

Game Changer:

The Cost Savings and Value of SARA Participation

Countdown to Start:

10:00

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 Breaktime for PowerPoint by Flow Simulation Ltd.

May 17, 2021





Webinar Information

- The Closed Caption option is available.
- The webinar will be recorded and posted on the NC-SARA website for continued access.
- Presentation – No Q&A available but we're happy to address questions: info@nc-sara.org
- Game Changer and the Cost Savings Technical Report are available on the NC-SARA website for reference:
<https://nc-sara.org/sara-cost-savings>

Presenters



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“

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

Agenda

- Introduction
- History of the Project & Methodology
- Findings
- Demonstration of SARA Cost Savings Calculator
- Value of SARA to Institutions
- Value of SARA to Students



Introduction

Welcome from NC-SARA's CEO and President Dr. Lori Williams





National Council for State Authorization Reciprocity Agreements

The National Council for State Authorization Reciprocity Agreements, in collaboration with the four regional higher education compacts, develops and implements an effective and efficient reciprocal state-level authorization process for postsecondary distance education.

Mission:

- to provide broad access to postsecondary education opportunities to students across the country,
- to increase the quality and value of higher learning credentials earned via distance education, and
- to assure students are well served in a rapidly changing education landscape.

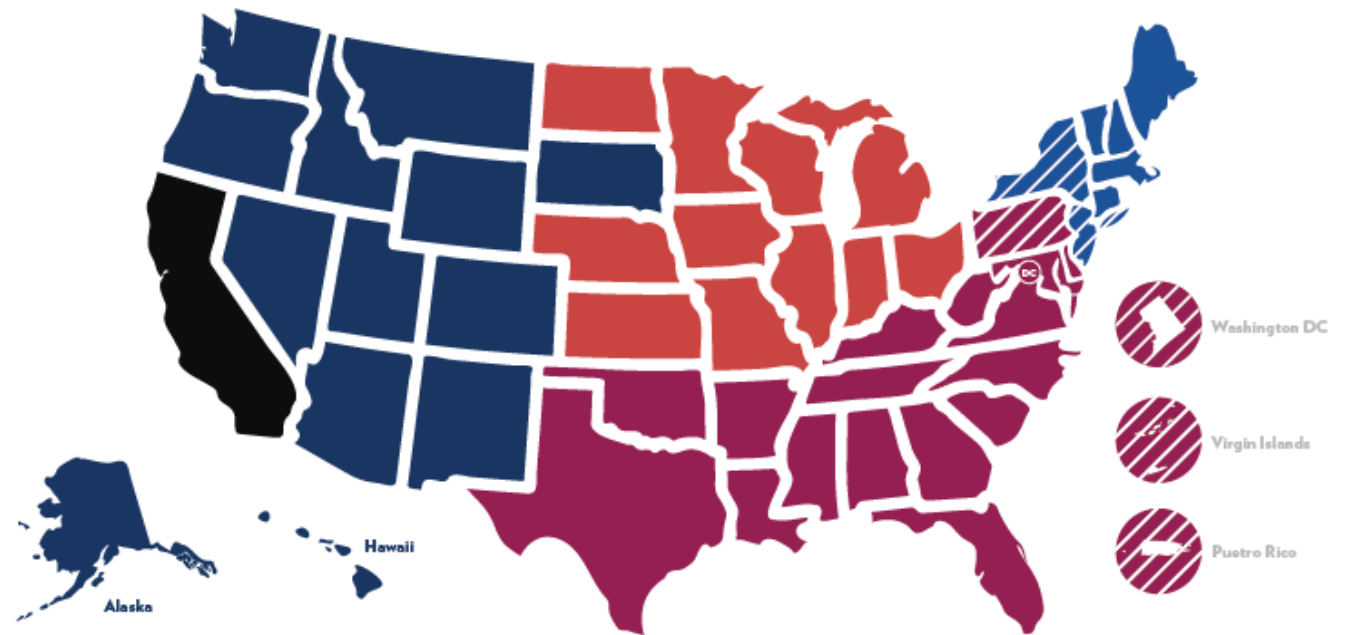
The Landscape of SARA

- 52 MEMBER STATES AND TERRITORIES
- 2,200+ Institutions







LEGEND

MHEC NEBHE SREB WICHE
NON MEMBER

BREAKDOWN OF DISTANCE EDUCATION ENROLLMENT BY SECTOR



BEFORE & AFTER NC-SARA

BEFORE		AFTER
EXPENSIVE	COST 	AFFORDABLE
OVERWHELMING BUREAUCRACY	PROCESS 	SIMPLIFIED PROCESS
LACK OF PROTECTIONS	PROTECTIONS 	ENHANCED PROTECTIONS
CONFUSING	REGULATIONS 	STREAMLINED REGULATIONS
LIMITED OPTIONS	OPTIONS 	CHOICE
INCONSISTENT DATA	DATA 	BETTER DATA



