



# South Carolina Commission on Higher Education

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CHE  
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## MEMORANDUM

**TO:** Chairman Tim Hofferth and Members, Commission on Higher Education

**FROM:** Chair Terrye Seckinger, and Members, Committee on Academic Affairs and Licensing

### Annual Report on the National Council for State Authorization Reciprocity Agreements (NC-SARA) and South Carolina Activities

#### Background

This inaugural annual report includes a background of the SARA initiative and updates about NC-SARA and South Carolina activities.

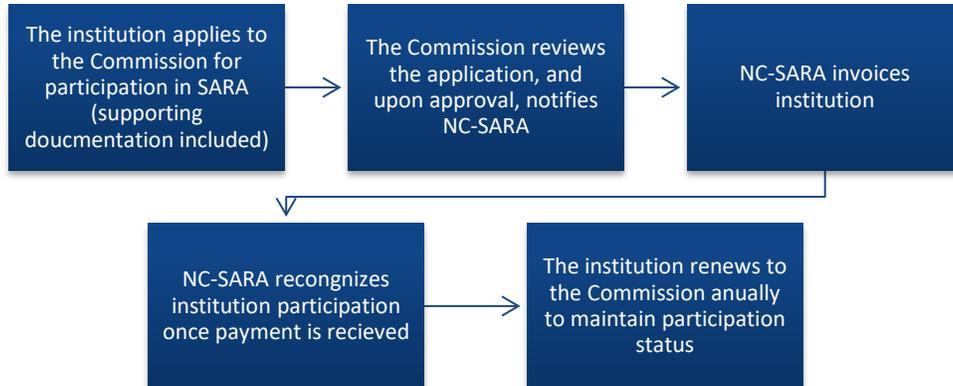
SARA is a voluntary, interstate reciprocity agreement that establishes comparable standards for interstate offering of postsecondary distance education. Its member states and U.S. territories recognize each other's participating institutions as eligible to enroll students in distance education programs. SARA membership provides better access for students to enroll in courses and programs of good quality.

In March 2016, adoption of SC Code of Laws 1976, as amended authorized the South Carolina Commission on Higher Education (the Commission) to seek NC-SARA membership on behalf of the state of South Carolina. South Carolina joined SARA in June 2016 and is due for membership renewal in June 2018. The Commission began accepting institutional applications to participate in SARA on July 1, 2016.

The structure of SARA is based on a model established collaboratively among officials from the four U.S. regional education compacts, state authorization agencies, and institutions. NC-SARA facilitates state approvals through the regional education compacts. The regional education compacts (for South Carolina, Southern Regional Education Board or SREB) approve state membership, which requires application by an identified state entity (in South Carolina's case, the Commission). The SREB-SARA Steering Committee reviews and approves initial and renewal applications for state membership. Afterwards, NC-SARA recognizes the approval from SREB-SARA.

