

PVA 0.0 Agency Summary
STATE BOARD FOR PRIVATE POST-SECONDARY EDUCATION
 Kevin LaMountain, Executive Director
 (602) 542-5716
 A.R.S. §§ 32-3001 et seq.

Mission:

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

Description:

The Board for Private Postsecondary Education licenses and regulates 222 private postsecondary educational institutions that serve approximately 231,743 students annually. The Board determines compliance, investigates complaints and violations, and takes disciplinary action. The Board also administers the Student Tuition Recovery Fund, which provides financial restitution to students injured by private postsecondary institutional closures and provides students access to their educational records.

PVA 1.0 Program Summary
LICENSING AND REGULATION
 Kevin LaMountain, Executive Director
 Board for Private Postsecondary Education (602) 542-5716
 A.R.S. §§ 32-3001 to 32-3058

Mission:

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

Description:

The Board licenses and regulates approximately 222 private postsecondary educational institutions, serving approximately 231,743 students annually. The Board acts on license applications, determines compliance, investigates complaints and violations, and takes disciplinary action.

◆ **Goal 1** To improve legal operations, ethical practices and quality education in the private postsecondary education sector through effective and improved regulatory practices.

Objective: 1 FY2020: Maintain effective and efficient regulation of the private postsecondary sector.

FY2021: Improve Regulatory Rules and processes.

FY2022: Refine and update statutes and rules to improve the operation of institutions and to the benefit of the students.

Performance Measures	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
Total number of Institutions licensed	222	218	210
Total number of renewal licenses approved	226	215	200
Total number of Supplemental Licenses approved	279	300	250
Number of adverse actions taken (Higher bonds, reporting/monitoring required)	42	45	45
Number of annual inspections conducted	0	15	10
Number of students enrolled in private institutions	231,743	240,000	245,000
Number of licenses denied	1	0	0
Number of institutional closures	12	20	20

◆ **Goal 2** To investigate and adjudicate complaints in a timely manner.

Objective: 1 FY2020: Improve the student complaint process

FY2021: Improve the student complaint process

FY2022: Improve the student complaint process

Performance Measures	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
Number of annual student complaints investigated	44	50	50
Number of student complaints resolved/dismissed	50	50	50
Number of student complaints resulting in disciplinary action	1	2	2
Number of Student Complaints Pending	0	0	0
Number of non-student complaints Investigated	10	10	10
Number of non-student complaints resolved	10	10	10
Number of non-student complaints resulting in disciplinary action	1	3	3
Number of non-student Complaints Pending	0	0	0
Number of written inquiries (Letter of Intents, State Authorization Letters and student questions)	114	120	120

◆ **Goal 3** To improve efficiency and administration of the licensing and regulation program through an internal re-structuring and enhancement of administrative policies.

Objective: 1 FY2020: To enhance our internal personnel structure and leadership capacity to respond to the growing complexity of the private postsecondary sector.

FY2021: Improve the e-Licensing System to improve processes for both the Board and the Licensees.

FY2022: Provide enhancements the e-Licensing System

Performance Measures	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
Administration as a percentage of total cost	2.3	2.3	2.0

PVA 2.0 Program Summary
STUDENT TUITION RECOVERY FUND
 Kevin LaMountain, Executive Director
 Board for Private Postsecondary Education (602) 542-5716
 A.R.S. §§ 32-3071 to 32-3077

Mission:

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

Description:

The Board administers the Student Tuition Recovery Fund, which provides financial restitution to students injured by private postsecondary institutional closures and provides students access to their educational records. This fund also provides financial support for records storage (transcripts must be kept in perpetuity) of over 4M documents, and support staff.

◆ **Goal 1** To provide equitable financial restitution, in a timely manner, to students financially injured as a result of a school closure.

Objective: 1 FY2020: Timely process STRF claims

FY2021: Implement electronic storage of student records in order to more timely process STRF claims if received.

FY2022: Continue the process of storing student records electronically.

2020 - 2022 ARIZONA MASTER LIST OF STATE GOVERNMENT PROGRAMS

Performance Measures	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
Number of claims filed	15	10	20
Number of claims rejected	9	2	5
Number of claims paid/settled/closed	14	10	15
Number of claims pending	0	0	0
Average number of calendar days to pay claims	65	60	60

◆ **Goal 2** To collect or secure monies sufficient to provide for student financial restitution.

