

***APPLICATION FOR A SUPPLEMENTAL LICENSE  
For A  
CHANGE OF OWNERSHIP***

**Revised 9/2007**

***APPLICATION FOR A SUPPLEMENTAL LICENSE FOR A CHANGE OF OWNERSHIP  
CONTENT REQUIREMENTS***

**THE FOLLOWING INFORMATION IS REQUIRED AS PART OF THE APPLICATION FOR A SUPPLEMENTAL LICENSE FOR A CHANGE OF OWNERSHIP. SUBMIT IN THE EXACT FOLLOWING ORDER.**

1. Filing fee of \$500.00
2. Application for a Supplemental License for a Change of Ownership Form, completed, signed, and notarized. The application CANNOT be hand-written.
3. Chart to reflect the new ownership, including all levels of subsidiaries under the parent company/corporation.C.
4. Program Information Form. If you have more than (1) campus, submit a Program Information Form for each campus.
5. Resumes: Complete and submit new resume forms on the new owners, executive officers, board members, the director of the institution and administration. If accredited, the Accrediting Agency's form may be substituted for the State Board form.
6. An explanation of changes that are being considered, to include: educational objectives, programs, faculty, student services, policies and procedures, student recruitment, management and facility.
7. Purchase Agreement/Documents or Proof of Sale or Transfer: Submit a copy of the purchase agreement (with all referenced exhibits) or relevant documentation/papers. In addition, please enclose a narrative summary of the major terms of the transfer of ownership/purchase agreement, i.e., dollar amount of the purchase/purchase price, method of financing, debt incurred, and special terms (management agreements, cancellation windows, conditions of operation, etc.). If there is not a purchase agreement, submit whatever legal documents exist that specify the terms and nature of the change in ownership.
8. Statement of Responsibility for Refund Liability: signed and notarized.
9. Incorporating Papers: Submit a copy of the incorporating papers of the new ownership or amendments to the incorporating papers resulting from the change in ownership.  
  
If a foreign corporation, the corporation must register with the Arizona Corporation Commission and provide verification of filing.
10. If the institution is accredited:
  - A. Submit verification/proof of accreditation (copy of certificate and approval letter) – Also enclose a copy of the letter sent to the Accrediting Agency notifying them of the change of ownership and briefly explain the Change of Ownership process of the Accrediting Agency.

- B. U.S. DOE/Title IV Program Eligibility Status – Identify all federal student aid programs in which the institution participates. Also explain the impact of the change of ownership on institutional eligibility and participation in the financial aid programs and on student receipt of federal student aid.
11. Surety Bond: If the licensee has been required to post a Surety Bond, submit proof that the Surety Bond has been issued in the name of the new owner of the school. An original is required. Submit the contact name, address and phone number of the Surety Company.  
***The Surety Company must have a BEST rating of A or higher.***
12. Financial Statements for the **PREVIOUS OWNER** to comply with R4-39-108.
- A. Fiscal Year end financial statements prepared and signed by an independent, Certified Public Accountant currently licensed by the Arizona State Board of Accountancy, or by the accountancy board in the state of the Institution’s corporate or home office.
- B. Prepared in accordance with Generally Accepted Accounting Principals. **Statement of Cash Flows and Disclosures are required.**
- C. If the financial statements are **older than 6 months** – submit a Current in-house Balance Sheet and Income statement OR financial statements at the time of closing.
- D. **Accredited Institutions** – Submit the Title 4 Student Financial Assistance Program Compliance Audit.
- E. The above information must be correctly summarized on the “Financial Information” page of the application.
13. Financial Statements for the **NEW OWNER** to comply with R4-39-108.
- A. Fiscal Year end financial statements prepared and signed by an independent, Certified Public Accountant currently licensed by the Arizona State Board of Accountancy, or by the accountancy board in the state of the Institution’s corporate or home office.
- B. Prepared in accordance with Generally Accepted Accounting Principals. **Statement of Cash Flows and Disclosures are required.**
- C. If the financial statements are **older than 6 months** – submit a Current in-house Balance Sheet and Income statement OR financial statements at the time of closing.
- D. Two-year projections to include itemized revenue and expenses expected by the new ownership.
- E. **Accredited Institutions** – Submit the Title 4 Student Financial Assistance Program Compliance Audit.
- F. Personal financial statements for the new owners prepared and signed by an independent Certified Public Accountant may also be required..
- G. The above information must be correctly summarized on the “Financial Information” page of the application.
14. For the new ownership, proof of Liability Insurance to comply with R4-39-108(C): The State Board must be named as a Certificate Holder. All locations of the institution must be identified as insured. A minimum single occurrence malpractice or professional liability coverage of \$1,000,000 and general liability coverage of \$1,000,000 is required.
15. Refund Policy: Submit a copy of the Refund Policy to comply with A.A.C. Rule R4-39-308 and rule A.A.C. R4-39-404.
- A. If not accredited, ensure compliance with A.A.C. R4-39-404(A), (B), (D) and (E).
- B. If accredited, ensure compliance with A.A.C. R4-39-404(A),(B), (C) and

(E).

