

610 CMR 12.00: OPERATION OF MASSACHUSETTS DEGREE-GRANTING INSTITUTIONS
UNDER THE STATE AUTHORIZATION RECIPROCITY AGREEMENT (SARA)

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12.01: Scope and Purpose

(1) 610 CMR 12.00 governs the entry of the Commonwealth into the State Authorization Reciprocity Agreement (SARA), a higher education interstate reciprocity agreement that permits institutions of higher education in Massachusetts to offer distance education programs in other participating states without needing to obtain degree-granting authorization separately from each state and that, in return, permits duly authorized institutions of higher education in other participating states to offer distance education programs to Massachusetts students without needing to obtain degree-granting authority from the Commonwealth pursuant to 610 CMR 2.00: *Degree-granting Regulations for Independent Institutions of Higher Education* and consistent with 34 CFR Part 600. 610 CMR 12.00 establishes minimum standards for Massachusetts institutions that voluntarily apply to join SARA and sets forth the requirements for initial institutional applications, renewals, removals, and consumer complaints.

(2) 610 CMR 12.00 does not affect the existing obligations of in-state institutions to seek and obtain institutional and programmatic reviews and approvals for degree-granting programs from the Board for all programs, including distance and online programs, as set forth in 610 CMR 2.00: *Degree-granting Regulations for Independent Institutions of Higher Education*. 610 CMR 12.00 does not affect the existing jurisdictional exemptions from 610 CMR 2.00 for in-state institutions chartered prior to 1943 that are authorized by the legislature or state constitution to offer degree programs and confer post-secondary degrees in Massachusetts; except that such institutions which seek to offer distance education programs under SARA shall be subject to 610 CMR 12.00 for the purpose of SARA participation. It also does not apply to:

- (a) out-of-state institutions that are not members of SARA which seek to offer distance education to Massachusetts residents; and
- (b) out-of-state institutions that are not members of SARA which establish a physical presence in Massachusetts pursuant to the Department's physical presence policy and/or regulations.

12.02: Definitions

As used in 610 CMR 12.00:

Accreditation. Accreditation as a U.S.-based institution from an accreditor recognized by the U.S. Department of Education.

Board. The Board of Higher Education, a state agency established pursuant to applicable provisions of M.G.L. c. 15A.

Commissioner. The chief executive and administrative officer of the Department of Higher Education and the Board of Higher Education, pursuant to M.G.L. c. 15A, § 6.

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Complaint. A formal written submission to the Department asserting that the terms and policies of SARA, the laws, standards, or regulations incorporated by SARA, and/or the provisions of 610 CMR 12.00 are being violated by a person, institution, state, agency, or other organization or entity operating under SARA.

C-RAC Guidelines. *The Interregional Guidelines for the Evaluation of Distance Education (Online Learning)* for best practices in postsecondary distance education developed by leading practitioners of distance education and adopted by the Council of Regional Accrediting Commissions (C-RAC) in 2011.

Department. The Department of Higher Education, a state agency established pursuant to applicable provisions of M.G.L. c. 15A, § 6 and which shall serve as the portal entity for SARA in Massachusetts.

Distance Learning or Distance Education. Instruction offered by any means where the student and faculty member are in separate physical locations. It includes, but is not limited to, online, interactive video, or correspondence courses or programs. It does not include intrastate distance education activity.

Home State. The SARA member state in which an institution holds its legal domicile.

IPEDS. The Integrated Postsecondary Education Data System, the federal postsecondary education data collection program.

Legal Domicile. The state in which the institution's principal campus holds its institutional accreditation and, if applicable, its Federal Office of Postsecondary Education Identifier (OPEID) number.

Member State. Any state, commonwealth, district, or territory of the United States that is a participant in good standing in SARA.

National Council for SARA or NC-SARA. The National Council for State Authorization Reciprocity Agreements, the central coordinating body for SARA participation.

New England Board of Higher Education or NEBHE. The regional compact as established in the SARA Manual that administers SARA for Massachusetts.

