



Oklahoma Board of Private Vocational Schools

FY 2027 Budget Hearing Presentation

Submitted by: Nora Ann House, Director

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The **Oklahoma Board of Private Vocational Schools (OBPVS)** serves as the State's agency to establish and enforce minimum standards for licensure and operation of the usually post-secondary private vocational schools and to provide a complaint process and other consumer protections for prospective and enrolled students. In addition, the agency investigates and addresses schools operating without a license either by assisting them to apply or, by working with the Attorney General's Office to file legal action to cause a cessation of *illegal* operations. Doing so is vital both in fairness to already-licensed schools and to afford the unlicensed school's students OBPVS protections.

Founded in the 1970s 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 inception, OBPVS-licensed schools graduated hundreds of thousands of students who significantly impact the state's **business and economic development** by contributing millions of dollars to Oklahoma's tax base and providing essential workers into state-identified critical and other occupations. **These accomplishments fit with Governor Stitt's Pillars to Promote Oklahoma and Modernizing Government.** In any year, the OBPVS licenses about 100 private businesses that employ hundreds of Oklahomans and pay millions of dollars in income, sales, and ad valorem taxes. Classified as a Statewide Workforce Development **preparation** Agency, to avoid unnecessary detail, the OBPVS uses a **single** multi-faceted "Licensing/Investigative/Operations" Division to account for all activities of the small staff.

The OBPVS reduces waste and duplication within State government by offering training and school oversight in fields as wide and diverse as can be imagined by entrepreneurs. That way, **other** State agencies don't have to operate redundant education-approving divisions. Examples are the OK Department of Rehabilitation Services, CLEET, and the Oklahoma Boards of Nursing and Cosmetology/Barbering (for Massage Therapy Schools). Historically, the OBPVS held an unfunded Federal government role shared with independent national Accreditors to take part in a "Regulatory Triad" to oversee the subset of schools that contract with the US Dept. of Education (DOE) to arrange access to Federal Grants and Loans for Oklahoma students to further their education beyond High School or its Equivalency. It is not certain, now, whether these responsibilities will be shifted to one or more alternative Federal agencies under the current administration in D.C.

Agency Vision, Mission and Core Values

Vision: 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 2025 – FY 2026

- 1) ***Short Version: Fully staffed, throughout FY-2025 the OBPVS ushered introduced a more robust agency with exciting improvements to its services and turn-around times that were universally welcomed by New School Applicants, Licensed Schools, the agency staff, and others!***
- 2) The OBPVS Director and staff worked with potential Vendors and contracted to transfer accumulated Closed School Transcripts to be cost-effectively provided to former Students and Ed. Verifiers, beginning in during FY 2026. Doing so will free-up 10% or more of an FTE's time to work on more Mission-specific projects. This is important, too, because the Legislature never acted on the Attorney General Office's multiple years of recommendations for statute changes to strengthen the OBPVS' authority over Open and Closed School Student Record Retention. Interestingly, the Transcripts were acquired with special permission of the AG's Office when no other State or other entity was identified to take responsibility for those crucial records, including the AG's own Consumer Protection Division.
- 3) The Staff kept up with alternatives available to secure a commercial School Licensing Database. That is a database liked those used by Oklahoma's contingent States and many other U.S. States and Territories. The improved-technology will allow Schools to stay compliant more affordably and efficiently, plus allow the OBPVS to automate many current tasks. The agency will also be assisted to enhance its data collection and analysis about Licensed Schools operations and contributions to Oklahoma's workforce and economic development. **An already-programmed commercial Database** will NOT require extensive Staff Development time & effort. Existing alternatives are currently available that would be, "Turn Key," for the OBPVS. Currently, OMES I.T. is evaluating the OBPVS' database "Wish List," to ascertain how OMES may assist the OBPVS to make its database dream a reality.



