

**STATE BOARD OF COMMUNITY COLLEGES**

**REPEALING AND REPLACING SUBCHAPTER 200 IN THE DUE  
PROCESS CHAPTER FOR THE STATE BOARD OF  
PROPRIETARY SCHOOLS (ATTACHMENT SBPG 03)**

- **Repeal of 2B SBCCC 200 – Suspension or Revocation of License (Attachment SBPG 03A)**
- **Adoption of 2B SBCCC 500 – Suspension or Revocation of Licensure (Attachment SBPG 03B)**



1                                   **State Board of Community Colleges Code**  
2                                   **TITLE 2 – PROPRIETARY SCHOOLS**

3  
4                                   **CHAPTER B.           DUE PROCESS**

5  
6                                   **SUBCHAPTER 200.       SUSPENSION OR REVOCATION OF LICENSE**

7  
8                                   **2B SBCCC 200.1 — Standard for Suspending or Revoking License**

9                                   ~~The license of a proprietary school may be suspended or revoked in accordance with~~  
10                                   ~~G.S. 150B, Article 3, when the SBCC finds that the school has failed to comply with the~~  
11                                   ~~requirements of the law and the rules adopted by the SBCC.~~

12  
13                                   ~~History Note: Authority G.S. 115D-89; 115D-93;~~

14                                   ~~Eff.    August 1, 2014.~~

15                                   ~~Repealed Eff. 01 February 2020.~~

16  
17                                   **2B SBCCC 200.2 — Complaints or Evidence of Proprietary School Noncompliance**

18                                   ~~(a) The SBPS, by and through the SBPS Executive Director shall initiate and conduct an~~  
19                                   ~~investigation of a proprietary school subject to Article VIII of Chapter 115D for either~~  
20                                   ~~of the following reasons:~~

21                                   ~~(1) The SBCC, acting by and through the NCCCS President or the SBPS receives a~~  
22                                   ~~written complaint alleging that a proprietary school subject to Article VIII of Chapter~~  
23                                   ~~115D has failed to comply with either the requirements of the law or the rules~~  
24                                   ~~adopted by the SBCC; or~~

25                                   ~~(2) The SBCC, acting by and through the SBPS has evidence that a proprietary school~~  
26                                   ~~subject to Article VIII of Chapter 115D has failed to comply with either the~~  
27                                   ~~requirements of the law or the rules adopted by the SBCC.~~

28                                   ~~(b) If the SBCC, acting by and through the SBPS has evidence that a proprietary school~~  
29                                   ~~failed to comply with either the requirements of the law or the rules adopted by the~~  
30                                   ~~SBCC, the SBPS shall document all of the evidence of noncompliance in a document~~  
31                                   ~~to be titled, "Documentation of Noncompliance."~~

1 ~~(c) Upon receipt of a written complaint or upon written documentation of a proprietary~~  
2 ~~school's failure to comply with either the law or SBCC rules, the SBPS Executive~~  
3 ~~Director shall send a "Notice of Investigation" with the written complaint or with the~~  
4 ~~"Documentation of Noncompliance" attached, to the chief administrator of the~~  
5 ~~proprietary school at issue within five (5) business days of receiving the complaint or~~  
6 ~~within five (5) business days of documenting the noncompliance with a copy to the~~  
7 ~~following: 1) the Chair of the SBPS; 2) the NCCCS Executive Vice President for~~  
8 ~~Operations; 3) the NCCCS General Counsel; and 4) the NCCCS Director of Marketing~~  
9 ~~and Public Affairs. In the Notice of Investigation, the SBPS Executive Director shall~~  
10 ~~request that the chief administrator or other agent of the proprietary school at issue~~  
11 ~~submit a written response to the written complaint or to the documented~~  
12 ~~noncompliance within ten (10) business days from the proprietary school's receipt of~~  
13 ~~the SBPS Executive Director's request for a written response to the written complaint~~  
14 ~~or to written response to the documented noncompliance.~~

15  
16 *History Note: Authority G.S. 115D-89; 115D-93;*

17 *Eff. August 1, 2014.*

18 *Repealed Eff. 01 February 2020.*

19  
20 **~~2B SBCCC 200.3 Investigation~~**

21 ~~(a) The SBPS Executive Director or the SBPS Executive Director's designee shall~~  
22 ~~conduct an investigation into the written complaint or into the documented~~  
23 ~~noncompliance. Pursuant to G.S. 115D-93(c)(3), the proprietary school under~~  
24 ~~investigation shall permit the SBPS Executive Director or the SBPS Executive~~  
25 ~~Director's designee to obtain any information necessary to conduct the investigation.~~

