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# ARKANSAS: FINAL GRADING ANALYSIS

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OVERALL SCORE:  
**279.75 / 700 POINTS**  
**40%**  
LETTER GRADE: **F**

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## I. OVERSIGHT BODY: **60 /100 POINTS**

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### A. IS THERE A STATUTORILY CREATED OVERSIGHT BODY THAT IS PUBLICLY ACCOUNTABLE?

**50/ 60 POINTS**

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Element	Points Available	Type 1	Type 2	Points Awarded (Average)
Multi-Member Panel / Board created by statute	10	10	10	10
Board statutorily created specifically to oversee private postsecondary institutions	10	10	0	5
Board is the decision-maker ( <i>NOT</i> a single person – like the head of the department or director)	10	10	10	10
Board can engage in rule-making	10	10	10	10
Meetings must be open to the public	5	5	5	5
Must allow public comment	5	0	0	0
Board can initiate investigations	5	5	5	5
Board can impose penalties for violations	5	5	5	5
<b>Total Points</b>	<b>60</b>	<b>55</b>	<b>45</b>	<b>50</b>

#### Explanation:

Arkansas has two boards tasked with oversight of postsecondary education. The State Board of Private Career Education (SBPCE) is tasked with oversight of postsecondary career schools (Type 1). **A.C.A. § 6-51-605** The Arkansas Higher Education Coordinating Board (AHECB) oversees publicly funded postsecondary institutions and private degree-granting institutions (Type 2). **A.C.A. § 6-61-301** Both boards are comprised of multi-member panels. Note that some institutions may

be subject to oversight by both boards. Arkansas requires institutions to apply to the SBPCE for licensure and to the AHECB for certification in specified circumstances. **Arkansas Higher Education Coordinating Board Policies 2015 at 5.2.13** available online at: [https://static.ark.org/eeuploads/adhe/2015\\_Board\\_Policy.pdf](https://static.ark.org/eeuploads/adhe/2015_Board_Policy.pdf) (last visited on 11/21/2015).

***Type 1: Postsecondary Career Schools:***

The SBPCE was specifically created to provide consumer protection and oversee career schools. It is tasked with promulgating rules, can initiate investigations, and can impose penalties for violations. The SBPCE is subject to Arkansas' Freedom of Information Act, which requires all government bodies to hold public meetings. **A.C.A. § 25-19-106** The state loses points only for one element here: "must allow public comment." It is not clear whether or not SBPCE public meetings are required to allow time for public comment.

***Type 2: Degree-Granting Institutions:***

Arkansas created the AHECB to oversee both publicly supported institutions of higher learning and private postsecondary degree-granting institutions. **A.C.A. § 6-61-201; A.C.A. § 6-61-301(a)(1)(A)**. The AHECB has the authority to promulgate rules, initiate investigations, and impose penalties for violations. **A.C.A. § 6-61-301** The AHECB is subject to Arkansas' Freedom of Information Act, which requires all government bodies to hold public meetings. **A.C.A. § 25-19-106** The state loses points only for one element here: "must allow public comment." It is not clear whether or not SBPCE public meetings are required to allow time for public comment.

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**B. STATUTE-SPECIFIED MEMBERSHIP:**

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**1. WHAT EXTENT ARE LIMITATIONS PLACED ON FOR-PROFIT MEMBERSHIP ON THE OVERSIGHT BODY?**

**5/ 25 POINTS\***

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*\*Note that points for Type 1 and Type 2 institutions have been averaged for the above score.*

	Explicit Prohibition on For-Profit majority + No possibility of a majority of the quorum	Explicit Prohibition on For-Profit Majority	Discouraged	No prohibition Specified, but not discouraged	For Profit Majority Mandated
<b>Type 1:</b>	25 Points	20 Points	10 Points	<b>0 Points</b>	-5 Points
<b>Type 2:</b>	25 Points	20 Points	<b>10 Points</b>	0 Points	-5 Points

**Explanation:**


***Type 1: postsecondary career schools:***

Arkansas' SBPCE actually requires 3 of the 7 board members to be associated with the for-profit schools it regulates. Thus, while a for-profit majority is not mandated, it is not discouraged either. In fact, there is a good possibility that appointed members associated with for profit postsecondary institutions could comprise a majority of the quorum. **A.C.A. § 6-51-605:**

