

	A	B	C	D	E	F
1	Proposed NC-SARA FY 2020 Budget -- Cash Basis					
2						
3	Income			FY 2018 Budget	FY 2019 Budget	Proposed FY 2020
4		New institutions		\$836,750	\$418,375	\$100,410
5		Renewals		\$5,355,200	\$5,964,354	\$6,543,385
6		Less credit card fees		(\$50,000)	(\$55,000)	(\$59,000)
7		Grant revenue		\$0	\$0	\$0
8		Contributions		\$0	\$0	\$0
9		Late fees		\$12,000	\$15,000	\$17,000
10		Total Income		\$6,153,950	\$6,342,729	\$6,601,795
11						
12	Expenses					
13		Allocations				
14		MHEC		\$430,000	\$443,000	\$453,000
15		NEBHE		\$430,000	\$443,000	\$453,000
16		SREB		\$430,000	\$443,000	\$453,000
17		WICHE		\$430,000	\$443,000	\$453,000
18		Total allocations		\$1,720,000	\$1,772,000	\$1,812,000
19						
20		Allocation of Reserves				
21		MHEC		\$115,000	\$7,000	\$5,000
22		NEBHE		\$115,000	\$7,000	\$5,000
23		SREB		\$115,000	\$7,000	\$5,000
24		WICHE		\$115,000	\$7,000	\$5,000
25		NC-SARA		\$500,000	\$600,000	\$50,000
26		Total allocation of reserves		\$960,000	\$628,000	\$70,000
27						
28		Salaries & Benefits		\$808,336	\$1,146,600	\$1,596,000
29		Professional Fees		\$204,000	\$275,000	\$360,000
30		Occupancy		\$84,000	\$86,250	\$121,000
31		Travel, mtgs & conferences		\$150,000	\$185,000	\$450,000
32		Communication		\$8,000	\$33,000	\$40,000
33		Computer		\$12,000	\$15,000	\$28,000
34		Other		\$35,000	\$50,000	\$60,000
35		Office		\$18,000	\$30,000	\$37,000
36						
37		Total operation expenses		\$1,319,336	\$1,820,850	\$2,692,000
38						
39	Total Expenses			\$3,999,336	\$4,220,850	\$4,574,000
40						
41	Net Income			\$2,154,614	\$2,121,879	\$2,027,795

Proposed NC-SARA FY 2020 Budget -- Notes

Assumptions & general comments

No states will join or leave SARA in FY 2020.

Expenses for searchable catalog have been incorporated into the general budget.

Line-item notes

4 and 5 Average institution fee paid to NC-SARA is \$3,347.

4 Project 30 new, based on historic trends. $30 \times \$3,347 = \$100,410$.

5 Project 1,955 renewals based on 99% renewal rate. (Historic rate 99+ percent.)

28 Includes salary increases for existing NC-SARA staff, except for President/CEO, which is included at FY 2019 level. Includes two additional FTE: one for IT support and one for legal/policy support. Includes payroll taxes (\$60,000) and payroll processing fees (\$4,000).

29 Includes accounting (\$45K), audit & legal (\$12K + \$60K), consultants (\$55,800), IT support (\$187,200 - Salesforce, website, catalog, general)

30 NC-SARA now occupies and pays for all leased space. New five-year lease signed October, 2018.

31 Includes all travel: staff & non-staff, Council meetings, annual state meeting (with two attendees/state), first-year catalog meetings

32 Telephone & Internet, advertising & marketing of catalog, webinars

33 Includes computer replacements, hardware & software support, computers for new staff

34 Includes insurance, copier lease, subscriptions & memberships, bank fees, training/prof dev

35 Includes printing & copying, postage & freight, supplies, furniture



National Council for State Authorization Reciprocity Agreements

A voluntary, regional approach to state oversight of distance education

Marshall A. Hill
President and Chief Executive Officer

***Paul Lingenfelter**
Chair, NC-SARA Board

Barbara Ballard
Kansas Legislature

***Chris Bustamante**
Rio Salado College (Retired)

Kathryn G. Dodge
Dodge Advisory Group, LLC

Dianne Harrison
California State University, Northridge

Susan G. Heegaard
Midwestern Higher Education Compact

***Teresa Lubbers (Vice Chair)**
Indiana Commission for Higher
Education

Leah Matthews
Distance Education Accrediting
Commission

Demarée Michelau
Western Interstate Commission for
Higher Education

***Patricia O'Brien**
New England Association of
Schools and Colleges

Stephen Pruitt
Southern Regional Education Board

Pamela "Pam" Quinn
Dallas County Community College
District (Retired)

