

**MINUTES OF THE NC-SARA BOARD MEETING
NOVEMBER 1, 2018
PEABODY HOTEL • MEMPHIS, TENNESSEE**

NOTICE OF MEETING

Notice of the time and place of the NC-SARA Board Meeting was posted on the NC-SARA website and given to Board members, regional directors, Lumina Foundation, the Bill & Melinda Gates Foundation, and other interested parties.

An agenda is maintained in the NC-SARA office at 3005 Center Green Drive, Suite 130, Boulder, CO 80301; and online at www.nc-sara.org.

Welcome and introductions

Paul Lingenfelter, Chair

Board members in attendance:

Chris Bustamante
Kathryn Dodge
Dianne Harrison
Susan Heegaard
Paul Lingenfelter
David Longanecker
Teresa Lubbers
Leah Matthews
Stephen Pruitt
Pamela Quinn
George E. Ross
Kathleen Curry Santora
Paul Shiffman
Peter Smith
Michael Thomas
Larry Tremblay
Leroy Wade

Board members participating by phone:

M. Peter McPherson (Executive Session)
Patricia O'Brien
Michael Zola

Board members not attending:

Barbara Ballard
Larry Isaak
Belle Wheelan

NC-SARA staff present:

Marianne Boeke
Victoria Brieske
Marshall A. Hill
Mary Larson
Shannon Walker

Regional Compact SARA directors and regional compact staff present:

Somer Aly, WICHE
Wanda Barker, SREB
Jennifer Dahlquist, MHEC
Emily Jacobson, MHEC
Elisa Jaden, SREB
Rachael Stachowiak, NEBHE

Guests:

Anne Klingen,
University of Mississippi
Ted Marchese,
AGB Search

Agenda Item I (Action): Approve minutes of May 3, 2018 NC-SARA Meeting

Suggested changes included adding Board member Kathryn Dodge as “attending” for the May 2018 Board meeting.

Kathryn Dodge — moved approval

Paul Shiffman — seconded

Motion approved unanimously.

Agenda Item II: Update on progress of the SARA initiative

Marshall Hill, National Council for State Authorization Reciprocity Agreements (NC-SARA)
Update

Marshall Hill reported that 49 of the 50 states —plus the District of Columbia, Puerto Rico, and the U.S. Virgin Islands—are current SARA members. Over a five-year period, only 25 institutions have withdrawn from SARA. Their reasons for doing so include: failure to meet SARA requirements, institutional mergers, or a decision that SARA participation was not needed.

Dr. Hill reported that he had engaged Michael Goldstein (of Cooley, LLP) to conduct a legal review of SARA policy documents and recommend possible modifications to the *SARA Manual, Version 18.3*, which has not yet been released. Dr. Hill guided Board members through discussion of the review process. Following discussion, it was determined that there is nothing in the legal analysis that warrants immediate concern.

Board Chair Paul Lingenfelter provided the Board with a timeline of the legal review process. Further information will be shared and discussed at the May 2019 Board meeting.

A motion acknowledging the receipt of the legal analysis and Dr. Hill’s recommendations was proposed.

Michael Thomas — moved

George E. Ross — seconded

The motion was approved unanimously.

Kathleen Santora thanked Dr. Hill for consulting with legal counsel and asked about the status of liability insurance for NC-SARA Board members and the NC-SARA organization. Dr. Hill responded that he had previously commissioned a review of NC-SARA’s liability insurance coverage and, as a result of that review, coverage has been increased from \$1 million to \$2 million.

Dr. Hill informed the Board that NC-SARA now has seven staff members. An additional individual will be hired at the beginning of calendar 2019 to assist with the creation and maintenance of a searchable catalog of academic programs offered by SARA institutions. Funding for that new staff member was approved by the Board at its spring 2018 meeting.

Dr. Hill also reported that NC-SARA has just renewed its office lease at 3005 Center Green Drive (Boulder, Colorado) for an additional five years and two months.

