

Regulatory Analysis Form

(Completed by Promulgating Agency)

INDEPENDENT REGULATORY REVIEW COMMISSION

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(All Comments submitted on this regulation will appear on IRRC's website)

(1) Agency: Department of Education

(2) Agency Number: 006

Identification Number: 6-337

IRRC Number: 3168

(3) PA Code Cite: 22 Pa. Code § 741

(4) Short Title: Postsecondary Distance Education Reciprocity

(5) Agency Contacts (List Telephone Number and Email Address):

Primary Contact: Patricia A. Landis
(717) 783-8228
plandis@pa.gov

Secondary Contact: Stanislaw Turzanski
(717) 783-8228
sturzanski@pa.gov

(6) Type of Rulemaking (check applicable box):

- ☐ Proposed Regulation
☐ Final Regulation
☒ Final Omitted Regulation

- ☐ Emergency Certification Regulation;
☐ Certification by the Governor
☐ Certification by the Attorney General

(7) Briefly explain the regulation in clear and nontechnical language. (100 words or less)

The regulation establishes fees to support the administration of the Commonwealth's membership in the State Authorization Reciprocity Agreement. This membership will enable Pennsylvania institutions of higher education to obtain reciprocity to provide postsecondary distance education to students in other states without having to register with and pay fees to each state.

(8) State the statutory authority for the regulation. Include specific statutory citation.

Act No. 35 of 2016 (24 P.S. § 1-124(b)).

(9) Is the regulation mandated by any federal or state law or court order, or federal regulation? Are there any relevant state or federal court decisions? If yes, cite the specific law, case or regulation as well as, any deadlines for action.

Yes. Act No. 35 of 2016 (24 P.S. § 1-124(b)) authorizes the Department to promulgate final omitted regulations to charge fees to institutions of higher education that choose to participate in the reciprocity agreement. The fees are to pay the Department's costs of administering the agreement.

(10) State why the regulation is needed. Explain the compelling public interest that justifies the regulation. Describe who will benefit from the regulation. Quantify the benefits as completely as possible and approximate the number of people who will benefit.

Colleges and universities are currently required to obtain approval in every state where they enroll students via distance education. Authorization is required by statute and regulation in each state and compliance is required by federal regulation for eligibility for federal financial aid. Many states charge fees of tens of thousands of dollars every year for an institution to be authorized. In addition, each institution must hire staff dedicated to obtaining and maintaining the necessary authorizations. The largest PA institutions estimate the cost of compliance at as much as \$500,000 per year.

Act No. 35 of 2016 (24 P.S. § 1-124(b)) was passed to require Pennsylvania to join the State Authorization Reciprocity Agreement (SARA) to alleviate this financial and administrative burden on Pennsylvania's colleges and universities. Commonwealth affiliation with a regional higher education compact is mandatory in order to join SARA. The regional compacts offer a special affiliation status to states for SARA purposes only. That fee is \$50,000 per year. In addition, the administration of membership will require dedicated staffing at the Department of Education that cannot be covered by the existing complement. Act No. 35 of 2016 (24 P.S. § 1-124(b)) authorizes the Department to promulgate regulations to establish fees for institutions to cover the administrative costs associated with SARA membership. These fees will be a small fraction of the costs the institutions currently bear to obtain individual authorizations.

(11) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulations.

There are no applicable federal standards. This is an area solely governed by state law. Federal regulations require institutions to comply with state rules regarding authorization, but there are no federal standards for obtaining authorizations or for participating in a reciprocity agreement.

(12) How does this regulation compare with those of the other states? How will this affect Pennsylvania's ability to compete with other states?

SARA membership currently includes 47 other states plus the District of Columbia. Pennsylvania colleges and universities are eligible to apply to participate in SARA to become exempt from authorization requirements and fees in these 48 jurisdictions immediately upon PA membership in SARA. Pennsylvania does not charge a fee to institutions from other states

that enroll residents of Pennsylvania, which creates an open market for institutions from other states to enroll PA residents while PA institutions face steep costs to enter the market in other states. These regulations will level the playing field by giving PA institutions the same competitive advantage that out-of-state institutions currently enjoy in Pennsylvania.

(13) Will the regulation affect any other regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.

No. The regulation will not affect existing or proposed regulations.

(14) Describe the communications with and solicitation of input from the public, any advisory council/group, small businesses and groups representing small businesses in the development and drafting of the regulation. List the specific persons and/or groups who were involved. ("Small business" is defined in Section 3 of the Regulatory Review Act, Act 76 of 2012.)

The Department convened a working group of representatives of the Pennsylvania State System of Higher Education, the Commission for Community Colleges, the Association of Independent Colleges and Universities, and a representative of the State-Related Institutions. The working group met on August 26, 2015 and provided guidance to the Department on the funding formula to support the administration of SARA membership. The draft regulations have been shared with this working group representing the SARA-eligible institutions and the group has provided feedback and advice, resulting in changes to the original draft language. The working group supports the regulatory language.

The proposed regulatory language and fee schedule have been shared with all PA degree-granting institutions and no complaints have been lodged.

No small businesses are impacted by the regulations. The only potential impact on members of the public is the possibility that reduced operating costs could slightly reduce tuition or limit tuition increases in higher education.

(15) Identify the types and number of persons, businesses, small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012) and organizations which will be affected by the regulation. How are they affected?

There are 218 postsecondary institutions in Pennsylvania that will be eligible to join SARA. Institutional participation is optional and each institution can decide if it wants to join. Approximately 35 institutions that are active in distance education across state borders were expected to join immediately. While exact data is not collected on the costs each institution currently bears for state authorization, institutions report that the costs range from approximately \$20,000 per year for institutions that are only active in one or two states to as much as \$500,000 per year for institutions that enroll students from every state. Cost savings to each institution are estimated at \$17,000 to \$434,000. Cost savings to the entire postsecondary sector are roughly estimated at \$4,500,000.

(16) List the persons, groups or entities, including small businesses, that will be required to comply with the regulation. Approximate the number that will be required to comply.

No entities will be required to comply. There are 218 postsecondary institutions in Pennsylvania that will be eligible to join SARA. Institutional participation is optional and each institution can decide if it wants to join. None of the institutions that are eligible to join are small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012).

(17) Identify the financial, economic and social impact of the regulation on individuals, small businesses, businesses and labor communities and other public and private organizations. Evaluate the benefits expected as a result of the regulation.

The regulations represent a significant cost-savings to postsecondary institutions. See the response to item 15 above. In addition to the direct financial savings, the regulations will provide an economic benefit by opening the market for students in the 48 SARA member jurisdictions to all PA institutions that opt to join.

No small businesses are impacted by the regulation. The Commonwealth's institutions of higher education are comprised of 154 non-profit postsecondary institutions and 64 for-profit businesses operating postsecondary institutions. No financial, economic or social impact is anticipated on any public or private organizations.

Those institutions opting to participate in SARA can be expected to eliminate some of the administrative positions that are currently entirely dedicated to state authorization. This could result in the potential displacement or reassignment of approximately 30 employees in the Commonwealth.

The self-funding model under which SARA operates enables the Commonwealth to provide this cost-saving service to the college sector at no cost to tax payers and completely independent of the general fund.

(18) Explain how the benefits of the regulation outweigh any cost and adverse effects.

The only adverse effect of the regulation is the possible displacement of approximately 30 employees across the Commonwealth. The only cost of the regulation is the annual fee of \$1,000 to \$60,000 per institution which chooses to become a SARA member. Every institution that opts to join should see a cost savings ranging from \$17,000 to \$434,000.

(19) Provide a specific estimate of the costs and/or savings to the **regulated community** associated with compliance, including any legal, accounting or consulting procedures which may be required. Explain how the dollar estimates were derived.

Institutional participation in SARA is voluntary, so there is no mandated cost to the regulated community for compliance. Those institutions that opt to participate will pay a fee of \$1000 to \$60,000 per year to the Commonwealth, depending on the institution's annual distance education income. In addition, each institution must pay an annual membership fee ranging from \$2,000 to \$6,000 to the SARA organization. Institutions that will pay \$1,000 per year to the Commonwealth can be expected to save approximately \$17,000 per year on authorization costs to other states in which they operate. The largest institutions can each be expected to

save approximately \$434,000 per year.

The savings estimate of \$17,000 is calculated based on the category of school that would pay a \$1,000 membership fee. This would be a college with a small distance education course or program enrolling a few students from a single other state. Fees for the authorization in a single neighboring state could cost the college \$15,000 and the administrative staff time or consultant services to apply for authorization could cost approximately \$5,000 (approximately 50 hours of time at a rate of \$100/hour for salary and benefits). The approximate cost to pursue a single state authorization for a small college is thus estimated at \$20,000 per year. The state fee proposed in this regulation would be \$1,000 and the fee due directly to the SARA organization for the college membership would be \$2,000, representing an annual savings of approximately \$17,000 for each small college that opts to participate.

Large universities with active distance education programs enroll students from every state. Penn State has estimated the cost of authorization in every state and the staffing required to obtain and maintain the authorizations is approximately \$500,000. Drexel University also bears a similar annual cost for authorizations in each state. The state fee proposed in this regulation would be \$60,000 for these universities and the fee due directly to the SARA organization for the university membership would be \$6000, representing an annual savings of approximately \$434,000 per large university.

Approximately 35 institutions are expected to join SARA in the first year. Two of these are very large universities with very active distance education programs that can be expected to see a savings of \$434,000 each. Four institutions are expected to save approximately \$200,000 each in staffing costs and fees to other states. Seven institutions are expected to save \$150,000 each. Fifteen institutions are expected to save \$100,000 each. Five institutions are expected to save \$50,000 each, and two institutions are expected to save \$17,000 each. In total, Pennsylvania institutions of higher education are expected to see a savings of approximately \$4,500,000 per year.

(20) Provide a specific estimate of the costs and/or savings to the **local governments** associated with compliance, including any legal, accounting or consulting procedures which may be required. Explain how the dollar estimates were derived.

There will be no cost or savings to local government, which has no involvement with this regulation.

(21) Provide a specific estimate of the costs and/or savings to the **state government** associated with the implementation of the regulation, including any legal, accounting, or consulting procedures which may be required. Explain how the dollar estimates were derived.

There is no cost to the General Fund for implementation of the regulation because the regulation is designed to generate the revenue needed to implement SARA membership and provide the services authorized under Act 35 of 2016 (24 P.S. § 1-124(b)).

Membership in a regional compact, which is required in order to join SARA, will cost the Pennsylvania Department of Education \$50,000 per year. Staffing associated with administration of joining a regional compact, joining SARA, processing applications from colleges to join SARA, processing annual renewal applications from SARA institutions, providing support and guidance to institutions, and attending national meetings related to SARA implementation will require a highly qualified full-time professional staff member, part-time administrative support and part-time support from the division chief. Salary and benefits for a professional staff member with adequate experience is estimated at \$113,000 per year. Approximately 20% of the division chief's time could be required for SARA related tasks at a cost of approximately \$27,200 for salary and benefits. Half-time administrative support is estimated at approximately \$37,400 per year. Central Services charges, supplies, and travel are estimated at approximately \$50,000 per year. The cost for membership in the regional compact is a set annual fee of \$50,000. The preliminary estimated annual cost to state government for SARA membership is thus estimated at \$277,600 for the first year of membership.

Approximately 35 Pennsylvania institutions are expected to become initial members of SARA. Two of these institutions are anticipated to join at the \$60,000 per year rate. Seven institutions are expected to join at the rate of approximately \$10,000 per year and 22 are expected to join at \$5,000. Three institutions are expected to join at the small college rate of approximately \$2,000 per year and one institution is expected to join at \$1,000 per year. Initial revenue is estimated to be approximately \$307,000 per year. This is adequate to cover the initial costs of operation.

Note that the highest fee charged by another state for membership in SARA is \$40,000, but Pennsylvania is home to one of the largest non-profit providers of distance education in the nation. Also, other states had existing staff in place who could assume many of the responsibilities associated with SARA. Pennsylvania does not have any existing permanent or full-time positions handling higher education.

(22) For each of the groups and entities identified in items (19)-(21) above, submit a statement of legal, accounting or consulting procedures and additional reporting, recordkeeping or other paperwork, including copies of forms or reports, which will be required for implementation of the regulation and an explanation of measures which have been taken to minimize these requirements.

No additional legal, accounting, consulting procedures, reporting, recordkeeping or other paperwork will be required of the regulated community as a result of these regulations because participation is voluntary. Those institutions that opt to participate will be required to complete an application form. A sample of the form required by the national organization for SARA with a two-page Pennsylvania addendum is attached. The renewal form to be completed annually by institutions that wish to continue to participate in SARA is also attached with a Pennsylvania addendum. Pennsylvania will not require any additional forms or reports beyond those that are required for membership in SARA. SARA requires member institutions to report that they are in compliance with national standards for distance education, report data as requested by the national SARA office, and provide evidence of financial solvency. For most institutions that participate in federal financial aid, the federal financial responsibility composite score will be adequate to demonstrate solvency and no additional accounting or reporting will be required. For the small minority of eligible institutions that do not participate in

federal financial aid, standard financial statements will need to be provided to demonstrate solvency. No additional accounting will be needed. For those institutions that do not have an adequate federal financial responsibility composite score, additional evidence may be provided to demonstrate solvency and such documentation will be evaluated by staff to determine eligibility to participate in SARA. Institutions that participate in SARA will be required to report enrollment data annually directly to the national organization that coordinates the agreement.

The regulations do not impose any additional legal, accounting, or consulting responsibilities on state or local government. Membership in SARA places significant additional oversight, reporting and record keeping responsibilities on state government, but the regulatory language does not impose any additional responsibilities beyond collecting, recording and processing the fees.

(22a) Are forms required for implementation of the regulation?

Pennsylvania colleges and universities that opt to participate in SARA will need to complete the following forms:

- **Standard Application and Approval Form for Institutional Participation in SARA** – this form is provided and mandated by the national organization that coordinates the agreement.
- **PA Application Supplement to Institutional Application Form** – this form is required by the PA Department of Education to meet a requirement for membership in SARA.
- **Renewal Application Form Institutional Participation in SARA** – This form is provided and mandated by the national organization that coordinates the agreement. It must be completed annually by each institution to continue to participate in SARA.

(22b) If forms are required for implementation of the regulation, **attach copies of the forms here.** If your agency uses electronic forms, provide links to each form or a detailed description of the information required to be reported. **Failure to attach forms, provide links, or provide a detailed description of the information to be reported will constitute a faulty delivery of the regulation.**

Copies of the three forms are attached. The forms are also available at the following links:

- **Standard Application and Approval Form for Institutional Participation in SARA** – http://www.nc-sara.org/files/docs/SARA-Institutional-Application_122116_final.pdf
An institution is required to submit this application one time to apply for initial approval to participate in SARA. The institution must initial the form to confirm that it is domiciled in PA, that it is an accredited degree-granting institution, that it is financially solvent, that it abides by accepted practices in distance education, that it will be responsible for contractors it employs, that it will inform PDE of changes in accreditation status, that it will monitor its activity under SARA and provide enrollment data reports, that it will cooperate in the resolution of complaints, that it will inform students of professional licensure requirements in their home state, that it will teach out or reimburse all students, and that it will pay all required fees. The application must be submitted under the signature of the CEO (college president) or chief academic officer (provost). The institution must provide the name and contact information for two staff members who

will be responsible for SARA participation, the name of its accrediting agency, full-time student enrollment, the institution's federal id number, and the mailing address of the institution. The institution must also provide a link to its complaint process. PA institutions are not required to complete page 8 of the form related to state fees and bonding information. PDE staff completes page 9 of the form to approve the institution with the signature and contact information for the staff member approving the institution.