Edward "Ed" Ray
Oregon State University

George E. Ross
Central Michigan University (Retired)

Kathleen Curry Santora
National Association of College and
University Attorneys

Paul Shiffman
The Presidents' Forum

Peter Smith
University of Maryland University
College

***Michael Thomas**
New England Board of Higher
Education

***Larry Tremblay**
Louisiana Board of Regents (Retired)

***Leroy Wade (Treasurer)**
Missouri Department of Higher
Education

Belle Wheelan
Commission on Colleges, Southern
Association of Colleges and Schools

*Member of NC-SARA Executive Committee

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Boulder, Colorado 80301
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Memorandum

To: Regional Compact SARA Directors
From: Marshall A. Hill *MAH*
Subject: Proposed modification to *SARA Manual*, Section 8
Date: March 15, 2019

Background

Section 8 of the *SARA Manual* sets forth policies on how NC-SARA responds to questions and to requests to modify SARA policies.

For consideration by the NC-SARA Board at its November 1, 2018 meeting, the WICHE SARA regional steering committee recommended the following modifications be included in Section 8.3: Significant modifications. Recommended new language is in **red and underlined**; language recommended for removal is ~~struck through~~.

8.3 Significant modifications

Ultimately, it is the responsibility of the Executive Director of NC-SARA to ensure broad consultation among the regional compacts, NC-SARA, and the SARA community at large in developing responses to requests for significant modifications to the *SARA Manual* and/or to the *Unified State Authorization Reciprocity Agreement*.

Requests for significant changes ~~should~~ **may** be addressed to the Executive Director of NC-SARA, who will work with the regional compacts, their SARA steering committees, the NC-SARA executive committee, and the NC-SARA Board to ensure consideration and resolution. Persons making such requests should provide a rationale supporting their request.

All proposed significant changes will first be considered by the home state and regional compact of the proposer, either through the compact's SARA Regional Steering Committee or whatever means the compact determines. NC-SARA and the other regional compacts shall be notified of the proposed change(s), and other compacts may also consider the issue(s). If at least two regional compacts request that the proposed changes be considered by NC-SARA, the Executive Director shall place the proposed changes on the agenda of the next NC-SARA meeting for Board consideration. Nothing in this section



precludes the Executive Director's ability, in consultation with the Board Chair, to propose items for discussion by the NC-SARA Board.

In responding to and ultimately acting on such requests, regional and national SARA staff and oversight committees shall evaluate proposed changes in light of SARA's fundamental reliance on interstate reciprocity and trust, and on the fundamental purposes of SARA, which are to support high quality distance education, resolve problems encountered by students, and simplify and support the interstate offering of distance education using a model under which an institution's Home State is primarily responsible for what the institution offers under the aegis of SARA.

Other guiding principles for the review, clarification and modification of SARA Policies and agreements include:

- Broad consultation with key stakeholders;
- Maintaining consistency in policy and procedures;
- Transparency and openness; and
- Responsiveness to stakeholders and emerging policy issues.

Staff recommendation: Approve the proposed modifications.

Next steps

The Board did not approve those modifications and directed me to work with SARA staff to develop an alternative. Consequently, I propose the following modification to Section 8.3. As above, recommended new language is in red and underlined; language recommended for removal is ~~struck through~~. (Note: At its November, 2018 meeting the Board changed my title from Executive Director to President and CEO.)

8.3 Significant modifications

Ultimately, it is the responsibility of the President and CEO of NC-SARA to ensure broad consultation among the Regional Compacts, NC-SARA, and the SARA community at large in developing responses to requests for significant modifications to the *SARA Manual* and/or to the *Unified Agreement*.

Requests for significant changes ~~should~~ may be addressed to the President and CEO of NC-SARA, who will work with the Regional Compacts, their SARA steering committees, the NC-SARA executive committee, and the NC-SARA Board to ensure consideration and resolution. Persons making such requests should provide a rationale supporting their request. Such requests will normally be considered at the state level first, followed by consideration by the relevant SARA regional steering committee. If any such request gains the approval of a regional compact's SARA steering committee, the President at earliest opportunity shall place that request on the agenda of the NC-SARA Board for its consideration. In responding to and ultimately acting on such requests, regional and national SARA staff and oversight committees shall evaluate proposed changes in light of SARA's fundamental reliance on interstate reciprocity and trust, and on the fundamental purposes of SARA, which are to support high quality Distance Education, resolve problems

encountered by students, and simplify and support the interstate offering of Distance Education using a model under which an Institution's Home State is primarily responsible for what the Institution offers under the aegis of SARA.