***Type 2: degree-granting institutions:***

Arkansas does not explicitly prohibit a for-profit interest majority on the board. However, the

statutorily required membership would not allow a for-profit majority on the AHECB. The statutory language does leave open the possibility that for-profit interests could constitute a majority of a quorum, but it is unlikely. Arkansas specifies the AHECB membership as follows: Per Arkansas statute, there are 12 members on the AHECB. Arkansas requires the governor to appoint the members as follows: three members must be recent members of the boards of public two-year colleges, if the person selected is serving on the membership of the board of a public two-year campus, the person must relinquish his or her membership on the board; three members must be recent members of the boards of public four-year colleges or university campuses. If the person selected is serving on the membership of the board of a public four-year campus, the person shall relinquish his or her membership on the board; six members must be selected from business, industry, education, agriculturally related industry, and medical services and must not be current members of a board of a public two-year or four-year campus. At least one of the appointees must have a strong interest in and commitment to economic and workforce development. At least one of the appointees must have experience in the knowledge-based technology field. No more than four members of the board shall be appointed from any one congressional district as the districts exist at the time of the appointment. No more than two members of the board at any one time shall be graduates of an undergraduate program of any one state university or college. **A.C.A. § 6-61-201(a)**

 Note that Arkansas has created an advisory committee consisting of 9 members serving 9-year terms to assist the AHECB in its responsibilities regarding incorporation and certification of postsecondary educational institutions. The statutorily mandated membership of this committee is as follows: Two nonpublic postsecondary education institution chief administrators; two public postsecondary education institution chief administrators; two chief administrators of proprietary schools; the Director of the Department of Career Education or his or her designated representative; and two legal residents of the state who are not officially affiliated with any postsecondary institution in any state as an employee or board member or in any other capacity. **A.C.A. § 6-61-302** There is no explicit prohibition on for-profit interest domination of this committee, and such domination may be possible. However, Arkansas does not lose any points here because the committee serves in an advisory capacity only. It is, however an area of concern, given that the committee may have a significant impact on the oversight of private postsecondary educational institutions.

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## 2. IS THE OVERSIGHT BODY IS MANDATED TO INCLUDE AT LEAST ONE CONSUMER ADVOCATE?

**0/10 POINTS\***

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*\*Note that points for Type 1 and Type 2 institutions have been averaged for the above score.*

	Yes	No
<b>Type 1:</b>	10 Points	<b>0 Points</b>
<b>Type 2:</b>	10 Points	<b>0 Points</b>

### **Explanation:**

Neither the SBCPE nor the AHECB is required to include a consumer advocate (an individual with expertise and experience in consumer advocacy). Membership is specified at **A.C.A. § 6-51-605** (SBCPE) and **A.C.A. § 6-61-201**(AHECB).

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3. ARE THE MEMBERS APPOINTED BY A PUBLICLY ACCOUNTABLE OFFICIAL OR ELECTED IN A GENERAL ELECTION?

**5/5 POINTS\***

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*\*Note that points for Type 1 and Type 2 institutions have been averaged for the above score.*

	All	Majority	Half	Minority	None
Type 1:	5 Points	3 Points	2.5 Points	1 Points	0 Points
Type 2:	5 Points	3 Points	2.5 Points	1 Points	0 Points

**Explanation:**

**Type 1: postsecondary career schools:**

The Arkansas Governor appoints all seven members of the SBCPE. A.C.A. § 6-51-605

**Type 2: degree-granting institutions:**

The Arkansas Governor appoints all twelve members of the AHECB. A.C.A. § 6-61-201(a)(1)

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II. STATE OVERSIGHT – EFFICACY: **41 /100 POINTS**

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A. DOES THE STATE REQUIRE ONSITE REVIEW OF PRIVATE POSTSECONDARY INSTITUTIONS?

**3/10 POINTS\***

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*\*Note that points for Type 1 and Type 2 institutions have been averaged for the above score.*

	Mandatory On-Site Reviews			Discretionary	None
	Every 2 years or less	Every 3-5 years	Over 5 years	Discretion to Conduct On-Site Reviews	No On-Site Review Specified
Type 1:	10 Points	8 Points	5 Points	3 Points	0 Points
Type 2:	10 Points	8 Points	5 Points	3 Points	0 Points

**Explanation:**

**Type 1: postsecondary career schools:**

Arkansas gives the board discretion to send an authorized representative of the board to licensed schools and schools seeking approval. The regulations give discretion for the board to do more than one on-site visit per licensure year. "The cost for each on-site visit after the first visit during a licensure year shall be paid by the school." **142 00 CARR 005 XXIII**

**Type 2: degree-granting institutions:**

The AHECB Policy Manual indicates that the AHECB may assemble an ad hoc panel / review team to conduct an on-site visit for initial certification of degree-granting programs. Initial certification is valid for two years, after which re-certification takes place every two to five years. Site visits are discretionary for recertification. Therefore, partial because AHECB policies allow discretionary site visits every 3-5 years and the first recertification review with discretion to do an on-site review is 2 years after initial certification. **Arkansas Higher Education Coordinating Board Policies 2015**

available online at: <https://static.ark.org/eeuploads/adhe/2015 Board Policy.pdf> (last visited on 5/19/2016).

