DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

HAWAII POST-SECONDARY EDUCATION AUTHORIZATION PROGRAM (HPEAP)

APPLICATION FOR AUTHORIZATION OF PRIVATE COLLEGES OR UNIVERSITIES*

1. INSTITUTION

Name: _____

Website: _____

Official Contact Person for the Public Regarding Complaints:

Name and Title: _____

Telephone Number: _____ Fax Number: _____

Mailing Address: _____

Physical Address (if different): _____

Email: _____

(Please notify HPEAP immediately if there is any change in contact information.)

Official Contact Person for HPEAP Authorization:

Name and Title: _____

Telephone Number: _____ Fax Number: _____

Mailing Address: _____

Physical Address (if different): _____

Email: _____

(Please notify HPEAP immediately if there is any change in contact information. If you do not notify us of any change in your email address, you will miss receiving important updates from HPEAP.)

NOTE: If you have more than one campus, branch, or site with each accredited separately, you must file a separate application for each.

*For purposes of the requirements of Chapter 305J, HRS, an out-of-state public institution shall be considered as a private college or university.

Separate Licensure of Any Part of the Institution

Is a portion of your institution licensed by any entity of the State (such as the State Department of Education) or governed by any other chapter of the Hawaii Revised Statutes (such as cosmetology schools)? If so, please provide proof of licensure or governance. _____

2. OWNERSHIP

Attach documentation of ownership whether it be a sole proprietorship, partnership, limited liability company or corporation.

Attach documentation of nonprofit status if applicable.

3. ACCREDITATION

Attach proof of current accreditation from an agency recognized by the U.S. Department of Education.

Name of accrediting association: _____

Is the accrediting association recognized by the U.S. Department of Education? _____

When was your last accreditation and when is the next review? _____

Attach copies of the most current accreditation team reports/reviews including on-site visit reports and commission letters.

Has your accreditation been suspended, withdrawn, restricted, placed on probation, or otherwise placed on some type of notice status in the past two years? If yes, attach explanation with detailed information and supporting documentation. _____

Have you been prohibited from operating in another state in the past two years? If yes, attach explanation with detailed information and supporting documentation. _____

Do you have substantially the same owners, governing board, or principal officers as another private college or university that has had its accreditation suspended or withdrawn in the past two years or that has been prohibited from operating in another state within the past two years? If yes, attach explanation with detailed information and supporting documentation. _____

Do you have more than one campus, branch, or site? If yes, identify each. _____

NOTE: If your campuses, branches, or sites are separately accredited, you must apply for and obtain separate authorizations for each.

If you are an out-of-state school:

What is the nature of the program you are or will be offering in Hawaii? _____

Will an individual be able to earn a degree or certificate by successfully completing your planned program? _____

Are you planning to establish physical presence in Hawaii? _____

Are you offering more than 50% of the credits required to complete a degree via distance education? _____

Do you need to undergo a Substantive Change Review by your accrediting body? If so, please provide documentation of your approval to operate your planned program. _____

4. FINANCIAL INTEGRITY

There are three ways you can demonstrate financial integrity. Please review the criteria of each to see which is applicable to your institution's circumstances. If you have any questions as to which option applies to you, please contact the HPEAP Administrator.

OPTION A:

Attach proof you have been accredited for at least 10 years.

Attach proof you have physically operated continuously in Hawaii for at least 10 years.

Are you a part of a group of private colleges or universities that is owned and operated by a common owner? Have the other private colleges and universities been accredited for at least 10 years and been in operation for at least 10 years? _____

> If the answers to the above are yes, you do not have to meet the 10-year criteria; however, attach proof of ownership by the common owner and proof that the other private colleges and universities have been accredited and been in operation for at least 10 years.

You must not have filed for bankruptcy protection pursuant to title 11 of the U.S. code. Have you filed for bankruptcy protection? Yes or No? _____

Attach proof you maintain a composite score of at least 1.5 on your equity, primary reserve, and net income ratios as required in title 34 CFR section 668.172. Make sure your calculations use the figures contained in audited financial statements to compute the financial ratios, and make sure to attach these audited financial statements.