Operating under SARA. Offering distance education courses or programs in a state other than Massachusetts under the purview of SARA, pursuant to 610 CMR 12.00 and the requirements of the SARA Manual.

Portal Entity. The single entity designated by the Commonwealth to serve as the interstate point of contact for institutional applications, questions, complaints, and other communications relating to a reciprocity agreement.

Postsecondary Institution or Institution. An institution of higher education located within Massachusetts legally authorized to award degrees at the associate level or above.

Reciprocity Agreement. A voluntary agreement that establishes reciprocity between willing states for approval of postsecondary educational services delivered by distance learning beyond state boundaries and that is consistent with the requirements set forth in 34 CFR Part 600.

SARA Manual. The document as adopted and periodically updated by NC-SARA to administer the voluntary regional approach to state oversight of distance education.

State Authorization Reciprocity Agreement or SARA. The state authorization reciprocity agreement or the voluntary program which implements reciprocity agreements among states, districts, or territories, institutions, and NC-SARA.

12.03: Institutional Eligibility Requirements for SARA

- (1) To be eligible for approval to operate under SARA, a Massachusetts institution shall:
 - (a) be legally domiciled in Massachusetts;
 - (b) be authorized by the Board or, for institutions chartered prior to 1943, authorized by the Massachusetts legislature or state constitution to offer degree programs in Massachusetts and confer postsecondary degrees in Massachusetts;
 - (c) be in compliance with the requirements of 610 CMR 2.00: *Degree-granting Regulations for Independent Institutions of Higher Education*, where applicable;
 - (d) meet and agree to comply with the C-RAC Guidelines;
 - (e) possess and maintain institutional accreditation from an accrediting body recognized by the U.S. Secretary of Education;
 - (f) for nonpublic institutions only, demonstrate financial stability and responsibility by meeting the following criteria:
 1. for federal Title IV participating institutions, having an institutional federal financial responsibility score of at least 1.5 (or 1.0 with justification acceptable to the Commissioner in his or her sole discretion);
 2. in the event that an institution does not participate in federal Title IV financial aid or for any other reason does not have a federal financial responsibility rating, retaining an independent auditor to calculate this rating or providing sufficient financial evidence to the Department to allow the calculation of this rating using the federal rules; or
 3. for institutions owned by a corporate parent, in accord with current U.S. Department of Education policies and procedures, providing the financial score for the corporate parent and said score being at least 1.5 (or 1.0 with justification acceptable to the Commissioner in his or her sole discretion).
 - (g) agree to be bound by and comply with the SARA Manual and to be responsible for the actions of any third-party providers used by the institution to engage in operations under SARA;
 - (h) make its SARA-related complaint policies and procedures readily available to students by posting them on its website and distributing copies to students upon enrollment, and inform students that they may appeal SARA-related complaints to the Department after exhausting the institution's own complaint resolution procedures;
 - (i) agree to provide the Department with any information requested that is relevant to a student's complaint, including data, to the extent permitted by applicable law, in order to assist the Department with resolving the student complaint;
 - (j) upon submission of an initial or renewal application, pay to the Department the state fees as required by 610 CMR 12.08 and as set forth in Board policy;
 - (k) pay an annual SARA participation fee to NC-SARA as required by the SARA Manual; and
 - (l) report any other information required by the SARA Manual, the Department, and/or 610 CMR 12.03 that may enable the Department to determine the suitability of the institution's operation under SARA.
- (2) In addition to other additional requirements established by federal or state laws outside of the Commonwealth, for any course or program designed to lead to, advertised as leading to, or potentially leading to professional licensure or certification, an institution, regardless of whether such institution participates in federal Title IV financial aid, must satisfy all federal requirements for disclosures regarding such professional licensure programs under 34 CFR § 668.43. Institutions that are unable, after all reasonable efforts, to determine whether a course or program will meet professional licensure requirements in other SARA states shall provide the student or applicant with current contact information for any applicable licensing boards and advise the student or applicant that they should determine whether the program meets requirements for licensure in the state where the student or applicant is located.
- (3) An institution seeking initial approval or renewal of its approval to operate under SARA must notify the Department of any adverse actions by its accreditor or of any negative changes to its accreditation status within 30 days of the institution's knowledge of said adverse action or negative change.