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**B. DOES THE STATE REQUIRE UNANNOUNCED INSPECTIONS FOR ONSITE REVIEWS?**  
**1.5/ 5 POINTS\***

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*\*Note that points for Type 1 and Type 2 institutions have been averaged for the above score.*

	Required Unannounced Visits	Discretion to do Unannounced Visits	No indication
Type 1:	5 Points	3 Points	0 Points
Type 2:	5 Points	3 Points	0 Points

**Explanation:**

***Type 1: postsecondary career schools:***

Arkansas gives the SBPCE discretion to do unannounced on-site visits. **142 00 CARR 005 XXIII**

***Type 2: degree-granting institutions:***

There is no indication that the AHECB allows the board to conduct unannounced visits. The policy manual indicates that the review team will arrange a “mutually convenient time for an on-site review” **Arkansas Higher Education Coordinating Board Policies 2015** available online at: <https://static.ark.org/eeuploads/adhe/2015 Board Policy.pdf> (last visited on 5/19/2016).

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**C. DOES THE STATE REQUIRE REGULAR REVIEWS OF PRIVATE POSTSECONDARY APPROVAL TO OPERATE?**  
**18/20 POINTS\***

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*\*Note that points for Type 1 and Type 2 institutions have been averaged for the above score.*

	Mandatory			Discretionary	None
	Every 2 years or less	Every 3-5 years	Over 6 years	Discretionary Reviews	No On-Site Review Specified
Type 1	20 Points	15 Points	1 Point	10 Points	0 Points
Type 2	20 Points	15 Points (+1Point)	1 Point	10 Points	0 Points

**Explanation:**

***Type 1: postsecondary career schools:***

The Arkansas statute states that: “Licenses shall be ‘renewable annually.’” The licensing period shall be determined by the State Board of Career Education **ACA 6-51-611** The regulations **142 00 CARR 005 XXII** state that “All school licenses issued shall expire annually.”

***Type 2: degree-granting institutions:***

The first recertification review is required after two years and recertification is required every 2-5 years thereafter. Arkansas receives an additional point because the first recertification is required after 2 years. **Arkansas Higher Education Coordinating Board Policies 2015** available online at: <https://static.ark.org/eeuploads/adhe/2015 Board Policy.pdf> (last visited on 11/21/2015).

**Notable Provision:**

Degree-granting institutions – recertification: Arkansas requires institutions to submit copies of student and faculty assessment documents, which is a promising practice and may help to provide useful student and faculty insights and perspectives if administered properly.

**Arkansas Higher Education Coordinating Board Policies (2015)** see **form 5**. Available online at: [https://static.ark.org/eeuploads/adhe/2015\\_Board\\_Policy.pdf](https://static.ark.org/eeuploads/adhe/2015_Board_Policy.pdf)

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**D. DOES THE CRITERIA FOR RENEWAL OF AUTHORIZATION INCLUDE A REVIEW OF FACTORS ESSENTIAL TO ACADEMIC AND ETHICAL INTEGRITY?**

**3.5/ 20 POINTS\***

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*\*Note that points for Type 1 and Type 2 institutions have been averaged for the above score.*

	All 8 Required	7 of 8	6 of 8	5 of 8	4 of 8	3 of 8	2 of 8	1 of 8	0 of 8
<b>Type 1</b>	20 Points	17.5 Points	15 Points	12.5 Points	10 Points	7.5 Points	5 Points	2.5 Points	<b>0 Points</b> <i>(+4 points)</i>
<b>Type 2</b>	20 Points	17.5 Points	15 Points	12.5 Points	10 Points	7.5 Points	<b>5 Points</b> <i>(+3 Points)</i>	2.5 Points	0 Points

Element	Type 1	Type 2
<b>Admission Requirements</b>		<b>D</b>
<b>Graduation Requirements</b>		<b>D</b>
<b>Placement Rate</b>	<b>D</b>	
<b>Completion Rate (or Graduation Rate)</b>	<b>D</b>	
<b>Advertising Practices</b>	<b>D</b>	<b>M</b>
<b>Cohort Default Rate</b>		
<b>Accreditation Status</b>		<b>M</b>
<b>Financial Aid Policies</b>	<b>D</b>	<b>D</b>

***M= Mandatory; D = Discretionary***

**Explanation:****Type 1: postsecondary career schools**

Arkansas requires career colleges to keep records related to placement rates for programs that advertise placement, records on completion rates (though not “on time” completion rates), and it requires institutions to keep all files related to promotional materials for review. **142 00 CARR 005 XXII (N), (AD)** Arkansas’ requirements related to placement records are associated with its regulations on advertising. Arkansas mandates that schools which utilize completion or placement statistics in advertising or recruiting materials maintain proof of corroboration of the statistics they use **142 00 CARR 005 XXX (11)**. However, it is unclear whether there is a requirement in place that these records be reviewed regularly as a condition of license renewal. Thus, Arkansas receives 4 points because these elements are not required of postsecondary career schools, but the SBPCE has discretion to review these elements as a condition of reauthorization.

