

**KANSAS BOARD OF REGENTS  
ACADEMIC AFFAIRS STANDING COMMITTEE**

**MEETING AGENDA  
Wednesday, November 17, 2021  
10:30 a.m. -12:00 p.m.**

The Board Academic Affairs Standing Committee (BAASC) will meet in Conference Room B located in the Curtis State Office Building at 1000 SW Jackson, Suite 520, Topeka, Kansas, 66612, with non-members being offered a virtual option. Meeting information will be sent to participants via email, or you may contact [arobinson@ksbor.org](mailto:arobinson@ksbor.org).

- |   |                                       |      |
|---|---------------------------------------|------|
| <b>I. Call to Order</b>   | Regent Kiblinger, Chair               |      |
| A. Roll Call and Introductions  |                                       |      |
| B. Approve minutes from November 2, 2021 meeting                                |                                       | p. 3 |
| <b>II. Other Matters</b>  |                                       |      |
| A. Request to Change Performance Agreement –<br>Cloud County CC                 | Sam Christy-Dangermond                | p. 5 |
| B. Private Post-Secondary Regulation Change                                     | Crystal Puderbaugh                    | p. 9 |
| C. Program Review Presentations   | University Chief<br>Academic Officers |      |
| D. Advantage KS Coordinating Council (AKCC) Update                              | Regent Kiblinger                      |      |
| E. Direct Support Professionals (DSP) Update                                    | Regent Schmidt                        |      |
| <b>III. Suggested Agenda Items for November 29<sup>th</sup> Virtual Meeting</b> |                                       |      |
| A. Approve New Systemwide Transfer Courses                                      |                                       |      |
| B. New Program Approvals  |                                       |      |
| <b>IV. Adjournment</b>  |                                       |      |

**Board Academic Affairs Standing Committee**

Four Regents serve on the Board Academic Affairs Standing Committee (BAASC), established in 2002. The Regents are appointed annually by the Chair and approved by the Board. BAASC meets virtually approximately two weeks prior to each Board meeting. The Committee also meets the morning of the first day of the monthly Board meeting. Membership includes:

Shelly Kiblinger, Chair

Jon Rolph

Allen Schmidt

Wint Winter

**Board Academic Affairs Standing Committee  
AY 2022 Meeting Schedule**

<i><b>BAASC Academic Year 2021- 2022 Meeting Dates</b></i>			
<b>Meeting Dates</b>	<b>Location</b>	<b>Time</b>	<b>Agenda Materials Due</b>
August 31, 2021	Virtual Meeting	9:00 a.m.	August 10, 2021
September 15, 2021	Hybrid Meeting	1:30 p.m.	August 25, 2021
	*No Meetings in October		
November 2, 2021	Virtual Meeting	9:00 a.m.	October 12, 2021
November 17, 2021	Hybrid Meeting	<b>10:30 a.m.</b> *previously 11am	October 27, 2021
<b>November 29, 2021</b> *previously scheduled for 11/30	Virtual Meeting	9:00 a.m.	November 9, 2021
December 15, 2021	Topeka	11:00 a.m.	November 24, 2021
January 4, 2022	Virtual Meeting	9:00 a.m.	December 14, 2021
January 19, 2022	Topeka	11:00 a.m.	December 29, 2021
February 1, 2022	Virtual Meeting	9:00 a.m.	January 11, 2022
February 16, 2022	Topeka	11:00 a.m.	January 26, 2022
March 1, 2022	Virtual Meeting	9:00 a.m.	February 8, 2022
March 16, 2022	Topeka	11:00 a.m.	February 23, 2022
April 5, 2022	Virtual Meeting	9:00 a.m.	March 15, 2022
April 20, 2022	FHSU	11:00 a.m.	March 30, 2022
May 3, 2022	Virtual Meeting	9:00 a.m.	April 12, 2022
May 18, 2022	Topeka	11:00 a.m.	April 27, 2022
May 31, 2022	Virtual Meeting	9:00 a.m.	May 10, 2022
June 15, 2022	Topeka	11:00 a.m.	May 25, 2022

\*Please note virtual meeting times have changed to 9 a.m., and Board day meetings have changed to 11 a.m., unless otherwise noted.

**Board Academic Affairs Standing Committee  
MINUTES**

**Tuesday, November 2, 2021**

The November 2, 2021 meeting of the Board Academic Affairs Standing Committee (BAASC) of the Kansas Board of Regents (KBOR) was called to order by Regent Kiblinger at 9:00 a.m. The meeting was held through Zoom.

**In Attendance:**

Members:	Regent Kiblinger Regent Winter	Regent Rolph	Regent Schmidt
Staff:	Daniel Archer Amy Robinson April Henry Crystal Puderbaugh	Sam Christy-Dangermond Tara Lebar Cindy Farrier Scott Smathers	Karla Wiscombe Natalie Yoza Hector Martinez Lisa Beck
Others:	Adam Borth, Fort Scott CC Brenda Koerner, ESU Clay Stoldt, WSU Davood Askari, WSU Elaine Simmons, Barton CC Jason Sharp, Labette CC Jennifer Ball, Washburn JoLanna Kord, ESU Kim Zant, Cloud County CC Lisa Kirmer, FHTC Marc Malone, Garden City CC Monette DePew, Pratt CC Remy Lequesne, KU Shawnee Hendershot, PSU Steve Loewen, FHTC Tiffany Evans, Colby CC	Aron Potter, Coffeyville CC Carter File, Hutchinson CC Corey Isbell, NCKTC Debbie Phelps, Cowley CC Heather Morgan, KACCT Jean Redeker, KU Jennifer Brown, NCKTC JuliAnn Mazachek, Washburn Kim Withroder, MATC Laurel Littrell, K-State Melinda Roelfs, PSU Natalie Alleman, JCCC Ryan Ruda, Garden City CC Shirley Lefever, WSU Tom Nevill, Butler CC	Amber Knoettgen, Cloud County CC Chuck Taber, KSU Cynthia Johnson, KU George Arasimowicz, ESU James Genandt, MATC Jane Holwerda, Dodge City CC Jill Arensdorf, FHSU Jerry Pope, KCKCC Linnea GlenMaye, WSU Marlon Thornburg, Coffeyville CC Michelle Schoon, Cowley CC Niya McAdoo, KU Rex Cheever, Hutchinson CC Sharon Kibbe, Highland CC Taylor Crawshaw, Independence CC

Roll call was taken for members and presenters.