History of the Project & Methodology

History of the Project & Methodology



National Center for Higher Education Management Systems, NCHEMS, is a private nonprofit (501.c.3) organization whose mission is to improve strategic decision making in post-secondary education for states, systems, institutions, and work-force development organizations in the United States and abroad. NCHEMS carries out research, development, dissemination, and evaluation activities, as well as technical assistance. NCHEMS is a national and international resource for turning data into usable knowledge for policy makers at all levels.

NCHEMS celebrated 50 years of service to higher education in 2019.

History of the Project & Methodology

PROJECT GOAL

To gain insight to the cost savings associated with SARA participation.

History

- Similar, smaller-scale study conducted in 2018 for SREB based on earlier MHEC work
- Results demonstrated notable savings & simplification across the board

Process

1. Surveyed a representative cross-section of institutions across compacts, sector, and size
2. Computed what their costs would be for offering their current program and student enrollment both with and without the benefit of NC-SARA participation.

History of the Project & Methodology

Survey distributed in June 2020

Questions included:

1. Institution name
2. Number of distance education programs
3. Are all programs offered uniformly?
4. Other comments
5. Participation in qualitative study



History of the Project & Methodology

Survey sample comprised appropriate proportions of NC-SARA participant institutions by compact, sector, and size, totaling 598 institutions.

NC-SARA Participation (tot. 1,984)

Sample by Compact

MHEC	NEBHE	SREB	WICHE
174 (29%)	82 (14%)	267 (45%)	75 (13%)

MHEC	NEBHE	SREB	WICHE
580 (29%)	270 (14%)	885 (45%)	249 (13%)

Sample by Size

		MHEC	NEBHE	SREB	WICHE
Small	49%	93	32	130	38
Medium	35%	58	38	93	23
Large	15%	23	12	44	14
Grand Total	100%	174	82	267	75

	MHEC	NEBHE	SREB	WICHE
49%	310	108	432	126
35%	192	124	308	77
15%	78	38	145	46
100%	580	270	885	249

Sample by Sector

		MHEC	NEBHE	SREB	WICHE
Private, For-Profit	6%	6	5	16	12
Private, Not-For-Profit	43%	87	42	108	20
Pub. Associate's, Other & <2-Year	29%	50	17	80	24
Pub. Mstrs, Bach. & Other 4-Year	13%	18	12	37	11
Public Research	9%	13	6	26	8
Grand Total	100%	174	82	267	75

	MHEC	NEBHE	SREB	WICHE
6%	19	15	52	40
43%	290	137	359	67
29%	167	57	266	80
13%	60	40	122	35
9%	44	21	86	27
100%	580	270	885	249



Findings

Findings - Responses

- 179 responses
- Representative response rate

Sample & Participation by Compact	Participation				Sample			
	MHEC	NEBHE	SREB	WICHE	MHEC	NEBHE	SREB	WICHE
	580 (29%)	270 (14%)	885 (45%)	249 (13%)	174 (29%)	82 (14%)	267 (45%)	75 (13%)

Responses by Compact		MHEC	NEBHE	SREB	WICHE	Total
	Total Responses	54	30	84	11	179
	% of Responses w/in Compact	30%	37%	31%	15%	
	% of Total Responses	30%	17%	47%	6%	100%

Responses by Size		% of Responses	MHEC	NEBHE	SREB	WICHE	Total
	Small	51%	30	12	46	3	91
	Medium	35%	19	11	27	5	62
	Large	15%	5	7	11	3	26
	Grand Total	100%	54	30	84	11	179

Responses by Sector			MHEC	NEBHE	SREB	WICHE	Total
	Private, For-Profit	6%	1	3	5	2	11
	Private, Not-For-Profit	47%	33	14	34	4	85
	Public Associates, Other & <2-Year	26%	14	5	25	3	47
	Public Masters, Bach. & Other 4-Year	11%	3	5	11		19
	Public Research	9%	3	3	9	2	17
	Grand Total	100%	54	30	84	11	179

Note: 67 respondents accepted the request to be contacted for further information (Question 5).

