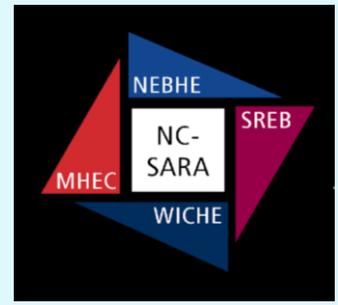


NC-SARA - Welcome



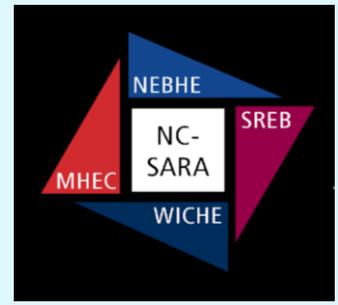
Summary of the October 30, 2019 NC-SARA Board Meeting

Tuesday, November 12, 2019

Please Note:

- The webcast will begin at the top of the hour.
- There is no audio being broadcast at this time.

NC-SARA - Logistics



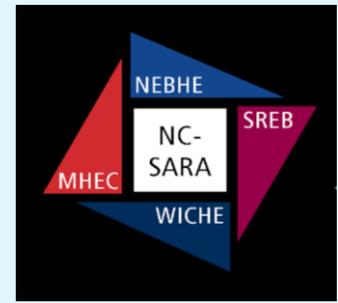
Welcome!

Please use the **Question and Answer** box for questions.

The webcast will be recorded.

This PowerPoint and any other resources referenced will be emailed next week to all who registered and available on our website.

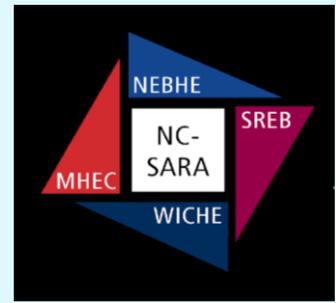
Presenters



Presenters:

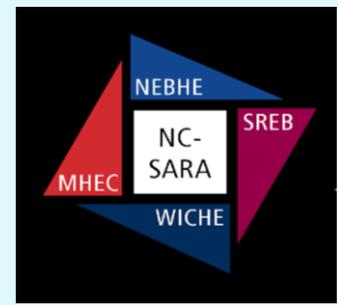
- **Lori Williams**, President and Chief Executive Officer, NC-SARA
- **Wanda Barker**, Director, Education Technology and Multistate Cooperative Programs (SREB)
- **Emily M. Jacobson**, Associate Director, M-SARA (MHEC)
- **Christina Sedney**, Director, Policy Initiatives and State Authorization, W-SARA (WICHE)
- **Rachael Stachowiak**, Associate Director, N-SARA (NEBHE)

