

SUBCHAPTER 400. GENERAL PROVISIONS

2A SBCCC 400.1 Administration

- (a) One person shall be designated as the chief administrator of the school or branch thereof. The chief administrator shall be qualified in accordance with the requirements listed in Paragraph (c) of this Rule.
- (b) The chief administrator is defined as the person directly responsible for the school's program, the methods of instruction, the employment of instructors, 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.
- (c) The chief administrator shall have the following qualifications:
 - (1) Be a person of good moral character;
 - (2) Be a graduate of an accredited college or university accredited by an agency that is recognized by the U.S. Department of Education; and,
 - (3) Have the experience, competency, and capacity to lead the school.
- (d) Chief administrators and other administrative personnel who possess qualifications which are equivalent to the requirements prescribed herein for chief administrators may be approved individually by the North Carolina Community College System President or designee.

History Note: Authority G.S. 115D-87; 115D-89; 115D-90;

Eff. September 1, 1993;

Amended Eff. December 1, 2004.

2A SBCCC 400.2 Admission Requirements

- (a) The admission requirements for schools licensed under Article 8 of Chapter 115D of the General Statutes of North Carolina shall be made available to the public and administered as written.
- (b) As a prerequisite to enrolling in a certificate or diploma course, the school shall require one of the following:

- (1) Graduation from a public, private, or home high school that operates in compliance with state or local law;
- (2) A certificate of high school equivalency;
- (3) Graduation from a community college or university that operates in compliance with state or local law;
- (4) Completion of secondary education that is equivalent to high school education in the United States;
- (5) The student's signed, notarized attestation of graduation from a public, private, or home high school that operates in compliance with state or local law, receipt of a certificate of high school equivalency, graduation from a community college or university that operates in compliance with state or local law, or completion of secondary education equivalent to high school education in the United States;
- (6) For persons at least 18 years old who did not graduate from a public, private, or state home high school, obtain a certificate of high school equivalency, graduate from a community college or university that all operate in compliance with state or local law, or complete secondary education equivalent to high school education in the United States; demonstration of an ability to benefit as determined by any test instrument approved by the Department of Education; or
- (7) The school shall only admit a student pursuant to Subsection (b)(5) if the student provides the school with written evidence of the student's inability to obtain a copy of the student's high school transcript, certificate of high school equivalency, community college or university transcript, or completion of secondary education equivalent to high school education in the United States.

The school shall not permit high school students to attend the school during the time that high schools are in regular session, except in individual cases approved by the student's high school principal in writing. The proprietary school shall include a copy of the approved form in the student's record.

- (c) Schools shall maintain a copy of the high school transcript in the student's record for students admitted pursuant to Subsection (b)(1) of this Section.
- (d) Schools shall maintain a copy of the certificate of high school equivalency in the student's record for students admitted pursuant to Subsection (b)(2).

- (e) Schools shall maintain a copy of the community college or university transcript in the student's record for students admitted pursuant to Subsection (b)(3).
- (f) Schools shall maintain a copy of the educational diploma or transcript, translated in English, for students admitted pursuant to Subsection (b)(4).
- (g) Schools shall maintain a copy of the student's signed, notarized attestation for students admitted pursuant to Subsection (b)(5).
- (h) Schools shall maintain the results of the ability to benefit test in the student's record for students admitted pursuant to Subsection (b)(6).
- (i) The school may admit students to special courses or subjects which are part of the approved curriculum offered by the school when the school deems the student can benefit from the instruction offered.
- (j) If total tuition is greater than five-thousand dollars (\$5,000), the school may collect up to 50 percent of the total tuition prior to that mid-point of the program. The remainder of the tuition may be collected only when the student has completed one-half of the program. Federal regulations regarding the disbursement of tuition shall supersede state disbursement regulations stated in this Rule.

History Note: Authority G.S. 115D-89; 115D-90;

Eff. September 1, 1993;

Amended Eff. [February 1, 2016](#); [August 1, 2014](#); December 1, 2004.

2A SBCCC 400.3 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 catalogs, bulletins, or prospectus information shall 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 and employment for students.

- (d) Schools shall not use a photograph, cut, engraving, or illustration in catalogs, 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 financial compensation or offer of financial compensation. These materials shall be kept on file by the school.
- (f) Schools shall publish tuition rates, payment methods, and refund policies in their catalogs or as a catalog addendum and shall not deviate from these rates and policies. All catalog addenda shall show an effective date and be readily available to the student.
- (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 proprietary schools or their activities in attempting to enroll students or concerning the character, nature, quality, value, or scope of any course of instruction or educational 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, publications, and Internet job banks.
- (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.
- (j) Advertisement shall not use salary-related terms or phrasing such as, "up to", "top", or "high salary".
- (k) Any salary claims shall show comparisons between local and national employment data and shall be for entry-level positions.
- (l) Any salary claims shall be documented and on file at the institution for public viewing.
- (m) Advertisements shall not offer promotions or special inducements to prospective students or enrollees.
- (n) Advertisements and school representatives shall not guarantee or imply positions or employment to prospective students.
- (o) If a licensed proprietary school, in any of its advertisements, printed materials or media, use the phrase or a similar phrase "Licensed by the North Carolina State Board of Community

Colleges" then that phrase must be immediately succeeded by the following disclaimer: "The North Carolina State Board of Community Colleges is not an accrediting agency."