- **Application Supplement to Institutional Application Form**

<http://www.education.pa.gov/Documents/Postsecondary-Adult/College%20and%20Career%20Education/SARA/Pennsylvania%20supplement%20to%20institutional%20application%20form.pdf>

This form is required by the PA Department of Education to as a condition for membership in SARA. It is required to meet conditions imposed for state membership that are not clear in state statute or regulation. Institutions must complete and submit the form with the initial application and with each renewal application to inform institutions of the fees and to adequately ensure that institutions agree to the PA conditions related to the surety requirement that is a condition for state membership in SARA, that institutions with borderline federal financial solvency scores understand the conditions of membership, and that all institutions, even those that are regulated by the State Board of Private Licensed Schools, accept PDE jurisdiction to adjudicate SARA complaints. Institutions must also confirm that they will deliver a full course of study to all students or arrange for another institution to provide the instruction in case of a catastrophic event. The PA Supplement form must be signed by the institution's president.

- **Renewal Application Form Institutional Participation in SARA**

http://www.nc-sara.org/files/docs/SARA-Institutional-RENEWAL_Application_122116_Final.pdf

The renewal application must be submitted by each participating institution annually to continue participation in SARA. The institution must initial the form to confirm that it is domiciled in PA, that it retains accreditation, that it is financially solvent, that it abides by accepted practices in distance education, that it will be responsible for contractors it employs, that it will inform PDE of changes in accreditation status, that it will monitor its activity under SARA and provide enrollment data reports, that it will cooperate in the resolution of complaints, that it will inform students of professional licensure requirements in their home state, that it will teach out or reimburse all students, and that it will pay all required fees. The application must be submitted under the signature of the CEO (college president) or chief academic officer (provost). The institution must provide the updated name and contact information for two staff members who will be responsible for SARA participation, the name of its accrediting agency, full-time student enrollment, the institution's federal id number, the mailing address of the institution, a link to its complaint process, and any institutional changes relevant to the renewal. PA institutions are not required to complete the information related to state fees and bonding information. The institution is invited to submit comments. PDE staff completes page 5 of the form to approve the institution with the signature and contact information for the staff member approving the institution.

(23) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years.

	Current FY Year	FY +1 Year	FY +2 Year	FY +3 Year	FY +4 Year	FY +5 Year
SAVINGS:	\$	\$	\$	\$	\$	\$
Regulated Community	\$4,500,000	\$4,635,000	\$4,774,000	\$4,917,000	\$5,065,000	\$5,216,000
Local Government	n/a	n/a	n/a	n/a	n/a	n/a
State Government	0	0	0	0	0	0
Total Savings	\$4,500,000	\$4,635,000	\$4,774,000	\$4,917,000	\$5,065,000	\$5,216,000
COSTS:						
Regulated Community	\$307,000	\$307,000	\$307,000	\$307,000	\$307,000	\$307,000
Local Government	0	0	0	0	0	0
State Government	\$277,600	\$285,928	\$294,505	\$303,341	\$312,441	\$321,814
Total Costs	\$584,600	\$592,928	\$601,505	\$610,341	\$619,441	\$628,814
REVENUE LOSSES:	N/A	N/A	N/A	N/A	N/A	N/A
Regulated Community						
Local Government						
State Government						
Total Revenue Losses	N/A	N/A	N/A	N/A	N/A	N/A

(23a) Provide the past three year expenditure history for programs affected by the regulation.

Program	FY -3	FY -2	FY -1	Current FY
n/a	0	0	0	0

(24) For any regulation that may have an adverse impact on small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012), provide an economic impact statement that includes the following:

- (a) An identification and estimate of the number of small businesses subject to the regulation.
None of the eligible institutions are small businesses.
- (b) The projected reporting, recordkeeping and other administrative costs required for compliance with the proposed regulation, including the type of professional skills necessary for preparation of the report or record.
None of the eligible institutions are small businesses.

(c) A statement of probable effect on impacted small businesses.

None of the eligible institutions are small businesses.

(d) A description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation.

None of the eligible institutions are small businesses.

(25) List any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, the elderly, small businesses, and farmers.

The proposed regulations only impact postsecondary institutions.

(26) Include a description of any alternative regulatory provisions which have been considered and rejected and a statement that the least burdensome acceptable alternative has been selected.

The Department considered placing the funding burden for joining SARA solely on the out-of-state providers from non-SARA states by proposing a fee for authorization to enroll students in Pennsylvania. However, with 47 states and the District of Columbia now participating in SARA, adequate revenue could not be sustained through applications from institutions in the remaining non-member states and the authorizing legislation did not provide authorization to charge the out-of-state institutions.

Many states have joined SARA without requiring a fee from their home state participating institutions. However, those states are already members of a regional compact, which eliminates the \$50,000 annual fee. And those states have existing staff responsible for higher education. Pennsylvania does not have any current staff members working in higher education who could absorb the SARA responsibilities.

The regulations provide the least burdensome option for funding SARA membership and sharing the costs equitably among institutions.

(27) In conducting a regulatory flexibility analysis, explain whether regulatory methods were considered that will minimize any adverse impact on small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012), including:

a) The establishment of less stringent compliance or reporting requirements for small businesses;
None of the eligible institutions are small businesses. The fees for smaller colleges and universities are significantly lower than the fees for large universities.

b) The establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses;
None of the eligible institutions are small businesses. No schedules or deadlines are established.

c) The consolidation or simplification of compliance or reporting requirements for small businesses;
None of the eligible institutions are small businesses. Reporting requirements are established by the SARA agreement and membership is optional.

- d) The establishment of performance standards for small businesses to replace design or operational standards required in the regulation; and
No standards are established.
- e) The exemption of small businesses from all or any part of the requirements contained in the regulation.
None of the eligible institutions are small businesses. The fee has been minimized for the small colleges.

(28) If data is the basis for this regulation, please provide a description of the data, explain in detail how the data was obtained, and how it meets the acceptability standard for empirical, replicable and testable data that is supported by documentation, statistics, reports, studies or research. Please submit data or supporting materials with the regulatory package. If the material exceeds 50 pages, please provide it in a searchable electronic format or provide a list of citations and internet links that, where possible, can be accessed in a searchable format in lieu of the actual material. If other data was considered but not used, please explain why that data was determined not to be acceptable.

The data that was used to support the proposed fees included projections of staffing costs based on the Standard Pay Schedule for a paygrade 9, Level 5 employee of \$65,076 times the multiplier of 1.73 for the cost of benefits, yielding as annual cost of \$113,000.

The estimate of the cost for clerical support is based on The Standard Pay Schedule for a paygrade 6, Level 5 employee of \$43,736 times the multiplier of 1.73 for the cost of benefits, times 50% of time dedicated to SARA, yielding an estimated annual cost of \$37,400.

The Standard Pay Schedule is attached.

The estimate of the cost for division chief support for SARA is based on the Management Pay Schedule for a paygrade 10, Level 9 employee of \$79,863 times the multiplier of 1.73 for benefits, times 20% of time dedicated to SARA yielding an estimated annual cost of \$27,200.

The Management Pay Schedule is attached.

Central Services Charges were estimated at approximately \$50,000 per year as 66.6% of the Central Services Charges for the similar, but slightly larger unit supporting Private Licensed Schools. The Central Services Charges for Private Licensed Schools for FY 15 was \$75,000, yielding an estimate of \$50,000 for SARA.

The year-end budget report for Private Licensed Schools is attached.

The annual cost of affiliation with the regional compact is a set fee of \$50,000.

Total estimated cost of participating in SARA is \$277,600.

Data on the projected savings to institutions is based on data obtained from the federal financial aid database, the Integrated Postsecondary Education Data System (IPEDS). IPEDS is the definitive source of data on institutions of higher education. It is collected by the U.S. Department of Education from each college and university as a prerequisite for awarding federal financial aid to students. IPEDS data is published at <http://nces.ed.gov/ipeds/>. Data

was collected for all Pennsylvania institutions showing enrollment data in distance education. Institutions likely to join SARA were identified based on enrollment numbers of out-of-state students in distance education. The approximate current cost to the institution to obtain the requisite authorizations in other states was estimated based on the out-of-state enrollment and the approximate fee to participate in SARA was calculated based on estimated tuition revenue. The difference between the estimated current expenditures and the fee to participate in SARA represents the approximate savings for each institution. The total of all estimated fees to participate in SARA represents the estimated revenue to the Department to support the administrative costs.

The data used and the calculations are provided.

(29) Include a schedule for review of the regulation including:

- | | |
|---|--------------------|
| A. The length of the public comment period: | <u>n/a</u> |
| B. The date or dates on which any public meetings or hearings will be held: | <u>n/a</u> |
| C. The expected date of delivery of the final-form regulation: | <u>May 1, 2017</u> |
| D. The expected effective date of the final-form regulation: | <u>May 1, 2017</u> |
| E. The expected date by which compliance with the final-form regulation will be required: | <u>May 1, 2017</u> |
| F. The expected date by which required permits, licenses or other approvals must be obtained: | <u>n/a</u> |

(30) Describe the plan developed for evaluating the continuing effectiveness of the regulations after its implementation.

By law, the regulation will expire on June 30, 2018. Thus, the Department will review whether and the extent to which the revenues generated by the fees imposed by the regulation during fiscal year 2016-2017 meet actual expenses incurred in implementation during that year. The results of that review will be used to develop a regulation to be promulgated by July 1, 2018.

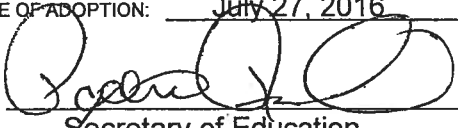
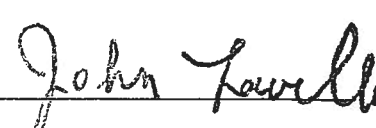
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**FACE SHEET
FOR FILING DOCUMENTS
WITH THE LEGISLATIVE REFERENCE BUREAU**
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<p>Copy below is hereby approved as to form and legality. Attorney General</p> <p>BY: _____ (DEPUTY ATTORNEY GENERAL)</p> <p>_____ DATE OF APPROVAL</p> <p><input type="checkbox"/> Check if applicable Copy not approved. Objections attached.</p>	<p>Copy below is hereby certified to be a true and correct copy of a document issued, prescribed or promulgated by:</p> <p>Pennsylvania Department of Education _____ (AGENCY)</p> <p>DOCUMENT/FISCAL NOTE NO. <u>006-337</u></p> <p>DATE OF ADOPTION: <u>July 27, 2016</u></p> <p>BY:  Secretary of Education</p> <p>TITLE _____ (EXECUTIVE OFFICER, CHAIRMAN OR SECRETARY)</p>	<p>Copy below is hereby approved as to form and legality. Executive or Independent Agencies.</p> <p>BY: </p> <p>MAR 22 2017 _____ DATE OF APPROVAL</p> <p>Deputy General Counsel (Chief Counsel, Independent Agency) (Strike inapplicable title)</p> <p><input type="checkbox"/> Check if applicable. No Attorney General approval or objection within 30 days after submission.</p>
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FINAL OMITTED RULEMAKING
DEPARTMENT OF EDUCATION
RECIPROCITY FOR DISTANCE EDUCATION
STATE AUTHORIZATION RECIPROCITY
22 PA. CODE CHAPTER 741

NOTICE OF FINAL OMITTED RULEMAKING

PREAMBLE

DEPARTMENT OF EDUCATION

[22 PA. CODE CH. 741]

POSTSECONDARY DISTANCE EDUCATION RECIPROCITY

The Pennsylvania Department of Education (Department) hereby promulgates this regulation setting fees for institutions of higher education seeking to participate in the state authorization reciprocity agreement in order to support the Department's costs in implementing and administering the agreement. The Department is publishing these regulations as final omitted under the authority granted by the Act 35 of 2016 (24 P.S. § 1-124 (b)).

Description of Regulation

This regulation sets fees for the administrative costs of implementing the mandate in Act 35 of 2016 (24 P.S. § 1-124) to join the State Authorization Reciprocity Agreement (SARA).

Reason for Regulation

At present, Pennsylvania institutions of higher education which seek to offer distance education to students residing in other states must apply for approval in those states and pay registration fees to each state. In order to address this issue, the four interstate education compacts have banded together to organize SARA as a way to provide for reciprocity among member states and their participating institutions. Act 35 of 2016 (24 P.S. § 1-124) provides for Pennsylvania affiliation with one of the regional compacts and membership in SARA and establishes the Department as the agency responsible for implementation. Implementation requires the Commonwealth to pay an annual fee of \$50,000 to affiliate with a regional compact. In addition the Department estimates a need for \$227,600 in additional staffing and administrative costs for implementation of the program with those Pennsylvania institutions of higher education that are interested in joining SARA. The administrative responsibilities for SARA will exceed the Department's current staffing capacity.

Section 741.1 of the regulation establishes definitions for the following terms as used in the regulation: Calendar Year, Department, Distance Education, Portal Agency, Regional Compact, State Authorization Reciprocity Agreement (SARA), and Tuition.

Section 11 of the regulation sets forth that Pennsylvania has affiliated with the Southern Regional Education Board for the purposes of membership in SARA as authorized by Act 35 of 2016 (24 P.S. § 1-124) and to allow interested Pennsylvania institutions to offer

distance education in other SARA states without paying fees to each such state. States can only join SARA through membership or affiliation with a regional compact and Pennsylvania was one of only four states that was not a member of a regional compact.

Section 741.12 provides that the Department will be the portal agency for membership in SARA. Membership requires the identification of a single portal agency in each state. The section also provides for the Department's hiring of staff necessary to implement SARA and that the costs of staff and SARA membership will be covered by fees paid by postsecondary institutions rather than general fund resources. Postsecondary institutions are the prime beneficiary of membership in SARA and they will see a significant cost-savings through participation, notwithstanding the fees imposed under this regulation.

Section 741.13 requires institutions seeking to participate in SARA to submit an annual application to the Department on a form provided by the Department along with the required fees. Institutions whose submitted fee does not match distance education data in the federal Integrated Postsecondary Education Data System (IPEDS) database will be required to defend their calculation. The section further provides that applications will not be processed until the fees are received by the Department. Finally, the section establishes that the fees that are paid to the Department do not cover other institutional financial obligations related to SARA participation. Institutions are required to pay an annual fee of \$2,000 to \$6,000 directly to the national SARA organization for participation. It is not possible for the Department to pay this fee on behalf of institutions because an electronic payment system is employed for this payment.

