



Arizona State Board for Private Postsecondary Education

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Website: <https://ppse.az.gov/>

FACT SHEET - FY2023 (July 1, 2022 - June 30, 2023)

Mission:

To protect the health, safety, and welfare of Arizona citizens by regulating private postsecondary educational institutions and providing services to their students.

Goals:

- **Ensure Legal Operations, Ethical Practices, and Quality Education:** The primary goal of the Board is to uphold the standards of legal operations, ethical practices, and quality education within the private postsecondary sector.
- **Maintain Effective and Efficient Regulation:** The Board aims to maintain an effective and efficient regulatory framework for private postsecondary educational institutions, ensuring compliance with applicable laws and regulations.
- **Assist Injured Individuals:** The Board strives to provide assistance and support to individuals who have been financially or otherwise injured by private postsecondary educational institutions. This includes facilitating financial restitution as defined by R4-39-601 and providing aid to students affected by school closures as defined by R4-39-602.
- **Secure Sufficient Funds for Restitution:** The Board works towards collecting or securing adequate financial resources to ensure the availability of funds for student financial restitution, as per the requirements outlined in R4-39-601.
- **Timely Provision of Student Educational Records:** The Board is committed to providing student educational records in a timely manner, ensuring that students have access to their records when needed.

Agency Description: Starting from July 1, 2023, the Board is responsible for licensing and overseeing 234 private postsecondary educational institutions. These institutions offer a total of 3,185 vocational and degree programs. They encompass private universities, colleges, career colleges, and vocational schools. Annually, these educational institutions cater to approximately 344,853 students and generate a gross tuition revenue of \$3,723,443,289.00.

The reach of Arizona schools extends beyond the state's borders, providing education and training to students across the nation and around the world. They employ a combination of on-site and online educational methods to facilitate learning. Additionally, Arizona institutions have the opportunity to qualify for participation in the State Authorization Reciprocity Agreement (AZ-SARA). This agreement streamlines the licensure process across 49 states and multiple territories, promoting greater accessibility and efficiency for educational institutions.

The Board has two primary programs: Licensing and Regulation and the Student Tuition Recovery Fund (STRF).

I. Licensing and Regulation

The board acts on license applications, determines compliance, investigates complaints and violations, and takes disciplinary action when necessary. The Board reviews new and renewal licensing applications for compliance with A.R.S. Title 32, Chapter 30, and A.A.C Title 4, Chapter 39.

Every new license application undergoes a comprehensive review and approval process by both the Staff and the State Board. Each application consists of at least 20 items, such as financial statements, insurance certificates, surety bonds, course descriptions, faculty lists, accreditation details, and other crucial documents required by statutory or administrative regulations. The processing time for new non-accredited applications, which includes both administrative completeness and substantive review, is 180 days. Accredited degree applications require 240 days for processing.

Once a school is granted a license, it must renew it annually. During the license renewal procedure, the school is required to submit 15 distinct items for review and approval by the staff. This renewal process typically takes 60 days for each school to complete. The renewal period is divided into four quarterly cycles. The renewal fees are determined based on the gross tuition revenues, ranging from a minimum of \$750 to a maximum of \$6000 per year.

II. Student Tuition Recovery Fund (STRF)

The Board holds the authority to secure and retain student educational records from closed institutions through the administration of the Student Tuition Recovery Fund (STRF). Essential documents such as student transcripts, enrollment agreements, and financial ledger cards are kept indefinitely to ensure students have continued access to critical educational records for employment, further education, or other purposes. Additionally, the STRF fund serves to financially compensate students affected by the closure of private postsecondary institutions. The Board currently safeguards around 6 million student documents as the custodian of records.

The STRF fund operates as a non-appropriated fund and is funded through assessments imposed on licensed institutions. It maintains a minimum balance of \$500,000 and is utilized to provide restitution to students who have been harmed due to the closure of a licensed school before completing their contracted coursework. Each year, the agency receives and fulfills approximately 1,500 student record requests. It's worth noting that Arizona is one of the few states that offers access to student records following institutional closures.

