



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT
Washington, DC 20415

The Director

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MEMORANDUM FOR CHIEF HUMAN CAPITAL OFFICERS

FROM: LINDA M. SPRINGER 
Director

Subject: Fact Sheet on Certification and Certificate Programs

The Defense Authorization Act for FY 2002, P.L. 107-107 codified in 5 U.S.C. § 5757, allows agencies to use appropriated funds or funds otherwise available to the agency to pay for the expenses of employees to obtain professional credentials, including expenses for professional certification. Since its enactment, the U.S. Office of Personnel Management (OPM) has received numerous inquiries about this legislation specifically regarding the development and implementation of certification programs. The purpose of this fact sheet is to assist agencies with the planning, implementation, evaluation and re-evaluation of certification programs.

Any questions regarding this information can be sent to the OPM Human Resources Development mailbox at hrleadership@opm.gov.

Attachment

Certification Program Fact Sheet

Introduction

The Defense Authorization Act for FY 2002, P.L. 107-107 codified in 5 U.S.C. § 5757, allows agencies to use appropriated funds or funds otherwise available to the agency to pay for the expenses of employees to obtain professional credentials, including expenses for professional certification. Since its enactment, the U.S. Office of Personnel Management (OPM) has received numerous inquiries about this legislation specifically regarding the development and implementation of certification programs. The purpose of this fact sheet is to assist agencies with the planning, implementation, evaluation, and re-evaluation of certification programs.

This authority gives the head of an agency the flexibility to pay for credentials, including certifications that relate to the mission, goals, and objectives of that agency. In exercising this authority agencies should remain cognizant of the merit systems principles in 5 U.S.C. § 2301 and with any collective bargaining obligations. This authority may not be used on behalf of any employee occupying or seeking to qualify for appointment to any position that is excepted from the competitive service because of the confidential, policy-determining, policy-making, or policy-advocating character of the position.

Frequently Asked Questions

The following questions and answers are provided to assist agencies when considering establishing certification programs within the current laws and regulations.

Q1. Does this authority impact existing training law?

A1. No. This authority does not impact current applicable training law or policies.

Q2. How broadly can this authority be used?

A2. Agencies may determine how they use the authority with respect to different occupations and job series. Agencies may also wish to use this authority for performance or developmental purposes, for recruitment or retention, or to reimburse those who have already paid for licenses or certifications.

Since this law has a variety of potential uses, it is advisable for agencies to consider the strategic purpose of the organization in determining the most cost-effective use of the authority. However, unless permitted by law or the U.S Office of Personnel Management, this authority may not be used to establish minimum qualification requirements.

Q3. Who has the authority to approve the implementation of certification programs within an agency?

A3. The head of an agency or designee has the authority to review and approve the establishment, implementation, and funding of certification programs.

Q4. What is the difference between a certification program and a certificate program?

A4. A certification program involves a process in which individuals attain and demonstrate the level of knowledge and skill required to perform in the profession, occupation, or role, for example, Certified Public Accountant (CPA). A certification program generally focuses on *experience and current skill*. Following certification, individuals are generally expected to possess the knowledge, skill, and experience level to perform successfully in the occupation or role identified. Certification is a voluntary process by which individuals are assessed against pre-determined standards for knowledge/skills/competencies and granted a time-limited credential.

A certificate program is a training program established or purchased by an agency to provide structured training course(s) to employees to meet an identified performance and developmental need. Certificate programs award certificates after a course of study has been completed and does not generally require previous work experience or exhibited skill level. The certificate documents completion of the training. Successful completion of an end-of-program assessment is not a requirement for obtaining the certificate.

The following table summarizes the differences between a certification and a certificate:

Certification	Certificate
Results from an assessment process	Results from an educational process
For individuals	For individuals
Typically requires some amount of professional experience	For both newcomers and experienced professionals alike
Awarded by a third-party, standard-setting organization	Awarded by training and educational programs or institutions
Indicates mastery/competency as measured against a defensible set of standards, usually by application or exam	Indicates completion of a course or series of courses with a specific focus; is different than a degree granting program
Standards set through a defensible, industry-wide process (job analysis/role delineation) that results in an outline of required knowledge and skills	Course content set a variety of ways (faculty committee; dean; instructor; occasionally through defensible analysis of topic area)
Typically results in a designation to use after one's name, e.g., CPA; may result in a document to hang on the wall or keep in a wallet	Usually listed on a resume detailing education; may result in a document to hang on the wall
Has on-going requirements to maintain; individual must demonstrate knowledge of content; holder must demonstrate he/she continues to meet requirements	Is the end result; individual may or may not demonstrate knowledge of course content at the end of a set period in time

Q5. When should an agency develop or make use of a certification program?

A5. An agency should consider a certification program when its workforce analysis shows there is a need for a demonstrated level of competence in a particular field of interest. A certification demonstrates the individual's possession of the knowledge, skills, abilities, or competencies required to perform the work at a satisfactory level.

Q6. What should agencies consider when developing a certification program?

A6. Agencies should develop standards/criteria for implementation that strategically address specific workforce needs and goals. Before implementation, agencies should establish internal administrative policies for the certification program. Also, if the certification is a condition of employment, this information must be included in the vacancy announcement. Other things to consider include:

- How will use of a certification program enhance agency long-range strategic goals?
- How can use of a certification program assist in accomplishing specific human capital goals such as effective succession planning, recruitment, or retention?
- What is the agency's desired outcome?
- How will the agency determine the desired outcome has been achieved?
- What are the budget implications?
- How will the agency monitor use to preclude misuse and fraudulent credentials?
- How will the agency determine acceptability/validity of certification programs used?
- What employee and labor relation issues may arise because of the certification program?

