

South Carolina Commission on Higher Education

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CAAL
7/15/15
Agenda Item 4

July 15, 2015

MEMORANDUM

TO: Dr. Bettie Rose Horne, Chair, and Members, Committee on Academic Affairs and Licensing
FROM: John Lane, DMA, Interim Director of Academic Affairs

Consideration of Request to Seek Legislative Authority to Participate in State Authorization Reciprocity Agreement (SARA)

BACKGROUND

At its June 2014 meeting, the Commission on Higher Education (CHE) considered a recommendation from the Committee on Academic Affairs and Licensing (CAAL) to “authorize the staff to move forward with preparations to seek the legislative change necessary to allow South Carolina to join the State Authorization Reciprocity Agreement (SARA), so that CHE is eligible to submit its application to SARA in spring 2015, if it chooses at that time to do so.” The Commission members discussed the item, amended the motion to remove the phrase “to seek the legislative change” and approved the amended recommendation.

The staff and institutions have continued to monitor the status of participation by states and institutions. [Attachment 1](#), *State Actions Regarding SARA*, is a list published by the National Council for State Authorization Reciprocity Agreement (NC-SARA) showing current SARA status. It shows that as of June 30, 2015, the regional compacts have approved 27 states as SARA participants. In addition, six states have introduced legislation for authority to participate in SARA.

Primary SARA constituents are the institutions and their students, state portal agencies, regional compacts, and the National Council for SARA. Participation by states, territories, and institutions is voluntary. Institutions that do not participate can choose not to provide education to residents of other states that require approval or seek authorization in each of the states in which they wish to offer educational services.

Membership

To join SARA, a state must demonstrate to its regional compact (for South Carolina, the Southern Regional Education Board [SREB]) that the state meets the standards established for participation in the interstate reciprocity agreement. Each SARA state designates a portal agency responsible for managing functional state responsibilities under SARA. The portal

agency must have the legal authority to sign an interstate reciprocity agreement. The portal agency must also have authority to investigate and resolve complaints against degree-granting institutions in the state.

SARA shifts principal oversight from the state in which distance learning is being offered or delivered to the home state of the institution offering the instruction. A participating state (the home state) will have responsibility for authorizing institutions within the home state that offer distance education. Each institution will certify to the home state’s portal agency (for South Carolina, CHE, assuming legislative authority is granted to join SARA) that it meets each requirement for participation. States cannot subject an out-of-state institution operating under SARA provisions to requirements, standards, fees, or procedures beyond the SARA baseline requirements. By the same token, the state’s own institutions will enjoy freedom from other participating states’ requirements if they operate in those states that participate in SARA. Ongoing occupancy of a physical location for instructional purposes or having an administrative office to facilitate instruction are the two conditions under which an out-of-state institution would be considered to have a physical presence in a state and therefore will operate under the jurisdiction of the state licensing agency.

Costs

Participating in SARA would exempt from the oversight of the Commission the following institutions that are licensed to recruit in the state. In the 2014-15 fiscal year, these institutions paid \$30,800 in licensing fees to CHE.

	Institution	Modality of Program Delivery
1.	Capella University Minneapolis, MN	On-line
2.	Chamberlain College of Nursing Downers Grove, IL	On-line
3.	DeVry University	On-line and on-ground at sites in six other states
4.	Grand Canyon University Phoenix, AZ	On-line
5.	Harrison College Indianapolis, IN	On-line and on-ground at The Chef’s Academy, Morrisville, NC
6.	Johnson & Wales University Providence, RI	On-ground at its site in Charlotte, NC
7.	Northeastern University Boston, MA	On-line and on-ground
8.	Walden University Minneapolis, MN	On-line

Under SARA, institutions will pay a fee to NC-SARA based on student enrollment in distance education as shown below. States do not pay fees to regional compacts or to NC-SARA. Each state portal agency is allowed under SARA provisions to assess fees for institutions to participate.

- \$2,000/year for institutions with fewer than 2,500 FTE students
- \$4,000/year for institutions between 2,500-9,999 FTE students
- \$6,000/year for institutions with 10,000 or more FTE students

Together with staff from the Commission’s Division of Fiscal Affairs, the Academic Affairs and Licensing staff continue to investigate the costs to CHE of serving as the portal agency to participate in SARA. At this date, it is unknown how many institutions in SC provide distance

education, how many students they enroll in distance education, and how many will voluntarily participate in SARA. However, based on recent conversations and support conveyed to the CHE staff, institutions indicated they are willing to pay fees to offset administrative costs for CHE to administer participation given the savings that would be anticipated as a SARA participant. CHE staff surveyed other states that have been approved for SARA and learned that fees portal agencies charge vary. Some did not charge a fee while others set an amount per institution (from \$300 to \$1,500), or assessed variable amount on a sliding scale similar to NC-SARA. CHE staff does not yet have a firm estimate for additional staffing needs for administering SARA but expects it would require at least one additional staff member. CHE would assess fees for institutions that participate similar to NC-SARA to offset the costs. The fees to CHE would be a significant savings from the fees institutions would pay if seeking authorization in each state. The cost for CHE to administer SARA may be more, depending on information technology support needs, and could be adjusted each year based on actual costs, assuming CHE is authorized by the state to assess such fees.