16. Enrollment Agreement: To comply with A.A.C. Rule R4-39-401(A)(1). **REQUIRED OF ALL INSTITUTIONS.** *Submit a copy of the enrollment agreement, cross-referenced with the Enrollment Agreement Checklist, identifying applicable changes due to the change in ownership.*
  - A. If not accredited, ensure the enrollment agreement includes, at a minimum, language on the enclosed Enrollment Agreement to include the 3-Day Cancellation Notice and 30 day refund pursuant to A.A.C. R4-39-404(A)(B). Sample copy attached.
  - B. If accredited, ensure the enrollment agreement includes the 3-Day Cancellation Notice and 30-day refund pursuant to A.A.C. R4-39- 404(A)(B)
  
17. Institutional Catalog **and** Student Handbook (if applicable). **REQUIRED OF ALL INSTITUTIONS.** *Submit a copy of the catalog, cross-referenced with the Catalog checklist, identifying applicable changes due to the change in ownership.*
  - A. If not accredited, to comply with A.A.C. Rule R4-39-301.
  - B. If accredited, to comply with accreditation criteria. *Submit one copy of the current catalog, cross- referenced with the accrediting agency’s checklist or the State Board Catalog checklist.*
  
18. Submit copies of all brochures, media/advertising copy, handbooks, and other materials that will be revised to reflect the new ownership.

**APPLICATION FORMAT: THE APPLICATION IS REQUIRED TO BE SUBMITTED IN THE FOLLOWING MANNER:**

1. **BOUND or 3-RING BINDER**
2. **INDEXED AND TABBED IN THE EXACT ORDER GIVEN ON THIS CONTENT REQUIREMENTS LIST. \*\*Page protectors are not acceptable.\*\***
3. **AFTER STAFF’S APPROVAL AND THE APPLICATION HAS BEEN SCHEDULED FOR THE BOARD’S REVIEW, NINE COPIES OF THE FINAL APPLICATION ARE REQUIRED.**

**THE APPLICATION WILL NOT BE SCHEDULED FOR THE BOARD’S REVIEW UNTIL COMPLETE AND MEETING ALL REQUIREMENTS.**

**ENROLLMENT AGREEMENT**

*SCHOOL NAME*

Address  
City, State Zip  
Phone Number  
Fax Number  
Website/Email

Student Name: \_\_\_\_\_

**Present Address:**

**Permanent Address:**

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Telephone (home): \_\_\_\_\_

(work) \_\_\_\_\_

(Cell) \_\_\_\_\_

Date of Birth: \_\_\_\_\_

Social Security No.: \_\_\_\_\_

E-mail: \_\_\_\_\_

**PROGRAM INFORMATION:**

Program: \_\_\_\_\_ Start Date: \_\_\_\_\_

Program Length: \_\_\_\_\_ **(Specified in clock hours)**

**TUITION:**

The total cost for the \_\_\_\_\_ program:

Tuition:	\$xxxxx
Administration/Registration Fee	\$xxxxx
Books/Supplies	\$xxxxx
Total Program Costs	\$xxxxx

**If applicable, must disclose/explain fees, for example: The registration fee must accompany the enrollment agreement to secure a space in the program. If an unusual charge, it must be explained.**

**TUITION PAYMENTS: (if offered)**

1. Tuition deposit of \$xxx is due with signing of the enrollment agreement. *The deposit will be applied as follows:.....*

2. Balance of tuition options:

- A. Explain payment option 1 if offered (for example: \$xxx due no later than xxx weeks prior to class, payable by cash, check or credit card)

- B. Explain payment option 2 if offered. (for example: Down payment of \$xxx due xx weeks prior to class, with the balance to be paid in xx installments in the amount of \$xxx. Tuition to be paid in full by the end of the program.
- C. These options are available to all students

**CANCELLATION AND REFUND POLICY:**

Rejection: An applicant rejected by the school is entitled to a refund of all monies paid.

Three-Day Cancellation: An applicant who provides written notice of cancellation within three days (excluding Saturday, Sunday and federal and state holidays) of signing an enrollment agreement is entitled to a refund of all monies paid. No later than 30 days of receiving the notice of cancellation, the school shall provide the 100% refund.

Other Cancellations: An applicant requesting cancellation more than three days after signing an enrollment agreement and making an initial payment, but prior to entering the school, is entitled to a refund of all monies paid ***minus a administrative/registration fee of \$XXX (not to exceed \$200).***

Refund after the commencement of classes:

- 1. Procedure for withdrawal/withdrawal date:
  - A. A student choosing to withdraw from the school after the commencement of classes is to provide written notice to the Director of the school. The notice is to indicate the expected last date of attendance and be signed and dated by the student.
  - B. For a student who is on authorized Leave of Absence, the withdraw date is the date the student was scheduled to return from the Leave and failed to do so.
  - C. A student will be determined to be withdrawn from the institution if the student has not attended any class for 30 consecutive class days.
  - D. All refunds will be issued within 30 days of the determination of the withdrawal date.

