



**OKLAHOMA**  
Board of Private  
Vocational Schools

# Oklahoma Board of Private Vocational Schools

**FY 2025 Budget Hearing Presentation**

Submitted by: Nora House, Director

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The Oklahoma Board of Private Vocational Schools (OBPVS) serves as the State's regulatory resource to set minimum standards for privately-owned postsecondary Schools to produce graduates ready for the workforce and aids fellow agencies so that each does not have to provide a duplicative educational-licensing function.

**Founded in the 1970s**, the agency encompasses a single division whose programs include:

- **Upholding the Agency's Minimum Standards** or evolving the Standards when a change makes sense and benefits the OBPVS Stakeholders.
- **Licensing New School Applicants** including inspecting School sites.
- **Monitoring Compliance of already-licensed Schools**, including conducting **Student Complaint** investigations.
- **Meeting the unfunded Federal "mandate"** for the sub-set of independently Accredited Schools **to secure a license of State Authorization** to be **eligible for students to receive various Title IV Funds including Pell Grants and Federal Student Loans**. This activity alone contributes more than an estimated \$40 Million, per year, to Oklahoma's economy.
- **Without an explicit statutory Fee**, serving as the location-finder **for Student Records** and **issuer** of a sub-set of **Closed Schools' Transcripts** under special Attorney General ("AG") permission.
- **Collecting and analyzing** financial, student population and workforce development **data**.
- **Conducting mandatory** and **optional training** to enhance the professional development of School officials and instructors.

**Originally enabled** as a division of the State Office of Veterans Affairs, the OBPVS became a stand-alone Agency in the 1980s to bring Veteran-style protections to non-Veterans. Since the OBPVS' inception, licensed private vocational schools Graduated hundreds of thousands of students who impact the State's:

- Economy by contributing millions of dollars to Oklahoma's tax base, and
- Labor Force availability for both State-identified critical and other occupations.

# Agency Vision, Mission and Core Values

**Vision:** To **continue to strive to** become a Top 10 State Agency integral to building Oklahoma's workforce development system to promote economic prosperity and community growth leading to increased access for employers and job seekers.

**Mission:** The mission of the OBPVS is to establish, measure, and enforce standards of compliance through licensure of private vocational schools in order to support institutions, protect students, and meet workforce development needs.

**Core Values:** Consistency, Adaptability, Integrity, Accountability, and Collaboration



# Accomplishments

## Top accomplishments for FY 2023 – FY 2024

- 1) Increased Oklahoma's Postsecondary Training Resources – The OBPVS **added (7) New Schools** offering such diverse training as: Dental Assisting (2 Schools), Job training for persons with developmental or intellectual disabilities and/or autism, Medical Assisting, Professional Ballet, and Sound Engineering.
- 2) **Progressed Securing Full Agency Staffing** - Converted a prior "Unclassified" Job Description to that of an **Administrative Programs Officer-II**, conducted recruiting within Workday®. Now, the process is nearing the final stage to hire a candidate to fill the vacancy for a 3<sup>rd</sup> full-time Staff person, a position vacant since March 2018.
- 3) **Migrated the Agency's State Website to an Industry-leading ADOBE® Platform** – The 2-person OBPVS Staff involved soliciting very helpful contributions from a sample of Schools to complete the migration in 48 days while striving to keep-up with regular Agency duties. By embracing the opportunity the scheduling-stress presented, "ROT" was identified and resolved. Those issues included eliminating or improving redundant, out-dated, or trivial material present on the prior Website. By doing so, a modern site with both a contemporary look and efficient movement resulted. The Site, live on 10/26/2023, is already receiving positive user feedback.
- 4) **Recognized as a knowledge-leader** when the Agency Director was nominated by the OSRHE then appointed as an At-Large Member to the **Southern Region Educational Board ("SREB")**, a division of the **National Council for State Authorization Reciprocity Agreements ("NC-SARA")**. *The latter is a Federally-enabled organization that oversees the oversight of licensing reciprocity to reduce the burden of regulatory compliance for Postsecondary Schools/Colleges/Universities offering Degree credentials.* In Oklahoma, the State Regents administer the actual Reciprocity Agreements.
- 5) **Making Progress to secure an Electronic Licensing Database** - Learning about the full-scale Procurement process to enable securing the Agency's long-needed comprehensive, commercial Licensing Database to enhance efficiencies for the OBPVS Staff and its Clients. ***Prior to an Executive Order by the Governor, the Agency had planned to seek "Sole Source" approval for the vendor that is used by adjacent States and numerous other educational regulators and accreditors in the U.S.***



