



# House Bill 3 (HB 3) Industry-Based Certification Examination Reimbursement Frequently Asked Questions

We've shared some of our most frequently asked questions to help you out! The HB 3 Industry-Based Certification (IBC) Examination Reimbursement FAQs will be modified periodically to ensure a consistently accurate document.

*Can't find the answer you're looking for? Please contact Advanced Academics at [advancedacademics@tea.texas.gov](mailto:advancedacademics@tea.texas.gov) with additional questions.*

In which category does your question exist? Sections are *bookmarked* for a category question index. Select the category section title in the chart below for a bookmarked set of Q & As or select a specific question for a quick response.

<a href="#">(A) IBC Definitions and Cost</a>	<a href="#">(D) Reimbursement Process and Reporting</a>
<a href="#">(B) Policy Overview</a>	<a href="#">(E) School Finance</a>
<a href="#">(C) Student and District Eligibility</a>	

## Section A: IBC Definitions and Cost

### **A.1) What is an Industry-Based Certification?**

A certification is a validation that an individual possesses certain skills, usually related to an occupation and measured against a set of accepted standards. An occupation may have multiple certifications, with different levels of expertise. An individual earns a certification by successfully passing a test or battery of tests. Certifications are not administered by an institution of higher education; instead, certifications are administered by a certification body, usually an organization such as a trade association or industry-approved testing entity. Certifications are often time-limited credentials, where individuals need to meet ongoing requirements to maintain the currency of the certification. Earning an IBC is one of the [multiple ways](#) students can prove they are College, Career, and Military Ready for A-F accountability.

### **A.2) Where can I learn more about IBCs?**

TEA has a webpage dedicated to IBCs that can be found on the Career and Technical Education (CTE) [website](#).

### **A.3) What are the approved IBCs and certifying entities?**

TEA vetted and approved a [list](#) of 244 certifications for A-F accountability. Additionally, the C226 table has been added in PEIMS for the 20-21 school year which lists the approved certifying entities for each

certification. A spreadsheet with both the C214 certification codes and the aligned C226 certifying entities will be posted on both the IBC and CTE webpages. Only the certifications awarded by these certifying entities are eligible for reimbursement. The code table will be helpful in guiding districts through the PEIMS submissions.

## **Section B: Policy Overview**

### **B.1) What is the Industry-Based Certification reimbursement policy?**

A school district is entitled to a reimbursement from TEA for the amount of a subsidy paid by the district for a student's certification examination under Texas Education Code (TEC) [§29.190\(a\)](#).

### **B.2) Who is getting reimbursed?**

The district is the entity that receives reimbursement from TEA for paying for an eligible student to take an IBC (TEC [§39.0261\(a\)\(3\)](#)).

### **B.3) For which students will the district get reimbursed?**

The district may claim reimbursement for students enrolled in the 9<sup>th</sup>-12<sup>th</sup> grade (through the summer after graduation).

### **B.4) What is reimbursable?**

TEA may reimburse a district for **one passed** exam per eligible student. If the student fails the exam, the district may not request reimbursement.

### **B.5) The student has taken an exam with multiple components, such as Cosmetology. How can the district report this for reimbursement?**

LEAs may request reimbursement for either **one** or **both** parts of a multiple-part exam; however, the reimbursement request must be submitted at one time. For example, a student who wishes to earn the Cosmetology Operator License must complete both a written and practical examination. If the student only completes one part of the exam (the written, but not the practical), the LEA may submit the written exam for reimbursement and the practical exam would not be reimbursable. If the district wants to be reimbursed for both parts of the exam, they must wait until the student completes both exams and submit for reimbursement at that time.

Again, an LEA may receive reimbursement **once** per eligible student for an industry-based certification.

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## **Section C: Student and District Eligibility**

### **C.1) Which students are eligible for reimbursement?**

eligible **student**: **An eligible student** is:

- enrolled in Grades 9-12\* at the time of examination; **and**
- a Texas public school student; **and**
- successfully completes the CTE program/course of the district in which the student received training and instruction for employment; **OR**
- is enrolled in a special education program; **and**

- Passes the certification examination

**\*TEA has extended reimbursement eligibility to include students from Grade 9 – Graduation (through August 31).**

### **C.2) What are the eligibility requirements for districts?**

For the **district** to receive reimbursement, the **district** must:

- Report to the state the name of the student, the certification earned, *the cost of the examination, and the certifying entity* through the Public Education Information Management System (PEIMS); **and**
- Retain local records that the student passed the certification examination

### **C.3) Can private schools receive reimbursement?**

No, private schools are not eligible for reimbursement.