Other guiding principles for the review, clarification and modification of SARA policies include:

- Broad consultation with key stakeholders;
- Maintaining consistency in policy and procedures;
- Transparency and openness; and
- Responsiveness to stakeholders and emerging policy issues.

Process

I would appreciate receiving any comments you or your regional SARA steering committees care to provide. **To enable preparation and printing of Board agenda materials, please provide your comments by April 9.**

8.3 Significant modifications

Ultimately, it is the responsibility of the President and CEO of NC-SARA to ensure broad consultation among the Regional Compacts, NC-SARA, and the SARA community at large in developing responses to requests for significant modifications to the SARA Manual and/or to the *Unified Agreement*.

Requests for significant changes may be addressed to the President and CEO of NC-SARA, who will work with the Regional Compacts, their SARA steering committees, the NC-SARA executive committee, and the NC-SARA Board to ensure consideration and resolution. Persons making such requests should provide a rationale supporting their request. Such requests will normally be considered at the state level first, followed by consideration by the relevant SARA regional steering committee. If any such request gains the approval of a regional compact's SARA steering committee, the President at earliest opportunity shall place that request on the agenda of the NC-SARA Board for its consideration. In responding to and ultimately acting on such requests, regional and national SARA staff and oversight committees shall evaluate proposed changes in light of SARA's fundamental reliance on interstate reciprocity and trust, and on the fundamental purposes of SARA, which are to support high quality Distance Education, resolve problem encountered by students, and simplify and support the interstate offering of Distance Education using a model under which an Institution's Home State is primarily responsible for what the Institution offers under the aegis of SARA.

Other guiding principles for the review, clarification and modification of SARA policies include:

- Broad consultation with key stakeholders;
- Maintaining consistency in policy and procedures;
- Transparency and openness; and
- Responsiveness to stakeholders and emerging policy issues.

Commented [EJ1]: The comments M-SARA's Regional Steering Committee (RSC) submitted to the earlier draft in October, specifically asked that this term be defined and is reproduced below:

The term "significant" as in "significant modifications" or "significant changes" should be clearly defined in Section 8.3. Without such a definition, major changes could be labeled "minor" and acted upon as a minor modification under Section 8.2 of the SARA Manual. We urge that the Board consult a variety of stakeholders to develop a draft definition of the term "significant" and provide an opportunity for member comment as it has done with other changes to the SARA Manual.

We would offer that at a minimum, the definition of the term "significant modification" would include the following:

- imposes a financial or resource cost on a member institution, regional compact or NC-SARA, itself.
- establishes requirements that exceed federal requirements for postsecondary online distance education providers.

Commented [EJ2]: The term significant modification needs to be defined. The language outlined above is a good start, and this language, or something similar should go into the SARA manual.

Commented [EJ3]: It's unclear why one would take the time to establish a process and then allow for exceptions to that process based on a term as relative as "normally" (i.e., "this is not a normal request and doesn't need to follow the process in the manual."). This term should either be replaced with language that would enable fewer exceptions to the established process or deleted all together.

Commented [EJ4]: The comments M-SARA's RSC submitted in October did support the language of the October draft that required significant modifications first be considered by the home state and regional compact and that two regional compacts bring significant modifications to the NC-SARA Board for its consideration.

However, in the current draft, this requirement has been replaced with language that would allow a single RSC to propose a significant modification to the NC-SARA Board for its approval. Instead, Section 8.3 should be written to preclude a single regional compact, RSC or the President and CEO of NC-SARA from proposing a significant change(s) without the support of at least two regional compacts and their respective RSCs.

8.3 Significant modifications

Ultimately, it is the responsibility of the President and CEO of NC-SARA to ensure broad consultation among the Regional Compacts, NC-SARA, and the SARA community at large in developing responses to requests for significant modifications to the SARA Manual and/or to the *Unified Agreement*.

Requests for significant changes may be addressed to the President and CEO of NC-SARA, who will work with the Regional Compacts, their SARA steering committees, the NC-SARA executive committee, and the NC-SARA Board to ensure consideration and resolution. Persons making such requests should provide a rationale supporting their request. Such requests will normally be considered at the state level first, followed by consideration by the relevant SARA regional steering committee or through established regional compact processes. If any such request gains the approval of a regional compact's SARA steering committee, the President at earliest opportunity shall place that request on the agenda of the NC-SARA Board for its consideration. In responding to and ultimately acting on such requests, regional and national SARA staff and oversight committees shall evaluate proposed changes in light of SARA's fundamental reliance on interstate reciprocity and trust, and on the fundamental purposes of SARA, which are to support high quality Distance Education, resolve problems encountered by students, and simplify and support the interstate offering of Distance Education using a model under which an Institution's Home State is primarily responsible for what the Institution offers under the aegis of SARA.