**Approval of Minutes**

Regent Schmidt moved to approve the September 15, 2021 meeting minutes, and Regent Rolph seconded the motion. With no corrections, the motion passed.

**Consent Items**

- Crystal Puderbaugh presented the conditional certificate of approval for National American University (NAU). One of the roles of the Board is to regulate private and out-of-state institutions under the Kansas Private and Out-of-State Postsecondary Educational Institutional Act. When NAU submitted its annual application to renew its certificate of approval, KBOR staff identified its financial statements did not meet minimum requirements. KBOR staff believe it is in the best interest to issue NAU a conditional certificate of approval to protect current and future Kansas students. In addition to requiring NAU to submit a financial improvement plan and quarterly financial statements, Crystal provided three additional options for consideration. The additional stipulations include prohibiting NAU from enrolling new Kansas residents, requiring a teach-out plan for current Kansas students, and requiring additional bonding. Imposing these conditions rather than revoking NAU's renewal allows them to continue serving current Kansas students. Crystal clarified that if NAU cannot meet any of the conditions agreed upon, such as providing the requested bond amount, then BAASC would revisit revoking its certificate. Regents

discussed the potential options, and Natalie Yoza, KBOR Associate General Counsel, provided clarifications.

Regent Kiblinger moved, and Regent Rolph seconded, to place on the Board consent agenda a recommendation to issue a conditional certificate of approval to NAU that includes a financial improvement plan, quarterly financial statements, and all three of the additional requirements as listed:

- Prohibit NAU from any new enrollments of Kansas residents until NAU meets the minimum financial requirements.
- Require a teach-out plan and listing of currently enrolled Kansas students, the program in which each student is enrolled, and the anticipated graduation date.
- Require additional bonding in an amount reasonable to protect Kansas students in the event of a closure.

Regent Schmidt requested the item be placed on the Board discussion agenda.

Regent Kiblinger amended her motion to place the item on the discussion agenda, and Regent Rolph agreed to the amendment. The amended motion passed unanimously through a roll call vote.

- Shirley Lefever presented two new WSU programs for approval: MS in Athletic Training and MS in Materials Engineering. Clay Stoldt, Interim Dean, provided an overview of the MS in Athletic Training. Several universities confirmed they have also shifted to master-level programs. Davood Askari, Associate Professor, provided an overview of the MS in Materials Engineering. It was noted there are no other similar programs within the regent system.

Regent Schmidt moved to place the two WSU new programs onto the Board consent agenda for approval. Following the second of Regent Rolph, the motion passed unanimously through a roll call vote.

### **AY 2020 Performance Reports**

Sam Christy-Dangermond presented the AY 2020 Performance Reports for review and provided information on the performance funding process. Performance Agreement information can be found at [https://www.kansasregents.org/academic\\_affairs/performance-agreements](https://www.kansasregents.org/academic_affairs/performance-agreements).

Performance reports from the following eleven institutions were presented. Each is eligible to receive 100% of any new legislative funding in July 2022, based on achieving at least four out of six indicators:

- Kansas State University
- Pittsburg State University
- Washburn University
- Colby Community College
- Cowley Community College
- Garden City Community College
- Hutchinson Community College
- Johnson County Community College
- Flint Hills Technical College
- Manhattan Area Technical College
- North Central Kansas Technical College

Institutional representatives provided a summary of their reports, and the Regents asked follow-up questions.

Regent Winter moved to approve the eleven institutions to receive 100% of any new funding for which they are eligible in 2022. Following the second of Regent Rolph, the motion passed unanimously through a roll call vote.

### **Adjournment**

The next BAASC meeting is scheduled for November 17, 2021, at 10:30 a.m.

Regent Schmidt moved to adjourn the meeting, and Regent Kiblinger seconded. With no further discussion, the meeting adjourned at 10:53 a.m.

## Act on Requests for Revisions to AY 2020 – AY 2022 Performance Agreements

### Summary and Recommendation

*In accordance with K.S.A. 74-3202d, and the Board-approved Performance Agreements: Funding Guidelines, Cloud County Community College is requesting changes to the AY 2020 – AY 2022 Performance Agreement. Staff recommends approval.*

*November 17, 2021*

### Background

In June 2009, the Board Academic Affairs Standing Committee (BAASC) authorized institutions to submit requests for revisions to existing performance agreements any time during the year. Institutions consult with staff on revisions. Per the *Performance Agreements: Funding Guidelines*, which can be found on the KBOR [website](#), BAASC acts on the revision requests on behalf of the Board. The original agreements were approved by BAASC March 2, 2020, and by the full Board March 18, 2020.

### Requests

Cloud County Community College (CCCC) has submitted two change requests. The first is a request to change Indicator 3. The title would remain “Increase the number of third-party credentials attained” as listed on its AY 2020 – AY 2022 Performance Agreement, but in addition to CNA, CMA, CDL, and NCLEX, CCCC wants to include *additional* third-party credentials attained, as outlined in the indicator description.

CCCC’s second request is to replace Indicator 6, which is “Increase the number of successful completers in Allied Health and Nursing Continuing Education Unit courses.” In its place, CCCC would like to use “Increase the Student Success Index.” The institution indicates the Student Success Index provides a more comprehensive measure of institutional effectiveness than the number of completers in online allied health and nursing Continuing Education Unit courses.

When the bridge performance agreements were created, it was determined that for those indicators for which KBOR supplies the data the same baseline years will be used for comparison. Since KBOR’s Data, Research, and Planning (DRP) unit provides the data for the Student Success Index, the baseline years remain Academic Year (AY) 2010 through AY 2012, to be consistent with other institutions using this indicator.

### Staff Recommendation

Staff recommends approval of these changes to the agreement, as they comply with the Performance Agreement Model set forth in the *Performance Agreements: Funding Guidelines*. If approved, these changes will become effective for the AY 2021 and AY 2022 reporting years, and BAASC will act on those performance reports in Fall 2022 and Fall 2023.

