
DWD Policy 2025-03: Office for Career and Technical Schools

To: Indiana's Workforce System
From: Indiana Department of Workforce Development (DWD)
Date: October 29, 2025

PURPOSE

To provide guidance on the regulatory requirements and processes for the authorization of non-credit bearing/non-degree granting postsecondary proprietary educational institutions through the Office for Career and Technical Schools (OCTS).

REFERENCES

- [Indiana Code Title 22, Article 4.1, Chapter 21](#)
- [Office for Career and Technical Schools Administrative Rules](#)

DEFINITIONS

See **Attachment A**.

CONTENT

Indiana Code 22-4.1-21-10 established the Office for Career and Technical Schools (OCTS) within DWD. This office is responsible for administering the provisions outlined in Chapter 21, which governs the authorization and oversight of postsecondary proprietary educational institutions in Indiana to carry out authorization responsibilities to protect students, educational institutions, the public, and honest and ethical operators of private schools from dishonest and unethical practices.

Under the direction and guidance of DWD, OCTS is responsible for:

- The regulatory oversight of non-credit bearing/non-degree granting postsecondary proprietary educational institutions; and
- The administration of:
 - The student assurance fund established in IC 22-4.1-21-18; and
 - The postsecondary proprietary educational institution fund established in IC 22-4.1-21-39.

Pre-Application Process

Regulatory Determination

When seeking authorization, owner(s)/chief administrator(s) are asked to complete the [Determination of Status Questionnaire](#).¹ information provided in the questionnaire allows

¹ See the OCTS webpage for additional information.

OCTS to determine if the institution meets the definition of a non-credit bearing/non-degree granting postsecondary proprietary educational institution which falls under OCTS regulatory oversight.

If it is determined that the postsecondary proprietary educational institution requires authorization, the institution will receive notification containing specific instructions and additional guidance on next steps.

NOTE: Institutions subject to OCTS regulations must be authorized before conducting business in Indiana.² Institutions operating without the required authorization may be subject to regulatory actions, including but not limited to civil penalties and legal referral.

Institutions may be granted exempt status from OCTS regulation based on verified information submitted during the determination process. If determined to be exempt, the institution will receive a formal notification citing the legal basis. This exemption means authorization is not required but does not imply program endorsement or accreditation. Institutions must notify OCTS of any significant operational changes that could affect their status.

Online Orientation

All prospective institutions seeking authorization must complete the *Online Orientation*.³ The orientation provides a comprehensive overview of the initial authorization process. It is designed to help applicants prepare all necessary materials for complete and accurate application submission.

NOTE: There are fees⁴ associated with the authorization process. If an institution fails to follow this policy and the submission requirements, OCTS will not issue a refund of any fees paid by the institution throughout the authorization process.

Interstate Reciprocity

Out-of-state postsecondary proprietary educational institutions that are authorized in their home state but wish to advertise, recruit, or enroll students within the state of Indiana regardless of whether they maintain a physical presence in Indiana must be regulated by OCTS.

Out-of-state institutions may be granted full authorization status at the time of initial application through an Interstate Reciprocity determination, provided the following criteria are met:

- The institution remains in good standing in its home state; and
- OCTS staff determine that the authorization standards of the home state meet or exceed those of Indiana, as established in IC 22-4.1-21.

² IC 22-4.1-21-12.

³ See the OCTS webpage for additional information.

⁴ 646 IAC 5-15-1(1).

For out-of-state institutions with a physical location in Indiana, OCTS staff will conduct a pre-authorization inspection to confirm compliance with Indiana's operational and instructional standards. If the institution is nationally accredited or is concurrently seeking national accreditation, the institution will be asked to extend an invitation to OCTS staff to participate in the national accrediting agency's onsite inspection during their evaluation.

Interested out-of-state institutions should email OCTS@dwd.IN.gov to obtain information on the Indiana authorization process.

Application Requirements

Initial Authorization Application

The *Initial Authorization Application*⁵ must not be submitted until the institution has completed the required Online Orientation and received notification from OCTS to proceed. Applications submitted without this notification will not be processed.

