerships.

- Partnerships should be designed to strengthen teacher pipelines with an emphasis on implementing key structures that support resident, candidate, and employee growth and development while meeting the recruitment needs of the school system.
- Partnership eligibility requirements and written agreement requirements differ between the GYO, Residency Preservice, Traditional Preservice, Alternative Preservice, and Mentorship programs. The subsections below describe each partnership and general partnership requirements.

Partnership Eligibility: PREP Grow Your Own

School systems participating in PREP GYO must establish a written partnership with at least one Texas-based bachelor's degree-conferring institution of higher education (IHE) approved by the Texas Higher Education Coordinating Board (THECB).

- All partnerships must be with an approved IHE to be eligible to generate funding through the PREP Allotment. See a list of approved [institutions of higher education](#).
- New partnerships must be established prior to PREP GYO implementation and confirmed via the TEA PREP Partnership Agreement Form. See [PREP Program Partnership Agreement Requirements](#).

Eligible IHE partners for PREP GYO include:

- A Texas public institution of higher education that confers bachelor's degrees
- A Texas private institution of higher education that confers bachelor's degrees and is authorized by the THECB to operate in Texas

Partnership agreements for PREP GYO must address each of the following:

- Program progress-monitoring
- Candidate supports
- Programmatic costs and resources

School systems must also be approved for at least one of the PREP Preservice programs as a prerequisite for participating in PREP GYO. If a school system plans to partner with a different accredited EPP provider other than their approved PREP Preservice partner for the GYO program, they must establish a MOU retained locally.

Partnership Eligibility: PREP Residency Preservice, Traditional Preservice, and Alternative Preservice

- School systems participating in PREP Residency Preservice, Traditional Preservice, and/or Alternative Preservice programs must partner with an EPP that has been approved by the State Board for Educator Certification (SBEC) to offer the associated preparation route.
- The approved EPP partner must be identified at the time of LASO application annually for a school system to qualify for PREP partnership preservice program approval.
- All EPPs listed in the LASO application have submitted to TEA an Intent to Apply letter and must meet the updated requirements for the 2027-28 school year. *Note: Although an EPP may have submitted the Intent to Apply, that does not guarantee SBEC approval. EPPs must be approved by SBEC to engage in a PREP Preservice Residency, Traditional, or Alternative route (approval anticipated in summer 2027).

Partnership agreements for PREP Residency Preservice, Traditional Preservice, and Alternative Preservice programs must address each of the following key areas:

- Recruitment needs for the school system
- Program governance structures
- Resident supports (including school system and EPP responsibilities)
- Host teacher supports (including school system and EPP responsibilities)
- Financial obligations and adherence

PREP Program Partnership Agreement Requirements

Beginning with LASO Cycle 5, **TEA verifies active partnerships through a Partnership Agreement Form** sent to school systems after the LASO application period. School systems submit one form per partner organization (EPP or IHE) for each set of programs the partnership supports. Through the Partnership Agreement Form:

- The school system identifies each partner organization and selects the PREP programs for which the partnership applies.
- The school system indicates whether the partnership has a written partnership agreement in place.
- The partner organization receives an automated confirmation request and independently confirms or declines the partnership.

- If a school system partners with different organizations for different programs, a separate form must be submitted for each partner.

Participants in programs requiring an established partnership cannot generate allotment funding unless the partnership has a written partnership agreement in place and on file locally in the school system. The school system attestor certifies that the partnership information is accurate, meets all program requirements, and that they are authorized to act on behalf of the school system in matters related to PREP partnerships.

** Policy references: TAC §153.1302(a); TAC §153.1302(e)*

Adding and Dropping EPP and IHE Partners

Annually, TEA provides a process through which school systems with approved PREP programs may add or remove EPP and IHE partnerships. Only approved partnerships generate allotment funding.

For school systems continuing from LASO Cycle 4:

- TEA provides each school system with a record of its current approved partnerships.
- School systems may add new partners by selecting from approved EPPs and IHEs through the Partnership Agreement Form sent by TEA, and may indicate partners they wish to drop.

For school systems applying through LASO Cycle 5:

- School systems indicate their intended EPP and IHE partners in the [LASO Cycle 5 application](#).
- After application submission, TEA sends the Partnership Agreement Form to be completed by the school system and each partner organization.

Partnership changes are only permitted during the designated annual Partnership Agreement Form window. The Partnership Agreement Form confirms the partnership and includes an assurance that the school system will have a signed written agreement (MOU) on file. The written agreement must be executed and retained locally before participants can generate allotment funding.

Policy references: 19 TAC §153.1302(a); 19 TAC §153.1302(e)

Part III: PREP Program Details

PREP Grow Your Own

The PREP Grow Your Own (GYO) program provides funding for participating school systems to support current employees who do not hold a bachelor's degree or teaching certificate in completing a bachelor's degree and enrolling in an educator preparation program while continuing to work in the school system. PREP GYO also supports high school students in completing career and technical education (CTE) courses that prepare them to become classroom teachers.

PREP GYO is the first step in a school system's long-term talent pipeline strategy. It is an intentional recruitment approach that can feed into high-quality preparation through the PREP Residency, Traditional, and Alternative Preservice programs. While school systems may participate in PREP GYO only if they have been approved to participate in a PREP Preservice program, there is no requirement that GYO employees participate in one of the preservice programs to complete their preparation.

GYO Placement, Design, and Duration

PREP GYO is organized around two participant pathways:

- The **employee pathway** is the primary basis for the allotment.
- The **high school pathway** is optional and supports program implementation for high school students who may become future employees and teacher candidates.

GYO employees continue in their current school system role while completing their bachelor's degree. Employees receive scheduled release time and on-the-job training aligned with educator certification standards (TEC section 21.906(c)(2)).

GYO Employee Start and Conclusion

- Employees participating in PREP GYO have three (3) years from the date they formally begin the program to complete the requirements for a bachelor's degree and obtain admission to an EPP.
- The three-year program window begins when the GYO candidate formally begins their coursework for the bachelor's degree program. The school system indicates the start date in the ECOS data submission. **The candidate may not complete the GYO program requirements prior to the start date.**

- To remain eligible for GYO, a candidate must complete some credits following the program's begin date.
- If a GYO candidate cannot begin the program as originally intended, their record must be removed from ECOS and a new record created if they begin in a subsequent year. To remove a GYO candidate from the current year, the school system should submit a written request through the [PREP Support Portal](#).

TEA does not intend for the same individual to repeatedly restart; GYO program managers should monitor for patterns of repeated enrollment and withdrawal.

GYO Program-Specific Requirements

- School systems must partner with an IHE that meets the requirements described in Part II of this guidebook under [School System Partnerships](#).
- School systems participating in PREP GYO are not required to partner with the same institution for degree completion and EPP enrollment.
- A school system may partner with one IHE for bachelor's degree conferral and a different accredited Texas EPP for educator preparation. In this case, the school system must secure an additional partnership agreement with that EPP and retain the agreement locally.
- To secure PREP Allotment funding, both the IHE and EPP must be approved for participation in PREP.
- There is no policy requirement for GYO participants to remain employed in the school system after completing the program, though school systems may establish a local retention requirement.

PREP GYO Program-Specific Requirements for Employee Participants

School systems participating in PREP GYO must ensure the following for employee participants:

Release Time Requirements:

- Employees have, at minimum, monthly scheduled release time to support completion of a bachelor's degree while remaining employed in the school system.
- Release time should be implemented to support candidates to complete necessary coursework, receive coaching, and other supports.
- School systems should work with their IHE partners to ensure that employees have flexibility in completing coursework requirements while working full-time.

Employee Role Requirements:

- Employees are employed in a role that includes instructional support for students, spending at least 25% or more of their day focused on instructional support.
- Instructional support must include opportunities to practice teaching under the supervision of a cooperating teacher, lesson preparation activities, and direct engagement with student learning.
- The school system must locally track the GYO employee's progress toward meeting this requirement for instructional support.

Transition Support Requirements:

- Employees have access to guidance and transition support to ensure they successfully enroll in and persist through the attainment of their bachelor's degree and begin to satisfy teacher preparation requirements.
- At a minimum, the transition support must include a synchronous event or a recruiting document that provides information related to the school system's PREP partnership preservice program(s).
- Transition support may also be implemented in a cohort approach, including a monthly cohort meeting with all Grow Your Own participants.
- Structures that support tracking candidate progress to and through the completion of the program.

Cooperating Teacher Requirements:

- Employees are paired with a cooperating teacher for authentic opportunities to practice teaching under their supervision.
- Cooperating teachers should be recruited and selected by the school system and agree to participate in the role.
- There is no minimum required pay for these cooperating teachers, but school systems should consider the time and effort of the role when making decisions regarding cooperating teacher pay.
- School systems should also be strategic about the number of employees supported by a singular cooperating teacher.

Employment Requirements:

- Employees cannot serve as a teacher of record while completing the PREP GYO per statutory requirements.

- Employees in PREP GYO must actively work to attain a bachelor's degree while receiving on-the-job training aligned with the standards for educator certification established by SBEC.
- Employees must be assigned a role that includes instructional support for students enrolled in the school system.
- If a GYO Program employee serves in a teacher role for the limited purpose of gaining experience in the position, the teacher candidate's amount of time serving in that position may not exceed the amount of time during which the teacher of record for the students has the primary or sole responsibility of providing instruction or supervision to those students. For the definition of teacher of record, see [Appendix 1](#) of this guidebook.

Credential and Completion Requirements:

Employees must attain an Educational Aide III certificate within the first year of beginning participation (19 TAC §153.1304). The Educational Aide III certificate requires the candidate to either:

- have 3 years of experience as an Educational Aide or,
- have achieved a minimum of 30 semester credit hours from an accredited institution of higher education (19 TAC Chapter 230).

School systems should verify that employees meet this prerequisite or have a plan to complete the required coursework within the first year. Employees must complete their bachelor's degree and at a minimum, enroll in an accredited EPP within three years of formally beginning participation in order to generate success-based funding.

High School Program Requirements

PREP GYO funding is allocated on a per-employee basis. The high school pathway is optional, but school systems that choose to use PREP GYO funds to implement a high school Education & Training career and technical education (CTE) pathway must meet the following requirements:

- **Coursework and Training Requirements:** Students have access to the Education and Training CTE program of study courses and/or dual credit courses.
- **Cooperating Teacher Requirements:** During the Education and Training practicum course, students must be paired with a cooperating teacher who has agreed to participate and meet all cooperating teacher guidelines developed by the employing school system, its IHE, and its EPP partners.

- **Transition Support Requirements:** Students must have access to transition supports that provide guidance and support to enroll in a post-secondary pathway.
- **Credential and Completion Requirements:** Students shall obtain the Educational Aide I Certificate to the extent practical.

**Policy references: TEC §21.902; TEC §21.906; TEC §48.157; TAC §153.1302; TAC §153.1304*

GYO Program Funding and Spending

School systems that meet eligibility requirements receive between \$8,000 and \$12,000 per participating employee, for up to 40 employees annually.

- The exact amount for each employee is set by the high-needs and rural factor at the campus where the employee is assigned at the start of the program.
- Funding flows in two parts: 50% initial funding up front, and 50% success-based funding when the employee completes a bachelor's degree and enrolls in an accredited EPP within three years of beginning participation in the PREP GYO program.
- **Success-based funding is triggered when the employee both completes a bachelor's degree AND enrolls in an accredited EPP within three years.** *Note: Completion of only one of these milestones within the three-year window does not generate success-based funding.*

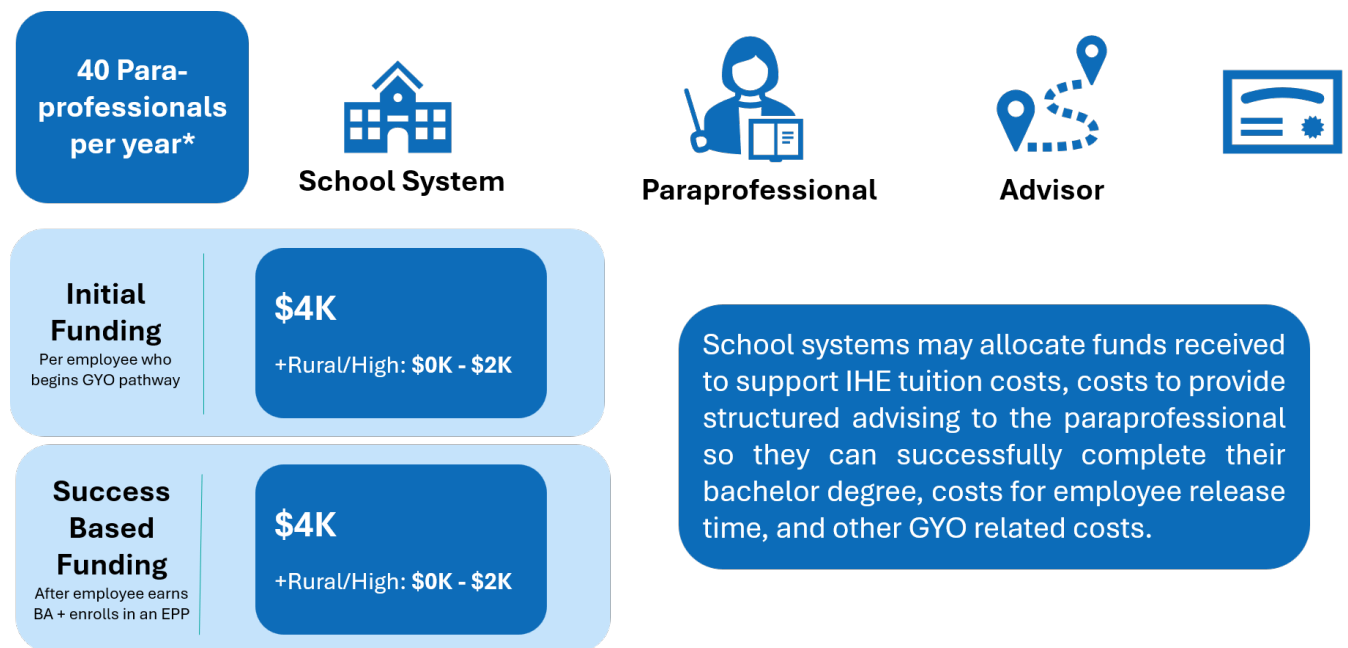
GYO allotment per employee is calculated as:

GYO Allotment = \$8,000 + (campus high-needs and rural factor × \$1,000)

The PREP GYO funding formula uses the high-needs and rural factor. The high-needs and rural factor used for an individual's funding is based on the campus where the employee is assigned at the onset of the program. The high-needs and rural factor is the average point value of students at the campus under TEC §48.112(e) and (f), up to 4.0 (TEC §48.157(c)). If a participant changes school systems or campuses mid-program, see Part VI of this guidebook under [Teacher Movement and Mid-Year Changes](#). At the time of TEA's funding calculation, if a campus does not have a point value, TEA will use the base funding amount for that campus and reconcile differences during the annual settle-up process.