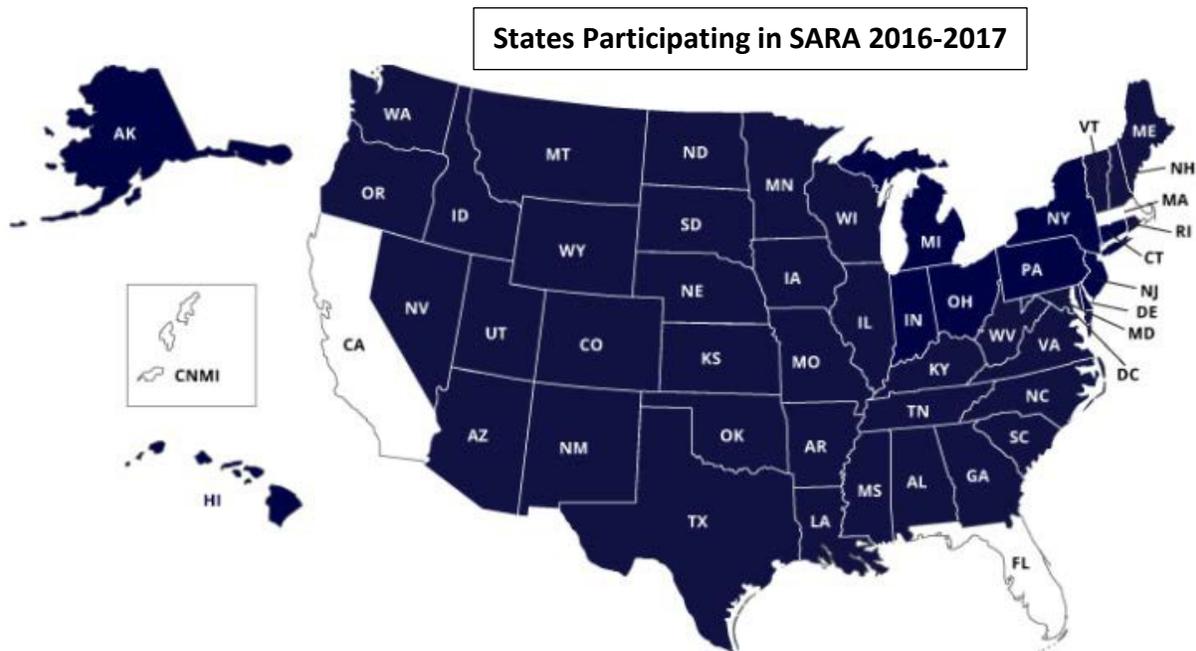
## Steps for Institutional Approval to Participate in SARA

The process to approve South Carolina institutions to participate in SARA is as follows:



## NC-SARA Activities

The 2016-2017 enrollment reporting period<sup>1</sup> for SARA shows that over 1,400 institutions in 47 states and the District of Columbia are participating in SARA with total student participation at 986,627. The following chart provided by NC-SARA shows participating states in dark blue. However, as of August 2017, the state of Florida and the U.S. Virgin Islands have joined SARA, bringing the total to 48 states in addition to U.S. territories. At present, almost 1,600 institutions participate. In September 2017, NC-SARA produced its annual [Enrollment Report](#), which analyzes its distance education enrollment data.

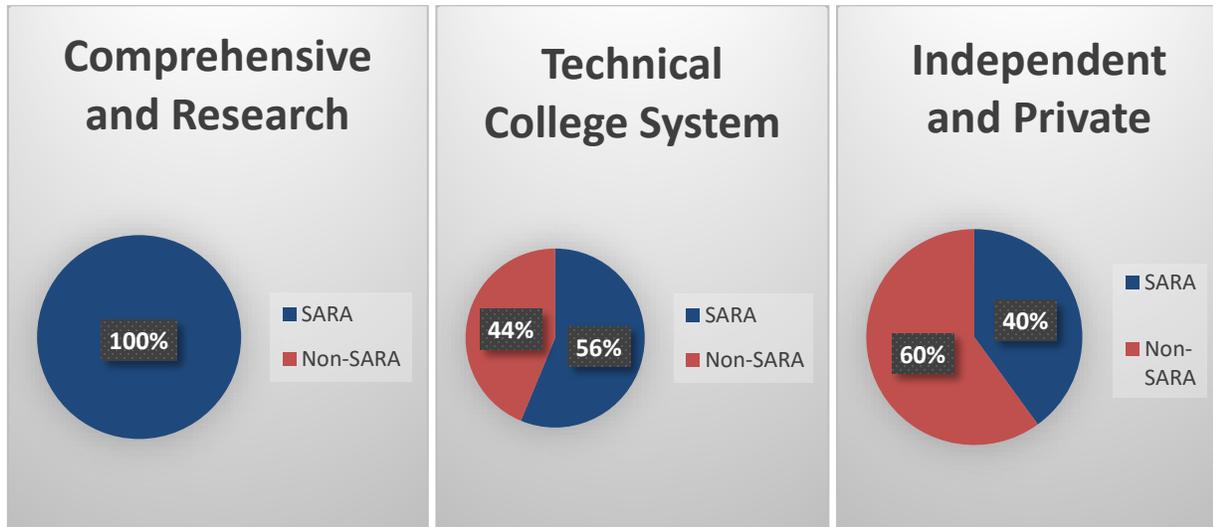


<sup>1</sup> The enrollment reporting period for SARA is conducted May-June annually and is a requirement for SARA institutions.

