2023 SARA Policy Modification Process Wrap-Up:

Results of NC-SARA Board Voting and Implications for SARA-Participating Institutions and State Portal Entities
Welcome

Marianne Boeke, Ph.D.

President
National Council for
State Authorization Reciprocity Agreements (NC-SARA)
Webinar Guidance

• Please use the “Question & Answer” feature for questions.

• The Closed Caption option is available.

• This webinar will be recorded.

• This presentation and other resources referenced will be posted on the NC-SARA website under News & Events > Webinars.
Agenda

• Fall 2023 NC-SARA Board Actions
• Reflections on 2023 Policy Modification Process Cycle
• Post-Cycle Efforts to Improve Policy Modification Process
• Summary and Overview of Board-Approved Policies and Impact on States, Institutions, and NC-SARA
• Q&A
Fall 2023 NC-SARA Board Actions

- Institution participation fees
- New and continuing Board members
- Board leadership
## Potential Increase in NC-SARA Fees for Institutions

<table>
<thead>
<tr>
<th>FTE</th>
<th>Current</th>
<th>Proposed</th>
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<tbody>
<tr>
<td>Under 2,500</td>
<td>$2,000</td>
<td>$2,200</td>
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<tr>
<td>2,500-9,999</td>
<td>$4,000</td>
<td>$4,400</td>
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<tr>
<td>10,000-29,000</td>
<td>$6,000</td>
<td>$6,600</td>
</tr>
<tr>
<td>30,000+</td>
<td>$6,000</td>
<td>$8,800</td>
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- **Board Action on Fees** – Vote every 2 years (2023)
- **October 2023** – Voted to table a vote to approve an increase in SARA-participating institution fees until February 2024.
- **Implementation** would be July 1, 2024
New NC-SARA board members for their first three-year term:
Mike Goldstein - Managing Director and Co-Creator, Tyton Center for Higher Education Transformation; Partner and Practice Chair, Higher Education, Cooley LLP (retired)
Sam Loftin - Director of Consumer Protection, Washington Student Achievement Council; Co-Chair of SARA Policy Implementation Team (2023); Washington SPE
Cathie (Cam) Maeyaert - Director, Private Postsecondary Institutions, Texas Higher Education Coordinating Board; NASASPS President (2022-2024); Texas SPE

Continuing NC-SARA board members, for a second three-year term:
Lanna Dueck
Angela Lee
Carlos Morales, Ph.D.

Board Officers elected for a two-year term:
Board Chair: Rob Anderson, Ph.D.
Board Vice Chair: Eduardo Ochoa, Ph.D.
Reflections on the 2023 Cycle

2023 Co-Chairs

Jared B. Abdirkin
*Director SARA, New England Board of Higher Education (NEBHE)*

Sam Loftin
*Director of Consumer Protection, Washington Student Achievement Council (WSAC)*

• 2024 Co-Chairs
  o Molly Hall-Martin, Ph.D., Director W-SARA, Western Interstate Commission for Higher Education (WICHE)
  o Julie Woodruff, Senior Compliance Counsel, Tennessee Higher Education Commission

• *Preparing for the 2024 SARA Policy Cycle Webinar*
  o December 11th, 2:30pm-3:30pm eastern
  o Register now at [nc-sara.org](http://nc-sara.org) (News & Events > Webinars)
Post-Cycle Efforts to Improve Process

Rachel Christeson, Ph.D.
Director for Research and Data Analysis, NC-SARA

Surveys

Meetings with proposers

Conference session with State leaders

Board member discussion

Attend the 12/11 session to hear more about the 2024 cycle!
Summary and Overview of Board-Approved Policies

Proposals Approved

Marianne Boeke, Ph.D.

Reflections on the First Cycle

Ed Ray, Ph.D.
Outgoing NC-SARA Board Chair
President Emeritus, Oregon State University

Angela Lee
NC-SARA Board Policy Committee Chair
Executive Director, DC Higher Education Licensure Commission
Summary and Overview of Board-Approved Policies

Impact Analysis and Implementation Timeline

Jeannie Pauline Yockey-Fine
General Counsel and Vice President for Policy, Regulatory Affairs, and Administration
NC-SARA

With great appreciation to this cycle’s Impact Analysis Team

Shari Miller, Higher Education Regulatory Compliance Consultant, Institutional Compliance Matters
Paige Smith, Chief Compliance and Risk Officer, Universities of Wisconsin
Julie Woodruff, Senior Compliance Counsel, Tennessee Higher Education Commission
Summary and Overview of Board-Approved Policies

The approved proposals will be reviewed one by one, followed by a summary of the practical impact for states, institutions, and NC-SARA.