Analysis of Agency Challenges

	Challenge	Current Actions (Briefly describe how the agency is currently addressing the challenge.)	Planned Actions (Briefly describe how the agency plans to address the challenge going forward.)
1	Continue to increase Public & Government awareness of the OBPVS & its Licensed Schools	1- & 5-Year Goals & appropriate Key Performance Indicators (KPIs) are being established now to enhance Data Reports. The plan is to significantly increase the regularly-reported OBPVS & School Data released to the many Groups served.	As the OBPVS remains fully-staffed, the future evolution of Data requests is certain to increase. At the FY-26 Budget Hearing, and the comparable House of Representative event, sophisticated Committee members were eager to be provided additional outcome data.
2	More rapidly investigate & reach determinations about potential unlicensed schools	The Board made it a specific priority for the 3rd FTE (filled 4/15/2024) to address Unlicensed Schools. After doing so, the existing Unlicensed School processes were streamlined.	Continue these duties as a primary responsibility of the APO-II. Then, prepare to promptly revise the processes when improvements may be made.
3	Continue to distribute more written and fewer verbal Reports for Board review.	Reports were identified for which the contents can be accumulated weekly, instead of all at once the week or so before a Board Meeting and a KPI was created last year.	Even better, the staff is working together to Identify standard reports to electronically-generated, even before the Licensing Database is implemented.
4	To add the topic of AI into the agency's existing oversight of schools, while responsibly making A1 a part of OBPVS' own processes.	The Director is emphasizing AI topics as part of her annually-required CPA C.E. She and the APO-II also participated in numerous AI sessions when attending national events. All staff monitor AI development "literature" to share.	Continue the current actions and routinely involve the OBPVS Board in policy, procedure, and regulation enhancement activity assessments.



Savings & Efficiencies (Current or Planned)

Savings or Efficiency Name	Brief description of how savings were achieved	Savings in Unit of Measurement*	FY 2025 (Actual \$ Savings)	FY 2026 (Projected \$ Savings)	FY 2027 (Projected \$ Savings)
Replacement Hire's Professional Development	<p>As great as it would be for the two (02) professional staffers (Director and APO-II) to attend the same conferences, they split attendance. Each event is covered by only one or the other. The value is still gained, but at a minimal cost. OBPVS interactions with other regulator and School officials from across the nation more than "PAY" for the travel and Reg. Fees.</p>	Dollars saved for (2) Employees to Travel, have Hotel stays and be reimbursed Per Diem (all expenses Halved).	More than \$1,000	Several Thousand Dollars	Several Thousand Dollars
Elimination of (2) Desktop Printers	The OBPVS has cancelled use of Desktop Printers for 2 of 3 staff. The 3 rd will resume access to a Desktop Printer to dually serve as the backup scanner because our clients prefer scanned vs. hard-copy documents more and more prefer.	Acquisition Cost AND on-going supplies and maintenance.	\$1,320	\$320	\$320
Growing use of Electronic Communications	Saves on Postage and Mailing supplies for the majority of outgoing OBPVS correspondence.	Dollars – In FY25, the Postage Costs were about half of FY24's	Several \$100	\$400+	\$500 or more
Increasing acceptance of Electronic Submissions	Saves Staff time and effort to scan/save hard-copy materials from Schools, and will eventually eliminate the need to maintain (or purchase more) File Cabinets.	Payroll and Equipment Dollars Saved	Several \$100 <i>* Hours, FTE, square feet, etc.</i>	\$400+	\$500 or more



Agency Goals and Key Performance Metrics

Goal		Metric	FY 25 Target	FY 25 Actuals	FY 26 Target
1	Increase frequency of publishing an updated List of OBPVS-Licensed Schools	Ultimate Goal: Monthly	6/12	1/12	12
2	Enhance agency Data Collection/Analysis/ Reporting using the Oct. 2021 Economic & Workforce Development Report as the start. ADD # of Major Training Fields & # of Schools offering each Field. ADD more data types in FY 2027.	In Fall 2025, begin publishing/distributing the enlarged Report on the agency Website, to Legislators ad the Governor, & Publicly with a Press Release	N/A	N/A	Once
3	Expedite staff investigations/determinations about alleged unlicensed schools to be readied for Attorney General's Office legal actions	# of Days from initial allegation to investigation onset, and the additional days until an A.G. referral is completed if the Board approves a referral.	N/A	N/A	45/120
4	Staff to develop a list by 12/31/24 of Board reporting that could be incrementally built on a weekly basis.	# of Reports to compose in weekly stages	N/A	N/A	2



