

New Director Seminar Part 2 Compliance

Private Licensed Schools
Division of Postsecondary Proprietary
Training

Compliance

- Legal Authority / Foundations – Statute, Regs, and Memos
- Board Organization
- Electronic Sites
- Annual Statistical Report
- Board Approvals Required
- Notifications Required
- License Renewal
- Program Changes
- Site Visits
- Advertising
- Admissions Representatives
- Student Records - transcripts
- Records Repository
- Complaints
- Enforcement Action
- Possible Sanctions
- Common Pitfalls
- Rigid Deadlines
- Closing Procedures

➤ Legal Authority

- [Private Licensed Schools 1986 Act 174](#)
- [Act 110 of 2019](#)
- [Regulations](#)
- [Board Policy Memos](#)

▶ Board Policy Memos

- Numbered memos that explain the regulations or create policy to in support of the regulations.
- Violation of the memos can result in enforcement action.

Board Policy Memos

Memo #92 – Establishes Cure Period

- Provides for a 10-day cure period (business days)

Memo #52 - Scholarships

- Must be a minimum of 25% of tuition cost
- Cannot be used as a discount
- **Replaced by Memo #99**

Memo #65 – Limits Program Applications

- Limits new program applications to three per Board meeting.

Memo #75 – Fees

- Delineates tangible and intangible fees and how the refund policy is applied or not

Memo #83 – Distance Education

- Guidance is provided on how the application is submitted and whether fees are required and who reviews the application

▶ Board of Private Licensed Schools

- [15 members](#)
 - 14 appointed by Secretary of Education
 - 1 ex officio representative of Attorney General
- 4-year terms
- Term limits – 2 consecutive terms

▶ Board's Standing Committees

- Executive Committee
- Financial Review Committee
- Review and Recommendation Panel
- Curriculum Committee
- Hearing Panels

Staff

- The Division of Postsecondary Proprietary Training staffs the Board
 - Division Chief
 - 1 Supervisor
 - 1 Compliance Specialist
 - 1 Higher Education Associate – oversee specialized degree-granting schools
 - 2 Board Administrators
 - 1 Administrative Assistant
- Each school is assigned to a staff member (Board Administrator)
- Call staff at (717) 783-8228
- Email is the most efficient means of communication

▶ Board Approval Required

- Relocation
- Expansion
- Remote Location
- New Branch
 - All the above require a written notice, site visit (\$750 fee), floor plan, certificate of occupancy, and updated bond rider
- Scholarship
- [Change of Ownership](#) (requires FRC approval)
- Name Change or Alternate Name
- New programs
 - Or program changes over 25%
- [Distance education applications](#) if not already an approved provider

Staff Review Required

- Change in Director or Acting Director – [PDE340](#)
 - Part 1 is the School Director attestation of the remaining information on the form
 - Part 2, 2a, 3, 4, 5, 6 are relevant to the newly appointed Acting Director (or possibly the new School Director)
 - The email address provided on the form should be the one for the person the form is for (identified in part 2).
- [Distance Education applications](#) ONLY if you have prior Board approval as a Distance Education provider
- Program Changes– [PDE3744](#)
- Surety changes
- Tuition Changes
- License Renewals
- Compliance Audits

Program Changes

- Submitted on [PDE3744](#)
- Must be less than 25% overall change
- Cannot be a substantive change to objectives
- Approval required PRIOR to implementation

Program Changes – PDE3744

- There are several tabs for completion
 - School Information – always completed
 - Program Changes – always completed
 - Distance Education – only completed if requesting to change the amount of distance education to a program (for example now adding a DE component to a course it wasn't in before)
 - Enrollment Agreement – update according to program changes
 - Documents – ability to upload additional documents you may feel are needed

Surety

- Surety is insurance – protection for your students in the event the school would close
- Surety is covered in detail under §73.54
- The surety amount is based on your school's gross tuition
- When there is a change in surety (amount/provider/bond number) your Board Administrator must be notified prior to the changes taking place for further guidance and permissions
- New bonds, originals, must be mailed to PDE – additional locations are covered under the same surety through a rider not a separate bond
 - 607 South Drive, Floor 3E, Harrisburg, PA 17120
- [Surety bond form](#)
- [Surety bond instructions](#)
- [PTAF](#)

➤ Surety - continued

- We allow for the bonds to be signed electronically.
- We allow for the bonds to be sealed electronically.
- We do not need a resolution to allow the signature, they are simply allowed to e-sign and use digital seals. **BUT** the signatures need to follow the requirement outlined below.
- If the school is going to sign electronically then the bond company **MUST** also sign electronically.
- If the bond company uses a wet signature, then the school **MUST** also use a wet signature.
- The reason we need to do this is because our bond agreements do not say that e-signature is allowed. So, if both parties use e-signature, then it shows that it was agreed that both parties can use e-signature.