# Challenges: Top Challenges (current & upcoming years)

- 1) The sub-set of independently accredited, larger OBPVS Licensed Schools continues to face a volatile barrage of very often negatively-oriented Federal mandates.
- 2) Ultimately, the continued growth and punitive tone of Federal regulations could carry beyond (impact more than) JUST the accredited Schools to undermine the OBPVS' perpetual contributions to Oklahoma's Workforce Development efforts.
- 3) Since 2014, Oklahoma stakeholders have come to understand our Oklahoma's "Skills Gap" of the upcoming most-acute employee shortages, by industry. Further, a lot of Oklahomans comprehend that reducing or eliminating Gaps for many industries does not always require more costly multi-year Associates to Doctoral Degrees to be earned. In contrast, the U.S. Department of Education seems to continue to act with hostility toward the shorter, more efficient Certificate and Diploma Programs. Such training, is often sufficient to successfully transition a student into the expanding workforce that more and more requires post-High School training. The transition then distances the student from the ever-shrinking available jobs for those with only a High School education (or less).
- 4) The OBPVS is a vital agency to protect consumers and others who finance postsecondary education. Yet, we have limited "name recognition" and experience others' "blindness" to the OBPVS functions & roles. Board Members & the Staff frequently encounter other Agencies who admirably try to bring businesses to Oklahoma. But some of those agencies aren't aware or don't understand that the State Statutes establish the OBPVS as a consumer (student) Safety Net "gatekeeper."
  - a) As late as 2016/2017, an UNLICENSED out-of-state operator took money from Oklahomans for continuing education sessions for individual massage therapists, but never provided the training. Without an OBPVS License and Surety Bond, there was no means of repayment.
  - b) Anecdotally, the Staff encounters as many as 1-in-3 New School Applicants who are surprised that their teaching spaces must pass a locally-determined Fire Marshal Inspection.



# Savings & Efficiencies (Current or Planned)

Savings or Efficiency Name	Brief description of how savings were achieved	Savings in Unit of Measurement*	FY 2023 (Actual \$ Savings)	FY 2024 (Projected \$ Savings)	FY 2025 (Projected \$ Savings)
<b>Elimination of the Off-Site U-HAUL Storage Unit</b>	Not possible until the 3 <sup>rd</sup> FTE is in-place at the Agency, the Director will work with the Archives & Records Commission to secure approval to Destruct Off-Site Records (2/3s of which no one requested in > 12 years) that are now likely to be an environmental hazard due to an evidenced rodent invasion.	Dollars per Month of "Corporate" U-Haul Storage Lease as high as \$234.95/Month. <i>UNKNOWN: related 1-time destruction/environmental costs.</i>	N/A	<b>\$1,408 Minimum</b>	<b>\$2,819 Minimum</b>
<b>Elimination of the Off-Site Dept. of Libraries Storage</b>	By FY-24, (72) boxes were moved by the Dept. of Libraries from the Capitol complex, to main storage on Hill St. in OKC where a sort-destruction will be easier.	Dollars per Month Fee at \$24/Month.	N/A	<b>\$144</b>	<b>\$288</b>
<b>Massage School Licensing Staff is <u>NOT</u> Needed by the Sate Board of Cosmetology</b>	The OBPVS was named to continue to license Massage Schools after the 2016 Legislation enacted the 1 <sup>st</sup> time requirement for statewide licensing of individual Massage Therapists by the State Board of Cosmetology.	Dollars per Year at perhaps 1/8 FTE, plus Benefits.	<b>\$6,250</b>	<b>\$6,250</b>	<b>\$6,250</b>
<b>Cost-Free Oversight of Schools that OK-DRS contracts with to Train the Agency's Clients</b>	The OBPVS provides financial, facility, and operational oversight so the Dept. of Rehabilitation Services doesn't have to do so.	Dollars per Year at perhaps 1/15 <sup>th</sup> FTE, plus Benefits.	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,000</b>
			<i>* Hours, FTE, square feet, etc.</i>		



