



Proprietary School License Inquiry Information Packet

North Carolina Community College System
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PROPRIETARY SCHOOL, SPONSORED PROGRAM ADMINISTRATION,
AND SACS LIAISON OFFICE

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Application Guidelines

This section lists the specific components that must be present in a complete Proprietary School License Application. As mentioned in the Licensing Process section, final application materials will be sent upon approval of the Preliminary Application. This purpose of this section is to give you an idea of what the application process entails.

The application process is a lengthy, extensive process, which must be taken seriously. Each of the following guidelines must be completed. If any component is missing from the final application, the application **will not** be processed.

I. Application Fee

For an initial license, a certified check or money order in the amount of seven hundred and fifty dollars (\$750.00) made payable to the North Carolina State Treasurer is required.

II. Application for Initial License Form

A. This form is located in the Application Form Packet. Fill it out completely.

B. **Credit Hour Measurement** – Should you desire to establish, as part of your licensing file, that your institution is legally authorized to measure programs in credit hours, please complete and return the *Application to Measure Programs in Credit Hours* form in your Application Form Packet. If you do not want to apply for credit hour measurement authorization, please return the form marked “Application not requested at this time.”

1. If you are applying for credit hour measurement, your Catalog must include a definition of the credit hour you are using and calendar and class schedules that support the definition.
2. A copy of Title 23 NCAC 1A.0101 (1)-(4) can be found, for your information, in Appendix D of the Guidelines and Regulations Manual. If you apply for credit hour measurement, your definition, calendar and class schedule must be in conformity with this rule.
3. Schools may measure instruction on a clock-hour or credit-hour basis. The catalogue shall provide a clear definition of the method used. The school catalogue must show the number of clock hours or credit hours for each subject offered and the minimum clock hours or credit hours a student must carry for full-time enrollment. Courses offered on a credit-hour basis must show class hours, laboratory hours, and credit hours.
4. This process is being provided for the convenience of those schools participating in federal financial assistance programs and is not a requirement of North Carolina law or regulations. No school is under obligation to complete this form.

III. Current Catalog (with appropriate forms)

A. Submit a copy of the school’s catalog, which shall be in published form and certified by an authorized official of the school as being current, true, and correct in content and policy. Complete and attach to the catalog the *Checklist for School Catalog* form found in the Application Form Packet. This form shows that the catalog addresses each of the following items:

1. Identifying data, including volume number and date of publication.

2. Names of the institution and its governing body, officials and faculty.
3. A calendar of the institution showing legal holidays, beginning and ending date of each quarter, term or semester, and other important dates.
4. Institution's policy and regulations relative to leave, absences, class cuts, make-up work, tardiness and interruptions for unsatisfactory attendance.
5. Institution's policy and regulations on enrollment with respect to enrollment dates and specific entrance requirements for each course.
6. Institution's policy and regulations relative to standards of progress required of the student by the institution. This policy will define:
 - a. The grading system of the institution;
 - b. The minimum grades considered satisfactory;
 - c. Conditions for interruption for unsatisfactory grades or progress and description of the probationary period, if any, allowed by the institution;
 - d. And conditions of reentrance for those students dismissed for unsatisfactory progress.

A statement will be made regarding progress records kept by the institution and furnished to the student.

7. Institution's policy and regulations relating to student conduct and conditions for dismissal for unsatisfactory conduct.
8. Detailed schedule for fees, charges for tuition, books, supplies, tools, student activities, laboratory fees, service charges, rentals, deposits, and all other charges.
9. Policy and regulations of the institution relative to the refund of the unused portion of tuition, fees and other charges in the event the student does not enter the course or withdraws or is discontinued therefrom. Refund policy must be consistent with 23 NCAC 2D.0202(e)(1)-(3), found in Appendix C of the Guidelines and Regulations Manual.
10. A description of the available space, facilities and equipment.
11. A course outline for each course for which approval is requested, showing:
 - a. Subjects or units in the course,
 - b. Type of skill to be learned, and
 - c. Approximate (i) time, (ii) clock hours, and (iii) credit hours or credit hours equivalent, as appropriate, to be spent on each subject or unit.
12. Policy and regulations of the institution relative to granting credit for previous educational training.

B. Complete and submit the *Catalog Certification* form found in the Application Forms Packet.

IV. Curriculum Design and Implementation Plan

A. Requirements for proposed proprietary school curriculum programs are described below. Please prepare the curriculum model to include all the specified information for each item. Be succinct and provide information that thoroughly supports the application. Use the *Curriculum Design and Implementation Plan* form and corresponding attachments for each item (found in the Application Forms Packet).