Snapshot of FY 2023 Activity:

Licensing & Regulation Program: For the fiscal year 2023 (July 1, 2022 - June 30, 2023), the Board accomplished the following:

- Licensed Schools: The Board granted licenses to a total of 234 schools, which includes both vocational/degree programs and accredited/non-accredited institutions.
- Total Students Enrolled: The number of students enrolled in licensed institutions in Arizona during this period was as follows:
 - Vocational Students: 74,009
 - Degree Students: 270,844
 - Total Students: 344,853
- Supplemental Licenses: The Board approved a total of 263 supplemental licenses, covering various categories:
 - Change of Ownership: 4
 - Change of Location: 18
 - New Programs: 136
 - Program Modifications: 95
 - Change of Institutional Name: 10
- License Renewals: A total of 196 licenses were renewed during the specified period.
- New School Licenses: The Board granted approval for 17 new school licenses.
- Complaint Investigations: The Board conducted investigations into 30 student complaints and 8 non-student consumer complaints and 6 are still pending. The State Board adjudicated 5 complaints
- Correspondence and Inquiries: The Board responded to 151 Letters of Intent, 83 State Authorizations, and 43 Inquiries.
- Inspections: A total of 30 inspections were carried out by the Board.
- School Closures: The Board provided assistance and support during the closure of 10 schools.
- Student Record Requests: The Board fulfilled 1,735 student record requests.
- Student Tuition Recovery Fund Claims: A sum of \$23,992.00 was disbursed in Student Tuition Recovery Fund claims.
- Revenue Generated: Educational institutions within the Board's purview generated total revenue of \$3.7 billion.
- Adverse Actions: The Board took 37 adverse actions, including probationary measures, requirements for higher bonds, quarterly reporting, issuance of Letters of Concern, Cease & Desist Orders, and monitoring.

Public Information Requests:

The agency offers valuable information to the public on various aspects, including:

- Licensed schools in Arizona: The agency provides details and updates on schools that have obtained licenses to operate in Arizona.
- Licensed programs: Information is available regarding the specific programs and courses offered by licensed institutions.
- Accreditation: The agency clarifies the significance of accreditation and provides a list of licensed schools that have obtained accreditation.
- Student Tuition Recovery Fund claims: Information and guidance are provided on the process of filing claims with the Student Tuition Recovery Fund for students affected by institutional closures.

- Grievance Procedures and student complaints: The agency outlines the procedures for addressing grievances and guides students on how to file complaints if they encounter issues with licensed institutions.
- Records from other states: Assistance is offered to individuals seeking to locate their educational records in other states.
- Ordering student records in Arizona: Information is provided on how to request and obtain student records from educational institutions within Arizona.
- Becoming a licensed institution: The agency outlines the requirements and procedures for institutions seeking to become licensed in Arizona, providing guidance on the application process and necessary steps to fulfill.

[The agency has a Website that provides online information and downloadable forms to facilitate public information requests.](#)

Agency Partnerships:

The Arizona State Board for Private Postsecondary Education plays a crucial role as one of the three components of the "triad," which consists of the United States Department of Education, accrediting bodies, and state regulatory bodies. Acting as a state regulatory body, the Board's primary focus is on consumer protection and ensuring fair competition among schools operating within Arizona.

To enhance oversight and the flow of information, the State Board has established partnerships with various entities at the city, state, and federal levels. These partnerships include collaborations with the U.S. Department of Education, the Arizona Department of Education, institutional and programmatic accrediting agencies, the Veteran's Administration, the Department of Health Services, the Workforce Innovation & Opportunity Act, the Department of Economic Security, and other state agencies with shared responsibilities for dual licensing, such as the Arizona State Board of Nursing. By working together with these agencies, the State Board aims to facilitate effective regulation and the exchange of pertinent information in the private postsecondary education sector.