

# **MARYLAND HIGHER EDUCATION COMMISSION**

## **MEETING BOOKLET**

Time: 1:00 PM – 4:00 PM  
April 25, 2018

Place: Maryland Higher Education Commission  
6 N. Liberty St, 7<sup>th</sup> Floor Board Room  
Baltimore, MD 21201

# **Maryland Higher Education Commission**

Anwer Hasan, Chairman

Sandra L. Jimenez, Vice-Chair

Vivian S. Boyd

John Holaday

Vera R. Jackson

Russell V. Kelley

Bryson Barksdale, Student Commissioner

Ian MacFarlane

Donna M. Mitchell

Joel Packer

Rizwan A. Siddiqi

John W. Yaeger

**James D. Fielder, Jr., Ph.D.**  
**Secretary**

**Lawrence J. Hogan, Jr.**  
**Governor**

**Boyd K. Rutherford**  
**Lt. Governor**



**Larry Hogan**  
Governor

**Boyd K. Rutherford**  
Lt. Governor

**Anwer Hasan**  
Chairperson

**James D. Fielder, Jr., Ph. D.**  
Secretary

## Maryland Higher Education Commission Meeting Agenda

**TIME:** 1:00 p.m.-4:00 p.m.  
Wednesday  
April 25, 2018

**PLACE:** Maryland Higher Education Commission  
6 N. Liberty Street, 7<sup>th</sup> FL BR  
Baltimore, MD 21201

	<b>Page</b>	<b>Action Item</b>
<b>Call to Order</b>		
<b>Commission Minutes Approval</b> .....	1	*
• March 28, 2018		
<b>Chairman’s and Secretary’s Remarks</b>		
<b>Faculty Advisory Council</b>		
<b>Student Advisory Council</b>		
<b>Commissioner Committee Updates</b>		
<b>Federal Higher Education Update and Outlook Presentation</b> – Commissioner Packer		
<b>Department of Academic Affairs- Emily Dow</b>		
• Proposed Adoption on Regulations		
○ New Financial Guarantee Requirements for Private Career Schools .....	7	*
○ New Financial Guarantee Requirements for Online Registered Institutions	17	*
• Kaplan University Name Change .....	27	*
<b>Adjournment</b>		



**Maryland Higher Education Commission**  
Meeting Minutes

March 28, 2018  
1:00 p.m.

The Maryland Higher Education Commission (MHEC) met on Wednesday, March 28, 2018 at 6 N. Liberty Street, 7th Floor Board Room, Baltimore, MD 21201.

**Commission members present:**

Anwer Hasan, Chairman	Bryson Barksdale
Vivian S. Boyd, Ph.D.	John W. Holaday, Ph.D.
Vera Jackson	Russell V. Kelley, Ph.D.
Ian D. MacFarlane	Donna M. Mitchell
Joel C. Packer	Rizwan A. Siddiqi
John W. Yaeger, Ed.D	

**Commission members not present:**

Sandra L. Jimenez, Vice Chairperson	

**Staff members present:**

Geoff Newman	Dr. Emily Dow
Christine Wellons	Dr. Jon Enriquez
Dr. Michael Kiphart	Donna Thomas
Vanessa Bennett	Cynthia Tims
Glenda Abney	Karen King-Sheridan
Barbara Schmertz	Wei Lin Chen
Laverne Redd	Jermal Butler
Mary Fikes	Kendall Cook
Soma Kedia	Aubrey Bascombe

**Call to Order**

The meeting was called to order by **Chairman Hasan** at approximately 1:05 p.m. A meeting quorum was established with eleven out of twelve members present.

**Approval of Minutes – Action Item**

There was a motion by **Commissioner MacFarlane** and a second by **Commissioner Mitchell** for approval of the October 25, 2017 meeting minutes. The motion was approved unanimously.

There was a motion by **Commissioner Yaeger** and a second by **Commissioner MacFarlane** for approval of the November 15, 2017 meeting minutes. The motion was approved unanimously.

There was a motion by **Commissioner Boyd** and a second by **Commissioner Packer** for approval of the December 13, 2017 meeting minutes. The motion was approved unanimously.

### **Chairman's Remarks**

No remarks.

### **Secretary's Remarks**

**Chairman Hasan** recognized Geoff Newman. Mr. Newman briefed the Commission on the legislative session. Mr. Newman recognized Aubrey Bascombe. Mr. Bascombe welcomed new staff member, Laverne Redd. Mr. Newman recognized Christine Wellons. Ms. Wellons welcomed new staff member, Soma Kedia. Mr. Newman recognized Donna Thomas. Ms. Thomas welcomed new staff member, Mary Fikes.

### **Student Advisory Council – Student Advisory Council Bylaws Amendment- Action Item**

**Chairman Hasan** recognized Emily Dreszer. Ms. Dreszer presented to the Commission an amendment to the Student Advisory Council Bylaws. This change includes a definition of the term attendance to include calling-in online or over the phone, as well as traditionally in-person.

**Commissioner Packer** motioned that the Commission approve the proposed change to the Student Advisory Council Bylaws. **Commissioner MacFarlane** seconded the motion. The motion was approved unanimously.

### **Office of the Secretary – Commission Committee Updates –Information Item**

**Outreach, Grants, and Financial Assistance: Commissioner Packer** updated the Commission on the status of the committee's goals.

- **Develop Mobile App:** The NIC USA application has been finalized and the plan is to submit the application by the end of April.
- **Expand outreach:** The PowerPoint presentation to revise training materials is continuing to be updated.
- **Increase the number of completed FAFSAs:** The application deadline was March 1<sup>st</sup>. **Commissioner Packer** will update the Commission on the status of this goal when the new data becomes available.

**Program Review Committee: Commission Yaeger** reported on the need to update MHECs academic program inventory to ensure accuracy. **Commissioner Yaeger** further reported on the

challenges associated with the academic program inventory being inaccurate including issues associated with the academic common marketplace and the applied baccalaureate workgroup.

**Finance and Operations Committee: Commissioner MacFarlane** updated the Commission on the committee's goals.

- Staffing: Staffing has significantly improved and the agency is maintaining staffing at 3 or less open positions.
- Audit Findings: The committee will review proactive measures to ensure zero monetary audit findings at the next committee meeting.
- Institutional Annual Budget Request Process: The committee is continuing its work to improve the institutional annual budget request process.

#### **Department of Academic Affairs – Final Adoption on Regulations – Academic Program Approval for Distance Education - Action Item**

**Chairman Hasan** recognized Dr. Emily Dow. Dr. Dow reported the Commission approved for publication in the Maryland Register the attached regulations regarding academic program approval for distance education. Dr. Dow further reported the regulations (1) eliminate redundant academic program reviews and approvals, (2) elevates previous distance education program requirements to all academic programs, and (3) creates a new review and approval process for institutions (not programs) to offer distance education that mirrors national accreditation requirements and ensures student protections. Additionally, these changes will reflect a reduction in program review fees from \$250 (a substantial modification) to \$50 (notification, non-substantial modification). The proposed regulations were approved for publication for public comment on October 25, 2017. The public comment period closed on January 22, 2018. No public comments were received.