Cloud County Community College Bridge Performance Agreement AY 2020 - AY 2022						AY 2018 FTE: 1,276 Date: 8/27/2021		
Contact Person: Kimberly Zant  Phone: 785-243-1435, ext. 248 email: Kimberly.zant@cloud.edu	Foresight Goal	3 yr. History	Reporting AY 2020 (SU19, FA19, SP20)		Reporting AY 2021 (SU20, FA20, SP21)		Reporting AY 2022 (SU21, FA21, SP22)	
			Institution Result	Baseline Comparison	Institution Result	Baseline Comparison	Institution Result	Baseline Comparison
<b>1</b> Increase first to second year retention rates of "college ready" cohort	1 <i>KBOR data</i>	Fall 2012 Cohort: 78/140 =55.7% Fall 2013 Cohort: 82/164 =50.0% Fall 2014 Cohort: 110/191 =57.6% <b>Baseline: 270/495 = 54.5%</b>						
<b>2</b> Increase number of certificates and degrees awarded	1 <i>KBOR data</i>	AY 2013: 302 AY 2014: 936 AY 2015: 596 <b>Baseline: 611</b>						
<b>3</b> Increase number of third party credentials attained (CNA, CMA, CDL, NCLEX)	2	AY 2018: 237 AY 2019: 218 AY 2020: 180 <b>Baseline: 212</b>						
<b>4</b> Increase first to second year retention rates of "non-college ready" cohort	1	Fall 2012 Cohort: 66/153 = 43.1% Fall 2013 Cohort: 61/148 = 41.2% Fall 2014 Cohort: 89/191 = 46.6% <b>Baseline: 216/492 = 43.9%</b>						
<b>5</b> Increase the success rate of students passing gateway courses (CM 101, MA 111) on the first attempt	2	AY 2013: 657/1,552=42.3% AY 2014:574/1,383=41.5% AY 2015: 551/1,335=41.3% <b>Baseline: 1,782/4,270= 41.7%</b>						
<b>6</b> Increase the Student Success Index	1	AY 2010: 284/621 = 45.7% AY 2011: 311/646 = 48.1% AY 2012: 382/741 = 51.6% <b>Baseline: 977/2,008 = 48.7%</b>						

## Cloud County Community College Bridge Performance Agreement AY 2020 - AY 2022

### **Indicator 1: Increase first to second year retention rates of "college ready" cohort**

**Description:** CCCC will be able to better track retention rates of first-time, full-time degree seeking students by separating the “college ready” from the “non-college ready” students. “College ready” students are defined as those students who were not enrolled in any developmental courses in their initial term. Most of CCCC’s developmental courses are offered in the areas of communications and math. Retention rates will be measured by identifying the number of college ready students who are retained from fall semester to fall semester. Data for this indicator will be supplied by KBOR staff from prior KHEDS reports.

#### **Result:**

### **Indicator 2: Increase number of certificates and degrees awarded**

**Description:** Students continue to have a wide range of educational goals that include earning certificates and degrees. CCCC is focused on increasing the number of students earning certificates and degrees. Data for this indicator will be supplied by KBOR staff from prior KHEDS reports.

#### **Result:**

### **Indicator 3: Increase number of third party credentials attained (CNA, CMA, CDL, NCLEX)**

**Description:** With an increased focus on workforce development, preparing students for high-need industries, and assuring quality of learned skills, Cloud County Community College (CCCC) will continue to use industry recognized credentials to help identify preparedness of students and place qualified students into the workforce. Attaining a professional credential will provide a competitive advantage for individuals entering the workforce. Through direct observation and access to licensing data, CCCC will measure the number of credentials successfully earned by students who receive their Certified Nurse Aide (CNA) and Certified Medication Aide (CMA), Home Health Aide (HHA), students receiving a Commercial Driver License (CDL), those who pass the National Council Licensure Exam (NCLEX), Emergency Medical Technician (EMT) certification, as well as those passing the Occupational Safety and Health Administration 10 and 30 (OSHA 10 and OSHA 30) certification, National American Board of Certified Energy Practitioner (NABCEP) exam, American Composites Manufacturing Association (ACMA) certification and the Federal Aviation Administration Part 107 Drone Pilot exam. Additionally, CCCC would like to include students receiving their American Welding Society (AWS) certification, those passing the Pharmacy Technician Certification Board Exam (CPhT), the Kansas Department of Agriculture (KDA) credential, and the Child Development Association (CDA) National credential beginning in Spring 2022.

#### **Result:**

### **Indicator 4: Increase first to second year retention rates of "non-college ready" cohort**

**Description:** CCCC will be able to better track retention rates of first-time, full-time degree seeking students by separating the “college ready” from the “non-college ready” students. “Non-college ready” students are those who have enrolled in at least one developmental course during their initial term of enrollment. CCCC annually identifies more than 50% of its incoming students as needing at least one developmental course, most often in the areas of communications or math. In order to better address the needs of these students and provide student support services, CCCC will track retention rates of “non-college ready” students and work to increase the retention rates.

#### **Result:**

### **Indicator 5: Increase the success rate of students passing gateway courses (CM 101, MA 111) on the first attempt**

**Description:** Students face a number of hurdles in their attempts to attain a degree or certificate. One of these hurdles is “gateway courses.” The two gateway courses of CM 101 English Composition I and MA 111 College Algebra are crucial in determining a student’s perseverance to degree completion. CCCC will

work to increase the number of students who successfully complete either or both gateway courses on their first attempt. CCCC will report the aggregate success rate while disaggregating the data for the purpose of instructional improvement and learning support systems enhancement.

**Result:**

**Indicator 6: Increase the Student Success Index**

**Description:** The Student Success Index, as reported using data from the Kansas Higher Education Data System (KHEDS), provides the success rates after the end of year three of each cohort enrolling at Cloud County Community College (CCCC). The Student Success Index includes the following in defining success: all students who were retained or completed a degree, certificate or stand-alone program (occupational programs) or who were retained at a Kansas or other out-of-state higher education institution. The success rate is calculated at the end of year three of each cohort and an overall success rate is reported. CCCC believes this indicator allows for improved accuracy in the measure of performance in CCCC's efforts to increase student success.

**Result:**

## **Review Proposed Amendments to K.A.R. 88-28-1, 88-28-2, 88-28-3, 88-28-4, 88-28-8, 88-28-9, and 88-28-10**

### **Summary**

*Staff recommends a revision to the Kansas Administrative Regulations adopted pursuant to the Private and Out-of-State Postsecondary Educational Institution Act (Act.) During the 2021 legislative session, the Board requested amendments to the Act. These amendments took effect on July 1, 2021. The proposed amendments align the regulation with the authorizing statute. Additionally, the proposed amendments clarify and strengthen the Board's authority over private and out-of-state postsecondary educational institutions operating in Kansas to allow for additional consumer/student protection and institutional accountability.*

*November 17, 2021*

### **Background**

Under the Private and Out-of-State Postsecondary Educational Institution Act (Act), the Board regulates certain private and out-of-state educational institutions that operate in Kansas. The most recent comprehensive legislative review of the Act was conducted in 2010. Since that time, there have been significant changes in the industry, institutions, and federal regulation. As the Board has attempted to implement the Act in this changing environment, it has become apparent that statutory and regulatory amendments are necessary to keep pace and provide the Board with enhanced enforcement mechanisms to facilitate compliance with, and address violations of, the Act and associated regulations.