The table below illustrates how the factor affects per-employee funding.

Campus Point Value	Base Allotment	Factor × \$1,000	Total Per Employee
0.0 (lowest need, non-rural)	\$8,000	\$0	\$8,000
1.0	\$8,000	\$1,000	\$9,000
2.0	\$8,000	\$2,000	\$10,000
3.0	\$8,000	\$3,000	\$11,000
4.0 (highest need / max)	\$8,000	\$4,000	\$12,000



- **School systems may use funding from PREP Grow Your Own and PREP Preservice programs to support the same individual.**
- A school system may strategically stack funding by starting a participant in the PREP Grow Your Own program, transitioning them into a PREP Preservice program, and generating success-based funding through completion of both programs' requirements.

PREP Preservice Programs (Residency, Traditional, Alternative)

The PREP Preservice programs provide sustainable funding for school systems to grow their teacher pipelines. PREP includes three preservice programs: the Residency Preservice Program, the Traditional Preservice Program, and the Alternative Preservice Program. School systems must partner with an EPP that has been approved by SBEC to offer the associated preparation route. Through close collaboration, EPPs and participating school systems support teacher candidates in earning their teaching certificates while gaining hands-on experience in schools. PREP Preservice is the second step in the school system's long-term talent strategy through high-quality preparation of teacher candidates.

PREP Preservice Programs Placement, Design, and Duration

PREP Preservice Programs Design Requirements

The three PREP Preservice programs have requirements that are common to all three programs. These requirements are:

- **Payments to Candidates:** All candidates participating in a PREP Preservice program are eligible to receive and must receive funding in at least the minimum amount prescribed in the Appendix 3 [Usage of Funds](#) section of this guidebook.
- **Placements:** Placements must be in an in-person, PreK-12 setting.
- **Gradual Release of Responsibilities:** School systems must facilitate opportunities for candidates to gradually assume greater instructional responsibilities, aligned with structured performance benchmarks and gates established by the EPP.
- **Teacher of Record Prohibition:** Candidates may not serve as teacher of record during the clinical teaching experience. For Preservice Alternative candidates, this prohibition ends with the obtainment of the Intern with Preservice Certificate. For the definition of teacher of record, see [Appendix 1](#) of this guidebook.
- **Trained Mentoring Educators:** Each candidate must be assigned a host teacher who meets SBEC qualifications (TAC §228.91) and is trained to mentor and support the candidate.
 - Beginning in 2027-2028, **all host teachers supervising PREP Preservice candidates must complete the TMT Mentoring Educator Training through an approved TMT provider prior to the start of the clinical teaching assignment** or within 45 business days of being assigned a candidate if the assignment begins after the start of the school year.
 - The cooperating teacher must renew the TMT every three years.
 - For more information on TMT, see the [Texas Mentorship Training](#) section below and visit the [Texas Mentorship Training website](#) for approved providers.
- **Content Training:** Candidates in PREP Preservice Programs must receive training in high-quality training content, including Reading and Math Academies, Bluebonnet Learning and other classroom management content from trained and certified facilitators.
- **Written Partnership Agreements:** School systems must maintain a written partnership agreement and be prepared to submit it to TEA upon request, along with an attestation that the partnership meets program standards. Partnership agreements must meet the requirements described in the [School System Partnerships](#) section of this guidebook.

Placements at Head Start Programs

For certificates that include early childhood, clinical teaching, internship, or residency experiences may be completed at a Head Start program under 19 TAC §228.63(b), provided all the following conditions are met:

- A certified teacher is available as a trained mentor at the Head Start site;
- The Head Start program is affiliated with the federal Head Start program and approved by TEA;
- The program teaches three- and four-year-old students; and
- The state's prekindergarten curriculum guidelines are being implemented.

The Head Start program does not need to be affiliated with a school district. However, the program must have a county/district/campus number (CDCN) assigned through TEA or TEPSAC for the EPP to create clinical experience records in ECOS. Head Start programs that do not yet have a CDCN should contact TEA's Early Childhood team or TEPSAC to secure one, then notify TEA via the [PREP Support Portal](#) so the location can be added to the ECOS organization table.

Policy references: 19 TAC §228.63(b)

PREP Residency Preservice Program

PREP Residency Preservice Program-Specific Requirements

Resident placements are designed to embed the candidate in a school for the purpose of extensive practice under the supervision of a highly trained and effective host teacher. Placements must occur in person, in a prekindergarten through Grade 12 setting.

Required components for the PREP Residency Preservice program include:

- The residency must span a full academic year, including the first and last instructional days.
- The residency must total at least 750 hours of clinical experience with a minimum of 21 hours per week.
- Residency candidates must engage in co-teaching and lead instruction for a minimum of 400 hours and be provided a full range of instructional responsibilities.
- Residents must be assigned to one distinct field site during the duration of their residency, with exceptions for residents seeking certification in more than one certification category, in EC-12 certification, or in the event of reasonable human resources concerns. The decision to assign residents to two field placements should

only occur if the partnership determines the benefits outweigh the potential harm to resident development.

- School systems must facilitate opportunities for residents to gradually assume greater instructional responsibilities, aligned with structured performance benchmarks and gates established by the EPP.
- School systems and EPPs should work collaboratively to ensure the resident's schedule supports access to and completion of all required coursework.
- School systems participate in collaborative activities with the EPP field supervisor for each resident, including regular meetings with the campus supervisor at least three (3) times per semester and twice monthly with the host teacher. These activities may include co-observation of residents, co-coaching, and calibration for inter-rater reliability.
- Commitment to the other school system partner requirements applicable to EPP governance.

**Policy references: TEC §21.902; TEC §21.904; TEC §21.04422; TEC §48.157; TEC §48.310; TAC §153.1302; TAC §153.1303; 19 TAC §228.25; 19 TAC §228.65; 19 TAC §228.91 and §228.95; 19 TAC §228.101(b)(12)*

Residency Start and Conclusion

- EPPs and school systems may begin residency placements in either the fall or spring semester.
- A fall-start residency begins on the first day of school and concludes on the last day of instruction.
- A spring-start residency begins on the first day of instruction in January and concludes on the final day of instruction in December of the following school year.

Hiring Requirements and Priorities

- During the PREP Residency Preservice Program, the resident is required to be hired as an employee of the school system.
- Following completion of the PREP Residency Preservice Program, there is no policy requirement for school systems to prioritize the hiring of residency completers when filling teaching vacancies.
- School systems abide by local hiring policies. However, given the school system's investment in developing teacher residents, school systems are encouraged to sustain those supports through targeted recruitment strategies such as early interviews, recruitment events, and campus administrator observations during the residency year.

TRS Membership and Potential Employer Obligations for PREP Residents

School systems hiring PREP Residency Preservice participants should be aware that resident compensation may trigger Teacher Retirement System of Texas (TRS) membership and associated employer obligations. TRS membership eligibility is determined by TRS, not TEA, and depends on the specific employment arrangement each school system establishes. The guidance below is intended to help human resource offices to plan accordingly:

- Factor potential TRS employer contributions into residency program budgets when planning local cost-match commitments.
- Contact TRS directly for guidance specific to the school system's employment structure, compensation levels, and funding sources.

Local decisions about how to design the resident position can affect both TRS eligibility and what TRS considers creditable compensation. Visit the [Employment Eligible for TRS Membership page](#) on the TRS website for current contribution rates, eligibility rules, and employer resources.

PREP Residency Preservice Program Funding and Spending

PREP Residency Preservice provides funding that flows directly to school systems and to EPP partners in support of a sustainably funded, paid teacher residency program. The partnership may receive between **\$24,000 and \$39,500 per resident through the Foundation School Program (FSP)** based on the rural and high-needs multiplier at each participating school.

- The school system receives \$12,000 initially to address resident and host teacher stipends and from \$12,000 to \$27,500 in success-based funding when the resident earns the enhanced standard certificate.
- School system applicants may apply to fund **up to 40 residents annually at this rate**. Of this total amount generated, the EPP will receive between \$10,000 and \$11,500 should the candidate meet the success-based funding requirements described in the [EPP Success-Based Funding](#) section of this guidebook.
- If the total number of residents exceeds 40, partnerships are eligible for funding of up to 80 additional residents at the PREP Traditional Preservice rate of \$10,000 to \$21,500 per candidate.
 - The 40-resident cap applies only to residents funded at the full Residency Preservice rate.
 - Residents entered into ECOS above the 40-resident cap share a combined cap

of 80 with Traditional Preservice and Alternative Preservice candidates under TEC §48.157(f)(2).

- Residents 41 through 120 who are funded at the Traditional Preservice rate should be entered into ECOS as Residency Preservice participants; TEA calculates the funding rate based on the order the participants are entered.

School System Funding Requirements

School systems participating in PREP Residency Preservice are required to meet the following funding commitments:

- **Residency candidates must receive a minimum of \$20,000 in pay, with at least \$10,000 from the allotment.**
 - The PREP allotment directly funds \$10,000 for resident pay. The school system provides additional funding initially, at least \$10,000 per resident, to meet the \$20,000 salary requirement. *Note: School systems are required to provide this minimum payment amount for all residency candidates, regardless of which PREP Preservice program they are funded under. This could apply in situations where a school system exceeds 40 residents and is receiving funding for all residents beyond the 40 cap at the Alternative/Traditional funding rates.*
 - Depending on the total per-resident allotment received, after an initial year of participation, school systems may be able to use PREP Allotment success-based funding from previous cohorts to meet the r
- **Host teachers must receive a minimum \$2,000 stipend per resident, with \$2,000 from the initial allotment funding.**
 - School systems may determine to increase the stipend based on the host teacher's broader role within the talent system.
 - For rules on stipend allocation when a host teacher changes mid-year, see the [Teacher Movement and Mid-Year Changes](#) section of this guidebook.
- Success-based funding is triggered when the resident earns an enhanced standard certificate.

The Residency allotment per candidate is calculated as:

Residency Allotment = \$24,000 + (campus high-needs and rural factor × \$3,000)

Bilingual/Special Education Add-on = additional \$2,000 per qualifying candidate

(TEC §48.157(d))

The PREP Residency Preservice funding formula uses the high-needs and rural factor.

- The high-needs and rural factor used for an individual's funding is based on the campus where the resident is assigned at the onset of the program.
- The high-needs and rural factor is the average point value of students at the campus of up to 4.0.
- If a participant changes school systems or campuses mid-program, see the [Teacher Movement and Mid-Year Changes](#) section of this guidebook.
- At the time of TEA's funding calculation, if a campus does not have a point value, TEA will use the base funding amount for that campus and reconcile differences during the annual settle-up process.