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(4) An institution seeking initial approval or renewal of its approval to operate under SARA must notify the Department, within 30 days of the institution's knowledge of said investigation or adverse action, of any of the circumstances that could lead to provisional status set forth in 610 CMR 12.05(5)(c).

(5) An institution seeking initial approval or renewal of its approval to operate under SARA must notify the Department of any changes in its federal financial responsibility score, in the federal financial responsibility score of its corporate parent, or, for an institution that does not participate in Title IV financial aid, in its financial status that would result in its federal financial responsibility score being less than 1.5 within 30 days of the institution's knowledge of said changes.

(6) Institutions approved to operate under SARA pursuant to 610 CMR 12.04 must maintain eligibility requirements throughout the participation period. Any institution that fails to maintain eligibility under these requirements may lose its eligibility to operate under SARA and be removed by the Board pursuant to 610 CMR 12.06.

12.04: Initial Application for Approval to Operate under SARA

(1) The Department shall be the SARA portal entity for the Commonwealth and shall provide the services required to implement SARA.

(2) An institution meeting the eligibility requirements set forth in 610 CMR 12.03 may apply to the Department for approval to operate under SARA. The Department shall make application forms available on its website.

(3) An institution should submit its complete application, along with the fee required by 610 CMR 12.08 and set forth in Board policy, to the Department. The Department will conduct an initial review of the application for completeness. All incomplete applications will be returned to the institution along with the remitted fee. No action aside from a review for completeness will be taken on an institution's application until it is deemed by the Department to be complete and the required fee has been processed.

(4) All properly submitted and complete applications will be reviewed by the Department to determine whether the institution meets the eligibility requirements set forth in 610 CMR 12.03 and whether the institution is in compliance with the SARA Manual.

(5) At the conclusion of the Department's review of an institution's application, the Department shall take one of the following actions:

(a) Approval. The Department shall approve all institutions that meet the requirements set forth in 610 CMR 12.03. The term of approval shall be one year from the date of notification of approval and may be renewed annually thereafter pursuant to 610 CMR 12.05. Upon approval by the Department to operate under SARA, the institution will be sent an electronic link to make payment to NC-SARA, and the Department will notify NC-SARA when an institution has completed the application process.

(b) Disapproval. The Department shall disapprove all institutions that do not meet one or more of the requirements set forth in 610 CMR 12.03. If an institution's application to operate under SARA is not approved, the Department will provide the institution with a written explanation of such disapproval. The institution may appeal any disapproval to the Commissioner or his or her designee in a timeframe and manner to be prescribed by the Commissioner and it may submit additional information in support of its position. An institution that has been disapproved is not prohibited from reapplying to the Department for approval to operate under SARA.

(c) Provisional Approval. The Department may, at its discretion, provisionally approve institutions for participation in SARA in any of the following circumstances:

1. If the institution is on probationary status or the equivalent with its institutional accrediting association;

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2. If the institution is currently using a letter of credit or is under a cash management agreement with the U.S. Department of Education;
3. If the institution is the subject of a publicly announced investigation by a government agency, and the investigation is related to the institution's academic quality, financial stability or student consumer protection; or
4. If the institution is the subject of a current investigation by an entity in the Commonwealth related to the institution's academic quality, financial stability or student consumer protection.

An institution admitted to or renewed for SARA participation in provisional status will be subject to the oversight measures that the Department deems necessary for purposes of ensuring SARA requirements are met regarding program quality, financial stability and consumer protection. The length of the provisional status of an institution shall be determined by the Department consistent with the SARA Manual.

During or at the end of the provisional status period, if an institution approved to operate under SARA in provisional status is no longer subject to any of the conditions listed above, it may apply in writing to the Commissioner to remove its provisional status designation. The Commissioner or his or her designee shall grant the application if the criteria justifying provisional status no longer apply.

