



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 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) IBC Definitions and Cost	(D) Reimbursement Process and Reporting
(B) Policy Overview	(E) School Finance
(C) Student and District Eligibility	

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 9th-12th grade.

B.4) What is getting reimbursed?

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

[Return to Top](#)

Section C: Student and District Eligibility

C.1) Which students are eligible for reimbursement?

For the **district** to receive reimbursement, the district must have paid for the cost of the exam for an 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

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

***For 2019-2020 PEIMS summer submission 3 for IBC exams passed by students enrolled in grades 9-12 between September 1, 2019 and May 31, 2020, districts will be unable to report above italicized details (the cost of the examination and the certifying entity) in PEIMS. A separate process for reporting is required. See Question D.2 for more information.**

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 9th grade year.

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

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

[Return to Top](#)

Section D: Reimbursement Process and Reporting

D.1) When will districts be reimbursed?

For the 2019-2020 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 2021.

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

PEIMS Summer Submission 3

Districts are required to submit data in **2019-2020 PEIMS summer submission 3** IBC exams passed by students enrolled in grades 9-12 between September 1, 2019 and May 31, 2020.

The 2019-2020 PEIMS summer submission 3 will only allow districts to report certification earned, therefore a separate process will be developed by TEA to collect the cost and certifying entity information for reimbursement. TEA will release additional information on this process in the fall 2020.

PEIMS Fall Submission 1

Districts are required to submit data in **2020-2021 PEIMS Fall submission 1** for IBC exams passed by students enrolled in Grades 9-12 between **June 1, 2020 and August 31, 2020**.

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

Reporting Cost

TEA will reimburse the first certification earned that is reported in PEIMS with an associated cost. TEA will not issue a reimbursement if the cost field is left blank. **Only one reimbursement per student throughout Grades 9-12 will be provided; therefore, districts should only report a cost for the certification for which they wish to be reimbursed.** Districts should continue to report certifications in

PEIMS for A-F accountability as they are earned and may request a reimbursement if a certification is passed in a future reporting period.

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 only report a cost for the Aerospace certification. This means the district would NOT put a cost in Grade 9 Microsoft Word reporting but WOULD in Grade 11 Aerospace reporting.

Alternatively, if the district reports a cost for the Grade 9 Microsoft Word certification, TEA will 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.

Tracking IBC Exams at the District Level

Districts should be proactive in developing internal processes to collect and maintain IBC exam information and be prepared to provide this information to TEA.

D.3) What is the process for submission 3 2019-2020?

TEA will release a To The Administrator Addressed in fall 2020 after finalizing the process for 2019-2020 PEIMS summer submission 3.

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 I or my student misses the exam?

TEA will only reimburse for passed exams and certifications earned.

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

Please see the below example scenarios for guidance on reporting when students move districts during the school year.

Scenario 1: 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: District A's reporting would count for both accountability and exam reimbursement. District B would not report the cost as District A will be reimbursed for the expense. District B would also not report the IBC for accountability as District A's reporting for the student will be reflected when the annual grads are reconciled by Performance Reporting.

Scenario 2: Student earns IBC in May of 2019 (prior to catch up) in District A. Student was in the 11th grade during the 2018-2019 school year. Student moves to District B for the 2019-2020 school year. District A did not report the student during the catch-up period. District B would like to report the student for accountability.

Response: District B can report the student for accountability, but reimbursement would not be available as the IBC was earned in 2018-2019.

[Return to Top](#)

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](#).

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

TEA calculated funding as follows:

- **FORMULA:** Statewide CTE enrollment x Statewide percentage of IBCs earned growth projection = Projected IBCs earned
- **PLUG IN DATA:** 1.39M CTE Students x 2.7% pass rate x 3 for growth = 112,590
- **PROJECTED COST:** 112,590 x \$105 (avg cost of IBCs) = \$11,821,950
- **COST PER STUDENT:** \$11,821,950 / 1.39M = \$8.51 per student
- **YOUR DISTRICT ALLOCATION:** District CTE enrollment x \$8.51 per student = district allocation

F.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, or the IBC grant 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 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 funding will be estimated in September of every year using the calculations detailed above. The funding amount will vary as it is calculated based on expected enrollment for the upcoming school year.

E.9) How do districts settle on 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. When reporting for reimbursement, districts should be prepared to provide proof of cost and calculations.

[Return to Top](#)