

BOARD FOR PROPRIETARY EDUCATION

Monday, December 1, 2025

DISCUSSION ITEM A:

Cost of Starting an Initial Practical Nursing Program

Background

The information item provides an overview of the current cost of an initial practical nurse program for private, for-profit, and private, non-profit institutions authorized by the Board for Proprietary Education and the State Board of Nursing (SBN).

The budgeted cost range for starting a practical nurse program was gathered from four institutions with varying financial controls and enrollment sizes.

- Institution A: Private, for-profit, approved BPE program, seeking SBN accreditation.
- Institution B: Private, for-profit, approved BPE program, SBN accredited.
- Institution C: Private, for-profit, proposed program.
- Institution D: Private, non-profit, approved BPE program, SBN accredited.

The review of initial costs for beginning a practical nurse program centered on seven areas:

- Facility Costs
- Curriculum Development and Materials
- Human Resources and Staffing
- Regulatory Costs
- Accreditation Costs
- Legal and Consulting Fees
- Initial Operating and Marketing Expenses

Institution A

The largest budget item is administrative, faculty, and staff compensation, estimated to cost between \$360,700 and \$429,200. The development of curriculum and materials accounts for the second-largest budgeted item, at \$30,000 to \$50,000. Medical equipment costs are projected to be between \$14,000 and \$20,000. The total initial cost for the Practical Nurse program spans \$447,475 and \$566,400.

Institution B

Facility build-out and improvement is the largest single expense at \$2,500,000. Technology represents the second-

largest cost, at \$482,000. Leasing, medical equipment, and furniture and fixtures each incur a similar cost, ranging from \$448,000 to \$461,732. The Practical Nurse program's initial budget range is set at \$4,953,638.

Institution C

The largest budget item, facility build-out/improvement, is projected to cost between \$1 million and \$1.5 million. Other significant budgeted items include medical equipment (\$500,000 to \$750,000) and the development of curriculum (\$300,000 and \$800,000). Technology costs range from \$250,000 to \$350,000. In total, the initial investment required for the Practical Nurse program falls between \$2,893,930 and \$3,461,930.

Institution D

The largest budgeted item is medical equipment, with costs ranging from \$60,000 and \$80,000. The second largest item is the program director's salary, set at \$90,000. The full-time nursing instructor's salary is \$85,000. Admissions staff and Registrar salaries have a combined annual cost of \$90,000. The initial Practical Nurse program cost is estimated to range from \$357,290 to \$411,290.

Supporting Documents To Be Distributed

Institution A: Private, for-profit, approved BPE program, seeking SBN accreditation.
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