CONTENTS

Agenda Item I: Approval of minutes of the May 5th meeting .......................... 7
Agenda Item II: Update on the progress of the SARA initiative ...................... 13
Agenda Item III: Ratification of actions taken by the Executive Committee .......... 27
Agenda Item IV: FY 2016 audit ........................................................................... 31
Agenda Item V: Finance Report .......................................................................... 33
Agenda Item VI: Approval of SARA Manual ...................................................... 35
Agenda Item VII: Election of members and officers ........................................ 37
Agenda Item VIII: Information Items ................................................................. 39
National Council for State Authorization Reciprocity Agreements (NC-SARA)
National Council Meeting • October 20, 2016 • 9 a.m-1:30 p.m. (Eastern Time)
Washington DC • Capital Hilton

AGENDA

Welcome and introductions: Paul E. Lingenfelter, Chair

Agenda Item I (ACTION): Approval of minutes of the May 5, 2016 meeting

Agenda Item II: Update on the progress of the SARA initiative
   a) Marshall A. Hill, NC-SARA
   b) Larry Isaak, Midwestern Higher Education Compact
   c) Michael Thomas, New England Board of Higher Education
   d) David Spence, Southern Regional Education Board
   e) Joe Garcia, Western Interstate Commission for Higher Education

Agenda Item III (ACTION): Ratification of actions taken by the Executive Committee – Paul E. Lingenfelter, Chair
   a) Revised FY 2017 budget (provided separately at meeting)
   b) Records retention and destruction policy

Agenda Item IV (ACTION): FY 2016 audit – Paul Lingenfelter and Teresa Lubbers – Treasurer

Agenda Item V (ACTION): Finance Report (provided separately) – Teresa Lubbers

Agenda Item VI (ACTION): Approval of SARA Manual, incorporating several policy modifications

Agenda item VII (ACTION): Election of Council members – Paul Lingenfelter

Agenda Item VIII: Information Items
   a) Quarterly reporting of appealed complaints
   b) Enrollment reporting by institutions
   c) Progress report on establishing NC-SARA as an independent entity
   d) Institutional advisory committee
   e) Status of current year work
   f) Next meeting (announced at October meeting)

Executive session

Questions, comments, reflections from council members

Adjourn
Board Members

Barbara Ballard
State Representative Kansas Legislature
Dole Institute at University of Kansas
2350 Petefish Drive
Lawrence, KS 66045
785.864.4900
bballard@ku.edu

Chris Bustamante
President
Rio Salado College
2323 West 14th Street
Tempe, AZ 85281
480.517.8118
chris.bustamante@riosalado.edu

Kathryn Dodge
Founder and Principal
Dodge Advisory Group, LLC
333 East Mountain Road
Peterborough, NH 03458
603.924.9741
dodge.kathryn@gmail.com

Joe Garcia
President
Western Interstate Commission for Higher Education
303.541.0204
jgarcia@wiche.edu

Dianne Harrison
President
California State University, Northridge
18111 Nordhoff Street
Northridge, CA 91330
818.677.2121
dianne.harrison@csun.edu

Terry Hartle
Senior Vice President
American Council on Education
One Dupont Circle, NW, Suite 800
Washington, DC 20036
202.939.9355
lwarner@acenet.edu

Larry Isaak
President
Midwestern Higher Education Compact
105 Fifth Avenue South, Suite 450
Minneapolis, MN 55401
612.677.2761
larryi@mhec.org

Arthur Kirk, Jr.
President
Saint Leo University
PO Box 6665
Saint Leo, FL 33574
352.588.8242
arthur.kirk@saintleo.edu

Paul Lingenfelter
President Emeritus
State Higher Education Executive Officers Association
11581 Eliot Court
Westminster, CO 80234
303.748.7425
plingenfelter@sheeo.org

Teresa Lubbers
Commissioner
Indiana Commission for Higher Education
101 W Ohio Street, Suite 550
Indianapolis, IN 46204
317.464.4400
tlubbers@che.in.gov

Leah Matthews
Executive Director
Distance Education Accrediting Commission (DEAC)
1101 17th Street NW, Suite 808
Washington, DC 20036
202.234.5100 Ext. 101
leah.matthews@deac.org

M. Peter McPherson
President
Association of Public and Land-grant Universities
1307 New York Avenue NW
Washington, DC 20005
202.478.6060
pmcpherson@aplu.org
<table>
<thead>
<tr>
<th>Name</th>
<th>Title and Institution</th>
<th>Address</th>
<th>Phone</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Patricia O’Brien</td>
<td>Senior Vice President, NEASC-Commission on Institutions of Higher Education</td>
<td>3 Burlington Woods, Suite 100, Burlington, MA 02149</td>
<td>781.425.7712</td>
<td><a href="mailto:pobrien@neasc.org">pobrien@neasc.org</a></td>
</tr>
<tr>
<td>Pamela Quinn</td>
<td>Provost/CEO LeCroy Center, Dallas County Community Colleges/LeCroy Center</td>
<td>9596 Walnut Street, Dallas, TX 75243</td>
<td>972.669.6550</td>
<td><a href="mailto:pquinn@dcccdd.edu">pquinn@dcccdd.edu</a></td>
</tr>
<tr>
<td>George Ross</td>
<td>President, Central Michigan University</td>
<td>1200 South Franklin Street, Mount Pleasant, MI 48859</td>
<td>989.774.2206</td>
<td><a href="mailto:mcdon1rk@cmich.edu">mcdon1rk@cmich.edu</a></td>
</tr>
<tr>
<td>Paul Shiffman</td>
<td>Chief Executive Officer, Presidents' Forum</td>
<td>7 Columbia Circle, Albany, NY 12203</td>
<td>518.464.8803</td>
<td><a href="mailto:pshiffman@excelsior.edu">pshiffman@excelsior.edu</a></td>
</tr>
<tr>
<td>David Spence</td>
<td>President, Southern Regional Education Board</td>
<td>592 10th Street NW, Atlanta, GA 30318</td>
<td>404.879.5537</td>
<td><a href="mailto:dave.spence@sreb.org">dave.spence@sreb.org</a></td>
</tr>
<tr>
<td>Helena Stangle</td>
<td>Vice President of Government &amp; Community Relations &amp; Public Policy, DeVry Education Group</td>
<td>3005 Highland Parkway, Downers Grove, IL 60515</td>
<td>630.515.5884</td>
<td><a href="mailto:hstangle@devrygroup.com">hstangle@devrygroup.com</a></td>
</tr>
<tr>
<td>Michael Thomas</td>
<td>President and CEO, New England Board of Higher Education</td>
<td>45 Temple Place, Boston, MA 02111</td>
<td>617.357.9620 x119</td>
<td><a href="mailto:mthomas@nebhe.org">mthomas@nebhe.org</a></td>
</tr>
<tr>
<td>Leroy Wade</td>
<td>Deputy Commissioner of Higher Education, Missouri Department of Higher Education</td>
<td>PO Box 1469, Jefferson City, MO 65102</td>
<td>573.751.2361</td>
<td><a href="mailto:leroy.wade@dhe.mo.gov">leroy.wade@dhe.mo.gov</a></td>
</tr>
<tr>
<td>Belle Wheelan</td>
<td>President, Southern Association of Colleges and Schools Commission on Colleges</td>
<td>1866 Southern Lane, Decatur, GA 30033</td>
<td>404.679.4512</td>
<td><a href="mailto:bwheelan@sacscoc.org">bwheelan@sacscoc.org</a></td>
</tr>
</tbody>
</table>
NC-SARA Staff