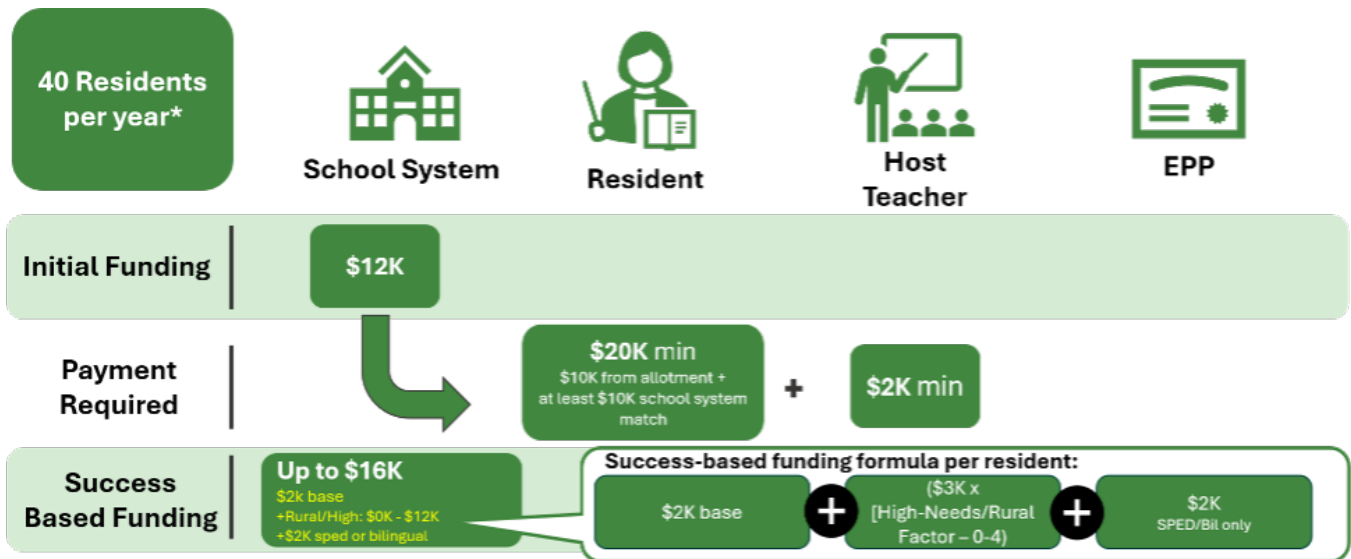
The table below illustrates how the factor and certification area affect per-resident funding for the first 40 residents. The per-resident funding is allocated to both the school system and EPP partner.

Campus Avg Point Value	Base Allotment	Factor x \$3,000	Total Per Resident	With Bil/SpEd Add-on	With Reading & Math Academies
0.0 (lowest need)	\$24,000	\$0	\$24,000	\$26,000	\$27,500
1.0	\$24,000	\$3,000	\$27,000	\$29,000	\$30,500
2.0	\$24,000	\$6,000	\$30,000	\$32,000	\$33,500
3.0	\$24,000	\$9,000	\$33,000	\$35,000	\$36,500
4.0 (max)	\$24,000	\$12,000	\$36,000	\$38,000	\$39,500
4.0 + SpEd/Bil	\$24,000	\$12,000	\$36,000	\$38,000	\$39,500

**Note: The maximum total per resident at the Residency rate is \$39,500 (\$24,000 base + \$12,000 factor + \$2,000 Bil/SpEd add-on + \$1,500 EPP offset). See TEC §48.157(h) for the EPP funding component.*

- **For residents over 40, funding is provided at the PREP Traditional Preservice rate:**
 - \$10,000 base + (factor × \$2,000), ranging from \$10,000 to \$18,000 per resident, plus the \$2,000 bilingual/special education add-on if applicable.
 - The combined 80-individual cap governs the total number of candidates that may be funded for Traditional Preservice and Alternative Preservice candidates combined.
- The \$2,000 certification area bonus for bilingual or special education candidates is determined at the time the enhanced standard certificate is issued as a component of the success-based funding a school system may be eligible to receive.
- The minimum salary requirements remain the same for the resident and the host teacher.

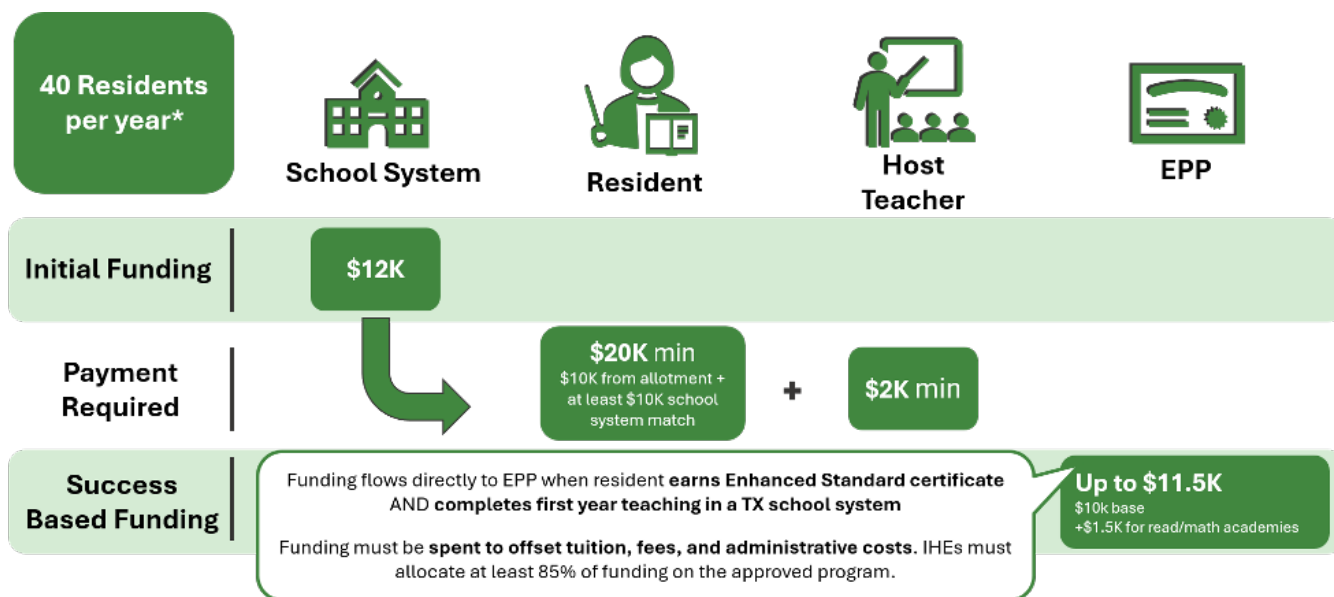
- For rules on stipend allocation when a host teacher changes mid-year or when a participant moves mid-program, see the [Teacher Movement and Mid-Year Changes](#) section of this guidebook. For more details on spending and funding requirements, see the [Appendix 3: Fiscal Guidance for Business Offices](#) section of this guidebook.



EPP Success-Based Funding

After a teacher resident earns an enhanced standard certificate and completes one year of employment with a Texas school system as a teacher of record, the allotment provides \$10,000 of the total allotment to the candidate's educator preparation program to offset tuition, fees, and administrative costs.

- This \$10,000 is included within the total allotment, not an additional payment.** IHEs that operate an EPP receiving this money must spend at least 85 percent of it on the educator preparation program for which the money was received.
- EPPs will also be eligible to receive \$1,500 per candidate for completion of the required EPP Reading and EPP Math Academies training content. Provision of the training content for candidates begins in school year 2027-2028.



PREP Traditional Preservice Program

The PREP Traditional Preservice Program funds school systems and their approved educator preparation program (EPP) partners to place paid teacher candidates in semester-long student teaching experiences under the supervision of trained cooperating teachers. School systems must partner with an EPP that has been approved by the SBEC to offer the PREP Traditional Preservice program route by July 2027. Through close collaborations, EPPs and participating school systems support teacher candidates to earn a standard teaching certificate while gaining hands-on experience in schools.

PREP Traditional Preservice Program-Specific Requirements

PREP Traditional Preservice placements are designed to embed the candidate in a school for the purpose of extensive practice under the supervision of a highly trained and effective cooperating teacher. Placements must be in-person, in prekindergarten through Grade 12 settings.

Required components for the PREP Traditional Preservice program include:

- The placement must span an academic semester.
- The traditional placement must total at least 490 hours of clinical experience.
- Traditional preservice teacher candidates must spend a minimum of 280 hours in the subject area and grade level of the certification sought, under the supervision of a trained cooperating teacher.
- The remaining clinical teaching hours may be accrued through additional instructional hours during the school day, in Texas Essential Knowledge and Skills (TEKS)-based extracurricular activities that directly relate to the grade-level and

subject area of the certification sought, and through professional development hours that occur within the assignment start and end date.

- Throughout the clinical teaching experience, candidates must demonstrate satisfactory progress toward proficiency in the required pedagogical skills and instructional practices expected of beginning teachers.
- School systems must facilitate opportunities for candidates to gradually assume greater instructional responsibilities, aligned with structured performance benchmarks and gates established by the EPP.
- Commitment to the other school system partner requirements applicable to EPP governance.

Policy references: TEC §21.903; 19 TAC Chapter 228; 19 TAC §228.91

PREP Traditional Preservice Funding and Spending

For each individual candidate, the partnership may receive between \$10,000 and \$21,500 per candidate through the Foundation School Program (FSP) based on the rural and high-needs multiplier at each participating school.

- The school system receives \$4,000 initially.
- The remaining allotment (up to \$11,000) flows as success-based funding after the candidate successfully completes program requirements under TEC §21.903 by the deadline established by TEA.
- School system applicants may apply to fund up to 80 candidates annually at this rate. This 80-candidate cap is shared between the Traditional Preservice program and the Alternative Preservice program.

School system funding requirements:

- The school system must provide each candidate at least \$3,000 in pay from the allotment.
 - The school system must also contribute an additional amount to each candidate's pay beyond the \$3,000 from the allotment or from any other available source.
 - School systems may consider local factors, such as whether the candidate is serving in other campus instructional responsibilities, to determine the additional pay allocated to each candidate.
- **The school system must provide a minimum \$1,000 stipend to each cooperating teacher from the allotment.**

- Remaining funds allotted shall be used at the discretion of the school system to support the implementation of the Traditional Preservice program.
- **Success-based funding is triggered when the candidate earns the standard certificate.**

The Traditional Preservice allotment per candidate is calculated as:

Traditional Allotment = \$10,000 + (campus high-needs and rural factor x \$2,000)
Bilingual/Special Education Add-on = additional \$2,000 per qualifying candidate

The PREP Traditional Preservice funding formula uses the high-needs and rural factor.

- The high-needs and rural factor used for an individual's funding is based on the campus where the candidate is placed for their student teaching.
- The high-needs and rural factor is the average point value of students at the campus up to 4.0 under TEC §48.112(e), (f) and TEC §48.157(c).
- If a participant changes school systems or campuses mid-program, see Part VI of this guidebook under [Teacher Movement and Mid-Year Changes](#).
- At the time of TEA's funding calculation, if a campus does not have a point value, TEA will use the base funding amount for that campus and reconcile differences during the annual settle-up process.

The table below illustrates how the factor affects per-candidate funding for the first 80 candidates.

Campus Avg Point Value	Base Allotment	Factor x \$2,000	Initial Payment	Success-Based	Total Per Candidate	With Bil/SpEd Add-on
0.0 (lowest need, non-rural)	\$10,000	\$0	\$4,000	\$6,000	\$10,000	\$12,000
1.0	\$10,000	\$2,000	\$4,000	\$8,000	\$12,000	\$14,000
2.0	\$10,000	\$4,000	\$4,000	\$10,000	\$14,000	\$16,000
3.0	\$10,000	\$6,000	\$4,000	\$12,000	\$16,000	\$18,000
4.0 (highest need / max)	\$10,000	\$8,000	\$4,000	\$14,000	\$18,000	\$20,000

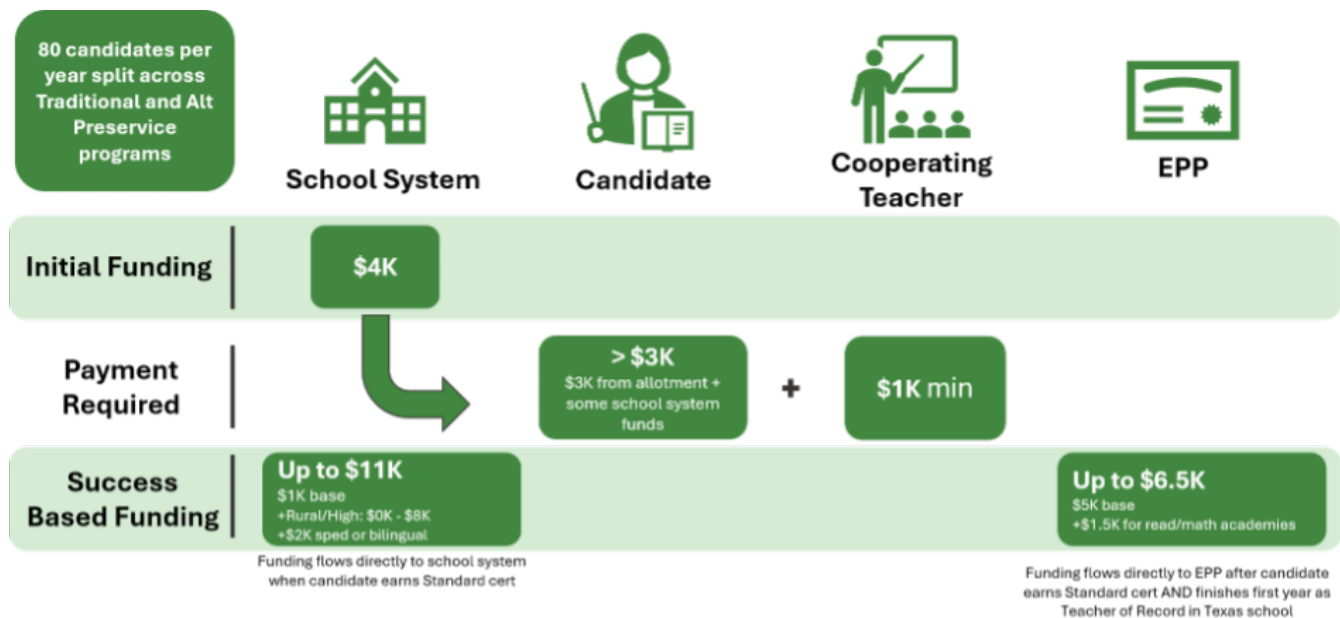
EPP Success-Based Funding

After a teacher candidate earns a standard certificate and completes one year of employment with a Texas school system as a teacher of record, the allotment provides \$5,000 to the candidate's EPP.