For those institutions with campuses on the Mainland and Hawaii, we will accept your financial ratio calculations based on your latest audited consolidated financial statements. Make sure to attach your calculations and the related audited financial statements.

Attach proof you meet or exceed the pro rata refund policies required by the U.S. Department of Education in title 34 CFR part 668.

Do you participate in federal financial aid programs? _____

> If you do not, your refund and termination policies shall comply with requirements of your accrediting body. Attach copies of your policies and the requirements of your accrediting body.

OPTION B:

Attach proof that your accrediting body requires you to maintain a surety bond or escrow account or has affirmatively waived or removed that requirement.

Attach proof that you operate an instructional facility (not just an administrative office) in Hawaii.

Attach proof you maintain a composite score of at least 1.5 on your equity, primary reserve, and net income ratios as required in 34 CFR section 668.172. Make sure your calculations use the figures contained in audited financial statements to compute the financial ratios, and make sure to attach these audited financial statements.

NOTE: The audited financial statement must demonstrate that you maintain positive equity, and you must provide this annually.

For those institutions with campuses on the Mainland and Hawaii, we will accept your financial ratio calculations based on your latest audited consolidated financial statements. Make sure to attach your calculations and the related audited financial statements.

Attach proof you meet or exceed the pro rata refund policies required by the U.S. Department of Education in 34 CFR part 668.

Do you participate in federal financial aid programs? _____

> If you do not, your refund and termination policies shall comply with requirements of your accrediting body. Attach copies of your policies and the requirements of your accrediting body.

OPTION C:

Complete and attach a copy of the HPEAP surety bond form. Also attach a copy of the bond itself. The bond must:

> Be executed by a surety company authorized to do business in Hawaii.
> Run concurrently with the authorization period.
> Be conditioned to provide indemnification to any student or to any parent or legal guardian of a student, whom the director finds to have suffered a loss of tuition or fees as a result of any violation of this chapter and to provide alternative enrollment for students enrolled in a private college or university that ceases operation.
> Be in the amount of the greater of $50,000 or an amount equal to a reasonable estimate of the maximum prepaid, unearned tuition and fees of the institution, excluding prepaid tuition revenue that consists of government grants or federal student loans and grants authorized under title IV of the Higher Education Act of 1965, 20 United States Code 1070 et seq. for the period or term during the applicable academic year for which programs of instruction are offered, including but not limited to programs offered on a semester, quarter, monthly, or class basis. You must use the period or term of greatest duration and expense in determining this amount if your academic year consists of one or more periods or terms. (You shall recalculate the amount of the surety bond annually based on a reasonable estimate of the maximum prepaid, unearned tuition and fees received for the applicable period or term.)

Attach documentation of your tuition and fees that clearly shows how you calculated the amount of the surety bond.

NOTE: You must provide in a report to the department annual verification of continued coverage of the surety bond no later than January 1 of each year.

5. ENROLLMENT

Provide your most current enrollment figures. _____

_____

Attach a copy of your enrollment agreement (the contract that a student signs to indicate agreement to the terms of admission, delivery of instruction, and monetary terms as outlined in your student handbook or catalog).

6. FEE PAYMENT

You must pay your fee by **cashier's or business/company check** payable to "DCCA" in the amount of $10,000.00. Send your fee with a transmittal letter, which provides the name of your institution and the date your application was filed to:

Hawaii Post-Secondary Education Authorization Program
Department of Commerce and Consumer Affairs
P.O. Box 541
Honolulu, HI 96809

If you need to use a street address, please use:
335 Merchant Street, Rm. 310, Honolulu, HI 96813.

