# **Frequently Asked Questions**

# **Regarding Real Estate Course Approvals**

(For Prospective Course Providers)

The below frequently asked questions are directed towards individuals or private schools who are seeking approval from the Department of Real Estate (DRE) to offer Pre-License/Statutory courses to individuals attempting to qualify for the real estate broker or salesperson license exams and to offer Continuing Education (CE) courses to California real estate licensees for the purposes of renewing their license.

### O. How do I start a real estate school?

- Review the governing regulations, <u>Regulations of the Real Estate Commissioner Articles 24 and 25</u>, used to approve the types of courses you are seeking approval to offer
  - o RE 307 for Pre-License.
  - o RE 312 for CE.
- Read through the appropriate checklist and instructions form for the courses you are seeking approval to offer.
  - o <u>RE 303</u> for Pre-License/Statutory.
  - o RE 300 for CE.
- Check the DRE website to see if your proposed school's name is already in use. It should be noted that the Department does not approve course providers, only the courses offered by the course providers.
  - o For Pre-License/Statutory schools check here: <a href="http://secure.dre.ca.gov/publicasp/cestatutory.asp">http://secure.dre.ca.gov/publicasp/cestatutory.asp</a>.
  - o For CE schools check here: <a href="http://secure.dre.ca.gov/publicasp/cecontinue.asp">http://secure.dre.ca.gov/publicasp/cecontinue.asp</a>.
- Determine how your school will be filed; as an individual, a corporation, an LLC, an LP, or a company.
  - All types, other than an individual, require you file with the California Secretary of State (SOS).
     Read the RE 303 or RE 300 for the specific filings required.
  - Out of state sponsors will need specific filings from the SOS, these are also listed on the RE 303 or RE 300.
  - o If the school name is a fictitious business name or DBA (doing business as) of individual, a corporation, an LLC, an LP, or a company, you must file a fictitious business name statement with the county clerk and provide the Department with the parent company's SOS filing.
- Every school must have a qualified instructor, whether for a live course or a correspondence/internet course.
  - o Review the instructor qualifications on forms <u>RE 335</u> or <u>RE 336</u>, depending on the type of courses you are seeking approval to offer.
- Determine what types of courses you are seeking approval to offer.
  - Pre-License/Statutory courses must be equivalent in quality to that of college level courses. Each course is a minimum of 45 hours long, and can only be named as identified in statute under Business and Professions Code Section 10153.2. Approval of these courses is only for the purpose of qualifying for the California real estate license exams.
  - CE courses are identified by different categories and must be a minimum of 1 hour in length. The categories of CE courses can be found in statute under Business and Professions Code Section 10170.5.
- Please note that the Department uses the terms school, sponsor and course provider interchangeably. Once an application is submitted, the Department will assign a school a "Sponsor Number". This is how the school will be identified with the Department.
  - o Pre-License/Statutory course provider numbers start with an S and then four digits.
  - o CE course provider numbers are 4 digits.

• Do not create a website and present yourself to be a course provider until your courses have actually been approved by the Department.

## Q. What do I need to send to the Department?

- Review the appropriate checklist to ensure you are mailing all the required documents to the Department for the course you are seeking approval to offer. Missing items will further delay the review and processing of your course application. Remember any material that will be provided to a student must be provided to the Department.
- Make sure that all forms are filled out fully and correctly.
  - o Applicable does not mean optional. If it applies to you, then you must answer.
- With certain forms, the Department provides a "sample and recommend document". If you decide to use
  your own form, you must ensure it includes all the information on the Department's "sample and
  recommend document".
- For regular USPS delivery, mail the application packet to the Department of Real Estate, PO Box 137009, Sacramento, CA 95813-7009. For FedEx/UPS deliveries use the Department's physical address of Department of Real Estate, Attn: Education Section, 1651 Exposition Blvd, Sacramento, CA 95815.
- Every course application is a separate file. Do not assume that since you sent a certain document (SOS filings, instructor documents, correspondence statements, etc.) to the Department in the past that you do not have to send it again. Follow the checklist for each course application being submitted.
- Submit the correct fee. Pre-License/Statutory course applications are \$150 per course. CE courses are \$350 for a 1 or 2 hour course application, and \$500 for a 3 hour or longer course application.
- Be environmentally friendly. When possible, submit course material using both sides of the paper.

