

**Effective 5/13/2014**

**13-34a-204 Postsecondary school -- Procedure to obtain certificate of postsecondary state authorization.**

- (1) The division shall, in accordance with the provisions of this section, issue a certificate of postsecondary state authorization to a postsecondary school.
- (2) To obtain a certificate of postsecondary state authorization under this section, a postsecondary school shall:
  - (a) submit a completed registration form to the division that includes:
    - (i) proof of current accreditation from the postsecondary school's accrediting agency;
    - (ii) proof that the postsecondary school is fiscally responsible and can reasonably fulfill the postsecondary school's financial obligations, including:
      - (A) a copy of an audit of the postsecondary school's financial statements, with all applicable footnotes, including a balance sheet, an income statement, a statement of retained earnings, and a statement of cash flow, that was performed by a certified public accountant;
      - (B) at the postsecondary school's election, a copy of an audit of the postsecondary school's parent company's financial statements, with all applicable footnotes, including a balance sheet, an income statement, a statement of retained earnings, and a statement of cash flow, that was performed by a certified public accountant; and
      - (C) a copy of all other financial documentation that the postsecondary school provided to the postsecondary school's accrediting agency since the postsecondary school's last registration with the division under this chapter or within the 12 months before the day on which the postsecondary school submits a completed registration form under this section, whichever is longer;
    - (iii) proof of good standing in the state where the postsecondary school is organized;
    - (iv) the postsecondary school's operating history with the postsecondary school's accrediting agency since the postsecondary school's last registration with the division under this chapter or within the 12 months before the day on which the postsecondary school submits a completed registration form under this section, whichever is longer;
    - (v) the number of Utah residents who enrolled in the postsecondary school since the postsecondary school's last registration with the division under this chapter or within the 12 months before the day on which the postsecondary school submits a completed registration form under this section, whichever is longer;
    - (vi) satisfactory documentation that the postsecondary school has complied with the complaint process requirements described in Section 13-34a-206;
    - (vii)
      - (A) the number of complaints that a Utah resident has filed against the postsecondary school since the postsecondary school's last registration with the division under this chapter or within the 12 months before the day on which the postsecondary school submits a completed registration form under this section, whichever is longer; and
      - (B) upon request, includes copies of the complaints described in Subsection (2)(a)(vii)(A);
    - (viii) a disclosure that states whether the postsecondary school or an owner, officer, director, or administrator of the postsecondary school has been:
      - (A) convicted of a crime;
      - (B) subject to an order issued by a court; or
      - (C) subject to an order issued by an administrative agency that imposed disciplinary action;and

- (ix) a notarized personal verification by the owner or a responsible officer of the postsecondary school that the information provided under this Subsection (2)(a) is complete and accurate; and
- (b) pay a nonrefundable fee, established by the division, in accordance with Subsection 13-34a-103(2)(c) to pay for the cost of processing the registration form and issuing the certificate of postsecondary state authorization.
- (3) The division shall develop and make available to the public a registration form described in Subsection (2)(a).
- (4) The division shall deposit money that the division receives under Subsection (2)(b) into the Commerce Service Account, created in Section 13-1-2.
- (5) If a postsecondary school maintains more than one physical campus in the state, the postsecondary school shall file a separate registration form for each physical campus in the state.
- (6)
  - (a) A certificate of postsecondary state authorization issued under this section is not transferrable.
  - (b)
    - (i) If a postsecondary school's ownership or governing body changes after the postsecondary school obtains a certificate of postsecondary state authorization under this section, the postsecondary school shall submit a new completed registration form in accordance with Subsection (2) within 60 days after the day on which the change in ownership or governing body occurs.
    - (ii) If a postsecondary school fails to timely comply with the requirements described in Subsection (6)(b)(i), the postsecondary school's certificate of postsecondary state authorization immediately and automatically expires.
  - (c) If there is a change in circumstance that may affect a postsecondary school's status under this section, the postsecondary school shall notify the division in writing of the change within 30 days after the day on which the change occurs.
- (7) A certificate of postsecondary state authorization issued under this section expires one year after the day on which the certificate of postsecondary state authorization is issued.

Enacted by Chapter 360, 2014 General Session