***Type 2: degree-granting institutions:***

The AHECB policy manual requires review of: institutional catalog, accreditation, and consumer disclosure (including advertising), and several other factors. Arkansas receives credit for discretionary review of admission, graduation, and financial aid policies because the AHECB reviews the institutional catalog which will likely contain this information. **Arkansas Higher Education Coordinating Board Policies 2015, see forms 3, 5, 6, and 7** available online at: <https://static.ark.org/eeuploads/adhe/2015 Board Policy.pdf> (last visited on 5/19/2016).

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**E. DOES THE STATE'S OVERSIGHT DISTINGUISH BETWEEN FOR-PROFITS AND NONPROFITS?**

**15/15 POINTS\***

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*\*Note that points for Type 1 and Type 2 institutions have been averaged for the above score.*

	Yes, strongly distinguished	Yes, moderately distinguished	Yes, Slightly Distinguished	Not distinguished
<b>Type 1</b>	<b>15 Points</b>	10 Points	5 Points	0 Points
<b>Type 2</b>	<b>15 Points</b>	10 Points	5 Points	0 Points

**Explanation:**

***Type 1 (postsecondary career schools )and Type 2 (degree-granting institutions):***

Ark. ***exempts*** nonpublic, not-for-profit colleges and universities from the certification requirement / licensure "Nonpublic, not-for-profit colleges and universities currently incorporated, recognized by the Arkansas Higher Education Coordinating Board as Arkansas independent institutions of higher education, and operating under the applicable laws of this state shall not be required to receive certification from the Arkansas Higher Education Coordinating Board or to receive licensure from the Arkansas State Board of Private Career Education" **A.C.A. § 6-61-301(C)(3)**.

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**F. DOES THE STATE REQUIRE INCREASED OVERSIGHT/SCRUTINY OF PRIVATE POSTSECONDARY INSTITUTIONS BASED ON POOR PERFORMANCE?**

**0/20 POINTS\***

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*\*Note that points for Type 1 and Type 2 institutions have been averaged for the above score.*

	Yes, Mandatory	Yes, Mandatory but Limited	Yes, Discretionary	Yes, Discretionary but Limited	No
<b>Type 1</b>	10 Points	7.5 Points	5 Points	2.5 Points	<b>0 Points</b>
<b>Type 2</b>	10 Points	7.5 Points	5 Points	2.5 Points	<b>0 Points</b>

**Explanation:**

***Type 1 (postsecondary career schools)and Type 2(degree-granting institutions):***

There is no indication that Arkansas has in place a system to require increased oversight / scrutiny of private postsecondary institutions based on poor performance for either career schools or degree-granting institutions.



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G. DOES STATE LAW INCLUDE ANY SPECIAL PROTECTIONS FOR VETERANS WHO ATTEND PRIVATE POSTSECONDARY INSTITUTIONS?

**0/10 POINTS\***

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*\*Note that points for Type 1 and Type 2 institutions have been averaged for the above score.*

	Yes	No
Type 1	10 Points	0 Points
Type 2	10 Points	0 Points

**Explanation:**

***Type 1 (postsecondary career schools) and Type 2 (degree-granting institutions):***

There are some limited provisions in place to protect veterans, but those provisions relate to publicly funded postsecondary institutions, but nothing that applies to private for-profit postsecondary institutions.

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III. STATE OVERSIGHT - SCOPE & INCLUSION: **75 /100 POINTS**

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A. ARE EXEMPTIONS TO STATE OVERSIGHT COVERAGE LIMITED?

**75/100 POINTS**

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	No Exemptions	Few Exemptions	Moderate Exemptions	Heavy Exemptions
Type 1	100 Points	75 Points	50 Points	0 Points
Type 2	100 Points	75 Points	50 Points	0 Points

**Explanation:**

***Type 1: Postsecondary career schools:***

Most exemptions are commonly used / common sense exemptions such as K-12, state colleges and universities, programs offered for personal improvement, religious schools, schools operated by a trade organization for which there is no fee for members, and so on. There is one narrow exemption for schools operated on military bases in which the majority of students are military personnel, their families and civilian employees of the Department of Defense. **A.C.A. § 6-51-603**

***Type 2: Private degree-granting:***

The state provides a very narrow exemption for schools due to their “unique nature” according to Arkansas Higher Education Coordinating Board (AHECB). Specifically, according to **A.C.A. § 6-61-301**, state supported institutions of higher education and schools regulated by the Cosmetology Technical Advisory Committee.