### Q. What happens after the Department receives my course application?

- When the Department receives your course application, we will process your payment first. If you want
  to confirm that the application was received, check your bank account/credit card statement for a cleared
  check or charge on the account.
- Once we get the application, and the information is entered into our system, we will send an automated email to the primary and secondary contacts advising that we have received the application. Course reviews take a minimum of 90 days for CE course applications and 60 days for Pre-License/Statutory course applications.
- Please refrain from contacting the Education Section during this time as we are a small unit and we review applications in a date received order. If more than 90 days have passed since receiving our automated email, and you have not heard from us, please contact us for a status.
- Once the review of your course application begins, the analyst assigned will contact you via US mail should there be any deficiencies. Approximately 90% of the submitted course applications require a deficiency letter.
- Once you have corrected the deficiencies, mail the packet back to the Department along with the deficiency letter that was sent. The documents will then be reviewed again by the analyst for compliance within two weeks of receipt.
- If the course application is in compliance, the analyst will forward the file to the Education Section Manager for the final course approval.
  - A follow up deficiency letter could also result from the manager review process, but this is not common.

## Q. What happens after my course is approved?

- Once a course is approved, the primary and secondary contacts will receive an automated email notification with the course approval number and effective date.
  - o Pre-License/Statutory course approval numbers are six digits, example XXXX-XX.
  - o CE course approval numbers are eight digits, example XXXX-XXXX.
  - Full course approval numbers should only be provided to the student once a course is satisfactorily completed.
- The approved course can be looked up by the public on the Department's website.
  - o For Pre-License/Statutory Schools: http://secure.dre.ca.gov/publicasp/cestatutory.asp.
  - o For CE Schools: http://secure.dre.ca.gov/publicasp/cecontinue.asp.
- CE course approvals are valid for two years from the approval date. The Department will send out an automated email to the primary and secondary contacts 120 days before the course expires as a courtesy reminder of the upcoming course expiration.
- Pre-License course approvals do not expire.
- When a student signs up for an approved course and subsequently completes it, the sponsor must use the course approval number that is valid at the time the student registered for the course.

### Q. What are common course application deficiencies?

- Missing documents, especially documents that are duplicated with every course application, such as SOS or FBNS documents.
- Incorrect naming of the Department of Real Estate. Any and all references made to the Department of Real Estate must be either 'Department of Real Estate', 'California Department of Real Estate', 'DRE', or 'Department'. Do not use 'BRE', 'CalBRE', or 'Bureau of Real Estate'.
- Incorrect answers to application questions; read the question carefully and provide an appropriate response.
- For the Course Completion Certificate, fill it out completely as you would for a student who successfully completed the course, including the verifier's signature.
- All courses must have a final exam to be approved, even if it is just a 1 one hour seminar, etc.
- Every course must have an instructor, even online courses. If a student has a question about the course material, this is who they will contact.
  - o Instructor supporting documentation usually includes a copy of a diploma(s), resume and real estate license printout (if licensed).
- If you are a new course provider, start by submitting one course application and work out the kinks. Once approved, you can then create a template of documents to then use when submitting your additional courses. This saves you and the Department a considerable amount of time.
- Do not send in course applications bit by bit or piece mailed. Only send in your complete course application when you have all the required documents attached to it.
- Out of state schools (the school headquarters is outside of California) must attach the fully completed and notarized "Consent to Service of Process" form (RE 304). This form is required to be submitted with every course application.
- Remember the General Information Page is to be provided to students prior to registration and payment of a course.
- Advertising violations are often found during our review of a schools website. Be careful of false and misleading statements, such as stating you have approved courses when in fact you do not.

FAQ – Course Approvals Posted 9/2/2016, Revised 7/26/2018 Page 4

• A "test drive" will be performed on all online courses. You must supply a dummy account for the Department to check compliance of online courses.

### Q. What happens if I have to make a change to a course I already have approval to offer?

- First and foremost, the Department must be advised **in advance** of any changes to your school, contacts, instructors, course content, final exam and method of presentation. Once a course is approved, it cannot deviate from the approved submittal without the Department's consent.
- If a change is required, you must advise the Department in advance of the change occurring, usually by letter with the proposed document changes attached.
- Certain changes will require the course provider submit a new course application, fee and all of the required documents. This is known as a material change.
- Even if the change, as defined by the regulations, does not require a new application and fee, the change must be submitted and approved by the Department prior to use.

#### Q. How do I contact the Education Section?

• Our office is open Monday through Friday, except state holidays, 8 am to 5 pm. The Education Section telephone number is (916) 263-8703. Messages are returned within 48 hours of receipt. Please leave a voicemail with your specific question. Please no licensing calls.