Oversight

A state must perform an annual review of all institutions it approves as the portal agency for participation in SARA. The purpose of the review is to confirm and report to the regional compact that the institution continues to meet basic eligibility requirements and to fulfill its responsibilities under SARA. In addition to requiring the institution to provide assurances that it continues to adhere to SARA baseline requirements, the state would be required to review and report on various items such as the number of complaints against the institution that are not resolved at the institution level and are appealed to the state portal agency, the resolution of such complaints, and the frequency and seriousness of complaints against the institution over time.

The regional compacts will accept or reject states into the reciprocal agreement (i.e., SARA). The decision to admit a state will be based on its ability through the portal agency to undertake the required functions and to ensure native institutions comply with the requirements.

ACAP and Institutional Support

At its June 11, 2015 meeting, the Advisory Committee on Academic Affairs (ACAP) reviewed a staff update of SARA participation and presented and passed a resolution ([Attachment 2](#)) that CAAL introduce and endorse a recommendation to CHE that would authorize the staff to seek legislative authority to participate in a state authorization reciprocity agreement. ACAP members also prepared a “position paper” that provides information about the costs and implications to the institutions and students if South Carolina does not participate in SARA. ([Attachment 3](#)). A list of ACAP members is attached ([Attachment 4](#)).

Additionally, institutions have submitted letters supporting joining SARA including: an April 17, 2015, letter to CHE Chairman John Finan from the presidents and academic provosts from Clemson, MUSC, and USC ([Attachment 5](#)); a June 30, 2015, letter from the South Carolina Independent Association of Colleges and Universities (SCICU) ([Attachment 6](#)); a joint letter from public four-year comprehensive institutions and a letter from the College of Charleston ([Attachment 7](#)). Further, the SC Technical College System has indicated that it will also submit a letter of support for SARA membership.

For CHE to join SARA on behalf of South Carolina, it will be necessary to seek and receive legislative authority. Following approval from CHE, CHE staff will consult with appropriate legal counsel to develop proposed statutory changes to authorize CHE to participate.

RECOMMENDATION

The staff recommends that the Committee on Academic Affairs and Licensing commend favorably to the Commission that it authorize the staff to seek legislative change necessary to allow CHE, as the portal agency for South Carolina, to join SARA and upon receiving legislative authority, to submit its application to SREB.

- 1 National Council for State Authorization Reciprocity Agreement list of state actions
- 2 ACAP Resolution
- 3 "Position Paper" from research institutions
- 4 List of ACAP members
- 5 President and provosts' letter to Finan
- 6 SCICU letter of support
- 7 Letters of support from comprehensive institutions and the College of Charleston