### SC-SARA Activities

Since its inception as a SARA member state in June 2016, 33 of 54 (61%) eligible institutions in the state have joined SARA, including 13 of 13 (100%) from the Comprehensive and Research sector, 9 of 16 (56%) from the Technical College System, and 10 of 25 (40%) from the Independent and Private sector.

### SC Institutions Participating In SARA



### Out-of-State Students Enrolled at SC Institutions Participating In SARA

During the 2016-2017 data-reporting period, 1,752 out-of-state students were enrolled in South Carolina institutions through SARA. Of those, 877 out-of-state students were enrolled in Comprehensive or Research institutions, 364 were enrolled at Technical Colleges, and 511 were enrolled in Independent or Private institutions.

The following chart shows the top five states from which South Carolina institutions enrolled distance education students through SARA and the number of students enrolled from that state.<sup>2</sup>

### Top Five SARA States from Which South Carolina SARA Institutions Are Enrolling Students

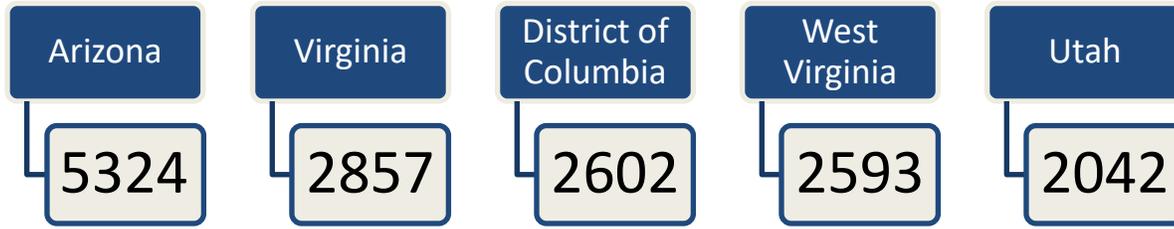


<sup>2</sup> NC-SARA uses the U.S. Department of Education’s definition of distance education:  
<https://surveys.nces.ed.gov/ipeds/VisGlossaryPopup.aspx?idlink=713>

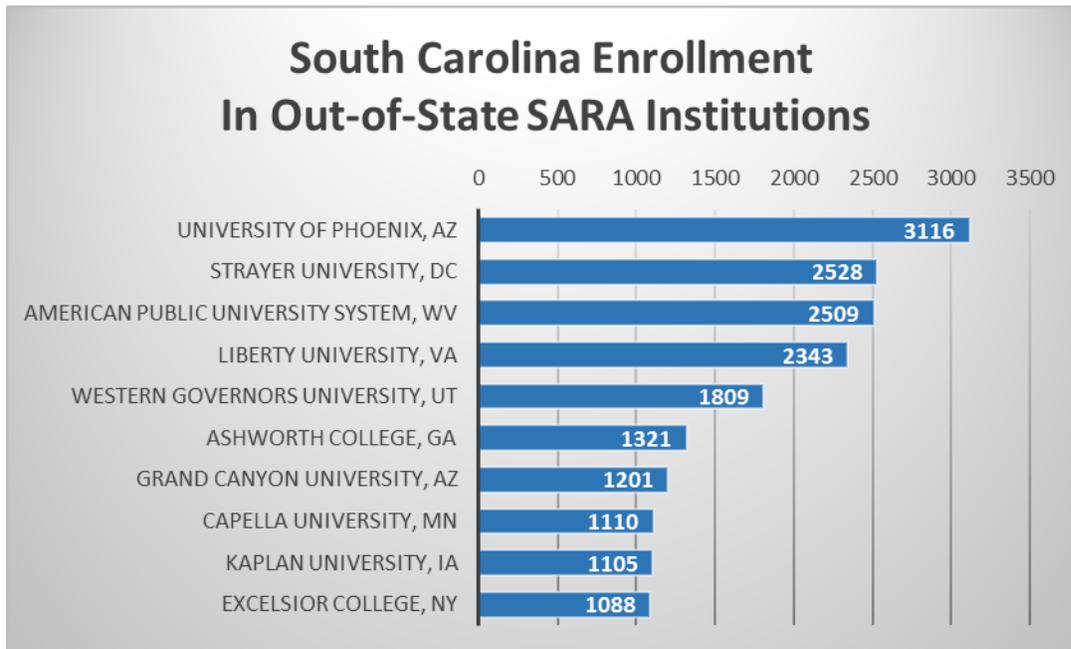
### South Carolina Residents Participating in Distance Education in Other SARA-Member States