26 ~~(b) When conducting an investigation of a written complaint against a proprietary school,~~  
27 ~~the SBPS Executive Director or the SBPS Executive Director's designee shall~~  
28 ~~constitute a properly authorized official of the SBCC. The investigation shall conclude~~  
29 ~~within 45 days from the date the SBCC or the SBPS receives a written complaint or~~  
30 ~~within 45 days from the date of the "Documentation of Noncompliance."~~

1 *History Note: Authority G.S. 115D-89; 115D-93;*  
2 *Eff. August 1, 2014.*  
3 *Repealed Eff. 01 February 2020.*  
4

5 **~~2B SBCCC 200.4 Initial Recommendation to the SBCC~~**

6 ~~(a) Upon the conclusion of the investigation in 2B SBCCC 200.3, the SBPS Executive~~  
7 ~~Director shall submit a written investigation report to the SBPS that includes the~~  
8 ~~following:~~

- 9 ~~(1) Copy of the written complaint or Documentation of Noncompliance;~~
- 10 ~~(2) Specification of the laws or rules the proprietary school allegedly violated and a~~  
11 ~~detailed description of how the proprietary school allegedly violated each of the~~  
12 ~~specified laws or rules;~~
- 13 ~~(3) Description of investigation process; and~~
- 14 ~~(4) Recommendation of revocation of the proprietary school's license to operate one~~  
15 ~~or more programs with a supporting rationale for revocation rather than for~~  
16 ~~suspension; or~~
- 17 ~~(5) Recommendation of suspension of the proprietary school's license to operate one~~  
18 ~~or more programs with a supporting rationale for suspension rather than for~~  
19 ~~revocation; or~~
- 20 ~~(6) Recommendation to allow the proprietary school to retain its license to operate one~~  
21 ~~or more programs with a supporting rationale for why revocation or suspension is~~  
22 ~~not warranted.~~

23 ~~(b) The SBPS shall evaluate the written investigation report and after due consideration,~~  
24 ~~recommend that the SBCC:~~

- 25 ~~(1) Initiate suspension of the proprietary school's license to operate one or more~~  
26 ~~programs; or~~
- 27 ~~(2) Initiate revocation of the proprietary school's license to operate one or more~~  
28 ~~programs; or (3) Take no further action.~~

29 ~~(c) The SBPS Executive Director shall submit the written investigation report and SBPS~~  
30 ~~recommendation to the SBCC for the SBCC's consideration at its regularly scheduled~~  
31 ~~meeting that occurs at least 10 business days after the SBPS recommendation with a~~

1 copy to the following: 1) chief administrator of the proprietary school, 2) the Chair of  
2 the SBPS; 3) the NCCCS Executive Vice President for Operations; 4) the NCCCS  
3 General Counsel; 5) the Executive Director of the SBCC, and 6) the NCCCS Director  
4 of Marketing and Public Affairs.

5 ~~(a) The SBCC will evaluate the written investigation report and SBPS recommendation,~~  
6 ~~and after due consideration, vote to~~

7 ~~(1) Initiate suspension of the proprietary school's license to operate one or more~~  
8 ~~programs;~~

9 ~~(2) Initiate revocation of the proprietary school's license to operate one or more~~  
10 ~~programs; or~~

11 ~~(3) Take no further action.~~

12 ~~Within three business days of the SBCC's disposition on the investigation report, the~~  
13 ~~NCCCS General Counsel shall notify the proprietary school of the SBCC's decision to~~  
14 ~~initiate suspension, initiate revocation, or take no action.~~

15  
16 *History Note: Authority G.S. 115D-89; 115D-93;*

17 *Eff. August 1, 2014.*

18 *Repealed Eff. 01 February 2020.*

19  
20 **2B SBCCC 200.5 — Right to Hearing**

21 ~~(a) If the SBCC votes to initiate suspension or revocation of a proprietary school's license~~  
22 ~~to operate one or more programs, in the letter notifying the proprietary school of the~~  
23 ~~SBCC's intent to suspend or revoke the proprietary school's license to operate one or~~  
24 ~~more programs, the NCCCS General Counsel shall notify the proprietary school of its~~  
25 ~~right to an informal hearing prior to the SBCC's final agency decision on suspension~~  
26 ~~or revocation.~~

27 ~~(b) The proprietary school shall have 10 business days from the date it receives the~~  
28 ~~SBCC's notice of its intent to suspend or revoke the proprietary school's license to~~  
29 ~~operate one or more programs to notify the SBCC of its request to be heard. The~~  
30 ~~proprietary school's request for hearing must be in writing and signed by the chief~~

1 administrator or other authorized agent of the proprietary school and directed to the  
2 NCCCS General Counsel on behalf of the SBCC.