STATE ACTIONS REGARDING SARA

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United States and Territories (regional compact)	Legislation introduced	Legislation passed	Application to regional compact	Approved as SARA state
Alabama (SREB)	✓	✓		
Alaska (WICHE)	✓	✓	✓	05/13/2014
American Samoa				
Arizona (WICHE)	✓	✓	✓	11/11/2014
Arkansas (SREB)	n/a	n/a	✓	06/29/2015
California (WICHE)	✓			
Colorado (WICHE)	✓	✓	✓	05/13/2014
Connecticut (NEBHE)	✓			
Delaware (SREB)				
District of Columbia				
Florida (SREB)				
Georgia (SREB)	n/a	n/a		
Guam				
Hawaii (WICHE)	✓	✓		
Idaho (WICHE)	n/a	n/a	✓	05/13/2014
Illinois (MHEC)	✓	✓		
Indiana (MHEC)	✓	✓	✓	02/21/2014
Iowa (MHEC)	✓	✓	✓	06/01/2015
Kansas (MHEC)	✓	✓	✓	11/16/2014
Kentucky (SREB)				
Louisiana (SREB)	✓	✓	✓	10/17/2014
Maine (NEBHE)	✓	✓		
Maryland (SREB)	✓	✓		
Massachusetts (NEBHE)				
Michigan (MHEC)	✓	✓		
Minnesota (MHEC)	✓	✓	✓	01/26/2015
Mississippi (SREB)	✓	✓		
Missouri (MHEC)	✓	✓	✓	11/16/2014
Montana (WICHE)	n/a	n/a	✓	08/13/2014
Nebraska (MHEC)	✓	✓	✓	08/09/2014
Nevada (WICHE)	✓	✓	✓	05/14/2014
New Hampshire (NEBHE)	✓	✓	✓	12/15/2014
New Jersey				
New Mexico (WICHE)	✓	✓	✓	05/12/2015
New York	✓			
North Carolina (SREB)	n/a	n/a		
North Dakota (MHEC)	✓	✓	✓	04/03/2014
N. Marianas Islands (WICHE)				
Ohio (MHEC)	✓	✓	✓	03/02/2015
Oklahoma (SREB)	n/a	n/a	✓	06/29/2015
Oregon (WICHE)	✓	✓	✓	11/11/2014
Pennsylvania	✓			
Puerto Rico				
Rhode Island (NEBHE)	✓			
South Carolina (SREB)				
South Dakota (WICHE)	✓	✓	✓	11/11/2014
Tennessee (SREB)	✓	✓	✓	06/29/2015
Texas (SREB)	✓	✓		
Utah (WICHE)	✓	✓		
Vermont (NEBHE)	✓	✓	✓	04/17/2015
Virginia (SREB)	✓	✓	✓	10/17/2014
Virgin Islands				
Washington (WICHE)	✓	✓	✓	05/13/2014
West Virginia (SREB)	n/a	n/a	✓	10/17/2014
Wisconsin (MHEC)				
Wyoming (WICHE)	✓	✓	✓	05/12/2015

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National Council for State Authorization Reciprocity Agreements

A voluntary, regional approach to state oversight of distance education

RESOLUTION
ADOPTED BY THE ADVISORY COMMITTEE FOR ACADEMIC PROGRAMS, JUNE 11, 2015

TO REQUEST THAT THE SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION (CHE) PROCEED EXPEDITIOUSLY WITH PREPARATIONS TO ALLOW SOUTH CAROLINA TO JOIN THE STATE AUTHORIZATION RECIPROCITY AGREEMENT (SARA)

Whereas, the Committee on Academic Affairs and Licensing (CAAL) on May 1, 2014, recommended that the CHE authorize CHE staff to move forward with the preparations to seek the legislative change necessary to allow South Carolina to join SARA, and

Whereas, the CHE on June 5, 2014, voted to delete the words “to seek the legislative change” from the recommendation passed by CAAL, and to delay consideration of the CAAL recommendation to allow further review by Commissioners, and

Whereas, a year has passed during which time SC higher education institutions have incurred significant expenses in the effort to comply with other states’ authorization laws, and during which time some of these states have begun to refuse clinical and internship placements for students from South Carolina institutions unless and until these institutions complete often expensive state authorization applications, and

Whereas, 24 states have now joined SARA, including the three Southern Regional Education Board (SREB) states of Louisiana, Virginia, and West Virginia, and two additional SREB states have submitted applications to participate, and

Whereas, SARA-enabling legislation has been passed in an additional six SREB states, a further four states have determined that enabling legislation will not be required to join SARA, and Texas and Maryland have introduced SARA legislation, and

Whereas, the SREB’s existing Electronic Campus Regional Reciprocity Agreement (SECRRA) will be dissolved once eight SREB-member states join SARA, expected by December 2015, and

Whereas, without South Carolina participation in SARA, students enrolled in programs that originate from institutions in South Carolina will not be eligible for placement in internships, clinical placements, or practica (for example, as part of degrees in education, pharmacy, public health, sports management, hospitality management, physical therapy, exercise science, advertising, marketing, marine science, and library/information studies) in non-authorized states, and

Whereas, without South Carolina participation in SARA, South Carolina institutions risk losing the tuition revenue from out-of-state distance learning students from non-authorized states, and

Whereas, without South Carolina participation in SARA, South Carolina institutions will continue to incur significant fees to secure and retain authorization in neighboring or nearby states such as Georgia, North Carolina, Tennessee, Louisiana, Alabama, Florida, and Kentucky. Therefore,

Be it resolved by the public institutions in South Carolina as represented on the Advisory Committee on Academic Programs (ACAP) to request that the Chair of CAAL introduce and endorse a recommendation to the Commission at its September 3, 2015, meeting that CHE seek statutory authority to enter into an interstate reciprocity agreement in order to participate in SARA.

