# Rules of **Department of Economic Development**

## Division 250—Missouri Real Estate Commission Chapter 7—Schools

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## Title 4—DEPARTMENT OF ECONOMIC DEVELOPMENT Division 250. Missouri Real Estate

Division 250—Missouri Real Estate Commission Chapter 7—Schools

#### 4 CSR 250-7.010 Standards for Accreditation

PURPOSE: This rule regulates the standards for accreditation of a real estate school including the subjects, curriculum, vested interest, administration, instructors, physical aspects of the building and the minimal requirements of instructors. It requires both physical and financial safeguarding of students by exercising control over advertising, financial responsibility and posting a surety bond.

- (1) A school offering approved real estate courses for licensure examination in Missouri will be accredited by the commission upon compliance with the following requirements:
- (A) The courses of study offered by the school shall include the subjects set forth in 4 CSR 250-6.020;
- (B) Each person involved directly or indirectly in the sponsorship of the school or who participates or has an interest, financial or otherwise, in its operation, shall be at least twenty-one (21) years of age and a person of integrity, responsibility and good moral character;
- (C) Each school shall be supervised by an administrator, accredited by the commission, who shall supervise and be in responsible charge of its operation and programs. The administrator shall be qualified through education, training and experience to administer a real estate course of study, to evaluate course content and instructors, and to analyze examinations. An accredited administrator shall attend, or assign an accredited instructor to attend, all annual or semiannual educators meetings scheduled by the commission;
- (D) Each area of study shall be conducted and supervised by an instructor who shall be present in the classroom at all times. Each instructor shall be qualified by specialized preparation, training and experience to ensure competent instruction. In order to renew accreditation, each instructor must verify satisfactory completion of at least six (6) hours of classroom instruction in the education of adult learners within the immediately precedent school accreditation period. Any course offered in satisfaction of this requirement must be made available to all accredited instructors and must have been approved by the commission prior to being offered. The qualifications of each instructor must be

approved by the commission prior to his/her participation in a course of study. As a minimum requirement, each instructor shall—

- 1. Be an attorney-at-law with experience in the areas of study to be taught;
- 2. Hold a degree from an accredited college or university with evidence of having completed courses in real estate subjects;
- 3. Be a licensed Missouri real estate broker with at least five (5) years of continuous, verifiable, active experience next preceding the date of application for approval in the areas of study to be taught; or
- 4. Have verifiable practical experience in all areas of study to be taught which, in the opinion and discretion of the commission, is substantially equivalent to the previous requirements:
- (E) All audio or visual teaching aids employed by a school must be used under the personal supervision of the instructor approved to conduct the course and may not exceed twenty percent (20%) of the total course presentation. Unaccredited guest speakers may not be used for more than ten percent (10%) of a course presentation;
  - (F) Physical Aspects of Building.
- 1. A school seeking accreditation shall furnish to the commission an affidavit setting forth the name of the owner of the premises to be utilized. If the premises are leased, the school shall furnish a copy of the lease and an affidavit executed by the lessor that the lease is in good standing.
- 2. The school premises, equipment and facilities shall comply with all applicable city, county and state regulations, zoning laws, and fire, building and sanitary codes. Facilities and support personnel shall be adequate to implement the school program and shall be subject to inspection by authorized representatives of the commission prior to accreditation and subsequent to inspection during regular school hours:
- (G) The school shall enter into a written contract with each student specifying the course of study to be offered, the tuition to be charged, the school's policy regarding refund of unearned tuition when a student is dismissed or withdraws voluntarily or through hardship, any additional fee to be charged for supplies, materials or books which become the property of the student upon payment and such other matters as are material to the relationship between the school and the student;
  - (H) Record Maintenance.
- 1. Each school shall maintain for each student a record which shall include the course of instruction undertaken, dates of attendance and areas of study completed satisfactorily. Each student's record shall be maintained by the school for a minimum of