History Note: Authority G.S. 115D-89; 115D-90;

Eff. September 1, 1993;

Amended Eff. December 1, 2004.

2A SBCCC 400.4 Ethics

- (a) Schools licensed under Article 8 of Chapter 115D of the General Statutes of North Carolina shall not offer premiums or special inducement to prospective students or enrollees. Scholarships may be offered provided terms of scholarship are published in the school catalog.
- (b) Failure to maintain tuition rates as published is grounds for suspension or revocation of the license of a school.
- (c) No officer or representative of the school shall solicit any student to leave any school in which the student is enrolled or attends.
- (d) A school representative shall not guarantee positions or employment to prospective students.

History Note: Authority G.S. 115D-89; 115D-90; 115D-93;

Eff. September 1, 1993;

Amended Eff. December 1, 2004.

2A SBCCC 400.5 Faculty

- (a) An application for approval to teach in a licensed proprietary school shall be made on forms provided for this purpose. The application shall be filed with the Office of Proprietary Schools within 30 days of an instructor's beginning date.
- (b) An instructor shall be qualified by education or work 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 a college or university accredited by an agency that is recognized by the U.S. Department of Education, and hold at least an associate degree in a related field or

meet the requirements of other occupational licensing, certification, or approval bodies requested to approve instructor adequacy; and,

- (4) Personnel who lack the educational requirement in Subsection (b)(3) above, but who are otherwise qualified based on relevant work experience, may be approved on an individual basis by the State Board of Proprietary Schools.

History Note: Authority G.S. 115D-89; 115D-90;

Eff. September 1, 1993;

Amended Eff. [August 1, 2014](#); December 1, 2004.

2A SBCCC 400.6 Facilities and Equipment

- (a) The school plant, premises, and facilities shall be adequate, safe, and sanitary and shall be in compliance with the statutory provisions and the rules and regulations of all local ordinances pertaining to fire, health, safety, and sanitation.
- (b) The equipment, supplies, and instructional materials of the school shall be satisfactory and adequate in type, quality, and amount, and shall be suitable for satisfactory use in administering the course or courses of instruction. They shall also meet all requirements of statutory provisions and local ordinances, and rules and regulations adopted thereunder in regard to fire, health, safety, and sanitation.

History Note: Authority G.S. 115D-89; 115D-90;

Eff. September 1, 1993;

Amended Eff. December 1, 2004.

2A SBCCC 400.7 Financial Stability

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.

History Note: Authority G.S. 115D-89; 115D-90;

Eff. September 1, 1993;

Amended Eff. [August 1, 2014](#); December 1, 2004.

2A SBCCC 400.8 Instructional Program

- (a) Schools shall not publish in their catalogs courses which they have not been licensed to offer. When a school is licensed to offer a course or program and enrolls students in the course or program, the school shall maintain sufficient and qualified faculty to teach all subjects required for completing the course or program during the time stipulated in the school's bulletin as the required time to complete the course or program and classes shall be scheduled 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 or program fails to maintain the qualifications for continuing the course or program, the course or program shall be removed from the catalog or stamped "not offered."
- (b) The number of curriculum programs offered by a school shall be realistic in relationship to faculty employed and students enrolled. As a general rule, the number of curriculum programs offered shall not exceed the number of faculty employed on a full-time basis.
- (c) The school shall establish its calendar one calendar year in advance and give full information to prospective and enrolled students about holidays; beginning and ending dates of each term and other important dates.
- (d) 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 shall show the number of clock hours or credit hours for each subject offered and the minimum clock hours or credit hours a student shall carry for full-time enrollment. Courses offered on a credit-hour basis shall show class hours, laboratory hours, and credit hours.
- (e) 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.
- (f) Class period shall permit a minimum of 50 minutes net instruction. Class shall not be scheduled for more than two consecutive class periods without a break.
- (g) Certificates and diplomas shall be issued only upon successful completion of a standard program of study.
- (h) Students enrolled in diploma or certificate programs shall not be enrolled except at the beginning of each term or within the drop/add period which shall not exceed 10 percent of a

semester course or 25 percent of quarters or clock hour courses. This provision is not applicable to classes offered on a multi-entry basis.

