

*Oklahoma Board of Private Vocational Schools*

**Administrative Rules Report | Executive Order 2020-03**

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**Comprehensive Review of Administrative Rules as of August 3, 2020**

**Report Submitted by:** Nora Ann House

**Title:** Director

**Email:** [nhouse@obpvs.ok.gov](mailto:nhouse@obpvs.ok.gov)

**Phone:** 405-528-3370, Ext. 24

**Method Used to Conduct Review:** The OBPVS appreciates the need for systematic Rule reviews to take place, and also the need to continuously be attuned, on a daily basis, to input from all of its Clients, including the Businesses that operate Schools and the Students and families that the Schools serve. *To comply with EO 2020-03, the Director conducted an initial review. Three (3) Board Members, each with a unique background, then volunteered to conduct in-depth reviews. Two (2) are new to the Board since the Agency's last Rulemaking. The Director next alerted the volunteers to several specific questions she identified. Each Board Member independently reviewed the entirety of the (2) OBPVS Rule Chapters with NO limitations set on input, and responded to the Directors specific questions. Lastly, the Director compiled this Report to incorporate her findings, Board Members answers to the Director questions, and any and all other feedback from the Board Members.*

**TOTAL NUMBER OF UNECESSARY, COSTLY, INEFFECTIVE, DUPLICATIVE OR OUTDATE REGULATIONS:** *33, including 29 prior Revocations that if deleted will save space.*

**Why the present number of identified "problematic" Rules is not higher for the OBPVS.** It is critical for the Governor, Speaker Pro Tempore Treat and Speaker McCall to be aware that the OBPVS Board *previously* conducted an 18-month review of the OBPVS Rules. The Board review culminated in Rule revisions in 2015 and 2016, the first codified since 2005. The Board's goals were to streamline, and if possible shorten, its Rules and to critically evaluate processes to be sure that any unnecessary over-regulation was eliminated.

The resulting 2015 and 2016 Rulemaking accomplished a) Deletions of Outdated or Duplicate Rules (including Statute to Rule duplicates); b) Enhanced readability by grouping related Rules together; c) Reduced ambiguity by using matched action language ("mays" or "shalls," instead of inconsistent terms); and d) Modernized the Rules to allow use of electronic communication methods to simplify and reduce a Business' time and cost to comply.

Simultaneous and subsequent OBPVS efforts were made to also address the currency and vitality of the Agency's Forms library. That is, the OBPVS a) Reduced the number of required Form submissions; b) Eliminated duplicate disclosures within a single Form and between Forms; c) Created "electronic" Forms; and d) Terminated information requests for unused data. Still monthly in 2020, the Agency Staff continues to hear from Businesses appreciative that the current day OBPVS put many of its original mandatory filings on an, "As Needed Basis," meaning the **Business decides when a change is needed**. Doing so ended Agency requirements for numerous repetitive filings of un-changed materials to be submitted over and over. As a result, Business frustration declined and the Agency benefited, too. The OBPVS file cabinets ceased overflowing and it scanners last longer.