Section 741.21 provides that the fee paid to the Department is calculated based on tuition revenue from distance education in the most recently completed calendar-year. Calendar-year is used for consistency because different institutions follow different calendars for the academic year and the fiscal year. The fee is calculated based on tuition revenue rather than enrollment so that institutions with the highest tuition rates pay a fair share of the cost of supporting PA membership in SARA. Moreover, using tuition revenue in the calculation shares the cost equitably between public and private institutions, in that the community colleges and state-system universities have the lowest tuition rates. In addition, some small institutions are very active in distance education and will experience very significant savings from membership. Likewise, some large institutions offer very little by distance education and would experience a minimal benefit. By calculating the fee based on distance education revenue only, the costs of membership will be distributed equitably based on the benefit to the institution.

Section 741.22 establishes that fees will not be refunded if the application is denied or if the institution withdraws the application. This is to protect against the provision of review services without compensation because the Department will incur all costs associated with processing the application within a few days of receipt. Likewise, the section provides that fees will not be refunded if the institution is suspended from participation or if the institution voluntarily withdraws from participation, since the Department's costs will likely have been incurred.

Section 741.23 clarifies that participation in SARA is valid for one calendar year, consistent with SARA requirements and that the application process for the renewal follows the same process as the initial application, using a form provided by the national SARA organization with an addendum specific to Pennsylvania.

Persons or Entities Affected

This regulation affects Pennsylvania institutions of higher education which provide or seek to provide distance education to students in other states.

Fiscal Impact

There is no fiscal impact on the General Fund from the proposed fees. There is a fiscal impact upon Pennsylvania institutions of higher education which choose to participate in SARA. However, the fees proposed represent a small fraction of the costs that Pennsylvania institutions currently bear to obtain state authorization to offer distance education in other states.

Paperwork Requirements

The regulation will impose additional paperwork responsibilities on the Department and the regulated community because application materials must be developed by the Department and those materials will have to be completed and filed by interested institutions of higher education.

Effective Date

This regulation will become effective upon final omitted publication in the Pennsylvania Bulletin.

Sunset Date

This regulation will expire on June 30, 2018 and will be replaced by regulations promulgated in accordance with the Regulatory Review Act.

Regulatory Review

Regulatory Review

Under section 5.1 (c) of the Regulatory Review Act (71 P. S. § 745.5a(c)), the Department submitted a copy of this regulation with notice of proposed rulemaking omitted on March 27, 2017, to the Independent Regulatory Review Commission (IRRC) and to the majority and minority chairpersons of the House and Senate Education Committees. On that same date, this regulation was submitted to the Attorney General for review and approval under the Commonwealth Attorneys Act (71 P. S. §§ 732-101--732-506), and the Attorney General approved the regulation on _____.

The regulation was deemed approved by the standing committees on _____ IRRC met and approved the regulation on _____. The Department provided IRRC and the Committees with a detailed Regulatory Analysis Form as required by 71 P.S. §745.5(a) and prepared by the Department in compliance with Executive Order 1996-01, "Regulatory Review and Promulgation." A copy of this material is available to the public upon request.

Contact Person

The Department contact person for this regulation is Ms. Patricia Landis, Division Chief, Division of Higher and Career Education, 333 Market Street, Harrisburg, Pa. 17126-0333, and (717) 783-8228.

Patricia Landis,
Division Chief

ANNEX

Title 22. EDUCATION

Part XXIII. RECIPROCITY FOR DISTANCE EDUCATION

CHAPTER 741. STATE AUTHORIZATION RECIPROCITY

DEFINITIONS

Sec.

741.1. Definitions.

STATE AUTHORIZATION RECIPROCITY AGREEMENT

741.11. State membership in a regional compact

741.12. State membership in SARA

741.13. Institutional participation in SARA

FEES

741.21. Fees for PA institutions to participate in SARA.

741.22. Fees nonrefundable.

741.23. Institutional Renewal to Participate in SARA.

Authority

The provisions of Chapter 741 are issued under (24 P. S. §. 1-124), unless otherwise noted.

Source

The provisions of this Chapter 741 adopted, effective, unless otherwise noted.

DEFINITIONS

§ 741.1. Definitions.

The following words and terms, when used in this chapter, have the following meaning, unless the context clearly indicates otherwise:

Calendar Year – January 1 – December 31.

Department – Pennsylvania Department of Education.

Distance Education – Instruction offered by any means where the student and faculty member are in separate physical locations so that face-to-face communication is absent; communication is accomplished instead by one or more technological media. It includes, but is not limited to, real-time or delayed interaction using voice, video, data, and/or text, including, but not limited to, instruction provided online, via correspondence, or via interactive video. Instruction provided via synchronous video from an institution in Pennsylvania to additional campus sites of the same institution in Pennsylvania is not considered distance education. Distance education is instructor-led and is not independent study.

Portal Agency – The single entity designated to serve as the interstate point of contact for SARA questions, complaints, and other communications.

Postsecondary Institution – An institution legally authorized to award degrees at the associate level or above.

Regional Compact – A non-profit organization with member states dedicated to advancing education in a region. The four regional compacts are the Midwestern Higher Education Compact (MHEC), New England Board of Higher Education (NEBHE), Southern Regional Education Board (SREB) and the Western Interstate Commission for Higher Education (WICHE).

State Authorization Reciprocity Agreement (SARA)—A voluntary agreement adopted by the regional compacts to establish national standards for interstate delivery of postsecondary education via distance education.

Tuition – Monies charged by the institution for instruction. Tuition does not include monies charged as fees, such as technology fees, student services fees, or activities fees if those fees are noted on the invoice and in publications as fees that are separated from tuition.

SARA MEMBERSHIP

§ 741.11. State Membership in a regional compact

The Department consistent with Act 35 of 2016 (24 P.S. § 1-124(a)) has affiliated with the Southern Regional Education Board for the sole purpose of being able to participate in SARA and facilitate interested Pennsylvania postsecondary institutions offering distance education to students in other SARA member states.

§ 741.12 State Membership in SARA

- (a) The Department will be the SARA portal agency for Pennsylvania and will employ staff as necessary to provide the services required to implement SARA.
- (b) All of the Department's staffing and other costs related to SARA membership and responsibilities will be covered by fees paid by postsecondary institutions in accordance with sections 741.21 – 22.

§ 741.13 Institutional Participation in SARA

- (a) Postsecondary institutions shall apply annually to the Department for authorization to participate in SARA in such manner and on such forms as prescribed by the Department. If the fee submitted with the application does not correspond to the distance education enrollment data in the federal IPEDS database for the most recent reporting year, the institution shall be required to provide evidence to support the calculation of the fee amount.
- (b) The required fees as set forth in sections 741.21 – 22 must accompany the application. The Department will not process an application until the fees are received.
- (c) The fees established by this chapter cover the administrative costs of the Department and do not cover other fees due to other organizations.

FEES

§ 741.21. Fee for Pennsylvania postsecondary institutions to participate in SARA.

Pennsylvania postsecondary institutions shall pay a fee to the Department based on tuition revenue from distance education in the most recently completed calendar-year for the initial application fee and for each annual renewal to the Department to participate in SARA.

<u>Distance Tuition Revenue Fee</u>	
<u>\$0—9,999</u>	<u>\$1,000</u>
<u>\$10,000—999,999</u>	<u>\$2,000</u>
<u>\$1,000,000— 4,999,999</u>	<u>\$5,000</u>

<u>\$5,000,000—9,999,999</u>	<u>\$10,000</u>
<u>\$10,000,000—19,999,999</u>	<u>\$20,000</u>
<u>\$20,000,000—29,999,999</u>	<u>\$30,000</u>
<u>\$30,000,000—39,999,999</u>	<u>\$40,000</u>
<u>\$40,000,000—49,999,999</u>	<u>\$50,000</u>
<u>\$50,000,000 and over</u>	<u>\$60,000</u>

§ 741.22. Fees nonrefundable.

(a) The fee submitted with an application is not refundable if the registration or participation is denied or if the postsecondary institution withdraws its application.

(b) No portion of the fee will be refunded upon suspension or revocation of participation or optional termination of participation.

§ 741.23. Institutional Renewal to Participate in SARA

(a) Approval for participation in SARA is valid for one calendar year.

(b) An application for renewal of participation is required annually in accordance with 741.13.



National Council for State Authorization Reciprocity Agreements

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

Indicate Regional Compact:

- ☐ Midwestern Higher Education Compact
- ☐ New England Board of Higher Education
- ☒ Southern Regional Education Board
- ☐ Western Interstate Commission for Higher Education

Application and Approval form for Institutional Participation in SARA

An institution applying to operate under the State Authorization Reciprocity Agreement (SARA) must submit this form to its home state's portal agency for SARA.

When a state checks "yes" on this form, the state affirms that the applicant institution has followed proper procedures and provided necessary documents to operate under SARA, but this affirmation does not necessarily represent state evaluation of the institution's ability to perform under SARA policies.

An institution seeking approval to operate under the terms and standards of SARA must meet the following requirements:

<p><u>Applicant</u> Institution affirms meeting the requirement</p> <p>Initial here</p>	<p><u>State</u> Institution meets the requirement</p> <p>Yes No</p>	
<p>1. Have its principal campus or central administrative unit domiciled in a state that has joined the State Authorization Reciprocity Agreement (SARA) initiative and be authorized to operate in that state.* Only distance education content originating in the United States or a U.S. territory is eligible to be offered under SARA.** (Attach documentation)</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>2. Be a U.S. degree-granting institution that is accredited by an accrediting body recognized by the U.S. Secretary of Education. (Attach documentation)</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>3. For non-public institutions, have a financial responsibility index score from the U.S. Department of Education that is 1.5 or above, or, if its score is between 1.0 and 1.5, successfully demonstrate to its home state's portal agency that it is nevertheless sufficiently financially stable to justify participation in SARA. Public institutions are presumed to be sufficiently financially stable for SARA purposes. (Attach documentation) Public institutions leave this blank.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>4. Agree to abide by the <i>Interregional Guidelines for the Evaluation of Distance Education</i> adopted by the Council of Regional Accrediting Commissions, as summarized in SARA policy 5(2)1-9. (See Appendix)</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>5. Agree to be responsible for the actions of any third-party providers used by the institution to engage in operations under SARA.</p>	<input type="checkbox"/>	<input type="checkbox"/>

Applicant Institution
affirms meeting the
requirement

State Institution
meets the
requirement

Initial here

Yes

No

6. Agree to notify its home state's portal agency of any negative changes to its accreditation status. ☐ ☐
7. Agree to provide data necessary to monitor SARA activities. ☐ ☐
8. Agree to work with its home state's portal agency to resolve any complaints arising from its students in SARA states, and to abide by decisions of that entity.*** ☐ ☐
9. Apply to its home state's portal agency over the signature of the institution's CEO or chief academic officer. ☐ ☐
10. Agree to notify in writing all students in a course or program that customarily leads to professional licensure, or which a student could reasonably believe leads to such licensure, whether or not the course or program meets requirements for licensure in the state where the student resides. If an institution does not know whether the course or program meets licensure requirements in the student's state of residence, the institution may meet this SARA requirement by informing the student in writing and providing the student the contact information for the appropriate state licensing board(s). An e-mail dedicated solely to this purpose and sent to the student's best known e-mail address meets this requirement. The institution should use other means to notify the student if needed. ☐ ☐
11. Agree, in cases where the institution cannot fully deliver the instruction for which a student has contracted, to provide a reasonable alternative for delivering the instruction or reasonable financial compensation for the education they did not receive. ☐ ☐
12. Agree to pay to the state any state fees for SARA participation required by the home state for administering SARA. ☐ ☐
13. Agree to pay its annual SARA participation fee to the National Council for SARA (NC-SARA). This single annual fee replaces any fees that the institution would ordinarily pay to other SARA member states. ☐ ☐
14. Agree to abide by conditions of provisional approval, if necessary. ☐ ☐

*SARA considers the home campus to be where an institution has its legal domicile. Any disputes about which state is the home state will be resolved for SARA purposes by the affected regional compacts or the National Council (NC-SARA), as needed.

**The fact that a foreign institution is owned by a U.S. entity does not qualify distance education originating from the non-U.S. institution to be offered under SARA. Only distance education offerings under the oversight of the U.S. state or territory can be offered through SARA.

***Complaints must follow the institution's customary resolution procedure prior to being referred to the state under SARA procedures. Grade appeals and student conduct appeals are not allowed under SARA.

Institutional Designation and Affirmation

I, the undersigned representative of (institution name) _____, having the authority to commit the institution to operate under the SARA interstate agreement, hereby certify that this institution meets all of the standards and requirements stated herein required for operation under the SARA agreement.

Mailing address of institution:

Institution OPEID number:

Institution FTE (latest IPEDS):

Name of principal SARA contact:

Email of principal SARA contact:

Phone number of principal
SARA contact:

Typed name of signatory officer:

Signature:

Date signed:

Title of signatory
institutional officer:

If institutional membership in SARA is denied by the home state's portal agency, the portal agency will provide to the applicant institution a written reason for the denial. The institution may reapply at any time, having corrected any deficiencies, or may appeal the denial to the SARA director of its regional compact. If the denial is upheld by the regional compact, the institution may further appeal to NC-SARA.

Interregional Guidelines for the Evaluation of Distance Education 2011

Council of Regional Accrediting Commissions (C-RAC)

1. Online learning is appropriate to the institution's mission and purposes.

*Analysis/Evidence:*****

- The mission statement explains the role of online learning within the range of the institution's programs and services;
- Institutional and program statements of vision and values inform how the online learning environment is created and supported;
- As appropriate, the institution incorporates into its online learning programs methods of meeting the stated institutional goals for the student experience at the institution;
- The recruitment and admissions programs supporting the online learning courses and programs appropriately target the student populations to be served;
- The students enrolled in the institution's online learning courses and programs fit the admissions requirements for the students the institution intends to serve;
- Senior administrators and staff can articulate how online learning is consonant with the institution's mission and goals.

2. The institution's plans for developing, sustaining, and, if appropriate, expanding online learning offerings are integrated into its regular planning and evaluation processes.

Analysis/Evidence:

- Development and ownership of plans for online learning extend beyond the administrators directly responsible for it and the programs directly using it;
- Planning documents are explicit about any goals to increase numbers of programs provided through online learning courses and programs and/or numbers of students to be enrolled in them;
- Plans for online learning are linked effectively to budget and technology planning to ensure adequate support for current and future offerings;
- Plans for expanding online learning demonstrate the institution's capacity to assure an appropriate level of quality;
- The institution and its online learning programs have a track record of conducting needs analysis and of supporting programs.

****These bulleted points illustrate actions, processes and facts that institutions may use to demonstrate that they meet SARA requirements.

3. Online learning is incorporated into the institution's systems of governance and academic oversight.

Analysis/Evidence:

- The institution's faculty have a designated role in the design and implementation of its online learning offerings;
- The institution ensures the rigor of the offerings and the quality of the instruction;
- Approval of online courses and programs follows standard processes used in the college or university;
- Online learning courses and programs are evaluated on a periodic basis;
- Contractual relationships and arrangements with consortial partners, if any, are clear and guarantee that the institution can exercise appropriate responsibility for the academic quality of all online learning offerings provided under its name.