**Commissioner Boyd** motioned that the Commission approve for final adoption and publication in the Maryland Register the attached proposed regulations regarding academic program approval for distance education, and authorizes MHEC's attorneys to approve non-substantive revisions as necessary to conform the proposed regulations to the stylistic and formatting requirements of AELR and of the Division of State Documents. **Commissioner Mitchell** seconded the motion. The motion was approved unanimously.

#### **Department of Academic Affairs – Reid Temple Bible College Certificate of Approval- Action Item**

**Chairman Hasan** recognized Dr. Emily Dow. Dr. Dow reported in accordance with the Code of Maryland Regulations (COMAR) 13B.02.02.06.L, the staff of MHEC has reviewed a Stage Two application for a Certificate of Approval as an in-state degree granting institution from Reid Temple Bible College. Following a Stage Two site visit and documentation submitted by Reid Temple Bible College following the site visit, the College is determined to be in compliance with all Maryland requirements and has posted a proper financial guarantee.

**Commissioner MacFarlane** motioned that the Commission requests the Secretary to approve Reid Temple Bible College for a Certificate of Approval as a degree-granting institution,

contingent upon: the college being found compliant by a Secretary-appointed MHEC review team with all MHEC laws and regulations at the end of the college's first instructional year. **Commissioner Yaeger** seconded the motion. The motion was approved unanimously.

#### **Department of Academic Affairs – Faith Theological Seminary Certificate of Approval- Action Item**

**Chairman Hasan** recognized Dr. Emily Dow. Dr. Dow reported in accordance with the Code of Maryland Regulations (COMAR) 13B.02.02.06.L, the staff of MHEC has reviewed a Stage Two application for a Certificate of Approval as an in-state degree granting institution from Faith Theological Seminary. Following a Stage Two site visit and documentation submitted by Faith Theological Seminary following the site visit, the College is determined to be in compliance with all Maryland requirements except the posting of the required financial guarantee.

**Commissioner MacFarlane** motioned that the Commission requests the Secretary to approve Faith Theological Seminary for a Certificate of Approval as a degree-granting institution, contingent upon (1) the seminary providing a sufficient financial guarantee under COMAR 13B.02.02.07; and (2) the seminary being found compliant by a Secretary-appointed MHEC review team with all MHEC laws and regulations at the end of the college's first instructional year. **Commissioner Yaeger** seconded the motion. The motion was approved unanimously.

#### **Office of Research and Policy Analysis- Performance Accountability Report - Action Item**

**Chairman Hasan** recognized Dr. Jon Enriquez. Dr. Enriquez introduced Dr. Barbara Schmertz. Dr. Schmertz provided the Commission a summary of Maryland's public institutions' progress toward helping to achieve the goals of the 2013-2017 Maryland State Plan for Postsecondary Education. This report is part of the State's accountability process for Maryland's public colleges and universities.

**Commissioner Boyd** motioned that the Maryland Higher Education Commission approve the 2017 Performance Accountability Report and ask the Secretary to forward it to the Governor and the General Assembly as required by law. **Commissioner Packer** seconded the motion. The motion was approved unanimously.

#### **Office of Student Financial Assistance – Proposed Adoption on Regulations – Delegate Howard P. Rawlings Program of Educational Excellence Awards - Action Item**

**Chairman Hasan** recognized Ms. Donna Thomas. Ms. Thomas reported the proposed regulations are for the Delegate Howard P. Rawlings Program of Educational Excellence Awards (EEA) Program. Ms. Thomas further reported the EEA Program is the State's largest need-based aid grant program comprised of the Guaranteed Access Grant, Educational Assistance Grant, and Campus-Based Education Assistance Grant



**Commissioner Siddiqi** motioned that the Commission approve for publication and public comment the attached proposed regulations for the Delegate Howard P. Rawlings Program of Educational Excellence Awards (EEA) Program, and authorizes MHEC's attorneys to approve non-substantive revisions as necessary to conform the proposed regulations to the stylistic and formatting requirements of AELR and of the Division of State Documents. It is further recommended that the Maryland Higher Education Commission rescind the approval that it granted during its December 13, 2018 meeting to publish a prior version of proposed regulations for the Howard P. Rawlings Program of Educational Excellence Awards. **Commissioner Kelley** seconded the motion. The motion was approved unanimously.

#### **Department of Academic Affairs – Collegiate Quarterly Report- Information Item**

**Chairman Hasan** recognized Dr. Emily Dow. Dr. Dow provided an overview of the Secretary's actions concerning degree programs, certificate programs, area of concentration, out-of-state institutions, proposals withdrawn, programs denied, proposals discontinued/suspended, and partnerships.

#### **Department of Academic Affairs – PCS Quarterly Report- Information Item**

**Chairman Hasan** recognized Dr. Emily Dow. Dr. Dow provided an overview of the Secretary's actions concerning approval of new schools, new programs reviewed and approved, approval of changes of location, approval of name change, approval of change of ownership, approval of separate classrooms, other business, certificate renewals, other approvals, cease and desist orders, notices of deficiencies, program approval withdrawn, and school approval withdrawn.

#### **Office of Research and Policy Analysis- Follow Up: 2017 Opening Fall Enrollment Report - Information Item**

**Chairman Hasan** recognized Dr. Jon Enriquez. Dr. Enriquez recognized Wei Lin Chen. Mr. Chen provided the commission a follow up report on the 2017 Opening Fall Enrollment Report.

#### **Adjournment**

The meeting adjourned at approximately 3:08 p.m.





Larry Hogan  
Governor

Boyd K. Rutherford  
Lt. Governor

Anwer Hasan  
Chairperson

James D. Fielder, Jr., Ph. D.  
Secretary

April 25, 2018

TO: Commissioners, Maryland Higher Education Commission

FROM: Emily A.A. Dow, Ph.D., Assistant Secretary, Academic Affairs

RE: Proposed Regulations to Implement New Financial Guarantee Requirements for Private Career Schools

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During the 2018 legislative session, the General Assembly passed Senate Bill 795 as an emergency measure. The bill requires private career schools to provide to the Commission financial guarantees in amounts sufficient to cover 100 percent of the institutions' non-Title IV tuition liability.

The purpose of the proposed regulations is to implement these new statutory requirements. Under current regulations, schools have the option of applying to the Secretary, after a certain number of years of operation, to reduce or eliminate their financial guarantees. The proposed regulations will provide, consistent with the new law, that all private career schools must maintain financial guarantees in amounts sufficient to cover 100 percent of their non-Title IV tuition liability.

The financial guarantee requirement may be satisfied with a performance bond or irrevocable letter of credit conditioned that the institution (1) faithfully performs its contracts with its students; and (2) complies with the Education Article of the Annotated Code.

