



PROPRIETARY SCHOOL LICENSE INQUIRY INFORMATION PACKET

North Carolina Community College System
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Licensing Process

I. Inquiry

A. The Office of Proprietary Schools receives a telephone call, email, or letter from a prospective applicant. Based on the information received through this correspondence, the status of the inquiry is determined.

B. Using G.S. 115D, Article 8 and Title 23 NCAC 3A as guidelines, the status of the inquiry is determined as one of the following:

1. Licensable Activity

2. If another authority is responsible for licensing a school, a referral will be made to one of the following:

- Division of Motor Vehicles, Department of Enforcement/Carrier Section – Truck Driving Schools
Contact: Bob Sandford (919) 861-3109
- Division of Facility Services – Nurse Aide I Programs
Contact: Kathy Turner (919) 855-3970
- N.C. Board of Barber Examiners – Barber Schools
Contact: Kelly Braam (919) 981-5210
- N.C. Board of Cosmetic Art Examiners – Beauty Schools
Contact: Stephanie Shore (919) 733-4117
- N.C. Board of Nursing – Nurse Aide II and Nursing Programs
Contact: Director of Education and Practice (919) 782-3211 x245
- UNC Board of Governors – Degree Granting Program
Contact: Maggie Ryan (919) 962-4558
- N.C. Board of Massage & BodyWork Therapy – Regulates Massage and BodyWork Therapy Programs
Contact: Charles Wilkins (919) 546-0050
- N.C. Real Estate Commission – Approves Real Estate License Schools
Contact: Penny Childress or Larry Outlaw (919) 875-3700
- Mediated Settlement Administration: Dispute Resolution Commission - Approves Mediation Training Programs
Contact: Leslie C. Ratliff (919) 981-5077

- C. The Office of Proprietary Schools mails an Inquiry Information Packet to the inquirer. The Inquiry Information Packet includes general information about the licensing process, regulations and standards.

II. Preliminary Application

- A. The applicant must submit the Preliminary Application to the NCCCS, Proprietary Schools Office. The Preliminary Application is enclosed in the Inquiry Information Packet, and it requires the following information:
 - 1. Name of school
 - 2. Proposed school location
 - 3. School Director's qualifications (resume and transcripts)
 - 4. Description of facilities (floor plan)
 - 5. Courses to be offered
 - 6. Financial resources available to equip and maintain school
 - 7. Need for school (including employment opportunity information)
 - 8. List of similar schools/programs
 - 9. List of national experts
 - 10. List of accrediting bodiesThe State Board may request other state occupational licensing or approving bodies to approve the adequacy of programs, equipment, and personnel during the Preliminary Application phase.
- B. The Preliminary Application is reviewed by the Office of Proprietary Schools.
- C. Upon review of the Preliminary Application, recommendation may be made that an initial application must be submitted. .

III. Initial Application Submission and Review

- A. When preparing the initial application for submission, remember the following:
 - 1. A **complete application** must include all of the items listed in the Application Guidelines. An incomplete application will not be processed.
 - 2. A checklist of the items is included in the Initial License Application Forms Packet. **Use the checklist to organize a three-ring binder with labeled dividers for each section in the same order as the checklist. Place appropriate documentation in each section. THE CHECKLIST MUST BE INCLUDED WITH THE SUBMITTED APPLICATION PACKET..**
 - 3. Submit the **original and retain one (1) copy** for your records of the complete application.
- B. The Proprietary Schools Office Staff will complete a preliminary assessment of the application. The staff reviews the application to determine if all required information is included. If the application is incomplete, the applicant will be notified within 10 working days. Incomplete applications **will not** be accepted.
- C. The application will be reviewed and the programs evaluated for quality as set by state and national standards.

IV. Site Visit

- A. All components of the application package must be completed, reviewed and approved prior to scheduling a site visit.
- B. The site visit will be conducted by Office of Proprietary Schools .
- C. All original documents submitted with the application must be on site for review. The physical facility must comply with ADA standards (see Appendix E of the License Guidelines and Regulations Manual.)

V. Recommendation to the State Board of Community Colleges

- A. The State Board meets the third Friday of each month. Generally the State Board does not meet in July or December.
- B. Recommendations are presented to the Board in a **two-step process**
 - 1. Future Action items are reviewed at the first month's meeting.
 - 2. Action items are reviewed at the second month's meeting.

Application Guidelines

This section lists the specific components that must be present in a complete initial Proprietary School License Application. As mentioned in the Licensing Process section, final application materials will be sent upon approval of the Preliminary Application. The 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 two thousand five hundred dollars (\$2500.00) made payable to the North Carolina State Treasurer is required.