- one (1) year and shall be available for inspection by the student or by the commission or its authorized agent during regular school hours.
- 2. Each school shall furnish to the commission the school policy and regulations relative to its required standards for the issuance of a certificate of satisfactory completion, its conditions for dismissal of a student and for reinstatement of those students dismissed for unsatisfactory completion.
- 3. The school shall issue to each student who satisfactorily completes the prescribed course of study a certificate of satisfactory completion, in duplicate, on a form prescribed by the commission; and
  - (I) Advertising and Publicity.
- 1. No advertisement, pamphlet, circular or other advertising material pertaining to an accredited school may be circulated or distributed unless it is first approved by the commission.
- 2. No school shall use any name for advertising or publicity purposes other than the name shown upon its application for accreditation. No school shall apply to itself, either as part of its name or in any other manner, the designation of college or university unless in fact it has been approved as such by the state agency having jurisdiction. Nor shall any school advertise or imply that it is recommended, endorsed or approved by the commission, but an accredited school may indicate that it has been accredited by the Missouri Real Estate Commission to conduct courses of education in real estate subjects to qualify applicants for licensure examination.
- 3. No school shall provide any misleading information to the public or to prospective students. Information is deemed to be misleading when there is a distinct possibility that it will deceive the class of persons whom it is intended to influence. No school shall make any warranties or guarantees that a student will pass the real estate license examination by taking its course.

AUTHORITY: section 339.120, RSMo 1994.\*
Original rule filed Feb. 7, 1979, effective
May II, 1979. Amended: Filed March 12,
1982, effective June II, 1982. Amended:
Filed March 14, 1984, effective June II,
1984. Amended: Filed Oct. 2, 1985, effective
Dec. 26, 1985. Amended: Filed March 17,
1986, effective June 28, 1986. Amended:
Filed June 16, 1989, effective Sept. 28, 1989.
Amended: Filed Nov. 15, 1991, effective June
25, 1992. Amended: Filed Feb. 2, 1994,
effective Aug. 28, 1994. Amended: Filed Oct.
13, 1995, effective March 30, 1996.

\*Original authority: 339.120, RSMo 1941, amended 1963, 1967, 1981, 1988, 1993.

#### 4 CSR 250-7.020 Application for Accreditation

PURPOSE: This rule states the documents necessary for accreditation of a school. It includes requiring supportive documentation of the educational qualifications of instructors, administrators, the tuition for each course offered, any additional fees and copies of all advertising material.

- (1) Any person or entity seeking accreditation or renewal of accreditation for a school offering a real estate course of study for licensure examination in Missouri shall submit the following:
- (A) A completed application on a form provided by the commission and accompanied by supporting documents specified in the application;
- (B) A complete curriculum outline showing all subjects offered and the times allocated to each subject;
- (C) Application for approval of an administrator on a form provided by the commission and accompanied by verification of educational qualifications and previous experience and other supporting documents required by the application;
- (D) Application for approval of each instructor on a form provided by the commission and accompanied by supporting documents specified in the application;
- (E) Affidavit as to ownership or lease of premises and proof of compliance with applicable zoning laws and codes;
- (F) A copy of the form of student contract used by the school and a statement itemizing the tuition for each course offered and all additional fees and charges;
- (G) Statement of school policy required by 4 CSR 250-7.010(1)(H)2.;
  - (H) Copies of all advertising material; and
- (I) A copy of the school's final examination and the correct answers. No school may provide a certificate of completion to a student who has not satisfactorily completed an inclass final examination of at least fifty (50) questions within the final twelve (12) hours of the course.
- (2) The commission reserves the right, at its discretion, to hold any application for a reasonable length of time for investigation.

AUTHORITY: section 339.120, RSMo 2000.\* Original rule filed Nov. 14, 1978, effective March II, 1979. Amended: Filed Oct. 2, 1985, effective Dec. 26, 1985. Amended: Filed Oct. 26, 1987, effective July 1, 1988. Amended: Filed June 16, 1989, effective Sept. 28, 1989. Amended: Filed Feb.

2, 1994, effective Aug. 28, 1994. Amended: Filed June 28, 2002, effective Dec. 30, 2002.

\*Original authority: 339.120, RSMo 1941, amended 1963, 1967, 1981, 1988, 1993, 1995, 1999.

#### 4 CSR 250-7.030 Correspondence Courses

PURPOSE: This rule makes known the specific requirements of offering a correspondence course, including how the school will accomplish measuring the student's progress and knowledge.

- (1) Any correspondence course offered by an accredited school must first be approved by the commission. Schools seeking approval of a correspondence course shall submit the following:
- (A) A detailed outline of the course and a copy of all course materials to be supplied to students;
- (B) A description of how the school proposes to accomplish a display of the student's knowledge of the required subjects;
- (C) All homework assignments and their directions for completion;
- (D) A sample of the examinations to be given, including answers; and
- (E) The criteria for satisfactory completion of the course, which shall include at least two (2) proctored examinations and a classroom review session at least six (6) hours in length which the student must attend after the first proctored examination and before course completion, all of which must be completed no later than six (6) months after enrollment.