Upon the Board's request, the 2021 legislature amended the Act. These amendments took effect on July 1, 2021. To align the statute and regulations, amendments to the regulations are necessary. State law establishes the procedure an agency must follow to adopt or amend administrative regulations.

With BAASC's approval, Board staff will initiate the statutorily required process for amending and enacting new regulations. Once the regulations have been reviewed by the Budget Director, Department of Administration, Attorney General's Office, and a public hearing has been held, the draft regulations will be presented to the Board for review.

In addition to aligning the statute and regulations, the proposed regulation amendments are intended to clarify and strengthen the Board's authority over private and out-of-state postsecondary institutions operating in Kansas, allowing for increased consumer protection and institutional accountability. The changes can be grouped into three primary categories: clarification, consumer protection and strengthening oversight.

### **Clarification**

- Define "review course" to mean an educational offering designed to review previous knowledge gained from a completed educational program;
- clarify inspection requirements to ensure institutions receive all required inspections and complete any required improvements;
- remove language regarding any loans institutions receive on behalf of a student from a private lender as the Board is unable to monitor private loans or enforce action;

- clarify the official termination date used for refund calculations; and
- modify the library requirements.

### **Consumer Protection**

- Clarify how institutions maintain student records and specify that student transcripts be kept in an accessible format for 50 years;
- add to catalog requirements, most notably requiring the institution’s attendance policy and grievance policy with Board contact information;
- modify the advertising requirements to require institutions to cite quoted salary figures;
- require notification if an institution is named in any legal action or criminal investigation;
- require accreditation for institutions offering degree level programs;
- establish requirements when an institution is closing, either voluntarily or involuntarily; and
- new regulation establishing requirements for ownership changes, including certification that the new owner will honor the terms of enrollment for students enrolled at the time of the change of ownership.

### **Strengthening Oversight**

- Clarify the type of financial documentation required;
- modify and strengthen the minimum financial requirements and allow for conditions related to financial monitoring;
- allow for virtual or on-site visits by the state board or its designees;
- new regulation establishing standards for a provisional certificate of approval for a degree-granting institution;
- require timely notification of any adverse actions taken by the institution’s accreditor or the United States department of education; and
- clarify that the Board shall not accept accreditation as presumptive evidence of compliance with minimum financial requirements.

A draft of the proposed legislative amendments is below.

**88-28-1. Definitions.** Each of the following terms, wherever used in this article of the board’s regulations, shall have the meaning specified in this regulation:

(a) “Academic year” means instruction consisting of at least 24 semester credit hours over a period of two semesters or the equivalent.

(b) “Associate’s degree” means a postsecondary degree consisting of at least 60 semester credit hours or the equivalent of college-level coursework. This term shall include the following types of associate’s degree:

(1) “Associate in applied science degree” means a technical-oriented or occupational-oriented associate’s degree that meets the following conditions:

(A) Is granted to each student who successfully completes a program that emphasizes preparation in the applied arts and sciences for careers, typically at the technical or occupational level; and

(B) requires at least 15 semester credit hours in general education and at least 30 semester credit hours or the equivalent in the technical content area.

(2) “Associate in arts degree” means an associate’s degree that meets the following conditions:

(A) Is granted to each student who successfully completes a program that emphasizes the liberal arts; and

(B) requires at least 30 semester credit hours or the equivalent in general education, including English, mathematics, humanities, communications, physical sciences, and social and behavioral sciences, or any combination of these subjects.

(3) “Associate in general studies degree” means an associate’s degree that meets the following conditions:

(A) Is granted to each student who successfully completes a program that emphasizes a broad range of knowledge; and

(B) requires at least 24 semester credit hours or the equivalent in general education.

(4) “Associate in science degree” means an associate’s degree that meets the following conditions:

(A) Is granted to each student who successfully completes a program that emphasizes either mathematics or the biological or physical sciences, or both; and

(B) requires at least 30 semester credit hours or the equivalent in general education.

(c) “Bachelor’s degree” and “baccalaureate” mean a degree that meets the following conditions:

(1) Requires the equivalent of at least four academic years of college-level coursework in the liberal arts, sciences, or professional fields meeting the following conditions:

(A) Requires at least 120 semester credit hours or the equivalent;

(B) includes at least 45 semester credit hours or the equivalent in upper-division courses; and

(C) requires at least 60 semester credit hours or the equivalent from institutions that confer a majority of degrees at or above the baccalaureate level; and

(2) requires a distinct specialization, which is known as a “major,” that requires either of the following:

(A) At least one academic year, or the equivalent in part-time study, of work in the major subject and at least one academic year, or the equivalent in part-time study, in related subjects; or

(B) at least two academic years, or the equivalent in part-time study, in closely related subjects within a liberal arts interdisciplinary program.

(d) “Catalog” means a document delivered in print or on-line containing the elements specified in K.A.R. 88-28-2.

(e) “Closure of an institution” and “closure” mean the practice of no longer allowing students access to the institution to receive instruction. Closure of an institution occurs on the calendar day immediately following the last day on which students are allowed access to the institution to receive instruction.

(f) “Degree program” means a course of study that meets the following conditions:

(1) Leads to an associate’s degree, a bachelor’s degree, a master’s degree, an intermediate (specialist) degree, a first professional degree, or a doctor’s degree; and

(2) consists of at least 30 semester credit hours or the equivalent of coursework in a designated academic discipline area.

(g) “Doctor’s degree” means a degree that may include study for a closely related master’s degree and that meets the following conditions:

(1) Is granted to each student who successfully completes an intensive, scholarly program requiring the equivalent of at least three academic years beyond the bachelor’s degree;

(2) requires a demonstration of mastery of a significant body of knowledge through successful completion of either of the following:

(A) A comprehensive examination; or

(B) a professional examination, the successful completion of which may be required in order to be admitted to professional practice in Kansas; and

(3) requires evidence, in the form of a doctoral dissertation, of competence in independent basic or applied research that involves the highest levels of knowledge and expertise.

(h) “Enrollment documents” means written documentation provided by an institution to a student in which the institution agrees to provide instruction to the student for a fee. The enrollment documents shall meet the requirements of K.A.R. 88-28-7.

