



Arizona State Board for Private Postsecondary Education

1740 W Adams St., Suite 3008 | Phoenix, Arizona 85007

(602) 542-5709

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

Institution Portal: <https://elicense.az.gov/>

FACT SHEET - FY2021 (July 1, 2020 - June 30, 2021)

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

Goals: To ensure legal operations, ethical practices and quality education in the private postsecondary sector.

- Maintain effective and efficient regulation of the private postsecondary educational institutions.
- To assist those injured by private postsecondary educational institutions.
- To collect or secure monies sufficient to provide for student financial restitution as defined by R4-39-601. To provide financial restitution to students financially injured as a result of a school closure as defined by R4-39-602.
- To provide student educational records in a timely manner.

Agency Description: As of July 1, 2021, the Board licenses and regulates 217 private postsecondary educational institutions operating 4099 vocational and degree programs. These private universities, colleges, career colleges, and vocational schools annually serve approximately 265,544 students. Arizona schools provide training to students in Arizona, across the nation and around the world through on-site and online education.

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

I. Licensing and Regulation

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.

Each new license application contains 20 items that must be reviewed and approved by Staff and then the full State Board. This includes prepared financial statements, certificates of insurance, surety bonds, course descriptions, faculty lists, accreditation information, and other critical documents that are mandated by statute or administrative rules. On average, a new application can be reviewed and approved/denied within 120 days after submission.

Once licensed, each school must renew their license annually. During license renewal, each school must submit 15 separate items for staff review and approval. This process takes 60 days for each school to complete. Renewals are divided into 4 quarterly cycles. Renewal fees are determined by gross tuition revenues ranging from a minimum of \$600 to a maximum of \$2300 per year. **Fees have NOT been increased since 1996.**

II. Student Tuition Recovery Fund (STRF)

Through the administration of the Student Tuition Recovery Fund, the Board has the authority to seize and retain student educational records from closed institutions. Student transcripts, enrollment agreements and financial ledger cards are retained, in perpetuity, in order to provide the student with access to critical educational documents that are used for employment, continuing education, or other purposes. The STRF fund also provides financial restitution to students injured by private postsecondary institutional closures. The Board is currently the custodian of records for approximately 6 million student documents.

The STRF fund is a non-appropriated fund assessed from licensed institutions and maintains a minimum balance of \$500,000. The fund is used to compensate students injured when a licensed school closes before a student has completed contracted coursework. The agency receives and fulfills approximately 2,500 student record requests annually. Arizona is one of just a few states that provides access to student records upon closure.

Snapshot of FY 2021 Activity:

I. Licensing & Regulation Program: For FY2021 (July 1, 2020 - June 30, 2021), the Board:

- Licensed 217 schools (includes vocational/degree & accredited/non-accredited)
- Total Students Enrolled in Arizona Licensed Institutions:
 - Vocational Students: 39,210
 - Degree Students: 226,334
 - Total Students: 265,544
- Approved 359 Supplemental Licenses (programs, change/add location, change of ownership)
 - Change of Ownership: 9
 - Change of Location: 17
 - New Programs: 242
 - Program Modifications: 85
 - Change of Institutional Name: 6
- Renewed 207 licenses.
- Approved 18 New School Licenses
- Investigated 3 student complaints and 1 non-student consumer complaint
- Responded to 59 Letter of Intent, 81 State Authorization, 475 Student inquiries
- Conducted 11 inspections
- Assisted with 21 school closures
- Serviced 2198 student record requests.
- Paid \$20,494 in Student Tuition Recovery Fund claims
- Educational institutions generated \$2,352,681,833 in revenue.
- Adverse Actions taken: 67 (Probation, require higher bonds, quarterly reporting, Letter of Concerns, Cease & Desist Orders, Monitoring)

Public Information Requests:

The agency provides information to the public regarding:

- Licensed schools in Arizona
- Licensed programs
- The meaning of accreditation and which licensed schools are accredited

- Student Tuition Recovery Fund claims
- Grievance Procedures and how to file student complaints
- Locating records in other states
- Ordering student records in Arizona
- How to become a licensed institution

[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 serves as an equal part of the “triad” (United States Department of Education, Accreditor, State Regulatory Body). The Board provides consumer protection and “creates a level playing field for schools within the state”.

The State Board has developed partnerships with other City, State, and Federal agencies to facilitate oversight and the dissemination of information. They include the U.S. Department of Education; Arizona Department of Education; Institutional and Programmatic Accrediting Agencies; Veteran’s Administration; Department of Health Services; Workforce Innovation & Opportunity Act; Department of Economic Security and other state agencies that share dual-licensing responsibilities for schools.