Membership in SARA benefits South Carolina students and institutions of higher education

A Position Paper Submitted to the South Carolina Commission on Higher Education

On Behalf of:

Medical University of South Carolina
University of South Carolina
Clemson University

SARA Highlights:

1. **What is State Authorization?**

When a SC university offers an online degree program, and a potential student from another state wants to enroll, the institution is required by many state laws to seek authorization to enroll the out-of-state student. Many states require institutions to seek authorization for students pursuing internships, clinicals, or field experience. Failure to comply with state authorization may result in loss of Title IV participation by the institution.

2. **What is SARA?**

State Authorization Reciprocity Agreement. This agreement would allow participating states to recognize each other's participating institutions as eligible to enroll students in their distance education programs and to place students at experiential learning sites.

3. **The Cost of State Authorization is HIGH.**

Some states only require schools to register online for exemption from authorization. Other states have complex regulations and processes to navigate and charge high fees to achieve authorization. Not only is it costing our state and independent institutions thousands of dollars in fees, it requires considerable administrative resources to manage compliance with the laws of 50 states and the territories.

4. **SARA can change this.**

SARA is an inter-state reciprocity agreement. Participating states agree to allow their member institutions to freely accept students from other member states. Currently 278 institutions in 27 states are already benefiting from SARA membership.

5. **Inter-state reciprocity in education is not new:**

Since 1998, South Carolina has been a member of the inter-state reciprocity agreement among Southern Regional Education Board (SREB) member states referred to as SREB Electronic Campus Regional Reciprocity Agreement (SECRRRA). Like SARA, it allows member states reciprocity to enroll students into online distance education programs so states do not require authorization of each institution.

6. **SARA is replacing SECRRRA:**

Once eight SREB states join SARA, SREB will phase out SECRRRA. Without participation in SARA, South Carolina institutions will be required to apply for and maintain authorization in each state that formerly participated in SECRRRA.

7. **South Carolina will place its institutions at a competitive disadvantage if it does not join SARA:**

South Carolina educational institutions are already incurring costs and lost opportunities which would be eliminated if the state joins SARA.

Recommendation: CHE seek legislative authority to participate in a state authorization reciprocity agreement, prepare and submit an application to SREB to participate in SARA, and work collaboratively with all SARA stakeholders to implement and maintain eligibility to participate.

WHAT SARA IS:

Voluntary

- No institution is required to join SARA, but the option to participate in SARA is limited to institutions that reside in a state that participates in SARA
 - Should SC join SARA, applying to be part of the agreement is voluntary for institutions.

Cost efficient

- SARA membership will encourage economic efficiencies in South Carolina by centralizing oversight of state authorization requirements within its borders.
- Without SARA, each academic institution incurs individual costs which could better be spent on the educational mission.

Improves access

- Access by South Carolina resident students to clinical training sites and internships outside of the state.
- Access to out-of-state online academic programs for students who live in SC.
- Access to distance education programs SC institutions offer by residents of other SARA participant states.

Opens educational markets

- Prohibitive costs to obtain state authorization limits South Carolina institutions from accepting some out-of-state students into online programs. This limitation results in lost revenue for the institutions of higher learning that cannot accept students who reside in other states where the institution is not authorized.

WHAT SARA IS NOT:

SARA is not a new layer of federal bureaucracy and oversight.

- SARA is a voluntary cooperative effort among states and their regional compacts

SARA is not an expensive solution to a problem that doesn't exist

- Cumulative costs paid by individual institutions in South Carolina to other states far exceed what each institution would pay to the National Council for SARA and the state to participate in SARA.

Reciprocity is not a new idea

- South Carolina already participates in the SREB's Electronic Campus Regional Reciprocity Agreement (SECRRA), and its academic programs have benefited greatly from this.

- SREB will phase out SECRRRA in the near future since it represents a redundancy to SARA. For academic institutions that reside in states that were former members of SECRRRA but which do not join SARA, authorization efforts, licensing applications, and associated fees and personnel costs must be undertaken by each institution individually in order to continue to enroll students who live outside the state in online degree programs, and for placement of internship/clinical students.

SARA is not a requirement to share student data with the federal government

- SARA participation is administered by a regional compact, the SREB, not the federal government.
- The data requested by the SREB is primarily what is already collected for Integrated Postsecondary Educational Data System (IPEDS) reporting.
- There is no individual student data collection.
- Examples of data collected:
 - Number of out-of-state students enrolled in online education
 - Number of student complaints and the resolution of each

ACCREDITATION: SARA and CURRENT FEDERAL REQUIREMENTS

South Carolina institutions regionally accredited by the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) must already comply with Federal requirements regarding distance education academic programs including:

- Ensuring the institution has adequate procedures for addressing and resolving student complaints
- Verifying student identity such as through secure login and pass codes and proctored exams
- Protecting privacy of students

The accreditation requirements must be submitted for reaffirmation every five years.