1. Curriculum Design

- a. List the major job competencies the curriculum is designed to offer. Job competencies are statements that describe the performance skills and level of skills that a person would normally be expected to achieve in order to

perform the tasks or duties of the jobs identified for the curriculum. If the curriculum is a multi-level or multi-credential program, list job competencies for each level.

- b. Prepare a catalog description that briefly describes the training program including statements concerning the purpose of the curriculum, subject areas or types of courses offered, sample job titles, sources of employment, and special features associated with the curriculum. The description should be appropriate for communicating with prospective students and employers.
 - c. Prepare a curriculum model that shows the sequence of courses by modules, terms, quarters, etc., the contact hours by categories (class/lecture, lab, shop/clinical/work experience), and the credit hours. Prepare course descriptions for each course, and list prerequisites and co-requisites and course objectives. (*Use Attachments A-C.*)
2. ***Resources: Faculty, Equipment, and Facilities (Attachments D-F.)***
 - a. Indicate faculty credentials (education and/or experience) and the number of faculty needed to support the program.
 - b. Provide information on equipment that will be required to provide the instruction in this curriculum. List and describe existing resources and prepare a detailed list of major equipment with costs for new equipment to be purchased. Indicate when these items are to be purchased and what resources are available to make such procurement.
 - c. Provide a description of the type of facilities that will be needed, determine what is currently available, and prepare a plan for development or acquisition of additional facilities. The source of funding for development of new facilities should be specified. The facilities should be appropriate to the type of instruction required by the proposed curriculum and should be adequate to accommodate the projected number of students. The institution should have such facilities or should demonstrate how they will be acquired.
 3. ***Affiliation Requirements with Other Agencies or Institutions***

Other agencies or institutions that may provide various types of instructional services, facilities, or other resources for this program should be identified and arrangements should be made in order to assure that students receive the necessary instruction to be prepared for jobs. Information on these arrangements should be included with a copy of the arrangement.
 4. ***Special Admissions Requirements***

Specify any special admission requirements for this curriculum.
 5. ***Special Certification Requirements***

Specify any special accreditation, certification, licensure, or other requirements, which program graduates may be expected to have completed prior to entering the job market.
 6. ***Other Accreditation***

Provide information required for entry into the job market, such as program accreditation, certification and/or licensure of graduates to obtain employment. Furnish detailed information regarding the certification or other requirements and the time frame involved in obtaining program approval.
- B. The following guidelines should also be considered when developing the Curriculum Design and Implementation Plan:

1. A school licensed under G.S. 115D, Article 8, shall limit its offering in certificate, diploma and degree courses and special subjects to the courses and subjects for which it has been licensed to offer. At the beginning of each quarter, each school shall post the schedule of subjects being offered during the quarter. This schedule will show the time and teacher for each subject and designate the room in which the subject will be taught. Each student shall be given a written schedule of classes at the beginning of each quarter to show the student's individual schedule.
2. Schools shall not publish in their catalogues courses which they have not been licensed to offer. When a school is licensed to offer a course and enrolls students in the course, the school shall maintain sufficient and qualified faculty to teach all subjects required for completing the course during the time stipulated in the school's bulletin as the required time to complete the course and shall schedule classes so that the students will be able to receive instruction in all subjects for the number of instructional hours as advertised in the school's bulletin under which the students enrolled. When a school previously licensed to offer a course fails to maintain the qualifications for continuing the course, the course shall be removed from the catalogue or stamped "not offered."
3. The number of curricula offered by a school shall be realistic in relationship to faculty and student enrollment. As a general rule, the number of curricula offered shall not exceed the number of faculty employed on a full-time basis.
4. The school shall arrange its calendar one calendar year in advance and give full information to prospective and enrolled students about holidays; beginning and ending dates of each quarter, term or semester; and other important dates.
5. Schools may measure instruction on a clock-hour or credit-hour basis. The catalogue shall provide a clear definition of the method used. The school catalogue must show the number of clock hours or credit hours for each subject offered and the minimum clock hours or credit hours a student must carry for full-time enrollment. Courses offered on a credit-hour basis must show class hours, laboratory hours, and credit hours.
6. Student teacher ratio shall not exceed 30 to 1.
7. Class period shall permit a minimum of 50 minutes net instruction.
8. Certificates, diplomas and degrees shall be issued only upon completion of a standard diploma or degree course.
9. Students enrolled in diploma or degree programs shall not be enrolled except at the beginning of each quarter or term.