Alan Contreras  
NC-SARA and W-SARA Coordinator  
National Council for State Authorization Reciprocity Agreements  
3895 Kevington  
Eugene, OR 97405  
acontrer56@gmail.com

Nathalie Cuartas  
Human Resources Administrator  
National Council for State Authorization Reciprocity Agreements  
3005 Center Green Drive, Suite 130  
Boulder, CO 80301  
303.848.3288  
cmpartas@nc-sara.org

Marshall Hill  
Executive Director  
National Council for State Authorization Reciprocity Agreements  
3005 Center Green Drive, Suite 130  
Boulder, CO 80301  
303.848.3283  
nhill@nc-sara.org

Holly Martinez  
Administrative Assistant II  
WICHE SARA / National Council for State Authorization Reciprocity Agreements  
3005 Center Green Drive, Suite 130  
Boulder, CO 80301  
303.848.3275  
hmartinez@nc-sara.org

Jennifer Shanika  
Technical Operations Manager and Communications Coordinator  
National Council for State Authorization Reciprocity Agreements  
3005 Center Green Drive, Suite 130  
Boulder, CO 80301  
303.848.3278  
jshanika@nc-sara.org

Regional Compact SARA Directors and Coordinators

Kris Biesinger  
Senior Advisor, SREB SARA  
Southern Regional Education Board  
592 Tenth Street NW  
Atlanta, GA 30318  
kris.biesinger@gmail.com

Sandra Doran  
Director, NEBHE SARA  
New England Board of Higher Education  
45 Temple Place  
Boston, MA 02111  
617.533.9524  
sdoran@nebhe.org

Emily Jacobson  
Coordinator, MHEC SARA  
Midwestern Higher Education Compact  
105 Fifth Avenue South  
Minneapolis, MN 55401  
612.677.2771  
emilyj@mhec.org

Mary Larson  
Director, SREB SARA  
Southern Regional Education Board  
592 Tenth Street NW  
Atlanta, GA 30318  
404.875.9211  
mary.larson@sreb.org

John Lopez  
Director, WICHE SARA  
Deputy Director, NC-SARA  
Western Interstate Commission for Higher Education  
3005 Center Green Drive, Suite 130  
Boulder, CO 80301  
303.848.3764  
jlopez@wiche.edu

Jennifer Parks  
Director, MHEC SARA  
Midwestern Higher Education Compact  
105 Fifth Avenue South  
Minneapolis, MN 55401  
612.677.2771  
jennyp@mhec.org
NC-SARA AGENDA ITEM  

Agenda Item I: Approval of minutes of the May 5, 2016 meeting

Action Item: ☑ Yes    ☐ No

Staff Recommendation: Approve the minutes.
MINUTES — NC-SARA Board Meeting
May 5, 2016
Radisson Blu Mall of America, Bloomington, Minnesota

NOTICE OF MEETING
Notice of the time and place of the NC-SARA board meeting was given to board members, regional directors, Lumina Foundation, the Bill & Melinda Gates Foundation, and other interested parties.

An agenda is maintained in the NC-SARA offices at 3005 Center Green Drive, Suite 130, Boulder, CO 80301 and online at www.nc-sara.org

CALL TO ORDER AND INTRODUCTIONS
Chair Paul Lingenfelter called the meeting to order at 8:54 a.m. (CST)

Council Members in attendance:
Dianne Harrison
Terry Hartle
Larry Issak
Michael Thomas
David Longanecker
Teresa Lubbers
Leah Matthews
M. Peter McPherson
Patricia O’Brien
Pamela Quinn
Helena Stangle
Paul Shiffman
David Spence
Leroy Wade

NC-SARA staff present:
Alan Contreras
Marshall Hill
Holly Martinez
Jennifer Shanika

Regional Compact SARA Directors and staff present:
Kris Biesinger, SREB-SARA
Kiley Danchise-Curtis, NEBHE-SARA
Sandra Doran, NEBHE-SARA
Emily Jacobson, MHEC-SARA
Mary Larson, SREB-SARA
John Lopez, WICHE-SARA
Jennifer Parks, MHEC-SARA

Council Members not in attendance:
Barbara Ballard
Chris Bustamante
Kathryn Dodge*
Art Kirk
George Ross
Belle Wheelan

*Joined via conference call

Guests
Jennifer Dalhquist, Midwestern Higher Education Compact
Sandra Ecklein, University of Minnesota Twin Cities
Joe Garcia, incoming WICHE President (to succeed David Longanecker)
Kim Seamon, Minnesota Office of Higher Education
Betsy Talbot, Minnesota Office of Higher Education
Representative of Walden University (name unknown).
Welcome and introductions — Paul E. Lingenfelter, Chair

Paul Lingenfelter welcomed the Council, staff and guests and introduced the new Council member, Leah Matthews, and soon-to-be WICHE president, Joe Garcia.

Agenda Item I (ACTION): Approval of minutes of the December 1, 2015 National Council meeting

The minutes of the December 1st meeting were reviewed by the Council. Terry Hartle moved to approve the minutes; Michael Thomas seconded the motion. The motion passed with all members present voting “yes” with slight correction (correct page 11, paragraph 6 to read “five still outstanding,” as requested by Mary Larson).

Agenda Item II: Update on the progress of the SARA initiative

Marshall A. Hill, NC-SARA, provided a quick overview of the overall status of SARA, which now has 36 member states and 874 participating institutions. There has been great progress and activity in all remaining states, districts, and territories.

Larry Isaak, Midwestern Higher Education Compact, stated that 11 of 12 MHEC states are currently participating in SARA. Isaak noted that there is some lingering skepticism in Wisconsin. A total of 300 MHEC institutions are participating currently.

Michael Thomas, New England Board of Higher Education, stated that four of the six NEBHE states are SARA members. The Connecticut Senate recently passed a measure to allow Connecticut to join SARA. Progress continues with Massachusetts. New York and New Jersey, both states that are not members of a regional compact, are moving toward affiliation with NEBHE and SARA membership, with New Jersey working on a formal application.