7. THE FOLLOWING QUESTIONS MUST BE ANSWERED:

Do you affirm that you will notify the department within 30 days of any material information relating to an action by your accrediting body regarding your status, including but not limited to reaffirmation or loss of accreditation, approval of a request for change, a campus evaluation visit, a focused visit, or approval of additional locations. _____

Do you affirm that you will immediately notify the department if your accrediting body is no longer recognized by the U.S. Department of Education? _____

Do you affirm that you will notify the department at least one year prior to ceasing operations in the State? _____

Do you acknowledge that your authorization may be denied or disciplined for any of these reasons (initial each):

____ Failure to meet or maintain the conditions and requirements necessary to qualify for authorization
____ Failure to maintain accreditation
____ Engaging in false, fraudulent, or deceptive advertising or making untruthful or improbable statements
____ Procuring an authorization or reauthorization through fraud, misrepresentation, material omission, or deceit
____ Misconduct, incompetence, gross negligence, or manifest incapacity in operations
____ Revocation, suspension, or de-authorization or other disciplinary action by another state or federal agency

____ Criminal conviction, whether by nolo contendere or otherwise, of a penal crime directly related to the qualifications, functions, or duties of the institution in any jurisdiction

____ Failure to report in writing any disciplinary decision issued against the institution in another jurisdiction within 30 days

____ Failure to report in writing any change in accreditation status

____ Failure to demonstrate or maintain a record of financial integrity

____ Violating any provisions of the chapter or rules adopted hereunder

Do you affirm that if your ownership changes, you will provide the department with any material information concerning the transaction at least 30 days prior to the transaction? _____

Do you affirm that you will provide bona fide instruction, in accordance with the standards and criteria set by your accrediting body? _____

Do you affirm that you will provide HPEAP with a copy of your enrollment agreement, if applicable, in accordance with your reauthorization schedule? _____

Do you acknowledge that it is a violation of this chapter for you or your agent to (initial each):

____ Make or cause to be made any statement or representation, oral, written, or visual, in connection with the offering of educational services if you or your agent knows or reasonably should have known the statement or representation to be false, inaccurate, or materially misleading;

____ Falsely represent or deceptively conceal, directly or by implication, through the use of a trade or business name, the fact that your institution is a private college or university, seminary, or religious training institution;

____ Adopt a name, trade name, or trademark that represents false, directly or by implication, the quality, scope, nature, size or integrity of your institution or its educational services;

____ Intentionally and materially represent falsely, directly or by implication, that students who successfully complete a course or program of instruction may transfer the credits earned to any institution of higher education;

____ Intentionally and materially represent falsely, directly or by implication, in your promotional materials or in any other manner:

- Your size, location, facilities, or equipment;
- The number, educational experience, or qualifications of your faculty;
- The extent or nature of any approval received from any state agency; or
- The extent or nature of any accreditation received from any accrediting agency, body, or association;

____ Provide prospective students with testimonials, endorsements, or other information that has the tendency to mislead or deceive prospective students or the public regarding your current practices;

____ Designate or refer to your sales representatives by titles that imply that the sales representatives have training in academic counseling or advising if they do not; and

____ Represent, directly or by implication, that you are authorized by the State or approved or accredited by an accrediting agency or body when you have not been authorized, approved, or accredited.

8. ADDITIONAL QUESTION FOR HPEAP INFORMATION ONLY:

Do you offer programs, or do you plan within the next five (5) year period, to offer programs or courses of instruction exclusively through online and distance education? Please provide a summary explanation of what is offered or what will be offered.

_____

If your answer to the above question is in the affirmative, which state is your institution's home state? For purposes of this question, "home state" is the state where you hold your principal institutional accreditation. If this application is approved and Hawaii will be your home state, please identify it as such. _____

AFFIDAVIT OF APPLICANT:

I hereby certify that the answers and statements contained in this application and the documents attached are true and correct. I understand that misrepresentation is grounds for denial or subsequent revocation of authorization. I further certify that I have read, understand, and shall obey all laws, rules, policies, and procedures promulgated by the Hawaii Post-Secondary Education Authorization Program.

_____ _____

Date Applicant's Signature

_____

Applicant's Title

When you have completed the authorization application, email HPEAP@dcca.hawaii.gov to receive a link to upload your form and support materials.