Title 565 Oklahoma Board of Private Vocational Schools

Chapter 1-Administrative Operations

Subchapter 1-General Provisions

Section	Title	Date Created	Costly	Ineffective	Duplicate	Location Of Duplication	Outdated/ Unnecessary	Necessary	Explanation of determined category
1-1-1	Purpose	Prior to 1991 Codification = "PT91C"						X	<b>Amended in 2015.</b>
1-1-2	Organization							X	<b>Amended in 2015.</b> Explains Board vs. Staff Activities. This Rule helps people using the Agency's full-scope Website to understand the Agency's functions. <b>Necessary for Agency Transparency/Accountability.</b>
1-1-3	Severability	1995						X	<b>Amended in 2015</b> – Necessary <i>per the AG's Office</i>
1-1-4	Meetings	1995							<b>Amended in 2015</b> – Sets meeting Quorum and how meetings are conducted. <b>Necessary for Agency Transparency/Accountability.</b>
1-1-5	Meeting Minutes	1995						X	<b>Necessary for Agency Transparency/Accountability.</b>
1-1-6 (a) & 1-1-6 (c)	Location for information and for filing and Filing Procedures	1995						X	<b>Necessary for Agency Transparency/Accountability. Amended in 2015</b> to facilitate electronic filings to simplify Business efforts and expedite Agency reviews of time-sensitive documents more cost effectively.
1-1-6 (b)	Hours of Operation	1995		Misleading <b>DELETE</b>					COVID-19's At-Home, plus 2-Stafferts sometimes work elsewhere off-site, plus not in other Agency's Rules.
1-1-7	Records	1995						X	<b>Necessary for Agency Transparency/Accountability</b> and gives notice of the State's required Copy Charge in <b>Title 51 O.S.</b> Also saves Businesses from having to take the time to locate or become expert in the <i>Open Records Act</i> . <b>Amended in 2015</b> at the suggestion of the AG's Office & to permit Businesses to make Electronic filings.
1-1-8	Forms & Instructions	1995						X	<b>Necessary for Agency Transparency/Accountability - Amended in 2015</b> to facilitate the Staff/Website provision of Electronic Forms, not just hard copies.
1-1-9	Rulemaking	1995						X	<b>Necessary for Agency Transparency/Accountability.</b> Saves Businesses from taking the time to locate and to become expert in the <i>Administrative Procedures Act</i> .

Chapter 1- Administrative Operations  
 Subchapter 3-Formal and Informal Procedures

Section	Title	Date Created	Costly	Ineffective	Duplicate	Location Of Duplication	Outdated/ Unnecessary	Necessary	Explanation of determined category
1-3-1	Right of Director to initiate actions	1995						X	<b>Necessary for Agency Transparency/Accountability. Amended in 2015</b> to facilitate use of emerging communication tech. to aid Businesses and the Agency.
1-3-2	Complaints	1995						X	<b>Amended in 2015 and 2016</b> to aid Businesses by creating a 1-Year Statute of Limitations for Complaints to be filed and to require a Complainant Signature.
1-3-3 And 1-3-4	Hearings for individual proceedings and Requests for declaratory ruling	1998						X	<b>Necessary for Agency Transparency/Accountability. Amended in 2015</b> to streamline. Saves Businesses from having to become Constitutional Law experts or engage an Attorney to pursue legal review, although an Attorney may represent the business.

**Chapter 10-Licensure and Regulation of Private Vocational Schools** *This Chapter of Rules is the essence of the Agency's work to not only protect Students, but to ensure a fair and level playing field for the Businesses that own Schools.* Beginning with **Subchapter 3**, OBPVS efforts impact licensed Schools that constantly face two immense challenges by existing in an environment with unscrupulous a) Operators who attempt (without OBPVS intervention) to run Schools without a license, putting their Students at maximum risk; and b) School Owners damaging the reputation and the market opportunities for an industry that already competes with State-Funded Career and Technology Centers and Community Colleges (i.e. the Postsecondary Schools that receive General Revenue Fund Appropriations and Ad Valorem Tax Receipts).

Subchapter 1- General Provisions

10-1-1	Purpose	PT91C						X	<b>Necessary for Agency Transparency/Accountability. Amended in 2015</b> to a) eliminate Definitions already in Statute,; b) REVISE the unnecessary "literary license" used in the past to present multiple terms to mean the same thing; AND c) modernize the definitions to terms actually used by Business. Note: A Distance Ed. definition was added to recognize evolving Business trends, never imagining that in 2020 a Pandemic would bring on-line learning to the forefront.
10-1-2	Definitions	PT91C						X	

Section	Title	Date Created	Costly	Ineffective	Duplicate	Location Of Duplication	Outdated/ Unnecessary	Necessary	Explanation of determined category
10-1-3	Schools required to license	PT91C						X	<b>Amended in 2015</b> to memorialize SB 1460's complete Enabling Statute review the Agency asked the Legislature and Governor to perform to ensure the Agency's authorities and duties match to necessary services to benefit Citizens <b>and</b> Businesses.
10-1-4	Due date and duration of license	PT91C		<b>X DELETE  Or, shorten to address only documents for personnel on LOA, etc.</b>					<b>Amended 2016</b> to require preliminary (pre-Closing) Change of Ownership documentation to be submitted at least 30-days in advance of the close to allow sufficient time for Staff review and board consideration of New Owners that may or may not have the Business capacity and qualifications to operate a School without injuring its Students and to comply with School license requirements. <b>2020 Board Rule Review Comment</b> - In the next Rule revision, the Reviewer suggests that a Penalty be set if a 30-day advance submission is not submitted. Timeliness is important where the U.S. Department of Ed. ("DOE") and its DOE-approved Accreditors both require Businesses to FIRST hold a License of State Authorization for Students to continue to receive Pell Grants or Title IV funding. Yes, these are unfunded Federal mandates.