- 2. Tuition charges:

Tuition charges will be determined based upon the percentage of the clock hours attempted. The percentage of the clock hours attempted is determined by dividing the total number of clock hours elapsed from the student's start date to the student's last day of attendance, by the total number of clock hours in the program (***less the \$xxx administrative/registration fee, not to exceed \$200, if applicable***)

Tuition refunds will be issued within 30 days of the date of student notification, of date of school determination (withdrawn due to absences of other criteria as specified in the school catalog), or in the case of a student not returning from an authorized Leave of Absence (LOA), within 30 days of the date the student was scheduled to return from the LOA and did not return.

Tuition refunds are determined as follows:

1. Before the beginning of classes, the student is entitled to a refund of \$100% of the tuition (**less administrative/registration fee, if applicable**).
2. After the commencement of classes, the tuition refund amount, **minus the administrative/registration fee of \$xxx (if applicable)**, shall be determined as follows:

% of the clock hours attempted:	Tuition Refund amount:
10% or less	At least a 90% refund
More than 10% and less than or equal to 20%	At least a 80% refund
More than 20% and less than or equal to 30%	At least a 70% refund
More than 30% and less than or equal to 40%	At least a 60% refund
More than 40% and less than or equal to 50%	At least a 50% refund
More than 50%	No Refund is required

**3. Books and Supplies:** There is no refund for equipment, books and supplies received by the student.

**4. Special Cases:** In case of prolonged illness or accident, death in the family, or other circumstances that make it impractical for the student to complete the program, the school may make a settlement which is reasonable and fair (optional language).

**Holder in Due Course Statement:**

Any holder of this consumer credit contract is subject to all claims and defenses which the debtor could assert against the seller of goods or services obtained pursuant hereto or with the proceeds, hereof Recovery hereunder by the debtor shall not exceed amounts paid by the debtor (FTC Rule effective 5-14-76).

**THE STUDENT UNDERSTANDS:**

1. The School does not accept credit for previous education, training, work experience (experimental learning), or CLEP.
2. The School does not guarantee job placement to graduates upon program/course completion or upon graduation.
3. The School reserves the right to reschedule the program start date when the number of students scheduled is too small.
4. The School will not be responsible for any statement of policy or procedure that does not appear in the School catalog.
5. The School reserves the right to discontinue any students' training for unsatisfactory progress, nonpayment of tuition or failure to abide by School rules

6. Information concerning other Schools that may accept the School's credits toward their programs can be obtained by contacting the office of the President. It should not be assumed that any programs described in the School catalog could be transferred to another institution. The School does not guarantee the transferability of credits to a college, university or institution. Any decision on the comparability, appropriateness and applicability of credits and whether they should be accepted is the decision of the receiving institution.

7. This document does not constitute a binding agreement until accepted in writing by all parties.

**STUDENT ACKNOWLEDGEMENTS:**

1. I hereby acknowledge receipt of the School's catalog dated \_\_\_\_\_, which contains information describing programs offered, and equipment/supplies provided. The School's \_\_\_\_\_ catalog is included as a part of this enrollment agreement, and I acknowledge that I have received a copy of this catalog.  
\_\_\_\_\_ Student initials
2. Also, I have carefully read and received an exact copy of this enrollment agreement.  
\_\_\_\_\_ Student initials
3. I understand that the School may terminate my enrollment if I fail to comply with attendance, academic and financial requirement or if I disrupt the normal activities of the School. While enrolled in the School. I understand that I must maintain Satisfactory Academic Progress as described in the School catalog and that my financial obligation to the School must be paid in full before a certificate may be awarded.
4. I also understand that this institution does not guarantee job placement to graduates upon program/course completion or upon graduation.  
\_\_\_\_\_ Student's initials

**CONTRACT ACCEPTANCE:**

I, the undersigned, have read and understand this agreement and acknowledge receipt of a copy. It is further understood and agreed that this agreement supersedes all prior or contemporaneous verbal or written agreements and may not be modified without the written agreement of the student and the School Official. I also understand that if I default upon this agreement I will be responsible for payment of any collection fees or attorney fees incurred by \_\_\_\_\_(school name).

My signature below signifies that I have read and understand all aspects of this agreement and do recognize my legal responsibilities in regard to this contract.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_

\_\_\_\_\_  
Signature of Student

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of School Official

\_\_\_\_\_  
Date

Representative's certification: I hereby certify that \_\_\_\_\_ has been interviewed by me and in my judgment, meets all requirements for acceptance as a student. I further certify that there have been no verbal or written agreements or promises other than those appearing on this agreement.

