



FLORIDA DEPARTMENT OF
EDUCATION
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Florida Department of Education
Postsecondary Reciprocal Distance Education Coordinating Council
ANNUAL REPORT
- Fiscal Year 2019-2020 -

Table of Contents

Overview	3
Council Structure	3
Postsecondary Reciprocal Distance Education Coordinating Council Members	3
Institutional Sector Participation.....	4
Support for the Council.....	5
Fiscal Analysis.....	6
2019-2020 FL-SARA Expenses	6
2019-2020 FL-SARA Annual Fee Revenue	6
Recent Budgetary Fluctuation	7
Fee Reduction Timeline.....	8
Institutional Data Reporting.....	9

Overview

The Florida Department of Education Postsecondary Reciprocal Distance Education Coordinating Council (Council) presents its 2019-2020 Annual Report. This report provides information about Florida institutions participating in the State Authorization Reciprocity Agreement (SARA).

Florida became a member of SARA in 2017 after legislation was enacted authorizing Florida to join a reciprocity agreement with other states for the delivery of postsecondary distance education with incredible return on investment. 86,119 Florida students are enrolled in distance education programs at institutions in other SARA states.

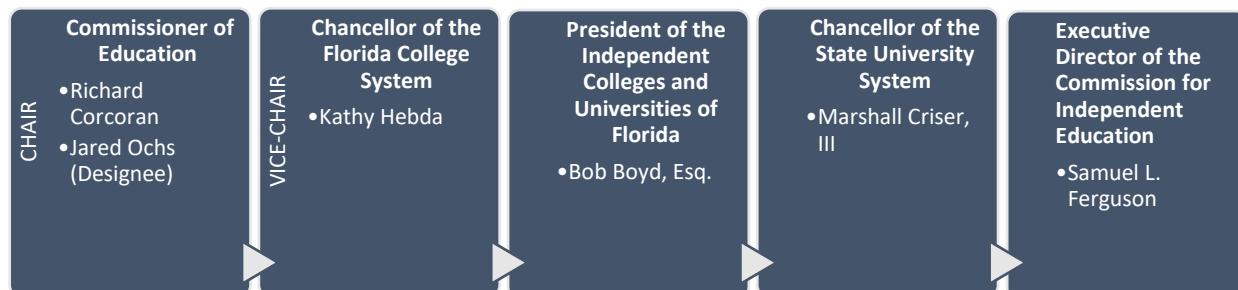
The legislation also created the Postsecondary Reciprocal Distance Education Coordinating Council. The role of the Council is to provide oversight and guidance to postsecondary institutions in the State of Florida that elect to follow the national standards for interstate offering of postsecondary distance education courses and programs. *See* Section 1000.35, F.S.

Council Structure

The Council is comprised of five council members as authorized by section 1000.35, Florida Statutes. Council membership is comprised of the following individuals or their designees:

- Commissioner of Education
- Chancellor of the Florida College System (FCS)
- Chancellor of the State University System (SUS)
- Executive Director of the Commission for Independent Education (CIE)
- President of the Independent Colleges and Universities of Florida (ICUF)