- This is funded via the formula as an offset; it is not an additional cost.
- EPPs operated within an IHE must spend no less than 85% of those funds on the

educator preparation program.

- EPPs are also eligible to receive \$1,500 per candidate for completion of required EPP Reading and Math Academies training content.



*Policy references: TEC §21.902; TEC §21.903; TEC §48.157; TEC §48.310; TAC §153.1302; TAC Chapter 228

PREP Alternative Preservice Program

The PREP Alternative Preservice Program funds school systems and their approved EPP partners to implement preservice alternative teacher preparation routes. Teacher candidates engage in substantial pre-internship clinical experiences prior to serving as a teacher of record, with the guidance of a trained cooperating teacher. Upon completion of their preservice clinical experience, candidates earn their Intern with Preservice Certificate and serve in their internship as a teacher of record with the supervision of a trained intern mentor teacher.

PREP Alternative Preservice Program-Specific Requirements

PREP Alternative Preservice placements are designed to embed the candidate in a school for the purpose of extensive practice under the supervision of a highly trained and effective cooperating teacher in a well-structured, clinical preservice practice experience. Options for this clinical preservice experience vary, ranging from a summer intensive to a year-long periodic practice engagement.

Required components for the PREP Alternative Preservice program include:

- Candidates must complete 150 hours of coursework prior to entering the internship component of the program.

- **The placement must include a total of 120 hours.**

- The preservice alternative candidate must spend a minimum of 70 hours in the pre-internship placement in a co-teaching role, with 15 of these hours spent leading instruction.
 - The candidate must teach 8 consecutive lessons and 3 full lesson cycles. Other required experiences include instructional preparation activities, such as lesson internalization and rehearsals.
 - School systems must facilitate opportunities for residents to gradually assume greater instructional responsibilities, aligned with structured performance benchmarks and gates established by the EPP.
 - The remaining 50 hours of the pre-internship placement may be spent engaged in activities such as tutoring, leading classroom routines, special education intervention, parent conferences, and key student support meetings. The candidate may also gain additional experience in co-teaching and lesson preparation activities.
 - Each candidate is required to receive three informal observations across the span of the pre-internship experience. The candidate is also required to receive one formal observation, recommended to occur at the end of the pre-internship placement.
 - During the pre-internship clinical placement, the candidate should successfully pass their content pedagogy exam.
 - The candidate should also demonstrate progress towards proficiency in the skills found in the [19 TAC Chapter 235-Classroom Teacher Certification Standards](#).
- The candidate must complete this experience within one full school year, lead teaching as Teacher of Record.
 - Candidates must complete 100 hours of state-approved coursework, including Reading and Math Academies, Science of Learning, and other topics.
 - Candidates will serve on the Intern with Preservice Experience certificate until earning a Standard certificate.
 - Candidates must receive a minimum of 4 formal observations (2 each long semester) and 4 informal observations (2 each long semester).
 - The candidate will be partnered with a trained, experienced educator who serves in a mentoring role.

Candidate Placement Locations:

- **It is allowable for a PREP Preservice Alternative program to include more than one school system.**
 - For example, a candidate may complete the pre-internship clinical component of this program in “School System A” while completing their internship on the Intern with Preservice Certificate as teacher of record in “School System B”.
 - Each school system is required to track and enter the candidate’s placement and status details into ECOS for the phase completed within the corresponding school system.
 - If the candidate completes the alternative preservice program across two eligible school systems, only the school system where the candidate completed the requirements for the Intern with Preservice Certificate is eligible for the success-based allotment.
 - The high-needs and rural factor is based on the campus where the candidate is placed during the pre-internship clinical experience.

PREP Alternative Preservice Funding and Spending

For each individual candidate, the partnership may receive between \$10,000 and \$21,500 per candidate through the Foundation School Program (FSP) based on the rural and high-needs factor at each participating school. The school system receives \$4,000 initially. The remaining allotment (up to \$11,000) flows to the school system as success-based funding after the candidate successfully completes program requirements under TEC §21.905 by the deadline established by TEA and is issued an Intern with Preservice Certificate. Alternative Preservice shares the combined 80-candidate cap with Traditional Preservice under TEC §48.157(f)(2).

School system funding requirements:

- **The school system must provide each candidate at least \$3,000 in pay from the allotment.**
 - The school system must also contribute an additional amount to each candidate's pay beyond the \$3,000 provided by the allotment.
 - School systems may consider local factors, such as whether the candidate is serving in other campus instructional responsibilities, to determine the additional pay allocated to each candidate.
- The school system must provide a minimum \$1,000 stipend to each cooperating teacher from the allotment.

- Remaining funds allotted to the school system shall be used to support the implementation of the program.

Success-based funding is triggered when the candidate is issued an Intern with Preservice Certificate.

The allotment per candidate is calculated as:

Alternative Preservice Allotment = \$10,000 + (campus high-needs and rural factor x \$2,000)

Bilingual/Special Education Add-on = additional \$2,000 per qualifying candidate

The PREP Alternative Preservice funding formula uses the high-needs and rural factor. The high-needs and rural factor used for an individual's funding is based on the campus where the candidate is assigned at the onset of the program. The high-needs and rural factor is the average point value of students at the campus up to 4.0. If a participant changes school systems or campuses mid-program, see Part VI of this guidebook under [Teacher Movement and Mid-Year Changes](#). At the time of TEA's funding calculation, if a campus does not have a point value, TEA will use the base funding amount for that campus and reconcile differences during the annual settle-up process.

The table below illustrates how the factor affects per-candidate funding:

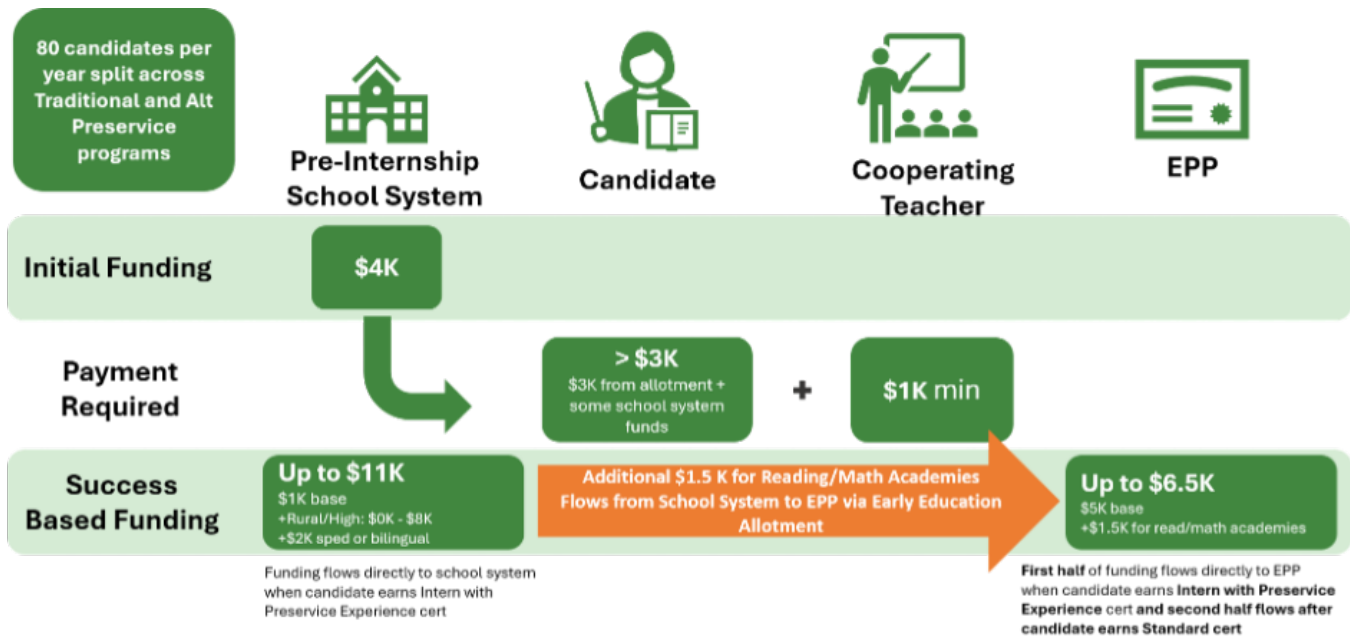
Campus Avg Point Value	Base Allotment	Factor x \$2,000	Initial Payment	Success-Based	Total Per Candidate	With Bil/SpEd Add-on
0.0 (lowest need, non-rural)	\$10,000	\$0	\$4,000	\$6,000	\$10,000	\$12,000
1.0	\$10,000	\$2,000	\$4,000	\$8,000	\$12,000	\$14,000
2.0	\$10,000	\$4,000	\$4,000	\$10,000	\$14,000	\$16,000
3.0	\$10,000	\$6,000	\$4,000	\$12,000	\$16,000	\$18,000
4.0 (highest need / max)	\$10,000	\$8,000	\$4,000	\$14,000	\$18,000	\$20,000*

** The additional \$1,500 for completion of Reading and Math Academies has not been factored into this calculation.*

EPP Success-Based Funding

- EPP funding flows in two stages:
 1. After a teacher candidate earns an Intern with Preservice Certificate, the allotment provides \$2,500 to the candidate's EPP.
 2. After a teacher candidate obtains a standard certificate, an additional \$2,500 flows to the EPP.

- EPPs operated within an IHE must spend no less than 85% of those funds on the educator preparation program.
- EPPs are also eligible to receive \$1,500 per candidate for completion of required EPP Reading and Math Academies training content.
- In addition to allotment funds flowing from the state, school systems are statutorily required to pay EPPs an additional \$1,500 per candidate for completion of required EPP Reading and Math Academies training content. This funding flows directly from the school system to the EPP through local processes.



*Policy references: TEC §21.902; TEC §21.905; TEC §§21.4552, 21.4553; TEC §48.112(e) and (f); TEC §48.157; TEC §48.310; TAC §153.1302; TAC Chapter 228; TAC §228.68

PREP Mentorship

The PREP Mentorship program provides funding for school systems implementing high-quality beginning teacher mentorship programs. As the third step in the school system's long-term talent strategy, PREP Mentorship provides intentional support for beginning teachers during their first two years as a teacher of record. PREP Mentorship's overarching purpose is to increase the effectiveness and retention of beginning teachers across Texas.

Mentorship Placement, Design, and Duration

Mentorship Program Design Requirements

- Through PREP Mentorship, school systems must provide annual mentor training to mentor teachers who support PREP Mentorship beginning teachers.

- In year one of a school system's participation in PREP Mentorship, the school system will engage in the Texas Mentorship Training (TMT) via an approved TMT provider and will provide TMT to any new mentor teachers each year.
- TMT provides high-quality research-based training to mentor teachers and any appropriate school system and campus employees who work with or supervise classroom teachers with fewer than two years of teaching experience.
- TMT is not an annual requirement for each mentor teacher; it is a one-time, full training with an abridged refresher every three years.
- For more information on TMT, see the [Texas Mentorship Training](#) section below and visit the [Texas Mentorship Training website](#) for approved providers.

Beginning Teacher Eligibility

A beginning teacher is defined as a classroom teacher (PEIMS 087) that is in their first or second year of teaching (TEC 21.907).