If South Carolina Joins the State Authorization Reciprocity Agreement (SARA)

Costs Vs. Benefits for the State

Costs

Expansion of personnel will be needed to fulfill state portal agency responsibilities; institutional fees can be established for cost recovery.

Benefits

Fees that SC institutions currently spend on state authorization will **stay in state**.

There is no cost for the state to join SARA. **Institutions** pay an annual fee to the National Council of SARA and to their home state to participate in SARA.

Number of **inquiries** from out-of-state institutions will be **reduced**.

Does not compromise South Carolina's jurisdiction to regulate institutions that have a campus or office in the state.

Affords distance education offerings by South Carolina institutions to residents of participating states.

Reduced oversight, ensuring compliance with state law of thousands of institutions that want to offer distance education to South Carolina residents. Approved institutions will already meet a common standard of quality.

Keeps oversight of online distance education programs with the home state, not the state where the student lives.

Costs vs. Benefits for the **Student**

Costs

State authorization fees are currently passed on to students.

Benefits

SARA participation fees will be significantly less than the current expenditures for state authorization with the savings passed on to students.

Access for SC resident students to engage in experiential learning, internships, and clinical experiences in other states.

Expands access to more high-demand, high-quality educational offerings for South Carolina residents.

Complaint mediation: A centralized in-state complaint system as required by SARA would be more efficient than directing students to have their issues addressed in other states.

Students from outside South Carolina will be able to enroll in online distance education programs offered by South Carolina institutions.

Removes the **administrative burden** from institutions of higher learning in the state to allow schools to focus on *education* rather than *administration*.

**State Authorization Actual Costs incurred
during the period of January 1, 2014 – June 1, 2015**

Expenses Incurred	Total
Medical University of South Carolina	\$135,431
University of South Carolina	\$136,358
Clemson University	\$243,550
Totals	\$515,339

**Medical University of South Carolina
State Authorization Costs**

Costs Incurred January 1, 2014 – June 1, 2015

Central Expenses for Personnel

OIE	\$62,493.00	
OEM	\$2,100.00	
	Sub-Total	\$64,593.00

Other Central Expenses

Colleges- Personnel Expenses:

Nursing	\$15,000.00	
CHP	\$24,000.00	
	Sub-Total	\$15,000.00

Expenses for NC Application (CON)

MUSC Leadership travel to Chapel Hill	\$2,000.00	
Site visit travel expenses & honorariums	\$8,829.00	
Applications fees paid to UNC General Administration	\$6,500.00	
Certificate of Authority to do business in NC - one time fee	\$125.00	
Cost of Surety Bond in amount of \$228K from Travels Insurance (20 Students)	\$3,345.00	
Secure NC legal agent for certificate of authority - annual fee	\$289.00	
KPMG fee for attestation of Surety Bond	\$9,800.00	
	Sub-total	\$30,888.00

Fees Paid to Other states

Alaska	\$100.00	
North Dakota	\$250.00	
Missouri	\$500.00	
Wyoming	\$100.00	
	Sub-Total	\$950.00

TOTAL

\$135,431.00

NOTE:

Over the next 6 months, MUSC expects to spend another \$65,000 - \$75,000 for the North Carolina application for its OT & PT programs clinical rotations.

**University of South Carolina
State Authorization Costs**

Costs incurred January 1, 2014-June 15, 2015
(Authorized or exempt in 26 states)

Central Expenses for Personnel		
Provost office staff time	\$103,537.50	
Distributed Learning Student Support staff time		
Institutional Research staff time		
Office of General Counsel staff time		
Subtotal Central Personnel		\$103,537.50
Other Central Expenses (copying, supplies, shipping)		
	\$425.66	
Subtotal Other Central Expenses		\$425.66
Expenses for Georgia Renewal		
2014/15 Renewal Costs: New Program Additions (programs with students in internships)	\$9,600.00	
2014/15 Renewal Fees: 2/10 of 1% Gross Tuition	\$3,314.16	
2014/15 Renewal Costs: 1/10 of 1% Gross Tuition: Tuition Guaranty Trust Fund Fee	\$1,481.28	
2014/15 Renewal Cost of Surety Bond	\$6,000.00	
Subtotal Georgia		\$20,395.44
Expenses for North Carolina Application		
Cost of Elliot Davis Audit	\$9,000.00	
Subtotal North Carolina		\$9,000.00
Fees Paid to Other States		
Louisiana	\$3,000.00	
Subtotal Other States		\$3,000.00
TOTAL		<u>\$136,358.60</u>

NOTES:

- 1) During 2013-2014, USC incurred \$11,250 (excluding personnel costs) in expenditures related to state authorization.
- 2) Over the next two months of 2015, USC will be spending approximately \$30,000 (not including personnel and audit costs) associated with submission of our state authorization application to North Carolina, and approximately \$17,000 (excluding personnel/audit) for the application to Tennessee.

