

SHEEO State Authorization Inventory

Arizona

Please note: For purposes of this survey, the terms “authorize” and “authorization” are used generically to include approve, certify, license, regulate, recognize, empower, or similar actions relative to the operation, provision, or availability of postsecondary education in your state.

1. Agency and Contact Information

a. Agency Name: **Arizona State Board for Private Postsecondary Education**

o Description:

The Arizona State Board for Private Postsecondary Education has authority over private (both for-profit/non-profit) vocational and degree-granting institutions unless otherwise exempt. Public institutions do not need to be authorized.

o Contact:

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o Please state who institutions should contact if they have questions about your agency’s authority, policies, or application process?

b. Links:

Link to Agency: http://azppse.state.az.us/licensure_requirements.asp

Link to Regulations: <http://azppse.state.az.us/UserFiles/PDF/Laws.pdf>

<http://azppse.state.az.us/UserFiles/PDF/GeneralLicensureInformation.pdf>

- c. The following agency also has responsibility for authorization in the state and was requested to complete a survey.
None.
- d. If the division of responsibility among these agencies is not clear, please explain.
Not applicable.

2. Types of Educational Providers Authorized

- a. Please indicate the types of institutions that your agency authorizes, using the list below. Please answer “yes” or “no” to each item. Feel free to provide a short explanation of any ambiguity, including any necessary clarification of “in-state,” “out of state,” or other terminology.

- No** Public, in-state degree granting institutions
- No** Public, out-of-state degree granting institutions
- Yes** Private, in-state, not-for-profit degree granting institutions
- No** Private, out-of-state, not-for-profit degree granting institutions
- Yes** Private, in-state, for-profit degree granting institutions
- Yes** Private, out-of-state, for-profit degree granting institutions
- No** Public, in-state, non-degree granting institutions
- No** Public, out-of-state, non-degree granting institutions
- Yes** Non degree, not-for profit institutions (out of state No; in state Yes)
- Yes** Non degree, for-profit institutions (out of state No; in state Yes)
- No** Religious institutions
- No** Tribally-controlled institutions

Clarifying comments:

For private institutions physical presence is required. The board does not authorize or license public institutions.

- b. Is an institution required to obtain approval from more than one agency to be authorized in your state (excluding purely programmatic approvals)? If so, please explain.
Yes. LPN nursing programs must be approved by the AZ Board of Nursing. Teacher certification programs must be approved by the AZ Department of Education.
- c. Is accreditation required for an institution to be authorized in your state?
Not required if ONLY offering vocational programs. Degree-granting institutions are required to be accredited. If the degree-granting institution is not accredited, it must be making reasonable and timely progress towards accreditation as determined by the Board.
 - o If yes, please explain:

- If yes, what type of accreditation is required? Please, check all that apply as appropriate.

Regional

National

Programmatic/specialized

Clarifying comments:

- d. Does your agency authorize specific academic programs offered by institutions or only institutions themselves?

Institutions only.

- e. Programs in certain subject areas that may require separate approval.

Education

Arizona Department of Education

Teacher Certification 602-542-3813

Nursing

AZ Board of Nursing

602-889-5150

Others

Naturopathic program: AZ Board of Naturopathic Physicians: 602-542-8242

Massage Therapy programs: AZ Board of Massage Therapists 602-542-8604

3. Exemptions

- a. Are certain institutions or programs exempt by law or policy from your state authorization requirements?

Yes.

- If yes, please describe which institutions or programs the exemption applies to and how it works? If available, please provide any pertinent web links.

Religious institutions are exempt provided they are tax exempt and offer solely religious degree programs.

Public institutions do not need to be authorized.

Cosmetology Institutions

Truck Driving Institution

- If yes, how does the institution or program claim an exemption? For example, is the exemption automatic as long as it meets specified criteria,

does the institution or program notify the agency and the exemption is granted, is there an application process, etc.?

The Letter of Intent must be submitted. The Letter of Intent is reviewed and if licensure is not required, a letter stating the institution is not under the Board's jurisdiction is provided. The Board does not issue an "exemption" letter, the letter states that licensure is not required.

