

MINISTRY OF TRAINING, COLLEGES AND UNIVERSITIES



Private Career Colleges Act, 2005

**Superintendent's Policy Directive
#1**

**Exemption of Vocational
Programs Funded by a Third-party**

May 16, 2007

Directive

Registered private career colleges (PCCs) are exempt from the requirement that they obtain the approval of the Superintendent to offer vocational programs that are completely funded by a third-party and are offered exclusively to third-party funded students.

This is consistent with our approach of exempting third-party funded programs under the former *Private Career Colleges Act*. Third-party funded programs will continue to be exempt under the *Private Career Colleges Act, 2005*.

Definitions

Third-party funded programs are those programs that are funded *exclusively* by corporate clients such as employers or other institutions or organizations (e.g. WSIB, Aboriginal Band Councils) that contract directly with private career colleges on behalf of individual students.

Third-party funded students are students who do not directly contract with a PCC or pay for the provision of a vocational program. In order for a program to be considered third-party funded, money must *never* flow to the PCC via the student (Employment Ontario clients or students who receive OSAP, for example, are *not* considered third-party funded students).

Please note: Students are not considered to be third-party funded if the student is paying an agent or a placement agency for the training, and the agent or agency is paying the PCC on behalf of the student. In this situation, the student should sign a contract with the private career college.

Authority

Section 53(1) c of the *Private Career Colleges Act, 2005* enables the Superintendent of Private Career Colleges to issue policy directives exempting private career colleges, or any class of them, from the requirement that they obtain approval for a specified class of vocational programs under section 23. Section 23 makes it a condition of registration that a PCC only offer those vocational programs for which it has the Superintendent's approval.

Compliance

Program Consultants will confirm on inspection that students enrolled in these types of programs are **exclusively** funded by a third-party. PCCs should keep copies of all corporate contracts on file for verification and compliance purposes.

Should it be determined on inspection that a vocational program exempted under this policy directive is being offered to fee-paying members of the general public, PCCs will be required to submit the program for approval and the institution cannot enrol new students until the program has been approved. Fee-paying students who are already enrolled in the program may cancel the contract and would be entitled to a full refund of fees paid.

Third-party Students enrolled in Approved Programs

This exemption does not apply to programs in which there is a mix of students who are completely funded by a third-party and students who pay fees directly to the private career college. Programs in which both third-party funded students and fee-paying students are enrolled must be approved under the *Private Career Colleges Act, 2005*.

Students who are completely funded by a third-party but are enrolled in a vocational program that is approved under the *Private Career Colleges Act, 2005* (PCCA) are not required to sign a PCCA contract for the program. Except as noted below, by virtue of being enrolled in an approved program, these students are entitled to the same rights and protections under the PCCA as all other students in the program (i.e. credentials should be issued within 60 days of program completion, transcript information should be maintained for 25 years, etc...).

There are two areas where the rights of third-party funded students enrolled in approved programs are different than those of fee-paying students: 1) the refund provisions in sections 25 to 33 of O. Reg. 415/06 apply only to fees paid by students; and 2) in the event of a closure, third-party funded students are not eligible for a training completion or a refund of fees through the Training Completion Assurance Fund (TCAF) under section 3 of the *Private Career Colleges Act, 2005*.

The third-party and the private career college are responsible for including any necessary refund provisions in the contract between the two organizations. Private career colleges are encouraged to use refund policies that are consistent with the refund provisions of the *Private Career Colleges Act, 2005*.

Effective Date

This policy directive is effective May 16, 2007.

This document is a legal document and is binding on all private career colleges. Every private career college shall comply with and be operated in accordance with this policy directive.

Need More Information?

If you have questions about the *Private Career Colleges Act, 2005* contact the Ministry of Training, Colleges and Universities' Private Institutions Branch at:

Private Institutions Branch
Ministry of Training, Colleges and Universities
10th Floor Mowat Block
900 Bay Street
Toronto, ON M7A1L2

Telephone: (416) 314-0500 or 1-866-330-3395
Fax: (416) 314-0499

OR

Visit our website at: www.edu.gov.on.ca/eng/general/private.html

The full text of the act and regulations can also be downloaded from the Ontario government E-Laws website at:
www.e-laws.gov.on.ca