

Short Title: Online Pre Licensing Education Course and Learning Guidelines

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 ARS 41-1033 for a review of the statement.

STATEMENT OF PURPOSE AND SCOPE

This Substantive Policy Statement is to inform the real estate education industry of the Department's current approach to, and opinion of, the requirements of education statutes and rules regarding Online Pre Licensing Education which applies solely to the delivery of Online Pre Licensing Education courses.

The commissioner may determine minimal content requirements for approving educational courses and appropriate professional qualifications for approving instructors to teach individual educational courses pursuant to A.R.S. 32-2135(E).

DEFINITIONS

"Online Course" means pre licensure education that is a planned learning experience with a geographic separation that may be synchronous or asynchronous, that does not require real-time interaction between a student and an instructor and that uses a platform with self-paced or prerecorded lessons and materials that a student can access via the internet to proceed at the student's own pace. (A.R.S. 32-2101(41))

"Certificate of Course Approval" any [approved] school offering a course of study for original or renewal licensure of a real estate applicant shall apply for and possess a Certificate of Course Approval for each course offered by the school. The school's administrator shall submit the requirements listed in A.A.C. R4-28-404(B).

"Credit hour" means 50 minute instructional segment. (A.A.C. R4-28-101)

"Final school examination proctor" means a disinterested third party with no conflict of interest who verifies a student's identity and processes an affidavit testifying that the student received no outside assistance with the examination. The student's proctor cannot be another student, relative, spouse or significant other, friend, roommate, landlord, current or prospective employer, or a co-worker who is a friend, family member, or who is above or below the student's line of supervision.

"Instructor approval" any person wishing to teach an approved real estate course shall apply for an instructor's approval, and shall have at least one of the qualifications on the proposed subject indicated by A.A.C. R4-28-404(C). Instructors should refer to www.azre.gov for additional instructor requirements in effect at the time of seeking Instructor Approval. See Substantive Policy Statement 2022.04 Instructor Professional Development Requirements,

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“In person” a student must complete an online examination on the online pre license course in person at the provider’s school or with an independent third-party proctor per the requirements herein.

“Learning Management System” is a software application for the administration, documentation, tracking, reporting and delivery of educational courses, training programs, or learning and development programs.

“Module” is a unit of instruction no shorter than .25 credit hours (12.5 minutes), and no longer than two credit hours (100 minutes), that covers topics contained in the ADRE approved Detailed Instructor Outline Prescribed Curriculum for Salesperson’s License. A course requires a minimum of 45 modules of instruction allowing the module to vary in length from the minimum minutes to the maximum credit hours.

“School” means a person or entity that offers a course of study towards completion of the education requirements leading to licensure or renewal of licensure. (A.R.S. 32-2101(54)) A school shall hold a current Certificate of School Approval. (A.A.C. R4-28-404(A))

“Synchronous learning” occurs when the interaction between the instructor and learner is simultaneous, or in real time.

“Asynchronous learning” occurs when interaction between the instructor and learner is non-simultaneous, or takes place at different times.

PRE LICENSING ONLINE EDUCATION GUIDELINES AND STANDARDS

General Course Set-Up:

Any course delivered in an online format is required to use a Learning Management System (LMS), Learning and Content Management System (LCMS), and/or written programing. The systems must ensure that the students are presented information in an organized and effective manner. For course approval, all courses submitted to ADRE for approval must have a system that allows for the following requirements:

1. The ability for students and instructors to log into the system with user identity verification, as stated in number three below.
2. The ability to implement a personal identity verification requirement as stated in number three below.
3. Each provider of pre license online course content must have in place a system and process for identifying and authenticating online learners, ensuring the student who registers for a course is the student who completes the course material, and is the student who successfully passes the school’s final exam.
 - a. The student authentication system must require each student to authenticate themselves each time they enter the course, and have one authentication during each

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logged in session, and prior to any final school exam for the course. The system must provide a detailed reporting structure allowing audits for compliance of student authentication by the Department, if requested.

b. Simple user name and password authentication, or the use of a student attestation is not sufficient. No information which may be freely exchanged shall constitute user authentication. The use of a Short Message Service (SMS) text messaging or “authenticate your device” technology is also not acceptable, as it is too easily shared. Due to accuracy and simplicity, the use of biometrics or personal and unique student information, not provided by the student, such as a biodata format is acceptable.

4. The capability to administer content in multiple formats, e.g. true/false, and/or multiple choice.
5. Enables the course administrator to track a student’s time engaged with the course materials, units of instruction, and assignments/activities to ensure the student’s time in the course and/or time on each subject meets or exceeds the required time in the course.
6. Provide a report that tracks student progress and course completion.
7. Provide students with a visual indicator as to the progress and time through the course.
8. Allow the student to stop, log-out, and then log back in to resume the course where they left off (“bookmarking”).
9. Stop the progression of course time while the student is not interactive with the course material. Students cannot accumulate time for simply being in the course, nor should a student accumulate time while not engaged in some form of interaction.
10. Allow the student to access completed modules to review the content for a reasonable period of time.
11. Allow students the ability to retake quizzes and final exams for a reasonable number of times.
12. Support delivery of different content formats e.g. text, presentation of information through slides or screens, and streaming video and/or audio.
13. The system should be able to be accessed using common Web browsers e.g. Internet Explorer, Firefox, Safari, and Chrome.
14. Provide access to course material via the Internet 24 hours a day/ 7 days a week.