# Agency Goals and Key Performance Metrics

Goal		Metric	FY 22 Actuals	FY 23 Actuals	FY 24 Target	FY 29 Target
1	<b>NEW GOAL:</b> Having achieved the prior Goal of Agency financial survival, <b>return to full-staffing of the Agency and modernize the OBPVS with a commercial database.</b> Both actions together will be steps towards ensuring appropriate OBPVS succession planning.	<b>Hire the 3rd FTE by <del>Feb. 2023</del> 12/31/2023</b> <b>AND</b> <b>Execute a database contract by <del>Jan. 2023</del> 6/1/2024</b>	N/A	N/A	Accomplish Both	N/A
2	Continue to Increase Schools' awareness of the Critical Occupations and any future changes to the list.	No. of annual publications or hosted events at which to give Critical Occupation training	2	2	2	2
3	Increase consumer awareness of the OBPVS, private vocational schools, and the array of training the Schools offer, including training for employment in Critical Occupations.	No. of annual training events or publications	2	1	2	2
4	Revise the Agency's published list of Licensed Schools and ADD SOC Codes instead of using only Program Names <b><i>IF the General Public or Employers want the addition.</i></b>	Frequency of Uploads and Website placement.	1	1	12 (1 Per Month)	12 (1 Per Month)
5	Continue to enhance the Public's perception of private vocational schools by offering Professional Development Events for School personnel under the Newly-enabled statutory Fee enabled in 2021.	No. of Professional Development Activities offered annually.	None	None	2	2



# Projects for FY 2024 - 2025

## Projects

- 1) **Still in FY-2024** - Address a long-standing need and minimize the risk of existing Staff burn-out, by **FILLING** the vacant 3<sup>rd</sup> FTE position. The position has been vacant for 5+ years.
- 2) **As soon as possible, in the remaining months of FY-2024** - Secure a proper Purchasing Contract for an appropriate commercial licensing database and schedule its installation.
- 3) **Regarding Challenge #3** - In FY-2024/2025 the OBPVS plans to launch a multi-fronted educational campaign to help fellow State Agencies understand the State's long-standing requirements for licensure of private (not public/governmental) adult, vocational trainers/schools.
- 4) **An assignment to begin in FY-2024** – The OBPVS Board already enunciated that the 3<sup>rd</sup> FTE will begin investigating the backlog of Unlicensed School allegations. Rationales: It is not fair to the Schools that take the time, make the effort, and incur the costs to comply with the State's Licensing laws to have to compete with “schools” that don't even become licensed. Bringing all required Schools under OBPVS Licensure also **helps to ensure that proper revenues are received by the State for State-approved spending or re-allocation**. The newest Employee will also be invited, when sufficiently familiar with the topic, to streamline the investigative process.
- 5) **In FY-2024 – At an appropriate stage of the Commercial Database's installation, coordinate training by the Vendor** for OBPVS-licensed schools to learn how to best-use the database. Also, **develop Training** (live and/or on-line) **for future New School Applicants**.
- 6) **To further address Challenge #3** – In FY-2025, the OBPVS Board and Staff will begin to study the most effective approaches to educate the general public about the Agency's role and duties.