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IV. DISCLOSURE REQUIREMENTS: **6.25 /100 POINTS**

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**A. ARE INSTITUTIONS REQUIRED TO DISCLOSE INSTITUTIONAL PERFORMANCE MEASURES TO POTENTIAL STUDENTS?**

**0/20 POINTS\***

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*\*Note that points for Type 1 and Type 2 institutions have been averaged for the above score.*

	Yes, Mandatory	Yes, Discretionary	None
	Fact sheet or equivalent required to be given to students:	Fact sheet or documents given to students upon request:	No performance fact sheet required
Type 1	20 Points	10 Points	0 Points
Type 2	20 Points	10 Points	0 Points

**Explanation:**

***Type 1 (postsecondary career schools) and Type 2 (degree-granting institutions):***

There are no required disclosures to students for either career colleges or private degree-granting institutions. Arkansas has The Arkansas Higher Education Information System (AHEIS), which is used to calculate graduation / completion rates for students in public universities. However, it is not clear (1) whether this system is used for private colleges (2) if the data generated is required to be disclosed to potential students in school literature and / or advertising (3) if the data is a factor in renewal of licensing / approval. It appears that this data is largely aggregate data from all postsecondary institutions in Arkansas

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**B. WHICH INSTITUTIONAL PERFORMANCE DISCLOSURES ARE REQUIRED TO BE GIVEN TO STUDENTS PRIOR TO ENROLLMENT?**

**0/60 POINTS\***

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*\*Note that points for Type 1 and Type 2 institutions have been averaged for the above score.*

***Type 1: Postsecondary career schools:***

Disclosures	Mandatory	Discretionary	Not Specified
Cohort Default Rate (CDR)	10 Points	5 Points	0 Points
Graduation / Completion Rates	10 Points	5 Points	0 Points
Placement Rates	10 Points	5 Points	0 Points
Wage Information	10 Points	5 Points	0 Points
License Exam Passage Rates	10 Points	5 Points	0 Points
Methods & Sources used to Calculate	10 Points	5 Points	0 Points

**Explanation:**

There are no substantial disclosures related to the model elements identified are required for private career colleges.

***Type 2: Private degree-granting institutions:***

Disclosures	Mandatory	Discretionary	Not Specified
<b>Cohort Default Rate (CDR)</b>	10 Points	5 Points	<b>0 Points</b>
<b>Graduation / Completion Rates</b>	10 Points	5 Points	<b>0 Points</b>
<b>Placement Rates</b>	10 Points	5 Points	<b>0 Points</b>
<b>Wage Information</b>	10 Points	5 Points	<b>0 Points</b>
<b>License Exam Passage Rates</b>	10 Points	5 Points	<b>0 Points</b>
<b>Methods &amp; Sources used to Calculate</b>	10 Points	5 Points	<b>0 Points</b>

**Explanation:**

There are no substantial disclosures related to the model elements identified are required for private degree-granting institutions.

**C. DOES THE STATE REQUIRE SCHOOLS TO INCLUDE ELEMENTS ESSENTIAL FOR STUDENTS TO MAKE AN INFORMED DECISION IN THE ENROLLMENT CONTRACT?**

**6.25/ 20 POINTS**

*\*Note that points for Type 1 and Type 2 institutions have been averaged for the above score.*

***Type 1: Private career colleges:***

Element Description	Mandatory	Discretionary	Not Specified
<b>Total Cost of Program</b>	5 Points	<b>2.5 Points</b>	0 Points
<b>Refund Information</b>	5 Points	<b>2.5 Points</b>	0 Points
<b>Transferability of Credits</b>	5 Points	2.5 Points	<b>0 Points</b>
<b>Length of Program</b>	5 Points	2.5 Points	<b>0 Points</b>

***Type 1: Private degree-granting institutions:***

Element Description	Mandatory	Discretionary	Not Specified or explicitly excluded
<b>Total Cost of Program</b>	5 Points	<b>2.5 Points</b>	<b>0 Points</b>
<b>Refund Information</b>	5 Points	<b>2.5 Points</b>	0 Points
<b>Transferability of Credits</b>	5 Points	2.5 Points	<b>0 Points</b>
<b>Amount of classes / time required to complete program</b>	5 Points	2.5 Points	<b>0 Points</b>

**Explanation:**

Arkansas requires only that private degree-granting institutions provide the following language in enrollment agreements: Transfer of Course/Degree Credit to Other Institutions - The student should be aware that these degree programs may not transfer. The transfer of course/degree credit is determined by the receiving institution. Arkansas receives partial credit for including this statement in enrollment contracts because, while it does address the transferability of credits, there is nothing that tells students to which institutions credits will or will not transfer. **Arkansas Higher Education Coordinating Board Policies**

2015, see form 3 available online at: <https://static.ark.org/eeuploads/adhe/2015 Board Policy.pdf> (last visited on 11/21/2015).