David Spence, Southern Regional Education Board, spoke of the important and lasting contributions of David Longanecker. Spence reported that SREB has 19 SARA member states. By June, another four are expected and by October another two. Florida and Puerto Rico are moving slowly. Spence mentioned hearing there is still a lingering concern about the quality of SARA and that it is up to us to find a way to enforce the CRAC guidelines. Marshall Hill discussed his trip with Mary Larson to Florida in response to the critiques made by Bob Shireman. Florida is expected to move forward slowly.

David Longanecker, Western Interstate Commission for Higher Education, reported that of the 16 states and territories in WICHE, 12 are in W-SARA. Hawaii is expected to be added during the upcoming commission meeting. California and Pacific Island territories are still outstanding. California has very strong support from institutions and legislation is being drafted. Some consumer groups are saying the oversight SARA offers is not sufficient. Longanecker stated that online students in California have no protection currently. Dianne Harrison added that in absence of full protections, there is now a full time staff member in her institution in charge of obtaining the state authorization her institution needs, which is a lot of work and waste of time. She reiterated that California needs SARA.
**Action Item:** Per request by Michael Thomas and with approval from the Council, Marshall Hill is to write up a formal statement acknowledging the contributions of David Longanecker to the SARA initiative.

**Agenda Item III: Finance report** – Teresa Lubbers, Treasurer

Teresa Lubbers reflected on the strength of the organization of SARA. SARA is now solely dependent on institutional fee revenue and is no longer operating on grant funds. Expenses show a slight escalation on a few line items, due to the expenses of establishing NC-SARA as an independent entity. She stated that there are positive financial projections for next year. She stated that the finance report was reviewed by the Finance Committee before being presented to the Council.

As Treasurer, Lubbers moved to approve and noted the need for a second wasn’t required. The Board approved unanimously.

**Agenda Item IV: Report on establishing NC-SARA as an independent entity**

Hill gave a brief overview of the work that has been taking place in order to establish SARA as an independent entity, including obtaining 501 (c)(3) status, setting up bank accounts, hiring of an accounting firm and contracting with an IT agency. Federal form 990 filing is in process, awaiting one piece of financial data. Once that report is filed, NC-SARA should be able to obtain Directors and Officers insurance. An audit will be conducted this fall by the same firm that performs WICHE’s audit. Next year, SARA will find its own auditor. Employee benefits have been more difficult to resolve; however, progress is being made.

Hill addressed the wonderful relationship between WICHE and SARA and thanked David Longanecker for his strong and ever-present support.

**Agenda Item V: Proposed FY 2017 Budget** – Teresa Lubbers, Treasurer

Lubbers presented a proposed budget for NC-SARA, with revenue estimates based on conservative projections of the number of institutions participating. She noted a change to the policy of how NC-SARA will provide funds to the Regional Compacts, moving from a percentage-of-revenue approach to a fixed-amount approach. In regards to NC-SARA employee benefits, Hill stressed he would like to model the benefits packages offered after the WICHE plan to avoid any reduction in benefits for the staff resulting from NC-SARA’s transition to independent status. Additionally, Hill discussed the temporary cash flow issues related to IT and Salesforce development costs. The proposed budget provides for SARA to pay off all debt to WICHE in FY 2017.

Michael Thomas provided his thanks to the Finance Committee and requested a cash flow budget be provided in the future.

The proposed budget has been reviewed by the Finance Committee, which recommends its approval. As Treasurer, Lubbers moved to approve, noted the need for a second wasn’t required. The Board approved unanimously.
Agenda Item VI (ACTION): Additions and modifications to NC-SARA Policies and Standards

a. Time limit on institutional use of state approval to participate in SARA. Hill commented that this addition was simply to close a loop hole that was discovered in the application process.

The motion to approve was made by Terry Hartle and seconded by Katherine Dodge. The motion was approved with all present voting “yes”.

Agenda Item VII: Information Items

a. Quarterly reporting of appealed complaints

Hill reminded the board that NC-SARA requires each SARA member state to report appealed complaints on a quarterly basis. This year, reporting was delayed for 18 days to the Salesforce rebuild. The numbers of appealed complaints have been very, very low and most have been resolved in favor of the students.

b. Enrollment reporting by institutions

Starting May 9th, SARA institutions will be required to report the number of students enrolled in online education in other states. Staff have devoted a great deal of attention to this and there have been many questions from institutions. Institutions are to provide the same data as reported to IPEDS, only disaggregated by state. The Council members discussed this issue at length. Hill added there is not currently a policy on the consequence for institutions that do not report and NC-SARA will likely want to create one to address this.

Alan Contreras informed the Council that he is nearing completion of the SARA Manual, which is intended to combine the existing Policies and Standards with the FAQ’s in order that all subject matter is consolidated in a single document. Once completed, it will be published on the nc-sara.org website.

c. SARA and education delivered to military facilities

Hill reported that questions have been asked about differences between the Unified Agreement and the NC-SARA Policies and Standards in regard to education delivered on military bases. In brief, the Unified Agreement has broader language about what kind of instruction is permitted under SARA than does the Policies and Standards. After discussion with regional SARA Directors, Hill suggested in a memo to the regional steering committees that the broader approach be taken. Members of the steering committees strongly disagreed, with 23 out of the 29 responding members voting “no”.

Action Item: Larry Isaak moved that the Unified Agreement be amended to add the words “distance education” to make explicit that SARA only covers distance education courses delivered on military bases, not face-to-face instruction. David Longanecker seconded. All approved.
d. Status of current year work

Hill referred Council members to page 42 of the Agenda book.

e. Next meeting – October 19-20, 2016

Executive session

The Council went into executive session to discuss the performance of the Executive Director and matters relating to an individual SARA institution.