Projects for FY 2025

- 1) **Begin** to make timely updates to the “Recent News” Tab and the Public List of Licensed Schools on the Agency Website, as begun in FY-2024.
- 2) Accomplish a significant portion of the Newest APO-II’s very complex and detailed training, including introducing her to Legislative activities that she has never, previously, been a part of.
- 3) With the extra time the 3rd FTE frees up for the original 2 Staff persons, the Director (with help from the Licensing Administrator) will make use of some of the spare time to “catch-up” on record filing to neaten up the Director’s Office, in particular, and the shared projects space that currently “houses” some boxes of “completed” projects.
- 4) At last, get that highly necessary Commercial Licensing Database procured and implementation started! Plus, transfer the accumulated Student Transcripts to a Commercial Vendor.
- 5) Finish the several Form revisions and on-line adaptations completed. These were started in FY 2024 but no (yet) finished.



Projects for FY 2026

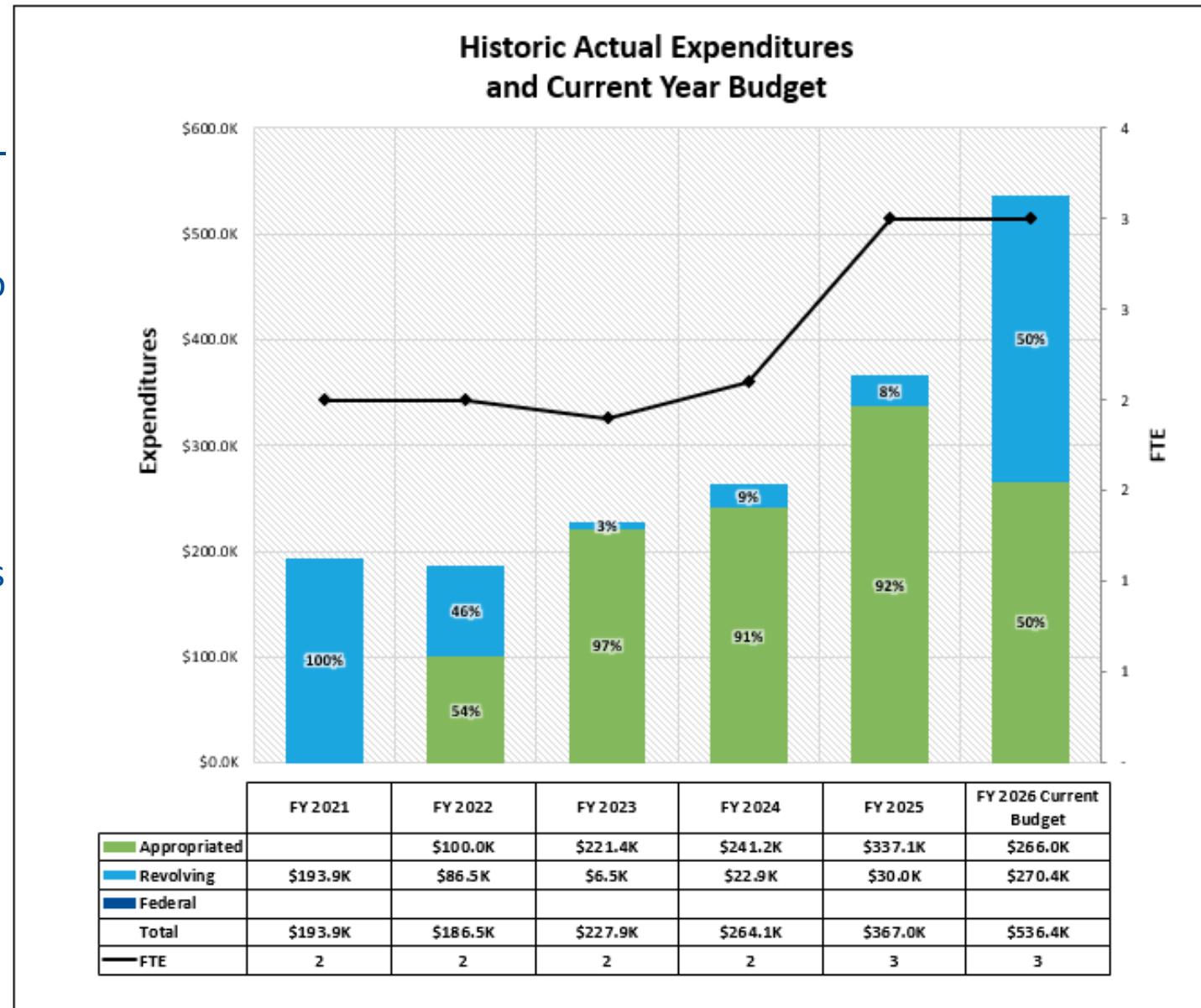
- 1) Assign more duties to the Licensing Administrator and APO-II to free-up time for the Director.
- 2) Expand the use of the Commercial Licensing Database to optimize its benefits to the Agency and our client Schools and new School Applicants.
- 3) Communicate with other Agencies, Non-Profits, and Licensed Schools to determine if interest exists (outside the OBPVS) to arrange one or more, possibly annual, Private Vocational School “Education Fairs.” Two other States accomplished extremely rewarding events in the last few years. If sufficient interest exists and financial support, the put together a “Steering Committee.”
- 4) Establish appropriate Procedures to prevent Record-Filing backlog from occurring in the future.
- 5) Resume Legislative Activities to try to enable changes unsuccessfully proposed for 6 or more years, even when reporting that the Attorney General’s Office recommended many of the changes to strengthen the OBPVS’ oversight of Licensed Schools.



