

## Chapter SPS 404

### APPROVAL OF SCHOOLS

<p>SPS 404.01 Approval of schools and courses of instruction.</p> <p>SPS 404.02 Approval of schools prior to operation.</p> <p>SPS 404.03 Application for approval.</p> <p>SPS 404.04 Criteria for approval of schools and programs of instruction.</p> <p>SPS 404.05 Approval of subjects and programs on a credit basis.</p>	<p>SPS 404.06 Financial stability and student protection.</p> <p>SPS 404.07 Agent for service of process.</p> <p>SPS 404.08 Investigation and review.</p> <p>SPS 404.09 List of approved schools and courses of instruction.</p> <p>SPS 404.10 Fees.</p>
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**Note:** Chapter EAB 5 as it existed on December 31, 1972 was repealed and new chapter EAB 5 was created, [Register, December, 1972, No. 204](#), effective January 1, 1973; Chapter EAB 2 was renumbered Chapter EAB 5, [Register, June, 1990, No. 414](#), eff. July 1, 1990. Chapter EAB 5 was renumbered Chapter EAB 4, [Register, October, 1997, No. 502](#), eff. December 1, 1997. Chapter EAB 4 was renumbered Chapter SPS 404 under s. 13.92 (4) (b) 1., Stats., [Register November 2017 No. 743](#).

**Note:** The forms required in this chapter are available on the department's website at <https://dps.wi.gov>, or by request from the Department of Safety and Professional Services, P.O. Box 8366, Madison, Wisconsin 53708-8366, or call (608) 266 - 2112.

**SPS 404.01 Approval of schools and courses of instruction. (1) APPROVAL REQUIRED.** A school shall not operate, conduct business, offer any program, advertise or enroll students unless it has been approved or determined to be exempt under s. 440.52 (1) (e), Stats. The department may issue a cease and desist order to any school that is in violation of this subsection.

**(2) INVESTIGATION AND INSPECTION.** Upon application, the department shall investigate and evaluate schools doing business within this state, whether located within or outside this state, and programs offered by these schools, and approve schools and programs including schools with branches in more than one location.

**(2m) DENIAL OF APPROVAL.** (a) The department may deny an initial request for school or program approval if the school fails to provide the information required under s. SPS 404.03 or fails to meet the criteria under s. SPS 404.04, as determined by the department.

(b) A decision to deny initial school approval shall be sent by certified mail, return receipt requested, to the last address of record.

**(3) COMPLIANCE.** After a school is approved, it shall immediately report any significant changes in its program, facilities, finances or personnel.

**(4) RENEWAL OF APPROVAL.** (a) Except as provided in par. (b), a school approved to operate or do business in this state shall, after June 30 but no later than September 1 of each year, apply for renewal of approval on department forms and submit the appropriate fee.

(b) A school need not apply for renewal of approval for the calendar year in which the school paid in full the fees which s. SPS 404.10 (1) requires.

**(4m) INTERMEDIATE SANCTIONS.** If a school fails to comply with the provisions under chs. SPS 404 to 411, the department may progressively impose one or more of the following sanctions.

(a) Require the submission and implementation of a school improvement plan to address or correct problems identified by the department.

(b) Suspend the ability of a school to enroll students for one or more of the approved programs offered by the school.

**(5) REVOCATION OF APPROVAL.** (a) Failure to maintain the standards or to comply with chs. SPS 404 to 411 or meet the requirements for approval shall result in revocation of either school or program approval, or both.

(b) Refusal by a school to allow reasonable inspection or to supply information after written request therefor or failure to comply with chs. SPS 404 to 411 shall be grounds for revocation of approval.

**(5m) NOTICE.** (a) Except as provided under par. (b), an action to revoke a school's approval as provided under sub. (5) shall be sent by certified mail, return receipt requested, to the last address of record, 20 days prior to the date on which the revocation is to be effective.

(b) The department may revoke a school's approval without notice if it determines that the health, safety, or financial welfare of any person is at risk.

**(6) HEARING.** A school whose approval has been denied or revoked as provided under sub. (2m) or (5) may request a hearing in conformance with the procedures in chs. SPS 1 to 9.

**(7) APPEAL.** Any school who has contested an action under sub. (6) may appeal the decision of the department before an administrative law judge. A request for such a hearing must be requested within 10 days of the effective date of the action taken. Notice of such hearing shall be sent to the school 10 days prior to the date of such hearing, giving the school notice of date, time and place.

