

MEMORANDUM OF UNDERSTANDING
Between the
SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION
and

_____ (“Institution”)

- (1) **THIS MEMORANDUM OF UNDERSTANDING (MOU)** is made and entered into by and between _____ (“Institution”) and the South Carolina Commission on Higher Education (CHE).
- (2) This MOU is entered into to facilitate institutional participation in the State Authorization Reciprocity Agreement (SARA).
- (3) SARA is an agreement among its member states, districts, and U.S. territories that establishes comparable national standards for interstate offering of postsecondary distance education courses and programs offered by degree granting institutions holding accreditation from an accrediting body recognized by the U.S Secretary of Education. SARA promotes institutional quality, consumer protection, and institutional financial responsibility.
- (4) The purpose of this MOU, as authorized under Statutory Authority: 1976 Code Section 59-103-17, is to:
- A. Ensure consistent consumer protection in interstate distance delivery of higher education;
 - B. Provide a process to review and appropriately act on complaints concerning the institution, including enforcement of applicable state laws; and
 - C. Identify the roles and responsibilities of the Institution and CHE.
- (5) Institution will:
- A. Consent to such provisions as may be necessary for purposes of participation in SARA;
 - B. Comply with the *Inter-regional Guidelines for the Evaluation of Distance Education*, released by the Council of Regional Accrediting Commissions (C-RAC);
 - C. Complete the SARA Application and Approval form for institutional participation in SARA and abide by all representations and understandings required on the application;
 - D. Maintain sufficient financial health to support distance education programs, especially any programs that will expect to expand enrollment through SARA. A private non-profit or for-profit institution is deemed to have sufficient financial strength if its most recently published U.S. Department of Education financial responsibility composite score is 1.5 or above; institutions with a financial stability ratio of 1.0-

1.49 may be deemed to have sufficient financial strength upon review of additional justification, and such institutions may be required to post a surety.

- E. Maintain internal grievance and/or complaint procedures distributed in its publications and posted on its web site with a reference and link to CHE's Student Complaint Procedures and form. Complaints regarding student grades or conduct violations are governed entirely by institutional policy and will not be considered by CHE.
- F. Have in place catastrophic event policies and procedures including disaster recovery plans, particularly with respect to the protection of student records, consistent with the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) best practices for closure, or those of other U.S. Department of Education-recognized accreditors; and
- G. Pay fees to CHE to offset the costs of SARA participation.

(6) CHE will:

- A. Complete all necessary requirements to enter into and maintain participation in SARA to include serving as the SARA state portal agency responsible for contact with SARA, other states, other institutions, and students;
- B. Consider applications from degree granting institutions from all sectors (public, private non-profit and private for-profit) on the same basis and approve those that meet SARA standards and processes without differentiating by sector;
- C. Assess whether prospective institutional participants adhere to SARA's baseline requirements and whether approved institutions continue to adhere to those baselines over time;
- D. Post on its web site the procedure for students to file complaints;
- E. Forward the complaint to the institution for internal review and response to CHE;
- F. Fairly and expeditiously review, investigate, and resolve complaints according to the CHE Student Complaint Procedures;
- G. Document and retain all formal complaints received, complaint notifications provided to institutions and accrediting agencies, adverse actions taken to respond to institution's violations of SARA requirements, and complaint resolutions;
- H. Report promptly all received complaints and concerns to the institution, the regional compact, and appropriate relevant accrediting bodies;
- I. Ensure that institutions have in place policies and procedures to respond to "catastrophic events" (e.g., the closure of an institution) that are consistent with SACSCOC best practices for closure or those of other U.S. Department of Education-recognized accreditors. Measures may include tuition assurance funds or

other surety and teach-out provisions; and

J. Establish policies and procedures to take adverse action (including, as appropriate, revocation of approval to participate in SARA) against SARA institutions that fail to adhere to SARA's baseline requirements and alert the institution, regional compact, and other states when it has taken adverse action against an institution.

- (7) This MOU is effective upon signature of both parties. The MOU continues until terminated upon at least 90 days' written notice or amended by subsequent understanding between the parties. CHE can terminate the MOU at any time if the institution violates any of the requirements of SARA.
- (8) Notices for the provisions of this MOU shall be in writing and given to the executive director of CHE and the president of the institution or designee.
- (9) The parties do not intend to create in any other individual or entity the status of third party beneficiary, and this MOU shall not be construed so as to create such status. The rights, duties, and obligations contained in this MOU shall operate only between the parties to this MOU, and shall inure solely to the benefit of the parties to this MOU. The provisions of this MOU are intended only to assist the parties in determining and performing their obligations under this MOU. The parties to this MOU intend and expressly agree that only parties signatory to this MOU shall have any legal or equitable right to seek to enforce this MOU, to seek any remedy arising out of a party's performance or failure to perform any term or condition of this MOU, or to bring an action for the breach of this MOU.
- (10) The waiver of any breach of any term or condition in this MOU shall not be deemed a waiver of any prior or subsequent breach. Failure to object to a breach shall not constitute a waiver.
- (11) The following documents are attached and incorporated by reference as part of this MOU. These documents may be updated from time to time as agreed to by the parties without renegotiation of this MOU.

IN WITNESS WHEREOF, the parties have executed this Memorandum of Understanding.

Applicant

President's Name (Print)

President's Signature

Date

CHE

Executive Director's Name (Print)

Executive Director's Signature

Date