Adjourn at 2:00
NC-SARA AGENDA ITEM

October 20, 2016

Agenda Item II: Update on the progress of the SARA initiative

Action Item: ☐ Yes ☑ No

Background: The SARA initiative began inviting states to join in early 2014. Much progress has been made since then. Marshall Hill will provide an overall assessment. The regional compact presidents will focus more closely on developments within their regions.

a) Marshall Hill, National Council for State Authorization Reciprocity Agreements (NC-SARA)
b) Larry Isaak, Midwestern Higher Education Compact (MHEC)
c) Michael Thomas, New England Board of Higher Education (NEBHE)
d) David Spence, Southern Regional Education Board (SREB)
e) Joe Garcia, Western Interstate Commission for Higher Education (WICHE)
Progress of the SARA Initiative

Map as of September 2016

Approved as SARA state
Legislation Passed or n/a
Legislation Introduced

Notes
### STATE ACTIONS REGARDING SARA

<table>
<thead>
<tr>
<th>United States and Territories (regional compact)</th>
<th>Legislation introduced</th>
<th>Legislation passed</th>
<th>Application to regional compact</th>
<th>Approved as SARA state</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama (SREB)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>01/01/2016</td>
</tr>
<tr>
<td>Alaska (WICHE)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>05/13/2014</td>
</tr>
<tr>
<td>American Samoa</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>11/13/2014</td>
</tr>
<tr>
<td>Arizona (WICHE)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>06/29/2015</td>
</tr>
<tr>
<td>Arkansas (SREB)</td>
<td>n/a</td>
<td>n/a</td>
<td>✓</td>
<td>09/01/2016</td>
</tr>
<tr>
<td>California (WICHE)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>07/01/2016</td>
</tr>
<tr>
<td>Colorado (WICHE)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>12/01/2015</td>
</tr>
<tr>
<td>Connecticut (NEBHE)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>10/17/2014</td>
</tr>
<tr>
<td>Delaware (SREB)</td>
<td>n/a</td>
<td>n/a</td>
<td>✓</td>
<td>11/09/2015</td>
</tr>
<tr>
<td>District of Columbia</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>01/01/2016</td>
</tr>
<tr>
<td>Florida (SREB)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>05/13/2014</td>
</tr>
<tr>
<td>Georgia (SREB)</td>
<td>n/a</td>
<td>n/a</td>
<td>✓</td>
<td>01/01/2016</td>
</tr>
<tr>
<td>Guam</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>05/17/2016</td>
</tr>
<tr>
<td>Hawaii (WICHE)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>05/13/2014</td>
</tr>
<tr>
<td>Idaho (WICHE)</td>
<td>n/a</td>
<td>n/a</td>
<td>✓</td>
<td>05/13/2014</td>
</tr>
<tr>
<td>Illinois (MHEC)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>02/21/2014</td>
</tr>
<tr>
<td>Indiana (MHEC)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>11/16/2014</td>
</tr>
<tr>
<td>Iowa (MHEC)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>02/21/2014</td>
</tr>
<tr>
<td>Kansas (MiHEC)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>01/01/2016</td>
</tr>
<tr>
<td>Kentucky (SREB)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>12/15/2014</td>
</tr>
<tr>
<td>Louisiana (SREB)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>08/31/2015</td>
</tr>
<tr>
<td>Maine (NEBHE)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>08/09/2014</td>
</tr>
<tr>
<td>Maryland (SREB)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>05/14/2014</td>
</tr>
<tr>
<td>Massachusetts (NEBHE)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>12/15/2014</td>
</tr>
<tr>
<td>Michigan (MHEC)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>01/01/2016</td>
</tr>
<tr>
<td>Minnesota (MHEC)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>01/01/2016</td>
</tr>
<tr>
<td>Mississippi (SREB)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>01/01/2016</td>
</tr>
<tr>
<td>Missouri (MHEC)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>01/01/2016</td>
</tr>
<tr>
<td>Montana (WICHE)</td>
<td>n/a</td>
<td>n/a</td>
<td>✓</td>
<td>08/13/2014</td>
</tr>
<tr>
<td>Nebraska (MHEC)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>10/17/2014</td>
</tr>
<tr>
<td>Nevada (WICHE)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>08/09/2014</td>
</tr>
<tr>
<td>New Hampshire (NEBHE)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>05/14/2014</td>
</tr>
<tr>
<td>New Jersey</td>
<td>n/a</td>
<td>n/a</td>
<td>✓</td>
<td>05/12/2015</td>
</tr>
<tr>
<td>New Mexico (WICHE)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>05/12/2015</td>
</tr>
<tr>
<td>New York</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>05/12/2015</td>
</tr>
<tr>
<td>North Carolina (SREB)</td>
<td>n/a</td>
<td>n/a</td>
<td>✓</td>
<td>06/13/2016</td>
</tr>
<tr>
<td>North Dakota (MHEC)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>11/11/2014</td>
</tr>
<tr>
<td>N. Marianas Islands (WICHE)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>08/25/2016</td>
</tr>
<tr>
<td>Ohio (MHEC)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>04/03/2014</td>
</tr>
<tr>
<td>Oklahoma (SREB)</td>
<td>n/a</td>
<td>n/a</td>
<td>✓</td>
<td>08/25/2016</td>
</tr>
<tr>
<td>Oregon (WICHE)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>04/03/2014</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>04/03/2014</td>
</tr>
<tr>
<td>Puerto Rico</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>04/03/2014</td>
</tr>
<tr>
<td>Rhode Island (NEBHE)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>11/09/2015</td>
</tr>
<tr>
<td>South Carolina (SREB)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>01/01/2016</td>
</tr>
<tr>
<td>South Dakota (WICHE)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>01/01/2016</td>
</tr>
<tr>
<td>Tennessee (SREB)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>01/01/2016</td>
</tr>
<tr>
<td>Texas (SREB)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>01/01/2016</td>
</tr>
<tr>
<td>Utah (WICHE)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>04/17/2015</td>
</tr>
<tr>
<td>Vermont (NEBHE)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>08/12/2016</td>
</tr>
<tr>
<td>Virginia (SREB)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>04/17/2015</td>
</tr>
<tr>
<td>Washington (WICHE)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>05/13/2014</td>
</tr>
<tr>
<td>West Virginia (SREB)</td>
<td>n/a</td>
<td>n/a</td>
<td>✓</td>
<td>10/17/2014</td>
</tr>
<tr>
<td>Wisconsin (MHEC)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>08/12/2016</td>
</tr>
<tr>
<td>Wyoming (WICHE)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>05/12/2015</td>
</tr>
</tbody>
</table>

>n/a: State has determined new legislation is not needed to enable participation in SARA.

North Dakota & South Dakota are members of both MHEC & WICHE, chart indicates SARA affiliation.
Number of SARA States

- Jan. 2014: 0
- July 2014: 5
- Jan. 2015: 15
- July 2015: 23
- Jan. 2016: 36
- July 2016: 41
- Oct. 2016: 43

Number of SARA Institutions

- Jan. 2014: 0
- July 2014: 26
- Jan. 2015: 139
- July 2015: 368
- Jan. 2016: 616
- August 2016: 1000
Institutions by SIZE

- Fewer than 2,500 FTE: 44%
- 2,500 - 9,999 FTE: 35%
- Greater than 10,000 FTE: 21%

As of September 2016

Institutions by SECTOR

- Public: 67%
- Private/Non-Profit: 29%
- Independent/For-Profit: 4%
- Tribal: 0%
SARA STATUS FOR MHEC STATES

Midwestern Higher Education Compact
MHEC State Authorization Reciprocity Agreement (M-SARA)

Illinois » Member
The Illinois Board of Higher Education (IBHE) is the SARA portal entity with the Illinois Community College Board playing a significant role in the institutional approval process as well. There will be no state fee for community colleges. The fee for other state institutions will be $1750.00/year.