**History:** Cr. [Register, December, 1972, No. 204](#), eff. 1-1-73; am. (1), [Register, June, 1984, No. 342](#), eff. 7-1-84; r. and recr. (3), [Register, May, 1987, No. 377](#), eff. 7-1-87; emerg. am. (3), eff. 8-4-87; reprinted to correct error in (3), [Register, October, 1987, No. 382](#); am. (3), [Register, January, 1988, No. 385](#), eff. 2-1-88; cr. (1) (f), am. (3), (1) (e) renum. from EAB 4.06 (2) and am., [Register, June, 1990, No. 414](#), eff. 7-1-90; am. (3), [Register, March, 1993, No. 447](#), eff. 4-1-93; renum. from EAB 5.02, r. (1), (5), (7), cr. (1) and (3), renum. (3) and (4) to be (4) and (5) and am. (4) (a) and (5), am. (6), [Register, October, 1997, No. 502](#), eff. 12-1-97; [CR 02-135](#): am. (1), (2), (5) and (6), cr. (2m), (4m), (5m), (6) (b) and (7), [Register April 2003 No. 568](#), eff. 5-1-03; correction in (1) made under s. 13.93 (2m) (b) 7., Stats., [Register April 2006 No. 604](#); correction in (1), (2), (2m), (4), (4m) (intro.), (a), (5m) (b), (6), (7) made under s. 13.92 (4) (b) 6., Stats., and correction in (1), (2m), (4) (b), (4m) (intro.), (5) made under s. 13.92 (4) (b) 7., Stats., [Register November 2017 No. 743](#); [CR 20-004](#): r. and recr. (6) [Register June 2020 No. 774](#), eff. 7-1-20.

**SPS 404.02 Approval of schools prior to operation.**

**(1) CRITERIA.** Schools planned or proposed for operation can be approved upon application as provided by s. SPS 404.03 which gives evidence that the planned or proposed school meets approval requirements.

**(2) PERIOD OF INITIAL APPROVAL.** A school not yet in operation may be approved for a period of operation not to exceed 6 months. Prior to beginning the second month of operation, the school shall submit to the department full descriptions of physical space, materials, and equipment in use and qualifications of instructional staff currently employed.

**History:** Cr. [Register, December, 1972, No. 204](#), eff. 1-1-73; am. (1), [Register, June, 1990, No. 414](#), eff. 7-1-90; renum. from EAB 5.03, am. (1), r. (3), [Register, October, 1997, No. 502](#), eff. 12-1-97; [CR 02-135](#): am. (1) [Register April 2003 No. 568](#), eff. 5-1-03; correction in (1) made under s. 13.92 (4) (b) 7., Stats., and correction in (2) made under s. 13.92 (4) (b) 6., Stats., [Register November 2017 No. 743](#).

**SPS 404.03 Application for approval. (1)** No school shall be approved unless it makes application, through its officers

or an owner, upon department forms. An application for approval shall include, at a minimum:

- (a) Mission of the school.
- (b) Bylaws and regulations established for the school's governance and operation.
- (c) A description of the degrees and programs offered, including learning outcomes.
- (d) A copy of the enrollment agreement, if any, the school anticipates using in Wisconsin; meeting the requirements of ch. [SPS 406](#).
- (e) A statement of its cancellation policy meeting the minimum requirements set out in ch. [SPS 408](#).
- (f) A description of the school's placement services.
- (g) A copy of all advertising recently used or reasonably expected to be used in Wisconsin by the school.
- (h) A current balance sheet and income statement using department forms.
- (i) A surety bond as required by s. [SPS 404.06](#).
- (j) A description of the school's location, buildings, and equipment.
- (k) A list of faculty members indicating their education, preparation and experience.
- (L) Documentation that applicable fire, safety, and health codes are met at schools and teaching locations (except for public school buildings).
- (m) A statement that the school provides equal opportunity for all persons regardless of age, race, creed, disability, sex, religion, sexual preference, or political affiliation.

(n) Any other information so that the school and its programs may be evaluated according to the criteria set forth in s. [SPS 404.04](#).