Agenda

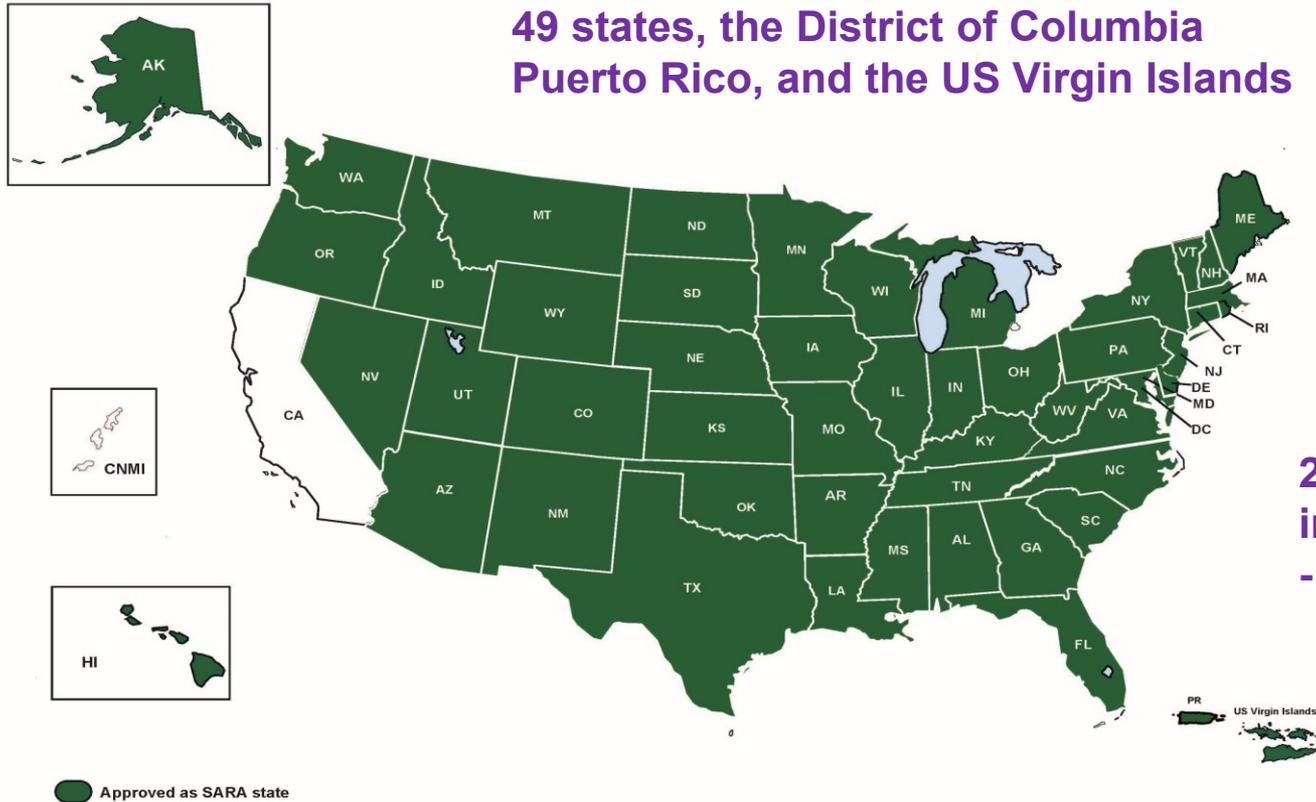


- The Current SARA Landscape
- NC-SARA Board Members and Officers
- NC-SARA Institutional Participating Fees
- Actions of the NC-SARA Board:
 - *Bylaws and SARA Manual – Word Changes*
 - Enrollment Data – Consequences for Non Reporting
 - Change in Ownership & SARA Eligibility
 - Federal Financial Responsibility Composite Scores – State Requirement
 - Clarify The Relationship Between the *Unified State Authorization Reciprocity Agreement* & the *SARA Manual*
- Questions and Discussion

The Current SARA Landscape

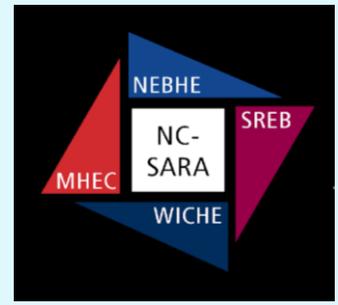


52 Members in SARA
49 states, the District of Columbia
Puerto Rico, and the US Virgin Islands



2040 participating institutions
- November 2019

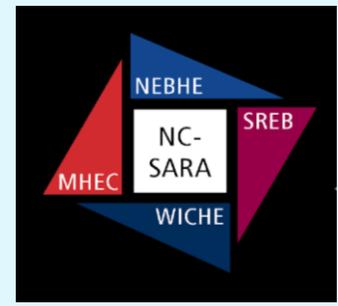
NC-SARA Board Members



New NC-SARA Board Members:

- **Rob Anderson**, President State Higher Education Executive Officers Association (SHEEO)
- **John Cavanaugh**, President & CEO Consortium of Universities of the Washington Metropolitan Area
- **Art Coleman**, Managing Partner and Co-Founder EducationCounsel, LLC
- **Laurie Dodge**, Vice Chancellor of Institutional Assessment and Planning Brandman University

NC-SARA Board Officers & Fees



New NC-SARA Officers:

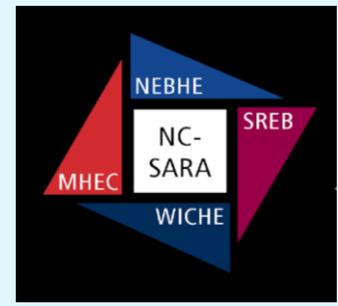
- Chair
Teresa Lubbers, Commissioner Indiana Commission for Higher Education
- Vice Chair
Edward "Ed" Ray, President Oregon State University
- Treasurer (re-elected)
Leroy Wade, Deputy Commissioner Missouri Department of Higher Education (MDHE)

SARA Institution Participation Fees:

- Discussion – No Change through June 30, 2022



Bylaws and *SARA Manual*

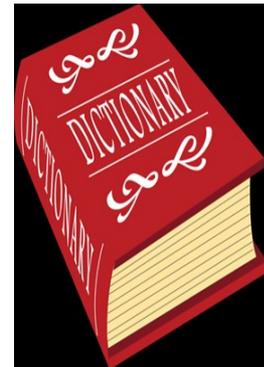


Modification of the NC-SARA Bylaws

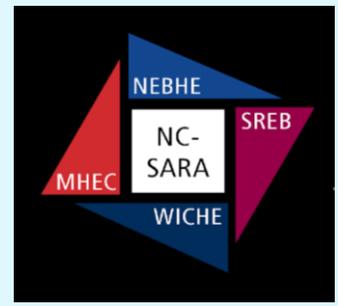
- Substitute the word “Board” where the NC-SARA Board is referenced and keep “Council” for the NC-SARA organization

Edit of the *SARA Manual*

- Continued alignment with the new Federal Regulation language with the *SARA Manual* language on the use of the word “located” versus “resides.”



