

**Council on Postsecondary Education
September 28, 2008**

GED[®] Testing Program Regulation

ACTION: The staff recommends that the Council approve the proposed amendment to the administrative regulation titled 785 KAR 1:010 GED Testing Program and file the administrative regulation with the Legislative Research Commission.

Overview

Kentucky Adult Education, a unit of the Council on Postsecondary Education, is charged with the responsibility of administrative oversight for the state's GED testing program.

The GED tests cover five subject areas which in total are called a test battery. The test battery is usually given over two days in three sub-sessions. One battery is required per examinee and each battery may only be used 15 times in a calendar year. In Kentucky, during fiscal year 2007-08, 12,885 individuals took one or more parts of the test battery.

Currently, the test fee is \$40 for the entire battery of five tests or \$10 per individual test or retest. GED testing is provided across the state at 42 testing centers. These testing centers are located at public and nonprofit educational institutions. They provide this service locally, supported financially only by the GED test fee established in regulation. The fee is intended to be set at a rate that covers all of the costs or expenditures associated with providing this service.

A mid-year analysis revealed that the GED test fee is not sufficiently covering costs intended for centers to break even and, in fact, there are centers operating at a deficit so large that they are considering closing. Careful financial analysis was performed and showed that a moderate fee increase (outlined in the proposed regulation change) is needed for testing centers to continue operation without suffering fiscal hardship and possible closure.

Rationale

A fiscal year 2007-08 expenditure-revenue analysis of nine testing centers showed deficits ranging from \$919 for a small testing center to \$82,668 for a larger testing center covering multiple counties. Testing center fiscal agents (community colleges, universities, boards of education) have been absorbing these operating deficits to continue access to testing.

Staff recommends increasing the test fee over a period of two years to \$60 for the battery of five tests and \$30 per sub-session retaken for the following reasons:

- The test fee in Kentucky has not increased since 2005.
- The cost of testing materials has increased from \$40 per test battery in 1994 to \$200 per battery in 2008, a 400 percent increase. Since the test fee in Kentucky was last changed in 2005, GED Testing Service has increased the charge for each battery \$25, a 14 percent increase.
- The annual testing center fee has gone from \$50 in 1994 to \$175 in 2008, a 350 percent increase. This annual fee has increased \$25 since 2005, a 17 percent increase.
- The test fee increase in 2005 allowed for fixed costs of \$37, meaning the testing centers had only \$2 to \$3 to cover supplies, administration, differences in examiner salaries (depending on the contracting entity), and any inflationary increases. At mid-year 2008, there are several testing centers in danger of closing due to budget reductions, increasing testing costs, or eliminated or reduced in-kind contributions.
- The Kentucky test fee for all examinees must cover the cost for accommodated testing for students with disabilities, which may include testing in a private room, extended time, etc. This is required by the Americans with Disabilities Act and GED Testing Service[®] and cannot be provided at a higher test fee. Accommodated testing will normally cost twice as much as a full test session or approximately \$1,000. Over the past seven years, the average number of accommodated tests per year is 70.

In an effort to control costs and increase efficiencies at the testing centers, Kentucky Adult Education instituted three new statewide policies effective July 1, 2008, to help testing centers become more financially viable and to preserve access. These policies require prepayment of the test fee, a penalty for not keeping the scheduled test appointment, and proof of test readiness for those retesting. Kentucky Adult Education is continuing to identify and implement policies that will preserve access while increasing efficiencies.

The nationwide average fee charged by states is \$60. Test fees range from \$13 to \$250. Test fees in West Virginia are \$50, Ohio \$65, Tennessee and Indiana \$60.

Staff recommends increasing the test fee to:

- \$50 with a sub-session fee of \$25 on July 1, 2009.
- \$55 with a \$25 sub-session fee on July 1, 2010.
- \$60 with a \$30 sub-session fee on July 1, 2011.
- The sub-session retest fee would not exceed the total test fee regardless of the number of sub-sessions taken.

The \$10 fee increase for first-time test-takers from \$40 to \$50 would, based on the number of FY 07-08 first-time test-takers, produce a statewide increase of \$104,930 for 42 testing centers serving 156 sites. Based on the 3,891 test-takers who took one retest last year, the \$15 increase from \$10 per subtest to \$25 per subtest would generate increased statewide revenue from \$38,910 to \$97,275 for the 42 testing centers. What these increases would

produce for any individual test center would depend on how many first-time test-takers and how many retesters they would serve.