Total Historic Actual Expenditures (FY 2021-25) and Current Year Budget (FY 2026)

Explanation of Changes and Trends - After 17+ years of stagnant Fees & operating the agency using extremely austere practices, the FY 2022 transition to being a partially appropriated ¹ agency has made an enormous difference. Near the end of FY 2024 the OBPVS refilled the crucial 3rd FTE (vacant 6+ years). Then in FY 2025 seriously outdated (not maintainable) computers were replaced. Still in FY 2026, use of **working equip. with up-to-date technology** makes project completion easier and more efficient. Lastly, paying wages that begin to be considered as competitive encourages staff to stay with the agency. That, in turn, substantially raises the chances the OBPVS can recoup the costs of its time-consuming & costly internal staff training.

¹– By then, School & New School Applicant Fees could not be raised sufficiently, because Fee increases of 100% - 200% would have been overly burdensome to the licensed Schools/Applicants!



Estimated Impact of Federal Funding Changes

Program Name	Federal Agency	Description of expected change (s) (i.e. change in state match, admin costs, program requirements or client eligibility, etc.)	Actual FY 25 Total Federal Funding Received (\$)	Projected FY 26 Total Federal Funding To Be Received (\$)	Estimated FY 27 Total Federal Funding To Be Received (\$)
N/A		The OBPVS receives NO Federal Funds, i.e. \$0.	\$	\$	\$
			\$	\$	\$
		Hence, there would be NO (\$0) impact to the OBPVS if Federal changes occur.	\$	\$	\$
			\$	\$	\$
		\$	\$	\$
			\$	\$	\$
			\$	\$	\$
			\$	\$	\$
			\$	\$	\$

* Only list programs with federal funding that are expected to change. Refer to the agency's Federal Funds Schedule in the Budget Request document.