Tuition and Fee Changes

- Tuition and application/registration fee changes are reported on the [PDE3808 Program Profile](#)
 - The application/registration fee cannot exceed 15% of the tuition or \$150.
 - This is refundable depending on the situation see § 73.132
- Manually cross out and mark the changes
Indicate the effective date of changes
- Sign profile sheet
- Scan and email to assigned Board Administrator
- Indicate whether current students will be affected (current students must be notified 60 days prior)

▶ PDE3808 Program Profile

- School program profile
 - Confirm accuracy
 - Used by accreditation, Veterans Education, and other funding sources
- Follow these steps using the link provided:
 - Click #2 to search program profile
 - Enter your school's name
 - Once it appears – click on the school's name and it will open to show your current PDE 3808

Sample PDE3808 Profile

PDE-3808

PDS-840

SCHOOL PROGRAM PROFILE PRIVATE LICENSED SCHOOLS PENNSYLVANIA DEPARTMENT OF EDUCATION

A.	Inc				AUN :4-	9-0000	
442			25				
Calender System :Non-Specific					Director Name :Mr R		
CIP CODE	PROGRAM NAME	AWARD	PROGRAM LENGTH	DISC'D YEAR	PROGRAM TUITION	PROG NEW TUITION	T D
49.0205 0002	Basic Class B Driving	D	118 CLOCK HOURS,		3300	3300	0
49.0205 0000	Basic Tractor Trailer Driving	D	160 CLOCK HOURS,		5500	5500	0
49.0205 0001	Refresher, Tractor Trailer Driving	D	50 CLOCK HOURS,		2750	2750	0



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▶ Reportable Events

- Material change in financial condition
- Lapse in surety
- School files for bankruptcy
- Building code violation
- Environmental hazard
- Title IV audit
 - Any type of audit (Vet Ed, Accreditation etc.)
- Adverse findings from other authorizing agencies
- Change in e-mail account
- Change in phone number

➤ How to Report

- Email letter to Board Administrator
- No form provided

▶ License Renewal

- Initial renewal is due one year from licensure
- Subsequent due every two years
- MUST be renewed prior to expiration
 - Always due the 7th of the month PRIOR to expiration.
- Courtesy reminders are sent, but the school is responsible

Components of Renewal Application

- Renewal Fee (\$1,000 - \$35,000) based on earned gross tuition
- Financial Statement at the school-level (PDE2006 or audited)
- Evidence of Surety
- Ethics Statement – print/sign/embed
- Changes to PDE3808 Program Profile
- [Records Repository](#)
- Enrollment Agreement
- Catalog
- CDL program
- Ownership/Operations

Records Repository

- [Board Policy Memo #106](#)
 - Started September 1, 2023
 - Biennial fee of \$250 and begins after your first year of operations (if a new school applicant)
 - The title of this slide is a hyperlink to our website for more information.
 - New schools will NOT contract with the central repository until they have received an approved pending outcome/vote from the Board.

Site Visits

- Are conducted for various reasons:
 - All identified reasons under Required Board Approvals
 - Only ones that have a fee associated to the visit
 - Compliance Visit
 - Priority is to be in person, may have to be virtual.
 - Board directed
 - Along the way while traveling for other visits

► Compliance Visit

- New schools after their 1-year anniversary
- Once every 3 years for unaccredited schools
- Once every 5 years for accredited schools

Tour school

Talk with students and staff

Check facilities and equipment

Verify certificate of occupancy,
capacity

Verify PA Board PLS license is
posted

Director and Acting Director
credentials

Faculty credentials

Program approvals

Advertising

Scholarships

Catalog

Enrollment Agreement



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➤ Instructor Qualifications PDE279

- Do not submit this form unless requested.
- Completed [PDE279](#) form and supporting documentation must be on file for each instructor.
 - If they have more than one qualifier, each is encouraged to maintain in their file.
- Files may be paper or electronic but must be produced upon request during compliance visits.
- Strongly encouraged to review and update at minimum yearly.
- Resume and form should align.
- The school should be the first/current employment experience listed.

