

Degree Granting Act

Business Application Requirements and Guidelines

In order to assess a project submitted under the *Degree Granting Act*, the Internal Audit (IA) section of the New Brunswick Department of Post-Secondary Education, Training and Labour (PETL) will evaluate all applications on behalf of the Department. IA examines the business model, financial model and marketing strategy of the proposed degree and provides a recommendation **directly to the Department. The results of this evaluation are not made available to the applicant.**

There is no set timeline on the delivery of this recommendation, however, the completeness of information provided and full cooperation of the applicant will assist in ensuring that this recommendation is made in a timely and forthright fashion.

Supplied Information – The following requested information will ensure that IA will be able to completely and effectively assess this business in a reasonable timeframe. In the event that information is incomplete, or certain information is required, requests will be made of the applicant to supply this information to IA, with **a copy of all supplemental information sent to the University Relations Branch of PETL.** Failure to provide this information in a timely fashion will delay the processing of the application. A professional business plan, as described in the enclosed [Guide for the preparation of a 5-year strategically focused Business Plan](#), must be attached to the application describing the proposed company; the proposed product/degree; the principals and stakeholders and their backgrounds; target markets; expected outcomes; cash flow forecasts; balance sheets; competition; company employment expectations.

The applicant's business plan must address the following:

1. **Marketing Plan** – Forecasts and projections on the marketing effort; what markets are being targeted and why; industry trends and the specific uniqueness of the degree being proposed; advertising campaigns and budgets; projected success rates and contingency plans.
2. **Presence in New Brunswick** – Clearly and concisely indicate the company's presence in New Brunswick, including: the intent to establish a corporate body based in New Brunswick; the intent to establish a physical location/office; the hiring of New Brunswick-based human resources; the outsourcing of services to New Brunswick-based companies and organizations; the establishment of hosted solutions/delivery mechanisms physically situated in New Brunswick; and the company's proposed growth in the province. In the instance that a portion(s) of this business will be operated outside New Brunswick, **signed officer declarations indicating the rationale for this will be required.**
3. **Bonding requirements/Capital Base** – While there are no official bonding requirements, Internal Audit, as part of the business plan evaluation, **will require that the company have sufficient initial capital to be able to operate for a certain time without relying on tuition revenue.** Recommended documentation includes letters indicating monies held in trust (including contact names and coordinates of trustees); audited financial statements; and any other relevant data which would indicate sufficient operating capital. All documentation should include **signed officer declarations indicating the veracity of the included documents.**

This information will be compared against business plans, marketing plans, cash flow projections and student uptake projections, in order to establish the presence of sufficient operating capital. Typically, this information will ensure that the company can operate in a sufficient amount of time **to provide a degree to a student.**

4. **Technology** – Detailed information outlining the proposed technology, including backend/hosted solutions, content and courseware development, website creation. Where applicable, detail on which technology will be based in New Brunswick, and which will not, and reasons for not situating this technology in New Brunswick. **Include technical background of the company's technical officers and staff.**
5. **Intellectual Property (IP)** – Documentation establishing the ownership by the company, or lack thereof, of intellectual property/specialized knowledge in this proposed degree program, including pedagogy and technology; a statement concerning where the IP will be geographically held (i.e. within or outside of New Brunswick).
6. **Multiple Degrees** – In most cases, when a business applies for multiple degrees, a separate business and marketing plan will be required for each degree.

Failure to provide the above information will delay and possibly impact the outcome of the application.

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