**(2)** Each application shall be accompanied by a school catalog or bulletin containing at a minimum:

- (a) Volume number and date of publication.
- (b) Name of school and its governing body and officials.
- (c) A calendar showing holidays, vacation periods, and the beginning and ending date of each term or semester.
- (d) A mission statement.
- (e) A description of the educational program, listing degrees and majors offered and a brief description of entrance and completion requirements.
- (f) School policy and regulations regarding attendance, leave, absences, tardiness, standards of progress policy, grading policy, rules of conduct and a policy for handling student complaints.
- (g) A description of the school's self-evaluation process.
- (h) A schedule of tuition, fees, other charges and refund policy.
- (i) A description of the school's placement services.

**History:** Cr. [Register, December, 1972, No. 204](#), eff. 1-1-73; am. (1) (a), (b), (c) 9. and 10., (g) and (j), cr. (1) (c) 11., [Register, June, 1990, No. 414](#), eff. 7-1-90; renun. from EAB 5.05 and r. and recr. (1) and (2), [Register, October, 1997, No. 502](#), eff. 12-1-97; [CR 02-135](#): am. (1) (i) and (n) [Register April 2003 No. 568](#), eff. 5-1-03; correction in (1) (intro.), (h) made under s. [13.92 \(4\) \(b\) 6.](#), Stats., and correction in (1) (d), (e), (i), (n) made under s. [13.92 \(4\) \(b\) 7.](#), Stats., [Register November 2017 No. 743](#).

**SPS 404.04 Criteria for approval of schools and programs of instruction.** **(1)** CONTENT AND INSTRUCTION.

- (a) The program, curriculum and instruction must be of such quality, content and length as may reasonably and adequately achieve the stated objective for which offered and comparable to similar programs in approved schools.
- (b) The administrators and instructors of the school shall have

suitable educational qualifications and experience, and be of good reputation and character.

(c) The school shall have a sufficient number of instructors to provide adequate student-teacher ratios.

(cm) The school shall demonstrate that its instructors have the occupational, academic and teaching qualifications needed for the programs they teach.

(d) The approval of programs, which are innovative and not comparable to currently approved private or public programs, shall be based on demonstrable quality and documented labor market needs, a description of the program development process and evidence of third-party review.

**(2) FACILITIES.** The school shall have adequate space, suitable and sufficient equipment, and sufficient and appropriate instructional materials to carry out its program.

**(3) ADVERTISING.** All advertising and promotional materials shall be consistent with the requirements set forth in ch. [SPS 405](#).

**(4) REFUND POLICY.** The school shall have a policy for refund of unused portions of tuition, fees and other charges at least equal to the established minimum standards as set forth in ch. [SPS 408](#).

**(5) ACCESS.** (a) A school may not deny enrollment to any student, or make any distinction or classification of students, solely on account of sex, race or creed.

(b) A school must make reasonable accommodations for students and employees with disabilities.

**(6)** The school must be shown to be in sound financial condition.

**(7) OUTCOMES AND EVALUATION.** (a) A school shall have procedures to evaluate its educational programs, improve instruction and review overall operations.

(b) Evaluations shall include student, alumni and employer feedback on the effectiveness of the curriculum.

(c) The school shall provide annual enrollment information, using its definitions, delineating number of dropouts, completers, graduates and employed.

**History:** Cr. [Register, December, 1972, No. 204](#), eff. 1-1-73; am. (3) (a) and (5), cr. (8), [Register, June, 1990, No. 414](#), eff. 7-1-90; renun. from EAB 5.06, am. (1) (a), (b), (c), (2), r. (1) (d), (3), (6) and (8), cr. (1) (d), (5), (7) and (8), renun. (4), (5) and (7) to be (3), (4) and (6) and am., [Register, October, 1997, No. 502](#), eff. 12-1-97; [CR 02-135](#): r. (8) [Register April 2003 No. 568](#), eff. 5-1-03; [CR 03-126](#): cr. (1) (cm) [Register May 2004 No. 581](#), eff. 6-1-04; correction in (3), (4) made under s. [13.92 \(4\) \(b\) 7.](#), Stats., [Register November 2017 No. 743](#).

