RULE IMPACT STATEMENTS
For Chapter 10

Proposed Amendments to Administrative Rules
Title 780 Oklahoma Administrative Code

Prepared February 17, 2023

Oklahoma Department of Career and Technology Education
Comment Period: February 17, 2023 until March 20, 2023
Public Hearing: 10 AM, March 23, 2023

(Notice of Intent was Published in Oklahoma Register: February 15, 2023)

TITLE 780. OKLAHOMA DEPARTMENT OF CAREER AND TECHNOLOGY EDUCATION
CHAPTER 10. ADMINISTRATION AND SUPERVISION

RULEMAKING ACTION:

Notice of proposed PERMANENT rulemaking

PROPOSED RULES:

Subchapter 5. Finance [NEW]

SUMMARY:

The proposed amendments in subchapter 5 reflect the current emergency rules that are in effect and being proposed to be made permanent. The proposed rule is to implement a program to use federal funds distributed to the State of Oklahoma pursuant to the American Rescue Plan Act, Pub. L. No. 117-2 (Mar. 11, 2021) ("ARPA"), to help recruit, educate, and stabilize Oklahoma's health care workforce. The Oklahoma Legislature designated the Oklahoma Department of Career and Technology Education (ODCTE), in conjunction with the Health Care Workforce Training Commission as an entity through which federal ARPA funding will be distributed to grantees for specific healthcare workforce projects, including, but not limited to, capital improvements to nursing schools, as outlined in S.B. 9xx, 58th Leg., 2d Spec. Sess. (Okla. 2022) (enacted).

PROPOSED ACTION BEING TAKEN:

The proposed action is to make current emergency rules into permanent rules. These rules provide guidelines for receiving entities on invoicing and funding, monitoring, internal controls and possible repayment in the event funds are not used for appropriate, authorized purposes, to fully comply with the federal and state requirements for the use of ARPA funding in Oklahoma.

CIRCUMSTANCES CREATING THE NEED FOR THE RULE:

The proposed action is to make current emergency rules into permanent rules, to allow entities receiving grants to help recruit, education and stabilize Oklahoma's health care workforce, and to allow them to fully comply with the federal and state requirements for the use of ARPA funding in Oklahoma.

AUTHORITY:

Oklahoma State Board of Career and Technology Education: 70 O.S. 2021, § 14-103 and § 14-104, as amended.

THE INTENDED EFFECT OF THE RULE:

The effect of these amended rules will assure compliance with state and federal audit guidelines, and guidelines on the use of ARPA funds in Oklahoma.

COMMENT PERIOD:

Written comments on the proposed rule(s) will be accepted from February 17, 2023 through March 20, 2023. During the open public comment period, written comments in electronic form will be accepted via email sent to angela.jones@careertech.ok.gov. Written comments may also be hand delivered to the agency during regular business hours or via regular mail to the individual at the address shown below under "Contact Person."

PUBLIC HEARING:

A public hearing will be held at 10:00 a.m., Thursday, March 23, 2023, Oliver Hodge Building, Room 1-20, 2500 N. Lincoln Blvd, Oklahoma City, Oklahoma 73105. Persons wishing to speak must sign in at the door of the State Board meeting prior to the start of

the hearing. Time limitations may be imposed on oral presentations to ensure that all persons who desire to make oral comments will have an opportunity to do so.

REQUESTS FOR COMMENTS FROM BUSINESS ENTITIES:

N/A

COPIES OF PROPOSED RULES:

Copies will be on file for public viewing beginning February 17, 2023, at the Oklahoma Department of Career and Technology Education, 1500 W. Seventh Avenue, Stillwater, Oklahoma 74074-4398 or view online at www.okcareertech.org/About/State-Agency/Proposed-Rule-Amendments

RULE IMPACT STATEMENT:

A Rule Impact Statement will be prepared as required by law, and will be available beginning February 17, 2023, at the Oklahoma Department of Career and Technology Education, 1500 W. Seventh Avenue, Stillwater, Oklahoma 74074-4398 or view online at www.okcareertech.org/About/State-Agency/Proposed-Rule-Amendments

CONTACT PERSON:

Angela Jones, Assistant to the State Director, 405-743-5445, at the Oklahoma Department of Career and Technology Education, 1500 W. Seventh Avenue, Stillwater, Oklahoma 74074-4398.