### **C.4) Can homeschooled students receive reimbursement?**

No, homeschooled students are considered private school students in the State of Texas; therefore, they are not eligible for reimbursement.

### **C.5) Can charter schools receive reimbursement?**

Yes, public, open-enrollment charter schools are eligible for reimbursement.

### **C.6) When is a student eligible to begin taking a certification exam?**

Starting in the 2019-2020 school year, a student is eligible to take a certification exam on or after September 1 of their 9<sup>th</sup> grade year.

### **C.7) What is considered a “School Year”?**

TEA defines the school year for reimbursement as September 1 – August 31.

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Revised

## **Section D: Reimbursement Process and Reporting**

### **D.1) When will districts be reimbursed?**

For the 2019-2020 school year, TEA settled up in April 2021. Districts can review their student-level IBC reimbursement data within the TEA Login (TEAL) Accountability application under the HB 3 tab. For more information on deciphering the reimbursement codes, districts can review this [flowchart](#).

For the 2020-2021 school year, districts received estimated Foundation School Program funding allocations, which can be found in line 40 of the [Summary of Finance](#) report. TEA will reconcile eligible expenditures during the settle-up process in April 2022.

This process repeats annually. 2021-2022 allotments will settle-up in April 2023.

### **D.2) How will the district need to report to TEA to be reimbursed?**

#### **a) Cost Guidelines**

Beginning in the 2020-2021 school year and all subsequent submissions, districts will report in PEIMS the certification earned, the cost of the certification, and the certifying entity.

TEA will reimburse the first certification earned that is reported with a cost greater than \$0. LEAs must put "0" in the cost field if they do not wish to receive a reimbursement for that certification and put a viable cost if they DO wish to receive reimbursement for that certification.

Only one reimbursement per student throughout Grades 9-12 will be provided; therefore, **LEAs should only report a cost greater than \$0 for the certification for which they wish to be reimbursed.**

For example:

Johnny took earned a Microsoft Word certification in Grade 9 and then an Aerospace Manufacturing certification in Grade 11. Both certifications would be reported in PEIMS during their respective submission periods; however, if the district would prefer to receive reimbursement for the Aerospace certification because it is more expensive, the district would report a viable cost for the Aerospace certification and a cost of "0" for Grade 9 Microsoft Word reporting. TEA would not reimburse the Word certification but would reimburse the Aerospace certification.

Alternatively, if the district reports a viable cost for the Grade 9 Microsoft Word certification, TEA would reimburse for that certification and would not be eligible to be reimbursed for the Aerospace Manufacturing certification. Processes may need to be developed at the local level to determine how, when, and which certification the district would like to receive reimbursement considering only one certification can be reimbursed throughout the high school lifetime of the student.

**b) Reporting Windows**

Districts must report certifications within the correct reporting windows. PEIMS will report **fatal errors** if districts do not report within the appropriate window:

Type of Student	If an IBC was earned		then report the IBC in the following TSDS PEIMS Collection:			
			2019-2020	2020-2021		2021-2022
	From	To	Summer (Sub 3)	Fall (Sub 1)	Summer (Sub 3)	Fall (Sub 1)
Currently enrolled student, student enrolled in 2019–2020 SY (leaver), or 2020 graduate	September 1, 2019	May 31, 2020	X	X (if not reported in 19–20 Summer Submission)		
Currently enrolled student, student enrolled in 2019–2020 SY (leaver), or 2020 graduate	June 1, 2020	August 31, 2020		X		
Student ever enrolled during 2020–2021 SY (including 2021 graduate)	September 1, 2020	May 31, 2021			X	
Currently enrolled student, student enrolled in 2020–2021 SY (leaver), or 2021 graduate	June 1, 2021	August 31, 2021				X

**D.3) What was the process for submitting cost and certifying entity for the 2019-2020 summer submission data?**

**2019-2020 PEIMS summer submission** (IBC exams passed by students enrolled in Grades 9-12 between September 1, 2019 and May 31, 2020) did not include the option for LEAs to submit this data. Since the 2019-2020 PEIMS summer submission will only allow LEAs to report certification earned, TEA developed a **one-time process** and **one-time reporting deadline extension** to collect the cost and certifying entity information for reimbursement.

Districts were instructed to extract certain [2019-2020 PEIMS data elements](#) from their student information systems (SIS) into a separate spreadsheet and submit via Qualtrics. TEA then processed the data for reimbursement.

**D.4) What are the reporting requirements for students?**

Once passing the exam, the student should provide results to their district. Districts should keep local records and be prepared to submit proof of student's passing upon request for auditing purposes.