**SPS 404.05 Approval of subjects and programs on a credit basis.** **(1)** A school may measure a program in degree credits if:

- (a) The program was approved as a degree program.
- (2)** A school may measure a program in vocational credits if the program was approved in vocational credits.
- (3)** A school which seeks approval to offer a new or revised program on a credit basis shall:
  - (a) Pay the fee specified in s. [SPS 404.10 \(3\)](#);
  - (b) Specify on the application for approval whether the school uses quarter or semester credits;
  - (c) Specify on the application for approval whether the school desires to use degree credits or vocational credits; and
  - (d) Meet the requirements of ss. [SPS 404.05](#), [404.06](#), [404.07](#) and [404.08](#).
- (4)** A school which seeks approval to convert an approved program from hours to credits shall:
  - (a) Pay the fee specified in s. [SPS 404.10 \(3\)](#);
  - (b) Specify on the application for approval whether the school uses quarter or semester credits;

(c) Specify on the application for approval whether the school desires to use degree credits or vocational credits; and

(d) Meet the requirements of ss. [SPS 404.05](#), [404.06](#), [404.07](#) and [404.08](#).

(5) In addition to meeting the requirements in sub. (3) or (4) as appropriate, a school which seeks approval of a program measured on a quarter credit basis shall:

(a) Award one quarter credit for no fewer than 10 hours of lecture, plus 20 hours of outside preparation or the equivalent.

(b) Award one quarter credit for no fewer than 20 hours of laboratory work plus necessary outside preparation.

(c) Award one quarter credit for no fewer than 30 hours of shop.

(d) Award one quarter credit for no fewer than 30 hours of off-campus practical training such as a residency, externship, internship, or practicum.

(6) In addition to meeting the requirements in sub. (3) or (4) as appropriate, a school which seeks approval of a program measured on a semester credit basis shall:

(a) Award one semester credit for no fewer than 15 hours of lecture, plus 30 hours of outside preparation or the equivalent.

(b) Award one semester credit for no fewer than 30 hours of laboratory work plus necessary outside preparation.

(c) Award one semester credit for no fewer than 45 hours of shop.

(d) Award one semester credit for no fewer than 45 hours of off-campus practical training such as a residency, externship, internship, or practicum.

**History:** Cr. Register, June, 1990, No. 414, eff. 7-1-90; am. (3) (intro.), (a), (4) (intro.) and (5) (intro.), cr. (3m), Register, March, 1993, No. 447, eff. 4-1-93; renum. from EAB 5.065, am. (1) (a), (2), (3), r. (1) (b), renum. (3m), (4), (5) to be (4), (5), (6) and am., Register, October, 1997, No. 502, eff. 12-1-97; correction in (3) (a), (d), (4) (a), (d) Register November 2017 No. 743.

**SPS 404.06 Financial stability and student protection. (1) SURETY BONDS.** (a) As a condition of obtaining and retaining approval, a school shall provide a surety bond on a form specified by the department. Except as provided in pars. (b) and (c), the amount of surety shall be the lesser of \$25,000 or 125% of unearned tuition.

(b) No surety bond may be less than \$1,000 or an amount equal to \$2,000 for each representative the school employs.

(c) The bonding requirements set forth in this section may be reduced upon a determination that they are excessive in relation to the risk of economic loss to which Wisconsin residents are exposed in the case of any particular school, based upon evidence of a stable fiscal history, satisfactory completion and placement rates, accreditation by a recognized accrediting body or other stability criteria the schools may offer for department review.

(d) The bond shall be executed by the school as principal and by a surety company qualified and authorized to do business in the state of Wisconsin as a surety.

(e) A surety on a bond may be released after the surety has provided written notice directed to the department at least 30 days prior to the release.

(2) STUDENT PROTECTION FEE. (a) Except as provided under par. (e), in addition to the fees under s. [SPS 404.10](#), a school shall pay a student protection fee.

(b) The fee shall be established as follows.

1. Except as provided in subd. 2., at a rate of \$0.50 per \$1,000 of adjusted gross annual school revenue as reported in accordance with ss. [SPS 404.01 \(4\)](#) and [404.10 \(2\) \(d\)](#).

2. If at any time the appropriation balance of s. [20.165 \(1\) \(jr\)](#), Stats., is less than \$500,000, at a rate determined by the department. *Published under s. 35.93, Stats. Updated on the first day of each month. The chapter was last published.*

partment based on a multiplier equal to the percentage of all schools' total adjusted gross annual revenue needed to bring the appropriation under s. [20.165 \(1\) \(jr\)](#), Stats., to \$500,000, but not to exceed \$10,000 for an individual school.

(c) The fee shall be paid at the same time the school makes its second payment annual renewal fee as required under s. [SPS 404.10 \(2\) \(d\)](#) and is due no later than March 1 of the calendar year for which the school is applying for renewal.

(d) A school that makes the student protection fee payment required after March 1, shall pay for each month or part of a month the payment is late, a late fee of \$50 or 1.5% of the student protection fee payment, whichever is greater.