3 ~~(c) If the NCCCS General Counsel does not receive the proprietary school's signed~~  
4 ~~request for hearing within 10 business days from the date the proprietary school~~  
5 ~~receives the written notification of the SBCC's intent to suspend or revoke the~~  
6 ~~proprietary school's license to operate one or more programs, the SBCC's intent to~~  
7 ~~suspend or revoke will become the SBCC's final agency decision to suspend or~~  
8 ~~revoke.~~

9  
10 *History Note: Authority G.S. 115D-89; 115D-93;*

11 *Eff. August 1, 2014.*

12 *Repealed Eff. 01 February 2020.*

13  
14 **~~2B SBCCC 200.6~~ Hearing Process**

15 ~~If the NCCCS General Counsel receives the proprietary school's signed request for~~  
16 ~~hearing within 10 business days from the date the proprietary school receives the written~~  
17 ~~notification of the SBCC's intent to suspend or revoke the proprietary school's license to~~  
18 ~~operate one or more programs, the hearing process detailed above in 2B SBCCC 100.5~~  
19 ~~shall apply. For the purpose of this rule, all references to denial of the proprietary school's~~  
20 ~~application for license in 2B SBCCC 100.5 shall be replaced by references to the~~  
21 ~~suspension or revocation of the proprietary school's license.~~

22  
23 *History Note: Authority G.S. 115D-89; 115D-93;*

24 *Eff. August 1, 2014.*

25 *Repealed Eff. 01 February 2020.*

26  
27 **~~2B SBCCC 200.7~~ SBCC Final Agency Decision**

28 ~~After the hearing detailed in 2B SBCCC 200.6, the Hearing Officer shall make a final~~  
29 ~~recommendation of suspension, revocation, or no action to the SBCC at the next regularly~~  
30 ~~scheduled board meeting that occurs at least 10 business days after the hearing. The~~  
31 ~~SBCC's decision is the final agency decision.~~

- 1 *History Note: Authority G.S. 115D-89; 115D-93;*
- 2 *Eff. August 1, 2014.*
- 3 *Repealed Eff. 01 February 2020.*



1 STATE BOARD OF COMMUNITY COLLEGES CODE  
2 TITLE 2. COMMUNITY COLLEGES

3  
4 CHAPTER B. DUE PROCESS

5  
6 SUBCHAPTER 500. SUSPENSION OR REVOCATION OF LICENSE

7  
8 **2B SBCCC 500.1 Standard for Suspending or Revoking License**

9 The State Board of Community Colleges (SBCC), by and through the State Board of  
10 Proprietary Schools (SBPS), may suspend or revoke the license of a proprietary school  
11 license in accordance with G.S. 150B, Article 3, when a school fails to comply with the  
12 requirements of the law and the rules adopted by the State Board of Community Colleges.

13  
14 History Note: Authority G.S. 115D-89; 115D-93;

15 Eff. 01 February 2020.

16  
17 **2B SBCCC 500.2 Notice of Alleged Noncompliance**

18 (a) The SBPS Executive Director may investigate a proprietary school subject to Article 8  
19 of Chapter 115D of the North Carolina General Statutes, upon receipt of a signed  
20 written complaint or other compelling evidence alleging the school failed to comply  
21 with the requirements of law or the rules adopted by the SBCC.

22 (b) The Executive Director shall document all evidence of alleged noncompliance in a  
23 document to be titled, "Notice of Allegations".

24 (c) The Executive Director shall send the "Notice of Allegations" to the chief administrator  
25 of the proprietary school at issue within five (5) business days of documenting the  
26 alleged noncompliance with a copy to the following: 1) the Chair of the SBPS; 2) the  
27 NCCCS General Counsel; and 3) the NCCCS Director of Communications. The Notice  
28 shall request the chief administrator or other agent of the proprietary school to submit  
29 a written response to the alleged noncompliance within ten (10) business days from  
30 the proprietary school's receipt of the "Notice of Allegations."



1 History Note: Authority G.S. 115D-89; 115D-93;  
2 Eff. 01 February 2020.

3  
4 **2B SBCCC 500.3 Investigation**

- 5 (a) The SBPS Executive Director or the Executive Director's designee shall constitute an  
6 authorized official of the SBCC for the purpose of conducting investigations.  
7 (b) Pursuant to G.S. 115D-93(c)(3), the proprietary school under investigation shall permit  
8 the SBPS Executive Director or the Executive Director's designee to obtain any  
9 information necessary to conduct the investigation.  
10 (c) The investigation shall conclude within 60 days from the date the Executive Director  
11 issued the "Notice of Allegations" to the proprietary school at issue.

12  
13 History Note: Authority G.S. 115D-89; 115D-93;  
14 Eff. 01 February 2020.