4. Curricula for the institution's online learning offerings are coherent, cohesive, and comparable in academic rigor to programs offered in traditional instructional formats.

Analysis/Evidence:

- The curricular goals and course objectives show that the institution or program has knowledge of the best uses of online learning in different disciplines and settings;
- Curricula delivered through online learning are benchmarked against on-ground courses and programs, if provided by the institution, or those provided by traditional institutions;
- The curriculum is coherent in its content and sequencing of courses and is effectively defined in easily available documents including course syllabi and program descriptions;
- Scheduling of online learning courses and programs provides students with a dependable pathway to ensure timely completion of degrees;
- The institution or program has established and enforces a policy on online learning course enrollments to ensure faculty capacity to work appropriately with students;
- Expectations for any required face-to-face, on-ground work (e.g., internships, specialized laboratory work) are stated clearly;
- Course design and delivery supports student-student and faculty-student interaction;
- Curriculum design and the course management system enable active faculty contribution to the learning environment;
- Course and program structures provide schedule and support known to be effective in helping online learning students persist and succeed.

5. The institution evaluates the effectiveness of its online learning offerings, including the extent to which the online learning goals are achieved, and uses the results of its evaluations to enhance the attainment of the goals.

Analysis/Evidence:

- Assessment of student learning follows processes used in onsite courses or programs and/or reflects good practice in assessment methods;
- Student course evaluations are routinely taken and an analysis of them contributes to strategies for course improvements;
- Evaluation strategies ensure effective communication between faculty members who design curriculum, faculty members who interact with students, and faculty members who evaluate student learning;
- The institution regularly evaluates the effectiveness of the academic and support services provided to students in online courses and uses the results for improvement;
- The institution demonstrates the appropriate use of technology to support its assessment strategies;

- The institution documents its successes in implementing changes informed by its programs of assessment and evaluation;
- The institution provides examples of student work and student interactions among themselves and with faculty;
- The institution sets appropriate goals for the retention/persistence of students using online learning, assesses its achievement of these goals, and uses the results for improvement.

6. Faculty responsible for delivering the online learning curricula and evaluating the students' success in achieving the online learning goals are appropriately qualified and effectively supported.

Analysis/Evidence:

- Online learning faculties are carefully selected, appropriately trained, frequently evaluated, and are marked by an acceptable level of turnover;
- The institution's training program for online learning faculty is periodic, incorporates tested good practices in online learning pedagogy, and ensures competency with the range of software products used by the institution;
- Faculty are proficient and effectively supported in using the course management system;
- The office or persons responsible for online learning training programs are clearly identified and have the competencies to accomplish the tasks, including knowledge of the specialized resources and technical support available to support course development and delivery;
- Faculty members engaged in online learning share in the mission and goals of the institution and its programs and are provided the opportunities to contribute to the broader activities of the institution;
- Students express satisfaction with the quality of the instruction provided by online learning faculty members.

7. The institution provides effective student and academic services to support students enrolled in online learning offerings.

Analysis/Evidence:

- The institution's admissions program for online learning provides good web-based information to students about the nature of the online learning environment, and assists them in determining if they possess the skills important to success in online learning;
- The institution provides an online learning orientation program;
- The institution provides support services to students in formats appropriate to the delivery of the online learning program;
- Students in online learning programs have adequate access to student services, including financial aid, course registration, and career and placement counseling;
- Students in online learning programs have ready access to 24/7 tech support;
- Students using online learning have adequate access to learning resources, including library, information resources, laboratories, and equipment and tracking systems;
- Students using online learning demonstrate proficiency in the use of electronic forms of learning resources;
- Student complaint processes are clearly defined and can be used electronically;
- Publications and advertising for online learning programs are accurate and contain necessary information such as program goals, requirements, academic calendar, and faculty;
- Students are provided with reasonable and cost-effective ways to participate in the institution's system of student authentication.

8. The institution provides sufficient resources to support and, if appropriate, expand its online learning offerings.

Analysis/Evidence:

- The institution prepares a multi-year budget for online learning that includes resources for assessment of program demand, marketing, appropriate levels of faculty and staff, faculty and staff development, library and information resources, and technology infrastructure;
- The institution provides evidence of a multi-year technology plan that addresses its goals for online learning and includes provision for a robust and scalable technical infrastructure.

9. The institution assures the integrity of its online offerings.

Analysis/Evidence:

- The institution has in place effective procedures through which to ensure that the student who registers in a distance education course or program is the same student who participates in and completes the course or program and receives the academic credit. The institution makes clear in writing that these processes protect student privacy and notifies students at the time of registration or enrollment of any projected additional costs associated with the verification procedures. (Note: This is a federal requirement. All institutions that offer distance education programs must demonstrate compliance with this requirement.);
- The institution's policies on academic integrity include explicit references to online learning;
- Issues of academic integrity are discussed during the orientation for online students;
- Training for faculty members engaged in online learning includes consideration of issues of academic integrity, including ways to reduce cheating.

SARA State Supplemental Sheet for Institutions

SARA provides a degree of flexibility for states as they implement the agreement. Information about state-specific provisions may be added on this page for items such as fees (if any) to be charged in-state institutions, criteria for consideration of appeals of institutions having financial responsibility index scores between 1.0 and 1.49, etc.

State fee (if any):

Institutions will pay an annual fee to the Pennsylvania Department of Education to support the costs of the annual affiliation with SREB and administrative costs associated with SARA membership.

State fee schedule:

Distance Tuition Revenue Fee			
\$0—9,999	\$1000	\$40,000,000—49,999,999	\$50,000
\$10,000—999,999	\$2,000	\$50,000,000—99,999,999	\$60,000
\$1,000,000—4,999,999	\$5,000	\$100,000,000 and over	\$70,000
\$5,000,000—9,999,999	\$10,000		
\$10,000,000—19,999,999	\$20,000		
\$20,000,000—29,999,999	\$30,000		
\$30,000,000—39,999,999	\$40,000		

State bonding requirement of institution (if any):

Surety is required for licensed career schools at a minimum level of \$10,000 for tuition revenue up to \$500,000 and increasing by \$10,000 for each additional \$500,000 in tuition revenue with a \$100,000 maximum.

Degree-granting institutions are required to maintain a \$500,000 endowment to be used to refund unearned tuition in the event of catastrophic closure.

All institutions are required to place students in a teach out in the event of catastrophic closure.

Financial responsibility criteria for ratings 1.0-1.49:

Institutions with a financial responsibility rating between 1.0 and 1.49 are permitted to provide evidence of financial solvency to PDE. PDE will evaluate the evidence provided and make a determination regarding participation in SARA on a case by case basis. Institutions with a financial responsibility score between 1.0 and 1.49 can be permitted to participate in SARA for up to two years. Failure to provide a financial responsibility score above 1.5 within two years will preclude further participation in SARA until a score of 1.5 is obtained.

PDE will calculate the financial responsibility score for institutions that do not participate in federal financial aid.

State Portal Agency Affirmation

Institutional application:

☐

Approved

☐

Provisionally Approved (see attached)

☐

Returned for Additional Data or information

☐

Denied

Conditions related to Provisional Approval

Typed name of State Portal Agency

Typed name of State Portal Agency contact

Signature

Date signed

Title of State Portal Agency contact

State Portal Agency email and phone

Institution Name	Out-of-State Tuition and Fees 2013-14		Out of State Distance Ed Enrollment		Distance Ed Residence Unknown		Distance Ed Resident Unreported		Number of Students counted for SARA fee	Approximate Tuition per Course		Estimate # Courses Taken per Student	Estimated Tuition as Basis of SARA Fee	Estimated SARA Fee to PDE	Expected Savings to the College
	Distance Ed Enrollment	Distance Ed Enrollment	Distance Ed Enrollment	Distance Ed Enrollment	Distance Ed Enrollment	Distance Ed Enrollment	Distance Ed Enrollment	Distance Ed Enrollment		Tuition per Course	Tuition per Course				
Lake Erie College of Osteopathic Medicine	\$26,600	0	0	0	0	0	0	0	0	2660	2660	8	\$0	\$1,000	\$17,000
Carlow University	\$25,416	39	0	0	2	41	2541.6	8	\$833,645	\$2,000	\$17,000	8	\$833,645	\$2,000	\$17,000
Saint Francis University	\$29,992	38	0	0	0	38	2999.2	8	\$911,757	\$2,000	\$50,000	8	\$911,757	\$2,000	\$50,000
DeSales University	\$31,250	38	0	0	0	38	3125	8	\$950,000	\$2,000	\$50,000	8	\$950,000	\$2,000	\$50,000
Mansfield University of Pennsylvania	\$19,316	65	0	0	0	65	1931.6	8	\$1,004,432	\$5,000	\$50,000	8	\$1,004,432	\$5,000	\$50,000
Slippery Rock University of Pennsylvania	\$12,529	109	0	0	0	109	1252.9	8	\$1,092,529	\$5,000	\$50,000	8	\$1,092,529	\$5,000	\$50,000
Immaculata University	\$30,740	45	0	0	0	45	3074	8	\$1,106,640	\$5,000	\$50,000	8	\$1,106,640	\$5,000	\$50,000
University of the Sciences	\$34,742	38	0	0	3	41	3474.2	8	\$1,139,538	\$5,000	\$50,000	8	\$1,139,538	\$5,000	\$50,000
Gannon University	\$27,546	61	0	0	0	61	2754.6	8	\$1,344,245	\$5,000	\$50,000	8	\$1,344,245	\$5,000	\$50,000
Pelrice College	\$13,632	127	0	0	0	127	1363.2	8	\$1,385,011	\$5,000	\$50,000	8	\$1,385,011	\$5,000	\$50,000
Misericordia University	\$28,210	67	0	0	0	67	2821	8	\$1,512,056	\$5,000	\$50,000	8	\$1,512,056	\$5,000	\$50,000
Eastern University	\$28,090	71	0	0	0	71	2809	8	\$1,595,512	\$5,000	\$50,000	8	\$1,595,512	\$5,000	\$50,000
Messiah College	\$30,470	70	0	0	0	70	3047	8	\$1,706,320	\$5,000	\$50,000	8	\$1,706,320	\$5,000	\$50,000
Lancaster Bible College	\$18,270	125	0	0	0	125	1827	8	\$1,827,000	\$5,000	\$50,000	8	\$1,827,000	\$5,000	\$50,000
Edinboro University of Pennsylvania	\$12,701	200	0	0	1	201	1270.1	8	\$2,042,321	\$5,000	\$50,000	8	\$2,042,321	\$5,000	\$50,000
University of Pittsburgh-Pittsburgh Campus	\$27,106	104	2	0	0	106	2710.6	8	\$2,298,589	\$5,000	\$50,000	8	\$2,298,589	\$5,000	\$50,000
Arcadia University	\$36,810	89	0	0	0	89	3681	8	\$2,620,872	\$5,000	\$50,000	8	\$2,620,872	\$5,000	\$50,000
Philadelphia University	\$33,690	109	0	0	0	109	3369	8	\$2,937,768	\$5,000	\$50,000	8	\$2,937,768	\$5,000	\$50,000
Summit University of Pennsylvania	\$19,710	208	0	0	2	210	1971	8	\$3,311,280	\$5,000	\$50,000	8	\$3,311,280	\$5,000	\$50,000
Robert Morris University	\$25,114	82	5	0	84	171	2511.4	8	\$3,435,595	\$5,000	\$50,000	8	\$3,435,595	\$5,000	\$50,000
Wilkes University	\$38,028	114	0	0	0	114	3802.8	8	\$3,468,154	\$5,000	\$50,000	8	\$3,468,154	\$5,000	\$50,000
La Salle University	\$30,350	168	0	0	0	168	3035	8	\$4,079,040	\$5,000	\$50,000	8	\$4,079,040	\$5,000	\$50,000
Clarion University of Pennsylvania	\$13,237	396	0	0	0	396	1323.7	8	\$4,193,482	\$5,000	\$50,000	8	\$4,193,482	\$5,000	\$50,000
Chatham University	\$32,454	185	0	0	0	185	3245.4	8	\$4,803,192	\$5,000	\$50,000	8	\$4,803,192	\$5,000	\$50,000
Temple University	\$24,122	251	0	0	0	251	2412.2	8	\$4,843,698	\$5,000	\$50,000	8	\$4,843,698	\$5,000	\$50,000
Carnegie Mellon University	\$43,520	145	0	0	0	145	4352	8	\$5,048,320	\$10,000	\$150,000	8	\$5,048,320	\$10,000	\$150,000
Duquesne University	\$47,642	157	0	0	0	157	4764.2	8	\$5,983,835	\$10,000	\$150,000	8	\$5,983,835	\$10,000	\$150,000
California University of Pennsylvania	\$31,385	249	0	0	0	250	3138.5	8	\$6,277,000	\$10,000	\$150,000	8	\$6,277,000	\$10,000	\$150,000
University of Scranton	\$13,091	856	0	0	0	856	1309.1	8	\$9,058,972	\$10,000	\$200,000	8	\$9,058,972	\$10,000	\$200,000
Saint Joseph's University	\$39,040	578	0	0	0	578	3875.4	8	\$17,919,850	\$10,000	\$200,000	8	\$17,919,850	\$10,000	\$200,000
Villanova University	\$39,040	736	0	0	0	736	3904	8	\$22,986,752	\$10,000	\$200,000	8	\$22,986,752	\$10,000	\$200,000
Pennsylvania State University-World Campus	\$44,430	695	0	0	2	697	4443	8	\$24,774,168	\$10,000	\$200,000	8	\$24,774,168	\$10,000	\$200,000
Drexel University	\$13,202	6183	223	0	0	6406	1320.2	8	\$67,657,610	\$60,000	\$434,000	8	\$67,657,610	\$60,000	\$434,000
TOTAL	\$37,505	2674	50	0	1	2725	3750.5	8	\$81,760,900	\$307,000	\$4,502,000	8	\$81,760,900	\$307,000	\$4,502,000