Enrollment Data - Consequences



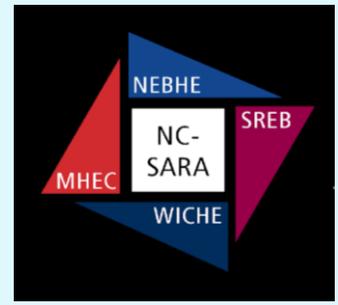
States will now be able to determine consequences for institutional failure to report enrollment data.

SARA Manual - 6.1 Data submission by participating Institutions

ADD paragraph e.

Institutional failure to comply with these reporting requirements shall be taken into consideration by Home States when Institutions apply for renewal and may be grounds for placing an Institution on provisional status or disapproval of continued participation. Implementation by January 1, 2021.

Enrollment Data – Consequences (2)

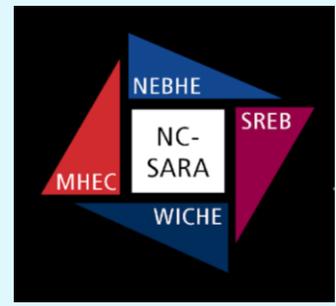


SARA Manual - 3.2 Provisional admission or renewal of an Institution

ADD #7

7. Lack of compliance with SARA policies to items related to data reporting.

Change in Ownership



Added statement on institution's eligibility to participate in SARA following a change in ownership.

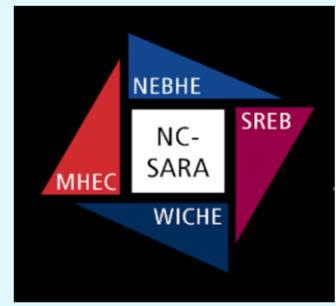
ADD:

3.4 SARA eligibility following Change of ownership:

A change of ownership will be determined by the home state.

A SARA participating institution will remain under SARA until the required approvals are completed by all agencies, including the institution's accreditor. The institution may become provisionally approved by the home state portal entity as of the effective date of change of ownership until a new Federal Financial Responsibility Composite Score is established. A new application for institutional approval may be required. This process will apply to all SARA participating institutions owned by a corporate parent.

Change in Ownership (2)



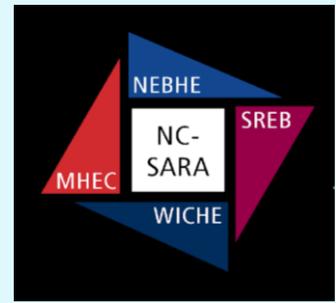
Title IV institutions

Submit to the Home State a copy of the same day balance sheet showing the school's financial position on the day the ownership changed, prepared in accordance with Generally Accepted Accounting Principles (GAAP) and audited in accordance with Generally Accepted Government Auditing Standards (GAGAS) as required by ED to extend the Temporary Program Participation Agreement (PPA).

Non-Title IV Institutions

Submit to the Home State a same day balance sheet showing the school's financial position on the day the ownership changed prepared in accordance with GAAP by an independent CPA.

Change in Ownership (3)



Newly acquired institutions seeking SARA participation

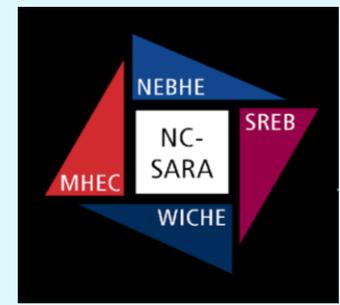
If the newly acquired institution has not participated in SARA, the institution will apply once it has its new Federal Financial Responsibility Composite Score. A non-Title IV institution shall follow the requirements outlined in the SARA Manual at section 2.5 (d).

3.2 - Provisional admission or renewal of an Institution

ADD # 8

8. The institution has a change of ownership as determined by the Home State.

Federal Financial Composite Score



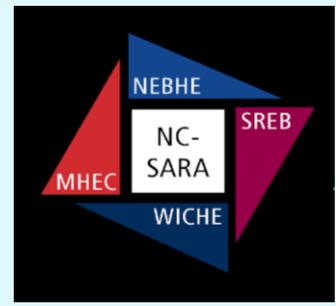
Affirmed state responsibility for confirming federal financial composite scores to determine an institution's eligibility to participate in SARA.