By: \_\_\_\_\_ Date: \_\_\_\_\_

**ENROLLMENT AGREEMENT CHECKLIST  
TO COMPLY WITH R4-39-401(A)(1)**

**This checklist must be cross-referenced to and accompanied by the school's enrollment agreement. An Enrollment Agreement should contain but is not limited to the following information:**

Name of School: \_\_\_\_\_

City: \_\_\_\_\_ State \_\_\_\_\_ Zip Code: \_\_\_\_\_

<b><u>Item Number</u></b>	<b><u>Page Number(s)</u></b>
1. Name, address, and phone number of the student.	_____
2. Commencement date of program	_____
3. Program title and title of course or courses within the program.	_____
4. Total clock & credit hours of the program	_____
5. Total costs to student and payment schedule:	
a. Tuition period covered by agreement	_____
b. Tuition and other student charges related to the enrollment agreement, such as deposits, fees, books, supplies, tools, equipment, transportation and other extras e.g., make-up work, special testing, late charges or other school services for which a student may be responsible.	_____
c. Payment method and terms of Payment to comply with R4-39-405	_____
6. Refund policy of the institution To comply with R4-39-404	_____
7. A statement indicating that the individual signing the agreement:	
a. Has read and understands all aspects of the enrollment agreement.	_____
b. Statement acknowledging that the Catalog dated "xx/xx" is incorporated as a part of the Enrollment Agreement	_____
c. Acknowledgment that a copy of the catalog Has been received.	_____

<b><u>Item Number</u></b>	<b><u>Page Number(s)</u></b>
8. If the agreement is presented on more than one page, it must clearly and conspicuously refer the student to succeeding pages.	_____
9. The holder in due course rule as defined in A.R.S. §47-3302.	_____
10. A disclaimer by the institution that "job placement" is not guaranteed to graduates upon completion of the training or upon graduation.	_____
11. Student grievance procedures**, if not printed in a catalog, bulletin, or other document provided to each prospective student to comply with R4-39-104(D)(9)	_____
12. A 3-day cancellation notice as required By R4-39-404(A)	_____
13. Signature of the student and an official of the institution.	_____
** Student Grievance Procedures:	
a. Establish written procedures and timelines for a student to file a Grievance.	_____
b. The following statement must be included: If the student complaint cannot be resolved after exhausting the Institution's grievance procedure, the student may file a complaint with the Arizona State Board for Private Post-Secondary Education. The student must contact the State Board for further details. The State Board address is: 1400 W. Washington, Room 260 Phoenix, AZ 85007 Phone: 602/542-5709 Website: <a href="http://azppse.state.az.us">http://azppse.state.az.us</a>	_____

**CATALOG CHECKLIST – TO COMPLY WITH R4-39-301(A) AND STANDARDS OF ACCREDITATION, IF APPLICABLE**

This checklist must be cross-referenced to and accompanied by the school’s catalog.

Name of School: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

This exhibit serves as a detailed index to aid staff in finding specified portions in the catalog. A copy of this checklist is to accompany each catalog copy sent to the Board. The checklist is marked to show page numbers (or references to specific covers or supplements) on which each required item is included. The catalog is marked to correspond to the item numbers on the checklist. The catalog must include the following items. If any item is not included, the catalog must refer to the supplement/addendum, which contains the item and the supplement / addendum must refer to the catalog. The supplement/addendum must contain the schools’ name, location and the effective date of the supplement/addendum.

**Required Items**

<u>Item Number</u>	<u>Page Number(s)</u>
1. Name, address, phone & fax numbers for the institution. Email & Website addresses, if available.	_____
2. If institution’s headquarters are in another state or jurisdiction, the street address, mailing address, phone & fax numbers.	_____
3. Effective date of catalog.	_____
4. Names & Titles of: a. Members of Board of Directors b. Manager/Director of AZ School c. All persons w/20% or more ownership or interest	_____ _____ _____
5. List of all programs offered.	_____
6. For each program offered: a. Topical outline, including statement of purpose, objectives, subjects, units, skills/job to be learned in the program. Numbers of clock and/or credit hours for the program. b. Program prerequisites & completion requirements c. Tuition, costs and fees d. Required textbooks/learning materials. e. Equipment/technology requirements or competencies f. Library resources g. Clinical training, practicum, externships or special features h. Graduate employment opportunities	_____ _____ _____ _____ _____ _____ _____ _____

<u>Item Number</u>	<u>Page Number(s)</u>
i. Requirements for graduate to practice	_____
7. Available student payment schedules and financing options complying with requirements in R4-39-405.	_____
8. Student eligibility requirements regarding tuition reductions, tuition discounts, educational loans, tuition scholarships, and financing options complying with requirements in R4-39-308 & 405.	_____
9. Institutional refund policies complying with requirements in R4-39-404 and R4-39-308	_____
10. Student services to be provided by the Institution.	_____
11. A description of each educational delivery System available, including class-based Instruction, directed study, distance education, And on-line computer-based learning.	_____
12. Calendar, identification of: a. Quarter term or session offered (Start & end dates for each semester) b. Vacation periods, holidays, etc.	_____ _____