Chapter 10- Licensure and Regulation of Private Vocational Schools  
 Subchapter 3-Requirements for Licensure as Private Vocational School

10-3-1	Requirements for licensure as private vocational school	PT91C						X	<b>Amended in 2015 and 2016.</b> Through its description of the initial New School Ap., this Rule overviews what it takes to be a responsible Business providing postsecondary training. As amended, a Rule Preamble holds the sub-set of voluntarily Accredited Schools to the usually more elaborate and stringent Standards of the independent Accreditor, without duplicating that language. With a single sentence, ALL School Businesses are also held accountable for compliance with non-OBPVS local, State, and Federal laws.
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Section	Title	Date Created	Costly	Ineffective	Duplicate	Location Of Duplication	Outdated/ Unnecessary	Necessary	Explanation of determined category
10-3-1 Continued  For a New School Applicant)  AND  10-11-1- (b) For an Already- licensed School.	Criminal Activity and School Closures History	PT91C	Somewhat costly, but the activity can't be eliminated.  Without enhanced agency funding, the creation of an online database can't be accomplished to save Businesses' time to comply.		<b>NOT AN ACTUAL DUPLICATION.</b>  One section SEEMS to be a duplicate but actually applies to different types of Businesses.  That is, the New School Rule is located in <b>565:10-3-1 (14)</b> while <b>565:10-11-1(b)</b> applies to already-licensed Schools		Per the AG's Office, the Rule clause against "moral turpitude" has been ignored since 2012.  Rationale: The title is too hard to identify, nebulous, and not clearly defined in law. Hence, <b>DELETE</b> the 2-word phrase.	<i>Partially</i> necessary.	<b>2020 Board Rule Review Comments</b> – In response to the Director's advance question wondering if modifications should be made to the School requirement to have key personnel provide a -page document once a year to assert ongoing compliance with that no criminal activity and school closure standards, 3-of-3 Board Members reminded the Director of the importance of the information for the Board to be able to adequately regulate a School.  <b>Funding Need</b> - If the OBPVS is able to improve its financial condition <sup>1</sup> the annual Criminal Activity reporting process could be conducted online. Online would make it much quicker and simpler (like the OBPVS Director's Board of Accountancy and Ethic Commission filings). Instead of representing increased regulation, an online process would be more cost-effective and less time-consuming for a Business' key personnel to complete. However, such a "database" takes money to set-up.
10-3-2	Relicensure application completion	<b>Added 2016</b>		X <b>DELETE</b>					This Rule was meant to address a) a delay in submission of the single page annual School Personnel re-qualification document caused by a hospitalization or leave of absence of the employee; and b) delays in 3 <sup>rd</sup> -party prepared documents such as CPA Financials near-to the end of the annual April-15 <sup>th</sup> -ending, "Busy Season." Since then, <i>the annual renewal filing deadline was moved from May 1 to June 1.</i> Yet, unrelated to COVID-19, <i>as many as 20%</i> of Schools seem to take advantage of the allowed extension. In addition, under <b>OAC 565:10-19-2</b> , fines and penalties are able to be waived (for cause) by the Board. <b>2020 Board Rule Review Comment</b> - In the next Rule revision, the provision should be deleted because it causes unnecessary work for the OBPVS Staff.

<sup>1</sup> OBPVS Statutory Fee Increases proposed in SB 1805 were vetoed by Governor Stitt after nearly unanimous Senate and House passage and a potential Legislative Override did not make it to a floor vote on May 22, 2020.