Student Records

- Current Students
 - Transcript
 - Proof of admissions requirements
 - Enrollment Agreement
 - Student Financial Ledger Card
- Graduates
 - Transcript
 - Award
- Withdrawals
 - Transcript
 - Student financial ledger card
 - Last date of attendance
 - Refund calculation
 - Date refund sent, within 30 days

Transcripts

- Must be maintained for 50 years
- Must be placed with a repository when the school closes
- Must contain the following items
- School name (the Board-approved school name) and full address of the school/branch location attended
- Student's name
- ID number (it is recommended that student social security numbers not be used)
- Enrolled program (the Board-approved program name)
- Program start date (the date the student began attending)
- List of courses attempted and/or completed
- Grades for each course attempted/completed (including 'I' for incomplete and 'W' for withdrawn courses)
- Clock hours and/or credits for each course attempted/completed
- Student's last date of attendance
- Student status (active, leave of absence, graduate, withdrawal, terminated)
- Student status change date
- Earned award (if student has graduated - certificate, diploma, Associate in Specialized Business degree, or Associate in Specialized Technology degree)
- Name, title, signature of school official and the date is typically needed to indicate it is an official copy and should also be added.

▶ Student Refunds and Withdrawal

- Calculated in accordance with
22 PA Code §§ 73.131 - 136
- Determined by the percentage of the program completed (hours or lessons)
- Refund amount and date of refund should be in the student file for all those who have withdrawn
 - Remember a refund may not be due to the student, but a calculation must be done and the subsequent adjustment to monies owed (if any) should be reflected on the financial ledger card.

Financial Ledgers

- Each student should have a financial ledger card regardless of how they pay for their education.
- At minimum, the following items should be available.
 - School name and address
 - Student name, address, and unique student ID # (not SS#)
 - Student status
 - Program start date
 - Last date attended (LDA)
 - Anticipated grad date
 - Enrolled program
 - Itemized charges, with a description and date charged
 - Itemized payments, noting payment form and date paid
 - Running balance

Sample Financial Ledger

Ledger Card

rpt_saLedgerCard.rpt

Sorted by: Campus, Term Start Date, Transaction Number

5/26/2022

1:10:01PM

Student Name: [Name]
Address: [Address]
Balance \$ 1,654.00
Student ID 9728
Current Status Active
Program Version PN [Program]
Start Date 1/6/2020
LDA 3/28/2022
Graduation Date 4/22/2022

Date	Check/Ref	Enrollment	Term	Campus	Code	Pmt Per/Ay	Description	Charges	Payments	Balance
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Term:

Code	Course Description	Section	Credits	Hours	Bill Code	Charge
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Pending Charges and Discounts

Description	Bill Code	Term	Amount	Type	Date
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Pending Charges and Discounts :

Student Balance + Pending Charges : \$1,654.00

10/28/2019	AUTOCHG	MO19102637 : PN	MAIN	APP FEE	Application Fee	50.00	50.00
10/28/2019	AUTOCHG	MO19102637 : PN	MAIN	REG	Registration Fee	100.00	150.00

Page 1 of 3



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➤ Refunds + 6 weeks

- Up to 5 days after signing but before classes – 100% (including reg fee)
- After 5 days and before classes – 100% (minus the registration fee)
- During first 7 days – 75% of tuition refunded
- Within 25% - 55% of tuition refunded
- Within 50% - 30% of tuition refunded
- After 50% - no refund

➤ Refunds < 6 weeks

- Up to 5 days after signing but before classes – 100% (including reg fee)
- After 5 days and before classes – 100% (minus the registration fee)
- Up to 10% – 90% of tuition refunded
- Within 25% - 55% of tuition refunded
- Within 50% - 30% of tuition refunded
- After 50% - no refund