(i) “Enrollment period” means the period of time specified in enrollment documents during which instruction, including any examinations given, is to be provided to a student.

(j) “Entering an institution” means commencing class attendance by a student at an on-site institution or first submitting a lesson by a student for evaluation in a distance education program.

(k) “First professional degree” means a degree that meets the following conditions:

(1) Is granted to each student who successfully completes study beyond the fulfillment of undergraduate requirements, as approved by the state board;

(2) requires the equivalent of at least five academic years of study, including work towards a bachelor’s degree; and

(3) includes a specialization in a professional field.

(l) “Honorary degree” means a special degree awarded as an honor that is bestowed upon a person without completion of the usual requirements.

(m) “Intermediate (specialist) degree” means a degree, including an educational specialist degree, granted to each student who successfully completes a program requiring the equivalent of at least one academic year beyond the master’s degree in a professional field.

(n) “Master’s degree” means a degree that meets the following conditions:

(1) Is granted to each student who successfully completes a program in the liberal arts and sciences or in a professional field beyond a bachelor's degree;

(2) requires the equivalent of at least one academic year in a curriculum specializing in a single discipline or single occupational or professional area; and

(3) culminates in a demonstration of mastery, which may include one or more of the following:

(A) A research thesis;

(B) a work of art; or

(C) the solution of an applied professional problem.

(o) "Program" means either of the following:

(1) A course or series of courses leading to a certificate, diploma, or degree; or

(2) training that prepares a person for a field of endeavor in a business, trade, technical, or industrial occupation.

(p) "Review course" means an educational offering designed to review previous knowledge gained from an completed educational program.

(q) "Upper-division course" means any course with content and teaching appropriate for students in their third and fourth academic years or for other students with an adequate background in the subject.

(Authorized by and implementing K.S.A. ~~2016 Supp.~~ 74-32,165, as amended by L. 2021, ch. 17, sec. 8; effective Oct. 20, 2006; amended March 18, 2011; amended May 26, 2017; amended P-\_\_\_\_\_.)

**88-28-2. Minimum requirements.** (a) ~~Except as provided in subsection (c), in order to~~ To qualify for a certificate of approval, each applicant institution shall be required to meet the criteria listed in K.S.A. 74-32,169 and amendments thereto. An owner of each applicant institution or the owner's designee shall submit evidence that the institution meets the following minimum requirements:

(1) The physical space shall meet the following requirements:

(A) Be free from hazards and be properly maintained;

(B) provide learning environments appropriate for each curriculum in size, seating, lighting, equipment, and resources;

(C) be either owned by the institution or accessed through a long-term lease or other means of access that indicates institutional stability; and

(D) if the physical space includes student housing owned, maintained, or approved by the institution, meet all local standards for public health and safety.

(2) The owner or the owner's designee has received all required inspections and written reports from the local fire department, state fire marshal, and other agencies responsible for ensuring public health and safety, and completed any required improvements. The written reports for the current year and the previous, which shall be maintained on-site, with one copy sent to the state board annually and provided to the state board upon request.

(3) The administrative personnel of the institution shall meet the following requirements:

(A) Be adequate in number to support the programs offered; and

(B) be adequately prepared for operating an institution through training, experience, credentialing, or any combination of these.

(4) The executive and academic leadership of the institution shall have qualifications that reasonably ensure that the purpose and policies of the institution are effectively maintained. The administrative responsibilities and concomitant authority of the executive and academic leadership shall be clearly specified in the institution's files.

(5) All academic, enrollment, and financial records of the students shall be securely maintained and protected from theft, fire, and other possible loss. ~~These records~~ Student transcripts shall be kept in an accessible format for 50 years from each student's last date of attendance.

~~(6) All records describing the personnel related to and the development of the following operations shall be maintained for at least three years:~~

~~(A) The administration;~~

~~(B) the curricula;~~

~~(C) student guidance;~~

~~(D) instructional supplies and equipment;~~

~~(E) the library;~~

~~(F) the institution's physical plant;~~

~~(G) the staff; and~~

~~(H) student activities.~~

~~(7)(6)~~ The owner of the institution or the owner's designee shall submit to the state board the most recent financial statements for the institution operating in Kansas and for any parent or holding companies related to that institution. To receive a certificate of approval without conditions related to financial monitoring, the financial statements provided to the state board shall demonstrate a profit earned before depreciation, amortization, and taxes (a positive change in net assets for non-profits) and meet at least one ~~one~~ two of the following requirements for the most recent fiscal or calendar year ~~or for the two most recent fiscal or calendar years combined~~. If the financial statements do not meet only one of the following requirements or report a negative profit earned before depreciation, amortization, and taxes, (or a negative change in net assets for non-profits), the certificate of approval shall be conditioned to require financial monitoring and additional conditions may be imposed pursuant to K.S.A. 74-32,172, and amendments thereto.

(A) Demonstrate a minimum ratio of current assets to current liabilities of at least 1:1. This asset ratio shall be calculated by adding the cash and cash equivalents to the current accounts receivable and dividing the sum by the total current liabilities; ~~Extraordinary items, prior period adjustments, changes in accounting principles, questionable accounting treatments, unsecured or uncollateralized related-party receivables, intangible assets, and restricted assets shall be excluded; or~~

(B) exhibit a positive net worth in which the total assets exceed the total liabilities. This measure shall be calculated by subtracting total liabilities from total assets. Extraordinary items, prior period adjustments, changes in accounting principles, questionable accounting treatments, unsecured or uncollateralized related-party receivables, intangible assets and restricted assets shall be excluded; or

~~(C) demonstrate a profit earned before depreciation, amortization, and taxes.~~

~~(8) If the institution receives any loans on behalf of a student from a private lender, the institution shall meet all of the following provisions and requirements:~~

~~———(A) The loan funds may be applied to tuition, fees, or living expenses, or any combination, for a student.~~

~~(B) The institution shall not accept all loan funds up front. The funds received shall arrive in multiple disbursements, with the first arriving after the first day of classes and the second arriving at least halfway through the enrollment period. The disbursements shall be at least 90 days apart.~~

~~(C) All refunds shall be made to the bank rather than to the borrower.~~

~~(D) Upon receipt of loan funds for items to be provided by the institution to the student, the institution shall provide these items to the student, with the exception of test vouchers.~~

~~(E) The institution shall not receive any loan funds for a student before the student first attends any course or accepts any on-line materials.~~

~~(F) If providing a test voucher for a student, the institution shall not receive any loan funds for the test voucher more than 30 days before the student is scheduled to take the test.~~