Chapter 10-Licensure and Regulation of Private Vocational  
Subchapter 5-Fees

Section	Title	Date Created	Costly	Ineffective	Duplicate	Location Of Duplication	Outdated/ Unnecessary	Necessary	Explanation of determined category
(6): 10-5-1 to 5-4.2	[Various Specific] School fees; Representatives; Penalty; Additional fees; and Workshop fees.	<b>Either PT91C or in 2002</b>					(6) Rules to DELETE.		<b>REVOKED in 2015, because statutory fee language was being unnecessarily duplicated in the Rules. <sup>2</sup></b>
10-5-5	Non-refundable fees	<b>PT91C</b>						X	Per the AG's Office, the OBPVS does pay refunds on fees paid in error when a Credit Balance can't be used within a reasonable time. Instead, this Rule addresses Refund requests that arise when a Business fails to conduct adequate marketing analyses to determine if there is value to the training type and locale chosen. This Rule applies when <b>the Business changes its mind AFTER the OBPVS has expended hours' to days' worth of review effort and may already have incurred the costs to conduct a site visit/inspection.</b>

Chapter 10-Licensure and Regulation of Private Vocational  
Subchapter 7-Facilities and Equipment

10-7-1	Facilities	<b>PT91C</b>						X	<b>Amended 2015 &amp; 2016.</b> When codified, the Board wisely avoided setting unique Standards, e.g. fire wall thickness or sufficiency to sustain a min. burn time. <b>Instead health/fire/safety tie to local standards.</b> Doing so prevents conflicting Standards and minimizes the Business' cost of compliance. While large Businesses have Risk Mgt. personnel/contractors, smaller Businesses (the majority of those the OBPVS licenses) do not. <b>Thus, Report readers need to be aware that at least (6) New School Applicants in the last 2 years weren't aware that any Facility Standards/ Inspections needed to be passed.</b> Without the OBPVS' involvement, the lack of knowledge posed a clear danger to prospective Students.
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<sup>2</sup> The next time the OBPVS engages in Rulemaking, we will try to eliminate REVOKED Rules to simplify Rule reading and enhance Rule comprehension. Doing so would cut the standard size printing of the Rules by a total of 2 to 3 pages (10% +).

Section	Title	Date Created	Costly	Ineffective	Duplicate	Location Of Duplication	Outdated/ Unnecessary	Necessary	Explanation of determined category
10-7-2	Equipment	PT91C						X	Again, wisely, the Board didn't set detailed Equipment Rules. Instead, Businesses are merely expected to have the equipment to meet the occupational objectives of training comparable to the equipment actually used by Employers, and kept in good working condition with proper safety devices. Through the minimum standards Rule preamble in <b>OAC 565:10-3-1</b> , the sub-set of Accredited School also must have Program Advisor Committees ("PAC") to address the adequacy of equipment. Often joined by the OBPVS, the Accrerator reviews PAC Meeting <i>Minutes</i> while an Accrerator-engaged <b>local</b> Occupational Specialist (in the field of training) reviews equipment on-site and curriculum <b>during</b> the periodic Accrerator Site Visits.

Chapter 10- Licensure and Regulation of Private Vocational  
Subchapter 9-Surety Bonds

10-9-1	Bond requirement and amount	PT91C	<p>Since 2012, the most-frequent category of entity inquiring about proposed OBPVS Rulemaking or Legislation has been individual Surety Companies or the Oklahoma Surety Lobbyist.</p> <p>The OBPVS Director has received multiple telephone calls and emails over the years. Once, the Senate Chair of the Ed. Comm. put the Surety Industry Lobbyist in direct contact with the OBPVS.</p> <p><b>If the Surety Bond Rules needed any significant revision, the OBPVS has <u>no doubt</u> that the "Surety" entities would make their interest known.</b></p>				X	<p><b>Amended in 2015 and 2016.</b> The amendments made the Rule more comprehensible &amp; permits Insurance Co(s) to issue Continuances or Riders vs. issuing a more costly replacement Bond to keep the Business' cost of coverage down. The Tuition Recovery Fund ended &amp; its Rule (<b>OAC 565:10-28-1 to -16</b>) was REVOKED in 2000. <b>That leaves a Surety Bond as the only way for the State to help Students</b> secure repayment of any non-Federal payments to a School that closed prior to a full Teach Out, i.e. without an orderly wind-down.</p>
10-9-2	Bond claim procedure	PT91C					X	<p><b>Necessary for Transparency/Accountability.</b> Amended in 2015. In 7 sentences this Rule notifies all parties of a Students rights and the OBPVS procedures.</p>