KYAE will continue to charge \$25 for the issuance of a duplicate GED diploma. Post-secondary institutions, employers, and the military require the GED transcript as proof of education. KYAE proposes to increase the cost of a duplicate transcript from \$5 to \$10 for the following reasons:

- The transcript fee has not been increased since 1990.
- The volume of transcript requests has increased from 2,581 in 2000 to a projected 13,664 this year, a 420 percent increase. The 1990 fee does not cover the staff and material cost to process this volume of requests.

1 COUNCIL ON POSTSECONDARY EDUCATION

2 (Amendment)

3 785 KAR 1:010. GED[®] Testing Program.

4 RELATES TO: KRS 151B.125

5 STATUTORY AUTHORITY: KRS 151B.023, 151B.410~~[, EO 2004-725]~~

6 NECESSITY, FUNCTION, AND CONFORMITY: KRS 151B.410(1) requires the Kentucky
7 ~~[Department for]~~ Adult Education program [and Literacy] to administer a statewide adult
8 education and literacy program, and to promulgate [necessary] administrative regulations to
9 effect this mandate [and administer a statewide adult education and literacy system throughout
10 ~~the state.~~ KRS 151B.023 requires Kentucky [the Department for] Adult Education ~~[and~~
11 ~~Literacy]~~ to implement a [the] twenty (20) year state strategy to reduce the number of adults at
12 the lowest levels of literacy and most in need of adult education and literacy services. KRS
13 151B.125 recognizes the Tests of General Educational Development or GED Tests [test] for high
14 school equivalency purposes in Kentucky. ~~[EO 2004-725 abolished the Department for Adult~~
15 ~~Education and Literacy and transferred its duties to the Council on Postsecondary Education.]~~
16 This administrative regulation establishes the procedure for testing an adult for the GED
17 diploma.
18 Section 1. Test Purpose. The GED Tests [test] shall provide a valid means of measuring the
19 educational achievement of an adult who is a non-high school graduate and of comparing the
20 adult's competency to [with] that of high school graduates. The tests [test] shall be a high school
21 level battery consisting of five (5) comprehensive examinations covering:

- 1 (1) Language arts, writing;
- 2 (2) Social studies;
- 3 (3) Science;
- 4 (4) Language arts, reading; and
- 5 (5) Mathematics.

6 Section 2. Test Centers. Official GED Testing Centers shall be established under contract with
7 the GED Testing Service. Kentucky Adult Education shall authorize the location of these
8 centers.

9 Section 3. Test Scores. (1) Kentucky Adult Education shall:

- 10 (a) Administer the scoring of the tests;
- 11 (b) Accept scores as official if reported by:
 - 12 1. A state, territorial, or provincial department of education;
 - 13 2. A GED Testing Center;
 - 14 3. The GED Testing Service[®]; or
 - 15 4. The Defense Activity for Non-traditional Education Support, DANTES, (as the
16 repository of score reports issued by the U.S. Armed Forces Institute).

17 (2) An applicant shall achieve ~~{score}~~ the minimum standard score on each subtest and
18 the minimum overall average score on the Official GED Tests ~~{Test}~~ as set by GED Testing
19 Service. If an applicant passes the five (5) subtests with a minimum standard test score on each
20 subtest, but does not attain an overall average standard score, the student ~~{he}~~ shall be eligible to
21 retake any subtest ~~{in an attempt to raise the overall standard score}~~.

22 Section 4. GED Diploma. Kentucky Adult Education shall provide a high school
23 equivalency diploma to an applicant who meets all the provisions of this administrative

1 regulation and the eligibility requirements established by 785 KAR 1:130.

2 Section 5. Test Fees.

3 (1) Effective July 1, 2009, the testing fee shall be a uniform fee of:

4 (a) fifty (50) ~~forty (40)~~ dollars, if the applicant is taking all five (5) subtests in a test
5 session; or

6 (b) Twenty-five (25) ~~ten (10)~~ dollars per sub-session ~~[subtest]~~ . ~~[The testing fee shall be a~~
7 uniform fee of forty (40) dollars per test or ten (10) dollars per subtest.]

8 (2) Effective July 1, 2010, the testing fee shall be a uniform fee of:

9 (a) fifty-five (55) dollars, if the applicant is taking all five (5) subtests in a test session; or

10 (b) Twenty-five (25) dollars per sub-session.

11 (3) Effective July 1, 2011, the testing fee shall be a uniform fee of:

12 (a) sixty (60) dollars, if the applicant is taking all five (5) subtests in a test session; or

13 (b) thirty (30) dollars per sub-session.

14 (4) A person who retests shall be assessed the fee contained in (1)(b), (2)(b), or (3)(b) of this
15 Section as appropriate to the date of the re-test, but subject to the limitation that the total amount
16 assessed shall not exceed the limit contained in (1)(a), (2)(a), or (3)(a) of this Section regardless
17 of the number of sub-session retests attempted.