Susan Heegaard, Midwestern Higher Education Compact (MHEC) Update

Susan Heegaard is the newly elected President of MHEC, succeeding former Board member Larry Isaak. President-Elect Heegaard will be overlapping in the position with former-President Isaak for the next few weeks.

For an update on the recent SARA-related activities of MHEC, Ms. Heegaard turned the reporting over to MHEC Senior Vice President Jennifer Dahlquist and SARA Manager Emily Jacobson.

The Midwest currently has 569 institutions participating in SARA. Overall, MHEC provides 30 percent of the institutions that are currently participating in the SARA initiative. State Portal Entities in the region are doing their part to keep institutions informed about SARA issues via monthly newsletters.

Michael Thomas, New England Board of Higher Education (NEBHE) Update

Michael Thomas thanked the NC-SARA staff for its hospitality, and he welcomed the two new regional compact presidents to the NC-SARA Board. He also acknowledged NEBHE Associate Director Rachael Stachowiak for her hard work in recent months, since the departure of former NEBHE SARA Director Sandra Doran.

President Thomas provided an update on Massachusetts's current and future participation in SARA. He projected a possible addition of 21 NEBHE-area institutions to SARA by the end of 2018.

At present, NEBHE has 211 SARA-participating schools.

Stephen Pruitt, Southern Regional Education Board (SREB) Update

Stephen Pruitt this past summer succeeded former Board member David S. Spence as the President of SREB. For updates on the progress of the SREB region, President Pruitt turned to SREB SARA Director Wanda Barker.

As the largest of the four regional compacts, SREB presently has about 46 percent of SARA-participating institutions. At the SREB SARA Steering Committee Meeting on October 17, 2018, SREB approved the renewal of five SARA states: Kentucky, Louisiana, Pennsylvania, Virginia, and West Virginia.

Due to the number of natural disasters (hurricanes) that the SREB region has experienced recently, Larry Tremblay suggested creating a disaster policy for SARA-participating institutions. Such a policy could include some "wiggle-room" for SARA institutions to submit annual fees during times of natural disaster. Mary Larson informed Dr. Tremblay that NC-SARA staff currently works to accommodate SARA institutions that have been affected by hurricanes and other such disasters and, in effect, already provides such flexibility.

Dr. Hill stated that the NC-SARA staff will develop disaster policy language for the Board to consider at the May 2019 Board meeting. Kathleen Santora requested that

NC-SARA, in writing policy language, consider that disasters can happen anywhere. She also offered to help with language for potential policies.

David Longanecker, Western Interstate Commission for Higher Education Update

David Longanecker reported that, at present, the only WICHE state not participating in SARA is California, and the only non-participating territory is the Northern Marianna Islands. WICHE has been working with the California government to bring the state into SARA, and Interim President Longanecker believes that progress is being made.

WICHE Director John Lopez is currently on medical leave.

He reported that some WICHE-state institutions are looking for creative ways of being part of SARA--ways that do not comply entirely with SARA eligibility requirements. Interim President Longanecker suggested that there needs to be continued attention to these challenges.

Between 200 and 300 WICHE institutions are currently participating in SARA.

Larry Tremblay asked for examples of ways institutions are pressing on SARA eligibility standards. Dr. Hill addressed this question. He answered that some institutions are maintaining that they qualify for SARA participation because they have an administrative office in a SARA state, even though the institution's main campus is based in California or outside the United States. Institutions also continue to argue against SARA's use of the federal financial composite score to determine a school's eligibility for SARA participation.

**Agenda Item III (ACTION): Report and recommendations of the Executive Committee –
Paul E. Lingenfelter, Chair**

a. NC-SARA FY 2018 audit

Paul Lingenfelter provided a summary of the FY 2018 audit to the Board. As determined by RubinBrown, LLC, SARA is in a healthy financial position. The Chair then recommended that the Finance Committee look into the investment of reserve funds in the future.

Motion to accept:

Leroy Wade — moved

Michael Thomas — seconded

Motion approved unanimously.