Postsecondary Reciprocal Distance Education Coordinating Council Members



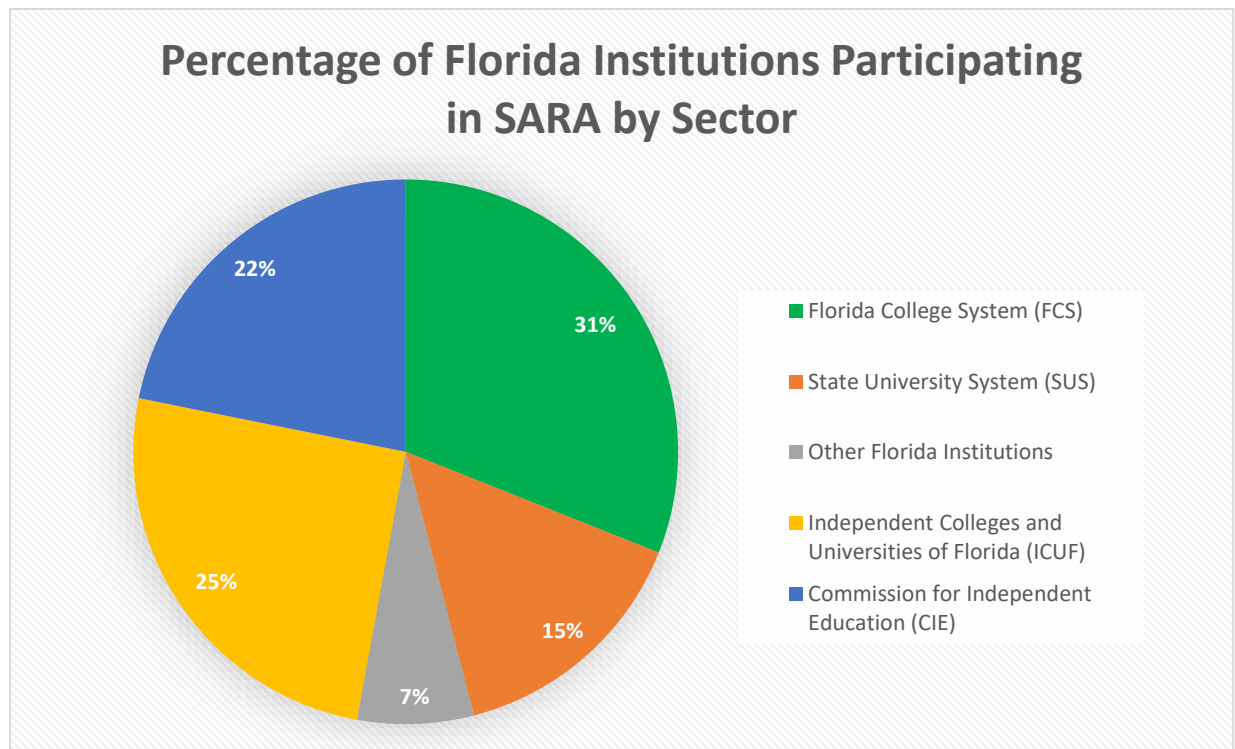
Institutional Sector Participation

During fiscal year 2019-2020, the FL-SARA Council held four (4) meetings on the following dates: July 9, 2019; September 30, 2019; December 5, 2019; and April 23, 2020. The Council approved five (5) new institutions for SARA participation and approved eighty-two (82) renewal applications. In total, eighty-seven (87) institutions participated in SARA during fiscal year 2019-2020.

Sector	Number of Institutions Participating in FL-SARA for FY 2019-20
Commission for Independent Education (CIE)	19
Florida College System (FCS)	27
Independent Colleges and Universities of Florida (ICUF)	22
State University System (SUS) ¹	13
Other Florida Institutions ²	6
Total participating institutions	87

¹ The University of South Florida has three campuses and each participate separately in FL-SARA.

² This sector includes institutions that operate under s. 1005.06(1)(f), F.S.



Support for the Council

By statute, the administrative duties related to the Council are delegated to the staff of the Commission for Independent Education within the Florida Department of Education. *See* s. 1000.35(3), F.S. The primary responsibility of staff is to support Council members in their statutory mission to operate as the single portal entity for administration of the reciprocity agreement. The Council is tasked by statute with reviewing and approving applications from Florida institutions to participate in the agreement and ensuring their compliance with the agreement terms and requirements relating to the following: accreditation and institutional quality; consumer information and protection; disclosure and reporting requirements; complaint mechanisms; and financial responsibility. The Council is also tasked with recommending rules necessary to administer the agreement and works with both Council staff and legal counsel to develop rules for approval by the State Board of Education. *See* s. 1000.35(3), F.S.

Staff Duties and Responsibilities

During fiscal year 2019-2020, Council staff functioned as a centralized unit focused on the mission-critical tasks statutorily mandated to the Council. Since the Council's establishment by the 2017 Florida Legislature, Council staff's activities have evolved from initial set-up of the Council office and review of the first round of applications to a streamlined process focusing more on application renewals and compliance and consumer protection. Seventy-five (75) Florida institutions joined SARA in its first year of operation alone (fiscal year 2017-18). As of fiscal year 2019-2020, eighty-seven (87) institutions have become members of SARA. Duties conducted by Council staff during fiscal year 2019-2020 included the following:

- Reviewing all new and renewal applications for SARA participation; preparing deficiency letters; reviewing financial statements, professional licensure and complaint disclosure statements; and preparing staff recommendations for Council consideration.
- Preparing agenda materials, including application packets, meeting minutes and director's reports for four meetings.
- Coordinating administrative services and activities, including maintaining calendars of application deadlines; collating and distributing mail; preparing institutional documents, such as e-mails, reports and other correspondence; and providing guidance to institutional representatives on application submissions.
- Reviewing and processing complaints from out-of-state students enrolled in FL-SARA institutions.
- Serving as a liaison to the National Council for State Authorization Reciprocity Agreements (NC-SARA), the national oversight body for the reciprocity agreement, and ensuring compliance by Florida participating institutions with NC-SARA processes relating to membership, fee collection and data collection.
- Serving as a liaison to the Southern Regional Education Board (SREB) and reviewing/approving state initial and renewal applications for SARA membership.
- Responding to inquiries from prospective and currently enrolled students, institutions, state agencies and the general public relating to state authorization and SARA. As all states, except for California and a few U.S. territories, have joined NC-SARA, the number of inquiries requiring response has increased significantly.
- Participating in NC-SARA meetings and webinars about national and state SARA issues, most significantly, proposed changes to the NC-SARA agreement, providing input on those changes, and monitoring them in order to keep Council members informed.

Fiscal Analysis

Section 1000.35, F.S., requires the Council to collect an annual fee from each Florida institution participating in the reciprocity agreement and establishes caps for the annual fee based on an institution's enrollment. The fee structure is as follows:

- For institutions with fewer than 2,500 total FTE enrollment, the fee cap is \$1,500;
- For institutions with at least 2,500 students but not more than 9,999 total FTE enrollment, the fee cap is \$3,000; and
- For institutions with 10,000 or more total FTE enrollment, the fee cap is \$4,500.

On August 3, 2017, the Council voted to set the FL-SARA fees at the limits established by the Legislature. During the 2019-2020 fiscal year, the Council collected fees of \$276,488.06. Section 1000.35, Florida Statutes, requires fees collected for SARA participation to be deposited in the Institutional Assessment Trust Fund.

2019-2020 FL-SARA Expenses

Categories	2019-2020 Annual Expenses
Salaries and Benefits	\$ 132,912.31
Expenses	\$ 8,066.80
Operating Capital Outlay	\$ 449.04
Contracted Services	\$ 6,812.27
Risk Management Insurance	\$ 223.45
Statewide Contract (TR/DMS/HR Services)	\$ 417.68
Education Technical and Information Services	\$ 15,470.88
FL-SARA Total	\$ 164,352.43

2019-2020 FL-SARA Annual Fee Revenue

In fiscal year 2019-2020, the Postsecondary Reciprocal Distance Education Coordinating Council's revenue totaled \$276,488.06. A revenue to expenses comparison is as follows:

Total Revenue	\$276,488.06
Actual Expenses	\$164,352.43
Difference	\$112,135.63

Recent Budgetary Fluctuation

FL-SARA is a relatively new partnership, established in 2017. While membership is growing and revenues are increasing, due to the early age of the partnership, expenses fluctuate and are unpredictable, thus making them difficult to determine. Even though the office is relatively new, we are in the process of replacing equipment such as laptops and providing additional resources that were not addressed during the last fiscal year due to COVID-related issues such as teleworking and virtual meetings. As such, we are in the process of creating a budget for the next fiscal year and identifying fixed costs for equipment replacement, workshops and webinars for institutions participating in FL-SARA, streamlining complaint process and travel.

Due to unforeseen changes in anticipated budgetary spending related to the pandemic, FL-SARA staff did not use the money usually reserved for travel. Travel includes multi-day conferences out of state with significant registration fees both on a regional and national level. Due to the pandemic, travel ceased and staff participated in meetings and conferences virtually. As such, anticipate funds for travel were not utilized.

For the 2019-2020 fiscal year, the FL-SARA Director travelled to a regional and national conference for SARA purposes and spent \$1,500. This was during the six months prior to COVID restrictions. It is believed the director would have travelled to an additional national conference and regional or state conference (NC-SARA holds a Fall, Spring and Annual State conference each year) costing an additional \$1,500, but for COVID. A total of \$3,000 was projected for the director's travel. Additionally, the FL-SARA Director resigned in September 2020 and in lieu of replacing him, the director duties were assumed by two managerial staff members. As such, the anticipated travel budget for the 2020-2021 fiscal year would have doubled for a total of \$6,000 annually. But again, due to COVID restrictions, no travel occurred for the second half of fiscal year 19-20 and the entirety of 20-21. In-person, multi-day conferences will resume on a national and regional level as soon as practicable.