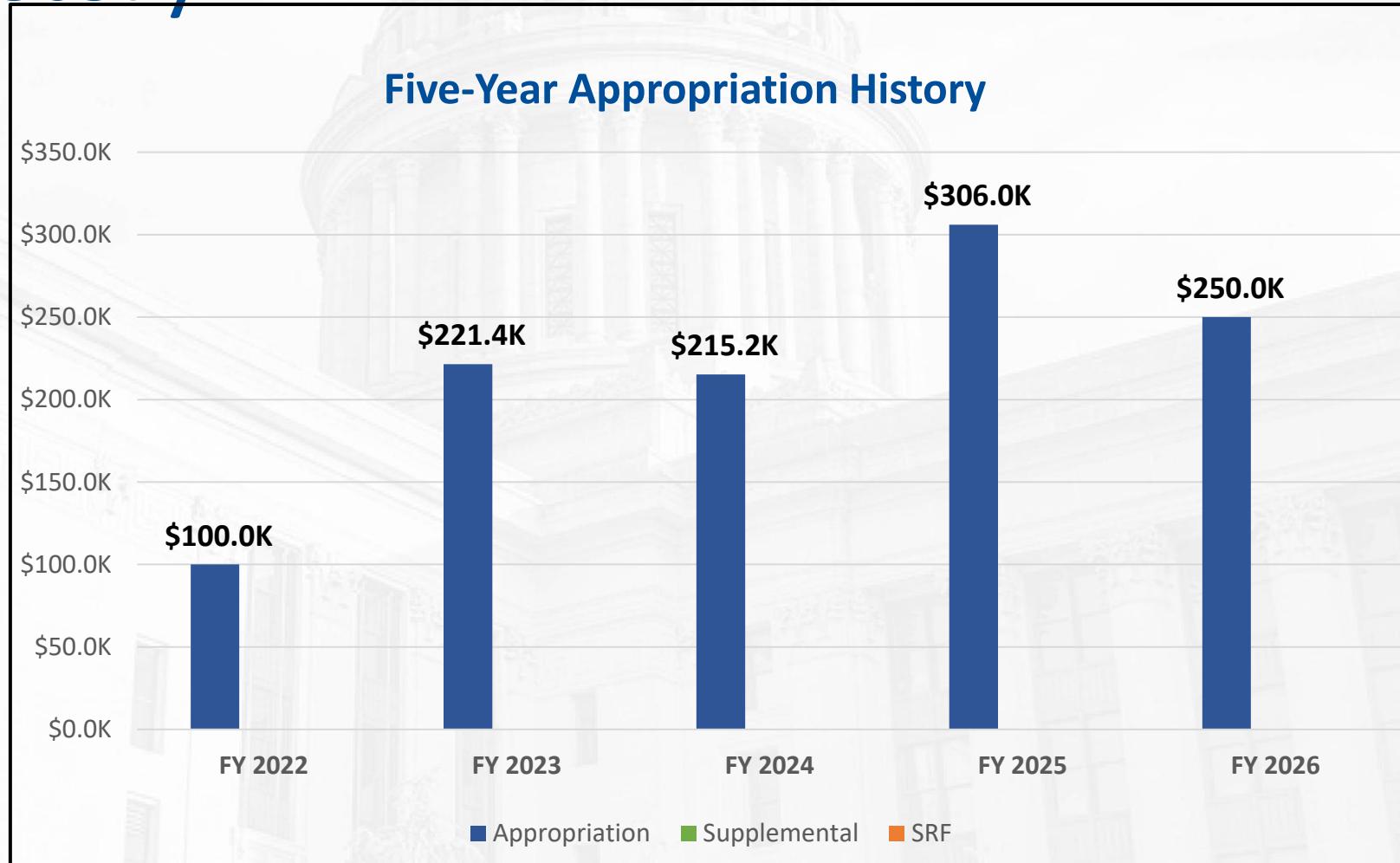
FY 2026 Budgeted Full Time Equivalents (FTE)



	FY 2025 Budgeted FTE
Total FTE	3.0
Supervisor FTE	1.0
Supervisors to Total FTE Ratio (%)	33%
Current Budgeted but Unfilled FTE	0.0

Appropriation History

Fiscal Year	Legislated Appropriation (\$) <i>(Includes supplements and SRF/ARPA.)</i>
FY 2022	\$100,000
FY 2023	\$250,000
FY 2024	\$301,000
FY 2025	\$306,000
FY 2026	\$250,000