V. Copy of Corporate Charter (filed with Secretary of State's Office)

VI. Daily Schedule of Classes (Night and Day Classes)

VII. School Floor Plan

The school floor plan must clearly show the following:

1. Doors, windows, halls, and seating arrangement;
2. Offices, rest rooms, and storage space;
3. Size and seating capacity of each classroom;
4. Lighting, showing kind and intensity, of each room;
5. The type of heating and cooling system used for space occupied.

VIII. Copy of Lease, Deed, or Other Certificate of Right of Occupancy

IX. List of Equipment and Furniture to be Used

- A. The equipment, supplies and instructional materials of the school must be satisfactory and adequate in type, quality, and amount, and must be suitable for satisfactory use in administering the course or courses of instruction.
- B. Include, with the list, the lease, bill of sale, purchase orders, or other documents showing these items to be in place.

X. List of Textbooks and Other Items to be Purchased by or Issued to the Student and Current Cost of Each

- A. Attachment G – Textbooks
- B. Attachment H – Other Items

XI. Instructor Information

- A. An application for approval to teach in a licensed proprietary business, trade, or technical school must be made on the *Personnel Information* form found in the Application Form Packet. This form must be filled out for all administrative and instructor personnel who will be active in the operation of the school, either in full- or part-time capacity. The form must be filed immediately when the instructor/administrator begins working in a proprietary business, trade, or technical school. Include a copy of the individual's transcripts.
- B. A teacher must be found to be qualified by education and experience background and must meet the following qualifications as minimum requirements:
 - 1. Be a person of good moral character;
 - 2. Be at least 21 years of age;
 - 3. Be a graduate of an accredited college or university and hold a baccalaureate degree or meet the requirements of other occupational licensing or approval bodies requested to approve instructor adequacy.
- C. The following rules apply to administration:
 - 1. One person must be designated as the director of the school or branch thereof. The director must be qualified in accordance with the requirements listed in paragraph 3 of this rule.
 - 2. The director or administrator is defined to be a person directly responsible for the school program, the methods of instruction, the employment of teachers, the organization of classes, the maintenance of the school plant and the equipment, the advertising used, and the maintenance of proper administrative records and all other procedures related to the administration of the school or class.
 - 3. The director or administrator must have the following qualifications:
 - a. Be a person of good moral character;
 - b. Be a graduate of an accredited college or university;
 - c. Have experience as a teacher in one or more of the major subjects taught in the school which one is to administer.
 - 4. Directors and administrators who possess qualifications which are equivalent to the requirements prescribed herein for directors may be approved individually by the North Carolina State Board of Community Colleges.

XII. Proposed Operating Budget and a Financial Plan

- A. A school licensed under G.S. 115D, Article 8, shall have sufficient finances to establish and carry out a program of education on a continuing basis.
- B. Given the anticipated start-up costs and projected on-going cost, describe the school's plan for obtaining necessary funds to initiate and maintain a viable program over a three-year period. Indicate sources of revenue equivalent to the summary of costs that will be used to support the proposed program.
- C. The Department of Community Colleges may request a credit report.

XIII. Audited Financial Statement

- A. The application must include an Audited Financial Statement with an accompanying opinion by a Certified Public Accountant.
- B. If the school has operated less than one year, the most current financial statement will suffice.
- C. The financial statement must confirm to Generally Accepted Accounting Principles (GAAP).
- D. If the financial statement is not completed by a CPA firm with an accompanying opinion, then the school must also submit the following:
 - 1. Copy of the most recent financial information submitted to the respective bonding company,
 - 2. And, copy of the most recent Schedule "C" of the Federal Income Tax Return (single proprietorship) or the appropriate Federal Tax Form (partnership, corporation, etc.), which reflects the financial condition of the entity.

XIV. Credit Report

To be obtained by the system office.