- b. If an institution or program is exempt from state authorization, are there any other state requirements that an institution would need to fulfill in order to operate in your state (e.g., providing contact information, list of programs, etc.)?

No.

- c. Does your state constitution or do your state laws provide any exemptions for religious institutions?

Yes. A.R.S. § 32-3021(F).

- Are all religious institutions exempt (please describe)?
Yes, if offering solely religious degree programs.
- Are religious institutions that award only religious degrees or certificates exempt (please describe)?
Degree only.
- Are certain religious institutions exempt that meet other criteria (please describe)?

4. Authorization of Distance Education

- a. Does your agency require purely (100%) distance education programs, including online or correspondence study programs that enroll residents of your state, to be authorized without regard to physical presence?

No. Physical presence is required to be licensed.

- b. If not, does your agency determine whether an institution must be authorized based on a physical presence or "operating" standard?

If the institution is not a public institution and has a physical presence in Arizona pursuant to A.R.S. § 32-3001(5) it must be authorized.

5. Physical Presence Policy – Common "Triggers"

- a. If your agency uses a physical presence standard, how does your agency define physical presence? If available, please provide a link to that policy or a citation to the relevant regulation giving that standard.

See attached statement.

b. Please specify whether any of the following activities would constitute a physical presence or signify “operating” in your state, assuming that the named activity is the institution’s sole activity in your state. **Please answer “yes” or “no” to each question. In addition you may provide a short explanation of any ambiguity.**

- Permitting a student to complete an internship, externship, field experience, or clinical practicum organized by the institution?
No.
 - Does this apply only to distance education students or more generally?
Generally.
- Permitting a student to complete an internship, externship, field experience, or clinical practicum found by the student acting independently?
No.
 - Does this apply only to distance education students or more generally?
Generally.
- Employing full-time faculty in the state to provide instruction via distance education programs to students in the state?
No.
 - What about adjunct faculty?
No.
- Employing full-time faculty in the state to provide instruction via distance education programs solely to students outside of the state?
No.
 - What about adjunct faculty?
No.
- Having a contract/agreement between the institution and in-state institutions or in-state entities to provide services for students (i.e. library, gym, computer centers, etc.)?
No.
- Organized, consistent, on-the-ground recruiting of students in the state by employees or agents of the institution?
Not if using AZ address or phone as the primary contact.

- What if the agent is only recruiting students in the state on an occasional basis (i.e. at job fairs)?
No.
 - Advertising in local media sources that are largely viewed by residents of the state?
No.
 - Advertising in national media sources that can be accessed by residents of the state?
No.
 - Having computer servers or other equipment located in the state?
Yes.
 - Hosting short term, face-to-face, seminars or conferences in the state where students meet in person?
If a permanent location is used, yes.
 - Employing mentors, tutors, or preceptors in the state to aid students, who are residents of the state, on an individual basis?
No.
 - Requiring a student to take a proctored exam at a location or with an entity in the state prescribed by the institution?
No.
 - Requiring a student to take a proctored exam with an entity in the state chosen by the student but approved by the institution?
No.
 - Other [please explain]
- c. Of the activities or conditions listed above that alone would not constitute a physical presence, are there any that if combined would create a physical presence?
Determined in a case by case basis.

6. Application Process

- a. Please provide a short description of the application process to obtain state authorization. If available, please provide web links to the specific references to all applicable state laws, regulations, manuals, forms, or other pertinent documents.

The license application process, which takes between 180 and 240 days, involves submitting a required License Application. In order to determine licensure, the “Letter of Intent” must be submitted and reviewed. If licensure is required, the appropriate application packet is provided. The application process:

- Submit the appropriate, non-refundable application filing fee.
- Participate in an education facility inspection/visit.
- Appear before the Board at a scheduled Board Meeting for licensure consideration Receiving Board approval for licensure prior to recruiting students, enrolling students, accepting payment, and/or beginning educational instruction.