# Historic Actual Expenditures (FY 2019-23) and Current Year Budget (FY 2024)

1. **The OBPVS is a SMALL Agency.** Thus, on the graph, re-storing full staffing in FY-24 with a 3<sup>rd</sup> FTE “*looks*” pretty dramatic.
2. Having worked with Appropriated Funds for only 3 years, **the OBPVS Director may not (???) correctly be requesting the amount of an Appropriation???** **This matter is further exacerbated** because the 2 key Projects (hiring the 3<sup>rd</sup> FTE and starting to pay for the commercial database) did not occur in FY-2023 as planned. **Instead, those funds are being “carried over.”**

**Hence, it is possible that additional “left-over” Appropriated Funds may arise in FY-2024 to continue to be carried-over???**

However, *please be assured* that the OBPVS will not spend any amounts for the sake of spending!! The Agency’s long-standing *fiscal conservatism does and will continue!*

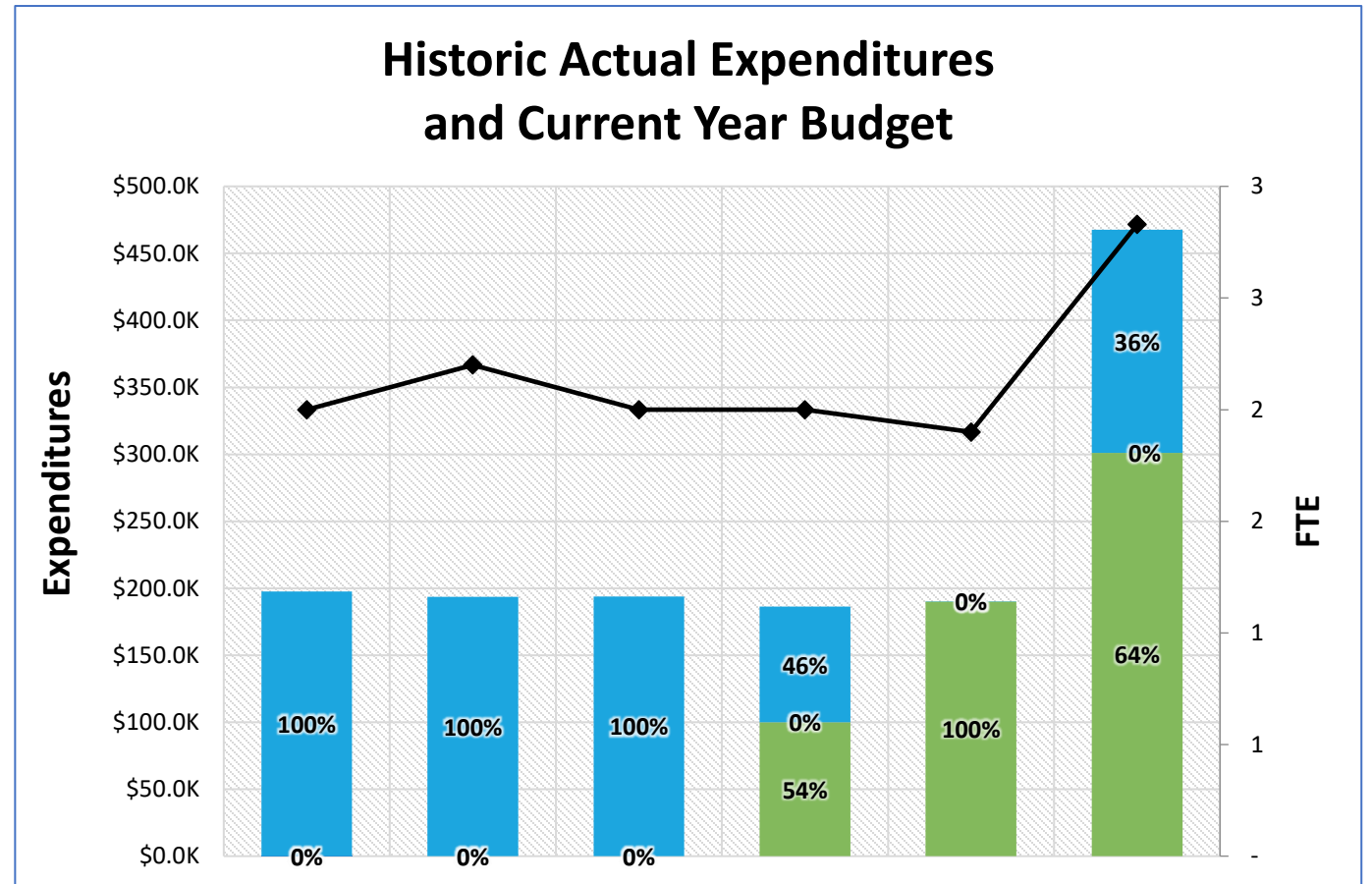


Chart Area	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024 Budget
Appropriated	\$0.0K	\$0.0K	\$0.0K	\$100.0K	\$190.0K	\$301.0K
Revolving	\$197.6K	\$193.6K	\$193.9K	\$86.2K	\$0.3K	\$166.8K
Federal	\$0.0K	\$0.0K	\$0.0K	\$0.0K	\$0.0K	\$0.0K
Total	\$197.6K	\$193.6K	\$193.9K	\$186.2K	\$190.3K	\$467.8K
FTE	2	2	2	2	2	3