Section	Title	Date Created	Costly	Ineffective	Duplicate	Location Of Duplication	Outdated/ Unnecessary	Necessary	Explanation of determined category
10-9-3 And 10-9-4	Bond amount for new school AND scope of coverage. (Both were <b>REVOKED</b> in 2015)	<b>PT91C</b>					(2) Rules to <b>DELETE.</b>		<b>REVOKED in 2015.</b> The pertinent parts of these Rules were moved into <b>OAC 565:10-9-1</b> to make the main Bond Rule more understandable, and the reminder of the language was deleted. <sup>2</sup>

Chapter 10-Licensure and Regulation of Private Vocational  
Subchapter 11-School Operation

10-11-1	School personnel  Please see the additional discussion on Page 5 about <b>OAC 565:10-3-1(14).</b>	<b>PT91C</b>			<b>NOT AN ACTUAL DUPLICATION.</b>  One section SEEMS to be a duplicate but actually applies to different types of Businesses.  That is, the New School Rule is located in <b>565:10-3-1 (14)</b> while <b>565:10-11-1(b)</b> applies to already-licensed Schools.	Per the AG's Office, the Rule clause against " <b>moral turpitude</b> " has been ignored since 2012.  The 2-word phrase needs to be <b>DELETED.</b>	<i>Partially</i> necessary.	<b>Amended 2015 &amp; 2016. Necessary for Business Accountability.</b> These sections were extensively revised to a) group like-role key personnel standards together, for Owners vs. [Campus] Directors vs. Authorized Admin. Officials. The Rule was also revised to b) formally permit Schools' to <b>elect an online option</b> for attendance at mandatory annual OBPVS Training. Online saves Businesses travel time and expense. Live attendance was required perhaps as far back as 1995. In 2012, well in advance of the COVID-19 Pandemic, the Agency, at its own initiative, piloted an online option for out-of-state Schools whose numbers were smaller and more manageable for a pilot. The experiment was a huge success, and the next year (and ever-since) in-state Schools were also, under most circumstances, given the online option. <b>2020 Board Rule Review Comments</b> – In response to the Director's advance question wondering if modifications should be made to the School requirement to have key personnel provide a once a year 1-page document to assert ongoing compliance with y key personnel to attest that no criminal activity and school closure standards, 3-of-3 Board Members reminded the Director of the important role that such knowledge plays in the Board being able to adequately regulate a School.
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Section	Title	Date Created	Costly	Ineffective	Duplicate	Location Of Duplication	Outdated/ Unnecessary	Necessary	Explanation of determined category
10-11-2	Course implementation and instruction	PT91C						X	<p><b>Necessary for Business Accountability. Amended 2015</b> to use syntax similar to the remainder of the Rule to aid readability and comprehension about a program 9 having multiple courses. The clarification literally ended Applicant Business and Licensed School confusion.</p> <p><b>2020 Board Member Review –</b> a) The important suggestion was made that when a Business reports an Instructor, Director or Authorized Admin. Official's departure, a departure due to the previously discussed criminal activity (the category, not the finite details) should be made known to the OBPVS <b>IF the AG's Office approves doing so.</b> b) Based on the unprecedented COVID-19 experience, the Board member also wonders about inserting an exception to mandatory training taking place either annually or in-person (for the 1<sup>st</sup> 3 years when an in-state School is new) <i>The full Board will be asked about this, but is anticipated to want to retain the provision as an item of OBPVS Staff and Agency Transparency/Accountability.</i> With the assistance of the OSRHE, the OBPVS Staff did arrange and provide online training through 2 separate online Session in May and 24/7 recorded training still accessible today. Plus the in-person training was waived due to COVID-19 Precautions.</p>
10-11-3	Refunds	PT91C						X	<p><b>Amended 2015.</b> This is the longest, single OBPVS Rule. The Director specifically asked the Board Reviewers to assess if anything could be done to simplify or shorten it.</p> <p><b>Ultimately it is necessary for Business accountability.</b></p> <p><b>2020 Board Member Review –</b> All 3-of-3 agreed the Rule was not shorten-able. Comparable to the Refund Rules in most other States, it is necessary. As one Member stated, "it has to be robust to cover Schools that are not on the Semester Credit or Quarter Credit Hour System." Indeed, the majority of Schools use Clock Hours and Programs that range widely from a few weeks in length to over a year.</p>