Indiana » Member
Approved as first SARA state in February 2014. The Indiana Commission for Higher Education (ICHE) is the SARA portal entity. No state fees.

Iowa » Member
The portal entity is the Iowa College Student Aid Commission (ICASC). The state institutional participation fee is $2000/2 years.

Kansas » Member
Kansas has the first on-line, interactive institutional application process in the nation. The Kansas Board of Regents is the designated SARA portal entity. There are no state fees.

Michigan » Member
The Office of Licensing and Regulatory Affairs (LARA) is the SARA portal entity. There is an initial one time institutional application fee of $2000 as well as an annual participation fee of $2000.

Minnesota » Member
MN was the first “highly regulated” state to join SARA. The Minnesota Office of Higher Education (MOHE) is the SARA portal entity. There is no state fee.
Missouri » Member
The Missouri Department of Higher Education (MDHE) is the SARA portal entity. The state institutional participation fee is $500/annually.

Nebraska » Member
The Nebraska Coordinating Commission for Postsecondary Education (NCCPE) is the SARA portal entity. The state fee for institutions to participate is $300/year.

North Dakota » Member
The North Dakota University System (NDUS) is the SARA portal entity. No state fees.

Ohio » Member
The Ohio Department of Higher Education (ODHE) is the SARA portal entity. State fees for institutional participation mirror those of NC-SARA.

South Dakota » Member
Approved by WICHE November 11, 2014.

Wisconsin » Member
Wisconsin was approved as a SARA state on August 12, 2016. The portal entity is the newly created Distance Learning Authorization Board (DLAB). No state fees.
SARA STATUS FOR NEBHE STATES

New England Board of Higher Education
NEBHE State Authorization Reciprocity Agreement (N-SARA)

Connecticut
HB 5071 was introduced in the 2016 legislative session and passed in June, 2016. The CT Office of Higher Education is working to complete their state SARA application.

Maine » Member
SARA legislation passed in June 2015, and the Maine application was approved by the N-SARA Regional Steering Committee and NEBHE Executive Board in December 2015. Maine enrolled 15 ME institutions.

Massachusetts
Massachusetts’ higher education sectors continue to support SARA. There are ongoing discussions with the MA Department of Higher Education, the Attorney General, and the public and independent sectors. The MA legislature convened a Special Commission to make a recommendation on pursuing a reciprocity agreement.

New Hampshire » Member
New Hampshire became the first NEBHE SARA state in December 2014. New Hampshire has enrolled eight NH institutions.

Rhode Island » Member
SARA legislation passed in July 2015. The Rhode Island Board of Education’s application was approved by the N-SARA Regional Steering Committee and NEBHE Executive Board in December. Rhode Island has enrolled five institutions.

Vermont » Member
Vermont became the second NEBHE SARA state in April 2015. The Vermont Agency of Education has enrolled nine VT institutions.
NOT AFFILIATED WITH REGIONAL COMPACT

New York
After the Board of Regents voted to move forward with this initiative, legislation passed in July of 2015. In September 2016 the Board approved rules dealing with the state’s joining SARA. NY will affiliate with NEBHE.

New Jersey
New Jersey is in the process of promulgating regulations in order to join NEBHE for the purposes of SARA. They anticipate submitting a state application in the coming months.
## SARA STATUS FOR SREB STATES

### Alabama >> Member
Alabama approved as a SARA state November 2, 2015. Legal Authority: Legislation. Alabama Commission on Higher Education is the SARA portal entity.

### Arkansas >> Member
Arkansas approved as a SARA state June 30, 2015. Legal Authority: Regulatory. The Arkansas Department of Higher Education is the SARA portal entity.

### Delaware >> Member
Delaware approved as a SARA state June 13, 2016. Legal Authority: Regulatory. The Delaware Department of Education is the SARA portal entity.

### Florida
SARA participation discussions are ongoing with stakeholders. Legal Authority: Legislative action required before participation. Anticipated participation 2017. The SARA portal entity has not been determined.

### Georgia >> Member
Georgia approved as a SARA state November 2, 2015. Legal Authority: Regulatory. Additional MOUs between agencies. The Georgia Nonpublic Postsecondary Education Commission is the SARA portal entity.

### Kentucky
SARA participation discussions are ongoing with stakeholders. Legal Authority: Legislation. The Kentucky Council on Postsecondary Education is expected to be the SARA portal entity.

### Louisiana » Member
Louisiana approved as a SARA state Oct. 17, 2014. Legal Authority. The Louisiana Board of Regents is the SARA portal entity.

### Maryland » Member
Maryland approved as a SARA state November 2, 2015. Legal Authority: Legislation. The Maryland Higher Education Commission is the SARA portal entity.

### Mississippi » Member
Mississippi approved as a SARA state November 2, 2015. Legal Authority: Legislation. Mississippi Commission on College Accreditation is the SARA portal entity.
North Carolina » Member

Oklahoma » Member
Oklahoma approved as a SARA state June 30, 2015. Legal Authority: Oklahoma Statute Title 70 Chapter 50 Section 3206. The Oklahoma State Regents for Higher Education is the SARA portal entity.

South Carolina » Member
South Carolina approved as a SARA state June 13, 2016. Legal Authority: Regulatory. The South Carolina Commission on Higher Education is the SARA portal entity.

Tennessee » Member
Tennessee approved as a SARA state June 30, 2015. The Tennessee Higher Education Commission is the SARA portal entity.

Texas » Member
Texas approved as a SARA state November 2, 2015. Legal Authority: Legislation has passed. The Texas Higher Education Coordinating Board is the SARA portal entity.

Virginia » Member
Virginia approved as SARA state October 17, 2014. Legal Authority: Legislation. The State Council of Higher Education for Virginia is the SARA portal entity.

West Virginia » Member
West Virginia approved as SARA state October 17, 2014. Legal Authority: Statutory. The West Virginia Higher Education Policy Commission is the SARA portal entity.

NON-AFFILIATED DISTRICT
District of Columbia » Member
District of Columbia approved as a SARA participant June 13, 2016. Legal Authority: Legislation has passed. The Office of the State Superintendent of Education (OSSE) is the SARA portal entity.

NON-AFFILIATED STATE
Pennsylvania
SARA participation discussions are ongoing with stakeholders. Legal Authority: Legislation has passed. Anticipated participation January 1, 2017. The Pennsylvania Department of Education, Division of Higher and Career Education expected to be the SARA portal entity.