~~(9) (7) Each institution shall have a tuition refund policy and a student enrollment cancellation policy, called the “refund policy” in these regulations, that meets the following requirements:~~

~~(A) Is published in the institution’s catalog;~~

~~(B) complies with K.S.A. 74-32,169 and amendments thereto;~~

(C) establishes that each student will be reimbursed for any items for which the student was charged but did not receive, including textbooks and software;

(D) has no more stringent requirements than the following:

(i) All advance monies, other than an initial, nonrefundable registration fee, paid by the student before attending class shall be refunded if the student requests a refund, in writing, within three days after signing an enrollment agreement and making an initial payment;

(ii) for institutions collecting a nonrefundable initial application or registration fee, the student shall be required to sign a written statement acknowledging that the initial application or registration fee is nonrefundable. This statement may be a part of the enrollment documents, as described in K.A.R. 88-28-7;

(iii) each student who has completed 25 percent or less of a course and withdraws shall be eligible for a pro rata refund. The completion percentage shall be based on the total number of calendar days in the course and the total number of calendar days completed. In determining the official termination date and percentage of each course completed, the institution may consider the week during which the student last attended to be an entire week of attendance completed. After a student has attended at least 25 percent of the course, tuition and fees shall not be refundable;

(iv) all monies due to a student shall be refunded within 60 days from the last day of attendance or within 60 days from the receipt of payment if the date of receipt of payment is after the student's last date of attendance; and

(v) for institutions with programs consisting of fewer than 100 clock-hours, refunds may be calculated on an hourly, pro rata basis.

~~(10)~~(8) All correspondence from the institution regarding the enrollment cancellation of a student, and any refund owed to the student, shall reference the refund policy of the institution.

~~(11)~~(9) The required catalog of the institution's operation and services published electronically or in print, or both, shall include the following items:

(A) A table of contents;

- (B) a date of publication;
- (C) a list of any approvals, including contact information for the state board, and accreditations, including contact information, affiliations, and memberships that the institution has obtained;
- (D) any requirements that students must meet to be admitted;
- (E) an academic calendar or a reference to a published calendar used by the institution;
- (F) the name and nature of each occupation for which training is given;
- (G) the curricula offered, including the number of clock-hours or credit hours for each course in each curriculum;
- (H) a description of the physical space and the educational equipment available;
- (I) the tuition and fees charged;
- (J) a description of the system used to measure student progress;
- (K) the graduation requirements or completion requirements, or both;
- (L) the institutional mission;
- (M) identification of the owner of the institution;
- (N) a list of the instructors teaching in Kansas, including their degrees held and the institutions from which their degrees were received;
- (O) the institutional rules;
- (P) the institution's policies for tuition refund and student enrollment cancellation, as described in paragraph (a)(9);
- (Q) the extent to which career services are available; ~~and~~

(R) the institution's policies for transfers into the institution and to a different institution of clock-hours or credit hours and for advanced-standing examinations;

(S) an attendance policy; and

(T) a grievance policy and complaint procedures, including contact information for the state Board, as required by K.S.A. 74-32,169, and amendments thereto.

~~(12)~~(10) The enrollment documents shall meet the requirements of K.A.R. 88-28-7.

~~(13)~~(11) All advertising and promotional materials shall meet the following requirements:

(A) Include the correct name of the institution that is approved by the state board;

(B) be truthful and not misleading by actual statement or omission;

(C) not be located in the employment or "help wanted" classified ads;

(D) not quote salaries for an occupation in the institution's advertising or promotional literature without including either the documented median starting wage of a majority of the institution's graduates who graduated within the most recent calendar year or a citation to a governmental agency or nationally recognized source of the quoted salaries;

(E) make no offers of institutional scholarships or partial institutional scholarships, unless the scholarships are bona fide reductions in tuition and are issued under specific, published criteria;

(F) use the word "accredited" only if the accrediting agency is one recognized by the United States department of education;

(G) not make any overt or implied claim of guaranteed employment during training or upon completion of training, in any manner; and

(H) not use letters of endorsement, recommendation, or commendation in the institution's advertising and promotional materials, unless the letters meet the following requirements:

(i) The institution received the prior, written consent of the authors;

(ii) the institution did not provide remuneration in any manner for the endorsements; and

(iii) the institution keeps all letters of endorsement, recommendation, or commendation on file, subject to inspection, for at least three years after the last use of the contents in advertising or promotional materials.

~~(14)~~(12) Each curriculum shall meet the following requirements:

(A) Be directly related to the institution's published mission;

(B) evidence a well-organized sequence of appropriate subjects leading to occupational or professional competence;

(C) reasonably and adequately ensure achievement of the stated objectives for which the curriculum is offered;

(D) if the curriculum prepares students for licensure, be consistent with the educational requirements for licensure; and

(E) if courses are delivered by distance education, meet the same standards as those for courses conducted on-site.

~~(15)~~(13) The published policies for measuring student progress shall be followed.

~~(16)~~(14) All instructional materials shall meet the following requirements:

(A) Reflect current occupational knowledge and practice applicable to the field of study and meet national standards if the standards exist;

(B) be sufficiently comprehensive to meet the learning objectives stated in the institution's published catalog;

(C) include suitable teaching devices and supplemental instructional aids appropriate to the subject matter; and

(D) be applicable to the curricula and the students.

~~(17)~~(15) All instructional equipment shall meet the following requirements:

(A) Be current and maintained in good repair; and

(B) be used by students according to written policies for safe usage.

~~(18)~~(16) Each faculty member shall be qualified to teach in the field or fields to which the member is assigned. Faculty responsibilities may be defined in terms of the number of hours taught, course development and research required, level of instruction, and administrative, committee, and counseling assignments.

~~(19)~~(17) Each faculty member's minimum academic credential shall be at least one degree-level above the degree being taught, unless other credentials are typically used in lieu of the academic degree in a particular field of study. In those cases, qualifications may be measured by technical certifications, relevant professional experience, professional certifications, creative activity, training, or licensure, or any combination of these. The institution shall provide documentation that all faculty appointments meet these standards.

~~(20)~~(18) The instructors in all programs shall maintain continuous professional experience ~~through one or more of the following activities:~~

~~(A) Maintain membership in and participate in educational, business, technical, or professional organizations;~~

~~(B) continue their education in their professional fields; or~~

~~(C) have concurrent, related work experience.~~

~~(21)~~(19) In-service training that is consistent with the institution's mission shall be provided for the improvement of both the instructors and the curricula.