**Clemson University
State Authorization Costs**

Costs Incurred for State Authorization January 1, 2014 – June 1, 2015

Travel including Honorariums for Site Reviewers	\$25,000
Travel and consulting fees related to online education reviews and reports	
Authorization & Business Licensing Fees	\$16,800
State Costs: Alaska, Indiana, Maryland, Minnesota, Wyoming	
Surety Bonds and Legal Fees	\$12,000
Includes General Counsel fee of 5% of one position	
Personnel Salary and Fringe	\$182,250
Two positions are in place to address the ongoing monitoring of changes in laws in each state, maintaining compliance and reporting	
Office Budget: Computer, software tracking system, etc.	\$7,500
Computer, software tracking system, etc.	
TOTAL	<u><u>\$243,550</u></u>

**ADVISORY COMMITTEE ON ACADEMIC PROGRAMS (ACAP)
MEMBERS
As of July 1, 2015**

John Lane, DMA, Interim Director, Academic Affairs
S.C. Commission on Higher Education

Dr. Hope Rivers, Vice President of Academic Programs
State Board for Technical and Comprehensive Education

Dr. Connie Ledoux Book, Provost and Dean of the College
The Citadel

Dr. Robert “Bob” H. Jones, Jr., Executive Vice President for Academic Affairs and Provost
Clemson University

Dr. Ralph Byington, Provost and Senior Vice President for Academic and Student Affairs
Coastal Carolina University

Dr. Brian McGee, Interim Provost and [Executive V.P.](#) for Academic Affairs
College of Charleston

Dr. Richard Chapman, Provost
Francis Marion University

Dr. David Mash, Vice President for Academic Affairs
Lander University

Dr. Mark Sothmann, V.P. for Academic Affairs and Provost
Medical University of South Carolina

Dr. Learie Luke, Acting Provost
S. C. State University

Dr. Jeff Priest, Executive Vice Chancellor for Academic Affairs
USC-Aiken

Dr. Gordon Haist, Interim Executive Vice Chancellor for Academic Affairs
USC-Beaufort

Dr. Helen Doerpinghaus, Interim Executive VP for Academic Affairs and Provost
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Dr. Chris Nesmith, Vice Provost and Executive Dean
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University of South Carolina

Dr. Clif Flynn, Interim Senior Vice Chancellor for Academic Affairs
USC-Upstate

Dr. Debra C. Boyd, Provost and Vice President for Academic Affairs
Winthrop University

Dr. Ron Drayton, Vice President for Academic Affairs
Midlands Technical College

Dr. Donna Elmore, Vice President for Academic Affairs
Orangeburg-Calhoun Technical College

Dr. Cheryl Cox, Vice President for Academic Affairs
Spartanburg Community College



April 17, 2015

RECEIVED

MAY 12 2015

South Carolina Commission
on Higher Education
Academic Affairs Division

Mr. John L. Finan
Chair, SC Commission on Higher Education
220 Holiday Road
Columbia, SC 29223

Dear Mr. Finan:

We strongly encourage the South Carolina Commission on Higher Education (CHE) to advocate that South Carolina participate in the national State Authorization Reciprocity Agreement (SARA). The state's participation in SARA will, collectively, save our institutions hundreds of thousands of dollars annually.

State Authorization is the requirement wherein any college or university that offers online degree programs to residents of another state must be specifically approved by the state in which the student resides. The application process can be extensive and costly, and for some states (e.g., North Carolina), requires an on-site visit of the authorization team. Many states have additionally used State Authorization to regulate traditional students' experiential learning activities (e.g., internships) at sites in their state if the student is enrolled in an out-of-state school. These state regulations have necessitated that each of our universities employ individuals, or protect time for current employees, at considerable expense, to ensure our institution is in compliance with the diverse requirements of each state and to maintain compliance annually.

The State Authorization Reciprocity Agreement reduces this burden through mutual agreements among participating states. Specifically, it is an agreement among member states that establishes comparable national standards around the country for offering online Distance Education, as well as interstate experiential learning. SARA is overseen by a National Council and administered by four regional education compacts. South Carolina's compact is the Southern Regional Education Board (SREB). As of March 2015, 20 states have joined the SARA agreement, and 200 institutions are now benefiting from their states' membership. Another 11 states have introduced, passed, or did not require legislative changes that would allow them to enter into reciprocity agreements with other states.