Pre-Authorization Inspection

Once OCTS deems the Initial Authorization Application complete, OCTS will schedule a pre-authorization inspection for any institution physically located in Indiana. The purpose of the pre-authorization inspection is to:

- Confirm the physical existence of the institution's location;
- Evaluate whether the facilities and equipment are adequate for serving the anticipated number of students, as indicated in the application; and
- Verify that the institution meets basic accessibility requirements as outlined the Americans with Disabilities Act (ADA).

Institutions must ensure that their facility is prepared for inspection and accurately reflects the details included in the application. Successful completion of the inspection is required for authorization to proceed.

Temporary Authorization Status

If an institution successfully meets all minimum application requirements and passes the preauthorization inspection, OCTS will grant the institution temporary authorization status.⁶ This allows the institution to begin advertising, recruiting, and enrolling students.

Upon being granted temporary authorization, OCTS will provide the institution with the following information:

- Letter of temporary authorization approval;
- The Certificate of Authorization that must be displayed in a common training site area;⁷

⁵ See the OCTS webpage for additional information.

⁶ IC 22-4.1-21-20.

⁷ "Common training site area" means a place at the training site where all students will have access to the Certificate of Authorization.

- Notification of required student assurance fund contribution details and Quarterly Student Data Submission Requirement
- Details on agent permits,⁸ procedures, and the associated fee;⁹ an
- Letter listing all required documents that must be submitted to OCTS prior to their respective expiration dates.

Temporary authorization allows institutions to operate for an initial period, during which compliance will continue to be monitored. Continued authorization is contingent upon ongoing compliance with OCTS regulations and submission of all required documentation within the specified timelines.

Temporary authorization is not mobile or transferable to any other location. If an institution wishes to operate additional locations, those locations must undergo the full Initial Authorization process as a separate location.

No modifications or additions to programs are allowed during the initial (temporary) authorization period (first year).

Termination of Temporary Authorization

Temporary authorization is granted for a period of one year from the date of approval. During this time, institutions must remain in full compliance with all regulatory obligations. OCTS reserves the right to terminate temporary authorization status prior to the one-year expiration for cause which includes, but is not limited to, the following:

- Failure to make timely payments to the student assurance fund;
- Falling behind on quarterly student data or assurance fund contributions;
- Failure to maintain an active surety bond; or
- Non-compliance with any applicable state laws, rules, or OCTS regulations.

It is the institution's responsibility to remain in good standing throughout the authorization process. Non-compliance may jeopardize the institution's ability to operate and obtain full authorization.

Authorization Inspection

As part of the authorization and renewal process, OCTS may require a comprehensive authorization inspection of postsecondary proprietary educational institutions physically located in Indiana to ensure compliance with applicable laws and regulations. Staff will schedule the authorization inspection, notifying the institution at least thirty (30) calendar days in advance. OCTS staff, in collaboration with subject matter experts, if applicable, will assess whether the institution meets the minimum authorization standards as outlined in IC 22-4.1-21-23.

⁸ See **Attachment A** for the definitions of *agent* and *agent permit*.

⁹ 646 IAC 5-15-1(5).

Desk Authorization Review

- OCTS staff will conduct an electronic review of the authorization application submitted by the institution to determine completeness and compliance.
- Subject matter experts may include community partner representatives, agencies, or commissions that establish curriculum standards; industry professionals in fields related to the institution's programs may also be consulted for curriculum and occupational alignment.

Authorization Inspection

The authorization inspection will be conducted by OCTS or DWD staff and involves traveling to the physical location where instruction takes place. The inspection may include the following:

- Verifying that there are adequate facilities, tools, equipment, workstations, and classrooms;
- Conducting interviews with the owner(s)/chief administrator(s) (if applicable), faculty, staff, and students;
- Reviewing student records¹⁰ to verify compliance with regulatory standards;
- Verifying there is a sufficient number of qualified instructors with appropriate training, experience, and/or educational background;
- Review advertising and marketing practices to ensure that they are truthful and free from fraud or misrepresentation and include the following regulatory statement:

**This institution is regulated by:
Office for Career and Technical Schools
10 N. Senate Avenue, STE SE 208
Indianapolis, IN 46204
OCTS@dwd.in.gov**

- Verifying that the premises and conditions under which the students work and study are sanitary, healthful, and safe according to modern standards;¹¹
- Verifying that the institution meets basic accessibility requirements as outlined in the ADA

Waiver of Authorization Inspection

In accordance with IC 22-4.1-21-24, the OCTS may waive the authorization inspection requirement for a postsecondary proprietary educational institution if:

- ➔ The institution has already been authorized by OCTS.
 - **NOTE:** A valid license, approval to operate, or other official authorization issued by another state may be accepted in lieu of an on-site inspection if:
 - The other state's requirements meet or exceed the standards established in IC 22-4.1-21; and

¹⁰ See **Attachment B** for additional information regarding student records and data.