13. Policies & regulations governing:
  - a. Admission requirements or program Registration. \_\_\_\_\_
  - b. Program or course cancellation \_\_\_\_\_
  - c. Grading procedures & satisfactory progress tracking \_\_\_\_\_
  - d. Change in student status (LOA) \_\_\_\_\_
  - e. Student re-enrollment \_\_\_\_\_
  - f. Student Probation, suspension or expulsion. \_\_\_\_\_
  - h. Grade reporting & transcripts \_\_\_\_\_
  - i. Student Records as applicable:
    1. Student Attendance \_\_\_\_\_
    2. Credit for previous education, training, work or life experience \_\_\_\_\_
  
14. Student Grievance Procedures:
  - a. Establish written procedures and timelines for a student to file a grievance \_\_\_\_\_
  - b. The following statement must be included: If the student complaint cannot be resolved after exhausting the Institution’s grievance procedure, the student may file a complaint with the Arizona State Board for Private Post-Secondary Education. The student must Contact the State Board for further details. The State Board address is: 1400 W. Washington, Room 260 Phoenix, AZ 85007. Phone: 602/542-5709 Website: <http://azppse.state.az.us> \_\_\_\_\_
  - c. List all publications and the page number in which the Student Grievance Procedure is published \_\_\_\_\_

**Acknowledgements:**

1. Within 10-days from the date a licensed institution revises a catalog, or publishes a new catalog, the licensee shall submit a written or electronic copy of the catalog to the State Board. \_\_\_\_\_
  
2. Catalog shall be available to students and prospective students in a written or electronic format. \_\_\_\_\_

**LICENSURE AND LICENSURE PROCEDURES**  
**For An**  
**APPLICATION FOR A SUPPLEMENTAL LICENSE**  
**For A**  
**CHANGE OF OWNERSHIP**

***LICENSURE PROCEDURES***

In order to obtain an Application for a Supplemental License, an applicant must demonstrate to the Arizona State Board for Private Postsecondary Education (“State Board”), through the application process, that all licensing requirements defined in Arizona State Statute and Rule are met.

***APPLICATION PROCESS OVERVIEW***

The application process involves the completion and submission of an application, an on-site verification visit and consideration of the application at a public State Board meeting, if applicable. Pursuant to A.R.S. § 41-1073 and A.A.C. Rule R4-39-102, the Board has 135 days from the date of application receipt to review and take final action on the application. The Board’s review process is referred to as a licensing time frame and involves the following:

1. 45-Day Administrative Completeness Review to determine if the contents of the application are complete, and
2. 90-Day Substantive Review to determine if the applicant has met, as demonstrated through the application and the on-site verification visit, all licensure requirements as defined in statute and rule.

Be aware, however, that since both the administrative review and the substantive review licensing time frames can be temporarily suspended if the application is incomplete or contains deficiencies, it may take longer than the 135 calendar days for the Board to take final action on the application. Please refer to A.A.C. Rule R4-39-102(F) through (G) for complete information regarding the State Board’s licensing time frames.

**APPLICATION COMPLETION AND SUBMISSION:**

The application includes an Application for a Supplement License and additional information as specified on the “License Application Content Requirements”.

1. **APPLICATION FORM/CONTENT REQUIREMENTS:** The application and content requirements must be completed in its entirety. Attachments for the application form may be used only when the information cannot be accurately conveyed in the space provided. If an attachment is used to answer a question, the

question must identify that attachments are being used and the attachment must be stapled to the last page of the application form. ***An applicant may not answer a question by referring to another document submitted elsewhere in the application.***

2. After application completion, the applicant should make one ***draft copy of the entire application/content requirements*** for initial submission to the Office of Arizona State Board for Private Postsecondary Education. The applicant must retain all original application materials. The application may be submitted in person or by mail to the Office of Arizona State Board for Private Postsecondary Education at 1400 West Washington Street, Room 260 in Phoenix, Arizona 85007.

#### ***ADMINISTRATIVE COMPLETENESS REVIEW***

The Office of Arizona State Board for Private Postsecondary Education will notify the applicant of the date on which the application was received. The 45-Day Administrative Completeness Review of the application begins on the date of application receipt. Upon completion of the administrative completeness review, State Board Staff will notify the applicant regarding the status of the application. If the application is complete, the Substantive Review of the application will begin. If the application is incomplete, the applicant will be given 60 days to revise and re-submit a complete application. Under special circumstances, an applicant may be granted additional time, not to exceed 30 days, to revise and re-submit the application.

***If the application is not re-submitted by the deadline, or if the re-submitted application remains incomplete, the application will be closed.***

#### ***SUBSTANTIVE REVIEW***

The 90-Day Substantive Review of a completed application begins on the date that the Administrative Completeness Review ends. After an initial review of the application, State Board Staff will notify the applicant regarding the following:

1. Status of the Application: State Board Staff will advise the applicant of any aspects of the application that does not appear to meet licensure requirements as defined by statute and rule.

2. On-site Verification Visit: State Board Staff will conduct an on-site inspection of the applicant's institutional facilities and operations, if required.
3. Final License Application Submission: The applicant will be required to submit one original license application (marked "Original" and containing original documents) and nine complete copies of the license application to the Office of Arizona State Board for Private Postsecondary Education by a submission deadline determined by State Board Staff.
4. State Board Meeting: The Arizona State Board for Private Postsecondary Education will take final action on the license application at a public State Board meeting. The State Board meets at least 8 times per year and applications are scheduled for consideration based upon meeting agenda availability. At the State Board meeting, the State Board will review the application materials and discuss the application.