(e) The department shall discontinue collecting student protection fees under this subsection during the period that the balance of the appropriation under s. [20.165 \(1\) \(jr\)](#), Stats., exceeds \$1,000,000.

(3) USE OF SURETY BONDS AND STUDENT PROTECTION FUNDING. (a) The department may use a surety bond on which it has collected to provide indemnification to any student, parent, guardian, or sponsor suffering loss or damage as a result of the following.

1. Fraud or false representation used in procuring a student's enrollment.

2. A violation of chs. [SPS 404](#) to [408](#).

3. A student being unable to complete the program or programs because the school failed to perform its contractual obligations.

4. The refusal of a school to issue a refund to which a student is entitled under ch. [SPS 408](#).

(b) Indemnification under this section may not exceed the advanced tuition, book fees, supply fees, or equipment fees paid or liable to be paid for regardless of the number of years that a school's bond is in force. The aggregate liability of the surety bond may not exceed the penal sum of the bond. The surety bond may be continuous.

(c) To the extent that the surety bond is unable to fully cover the losses incurred by a student, parent, guardian, or sponsor when a school closes, the department may authorize the full or partial payment of those losses from the student protection appropriation under s. [20.165 \(1\) \(jr\)](#), Stats.

(d) The department may use a surety bond on which is has collected or funds from the student protection appropriation to arrange for a teach-out of students.

**History:** Cr. Register, December, 1972, No. 204, eff. 1-1-73; am. (2), Register, June, 1990, No. 414, eff. 7-1-90; renum. from EAB 5.07, am. (1) and (5), renum. (2) to be (3) and am., cr. (2), Register, October, 1997, No. 502, eff. 12-1-97; CR 02-135: am. (1), (3) and (5), cr. (6) Register April 2003 No. 568, eff. 5-1-03; CR 03-126: r. and recr. Register May 2004 No. 581, eff. 6-1-04; CR 05-112: am. (2) (b) (intro.), cr. (2) (b) 1. and 2. Register April 2006 No. 604, eff. 5-1-06; corrections in (2) (e) and (3) (c) made under s. 13.93 (2m) (b) 7., Stats., Register April 2006 No. 604; correction in (1) (a), (c), (e), (2) (b) 2., (e), (3) (a), (c), (d) made under s. 13.92 (4) (b) 6., Stats., and correction in (2) (a), (b) 1., 2., (c), (e), (3) (a) 2., 4., (c) made under s. 13.92 (4) (b) 7., Stats., Register November 2017 No. 743; correction in (3) (a) 2. made under s. 13.92 (4) (b) 7., Stats., Register December 2018 No. 756.

**SPS 404.07 Agent for service of process. (1)** All schools seeking approval must provide the name and Wisconsin address of a designated agent upon whom any process, notice, or demand may be served.

(2) If during any period a school fails to appoint or maintain in this state an agent for service of process, such failure shall be cause for revocation of approval.

(3) Nothing herein contained shall limit or affect the right to serve any process, notice or demand required or permitted by law to be served upon a foreign corporation in any other manner now or hereafter permitted by law.

**History:** Cr. Register, December, 1972, No. 204, eff. 1-1-73; renum. from EAB *Entire code is always current. The Register date on each page is the date*



5.08 and am. (1) and (2), Register, October, 1997, No. 502, eff. 12-1-97; correction in (1) made under s. 13.92 (4) (b) 6., Stats., Register November 2017 No. 743; CR 20-004: am. (1) Register June 2020 No. 774, eff. 7-1-20.

**SPS 404.08 Investigation and review. (1) PERIODIC REVIEW.** The department shall investigate and evaluate all approved schools and programs. The method of review shall include:

(a) Information from the following: federal trade commission, better business bureaus, the Wisconsin department of justice, other state or other official approval agencies, local school officials or interested persons.

(b) Review of reports and statements from the school involved.

(c) Conferences with officials or representatives of the school involved or with interested persons including former students or parents of former students.

(d) Investigation by visitation of the school involved.

**(2) COMPLAINTS.** In addition to investigation upon its own initiative, the department may investigate any school and its programs upon receipt of a complaint from an interested person.

(a) A student with a complaint against a school shall make a reasonable effort to resolve the complaint directly with the school.