¹¹ IC 22-4.1-21-23.

- The other state will, in turn, extend reciprocity to postsecondary proprietary educational institutions authorized by OCTS.

Findings and Outcomes

If the institution is found to meet all applicable standards, OCTS will issue the approval of authorization upon the payment of a one-time fee.¹² If any deficiencies are identified during the inspection, the institution will receive written notification of the findings including instructions on how to resolve them, if applicable. The institution must submit corrective actions before the approval of authorization can be granted.

Authorization Inspection Costs

Institutions will be invoiced for the costs associated with authorization inspection. The total cost of an inspection, including lodging and mileage that does not require travel outside Indiana, may not exceed one thousand dollars (\$1,000) for any individual postsecondary proprietary educational institution location.¹³

Authorization Decisions

When OCTS grants full authorization to an institution, the institution will receive the authorization certificate to display in a prominent place visible to the students.

The authorization is valid for one year from the date of issuance and the institution is required to meet authorization renewal criteria each year to continue operation. Authorization is not mobile or transferable to another location.

Should OCTS refuse full accreditation, the institution will be notified that their temporary authorization status is being terminated and will be required to cease operation of programs that fall under regulation pursuant to IC 22-4.1-21.

Authorization Renewal

Eligibility

An institution may be eligible to renew its authorization annually provided that:

- The institution submits a renewal application with all required documentation;
- The renewal application fee of \$500¹⁴ is submitted;
- The institution remains in continuous compliance with all provisions under IC 22-4.1-21; and
- OCTS inspects the institution and finds the information provided is accurate and that the institution continues to meet the minimum standards outlined above.¹⁵

¹² 646 IAC 5-15-1(3).

¹³ IC 22-4.1-21-21.

¹⁴ 646 IAC 5-15-1(4).

¹⁵ Per 22-4.1-21-24(b), in certain cases the inspection may be waived.

Process

Institutions granted full authorization by OCTS are authorized to operate for one year from the date of issuance.¹⁶ Institutions must ensure that their authorization status does not expire, as failure to maintain valid authorization may result in the forfeiture of operating privileges and could lead to involuntary closure of the institution.

To prevent any lapse in authorization status, institutions are required to submit a complete renewal application at least thirty (30) calendar days prior to the expiration date of their current certificate. The authorization renewal process is also an opportunity for OCTS to review institutional performance, ensure ongoing compliance, and collect updated student data.

Refusing (Denying) Full Authorization

Should OCTS refuse full authorization, the institution will be notified that their temporary authorization status is being terminated and will be required to cease operation of programs that fall under regulation pursuant to IC 22-4.1-21. Institutions that receive notification denying authorization may choose to appeal the decision (see the *Hearings* section below).

Continual Compliance

While the annual authorization renewal process is the primary method by which OCTS ensures regulatory compliance, the office reserves the right to investigate institutions at any time should concerns arise. If OCTS receives internal or external reports alleging non-compliance such as misleading business practices, improper advertising, recruitment, or enrolling, or any other conduct disallowed under current regulatory standards, OCTS will investigate accordingly.

OCTS may take immediate and appropriate action to safeguard students and uphold regulatory standards. Actions to address non-compliance may include, but are not limited to:

- Conducting unannounced authorization inspections pursuant to the office's right to access institutional premises;
- Suspending an institution's authorization status for cause; and
- Initiating revocation proceedings to terminate authorization for cause.