Other guiding principles for the review, clarification and modification of SARA policies include:

- Broad consultation with key stakeholders;
- Maintaining consistency in policy and procedures;
- Transparency and openness; and
- Responsiveness to stakeholders and emerging policy issues.

Commented [EJ1]: The term significant modification needs to be defined. It would be helpful to explain what is "significant" vs. "minor."

Commented [EJ2]: I think the regional compact needs to be mentioned here. Maybe the text, "or whatever means the compact determines necessary" should get inserted back in, or maybe there's a better way to phrase it. The regional steering committee shouldn't be the final "layer" of authority at the regional compact level. I've inserted some suggested language of "through established regional processes."



NEW ENGLAND BOARD OF HIGHER EDUCATION

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April 9, 2019

Dear NC-SARA Senior Staff,

I write in response to the modification proposed by Marshall Hill in his March 15, 2019 memorandum to the Regional Compact directors. The NEBHE Regional Steering Committee discussed the proposal at its meeting on April 3, 2019.

I'd like to thank Marshall for his time and attention in formulating the proposal and providing each regional compact the opportunity to submit their, and their respective steering committees, comments for consideration.

We are sensitive to the challenge in providing a responsive and inclusive process to address significant modifications, concerns and emerging issues with a broad group of stakeholders. We feel it is important to acknowledge the role of the NC-SARA Board, its Board Chair and Executive Committee as a decision-making body and its bylaws which provide mechanisms to support timely action and the formation of task forces and committees as needed.

The Regional Steering Committee (RSC) feels that the proposed modification enhances the clarity in how an item could potentially be included on the NC-SARA board agenda. The proposal also maintains an important role of the RSC serving as an advisor on SARA and related distance education issues.

I'll share a few concerns raised during our discussion:

- Criteria to define what is considered a "significant modification" is essential to ensure effectiveness of the proposal.
- The proposal provides a procedure to bring an item forward for NC-SARA Board consideration, however the protocols surrounding what happens when a change is presented to the NC-SARA board remain less clear. There is agreement that we could all benefit from more formality, in particular how and when a modification is presented, discussed, including a summary of stakeholder feedback, and acted upon at the board level. This consideration isn't specific to policy language, but more an internal discussion regarding the implementation of protocol or practices to support the guiding principles included in the policy.
- The proposal provides a more defined or streamlined process, however it does not account for difference in regional priorities or a demonstrated effort to broadly consult key stakeholder groups. A question of balance is raised as discussion, debate or recommendation of a particular policy proposal may not be fully informed by the input of constituents outside a particular region or not represented on a steering committee or board. To some degree, NC-SARA's board composition or internal Regional Compact procedures mitigate some concern in this area.
- Should this proposal move forward, the NC-SARA Board could consider articulating the Regional Steering Committee's role in its bylaws.

Personally, I remain aware that in my role at the Regional Compact level, I can work with my committee and State Portal Entities to address some concerns noted above. The March 15 memorandum provided was helpful in facilitating our conversation.

Again, thank you for the opportunity to submit comments. I look forward to continued conversations and work on this initiative.

Sincerely,

Rachael Stachowiak
Associate Director, N-SARA
New England Board of Higher Education

SREB Staff comments

8.3 Significant modifications

Ultimately, it is the responsibility of the President and CEO of NC-SARA to ensure broad consultation among the Regional Compacts, NC-SARA, and the SARA community at large in developing responses to requests for significant modifications to the SARA Manual and/or to the Unified Agreement.

Requests-Individuals from within the SARA community – representing NC-SARA institutions, NC-SARA states, portal entities, regional compacts, and the SARA Board – may request for significant changes should ~~may to~~ be addressed to the President and CEO of NC-SARA, who will work with the Regional Compacts, their SARA steering committees, the NC-SARA executive committee, and the NC-SARA Board to ensure consideration and resolution. Persons making such requests should provide a rationale supporting their request. Such requests will normally be considered at the state level first, followed by consideration by the relevant SARA regional steering committee and/or regional compact or regional board, as applicable. If any such request gains the approval of a regional compact's SARA steering committee, or regional compact president and/or regional board, the NC-SARA President and CEO at earliest opportunity shall place that request on the agenda of the NC-SARA Board for its consideration.

