

BOARD OF HIGHER EDUCATION
REQUEST FOR COMMITTEE AND BOARD ACTION

COMMITTEE: Academic Affairs

NO.: AAC 18-26

COMMITTEE DATE: February 27, 2018

BOARD DATE: March 6, 2018

FEE SCHEDULE FOR MASSACHUSETTS INSTITUTIONS SEEKING APPROVAL TO OPERATE UNDER THE STATE AUTHORIZATION RECIPROCITY AGREEMENT (SARA)

MOVED: The Board of Higher Education adopts the attached state annual fee schedule for Massachusetts-based institutions that apply to the Department for approval to operate under SARA.

Authority: M.G.L. c. 15A, § 9, as amended by 2017 Mass. Acts ch. 47, § 10;
M.G.L. c. 69, § 31A, as amended by 2017 Mass. Acts ch. 47, § 36;
M.G.L. c. 15A, § 41

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Student Success

Massachusetts Board of Higher Education
Fee Schedule for Institutions Operating Under SARA

Background

Background

At its October 31, 2017 meeting, the Board voted (AAC 18-08) to approve the Department's participation in the State Authorization Reciprocity Agreement (SARA) and delegated to the Commissioner the authority to take the necessary steps to pursue Massachusetts' entry into SARA. At its December 12, 2017 meeting, the Board voted (AAC 18-15) to authorize the Commissioner to solicit public comment on the proposed regulations.

The proposed regulations contained authorization for the Department to charge annual fees to institutions seeking approval to operate under SARA, in addition to the fees charged by NC-SARA. The fees will be retained by the Department in the Licensing Fee Trust Fund and used to support the Department's implementation of SARA, including hiring a new staff member to serve as SARA Coordinator and process applications and student complaints, and working with IT to develop a database to track applications, deadlines, and complaints. The fees will allow the Department's implementation of SARA to be self-supported (i.e., require no additional state appropriation) after FY19.

The proposed fee schedule (**Attachment A**) was developed after extensive research into the fees charged by other SARA states with comparable oversight bodies and the cost to the Department of implementing SARA. The proposed fee schedule parallels the fee schedule in Connecticut, while containing an exemption for community colleges that was also implemented in Illinois. The proposed fees will result in far lower costs to institutions than they would incur paying on a state-by-state basis to obtain approval in other states to offer online programs to those states' residents.

Simultaneously with the finalization of the proposed regulations governing Massachusetts' participation in SARA, the Department requested feedback on the proposed fee schedule from interested stakeholders. The comments received confirmed that this fee approach will be less expensive for institutions than the current requirement to register separately in any state where an institution enrolls distance education students.

The Department anticipates that the Commissioner annually will review the fee schedule to ensure that it remains fair and sufficient and, as appropriate, will recommend to the Board adjustments to the schedule.

Recommendation

Staff recommends that the Board approve the attached fee schedule for institutions seeking approval to operate under SARA.



SARA Fee Schedule

Effective March 6, 2018

Institution's total full-time equivalent (FTE) enrollment as reported in the Federal Integrated Postsecondary Education Data Systems (IPEDS)*	Total Annual Fee
Community Colleges	\$0
Under 2,500 FTE	\$3,000
2,500-9,999 FTE	\$6,000
10,000-19,999 FTE	\$9,000
20,000 or more FTE	\$12,000

*Institutions not reporting to IPEDS would use the FTE count for the previous year.