NON-AFFILIATED TERRITORY
Puerto Rico
SARA participation discussions are ongoing with stakeholders. Discussions and documents in development. The Puerto Rico Council on Education is expected to be the SARA portal entity.
SARA STATUS FOR WICHE STATES

Western Interstate Commission for Higher Education
WICHE State Authorization Reciprocity Agreement (W-SARA)

Notes

Alaska » Member

Arizona » Member
Approved by WICHE November 11, 2014. Legal Authority: Arizona Revised Statutes 15-1747. (2014). An Interagency Governmental Agreement led to creation of the Arizona SARA Council which is the SARA portal entity.

California
In light of the draft federal regulations for state authorization of distance education, efforts continue to pass legislation allowing California to become a SARA member state.

Colorado » Member

Hawai‘i » Member
Approved by WICHE May 17, 2016. Legal Authority: Hawaii Revised Statutes (HRS) §305J-16. The Department of Commerce and Consumer Affairs (DCCA) entered into SARA and the Hawaii Post-secondary Education Authorization Program (HPEAP) is the designated SARA portal entity.

Idaho » Member

Montana » Member

Nevada » Member
New Mexico » Member

North Dakota » Member

Oregon » Member
Approved by WICHE November 11, 2014. Legal Authority: OR Revised Statutes 351.735, 351.755, 351.758 and section 168a, chapter 768. (2014). The Oregon Higher Education Coordinating Commission is the SARA portal entity.

Pacific Territories
Expected application date: unknown.

South Dakota » Member
Approved by WICHE November 11, 2014. Legal Authority: Executive Order 2014-09 (Appendix I) and section 1, chapter 96 of the 2014 Session Laws, codified as SDCL §13-48-42. The South Dakota Board of Regents is the designated SARA portal entity.

Utah » Member
Approved by WICHE August 25, 2016. Legal Authority: Utah Code §53B-16-109. The Utah State Board of Regents entered into SARA and the Office of the Commissioner is the designated SARA portal entity.

Washington » Member

Wyoming » Member
NC-SARA AGENDA ITEM

October 20, 2016

Agenda Item III: Ratification of actions taken by the Executive Committee
– Paul E. Lingenfelter, Chair

Action Item: ☑ Yes ☐ No

a) Revised FY 2017 budget (provided separately at meeting)
b) Records Retention and Destruction Policy

Staff Recommendation: Approve the budget and policy
Agenda Item III (B): Document Retention and Destruction Policy for the National Council for State Authorization Reciprocity Agreements

Approved by the NC-SARA Executive committee, August, 2016

I. Purpose
In accordance with the Sarbanes-Oxley Act, which makes it a crime to alter, cover up, falsify, or destroy any document with the intent of impeding or obstructing any official proceeding, this policy provides for the systematic review, retention and destruction of documents received or created by the National Council for State Authorization Reciprocity Agreements in connection with the transaction of organization business. This policy covers all records and documents, regardless of physical form, contains guidelines for how long certain documents should be kept and how records should be destroyed. The policy is designed to ensure compliance with federal and state laws and regulations, to eliminate accidental or innocent destruction of records and to facilitate NC-SARA’s operations by promoting efficiency and freeing up valuable storage space.

II. Document Retention
NC-SARA follows the document retention procedures outlined below. Documents that are not listed, but are substantially similar to those listed in the schedule will be retained for the appropriate length of time.

III. Corporate Records

<table>
<thead>
<tr>
<th>Record Type</th>
<th>Retention Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Reports to Secretary of State/Attorney General</td>
<td>Permanent</td>
</tr>
<tr>
<td>Articles of Incorporation</td>
<td>Permanent</td>
</tr>
<tr>
<td>Board Meeting and Board Committee Minutes</td>
<td>Permanent</td>
</tr>
<tr>
<td>Board Policies/Resolutions</td>
<td>Permanent</td>
</tr>
<tr>
<td>By-laws</td>
<td>Permanent</td>
</tr>
<tr>
<td>Construction Documents</td>
<td>Permanent</td>
</tr>
<tr>
<td>Fixed Asset Records</td>
<td>Permanent</td>
</tr>
<tr>
<td>IRS Application for Tax-Exempt Status (Form 1023)</td>
<td>Permanent</td>
</tr>
<tr>
<td>IRS Determination Letter</td>
<td>Permanent</td>
</tr>
<tr>
<td>State Sales Tax Exemption Letter</td>
<td>Permanent</td>
</tr>
<tr>
<td>Contracts (after expiration)</td>
<td>3 years</td>
</tr>
<tr>
<td>Correspondence (general)</td>
<td>3 years</td>
</tr>
</tbody>
</table>

Accounting and Corporate Tax Records

<table>
<thead>
<tr>
<th>Record Type</th>
<th>Retention Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Audits and Financial Statements</td>
<td>Permanent</td>
</tr>
<tr>
<td>Depreciation Schedules</td>
<td>Permanent</td>
</tr>
<tr>
<td>General Ledgers</td>
<td>Permanent</td>
</tr>
<tr>
<td>IRS 990 Tax Returns</td>
<td>Permanent</td>
</tr>
<tr>
<td>Business Expense Records</td>
<td>7 years</td>
</tr>
<tr>
<td>IRS 1099s</td>
<td>7 years</td>
</tr>
<tr>
<td>Journal Entries</td>
<td>7 years</td>
</tr>
<tr>
<td>Invoices</td>
<td>7 years</td>
</tr>
<tr>
<td>Sales Records</td>
<td>5 years</td>
</tr>
<tr>
<td>Membership Records</td>
<td>5 years</td>
</tr>
<tr>
<td>Petty Cash Vouchers</td>
<td>3 years</td>
</tr>
</tbody>
</table>
Cash Receipts 3 years
Credit Card Receipts 3 years

Bank Records
Check Registers Permanent
Bank Deposit Slips 7 years
Bank Statements and Reconciliation 7 years
Electronic Fund Transfer Documents 7 years

Payroll and Employment Tax Records
Payroll Registers Permanent
State Unemployment Tax Records Permanent
Earnings Records 7 years
Garnishment Records 7 years
Payroll Tax returns 7 years
W-2 Statements 7 years

Employee Records
Employment and Termination Agreements Permanent
Retirement and Pension Plan Documents Permanent
Records Relating to Promotion, Demotion or Discharge 7 years after termination
Accident Reports and Worker’s Compensation Records 5 years
Salary Schedules 5 years
Employment Applications 3 years
I-9 Forms 3 years after termination
Time Cards 2 years

Donor Records and Acknowledgment Letters 7 years
Grant Applications and Contracts 5 years after completion

Legal, Insurance and Safety Records
Appraisals Permanent
Copyright Registrations Permanent
Environmental Studies Permanent
Insurance Policies Permanent
Real Estate Documents Permanent
Stock and Bond Records Permanent
Trademark Registrations Permanent
Leases 6 years after expiration
OSHA Documents 5 years
General Contracts 3 years after termination

**IV. Electronic Documents and Records**
Electronic documents will be retained as if they were paper documents. Therefore, any electronic files, including records of donations made online, that fall into one of the document types on the above schedule will be maintained for the appropriate amount of time. If a user has sufficient reason to keep an email message, the message should be printed in hard copy and kept in the appropriate file or moved to an “archive” computer file folder. Backup and recovery methods will be tested on a regular basis.
V. Emergency Planning
NC-SARA’s records will be stored in a safe, secure and accessible manner. Documents and financial files that are essential to keeping NC-SARA operating in an emergency will be duplicated or backed up at least every month and maintained off site.