The presence of the applicant is required at the Board Meeting. Since Board Members will interview and ask questions of the applicant, the individual or individuals representing the applicant must be familiar with, at least, the applicant's history, financial strength, physical resources, methods of advertising, institutional goals and objectives, programs, and qualifications of personnel and instructors.

#### ***FINAL ACTION***

After consideration of the license application at the Public State Board meeting, the Arizona State Board for Private Postsecondary Education will notify the applicant regarding the status of the license application. If the applicant is deficient or incomplete, the applicant will be given the opportunity to revise and resubmit the application; if the application is not re-submitted by the deadline, the application will be closed. If the applicant has demonstrated that all licensure requirements have been met, the Board will grant the license. If the applicant fails to demonstrate that all licensure requirements have been met, the State Board will deny the license.

**ARIZONA STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATION**  
**1400 West Washington, Room 260**  
**Phoenix, Arizona 85007**  
**(602) 542-5709**

**CHANGE OF OWNERSHIP APPLICATION**

R4-39-111 requires that the holder of a license shall file a change of ownership letter with the Board no later than 7 (seven) days after the change of ownership.

Name of School \_\_\_\_\_

Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

Telephone # \_\_\_\_\_ FAX # \_\_\_\_\_

E-mail for Contact Person: \_\_\_\_\_

Web site address: \_\_\_\_\_

Date of proposed Change of Ownership \_\_\_\_\_

**PREVIOUS OWNER(S):**

\_\_\_\_\_

Name of previous on-site director \_\_\_\_\_

**LEGAL STATUS OF PREVIOUS OWNERSHIP**

Check One:

- Sole proprietorship                      ? Limited Liability Company  
 Corporation                                      ? Publicly Traded Corporation  
 Partnership

Check One:                      For Profit                      Not for Profit

**PROPOSED NEW OWNER(S):**

\_\_\_\_\_  
\_\_\_\_\_

Name of on-site director after change of ownership \_\_\_\_\_

LEGAL STATUS OF NEW OWNERSHIP

Check One:

- Sole proprietorship
- Corporation
- Partnership
- ? Limited Liability Company
- ? Publicly Traded Corporation

Check One: For Profit Not for Profit

Date of original establishment: \_\_\_\_\_

*Foreign corporations must register with the Arizona Corporation Commission. Please attach documentation that you have registered in Arizona:*

Document #: \_\_\_\_\_ Date Registered: \_\_\_\_\_

Date of original establishment: \_\_\_\_\_

Corporate Name	Date of Incorporation	State Incorporated In

Ownership (list each person with 20% or more ownership):

Name	Position Held at Institution	%
Ownership		

List the Board of Directors OR Trustees (include position/title)

If any person listed above does business under any other name or has 20% or more ownership in any other corporation, please list:

**FINANCIAL INFORMATION – A SUMMARY OF THE INFORMATION REQUESTED UNDER CONTENT REQUIREMENTS LIST #11 AND 12**

	Prior Twelve Months Ended _____ Month / Year Under Previous Ownership	Current Year To Date _____ Month/ Year Under Previous Ownership	First Year Projected _____ Month / Year New Ownership Projections	Second Year Projected _____ Month /Year New Ownership Projections
Enrollment: Full-Time Part-Time				
TOTAL				
Statement of Operations: Revenues Expenses				
Net Income/Loss				
Statement of Financial Position: Assets Liabilities				
Equity(Deficit)				

CURRENT FINANCIAL POSITION OF NEW OWNER(S): Summary of information submitted under Content List #12.

Name:				
Year Ended:				
Assets:	\$	\$	\$	\$
Less Liabilities:	( )	( )	( )	( )
Net Worth:	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

#### HISTORY

Briefly explain the background of the current institution and describe any changes in ownership over the last five years:

1. Have the new owners of the applicant institution ever applied for or been issued an educational license in Arizona?

Yes

No

2. In any other state or territory?

Yes

No

If “yes” to either of the above, list name and address of each institution, state or territory, date of application or date of original license, and current status of license.

**BACKGROUND INFORMATION:** If you answer “yes” to any of the following, submit a detailed explanation of each as an attachment to this application.

3. Have any persons listed in the ownership of the institution or has the institution, ever declared bankruptcy or sought relief under the bankruptcy laws as an individual or a corporation?

Yes No

If yes, submit a detailed explanation as an attachment (staple) to this renewal application.

4. Has there been taken (since the last license application submission) or is there now pending any legal action of any type (including injunctive orders) against this institution, corporation, or persons listed under ownership?

Yes No

If yes, submit a detailed explanation as an attachment (staple) to this renewal application.

5. Are there any current law enforcement, state, governmental, accrediting agency, or HEA guarantee agency investigations involving this institution or persons listed under ownership?