- Objective: 1** FY2020: Ensure the STRF is financially solvent
 FY2021: Assessment of schools required. Consider legislative changes to assessment and schools billed.
 FY2022: Assessment of schools required. Request legislative changes to assessments and schools billed.

Performance Measures	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
Number of institutions billed	161	155	222
Amount of assessments collected (in thousands)	176.9	189.8	180.00
Amount available to students (in thousands)	32.1	11.0	10
Amount paid in Student Claims	218.1	60	80

◆ **Goal 3** To provide students access to their educational records in a timely manner.

- Objective: 1** FY2020: Improve processing time for student records requests
 FY2021: Continue the process of electronically storing student records.
 FY2022: Begin digitizing all paper students records

Performance Measures	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
Number of student record requests processed.	6947	7000	8000
Average number of days to process requests	15	10	10

AGENCY SUMMARY

Program: PVA 0.0 STATE BOARD FOR PRIVATE POST-SECONDARY EDUCATION
Director: Kevin LaMountain, Executive Director
Phone: (602) 542-5716
Statute: A.R.S. §§ 32-3001 et seq.

Mission:

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Description:

The Board for Private Postsecondary Education licenses and regulates 222 private postsecondary educational institutions that serve approximately 231,743 students annually. The Board determines compliance, investigates complaints and violations, and takes disciplinary action. The Board also administers the Student Tuition Recovery Fund, which provides financial restitution to students injured by private postsecondary institutional closures and provides students access to their educational records.

PROGRAM SUMMARY

Program: PVA 1.0 LICENSING AND REGULATION
Contact: Kevin LaMountain, Executive Director
Phone: Board for Private Postsecondary Education (602) 542-5716
Statute: A.R.S. §§ 32-3001 to 32-3058

Mission:

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

Description:

The Board licenses and regulates approximately 222 private postsecondary educational institutions, serving approximately 231,743 students annually. The Board acts on license applications, determines compliance, investigates complaints and violations, and takes disciplinary action.

◆ **Goal:** 1 To improve legal operations, ethical practices and quality education in the private postsecondary education sector through effective and improved regulatory practices.

Objectives: 1 2020 Obj: Maintain effective and efficient regulation of the private postsecondary sector.
 2021 Obj: Improve Regulatory Rules and processes.
 2022 Obj: Refine and update statutes and rules to improve the operation of institutions and to the benefit of the students.

Performance Measures:

ML	Budget	Type		FY 2019 Actual	FY 2020 Estimate	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	
1	<input checked="" type="checkbox"/>	<input type="checkbox"/>	IP	Total number of institutions licensed	203	210	222	218	210
				The impact of COVID-19 will have a negative impact on school closures and new school applications.					
2	<input checked="" type="checkbox"/>	<input type="checkbox"/>	IP	Total number of renewal licenses approved	243	210	226	215	200
				Overall numbers will decrease due to the impact of COVID-19					
3	<input checked="" type="checkbox"/>	<input type="checkbox"/>	IP	Total number of Supplemental Licenses approved	286	250	279	300	250
				2020 supplemental licenses were higher than expected due to the changes in programs related to modality shifts (due to COVID-19).					
4	<input checked="" type="checkbox"/>	<input type="checkbox"/>	OC	Number of adverse actions taken (Higher bonds, reporting/monitoring required)	97	95	42	45	45
				Includes quarterly financial reporting and higher bonds					
5	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	OC	Number of annual inspections conducted	17	15	0	15	10
				Inspections are down due to COVID-19. In person inspections did not occur from March 1st, 2020 - August, 2020.					
6	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	IP	Number of students enrolled in private institutions	155,010	160,000	231,743	240,000	245,000
7	<input checked="" type="checkbox"/>	<input type="checkbox"/>	OC	Number of licenses denied	1	0	1	0	0
				AZ PMU was denied due to issues with the application. This is currently under appeal.					
8	<input checked="" type="checkbox"/>	<input type="checkbox"/>	OC	Number of institutional closures	26	15	12	20	20

◆ **Goal:** 2 To investigate and adjudicate complaints in a timely manner.