**RECOMMENDATION:** It is recommended that the Commission approves for publication in the Maryland Register the attached proposed regulations regarding the financial guarantee requirements of private career schools. The Commission authorizes its Assistant Attorney General to make non-substantive amendments to the regulations in order to conform to the stylistic requirements of the Joint Committee on Administrative, Executive & Legislative Review and the Division of State Documents.



## **.02 Definitions.**

A. In this chapter, the following terms have the meanings indicated.

B. Terms Defined.

(1) "Additional location" means a separate facility of an approved school, not in close proximity to the approved school.

(2) "Advertising" means any statement of the school in writing or otherwise, through any media, which is intended to induce an individual to seek admission to or otherwise engage in any contract of admission to the school.

(3) "Applicant" means the individual or individuals, firm, company, corporation, or other organization that is the owner or owners of a school proposed for approval. In the case of an application by a subsidiary of a corporation, "applicant" includes the parent corporation.

(4) "Application fee" means a fee paid by a prospective student to a school to indicate good faith in making application for acceptance.

(5) "Attendance" means:

(a) The time a student is physically present for the delivery of instruction required for the residency requirement or externship portion of a program; or

(b) The active participation of a student in distance education as documented by the submission by the student of lesson assignments required for program completion.

(6) "Bona fide" means made in good faith, without fraud or deceit, and legally valid.

~~(6-1) "Branch campus Title IV school" means a school that:~~

~~(a) Is recognized as a branch campus, or as an additional location of a main campus, by an accrediting body recognized by the U.S. Department of Education;~~

~~(b) Has a main campus that is certified by the U.S. Secretary of Education to participate in federal financial aid programs under Title IV of the Higher Education Act of 1965;~~

~~(c) Is geographically apart and independent of its main campus; and~~

~~(d) Has a location that:~~

~~(i) Is permanent in nature;~~

~~(ii) Has its own faculty and administrative or supervisory organization; and~~

~~(iii) Has its own budgetary and hiring authority.~~

(7) "Catalog" means a printed description of the school, which includes, but is not limited to, its courses or programs, staffing, instructional calendar, costs, and school policies.

(8) "Combined program" means a program that includes distance education and a residency requirement.

(9) "Commission" means the Maryland Higher Education Commission.

(10) "Course" means a portion of a program of study covering specific subject matter.

(11) "Date of withdrawal or termination" means the student's last date of attendance.

(12) Distance Education.

(a) "Distance education" means the formal education process in which the delivery of instruction occurs beyond a school's walls since the student and instructor are in different places.

(b) Distance education may include:

(i) A variety of communication methods for delivering instruction to students; and

(ii) Instruction delivered in real time (synchronous) or delayed (asynchronous).

(13) "Enrollment of a school" means the number of students who are enrolled in a school at the beginning of a given instructional period.

(14) "Enrollment of a student" means the signing of a contractual agreement by a student to attend a private career school.

(15) "Externship" means training, including but not limited to a supervised work experience or practicum, which is an integral part of an approved program and which is conducted off the premises of the school's approved facility.

(16) "Institution of higher education" means an institution of postsecondary education that generally limits enrollment to graduates of secondary schools, and awards degrees at either the associate, baccalaureate, or graduate level.

(17) "Instruction" means any method or procedure used to impart knowledge or develop skills.

(18) "Instructor-student ratio" means the number of instructors responsible for the instruction or supervision of a group of students in relation to the number of students enrolled in the group.

(19) "Last date of attendance" means:

(a) The last date the student attended scheduled instruction required for the residency requirement of a program; or

(b) The last date the student submitted a lesson assignment required for a program or portion of a program delivered by distance education.

~~(19-1) "Main campus Title IV school" means a school that is:~~

~~(a) Accredited as a main campus by an accrediting body recognized by the U.S. Department of Education;~~  
~~and~~

~~(b) Certified by the U.S. Secretary of Education to participate in federal financial aid programs under Title IV of the Higher Education Act of 1965.~~

~~(19-2) "Non-Title IV school" means a school that does not participate as a main campus or as a branch campus in federal financial aid programs under Title IV of the Higher Education Act of 1965.~~

(20) "Official leave of absence" means any leave of absence granted by a school under the terms set out in Regulation .09M of this chapter.

(21) "Private career school" means a privately owned and privately operated institution of postsecondary education, other than an institution of higher education, that furnishes or offers to furnish programs, whether or not requiring a payment of tuition or a fee, for the purpose of training, retraining, or upgrading individuals for gainful employment as skilled or semiskilled workers or technicians in recognized occupations or in new and emerging occupations.

(22) "Program" means a group of courses or a course of study organized to develop a specific knowledge of vocational skills for the purpose of training, retraining, or upgrading individuals for gainful employment.

(23) "Registration fee" means a fee paid at the time of registration to cover the costs of registration.

(24) "Residency requirement" means a mandatory portion of an instructional program that a student is required to take at the school, in the presence of and offered by a qualified instructor of the school offering the program of training and awarding the certification of competence.

(25) "Sales representative" means any person who contacts individuals or groups for the specific purpose of recruiting students for enrollment in the school.

(26) "Scholarship" means a specific gift of money or other grant or gift to help defray the cost of a student's education.

(27) "School" means a private career school.

(28) "Secretary" means the Secretary of Higher Education or the Secretary's designee.

(29) "Separate classroom" means supplemental training space:

(a) Located near an approved school for the purpose of training students who cannot be accommodated in the existing approved facilities of the school or for the purpose of expanding a school's educational offerings; and

(b) The location of which shall provide students convenient, safe, and easy access to the training and services provided at the existing approved facilities of the school.

(30) "Space requirements" means net assignable square feet within buildings available for instruction after deducting noninstructional areas such as corridors, stairways, offices, and lavatories.

(31) "Student" means an individual enrolled in a private career school.

(32) "Title IV school" means a school certified by the U.S. Secretary of Education to participate in federal financial aid programs under Title IV of the Higher Education Act of 1965.~~main campus Title IV school or a branch campus Title IV school.~~

(33) “Total non-Title IV tuition liability” means a school’s total tuition liability minus the amount of Title IV federal financial aid received by the school on behalf of its students.

(34) “Total tuition liability” means the amount of tuition due to a school at its maximum permitted enrollment, which is the sum of each program’s tuition multiplied by the maximum permitted enrollment of that program.