~~(22)~~(20) All students shall be given the appropriate educational credentials upon completion of the program that indicate satisfactory completion.

~~(23)~~(21) Each certificate, diploma, or degree shall include the following information, at a minimum:

(A) The name of the graduate;

(B) the name of the program completed;

(C) the name of the institution issuing the credential; and

(D) the date on which the graduate completed the program.

(b) In addition to meeting the requirements of subsection (a), an owner of the applicant institution for which degree-granting authority is sought, or the owner's designee, shall also submit evidence that the institution meets the following minimum requirements:

(1) Each degree program for which degree-granting authority is sought shall meet the criteria specified in the definition of that degree in K.A.R. 88-28-1.

(2) The library holdings maintained in a physical library or on-line, or in a combination of a physical library and on-line, shall be appropriate to each degree awarded. ~~All of the following requirements shall be met:~~

~~(A) A professionally trained librarian shall maintain the holdings.~~

~~(B) An annual budget shall be established to maintain and improve the holdings, including the appropriate classification and inventory of the holdings.~~

~~(C) Physical holdings, on-line holdings, or a combination of these holdings shall be made available at times when students are not in class, including weekend and evening hours.~~

~~(D) The library holdings shall be up to date and shall include full-text titles appropriate to the degrees offered.~~

~~(E) The faculty shall be given an opportunity to participate in the acquisition of library holdings, whether physical or on-line.~~

~~(F) If the institution uses interlibrary agreements, the agreements shall be well documented, and access to other libraries' collections shall be practical for students.~~

(3) Each institution's governing structure shall clearly delineate the responsibility for all legal aspects of operations, the formulation of policy, the selection of the chief executive officer, and the method of succession. If the institution is governed by a board or group of officers, the following aspects of the board or group shall be clearly defined:

- (A) The membership;
- (B) the manner of appointment;
- (C) the terms of office; and
- (D) all matters related to the duties, responsibilities, and procedures of that body.

(4) The financial statements for the institution shall be audited by a CPA.

(5) The institution is accredited by or making progress toward successful attainment of accreditation by a recognized accrediting organization; and

If an institution has accreditation issued by ~~a regional or national~~ an accrediting agency recognized by the United States department of education, that accreditation may be accepted by the state board as presumptive evidence that the institution meets the minimum requirements specified in this regulation. However, each degree program for which degree-granting authority is sought shall meet the criteria specified in the definition of that degree in K.A.R. 88-28-1. The state board shall not accept accreditation as presumptive evidence of compliance with minimum financial requirements. (Authorized by K.S.A 2016 Supp. 74-32,165; implementing K.S.A. 2016 Supp. 74-32,165, as amended by L. 2021, ch. 17, sec. 8, 74-32,168, as amended by L. 2021, ch. 17, sec. 19, and 74-32,169, as amended by L. 2021, ch. 17, sec. 11; effective Oct. 20, 2006; amended May 26, 2017; amended P-\_\_\_\_\_.)

**88-28-3. Certificates of approval.** (a) A certificate of approval may be issued with degree-granting authority or without degree-granting authority.

(b) An owner of each institution for which a certificate of approval to operate in Kansas is sought, or the owner's designee, shall submit an application on a form provided by the state board. An owner of each institution for which degree-granting authority is sought, or the owner's designee, shall indicate on the application that degree-granting authority is requested and shall specify the degree programs proposed to be offered by the institution.

(c) An owner of each institution or the owner's designee shall submit the following information with the application:

- (1) An outline or syllabus of each course offered in Kansas or to Kansas residents while they remain in Kansas;
- (2) a description of the institution's facilities, equipment, and instructional materials;
- (3) a certification by an owner of the applicant institution or the owner's designee that the building that is to house the institution meets the requirements of all local, state, and federal regulations;
- (4) a resume of each administrator and instructor that includes the individual's education, previous work experience, professional activities, and, if applicable, licensure;
- (5) evidence of the institution's professional development and in-service activities;
- (6) a copy of the proposed catalog or, if existing, a copy of each of the institution's most recent catalogs, bulletins, and brochures, with any supplements, or functional equivalents;
- (7) a copy of the enrollment documents, or functional equivalent;
- (8) a copy of the credential to be given to each student upon completion of a program;
- (9) a description of how the student and administrative records are maintained as required by K.A.R. 88-28-2;
- (10) a copy of any advertising used;
- (11) a financial statement showing income and expenditures for the most recent, complete fiscal year.

These documents shall be in the form of a balance sheet or statement of financial position and income statement or statement of activities. These documents shall be audited by a certified public accountant if the institutions is requesting degree-granting authority or the institution participates in title IV student financial aid programs under the higher education act of 1965, as amended prepared and acknowledged by a certified public accountant

~~and, in the case of an institution requesting degree-granting authority, shall be audited by a certified public accountant;~~

(12) for an institution in its first calendar year of operation, a business plan with the initial application, which shall include the following:

(A) An income statement or statement of activities that provides projected revenue and expenses for the first year of operation; and

(B) written documentation evidencing the amounts and sources of capital currently available to the institution for payment of start-up costs and any potential losses; and

(13) a copy of any certificate of accreditation issued to the institution by ~~a regional or national~~ an accrediting agency recognized by the United States department of education and a report of any adverse actions during the last three academic years.

(d) If an institution is found to be eligible for a certificate of approval, an owner of the applicant institution or the owner's designee shall be notified of the pending conditional approval of the institution. Following notification, an owner of the applicant institution or the owner's designee shall furnish a surety bond ~~or other equivalent security acceptable to the state board~~ in the amount of \$20,000, as required by K.S.A. 74-32,175 and amendments thereto. A certificate of approval shall not be issued until the surety bond ~~or other security~~ is filed with and accepted by the state board.

(e) On the state board's own motion or upon a written complaint filed by any person doing business with the institution, an investigation of the institution may be conducted by the state board. Based upon the results of the investigation, the institution may be ordered by the state board to take corrective action, or proceedings may be initiated by the state board to revoke or condition the institution's certificate of approval. The approval to grant degrees may be revoked in whole or for specific degree programs if an institution is not in compliance with the minimum standards specified in K.S.A. 74-32,169, and amendments thereto, and K.A.R. 88-28-2.