Findings – Calculating Costs



- NC-SARA and SARA fees based on size and state
- Non-SARA fees based on enrollment, size, and programs
 - Did not include additional fees such as surety bonds, change fees, agent fees, site evaluation, etc.
 - Did not include staff time or other institution resources
 - Conservative estimate based on fees charged, but may be overestimating based on enrollment – if states had to pay individual state fees, they may not have enrolled students in a given state

Non-SARA Fees Overview

Fees vary widely from state to state

- Initial fees range from \$0 to \$20,000 for an applying institution
- Fees and application charges are based on a wide range (and combination) of factors, and vary from state to state
- Renewal fees range from \$0 - \$25,000, with a range of factors for establishing the appropriate fees



Example Cost Calculation



Institution A

- Medium sized
- 6 online programs
- Serves 18 out-of-state students from 4 SARA member states

COST CALCULATION FOR INSTITUTION A

- NC-SARA and SARA State costs: \$4,000 + \$7,000
- Non-SARA costs:
 - State 1: \$10,000 initial + \$2,000 per program (\$22,000), \$4,000 renewal
 - State 2: No charge
 - State 3: \$30,000 Initial, \$1,000 renewal
 - State 4: No charge
- Total SARA costs: \$11,000 / \$11,000
- Total Non-SARA costs: \$52,000 / \$5,000

Results

Characteristics of survey respondents included in analysis:

					Range of Initial Costs		Range of Renewal Costs	
Size	N	Average Number of Programs	Average OOS Enroll-ments	Average Number of SARA States Served	Minimum	Maximum	Minimum	Maximum
Small	86	11	99	17	\$0	\$804,110	\$0	\$246,975
Medium	61	18	333	24	\$0	\$850,575	\$0	\$259,880
Large	24	52	7,704	34	\$14,500	\$2,180,055	\$13,000	\$402,255
Total	171							

Results (continued)

Cost multiplier calculations:

Size	N	Avg. TOTAL Initial Costs	Avg. TOTAL Renewal Costs	Avg. TOTAL SARA Initial Costs	Avg. TOTAL SARA Renewal Costs	Initial Multiplier	Renewal Multiplier
Small	86	\$114,845	\$44,753	\$3,351	\$3,258	34.3	13.7
Medium	61	\$220,262	\$80,865	\$6,743	\$6,611	32.7	12.2
Large	24	\$588,073	\$170,973	\$11,221	\$11,033	52.4	15.5
Total	171	\$218,868	\$75,350	\$5,665	\$5,546	38.6	13.6
Region	N	Avg. TOTAL Initial Costs	Avg. TOTAL Renewal Costs	Avg. TOTAL SARA Initial Costs	Avg. TOTAL SARA Renewal Costs	Initial Multiplier	Renewal Multiplier
MHEC	54	\$275,316	\$85,828	\$4,750	\$4,417	58.0	19.4
NEBHE	25	\$147,815	\$56,437	\$8,472	\$8,372	17.4	6.7
SREB	81	\$174,744	\$65,389	\$5,025	\$5,025	34.8	13.0
WICHE	11	\$428,149	\$140,246	\$8,500	\$8,500	50.4	16.5
Total	171	\$275,316	\$85,828	\$4,750	\$4,417	58.0	19.4

Results (continued)

NC-SARA and Regional Savings:

	Region	Estimated Costs	State & NC SARA Costs	SARA Affiliation Fee	Estimated Savings
Initial	MHEC	\$106,633,258	\$2,802,550	\$0	\$103,830,708
	NEBHE	\$80,942,771	\$2,135,400	\$50,000	\$78,757,371
	SREB	\$174,362,696	\$4,491,500	\$160,000	\$169,711,196
	WICHE	\$51,353,254	\$1,304,000	\$0	\$50,049,254
	Total NC-SARA	\$413,291,980	\$10,733,450	\$210,000	\$402,348,530
Renewal	MHEC	\$36,493,078	\$2,692,550	\$0	\$33,800,528
	NEBHE	\$28,392,416	\$2,118,400	\$50,000	\$26,224,016
	SREB	\$61,132,387	\$4,491,500	\$160,000	\$56,480,887
	WICHE	\$17,958,205	\$1,304,000	\$0	\$16,654,205
	Total NC-SARA	\$143,976,087	\$10,606,450	\$210,000	\$133,159,637



Cost Savings Calculator

SARA Cost Savings Calculator

Possible Uses

1. Estimate the costs associated with state authorization, both for SARA and non-SARA participants.
2. Project changes to costs based on the addition of new distance education programs or expansion of existing programs.
3. Evaluate the cost savings and the return on investment of SARA participation.



