

SARA Institutional Closures Working Group

Purpose

The SARA Institutional Closures Working Group was established to provide a structured and comprehensive approach to managing the process of closing institutions. The purpose of the working group is to ensure that closures of SARA-participating institutions are conducted in a manner that is strategic, transparent, and sensitive to the needs of all stakeholders.

The objectives of SARA-wide institutional closure requirements are to:

- Ensure transparent communication and proper planning for institutional closures.
- Protect students' rights and ensure the continuity of their education.
- Maintain regulatory compliance and uphold the integrity of the SARA framework.
- Identify policy and practice gaps in state, federal, and accreditation regulatory and oversight activities.
- Identify opportunities for increased collaboration and cooperation with other members of the regulatory triad in addressing closures.

The working group is tasked with drafting proposals that outline comprehensive requirements for institutional closure that apply SARA-wide and are designed to safeguard the interests of students. The working group will consider teach-out plans, teach out agreements, records retention and financial student protection mechanisms.

Framing:

- Policies that protect students
- Usually the closure is abrupt – that is why we need policies in place
- We want to be proactive

Overarching:

- Forewarning of closures
- State-level and SARA-level policy (new policy or agree that if a closure, states do X, regional compacts do Y and NC-SARA does Z).
- Transparency in our work – we are committed to sharing information/drafts and garnering feedback.

Three Subgroups:

A. Teach-Out Plans/Teach-Out Agreements

Institutions must create detailed teach-out plans to ensure students can complete their programs. These plans should be approved by the SARA State Portal Entity. As part of the process, institutions should be able to identify partner institutions willing to accept transferring students and ensure minimal disruption to their education.

- Credit transfer – tools, information, etc. – list of issues for an institution to think through (as part of teach-out agreements?)

- Transfer plans (part of teach-out agreements)
- Institution could have multiple entities reviewing/approving teach-out plans/agreements. How do we deal with that?
- What are the elements of a satisfactory teach-out plan (Could we have a list?)
- What are the triggers for a teach-out plan?
 - Specific circumstances? Low financial score?
 - Required for all?
- At what point/trigger should there be a teach-out agreement?
- What about program closure? Should we think about this, too?

B. Academic Records (Records Retention)

Provide a secure and accessible method for students to obtain their academic records indefinitely. This may involve partnering with a third-party records custodian.

- How states do this currently is all over the map.
- Consider a third-party provider?

C. Financial Arrangements

Clearly outline procedures for refunding tuition and fees, including pro-rata refunds where applicable. Additionally, consider financial mechanisms for tuition recovery and/or surety bonds.

- Student debt (library fines, etc.)
- Where does this all fall in the pecking order of creditors?
- Surety bonds and tuition recovery funds – these are complex
- The bond or fund – money could be delegated to certain repayment options... some states do that.

Proposed SARA-wide institutional closure requirements will be drafted with the aim of creating a structured and transparent process for institutional closures, prioritizing the interests of students while ensuring regulatory compliance and maintaining institutional integrity. By implementing these requirements, SARA can provide a consistent and reliable framework that supports and complements the work of all stakeholders, including other members of the triad, during the challenging process of institutional closure.

Goal:

The SARA Institutional Closures Working Group is committed to working for the next year on these issues, with the goal of having made progress in all areas and perhaps having one or more proposals ready for submission through the 2025 SARA PMP. Additionally, as effective SPE and state regulator practices are identified, the Working Group will develop strategies for disseminating these practices to the SPE community.

Membership:

1. Daniel Abankwa, Assistant Director of Academic Affairs, Illinois Board of Higher Education
2. Sara Appel, Regional Compact SARA Director, MHEC

3. Emily Bjornberg, Senior Consultant, Connecticut Office of Higher Education
4. John Cavanaugh, Former President & CEO Consortium of Universities of the Washington Metropolitan Area & NC-SARA Board Member
5. Tiamekia Cezaire, Paralegal and Regulatory Affairs Specialist, Massachusetts Department of Higher Education
6. Alexandra Chaillou, Associate Director, Institution Review, Maryland Higher Education Commission
7. Elisa Jaden, Regional SARA Director, SREB
8. Patrick Lane, Vice President, Policy Analysis and Research, WICHE
9. Sam Loftin, Director of Consumer Protection, Washington Student Achievement Council, & NC-SARA Board Member
10. Molly Hall-Martin, Regional Compact SARA Director, WICHE
11. Stephanie McCann, Associate Vice Chancellor, Program Approval and Development, Ohio Department of Higher Education
12. Ross Miller, Director of State Authorization and Reciprocity, Indiana Commission for Higher Education/Indiana Board for Proprietary Education
13. Alex Nally, Deputy General Counsel, Massachusetts Department of Higher Education
14. Charlotte Ochs, Regional Compact SARA Director, NEBHE
15. Jenny Parks, Vice President, Policy and Research, MHEC
16. Shelley Plutto, Project Manager, W-SARA
17. Elise Scanlon, Principal Elise Scanlon Law Group & NC-SARA Board Member
18. Kirk Shook, Executive Director, Georgia Nonpublic Postsecondary Education Commission
19. Jeannie Pauline Yockey-Fine, Senior Vice President and General Counsel, NC-SARA

Other individuals may, based on their areas of expertise, be invited to specific meetings or asked to review draft documents. The SPE Advisory Committee may be a good resource to discuss ideas that come out of the working group and review draft documents as those emerge. NC-SARA staff will provide support to the working group

Timeline:

- June 2024 – start
 - Late June– first meeting of working group
 - Draft and review purpose and goals
 - Determine next steps
- July 2024 – Send eblast to the SARA community about the Working Group
- August 2024 – Meet with SPE Advisory Committee and Institutional Advisory Committee to discuss the work
- September 2024 – Discuss the work with SPE Annual Conference attendees
- October 2024 – Discuss the work during the NC-SARA Board Meeting
- January 2025 – Potential to submit proposal(s) through the 2025 SARA PMP