➤ Refunds – nonresident programs

- For a student cancelling after the 5th calendar day following the date of enrollment as defined in §73.132 but prior to receipt by the school of the first completed home study lesson, monies paid to the school shall be refunded except the nonrefundable amount of the application/registration fee as calculated in §73.132.
- If a student enrolls and withdraws or is discontinued after submission of the first completed lesson, but prior to completion of the program, minimum refunds shall be calculated as follows:
 - Up to and including completion of the first 10% of the program, the school shall refund 90% of the total tuition.
 - Beyond completion of 10% of the program and up to and including completion of 25% of the program, the school shall refund 75% of the total tuition.
 - Beyond completion of 25% of the program and up to and including completion of 50% of the program, the school shall refund 50% of the total tuition.
 - Beyond completion of 50% of the program, a student is entitled to no refund.
- The percentage of the program completed shall be determined by comparing the number of completed lessons received for services by the school to the total number of lessons in the program.

Refunds

- Refunds are not requested – they are automatic.
- Students cannot be *required* to request a withdrawal be it in writing or any other way.
- If a student stops attending, a refund (adjustment) is due if they completed less than 50%.
- See [Board Memo #75](#) for all relevant fees to be refunded
- An applicant rejected by the school is entitled to a refund of monies paid.

Refunds

- Refunds *must* be calculated based on the last date of recorded attendance.
 - If the school takes attendance, use recorded date.
 - If the school does not take attendance, use the last written evidence of attendance –a homework assignment, quiz or test.
- Your policies should clearly identify an inactivity/non-attendance policy to assist you in determining the date of termination if the student stops attending and communicating with the school.

➤ Refunds - Deadline

- Refunds must be made within 30 days of the last date of recorded attendance.
- Take into consideration the time it takes to cut a check – the refund must be mailed within 30 days.

➤ Leave of Absence

- A leave of absence must be requested by the student in writing.
- Refunds are required if student fails to return from a leave of absence.
- Reference [Board Policy Memo #59](#) for additional information.

➤ Date of Determination

- Title IV concept
- Does not exist in PA regulations
- PA student refunds must be based on last date of recorded attendance and not on date of determination

▶ Advertising

- No blind advertising (school must be named)
- No advertising in the help wanted
- No salaries
- No misrepresentation
- No superlatives
- No implication of college or university
- Must use approved school name
- Must use approved program names
- No advertising unapproved programs

▶ Advertising

- No guarantee of employment
- No guarantee of admission to another institution
- No guarantee of credit transfer
- No bait and switch
- No premiums
- No discounts
- No demeaning another school

➤ Admission Representative License

- Required if students will be asked to sign enrollment agreement any place off the school property
- Not required for marketing – education fairs, etc. – if students do not enroll
- Required for each employee who recruits
- [PDE5006 Application Form](#)
- \$600 Fee
- Must be renewed annually

Complaints

- We encourage complainants to try to resolve the situation with the school director first, but not required
- Complaint is submitted to PLS with signature
 - [The Student Complaint form](#) is located on our main website landing page.
- Complaint is sent to school for response
 - 30 days to respond in writing

Complaints

- Complaint will be investigated
- Conversations with complainant
 - Conversations with school
 - Possible Visit to School
- A resolution may be proposed
- Complaint will be closed or
- Complaint will be referred to enforcement panel

Higher Education Annual Institutional Reporting

- Due by March 1
- Overseen by the Division of Higher Education, Access, and Equity
- XX-G – all PLS schools
- XX-J – all schools offering AST/ASB degree programs
- See additional information attached to the invitation.
- You can find additional information by following these steps:
 - Visit our [main website](#)
 - Select School Resources menu
 - Dropdown Required Annual Reporting Submissions

▶ ACT 69 of 2024

- Please see [Financial](#) for requirements and deadlines in three areas -
 - Student Fee Transparency
 - Higher Education Cost Transparency
 - Exit Counseling and Deadlines.
- Also see information posted at [School Resources](#) under Required Annual Reporting Submissions.
- Must adhere to the provisions as outlined.