Please put your questions in the “Q&A” and we will address them after each policy overview, as well as at the end of the presentation.
Summary and Overview of Board-Approved Policies

PMP-330: Require NC-SARA to Notify Public of Institution Status

Proposed by – W-SARA RSC
Presented by – Sam Loftin
Implementation Date – 7/1/2024

Summary: This proposal would benefit students, states, and members of the public by providing transparency regarding changes in the status of SARA institutions.
PMP-330: Require NC-SARA to Notify Public of Institution Status

Section 3.8  Loss of institutional eligibility or withdrawal under SARA

g. “States shall notify their regional compact and NC-SARA of the withdrawal, loss of eligibility, or removal of any institution. NC-SARA will provide indication of the institution’s withdrawal, loss of eligibility, or removal, as well as the reason(s) for the change in the institution’s status, on the NC-SARA website.”
Summary and Overview of Board-Approved Policies

PMP-330: Require NC-SARA to Notify Public of Institution Status

**Impact for States** – Home state SPEs will continue to follow existing processes (Institution Non-Renewal Form; AF5). Burden will be on home state SPE to ensure information reported to NC-SARA is accurate. All SPEs will have easier access to up-to-date list of institutions that have withdrawn, lost eligibility, or been removed from participation in SARA.

**Impact for Institutions** – No changes to process. Institutions will have easier access to up-to-date list of other institutions that have withdrawn, lost eligibility, or been removed from participation in SARA.

**Impact for NC-SARA** – Post list of institutions with reason for withdrawal, loss of eligibility, or removal on NC-SARA website and update list as changes occur. Update language in SARA Policy Manual.
Summary and Overview of Board-Approved Policies

PMP-331: Institutional Disclosure Requirements

Proposed by – W-SARA RSC
Presented by – Sam Loftin
Implementation Date – 1/1/2025

Summary: This proposal would benefit students, states, and members of the public by providing transparency regarding changes in the status of SARA institutions.
Section 3.9 Disclosure requirements

a. “Institutions shall disclose to their home state any adverse action against the institution and any investigation by an oversight entity related to the institution’s academic quality, financial stability, student consumer protection policies or practices, or compliance with any state or federal requirement.”

The disclosure must be provided within 30 days of the institution’s first knowledge of the action or investigation and must include the following:

- The written notice provided by the oversight entity;
- A summary of how the institution will resolve the issue(s) leading to the adverse action;
- Any additional information requested by the home state.
Section 3.9 Disclosure requirements

"Adverse action" means a warning or sanction issued by the institution’s accrediting association, the United States Department of Education, a professional licensing board, or a state regulatory entity; a judgment against an institution that includes a finding of a consumer protection violation or that may impact ongoing operations; or any action, decision, or finding that impacts the institution's financial solvency.
Section 3.9 Disclosure requirements

b. “Institutions shall disclose to their home state any changes in the institution's operations that are inconsistent with the requirements contained in the SARA Policy Manual or that may impair the institution’s ability to satisfy any requirement of the SARA Policy Manual.”

The disclosure must be provided within thirty days of the institution's first knowledge of the change and must include the following:

- Information about the nature of the changes in the institution’s operations;
- Any additional information requested by the home state.
Summary and Overview of Board-Approved Policies

PMP-331: Institutional Disclosure Requirements

Impact for States – Home state SPEs will develop and implement processes for receiving, reviewing, responding to, monitoring, and maintaining records of disclosures of adverse actions, associated documents, and corrective action steps from institutions. Significant staff time may be required to adhere to this new policy.

Impact for Institutions – Develop and implement processes and select point person(s) for preparing and submitting disclosures of adverse actions, associated documents, and corrective action steps to home state SPE. Institutions may be negatively impacted if they have attempted to address the issue that prompted the adverse action and are waiting for a response, but the authorized organization has a lengthy waiting period.

PMP-368: SARA Policy Manual

Proposed by – Midwestern Higher Education Compact
Presented by – Jennifer Armour
M-SARA RSC Chair,
Associate Director for Academic Affairs at
Kansas Board of Regents

Implementation Date – 1/1/2024

Summary: Clearly state the appropriate action states must take if the newly published composite score is below 1.0.
Section 2.5(c) Functional Responsibility of SARA States

For independent institutions, the state accepts an institutional federal financial responsibility composite score of 1.5 as indicative of sufficient minimum financial stability to qualify for participation in SARA. An institution’s financial status must be evaluated using the most recent Composite Score provided in writing by the U.S. Department of Education (ED) whether published online or provided in written form to the institution by a responsible Depart of Education official. For institutions with a composite score between 1.0 and 1.5, the state shall consider additional information regarding financial stability provided by the institution. The state may, at its discretion, determine if there is sufficient evidence of financial stability to justify the institution’s participation in SARA. The state shall not permit an institution with a composite score below 1.0 to participate in SARA. For institutions owned or controlled by another entity (i.e., a parent entity), the relevant composite score will be the composite score of the parent entity, as identified by the U.S. Department of Education. 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 date of January 1, 2021.
Section 2.5(c)  Functional Responsibility of SARA States

