

Short Title: Real Estate School Audit Declaration

This substantive policy statement is advisory only. A substantive policy statement does not include internal procedural documents that only affect the internal procedures of the agency and does not impose additional requirements or penalties on regulated parties or include confidential information or rules made in accordance with the Arizona Administrative Procedure Act. If you believe that this substantive policy statement does impose additional requirements or penalties on regulated parties you may petition the agency under A.R.S. 41-1033 for a review of the statement.

Description of Practice/Procedure:

STATEMENT OF PURPOSE AND SCOPE

This Substantive Policy Statement is intended to inform the regulated real estate education industry of the Department's current enforcement approach to and opinion of the requirements of education statutes and rules under the Department's original jurisdiction, by establishing a biennial reporting requirement by schools, to assist the Department in the regulation of real estate schools. The *Real Estate School Audit Declaration* will collect important information about real estate schools specific to school compliance with education statutes and rules. The *School Audit Declaration* is calculated to reduce the audit burden of the Department and to gather more reliable and valuable information.

REAL ESTATE SCHOOL AUDIT DECLARATION

School Audit Declaration: A *Real Estate School Audit Declaration* shall be completed by each school that holds Department approval to teach real estate. The *School Audit Declaration* shall:

1. Be completed by the school administrator, in an online form provided by the Department, not earlier than December 15, 2010 and not later than January 31, 2011, and shall be re-submitted every other year thereafter between December 15 and January 31.
2. Be required for every approved real estate school – prelicensure, continuing education and distance learning.
3. Be signed by the school administrator, attesting to the reliability and truthfulness of the information provided.
4. Contain audit questions concerning the operations and activities of the school, including:
 - a. Appropriate content of approved courses.
 - b. Courses where content is no longer current or is substantially changed.
 - c. Courses requiring revision and approval resubmission.
 - d. Reasonable supervision of the school and instructors.
 - e. Assignment of competent instructors.
 - f. Proper certification of student attendance or performance.
 - g. Teaching of unapproved courses.
 - h. Course outlines which accurately reflect the content taught.
 - i. Unapproved courses being advertised as "pending."
 - j. Adherence to the 50-minute hour for every hour of course credit issued by the school.
 - k. Advertising which contains no misleading or inaccurate statistics or which is otherwise deceptive.

Authority: A.R.S. §§ 32-2101, 32-2108, 32-2135 and 32-2153, and A.A.C. §§ R4-28-101, R4-28-401, R4-28-402 and R4-28-404.

Policy Program: Education/Regulation/Enforcement

Effective Date: 11/1/2010