



# THIRD-PARTY PROVIDER CONTRACTS

What are the SARA compliance requirements in regard to third-party provider contracts that my institution must adhere to?

# What does the SARA Policy Manual Say?

# **Section 5.5 Third-party providers**

- a. Contacts between a third-party provider of educational services and any SARA office or state must be made via the degree-granting institution that operates under SARA. A thirdparty provider may not represent an institution regarding any subject under SARA operating policies to any SARA office or any state operating under SARA. The institution that transcripts a course is considered the degree-granting institution for purposes of this section.
- b. A SARA participating institution may hire third-party providers to offer or support instruction contained within a program that is otherwise SARA eligible, assuming that the instruction otherwise meets SARA standards, institutional requirements and requirements of accrediting bodies. However, the degree-granting institution cannot delegate any SARA related problem-solving functions to a third-party provider, nor may it use the third-party provider as its formal vehicle for contacting or working with a state.
- c. SARA policies do not provide state authorization for "test prep" and other similar training programs offered by entities that are not degree-granting institutions.

**EXPLANATORY NOTE** N1. Although these business activities often claim to prepare students for exams offered by a degree-granting provider, they are not covered by SARA because they are not programs offered by a postsecondary institution. SARA *does* cover exam preparation activity offered by a SARA participant accredited degree-granting institution that is an integral component of a course or program offered by that institution among SARA member states.

#### What is the rationale?

Institutions that participate in SARA are ultimately responsible for directly communicating with SARA State Portal Entities, as well as for the education they offer, under SARA provisions. These are important features of the collection of <u>student consumer protections</u> that SARA provides.

**About SARA Quick Start Guides:** When institutions participate in SARA, they agree to a set of compliance requirements as detailed in the <u>SARA Policy Manual</u>. SARA Quick Starts are intended to help institution personnel understand a particular requirement to help them maintain compliance, communicate with colleagues regarding SARA requirements, and explain the requirement to students and other stakeholders. Institutions should always check for any state-specific requirements with their <u>SARA State Portal Entity</u>.

## What does my institution need to do?

Ш	Ensure that your institution adheres to SARA policy requirements regarding third-party providers
	as outlined in the <u>SARA Policy Manual</u> .
	Ensure that any third-party provider contracts are approved, as applicable, by any programmatic
	or institutional accrediting bodies.
	<ul> <li>Contact your institution's accrediting bodies to confirm any requirements or limitations regarding approvals of third-party contracts.</li> </ul>
	Communicate with the colleges, departments, and/or faculty at your institution that work with
	third-party providers to make them aware of the SARA policy.
	Work and communicate directly with your SARA State Portal Entity; do not have third-party providers attempt to do so.
	Regularly monitor your institution's third-party provider contracts relevant to SARA as
	applicable.
	Contact your state's SARA State Portal Entity for specific guidance or directions regarding this
	requirement.

### **Still Have Questions?**

- SARA State Portal Entities have the responsibility and authority to hold institutions in compliance with SARA policy. This information is intended to be general guidance for institutions; institutions should be in regular contact with their <u>SARA State Portal Entity</u> for specific requirements, directions, and guidance.
- 2. Feel free to email NC-SARA: info@nc-sara.org

### **Resources:**

• SARA Policy Manual, Section 5.5

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