Penalty Assessed

OCTS may assess civil penalties against institutions that fail to comply with authorization requirements.¹⁷ Institutions found non-compliant will be notified and provided with a limited window to seek authorization before penalties are applied. If an institution fails to obtain authorization from OCTS within the fifteen (15) days from the date the notice is issued, the OCTS may assess a civil penalty not to exceed one hundred dollars (\$100) per student that:

- Attends the subject postsecondary proprietary educational institution; and
- Resides in Indiana.

¹⁶ IC 22-4.1-21-24(d).

¹⁷ IC 22-4.1-21-12.

Revocation of Authorization

Authorization issued to a postsecondary proprietary educational institution¹⁸ may be revoked by OCTS for cause.

OCTS maintains the authority to pursue revocation in any case where it determines the institution is no longer in compliance with applicable laws, rules, or minimum authorization standards. Institutions are strongly advised to maintain timely financial obligations and adhere to all regulatory requirements to avoid the risk of authorization being revoked.

NOTE: Revocation will not occur until after the institution has been provided notice and given the opportunity to request a hearing.

Hearings

A postsecondary proprietary educational institution has the right to a hearing with an Administrative Law Judge (ALJ) if the institution's authorization has been denied, revoked, or suspended.¹⁹

To initiate this process, the institution must submit a formal request for a hearing online through the OCTS, [Application for a Hearing \(Appeal\)](#). This request must be submitted no later than thirty (30) days after the institution receives the notice of denial, revocation, or suspension. It is the responsibility of the institution to ensure this request is submitted within the required timeframe.

Once received, DWD will schedule a prompt hearing and will provide the institution with no less than ten (10) calendar days' notice of the date, time, and location of the hearing. The institution has the right to be represented by counsel and may provide oral and documentary evidence relevant to the issue. The hearing shall be conducted in the manner provided under IC 4-21.5-3. DWD will have no more than fifteen (15) calendar days after the hearing to provide a written finding of fact, a written decision, and a written order based solely on the evidence submitted at the hearing, either granting or denying accreditation to the postsecondary proprietary educational institution.

No more than fifteen (15) calendar days after the issuance of a written order by the ALJ, any party adversely affected by the order may file an objection to the order in writing with the DWD Commissioner and request that the Commissioner review the order. The request must include the basis of the objection. Additional information on filing an objection can be obtained by submitting an [email to OCTS](#).

No later than thirty (30) calendar days after the objection is filed with the Commissioner, the Commissioner shall issue a final order affirming, modifying, or dissolving the ALJ's order. The Commissioner may remand the matter, with or without instructions, to the ALJ for further proceedings.

¹⁸ IC 22-4.2-21.

¹⁹ See IC 22-4.1-21-26, IC 22-4.1-21-15, and IC 22-4.1-21-27 for additional guidance.

In the absence of an objection, the commissioner shall affirm the ALJ's order. The Commissioner is the ultimate authority²⁰ for the DWD.

Institutions may not re-apply for authorization for a period of five (5) years after revocation.²¹

School Closure

Involuntary Closure

An owner(s)/chief administrator(s) operating a postsecondary proprietary educational institution will be required to “cease and desist” all operations including but not limited to advertising, recruiting, enrolling students, and/or conducting education and training classes under the following conditions:

1. The institution is operating without appropriate State authorization;
2. Authorization status has been revoked/denied or has expired; **or**
3. Does not remain in continual compliance.

Continued operation of a postsecondary proprietary educational institution upon notification of mandatory school closure is subject to prosecution. Within thirty (30) days from receiving the notification, the owner(s)/chief administrator(s) must submit the following items to OCTS:

- Authorization certificate;
- Agent Permit(s); and
- All Student Records.

The owner(s)/chief administrator(s) of the postsecondary proprietary educational institution may not be considered for authorization of another proprietary school within the five (5) year period immediately following the involuntary closure.²²

In the event of an involuntary closure, all authorized institutions under OCTS may be required to implement an approved teach-out process. The institution must remain operational and in good standing until all students have completed their coursework or transferred to another institution. See **Attachment C** for additional information.

Voluntary Closure

Voluntary school closures must be conducted in such a way as to cause minimal to no disruption to students. If possible, all students should be allowed to complete their programs of study. OCTS strongly encourages institutions to develop a teach-out process. See **Attachment C** for additional information on this process.