13B.01.01.19

## **.19 Financial Guarantee.**

A. ~~Whenever a~~A financial guarantee ~~is~~ required by this chapter, ~~it~~ shall be:

(1) In the form of a performance bond or an irrevocable letter of credit;

(2) Made under the terms and conditions determined by the Secretary, including the conditions that the school will:

(a) Perform faithfully all agreements or contracts it makes with its students; and

(b) Comply with Education Article, Annotated Code of Maryland, and with this chapter;

(3) Made payable to the Secretary, and provided to the Secretary; ~~and~~

~~(4) Between the Commission and the surety; and~~

~~(5)~~ In the amount the Secretary requires, which at a minimum shall be:

(a) The amount prescribed by §B of this regulation, if the school is a non-Title IV school;

(b) The amount prescribed by §C of this regulation, if the school is a ~~main campus~~ Title IV school;

~~(c) The amount prescribed by §D of this regulation, if the school is a branch campus Title IV school;~~

~~(c)~~ The amount prescribed by §~~E-D~~ of this regulation, if the school is a Title IV school that has been notified by the U.S. Department of Education of an adverse, or potentially adverse, action affecting the school’s participation in Title IV; or

~~(e)~~ The amount prescribed by §~~F-E~~ of this regulation, if the school delivers its programs in whole or in part by distance education.

B. Financial Guarantee Amount — Non-Title IV Schools.

~~(1) A Non-Title IV School’s 1st Through 5th Years of Operation.~~

~~(a) This subsection applies to a A non-Title IV school, during its 1st through 5th years of operation.~~

~~(b) If the school collects tuition in multiple installments from or on behalf of its students, the school shall provide a financial guarantee in an amount sufficient to cover:~~

~~(i) 100 percent of the total tuition liability of the school, if the school does not meet financial viability standards set forth in §G of this regulation; or~~



~~(ii) 50 percent of the total tuition liability of the school, or a greater amount if deemed necessary by the Secretary, if the school meets the financial viability standards set forth in §G of this regulation.~~

~~(c) If the school does not collect tuition in multiple installments from or on behalf of its students, the school shall provide a financial guarantee in an amount sufficient to cover 100 percent of the total tuition liability of the school.~~

~~(2) During a Non Title IV School's 6th Through 10th Years of Operation.~~

~~(a) This subsection applies to a non Title IV school during its 6th through 10th years of operation.~~

~~(b) If the school collects tuition in multiple installments from or on behalf of students, the school shall provide a financial guarantee in an amount sufficient to cover:~~

~~(i) 100 percent of the total tuition liability of the school, if the school does not meet the financial viability requirements set forth in §G of this regulation; or~~

~~(ii) 30 50 percent of the total tuition liability of the school, or a greater amount if deemed necessary by the Secretary, if the school meets the financial viability requirements set forth in §G of this regulation.~~

~~(c) If the school does not collect tuition in multiple installments from or on behalf of its students, the school shall provide a financial guarantee in an amount sufficient to cover 100 percent of the total tuition liability of the school.~~

~~(3) After a non Title IV school's 10th year of operation.~~

~~(a) This subsection applies to a non Title IV school after its 10th year of operation.~~

~~(b) If the school collects tuition in multiple installments from or on behalf of students, the school shall provide:~~

~~(i) A financial guarantee in an amount sufficient to cover 30 100 percent of the total tuition liability of the school, or a greater amount if deemed necessary by the Secretary, if the school does not meet the financial viability requirements set forth in §G of this regulation; or~~

~~(ii) No financial guarantee, unless the Secretary deems one necessary 30 percent of the total tuition liability of the school, or a greater amount if deemed necessary by the Secretary, if the school meets the financial viability requirements set forth in §G of this regulation.~~

~~(c) If the school does not collect tuition in multiple installments from or on behalf of its students, the school shall provide a financial guarantee in an amount sufficient to cover 100 percent of the total tuition liability of the school.~~

#### C. Financial Guarantee Amount — ~~Main Campus~~ Title IV Schools

(1) Minimum Amount. A Title IV school shall maintain a financial guarantee in an amount sufficient to cover 100 percent of the total tuition liability of the school, unless a greater amount:

(a) Is deemed necessary by the Secretary; or

(b) Is required by the provisions of this §C.

~~(2) During a main-campus Title IV school's 1st through 5th years of operation, and after at least 1 year of its operation as a main-campus Title IV school, the school shall provide a financial guarantee in an amount sufficient to cover:~~

~~(a) 100 percent of the total tuition liability of the school, if the school does not meet the financial viability standards set forth in §G of this regulation; or~~

~~(b) 100 percent of the total non-Title IV tuition liability of the school, or a greater amount if deemed necessary by the Secretary, if the school meets the financial viability standards set forth in §G of this regulation.~~

~~(3) During a main-campus Title IV school's 6th through 10th years of operation, and after at least 1 year of its operation as a main-campus Title IV school, the school shall provide a financial guarantee in an amount sufficient to cover:~~

~~(a) 100-50 percent of the total non-Title IV tuition liability of the school, if the school does not meet financial viability requirements set forth in §GF of this regulation and if 50 percent of the total tuition liability of the school is greater than 100 percent of the school's total non-Title IV tuition liability; or~~

~~(b) 50-100 percent of the school's total non-Title IV tuition liability, or a greater amount if deemed necessary by the Secretary, if the school meets the financial viability requirements set forth in §GF of this regulation; or~~

~~(c) A greater amount if deemed necessary by the Secretary.~~

~~(34) After a non-Title IV school's 10th year of operation, and after at least 1 year of its operation as a main-campus Title IV school, the school shall provide:~~

~~(a) A financial guarantee in an amount sufficient to cover 50-30 percent of the total non-Title IV tuition liability of the school, or a greater amount if deemed necessary by the Secretary, if the school does not meet the financial viability requirements set forth in §GF of this regulation and if 30 percent of the total tuition liability is greater than 100 percent of the school's total non-Title IV tuition liability; or~~

~~(b) No financial guarantee, unless one is deemed necessary by the Secretary, 100 percent of the school's total non-Title IV tuition liability, if the school meets the financial viability requirements set forth in §G of this regulation; or~~

~~(c) A greater amount if deemed necessary by the Secretary.~~

#### ~~D. Financial Guarantee Amount—Branch-Campus Title IV School:~~

~~(1) During a branch-campus Title IV school's 1st through 2nd years of operation in Maryland, the school shall provide a financial guarantee in an amount sufficient to cover:~~

~~(a) 100 percent of the total tuition liability of the school, if the school does not meet minimum financial viability standards set forth in §G of this regulation; or~~

~~(b) 50 percent of the total tuition liability of the school, if the school meets the minimum financial viability standards set forth in §G of this regulation.~~

~~(2) After a branch-campus Title IV school's 2nd year of operation in Maryland, and before the school's main-campus has operated for 10 years, the school shall provide a financial guarantee in an amount sufficient to cover:~~

~~(a) 100 percent of the total non Title IV tuition liability of the school, if the school does not meet the financial viability requirements set forth in §G of this regulation; or~~

~~(b) 50 percent of the total non Title IV tuition liability of the school, or a greater amount if deemed necessary by the Secretary, if the school meets the financial viability standards set forth in §G of this regulation.~~

~~(3) After a branch campus Title IV school's 2nd year of operation in Maryland, and once the school's main campus has operated for at least 10 years, the school:~~

~~(a) Shall provide a financial guarantee in an amount sufficient to cover 50 percent of the total non Title IV tuition liability of the school, if the school does not meet financial viability requirements set forth in §G of this regulation; or~~

~~(b) Shall be released from the financial guarantee requirement, unless the Secretary determines that one is necessary, if the school meets the financial viability requirements set forth in §G of this regulation.~~

ED. Financial Guarantee Amount — Title IV Schools Notified of Potentially Adverse Action by the U.S. Department of Education.