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



Financial Resource Analysis

Carryover	FY 2022	FY 2023	FY 2024	FY 2025
Total appropriated carryover amount expended (\$)	\$0	\$0	\$25,944	\$72,400
Historical Cash Balances	FY 2022	FY 2023	FY 2024	FY 2025
Year End Revolving Fund Cash Balances (All Revolving Funds)	\$93,433 * 	\$199,946 * 	\$286,072 ** 	\$433,072 **
Revolving Class Fund # (Unrestricted only)	Revolving Class Fund Name (Unrestricted only)	Current cash balance (\$) at 10/31/25	Projected FY 2026 year-end cash balance (\$)	
# 20500	The OBPVS' Single (ONLY) Revolving Fund	\$454,641	\$450,000	
	* - Above includes Class Funds 205 (Revolving) PLUS 79901 (the CHASE BANK Clearing Acct. subject to a 10% transfer to GRF)			
	** - Above includes Class Funds 205 + 79901 <u>but the 10% transfer no longer applies</u>			
	Total Unrestricted Revolving Fund Cash balance:	\$392,788	\$79,451	



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

FY 2024 – 2025 Appropriation Change Review

<i>Purpose of appropriation increase or decrease</i>	<i>Amount FY 2024</i>	<i>Amount FY 2025</i>	<i>Total amount received FY 2024 - 25</i>	<i>Total amount expended by 11/1/2025</i>	<i>Included in FY 2026 approp? (Yes/No)</i>	<i>If no expended fully, please explain.</i>
Increases through FY 2025 were to pay the Agency's Payroll that the Statutory Fees collected from Schools could no longer support. Plus, an initial Appropriation was made to acquire a commercial Licensing Database.	(\$6,195)	\$90,785	\$521,215	\$463,860	YES	The 2-FTE Staff (now 3-FTEs with 1-FTE "in training") could not cover regular agency duties <u>and</u> simultaneously undergo a full Procurement Process to secure the Database. Hence, the Database Funds were Carried Over.
Totals	(\$6,195)	\$90,785	\$521,215	\$463,860		



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

FY 2026 Appropriation Change Review

<i>Purpose of appropriation increase or decrease</i>	<i>Amount of increase or decrease (\$)</i>	<i>Does this need to be included in your FY 2027 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>
The desperately-needed Commercial Licensing Database has not YET been acquired	(\$56,000)	YES	YES	See below.
<p>NOTE: Prior Appropriations in FY 2024 and 2025 got ahead of the Agency's ability/capacity to acquire an additional FTE or to secure its highly-desired Commercial Licensing Database. Hence, for FY 2026 the OBPVS asked to have its Appropriation REDUCED to the level of FY 2023's (\$250,000). However, the staff (now 3.0 FTEs) is working diligently with OMES I.T. to finally secure an already-programmed (turn-key) Database. The Database installation will help the OBPVS to exponentially improve its regulation, client-support, and data collection/analyses capabilities almost over night.</p> <p>Databases now include separate Installation and annual Maintenance/Licensing Fees.</p>				
Total adjustment	(\$56,000)			



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

Incremental & Supplemental Request Summary

Request Name		FY 2027 Incremental Appropriation Request Amount (\$) <i>{or FY 2026 for Supplements}</i>	Type of Request: Recurring, One-time, or Supplemental
1	Installation of Commercial Licensing Database & the 1 st half year of Software Licensing that had huge contract increases since 2020	\$37,000	Supplemental
2	Annual Database Software Relicensing through Year 5 ½, also higher since 2020	\$18,000 \$21,000 Corr'D 12/5/25	Recurring
3	Raises for all Staff to further bring their salaries to a competitive level to reduce the likelihood of turn-over	\$10,153	Recurring
4	To implement the Directors Raise as approved by the Board to be effective 7/1/2025, but postponed for budgetary reasons. This salary level is needed for succession planning.	\$31,866	One-Time
5	To cover rising agency costs for space rental mandatory OMES services and the recently resumed agency-aid professional development travel. This boost is needed because the agency loss of enough schools paying the highest (2) tiers of annual relicensing fees that are based on net Tuition Collected.	\$19,436	Possibly recurring, depending on the no. of New Schools that relicense during the next couple of years.