Michael Thomas supported the establishment of an investment policy for reserve funds; and Chair Lingenfelter suggested that the creation of said policy will be left up to the SARA Finance Committee.

b. Recommendations for election of Board members

The SARA Executive Committee unanimously recommended additional three-year terms for the following Board members: Barbara Ballard, Dianne Harrison, Teresa Lubbers, Leah Matthews, Pat O'Brien, Paul Shiffman, George Ross, and Belle Wheelan.

The Executive Committee also unanimously nominated Oregon State University President Dr. Edward "Ed" J. Ray for a three-year term on the Board.

Those recommendations/motions were approved unanimously.

Agenda Item IV: Finance Committee Report – Leroy Wade

Leroy Wade reported that NC-SARA is in a strong financial position, with significant increase in its net worth.

He referred the Board to NC-SARA's most current financial statements and Dr. Hill provided a review of current budget usage.

Paul Lingenfelter recommended that the Finance Committee begin to offer quarterly (financial) projections once the operations of NC-SARA become more stable.

Agenda Item V (ACTION): Additions and modifications to the SARA Manual

- a. Section 8: Responding to Questions and to Requests to Modify SARA Policies, Section 8.3, Significant Modifications

- A number of the Board members concluded that the proposed new language for Section 8 needs additional work.
- Following discussion, Peter Smith moved to table consideration of the proposed modification; Michael Thomas seconded and the motion passed unanimously.
- Lingenfelter then requested a motion to refer the issue to the staff for further work:

Peter Smith — motion
 Larry Tremblay — second
 Motion passed unanimously.

- b. Section 3.2. Provisional status for SARA institutions

Section 3.3. Provisional Status of an institution between renewal periods

- The Board approved modifications to the SARA Manual, Section 3.2, that resulted in the following language for Section 3.2, d (new text is red and underlined):
 - d. An Institution admitted to or renewed for SARA participation on Provisional Status shall remain in that status for a period not to exceed one year unless all of the following are true:
 1. a Home State or an external entity whose action has resulted in the Institution's Provisional Status (see 3.2(a)) has not within the one-year period taken action to resolve the Institution's status with that entity;
 2. The SARA Portal Entity recommends extension;
 3. the President of the relevant Regional Compact approves extension; and
 4. to support comparable application of this policy across regions, the President of NC-SARA approves such action.
 - e. In no event shall such an extension of Provisional Status exceed one additional year.
- The Board also approved modifications to the SARA Manual, Section 3.3, Provisional status of an institution between renewal periods, resulting in the following text (new text is red and underlined):

3.3. Provisional status of an institution between renewal periods

A State, at its discretion, may place an Institution on Provisional Status at any time if the Institution is subject to any conditions set forth in Section 3.2(a) or if the Institution's Federal Financial Composite Score falls between 1.0 and 1.5. (An Institution with a score below 1.0 is not eligible for SARA participation.) An Institution placed on Provisional Status by its Home State shall remain in that status until its next renewal date, at which time the State will determine if the institution will be removed from SARA participation, renewed for Provisional SARA participation for no longer than one year, (unless conditions of Section 3.2(d) are met), or renewed without such Provisional designation.

After discussion, a motion to make those modifications was made by Leroy Wade and seconded by Larry Tremblay. The motion passed unanimously.

Agenda Item VI: SARA's impact: Spring 2018 enrollment reports – Marshall A. Hill, Marianne Boeke

- a. Distance education enrollments reported in spring 2018
Marianne Boeke reported on the success of NC-SARA's third year of enrollment reporting: institutions appear to better understand how to record their enrollment data and complete the reports. The final report shows that 1,791 institutions completed their reports on time; 13 institutions did not report (those institutions have been contacted). Overall, 1.2 million enrollments were reported to NC-SARA.
- b. Out-of-state learning placements reported in spring 2018
Marianne Boeke reported that the submission of out-of-state-learning placement (OOSLP) data was also a success. Although this form of reporting was new and voluntary this year, 297 (16%) SARA-participating institutions submitted their data to NC-SARA; overall comments regarding the report were collegial and constructive. The OOSLP report will be mandatory next year (2019).