Should the owner(s)/chief administrator(s) insist on a school closure that does not allow students to complete their programs of study, the institution will be required to provide full refunds to those students. A pro-rata approach to refunding program fees based on services rendered is prohibited by the [OCTS Refund Policy](#).

²⁰ As defined by IC 4-21.5-1-15.

²¹ Pursuant to IC 22-4.1-21-23(9).

²² See IC 22-4.1-21-23 for additional guidance.

Within thirty (30) calendar days of closure, the owner(s)/chief administrator(s) must submit the following to [OCTS](#):

- Accreditation Certificate;
- Agent Permit(s); and
- Student Records.

Student Complaint Process

OCTS will review and respond to formal student complaints against currently regulated postsecondary proprietary educational institutions that are non-credit bearing/non-degree granting. Institutions are expected to work with students to resolve complaints and only where a mutual resolution cannot be achieved does OCTS begin the determination process. In such cases, staff will work with both the student complainant and institution toward a mutually satisfactory resolution. The determination by OCTS is final and is not appealable through DWD. Instructions for filing a complaint against a regulated school are posted to the [OCTS website](#).

A student who believes a school has acted in a discriminatory manner is directed to contact the Indiana Civil Rights Commission by completing their complaint form posted on the [OCTS website](#).

ACTION

In Indiana, every training provider must be regulated by a state agency, commission, or licensing board. OCTS is responsible for authorizing postsecondary, non-credit-bearing, open-to-the-public institutions that are not regulated elsewhere. Authorization is required by law and these institutions must comply with this policy and Indiana Code governing postsecondary proprietary educational institutions.

Credit-bearing institutions without other oversight should contact the Board of Proprietary Education (BPE)²³ at the Indiana Commission for Higher Education (CHE).

ATTACHMENTS

Attachment A – Definitions

Attachment B – Student Records and Data

Attachment C – OCTS Teach-Out Process

EFFECTIVE DATE

Immediately.

ENDING DATE

Upon rescission.

²³ <https://www.in.gov/bpe/>.

ADDITIONAL INFORMATION

Questions regarding the content of this publication should be directed to policy@dwd.in.gov.

ATTACHMENT A DEFINITIONS

Authorization means certification of a status of approval or authorization to do business as a postsecondary proprietary educational institution in Indiana. OCTS provides authorization at the institutional level and does not provide program or curriculum approval.²⁴

Initial Authorization Issuance Fee means that after an investigation and a finding that the information in the application is true and the postsecondary proprietary educational institution meets the minimum standards, the OCTS shall issue authorization to the institution upon payment of an additional fee.²⁵ **NOTE:** This is a one-time fee in the initial application process.

An **agent** is a person who, through personal contact, telephone, advertisement, letter, or publications, enrolls or attempts to enroll an Indiana resident in a course offered by a postsecondary proprietary educational institution, or otherwise represents themselves to Indiana residents as acting on behalf of such an institution.²⁶

An **agent's permit** means a nontransferable written authorization issued to a person by the OCTS to solicit a resident of Indiana to enroll in a course offered or maintained by a postsecondary proprietary educational institution.²⁷ **NOTE:** If the agent represents more than one (1) postsecondary proprietary educational institution, a separate agent's permit must be obtained for each institution that the agent represents.

An **application** means a written request for authorization or an agent's permit on forms supplied by the OCTS.²⁸

A **course** means a plan or program of instruction or training provided by a postsecondary proprietary educational institution that is designed to teach specific competencies and is part of a program of study leading to a certificate, diploma, or other non-degree credential, whether conducted in person or by any other method.

The **fund** refers to the student assurance fund established by IC 22-4.1-21-18.²⁹

A **non-credit bearing /non-degree granting postsecondary proprietary educational institution** means a person doing business in Indiana by offering to the public for tuition, fee, or charge instructional or educational services or training in a technical, professional,

²⁴ IC 22-4.1-21-2.

²⁵ IC 22-4.1-21-24.

²⁶ IC 22-4.1-21-3.

²⁷ IC 22-4.1-21-4.

²⁸ IC 22-4.1-21-5.