During the 2016-2017 enrollment data-reporting period, 29,835 South Carolina residents enrolled in distance education at an out-of-state SARA-participating institution. The following chart shows the top five destination states for South Carolina (including the District of Columbia).

**Top Five Destination States for South Carolina Residents**



The chart below shows the top 10 colleges or universities in which SC residents enrolled; enrollment in these institutions accounts for 61% of the 29,835 SC residents enrolled in distance education in an out-of-state SARA-participating institution.



As noted, the number of SC students enrolled in SARA-participating institutions outside of the state is higher than the number of students in other states enrolled into SC institutions through SARA. Based on the limited information available, the reason for this early trend is unknown. Assessment of this data suggest the following, however:

1. The top five states are home to institutions that have maintained high online course and program enrollments across many U.S. states: Arizona (University of Phoenix), Virginia (Liberty University), District

of Columbia (Strayer University), West Virginia (American Public University System), and Utah (Western Governors University). South Carolina is not home to institutions with such profiles.

2. No data is available about the 29,835 SC residents enrolled through SARA in out-of-state institutions, including whether these students were previously enrolled or are new students representing an influx of new enrollees.

### **SARA-Related Student Complaints**

As the state's portal agency for SARA, the Commission is the final authority for SARA-related student complaints against participating institutions. The Commission is required to report quarterly to NC-SARA about any complaints received. During the 2016-2017 data-reporting period, the Commission received no SARA-related student complaints.

### **CAAL and ACAP SARA Considerations**

During CAAL's initial discussion of this annual report at its August, 31, 2017 meeting, committee members inquired why nearly 30,000 South Carolina residents were enrolled in out-of-state distance education courses compared to only approximately 1,750 out-of-state students enrolled in South Carolina institutions through SARA. Commissioners, commission staff, and institutional representatives discussed reasons potentially contributing to the outcome. Among factors questioned were better student access, quality of programming, and program costs. Parties also discussed three other dynamics: first, that South Carolina was a new SARA member, one year to date, and that its participating institutions may show growing enrollment over time. Second, the disparity may be an indicator of the long-standing interstate success of nationally prominent institutions domiciled in other states, such as the University of Phoenix in Arizona and Liberty University in Virginia. Third, the high out-of-state enrollment may not represent new enrollees: the state's membership in SARA may mean that the Commission can finally capture data on interstate enrollment that was not documentable heretofore. At the end of discussion, Commissioners recommended that the Advisory Committee on Academic Programs discuss the topic in more depth.

At its September 14, 2017 meeting, the Advisory Committee on Academic Programs (ACAP) discussed the in-state and out-of-state distance education enrollment in South Carolina, as requested. ACAP members reaffirmed the same factors as discussed by Commissioners and suggested that the expansion of online offerings by SC institutions and lower programming costs could help attract students.

The Commission continues to collaborate with SC institutions to monitor the impact of SARA participation on distance education enrollments.

### **Summary**

More than half of eligible South Carolina institutions (61%) participate in SARA. The Commission anticipates that more of the eligible institutions in SC will participate in the upcoming year. Furthermore, the Commission staff continues to provide support to current SC institutions participating in SARA and remains abreast of current issues about national activities to best support student access to higher education.