(1) If the U.S. Department of Education notifies a Title IV school that the school is subject to an adverse or potentially adverse action, including any action that limits, suspends, terminates, or otherwise negatively affects the school's participation in Title IV, the school ~~must~~ shall notify the Commission in accordance with regulation .06 of this chapter.

(2) Upon receipt of the school's notice under §E(1) of this regulation, or on the Secretary's own initiative, the Secretary may require the school to provide a financial guarantee in an amount ~~deemed necessary by the Secretary to protect students, up to 100 percent of the school's total tuition liability~~ greater than the amount required under §C of this regulation.

FE. Financial Guarantee Amount — Schools Delivering Programs in Whole or in Part by Distance Education.

(1) A school that delivers a program in whole or in part by distance education shall provide a financial guarantee, ~~regardless of whether a financial guarantee would otherwise be required under §§B—E of this regulation.~~

~~(2) The financial guarantee of a school that delivers a program in whole or in part by distance education shall be~~ in the amount prescribed by §§B—ED of this regulation, plus an amount sufficient to cover the sum of the tuition of each program delivered in whole or in part by distance education, multiplied by the maximum permissible enrollment for that program.

GF. Reduced ~~or Eliminated~~ Financial Guarantees Based on Financial Viability.

(1) Upon submission of its annual report under Regulation .06 of this chapter, a school that provides a financial guarantee in an amount greater than 100 percent of its non-Title IV tuition liability may request in writing that the Secretary reduce ~~or eliminate~~ the school's financial guarantee amount to an amount not lesser than the school's non-Title IV tuition liability, in accordance with the criteria set forth in §§B—~~F~~E of this regulation.

(2) The school's request ~~must~~ shall include the two most recent audited financial statements of the school, and of any corporate parent or holding company of the school.

(3) The Secretary may grant the school's request if the Secretary finds that:

(a) The financial statements and other relevant financial information, including external accounting reports, demonstrate that the school and its ownership meet the financial viability requirements set forth in §GF(4) of this

regulation, operate in accordance with sound principles of financial management, and maintain financial resources adequate for the satisfactory conduct of the school; and

(b) A reduction ~~or elimination~~ of the financial guarantee is appropriate under the criteria set forth in §§B—[F](#)  
[E](#) of this regulation.

(4) Financial Viability Requirement. A school is considered financially viable if its financial statements, and those of its corporate parent or holding company, demonstrate that the school and its ownership, for each of the 2 most recent years:

(a) Had net-income that exceeded expenditures; and

(b) Maintained at least a 1:1 ratio of total current assets to total current liabilities.

[\(5\) In no instance shall a financial guarantee be reduced below an amount equal to 100 percent of the school's total non-Title IV tuition liability.](#)



Larry Hogan  
Governor

Boyd K. Rutherford  
Lt. Governor

Anwer Hasan  
Chairperson

James D. Fielder, Jr., Ph. D.  
Secretary

April 25, 2018

TO: Commissioners, Maryland Higher Education Commission

FROM: Emily A.A. Dow, Ph.D., Assistant Secretary, Academic Affairs

RE: Proposed Regulations to Implement New Financial Guarantee Requirements for Online Registered Institutions

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During the 2018 legislative session, the General Assembly passed Senate Bill 795 as emergency legislation. The bill will require non-SARA, for-profit out-of-state institutions of higher education that provide online education in Maryland to provide to MHEC a financial guarantee in an amount sufficient to cover the institution's non-Title IV tuition liability.

The purpose of the proposed regulations is to implement these new statutory requirements. Under the regulations, any for-profit institution of higher education required to register with the Commission shall provide to the Commission a performance bond or irrevocable letter of credit conditioned that the institution (1) faithfully performs its contracts with its students; and (2) complies with the Education Article of the Annotated Code.

The proposed regulations further will require that for-profit registered institutions submit annual reports to the Commission certifying the amount of their non-Title-IV tuition liability.

**RECOMMENDATION:** It is recommended that the Commission approves for publication in the Maryland Register the attached proposed regulations regarding the financial guarantee requirements of certain for-profit institutions that are required to register with the Commission. The Commission authorizes its Assistant Attorney General to make non-substantive amendments to the regulations in order to conform to the stylistic requirements of the Joint Committee on Administrative, Executive & Legislative Review and the Division of State Documents.



COMAR 13B.05.01.06  
.06 Registration Procedure.

A. An institution seeking registration with the Commission as required in Regulation .04 of this chapter shall submit to the Commission:

- (1) An application for registration in the form required by the Secretary;
- (2) An application fee in the amount of:
  - (a) For an institution having an enrollment of no more than 20 Maryland students, \$500; and
  - (b) For an institution having an enrollment of more than 20 Maryland students, \$1,000;
- (3) Information on the ownership of the institution;
- (4) A list of all online programs that will be offered to Maryland students, including program tuition and fee costs for those programs;
- (5) Documentation that the institution is:
  - (a) Accredited by and in good standing with an accrediting body recognized and approved by the U.S. Department of Education;
  - (b) In good business standing in the state in which the central administration of the institution is incorporated;
  - (c) If the state in which the central administration of the institution is located has a state authority, in good academic standing with that state authority;
  - (d) In compliance with the principles of good practice for distance education established by the Commission in COMAR 13B.02.03; and
  - (e) In compliance with the refund policies in Regulation .10 of this chapter;
- (6) Documentation that the institution has a process for the filing and resolution of complaints by Maryland students, including informing students that the institution is subject to investigation of complaints by the Office of the Attorney General or the Commission;
- (7) An affidavit from the President or Chief Executive Officer of the institution affirming that:

(a) The institution has not filed for bankruptcy protection under Title 11 of the U.S. Code during its existence; and

(b) The President or Chief Executive Officer will:

(i) Abide by the requirements of [Education Article, § 11-202.2](#), Annotated Code of Maryland, and this chapter; and

(ii) Notify the Commission in reference to the matters set forth in Regulation .11 of this chapter; ~~and~~

(8) If the institution is or will be enrolling Maryland students before registration is issued, within 30 days of submitting the complete application, a [pre-registration](#) financial guarantee as provided [for](#) in Regulation .07 of this chapter; ~~and~~

[\(9\) If the institution is a for-profit institution, a continuous financial guarantee pursuant to § 11-203 of the Education Article, Annotated Code, and as provided for in Regulation .12 of this chapter.](#)

B. In addition to the requirements of § A of this regulation, an institution shall submit a copy of the institution's most recent financial statement reviewed by an independent accountant retained by the institution with its first application for registration and with ~~subsequent applications for registration every 2 years~~ [each annual renewal application](#).