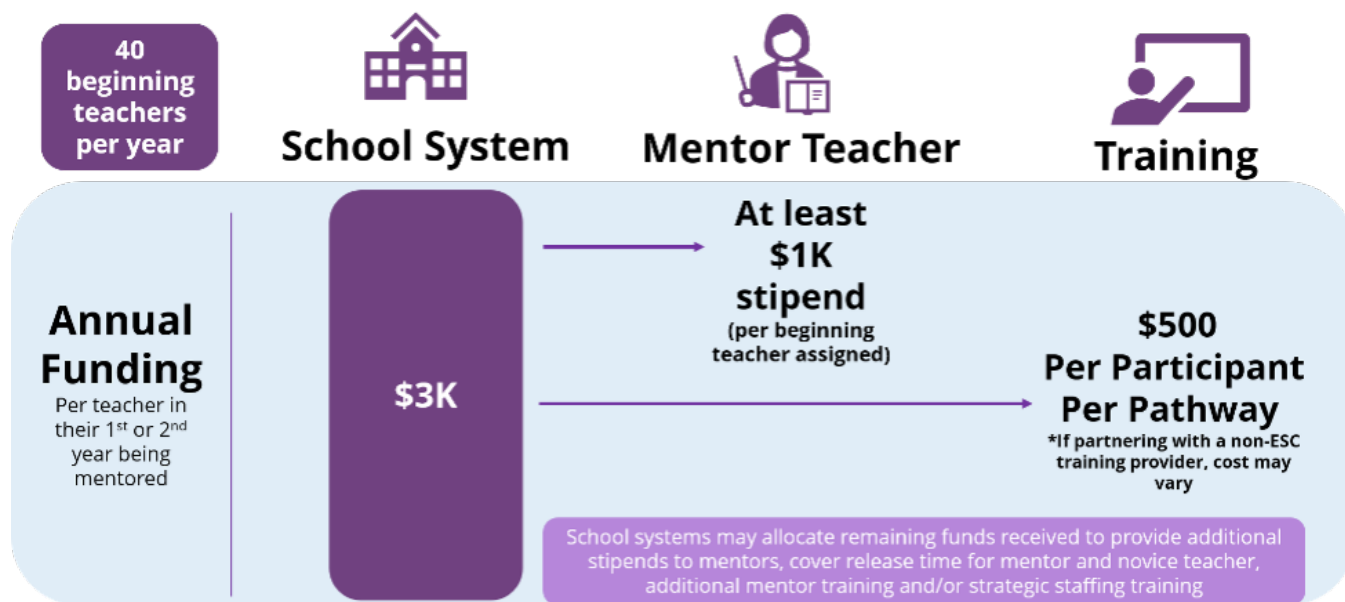
- Beginning teachers, not mentor teachers, generate allotment funds for the PREP Mentorship Program.
- Eligible beginning teachers include classroom teachers in their first or second year of teaching.
- For the purposes of PREP Mentorship funding, teachers who have taught in other grade-levels and contents, taught as an uncertified classroom teacher, or taught in another school district (coded as PEIMS 087) for 2 or more years would not generate PREP mentorship funds.
- For PREP Mentorship funding purposes, if a beginning teacher is hired before February 1, the current year counts as year one for the beginning teacher, with one additional year of mentoring to follow. If hired on or after February 1, the next school year counts as year one, with two full years of mentoring to follow. PREP Mentorship allotment funding flows for year one and year two of the beginning teacher's employment only.

PREP Mentorship Program Funding and Spending

- The PREP Mentorship allotment funds school systems to support beginning teachers through trained mentor teachers. **Each school system can receive funding for up to 40 beginning teachers per year.**
- The **school system receives \$3,000 annually for each beginning teacher** for up to 40 beginning teachers in their first or second year who are being mentored.
- The school system must pay each mentor teacher an annual stipend of at least \$1,000

per PREP Mentorship beginning teacher assigned to them.

- This requirement applies if the mentor teacher is a teacher of record.
- A full-time mentor, or an individual who is neither a teacher of record or a full-time mentor (such as a retired teacher or instructional coach) must receive a minimum annual stipend of \$1,000.
- The school system is required to participate in the full suite of the Texas Mentorship Training (TMT) and may use PREP Mentorship funds to pay for the training.
 - If the school system partners with an Education Service Center (ESC) training provider, **the cost is \$500 per participant per pathway.**
 - Only mentor teachers supporting PREP-funded mentoring educators are required to attend the TMT.
 - **This fee is not an annual charge.**
 - If school systems choose to train mentor teachers that are not supporting PREP-funded beginning teachers, ESCs may offer the training at a reduced rate for those additional participants.
 - If the school system partners with a non-ESC training provider, the cost may vary but must be covered by the school system's remaining PREP Mentorship allotment funding after mentor stipends have been paid.
- Any remaining funds may be used at the school system's discretion to provide additional mentor stipends, mentor training, release time for mentors and their assigned beginning teachers to meet for mentoring activities, or to support strategic staffing training.
- A mentor teacher assigned to a beginning teacher after the start of the school year and before February 1 receives the full \$1,000 stipend.
- The mentor teacher is expected to complete any missed TMT modules asynchronously.
 - To receive credit for asynchronous attendance, the mentor must submit an artifact for each module as required, complete all embedded checks for understanding, and score a minimum of 85% on all module assessments.
 - The mentor teacher must attend the remaining training synchronously.



PREP Mentorship Program-Specific Requirements

Mentor Teacher Qualifications

- School systems must prioritize the selection of current classroom teachers as mentor teachers using clear selection criteria.
- Mentor teachers must have at least three complete years of teaching experience with a superior record of assisting students in achieving improvement in student performance.
- School systems may use Teacher Incentive Allotment designations (Acknowledged, Recognized, Exemplary, Master) to demonstrate a superior record. Mentor teachers must also demonstrate interpersonal skills; instructional effectiveness in research-based practices, to the extent practicable, for the grade levels and subjects to which the beginning teacher is assigned; and leadership skills.
- If the school system assigns staff who are not current classroom teachers to mentor, the school system should prioritize assigning mentor teachers with classroom teaching experience in the past three years. For the definition of classroom teacher, see [19 TAC §153.1301 - definitions](#).

Mentor Teacher Assignment Ratios and Required Minimum Stipends

- A mentor who is a teacher of record for **four (4) or more hours per day** shall mentor no more than two (2) beginning teachers for a \$1,000 stipend per beginning teacher.
- A mentor who is a teacher of record for **less than four (4) hours per day** shall mentor no more than four (4) beginning teachers for a \$1,000 stipend per beginning teacher.

- A **full-time mentor teacher** (whose primary role is supporting the development of beginning teachers through mentorship) shall mentor no more than fifteen (15) beginning teachers for a minimum \$1,000 stipend per year.
- An individual who is **neither a teacher of record nor a full-time mentor** shall mentor no more than eight (8) beginning teachers (documentation required locally) for a minimum \$1,000 stipend per year.

School System Support for Mentorship Time

- School systems must provide time for mentoring activities during the regularly contracted school day through a reduced teaching load or through release time that is, to the extent practicable, scheduled in advance and predictable.
- Mentoring activities focused on instructional planning, curriculum alignment, assessment review, and related professional responsibilities may also occur during a teacher's planning period.

Duties of a Mentor Teacher

A mentor teacher must meet with each beginning teacher not less than twelve (12) hours each semester. The mentor teacher must guide, assist, give feedback to, and support the beginning teacher through mentoring sessions addressing:

- Orientation to the context, policies, and practices of the school system
- Data-driven instructional practices, including student work analysis protocols
- Specific instructional coaching cycles including observation, actionable feedback, coaching regarding parent conferences, and review of professional development opportunities

TMT Considerations for PREP Mentorship Program Participants

- The district and campus leader roles identified in this section (e.g., program managers, district mentoring staff, campus principals) are provided as examples, not requirements, for all participating school systems.
- The statutory requirement under TEC §21.458(b-1) is that mentor teachers and any appropriate district and campus employees who work with or supervise beginning teachers complete mentor training.
- School systems have flexibility to determine which additional staff members participate based on their local mentorship program design and needs.
- **The school system's PREP Mentorship program manager is required to attend all District and Campus leader sessions and check-ins with the provider**

to provide support to the TMT provider and school system staff. For District & Campus Leader Design Sessions (Pathway 2) specifically, the school system must designate, at minimum, one representative from each campus participating in PREP Mentorship Program who has decision-making authority over the campus's mentoring activities to participate on the design team. Design team members must be able to attend all four design sessions. These training sessions are not applicable to the PREP preservice programs.

Texas Mentorship Training

Training Requirements

All mentoring educators required to complete the Texas Mentorship Training (host teachers, cooperating teachers, intern mentor teachers, and mentor teachers) must meet the following training requirements.

- Mentor teachers must be trained before the beginning of the school year or, in cases where beginning teachers are hired after the start of the school year, within 45 business days after being assigned a beginning teacher.
- After the initial full TMT, returning mentor teachers engage in an abridged refresher of TMT content every three years, delivered by an approved TMT provider.
- In the years between the full TMT and the three-year abridged refresher, returning mentors must be trained by the school system before the school year begins and once per semester to meet policy requirements. Between-cycle training is not annually full TMT; it is school system-led training that maintains continuity until the next provider-delivered abridged refresher.
- New mentor teachers must complete the full TMT in their first year of mentoring.
 - The TMT completion requirement applies to host, cooperating, intern mentor, and mentor teachers supporting individuals generating PREP allotments (e.g., candidates, residents, and beginning teachers).
 - School systems that choose to extend mentorship to additional individuals beyond the PREP caps may train those additional individuals through TMT at their discretion. However, doing so is not required and is subject to the fee structure described in PREP Mentorship Program Funding and Spending above.

TMT Pathways and Participants

The table below identifies who must participate in Texas Mentorship Training, which pathway(s) they complete, and total training hours.

Applicable PREP Program	Participant Role	Description	Required Pathway(s)	Approximate Hours
PREP Mentorship & PREP Residency, Traditional, and Alternative Preservice Programs	Mentoring Educator	Educators that serve as host teachers, cooperating teachers, intern mentor teachers, or mentor teachers	Mentoring Educator Training	24 hours
PREP Mentorship ONLY	District & Campus Leader	District and campus leaders who plan and implement mentorship programs (e.g., program managers, district mentoring staff, campus principals)	District & Campus Leader Design Sessions	16 hours

**Only mentoring educators supporting PREP-funded participants are required to attend*

Pathway 1: Mentoring Educator Training Scope and Sequence

For mentor teachers and leaders providing direct mentoring to beginning teachers.

Competencies: Effective Mentoring Partnerships and Behaviors; Co-Teaching Strategies; The Learning Environment; Instructional Preparation and Data-Driven Instructional Practices

Session	Approximate Timing	Focus
Summer 2027	Before the start of the 2027-2028 school year (June – August 2027)	Module 1: Introduction to Building Trust Module 2: Creating a Supportive Learning Environment Module 3: Introduction to Co-Teaching Strategies Module 4: Supporting Mentees in Understanding High-Quality Instructional Materials
Fall 2027	September - October 2027	Module 5: Modeling and Providing Actionable Feedback
Winter 2028	January – February 2028	Module 6: Student Engagement and Responsive Instructional Preparation
Spring 2028	March through April 2028	Module 7: Refinements and Continuous Learning

Total Pathway 1 training: **24 hours across four sessions** spanning the full school year.

Training Pathway 2: District & Campus Leader Design Sessions Scope and Sequence

This training is only required for PREP Mentorship leaders planning and implementing mentorship programs.

Competencies: Vision Setting and Performance Management; Master Schedule and Release Time; Recruitment, Selection, and Assignment; Program Sustainability and Scaling; Training and Ongoing Support

Session	Approximate Timing	Focus
Spring 2027	Late May - June 2027	Design Session 1: Mentoring Actions and Release Time
Summer 2027	June – August 2027	Design Session 2: Ongoing Support for Effective Mentoring
Fall 2027	October - December 2027	Design Session 3: Program Expansion and Support Structures
Spring 2028	April - June 2028	Design Session 4: Final Review and Integration

Total Pathway 2 training: **16 hours across four sessions** spanning the full school year.

**Policy references: TEC §21.458; TEC §21.907; TEC §48.157; TAC §153.1302; TAC §153.1305*

Part IV: Data and Program Submissions

Annual Program Submission

School systems participating in a PREP program must complete an annual program submission for each PREP program for which they receive funding. Annual submissions include program implementation data, information about how allotment funds were distributed, evidence of written agreement implementation, and participant data submitted through the Educator Certification Online System (ECOS) and the Public Education Information Management System (PEIMS).

Additionally, unless otherwise specified by TEA, school systems must have program participants (determined by TEA and communicated annually by August 1 each year) respond to surveys developed by TEA to gauge the perception of the school system's implementation of applicable PREP programs.

The annual program submission components that include distribution of allotment funds and evidence of written agreements, along with the superintendent or chief financial officer's attestation form, are due by 11:59 p.m. on the last Friday of September annually following the year of implementation. TEA will provide a link to the annual program submission on the [TEA PREP website](#). Directions for completing the annual program submission will be available on the [TEA PREP website](#) by the first Friday of June annually, beginning in 2027. These annual program submissions are separate from the three-year performance review described in [Part V: Periodic Reviews](#) of this guidebook. ECOS and PEIMS data entries and annual surveys will follow an alternate timeline described below.

Annual Program Submission: School System Distribution of Allotment Funds

School systems annually report to TEA how allotment funds were distributed during the previous school year. This reporting captures the planned allocation by program component at a high level, such as resident compensation, host teacher stipends, TMT training costs, mentor stipends, program coordinator salaries, and other allowable program expenditures.

School systems document the use of PREP Program allotment funds using general fund accounting requirements applicable to Foundation School Program (FSP) allotments. Funds are spent on allowable program expenditures as defined in program rules. There is no program intent code (PIC) for PREP Program allotment funding. School systems must develop local option codes to track expenditures for this allotment. Additional guidance

for business offices can be found in [Appendix 3: Fiscal Guidance for Business Offices](#) of this guidebook.

Attestation and Certification

The superintendent or chief financial officer must submit an attestation form as part of the annual program submission, certifying that the information is accurate and complies with applicable state and federal laws. The attestation form includes the name and title of the certifying individual, the date of certification, and a statement of understanding that false certification may result in criminal penalties and possible referral to the State Board for Educator Certification (SBEC) for educator certificate sanctions. TEA will make the attestation form available on the [TEA PREP website](#) alongside annual submission directions.