During or at the end of the provisional status period, if the Commissioner determines that the institution approved to operate under SARA in provisional status does not meet the requirements of SARA, the Department will disallow any further enrollments under SARA, notify the institution, NEBHE, and NC-SARA, and remove the institution from SARA participation. The Department will allow any students enrolled in the institution under SARA at the time of the finding of noncompliance a period of six months from the date the Department notifies the institution of its ineligibility in which to conclude their work at the institution.

The Commissioner may, in his or her sole discretion, allow the institution a period of time not to exceed 12 months from the date of his or her determination that the institution in provisional status does not meet the requirements of SARA in which to come into compliance with SARA standards under the supervision of the Department. Only one such grace period is allowed in any three-year period.

12.05: Application for Renewal of Approval to Operate under SARA

(1) Approval for participation in SARA is valid for one year from the date of notification of the Board's approval of an institution's initial or renewal application. An institution is required to annually submit an application for renewal of participation in SARA.

(2) An institution will receive a reminder that it must submit an application for renewal of its approval to operate under SARA 90 days prior to the expiration of its existing term of approval.

(3) An institution applying for renewal must submit its complete application, along with the fee required by 610 CMR 12.08 and set forth in Board policy, to the Department no later than 60 days prior to the expiration of its existing term of approval. The Department shall make renewal application forms available on its website. An institution should submit its renewal application, along with the fee required by 610 CMR 12.08 and set forth in Board policy, to the Department.

If an institution does not submit its application 60 days prior to the expiration of its existing term of approval, the Commissioner may charge the institution a late fee in the amount of \$25.00 per day for up to 60 days, until the expiration of the existing term of approval.

No action will be taken on an institution's renewal application until it is deemed by the Department to be complete and all required fees have been processed.

(4) All properly submitted and complete renewal applications will be reviewed by the Department to determine whether the institution continues to meet the eligibility requirements set forth in 610 CMR 12.03 and whether the institution is in compliance with the SARA Manual, including a review of the history of complaints received regarding an institution and its compliance with the requirements of 610 CMR 2.00: *Degree-granting Regulations for Independent Institutions of Higher Education*, if applicable. Following its review, the Department will make a determination on the renewal of an institution's approval to operate under SARA consistent with the procedures set forth in 610 CMR 12.04(5).

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(5) If an institution knows that it will not be applying for renewal to operate under SARA, it should provide the Department with written notice to that effect 30 days prior to the expiration of its approval to operate under SARA.

(6) An institution that does not apply for renewal prior to the expiration of its approval is no longer approved to operate under SARA and may reapply to the Department for approval no earlier than 180 days from the date of the expiration of its approval.

12.06: Loss of Eligibility and Removal

The Department may revoke an institution's approval to operate under SARA if it makes a finding that the institution is no longer eligible, that the institution is not in compliance with the SARA Manual, or that the institution otherwise fails to meet the requirements of 610 CMR 12.00. The Department shall notify an institution of the revocation in writing. An institution may appeal a revocation of its approval to operate under SARA to the Commissioner or his or her designee in a timeframe and manner prescribed by the Commissioner. It may submit additional information in support of its position, and it may request that a public hearing on its removal from SARA be held.

12.07: Complaints

(1) 610 CMR 12.07 applies only to complaints which pertain to distance education provided by institutions approved by the Board to operate under SARA to students residing in other states pursuant to SARA. Complaints about a SARA institution's in-state operations, including intrastate distance education, are to be resolved pursuant to 610 CMR 2.00: *Degree-granting Regulations for Independent Institutions of Higher Education Standards*, where applicable, or otherwise in accordance with the institution's policies.

(2) A student who receives SARA distance education from an institution approved by the Board to operate under SARA may, after exhausting the institution's procedures for resolution of grievances, file a written complaint regarding the institution with the Department. The Department shall make complaint forms available on its website: www.mass.edu.