VI. Document Destruction
NC-SARA’s Executive Director or his/her designee is responsible for the ongoing process of identifying its records, which have met the required retention period and overseeing their destruction. Destruction of financial and personnel-related documents will be accomplished by shredding.

Document destruction will be suspended immediately, upon any indication of an official investigation or when a lawsuit is filed or appears imminent. Destruction will be reinstated upon conclusion of the investigation.

VII. Compliance
Failure on the part of employees to follow this policy can result in possible civil and criminal sanctions against NC-SARA and its employees and possible disciplinary action against responsible individuals. The chief financial officer, Executive Director, and finance committee chair will periodically review these procedures with legal counsel or the organization’s certified public accountant to ensure that they are in compliance with new or revised regulations.
NC-SARA AGENDA ITEM

October 20, 2016

Agenda Item IV: FY 2016 audit – Paul Lingenfelter and Teresa Lubbers, Treasurer

Action Item: ☑ Yes ☐ No

Provided separately

Staff recommendation: Approve the audit
NC-SARA AGENDA ITEM

Agenda Item V: Finance Report – Teresa Lubbers, Treasurer

Action Item: ☑ Yes  ☐ No

The finance report will be provided under separate cover.

Staff recommendation: Approve the finance report
NC-SARA AGENDA ITEM

October 20, 2016

Agenda Item VI: Approval of SARA Manual, incorporating several policy modifications

Action Item: ☑ Yes ☐ No

The SARA Manual will be provided under separate cover.

Background
As SARA was being implemented, it became obvious that a single, continually up-to-date compendium of SARA policies was necessary to ensure consistent implementation and operation nationwide. National and regional staff developed the NC-SARA Policies and Standards document to meet that need. We also developed additional materials, such as FAQs and graphics illustrating application and complaint-handling procedures. The breadth of material now available makes finding guidance on a particular issue more difficult than it should be.

With the support and encouragement of our state and institutional partners, staff have created the SARA Manual. It incorporates the current Policies and Standards, relevant FAQs and other information helpful to SARA states and institutions. State and institutional representatives have reviewed successive drafts.

Notes on Substantive Changes Made in the SARA Manual – September 2016
The SARA regional directors and NC staff made a number of changes to this operational document in the process of converting the existing Policies and Standards and FAQs. These changes were reviewed by NC-SARA legal counsel. We have listed substantive changes below. Minor changes to wording and technical fixes are not listed. Changes recommended for discussion are marked with an asterisk (*).

1. The numbering system has been changed to a code-style system that will make referencing easier. However, it does mean that some documents that refer to a specific section of SARA policies will need to be revised as needed in the future.

2. A Table of Contents and Index have been added.

3. New definitions for Affiliate Member and Non-domestic Institutions have been added. The definition for Supervised Field Experience has been revised.

*4. Some adjustments have been made to the way the federal financial responsibility score is used. 2.5(c) Language dealing with those scores in relation to institutions owned by a corporate “parent” has been added to specify that the relevant score is that of the corporate “parent.”

5. A renewal process graphic flowchart has been added. 2.6(b)(4)

6. A new subsection covering institutions that move to a new Home State has been added. 3.1(c)(3)

7. A new subsection covering policy for systems and entities that own multiple providers has been created. 3.1(d) This has been generated by raising an existing FAQ to the level of policy.
8. A new subsection has been added covering the proper terminology to use in describing operations under SARA. Among other things this limits use of the term “approved.” 3.1(f)

9. A new subsection has been added to bring the language into line with the NC decision in May, 2016 regarding the need to reapply if fees are not paid on time. 3.4(a)

10. A few changes were made to the mechanics of the institutional renewal process. 3.5(b)

*11. Significant new material was added to the subsection covering loss of institutional eligibility. 3.6(d) This incorporates “lessons learned” from one such recent occurrence.

12. A new Section 5, Coverage and Limitations of SARA, has been raised from the former subsections on what does and does not constitute physical presence. NOTE: portions of subsection 5.2 may be superseded by new federal rules, in which case staff will prepare a replacement section for NC approval.

*13. A new subsection was added relating to the applicability of a state’s general-purpose consumer protection laws. 5.1(b) This has been generated by raising an existing FAQ to the level of policy.

*14. A new subsection has been added regarding SARA participation by institutions owned or chartered by the United States government. 5.8 This has been generated by raising an existing FAQ to the level of policy.

15. Material regarding hybrid programs has been placed in a new subsection 5.9 This has been generated by raising an existing FAQ to the level of policy.

16. Material regarding dual-credit courses has been placed in a new subsection 5.10

17. Material regarding tutoring has been placed in a new subsection 5.11 This has been generated by raising an existing FAQ to the level of policy.

**Staff recommendation:** Approve the SARA Manual, including incorporated policy modifications.
NC-SARA AGENDA ITEM

October 20, 2016

Agenda Item VII: Election of Council members – Paul Lingenfelter

Action Item: ☑ Yes ☐ No
NC-SARA AGENDA ITEM

October 20, 2016

Agenda Item VIII: Information Items

Action Item: ☐ Yes ☑ No

a) Quarterly reporting of appealed complaints
b) Enrollment reporting by institutions (see following material)
c) Progress report on NC-SARA independence (see following material)
d) Institutional advisory committee
e) Status of current year work (see following material)
f) Next meeting

Agenda Item VIII (b): Notes on the First NC-SARA Enrollment Reports

The enrollment data posted on the NC-SARA website on September 26, 2016 was reported to NC-SARA in May, 2016 in the first of what will be an annual reporting cycle. (Information about the enrollment survey is available at: http://nc-sara.org/content/enrollment-reports.) As expected, this first attempt was challenging for all of us – institutions and NC-SARA alike.