Financial Analysis

- Assessment of institutional financial viability and health using financial ratios that are weighted & combined into a single composite score of financial responsibility.
- Composite scores range from negative 1.0 through positive 3.0. Less than 1.5 is a failing score, but some schools may qualify for "zone" if score at least 1.0.



Federal Financial Composite Score (2)



SARA Manual - Section 2.5, Functional Responsibilities of SARA States

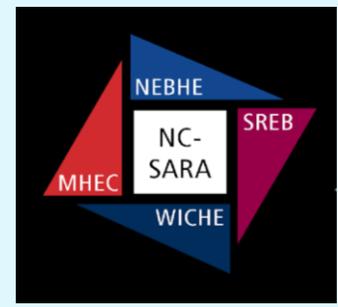
ADD to end of paragraph c.

SARA States are to monitor the U.S. Department of Education's periodic publication of Composite Scores, review the scores assigned to the institutions they have approved to participate in SARA, determine whether those scores meet SARA requirements, and within 90 days of notification take appropriate action regarding the SARA participation of those institutions. Implementation by January 1, 2021.

ADD to end of paragraph d.

In either case, the State is to use the Department-provided calculation methodology that matches the Institution's sector, whether for-profit or non-profit.

The Unified Agreement



Added statement to clarify the relationship between the Unified Agreement and the SARA Manual to confirm the SARA Manual as current policy document.

Unified State Authorization Reciprocity Agreement

Adopted by:

Midwestern Higher Education Compact
Larry Isaak, President

New England Board of Higher Education
Michael Thomas, President and CEO

Southern Regional Education Board
David S. Spence, President

Western Interstate Commission for Higher Education
David A. Longanecker, President

National Council for State Authorization Reciprocity Agreements
Marshall A. Hill, Executive Director



**National Council for
State Authorization Reciprocity Agreements**

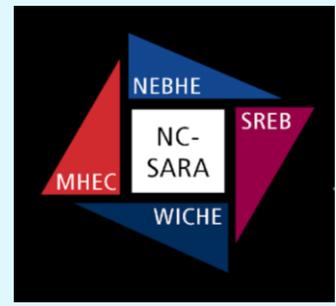
A voluntary, regional approach to state oversight of distance education

State Authorization Reciprocity Agreements Manual

Version 19.2 • June 1, 2019

- Incorporates, updates and replaces previous versions of *SARA Policies and Standard* and the *SARA Manual*.
- Incorporates, updates and replaces previous versions of *SARA FAQs*.
- Includes procedures for use by States and Institutions for SARA application, renewal and payment of fees.
- Includes as appendices information about SARA's use of the U.S Department of Education (ED) Financial Responsibility Composite Scores, *C-RAC Guidelines* Information, NC-SARA Administrative Forms and the *Unified State Authorization Reciprocity Agreement*, approved December 1, 2015.

The Unified Agreement (2)

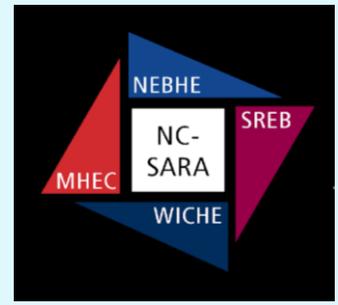


In the *SARA Manual 19.2*, on page 2:

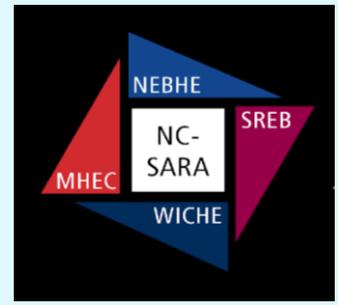
ADD to end of paragraph:

Additional revisions and corrections through November 1, 2019, have been included in Version 19.3. The *Unified Agreement* is the foundational document for the SARA initiative, establishing SARA as a nationwide endeavor. It provides a rationale for reciprocity as the basis for addressing state authorization of distance education challenges and outlines the general roles and responsibilities of the various partners involved in the work of SARA. To implement the *Unified Agreement*, NC-SARA and the regional compacts developed NC-SARA's *Policies and Standards* and its successor the *SARA Manual*, which specifies in greater detail the procedures, policy details, and guidance to institutions, regional compacts, and states required for the operation of SARA. The current version of the *SARA Manual* is the authoritative source of the policies and procedures employed to implement the *Agreement*.

Questions and Discussion



Resources



For Questions: Info@nc-sara.org

NC-SARA Website: www.nc-sara.org