C. An application is complete as of the day on which an institution submits all documentation required in §§ A(1)--(7) ~~and~~ [A\(9\)](#) of this regulation for the registration process as determined by the Secretary.

D. If the Secretary finds that the institution is in compliance with the applicable requirements of Education Article, Title 11, Annotated Code of Maryland, and this chapter, the Secretary shall issue registration to the institution.

E. Secretary's Denial of Registration.

(1) If the Secretary is not satisfied that an institution is in compliance with applicable requirements of Education Article, Title 11, Annotated Code of Maryland, and this chapter, the Secretary shall issue a notice of deficiencies and preliminarily deny registration to the institution.

(2) Within 20 days of receipt of a notice of deficiencies, the institution denied registration may request a hearing before the Commission.

(3) If the institution does not file a timely request for a hearing on the notice of deficiencies, the Secretary's decision becomes final.

F. Secretary's Failure to Issue or Deny Registration.

(1) If the Secretary fails to issue a registration or a written notice of deficiencies within 6 months of the completed



application, the institution may request a hearing before the Commission to determine whether the registration should be issued.

(2) The request shall be made within 20 days of the expiration of the 6-month period.

**G. Hearing by Commission.**

(1) The Commission may refer a request for hearing under § E or F of this regulation to the Office of Administrative Hearings.

(2) A hearing before the Commission shall be held within 60 days after receipt of the request for hearing.

(3) The hearing before the Commission shall be conducted in accordance with the Administrative Procedure Act, State Government Article, Title 10, Subtitle 2, Annotated Code of Maryland, and COMAR 13B.04.01.

(4) Within 30 days of the hearing, the Commission shall render a decision.

(5) The Commission may take the following action:

(a) Issue registration;

(b) Deny registration; or

(c) Remand the case to the Secretary for further action as directed by the Commission.

**H. Judicial Review.**

(1) An institution that is denied registration by the Commission after a hearing under § G of this regulation has the right to judicial review provided by State Government Article, Title 10, Subtitle 2, Annotated Code of Maryland.

(2) The decision of the Commission is presumed correct and the institution has the burden of proving otherwise.

(3) The Commission shall be a party to the proceeding.

**Credits**

Amended Nov. 24, 2014; March 27, 2017.

Complete through Maryland Register Vol. 45, Issue 6, dated March 16, 2018.

**.06 Registration Procedure., MD ADC 13B.05.01.06**

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**COMAR 13B.05.01.06, MD ADC 13B.05.01.06**

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COMAR 13B.05.01.07  
.07. Pre-Registration Financial Guarantee.

A. A. Scope.

(1) This regulation .07 applies to any institution applying for registration under this chapter that chooses to enroll if a Maryland student:

- a. is enrolled before the institution's registration is approved by the Commission; or
- b. When the institution's registration has expired.

(2) This regulation .07 does not apply to an institution applying for registration that does not enroll a Maryland student:

- a. Before the institution's registration is approved by the Commission; or
- b. When the institution's registration has expired.

B. The institution must shall file an application for registration as required in Regulation .04A of this chapter and provide a pre-registration financial guarantee to the Commission, as described in this regulation .07, in order to commence or continue enrollment of Maryland students.

C. The pre-registration financial guarantee provided for in this regulation .07 is separate from, and additional to, the continuous financial guarantee that is required of for-profit institutions under regulation .12 of this chapter.

B. D. An institution that files an application and provides a financial guarantee under this regulation may continue to operate without a registration while the Commission considers the institution's application, conducts a hearing concerning the institution's application, or participates in judicial review regarding the institution's application.

E. C. The financial guarantee shall be in the form required by the Secretary and conditioned that, if the institution is denied registration, the institution will shall provide 100 percent refunds of tuition and fees paid to the institution by all Maryland students.

F. D. The amount of the financial guarantee shall be 5 times the average annual total program tuition and fee costs payable by an individual Maryland student enrolled at the institution sufficient to cover 100 percent refunds of tuition and fees paid to the institution by all Maryland students.

E. While the financial guarantee is active, if the institution's tuition and fee liability to all Maryland students enrolled at the institution exceeds the amount of the financial guarantee, the Secretary may require that the amount of the guarantee be increased to a level to cover 100 percent refunds of tuition and fees paid to the institution by all Maryland students.

Complete through Maryland Register Vol. 45, Issue 6, dated March 16, 2018.  
COMAR 13B.05.01.07, MD ADC 13B.05.01.07

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COMAR 13B.05.01.11  
.11 Institutional Operations.

An institution that is registered under this chapter shall:

A. Promptly notify the Commission of:

- (1) A change in ownership or a change in majority control;
- (2) A material change in the institution's financial status;
- (3) A filing for bankruptcy protection under Title 11 of the U.S. Code;
- (4) A change in the institution's business standing in the state in which the central administration of the institution is incorporated;
- (5) Any communication received from the state authority that regulates the institution regarding institutional or program status with regard to online programs in which Maryland students are enrolled; ~~and~~
- (6) Any communication from the institution's accrediting body that may impact the institution's status with the accrediting body; ~~and~~
- (7) Any notice of an adverse action, or potentially adverse action, against the institution by the U.S. Department of Education, including but not limited to any notice to the institution of a reduction of the institution's financial responsibility composite score.

B. Comply with the principles of good practice for distance education in COMAR 13B.02.03;

C. Make refunds to Maryland students as required by Regulation .10 of this chapter;

D. Make public and post on its website:

- (1) Information on its registration with the Commission; and
- (2) The process for Maryland students to make complaints about the institution; and

~~E. If the institution has no more than ten Maryland students in a single program placed simultaneously at one site in the State in a supervised internship, practicum, or field experience as a required part of a degree or certificate program, An institution that is registered under this chapter shall~~ submit to the Secretary, by June 30 of each year, an annual report detailing the number of students placed at each internship, practicum, or field experience location within the State, in a form and manner

required by the Secretary.

F. The institution may not have more than ten Maryland students in a single program placed simultaneously at one site in the State in a supervised internship, practicum, or field experience, or otherwise operate in Maryland as defined in subtitle 2 of this title, unless it first obtains a certificate of approval from the Commission in accordance with subtitle 2 of this title.

**Credits**

Amended Nov. 24, 2014; Nov. 7, 2016.

Complete through Maryland Register Vol. 45, Issue 6, dated March 16, 2018.  
COMAR 13B.05.01.11, MD ADC 13B.05.01.11

Code of Maryland Regulations  
Title 13b. Maryland Higher Education Commission  
Subtitle .05. Fully Online Programs  
Chapter .01 Registration

COMAR 13B.05.01.12

.12 Continuous Financial Guarantees of For-Profit Institutions.