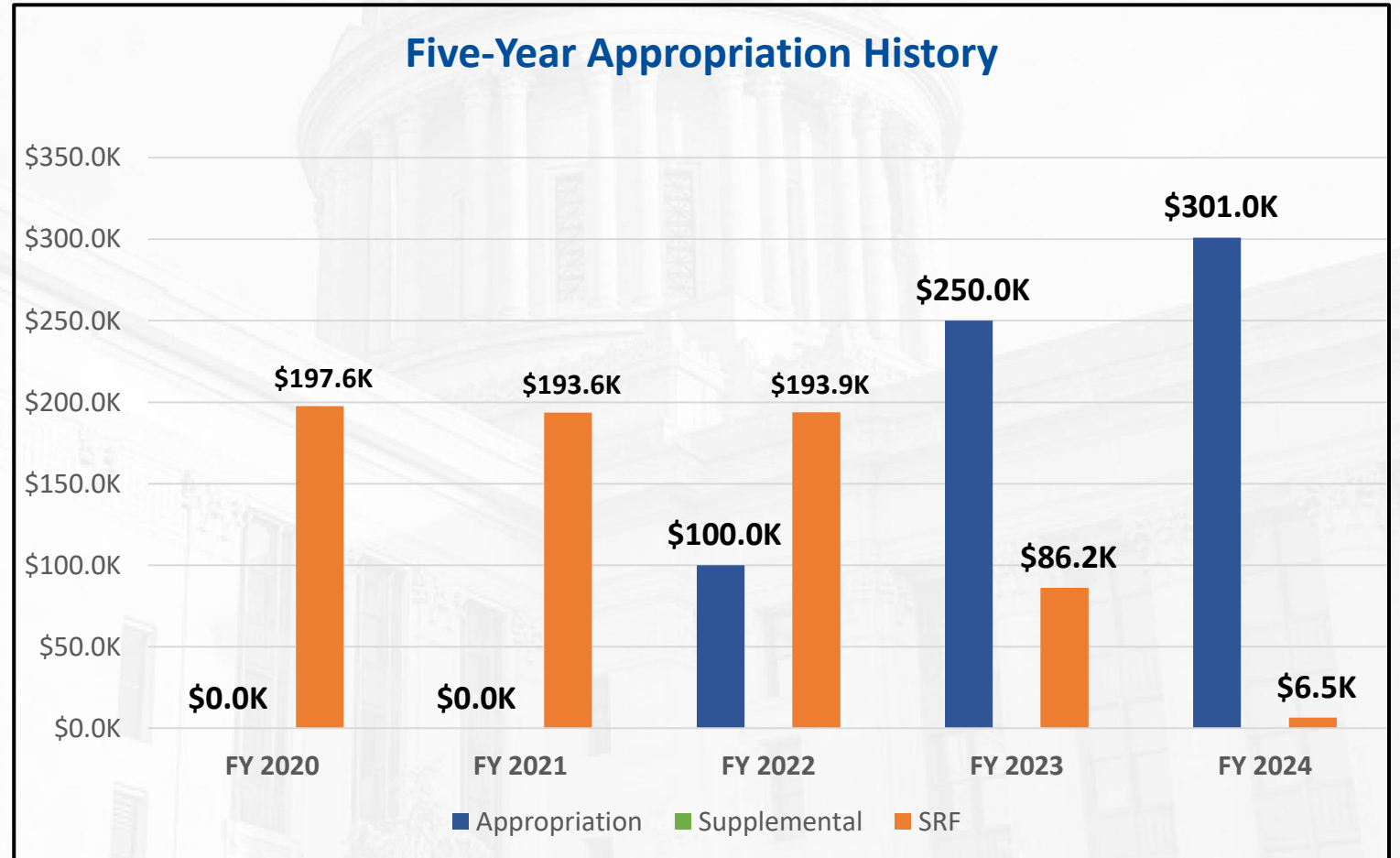


# FY 2024 Budgeted Full Time Equivalents (FTE)

	FY 2024 Budgeted FTE
Total FTE	2.83
Supervisor FTE	1.0
Supervisors to Total FTE Ratio (%)	.35

# Appropriation History

Fiscal Year	Legislated Appropriation (\$) (Includes supplementals and SRF/ARPA.)
FY 2020	\$ 0
FY 2021	\$ 0
FY 2022	\$ 100,000 (An Emergency Appropriation)
FY 2023	\$ 250,000
FY 2024	\$ 301,000



\*Includes Supplemental and Statewide Recovery Fund (ARPA) appropriations.



# Financial Resource Analysis

Carryover	FY 2020	FY 2021	FY 2022	FY 2023
Total appropriated carryover amount expended (\$)	\$0	\$0	\$0	\$0

Historical Cash Balances	FY 2020	FY 2021	FY 2022	FY 2023
Year End Revolving Fund Cash Balances (All Revolving Funds)	\$88,537	\$62,964	\$94,433	\$79,910

Class Fund # (Unrestricted only)	Class Fund Name (Unrestricted only) <i>Balance per 10/31/2023's SRD Report</i>	Current cash balance (\$)	Fiscal Year	Agency's plan to deploy unrestricted cash (including amounts):
# 193	FY-23 Appropriations	\$59,975	FY 2024	Hire 3 <sup>rd</sup> FTE (6-Mos.) with [Sal.