ADRE Requirements:

1. Prior to Departmental approval of a course, whether original or course renewal, the real estate school shall provide access to the Department to view and evaluate the course, in the manner the school proposes to deliver the course.

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2. All real estate course content, including but not limited to: laws, administrative code, practices, policies, customs and standards of care, shall be applicable to Arizona real estate practice. No course shall include content that has no practical or meaningful application to Arizona real estate.
3. For each pre licensing online course approval submission to the Department, the school shall identify the Department-approved instructor who authored the course. The instructor must meet the same qualifications as established for instructors of live classroom course delivery, including course content competence. Instructors must remain actively licensed as an Arizona real estate broker in good standing with the Department during the approved course period.
4. The school administrator shall file with the Department an application for instructor approval or renewal. Instructor approval shall be for at least four years from the date of approval and is subject to amendment during the license period only if information material to the instructor's qualifications has changed, A.R.S. § 32-2135.
5. If a pre licensing online course approval is not granted within 90 days of application, the course shall be automatically approved on a provisional basis for 180 days, unless the Department notifies the school of specific deficiencies or unfulfilled requirements for the course submission.
6. A pre licensing online education course approval shall be for a period of at least four years if the contents of the online course remain current and substantially unchanged (A.R.S. § 32-2135(G)). Schools must regularly review and update the course content.
7. Each pre license online course must meet the requirements for the ADRE Detailed Instructor Outline Prescribed Curriculum as stated on the course approval application before being approved for pre licensing education credit in the prescribed curriculum.
8. The **50-minute-per-credit-hour** rule applies to online courses to be designed appropriately for adult learners. For example, a 90-credit-hour pre licensing course must incorporate a requirement that the student log a total of at least 4,500 minutes to complete the course. Each school must be able 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 is subject to Department audit.
9. Each course approval application must include the school's plan for dealing with possible hardware and software failure, including appropriate contact information. A link to request help, or contact information should be available on the school's website and throughout every page, screen, or segment of the course.
10. Each page, screen, or segment of the course clearly indicates the approved ADRE instructor contact information, or a linked help tool should the student need assistance.

Course Design:

1. **Course Orientation.** The prospective student shall physically or electronically sign an agreement or application to enroll, presented to the student by the school administrator or electronically, that includes, but is not limited to, in bold type and capital letters: 1) The course, or course unit title within a curriculum; 2) The ADRE approved course number; 3) The total credit

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hours applicable to licensure; 4) The cost of the course, and any other anticipated costs; 5) A statement of the refund policy; 6) The web browser and any other system requirements, and any costs if not free; 7) A list of any/all required course material, with information on the accessibility and/or required anticipated cost of the material; 8) Course completion requirements; 9) Policies regarding attendance; 10) Topical outline; 11) Learning objectives; 12) The geographic location of the “in person” online final school exam, and whether there is the ability to arrange an alternative proctoring location that adheres to the Department guidelines; and 13) A statement of any job placement services.

2. **Modules.** Each 90-hour course shall be divided into modules as defined above. Schools should time each module so that the student may not proceed in the course until the minimum time for the module has elapsed. The school must provide, through robust course content and delivery, a course that shall prevent all opportunities for students to move through the course too quickly. The course platform is to be configured such that the course modules are locked. This means the student is required to advance through modules in a linear fashion, and cannot advance to any subsequent module until the previous module and all associated instructional content interactivity quizzes have been passed.

3. **Instructional Content Interactivity.** Each module shall contain instances of instructional content interactivity questions at the discretion of the provider which may be achieved through multiple choice, true-false, matching, prioritizing, or other reasonably accepted formats. The entire 90 hour course must contain a minimum of 900 instances of instructional content of interactivity placed throughout the course modules.

Course delivery must include interactivity, and course performance measured by quizzes.

a. Additionally, at the end of each module, the student’s understanding must be assessed through a quiz using multiple choice questions, each with only one correct/best answer. The difficulty of the assessment/quiz should be reflective of the content presented in that module. The student must achieve a minimum passing score of 80 percent before proceeding in the course.

b. The entire 90-hour course must contain a minimum of 700 end of module multiple choice quiz questions that are different from any multiple choice questions used within a module to meet the interactivity requirements. The number of end-of-module quiz questions may vary from module to module, but shall reflect that module’s substance and length.