In responding to and ultimately acting on such requests, regional and national SARA staff and oversight committees shall evaluate proposed changes in light of SARA's fundamental reliance on interstate reciprocity and trust, and on the fundamental purposes of SARA, which are to support high quality Distance Education, resolve problems encountered by students, and simplify and support the interstate offering of Distance Education using a model under which an Institution's Home State is primarily responsible for what the Institution offers under the aegis of SARA.

Other guiding principles for the review, clarification and modification of SARA policies include:

- Broad consultation with key stakeholders;
- Maintaining consistency in policy and procedures;
- Transparency and openness; and
- Responsiveness to stakeholders and emerging policy issues.

1 8.3 Significant modifications

2 A request for significant changes ~~Such requests will normally be considered at the state level first,~~
3 followed by consideration by the relevant SARA regional steering committee and/or regional compact
4 president or board, as applicable. If any such request gains the approval of a regional compact's SARA
5 steering committee or the regional compact president and/or regional board, the President and CEO at
6 the earliest opportunity shall place that request on the agenda of the NC-SARA Board for its
7 consideration. Persons making such requests should provide a rationale supporting their request.

8 In responding to and ultimately acting on such requests, regional and national SARA staff and oversight
9 committees shall evaluate proposed changes in light of SARA's fundamental reliance on interstate
10 reciprocity and trust, and on the fundamental purposes of SARA, which are to support high quality
11 Distance Education, resolve problems encountered by students, and simplify and support the interstate
12 offering of Distance Education using a model under which an Institution's Home State is primarily
13 responsible for what the Institution offers under the aegis of SARA.

14 A SARA regional steering committee and/or regional compact shall address a R requests for significant
15 changes should ~~may be addressed~~ to the President and CEO of NC-SARA, who will must work with the
16 Regional Compacts, their SARA steering committees, the NC-SARA executive committee, and the NC-
17 SARA Board to ensure consideration and resolution.

18 Ultimately, it is the responsibility of the President and CEO of NC-SARA to ensure broad consultation
19 among the Regional Compacts, NC-SARA, and the SARA community at large in developing responses to
20 requests for significant modifications to the SARA Manual and/or to the Unified Agreement.

21 Other guiding principles for the review, clarification and modification of SARA policies include:

- 22 • Broad consultation with key stakeholders;
- 23 • Maintaining consistency in policy and procedures;
- 24 • Transparency and openness; and
- 25 • Responsiveness to stakeholders and emerging policy issues.

NC-SARA Data Reporting


May 2019

In order to provide meaningful changes, modifications, and clarity in language to the data process, collection, and analysis, NC-SARA staff reviewed the last three years of data, read the comments provided by participating institutions for the 2018 data reporting period, held discussions with state portal entity staff on the topic of data, and studied the feedback from regional compact staff regarding the data process. In addition, the Data Advisory Committee met in early December 2018 to review the past spring's enrollment and out-of-state learning placement reporting and recommended modifications for next year's iteration. Basic protocols for 2019 reporting of enrollments have not changed from those of 2018. However, there are a few notable changes:

- SARA institutions will report their exclusively distance education enrollments that take place *in their home state* in addition to the out-of-state enrollments that have been reported in prior years. Note – institutions already report these enrollments to IPEDS.
- SARA institutions will report out-of-state learning placements. This reporting was voluntary in 2018 and is required for 2019.
- The online reporting form for enrollment and out-of-state placements has been updated to include a field for each U.S. territory.

The timeframe to report distance education enrollments and out-of-state learning placements to NC-SARA is May 14 - June 4, 2019. Each institution's SARA contacts will be sent a URL link to a web form on or around May 14. This web form will have two tabs – one for reporting distance education enrollments and another to report out-of-state learning placements.

In the past, NC-SARA has provided both a data reporting guide and placement reporting guide in order to facilitate data reporting; this year we have combined the two guides into the *2019 Data Reporting Handbook*. This *Handbook* provides information to SARA-participating institutions about how to submit institutional enrollment data and out-of-state learning placement data to NC-SARA.



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The State Authorization Reciprocity Agreements, commonly known as SARA, provide a voluntary, regional approach to state oversight of postsecondary distance education. When states join SARA -- and membership is voluntary... [LEARN MORE ▶](#)

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State renewal deadline is 4/12/19

A state seeking approval to renew membership participation in the State Authorization Reciprocity Agreement (SARA) must submit the state renewal form to its Regional education.

Popular Resources

Application for Institutional Approval to Participate in SARA ↓

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The State Authorization Guide

An NC-SARA and WCET/SAN Collaboration

A comprehensive tool to browse State Authorization Compliance Information quickly and easily.

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Curious about a specific topic across one or more states?

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