

GAME CHANGER

The Value of SARA Participation

How reciprocity agreements help institutions
reduce costs, streamline bureaucracy, and
enhance student protections





Dear Reader

At a time when higher education costs are top of mind for many, we must work together to identify opportunities to assure quality and make it easier for students to access educational opportunities that best meet their individual goals.

However, for institutions, the bureaucratic regulatory process that they must adhere to in order to offer distance education programs across state lines can be challenging due to the time and resources required to effectively manage multiple state authorizations. That's why, in 2013, higher education stakeholders joined together to establish State Authorization Reciprocity Agreements (SARA).

SARA is a set of agreements between member states, districts, and territories, through the four regional educational compacts, that establishes comparable national standards for interstate distance education program offerings. These reciprocity agreements help streamline distance education regulations, improve coordination between states and higher education institutions, reduce costly application fees and staff time, and help ensure member states and participating institutions adhere to a set of basic consumer protections for students.

In partnership with the National Center for Higher Education Management Systems (NCHEMS), this report explores how SARA helps reduce costs for institutions, savings that could be passed on to students in the form of reduced tuition and fees, supporting additional scholarships and grant opportunities, investing in facilities or enhanced technologies, or hiring faculty and staff. As you'll see, the savings for institutions are significant and widespread.

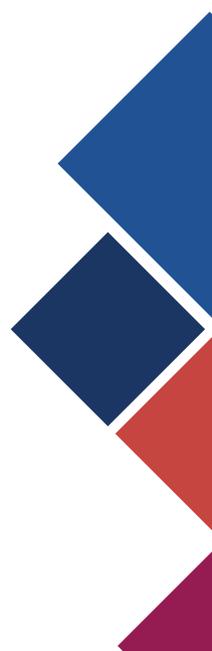
We hope this report helps improve your understanding of the value of SARA and the work we are doing as the National Council for State Authorization Reciprocity Agreements (NC-SARA) to help expand students' access to postsecondary educational opportunities, support quality and consumer protections, and ensure more efficient, consistent, and effective regulation of distance education programs.

As always, I welcome your feedback, expertise, and insight as we continue our efforts to enhance quality and student protections in interstate postsecondary distance education by helping states, institutions, policymakers, and students understand the value of participating in SARA.

Sincerely,



Lori Williams, PhD
President and CEO



Report Overview

Before State Authorization Reciprocity Agreements (SARA) were available to make it easier for postsecondary institutions to offer distance education programs to students across state lines, administrators were required to submit individual applications to states, adhere to wildly varied regulatory environments, and remit thousands of dollars in both initial authorization fees and recurring annual fees to each state in which they wished to offer programming – a costly, time-consuming, and confusing process that limited interstate learning opportunities for students.

A new report from the National Center for Higher Education Management Systems (NCHEMS) commissioned by the National Council for State Authorization Reciprocity Agreements (NC-SARA) analyzes the specific cost savings for SARA participating institutions and estimates a total cost savings across all SARA participating institutions of over \$402 million for initial authorization and approximately \$133 million annually on renewals.

SARA FAST FACTS



More than 2,200 institutions that offer distance education voluntarily participate in SARA.



49 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands are all members of SARA.



3 million students were enrolled exclusively in distance education programs at SARA-participating institutions in fall 2019 – a 7.5% increase over fall 2018 enrollments.

By the Numbers: SARA Savings

Nearly 600 institutions were surveyed for this report, and a representative sample of 171 institutions responded with complete data and were included in this analysis. NC-SARA and NCHEMS have compiled the following key findings :

\$11,221: SARA institutions pay between \$3,351 and \$11,221 for initial authorization.

\$219,000: The average estimated amount these SARA institutions would be required to remit to obtain initial authorization to offer interstate distance education programs if they did not participate in SARA is \$219,000.

\$11,033: Depending on total student enrollment, SARA institutions pay between \$3,258 and \$11,033 annually to renew their authorization.

\$75,000: The average estimated amount these institutions would pay annually to renew their authorizations as a non-SARA participant is \$75,000.

38.6x: Overall, the average institution would spend more than 38 times as much for initial authorization and 13.6 times as much annually on renewals if it did not participate in SARA.

\$402 million: The estimated total cost savings across all SARA participating institutions is \$402 million dollars on initial authorization and \$133 million dollars annually on renewal.

\$100,000: On average, regardless of institution enrollment, initial authorization to offer interstate distance education nationally will cost an institution over \$100,000, compared to less than \$12,000 for SARA participation.

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SARA has been a game changer. People need to appreciate it; it reduced the bureaucracy, fees, and staff time.

The Value of SARA: What They're Saying

While the data speaks volumes about the savings associated with SARA, college and university compliance leaders have also shared their direct feedback on the benefits of SARA participation and NC-SARA support, including:

Reduced Bureaucracy: “SARA gave us peace of mind, reduced administrative burden, reduced the burden of having to check where students were coming from, and saves us time.”

Less Confusion: “Without NC-SARA, we would still be stumbling. SARA helps us know that we have things covered.”

Enhanced Compliance: “SARA takes the worry out of compliance, especially if your campus does a lot of field placements.”

Simplicity: “SARA provides a single source for registration - one and done.”

Expanded Opportunities: “SARA participation influenced us to accept students from the states where we didn't before. It allowed us to expand enrollment and marketing activities. It also let us hire admissions representatives and faculty in states where you couldn't before.”

More Resources for Students: “SARA participation has allowed us to move funds to support student success.”

A Renewed Focus on What Matters Most: “Once we were participating in SARA, we could refocus the work where it makes a difference (licensure, disclosures, and student support).”

Conclusion: Looking Beyond Cost Savings

While this report focuses on the significant cost reductions SARA affords to institutions, the benefits of participation in these reciprocity agreements extend far beyond fiscal value. SARA also helps reduce administrative confusion and burdens that could lead institutions to fall out of compliance with states, ensures guardrails are in place to require fiscal stability at participating institutions, and helps improve access to quality learning opportunities for students nationwide.

Most importantly, and a critical component of NC-SARA's mission to assure students are well-served in the rapidly changing distance education landscape, SARA supports program quality and value by mandating a baseline of consumer protections for students. Due to variable state regulations, roughly half of all states do not have adequate distance education oversight. When states join SARA, they are required to follow uniform processes for approving eligible institutions' participation. SARA's policies help protect students and provide benefits to both states and institutions carrying out distance education in multiple states.



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