Union 37½

COMMONWEALTH OF PENNSYLVANIA
37½ HOUR STANDARD PAY SCHEDULE
EFFECTIVE JULY 1, 2014

Union 37½

Pay Rates Progress
from Left to Right

PAY SCALE TYPE ST

	01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19	20
P.S. Group ST01 Hourly Biweekly Annual*	11.19 839.25 21,888	11.45 858.75 22,396	11.66 874.50 22,807	11.89 891.75 23,257	12.14 910.50 23,746	12.35 926.25 24,157	12.62 946.50 24,685	12.88 966.00 25,193	13.10 982.50 25,624	13.38 1,003.50 26,171	13.65 1,023.75 26,699	13.90 1,042.50 27,188	14.23 1,067.25 27,834	14.48 1,086.00 28,323	14.79 1,109.25 28,929	15.10 1,132.50 29,536	15.35 1,151.25 30,025	15.70 1,177.50 30,709	16.02 1,201.50 31,335	16.34 1,225.50 31,961
P.S. Group ST02 Hourly Biweekly Annual*	12.62 946.50 24,685	12.88 966.00 25,193	13.10 982.50 25,624	13.38 1,003.50 26,171	13.65 1,023.75 26,699	13.90 1,042.50 27,188	14.23 1,067.25 27,834	14.48 1,086.00 28,323	14.79 1,109.25 28,929	15.10 1,132.50 29,536	15.35 1,151.25 30,025	15.70 1,177.50 30,709	16.02 1,201.50 31,335	16.34 1,225.50 31,961	16.69 1,251.75 32,646	17.04 1,278.00 33,330	17.35 1,301.25 33,937	17.72 1,329.00 34,660	18.08 1,356.00 35,364	18.47 1,385.25 36,127
P.S. Group ST03 Hourly Biweekly Annual*	14.23 1,067.25 27,834	14.48 1,086.00 28,323	14.79 1,109.25 28,929	15.10 1,132.50 29,536	15.35 1,151.25 30,025	15.70 1,177.50 30,709	16.02 1,201.50 31,335	16.34 1,225.50 31,961	16.69 1,251.75 32,646	17.04 1,278.00 33,330	17.35 1,301.25 33,937	17.72 1,329.00 34,660	18.08 1,356.00 35,364	18.47 1,385.25 36,127	18.83 1,412.25 36,831	19.22 1,441.50 37,594	19.64 1,473.00 38,416	20.04 1,503.00 39,198	20.47 1,535.25 40,039	20.91 1,568.25 40,900
P.S. Group ST04 Hourly Biweekly Annual*	16.02 1,201.50 31,335	16.34 1,225.50 31,961	16.69 1,251.75 32,646	17.04 1,278.00 33,330	17.35 1,301.25 33,937	17.72 1,329.00 34,660	18.08 1,356.00 35,364	18.47 1,385.25 36,127	18.83 1,412.25 36,831	19.22 1,441.50 37,594	19.64 1,473.00 38,416	20.04 1,503.00 39,198	20.47 1,535.25 40,039	20.91 1,568.25 40,900	21.35 1,601.25 41,761	21.86 1,639.50 42,758	22.36 1,677.00 43,736	22.83 1,712.25 44,655	23.36 1,752.00 45,692	23.90 1,792.50 46,748
P.S. Group ST05 Hourly Biweekly Annual*	18.08 1,356.00 35,364	18.47 1,385.25 36,127	18.83 1,412.25 36,831	19.22 1,441.50 37,594	19.64 1,473.00 38,416	20.04 1,503.00 39,198	20.47 1,535.25 40,039	20.91 1,568.25 40,900	21.35 1,601.25 41,761	21.86 1,639.50 42,758	22.36 1,677.00 43,736	22.83 1,712.25 44,655	23.36 1,752.00 45,692	23.90 1,792.50 46,748	24.41 1,830.75 47,746	24.95 1,871.25 48,802	25.51 1,913.25 49,898	26.10 1,957.50 51,052	26.68 1,997.00 52,186	27.24 2,043.00 53,281
P.S. Group ST06 Hourly Biweekly Annual*	20.47 1,568.25 40,900	20.91 1,597.25 41,761	21.35 1,626.25 42,758	21.86 1,659.50 43,736	22.36 1,697.00 44,655	22.83 1,732.25 45,692	23.36 1,769.50 46,748	23.90 1,807.25 47,746	24.41 1,845.75 48,802	24.95 1,884.25 49,898	25.51 1,923.25 51,052	26.10 1,962.50 52,186	26.68 2,001.00 53,281	27.24 2,040.25 54,553	27.89 2,081.75 55,785	28.52 2,124.25 56,978	29.13 2,167.75 58,269	29.79 2,212.25 59,580	30.46 2,259.75 60,851	31.11 2,307.25 62,259
P.S. Group ST07 Hourly Biweekly Annual*	23.36 1,792.00 45,692	23.90 1,830.75 46,748	24.41 1,871.25 47,746	24.95 1,913.25 48,802	25.51 1,957.50 49,898	26.10 1,997.00 51,052	26.68 2,043.00 52,186	27.24 2,081.75 53,281	27.89 2,124.25 54,553	28.52 2,167.75 55,785	29.13 2,212.25 56,978	29.79 2,259.75 58,269	30.46 2,307.25 59,580	31.11 2,355.25 60,851	31.83 2,404.25 62,259	32.53 2,454.25 63,629	33.27 2,505.25 65,076	33.98 2,557.25 66,465	34.74 2,609.25 67,951	35.52 2,662.25 69,477
P.S. Group ST08 Hourly Biweekly Annual*	26.68 2,001.00 52,186	27.24 2,043.00 53,281	27.89 2,081.75 54,553	28.52 2,124.25 55,785	29.13 2,167.75 56,978	29.79 2,212.25 58,269	30.46 2,259.75 59,580	31.11 2,307.25 60,851	31.83 2,355.25 62,259	32.53 2,404.25 63,629	33.27 2,454.25 65,076	33.98 2,505.25 66,465	34.74 2,557.25 67,951	35.52 2,609.25 69,477	36.32 2,662.25 71,042	37.11 2,717.25 72,587	37.90 2,769.25 74,132	38.77 2,823.25 75,834	39.67 2,878.25 77,595	40.52 2,934.25 79,257
P.S. Group ST09 Hourly Biweekly Annual*	30.46 2,284.50 59,580	31.11 2,333.25 60,851	31.83 2,387.25 62,259	32.53 2,439.75 63,629	33.27 2,492.25 65,076	33.98 2,545.25 66,465	34.74 2,598.25 67,951	35.52 2,651.25 69,477	36.32 2,704.25 71,042	37.11 2,758.25 72,587	37.90 2,812.25 74,132	38.77 2,867.25 75,834	39.67 2,922.25 77,595	40.52 2,977.25 79,257	41.43 3,033.25 81,037	42.37 3,089.25 82,876	43.32 3,145.25 84,734	44.26 3,201.25 86,573	45.27 3,258.25 88,548	46.27 3,315.25 90,504
P.S. Group ST10 Hourly Biweekly Annual*	34.74 2,605.50 67,951	35.52 2,664.00 69,477	36.32 2,724.00 71,042	37.11 2,783.25 72,587	37.90 2,842.50 74,132	38.77 2,901.75 75,834	39.67 2,961.25 77,595	40.52 3,021.25 79,257	41.43 3,081.25 81,037	42.37 3,141.25 82,876	43.32 3,201.25 84,734	44.26 3,261.25 86,573	45.27 3,321.25 88,548	46.27 3,381.25 90,504	47.30 3,442.25 92,519	48.34 3,503.25 94,553	49.46 3,564.25 96,744	50.56 3,625.25 98,895	51.66 3,686.25 101,047	52.82 3,747.25 103,316
P.S. Group ST11 Hourly Biweekly Annual*	39.67 2,975.25 77,595	40.52 3,039.00 79,257	41.43 3,107.25 81,037	42.37 3,177.25 82,876	43.32 3,249.00 84,734	44.26 3,319.50 86,573	45.27 3,390.25 88,548	46.27 3,460.25 90,504	47.30 3,531.25 92,519	48.34 3,602.25 94,553	49.46 3,673.25 96,744	50.56 3,744.25 98,895	51.66 3,815.25 101,047	52.82 3,886.25 103,316	53.96 3,957.25 105,546	55.19 4,028.25 107,952	56.42 4,100.25 110,358	57.66 4,172.25 112,783	58.96 4,244.25 115,326	60.29 4,316.25 117,927

* Approximate annual rate is derived by multiplying the biweekly rate by 26.08 and rounding to the nearest dollar.

Union 40

COMMONWEALTH OF PENNSYLVANIA
40 HOUR STANDARD PAY SCHEDULE
EFFECTIVE JULY 1, 2014
PAY SCALE TYPE ST

Union 40

Pay Rates Progress from Left to Right		PAY SCALE TYPE S1																			
	→	P.S. Level	P.S. Level	P.S. Level	P.S. Level	P.S. Level	P.S. Level	P.S. Level	P.S. Level	P.S. Level	P.S. Level	P.S. Level	P.S. Level	P.S. Level	P.S. Level	P.S. Level	P.S. Level	P.S. Level	P.S. Level	P.S. Level	
	01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19	20	
P.S. Group	Hourly	11.19	11.45	11.66	11.89	12.14	12.35	12.62	12.88	13.10	13.38	13.65	13.90	14.23	14.48	14.79	15.10	15.35	15.70	16.02	
ST01	Bimonthly	895.20	916.00	932.80	951.20	971.20	988.00	1,009.60	1,030.40	1,048.00	1,070.40	1,092.00	1,112.00	1,138.40	1,158.40	1,183.20	1,208.00	1,228.00	1,256.00	1,281.60	
	Annual*	23,347	23,889	24,327	24,807	25,329	25,767	26,330	26,873	27,332	27,916	28,479	29,001	29,689	30,211	30,858	31,505	32,026	32,756	33,424	
P.S. Group	Hourly	12.62	12.88	13.10	13.38	13.65	13.90	14.23	14.48	14.79	15.10	15.35	15.70	16.02	16.34	16.69	17.04	17.35	17.72	18.08	
ST02	Bimonthly	1,009.60	1,030.40	1,048.00	1,070.40	1,092.00	1,112.00	1,138.40	1,158.40	1,183.20	1,208.00	1,228.00	1,256.00	1,281.60	1,307.20	1,335.20	1,363.20	1,388.00	1,417.60	1,446.40	
	Annual*	26,330	26,873	27,332	27,916	28,479	29,001	29,689	30,211	30,858	31,505	32,026	32,756	33,424	34,092	34,822	35,552	36,199	36,971	37,722	
P.S. Group	Hourly	14.23	14.48	14.79	15.10	15.35	15.70	16.02	16.34	16.69	17.04	17.35	17.72	18.08	18.47	18.83	19.22	19.64	20.04	20.47	
ST03	Bimonthly	1,138.40	1,158.40	1,183.20	1,208.00	1,228.00	1,256.00	1,281.60	1,307.20	1,335.20	1,363.20	1,388.00	1,417.60	1,446.40	1,477.60	1,506.40	1,537.60	1,571.20	1,603.20	1,637.60	
	Annual*	29,689	30,211	30,858	31,505	32,026	32,756	33,424	34,092	34,822	35,552	36,199	36,971	37,722	38,536	39,287	40,101	40,977	41,811	42,709	
P.S. Group	Hourly	16.02	16.34	16.69	17.04	17.35	17.72	18.08	18.47	18.83	19.22	19.64	20.04	20.47	20.91	21.35	21.86	22.36	22.83	23.36	
ST04	Bimonthly	1,281.60	1,307.20	1,335.20	1,363.20	1,388.00	1,417.60	1,446.40	1,477.60	1,506.40	1,537.60	1,571.20	1,603.20	1,637.60	1,672.80	1,708.00	1,748.80	1,788.80	1,826.40	1,868.80	
	Annual*	33,424	34,092	34,822	35,552	36,199	36,971	37,722	38,536	39,287	40,101	40,977	41,811	42,709	43,627	44,545	45,609	46,652	47,633	48,738	
P.S. Group	Hourly	18.08	18.47	18.83	19.22	19.64	20.04	20.47	20.91	21.35	21.86	22.36	22.83	23.36	23.90	24.41	24.95	25.51	26.10	26.68	
ST05	Bimonthly	1,446.40	1,477.60	1,506.40	1,537.60	1,571.20	1,603.20	1,637.60	1,672.80	1,708.00	1,748.80	1,788.80	1,826.40	1,868.80	1,912.00	1,952.80	1,996.00	2,040.80	2,088.00	2,134.40	
	Annual*	37,722	38,536	39,287	40,101	40,977	41,811	42,709	43,627	44,545	45,609	46,652	47,633	48,738	49,865	50,929	52,056	53,224	54,455	55,665	
P.S. Group	Hourly	20.47	20.91	21.35	21.86	22.36	22.83	23.36	23.90	24.41	24.95	25.51	26.10	26.68	27.24	27.89	28.52	29.13	29.79	30.46	
ST06	Bimonthly	1,637.60	1,672.80	1,708.00	1,748.80	1,788.80	1,826.40	1,868.80	1,912.00	1,952.80	1,996.00	2,040.80	2,088.00	2,134.40	2,179.20	2,231.20	2,281.60	2,330.40	2,383.20	2,436.80	
	Annual*	42,709	43,627	44,545	45,609	46,652	47,633	48,738	49,865	50,929	52,056	53,224	54,455	55,665	56,834	58,190	59,504	60,777	62,154	63,552	
P.S. Group	Hourly	23.36	23.90	24.41	24.95	25.51	26.10	26.68	27.24	27.89	28.52	29.13	29.79	30.46	31.11	31.83	32.53	33.27	33.98	34.74	
ST07	Bimonthly	1,868.80	1,912.00	1,952.80	1,996.00	2,040.80	2,088.00	2,134.40	2,179.20	2,231.20	2,281.60	2,330.40	2,383.20	2,436.80	2,488.80	2,546.40	2,602.40	2,661.60	2,718.40	2,779.20	
	Annual*	48,738	49,865	50,929	52,056	53,224	54,455	55,665	56,834	58,190	59,504	60,777	62,154	63,552	64,908	66,410	67,871	69,415	70,896	72,482	
P.S. Group	Hourly	26.68	27.24	27.89	28.52	29.13	29.79	30.46	31.11	31.83	32.53	33.27	33.98	34.74	35.52	36.32	37.11	37.90	38.77	40.52	
ST08	Bimonthly	2,134.40	2,179.20	2,231.20	2,281.60	2,330.40	2,383.20	2,436.80	2,488.80	2,546.40	2,602.40	2,661.60	2,718.40	2,779.20	2,841.60	2,905.60	2,968.80	3,032.00	3,101.60	3,241.60	
	Annual*	55,665	56,834	58,190	59,504	60,777	62,154	63,552	64,908	66,410	67,871	69,415	70,896	72,482	74,109	75,778	77,426	79,075	80,890	82,767	
P.S. Group	Hourly	30.46	31.11	31.83	32.53	33.27	33.98	34.74	35.52	36.32	37.11	37.90	38.77	39.67	40.52	41.43	42.37	43.32	44.26	45.27	
ST09	Bimonthly	2,436.80	2,488.80	2,546.40	2,602.40	2,661.60	2,718.40	2,779.20	2,841.60	2,905.60	2,968.80	3,032.00	3,101.60	3,173.60	3,241.60	3,314.40	3,389.60	3,465.60	3,540.80	3,621.60	
	Annual*	63,552	64,908	66,410	67,871	69,415	70,896	72,482	74,109	75,778	77,426	79,075	80,890	82,767	84,541	86,440	88,401	90,383	92,344	94,451	
P.S. Group	Hourly	34.74	35.52	36.32	37.11	37.90	38.77	39.67	40.52	41.43	42.37	43.32	44.26	45.27	46.27	47.30	48.34	49.46	50.56	51.66	
ST10	Bimonthly	2,779.20	2,841.60	2,905.60	2,968.80	3,032.00	3,101.60	3,173.60	3,241.60	3,314.40	3,389.60	3,465.60	3,540.80	3,621.60	3,701.60	3,784.00	3,867.20	3,956.80	4,044.80	4,132.80	
	Annual*	74,482	74,109	75,778	77,426	79,075	80,890	82,767	84,541	86,440	88,401	90,383	92,344	94,451	96,538	98,687	100,857	103,193	105,488	107,783	

* Approximate annual rate is derived by multiplying the biweekly rate by 26.08 and rounding to the nearest dollar.