▶ Annual Statistical Report

- MUST be submitted between July 1 and September 30 each year.
- Submitted electronically.
- Failure to submit is a violation punishable by a fine of at least \$500 or revocation of license.
- You are reporting on your staff and students.
- Student information you are reporting on by program:
 - Race/ethnicity
 - Male/Female/Other
 - Full time/ part time student status
 - Male/Female/Other
 - Unduplicated enrollment headcount
 - Placement of graduates
- You can find additional information by following these steps:
 - Visit our [main website](#)
 - Select School Resources menu
 - Dropdown Required Annual Reporting Submissions

▶ Enforcement Action

- Complaint or preliminary notice of violation may be referred to Review & Recommendations Panel (RRP) by staff
- RRP may order a Notice of Violation be issued
 - 14 days to respond
- RRP may direct an Order to Show Cause
 - 20 days to respond
- School can request a hearing
- Full Board votes on final adjudication

► Possible Sanctions

- \$500 fine for first violation
- \$750 fine for second violation
- \$1000 fine for third violation
- \$1000 fine for unlicensed activity
 - Plus 5-year ban on licensure
- Suspension of license
- Revocation of license

▶ Annual Reminders - Summary

License Renewals

Every 2 Years

Due on the 7th day of the month
prior to expiration.

Compliance Audits

Non-accredited – Every 3 years

Accredited – Every 5 Years

Quarterly Reports

Deadlines posted on our
website (4 weeks prior to FRC
meeting)

PLS Annual Statistical Report (through PLS)

Becomes accessible in July.
Due on September 30

23-24 School Year Central Repository Transcript Upload

Due by September 30

Higher Education Report (not through PLS)

It's On Us PA, Article XX-G,
and Article XX-J Due March 1



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Common Pitfalls

- Late Annual Statistical Report
- Late Licensure Renewal
(late applications, license will not be renewed)
- Late Quarterly Reporting
- Failure to make timely refunds
- Failure to make accurate refunds
- Instructor reads from book
- Students stepping in as instructors
- Instructor cancels or shortens classes

Common Pitfalls

- Textbooks late or unavailable
- Retroactive tuition increase
- Using an unapproved school name or location
- No acting director for the school
- Advertising
 - In employment column
 - Blind advertising (not naming the school)
 - Salaries

➤ Closing Procedures

- Notify Board in writing 30 days prior
- Teach-out all students
- Place records with the central repository

➤ Closing

- Additional closing steps if students are still enrolled:
 - Notify all current students in writing
 - Identify teach-out institutions for all students
 - Provide PLS with name and contact information for all students
 - Provide PLS with current transcript for all current students
 - Provide PLS with current account card for all current students

➤ Note Re: Closure

- A closed school can be fined for failure to comply with closure requirements.
- Closing Procedures can be found [here](#)

Submission - SharePoint

Site Actions Browse Page Landis, Patricia A (PDE) ▾

PLS > Generic User Application Submission
Private License Schools

PLS Application Submission Portal Generic User Application Submission Registered User Application Submission Division Review Board Review Site Owner Review FRC Renewals Team View College AST ASB This Site: PLS

Distance Education Registration Distance Education Review

Recently Modified

- Division Review
- Registered User Application Submission
- Generic User Application Submission
- Application Submission
- PA State Distance Education Registration

Recycle Bin

All Site Content

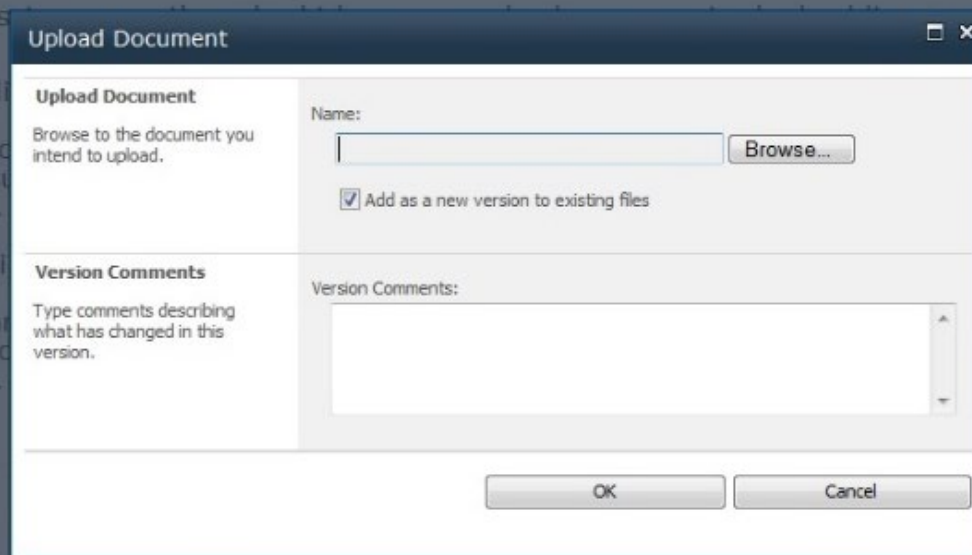
Generic Postsecondary Application Submission