Yes No

If yes, submit a detailed explanation as an attachment (staple) to this renewal application.

6. Have there been any changes in eligibility for, participation in or access to any federal student aid programs that limit or adversely affect program eligibility, program participation or program access?

Yes No

If yes, submit a detailed explanation as an attachment (staple) to this renewal application.

7. Have any of the Owners and/or Board of Directors/Trustees listed in the “Legal Status” section been convicted in this state or any other state or jurisdiction, of a felony or any crime related to the operation of an educational institution, unless the conviction has been absolutely discharged, expunged, or vacated within the last 10 years.

Yes No

If yes, submit a detailed explanation as an attachment (staple) to this renewal application

8. Have any of the Owners and/or Board of Directors/Trustees listed in the “Legal Status” section had a license to operate a vocational program, vocational institution, degree program or degree-granting institution revoked in this state or in any other state or jurisdiction within the last 10 years?

Yes No

If yes, submit a detailed explanation as an attachment (staple) to this renewal application.

9. Is the license applicant current in its payments of federal, state tax liabilities and Workman’s Compensation insurance?

Yes No

I hereby acknowledge:

1. That I have thoroughly read and understand A.R.S. §32-3001, ET. *Seq.* and the Rules of the A.A.C . in Title 4, Chapter 39, and do attest that I shall devote full time to the duties and responsibilities of operating the school, and will ensure that the school operates in accordance with the laws and rules of the Arizona State Board for Private Postsecondary Education.
2. If the institution is accredited, the institution is in compliance, and will continue to comply, with all standards of accreditation of the institution’s accrediting agency.
3. If the institution participates in Title 4 Federal Student Aid programs, the institution is in compliance, and will continue to comply with applicable federal statutes and regulations.
4. Misrepresentation, either intentionally or negligently, of any material information submitted to the Board in documents or information is grounds for disciplinary action.

SIGNATURE

The information contained in this renewal form or provided as part of the content of this application, which I certify to be complete and accurate, is given for the purpose of obtaining a license to operate a private postsecondary institution in the State of Arizona. It is understood that this application, including any attachments thereto, will remain the property of the State Board for Private Postsecondary Education whether or not a license is granted. I authorize said Board to obtain such information as it may require concerning the statements made in this application. Any falsification of information provided in this application form or provided as part of the application, may result in suspension or revocation of any license or in criminal prosecution.

Printed Name of Owner:*
Signature and Date:*

I

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_.Notary Public:

Notary Public:
My Commission Expires:





ARIZONA STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATION  
1400 West Washington, Room 260  
Phoenix, Arizona 85007  
(602) 542-5709

STATEMENT OF RESPONSIBILITY FOR REFUND LIABILITY

\_\_\_\_\_ as purchaser(s),  
and \_\_\_\_\_ as  
seller(s)  
of \_\_\_\_\_ **HERE**  
BY assure

**The Arizona State Board for Private Postsecondary Education and any interested parties such as students, financial institutions, and government agencies, that appropriate provisions have been made for the payment of all tuition refunds now due or which may become due for all students to whom the institution has an obligation. If a previous owner is contractually liable for a refund but fails to fulfill the obligation, the new owner must satisfy the claim of the student or government agency and look to relief from the former owner in a separate action.**

**FURTHER, we understand that copies of this statement are available to students, financial institutions, federal and state agencies, and other interested persons, and hereby authorize such distribution and release of information.**

**Buyer(s)**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Date**

**Seller(s)**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Date**

**Signatures must be notarized.**

**Arizona State Board for Private Postsecondary Education**  
**1400 West Washington, Room 260**  
**Phoenix AZ 85007**  
**(602) 542-5709**

**Financial Statement Requirements**

Arizona Revised Statute Section 32-3021.B.3 states that the educational entity must be financially responsible. In order for the State Board to assess the financial condition of an education entity, this Board requires that an applicant for private postsecondary education license must submit financial information that accurately reflects the financial condition of the educational entity and its ownership.

The burden of proving financial responsibility lies with the applicant. Applicants are encouraged to submit any information that will help the Board understand the financial position of the entity or its owners.

All historical financial statement presentations submitted must be:

1. Reported on by an independent, certified public accountant currently licensed to practice public accounting in the United States
2. Prepared in accordance with accounting principles generally accepted in the United States
3. Audited, reviewed or compiled. The audit must be conducted in accordance with the auditing standards generally accepted in the United States. The compilation and review must be conducted in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

The following is the **minimum** financial information that must be submitted for the following type of entities:

**Sole Proprietorship:**

1. A current (not more than six months old) Statement of Financial Condition of the owner of the education entity.
2. For an existing educational entity: a set of historical financial statements (i.e. statement of financial condition, statement of activities/income with appropriate footnotes and statement of cash flows that are not more than six months old) for the past fiscal year.
3. A 12-month forecast of activities/income for the educational entity seeking licensure.