37½ HOUR MANAGEMENT/NONREPRESENTED PAY SCHEDULE
EFFECTIVE JULY 1, 2014

Management 37½

PAY SCALE TYPE M

EFFECTIVE JULY 1, 2014

Pay Level Progress from Left to Right		01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19	20
P.S. Group	Hourly	11.04	11.27	11.49	11.74	11.96	12.17	12.43	12.71	12.92	13.19	13.43	13.73	14.03	14.28	14.57	14.88	15.15	15.46	15.81	16.13
MA01	Biweekly	828.00	845.25	861.75	880.50	897.00	912.75	932.25	953.25	969.00	988.25	1,007.25	1,029.75	1,062.25	1,071.00	1,092.75	1,116.00	1,136.25	1,158.75	1,185.75	1,209.75
MA01	Annual*	21,584	22,044	22,474	22,963	23,394	23,805	24,313	24,861	25,272	25,800	26,289	26,856	27,443	27,992	28,499	29,105	29,633	30,220	30,924	31,550
P.S. Group	Hourly	12.43	12.71	12.92	13.19	13.43	13.73	14.03	14.28	14.57	14.88	15.15	15.46	15.81	16.13	16.44	16.80	17.12	17.45	17.80	18.22
MA02	Biweekly	932.25	953.25	969.00	989.25	1,007.25	1,029.75	1,052.25	1,071.00	1,092.75	1,116.00	1,136.25	1,158.75	1,185.75	1,209.75	1,233.00	1,260.00	1,284.00	1,306.75	1,335.00	1,365.50
MA02	Annual*	24,313	24,861	25,272	25,800	26,289	26,856	27,443	27,992	28,499	29,105	29,633	30,220	30,924	31,550	32,157	32,861	33,487	34,132	34,817	35,638
P.S. Group	Hourly	14.03	14.28	14.57	14.88	15.15	15.46	15.81	16.13	16.44	16.80	17.12	17.45	17.80	18.22	18.56	18.95	19.34	19.75	20.19	20.63
MA03	Biweekly	1,052.25	1,071.00	1,092.75	1,116.00	1,136.25	1,158.75	1,185.75	1,209.75	1,233.00	1,260.00	1,284.00	1,306.75	1,335.00	1,365.50	1,392.00	1,421.25	1,450.50	1,481.25	1,514.25	1,547.25
MA03	Annual*	27,443	27,992	28,499	29,105	29,633	30,220	30,924	31,550	32,157	32,861	33,487	34,132	34,817	35,638	36,303	37,066	37,829	38,631	39,482	40,352
P.S. Group	Hourly	15.81	16.13	16.44	16.80	17.12	17.45	17.80	18.22	18.56	18.95	19.34	19.75	20.19	20.63	21.04	21.53	22.04	22.52	23.04	23.55
MA04	Biweekly	1,185.75	1,209.75	1,233.00	1,260.00	1,284.00	1,306.75	1,335.00	1,365.50	1,392.00	1,421.25	1,450.50	1,481.25	1,514.25	1,547.25	1,578.00	1,614.75	1,653.00	1,689.00	1,728.00	1,765.25
MA04	Annual*	30,924	31,550	32,157	32,861	33,487	34,132	34,817	35,638	36,303	37,066	37,829	38,631	39,482	40,352	41,154	42,113	43,110	44,049	45,064	46,064
P.S. Group	Hourly	17.80	18.22	18.56	18.95	19.34	19.75	20.19	20.63	21.04	21.53	22.04	22.52	23.04	23.55	24.05	24.60	25.15	25.73	26.30	26.87
MA05	Biweekly	1,355.00	1,386.50	1,392.00	1,421.25	1,450.50	1,481.25	1,514.25	1,547.25	1,578.00	1,614.75	1,653.00	1,689.00	1,728.00	1,765.25	1,803.75	1,845.00	1,886.25	1,929.75	1,972.50	2,015.25
MA05	Annual*	34,817	35,638	36,303	37,066	37,829	38,631	39,482	40,352	41,154	42,113	43,110	44,049	45,064	46,064	47,042	48,118	49,193	50,328	51,443	52,558
P.S. Group	Hourly	20.19	20.63	21.04	21.53	22.04	22.52	23.04	23.55	24.05	24.60	25.15	25.73	26.30	26.87	27.47	28.12	28.72	29.37	30.02	30.67
MA06	Biweekly	1,514.25	1,547.25	1,578.00	1,614.75	1,653.00	1,689.00	1,728.00	1,765.25	1,803.75	1,845.00	1,886.25	1,929.75	1,972.50	2,015.25	2,060.25	2,109.00	2,154.00	2,202.75	2,251.50	2,300.25
MA06	Annual*	39,492	40,352	41,154	42,113	43,110	44,049	45,064	46,064	47,042	48,118	49,193	50,328	51,443	52,558	53,731	55,003	56,176	57,448	58,719	59,991
P.S. Group	Hourly	23.04	23.55	24.05	24.60	25.15	25.73	26.30	26.87	27.47	28.12	28.72	29.37	30.02	30.67	31.39	32.05	32.81	33.49	34.24	35.03
MA07	Biweekly	1,728.00	1,765.25	1,803.75	1,845.00	1,886.25	1,929.75	1,972.50	2,015.25	2,060.25	2,109.00	2,154.00	2,202.75	2,251.50	2,300.25	2,354.25	2,403.75	2,450.75	2,511.75	2,568.00	2,627.25
MA07	Annual*	45,064	46,064	47,042	48,118	49,193	50,328	51,443	52,558	53,731	55,003	56,176	57,448	58,719	59,991	61,399	62,690	64,176	65,506	66,973	68,519
P.S. Group	Hourly	26.30	26.87	27.47	28.12	28.72	29.37	30.02	30.67	31.39	32.05	32.81	33.49	34.24	35.03	35.80	36.57	37.38	38.22	39.12	39.93
MA08	Biweekly	1,972.50	2,015.25	2,060.25	2,109.00	2,154.00	2,202.75	2,251.50	2,300.25	2,354.25	2,403.75	2,450.75	2,511.75	2,568.00	2,627.25	2,685.00	2,742.75	2,803.50	2,866.50	2,934.00	2,994.75
MA08	Annual*	51,443	52,558	53,731	55,003	56,176	57,448	58,719	59,991	61,399	62,690	64,176	65,506	66,973	68,519	70,025	71,531	73,115	74,758	76,519	78,103
P.S. Group	Hourly	30.02	30.67	31.39	32.05	32.81	33.49	34.24	35.03	35.80	36.57	37.38	38.22	39.12	39.93	40.83	41.75	42.69	43.63	44.61	45.61
MA09	Biweekly	2,251.50	2,300.25	2,354.25	2,403.75	2,460.75	2,511.75	2,568.00	2,627.25	2,685.00	2,742.75	2,803.50	2,866.50	2,934.00	2,994.75	3,062.25	3,131.25	3,201.75	3,272.25	3,345.75	3,421.25
MA09	Annual*	58,719	59,991	61,399	62,690	64,176	65,506	66,973	68,519	70,025	71,531	73,115	74,758	76,519	78,103	79,863	81,663	83,502	85,340	87,257	89,213
P.S. Group	Hourly	34.24	35.03	35.80	36.57	37.38	38.22	39.12	39.93	40.83	41.75	42.69	43.63	44.61	45.61	46.62	47.66	48.75	49.84	50.92	52.06
MA10	Biweekly	2,568.00	2,627.25	2,685.00	2,742.75	2,803.50	2,866.50	2,934.00	2,994.75	3,062.25	3,131.25	3,201.75	3,272.25	3,345.75	3,420.75	3,496.50	3,574.50	3,656.25	3,738.00	3,819.00	3,904.50
MA10	Annual*	66,973	68,519	70,025	71,531	73,115	74,758	76,519	78,103	79,863	81,663	83,502	85,340	87,257	89,213	91,189	93,223	95,355	97,487	99,600	101,829
P.S. Group	Hourly	39.12	39.93	40.83	41.75	42.69	43.63	44.61	45.61	46.62	47.66	48.75	49.84	50.92	52.06	53.19	54.41	55.61	56.85	58.10	59.44
MA11	Biweekly	2,934.00	2,994.75	3,062.25	3,131.25	3,201.75	3,272.25	3,345.75	3,420.75	3,496.50	3,574.50	3,656.25	3,738.00	3,819.00	3,904.50	4,080.75	4,170.75	4,263.75	4,357.50	4,450.00	4,550.00
MA11	Annual*	76,519	78,103	79,863	81,663	83,502	85,340	87,257	89,213	91,189	93,223	95,355	97,487	99,600	101,829	104,040	106,426	108,773	111,199	113,644	116,265
P.S. Group	Hourly	44.61	45.61	46.62	47.66	48.75	49.84	50.92	52.06	53.19	54.41	55.61	56.85	58.10	59.44	60.75	62.12	63.50	64.90	66.33	67.82
MA12	Biweekly	3,345.75	3,420.75	3,496.50	3,574.50	3,656.25	3,738.00	3,819.00	3,904.50	3,989.25	4,080.75	4,170.75	4,263.75	4,357.50	4,450.00	4,550.00	4,659.00	4,762.50	4,867.50	4,974.75	5,086.50
MA12	Annual*	87,257	89,213	91,189	93,223	95,355	97,487	99,600	101,829	104,040	106,426	108,773	111,199	113,644	116,265	118,827	121,507	124,206	126,944	129,741	132,650
P.S. Group	Hourly	50.92	52.06	53.19	54.41	55.61	56.85	58.10	59.44	60.75	62.12	63.50	64.90	66.33	67.82	69.33	70.90	72.44	74.06	75.74	77.46
MA13	Biweekly	3,819.00	3,904.50	3,989.25	4,080.75	4,170.75	4,263.75	4,357.50	4,450.00	4,550.00	4,659.00	4,762.50	4,867.50	4,974.75	5,086.50	5,199.75	5,317.50	5,433.00	5,554.50	5,680.00	5,806.00
MA13	Annual*	99,600	101,829	104,040	106,426	108,773	111,199	113,644	116,265	118,827	121,507	124,206	126,944	129,741	132,650	135,609	138,680	141,693	144,861	148,094	151,394
P.S. Group	Hourly	58.10	59.44	60.75	62.12	63.50	64.90	66.33	67.82	69.33	70.90	72.44	74.06	75.74	77.46	79.24	81.06	82.92	84.82	86.76	88.74
MA14	Biweekly	4,357.50	4,450.00	4,550.00	4,659.00	4,762.50	4,867.50	4,974.75	5,086.50	5,199.75	5,317.50	5,433.00	5,554.50	5,680.00	5,806.00	5,936.00	6,066.00	6,196.00	6,326.00	6,456.00	6,586.00
MA14	Annual*	113,644	116,265	118,827	121,507	124,206	126,944	129,741	132,650	135,609	138,680	141,693	144,861	148,094	151,394	154,744	158,144	161,594	165,094	168,644	172,244
Governor's Office Controlled Pay Scale Levels																					

* Approximate annual rate is derived by multiplying the biweekly rate by 26.08 and rounding to the nearest dollar

