

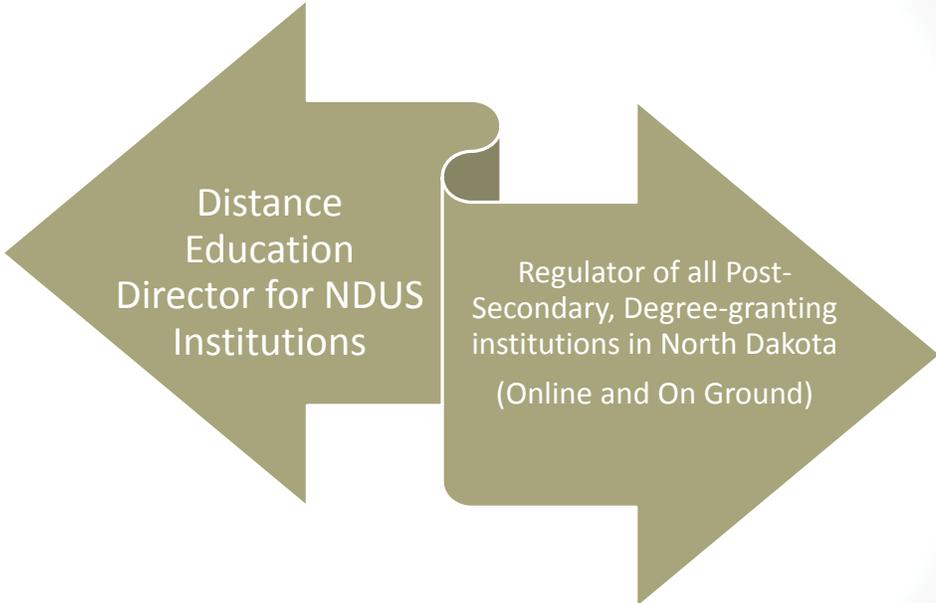
Higher Education Funding Committee Update

April 22, 2014

State Authorization of Post-Secondary Degree-Granting Institutions in ND
State Authorization Reciprocity Agreement (SARA)

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Distance
Education
Director for NDUS
Institutions

Regulator of all Post-
Secondary, Degree-granting
institutions in North Dakota
(Online and On Ground)

Regulation of Post-Secondary Institutions

290 Institutions applications since Aug. 1, 2013

103 Exempt (Online Only in ND)

8 Authorized (Physical campus in ND)

- The 2013 North Dakota Legislature enacted NDCC Chapter 15-18.1, Postsecondary Education Institution Minimum Standards, which became effective August 1, 2013. This chapter transfers regulation of institutions granting the associate in art or science and higher from Career and Technical Education to the State Board for Higher Education.
- <http://www.ndus.edvera.com>
- State Regulatory Compliance
- All sectors (public, private, for-profit, religious, including online-only and physical presence)
- Federal Regulation **§600.9 State authorization**

Federal Regulations

- **October 29, 2010** - the U.S. Department of Education issued a broad package of regulations, including state authorization & visibility of the complaint process.
- Department of Education announced **PROGRAM INTEGRITY RULES**, requiring all institutions of higher education participating in Title IV programs to be able to document compliance with state laws in all states where they offer distance or correspondence education.
- **March/April 2011** - Dear Colleague Letters.
- **July 12, 2011** - The United States District Court for the District of Columbia struck down the distance education portion of the USDOE's 'state authorization' regulations. The U.S. Department of Education appealed the ruling.
- **June 5, 2012** - The U.S. Court of Appeals agreed with a lower court ruling to 'vacate' the distance education portion {§ 600.9(c)} of the U.S. Department of Education's 'state authorization' regulation.

Federal Regulation – Chapter 34, §600.9(c)

“If an institution is offering postsecondary education through **distance or correspondence education** to students in a State in which it is not physically located or in which it is otherwise subject to State jurisdiction as determined by the State ...

... (then) the institution must meet any State requirements for it to be legally offering distance or correspondence education in that State. An institution must be able to document to the Secretary the State’s approval upon request.”

<http://www.tinyurl.com/mazquyl>

Federal Regulation -- Chapter 34, §600.9(c)

6



The federal regulation is probably coming back!!!

Federal Regulations

- **The U.S. Department of Education's Program Integrity and Improvement Negotiated Rulemaking Committee**
 - <http://www2.ed.gov/policy/highered/reg/hearulemaking/2012/programintegrity.html>
 - Important Topics:
 - Exemptions
 - Complaint Process (home state, institutional state, state of residence)
 - Military students
 - Reciprocity
- **U.S. Department of Defense**
 - If your institution participates in the DoD Tuition Assistance program, look for a final version of the new MOU (MOU 3) in the upcoming months. This version will most likely include state authorization

State Authorization Reciprocity Agreement (SARA)

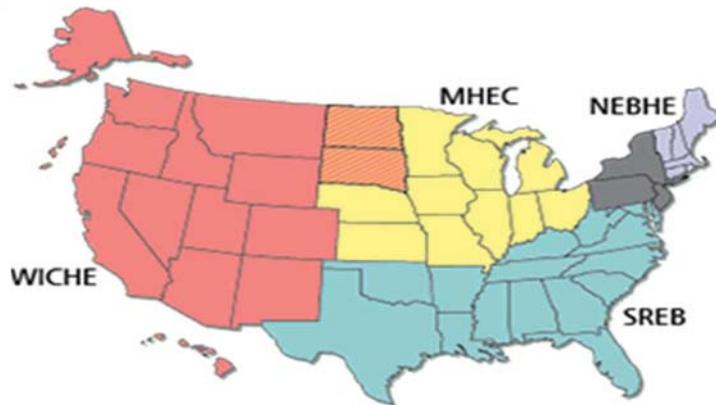


**National Council for
State Authorization
Reciprocity Agreements**

*A voluntary, regional approach
to state oversight of distance education*

The State Authorization Reciprocity Agreement (SARA) establishes a state-level reciprocity process that will support the nation in its efforts to increase the educational attainment of its people.

<http://nc-sara.org>



Key Points

- SARA is voluntary for states and institutions.
- SARA is administered by the four regional education compacts (Midwestern Higher Education Compact, New England Board of Higher Education, Southern Regional Education Board, and the Western Interstate Commission for Higher Education), they are now accepting applications from states in their regions. Once states are approved, they can begin to enroll eligible institutions.
- Membership is open to degree-granting postsecondary institutions from all sectors (public colleges and universities; independent institutions, both non-profit and for-profit) accredited by an agency recognized by the U.S. Secretary of Education.

North Dakota Joins SARA

- North Dakota has been approved by the Midwestern Higher Education Compact (MHEC) as the second state to join the Midwestern State Authorization Reciprocity Agreement (M-SARA).
- Valley City State University, Bismarck State College, Lake Region State College, Minot State University, University of North Dakota
- SARA is funded by a \$2.3 million grant from Lumina Foundation. As of April 7, 2014, SARA-enabling legislation has passed in 13 states, legislation is pending in 10 more and five states have determined that no legislation is needed to enable participation.
- 7.9% increase in online classes

Resources

- National Council Sara, <http://nc-sara.org/>
- SHEEO, <http://www.sheeo.org/node/434>
- MHEC-SARA <http://www.mhec.org/sara>
- NDUS State Authorization <http://www.ndus.edu/system/state-authorization/>