(b) The department shall conduct an investigation upon receipt of a written complaint filed within one year after the student's last recorded date of attendance;

1. If preliminary findings indicate a violation of s. 440.52, Stats., or chs. SPS 404 to 411, or of an established school policy, the department shall attempt, through mediation to bring about a settlement.

2. If a settlement proposed by the department is rejected by a school, the department may conduct a hearing and impose any of the intermediate sanctions under s. SPS 404.01 (4m) or subject the school to a summary suspension of its approval.

3. If a complaint charging fraud or false representation used in procuring a student's enrollment is upheld and if a settlement cannot be reached, the department shall make a demand upon the schools bond and if not paid shall bring action in any court in the state of Wisconsin.

**History:** Cr. Register, October, 1997, No. 502, eff. 12-1-97; CR 02-135: am. (2) (b) 1. and r. and recr. (2) (b) 2. Register April 2003 No. 568, eff. 5-1-03; correction in (2) (b) 1. made under s. 13.93 (2m) (b) 7., Stats., Register April 2006 No. 604; correction in (1), (2) (intro.), (b) made under s. 13.92 (4) (b) 6., Stats., and correction in (2) (b) 1., 2. made under s. 13.92 (4) (b) 7., Stats., Register November 2017 No. 743.

**SPS 404.09 List of approved schools and courses of instruction.** A directory of approved schools and programs shall be distributed to all approved schools and to others upon request.

**History:** Cr. Register, December, 1972, No. 204, eff. 1-1-73; renum. from EAB 5.10, am. (1), r. (2), Register, October, 1997, No. 502, eff. 12-1-97.

**SPS 404.10 Fees. (1) FEES FOR INITIAL SCHOOL APPROVAL.** (a) A school which is not approved to operate or do business in this state and which is applying for approval shall pay a fee of:

1. \$2,000, if the school is applying for approval of one program which does not lead to a degree.

2. \$2,500, if the school is applying for approval of one program which leads to an associate degree.

3. \$3,300, if the school is applying for approval of one program which leads to a baccalaureate degree.

4. \$3,900, if the school is applying for approval of one program which leads to a master's degree.

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5. \$5,100, if the school is applying for approval of one program which leads to a doctoral degree.

(b) If the school is applying for approval of more than one program, the school shall pay the highest applicable fee specified in par. (a), plus the fee specified in sub. (3) for each additional program for which the school requests approval.

(c) If the school is applying for approval of additional teaching locations, the school shall pay, in addition to the fee specified in par. (a), the fee specified in sub. (4) for each teaching location.

(d) The fees specified in par. (a) shall be reduced by 50% of the program fee specified in sub. (3) for a program of the same level if all of the following conditions are met:

1. The school making application for approval of the program is incorporated in a state other than Wisconsin, has its main campus outside Wisconsin, and offers in Wisconsin only programs leading to a baccalaureate or higher degree.

2. The school presents written evidence of authorization from its home state to offer the program and degree which it desires to offer to Wisconsin residents. The evidence which the school submits to meet this requirement shall include unabridged copies of all findings and program reviews which the home state authorizing agency completed regarding the program.

3. If the school is requesting authorization to enroll Wisconsin residents in a program which it offers in a state other than its home state, the school presents written evidence of program and degree authorization from the state in which the program is offered. The evidence which the school submits to meet this requirement shall include unabridged copies of all findings and program reviews which the state authorizing agency completed regarding the program.

4. The school presents written evidence that it is accredited by an accrediting agency recognized by the U. S. department of education to offer the program and degree which it desires to offer to Wisconsin residents. The evidence which the school submits to meet this requirement shall include unabridged copies of all self-studies which the school submitted to the accrediting agency and unabridged copies of all findings and reviews which the accrediting agency completed regarding the program.

5. The school presents written evidence that its home state gives similar Wisconsin schools at least an equivalent fee reduction in comparable licensing and oversight fees. The evidence which the school submits to meet this requirement shall include a copy of the applicable statutory and regulatory language from the home state.

(e) If the department denies an initial school approval under s. SPS 404.01 (2m), the fees collected under this subsection shall be returned.

**(2) FEES FOR RENEWAL OF SCHOOL APPROVAL.** (a) Renewal of approval shall not be for not more than one calendar year. Except as provided in par. (b), a school applying for renewal of approval shall pay renewal fees as provided in pars. (c) and (d).

(b) A school that has not violated s. 440.52 (10), Stats., prior to the effective date of approval need not pay the first payment in the calendar year in which the school paid in full the fees required by sub. (3), but may defer that payment until March 1 of the following year.