Annual Program Submission: Evidence of Implementation of Written Agreements

School systems participating in PREP Preservice Programs must establish written agreements with EPPs; school systems participating in PREP GYO must establish written agreements with IHEs and EPPs. As part of the annual program submission, school systems attest that required written agreements are in place. Document uploads are not required at the time of submission; however, school systems must maintain appropriate documentation locally, and TEA may request documentation for review at any time during periodic reviews.

ECOS and PEIMS Data Submissions

The Educator Certification Online System (ECOS) is TEA's system of record for educator certification and for the participant data that drives PREP Program allotment calculations. Public Education Information Management System (PEIMS) submissions capture broader school system staffing and participation data. Together, these systems provide the data TEA uses to calculate allotments, verify placements, and ensure data consistency across TEA systems.

School systems participating in PREP programs must enter participant data into ECOS and PEIMS. ECOS supports PREP-specific data collection, including partnership tracking, participant identification, campus and school system placements, and roles such as host, cooperating, and mentor teachers.

For PREP Residency, Traditional, and Alternative preservice programs, EPPs must complete clinical experience records in ECOS for their candidates. School systems cannot complete Residency or candidate participant entries until the partner EPP has completed their portion.

For Foundation School Program (FSP) settle-up purposes, TEA uses final rosters in ECOS before February 1 as the data source for verifying participation. Program managers enter participant data into ECOS during the summer data entry window. TEA communicates the specific deadline for school systems to begin generating FSP allotments, which begin flowing in October payments annually. Changes to participant records may be made before February 1 to account for spring-start candidates and mid-year hires.

New teacher residents are reported in the PEIMS Fall Submission. See the [PEIMS submission timeline](#) for specific annual reporting dates.

For information on the program and ECOS roles for school systems and the program and PREP EPP Data role for EPPs, refer to the [Part II: Eligibility, Applications, and Partnerships](#) section of this guidebook.

**Policy references: TEC §48.157; TEC Chapter 39, Subchapter D; TAC §153.1302(b); TAC §153.1302(c); TAC §153.1302(c)(1); TAC §153.1302(c)(3)*

Annual Participant Survey

TEA administers an annual survey to participants of each of the available PREP programs. The surveys gather data on the school system's implementation of applicable PREP programs and the perceptions, including satisfaction, of program participants.

TEA will identify, and communicate to the school system, the required survey respondents annually by August 1, prior to PREP program implementation, so school systems may plan accordingly. Respondents may include the following program participants:

- **PREP Grow Your Own:** employees who generate allotments (e.g. paraprofessionals), cooperating teachers, campus leaders, and school system program managers
- **PREP Residency Preservice:** residents, host teachers, campus leaders, school system program managers, and EPP representatives
- **PREP Traditional Preservice:** candidates, cooperating teachers, campus leaders, school system program managers, and EPP representatives
- **PREP Alternative Preservice:** candidates, cooperating teachers, intern mentor teachers, campus leaders, school system program managers, and EPP representatives
- **PREP Mentorship:** beginning teachers, mentor teachers, campus leaders, and school system program managers

TEA will share aggregate survey outcomes with school system program managers. School systems are expected to use survey outcomes as part of their PREP program performance

management system to drive continuous improvement. School system program managers are also encouraged to share survey outcomes and next steps with relevant PREP stakeholders and partners, including individuals who participated in the survey.

TEA anticipates that the surveys will run for approximately a three-week window annually in the April-May timeframe of the program's implementation year. Each year, TEA will share directions for survey administration with school system program managers at least four (4) weeks before the survey windows open and post information on the [TEA PREP website](#).

TEA is subject to the Texas Public Information Act. To the extent permitted by law, no individual survey responses will be released to the public in a manner that identifies the respondent. TEA will provide additional information on survey processes and reporting to PREP participants in advance of survey distribution.

**Policy references: TAC §153.1302(c)(2); Texas Government Code Chapter 552*

Part V: Periodic Reviews by TEA

TEA Annual Reviews

Annually, TEA reviews school systems' program submissions described in [Part IV: Data and Program Submissions](#) section of this guidebook. This review is separate from the review of performance goal attainment, which happens after each three years of implementation of a given PREP program.

If a school system's annual program submission is incomplete, TEA may require the school system to complete the submission, develop an improvement plan, or fully or partially rescind the current allotment. If any of the information is incorrect, TEA may review school system budgets and fiscal reports, take policy enforcement actions, require an improvement plan, partially or fully rescind an allotment, or prohibit the school system from participating in a PREP program for up to five years. TEA may also conduct a review annually or at any other time as authorized by policy.

**Policy references: TEC §48.270; TEC §48.272; TEC §44.051; TAC §153.1302(b); TAC §153.1302(c)*

TEA Three-Year Reviews: Performance Goal Attainment

After three years of participation in any PREP program, TEA reviews the school system or the partnership's (EPP and/or IHE where applicable) performance goal attainment. School systems are encouraged to regularly monitor implementation of PREP programs through their annual program submission data, participant surveys, implementation of written agreements, EPP requirements where applicable, and allocation of resources to support effective implementation.

Each of the PREP programs has a set of prioritized performance goals that are high-level descriptors of what TEA measures during the three-year review. TEA will review performance goal attainment beginning three (3) years following the school system's initial approval for each PREP program. TEA will publish more information related to performance goals as it becomes available.

If the Commissioner determines that a school system or PREP partnership has failed to meet the performance goals, the Commissioner may require the school system to develop and implement a PREP program improvement plan, may partially or fully rescind the school system's current allotment, and shall prohibit the school system from participating in a PREP program for a period not to exceed five years.

Performance Goals by Program

The table below summarizes the performance goals for each PREP program.

Program	Performance Goals Prioritize Measurement Of:
PREP Grow Your Own: High School Pathway	1. Evidence of all high school student program requirements; 2. Percent of students who obtain the Educational Aide I certificate; 3. Percent of students enrolled in a bachelor's degree program
PREP Grow Your Own: Employee	1. Evidence of all employee program requirements; 2. Percent of employees who obtain the Educational Aide III certificate; 3. Percent of employees enrolled in an EPP within three years; 4. Percent of employees who complete their bachelor's degree within three years
PREP Residency Preservice	1. Evidence of partnership requirements; 2. Percent of teacher residency candidates who complete certification requirements by attaining an enhanced standard certificate; 3. Teacher resident employment in Texas school systems
PREP Traditional Preservice	1. Evidence of partnership requirements; 2. Percent of candidates who complete clinical teaching; 3. Percent who earn standard certificate and complete one year of teaching
PREP Alternative Preservice	1. Evidence of partnership requirements; 2. Percent of candidates who complete pre-internship clinical experience; 3. Percent who earn standard certificate and complete one year of teaching
PREP Mentorship	1. Mentor teacher qualifications; 2. Mentor teacher training completion under §153.1305(b)(3); 3. Mentor teacher duties; 4. School system duties related to mentoring time, scheduling, and logistics

**Policy references: TEC §21.909; TAC §153.1303(d), TAC §153.1304(d), TAC §153.1305(c)*

School systems are encouraged to use these performance-goal areas to guide internal monitoring throughout the three-year period rather than waiting for the formal periodic review. The annual program submission data, participant surveys, implementation of written agreements, and allocation of resources described in [Part IV: Data and Program Submissions](#) of this guidebook provide the data school systems need to track progress toward these goals.

Part VI: Additional Information

Cross-Program Funding Business Rules

Withdrawal and Recovery

School systems that wish to withdraw from a PREP program must do so through the annual process communicated by TEA.

If a school system withdraws from the PREP program at any point during the school year, 100% of the allotment funding is recovered at settle-up. If an individual participant drops out after starting, the school system retains 100% of the initial funding for that individual. If a participant is enrolled but does not actually attend or start, 100% of the funding for that individual is recovered.

Teacher Movement and Mid-Year Changes

If a mentor teacher, cooperating teacher, intern mentor teacher, or host teacher is changed mid-year due to extenuating circumstances, the allocation of stipend payments between the original and replacement educator is a local school system decision. Proration is an available approach. This rule applies consistently across PREP Residency Preservice, PREP Traditional Preservice, PREP Alternative Preservice, and PREP Mentorship. There is no policy requirement to provide a stipend for a GYO cooperating teacher; if a school system elects to provide one, this provision applies.

If a PREP GYO participant changes school systems during the three-year window, the candidate does not generate success-based funding; the initial funding received by the originating school system is not affected. If a GYO participant changes campuses within the same school system, the campus where the candidate began the program generates both the initial funding and the success-based funding.

Available Technical Assistance

TEA and its partners provide technical assistance to support school systems and EPP partners in implementing PREP programs. The supports described below are available to school systems and are referenced throughout this guidebook. TEA will continue to develop and expand implementation supports and will communicate new resources through the [TEA PREP website](https://tea.texas.gov/prep), newsletters, and office hours.

Program-Specific Technical Assistance

PREP Grow Your Own

PREP Grow Your Own technical assistance is available through The Center for Reigniting the Educator Workforce (CREW). Participating school systems will receive free in-kind technical support to strengthen Grow Your Own planning and implementation including program planning and design, budgeting, recruitment, and progress monitoring. Supports will include a webinar series, access to a GYO planning toolkit and other planning resources, as well as thought partnership and guidance to school systems as they make plans for their GYO pathways. School system points of contact will receive information for joining an informational webinar to learn more about them. Visit the [CREW website](#) for current information on available support.

PREP Residency Preservice

PREP Residency Preservice technical assistance, through the Texas Strategic Staffing for Residencies, is available through ESCs and TEA-approved providers. For additional support with strategic staffing design, school systems may explore Texas Strategic Staffing (TSS) resources at the [TSS website](#). TSS provides grant-funded technical assistance to awarded school systems; outside the TSS grant, school systems seeking TSS-style strategic staffing design support may engage through a fee-for-service arrangement.

Texas Mentorship Training

For more information on TMT, see the [Texas Mentorship Training](#) section in this guidebook and visit the [Texas Mentorship Training website](#) for approved providers.

Education Service Centers

Texas' 20 Education Service Centers (ESC) serve as one of the primary regional delivery models for PREP implementation support. ESC staff support school systems across multiple PREP-related functions.

School systems may reach out to their regional ESC early in the planning process. A directory of ESC contacts is available at the [TEA Education Service Centers website](#).

TEA Implementation Support

TEA provides ongoing implementation support to all PREP participating school systems through the following channels:

[PREP Program Allotment Website](#): A centralized resource hub for guidebooks, application materials, FAQs, data submission directions, policy references, and program updates. Key resources and information include:

- **PREP Allotment Financial Planning Tool:** An interactive tool that allows school systems to estimate their PREP allotment funding by program based on campus-level data.
- **PREP Newsletters:** Periodic updates for participants on implementation timelines, policy clarifications, and available resources. Back issues available.
- **PREP Office Hours:** Scheduled sessions for school system program managers to ask questions and receive guidance from TEA staff on implementation, data submission, funding, and program requirements. See dates for upcoming office hours and register on the website.
- **PREP Webinars:** Program-specific informational sessions covering funding mechanics, data submission processes, partnership development, and program requirements. TEA conducts informational webinars during each LASO application cycle and at key implementation milestones throughout the year. Find recorded webinars and register for upcoming webinars
- **PREP Support Portal:** School systems may submit questions, get resources, and find answers to commonly asked questions about PREP program eligibility, funding, partnerships, and implementation, through the [PREP Support Portal](#).
- **ECOS Training:** TEA will provide training on ECOS data entry requirements for PREP programs in late spring and summer. Training will be available to school system program managers, ESC staff, and EPP partners. Recorded training sessions are available on the website.
- **LASO Annual Resources:** Webinars, office hours, and other tools and resources to support school systems through the PREP application process. More information about LASO Cycle 5 can be found on the [TEA LASO webpage](#).

Related TEA Programs and Supports

School systems implementing PREP programs may also benefit from these aligned TEA initiatives, all of which are available through the LASO application cycle or through separate TEA processes:

Leadership and Instructional Foundations for Texas (LIFT)

School systems participating in both PREP and LIFT receive aligned support for instructional systems, including high-quality instructional materials (HQIM) implementation, principal observation and feedback cycles, and leadership coaching from TEA-approved providers. LIFT builds the district and campus-level instructional leadership capacity that strengthens the environment for GYO participants, residency candidates,

and beginning teachers. School systems may apply for LIFT through the LASO cycle. For more information, visit [Leadership and Instructional Foundations for Texas \(LIFT\)](#).

Teacher Incentive Allotment (TIA)

TIA provides performance-based compensation that complements PREP by creating sustainable career pathways for effective teachers. Mentor teachers with TIA designations (Acknowledged, Recognized, Exemplary, Master) bring validated instructional effectiveness to the mentoring role, and school systems participating in both PREP and TIA can use TIA designation data to inform mentor teacher selection. Enhanced TIA systems receive a 10% funding multiplier on their TIA allotments, strengthening the financial foundation for strategic compensation alongside PREP investments. For more information, visit [Teacher Incentive Allotment](#).

EPP-Provided Training and Support

TEA develops and makes available content training materials for EPP faculty and staff responsible for preparing teacher candidates enrolled in PREP preservice programs. TEA also provides training to EPP faculty to support effective delivery of these materials and to implement the Texas Reading Academies and Math Achievement Academies required for certain teacher candidates. All EPPs that submit an Intent to Apply for a PREP route are required to attend an EPP Content Training Webinar.