Objectives: 1 2020 Obj: Improve the student complaint process
 2021 Obj: Improve the student complaint process
 2022 Obj: Improve the student complaint process

Performance Measures:

ML	Budget	Type		FY 2019 Actual	FY 2020 Estimate	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
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ML	Budget	Type		FY 2019 Actual	FY 2020 Estimate	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
1	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	OP					
Includes all "Inquiries" that led to some investigation. The increase now adds the inquiries section.								
2	<input checked="" type="checkbox"/>	<input type="checkbox"/>	OC	3	8	50	50	50
3	<input checked="" type="checkbox"/>	<input type="checkbox"/>	OC	1	2	1	2	2
4	<input checked="" type="checkbox"/>	<input type="checkbox"/>	OP	1	0	0	0	0
5	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	OP	5	10	10	10	10
6	<input checked="" type="checkbox"/>	<input type="checkbox"/>	OC	3	5	10	10	10
7	<input checked="" type="checkbox"/>	<input type="checkbox"/>	OC	1	5	1	3	3
8	<input checked="" type="checkbox"/>	<input type="checkbox"/>	OP	1	0	0	0	0
9	<input checked="" type="checkbox"/>	<input type="checkbox"/>	IP	44	70	114	120	120
# of inquiries was 105, but there were 332 letters regarding State authorization as a result of the higher education regulations. Subsequent State authorization letters should be fewer than 20 this year as a Judge has vacated the rule.								
◆ Goal:	3	To improve efficiency and administration of the licensing and regulation program through an internal re-structuring and enhancement of administrative policies.						
Objectives:	1	2020 Obj: To enhance our internal personnel structure and leadership capacity to respond to the growing complexity of the private postsecondary sector.						
		2021 Obj: Improve the e-Licensing System to improve processes for both the Board and the Licensees.						
		2022 Obj: Provide enhancements the e-Licensing System						

Performance Measures:				FY 2019 Actual	FY 2020 Estimate	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
ML	Budget	Type						
1	<input checked="" type="checkbox"/>	<input type="checkbox"/>	EF	2.3	2.	2.3	2.3	2.0
Administration as a percentage of total cost								

PROGRAM SUMMARY				
Program:	PVA	2.0	STUDENT TUITION RECOVERY FUND	
Contact:	Kevin LaMountain, Executive Director			
Phone:	Board for Private Postsecondary Education (602) 542-5716			
Statute:	A.R.S. §§ 32-3071 to 32-3077			

Mission:

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

Description:

The Board administers the Student Tuition Recovery Fund, which provides financial restitution to students injured by private postsecondary institutional closures and provides students access to their educational records. This fund also provides financial support for records storage (transcripts must be kept in perpetuity) of over 4M documents, and support staff.

◆ Goal: 1 To provide equitable financial restitution, in a timely manner, to students financially injured as a result of a school closure.

Objectives: 1 2020 Obj: Timely process STRF claims
 2021 Obj: Implement electronic storage of student records in order to more timely process STRF claims if received.
 2022 Obj: Continue the process of storing student records electronically.

Performance Measures:				FY 2020 Actual	FY 2020 Estimate	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
ML	Budget	Type						
1	<input checked="" type="checkbox"/>	<input type="checkbox"/>	IP	20	10	15	10	20
2	<input checked="" type="checkbox"/>	<input type="checkbox"/>	OP	10	0	9	2	5
3	<input checked="" type="checkbox"/>	<input type="checkbox"/>	OC	10	10	14	10	15
4	<input checked="" type="checkbox"/>	<input type="checkbox"/>	OP	0	0	0	0	0
5	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	EF	45	45	65	60	60
Average number of calendar days to pay claims								

◆ Goal: 2 To collect or secure monies sufficient to provide for student financial restitution.

Objectives: 1 2020 Obj: Ensure the STRF is financially solvent
 2021 Obj: Assessment of schools required. Consider legislative changes to assessment and schools billed.
 2022 Obj: Assessment of schools required. Request legislative changes to assessments and schools billed.

Performance Measures:

ML	Budget	Type	FY 2019 Actual	FY 2020 Estimate	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	
1	<input checked="" type="checkbox"/>	<input type="checkbox"/> IP	Number of institutions billed	133	131	161	155	222
2	<input checked="" type="checkbox"/>	<input type="checkbox"/> OP	Amount of assessments collected (in thousands)	177.3	170.	176.9	189.8.	180.00
3	<input checked="" type="checkbox"/>	<input type="checkbox"/> OC	Amount available to students (in thousands)	149.6	80.3	32.1	11.0	10
Assessment billing will have to be done the next couple of years.								
4	<input checked="" type="checkbox"/>	<input type="checkbox"/> OC	Amount paid in Student Claims	130.8	10.	218.1	60	80

◆ **Goal:** 3 To provide students access to their educational records in a timely manner.