Welcome to the Generic Postsecondary Application Submission screen through which you can upload new or revised school license or program applications.

- **New Application Submission** - To submit a new application, please note the following requirements, and then click **Add document** (below) to begin the upload process:
 - Although you can enter comments when you upload an application, the comments may or may not be reviewed. If you have questions or concerns, please call (717) 783-8228
 - In order for your application to be successfully submitted, both forms **MUST** be completed.
 - Application submission may take a few minutes. Once your application has been successfully submitted, this screen will appear again. You will not see your application listed on this screen.
- **Application Revision Submission** - To submit a revision to an existing application, please note the following requirements, and then click **Add document** (below) to begin the upload process:
 - A revised application should have exactly the same filename as the original application.
 - Although you can enter comments when you upload an application, the comments may or may not be reviewed. If you have questions or concerns, please call (717) 783-8228.
 - Application submission may take a few minutes. Once your application has been successfully submitted, this screen will appear again. You will not see your application listed on this screen.

Add document

➤ Submission – Browse for File



The screenshot shows a web application interface with a dark blue header bar containing the text "Submission – Browse for File". Below the header, there is a light gray background with faint, repeating text: "Primary Application Submission", "Secondary Application Submission", and "To submit a new application". Overlaid on this background is a white dialog box titled "Upload Document". The dialog box has a dark blue title bar with a close button (X) in the top right corner. Inside the dialog, there are two main sections. The top section is titled "Upload Document" and contains the text "Browse to the document you intend to upload." followed by a text input field labeled "Name:" and a "Browse..." button. Below this is a checkbox labeled "Add as a new version to existing files" which is checked. The bottom section is titled "Version Comments" and contains the text "Type comments describing what has changed in this version." followed by a large text area. At the bottom of the dialog are two buttons: "OK" and "Cancel".

Upload Document

Browse to the document you intend to upload.

Name: **Browse...**

☒ Add as a new version to existing files

Version Comments

Type comments describing what has changed in this version.

OK **Cancel**

Submission – Complete Form

PLS Entry - High School Accreditation - License

Edit

Check In Cancel Paste Cut Copy Delete Item

Commit Clipboard Actions

Note: Be sure to carefully enter all of the information below. Once you click Save on this screen, your application has been saved and submitted. Your application will not be listed on the Application Submission screen. Staff will contact you by e-mail within the next month to inform you of any revisions that are needed prior to consideration by the Board. You will receive notice by e-mail to inform you whether the application has been accepted for review by the Board at the next meeting. Please note that each applicant for a new school license must also submit at least one application for program approval. Please note that the Board has established a limit of three new program applications per school for each Board meeting. If you have any questions regarding your application submission, please call (717) 783-8228.

WARNING: YOU MUST COMPLETE THIS FORM

i The document was uploaded successfully and is checked out to you. Check that the fields below are correct and that all required fields are filled out. The file will not be accessible to other users until you check in.

Content Type Choose a content type

Name * Choose a content type

Program Name * PLS New School
PLS New Program
License Renewal
PLS Financial Report
Specialized Associate Degree
College

School Name * What is the name of the school submitting the application?

CEO * Who is the CEO responsible for the application?

Email * What is the valid email address to which correspondence related to the application should be sent?

Staff Reviewer

Version: 1.0
Created at 1/22/2014 12:44 PM by Landis, Patricia A (PDE)
Last modified at 1/22/2014 12:44 PM by Landis, Patricia A (PDE)

Check In Cancel



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File Names

- Name file with indication of school name (and program name when applicable).
- Do not use punctuation.
- Always use the exact same file name for each resubmission of revised applications.