Both reports are available on the NC-SARA website, and they will be reviewed on a November 14th webcast to be provided by NC-SARA staff.

Agenda Item VII: Information Items – Marshall A. Hill, Mary Larson, Marianne Boeke

- a. U.S. Department of Education negotiated rulemaking
Paul Lingenfelter has nominated Marshall Hill to serve as a member of a Department of Education negotiated rulemaking subcommittee.
- b. Status of current year work
NC-SARA has had a very busy and productive year.

NC-SARA and WCET's State Authorization Network (SAN) have agreed to together maintain resources about state authorization that were previously housed on the SHEEO website. Those resources will now be housed on the NC-SARA website.

The current NC-SARA website is being redesigned, and a new version will be released in late 2018 or spring 2019. The new website will have password-protected sections for State Portal Entity staff and for regional SARA staff.

- c. NC-SARA convening of SARA states (Minneapolis, September 18-20)
 NC-SARA financially supported the attendance of two representatives from each SARA state. 70 individuals attended, representing 47 SARA states.

- d. Staff activities and presentations, May-November 2018

Staff Activities and Presentations

May 1, 2018 - November 1, 2018

DATE	EVENT	LOCATION
Monthly	WCET SAN Open Forums	N/A
Monthly	WCET SAN Monthly Calls and Webinars	N/A
Monthly	SAN Texas Calls	N/A
Monthly	SARA Director Calls	N/A
Monthly	Meetings with Elevated Third	Denver, CO
May 2-3	NC-SARA Board Meeting	Denver, CO
May 5-6	WCET Leadership Summit	Newport Beach, CA
May 10-11	Higher Education Policy Forum	Denver, CO
May 12	WCET SAN Workshop	Boulder, CO
June 4-5	SREB-SARA Steering Committee Meeting	Atlanta, GA
June 12-13	WCET SAN Basic Workshop	Boulder, CO
July 1-2	SHEEO Annual Meeting	Park City, UT
July 16-17	MHEC-SARA Steering Committee Meeting	Chicago, IL
July 19-20	WICHE-SARA Steering Committee Meeting	Salt Lake City, UT
August 3-4	Council of State Governments (CSG) Meeting	New York, NY
August 7-10	SHEEO Higher Education Policy Meeting	Denver, CO
September 11	US Department of Education Testimony	New Orleans, LA
September 12-14	SREB Educational Technology Committee	Louisville, KY
September 13-14	WCET SAN Advanced Workshop	Boulder, CO
September 18-20	SARA State Portal Entity Meeting	Minneapolis, MN
September 26-28	CLEAR Conference	Philadelphia, PA
October 16-17	SREB-SARA Meeting	Atlanta, GA
October 22	WCET SAN Workshop	Portland, OR
October 22-25	WCET Annual Meeting	Portland, OR
October 31-Nov 1	NC-SARA Board Meeting	Memphis, TN

- e. Dates and location of next meeting
 May 8-9, 2019, Westin Hotel, Denver International Airport

BREAK

Agenda Item VIII (ACTION): Executive session

Meeting moved into Executive Session at 11:15 a.m.

Motion was made to change Marshall Hill's title to President and Chief Executive Officer, effective November 1, 2018:

George Ross — moved
 Kathryn Dodge — seconded
 Motion passed and approved.

The following Board members were appointed for Retirement Activity Committee: Paul Lingenfelter, Leah Mathews, Teresa Lubbers, and Paul Shiffman

Agenda Item IX (ACTION): Questions, comments, reflections from council members

No questions, comments or reflections were offered beyond those already made in the meeting.

Motion to adjourn was made and seconded by Leroy Wade.

Executive Session concluded and meeting adjourned at 1:32 p.m.

DRAFT