Q7. How will agencies determine which jobs/series are appropriate for the development of a certification program?

A7. Each agency has the discretion to determine (based on its mission, strategic goals, and objectives) those job/series that support an employee certification program.

Q8. How will agencies determine which employees participate in certification programs?

A8. Agencies should consult with their Office of General Counsel regarding the establishment of selection criteria as well as the existence of any collective bargaining obligations.

Q9. May agencies use certification as a selective factor in a qualification standard?

A9. For certain positions, certification is appropriate for use as a selective factor. There are some positions where specific qualifications are absolutely required because an individual cannot perform successfully in the position without such qualifications. These qualifications can include requirements for specific knowledge, skills, abilities or competencies or Federal or state requirements for certification. As a selective factor, certification becomes part of the minimum qualifications for the position, and individuals who do not possess those qualifications are ineligible for further consideration. Agencies must conduct a job analysis of the position to document the importance and impact of the certification for an individual's successful performance in the position.

Q10. Can agencies use certification as a quality ranking factor?

A10. Yes, certification may be used as a quality ranking factor if documented and justified through job analysis. With quality ranking factors, the focus is on the level of proficiency the candidate brings to the job. Agencies should rank applicants with higher proficiency levels on a quality ranking factor above those with lower proficiency levels.

Q11. Can agencies use payment of certification programs as a tool to recruit and/or retain employees for hard to fill positions?

A11. Yes.

Q12. If an employee wants to pursue a certification on his/her own, can the agency reimburse this employee?

A12. An agency may reimburse an employee if the certification relates to an identified agency mission, strategic goal, or objective. Generally, the employee should obtain prior approval.

Q13. Can agencies pay professional membership dues required to obtain a certification?

A13. The prohibition against paying for personal professional membership has not changed; however, the following exceptions can permit payment for professional memberships in specific situations (5 U.S.C. §5946):

- If authorized by specific appropriation;
- If authorized by express terms in a general appropriation; or
- In connection with employee training or meetings under title 5 U.S.C. § 4109 or § 4110.

In some instances, a certification program may include membership fees in the cost of the program. If the Government pays for an employee to acquire a certification, the employee may accept the membership as an incidental by-product of obtaining the certification.

Q14. Are there any restrictions on which professional credentials an agency may pay?

A14. Agencies should consult with their Office of General Counsel concerning appropriate payment for professional credentials.

Q15. Are there any tax implications when paying for professional credentials?

A15. Paying for professional credentials may have tax implications for employees. Agencies should review the Internal Revenue Service (IRS) website (<http://www.irs.gov>) for guidance. Agencies should also consult with their Office of General Counsel for agency specific program tax questions.

Q16. What should be considered when developing certification programs for wage grade occupations?

A16. Most wage grade occupations (trades and labor) are regulated by state and local governments and/or trade associations which provide performance standards for the occupations. However, because the guidance in this fact sheet is applicable to both wage grade and white collar occupations, agencies should consider the criteria in answer A20 when developing certification programs for wage grade occupations.

Q17. If an employee fails to obtain the certification paid for by the agency, does the employee have to reimburse the agency?

A17. The head of an agency should establish written procedures to protect the Government's interest should the employee fail to successfully complete the certification program. These procedures typically include requirements for reimbursement of certification expenses.

Q18. Is a Continued Service Agreement required?

A18. An agency may require an employee to enter into a continued service agreement (CSA) with the agency prior to enrollment for certification. According to 5 CFR 410.309, the head of the agency determines the minimum requirements for CSA's. Typically, when an employee signs a CSA, an employee agrees to remain in the agency's service for a specified period of time after receipt of certification.

Q19. Are there any recordkeeping requirements associated with paying for professional credentials?

A19. Agencies should maintain records that reflect the assessment of the effectiveness of such programs, what certifications were obtained, and associated costs.

Q20. Are there additional agency considerations when developing or paying for a certification program?

A20. Agencies should consider the following questions when determining criteria that will assure the certification program addresses the needs of the agency:

- Do the certification requirements and assessments adhere to the *Uniform Guidelines*? (<http://www.uniformguidelines.com>)
- Are certification requirements and assessment tools supported by job analysis and validated on their internal work force?
- Does the purpose of the certification program link to the identified need?
- What are the program eligibility criteria and application policies and procedures?
- Do all examination processes and procedures link clearly to the desired proficiency level?
- Does the assessment take into consideration the population when determining the delivery method?
- Is there a detailed listing and/or outline of the performance domains, tasks, and associated knowledge and/or skills?
- Does the certification program examination measure the knowledge, skills, abilities or competencies of the expected level of performance of the employee being certified?
- Is there or should there be a recertification process requirement?
- Does the program have discipline, nondiscrimination, and confidentiality policies and procedures?
- Are there appeals policies and procedures to address grievances and unfair labor practices?

This is not an exhaustive list. Agencies may also look to state, local, industry-recognized organizations, established professional organizations, and partnerships with accredited institutions of higher learning to determine the validity of their certification programs.

References:

5 U.S.C § 2105: Defines employee for the purpose of Title 5
http://www.access.gpo.gov/uscode/title5/partiii_subpartc_chapter41_.html

5 USC § 2301(b) (2): Addresses applicable Merit System principle
http://www.access.gpo.gov/uscode/title5/partiii_subparta_chapter23_.html

Additional Sources

<http://www.uniformguidelines.com/>

<http://www.careertools.org/certification/>