+Bene(s)]: \$41.25k; Start paying Comm'l Database Installation: \$35k; Replace 10-Year-old primary Multi-Function Copier, at \$15k for Purch. (or Lease); Imple. July '22 Board-Approved Raise for Dir. at < the latest OMES Director Study Amount (1 <sup>st</sup> raise since 2014); Lease replacement Computers for Staff (Leases & <b>Maint.</b> expired in '22), Esti. \$120/Mo.; and Purchase 2 <sup>nd</sup> (dual) Monitors for Staff capable of Teams® Meeting functions, Esti. \$1.2k
# 194	FY-24 Appropriations	\$45,344		
# 205	REVOLVING FUND (there's only one)	\$272,885		
# 994	Payroll Withholding	\$0		
# 79901	Agency Clearing Account (Monies at Chase Bank)	\$10,287	FY 2025	Pay Comm'l Database annual Licensing Fees, \$30k; Pay full 3-FTEs for full year at an Esti'd \$252k [Sal.+Bene(s)]; Resume full Agency Travel to In-State Visits & Group Prof'l Dev. (out-of-state), Esti. \$5k
N/A		\$0		
	<b>Total Current Unrestricted Fund Cash balance:</b>	\$388,491	FY 2026	Pay Comm'l Database annual Licensing Fees, \$32k; Pay full 3-FTEs for full year at an Esti'd \$252k [Sal.+Bene(s)]; Full Agency Travel to In-State School Visits & Group Prof'l Dev. (out-of-state), Esti. \$5.5k



Unrestricted funds are those that are not limited by state or federal law, rule, regulation, other legally binding method, or donor restriction.