Objectives: 1 2020 Obj: Improve processing time for student records requests
 2021 Obj: Continue the process of electronically storing student records.
 2022 Obj: Begin digitizing all paper students records

Performance Measures:

ML	Budget	Type	FY 2019 Actual	FY 2020 Estimate	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	
1	<input checked="" type="checkbox"/>	<input type="checkbox"/> OP	Number of student record requests processed.	8297	4600	6947	7000	8000
2	<input checked="" type="checkbox"/>	<input type="checkbox"/> EF	Average number of days to process requests	5	5	15	10	10

Budget Related Performance Measures
State Board for Private Postsecondary Education

Program:	1.0	LICENSING AND REGULATION
Contact:	Kevin LaMountain, Executive Director (602) 542-5716	
2nd Contact:		
Statute:	A.R.S. §§ 32-3001 to 32-3058	

ML	Budget	Type	Performance Measure	FY 2019 Actual	FY 2020 Estimate	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	OP	Number of annual student complaints investigated	5	10	44	50	50
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	OP	Number of non-student complaints investigated	5	10	10	10	10
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	OC	Number of annual inspections conducted	17	15	0	15	10
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	IP	Number of students enrolled in private institutions	155,010	160,000	231,743	240,000	245,000

Program:	2.0	STUDENT TUITION RECOVERY FUND
Contact:	Kevin LaMountain, Executive Director (602) 542-5716	
2nd Contact:		
Statute:	A.R.S. §§ 32-3071 to 32-3077	

ML	Budget	Type	Performance Measure	FY 2019 Actual	FY 2020 Estimate	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	EF	Average number of calendar days to pay claims	45	45	65	60	60

Revised Performance Measure Descriptions

The following performance measures are budget related. Unlike non-budget related performance measures, agencies can't change the last published description themselves. Therefore, they've entered a revised description which should be reviewed. If appropriate, update the performance measure's description with the agency's revised description in OSPB's "centralized" AZIPS. Be sure your team leader, OSPB management and JLBC have approved of the change, since this will be published. This report checks for revisions across all agencies. Please communicate with the agency about the outcome of their request to add, change or delete performance measures and/or their descriptions.

Agency:	PVA State Board for Private Postsecondary Education			
Program:	1	Licensing and Regulation		
Subprogram:	0	Licensing and Regulation		
Goal:	1	To improve legal operations, ethical practices and quality education in the private postsecondary education sector through effective and improved regulatory practices.		
Objective:	1	Default 2007		
Performance Measure Last Published Description & Agency's Revised Description				PM Type
Original:	6	Number of students enrolled in private institutions		IP
Revised:	6	Number of students enrolled in private institutions		

Agency 5-Year Plan

Issue 1 Maintaining effective and efficient regulation of the private postsecondary education sector.

Description: The PPSE Board was established by the State Legislature in 1970 to license and regulate private institutions offering vocational and degree-granting programs. The programs offered by the private postsecondary educational institutions range from dog grooming to a Ph.D. in many fields, including Juris Doctorate and a Doctor of Dental Medicine. The programs are offered campus-based, online or a combination of both.

Solutions:

Strategies:

1. Improve and enhance the e-Licensing platform to streamline the licensing processes (renewals and all supplemental license applications for new programs, change of locations, change of owners or change of name) for both licensees and Board staff.
2. Pursue legislative changes to increase fees. The fund balance will continue to decline if action is not taken
3. Improve knowledge and breadth of understanding in the increasing complex federal regulations and accrediting standards.
4. Work with licensed institutions to improve policies and procedures to improve the operation of the institution and to the benefit of the students.
5. Continue to serve with the Community Colleges and the State University on the AZ-SARA Council.

Issue 2 Improve Regulatory Rules and Processes

Description:

The PPSE Board acts on new institutional applications, license renewals, new programs, changes/new locations and change of ownerships to determine compliance with statutes and rules.

The PPSE Board is a partner in the federal "Triad" in terms of oversight for the federal student loan program. The other partners include the U.S. Department of Education and the regional, national accrediting agencies.