If the newly published composite score falls below 1.0 and the institution is unable to provide documentation from ED of a more recent calculated score of 1.0 or above, the state must act within 90 days of notification to remove the institution from SARA participation.
Impact for States – Home state SPE must take action within 90 days to remove the SARA participating institution whose Financial Responsibility Composite Score (FRCS) falls below 1.0. Home state SPE may have to remove an institution and then reinstate it a short time later if the US Department of Education provides an updated FRCS that is 1.0 or above.

Impact for Institutions – Will continue to follow existing processes for providing evidence of most-recent FRCS and related documentation to home state SPE.

Summary and Overview of Board-Approved Policies

PMP-373: Provisional Notification - Add (i) to Section 3.2

Proposed by – Midwestern Higher Education Compact
Presented by – Jennifer Armour
Implementation Date – 7/1/2024

Summary: States want to know how/if their students are affected by these status changes. As the agency responsible for student complaints, it is imperative that we are aware of institutions placed in provisional status or removal status. An automated notification system would eliminate the need for the SARA State Portal Entity to continually monitor school statuses.
Section 3.2 Provisional admission or renewal of an Institution

i. NC-SARA shall notify the states monthly when institutions are placed on provisional status.
Summary and Overview of Board-Approved Policies

PMP-373: Provisional Notification - Add (i) to Section 3.2

Impact for States – No change for home state SPEs, as they will continue to monitor their institutions and report provisional status to NC-SARA. Will reduce workload for host state SPEs as they will no longer need to continuously monitor each institution’s status.

Impact for Institutions – No changes. Will continue to follow existing processes when placed on provisional status.

Summary and Overview of Board-Approved Policies

PMP-383: Modification of Language: Arbitration Agreements

Proposed by – Midwestern Higher Education Compact
Presented by – Jennifer Armour
Implementation Date – 7/1/2024

Summary: Clarify the language on mandatory arbitration to strengthen consumer protection. The current language does not make it clear that mandatory arbitration agreements shall not be enforced on students enrolled in SARA participating institutions under SARA provisions.
PMP-0383: Modification of Language: Arbitration Agreements

Section 4.4(g) Responsibilities for resolving complaints

g. Mandatory arbitration agreements do not pertain to SARA policy. Disputes between students and institutions on SARA-related matters are to be resolved by the institution’s SARA State Portal Entity or through other means. A student may, however, bring to the institution home state SARA Portal Entity any issue that potentially involves a violation of SARA policies. Institutions that choose to operate under SARA accept a student’s right to bring complaints about violation of SARA policies through the SARA process.
Section 4.4(g) Responsibilities for resolving complaints

g. Mandatory arbitration agreements do not pertain to SARA policy, and, as such, SARA participating institutions are not permitted to enforce these on students enrolled under SARA provisions. Disputes between students and institutions on SARA-related matters are to be resolved by the institution’s SARA State Portal Entity following the SARA complaint process outlined in Section 4.5 or through other means. A student may, however, bring to the institution home state SARA Portal Entity any issue that potentially involves a violation of SARA policies. Institutions that choose to operate under SARA accept a student’s right to bring complaints about violation of SARA policies through the SARA process. Institutions that utilize mandatory arbitration agreements for the resolution of non-SARA complaints or disputes shall provide a disclosure that such agreements must not be applied towards a complaint or dispute that falls within the scope of the SARA Policy Manual.
Summary and Overview of Board-Approved Policies

PMP-383: Modification of Language: Arbitration Agreements

Impact for States – Home state SPEs will implement processes to verify whether institutions that have arbitration agreements have disclosed that such agreements will not be applied towards a complaint that falls within the scope of SARA policy.

Impact for Institutions – Will be required to affirm in the Institution Application that if they have a mandatory arbitration agreement it will not be applied towards a complaint that falls within the scope of SARA policy, and if one is used for non-SARA students, that it will be disclosed.

Impact for NC-SARA – Add affirmation about arbitration agreement and possible disclosure if applicable to Institution Application. Update content in SARA Learning Station courses and SARA Quick Start Guides. Update language in SARA Policy Manual.
Questions?
Thank you for attending!

Please complete the evaluation in your email. Your feedback will help us shape future webinars!

We hope to see you December 11th and at future NC-SARA webinars!

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