Calculator available after webinar at
<https://nc-sara.org/sara-cost-savings>



Value to Institutions



Melissa Pella
Associate Director of Regulatory
Compliance
Arizona State University



Arizona State University

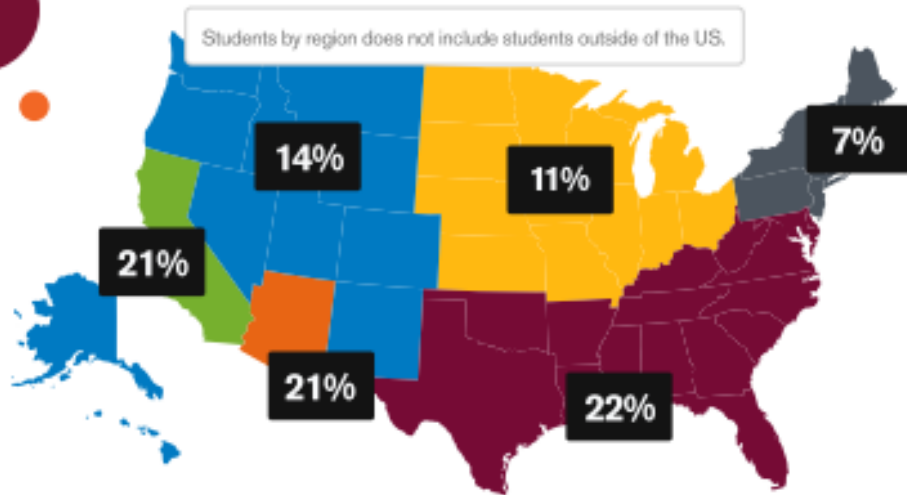
Institutional Profile

- #1 Most Innovative School in the U.S. for six consecutive years, ahead of MIT and Stanford
- *U.S. News & World Report*, 2016-2021
- ASU graduates more than 27,000 thinkers, innovators and master learners every year
- Fall 2020: 127,000+ enrolled students (undergraduate and graduate), the largest in ASU history
- Undergraduate students:
 - 54.4% female
 - 30.9% from historically underrepresented student populations



ASU Online At a Glance

Students by region



Top states by students



- Fall 2020: 53,000+ fully online students, ASU Online's largest fall enrollment to date
- 39.1% of ASU students are enrolled in ASU Online degree programs; 18.1% of which are Arizona residents
- ASU Online enrollment comprised of 75% undergraduate students
- Currently 272 ASU Online programs: 129 undergraduate programs, 108 graduate programs, 35 certificates
- #6 Best Online Bachelor's Programs – *U.S. News & World Report*, 2021



ASU Charter

ASU is a **comprehensive public research university**, measured not by whom it excludes, but by whom it **includes** and how they **succeed**; advancing research and discovery of **public value**; and assuming **fundamental responsibility** for the **economic, social, cultural and overall health** of the communities it serves.



SARA Participation

NC-SARA Enabled ASU to:



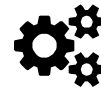
Establish Partnerships

- Starbucks College Achievement Plan
- Uber and ASU



Innovate

- Re-examine landscape to start thinking globally



Increase Collaboration

- Raised compliance awareness
- Easier conversations



Pursue our Charter

- Access and inclusion





Heather Jenkins
Assistant Director of Academic Compliance
Franklin University

- Downtown Columbus, Ohio
- 4-year, private, not-for-profit
- Total enrollment of 6,000+ students
- 70% of the student population over the age of 25
- Primarily offer online programs at the undergraduate, graduate and doctoral levels



