

SUBCHAPTER 500. SUSPENSION OR REVOCATION OF LICENSE

2B SBCCC 500.1 Standard for Suspending or Revoking License

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

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

Eff. February 1, 2020.

2B SBCCC 500.2 Notice of Alleged Noncompliance

- (a) The SBPS Executive Director may investigate a proprietary school subject to Article 8 of Chapter 115D of the North Carolina General Statutes, upon receipt of a signed written complaint or other compelling evidence alleging the school failed to comply with the requirements of law or the rules adopted by the SBCC.
- (b) The Executive Director shall document all evidence of alleged noncompliance in a document to be titled, "Notice of Allegations".
- (c) The Executive Director shall send the "Notice of Allegations" to the chief administrator of the proprietary school at issue within five (5) business days of documenting the alleged noncompliance with a copy to the following: 1) the Chair of the SBPS; 2) the NCCCS General Counsel; and 3) the NCCCS Director of Communications. The Notice shall request the chief administrator or other agent of the proprietary school to submit a written response to the alleged noncompliance within ten (10) business days from the proprietary school's receipt of the "Notice of Allegations."

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

Eff. February 1, 2020.

2B SBCCC 500.3 Investigation

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

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

Eff. February 1, 2020.

2B SBCCC 500.4 SBPS Recommendation and Right to Hearing

- (a) Upon conclusion of the investigation in 2B SBCCC 500.3, the SBPS Executive Director shall submit a written investigation report to the SBPS containing:
 - (1) Copy of the written complaint or Documentation of Noncompliance;
 - (2) Specification of the laws or rules the proprietary school allegedly violated and a detailed description of how the proprietary school allegedly violated each of the specified laws or rules;
 - (3) Description of investigation process; and
 - (4) Recommendation of revocation of the proprietary school's license to operate one or more programs with a supporting rationale for revocation rather than for suspension; or
 - (5) Recommendation of suspension of the proprietary school's license to operate one or more programs with a supporting rationale for suspension rather than for revocation; or
 - (6) Recommendation to allow the proprietary school to retain its license to operate one or more programs with a supporting rationale for why revocation or suspension is not warranted.
- (b) The SBPS shall evaluate the written investigation report and after due consideration, recommend the SBCC:

- (1) Suspend the proprietary school's license to operate one or more programs; or
- (2) Revoke the proprietary school's license to operate one or more programs; or
- (3) Take no further action.

(c) Within five (5) business days of the SBPS action, the Executive Director shall submit the written investigation report and SBPS recommendation to the chief administrator of the proprietary school at issue with a copy to the following: 1) the Chair of the SBPS; 2) the NCCCS General Counsel; and 3) the NCCCS Director of Communications. If the SBPS recommended suspension or revocation of the proprietary school's license to offer one or more programs, the Executive Director shall notice the school of its right to request an informal hearing with the SBPS prior to the SBCC's final agency decision to suspend or revoke the school's license. The request for an informal hearing must be in writing and signed by the chief administrator or other authorized agent of the proprietary school, and it must be received by the Executive Director on behalf of the SBPS within 10 business days of receiving the investigation report and SBPS recommendation.

(d) If the Executive Director of the SBPS does not receive the proprietary school's written request for an informal hearing within 10 business days from the date the school received the investigation report and SBPS' recommendation to suspend or revoke the school's license, the Executive Director shall submit the investigation report and SBPS recommendation to the SBCC. The SBCC shall consider the investigation report and recommendation at its next regularly scheduled meeting and vote to:

- (1) Suspend the proprietary school's license to operate one or more programs; or
- (2) Revoke the proprietary school's license to operate one or more programs; or
- (3) Take no further action.

The SBCC action shall become the SBCC's final agency decision to suspend or revoke the proprietary school's license. Within five (5) business days of the SBCC's action, the NCCCS General Counsel shall notify the proprietary school of the SBCC's final decision.

(e) If the Executive Director of the SBPS receives a written request for an informal hearing within 10 business days of the proprietary school administrator's receipt of the investigation report and SBPS recommendation to suspend or revoke the

school's license, the Executive Director shall submit the written request to the following: 1) the Chair of the SBPS; 2) the NCCCS General Counsel; and 3) the NCCCS Director of Communications. The SBPS shall calendar the informal hearing within 60 days of the Executive Director's receipt of the hearing request.

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

Eff. February 1, 2020.

2B SBCCC 500.5 Hearing Process

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

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

Eff. February 1, 2020.

2B SBCCC 500.6 SBCC Final Agency Decision

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

- (1) Suspend the proprietary school's license to operate one or more programs; or
- (2) Revoke the proprietary school's license to operate one or more programs; or
- (3) Take no further action.

The SBCC action shall become the SBCC's final agency decision on suspension or revocation of the proprietary school's license. Within five (5) business days of the SBCC's action, the NCCCS General Counsel shall notify the proprietary school of the SBCC's final decision.

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

Eff. February 1, 2020.