780 Oklahoma Administrative Code
Chapter 10: Administration and Supervision
Subchapter 5: Finance
January 23, 2023

780:10-5-8. Project funding for American Rescue Plan Act Monies

(a) **Purpose.** The purpose of the Health Care Workforce Development Grant program is to use federal funds distributed to the State of Oklahoma pursuant to the American Rescue Plan Act, Pub. L. No. 117-2 (Mar. 11, 2021) ("ARPA"), to help recruit, educate, and stabilize Oklahoma's health care workforce. The Oklahoma Legislature designated the Oklahoma Department of Career and Technology Education (ODCTE), in conjunction with the Health Care Workforce Training Commission as a pass-through entity through which federal ARPA funding will be distributed to grantees for specific healthcare workforce projects, including, but not limited to, capital improvements to nursing schools. Funding shall be available to not more than thirteen technology center school districts for instruction in nursing programs, as outlined in S.B. 9xx, 58th Leg., 2d Spec. Sess. (Okla. 2022) (enacted). Such funding shall be used as recommended and approved by the Joint Committee on Pandemic Relief on June 7, 2022.

(b) **Invoices.** All funding shall be on a reimbursement basis. In order to obtain reimbursement, grantees shall electronically send periodic invoice packets to the ODCTE Chief Financial Officer or their designee for approval.

(1) Invoice packets must include the following:

(A) Completed and signed request for reimbursement form to be provided by ODCTE.

(B) Copies of paid Vendor invoices for all purchases.

(C) OCAS Detailed Expenditure report reflecting purchase order date, warrant date and amount paid, utilizing appropriate project coding.

(D) A brief justification of all expenses (one to two sentences explaining how the purchase benefits the project); and

(2) Invoices shall not be submitted to CareerTech for reimbursement before performance is completed by the vendor and accepted by the grantee, including physical receipt of goods. A grantee must sign the invoice or receipt to verify that the item or service has been received.

(c) **Internal controls.** Grantees must establish and maintain effective internal controls over the federal award that provide reasonable assurance that they are managing the awards in compliance with federal statues, regulations, and the terms and conditions of the award. Some of the applicable federal compliance, reporting, and contract requirements include:

(1) American Rescue Plan Act, Pub. L. No. 117-2 (Mar. 11, 2021), as amended;

(2) U.S. Treasury Final Rule, Coronavirus State and Local Fiscal Recovery Funds, 87 Fed. Reg. 4338 (Jan. 27, 2022), and all other applicable federal rules, policies, guidance, procedures, and directives including reporting and compliance guidance, as amended;

(3) Uniform Guidance (Part 200 of Title 2 of the C.F.R.), including Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, as amended; and

(4) Single Audit Act Amendments of 1996, Pub. L. No. 104-156 (July 5, 1996), as amended.

(d) **Monitoring.** The Oklahoma Department of Career and Technology Education shall monitor the grants to ensure that funds are expended in accordance with state and federal regulations to help recruit, educate and stabilize Oklahoma's health care workforce, as recommended and approved by the Joint Committee on Pandemic Relief on June 7, 2022. Periodic performance reports shall be sent to the Health Care Workforce Training Commission. If bidding was done by

the grantee, bidding documentation with justification for why the vendor was chosen will be examined during monitoring by CareerTech.
(e) **Repayment of funds.** The grantee shall repay the award or portion of the award if: any funds received were issued in error; are based on incorrect representations; or any costs forming the basis of an award under this program have been or will be covered by other federal grants or awards or federally forgiven loans received by the grantee. The final determination of whether there has been a duplication of benefits and the amount to be repaid, if any, will be made by ODCTE.
(f) **Maintenance of records.** The grantee shall maintain and make available to the State of Oklahoma and/or U.S. Treasury, upon request, all documents and financial records sufficient to establish compliance with ARPA. Records and supporting documentation must be maintained for a period of five (5) years after all funds have been expended or returned to U.S. Treasury, whichever is later. However, if any litigation, claim, or audit begins before the end of that five-year period, all records must be retained until all litigation, claims, or audit findings involving the records have been resolved and the final action has been taken. Moreover, all records relating to real property shall be retained until three (3) years after final disposition of the property.

Notice Requirement Information:

1. **A brief summary of the proposed rule:**
   The proposed amendment reflects the current emergency rule that is in effect and is being proposed to be made permanent. The proposed rule is to implement a program to use federal funds distributed to the State of Oklahoma pursuant to the American Rescue Plan Act, Pub. L. No. 117-2 (Mar. 11, 2021) ("ARPA"), to help recruit, educate, and stabilize Oklahoma's health care workforce. The Oklahoma Legislature designated the Oklahoma Department of Career and Technology Education (ODCTE), in conjunction with the Health Care Workforce Training Commission as the entity through which federal ARPA funding will be distributed to grantees for specific healthcare workforce projects, including, but not limited to, capital improvements to nursing schools, as outlined in S.B. 9xx, 58th Leg., 2d Spec. Sess. (Okla. 2022) (enacted).