History Note: Authority G.S. 115D-89; 115D-90;

Eff. September 1, 1993;

Amended Eff. [August 1, 2014](#); December 1, 2004.

2A SBCCC 400.9 Issuance of Certificates and Diplomas

A school licensed under G.S. 115D, Article 8, shall limit its offering in certificate and diploma programs and special subjects to the courses and subjects for which it has been licensed to offer. At the beginning of each term, each school shall post the schedule of subjects being offered during the term. This schedule will show the time and instructor for each subject and designate the room in which the subject will be taught. Each student shall be provided a schedule of classes for each term to show the student's individual schedule.

History Note: Authority G.S. 115D-89; 115D-90;

Eff. September 1, 1993;

Amended Eff. [August 1, 2014](#); December 1, 2004.

2A SBCCC 400.10 Student Complaints

Reserved for Future Codification

2A SBCCC 400.11 Student Records

(a) A school licensed under G.S. 115D, Article 8, shall maintain current, complete, and accurate records to show the following:

- (1) An application for admission that includes the student's educational and personal background, age, and other personal characteristics.
- (2) Progress and attendance including date entered, dates attended, subjects studied, and class schedule; this record shall be in a form which permits accurate preparation of transcripts of educational records for purpose of transfer and placement, providing reports to government services or agencies, or for such other purposes as the needs of the student

might require. Such transcripts shall be in the form understandable by lay persons and educators alike. The grading system on such transcripts shall be explained on the transcript form. Subjects appearing on the transcripts shall be numbered or otherwise designated to indicate the subject matter covered.

- (3) All student enrollment agreements shall include at a minimum, the program of study, program tuition and fees, date programs are to begin, time period covered by the tuition payment, and statement of or reference to the school's tuition refund policy.
 - (4) All student account ledgers shall include, at a minimum, monies owed and paid by each student, and refunds issued by the school.
 - (5) A copy of the student's high school transcript or certificate of high school equivalency; or a signed, notarized attestation of either graduation from a public or private high school that operates in compliance with State or local law, graduation from a state registered home high school, or receipt of a certificate of high school equivalency, if the student provides the school with written evidence of the student's inability to obtain a copy of the student's high school transcript or certificate of high school equivalency; or for persons at least 18 years old who did not graduate from a public, private, or state registered home high school or obtain a certificate of high school equivalency, demonstration of an ability to benefit as determined by any test instrument approved by the Department of Education.
- (b) Records of students shall be open for inspection by properly authorized officials of the State Board of Community Colleges.
 - (c) Financial records of the school shall be open for inspection by properly authorized officials of the State Board of Community Colleges.

History Note: Authority G.S. 115D-89; 115D-90;

Eff. September 1, 1993;

Amended Eff. [August 1, 2014](#); December 1, 2004.

2A SBCCC 400.12 Student Refunds

- (a) Any proprietary school that is licensed by the State Board of Community Colleges shall maintain and publish a policy relative to the refund of the unused portion of tuition, fees, and other charges in the event the student does not enter a course or withdraws or is discontinued

therefrom. The policy and implementing regulations shall provide for, at a minimum, a full refund if a student withdraws before the first day of class or the school cancels the class and a seventy-five percent (75%) refund if the student withdraws within the first twenty-five percent (25%) of the period of enrollment for which the student was charged.

- (b) To comply with applicable federal regulations regarding refunds; federal regulations regarding refunds will supercede state refund regulations in this Rule.
- (c) Proprietary schools are not required to deposit funds collected for tuition with the State Treasurer's Office.

History Note: Authority G.S. 115D-89; 115D-90.

Eff. April 1, 1997;

Amended Eff. [August 1, 2014](#); July 1, 2007; December 1, 2004.

2A SBCCC 400.13 Teach-Out Plan and Record Retention

- (a) Each proprietary school shall adopt a teach-out plan. The plan shall be kept on file in the school's administrative office. A copy of the plan shall be submitted to the North Carolina SBPS with any application for initial licensure or license renewal. Amendments or revisions to the plan shall be submitted to the SBPS as they are made.
- (b) The plan shall include the procedure for notifying students of a pending school closure and the teach-out arrangements with other educational or training institutions. The teach-out arrangements shall include provisions for students to complete their programs, to transfer to other equivalent programs at other institutions, and to be refunded that portion of their prepaid tuition and fees not earned by the school.
- (c) Each student shall be given a minimum 30-day written notice of the school's intent to close. Prior to closure, school officials shall assist students with:
 - (1) completing their programs at the school;
 - (2) identifying equivalent programs at other institutions;
 - (3) transferring to other institutions, and
 - (4) receiving refunds.
- (d) Prior to closure, a school shall file a copy of all student permanent academic and financial aid records with the Department of Cultural Resources.

fHistory Note: Authority G.S. 115D-90;

Eff. December 1, 2004;

Amended Eff. [August 1, 2014](#).