Fiscal Year	Revenue	Expenses	Difference	Participating Institutions
2017-18	\$214,500.00	\$176,247.75	\$38,252.25	75
2018-19	\$243,000.00	\$166,824.20	\$76,175.80	82
2019-20	\$270,000.00	\$164,352.43	\$105,647.57	87

Expense Comparison	2017-18	2018-19	2019-20
Salaries and Benefits	\$142,951.49	\$129,329.60	\$132,912.31
Expenses	\$8,134.45	\$13,400.04	\$8,066.80
Operating Capital Outlay	\$0.00	\$2,245.00	\$449.04
Contracted Services	\$343.81	\$4,268.54	\$6,812.27
Risk Management Insurance	\$0.00	\$194.66	\$223.45
Statewide Contract (TR/DMS/HR Services)	\$688.00	\$439.80	\$417.68
Education Technical and Information Services	\$24,130.00	\$16,946.56	\$15,470.88
Total	\$176,247.75	\$166,824.20	\$164,352.43

Fee Reduction Timeline

FL-SARA has begun the process of reducing fees in light of fluctuating budgetary needs, and modifying the fee structure, as necessary. However, our fees are set by statute and rule, and will require a rules amendment, at a minimum. **Below is a timeline for evaluating FL-SARA's current fee schedule and making changes as needed.**

February 23, 2021 - March 8, 2021 – Gather data from FL-SARA and NC-SARA regarding the number of institutions per tier, analyze information to determine how much to reduce fees and still maintain enough fees to operate FL-SARA; this process has begun:

- Complete a budget versus expenses analysis regarding FL-SARA; the information needed has been requested internally
- Review institutions' fee; we have begun gathering the data regarding the number of institutions per tier and will need to examine various reduced fees scenarios to ensure the reduced fees will still provide sufficient funds to support the FL-SARA costs

Week of March 1, 2021 – Publish notice of rulemaking workshop 21 days prior as required by Chapter 120

Week of March 22, 2021 - Rule making workshop; Present financial data to Council and discuss new fee schedule

Week of March 29, 2021 - Publish notice of rulemaking workshop 21 days prior as required by Chapter 120

Week of April 19, 2021 - Final rule making workshop for Council to approval final rule language

Beginning of May 2021 – Complete rule making packet for SBOE consideration

May 4, 2021 – Deadline for final rule language and materials due for SBOE consideration

June 10, 2021 – Proposed rule heard by SBOE

Institutional Data Reporting

NC-SARA requires all educational institutions participating in the reciprocity agreement to report annually to NC-SARA distance education enrollment and out-of-state learning placements. Eighty-six (86) Florida SARA institutions completed the data reporting requirement. Data collected reflects Fall 2019 distance education enrollment, calendar year 2019 out-of-state-learning placements, and Fall 2019 NC-SARA Data report, publication date December 2020. This information was reported directly to NC-SARA by institutions; the FL-SARA office is not informed which institutions did not report.

Distance Education Enrollment

Participating institutions are required to report the number of exclusively distance education students enrolled in institutions engaged in distance education (both SARA and non-SARA institutions), disaggregated by state, territory or district in which the students are located, including the home state.

Distance Education Enrollment	
Number of FL-SARA institutions reporting	86
Number of out-of-state students enrolled in FL-SARA institutions	43,363
Number of students in non-SARA states/territories enrolled in FL-SARA institutions	3,842
Total number of out-of-state students enrolled in FL-SARA institutions	47,205
Total number of Florida students enrolled in distance education programs at institutions in other SARA states	86,119

Out-of-State Learning Placements

Participating institutions are required to report the number of students engaged in certain experiential learning placements (e.g., rotations, internships, student teaching), disaggregated by state and two-digit Classification of Instructional Programs (CIP) codes as assigned by the U.S. Department of Education. Out-of-state learning placements are considered distance education for purposes of NC-SARA.

Out-of-State Learning Placements (OOSLP)	
Reported OOSLP sent FROM SARA participating institutions in Florida	7,337
Reported OOSLP sent TO Florida from participating institutions in other SARA states	15,673

Source of data: *NC-SARA Data Report: Fall 2019 Distance Education Enrollment & 2019 Out-of-Sate Learning Placements*, Terri Taylor Straut and Marianne Boeke (December 2020).

Florida State Authorization Reciprocity Agreement

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