The Dollars and Sense of Participating in SARA

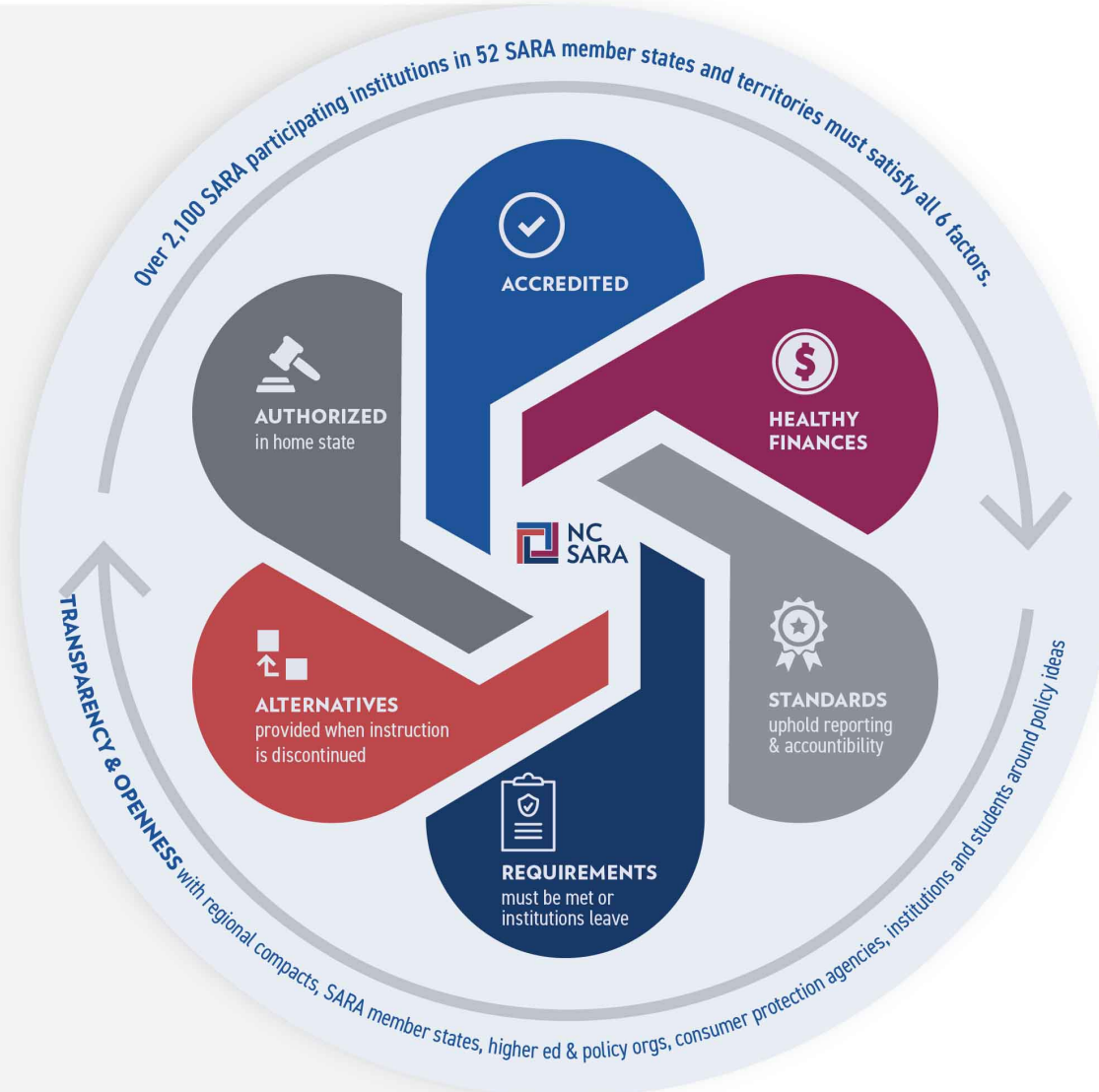
- Value
- Time savings
- ↑ Opportunities for students and institutions



Value of SARA to Students

NC-SARA IMPROVES STUDENT CONSUMER PROTECTION

Variable state regulation results in about half without any distance education regulation and one-third without accreditation requirements. When states join SARA, they agree to follow uniform processes for approving their eligible institutions' participation. SARA's policies help protect students and provide benefits to both states and institutions carrying out distance education in multiple states.



Thank You!



<https://www.linkedin.com/company/nc-sara>



@NCSARA_News

CONTACT US!

For questions about the cost savings study, please email:

info@nc-sara.org

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