**D.5) Can a district get reimbursed for paying for both the SAT/ACT/TSIA and an IBC for a student?**

Yes. The college preparation assessment reimbursement and IBC examination reimbursement are two separate pieces of legislation that do not overlap.

**D.6) Can districts charge students for the certification exam and reimburse students later?**

The intent of the legislation was to remove all barriers (including financial) to allow students to earn an industry-based certification for free, giving them increased access to postsecondary options. Districts may need to create local policy on how to provide a free certification examination to students that passed.

**D.7) What if a student misses the exam?**

TEA will only reimburse for passed exams.

**D.8) In the event that a student moves districts during the school year, which district will get reimbursed?**

TEA will reimburse the highest cost, first-reported IBC exam in PEIMS with an associated cost greater than \$0. Since only one reimbursement per student in Grades 9-12 will be provided, LEAs should only report a cost greater than \$0 for the certification for which they wish to be reimbursed.

If multiple LEAs report a cost for the same certification for the same student, the first LEA will be considered for reimbursement (the LEA in which the student was enrolled at time of examination AND the LEA that paid for the certification examination). LEAs should utilize the TReX platform to minimize duplicate reporting.

Please see the below example scenario for additional guidance.

**Scenario:** Student earns IBC in fall of 2019 in District A and District A paid for the exam. District A reports the information for PEIMS, including cost. Student then transfers to District B in February 2020.

**Response:** Since District A paid for the exam, District A should report the certification and will be reimbursed for the expense. For accountability, District B would **not** report the IBC as District A's reporting for the student will be reflected when the annual grads are reconciled by Performance

Reporting; even though District A reports the IBC, the credit follows the student to the district from which they graduate.

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## **Section E: School Finance**

### **E.1) Where is the estimated funding? How much did our district receive?**

For the 2019-2020 school year, districts received estimated Foundation School Program funding allocations. The amount of estimated funding may be found on line 40 of the [Summary of Finance report](#). This process repeats annually.

### **E.2) How did the State calculate advanced funding?**

For the 2021-2022 allotments, TEA calculated funding as follows:

- **FORMULA:** Statewide CTE enrollment (9-12<sup>th</sup> graders) x Statewide percentage of IBCs earned x growth projection = Projected IBCs earned
- **PLUG IN DATA:** 805,496 CTE Students x 10.7% pass rate x 2 for growth = 172,376
- **PROJECTED COST:** 172,376 x \$50 (avg cost of IBCs reimbursed) = \$8,618,807.20
- **COST PER STUDENT:** \$8,618,807.20/805,496 = \$10.70 per student
- **YOUR DISTRICT ALLOCATION:** District CTE enrollment x \$10.70 per student = 2021-2022 estimated allotment

### **E.3) What is the settle-up process?**

The settle-up process is a well-known process in school finance during which the district reconciles funds with TEA. TEA plans use self-reported PEIMS data to determine final funding. Please see question D.2 for more information.

### **E.4) Can the alternative funding sources (like the College, Career, and Military Readiness Outcomes Bonus, Perkins federal/state funding, and/or IBC grants) pay for IBC administration?**

If requesting reimbursement, districts may not use alternative funding sources to pay for IBCs. However, districts may use these alternative funding sources to pay for additional exams or certification exams that were not passed.

### **E.5) What PIC code should be used to make purchases of exams?**

There is no formal PIC code to track the purchase of exams. Since the allotment is distributed through the Foundation School Program, the district should develop and follow local policy to track the expenditures.

### **E.6) If a student doesn't pass the exam, what PIC code should be used for the expense?**

The district may use PIC 22 (State CTE funding), PIC 38 (Outcomes Bonus) or federal Perkins funds to pay for additional and/or unpassed exams.

### **E.7) Are there any restrictions on use of funds?**

These funds may only be used to pay for the certification exam for students who have met the criteria listed in Question C.1. These funds may not be used for any other purpose. Preparation fees, fingerprinting, programmatic fees, or any other costs may not be reimbursed.

**E.8) Is the September 2019 IBC funding that districts received going to be distributed annually? Meaning, should districts expect to receive another set of estimated funds with the same guidelines in September 2020?**

Yes, the estimated allotments will be calculated and distributed in September of every year.

**E.9) How do districts determine the cost of an exam when purchasing site licenses or training materials?**

The state will not reimburse the cost of the entire site license – only the cost per student per exam. Districts are responsible for calculating the individual cost of an exam when taking advantage of site licenses. TEA released detailed [guidance](#) for districts who need further clarity on how to disaggregate site license exam costs for reporting.

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