

Greenbook

LBO Analysis of Enacted Budget

State Board of Career Colleges and Schools

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State Board of Career Colleges and Schools

Quick look...

- The State Board of Career Colleges and Schools (SCR) is entirely funded through registration fee revenue. The Board receives no GRF funding.
- The Board is governed by eight members: the Director of Education and Workforce or designee, the Chancellor of Higher Education or designee, and six members appointed by the Governor.
- SCR's day-to-day operations are typically handled by three full-time staff members, including an executive director.
 - SCR also contracts with three part-time staff who are based around the state and perform fieldwork and onsite visits, program review, or other research projects.
- The budget appropriates \$581,189 in FY 2026 and \$593,979 in FY 2027.

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
Fund 4K90 ALI 233601, Operating Expenses					
\$493,830	\$465,030	\$514,076	\$542,840	\$581,189	\$593,979
% change	-5.8%	10.5%	5.6%	7.1%	2.2%

Analysis of FY 2026-FY 2027 budget

The State Board of Career Colleges and Schools (SCR) monitors and regulates Ohio's private, for-profit career colleges and schools in order to ensure compliance with state law. SCR receives no GRF funding. It is entirely supported by fees that are deposited into the Occupational Licensing and Regulatory Fund (Fund 4K90). Within Fund 4K90, SCR is funded by a single appropriation line item: appropriation item 233601, Operating Expenses. Item 233601 supports SCR's activities, which include the registration and approval of schools, programs, degrees, and majors; onsite visits and investigative inquiries by part-time paid consultants and staff; and the provision of permits for school agents. In FY 2024, approximately 243 career colleges, schools, and learning centers registered with SCR. Together, these schools offered over 1,000 programs and enrolled more than 56,000 students. SCR is also responsible for responding to complaints about schools. The preceding table shows SCR's actual expenditures from FY 2022 through FY 2025 and appropriations of \$581,189 for FY 2026 and \$593,979 for FY 2027.

SCR also maintains the Ohio Student Tuition Recovery Fund, which is used to reimburse students for prepaid tuition loss due to school closure. Generally, reimbursements and student eligibility are overseen by the five-member Student Tuition Recovery Authority. The budget modifies the General Assembly members of the Authority by replacing the chairpersons of the

House and Senate committees that primarily deal with education with a member from each of the Senate and House appointed by the President and Speaker, respectively. It also specifies that the General Assembly members are nonvoting members, instead of nonvoting ex officio members as under prior law.

The budget also requires each private, for-profit career college or school to annually certify to SCR, on a date and in a form and manner determined by SCR, a plan to preserve student records indefinitely if the school ceases operations. The plan must include the designation and signed confirmation of an official custodian of the student records. If SCR determines it necessary, it may require the school to produce an executed agreement with the designated custodian, paid in full, to ensure the school's plan can be implemented. The SCR Director may consult with the Chancellor of Higher Education, the Higher Learning Commission, and other appropriate entities to establish plans and procedures for schools to provide indefinite access to student records.

In addition to certifying student records preservation plans, the budget also requires each private, for-profit career college or school to provide the following information to SCR and the Chancellor: (1) the school's accreditation status, (2) a plan to preserve student records indefinitely in case of closure, including a method by which students and alumni of the school may retrieve student records by request, (3) program information listing current degree programs offered in Ohio, the results of any external degree program evaluations that occurred in the last year, and a list of any degree programs eliminated in the last year, (4) the latest financial statement for the most recent fiscal year compiled by an independent certified public accountant, and (5) any other information requested by SCR or the Chancellor. If a school fails to submit the required information or if SCR and the Chancellor find that the information submitted is insufficient, SCR may rescind approval of a school's program or authorization. Furthermore, each school is required to immediately notify SCR and the Chancellor if it is placed on special monitoring status by the federal government or an accrediting organization; receives preliminary or final accreditation findings; is under investigation by a government agency; fails to make payments to vendors, certain debt payments, applicable retirement systems, or for payroll purposes; makes budget revisions resulting in substantially reduced ending fund balance or larger deficit; or becomes aware of significant negative variance between its annual budget and actual revenues or expenses projected at the end of the fiscal year.