- A. In this regulation, the following terms have the meanings indicated.
- (1) “Adjusted gross tuition and fees” means all revenues received on a cash or accrual accounting basis, less any refunds paid to students, for tuition and fees for all instructional programs or courses enrolled in by students, except for charges for materials, supplies, and books that have been purchased by, and are the property of, a student.
- (+)(2) “Non-Title IV adjusted gross tuition and fees” means an institution’s adjusted gross tuition and fees minus the amount of Title IV federal financial aid received by the institution on behalf of its students.
- B. A for-profit institution seeking or renewing registration under this chapter shall provide to the Secretary an irrevocable letter of credit or performance bond, as required by § 11-203 of the Education Article of the Annotated Code, conditioned that the institution shall:
- (1) Perform faithfully all agreements or contracts it makes with its students; and
- (+)(2) Comply with the Education Article of the Annotated Code.
- C. The irrevocable letter of credit or performance bond shall be in the form and amount prescribed by the Secretary.
- D. The amount provided for in the irrevocable letter of credit or performance bond shall, unless a higher amount is required by the Secretary, be:
- (1) If the institution is renewing its registration, an amount equal to the institution’s non-Title IV adjusted gross tuition and fees for Maryland students for the prior July 1 through June 30; or
- (+)(2) If the institution is seeking initial registration, an amount equal to the institution’s non-Title IV adjusted gross tuition and fees for the students of its principal campus for the prior July 1 through June 30.
- E. The irrevocable letter of credit or performance bond shall be between the surety and the Commission.
- F. The irrevocable letter or credit or performance bond required by this regulation, and each annual application to renew a for-profit institution’s registration under this chapter, shall be accompanied by a report, in a form prescribed by the Secretary, certifying the for-profit institution’s:

- (1) Total number of Maryland students enrolled in the institution or, if the institution is seeking initial registration, total number of students enrolled in the institution's principal campus;
- (2) Total amount of adjusted tuition and fees from the enrollment of Maryland students or, if the institution is seeking initial registration, total amount of adjusted tuition and fees from the enrollment of students in the institution's principal campus;
- (3) Total amount of non-Title IV adjusted gross tuition and fees from the enrollment of Maryland students or, if the institution is seeking initial registration, total amount of non-Title-IV adjusted tuition and fees from the enrollment of students in the institution's principal campus; and
- (+)(4) A declaration signed and dated by the chief executive officer of the school, under penalty of perjury, that the information in the report and any attachments to the report are true and correct.



**Larry Hogan**  
Governor

**Boyd K. Rutherford**  
Lt. Governor

**Anwer Hasan**  
Chairperson

**James D. Fielder, Jr., Ph. D.**  
Secretary

April 25, 2018

TO: Commissioners, Maryland Higher Education Commission

FROM: Emily A.A. Dow, Ph.D., Assistant Secretary, Academic Affairs

RE: Request from Kaplan University to Change Name to Purdue University Global

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Kaplan University was recently acquired by Purdue University. Kaplan University has submitted a request for approval to change their name to Purdue University Global. This acquisition has been approved by the US Department of Education, the Indiana Commission for Higher Education, and the Higher Learning Commission (Purdue University's and Kaplan University's accrediting body).

Purdue University Global will be recognized as an Indiana public nonprofit institution and will have its liabilities backed by Purdue subject to state law. Similar to Purdue's other separately accredited regional campuses (Purdue University Northwest and Indiana University-Purdue University Fort Wayne), Purdue University Global will operate independently.

The curriculum and programs that have been offered through Kaplan University will not be changed as a result of this agreement. There are no changes to faculty and staff expected at this time, and there are no changes to locations expected at this time.

**RECOMMENDATION:** It is recommended that the Maryland Higher Education Commission approve Kaplan University's request to change its name to Purdue University Global.







March 21, 2018

*By e-mail transmission only to University General Counsel*

Mitchell E. Daniels Jr.  
President  
Purdue University  
Hovde Hall, Room 200  
610 Purdue Mall  
West Lafayette, IN 47907-2040

Dr. Betty Vandebosch  
President/CEO  
Kaplan University  
550 West Van Buren Street  
Suite 700  
Chicago, IL 60607

**Re: Preacquisition Review of the Proposed Change in Ownership Application of Kaplan University by “Purdue New University,” an Indiana nonprofit public benefit corporation**

Dear Presidents Daniels and Vandebosch:

This letter supplements the Department’s September 12, 2017 letter (“Preacquisition Response”) which provided the Department’s Preliminary Determination<sup>1</sup> following its preacquisition review of the proposed change in ownership (“CIO”) application for Kaplan University and the Department’s September 29, 2017 letter which modified Condition 8 of the Preacquisition Response (“September 29<sup>th</sup> Letter”).

This supplemental letter is intended to provide Purdue and Kaplan with the Department’s response to their request for the Department’s review of the modified terms of the TOSA (“Revised TOSA”). The Revised TOSA was submitted to the Department on February 27, 2018. Thereafter, the Department had additional communications with representatives of Purdue and Kaplan. In communications with the Department, both parties have acknowledged that they are in agreement with the terms of the Revised TOSA, and specifically, that the Purdue Parties (as

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<sup>1</sup> See the Preacquisition Response, the Contribution and Transfer Agreement (“Transfer Agreement”), and/or the Transition and Operations Support Agreement (“TOSA”) for capitalized terms that are not specifically defined in this supplemental letter.

**Federal Student Aid**  
An OFFICE of the U.S. DEPARTMENT of EDUCATION

Federal Student Aid, Multi-Regional and Foreign Schools Participation Division  
830 First Street NE, Union Center Plaza, 7<sup>th</sup> Floor, Washington, DC 20202-5340  
[www.FederalStudentAid.ed.gov](http://www.FederalStudentAid.ed.gov)  
[StudentAid.gov](http://StudentAid.gov)

Mitchell E. Daniels, Jr.  
Dr. Betty Vandebosch  
March 21, 2018  
Page Two

defined in the Preacquisition Response) have acknowledged that they have reviewed and agree to the financial terms of the Revised TOSA, including the parties' projections with regard to the Contributor Fee, and other changes to the financial terms in the Revised TOSA. Given the representations by the parties' representatives, the Department has concluded that the Revised TOSA will not negatively impact the Department's preliminary determination (as set forth in the Department's Preacquisition Response) that it did not see any current or known impediment to the proposed change in ownership and conversion to public status.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Frola". The signature is written in a cursive style with a large initial "M".