II. Application for Initial License Form

A. This form is located in the Initial License Application Forms 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 Initial License Application Forms 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 Rule 23 NCAC 1A.0101 (1)-(4) can be found in Appendix D, for your information. 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 catalog shall provide a clear definition of the method used. The school catalog must show the number of clock hours or credit hours for each subject offered and the minimum 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. A catalog that is in a published form is one that can and shall be given to students as a hardcopy at the time of their admission. Catalogs

should be dated and identified with volume and number indicated on the front page. The catalog should be formatted as a complete document with pagination. Complete and attach to the catalog the *Checklist for School Catalog* form found in the Initial License Application Forms Packet. This form shows that the catalog addresses each of the following items:

1. Identifying data, including volume numbers 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 03A .0113, Student Refund, found in Appendix B of the License 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 Initial License 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 (in Initial License Application Forms Packet) as indicated for each item.

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 in Initial License Application Forms Packet*)

2. Resources: Faculty, Equipment, and Facilities (*Attachments D-F in Initial License Application Forms Packet*)

- 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 special admission requirements for this curriculum.

5. *Special Certification Requirements*

Specify 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 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 (*degree programs are licensed by the University of North Carolina Board of Governors*). 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. The ratio between student and instructor shall be reasonable at all times and in keeping with generally accepted delivery modes, including technology and course content.
7. Class period shall be 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, Limited Liability Partnership, or Registration of Company Name (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 and lab
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 in Initial License Application Forms Packet – Textbooks
- C. Attachment H in Initial License Application Forms Packet – Other Items

XI. Instructor Information

- A. The Office of Proprietary School Licensing and Services must receive an application for approval to work in a licensed proprietary business, trade, or

technical school for each individual. For the initial application use the **Administration and Faculty Personnel Report** (previously named the Personnel Information Form) found in the Initial License Application Forms Packet for all beginning personnel. This form must be completed for all **administration and instructor personnel** who will be active in the operation of the school, either in full- or part-time capacity. Include a copy of the individual's official transcripts. **Approvals of additions to staff must be made in writing on school letterhead and must include a completed Administration and Faculty Personnel Report with accompanying transcripts or certifications**

- 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 18 years of age;
 3. Be a graduate of an accredited college or university and hold an associate degree that is recognized by the U.S. Department of Education 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 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 accredited by an agency that is recognized by the U.S. Department of Education;
 - c. Have the experience, competency, and capacity to lead the school.
 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/Business Plan

- A. 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.

XIII. Audited Financial Statement

- A. The application must include an Audited Financial Statement with an accompanying opinion by an accountant or lending institution.

- B. If the school has operated less than one year, the most current financial statement will suffice.
- C. 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.
- D. The financial statement must conform to generally accepted accounting principles.

XIV. Credit Report

Will be obtained by the system office if deemed necessary.

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 (see Appendix F in Initial License Application Forms Packet for guidelines).
- 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, refund policy.
 - 4. If the school or parent school has already been existence in North Carolina or another state, provide copies of all advertising in all media for the twelve months preceding the date of application. If available, provide copies of planned future advertisements. 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 or other entity.

- A. File the enclosed Guaranty Bond in Initial License Application Forms Packet, with the Clerk of Court's Office or other entity 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.

XVII. Teach-Out and Record Retention Plan

On the *Teach-Out and Record Retention Plan* form in the Initial License Application Forms 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 60 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.
 4. This plan should provide specific details including a list of your teach out partner schools agreeing to provide assistance if your school is unable to provide your own teach out.
- D. The record retention plan should document that the school has contacted James Sorrell, Registrar, North Carolina State Archives, at 919-807-7313, 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

- A. Research the number of currently available employment positions related to this program, both in North Carolina and the United States, and list the source.
- B. Research 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. 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.

7. Financial Resources

Indicate the financial resources available to equip and maintain this school.

8. Need for School

Justify the need for this in North Carolina. Include employment opportunities for students after completion of program (see below)

Number of currently available employment opportunities in NC _____ and in US _____

List source: _____

Number of opportunities projected in next two years in NC _____ and US _____

List Source: _____

9. Similar Schools

List similar schools/programs already in existence either in NC, the US or worldwide. Include contact information (**name, address, phone number, website, etc.**)

10. National Experts

List any national experts in the field(s) the proprietary school will cover. Include contact information.

11. National Accreditation

List any national accrediting boards for the particular program(s). Include contact information.