Section	Title	Date Created	Costly	Ineffective	Duplicate	Location Of Duplication	Outdated/ Unnecessary	Necessary	Explanation of determined category
10-11-4	Student Records	PT91C						X	<b>Amended 2015 and 2016.</b> The OBPVS has unsuccessfully sought statutory revision for 4 years in a row to put a more meaningful and effective measure into law. By its September Meeting, the Board will be asked to determine if a 5 <sup>th</sup> attempt should be made in the 2021 Legislative session.
10-11-5	Placement	PT91C						X	<b>Amended in 2015.</b> <b>2020 Board Member Review</b> - 1 member would like the Agency to go further to require Employment Outcome data. But the Agency presently has neither the human or technological resources necessary to do well with that. It is however a function or a role the U.S. DOE holds for the largest of Schools that cover the majority of Enrollees in OBPVS-licensed Schools.
10-11-6	Advertising	PT91C						X	<b>Amended 2015. Necessary for Business Accountability.</b>
10-11-7	Admission requirements	PT91C						X	<b>Amended 2015. Necessary for Business Accountability.</b>
10-11-8	Student Complaints	PT91C							<b>Amended 2015.</b> The Rule is simply a cross-reference to <b>OAC 565:1-3-2</b> placed in a location where many Businesses would expect to find it. Duplicate language between the 2 Rules was deleted in this location in 2015.
10-11-9	Recruitment	PT91C						X	<b>Amended in 2015 and 2016. Necessary for Business Accountability.</b> This is comparable to the way an Insurance Co. is held accountable for the actions of its Agents or Producers.

Chapter 10-Licensure and Regulation of Private Vocational  
Subchapter 13-Solicitor License

10-13-1	Application	PT91C				To save space, consider merging <b>10-13-1</b> into <b>10-11-1</b> (put Optional and required Staff Rules together)		X	<b>Amended in 2015 and 2016</b> as one of several Rules that now permit use of "substantially similar" Forms to simplify a Business' compliance. <b>Solicitors are OPTIONAL Staff.</b> To shorten all Rules, <b>10-13-1</b> might be merged into <b>10-11-1</b> on mandatory personnel, rather than here, adjacent to Student "Recruitment" which is the role that a Solicitor performs.
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Chapter 10-Licensure and Regulation of Private Vocational  
 Subchapter 15-Denial And Appeal

Section	Title	Date Created	Costly	Ineffective	Duplicate	Location Of Duplication	Outdated/ Unnecessary	Necessary	Explanation of determined category
10-15-1	Grounds for denial of school license	PT91C						X	<b>Amended 2015 and 2016. Necessary for Transparency/Accountability.</b>
10-15-2	Grounds for denial of Solicitor license	PT91C						X	<b>Amended in 2015. Necessary for Transparency/Accountability.</b> This rule also alerts uninformed individuals do the Oklahoma Tax Commission role in collecting overdue funds and/or paperwork.
10-15-3	Appeal of denial	PT91C						X	<b>Necessary for Agency Transparency/Accountability. Amended in 2015</b> to streamline the language. The Rule saves Businesses from having to become Constitutional Law experts or engage an Attorney to pursue legal review, although an Attorney may represent the business.

Chapter 10-Licensure and Regulation of Private Vocational  
 Subchapter 17-Revocaton Of License

11-17-1	Right of Director to initiate actions	PT91C						X	<b>Amended in 2015. Necessary for Agency Transparency/Accountability.</b>
11-17-1	Complaints	PT91C						X	<b>Amended in 2015. Necessary for Agency Transparency/Accountability.</b> This provision inform unexperienced or unsophisticated Businesses of the Due Process afforded them.

