

RENEWAL

MEMORANDUM OF UNDERSTANDING

BETWEEN

ALABAMA COMMISSION ON HIGHER EDUCATION (ACHE)

AS

ALABAMA STATE PORTAL ENTITY

AND

(_____)

NAME OF INSTITUTION

This Memorandum of Understanding (MOU) is entered into by the aforementioned parties to facilitate membership in the interstate distance education compact known as the State Authorization Reciprocity Agreements (SARA), which is coordinated through the National Council for State Authorization Reciprocity Agreements (NC-SARA). Membership in SARA establishes recognition of comparable standards in the interstate delivery of postsecondary distance education courses and programs.

Purpose of MOU: This MOU is provided in compliance with the Code of Alabama [Section 16-67-1](#) "Reciprocity committee and fund" [Code Of Alabama \(state.al.us\)](#), which established the Alabama State Reciprocity Committee (SRC) and provides for offering and receiving distance education (delivery) within any reciprocity exchange as determined and agreed by the Governor or the Alabama Commission on Higher Education (ACHE) to ensure the following:

1. Identity of the institutions and ACHE (the Parties) and their roles and responsibilities;
2. Provide a process to review and to act upon complaints concerning the institution(s) and enforcement within the limits of agreement and/or applicable state law(s); and
3. Support consistent consumer protection in interstate distance delivery of postsecondary education.

Responsibilities of the ACHE serving as the designated "State Portal Entity" (SPE):

1. Establish a website contact point to allow institutions to download membership materials and general information, and students enrolled in distance education to file complaints.
2. Receive and review complaints from out-of-state distance education students against a member institution related to a) postsecondary licensure, b) consumer protection, and c) educational services (quality) provided by member institutions.

a) Postsecondary licensure is defined for the purposes of operating as a member of NC-SARA and under the guidelines requiring accreditation recognition, authorization and recognition by the state (portal), and having met all requirements of membership.

b) Consumer protection complaints are identified as the protection of the consumer against false advertising, sale, or distribution of merchandise or services through a deceptive means. Complaints of any deceptive practice will be forwarded to the Alabama Attorney General's office for disposition. In addition to the portal's review of all written complaints, the materials will be forwarded to the Attorney General's Constituent Services office.

c) Educational Services (Quality) as defined under this agreement pertains to an institution's courses and programs provided at an appropriate level to a certificate or degree.

- i The faculty and staff meet appropriate training and degree levels to offer said courses and programs including all student services.
- ii In all, "Interregional Guidelines for the Evaluation of Distance Education" established by the Council of Regional Accrediting Commissions (C-RAC) are to be applied.
- iii "SARA has no effect on state professional licensing requirements. Any institution approved to participate in SARA that offers courses or programs designed to lead to professional licensure or certification or advertised as leading to licensure must satisfy all federal requirements for disclosures regarding such professional licensure programs under 34 §C.F.R. 668.43. For SARA purposes, these requirements will also apply to non-Title IV institutions. For SARA purposes, institutions that are unable, after all reasonable efforts, to determine whether a program will meet state professional licensure requirements shall provide the student or applicant with current contact information for any applicable licensing boards, and advise the student or applicant to determine whether the program meets requirements for licensure in the state where the student is located."

(Source: SARA Policy Manual, Version 22.1, "5.2 Programs leading to Professional Licensure" p. 48 [SARA Policy Manual 22-1 6-27-2022.pdf \(nc-sara.org\)](#))

3. Follow the established process for handling student complaints against a member institution:
- a) A written complaint by the student must be filed with the portal (SPE) on any alleged violation of postsecondary licensure, consumer protection, or educational services (quality) that falls within the parameters of the enrollment agreement. The complaint form is available on the ACHE (ASAP) website.
 - b) In all complaints, the affected parties will be notified as to the nature of the complaint, process to be followed, the possibility of an onsite review, and release of the findings.
 - c) A formal complaint file will be maintained by the portal agency creating a record of all pertinent information related to the complaint, the review, and the outcome (findings) for the permanent record. A final determination notice will be provided to all involved parties and as applicable to NC-SARA for any action that may be required.

- d) Any complaint against the portal should be filed directly with the State Reciprocity Committee.
4. Preserve all records/materials handled by the portal in hard copy and electronic formats (under state protection and preservation guidelines) and protect said records from any catastrophic event, which includes archives, off-site server protection, and state electronic protection.
5. Comply with SARA and State regulations around surety bonds

A surety bond is required to provide protection for the enrolled student in case of financial loss due to closure or catastrophic loss of the institution. This bond is to protect only out-of-state students enrolled under the NC-SARA program. The signature or stamp/seal of the bond company must be included on the surety bond form and submitted with the complete MOU to the portal. The signature must be an officer/director authorized under the bond company's authority to operate and to enter into said agreements. A private non-profit or for-profit may become eligible to participate in the NC-SARA/SPE, if the institution has been authorized under Title IV and has a financial liability composite score of 1.5 or higher as reflected in the annual audit. All applications are considered on a case-by-case basis.

If required as part of the membership application process, evidence/certification of a surety bond that is in force to protect all eligible third-party participants under the NC-SARA/SPE membership agreements. The surety bond is apart and above the institution's requirement to have a formal plan to deal with any catastrophic and/or closures during the term of the agreements under §602.24(c) of federal requirements. The surety bond requirement will be enforced to ensure that a non-public institution participating in NC-SARA is financially stable. Each identified institution will be reviewed annually to determine its continuing eligibility to participate in NC-SARA. Institutions with three consecutive years below 1.5 and/or below 1.0 are not eligible to participate in NC-SARA.