For more information: <http://nc-sara.org/files/docs/SARA-FAQs.pdf>

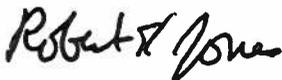
To allow South Carolina to avail itself of the advantages that SARA affords, it will require action by the CHE, and the

Page Two

State Legislature must grant the CHE the authority to enter into SARA on behalf of South Carolina. We urge the CHE to move quickly to initiate the procedures that would allow South Carolina to participate in SARA.

Thank you for your attention to our request.

Sincerely,



Robert H. Jones
Executive Vice President for
Academic Affairs and Provost
Clemson University



Mark S. Sothmann
Vice President for Academic Affairs
and Provost
Medical University of South Carolina



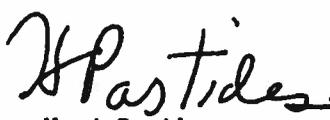
Helen Doeringhaus
Interim Executive Vice President for
Academic Affairs and Provost
University of South Carolina



James P. Clements
President
Clemson University



David J. Cole
President
Medical University of South Carolina



Harris Pastides
President
University of South Carolina

cc: Ms. Julie Carullo
Interim Executive Director, SC CHE

Dr. MaryAnn Janosik
Director of Academic Affairs, SC CHE



ALLEN

June 30, 2015

ANDERSON

BENEDICT

Brigadier General John L. Finan

CHARLESTON
SOUTHERN

Chair

CLAFLIN

South Carolina Commission on Higher Education

COKER

1122 Lady Street, Suite 300

COLUMBIA

Columbia, South Carolina 29201

COLUMBIA
INTERNATIONAL

Dear General Finan:

CONVERSE

ERSKINE

The twenty distinct and diverse members of South Carolina Independent Colleges and Universities request that the South Carolina Commission on Higher Education join the

FURMAN

State Authorization Reciprocity Agreement (SARA). To that end, we urge the

LIMESTONE

Commission, through its staff and the Committee on Academic Affairs and Licensing, to

MORRIS

address and resolve any administrative or legislative changes necessary to allow a

NEWBERRY

successful application to move forward.

NORTH
GREENVILLE

Many of our members have extensive distance learning programs that now require

PRESBYTERIAN

SOUTHERN
WESLEYAN

licensing in almost every state in which there is an enrolled student. This is a very

SPARTANBURG
METHODIST

expensive, repetitive, and time consuming process that has been compared to

VOORHEES

qualifying for a driver's license in every state where one wishes to drive. More of our

WOFFORD

members would consider expanding their distance education programs but for the

onerous federal and state regulations.

SARA participation is voluntary. Member states and individual institutions work together through the four existing regional higher education compacts for the expressed purpose of improving the efficiency and quality assurance of distance education as a tool to increase educational attainment. Almost half of the states are members of SARA with more joining on a regular basis.

The members of SCICU realize that institutional participation in SARA – like state participation – is voluntary, and when South Carolina joins SARA, each of our private non-profit colleges and universities will have the opportunity choose whether to participate. Those who choose to join SARA understand that there will be some shared-costs associated with CHE's administration of the reciprocity agreements, but they expect that these costs will be far less than what they are currently facing.

P.O. BOX 12007

COLUMBIA, S.C.
29211

(803)799-7122

FAX(803)254-7504

website:
scicu.orge-mail:
scicu@scicu.org

Brigadier General John L. Finan

June 30, 2015

Page 2

Private institutions of higher learning who choose to join SARA understand that for SARA to be successful the institutions must agree to abide by SARA policies for their distance education operations outside of the state, that CHE has authority to confirm that they do, and that the decision to participate in SARA and come under the state's oversight would be for that limited purpose. It would not otherwise increase the state's oversight or control of the institution.

SCICU, on behalf of its members, suggests that CHE seek legislative authority to join a reciprocity agreement and our two organizations enter in to a memorandum of agreement that defines the duties, responsibilities, and limitations inherent in such a historic relationship between public and private higher education.

SCICU understands that the Advisory Committee for Academic Programs (ACAP), on behalf of the public higher education institutions in South Carolina, strongly favors South Carolina's participation in SARA. We agree with the ACAP Resolution of June 11, 2015, and similarly urge the Commission on Higher Education to take the appropriate action necessary for South Carolina and its private and public colleges and universities to participate in the State Authorization Reciprocity Agreement at the earliest possible time.

Thank you very much for your consideration.

