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 approach to and opinion of the requirements of education statutes and rules under the Department’s original jurisdiction, by establishing sensible distance learning standards, guidelines and parameters that are based on the Department’s interpretation and application of the education statutes and rules. “Distance Learning” applies solely to the delivery of Continuing Education courses.

DISTANCE LEARNING GUIDELINES AND STANDARDS

Course Approval: In facilitating the original approval and renewal of courses:

1. Prior to Department approval of a course, the real estate school shall provide access to the Department to view and evaluate the proposed course, in the manner that the course is proposed by the school to be delivered. The school shall additionally permit access to the Department to view and evaluate a currently-approved course, as required.
2. All real estate course content, including laws, administrative code, practices, policies, codes of ethics, customs and standards of care, shall be applicable to Arizona real estate practice. No course shall include content based on laws, practices, policies, codes of ethics or standards of care that have no practical or meaningful application to Arizona real estate.
3. For each original course approval submission to the Department, the school shall identify the Department-approved instructor who has authored the course and that the course meets all Department requirements. The approved instructor must meet applicable instructor qualifications established for instructors of live classroom course delivery, including course content competence.
4. Each Distance Learning Course must meet the requirements for the applicable course credit category before being approved for continuing education credit in that category.
5. A continuing education distance learning course approval shall not be issued later than 90 days after filing with the Department. If approval is not granted within 90 days, the course shall be automatically approved on a provisional basis for 180 days, unless the Department otherwise notifies the school of specific deficiencies or unfulfilled requirements for the course submission.

Course Administration: The following are required in the school administration of distance learning courses:

Course Timing Requirements

1. The 50-minute-per-credit-hour rule shall be enforced for each course. For example, a 3-credit-hour course must incorporate a requirement that the student log a total of at least 150 minutes to complete the course. Each school must have the ability to measure the amount of time spent by the student in the school's course, and enforcement of the 50-minute-per-credit-hour requirement shall be subject to Department audit.
2. A course completion certificate may be issued only after student satisfaction of the 50-minute-per-credit-hour requirement for the course.
3. Each 3-hour segment of a course shall be divided into five or more timed divisions (i.e.,
“modules”) for the purpose of course delivery. Each module shall be timed such that the student may not proceed in the course until the minimum time for the module has elapsed. The sum of the minimum times of the modules for a 3-hour course, for example, will equal 150 minutes.

**Course Quizzes and Exam**

4. Course delivery must include interactivity, and course performance shall be measured by a diagnostic assessment in the form of quizzes and exams.

   a. Each course module shall include a quiz. The student shall achieve a minimum passing score of 80% before proceeding in the course. The difficulty of the quiz shall be reflective of the content presented in that module.

   b. Each course shall include a final exam. The student shall achieve a passing score of at least 80% on the final exam before completing the course and being awarded a course completion certificate. The difficulty of the exam shall be reflective of the content presented in the course.

5. Each module shall contain a minimum of 5 instances of interactivity, which may be achieved via multiple choice, true-false, fill-in-the-blank, matching, prioritizing, etc., at the discretion of the author. In addition, each module shall contain a minimum of 5 unique end-of-module multiple choice quiz questions with only one correct/best answer.

6. The course final exam shall have a minimum of 25 multiple-choice questions with only one correct/best answer. If an end-of-module quiz question is repeated in a final exam retake, the order of the exam questions shall be randomly reselected and/or any repeated questions shall have the answers reordered.

**Miscellaneous**

7. Each course shall include the means for the student to attest to the identity of the student and to provide the student’s Arizona real estate license number, before issuance of the course completion certificate.

8. Each school shall include with each course approval filing the school’s plan for dealing with possible hardware and software failure. The plan shall include appropriate contact information on the school’s website and/or within the course.

9. The school administrator shall insure that any instructor who is represented as the course author is a Department-approved instructor in the applicable category and is competent to field content questions regarding the course.

10. The business hours for contacting the school shall be easily available through the school’s website and/or within the course.

**Application of Provisions:** The above provisions apply to every original and renewal application for course approval.

**Authority:** A.R.S. §§ 32-2101, 32-2108, 32-2130, 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

**Effective Dates:** 11/1/2010 for original course approval applications; Revised 11/2/2010