(c) A school requesting inactive status shall make a first payment in the amount of \$100, no later than September 1 prior to the calendar year for which the school is applying for renewal of approval and shall make a second payment, in the amount determined as provided in par. (d), no later than March 1 of the calendar year for which the school is applying for renewal of approval. If the school resumes active status during the calendar year for which the school is applying for renewal of approval, the school

shall make a third payment. The third payment shall be in the amount of \$100 for each full calendar month and any portion of a calendar month which is remaining in the calendar year as of the date of resumption of active status, and shall be due by the date of resumption of active status.

(d) Approved schools shall pay annual renewal fees in 2 parts.

1. Each approved school shall make a first payment, in the amount of \$500, no later than September 1 prior to the calendar year for which the school is applying for renewal of approval. Each approved school shall make a second renewal payment, in the amount determined as provided in subds. 2. through 4. no later than March 1 of the calendar year for which the school is applying for renewal of approval.

2. The department shall levy a second renewal fee based on the approved school's adjusted gross annual revenues and set the fee multiplier for 2 year periods at a time.

3. The fee shall be in the form of multiplier equal to the percentage of all schools' total adjusted gross annual revenue needed to equal the cost of regulating schools subject to s. 440.52 (10), Stats., less revenue from all other fees.

4. The multiplier derived in subd. 3. shall be applied to each school's adjusted gross annual revenue to determine its second renewal payment.

(e) If a school fails or refuses to provide reliable financial information with which to determine the amount of the second payment, the department may revoke the approval of the school or may use other means to compare the school with other schools by size, estimate the adjusted gross annual revenues of the school and require a second payment based on the estimated adjusted gross annual revenues of the school. The department may also request the department of justice or any district attorney to take action under any other applicable provision of law.

(f) A school which submits an application for renewal of approval or makes the first payment required under par. (c) or (d) after September 1, or which makes the second payment required under par. (c) or (d) after March 1, shall pay, for each month or part of a month the application or payment is late, a fee of \$50 or 1.5% of any late first or second payment, whichever is greater, in addition to the fees specified in par. (c) or (d).

(g) The department may waive a fee under this subsection if it is less than \$50.

**(3) FEES FOR APPROVAL OF NEW OR REVISED PROGRAMS.** (a) When applying for approval of a new or revised program, a school shall pay the following fee:

1. \$1,500, if the program for which the school seeks approval does not lead to a degree.

2. \$2,000, if the program for which the school seeks approval leads to an associate degree.

3. \$3,000, if the program for which the school seeks approval leads to a baccalaureate degree.

4. \$3,500, if the program for which the school seeks approval leads to a master's degree.

5. \$4,500, if the program for which the school seeks approval leads to a doctoral degree.

(b) If a school's ongoing program modifications result in more than a 50% change in program content within 3 years, it shall pay the fee specified in par. (a).

(c) The fees specified in par. (a) shall be reduced by 25% if the program for which the school requests approval meets all of the following conditions:

1. The program prepares students to meet the occupational licensing requirements of an agency of this state.

2. The agency to which subd. 1. refers has reviewed the program.

3. The agency to which subd. 1. refers has notified the department in writing that successful completion of the program will meet the educational requirements for initial licensure in the occupation.

**(4) FEE FOR APPROVAL OF TEACHING LOCATIONS.** A school shall pay a fee of \$200 when applying for approval of a teaching location.

**(5) CHANGE OF OWNERSHIP OR CONTROL.** (a) Approval of a school terminates at the time when the ownership or control of the school changes from that indicated on the school's most recent application unless the school files within 10 business days after the change of ownership or control a complete application for approval after a change of ownership or control under par. (c).

(b) An approved school shall notify the department of any anticipated change of ownership or control at least 30 days prior to the change of ownership or control.

(c) Except as provided under par. (f), the school shall submit to the department within 10 business days after the change of ownership or control an application reflecting the change of ownership or control and a fee of \$1,000.

(d) If a school files an application requesting approval of a change of ownership or control more than 10 business days after the change of ownership or control takes effect, such an application will be considered as an application for initial approval, and the school shall pay the fees specified in sub. (1).

(e) If a school makes any changes to programs or locations of the school as a result of the change of ownership, the school shall submit an application separate from the change of ownership application for each changed program or location and shall pay the fees required under this section.

(f) The fee charged under this subsection may be waived if it is determined that no work will be required to process the change of ownership.