18 (5) A request for a duplicate transcript or diploma shall be in writing and shall carry the
19 signature, birth date, and Social Security number of the examinee and shall be accompanied by
20 the payment of:

21 (a) A ten (10) ~~five (5)~~ dollar processing fee assessed for the issuance of a duplicate
22 transcript request; or

23 (b) A twenty-five (25) dollar fee assessed for the issuance of a duplicate diploma.

John Turner
Chair
Council on Postsecondary Education

Date

APPROVED AS TO FORM:

Dennis L. Taulbee
General Counsel
Council on Postsecondary Education

Date

PUBLIC HEARING: A public hearing on 785 KAR 1:010: GED® Testing Program shall be held on November 25, 2008 at 10:00 a.m. at the Council on Postsecondary Education, Conference Room A. Individuals interested in being heard at this hearing shall notify this agency in writing by November 18, 2008, five working days prior to the hearing, of their intent to attend. If no notification to attend the hearing is received by that date, the hearing may be cancelled.

This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made.

If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation.

Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person.

CONTACT PERSON:

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REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT
785 KAR 1:010. GED® Testing Program

Administrative Regulation 785 KAR 1:010. *GED Testing Program.*

Contact person:

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(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation, 785 KAR 1:010. GED Testing Program, establishes a testing program for the General Educational Development diploma (GED), authorizes the creation of testing centers, sets minimum standards for successful completion of the GED Tests, and establishes fee for the tests and for securing duplicate copies of test scores and diplomas.

(b) The necessity of this administrative regulation: KRS 151B.023 authorizes the Council to administer a statewide adult education and literacy program. The GED Tests is an integral part of the adult education and literacy program.

(c) How this administrative regulation conforms to the content of the authorizing statutes: The administrative regulation conforms explicitly to the authorizing statutes.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: The administrative regulation provides guidance to students and to the testing centers who offer the GED Tests. The GED Tests are administered by approved testing centers who operate under the direction of the Kentucky Adult Education program, and through a contract with the GED Testing Service®.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: Test fees are increased from forty dollars (\$40.00) to fifty (\$50) dollars effective July 1, 2009 for students taking the entire series of five (5) tests. This fee, then increases to fifty-five (\$55) dollars on July 1, 2010, and sixty (\$60) effective July 1, 2011. Test fees for each of the three (3) sub-sessions will increase from ten dollars (\$10.00) to twenty-five (\$25) dollars effective July 1, 2009 and then to thirty (\$30) dollars on July 1, 2011. The fee for a duplicate transcript increases from five dollars (\$5.00) to ten (\$10) dollars.

(b) The necessity of the amendment to this administrative regulation: Several of the testing centers created by the Kentucky Adult Education program have indicated that they are losing money as a testing center and that they will decline to serve as a testing center unless they are able to increase fees. Testing centers need to provide examiners each time a test is offered and pay for the cost of the tests from the fees they charge.

(c) How the amendment conforms to the content of the authorizing statutes: The amendment conforms exactly to the authorizing statute.

(d) How the amendment will assist in the effective administration of the statutes: Test centers are expected to recover their costs in administering the test from the fees charged to students who take the GED Tests. The prospect of losing test centers because they are unable to recover costs is imminent and could seriously impair the Kentucky Adult Education program's ability to implement the statutes requiring the administration of a statewide adult education and literacy program. By providing for a gradual increase in fees, students will better be able to understand their costs, and testing centers will better be able to predict revenue from this service.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: The primary individuals and organizations affected by this regulation are the testing centers who administer the GED Tests, the adult education providers who refer students to the testing centers, and the GED test-takers.

(4) Provide an assessment of how the above group or groups will be impacted by either the implementation of this administrative regulation, if new, or by the change if it is an amendment: GED test-takers will have to pay increased fees both for individual subject matter tests and for the five (5) part comprehensive test, but they will continue to be served by the same testing centers. If a number of testing centers close, GED test-takers will be severely inconvenienced.

(5) Provide an estimate of how much it will cost to implement this administrative regulation:

(a) Initially: No additional cost to the test centers or to the Kentucky Adult Education program is anticipated.

(b) On a continuing basis: No additional cost is contemplated. Test centers currently pay for the costs in excess of fees earned.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: Student fees.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: Yes. The purpose of this amendment is to change the fee structure, and to avoid the prospect of severe cuts in services.

(9) TIERING: Is tiering applied? Tiering is not appropriate under these circumstances.