**Partnerships:**

1. A current (not more than six months old) Statement of Financial Condition for each partner having ownership.
2. For an existing educational entity: a set of historical financial statements (i.e. statement of financial condition, statement of activities/income with appropriate

footnotes and statement of cash flows that are not more than six months old) for the past fiscal year.

3. A 12-month forecast of activities/income for the education entity seeking licensure.

**Privately Held Corporations, Limited Liability Corporations, Limited Liability Partnerships:**

1. Submit the most recent audited, reviewed or compiled financial statement of the educational entity seeking licensure. The statements must include a statement of financial condition, statement of activities/income and statement of cash flows reported on by a CPA with appropriate footnotes.
2. If the owners want the board to consider their personal finances in evaluating the overall financial strength of the entity, the owners must submit a letter committing their personal finances to support the institution and a Statement of Financial Condition for each owner with 20% or greater ownership interest. A Statement of Financial Condition is **required** for all 20% or greater owners of newly formed entities.
3. If the financial statements are more than six months old, the institution is required to submit the most current in-house financial statements.
4. If another corporation owns the entity seeking licensure, include the most current financial statement of the senior parent corporation.
5. A 12-month forecast of income/activities for the educational entity seeking licensure.

**Publicly traded Corporations:**

1. Submit the most recent audited financial statement of the educational entity seeking licensure. The statements must include a statement of financial condition, statement of activities/income and statement of cash flows reported on by a CPA with appropriate footnotes.
2. If the financial statements are more than six months old, the institution is required to submit the most current in-house financial statements. If another corporation owns the entity seeking licensure, also include the most current financial statements of the senior parent corporation
3. A 12-month forecast of income/activities for the educational entity seeking licensure.

**Non-profit Corporations**

4. Submit the most recent audited financial statement on the educational entity seeking licensure. The statements must include a statement of financial condition, statement of activities/income and statement of cash flows reported on by a CPA with appropriate footnotes.
5. If the financial statements are more than six months old, the institution is required to submit the most current in-house financial statements. If another corporation owns the entity seeking licensure, also include the most current financial statement of the senior parent corporation.
6. A 12-month forecast of income/activities for the education entity seeking licensure.

**ARIZONA STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATION  
 1400 West Washington, Room 260  
 Phoenix, Arizona 85007  
 (602) 542-5709**

***RESUME FORM***

     **OWNER**        **BOARD OF DIRECTORS**        **EXECUTIVE OFFICER**        **ADMINISTRATOR**

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**EMPLOYEE NAME:** \_\_\_\_\_

**POSITION/TITLE:** \_\_\_\_\_

<b>INSTITUTIONAL INFORMATION:</b>		
_____ <b>Institutional Name</b>	_____ <b>Date</b>	
_____ <b>Address</b> <b>Telephone</b>	_____ <b>City</b>	_____ <b>State</b>

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**EDUCATIONAL INFORMATION:**

NAME OF INSTITUTION, CITY, STATE	DATES ATTENDED	MAJOR STUDY/DEGREE CONFERRED

**RESUME/PAGE 2**

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**PROFESSIONAL HISTORY:**

Dates: Month & Year	Employer: Name, Address & Phone	Position	Reason for Leaving

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**REFERENCE:** Identify at least three persons not related to you, whom you have known at least one year:

Name	Business Address	Business Telephone	Years Acquainted

**I certify that the foregoing information is complete and accurate and it is understood that this resume, including any attachments thereto, will remain the property of the Arizona State Board for Private Postsecondary Education. I authorize said Board to obtain such information as it may require concerning the statements made in this application.**

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**SIGNATURE**

---

**DATE**

**THIS FORM IS REQUIRED FOR ALL OWNERS, BOARD OF DIRECTORS AND ADMINISTRATORS**

***SOCIAL SECURITY NUMBER AND  
PERSONAL INFORMATION SUPPLEMENT***

**ATTENTION: PLEASE READ CAREFULLY**

A.R.S. § 25-230 mandates that each licensing board or agency that issues professional or occupational licenses or certificates must obtain and record the social security number of an applicant for professional or occupational license or certificate. Therefore, it is mandatory that you provide your social security number on the enclosed Social Security Number Supplemental form and return it to the Board with your application.

To assist the Board in complying with this statute, we are providing this supplemental form for your social security number and personal information.

Institutional Name: \_\_\_\_\_

Name: \_\_\_\_\_

Home Address: \_\_\_\_\_

Home Phone: \_\_\_\_\_

Social Security Number: \_\_\_\_\_

Personal Information:

United States Citizen: \_\_\_\_\_ Yes \_\_\_\_\_ No

Have you ever been convicted of a felony (include no contest pleas)? \_\_\_\_ Yes \_\_\_\_ No  
If yes, explain in a typed addendum.

**PLEASE NOTE:**

**THE ABOVE INFORMATION IS CONSIDERED “CONFIDENTIAL INFORMATION” AND NOT A PART OF THE “PUBLIC RECORD”.  
ACCORDINGLY, ALL INFORMATION IS MAINTAINED IN CONFIDENTIAL STATE BOARD FILES.**