Chapter 10-Licensure and Regulation of Private Vocational  
 Subchapter 19-Penalty

11-19-1	Basis for revocation	PT91C						X	<b>Amended in 2015.</b> The Board prefers the Staff to aid Businesses to comply, but for the most egregious matters a Penalty system is necessary for <b>Business Accountability.</b>
11-19-2	Revocation procedure	PT91C						X	<b>Amended in 2015. Per the AG's Office,</b> this provision allowed the Board to waive late fees (fines) for COIVD-19 caused annual Relicensing Ap. submissions to e made AFTER the Emergency-extended 6/15/2020 due date..

Chapter 10-Licensure and Regulation of Private Vocational  
Subchapter 21-Evaluation

Section	Title	Date Created	Costly	Ineffective	Duplicate	Location Of Duplication	Outdated/ Unnecessary	Necessary	Explanation of determined category
11-21-1	School review	PT91C						X	<b>Amended in 2015.</b> Regulation is much more meaningful when Site Visits are made to truly understand a Business and its opportunities and challenges. This Rule facilitates Site Visits. In addition, an unscrupulous Business can say anything in a filing. The error won't always be found if only desk reviews occur. Allowing non-compliant activities, is unfair to other Businesses that operate legitimately. <b>Agency and Business Accountability and Transparency.</b>
11-21-2	Advisor council	PT91C						X	<b>Amended in 2015.</b> The Board's cumulative knowledge is astounding, but this right provides enhanced <b>Agency Transparency/Accountability and Business Accountability.</b>

Chapter 10-Licensure and Regulation of Private Vocational  
Subchapter 23-Seminars Or Workshops

11-23-1	Items required for licensure of seminars; length of programs	PT91C						X	<b>Amended 2015 and 2016.</b> This Rule recognizes that Businesses that operate the short, C.E. type of Programs should NOT be held to the same level of detail as full Schools. However, certain minimum Student Protection standards are the same with Seminars and full Schools. The Agency knows of multiple instances when an out-of-state entity swept into Oklahoma, collected a Seminar Fee, failed to provide the promised training, then was long gone. <b>Necessary for Business Accountability.</b>
11-23-2	Advertising	PT91C						X	<b>Amended in 2015.</b> The Rule prohibits misleading advertising. <b>Necessary for Business Accountability.</b>
11-23-3 To 23-10	Multiple, Various Provisions	PT91C						X	<b>Amended in 2015.</b> These Rules set more <u>Seminar-specific</u> requirements or simple cross-reference an applicable full-School Rule. <b>Necessary for Transparency/Accountability.</b>

Chapter 10- Licensure and Regulation of Private Vocational  
Subchapter 25-Flight Schools

Section	Title	Date Created	Costly	Ineffective	Duplicate	Location Of Duplication	Outdated/ Unnecessary	Necessary	Explanation of determined category
11-25-1 to 11-25-5	Applicability; exemptions Catalog Refunds Student records Inspection of student records (All were <b>REVOKED</b> in 2000)	PT91C					(5) Rules to <b>DELETE.</b>	X – now necessary only for Spartan College in Tulsa.	<b>REVOKED in 2000.</b> <sup>2</sup> Regulation deferred to the Federal Aviation Administration for this type of training to avoid a Business having to hold duplicate licensure or approvals. However, Spartan College of Aeronautics and Technology includes its Flight School in its Catalog of other Programs according to <b>Title 70 O.S §21-101.1.</b> The reason is to not confuse the Public about the School holding licensure and being accountable.

Chapter 10-Licensure and Regulation of Private Vocational  
Subchapter 27-Financial Statements and financial Stability

