

Pennsylvania Policies to Protect Students in the Event of Closure or Catastrophic Event

Surety and Student Protection

Colleges, universities, and seminaries are required by statute under 24 C.S.A. § 6502 (b) (1) to maintain a minimum protective endowment of \$500,000. The institution would be required to use the funds in the protective endowment to reimburse unearned student tuition in the event of closure and failure to provide adequate teach out or transfer services.

Private Licensed Schools are required by 22 Pa. Code §73.54 to obtain surety at a minimum of \$10,000, increasing by \$10,000 for each additional \$500,000 in tuition revenue. Surety will be used to reimburse unearned student tuition in the event of closure and failure to provide adequate teach out or transfer services.

Records Protection

Colleges, universities, and seminaries facing potential closure are required by PA regulations 22 Pa. Code § 31.72 to protect student records at a depository and inform students and graduates of the location of records. Institutions are required by 22 Pa. Code § 31.33 (a) to maintain student transcripts and maintain a plan for the maintenance and dissemination of student records in accordance with all federal, state, and local laws and Department directives.

Private Licensed Schools are required by 22 Pa. Code §§ 73.24- 73.26 to maintain student academic records and to place the records with an approved depository in the event of closure.

Institutional Closure

Colleges, universities, and seminaries facing potential closure are required by PA regulations 22 Pa. Code § 31.72 to ensure that students may complete their graduation requirements at other institutions and receive their degrees, facilitate student transfer, protect student records at a depository and inform students and graduates of the location of records.

Private Licensed Schools are required by 22 Pa. Code §73.95 to provide notification at least 30 days in advance of closure.