



**Nonpublic Postsecondary Education Commission
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**Brian P. Kemp
Governor**

**Kirk Shook
Executive Director**

To: All Parties on the Nonpublic Postsecondary Education Commission's Policy Making Mailing List
All Interested Parties via Publication by the Nonpublic Postsecondary Education Commission

From: Georgia Nonpublic Postsecondary Education Commission
2082 E. Exchange Place
Tucker, GA 30084

Date: May 8, 2024

The Nonpublic Postsecondary Education Commission (NPEC) is continuing to take steps to update its currently promulgated policies to ensure that they are accurate and current. NPEC will hold its Quarterly Commission meeting on Monday, May 20, 2024 at 1pm at Covenant College. At that meeting, the Commission intends to take the following steps.

The Commission will vote regarding amending the following policies:

Policy 16: Surety Bond Requirements

1. Pursuant to Code Section 20-3-250.8(a) Each nonpublic postsecondary educational institution desiring to operate or conduct postsecondary activities in this state shall make application to the commission, upon forms to be provided by the commission.

2. In accordance with O.C.G.A. § 20-3-250.10, an initial or renewing applicant for authorization to operate may be required to file with the executive director a good and sufficient surety bond with at least a B+ bond rating by a recognized bond rating agency in such sum as determined by the Commission in accordance with the bond amount schedule. As of July 1, 2022, required bond amounts are as follows:

Gross Tuition	Minimum Bond/Letter of Credit
\$0.00 – 50,000.00	\$20,000.00
\$50,001.00 – 100,000.00	\$30,000.00
\$100,001.00 – 200,000.00	\$50,000.00
\$200,001.00 – 300,000.00	\$75,000.00
\$300,001.00 – 400,000.00	\$100,000.00
\$400,001.00 – 500,000.00	\$150,000.00
\$500,001.00 – 1,000,000.00	\$250,000.00
\$1,000,001.00 – 2,000,000.00	\$350,000.00
\$2,000,001.00 – 5,000,000.00	\$500,000.00
\$5,000,000.00 – 10,000,000.00	\$750,000.00
\$10,000,001.00 and over	\$1,000,000.00*

**For every \$10,000,000.00 of additional gross tuition reported by the institution, an additional \$1,000,000.00 of bonding shall be required. For example, for an institution reporting \$50 million in gross annual tuition, a \$5 million bond would be required.*

The required bond amounts are subject to change from time to time by commission vote.

Pursuant to statute and this Policy, the bond must be provided to GNPEC in substantial conformance with such forms as provided by the commission and incorporated herein by reference.

3. These forms may be updated from time to time by the commission to reflect revisions to statute and to make administrative revisions.
4. The Executive Director is authorized, in his or her sole discretion, to require an applicant to file with the commission a surety bond if a financial assessment includes findings or notes raising concern about such applicant's institutional internal controls or recommends that such applicant be placed on financial monitoring status.
5. An institution's failure to maintain a surety bond as set forth herein will result in suspension and/or termination of its authorization to operate, in accordance with O.C.G.A. § 20-3-250.10 and a determination by the Executive Director in accordance with applicable law and agency policies.
6. In lieu of a bond, the Executive Director may accept an irrevocable bank standby letter of credit from a federally insured financial institution in the amount required to satisfy the bonding requirements set forth by the Commission.

Interested persons may submit written comments to Kirk Shook, Executive Director, Georgia Nonpublic Postsecondary Education Commission, 2082 East Exchange Place, Tucker, Georgia 30084- 5305, info@gnpec.ga.gov. All written comments must be received by 9:00 a.m. on Monday, May 20, 2024. Interested persons may also participate in the proposed policy making by presenting comments orally at a public hearing to commence at 1:00 p.m. on May 20, 2024 at Covenant College at the Quarterly Commission Meeting.

Oral presentations at the hearing may be limited to five (5) minutes per person in order to afford all interested persons an opportunity to be heard. If you have a physical impairment and require assistance or have any questions regarding this notice, please contact the Nonpublic Postsecondary Education Commission.

Based upon full consideration of all written and oral comments regarding the above matters, the Commission may reject or adopt the proposed policies or may make changes to the proposed policies.

The Commission intends to consider these matters at a Quarterly Commission Meeting at 1:00 p.m. on May 20, 2024 at Covenant College.

Direct all written correspondence to:

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