## V. REGULATION OF RECRUITING PRACTICES:

**37.5 /100 POINTS**

### A. HAS THE STATE PUT INTO LAW A LIST OF PROHIBITED ACTS REGARDING ADVERTISING AND RECRUITING?

**37.5/100**

*\*Note that points for Type 1 and Type 2 institutions have been averaged for the above score.*

	Yes, strong regulation	Yes, Moderate Regulation	Yes, weak regulation	No list of prohibited acts
Type 1	100 Points	75 Points	50 Points	0 Points
Type 2	100 Points	75 Points	50 Points	0 Points

### PROHIBITED ACTS

Included in list of Prohibited Acts	Type 1	Type 2
Misleading representations using the word “college” or “university”	X	
Misleading Institution Affiliations (re: military, public institution, business establishments...)		
Promise Employment	X	
Compensation for enrollment	X	
Compensation or “bounty” to recruiters		
Deception	X	
Misrepresentation	X	
Misleading representations re: accreditation	X	

*1-3 = weak; 4-6=Moderate; 7+ = strong*

#### **Explanation:**

##### ***Type 1: Private career schools:***

Prohibited acts are listed under recruiting at 142 00 CARR 005 XVII. Arkansas has moderately strong regulations related to regulation of advertising and recruiting regarding private career schools.

##### ***Type 2: Private degree-granting Institutions:***

Prohibited acts are not well-defined for private degree-granting institutions, which results in Arkansas’ lower score on this element.

## VI. COMPLAINT PROCESS & RELIEF FOR STUDENTS:

**60/100 POINTS**

### A. DOES THE STATE REQUIRE A BOND OR FUND AS A CONDITION OF AUTHORIZATION?

**22.5/20 POINTS\***

*\*Note that points for Type 1 and Type 2 institutions have been averaged for the above score.*

	Yes	No
Type 1	20 Points (+5 points)	0 Points
Type 2	20 Points	0 Points

#### **Explanation:**

##### ***Private career schools:***

"Each school licensed under this subchapter shall pay annually a fee to be set by the State Board of Private Career Education." **A.C.A. § 6-51-607(a)(1)** For an original license, the fee is a percentage as determined by the board of the sum of the tuitions for each program offered. Additionally, during the first twelve (12) months of licensure, the same percentage is paid to the Private Career School Student Protection Trust Fund on additional new programs of study. **A.C.A. § 6-51-607(a)(4)** See also: **A.C.A. § 6-51-620** (Required Surety Bonds) The state receives full credit for requiring a surety bond and an *additional five bonus points for requiring contribution to a student protection trust fund.*

##### ***Private degree-granting institutions:***

"In an effort to protect Arkansas students from financial hardship and loss due to the unexpected closure of an institution certified by the Arkansas Higher Education Coordinating Board (AHECB), non-public and out-of-state, postsecondary institutions certified to offer college-level courses/degree programs in Arkansas will be required to maintain a surety bond during operations in Arkansas." (**Arkansas Higher Education Coordinating Board Policies (2015) 5.2.10**. Available online at: [https://static.ark.org/eeuploads/adhe/2015\\_Board\\_Policy.pdf](https://static.ark.org/eeuploads/adhe/2015_Board_Policy.pdf))

### B. DOES THE STATE REQUIRE A REFUND OF TUITION IF A STUDENT ENROLLS AS THE RESULT OF MISREPRESENTATION?

**5/20 POINTS\***

*\*Note that points for Type 1 and Type 2 institutions have been averaged for the above score.*

	Yes, Full Refund	Yes, Partial Refund	No Refund Required
Type 1	20 Points	10 Points	0 Points
Type 2	20 Points	10 Points	0 Points

#### **Explanation:**

##### ***Type 1: Private career schools:***

A refund / damages are available – however – there is nothing to specify a “full refund” See: (4) The surety bond shall be conditioned to provide indemnification to any student or enrollee who suffers

loss or damage as a result of: ... (C) An admissions representative's misrepresentation in procuring the student's enrollment. **142 00 CARR 005 (4)**

***Type 2: Private degree-granting Institutions:***

The AHECB has policies that require postsecondary institutions to disclose refund policies, but no specific requirements which require refund for enrollment as a result of misrepresentation.

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**C. DOES THE STATE REQUIRE INSTITUTIONS TO REFUND TUITION IN THE EVENT OF CLOSURE?**

**12.5/20 POINTS\***

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*\*Note that points for Type 1 and Type 2 institutions have been averaged for the above score.*

	<b>Yes, Full Refund</b>	<b>Yes, Refund is limited in some way</b>	<b>Maybe. Provisions are in place for a refund in very limited circumstances.</b>	<b>No Refund Required</b>
<b>Type 1</b>	20 Points	15 Points	<b>10 Points</b>	0 Points
<b>Type 2</b>	20 Points	<b>15 Points</b>	10 Points	0 Points