²⁹ IC 22-4.1-21-7.

mechanical, business, or industrial occupation, in the recipient's home, at a designated location, or by mail.³⁰

Proprietary Educational Institution Authorization Fund means the fund established by IC 22-4.1-21-39. This is a dedicated fund established to support the administration of the statutes governing postsecondary proprietary educational institutions under the authority of the DWD. All fees collected by the OCTS in accordance with this chapter are deposited into this fund and used exclusively by the OCTS to carry out the duties and responsibilities outlined in this chapter.

Quarterly contributions³¹ mean payments made by the institution to the student assurance fund in the amount of sixty dollars (\$60) plus one-tenth percent (0.1%) of the total amount of tuition and fees earned during the quarter. If no student tuition or fees are collected during a quarter, a minimum administration fee of sixty dollars (\$60) must be paid into the Fund on the same quarterly basis.

Representations mean statements (oral, written, or other visual representation) in connection with the offering or publicizing of a course; promise or guarantee to a student or prospective student.³²

Standards mean the minimum requirements the institution must meet, including financial, staff, facilities, programs, curriculum, etc. to be granted full authorization.³³

A **surety bond** means insurance held by the postsecondary proprietary educational institution with a penal sum of a minimum of twenty-five thousand dollars (\$25,000) or fifty thousand dollars (\$50,000) if the institution's projected annual gross tuition will be more than two hundred fifty thousand dollars (\$250,000).³⁴

³⁰ IC 22-4.1-21-9.

³¹ IC 22-4.1-21-19.

³² IC 22-4.1-21-28.

³³ IC 22-4.1-21-23.

³⁴ IC 22-4.1-21-15.

ATTACHMENT B

STUDENT RECORDS AND DATA SUBMISSION

Student Records³⁵

A postsecondary proprietary educational institution shall maintain at least the following records for each student:

- The program in which the student enrolls.
- The length of the program.
- The date of the student's initial enrollment in the program.
- The student's period of attendance.
- The amount of the students' tuition and fees.
- A copy of the enrollment agreement, which states that the chosen institution's registration and/or enrollment fee shall not exceed \$100. The registration and/or enrollment fee is defined as a charge levied before the beginning of training for administrative expenses incurred by the school in providing education training or service to a student.

Student Data Submission

Designated Custodian of Records

Each postsecondary proprietary educational institution should designate a custodian of records responsible for maintaining and managing student records, including transcripts, in the event of a potential or actual school closure.

Data Submission

If a postsecondary proprietary educational institution ceases operation, it must be prepared to submit the required student records to the DWD designated records vendor no later than thirty 30 days after the institution ceases operation.

NOTE: Information regarding the DWD records vendor and student data submission instructions will be provided during authorization process and be available on the OCTS website.

³⁵ IC 22-4.1-21-22.

ATTACHMENT C

OCTS TEACH-OUT PROCESS

Closing institutions, if required or choose to complete the OCTS Teach-Out Process, the institution must submit written notification of intent at least thirty (30) calendar days in advance of the anticipated closure date close to [OCTS inbox](#). The notification must:

- Include the reason for closure and the anticipated final date of instruction.
- Provide timely written notice to all enrolled and prospective students regarding the closure.
 - This notice must include the planned date of closure, options available to students for program completion, and contact information for follow-up support.
- Include a formal teach-out plan to OCTS for review and approval prior to closure. The plan must address the following elements:
 - Identify final instructional dates.
 - Include deadline for student transfers or completion options.
 - Define responsibilities of the institution during the teach-out period.
 - Include a signed and dated statement by the owner(s)/chief administrator(s) administrator(s) of the institution affirming that all information provided is true and complete, and that the institution agrees to abide by all components of the approved teach-out plan.
- Specify if a student has the option to transfer to an institution with a comparable program. Transfer institutions must:
 - Be geographically accessible to current institutions.
 - Ensure students are able to complete all program and licensure requirements (if applicable).
- Provide verification from the Indiana Professional Licensing Agency (IPLA) confirming students will remain eligible to complete licensure requirements.
- State how the institution will maintain continuity of instruction for currently enrolled students without interruptions.
- Document that qualified faculty and staff will remain in place during the teach-out process.
- Provide a statement confirming the institution's financial capacity to fulfill all obligations during the teach-out period.