10-27-1	Financial Statements	PT91C						X	<b>Amended 2015 and 2016. Necessary for Business Accountability.</b> This is the 2 <sup>nd</sup> longest OBPVS Rule due, in large part, to the complexity of addressing accounting and financial topics.  The Director specifically asked the Board Reviewers to consider additional info. to decide if the Rule should be revised to allow Enrolled Agent Preparation of the Financials for the smallest size Schools. <sup>3</sup> <b>CONTINUED</b>
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<sup>3</sup> Additional Info. – a) There are hardly ANY PAs still practicing (like passing ½ the CPA Exam), and, fewer and fewer CPAs perform Compilations because of the rising cost to maintain Professional Liability Insurance and the requirement that the PA/CPA take dedicated C.E. about Compilations. Compilation work may also, perhaps (I am not 100% certain), subject the PA/CPA to Peer Review on the Compilations that the PA/CPA has to pay for. b) In the last 2 years we have had AT LEAST a half dozen New School Applicants or existing Licensed Schools ask about using an IRS-approved “Enrolled Agent.” That is, a person who passes an IRS-test and would often be the same person who prepares the School’s Income Taxes. c) Some but not all Income Tax Returns require a Balance Sheet, although Income Taxes are Income Statement based. d) An Enrolled Agent might charge nothing additional for a Balance Sheet, or perhaps charge an extra \$100 or so. e) A Compilation is the smallest level of service and the Financial-type that MOST OBPVS Schools submit. f) Compilations provide NO assurance, and cost the smaller Schools at least \$500 per year. g) Yes! Medium size Schools submit a Review and the largest of School DO submit full-blown Audits.

Section	Title	Date Created	Costly	Ineffective	Duplicate	Location Of Duplication	Outdated/ Unnecessary	Necessary	Explanation of determined category
10-27-1 Continued									<p><b>2020 Board Member Review –</b></p> <ol style="list-style-type: none"> <li>1) One Reviewer commented that he was out of his element, but just realizing that Compilations provide no assurance.</li> <li>2) Another reported that perhaps the smallest Schools could be allowed to use an Enrolled Agent as a preparer, based on income level. But Audits would be needed for other, larger Schools.</li> <li>3) The last considers financial monitoring imperative to appropriate regulation of School Businesses.</li> </ol> <p>Conclusion: The OBPVS will continue to explore this topic further including reviewing what other Agencies do/require and national trends on School Business Financial Statements</p> <p>Some sort of Financials would seem <b>necessary for Business Transparency/Accountability.</b></p>
10-27-2	Financial Stability	PT91C						X	<p><b>Amended 2015 and 2016. Necessary for Business Accountability.</b></p> <p>(3) stability measures were added in the recent Rule revisions to augment the long-standing single Current Ratio standard.</p> <p>This was done because a large proportion of any/all Businesses that fail do so for financial reasons.</p> <p>For large audited entities, ones that are under additional Accreditor and U.S. DOE financial standards the (3) new measure pose no problems. In contrast, <i>the smallest New School Applicants have often created a minimum 3-months of financial projections <u>ONLY</u> because the OBPVS requires them to do so!</i></p>

Section	Title	Date Created	Costly	Ineffective	Duplicate	Location Of Duplication	Outdated/ Unnecessary	Necessary	Explanation of determined category
10-27-3	Special circumstances and waiver requirements	PT91C					X		<p><b>Amended in 2015.</b> In today's Business environment, adherence to the OBPVS' <b>minimum</b> financial standards is crucial! No allowances (exceptions should be permitted) when a Student's time, training, livelihood, and monies are at risk.</p> <p>However, please re-review Report Pages 13 &amp; 14 about <b>OAC 565:10-27-1</b> to explore the possibility of allowing the smallest of Applicants and Licensed Schools to engage more affordable Enrolled Agents (rather than PAs or CPAs) to prepare the Business' Financial Statements.</p> <p>When the Rule was originally crated, "Enrolled Agents," did not exist (had not yet been created by the IRS).</p>

Chapter 10- Licensure and Regulation of Private Vocational  
 Subchapter 28-Tuition Recovery Fund

11-28-1 to 11-28-16	Miscellaneous Provisions about assessing ongoing Schools to bail out troubled Schools (All were <b>REVOKED</b> in 2000)	PT91C			As with Insurance Company Guaranty Funds on the 1990s, [School] Tuition Recovery Funds are losing favor because the "rescue" Company can put the "Rescuing" Company in financial jeopardy.		(16) Rules to <b>DELETE.</b>		<p><b>REVOKED in 2000.</b><sup>2</sup></p> <p>However, several Licensed Schools have recently identified the Revoked Tuition Recovery Fund Rules. The Fund was used as an example to ask about the ability of the OBPVS to issue Assessments to shore-up the Agency's financial condition after the failure of SB 1805 to achieve statutory fee increases in 2020.</p>
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