The data is organized in response to two basic questions accessed from the drop down menu: Where are my state’s institutions enrolling students? and Who’s enrolling students in my state?

First, many thanks to everyone who worked very hard to ensure accurate reporting; you’ve provided the best-available data on this topic. Next year should be much easier for you.

But the data clearly presents problems, the most obvious being that many, many institutions (about a third) reported their out-of-state enrollments to be zero across all states. A much smaller group of institutions (about 20) failed to report at all.

As part of the SARA application process, institutions agree to provide requested data; institutions that failed to report are therefore not abiding by that commitment. And while there certainly are reasons why a SARA institution could accurately report having zero enrollments in a particular state (they actually had no students there, or the number of students was fewer than ten and was therefore, as requested, reported as zero), institutions join SARA because they have out-of-state distance education enrollments.

While it is certainly possible that some institutions reporting zero enrollments across the board could be reporting in accordance with SARA data reporting directions, that is highly unlikely to be the case for all that did so. It seems more likely that institutions
either chose to report in the easiest way possible (zeros across all states), the people who reported don’t know how to access their institution’s data, they don’t know where their students are, or some combination of those factors. If institutions don’t know where their students are, in addition to not meeting their commitment to SARA, they can’t demonstrate that they are in compliance with other states’ laws and regulations – an obvious problem in regard to state regulation and likely to be of serious consequence in coming federal Program Integrity rules. WCET’s State Authorization Network (SAN) has done some “best practice” work on reporting; we’ll work with them to make that information more widely available.

Some complications came from differences between NC-SARA reporting parameters and those of IPEDS; others came from confusion about reporting any internships or other face-to-face activities. NC-SARA will review those differences before the next reporting cycle. And the direction to report zero for state enrollments below ten undoubtedly led to many reported zeros; we will reconsider that issue, as well.

This fall, NC-SARA will convene its data working group to evaluate this first collection cycle and make recommendations for any needed modifications and/or consequences for failure to report. Let’s all do a better job next time.

Marshall A. Hill
**Agenda Item VIII (c): Progress report on establishing NC-SARA as an independent entity**

**Background**
In October 2015, NC-SARA was approved by the Internal Revenue Service as a federal tax-exempt organization under Internal Revenue Code (IRC) Section 501(c)(3). Since then, we have been taking steps needed to support independent operation, separate from WICHE.

Many of these tasks are connected to one another in some way, complicating decisions and affecting timing. The following table shows the progress of our work.

<table>
<thead>
<tr>
<th>Task</th>
<th>Status as of September 2016</th>
<th>Estimated completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Obtain 501(c)(3) status w/ IRS</td>
<td>Done</td>
<td></td>
</tr>
<tr>
<td>Establish bank accounts, hire accounting firm</td>
<td>Done</td>
<td></td>
</tr>
<tr>
<td>Federal form 990</td>
<td>Done</td>
<td></td>
</tr>
<tr>
<td>Transition finance/acct. from WICHE</td>
<td>Done</td>
<td></td>
</tr>
<tr>
<td>Hire firm to audit FY2016</td>
<td>On-site work complete</td>
<td>Early October, 2016</td>
</tr>
<tr>
<td>Phones, computers, printers, other IT services</td>
<td>Done</td>
<td></td>
</tr>
<tr>
<td>Arrange employee benefits</td>
<td>70%</td>
<td>January 1, 2017</td>
</tr>
<tr>
<td>Obtain Directors and Officers Insurance</td>
<td>Done</td>
<td></td>
</tr>
<tr>
<td>Etc., etc., etc.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

NC-SARA will continue in its present location – the building next door to WICHE (and SHEEO and NCHEMS). We couldn’t ask for more supportive partners and colleagues.

Marshall A. Hill
Agenda Item VIII (e): Status of current-year work

GOALS

Goal 1: Continue promoting state membership and institutional participation
Goal 2: Ensure financial self-sufficiency of SARA
Goal 3: Address operational maturation of the organization

ACTIVITIES

1. Identify strategies to increase state membership and institutional participation

2. Refine the process for substantive change to NC-SARA Policies and Standards

3. Ensure operational efficiency for membership of 35-40 states and 1,000+ institutions to include:
   a. One SARA agreement, rather than four - Done
   b. Listserv for portal agency leaders - In Progress
   c. SARA cost study - Done. Repeat late in FY 2017
   d. SARA state portal entity annual meeting - September 19 - 20, 2016
   e. SARA operations or policy manual - Board consideration October, 2016
   f. Facilitate document-sharing among senior SARA staff (i.e., Sharepoint) - Done
   g. SARA effectiveness and efficiency metrics - In Progress
   h. Regular SARA webinars hosted by different regional compacts - Scheduled
   i. Evaluate need for promising (rather than best) practices document

4. Position NC-SARA as a 501(c)(3) entity - 90 percent done

5. Publish initial data collection, reporting and analysis re:
   a. Complaint system - Done
   b. Distance education enrollment - Done

6. Review existing policies and standards with regard to:
   a. Tuition refunds - Summer/fall 2016
   b. Clinical placements/supervised field experiences - Continual
   c. Biannual rather than quarterly reporting of complaint data - Will consider in Spring 2017
   d. Links to institutional distance education pages or Classification of Instructional Program (CIP) codes - Other approach more likely

7. Collaborate on potential solutions to other higher education policy topics
   a. Coordinate updates to SHEEO complaint process site - Continuing discussions
   b. Professional licensure - Continuing discussions

EXECUTIVE SESSION

October 20, 2016

The Council may go into executive session if desired.
EXECUTIVE DIRECTOR PRESENTATIONS MAY 2016 - OCTOBER 2016

USDLA Annual Conference
May 10-12, 2016
Saint Louis, MO

Presidents' Forum Annual Meeting
October 19, 2016
Washington DC

WICHE Commission Meeting
May 15 - 17, 2016
Laramie, WY

NISOD Annual Meeting
May 28 -June 1, 2016
Austin, TX

SREB Steering Committee Meeting
June 9, 2016
Atlanta, GA

WCET Advanced Topics Workshop
June 14-15, 2016
Boulder, CO

Puerto Rico SARA Discussion
June 18 - 22, 2016
Puerto Rico

SHEEO Annual Meeting
July 12 - 15, 2016
Baltimore, MD

SARA Directors Meeting
August 3, 2016
Chicago, IL

MoKanSan (Missouri/Kansas State Authorization Network)
August 17, 2016
Kansas City, MO

SARA Commission Meeting in MA
September 14, 2016
Boston, MA

Meeting of SARA states
September 19-20, 2016
Chicago, IL

WCET Annual Meeting
October 12 - 14, 2016
Minneapolis, MN
National Council for State Authorization Reciprocity Agreements

A voluntary, regional approach to state oversight of distance education