Special Note: “Operate” means to establish, keep, maintain or utilize a physical facility, location or mailing address in this state where, from which or through which students are procured for private vocational or private degree programs, private vocational or private degree programs are offered or private vocational credentials or private degrees are offered or private vocational credentials or private degrees are offered or granted and includes contracting for the performance of any of these acts.

- b. Generally, how long does it take to approve applications (assuming that the agency has received all required information from the institution)? Please provide a typical range if appropriate.

4-5 Months.

- c. What is the authorization duration?

Annually.

- d. What does an institution need to do to maintain authorization?

Annually submit the license renewal and fee, maintain compliance.

- e. What kinds of information or data must an institution report to your agency as a condition for continued authorization? How frequently is this reported or updated? Is this information published or shared publicly?

Required to provide the information required in the annual renewal packet.

- f. Can an institution lose its authorized status? If so, how?
Yes, if the Board determines the institution is not in compliance with statute or rule.
- g. Can a multi-institutional system or college corporation apply to your agency for authorization on behalf of all of its component institutions? If so, please describe the process.
No.
- h. Would multi-institution public systems be treated the same as multi-location for-profit institutions?
N/A Public institutions are not under this Board's jurisdiction.
- i. What distinctive features in your authorization process would be useful for applicants to know (e.g., certain times during the year that you process applications for authorization, sharing of applications or information about proposed programs with institutions or other stakeholders in your state for comment)?
None.
- j. Is your agency currently planning to amend its application process by the end of 2011?
No.
- If yes, please provide a brief description of the anticipated change.
 - If yes, when does the agency expect the change to be fully implemented?

7. Fees Associated with Authorization

- a. Is there an application fee to initiate the authorization process? If so, what is the fee or fee schedule? Please provide a web link if available.
Yes, \$800 for private postsecondary education.
- b. Are there any other costs associated with the state authorization process (e.g. site visits, hiring a reviewer, surety bond, tuition recovery fund, agent licensing, etc.)?
May be required to post a surety bond, insurance coverage as required in R4-39-108, CPA prepared financial statements according to GAAP, site visit.
- c. What are the costs, if any, to renew authorization?
As above.
- d. What costs are associated with receiving a waiver or exemption to authorization?
None.

8. Interstate Reciprocity

- a. Do your state regulations explicitly allow or prohibit interstate reciprocal agreements about authorization? If so, please describe.
Not addressed.
- b. What is the process, if any, to obtain a reciprocal agreement with your state?
Question has not been addressed.
- c. Are there any reciprocal agreements currently in place or under consideration? If so, please list those agreements.
- d. If interstate reciprocal agreements are not addressed in your regulations, would your agency consider establishing such agreements? Please elaborate.
Yes, would probably require a change in statute and rule.

9. Consumer Protection and Student Complaints

- a. Does your agency have a process for handling complaints about postsecondary institutions or programs?
Yes.
 - If yes, please describe the process or provide a web link to the material that describes the complaint process.
http://azppse.state.az.us/student_info/compliance.asp
 - If yes, does this complaint process extend to institutions not authorized by the agency that may enroll residents of the state (such as explicitly distance education programs with no physical presence or exempt institutions)?
See attached statement.
 - If available, please provide a web link to the complaint form.
On the website under forms.
 - Who is the contact person for receiving complaints? Please include name, title, address, phone, and email if available.
Keith Blanchard
Deputy Director/Investigator
602-542-5769
Keith.blanchard@azppse.gov
- b. If your agency has no formal process for handling complaints related to postsecondary institutions, what state agency would handle a complaint?
See attached statement.

10. Enforcement

- a. If your agency finds that an institution or program is operating in your state without authorization, what is the resulting warning or enforcement action?
Contact and will issue a Cease & Desist and required to seek licensure.
- b. Can an institution or program appeal a warning or enforcement action? If yes, please describe the process or provide web links to the regulations/policies.
Yes, would have to provide documentation to support their position.