**Explanation:**

***Type 1: Career Schools:***

(1) If a school closes, the director shall attempt to place each student of the school in another school. (2) If the student cannot be placed in another school, the student's tuition for which education has not been received may be refunded on a prorated basis in the manner prescribed by the board. (3) If another school assumes responsibility for the closed school's students with no significant changes in the quality of training, a student is not entitled to a refund under this section. (4) Attorneys' fees, court costs, or damages may not be paid from the Private Career School Student Protection Trust Fund. **A.C.A. § 6-51-607** Also: "In the event a school discontinues a program in which students are enrolled, a full refund of all tuition and fees is due. Refunds shall be made within 15 days of the last class meeting date. This statement does not apply to a closed school; however, it does apply to a school that closes only one location." **142 00 CARR 005**

***Type 2: Private degree-granting Institutions:***

Refund is available for unused tuition. "A student will be eligible for restitution of unused tuition from the institution's bond when: (1) Due to closure of the AHECB certified institution the student can no longer continue his/her education at the AHECB certified institution and has prepaid but unused tuition requiring reimbursement; and/or (2) Due to closure of the AHECB certified institution no viable alternative for restitution is available, as determined by the Arkansas Department of Higher Education (ADHE). Unused tuition will be defined as payment for classes in which the student was enrolled, but were not completed because of the closure of the institution."

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**D. DOES THE STATE ALLOW STUDENTS AMPLE TIME TO MAKE A COMPLAINT?**

**10/10 POINTS\***

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*\*Note that points for Type 1 and Type 2 institutions have been averaged for the above score.*

	2 years or more (or no deadline)	1-2years	Less than 1 year	Not stated
<b>Type 1</b>	<b>10 Points</b>	5 Points	1 Points	0 Points
<b>Type 2</b>	<b>10 Points</b>	5 Points	1 Points	0 Points

**Explanation:**

***Type 1: Private career schools:***

“The complaint shall be filed within three (3) years of the alleged violation.”

**142 00 CARR 005 IX. (5).**

Note, however, that a request for arbitration must be in writing and filed with the director within one (1) year of completion of, or withdrawal from, the school. **A.C.A. § 6-51-616** No points are deducted here, because missing this 1-year deadline would preclude only the option of binding arbitration “The ruling of the arbitration panel shall be binding upon the parties”. It would not prevent the student from taking other action.

***Type 2: Private degree-granting Institutions:***

It is the responsibility of the institutions to create and publish policies with regard to filing grievances. There are no deadlines enumerated in Arkansas law or policy with regard to filing an initial student grievance. All Arkansas Higher Education Coordinating Board (AHECB) certified institutions must publish, post, and adhere to a procedure for handling a student grievance. Out-of-state and distance delivery institutions must furnish a toll-free telephone number or e-mail address for quick access in filing a student grievance.” **Arkansas Higher Education Coordinating Board Policies 2015** available online at: [https://static.ark.org/eeuploads/adhe/2015\\_Board\\_Policy.pdf](https://static.ark.org/eeuploads/adhe/2015_Board_Policy.pdf) (last visited on 11/21/2015).

**E. DOES THE STATE REQUIRE INSTITUTIONS TO DISCLOSE INFORMATION ABOUT  
FILING A COMPLAINT WITH THE STATE OVERSIGHT BODY?**

**7.5/20 POINTS\***

*\*Note that points for Type 1 and Type 2 institutions have been averaged for the above score.*

***Type 1: Private career schools:***

<b>Medium</b>	<b>Yes</b>	<b>Discretionary</b>	<b>No</b>
<b>Catalog</b>	10 Points	<b>5 Points</b>	0 Points
<b>Website</b>	5 Points	<b>2.5 Points</b>	0 Points
<b>Enrollment Contract</b>	5 Points	2.5 Points	<b>0 Points</b>

**Explanation:**

“Schools shall post Board provided information (Form 8000) so that students will be aware of the complaint process available to them through the Board. This information shall be posted in locations used and/or seen by all students on a regular basis.” **142 00 CARR 005 IX. (2)**

Here, though it is not specifically enumerated, a school’s website and catalog are “location(s) used and/ or seen be all students on a regular basis”

***Type 2: Private degree-granting:***

Medium	Yes	Discretionary	No
Catalog	10 Points	5 Points	0 Points
Website	5 Points	2.5 Points	0 Points
Enrollment Contract	5 Points	2.5 Points	0 Points

**Explanation:**

There is a requirement, enumerated in the AHECB policies, that certified institutions publish, post, and adhere to a procedure for handling a student grievance. There is no language requiring this information to be posted on a website or catalog, however, it is reasonable to conclude that schools may publish this information on the schools website and / or in the school catalog. Therefore, Arkansas receives credit for giving discretion here. **Arkansas Higher Education Coordinating Board Policies 2015** available online at:

[https://static.ark.org/eeuploads/adhe/2015 Board Policy.pdf](https://static.ark.org/eeuploads/adhe/2015%20Board%20Policy.pdf) (last visited on 11/21/2015).