Michael Frola  
Division Director

cc: Steven Schultz, Legal Counsel Purdue University (*email: [schult51@purdue.edu](mailto:schult51@purdue.edu)*)  
David Adams, General Counsel, Senior Vice President, Kaplan Higher and Professional Education (*email: [dadams@kaplan.edu](mailto:dadams@kaplan.edu)*)



INDIANA COMMISSION *for*  
HIGHER EDUCATION

August 24, 2017

President Mitchell Daniels, Jr.  
Purdue University  
475 Stadium Mall Dr.  
West Lafayette, Indiana 47907

Dear Mitch:

At its August 10, 2017 meeting, the Commission for Higher Education approved Purdue NewU (by that name and under its official permanent name once selected) as a postsecondary SEI (state educational institution) affiliated educational institution controlled by Purdue University. At that same meeting, the Commission also authorized and approved Purdue NewU to offer all of the programs identified in the attached list.

Consistent with the Indiana Code and Commission action, I wish to confirm that Purdue NewU is considered by the State of Indiana to be a public postsecondary institution by virtue of its being under the administrative supervision and control of The Trustees of Purdue University, which itself "is considered to be a governmental entity equivalent to the state for purposes of United States Department of Education regulations." Should it be necessary for me to write directly to the U.S. Department of Education to confirm this information in order to certify compliance with state authorization requirements, I would be happy to do so.

Please feel free to call on me should you have any questions regarding this action.

Sincerely,

Teresa Lubbers  
Commissioner

Cc: Frank Dooley  
Tony Hahn  
Ken Sauer

March 5, 2018

VIA ELECTRONIC MAIL

The Honorable Mitchell Daniels  
President  
Purdue University  
Hovde Hall of Administration  
West Lafayette, IN 47907-2040

Dr. Betty Vandebosch, President  
Kaplan University  
1801 E. Kimberly Rd., Suite 1  
Davenport, IA 52807

Dear Presidents Daniels and Vandebosch:

This letter is formal notification of action taken by the Higher Learning Commission (“HLC” or “the Commission”) Board of Trustees (“the Board”) concerning Purdue University and Kaplan University (“the institutions”). At its meeting on February 22, 2018, the Board voted to approve the extension of accreditation under the Commission’s policy on Change of Control, Structure or Organization related to the application wherein Purdue University, through its affiliate Purdue NewU, Inc., acquires certain assets of Kaplan University, with the successor of Kaplan University to henceforth be owned and operated by Purdue University as a separately accredited institution known as Purdue University Global. In taking this action, the Board considered materials submitted to the Commission including the Change of Control request, comments received during the comment period, the Summary Report, and the institutions’ responses to the Summary Report.

The Board approved the application subject to the condition that, as required by Commission policy and federal regulation, the institutions host focused evaluations within six months of the date of this transaction. The evaluation will be focused on the appropriateness of the approval and the institutions’ compliance with any commitments made in the Change of Control application and with the Eligibility Requirements and the Criteria for Accreditation, with specific focus on Core Components 2.A, 2.B, 2.C, 5.B, and 5.C, with regard to the following:

- Core Component 2.A: Evidence of Purdue University Global’s adoption and implementation of and adherence to a comprehensive set of policies that are fully aligned with Purdue University expectations.

- Core Component 2.B: Evidence that Purdue University Global has mechanisms in place that monitor the representations made to continuing and prospective students related to program requirements, transfer and/or articulation within the Purdue University system, and admission to graduate programs at Purdue University Global.
- Core Component 2.C: Evidence that confirms the autonomy of the Purdue University Global Board and that it operates independently in accordance with Bylaws as approved by the Purdue University Global Board of Trustees.
- Core Component 5.B: Evidence that confirms that a larger group of Purdue University administrators, faculty and staff, beyond the Advisory Committee, have the opportunity to support the integration of Purdue University Global into the Purdue University system.
- Core Component 5.C: Evidence that confirms that Purdue University has revised its strategic plan to include priorities reflecting Purdue University Global and this major initiative, including the aligned allocation of resources, established priorities, enrollment projections, timelines, and integration into the Purdue academic enterprise.

The Board maintained Purdue University on the Open Pathway, with its next comprehensive evaluation for Reaffirmation of Accreditation in 2019-20.

The Board placed Purdue University Global on the Standard Pathway with its next comprehensive evaluation for reaffirmation of accreditation in 2022-23.

In addition, it should be noted that the legal and tax status of a corporation (whether it is profit, not-for-profit or public benefit) is a matter of law as determined by an appropriate state or federal governmental entity. Therefore, HLC makes no statement through this action about the legal or tax status of Purdue University Global.

Please send the Commission written notice of the closing date within 24 hours after the transaction has closed. You are also obligated to notify the Commission prior to closing if any of the material terms of this transaction have changed or appear likely to change. By Commission policy the closing must take place within no more than thirty days from the date of the Board's approval. If there is any delay such that the transaction cannot close within this time frame, you must notify the Commission as soon as possible.

Commission policy COMM.A.10.010, Commission Public Notices and Statements, requires that HLC prepare a summary of actions to be sent to appropriate state and federal agencies and accrediting associations and published on its website. The summary will include HLC Board action regarding the institutions. The institutions are also encouraged to prepare statements to their constituencies regarding this action; I ask that you copy your HLC Staff Liaisons, Dr. Mary Vanis (Purdue University) and Dr. Anthea Sweeney (Purdue University Global), on any such communication.

On behalf of the Board of Trustees, I thank you and your associates for your cooperation. Please contact Dr. Vanis or Dr. Sweeney if you have questions about any of the information in this letter.

Sincerely,



Barbara Gellman-Danley  
President

cc: Chair of the Board of Trustees, Purdue University  
Chair of the Board of Trustees, Kaplan University  
Diane Beaudoin, Director of Institutional Assessment, Purdue University  
Michael Machen, Vice President of Accreditation, Kaplan University  
Ken Sauer, Senior Associate Commissioner for Research and Academic Affairs,  
Indiana Commission for Higher Education  
Michael Frola, Director, Foreign Schools Participation Division, U.S. Department of  
Education  
Evaluation team members  
Anthea Sweeney, Vice President for Legal and Governmental Affairs, Higher Learning  
Commission  
Mary Vanis, Vice President for Accreditation Relations, Higher Learning Commission



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Chairperson

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Secretary

## Maryland Higher Education Commission 2018 Meeting Dates

The Maryland Higher Education Commission (MHEC) is Maryland’s higher education coordinating board responsible for the management of statewide financial aid programs and the establishment of statewide policies for public and private colleges and career schools to support students’ postsecondary pursuits.

### Meeting Dates and Locations

January 24, 2018	June 27, 2018
February 28, 2018	September 26, 2018 9:30am to 3:30pm
March 28, 2018	October 24, 2018
April 25, 2018	November 14, 2018 *Please note date change*
May 23, 2018	December 12, 2018 *Please note date change*

**All Commission Meetings will be held on the 4<sup>th</sup> Wednesday of Each Month from 1:00pm to 4:00pm at the Maryland Higher Education Commission in the 7<sup>th</sup> Floor Board Room located at 6 N. Liberty Street, Baltimore, MD 21201 unless otherwise noted.**

### **Dates and Times Subject to Change**

<http://www.mhec.maryland.gov/About/Pages/Meetings.aspx>