Management 40

COMMONWEALTH OF PENNSYLVANIA
40 HOUR MANAGEMENT/NONREPRESENTED PAY SCHEDULE
EFFECTIVE JULY 1, 2014

Management 40

PAY SCALE TYPE MA

Pay Rates Progress from Left to Right		01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19	20
P.S. Group	P.S. Level	11.04	11.27	11.49	11.74	11.96	12.17	12.43	12.71	12.92	13.19	13.43	13.73	14.03	14.28	14.57	14.88	15.15	15.45	15.81	16.13
MA01	Biweekly	883.20	901.60	919.20	939.20	956.80	973.60	994.40	1,016.80	1,033.80	1,055.20	1,074.40	1,098.40	1,122.40	1,142.40	1,165.60	1,190.40	1,212.00	1,236.00	1,264.80	1,290.40
MA01	Annual	23,034	23,514	23,972	24,494	24,953	25,391	25,934	26,518	26,956	27,520	28,020	28,646	29,272	29,794	30,399	31,046	31,609	32,235	32,966	33,654
P.S. Group	P.S. Level	12.43	12.71	12.92	13.19	13.43	13.73	14.03	14.28	14.57	14.88	15.15	15.45	15.81	16.13	16.44	16.80	17.12	17.45	17.80	18.22
MA02	Biweekly	994.40	1,016.80	1,033.80	1,055.20	1,074.40	1,098.40	1,122.40	1,142.40	1,165.60	1,190.40	1,212.00	1,236.00	1,264.80	1,290.40	1,315.20	1,344.00	1,369.60	1,396.00	1,424.00	1,457.60
MA02	Annual	25,934	26,518	26,956	27,520	28,020	28,646	29,272	29,794	30,399	31,046	31,609	32,235	32,966	33,654	34,300	35,052	35,719	36,408	37,138	37,904
P.S. Group	P.S. Level	14.03	14.28	14.57	14.88	15.15	15.45	15.81	16.13	16.44	16.80	17.12	17.45	17.80	18.22	18.56	18.95	19.34	19.75	20.19	20.63
MA03	Biweekly	1,122.40	1,142.40	1,165.60	1,190.40	1,212.00	1,236.00	1,264.80	1,290.40	1,315.20	1,344.00	1,369.60	1,396.00	1,424.00	1,457.60	1,484.80	1,516.00	1,547.20	1,580.00	1,615.20	1,650.40
MA03	Annual	29,272	29,794	30,399	31,046	31,609	32,235	32,966	33,654	34,300	35,052	35,719	36,408	37,138	38,014	38,724	39,537	40,351	41,206	42,124	43,042
P.S. Group	P.S. Level	15.81	16.13	16.44	16.80	17.12	17.45	17.80	18.22	18.56	18.95	19.34	19.75	20.19	20.63	21.04	21.53	22.04	22.52	23.04	23.55
MA04	Biweekly	1,264.80	1,290.40	1,315.20	1,344.00	1,369.60	1,396.00	1,424.00	1,457.60	1,484.80	1,516.00	1,547.20	1,580.00	1,615.20	1,650.40	1,683.20	1,722.40	1,763.20	1,801.60	1,843.20	1,884.00
MA04	Annual	32,986	33,654	34,300	35,052	35,719	36,408	37,138	38,014	38,724	39,537	40,351	41,206	42,124	43,042	43,988	44,920	45,964	46,986	48,071	49,135
P.S. Group	P.S. Level	17.80	18.22	18.56	18.95	19.34	19.75	20.19	20.63	21.04	21.53	22.04	22.52	23.04	23.55	24.05	24.60	25.15	25.73	26.30	26.87
MA05	Biweekly	1,424.00	1,457.60	1,484.80	1,516.00	1,547.20	1,580.00	1,615.20	1,650.40	1,683.20	1,722.40	1,763.20	1,801.60	1,843.20	1,884.00	1,924.00	1,968.00	2,012.00	2,058.40	2,104.00	2,149.60
MA05	Annual	37,138	38,014	38,724	39,537	40,351	41,206	42,124	43,042	43,988	44,920	45,964	46,986	48,071	49,135	50,178	51,325	52,473	53,683	54,872	56,062
P.S. Group	P.S. Level	20.19	20.63	21.04	21.53	22.04	22.52	23.04	23.55	24.05	24.60	25.15	25.73	26.30	26.87	27.47	28.12	28.72	29.37	30.02	30.67
MA06	Biweekly	1,615.20	1,650.40	1,683.20	1,722.40	1,763.20	1,801.60	1,843.20	1,884.00	1,924.00	1,968.00	2,012.00	2,058.40	2,104.00	2,149.60	2,197.60	2,249.60	2,297.60	2,349.60	2,401.60	2,453.60
MA06	Annual	42,124	43,042	43,988	44,920	45,964	46,986	48,071	49,135	50,178	51,325	52,473	53,683	54,872	56,062	57,313	58,670	59,921	61,278	62,634	63,990
P.S. Group	P.S. Level	23.04	23.55	24.05	24.60	25.15	25.73	26.30	26.87	27.47	28.12	28.72	29.37	30.02	30.67	31.39	32.05	32.81	33.49	34.24	35.03
MA07	Biweekly	1,843.20	1,884.00	1,924.00	1,968.00	2,012.00	2,058.40	2,104.00	2,149.60	2,197.60	2,249.60	2,297.60	2,349.60	2,401.60	2,453.60	2,511.20	2,564.00	2,624.80	2,679.20	2,739.20	2,802.40
MA07	Annual	48,071	49,135	50,178	51,325	52,473	53,683	54,872	56,062	57,313	58,670	59,921	61,278	62,634	63,990	65,492	66,869	68,455	69,874	71,438	73,087
P.S. Group	P.S. Level	26.30	26.87	27.47	28.12	28.72	29.37	30.02	30.67	31.39	32.05	32.81	33.49	34.24	35.03	35.80	36.57	37.38	38.22	39.12	39.93
MA08	Biweekly	2,104.00	2,149.60	2,197.60	2,249.60	2,297.60	2,349.60	2,401.60	2,453.60	2,511.20	2,564.00	2,624.80	2,679.20	2,739.20	2,802.40	2,864.00	2,925.60	2,990.40	3,057.60	3,129.60	3,194.40
MA08	Annual	54,872	56,062	57,313	58,670	59,921	61,278	62,634	63,990	65,492	66,869	68,455	69,874	71,438	73,087	74,693	76,300	77,990	79,742	81,620	83,310
P.S. Group	P.S. Level	30.02	30.67	31.39	32.05	32.81	33.49	34.24	35.03	35.80	36.57	37.38	38.22	39.12	39.93	40.83	41.75	42.69	43.63	44.61	45.61
MA09	Biweekly	2,401.60	2,453.60	2,511.20	2,564.00	2,624.80	2,679.20	2,739.20	2,802.40	2,864.00	2,925.60	2,990.40	3,057.60	3,129.60	3,194.40	3,266.40	3,340.00	3,415.20	3,490.40	3,568.80	3,648.80
MA09	Annual	62,634	63,990	65,492	66,869	68,455	69,874	71,438	73,087	74,693	76,300	77,990	79,742	81,620	83,310	85,188	87,107	89,068	91,030	93,074	95,161
P.S. Group	P.S. Level	34.24	35.03	35.80	36.57	37.38	38.22	39.12	39.93	40.83	41.75	42.69	43.63	44.61	45.61	46.62	47.66	48.75	49.84	50.92	52.06
MA10	Biweekly	2,739.20	2,802.40	2,864.00	2,925.60	2,990.40	3,057.60	3,129.60	3,194.40	3,266.40	3,340.00	3,415.20	3,490.40	3,568.80	3,648.80	3,729.60	3,812.80	3,900.00	3,987.20	4,073.60	4,164.80
MA10	Annual	71,438	73,087	74,693	76,300	77,990	79,742	81,620	83,310	85,188	87,107	89,068	91,030	93,074	95,161	97,268	99,438	101,712	103,986	106,239	108,618

* Approximate annual rate is derived by multiplying the biweekly rate by 26.08 and rounding to the nearest dollar.

²² See Notes tab for a description of each barrier.

Page 1 of 1



**National Council
for State Authorization
Reciprocity Agreements**

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

Institution Name: _____

Indicate Regional Compact:

- ☐ Midwestern Higher Education Compact
☐ New England Board of Higher Education
☐ Southern Regional Education Board
☐ Western Interstate Commission for Higher Education

APPLICATION AND APPROVAL FORM FOR INSTITUTIONAL PARTICIPATION IN SARA

An institution applying to operate under the State Authorization Reciprocity Agreement (SARA) must **submit this form to its home state's SARA portal entity.**

The chief executive officer (CEO) or chief academic officer (CAO) of the institution completes and submits the application including any state-specific fees and committing to any special requirements permitted by SARA to the state portal entity.

When the state portal checks "yes" on this form, the state affirms that the applicant institution has followed proper procedures and provided necessary documents to operate under SARA, but this affirmation does not necessarily represent state evaluation of the institution's ability to perform under SARA policies.

An institution seeking approval to operate under the terms and standards of SARA must meet the following requirements:

INSTITUTION Applicant
to complete this column

CEO or CAO
Initial here

STATE Entity to
complete this column

Institution meets
the requirement

Yes No

☐ ☐

1. The principal campus or central administrative unit domiciled in a state that has joined the State Authorization Reciprocity Agreement (SARA) initiative and be authorized to operate in that state. * Only distance education content originating in the United States or a U.S. territory is eligible to be offered under SARA. ** (Attach documentation)

☐ ☐

2. Be a U.S. degree-granting institution that is accredited by an accrediting body recognized by the U.S. Secretary of Education. (Attach documentation)

☐ ☐

3. For non-public institutions, have a financial responsibility index score from the U.S. Department of Education that is 1.5 or above, or, if its score is between 1.0 and 1.49, successfully demonstrate to its home state's portal entity that it is nevertheless sufficiently financially stable to justify participation in SARA. (Attach documentation) Public institutions are presumed to be sufficiently financially stable for SARA purposes. Public institutions leave this blank.

Institutional Application for SARA

Institution Name: _____

Institution Applicant to

initial this column

CEO or CAO initial here

STATE Entity to

complete this column

Yes

No

4. Agree to abide by the *Interregional Guidelines for the Evaluation of Distance Education* adopted by the Council of Regional Accrediting Commissions. (See Appendix)

☐
☐

5. Agree to be responsible for the actions of any third-party providers used by the institution to engage in operations under SARA.

☐
☐

6. Agree to notify its home state's portal entity of any negative changes to its accreditation status.

☐
☐

7. Agree to provide data necessary to monitor SARA activities, including annual reporting of distance education enrollments by state, in accordance with the *NC-SARA Data Sharing Agreement*.

☐
☐

8. Agree to work with its home state's portal entity to resolve any complaints arising from its students in SARA states, and to abide by decisions of that entity.***

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9. Apply to its home state's portal entity over the signature of the institution's CEO or chief academic officer.

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10. Agree to notify in writing all students in a course or program that customarily leads to professional licensure, or which a student could reasonably believe leads to such licensure, whether or not the course or program meets requirements for licensure in the state where the student resides. If an institution cannot determine through its contact with relevant licensing entities whether the course or program meets licensure requirements in the student's state of residence, the institution may meet this SARA requirement by informing the student in writing and providing the student the contact information for the appropriate state licensing board(s). An e-mail dedicated solely to this purpose and sent to the student's best known e-mail address meets this requirement. The institution should use other means to notify the student if needed.

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11. Agree, in cases where the institution cannot fully deliver the instruction for which a student has contracted, to provide a reasonable alternative for delivering the instruction or reasonable financial compensation for the education he or she did not receive.

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12. Agree to pay to the state any state fees for SARA participation required by the home state for administering SARA.

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13. Agree to pay its annual SARA participation fee to the National Council for SARA (NC-SARA). This single annual fee replaces any fees that the institution would ordinarily pay to other SARA member states.

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14. Agree to abide by conditions of provisional approval, if necessary.

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*SARA considers the home campus to be where an institution has its legal domicile. Any disputes about which state is the home state will be resolved for SARA purposes by the affected regional compacts or the National Council (NC-SARA), as needed.

**The fact that a foreign institution is owned by a U.S. entity does not qualify distance education originating from the non-U.S. institution to be offered under SARA. Only distance education offerings under the oversight of the U.S. state or territory can be offered through SARA.

***Complaints must follow the institution's customary resolution procedure prior to being referred to the state under SARA procedures. Grade appeals and student conduct appeals are not allowed under SARA.

Institutional Application for SARA

Institutional Designation and Affirmation

I, the undersigned representative of (institution name) _____
having the authority to commit the institution to operate under the SARA interstate agreement,
hereby certify that this institution meets all of the standards and requirements stated herein required
for operation under the SARA agreement.

Mailing address of institution:

Institution OPEID number:

Institutional Accrediting Organization:

Institution FTE (latest IPEDS):

Name of principal SARA contact:

Email of principal SARA contact:

Phone number of principal SARA contact:

Name of secondary SARA contact:

Email of secondary SARA contact:

Phone number of secondary SARA contact:

Link to complaint system

Typed name of institutional signatory officer:

Signature:

Date signed:

Title of signatory institutional officer:

Interregional Guidelines for the Evaluation of Distance Education 2011

Council of Regional Accrediting Commissions (C-RAC)

1. Online learning is appropriate to the institution's mission and purposes.

*Analysis/Evidence:*****

- The mission statement explains the role of online learning within the range of the institution's programs and services;
- Institutional and program statements of vision and values inform how the online learning environment is created and supported;
- As appropriate, the institution incorporates into its online learning programs methods of meeting the stated institutional goals for the student experience at the institution;
- The recruitment and admissions programs supporting the online learning courses and programs appropriately target the student populations to be served;
- The students enrolled in the institution's online learning courses and programs fit the admissions requirements for the students the institution intends to serve;
- Senior administrators and staff can articulate how online learning is consonant with the institution's mission and goals.

2. The institution's plans for developing, sustaining, and, if appropriate, expanding online learning offerings are integrated into its regular planning and evaluation processes.

Analysis/Evidence:

- Development and ownership of plans for online learning extend beyond the administrators directly responsible for it and the programs directly using it;
- Planning documents are explicit about any goals to increase numbers of programs provided through online learning courses and programs and/or numbers of students to be enrolled in them;
- Plans for online learning are linked effectively to budget and technology planning to ensure adequate support for current and future offerings;
- Plans for expanding online learning demonstrate the institution's capacity to assure an appropriate level of quality;
- The institution and its online learning programs have a track record of conducting needs analysis and of supporting programs.

*****These bulleted points illustrate actions, processes and facts that institutions may use to demonstrate that they meet SARA requirements.*

3. Online learning is incorporated into the institution's systems of governance and academic oversight.

Analysis/Evidence:

- The institution's faculty have a designated role in the design and implementation of its online learning offerings;
- The institution ensures the rigor of the offerings and the quality of the instruction;
- Approval of online courses and programs follows standard processes used in the college or university;
- Online learning courses and programs are evaluated on a periodic basis;
- Contractual relationships and arrangements with consortial partners, if any, are clear and guarantee that the institution can exercise appropriate responsibility for the academic quality of all online learning offerings provided under its name.

4. Curricula for the institution's online learning offerings are coherent, cohesive, and comparable in academic rigor to programs offered in traditional instructional formats.

Analysis/Evidence:

- The curricular goals and course objectives show that the institution or program has knowledge of the best uses of online learning in different disciplines and settings;
- Curricula delivered through online learning are benchmarked against on-ground courses and programs, if provided by the institution, or those provided by traditional institutions;
- The curriculum is coherent in its content and sequencing of courses and is effectively defined in easily available documents including course syllabi and program descriptions;
- Scheduling of online learning courses and programs provides students with a dependable pathway to ensure timely completion of degrees;
- The institution or program has established and enforces a policy on online learning course enrollments to ensure faculty capacity to work appropriately with students;
- Expectations for any required face-to-face, on-ground work (e.g., internships, specialized laboratory work) are stated clearly;
- Course design and delivery supports student-student and faculty-student interaction;
- Curriculum design and the course management system enable active faculty contribution to the learning environment;
- Course and program structures provide schedule and support known to be effective in helping online learning students persist and succeed.

5. The institution evaluates the effectiveness of its online learning offerings, including the extent to which the online learning goals are achieved, and uses the results of its evaluations to enhance the attainment of the goals.

Analysis/Evidence:

- Assessment of student learning follows processes used in onsite courses or programs and/or reflects good practice in assessment methods;
- Student course evaluations are routinely taken and an analysis of them contributes to strategies for course improvements;
- Evaluation strategies ensure effective communication between faculty members who design curriculum, faculty members who interact with students, and faculty members who evaluate student learning;
- The institution regularly evaluates the effectiveness of the academic and support services provided to students in online courses and uses the results for improvement;
- The institution demonstrates the appropriate use of technology to support its assessment strategies;

- The institution documents its successes in implementing changes informed by its programs of assessment and evaluation;
- The institution provides examples of student work and student interactions among themselves and with faculty;
- The institution sets appropriate goals for the retention/persistence of students using online learning, assesses its achievement of these goals, and uses the results for improvement.

6. Faculty responsible for delivering the online learning curricula and evaluating the students' success in achieving the online learning goals are appropriately qualified and effectively supported.

Analysis/Evidence:

- Online learning faculties are carefully selected, appropriately trained, frequently evaluated, and are marked by an acceptable level of turnover;
- The institution's training program for online learning faculty is periodic, incorporates tested good practices in online learning pedagogy, and ensures competency with the range of software products used by the institution;
- Faculty are proficient and effectively supported in using the course management system;
- The office or persons responsible for online learning training programs are clearly identified and have the competencies to accomplish the tasks, including knowledge of the specialized resources and technical support available to support course development and delivery;
- Faculty members engaged in online learning share in the mission and goals of the institution and its programs and are provided the opportunities to contribute to the broader activities of the institution;
- Students express satisfaction with the quality of the instruction provided by online learning faculty members.

7. The institution provides effective student and academic services to support students enrolled in online learning offerings.

Analysis/Evidence:

- The institution's admissions program for online learning provides good web-based information to students about the nature of the online learning environment, and assists them in determining if they possess the skills important to success in online learning;
- The institution provides an online learning orientation program;
- The institution provides support services to students in formats appropriate to the delivery of the online learning program;
- Students in online learning programs have adequate access to student services, including financial aid, course registration, and career and placement counseling;
- Students in online learning programs have ready access to 24/7 tech support;
- Students using online learning have adequate access to learning resources, including library, information resources, laboratories, and equipment and tracking systems;
- Students using online learning demonstrate proficiency in the use of electronic forms of learning resources;
- Student complaint processes are clearly defined and can be used electronically;
- Publications and advertising for online learning programs are accurate and contain necessary information such as program goals, requirements, academic calendar, and faculty;
- Students are provided with reasonable and cost-effective ways to participate in the institution's system of student authentication.