(f) An owner or the owner's designee of each institution with degree-granting authority that seeks to begin a new degree program shall file for an amendment to its certificate of approval on a form provided by the

state board. Each new degree program shall meet the criteria specified in the definition of that degree in K.A.R. 88-28-1. The owner of the institution or the owner's designee shall submit the following items with the application to amend its certificate of approval:

- (1) An outline of the curriculum to be offered for the new degree;
- (2) the qualifications of the faculty to be involved in the program of study;
- (3) the relationship of the new degree program to the mission of the institution; and
- (4) any other information requested by the board.

(g) If an institution is named in any legal action or criminal investigation after it has obtained a certificate of approval, the owner or owner's designee shall notify the state board of the legal action or criminal investigation.

(h) If there are any changes or adverse actions taken by the United States Department of Education or the institution's accreditor, the owner or the owner's designee shall notify the state board of the action within a week of receipt. (Authorized by K.S.A. ~~2016 Supp.~~ 74-32,165, as amended by L. 2021, ch. 17, sec. 8; implementing K.S.A. ~~2016 Supp.~~ 74-32,167, as amended by L. 2021, ch. 17, sec. 9, 74-32,168, as amended by L. 2021, ch. 17 sec. 10, 74-32,172, as amended by L. 2021, ch. 17, sec. 14, and 74-32,175, as amended by L. 2021, ch. 17, sec. 16; effective Oct. 20, 2006; amended May 26, 2017; amended P-\_\_\_\_\_.)

**88-28-4. ~~On-site~~Site visits.** Each applicant institution shall submit to on-site or virtual visits ~~to the institution~~ by state board designees and shall cooperate ~~with these designees~~ by providing immediate access to records and premises, as requested.

(Authorized by K.S.A. ~~2016 Supp.~~ 74-32,165, as amended by L. 2021, ch. 17, sec. 8; implementing K.S.A. ~~2016 Supp.~~ 74-32,165, as amended by L. 2021, ch. 17, sec. 8, 74-32,169, as amended by L. 2021, ch. 17, sec. 11; effective Oct. 20, 2006; amended May 26, 2017; amended P-\_\_\_\_\_.)

**88-28-8. ~~Student records upon closure~~ Closure of an institution.** (a) If an institution is closing, either voluntarily or involuntarily, the owner shall cease all recruitment efforts, school marketing, advertising, solicitation, and enrollment of new students. The state board shall require additional documentation including:

(1) A written statement from the owner or the owner's designee detailing the intent and timeline to close the institution;

(2) a copy of the closure notices provided to students;

(3) a list of current students including contact information, the program in which the student is enrolled, expected graduation date, and any potential refund due to the student;

(4) a teach-out or transfer plan for current students;

(5) list identifying the location of all student records, including student transcripts; and

(6) an active mailing address and telephone number where the school owner may be reached after the school physically closes.

(b) Upon closure of an institution physically located in Kansas, an owner of the institution or the owner's designee shall deliver to the state board or make available to the state board through an approved third party all ~~records~~ transcripts of the students who are or have been in attendance at the institution. Upon closure of an institution that is not physically located in Kansas, an owner of the institution or the owner's designee shall deliver to the state board or make available to the state board through an approved third party all transcripts of the students who are or have been in attendance at the institution and reside in Kansas. Records for any student with a hold on their record must be included. These records shall be delivered or made available no more than 15 calendar days following the closure.

~~(b)~~(c) The owner of an institution or the owner's designee shall get approval from the state board before contracting with a third-party to maintain student records. To request approval, the owner or owner's designee

shall provide the state board contact information for the potential third-party, a description of the records transferred, a copy of the contract, and a timeline for the transfer.

(d) If the student records are not delivered or made available to the state board as required by subsection (a)(b), any action deemed necessary may be commenced by the state board to obtain possession of the records.

(Authorized by K.S.A. ~~2016 Supp.~~ 74-32,165, as amended by L. 2021, ch. 17, sec. 8; implementing K.S.A. ~~2016 Supp.~~ 74-32,175, as amended by L. 2021, ch. 17, sec. 16; effective Oct. 20, 2006; amended May 26, 2017; amended: P-\_\_\_\_\_ .)

**New Section. 88-28-9. Ownership changes.** (a) At least 60 days prior to a change of ownership, the new owner shall submit a change of ownership application and associated documents, including:

- (1) Documentation of the sale or transfer of ownership;
- (2) a report of assets and liabilities that were transferred;
- (3) an updated surety bond as required by K.A.R. 88-28-3 with the new owner named as the principal;
- (4) the new owner's most recent financial statements;
- (5) a description of any changes to the institution's mission as a result of the ownership change;
- (6) a description of any changes to programs as a result of the ownership change; and
- (7) a list of any changes to administrative personnel, executive and academic leadership, and the list of instructors teaching in Kansas, including their degrees held and the institutions from which their degrees were received.

(b) The new owner shall certify in writing that the new owner shall:

- (1) Maintain and service all student records that were the responsibility of the prior owner;

(2) resolve all student complaints that were the responsibility of the prior owner and filed with the state board prior to final approval of the change of ownership; and

(3) honor the terms of the student enrollment documents, institutional scholarships, and grants for all students enrolled and taking classes at the time of the change of ownership.

(Authorized by and implementing K.S.A. 74-32,170a, as amended by L. 2021, ch. 17, sec. 2; effective P-\_\_\_\_\_.)

**New Section. 88-28-10. Provisional Certificate of Approval.** (a) In addition to satisfying the minimum requirements established in K.A.R. 88-28-2, the owner of a degree-granting institution seeking a provisional certificate of approval pursuant to K.S.A. 74-32,168, and amendments thereto, shall provide additional documentation as required by the state board, including:

(1) documentation of adequate operating reserves sufficient to support operations including expenses related to accreditation, staffing, development of curriculum, equipment, and building construction; and

(2) a detailed plan for achieving accreditation.

(b) Once a provisional certificate of approval is awarded, the owner shall provide quarterly updates on the institution's progress toward full accreditation.

(c) Before enrolling its first class of students, the owner of an institution with a provisional certificate of approval must demonstrate the existence of reserve funds in an amount equal to the tuition multiplied by the number of students in the first class multiplied by the length of the program. The reserve funds shall remain in escrow until the first class of students graduate. The reserve funds' purpose is to provide financial support for the cost of a teach-out and indemnification of any students for losses suffered if the institution fails to achieve full accreditation. The reserve funds must be wholly owned assets of the institution or parent institution and shall not be borrowed or pledged funds. (Authorized by K.S.A. 74-32,165, as amended by

L. 2021, ch. 17, sec. 8; implementing K.S.A. 74-32,168, as amended by L. 2021, ch. 17, sec. 10; effective P-  
\_\_\_\_\_.)