**Policy references: TEC §21.067; TEC §21.044(i); TEC §21.3521; TEC §48.112(g-1); TAC §153.1303(c)(5)(B); TAC §153.1305(b)(1); TAC §153.1306*

Appendix 1: Definitions

Definitions to terms used throughout this guidebook are available in [19 TAC §153.1301](#) - Definitions and [19 TAC §228.2](#) - Definitions

Appendix 2: PREP Policy

The 89th Texas Legislature established the PREP Program Allotment through House Bill 2, signed into law by Governor Abbott on June 20, 2025.

Relevant Sections of the [Texas Education Code](#)

- TEC §21.458: Mentors
- TEC §21.901: Definitions for PREP Program
- TEC §21.902: PREP Preservice Program Overview
- TEC §21.903: PREP Traditional Preservice Program
- TEC §21.904: PREP Residency Preservice Program
- TEC §21.905: PREP Alternative Preservice Program
- TEC §21.906: PREP Grow Your Own Program
- TEC §21.907: PREP Mentorship Program
- TEC §21.908: Educator Preparation Program Support
- TEC §21.909: PREP Program Standards and Performance Goals
- TEC §21.910: Authority of the Commissioner to Accept Money for the PREP Program
- TEC §21.911: Rulemaking Authority of the Commissioner for the PREP Program
- TEC §48.157: Allotment for the PREP Program
- TEC §48.310: Allotment for Completion of Teacher Literacy or Mathematics Achievement Academies

Relevant Sections of the [Texas Administrative Code](#) [Commissioner of Education Rule*](#)

- 19 TAC §153.1301: Definitions
- 19 TAC §153.1302: General Provisions for the PREP Program
- 19 TAC §153.1303: PREP Residency Preservice Program

- 19 TAC §153.1304: PREP Grow Your Own Program
- 19 TAC §153.1305: PREP Mentorship Program
- 19 TAC §153.1306: Educator Preparation Program Training Content for PREP Preservice Programs

State Board for Educator Certification Rule

- 19 TAC Chapter 227: EPP Admission and Oversight
- 19 TAC Chapter 228: EPP Requirements and Residency Route
- 19 TAC Chapter 229: Accountability, Accreditation, and Sanctions for EPPs
- 19 TAC Chapter 230: Professional Educator Preparation and Certification
- 19 TAC Chapter 235: EPP Standards for the Enhanced Standard Certificate

**Note: TAC rules are in the process of being amended and anticipated updates are expected to be effective in May 2027.*

Appendix 3: Fiscal Guidance for Business Offices

Overview of Fiscal Guidance

PREP Program Allotment funding is provided by the Foundation School Program (FSP). School systems that participate in one or more PREP programs (PREP Grow Your Own, PREP Residency Preservice, PREP Traditional Preservice, PREP Alternative Preservice, or PREP Mentorship) receive allotment funds through the FSP based on participant data entered in the Educator Certification Online System (ECOS). This guidance helps business offices plan for PREP funds and to meet annual reporting requirements.

This guidance covers:

- How PREP funds flow through the FSP and when to expect payments;
- How to track PREP expenditures when there is no program intent code (PIC);
- What the annual program submission requires of business offices; and
- Allowable uses by program.

For complete program descriptions, eligibility, and funding amounts, see [Part I: PREP Overview](#) and [Part III: PREP Program Details](#) of this guidebook.

**Policy references: House Bill 2, 89th Texas Legislature (2025); TEC §§21.901-21.909, 48.157; 19 TAC §§153.1301-153.1306*

PREP Allotment Calculations

School systems generate initial PREP funds through the FSP based on participant data entered in ECOS each year; success-based funding includes other data sources.

See the PREP Allotment Financial Planning Tool on the [PREP website](#) for more information and use it to model potential PREP program financial scenarios for your school system.

Initial Funding

For participants entered into ECOS by the August deadline, the school system's initial allotment payments begin flowing in the FSP October payment window of that year. For participants entered into ECOS between September and January, payments are included in the September FSP settle-up of the following school year.

Because PREP funds are part of the FSP, the timing of receipts may not align with the timing of expenditures, particularly in the first year. School systems should plan cash

flow accordingly. School systems may use cash reserves or fund balance and should list the allotment as due from the state or as a reimbursement so that the funds do not negatively impact the fund balance, consistent with how other anticipated FSP settle-up funds are handled. See [Annual Timelines](#) for more information.

Success-Based Funding

Success-based funding follows a separate timeline:

For **PREP Grow Your Own**, success-based funding flows in the September settle-up following the year in which the employee both completed the bachelor's degree and enrolled in an accredited EPP within the three-year program window.

- For **PREP Residency Preservice**, school system success-based funding flows in the FSP September settle-up following the school year in which the resident attained the enhanced standard certificate.
- For **PREP Traditional Preservice**, school system success-based funding flows in the September settle-up following the year in which the candidate successfully completes program requirements under TEC §21.903. The initial payment is \$4,000; the remaining allotment flows upon completion.
- For **PREP Alternative Preservice**, school system success-based funding flows in the September settle-up following the year in which the candidate completes program requirements under TEC §21.905 and is issued an intern with preservice experience certificate. The initial payment is \$4,000; the remaining allotment flows upon completion and certificate issuance.
- PREP Mentorship does not have success-based funding.

Business offices should plan for the lag between initial funding and success-based funding receipts.

**Policy references: TEC §48.157; 19 TAC §153.1302(a)*

Annual Program Submission Business Office Guidance

Each year, school systems submit a program submission for each PREP program for which they receive funds. The submission includes implementation data and the distribution of allotment funds from the previous school year. The business office's primary responsibility is the distribution-of-funds component. See [Annual Program Submissions](#) for more details.

Distribution of Allotment Funds

School systems report how PREP funds were distributed during the previous school year, organized by program and by spending category. The spending categories are drawn from the allowable uses defined in program rules (see the tables below). Local option codes are designed to support this reporting by giving the business office a reliable way to aggregate expenditures by program and category at year-end.

The tables below show the specific spending categories that school systems will report against in the annual program submission. Business offices should consider organizing their local option codes to align with these categories so that year-end reporting is a direct rollup from the accounting system.

TEA will ask school systems to report spending in each of the applicable categories below from PREP allotment funds and other sources of funds such as resident compensation.

TEA may exercise administrative discretion to redirect or recalculate funds if a school system disputes ECOS or PEIMS data. Disputes must be received by the dates communicated by TEA.

TEA extracts data at two key points to calculate allotment payments:

- TEA extracts available ECOS and PEIMS data to calculate initial allotment amounts and identify participants who have met success-based milestones. For participants entered into ECOS by the annual August deadline, initial allotment payments begin flowing in the FSP October payment window of that school year. TEA communicates the specific deadline for each school year.
- TEA extracts final data to reconcile differences between initial and final allotment amounts, including participants who were added after the August deadline, participants who exited, and corrections to prior payments. Settle-up amounts are addressed through the September FSP settle-up of the following school year.

PREP Grow Your Own: Reporting Categories

- High school Education and Training program implementation
- Tuition for aspiring teachers
- Wrap-around and transition supports
- Strategic staffing training and implementation
- Employee preparation costs in a PREP Preservice program; Costs of GYO employee preparation in a Residency or other PREP Preservice program

- Program coordinator / implementation staff salaries; Local salaries for program implementation support
- Other allowable GYO program expenditures. Must be consistent with TAC §153.1304(f)

PREP Partnership Preservice Programs: Reporting Categories

- Resident compensation (minimum \$10,000 from allotment per resident) Mandated minimum; see Usage of Funds
- Host teacher stipends (\$2,000 minimum per resident) Mandated minimum; see Usage of Funds
- Texas Mentorship Training (TMT) costs
- EPP partner supports
- Strategic staffing training and implementation
- Program coordinator / implementation staff salaries
- Other allowable Residency program expenditures Must be consistent with TAC §153.1303(g)

PREP Mentorship: Reporting Categories

- Mentor teacher stipends (\$1,000 minimum per beginning teacher) Mandated minimum; see Usage of Funds
- Release time for mentoring activities
- Mentor training costs for TMT
- Strategic staffing training
- Compensation for staff overseeing mentorship training requirements
- Other allowable Mentorship program expenditures Must be consistent with TAC §153.1305(d)

School systems report total dollar amounts in each category for the reporting year. A subtotal is calculated for each program, and the sum of all program subtotals equals total PREP allotment expenditures for the year.

**Policy references: 19 TAC §153.1302(c)(1)(A); TAC §153.1303(g); TAC §153.1304(f); TAC §153.1305(d)*

Certification of the Submission

The submission must be certified by the superintendent or chief financial officer.

The certification attests that the information is accurate and complies with applicable state and federal laws, including TEC Chapter 39, Subchapter D. The certification includes the certifying individual's name and title, the date, and a statement of understanding that false certification may result in criminal penalties and possible referral to the State Board for Educator Certification (SBEC) for educator certificate sanctions.

Submission Format and Timing

- Directions for completing the annual program submission will be available on the TEA PREP Allotment web page annually in June, beginning in 2027.
- The submission is due by 11:59 p.m. on the last Friday of September following the implementation year.

See [Part IV: Data and Program Submissions](#) for more information.

**Policy references: 19 TAC §153.1302(c)(1)(A)-(C)*

Usage of Funds

PREP funds must be used to implement the program that generated them. The table below provides a high-level summary of allowable uses by program. Complete spending requirements, including minimum compensation and stipend thresholds, are described in the PREP Guidebook and in the cited rules. Business offices should code expenditures to the program that generated the funds.

Mandated Spending Requirements

The following spending requirements are established in statute and Commissioner's rules. These are not discretionary.

PREP Grow Your Own: Allowable uses are program implementation and participant tuition and fees.

PREP Residency Preservice:

- Residents must receive a minimum of \$20,000 in pay, with at least \$10,000 from the allotment.
- Host teachers must receive a minimum \$2,000 stipend per resident.

EPP spending requirements apply separately under TEC §48.157(h)-(i).

PREP Traditional Preservice

- Teacher candidates must receive at least \$3,000 in pay from the allotment for preservice practice hours.
- Cooperating teachers must receive at least \$1,000 per candidate.

- The school system must also provide additional candidate pay beyond \$3,000 from the allotment or other available sources.

EPP spending requirements apply separately under TEC §48.157(h)-(i).

PREP Alternative Preservice

- Teacher candidates must receive at least \$3,000 in pay from the allotment for preservice practice hours.
- Cooperating teachers must receive at least \$1,000 per candidate.
- The school system must also provide additional candidate pay beyond \$3,000 from the allotment or other available sources.

EPP spending requirements apply separately under TEC §48.157(h)-(i).

PREP Mentorship

Annual mentor stipends: at least \$1,000 per beginning teacher for part-time mentors; at least \$1,000 for full-time mentors or those serving as neither teacher of record nor full-time mentor.

**TAC §153.1304(f); TEC §21.906; TAC §153.1303(g); TEC §21.904(c)-(d); TEC §21.903(c)-(d); TEC §21.905(c)-(d); TAC §153.1305(d); TEC §21.907*

Discretionary Spending

After mandated spending requirements are met, remaining funds may be used for the following purposes within each program.

PREP Grow Your Own

High school Education and Training program implementation; tuition for aspiring teachers; wrap-around and transition supports; strategic staffing training; costs of employee preparation in a PREP Preservice program; local salaries for program implementation support; and other associated program costs.

PREP Residency Preservice

Remaining funds can be used to support the Residency program: Texas Mentorship Training (TMT) costs, EPP partner supports, program implementation, host teacher stipend expansion, and strategic staffing training.

PREP Traditional Preservice

After mandated spending, remaining funds may be used for: Texas Mentorship Training (TMT) costs; EPP partner supports; strategic staffing training and implementation;

program coordinator and implementation staff salaries; and other allowable Traditional Preservice program expenditures.

PREP Alternative Preservice

After mandated spending, remaining funds may be used for: Texas Mentorship Training (TMT) costs; EPP partner supports; intern mentor teacher supports; strategic staffing training and implementation; program coordinator and implementation staff salaries; and other allowable Alternative Preservice program expenditures.

PREP Mentorship

Remaining funds: release time for mentoring, mentor training, strategic staffing training, and compensation for staff overseeing mentorship training requirements.

**TAC §153.1303(g); TAC §153.1304(f); TAC §153.1305(d); TEC §48.157; TEC §21.903; TEC §21.905*

Sources of Funding to Supplement PREP Allotment Programs

School systems may draw on state, local, and federal funds to supplement the implementation of programs supported by the PREP Allotment.

Residency Preservice Cost Match Requirement

Each resident must receive a minimum of \$20,000 in total compensation with at least \$10,000 from the PREP allotment, and at least \$10,000 from the school system using funds from the PREP Allotment or other permissible funding sources (TEC §21.904(d)).

Initial Year of Participation

In the initial year of participation in the PREP Allotment, the school system provides the \$10,000 match from allowable state, local, or federal funds or other available sources (see the state allotment table and Use of Federal Funds below).

Subsequent Years

Beginning in the second year and beyond, PREP success-based funding from prior cohorts flows as residents earn the enhanced standard certificate. This cumulative funding may offset or fully cover the match for current-year residents beyond the initial year of implementation.

