

# **LSC Greenbook**

**Analysis of the Enacted Budget**

## **State Board of Career Colleges and Schools**

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**ATTACHMENT:**

Budget Spreadsheet By Line Item

# State Board of Career Colleges and Schools

- Non-GRF agency; funding is entirely provided by fee revenue
- Funding increase of 12.7% in FY 2012 and 3.7% in FY 2013

## OVERVIEW

### Agency Overview

The State Board of Career Colleges and Schools monitors and regulates Ohio's private, for-profit post-secondary career colleges and schools in order to ensure compliance with state law. The Board establishes the rules for the registration and operation of the schools, including standards to ensure a school's financial stability, sound business practices, and adequate programs and curricula. It also investigates and resolves consumer complaints and maintains funds and records to assist students when schools close.

The Board's governing authority consists of eight members: the Superintendent of Public Instruction or designee, the Chancellor of the Board of Regents or designee, and six members appointed by the Governor, one of whom (the member representing students) is nonvoting. The six members appointed by the Governor are eligible for pay at \$19.55 per hour for their time conducting board business. The day-to-day operations of the Board are the responsibility of an executive director, who is appointed by the eight-member governing authority. Including the Executive Director, the Board has four full-time staff members. In addition, the Board contracts with five part-time school evaluators who are based around the state and perform the Board's fieldwork and on-site visits.

### Appropriation Overview

Agency Appropriations by Fund Group, FY 2011-FY 2013					
Fund Group	FY 2011	FY 2012	% change, FY 2011-FY 2012	FY 2013	% change, FY 2012-FY 2013
General Services	\$495,779	\$558,658	12.68%	\$579,328	3.70%
<b>TOTAL</b>	<b>\$495,779</b>	<b>\$558,658</b>	<b>12.68%</b>	<b>\$579,328</b>	<b>3.70%</b>

\*FY 2011 figures represent actual expenditures.

As can be seen from the preceding table, none of the Board's expenditures are made from the General Revenue Fund (GRF). All of the Board's operations are funded through fee revenue generated through its registrations.

## **Need-Based Financial Aid for Students of Career Colleges and Schools**

The budget includes students of career colleges and schools among those eligible for the Ohio College Opportunity Grant (OCOG) program, the state's need-based financial aid program. The budget appropriates \$6.0 million under GSF appropriation item 235667, Ohio College Opportunity Grant – Proprietary, and earmarks \$2.3 million under GRF appropriation 235563, Ohio College Opportunity Grant, for students of career colleges and schools. Both of these appropriation items are in the Board of Regent's (BOR) budget. If the amounts appropriated are inadequate to provide grants to all eligible students, the budget permits the Chancellor to create an OCOG distribution formula that will not exceed the appropriations. The Chancellor must establish a formula for FY 2012 and FY 2013 before the start of the 2011-2012 academic year.

## **ANALYSIS OF ENACTED BUDGET**

The following table shows the budget's appropriations for the State Board of Career Colleges and Schools. Following the table, a narrative describes how the appropriation is used.

<b>Appropriated Amounts for State Board of Career Colleges and Schools</b>				
<b>Fund</b>	<b>ALI and Name</b>		<b>FY 2012</b>	<b>FY 2013</b>
<b>General Services Fund Group</b>				
4K90	233601	Operating Expenses	\$558,658	\$579,328
<b>General Services Fund Group Subtotal</b>			<b>\$558,658</b>	<b>\$579,328</b>
<b>Total Funding: State Board of Career Colleges and Schools</b>			<b>\$558,658</b>	<b>\$579,328</b>

### **Operating Expenses (233601)**

The Board's line item funds its activities, including the registration and approval of schools, programs, degrees, and majors and on-site visits and investigative inquiries by consultants and staff. The Board also responds to complaints about schools. Personal services is the biggest expense category for the Board, as it is for most regulatory agencies. In FY 2011, 62.5% of the Board's appropriations were spent on personal services, 18.9% on purchased services, mainly for the five part-time school evaluators, and the remaining 18.6% on maintenance. In FY 2010, 311 career colleges and schools were registered with the Board. These schools offered over 2,400 programs and enrolled over 100,000 students.

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# FY 2012 - FY 2013 Final Appropriation Amounts

# All Fund Groups

Line Item Detail by Agency			FY 2010	FY 2011	Appropriations FY 2012	FY 2011 to FY 2012 % Change	Appropriations FY 2013	FY 2012 to FY 2013 % Change
<b>Report For Main Operating Appropriations Bill</b>			<b>Version: Enacted</b>					
<b>SCR State Board of Career Colleges and Schools</b>								
4K90	233601	Operating Expenses	\$ 495,676	\$ 495,779	\$ 558,658	12.68%	\$ 579,328	3.70%
<b>General Services Fund Group Total</b>			<b>\$ 495,676</b>	<b>\$ 495,779</b>	<b>\$ 558,658</b>	<b>12.68%</b>	<b>\$ 579,328</b>	<b>3.70%</b>
<b>State Board of Career Colleges and Schools Total</b>			<b>\$ 495,676</b>	<b>\$ 495,779</b>	<b>\$ 558,658</b>	<b>12.68%</b>	<b>\$ 579,328</b>	<b>3.70%</b>