8. The institution provides sufficient resources to support and, if appropriate, expand its online learning offerings.

Analysis/Evidence:

- The institution prepares a multi-year budget for online learning that includes resources for assessment of program demand, marketing, appropriate levels of faculty and staff, faculty and staff development, library and information resources, and technology infrastructure;
- The institution provides evidence of a multi-year technology plan that addresses its goals for online learning and includes provision for a robust and scalable technical infrastructure.

9. The institution assures the integrity of its online offerings.

Analysis/Evidence:

- The institution has in place effective procedures through which to ensure that the student who registers in a distance education course or program is the same student who participates in and completes the course or program and receives the academic credit. The institution makes clear in writing that these processes protect student privacy and notifies students at the time of registration or enrollment of any projected additional costs associated with the verification procedures. (Note: This is a federal requirement. All institutions that offer distance education programs must demonstrate compliance with this requirement.);
- The institution's policies on academic integrity include explicit references to online learning;
- Issues of academic integrity are discussed during the orientation for online students;
- Training for faculty members engaged in online learning includes consideration of issues of academic integrity, including ways to reduce cheating.

SARA State Supplemental Sheet for Institutions

SARA provides a degree of flexibility for states as they implement the agreement. Information about state-specific provisions may be added on this page for items such as fees (if any) to be charged in-state institutions, criteria for consideration of appeals of institutions having financial responsibility index scores between 1.0 and 1.49, etc.

State fee (if any):

State fee schedule:

State bonding requirement of institution (if any):

Financial responsibility criteria for ratings 1.0-1.49:

State Portal Entity Affirmation

Institutional application:

☐

Approved

☐

Provisionally Approved (see attached)

☐

Returned for Additional Data or information

☐

Denied

Conditions related to Provisional Approval

Typed name of State Portal Entity

Typed name of State Portal Entity contact

Signature

Date signed

Title of State Portal Entity contact

State Portal Entity email and phone

**STATE AUTHORIZATION RECIPROCITY AGREEMENT (SARA)
INSTITUTION APPLICATION
PENNSYLVANIA SUPPLEMENT**

FEES

Final omitted regulations have been promulgated to establish an annual fee payable to the Pennsylvania Department of Education to support the costs of the annual affiliation with SREB and administrative costs associated with SARA membership.

Distance Tuition Revenue Fee

\$0-9,999	\$1,000
\$10,000-999,999	\$2,000
\$1,000,000-4,999,999	\$5,000
\$5,000,000-9,999,999	\$10,000
\$10,000,000-19,999,999	\$20,000
\$20,000,000-29,999,999	\$30,000
\$30,000,000-39,999,999	\$40,000
\$40,000-49,999,999	\$50,000
\$50,000 and over	\$60,000

SURETY

Surety is required for licensed career schools at a minimum level of \$10,000 for tuition revenue up to \$500,000 and increasing by \$10,000 for each additional \$500,000 in tuition revenue with a \$100,000 maximum.

Degree-granting institutions are required to maintain a \$500,000 endowment to be used to refund unearned tuition in the event of catastrophic closure.

All institutions are required to place students in a teach out in the event of catastrophic closure.

FINANCIAL RESPONSIBILITY SCORE

Institutions with a financial responsibility rating between 1.0 and 1.49 are permitted to provide evidence of financial solvency to PDE. PDE will evaluate the evidence provided and make a determination regarding participation in SARA on a case by case basis. Institutions with a financial responsibility score between 1.0 and 1.49 can be permitted to participate in SARA for one year. Failure to provide a financial responsibility score above 1.5 after one year will preclude further participation in SARA until a score of 1.5 is obtained.

PDE or a PDE selected third party will calculate the financial responsibility score using the USDOE formula for institutions that do not participate in federal financial aid.

COMPLETE THE FOLLOWING AND SIGN

I, the undersigned President of the named institution, in conjunction with the enclosed application for membership in SARA, hereby certify:

☐ The institution has a federal financial composite score of 1.5 or above. Evidence is enclosed.

OR

☐ The institution does not participate in federal financial aid. Financial information is provided to support the calculation of a composite score of 1.5 or above and additional information is provided to support the calculation.

OR

☐ The institution has a federal financial composite score of 1.0 – 1.49 and additional information is provided as requested to demonstrate financial solvency.

AND

☐ The institution accepts the authority and responsibility of the Pennsylvania Department of Education to investigate and adjudicate complaints. The institution will cooperate in the investigation and will accept the adjudication. The institution acknowledges that failure to cooperate or comply with an adjudication can result in termination of membership in SARA.

AND

☐ The institution recognizes its responsibility to provide the full course of study to each student who enrolls and confirms that, in the event of a catastrophic event preventing the delivery of a full course of study, each enrolled student will be placed in an appropriate teach out at another authorized and accredited institution that is able to deliver a comparable course of study and credential.

AND

- ☐ The institution is an authorized degree-granting institution and confirms that the \$500,000 endowment is protected in accordance with 24 C.S.A. § 6502 (b) and that the endowment would be used, if necessary, to reimburse unearned tuition in the event of a catastrophic closure. Tuition would be reimbursed equally to students regardless of the state of domicile or the mode of instruction.

OR

- ☐ The institution is a private licensed school and confirms that the surety required in 24 P.S. § 6507 (b) is in place and that this surety would be used, if necessary, to reimburse unearned tuition in the event of a catastrophic closure. Tuition would be reimbursed equally to students regardless of the state of domicile or the mode of instruction.

Name of Institution

Print Name of President or Chief Operating Officer

Signature of President or Chief Operating Officer

Date



**National Council
for State Authorization
Reciprocity Agreements**

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

Institution Name: _____

Indicate Regional Compact:

- ☐ Midwestern Higher Education Compact
☐ New England Board of Higher Education
☐ Southern Regional Education Board
☐ Western Interstate Commission for Higher Education

RENEWAL APPLICATION FOR INSTITUTIONAL PARTICIPATION IN SARA

An institution applying to operate under the State Authorization Reciprocity Agreement (SARA) must submit this form to its home state's SARA portal entity.

The chief executive officer (CEO) or chief academic officer (CAO) of the institution completes and submits the application including any state-specific fees and committing to any special requirements permitted by SARA to the state portal entity.

When the state portal checks "yes" on this form, the state affirms that the applicant institution has followed proper procedures and provided necessary documents to operate under SARA, but this affirmation does not necessarily represent state evaluation of the institution's ability to perform under SARA policies.

An institution seeking approval to operate under the terms and standards of SARA must meet the following requirements:

**INSTITUTION Applicant
to complete this column**

CEO or CAO

Initial here

**STATE Entity to
complete this column**

Institution meets
the requirement

Yes No

☐ ☐

1. The principal campus or central administrative unit remains domiciled in a state or district that has joined the State Authorization Reciprocity Agreement (SARA) initiative and is authorized to operate in that state. * Only distance education content originating in the United States or a U.S. territory is eligible to be offered under SARA ** (Attach documentation)

☐ ☐

2. The Institution retains its accreditation by an accrediting body recognized by the U.S. Secretary of Education. (Attach documentation)

☐ ☐

3. If non-public, the institution shall maintain a financial responsibility index score of 1.5 or above; and in the case of a score between 1.0 and 1.49, the portal entity has affirmed that sufficient documentation has been provided to support continued institutional participation in SARA. Public institutions leave this blank. (Attach documentation)

Institutional Renewal Application for SARA

Institution Name: _____

Institution Applicant to
initial this column
CEO or CAO initial here

STATE Entity to
complete this column
Yes No

- | | | | |
|-------|---|--------------------------|--------------------------|
| ..... | 4. The institution agrees to abide by the <i>Interregional Guidelines for the Evaluation of Distance Education</i> and current NC-SARA Manual. | <input type="checkbox"/> | <input type="checkbox"/> |
| ..... | 5. The institution agrees to maintain responsibility for the actions of any third-party providers used by the institution to engage in operations under SARA. | <input type="checkbox"/> | <input type="checkbox"/> |
| ..... | 6. The institution agrees to notify its home state's portal entity of any negative changes to its accreditation status. | <input type="checkbox"/> | <input type="checkbox"/> |
| ..... | 7. The institution agrees to provide data necessary to monitor SARA activities, including annual reporting of distance education enrollments by state, in accordance with the <i>NC-SARA Data Sharing Agreement</i> . | <input type="checkbox"/> | <input type="checkbox"/> |
| ..... | 8. The institution agrees to work with its home state's portal entity to resolve any complaints arising from its students in SARA states, and to abide by decisions of that entity.*** | <input type="checkbox"/> | <input type="checkbox"/> |
| ..... | 9. The institution applies to its home state's portal entity for renewal over the signature of the institution's CEO or chief academic officer. | | |
| ..... | 10. Agree to notify in writing all students in a course or program that customarily leads to professional licensure, or which a student could reasonably believe leads to such licensure, whether or not the course or program meets requirements for licensure in the state where the student resides. If an institution cannot determine through its contact with relevant licensing entities whether the course or program meets licensure requirements in the student's state of residence, the institution may meet this SARA requirement by informing the student in writing and providing the student the contact information for the appropriate state licensing board(s). An e-mail dedicated solely to this purpose and sent to the student's best known e-mail address meets this requirement. The institution should use other means to notify the student if needed. | <input type="checkbox"/> | <input type="checkbox"/> |
| ..... | 11. The institution agrees, in cases where the institution cannot fully deliver the instruction for which a student has contracted, to provide a reasonable alternative for delivering the instruction or reasonable financial compensation for the education he or she did not receive. | <input type="checkbox"/> | <input type="checkbox"/> |
| ..... | 12. The institution agrees to pay to the state any state fees for SARA participation required by the home state for administering SARA. | <input type="checkbox"/> | <input type="checkbox"/> |
| ..... | 13. The institution agrees to pay its annual SARA participation fee to the National Council for SARA (NC-SARA). This single annual fee replaces any fees that the institution would ordinarily pay to other SARA member states. | <input type="checkbox"/> | <input type="checkbox"/> |
| ..... | 14. Agree to abide by conditions of provisional approval, if necessary. | <input type="checkbox"/> | <input type="checkbox"/> |

*SARA considers the home campus to be where an institution has its legal domicile. Any disputes about which state is the home state will be resolved for SARA purposes by the affected regional compacts or the National Council (NC-SARA), as needed.

**The fact that a foreign Institution is owned by a U.S. entity does not qualify distance education originating from the non-U.S. institution to be offered under SARA. Only distance education offerings under the oversight of the U.S. state or territory can be offered through SARA.

***Complaints must follow the institution's customary resolution procedure prior to being referred to the state under SARA procedures. Grade appeals and student conduct appeals are not allowed under SARA.

Institutional Renewal Application for SARA

Institutional Designation and Affirmation

I, the undersigned representative of (institution name) _____, having the authority to commit the institution to operate under the SARA interstate agreement, hereby certify that this institution meets all of the standards and requirements stated herein required for operation under the SARA agreement.

Mailing address of institution:

Institution OPEID number:

Institutional Accrediting Organization:

Institution FTE (latest IPEDS):

Name of principal SARA contact:

Email of principal SARA contact:

Phone number of principal SARA contact:

Name of secondary SARA contact:

Email of secondary SARA contact:

Phone number of secondary SARA contact:

Link to complaint system:

Typed name of institutional signatory officer:

Signature:

Date signed:

Title of signatory institutional officer:

SARA State Supplemental Sheet for Institutions

As institutions renew their participation in SARA, please feel free to provide comments or information about state-specific provisions, institutional characteristics or additional information specific to any item on this renewal application.

Significant institutional changes relevant to this renewal application:

State-specific topics (i.e., bonding, fee schedule):

Comments to improve efficiency and effectiveness of the SARA initiative:

State Portal Entity Affirmation

Institutional application:

☐

Approved

☐

Provisionally Approved (see attached)

☐

Returned for Additional Data or information

☐

Denied

Conditions related to Provisional Approval

Typed name of state portal entity:

Typed name of state portal entity contact:

Signature:

Date signed:

Title of state portal entity contact:

State Portal Entity email and phone



COMMONWEALTH OF PENNSYLVANIA
GOVERNOR'S OFFICE OF GENERAL COUNSEL

March 27, 2017

Mr. David Sumner
Executive Director
Independent Regulatory Review Commission
14th Floor, 333 Market Street
Harrisburg, PA 17126

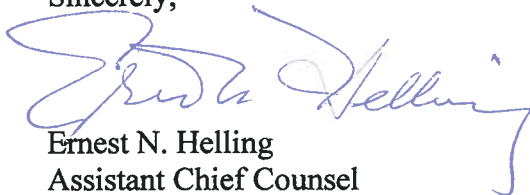
Dear Mr. Sumner:

Enclosed is a copy of a final-omitted regulation approved by the Department of Education (22 Pa. Code, Chapter 741, Reciprocity for Distance Education, State Authorization Reciprocity, #006-337), for review and action by the Commission pursuant to the provisions of section 5.1(c) of the Regulatory Review Act.

The Department of Education will provide your Committee with any assistance you may require to facilitate a thorough review of this final-omitted regulation.

Thank you for your consideration.

Sincerely,



Ernest N. Helling
Assistant Chief Counsel

Enclosure

cc: Wil Del Pilar, Deputy Secretary
Marisa Lehr, Esquire
Angela Fitterer, Legislative Liaison

TRANSMITTAL SHEET FOR REGULATIONS SUBJECT TO THE
REGULATORY REVIEW ACT

I.D. NUMBER: 6-337
SUBJECT: STATE AUTHORIZATION RECIPROCITY
AGENCY: DEPARTMENT OF EDUCATION


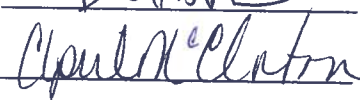
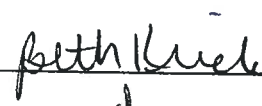

TYPE OF REGULATION

Proposed Regulation
Final Regulation
X Final Regulation with Notice of Proposed Rulemaking Omitted
120-day Emergency Certification of the Attorney General
120-day Emergency Certification of the Governor
Delivery of Tolled Regulation
a. With Revisions b. Without Revisions

2017 MAR 27 AM 9:46

RECEIVED
IRRC

FILING OF REGULATION

DATE	SIGNATURE	DESIGNATION
HOUSE COMMITTEE ON EDUCATION		
3/27		MAJORITY CHAIR <u>David Hickernell</u>
3/27		MINORITY CHAIR <u>James Roebuck</u>
SENATE COMMITTEE ON EDUCATION		
3/27		MAJORITY CHAIR <u>John H. Eichelberger</u>
3/27		MINORITY CHAIR <u>Andrew E. Dinniman</u>
INDEPENDENT REGULATORY REVIEW COMMISSION		
ATTORNEY GENERAL (for Final Omitted only)		
LEGISLATIVE REFERENCE BUREAU (for Proposed only)		

March 22, 2017