AUTHORITY: section 339.120, RSMo Supp. 1993.\* Original rule filed Nov. 14, 1978, effective March 11, 1979. Amended: Filed March 14, 1984, effective June 11, 1984. Amended: Filed June 16, 1989, effective Sept. 28, 1989. Amended: Filed Feb. 2, 1994, effective Aug. 28, 1994.

\*Original authority: 339.120, RSMo 1941, amended 1963, 1967, 1981, 1988, 1993.

### 4 CSR 250-7.040 Accreditation; Renewals; Fees

PURPOSE: This rule specifies the accreditation and renewal fees applicable to schools, administrators and instructors. Further, it confirms that if the level of performance or credentials are detrimental to the public interest, the commission may revoke or suspend the accreditation.

Editor's Note: The form mentioned in this rule follows 4 CSR 250-7.020.

- (1) When the commission has approved a school for accreditation based upon its application and submissions, a letter of accreditation shall be delivered to the school. Accreditation is granted and limited to the specific ownership, administration, location and curriculum of the school, all as shown in its application.
- (2) The administrator of each accredited school immediately shall report to the commission in writing any changes in the information contained in the application for accreditation or the exhibits appended to the application. This change shall be deemed acceptable to the commission if no action has been taken after ten (10) days from the date the report of change is received by the commission.
- (3) Accreditation of a school and approval of its administrator and instructors shall be valid for one (1) year and shall be renewable annually on or before June 30 of each year upon submission of acceptable renewal applications on forms provided by the commission.
- (4) The commission may deny, revoke or suspend accreditation of a school or approval of an administrator or instructor if it is determined that the school, administrator or instructor is not in compliance with the license law or these rules, that the level of performance or credentials of the school, administrator or instructor are not in the public interest, that the application or supporting material from a school, administrator or instructor contains any false or misleading statement or substantial misrepresentation, or that the school's passing score for first-time examinees falls below the state average score more than three (3) months in any accreditation period.
- (5) Schools, administrators or instructors applying for initial accreditation approval or renewal shall pay the following fees with their respective applications:

(A) Initial School Accreditation	
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Fee	\$200.00;
(B) Annual Renewal of	
Accreditation Fee	\$100.00;
(C) Initial Approval of	
Administrator Fee	\$100.00;
(D) Initial Approval of	
Instructor Fee	\$ 50.00;
and	

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- (E) Annual Renewal of Approval of Administrator or Instructor Fee \$ 25.00.
- (6) The fees of section (5) are nonrefundable and shall be paid in the same manner as other fees payable to the commission.

AUTHORITY: section 339.120, RSMo Supp. 1993.\* Original rule filed Feb. 7, 1979, effective May 11, 1979. Amended: Filed March 14, 1984, effective June 11, 1984. Amended: Filed Oct. 2, 1985, effective Dec. 26, 1985. Amended: Filed June 16, 1989, effective Sept. 28, 1989. Amended: Filed Nov. 15, 1991, effective June 25, 1992. Amended: Filed Feb. 2, 1994, effective Aug. 28, 1994.

\*Original authority: 339.120, RSMo 1941, amended 1963, 1967, 1981, 1988, 1993.

### 4 CSR 250-7.050 Prohibition of Advertising or Solicitation

PURPOSE: This rule prohibits any type of advertisement, solicitation or other inducement of students concerning future employment.

(1) No administrator, instructor or any other person connected in any way with a school shall cause, permit or otherwise encourage the communication of any advertising or solicitations of any kind, whether written or oral, designed to induce or encourage students, enrolled or to be enrolled at the school, to enter into employment with any broker; nor shall the school or any of its personnel permit any person or entity to recruit students enrolled at the school by means of coercion, pressure tactics, free offerings, rebates or similar means.

AUTHORITY: section 339.120, RSMo Supp. 1993.\* Original rule filed March 12, 1982, effective June 11, 1982. Amended: Filed Feb. 2, 1994, effective Aug. 28, 1994.

\*Original authority: 339.120, RSMo 1941, amended 1963, 1967, 1981, 1988, 1993.