# FY 2022 Incremental Appropriation Review

<i>Purpose of appropriation increase / decrease</i>	<i>Amount of increase or decrease (\$)</i>	<i>Included in FY24 appropriation? (Yes/No)</i>	<i>If yes, included in appropriation for same purpose? (Yes/No)</i>	<i>If not included for same purpose, please explain.</i>
<b>FY 2022</b>				
Emergency Approp. to keep Agency open to Y/E FY-22, incl'g Paying Payroll for 2 FTEs after the Director kept working, but had to Furlough for a large part of a full Month.	<b>\$100,000</b>	Yes	Not for an Emergency.	Statutory Fees increased in April, 2021 are insufficient to pay the OBPVS' largest Expense (Payroll) even for 2 FTEs.
<b>Total adjustment</b>	<b>\$100,000</b>			



*\*Do not include SRF / ARPA appropriation increases.*

# FY 2023 Incremental Appropriation Review

<i>Purpose of appropriation increase / decrease</i>		<i>Amount of increase or decrease (\$)</i>	<i>Included in FY24 appropriation? (Yes/No)</i>	<i>If yes, included in appropriation for same purpose? (Yes/No)</i>	<i>If not included for same purpose, please explain.</i>
<b>FY 2023</b>					
Increase FY-2022's Emergency Appropriation, in FY-2023 becoming a Routine Appropriation (1 <sup>st</sup> since sometime prior to FY-2012)		<b>\$150,000</b>	Yes	Yes	On-going Appropriations will mainly Pay Payroll, for 3 FTEs. But left-over Funds were planned to be used to get the extremely necessary commercial licensing database up and running to facilitate greater Staff productivity and improved Client and Staff efficiencies
<b>Total adjustment</b>		<b>\$150,000</b>			



*\*Do not include SRF / ARPA appropriation increases.*

# FY 2024 Incremental Appropriation Review

Purpose of appropriation increase / decrease	Amount of increase or decrease (\$)	Does this need to be included in your FY 2025 appropriation? (Yes/No)	If yes, included in appropriation for same purpose? (Yes/No)	If not included for same purpose, please explain.
<b>FY 2024</b>				
To pay more months of the 3 <sup>rd</sup> FTE, <u>and</u> to cover more Months of Commercial Database Licensing Fees (applicable beginning the 5 <sup>th</sup> month after the Installation begins).	<b>\$51,000</b>	Yes	Yes	
<p>Note: Due to delayed hiring of the 3<sup>rd</sup> FTE and contracting for the commercial licensing database, the monies previously appropriated will be carried-over into FY-2025 for the SAME identical purposes. The Staff will <u>NOT</u> invent other uses to spend the Funds, and The OBPVS Board would <u>NOT</u> sanction such irresponsible spending.</p>				
<b>Total adjustment</b>	<b>\$51,000</b>			



*\*Do not include SRF / ARPA appropriation increases.*

# Budget & Supplemental Request Summary

Request Name		FY 2025 Appropriated Request Amount (\$) {or FY 2024 for Supplementals}	Type of Request: Operating, One-time, or Supplemental
1	Single Operational Appropriation Request.	<b>TOTAL: \$304,665</b> To cover more months of Commercial Licensing Database Licensing Fees (after Installation is paid by PY Carry-Overs)	N/A
2			
3			
4			
5			



# (1) Budget Request

**Name of Request: OBPVS**

Type:

**Operating Operational Funding**

\$ Amount Requested for FY 2025 \$304,665.

~~{Or FY 2024, if supplemental}~~

After 17 years of stagnant statutory Fee levels (fees paid by Licensed Schools and New School Applicants) it became **obvious in 2021** that Fees-alone could not fund the Agency's operations. To raise the Fees to an appropriate level would have taken an increase of 100-200% -- and Schools could and would not have paid that much. Yet, OBPVS-licensed Schools annually bring **10s of MILLIONS of dollars** into Oklahoma's economy.

The Schools then "churn" the Tuition receipts to, **at a minimum:**

1. Pay Employees (who, like many Schools, pay Income Taxes, plus pay Sales Taxes)
2. Owned School facilities pay Ad Valorem Taxes
3. The ultimate Owners of LEASED facilities also pay Ad Valorem Taxes, and
4. In-state Schools purchase Goods & Services (usually paying Sales tax, too), etc.

Hence, the OBPVS is **an investment in not only the Oklahoma economy, but serves as a conduit** (with a very high rate of return) **for workforce development training that otherwise costs the State nothing.**

**[END. The OBPVS has no 2<sup>nd</sup> or 3<sup>rd</sup> Budget Requests for FY-2025.]**