15  
16 **2B SBCCC 500.4 SBPS Recommendation and Right to Hearing**

- 17 (a) Upon conclusion of the investigation in 2B SBCCC 500.3, the SBPS Executive  
18 Director shall submit a written investigation report to the SBPS containing:  
19 (1) Copy of the written complaint or Documentation of Noncompliance;  
20 (2) Specification of the laws or rules the proprietary school allegedly violated and a  
21 detailed description of how the proprietary school allegedly violated each of the  
22 specified laws or rules;  
23 (3) Description of investigation process; and  
24 (4) Recommendation of revocation of the proprietary school's license to operate one  
25 or more programs with a supporting rationale for revocation rather than for  
26 suspension; or  
27 (5) Recommendation of suspension of the proprietary school's license to operate one  
28 or more programs with a supporting rationale for suspension rather than for  
29 revocation; or

- 1       (6) Recommendation to allow the proprietary school to retain its license to operate one  
2       or more programs with a supporting rationale for why revocation or suspension is  
3       not warranted.
- 4       (b) The SBPS shall evaluate the written investigation report and after due consideration,  
5       recommend the SBCC:
- 6       (1) Suspend the proprietary school's license to operate one or more programs; or  
7       (2) Revoke the proprietary school's license to operate one or more programs; or  
8       (3) Take no further action.
- 9       (c) Within five (5) business days of the SBPS action, the Executive Director shall submit  
10       the written investigation report and SBPS recommendation to the chief administrator  
11       of the proprietary school at issue with a copy to the following: 1) the Chair of the SBPS;  
12       2) the NCCCS General Counsel; and 3) the NCCCS Director of Communications. If  
13       the SBPS recommended suspension or revocation of the proprietary school's license  
14       to offer one or more programs, the Executive Director shall notice the school of its  
15       right to request an informal hearing with the SBPS prior to the SBCC's final agency  
16       decision to suspend or revoke the school's license. The request for an informal  
17       hearing must be in writing and signed by the chief administrator or other authorized  
18       agent of the proprietary school, and it must be received by the Executive Director on  
19       behalf of the SBPS within 10 business days of receiving the investigation report and  
20       SBPS recommendation.
- 21       (d) If the Executive Director of the SBPS does not receive the proprietary school's  
22       written request for an informal hearing within 10 business days from the date the  
23       school received the investigation report and SBPS' recommendation to suspend or  
24       revoke the school's license, the Executive Director shall submit the investigation report  
25       and SBPS recommendation to the SBCC. The SBCC shall consider the investigation  
26       report and recommendation at its next regularly scheduled meeting and vote to:  
27       (1) Suspend the proprietary school's license to operate one or more programs; or  
28       (2) Revoke the proprietary school's license to operate one or more programs; or  
29       (3) Take no further action.
- 30       The SBCC action shall become the SBCC's final agency decision to suspend or  
31       revoke the proprietary school's license. Within five (5) business days of the SBCC's

1 action, the NCCCS General Counsel shall notify the proprietary school of the  
2 SBCC's final decision.

3 (e) If the Executive Director of the SBPS receives a written request for an informal  
4 hearing within 10 business days of the proprietary school administrator's receipt of  
5 the investigation report and SBPS recommendation to suspend or revoke the  
6 school's license, the Executive Director shall submit the written request to the  
7 following: 1) the Chair of the SBPS; 2) the NCCCS General Counsel; and 3) the  
8 NCCCS Director of Communications. The SBPS shall calendar the informal hearing  
9 within 60 days of the Executive Director's receipt of the hearing request.

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

11 Eff. 01 February 2020.

12  
13 **2B SBCCC 500.5 Hearing Process**

14 The informal hearing process detailed in 2B SBCCC 400.3 shall apply. For the purpose  
15 of this rule, all references to denial of the proprietary school's application for license in 2B  
16 SBCCC 400.3 shall be replaced by references to the suspension or revocation of the  
17 proprietary school's license to operate one or more programs.

18  
19 History Note: Authority G.S. 115D-89; 115D-93;

20 Eff. 01 February 2020.

21  
22 **2B SBCCC 500.6 SBCC Final Agency Decision**

23 After the hearing detailed in 2B SBCCC 500.5, the SBPS shall make a final  
24 recommendation regarding suspension or revocation of the school's license to offer one  
25 or more programs to the SBCC. The SBCC shall consider the recommendation at its next  
26 regularly scheduled meeting and vote to:

27 (1) Suspend the proprietary school's license to operate one or more programs; or

28 (2) Revoke the proprietary school's license to operate one or more programs; or

29 (3) Take no further action.

30 The SBCC action shall become the SBCC's final agency decision on suspension or  
31 revocation of the proprietary school's license. Within five (5) business days of the SBCC's

1 action, the NCCCS General Counsel shall notify the proprietary school of the SBCC's  
2 final decision.

3

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

5 Eff. 01 February 2020.

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