Yours truly,



Mike LeFever

Cc: Dr. Bettie Rose Horne, Chair
Committee on Academic Affairs and Licensing

Ms. Julie Carullo, Interim Executive Director

Dr. Evans Whitaker, Commissioner-Independent Higher Education



Francis Marion University



Mr. John L. Finan, Chair
 SC Commission on Higher Education
 220 Holiday Road
 Columbia, SC 29223

Dear Mr. Finan:

The public comprehensive universities of South Carolina encourage the South Carolina Commission on Higher Education (CHE) to pursue the State of South Carolina's membership in the State Authorization Reciprocity Agreement (SARA). Currently, the public comprehensives conservatively estimate that not joining SARA is costing the institutions collectively in excess of \$100,000/year.

As you know, state authorization is required of all institutions of higher education in order to enroll residents from other states in any online course or program. To get state authorization, institutions that offer online classes and programs must receive authorization from the state(s) in which the students reside. In addition to online courses and programs, many states have used the state authorization process to regulate internships and clinical experiences for traditional (face-to-face) students who request out-of-state placements. Therefore, the state authorization process has become time consuming and costly for institutions, particularly smaller institutions like the comprehensives.

Joining SARA would reduce the burden for all institutions of higher education and help save the state money.

Additional information on SARA can be found at <http://nc-sara.org/files/docs/SARA-FAQs.pdf>.

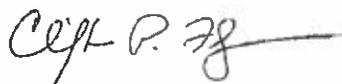
In order for South Carolina to join SARA, the State Legislature would have to grant CHE the authority to apply for membership in SARA on behalf of the state. The comprehensives urge CHE to pursue membership in SARA as soon as possible.

Please feel free to contact us if you have any questions or require further information.

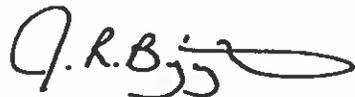
Sincerely,



Jeffrey M. Priest, Ph.D.
Executive Vice Chancellor
for Academic Affairs
USC Aiken



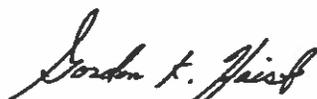
Clifton P. Flynn, Ph.D.
Interim Senior Vice Chancellor
for Academic Affairs
USC Upstate



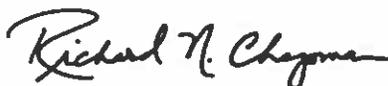
J. Ralph Byington, Ph.D.
Provost and Executive Vice President
Coastal Carolina University



Debra C. Boyd, Ph.D.
Provost and Vice President
for Academic Affairs
Winthrop University



Gordon K. Haist, Ph.D.
Interim Executive Vice Chancellor
for Academic Affairs
USC Beaufort



Richard Chapman, Ph.D.
Provost and Dean of the College
of Liberal Arts
Francis Marion University



Learie B. Luke, Ph.D.
Acting Provost
South Carolina State University

cc: Ms. Julie Carullo
Interim Executive Director, SC CHE



July 7, 2015

Mr. John L. Finan, Chair
South Carolina Commission on Higher Education
1122 Lady Street, Suite 300
Columbia, SC 29201

Dear Commissioner Finan:

With the support of President Glenn McConnell, I am writing on behalf of the College of Charleston and its component, the University of Charleston, South Carolina (hereafter, "the College"). The College wishes to join other South Carolina public universities in encouraging the Commission on Higher Education (hereafter, "CHE") to pursue membership for South Carolina in the State Authorization Reciprocity Agreement (hereafter, "SARA").

The business case for South Carolina's membership in SARA has been rehearsed in previous discussions of the Commissioners and higher education leaders in South Carolina. Since our initial conversations in 2014, the College's further review has convinced us of the likely benefits of SARA membership for the state. Briefly, SARA membership will almost certainly reduce the operating expenses for the College and for other South Carolina universities, while allowing for improved customer service for South Carolinians taking university courses in South Carolina and elsewhere. Please see <http://nc-sara.org/> for more information.

We all are concerned by the increasing burden of federal and state regulations that have the effect, whether anticipated or not, of increasing cost and reducing efficiency. I have had the personal experience of supervising senior staff in their time-consuming review of and response to a patchwork of regulatory requirements in several different states, with a resulting decline in the staff time and attention that can be devoted to other critical work of the College. I estimate that one major review of our 50-state obligations during the 2014-2015 academic year was conducted by the College at a cost of over \$10,000 in staff wages and other expenses, separate from and in addition to the costs of our ordinary, recurring work on regulatory compliance in this area. SARA membership for South Carolina should be an effective tool for counteracting one particularly onerous expansion of regulatory oversight in higher education.

I thank you and all the members of the Commission for your continued support of our public universities. Please let me know if you have any questions about the College's position.

Sincerely,

Brian R. McGee, Ph.D.

cc: Glenn McConnell, President
Debbie Hammond, Senior Executive Administrator to the President