PREP Mentorship

Once PREP Mentorship stipends have been paid, remaining Mentorship allotment funds may be used for staff responsible for overseeing and directing annual mentorship training requirements.

See [Part III: PREP Program Details](#) for more detailed information on success-based funding for each applicable PREP program.

PREP Grow Your Own and PREP Mentorship do not require a school system match, the costs for those programs can be covered by the initial PREP Allotment payments.

State and Federal Funds

Use of State Allotments

State allotments fund the students who generated them. A PREP participant's compensation may be charged to a state allotment only for the portion of time the participant is providing direct instruction or services to those students.

- Split-funding applies when time is divided between programs.
- Document the instructional role for each expenditure charged to a state allotment.
- State allotments other than State Compensatory Education (SCE) may be used to fund salaries over the required minimum but not to fund PREP-required training.
- State allotments with a 55% spending floor (Bilingual Education Allotment (BEA), Career and Technology Education (CTE), Special Education (SpEd), and College, Career, and Military Readiness Outcomes Bonus (CCMR)) may fund PREP participant salaries for instructional time serving the generating students but may not fund professional development required by PREP statute, such as Texas Mentorship Training (TMT).
- SCE has broader flexibility and may fund both salaries and training costs.

Use of Federal Funds (updated October 2026)

TEA issued guidance in summer 2026 that stated federal funds could not be used for the \$10,000 cost match for a resident teacher's pay as part of the PREP Residency Preservice Program. However, the US Department of Education has since clarified **that federal funds may directly satisfy state-required PREP expenditures.**

Because participation in PREP is voluntary, PREP expenditures are not state-mandated uses of funds, and using federal funds for them does not supplant required state expenditures. Federal funds must still be used only for activities allowable under the federal program that provides them. School systems may use any eligible funding source for any eligible PREP-related expense, consistent with that source's spending requirements, applicable program intent codes, and federal supplement-not-supplant rules.

General Guidance for use of State and Federal Funds

- In each case, the expenditure must be coded to the appropriate program intent code.
- The school system should document that the participant's duties serve the students or program that generated the funding.
- Split-funding applies when a participant's time is divided between the allotment program and other duties.

Use of Federal funds with the PREP Program Allotment is allowed in two ways:

- **Supplementing PREP activities:** State law establishes PREP and prescribes required activities for participating school systems, but participation is optional. PREP expenditures are therefore not state-mandated uses of funds, and federal funds may be used to supplement PREP activities without supplanting required state expenditures.
- **Use for the Residency Preservice match:** Federal funds may be used to help meet the \$10,000 Residency Preservice match (TEC §21.904(d)). The school system's use of ESEA funds to meet this match does not raise a presumption of supplanting. In either case, federal funds must be used only for activities that are allowable under the federal program that provides them. For example, if a school system uses Title II, Part A funds toward the Residency match, those funds must pay for activities allowable under Title II, Part A. The minimum candidate pay and stipends that statute directs school systems to provide with PREP allotment funds (TEC §§21.903(c), 21.904(c), 21.905(c), and 21.907(c)) continue to be paid from the allotment.

The February 2026 U.S. Department of Education [Dear Colleague Letter on Strategic Staffing](#) Under Title II, Part A provides additional examples of allowable uses.

Use of Federal Funds for TMT Training

Texas Mentorship Training (TMT) is required for school systems participating in PREP Mentorship and, beginning in 2027-28, for mentoring educators in the PREP Residency Preservice, Traditional Preservice, and Alternative Preservice programs. Because participation in PREP is voluntary, Title II, Part A funds may pay for TMT costs without supplanting required state expenditures, provided the costs are allowable under Title II, Part A. Title II funds may also pay for TMT for mentors of beginning teachers beyond the PREP Mentorship cap of 40.

Participants Beyond the PREP Allotment Program Caps

The PREP allotment funds up to 40 residents at the Residency rate. Residents 41 through 120 receive funding at the Traditional Preservice rate (TEC §48.157(g)), counting against the 80-person combined Traditional/Alternative Preservice cap; the \$20,000 minimum compensation and \$10,000 school system match still apply for these residents (19 TAC §153.1302(f)(1)(C)). PREP Grow Your Own funds up to 40 participants, and PREP Mentorship funds up to 40 beginning teachers with mentors.

For participants beyond these caps (preservice candidates beyond 120, Grow Your Own participants beyond 40, and beginning teachers with mentors beyond 40), no PREP allotment funding is generated. Because these participants are not receiving PREP funding, the PREP-specific expenditure requirements do not apply. School systems may use Title I, Title II, state allotment, or local funds to support these participants, subject to each funding source's standard spending requirements and allowable uses.

**Policy references: TEC §§21.904(c)-(d), 48.102, 48.104, 48.105(b), 48.106(c), 48.108(b), 48.110(i), 48.157; ESEA §§1114(b), 2001, 2101(c), 2103(b); 34 CFR §200.77(f); ESEA §8101(42); U.S. Dept. of Education, Dear Colleague Letter on Strategic Staffing Under Title II, Part A (Feb. 9, 2026); 19 TAC §89.1125; 2 CFR §200.306(b)*

Use of State Allotment Funds

The following state allotments may support PREP implementation when PREP participants are serving the students that generated the funding. The table summarizes what each allotment can pay for and the spending requirements that apply.

State Compensatory Education

- Salaries, stipends, and program costs for staff serving at-risk or educationally disadvantaged students.
- Broadest flexibility of any state allotment.
- May fund teacher salaries, mentor stipends, host teacher stipends, program coordinator salaries, instructional coaching, and PREP-required training costs on campuses serving educationally disadvantaged or at-risk students.
- No fixed threshold (55% repealed by HB 2, effective FY 2025–26). Funds must still serve at-risk students per TEC §29.081. External auditors continue to review use of SCE funds.

Bilingual Education

- Program and student evaluation; instructional materials and equipment; staff development (supplemental only, not PREP-required training); supplemental staff expenses; teacher salaries (broadened from salary supplements by HB 2);

incremental costs for smaller class sizes; and other supplies required for quality bilingual education instruction.

- All expenditures must fit within the statutory use categories in TEC §48.105(b).
- Includes a resident or mentor providing bilingual/ESL instruction to emergent bilingual students.
- At least 55% for bilingual education or special language programs (TEC §48.105(b)). TEC §48.105(b) limits the direct program portion of the expenditures outside those categories are allowable using the remaining amount not coded to PIC 25.

Career and Technology Education

- Salaries for CTE teachers, paraprofessionals, and CTE administrators providing CTE instruction in grades 7–12.
- Includes a resident delivering CTE-coded courses.
- CTE equipment, supplies, technology, and facilities are also allowable.
- At least 55% for CTE programs in grades 7–12 (TEC §48.106(c)). Funds must serve the students who generated the allotment.

Special Education

- Salaries for staff assigned to special education instruction or support services, including collaborative planning, co-teaching, and small group instruction.
- Includes a resident providing direct special education instruction to students with disabilities.
- At least 55% must be used in the special education program under TEC Chapter 29, Subchapter A (TEC §48.102).
- Funds must serve special education students per 19 TAC §89.1125.
- Tiered-intensity model takes effect Sept. 1, 2026.
- School systems should consider IDEA Maintenance of Effort requirements when coding PREP participant costs to special education funds, as changes in year-over-year spending may affect MOE compliance.

Early Education

- Salaries for staff providing reading and math instruction in prekindergarten through third grade classrooms.
- Includes a resident placed in PreK–3rd delivering reading and math instruction to improve student performance.

- Funds must be used for teacher literacy and math achievement academies, prekindergarten programs, and programs and services to improve student performance in reading and math in PreK–3rd (TEC §48.108(b)). No flexible remainder.

CCMR Outcomes Bonus

- Teacher training and PD on CCMR content, student preparation for CCMR measures, counseling and advising, work-based learning, advanced academics, CCMR school models, and high school courses that prepare students for college, career, or the military in grades 8–12.
- After the 55% is met, the school system may determine uses for the remaining funds.
- At least 55% in grades 8–12 for CCMR outcomes (TEC §48.110(i)). TEA explicitly permits flexible use of the remainder.

Local Funds

- General fund, professional development budgets, teacher induction budgets, and other staffing and human capital investments.
- Because PREP participants contribute to instructional delivery, their costs may align with existing local budget categories for instructional staffing.
- No restrictions beyond local policy.

SCE = State Compensatory Education (§48.104) | BEA = Bilingual Education Allotment (§48.105) | CTE = Career and Technology Education (§48.106) | SpEd = Special Education (§48.102) | Early Ed = Early Education Allotment (§48.108) | CCMR = CCMR Outcomes Bonus (§48.110)

Financial Reporting

Coding of Payments

There is no program intent code (PIC) for the PREP Program Allotment. School systems track PREP expenditures using local option codes, which are positioned in the standard account code structure that may be used for any locally defined purpose. This approach is consistent with how the Teacher Incentive Allotment (TIA) is tracked.

Using Local Option Codes for PREP

As a transaction in the school system's accounting system, the account code structure for PREP must carry the mandatory state-reporting elements: a fund code, a function code, object code, organization code, fiscal year code, and program intent code. These Local option codes are additional positions in the code structure that are not reported through

PEIMS. For PREP, this means that school systems define what each local option code means and use them to isolate PREP activity for internal tracking and reporting to TEA through the annual program submission.

More information about local option codes is described in the [Financial Accountability System Resource Guide \(FASRG\), Appendix A.5](#).

School systems must establish local option codes to accurately monitor and report on the distribution of allotment funds. TEA recommends establishing these codes before the implementation year begins so that expenditure tracking is in place from the start of the program. The first annual reporting cycle does not close until September 2027, but local option codes must be active from the beginning of the implementation year to capture a full year of data.

School systems should organize their local option codes so they can distinguish between PREP programs (for example, Residency Preservice versus Mentorship) and between spending categories within each program (for example, resident compensation versus host teacher stipends). This will make year-end reporting straightforward. The reporting categories in the Annual Program Submission section above show the specific categories that local option codes should be designed to capture.

When establishing local option codes for PREP, school systems should:

- Keep a chart of locally assigned accounts
- Use the locally assigned accounts uniformly throughout the fiscal year, without changing them mid-year
- Make the chart of accounts available for managerial, auditing, and other purposes
- Retain the chart of accounts for audit purposes for a recommended period of at least five years after any changes are made

**Policy references: 19 TAC §153.1302(c)(1)(A); FASRG, Financial Accounting and Reporting, Appendix A.5*

State Data Reporting Considerations

PREP allotment calculations rely on data from two state systems:

- **ECOS (Educator Certification Online System):** TEA's system of record for educator certification and the participant data that drives PREP allotment calculations. Program managers enter participant data into ECOS during July and August of each year. ECOS data determines which participants generate allotment funding and at what level.
- **PEIMS (Public Education Information Management System):** captures broader

school system staffing and participation data. This includes the recently created PEIMS code for residents. TEA uses PEIMS data alongside ECOS to verify placements and ensure data consistency. PEIMS submissions follow the standard PEIMS schedule.

Business offices do not enter data into ECOS or PEIMS for PREP purposes directly. However, ensuring that the school system's PEIMS submissions accurately reflect staffing (including resident placements, host teacher assignments, and mentor teacher assignments) supports TEA's ability to verify PREP participation and resolve data discrepancies.

Withdrawal, Recovery, and Mid-Year Changes

Business offices should understand the funding implications of program withdrawals and participant changes, as these directly affect cash flow and year-end reconciliation.

Business offices should work with program managers to ensure ECOS records are updated promptly when participants leave, so that the settle-up calculation reflects accurate participation data. See the [Withdrawal and Recovery](#) section of this guidebook for more information.

Annual Timelines

TEA communicates specific dates annually; the pattern below reflects the standard cycle.

Timing	Activity	Business Office Action
Fall	School systems apply for PREP programs	Sign up for your PREP allotment through the LASO application in October 2026
May	TEA publishes PREP program participation withdrawal process and timeline	Review; coordinate with program manager if withdrawal is under consideration
June (beginning 2027)	TEA publishes annual program submission directions	Review directions and distribution-of-funds requirements
July-August	ECOS data entry for current-year participants	Coordinate with program manager; no direct business office action, but ECOS data drives the allotment calculation
August	TEA communicates survey respondent categories	No direct action; awareness for planning

Timing	Activity	Business Office Action
August	ECOS entry deadline for October FSP payments	Plan cash flow: initial payments begin in October for participants entered by this date
October	FSP initial payments begin flowing	Record allotment receipts; reconcile against ECOS participant counts
September 1-January 31	Late ECOS entries (spring-start, mid-year hires)	Plan for these participants' funding to flow in the following September settle-up, not October
February 1	ECOS final roster lock	No further participant changes for current-year allotment calculation
May	Annual participant survey	No direct action; program manager administers
Last Friday of September	Annual program submission due (distribution of funds, implementation data, attestation)	Aggregate expenditure data using local option codes; superintendent or CFO certifies and submits
September (following fiscal year close)	FSP settle-up	Reconcile: TEA adjusts for differences between initial and final allotment amounts, including success-based funding and recovery of no-show participants

*Policy references: TAC §153.1302(e)(2); TEC §21.903(c)(2); TEC §21.905(c)(2); TEC §21.904(c)(2); TEC §21.907