**(6) AMENDING FEE.** A school shall pay a fee when an application submittal requires amendment or correction. The fee shall be \$200 for errors which require less than 4 hours of staff work and \$1,000 for corrections which require a day or more of staff work.

**(7) FEES NOT REFUNDABLE.** The fees paid under this section are not refundable unless the department determines that the fees were paid in error.

**(8) REAPPLICATIONS.** A school which reapplies for approval of the school, a new or revised program, a change in school name, or a teaching location which was denied approval shall again pay the fees specified in this section.

**(9) WAIVER OF FEES.** Fees otherwise payable by schools for reinstatement of approval which has been revoked or has expired, may be waived upon determination that a staff re-evaluation of the school's programs is unnecessary.

**History:** Cr. Register, September, 1976, No. 249, eff. 10-1-76; am. Register, November, 1980, No. 299, eff. 12-1-80; am. (1), renum. (4) to be (6) and (7) and am., renum. (5) to be (8), (6) to be (5) and am., cr. (4), Register, June, 1984, No. 342, eff. 7-1-84; renum. (6) to (8) to be (7) to (9), am (1) to (5), Register, May, 1987, No. 377, eff. 7-1-87; emerg. renum. (1) to (9) to be (2) to (10) and am. (2) to (7), cr. (1), eff. 8-4-87; renum. (1) to (9) to be (2) to (10) and am. (2) to (7), cr. (1), Register, January, 1988, No. 385, eff. 2-1-88; am. (2) (a) and (b), (3) (intro.), (4) (c), (5) (a) 1. to 3., (6) and (7) (c) (intro.), Register, November, 1988, No. 395, eff. 12-1-88; am. (4) (e) (intro.), Register, June, 1990, No. 414, eff. 7-1-90; r. (1) (intro.), renum. (1) (a) to (d) to be EAB 1.02, 1.24, 1.26 and 1.33 and am. 1.33, renum. (2) to (5) and (8) to (10) to be (1) to (4) and (11) to (13) and am. (1), (2) (intro.), (a), (3) (a), (c) to (e) (intro.), 2., (g), (4) and (12); cr. (3) (i), (5) and (8) to (10); am. (6) and (7), Register, March, 1993, No. 447, eff. 4-1-93; am. (1) (a) to (d), (3) (i), (4) (a) 1. to 3., (b) (intro.), (5) (a), (b) (intro.), (7) (c), (9) (a) to (e), (10) (a) to (d), r. and recr. (2), (10) (f), cr. (4) (a) 4., 5., (c), (5) (a) 4., 5., (c), (7) (e), r. (9) (f) to (i), (10) (e), (g) to (i), renum. (9) (j) and (10) (j) to be (9) (f) and (10) (e) and am., Register, March, 1996, No. 483, eff. 4-1-96; renum. from EAB 5.11, r. (1), renum. (2) and (3) to be (1) and (2) and am.,

renum. (4) to be (3) and am., cr. (3) (b), renum. (6) and (7) to be (4) and (5) and am. (5), renum. (7) (c) and (d) to be (5) (c) and (d) and am., r. (8), renum. (9) to be (6) and am.; r. (6) (a) to (f) and (10), renum. (11) and (12) to be (7) and (8) and am. (8), (13) to be (9) and am., r. (12), [Register, October, 1997, No. 502](#), eff. 12-1-97; corrections in (2) (b) and (d) 3. made under s. 13.93 (2m) (b) 7., Stats., [Register, March, 2001, No. 453](#); [CR 02-135](#): cr. (1) (e), (2) (g) and (5) (f), am. (5) (c) and (d) [Register](#)

[April 2003 No. 568](#), eff. 5-1-03; [CR 03-126](#): am. (2) (b) [Register May 2004 No. 581](#), eff. 6-1-04; corrections in (2) (b) and (d) 3. made under s. 13.93 (2m) (b) 7., Stats., [Register April 2006 No. 604](#); correction in (1) (e), (2) (b), (d) 3. made under s. 13.92 (4) (b) 7., Stats., and correction in (1) (e), (2) (d) 2., (e), (g), (3) (c) 3., (5) (b), (c), (7) made under s. 13.92 (4) (b) 6., Stats., [Register November 2017 No. 743](#); [CR 20-004](#): am. (1) (b), (2) (d) (intro.), 1., 2. [Register June 2020 No. 774](#), eff. 7-1-20.