Solutions:

Strategies:

1. Regular review of policies and procedures for improvement and efficiency.
2. Recurring assessment of regulatory knowledge for licensing and licensing of professionals.
3. Increase knowledge and breadth of understanding of increasing complex federal regulations and accrediting standards.
4. Keeping abreast of emerging trends in the postsecondary sector.

Issue 3 To improve the Student Complaint Process

Description: The PPSE Board is responsible to protect consumers/students and to assist institutions through regulatory enforcement and processes that are reasonable, consistent, firm, fair and timely.

Solutions:

Strategies:

1. Require the institutions to respond to requests within a 10-day time period.
2. Encourage the students and licensed institutions to resolve the complaint amicably and fairly.
3. Continue to work with the licensed institutions to take corrective action to inequitable policies or to improve consumer protection.

Issue 4 Enhance the internal personnel structure and leadership capacity to respond to the growing complexity of the private postsecondary sector.

Description: The PPSE Board demonstrates its commitment to the private postsecondary sector by supporting the success of students and licensed institutions. The PPSE Board also supports the evolving innovation for improving effectiveness and performance.

Solutions:

Strategies:

1. Improvement and enhancement to the e-Licensing platform.
2. Improved training and development of current staff.
3. Continue to provide prompt, courteous and professional services to all stakeholders and partners.

Performance Measures:

1. Number of new institutions, renewals and supplemental license applications licensed with the established timeframes.
2. Number of new institutions, renewals and supplemental license applicants. Licensed outside of the established timeframes.
3. Number of students enrolled.
4. Number of adverse actions taken (remedial action required, additional reporting requirements and monitoring, higher surety bond).
5. Customer service satisfaction is above 90%.
6. Number of student complaints resolved/dismissed.
7. Number of student complaints resulting in disciplinary action.
8. Number of non-student complaints resolved/dismissed.
9. Number of non-student complaints resulting in disciplinary action.
10. Average number of days in investigating and adjudicating student complaints.
11. Average number of days in investigating and adjudicating non-student complaints.

Issue 5 To assist a closing institution in conducting an orderly closing and possible teach-out.

Description: The PPSE Board administers the Student Tuition Recovery Fund. Through this program, the Board works with the closing institution to provide alternative options for students to continue their education at another institution. The PPSE Board provides assistance to the students who are currently enrolled and attended the closing/closed school.

Solutions:

Strategies:

1. Work with the closing institution to open communications with the currently enrolled students to inform the students of the available options.
2. Work with currently licensed institutions to provide available teach-out opportunities for the students in the closing institution.
3. Process Student Tuition Recovery Fund claims in a timely manner.

Issue 6 To collect and secure monies sufficient to provide for student financial restitution.

Description: Through the Student Tuition Recovery Fund, the PPS Board provides financial restitution to students who were currently enrolled at the time of a school closure and unable to transfer to another institution.

Solutions:

- Strategies:
1. An assessment will continue for FY2022 - FY2025 in order to maintain the \$500,000 minimum STRF Requirements.
 2. Require at-risk institutions to provide the State Board with electronic copies of student records.
 3. Discuss legislative changes to increase the STRF to \$1,000,000, revise the assessment calculation and require all institutions to pay the assessment.
 4. Increase STRF reach to include previously exempt "regional" institutions.

Issue 7 To continue to provide students copies of their educational records in a timely manner

Description: The PPSE Board takes possession of student educational records to further their education or for verification of employment.

Solutions:

- Strategies:
1. Secure student educational records from institutions that may be at risk.
 2. Work with RMC in digitizing the currently housed student records.
 3. Update the internal record keeping of the location of the student's educational records.
 4. Require licensed institutions to maintain student records digitally to improve efficiency in retrieving student records information.

Performance Measures:

1. Student records are processed within 10 days of receipt.
2. Student tuition recovery claims are processed/approved within 90 days.
3. Responsible fiscal management.

Resource Assumptions

	FY2023 Estimate	FY2024 Estimate	FY2025 Estimate
Full-Time Equivalent Positions	5.0	5.0	5.0
General Fund	0.0	0.0	0.0
Other Appropriated Funds	425,000.0	425,000.0	425,000.0
Non-Appropriated Funds	17,500.0	16,800.0	160,000.0
Federal Funds	0.0	0.0	0.0