



State Authorization Reciprocity Agreement

- What Now?
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State Authorization: What's It All About?

- ✦ Today, states regulate or authorize the offering of postsecondary education within their borders with widely varying standards, policies, fees, and enforcement
- ✦ The state role in assuring consumer protection has come under scrutiny in some instances. Relatively few states have been overseeing the substantial amount of education being provided in their states via distance learning by institutions based in other states
- ✦ Oct. 2010: U.S. Department of Education issues “Program Integrity” rules to clarify that states are responsible for all education offered to their residents, regardless of where the education originated

State Authorization: There is a Better Way

- ✦ Today, each institution must separately pursue state authorization, or get assurance that authorization is not required, in each state and territory in which it serves students
- ✦ Costs of compliance can be high for institutions serving students in multiple states
- ✦ A more rational approach: create a voluntary, nationwide reciprocity framework using commonly and consistently applied processes, standards, and fees

State Authorization Reciprocity Agreement: How?...Now?

- ✦ The Legislative Advisory Committee, Western Academic Leadership Forum, and WICHE Commission all encouraged staff to pursue regional authorization reciprocity
- ✦ WICHE's regional steering committee last week approved a final draft of a WICHE State Authorization Reciprocity Agreement (W-SARA). It will be reviewed for approval by the WICHE Commission Nov. 12 - 13
- ✦ WICHE has involved the other three regional compacts (MHEC, NEBHE, and SREB) during this process; the other compacts will develop regional agreements to achieve nationwide reciprocity

State Authorization Reciprocity Agreement: Key Elements

- ✦ W-SARA builds on the model agreement created by the President's Forum and Council of State Governments, but it proposes using the existing higher education compacts for ongoing management and governance, rather than creating a new organization
- ✦ Participation by states, territories, and institutions is entirely voluntary. Institutions that opt not to participate can either choose not to provide education beyond their home state or seek authorization in each of the states in which they wish to offer educational services
- ✦ W-SARA shifts principal oversight from the state in which distance learning is being offered to the home state of the institution offering the instruction

Federal Responsibilities

The U.S. Dept. of Education has responsibility for assessing the financial viability of educational providers

Accreditors' Responsibilities

Accrediting agencies assure the quality of institutions' distance learning educational services. Institutions must be accredited to participate in SARA

Three Essential
SARA
Partnerships

State Responsibilities

- ❖ A participating state (the *home* state) will have responsibility for authorizing accredited institutions within its borders that claim the state as its principal location for accreditation purposes
- ❖ This includes authorizing *all* distance learning activities provided to students in other states (defined in SARA as *host* states)
- ❖ The home state has responsibility for consumer protection, complaint resolution, and ongoing oversight of authorized institutions

State Authorization Reciprocity Agreement: Key Elements

- ✦ The agreement serves all interested states and territories and will accommodate all sectors of higher education: public, independent nonprofit, and for-profit
- ✦ The four regional higher education compacts will:
 - ✦ inform states of the requirements for joining SARA
 - ✦ accept, or reject, states into the reciprocal agreement
 - ✦ sanction states that fail to meet fully the participation requirements and dismiss those that fail to respond to concerns
 - ✦ develop processes for states to appeal a respective compact's decision
 - ✦ review on at least a biennial basis each state's participation to ensure they meet all of the criteria for inclusion

In sum, SARA will:

- ✦ Establish common, high-quality, cost-effective, and consistently applied standards and review processes endorsed by participating states
- ✦ Provide consumer protection and a complaint resolution process
- ✦ Foster the uniform collection and sharing of information among participating states about authorized institutions
- ✦ Over time, enable institutions and states to achieve cost savings by no longer having to engage in the duplicative process of seeking approval to operate on a state-by-state basis
- ✦ Legislation will be required in many states to enable state participation in SARA