XV. Inspection of Premises

- A. After the application package has been approved, a site visit will be scheduled. At this time the physical facility will be inspected for compliance with ADA standards (for guidelines, see Appendix F in Guidelines and Regulations Manual).
- B. The school plant, premises, and facilities must be adequate, safe, and sanitary and must be in compliance with the statutory provisions and the rules and regulations of all local ordinances pertaining to fire, health, safety, and sanitation.
- C. Equipment, supplies and instructional materials must also meet all requirements of statutory provisions and local ordinances, and rules and regulations adopted thereunder in regard to fire, health, safety, and sanitation.
- D. In addition, the following items will be validated:
 - 1. Copies of current fire and health inspection reports.
 - 2. Application and enrollment agreement.
 - 3. Method of recording attendance, grades and conduct, tuition payments, individual records of personnel, financial records, and advertising and refund policies.
 - 4. Copies of all advertising in all media for the twelve months preceding the date of application. The following rules apply to advertising:
 - a. A licensed school shall not advertise through any media that it offers courses that the school has not been licensed to offer.

- b. Printed catalogues, bulletins, or prospectus information must be specific with respect to prerequisite training required for admission to the school courses, the curricula, the contents of courses, graduation requirements, tuition and other fees, refunds and allowances for withdrawals and unavoidable or extended absences.
 - c. Schools shall not use any name, title, or other designation, by way of advertising or otherwise, that is misleading or deceptive as to character of the institution, or its influence in training employment for students. Business schools shall include the word “Business” in their names unless they are degree granting or accredited as a junior college of business.
 - d. Schools shall not use a photograph, cut, engraving, or illustration in catalogues, sales literature, or otherwise in such a manner as to convey a false impression as to the size, importance, or location of the school’s equipment.
 - e. Schools shall not use endorsements, commendations, or recommendations by students in favor of a school unless it is with the consent of the writer and without any offer of financial compensation. Such material shall be kept on file by the school.
 - f. Schools shall publish tuition rates, payment method, and refund policy in their catalogues or on separate rate sheets and shall not deviate from these rates and policies.
 - g. Schools shall not make, cause, permit to be made, or publish any false, untrue, or deceptive statement or representation by way of advertising or otherwise concerning other private business schools or their activities in attempting to enroll students or concerning the character, nature, quality, value, or scope of any course of instruction or education service offered or in any other material respect.
 - h. A school or class shall not solicit students to enroll by means of “blind” advertisements or advertisements in the “help wanted” or other employment columns of newspapers and publications.
 - i. Schools shall not make false, untrue, or deceptive statements of representatives regarding the opportunities in any vocation or field of activity as a result of the completion of any given course of instruction or educational service.
5. Sample copy of the diploma or certificate awarded upon graduation.

XVI. Guaranty Bond and Letter from the Clerk of Court’s Office

- A. File the enclosed Guaranty Bond, in Application Form Packet, with the Clerk of Court’s Office in the county where school is located.
- B. **In the final application**, include a letter from the Clerk of Court’s Office verifying that the bond is on file.
- C. For additional information on Bonds, see G.S. 115D-95 in Appendix A of Guidelines and Regulations Manual.

XVII. Teach-Out and Record Retention Plan

On the *Teach-Out and Record Retention Plan* form in the Application Form Packet, develop a plan based on the following criteria:

- A. Each proprietary business, trade, technical or correspondence school should adopt a teach-out and record retention plan.
- B. Any school that plans to close should notify the Director of Proprietary Schools and submit its teach-out and record retention plans at least 30 days prior to closure.
- C. The teach-out plan should specify:
 - 1. Process of informing each student of the school's pending closure at least 30 days prior to closure. (Ex: Send a copy of letter to each student.)
 - 2. Number of students enrolled by program, program completion dates and arrangements with other educational/training institutions or agencies for students to complete the program.
 - 3. Extenuating circumstances to be considered by the Office of Proprietary Schools.
- D. The record retention plan should document that the school has contacted James Sorrell, Registrar, North Carolina State Archives, at (919) 733-3952, to arrange for permanent preservation of student academic and financial aid records.
- E. The bond must stay in effect for the length of time determined by the bonding company.

XVIII. Program Information

Use Attachment I to provide the following information for each program submitted:

- A. Estimate the number of currently available employment positions related to this program, both in North Carolina and the United States, **and** list the source.
- B. Estimate the number of employment positions projected to be available in two years, both in North Carolina and the United States, **and** list the source of the data.
- C. Include any other data that may be needed to justify the program.

XIX. List of School's Advisory Committee Members

- A. Use Attachment J to list the school's advisory committee members or key industry representatives.
- B. For each member/representative indicate:
 - 1. Place of employment,
 - 2. Address,
 - 3. Telephone number,
 - 4. Fax number,
 - 5. And E-mail address.