Alabama requires a surety bond to operate within the state that is associated with licensure through the Alabama Community College System. Proof of the surety bond is sufficient to meet eligibility under NC-SARA/AL-SARA providing all other requirements have been met. Surety bonds set by the Alabama Community College System are \$50,000 for degree granting institutions. Nondegree institutions do not qualify for SARA.

6. Review and process institutional applications for SARA Membership in accordance with applicable Alabama law and regulations:

- a) Full Membership:

All public and private degree-granting institutions in Alabama that are accredited and meet NC-SARA's requirements for membership (SEE "Section 3.1" of the "[SARA Policy Manual 21.1](#)": [SARA Policy Manual 22.1 | NC-SARA](#)) are eligible to join NC-SARA. Existing members that abide by all requirements and are in good-standing are eligible for renewal. Initial and renewal application requirements and deliverables are identified on ACHE's website: [Appl-Check-List.pdf \(ache.edu\)](#).

b) Provisional Membership

Institutions applying for initial or renewal membership that do not qualify for full membership status may be considered for provisional status. Any institution that has a circumstance identified in section "3.2, a." of the "[SARA Policy Manual, Version 21.1](#)" [SARA Policy Manual 21.1.pdf \(nc-sara.org\)](#) may be considered for provisional member status on a case-by-case basis. The SPE reserves the right to request additional documentation to make an informed decision. Within thirty days (30) of receipt of a written request and additional documentation if requested, the SPE will render a decision in writing to the institution and the State Reciprocity Committee. Institutions denied membership may appeal to the State Reciprocity Committee. The Committee will make its decision and respond in writing within thirty days of receipt of a written request. If approved by either the ASPA or the Committee, the SPE will notify SREB and NC-SARA of the institution's status.

c) Membership Denial:

Institutions that are denied membership may appeal in writing to the State Reciprocity Committee. Appeals are sent to ACHE, and ACHE will forward them to the Committee. A decision will be rendered within 30 days of receipt.

Appeals should be sent to the following address:

ATTN: Executive Director
Alabama Commission on Higher Education
P.O. Box 302000
Montgomery, AL 36130-200

d) Memorandum of Understanding:

For the purpose of joining the NC-SARA, the State of Alabama Memorandum of Understanding must be completed and submitted with all appropriate documents.

7. Collect and process state membership fees

Two payments of annual fees are required for participation in NC-SARA. One fee is paid to the State Portal Entity, which is ACHE, while the other fee is paid directly to NC-SARA. Fees are submitted with the application packet along with all appropriate documentation.

NC-SARA and State Annual Fees are based upon Institutional Full Time Enrollment (FTE) which is determined by established IPEDS records.

1. Alabama State Portal Agent Administrative Fee (ASPA): Portal Fees are paid to the Alabama Commission on Higher Education by submission of an institutional or corporate check (warrants).

Make the check out to: **State of Alabama (ACHE-ASPA)**

Warrants (checks) should be mailed to one of the following addresses:

<p><u>Standard US Mail:</u> Alabama Commission on Higher Education P.O. Box 302000 Montgomery, Alabama 36130-2000</p>	<p><u>UPS or FedEx:</u> Alabama Commission on Higher Education 100 North Union Street Suite 782 Montgomery, Alabama 36104-3758</p>
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ASPA Fee Structure:

Institutional Enrollment (FTE).....	Annual Fee*
Under 2,500.....	\$2,000
2,500-9,999.....	\$4,000
10,000 or more.....	\$6,000

2. **NC-SARA Fees:** Payment of fees are made directly to NC-SARA. Upon state level approval (ASPA), the NC-SARA System will email the Primary Institution Contact with their institution specific registration and payment URL (FYI – the same URL will be used for NC-SARA renewal payments).

NC-SARA Fee Structure:

Institutional Enrollment (FTE).....	Annual Fee*
Under 2,500.....	\$2,000
2,500-9,999.....	\$4,000
10,000 or more.....	\$6,000

* As of 2021, the ASPA fees mirror the national fees. The ASPA fees may be revised as needed in accordance with NC-SARA compliance.

*NC-SARA may revise fees as needed.

ACHE-ASPA-SARA Contact Information:

Mr. Ron Leonard, State Portal Entity
Contact
Alabama Commission on Higher Education
100 North Union Street
Montgomery, Alabama 36104-3758
Telephone: 334-242-2211
Email: ron.leonard@ache.edu

INSTITUTIONAL RESPONSIBILITIES:

With this application and aligned with NC-SARA, the limits of this agreement apply solely to distance education activity conducted across state lines. It does not apply to inside the state or on-grounds distance education activities. Membership in NC-SARA or distance education activities promoted or handled by SPE (Portal) have no effect on state professional licensing requirements. A formal notification by the institution to the student indicating that the NC-SARA programs/courses meet or do not meet the student’s state professional certification/licensure requirements as part of the enrollment process is required. Failure to do so by the institution will invalidate NC-SARA eligibility of any course or program offered without said notice.

It is highly recommended that all institutions applying for NC-SARA participation review the SARA Policy Manual 22.1 ([SARA Policy Manual 22.1 | NC-SARA](#)), prior to application.

I (the) undersigned representing _____ (institution) are hereby authorized to enter into this Memorandum of Understanding and Agreement to participate in NC-SARA through collaboration with the Alabama Commission on Higher Education, the Portal for purposes of providing distance education activities to non-Alabama residents. In meeting the requirements of NC-SARA and having submitted all fees and application materials request formal membership.

Authorizing Institutional Official Signature

Date of Application

Print Name

Print Title

Institution Name and Location

Enrollment (FTE)

Accrediting Agency Name

Last Accreditation Date

Name of Contact Person, if not authorizing official

Phone

Address

Email

ACHE/Portal (SPE)

Coordinator, Alabama SPE

Date