11. Legislative or Regulatory Changes

- a. Is your agency or state legislature planning to amend its regulations or alter its physical presence policy by the end of 2011?
No.
 - If yes, please provide a brief description of the anticipated change.
 - If yes, when does the agency expect the change to be fully implemented?
- b. Is your agency or state legislature making changes in your state regulations or statutes so that institutions with locations in your state would be considered legally authorized in accordance with the federal institutional eligibility regulations?
No.
 - If yes, please provide a brief description of the anticipated change.
 - If yes, when does the agency expect the change to be fully implemented?
- c. Is your agency or state legislature making any other changes in your state regulations or statutes with regard to state authorization?
No.
 - If yes, please provide a brief description of the anticipated change.
 - If yes, when does the agency expect the change to be fully implemented?

12. Is there anything else about the authorization process in your state that we and others ought to know about?

**JULY 1, 2011 FEDERAL REGULATIONS
STATE AUTHORIZATION AND STUDENT COMPLAINT PROCESS
34 CFR §§ 600.4(a)(3); 600.5(a)(4); 600.6(a)(3); 600.9 and 668.43(b)**

**CLARIFICATION REGARDING THE FEDERAL REGULATIONS ON
STATE AUTHORIZATION/LICENSING
AND
STUDENT COMPLAINT PROCESS IN ARIZONA**

LICENSING IN ARIZONA:

The Arizona State Board for Private Postsecondary Education (“State Board”) is responsible for the licensing and regulation of private postsecondary educational institutions operating in the State of Arizona. The Arizona State Board does **NOT** license or regulate public universities or community colleges. The laws governing the State Board and its licensees are at A.R.S. § 32-3001 et seq. The laws were last revised in 2005.

“Operate” is defined in A.R.S. § 32-3001(5) and “means to establish, keep, maintain or utilize a physical facility, location or mailing address in this state where, from which or through which students are procured for private vocational or private degree programs, private vocational or private degree programs are offered or private vocational credentials or private degrees are offered or granted and includes contracting for the performance of any of these acts.”

A private postsecondary educational institution must have a physical presence in the State of Arizona to fall within the jurisdiction of the State Board. A private postsecondary educational institution is determined to be physically located in Arizona and licensure is required if the institution:

1. maintains a telephone number with an Arizona area code.
2. maintains an address with an Arizona zip code.
3. maintains an internet URL which originates in Arizona or utilizes an ISP which is based in Arizona.

At this time, the State Board does not consider the following activities as having a physical presence requiring licensure:

1. Delivering on-line instruction to an Arizona resident.
2. An out-of-state institution offering externships or clinical in Arizona only.
3. An out-of-state institution with an Arizona online instructor or other employee that does not engage in direct activities with students.
4. Conduct recruiting/soliciting activity through the internet or through national media outlets that do not directly target Arizona residents.

To receive verification that licensure is not required: An institution requesting verification that licensure is not required in the State of Arizona must submit the "Letter of Intent" (or similar correspondence providing the same information) and send it to keith.blanchard@azppse.gov. The "Letter of Intent" may be found on the website under forms. Ensure the name and contact information for the individual to whom any return information should be directed is provided.

Upon review, the institution will receive notification that licensure is not required. If licensure is determined to be required, the appropriate application will be forwarded.

STUDENT COMPLAINTS:

The Arizona State Board for Private Postsecondary Education does NOT have jurisdiction to provide a complaint procedure/process for institutions not licensed by the Board.

However, if an Arizona resident is enrolled in an out-of-state distance education program and has a complaint, the student is advised to first contact the institution directly. If the student needs further assistance, the Arizona resident may contact the following agencies for assistance:

A Complaint regarding potential consumer fraud, including deceptive advertising:

Arizona Attorney General

Consumer Information and Complaints

1275 West Washington Street

Phoenix, AZ 85007

Phoenix phone number: 602-542-5763 Tucson phone number: 520-628-6504

Outside Phoenix Metro Area: 800-352-8431 Fax number: 602-542-4579

To file a Complaint online: www.azag.gov/consumer/complaintform.html

A Complaint regarding the educational program, administrative and institutional policies and procedures:

Arizona State Board for Private Postsecondary Education

Attn: Keith Blanchard

1400 W. Washington Street, Room 260

Phoenix, AZ 85007

602-542-5709, option 5