**F. IS THE COMPLAINT PROCESS READILY ACCESSIBLE AND AVAILABLE ON THE STATE OVERSIGHT BODY WEBSITE?**

**2.5/10 POINTS**

	Yes, w/ address	Yes, with phone #	Yes, with email address	Yes, with electronic form	No
Type 1	2 Points	2 Points	3 Points	3 Points	0 Points
Type 2	2 Points	2 Points	3 Points	3 Points	0 Points

**Explanation:**

**Type 1: Private career schools:**

There is a description of the complaint procedure on the website with only a phone number.

<http://sbpce.arkansas.gov/students/Pages/complaintProcess.aspx>

**Type 2: Private degree-granting Institutions:**

A student grievance form is available on the AHECB website <http://www.adhe.edu/students-parents/colleges-universities/student-grievance-form>.

**VII. ENFORCEMENT: 0/100 POINTS**

**A. IS THERE LOSS OF STATE AID FOR SCHOOLS THAT REPEATEDLY PRODUCE SUBSTANDARD GRADUATION RATES, JOB PLACEMENT RATES AND / OR COHORT DEFAULT RATES?**

**0/30 POINTS\***

*\*Note that points for Type 1 and Type 2 institutions have been averaged for the above score.*

	Yes, Required	Yes, Required but limited	Yes, Discretionary	Yes, Discretionary but limited	No
Type 1	30 Points	20 Points	10 Points	5 Points	0 Points
Type 2	30 Points	20 Points	10 Points	5 Points	0 Points



**Explanation:**

***Type 1 (postsecondary career schools) and Type 2(degree-granting institutions):***

There is no specified loss of state aid for schools that repeatedly produce substandard graduation, job placement, and / or cohort default rates in Arkansas law for either career colleges or private degree-granting institutions.

**B. DOES THE STATE EXPLICITLY ALLOW STUDENTS A PRIVATE RIGHT OF ACTION AGAINST INSTITUTIONS THAT HAVE VIOLATED THE LAWS / REGULATIONS IN PLACE TO GOVERN THEM?**

**0/30 POINTS**

*\*Note that points for Type 1 and Type 2 institutions have been averaged for the above score.*

	Yes	Limited Circumstances	No
<b>Type 1:</b>	30 Points	15 Points	<b>0 Points</b>
<b>Type 2:</b>	30 Points	15 Points	<b>0 Points</b>

**Explanation:**

***Type 1 (postsecondary career schools) and Type 2(degree-granting institutions):***

In Arkansas law, there is no specified private right of action against institutions (for either career colleges or private degree-granting institutions) who have violated the laws / regulations in place to govern them.

**C. DOES STATE LAW EXPLICITLY ALLOW ATTORNEY FEE AWARDS FOR STUDENTS WHO PREVAIL IN LITIGATION AGAINST SUCH INSTITUTIONS?**

**0/20 POINTS\***

*\*Note that points for Type 1 and Type 2 institutions have been averaged for the above score.*

	Yes	Limited	No
<b>Type 1</b>	20 Points	15 Points	<b>0 Points</b>
<b>Type 2</b>	20 Points	15 Points	<b>0 Points</b>

**Explanation:**

***Type 1 (postsecondary career schools) and Type 2(degree-granting institutions):***

Arkansas law does not indicate that there are attorney's fees available either for students of career colleges or private degree-granting institutions.

**D. DOES THE STATE EXPLICITLY AUTHORIZE ATTORNEY GENERAL INVOLVEMENT?**

**0/20 POINTS\***

*\*Note that points for Type 1 and Type 2 institutions have been averaged for the above score*

	Yes	Limited Circumstances	No
<b>Type 1</b>	20 Points	10 Points	<b>0 Points</b>

Type 2	20 Points	10 Points	0 Points
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**Explanation:**

***Type 1 (postsecondary career schools) and Type 2 (degree-granting institutions):***

There is no indication in Arkansas law that the state explicitly authorizes Attorney General involvement in any circumstances related to regulation and enforcement of laws governing for-profit postsecondary institutions.



## ILLUMINATING INFORMATION



### PENDING LEGISLATION

There is no significant pending legislation in Arkansas relating to the oversight and regulation of private postsecondary institutions as of this writing in May of 2016.

### RECIPROCITY AGREEMENTS

Arkansas is a member of National Council for State Authorization Reciprocity Agreements (NC-SARA a.k.a. SARA) as of May of 2016. <http://nc-sara.org/states/ar>

### LITIGATION, INVESTIGATIONS, AND ACTIONS INVOLVING PRIVATE FOR-PROFIT EDUCATIONAL INSTITUTIONS IN CONNECTICUT

**For information about pending and recent federal and state government investigations and actions regarding for-profit colleges see David Halperin's compilation at:**

**<http://www.republicreport.org/2014/law-enforcement-for-profit-colleges/#sthash.1vc4HmPw.dpuf>**