Course Administration: The following are required in the school administration of pre licensing online education courses:

Course Timing Requirements:

Every course is to be structured, and follow the approved course outline, and is to contain enough content and/or activities to meet the minimum time requirement of 50 seat minutes for each credit hour the course is approved for. The minimum total sum of time of all the modules for a 90-hour course will equal 4,500 minutes.

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Mandatory log-out for inactivity: A course must log students completely out of the course after fifteen (15) minutes of inactivity. The timer must be a background function that is set to log out at fifteen (15) minutes when the student is not actively engaged in the course. If the student is logged out for lack of interactivity, the student is to be returned to the start of the unit of instruction where the inactivity was detected, and the student identity verification shall be required.

Time Zone Consideration: Some course providers may offer courses to students who are participating from multiple time zones. Course providers need to give consideration to this fact, schedule start time accordingly, and set student and instructor expectations such that all interaction can be completed within the required time period.

A person shall not receive credit for more than 10 hours of pre licensure education credit per day, A.A.C. R4-28-401(E). A provider shall verify that the 10 hour per day instruction requirement has not been violated.

In Person Final School Exam:

All online pre licensing courses are required to have an end-of-course school comprehensive examination delivered on a lock down browser covering the content of the course. Final school examination requirements shall contain a minimum of the following, 1) Not less than 150 questions with only one correct best answer; 2) Final exam questions must be pulled from a question bank with a 2:1 ratio (300 question bank); 3) Questions must be related to the subject and content of the entire course, and proportionally reflect all major learning objectives (topics) covered in the teaching objectives of the course and may not contain true/false questions; 4) Exam must consist of multiple choice questions with at least four options for each question/item; 5) Questions must be of sufficient rigor that they support the courses learning objectives, test the student's knowledge, and ensure the student's comprehension and retention of the material; 6) Final exam may not count toward the overall time of the course; 7) A minimum 75% passing ratio must be achieved on the final exam before a school course completion certificate is issued; and 8) If end-of-module quiz questions are included in the final exam, they must be randomly re ordered and/or have the answers reordered.

The applicant (i.e. student) must complete a final school examination of the course online in person, at the approved school, or in person with an independent third party proctor selected by the school in accordance with ADRE required guidelines. The exam shall not be taken on any device provided by the student, i.e. personal computer, tablet, or phone.

The student shall utilize the same student identity authentication during the in person final exam, whether or not the exam is proctored, as was used throughout the course, in compliance with General Course Setup, section 3.

The school offering a third party proctor shall complete a prescribed Department Online Pre License School Exam Education Proctor Certification Form, and provide it to the proctor for compliance in advance of the in person school exam. After the examination is administered, the proctor should complete the remainder of the form and return it to the school. Acceptable third party proctors are:

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- A licensed Arizona real estate school's administrator or ADRE approved pre licensing instructor at an ADRE licensed real estate facility;
- An assigned proctor employee at an official testing or learning center;
- An administrator, faculty, or academic advisor at a college or university;
- An educational officer at a military installation;
- A Director of Education at a real estate association.

The school administrator is responsible to ensure the proctor follows the established school policy and procedure to administer the in person final school online exam. ADRE required minimum standards for proctor responsibilities include, but are not limited to,

Proctor Responsibilities

- Identify the student with a photo ID – student identity authentication required at each login.
- Notify the student of what they are allowed to use on the exam as described in the exam instructions. **Cell phones and other electronic devices must be turned off and placed out of reach.**
- Make sure the student is aware of the time limit on the exam; proctors do not need to keep track of time for the student.
- In person supervision of the student taking the exam.
- Terminate the exam if the testing procedure is compromised due to the student's improper conduct. Notify the school administrator as soon as possible.
- If unusual circumstances occur, please contact the school administrator or appropriate local authority as soon as possible.

Student Final Course Evaluation:

Course providers must have a means by which to measure student satisfaction through an online end of course student course evaluation provided to the student before the exam. Course providers must be prepared to demonstrate that end-of-course evaluations are being submitted by the student and that substantive feedback is being incorporated in the course material.

Course providers must use the ADRE pre licensure course evaluation form covering both content and instructor delivery. The school administrator must be prepared to demonstrate that "end of course" evaluations are being completed. All course evaluations must be retained by the school according to course number for five years from completion date.

Issuance of Course Completion Certificate:

Every student upon successful completion, at the end of every course, is required to be issued an ADRE required course completion certificate signed by school administrator. At a minimum, the course completion certificate is to include the following information:

- Name of the course provider
- School certification (license) number
- Course number
- Course title
- Course start date

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- Course completion date
- Student's name
- Credit hours awarded
- School contact information
- Administrator signature

Application of Provisions: The above provisions apply to every original and renewal application for online pre licensing 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: Established January 3, 2019; Revised on September 28, 2022 to reflect renumbering of SPS 2022.04 - Instructor Professional Development Requirements, which was updated due to amendments made in Ariz. Laws Ch. 298 § 1 (2022).

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