2. **The proposed action being taken:**
   The proposed amendment reflect the current emergency rules that are in effect and being proposed to be made permanent. The proposed rule is to implement a program to use federal funds distributed to the State of Oklahoma pursuant to the American Rescue Plan Act, Pub. L. No. 117-2 (Mar. 11, 2021) ("ARPA"), to help recruit, educate, and stabilize Oklahoma's health care workforce.

3. **The circumstances which created the need for the rule amendment:**
   The emergency rule was approved by the State Board of Career and Technology Education on November 17, 2022 and approved by the Governor on December 20, 2022. The rule must be re-promulgated and re-approved to remain in effect while the funding is being distributed and accounted for.

4. **The specific legal authority authorizing the proposed rule.**
70 O.S. 2021, Section 14-108, as amended.

5. **The intended effect of the rule:**
These rules provide guidelines for receiving entities on invoicing and funding, monitoring, internal controls and possible repayment in the event funds are not used for appropriate, authorized purposes, to fully comply with the federal and state requirements for the use of ARPA funding in Oklahoma.

6. **A determination whether the rule affects business entities.**
The proposed rule will not affect business entities but applies to technology center school districts within Oklahoma.

Rule Impact Statement Information:

1. **A brief description of the purpose of the proposed rule.**
The proposed amendment in subchapter 5 reflects the current emergency rule that is in effect and being proposed to be made permanent. The proposed rule is to implement a program to use federal funds distributed to the State of Oklahoma pursuant to the American Rescue Plan Act, Pub. L. No. 117-2 (Mar. 11, 2021) ("ARPA"), to help recruit, educate, and stabilize Oklahoma's health care workforce. The Oklahoma Legislature designated the Oklahoma Department of Career and Technology Education (ODCTE), in conjunction with the Health Care Workforce Training Commission as the entity through which federal ARPA funding will be distributed to grantees for specific healthcare workforce projects, including, but not limited to, capital improvements to nursing schools, as outlined in S.B. 9xx, 58th Leg., 2d Spec. Sess. (Okla. 2022) (enacted).

2. **A description of the classes of persons who most likely will be affected by the proposed rule, including classes that will bear the costs of the proposed rule, and any information on cost impacts received by the agency from any private or public entities.**
There should be no additional costs to the agency or schools as a result of this rule amendment.

3. **A description of the classes of persons who will benefit from the proposed rule.**
The rule amendments will not benefit any one class of persons; however it will improve and clarify the agency processes for CareerTech customers.

4. A description of the probable economic impact of the proposed rule upon affected classes of persons or political subdivisions, including a listing of all fee changes and, whenever possible, a separate justification for each fee change.
There is no economic impact on any class of persons as a result of the proposed rule amendments.

5. The probable costs and benefits to the agency and to any other agency of the implementation and enforcement of the proposed rule, the source of revenue to be used for implementation and enforcement of the proposed rule, and any anticipated effect on state revenues, including a projected net loss or gain in such revenues if it can be projected by the agency.
There is no cost to the agency or other entities as a result of the rule amendments.

6. A determination of whether implementation of the proposed rule will have an economic impact on any political subdivisions or require their cooperation in implementing or enforcing the rule.
Technology center school districts would be the only political subdivision to potentially see an economic impact as a result of the proposed rule amendments. However, this economic impact would be rare and only minimal if it occurs. The additional guidelines will assist the school district in complying with state and federal laws.

7. A determination of whether implementation of the proposed rule may have an adverse economic effect on small business as provided by the Oklahoma Small Business Regulatory Flexibility Act.
There is no adverse economic impact on small business.

8. An explanation of the measures the agency has taken to minimize compliance costs and a determination of whether there are less costly or nonregulatory methods or less intrusive methods for achieving the purpose of the proposed rule.
The rule amendments in this Chapter are not intrusive and there are no other appropriate methods to make the needed corrections and improvements.

9. A determination of the effect of the proposed rule on the public health, safety and environment and, if the proposed rule is designed to reduce significant risks to the public health, safety and environment, an explanation of the nature of the risk and to what extent the proposed rule will reduce the risk.
The rule amendments have no effect on the public health, safety and environment.

10. A determination of any detrimental effect of the public health, safety and environment if the proposed rule is not implemented.
The rule amendments will not have a detrimental effect on the public health, safety and environment if not implemented, but agency rules would be inconsistent with state statutes.

11. The date the rule impact statement was prepared and if modified, the date modified.
This rule impact statement was prepared January 23, 2023.