(3) The Department shall review and attempt to resolve complaints which pertain to SARA distance education provided by institutions approved by the Board to operate under SARA as follows:

- (a) The Department shall send a copy of the complaint to the institution that is the subject of the complaint;
- (b) Within 30 days of the date that the Department sends a copy of the complaint to the institution, the institution must provide a written response to the student and the Department;
- (c) Within 30 days of the date the Department received the institution's response, or if the Department receives no response, the Commissioner or his or her designee shall issue a notice to the institution containing the Commissioner's findings regarding the complaint; any corrective actions that the institution shall take to comply with the requirements of 610 CMR 12.00; and that, should the institution fail to take those corrective actions, the complaint shall be referred to the Office of the Attorney General for review and, if the Office of the Attorney General deems it appropriate, enforcement action.
- (d) The Department may review and consider an institution's history of complaints received under 610 CMR 12.07, and 610 CMR 2.00: *Degree-granting Regulations for Independent Institutions of Higher Education* to determine if an institution's application should be denied, if an institution's renewal application should be denied, if an institution should be moved to provisional status, or if an institution should be disapproved to operate under SARA.
- (e) Nothing in 610 CMR 12.07 precludes the Commonwealth, including the Office of the Attorney General, from simultaneously enforcing its laws and regulations, including laws of consumer protection and fraud prevention, such as 940 CMR 31.00: *For-profit and Occupational Schools*, against an institution approved by the Department to operate under SARA.

12.08: Fees

- (1) Massachusetts institutions seeking approval to operate under SARA shall be subject to annual fees to be paid to the Department to obtain and/or maintain their participation in SARA. The Department annual fee is separate from and in addition to the annual fee charged by NC-SARA.
- (2) The annual fee schedule shall be established by the Board through policy and shall be periodically reviewed and revised as needed. Factors that the Board may take into account in setting fee levels may include, but not be limited to: the number of Massachusetts institutions participating in SARA; the full-time equivalent enrollment at institutions as reported to IPEDS; the cost to the Commonwealth to administer SARA; distance learning revenue; and industry norms, such as average fees charged by similarly situated SARA states.
- (3) All fees required under these regulations shall be paid to the Board's Licensing Fee Trust Fund and shall be used solely for the purposes of the Licensing Fee Trust Fund.
- (4) The annual fees for approval to operate under SARA shall be due upon an institution's submission of an application for initial approval (pursuant to 610 CMR 12.04) or an application for renewal (pursuant to 610 CMR 12.05). Applications, both initial and renewal, will not be reviewed by the Department until the required fee has been processed.
- (5) In addition to the fees required by 610 CMR 12.08(1) and set forth in Board policy, institutions that have been approved by the Department to participate in SARA shall be subject to the annual fees required by NC-SARA as provided in the SARA Manual. All institutions, regardless of the Department's fee schedule, must remit fees to NC-SARA.
- (6) If the Department disapproves an institution's application, the institution will be eligible for a partial refund of its annual fee, minus an amount to be determined by the Board which represents the costs to the Department for application review. If NC-SARA disapproves an institution's application after the Department has approved it, no refund will be made.
- (7) No refund shall be made to an institution that is removed from eligibility pursuant to 610 CMR 12.06 during an approval period.

12.09: Withdrawal

- (1) Should Massachusetts withdraw from SARA, the Department will notify all SARA participating institutions in Massachusetts of the Commonwealth's changed status.
- (2) An institution operating under SARA through Massachusetts may continue to do so until the conclusion of its current academic term or 90 days after the date of receipt of notice of withdrawal, whichever is later, but not to exceed six months from the date the withdrawal notice was received by the NEBHE.

12.10: Non-SARA Reciprocity Agreements

Nothing in this regulation shall preclude the Commonwealth from pursuing and entering into any other reciprocity agreement with any other state, commonwealth, district, or territory, including those states, commonwealths, districts, or territories that are not members of SARA.

REGULATORY AUTHORITY

610 CMR 12.00: M.G.L. c. 15A, § 9; M.G.L. c. 69, § 31A; and M.G.L. c. 15A, § 41.