



Florida Department of Education
Postsecondary Reciprocal Distance Education Coordinating Council
ANNUAL REPORT
- Fiscal Year 2023-2024 -

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The Postsecondary Reciprocal Distance Education Coordinating Council (Council) administers Florida's membership in the State Authorization Reciprocity Agreement (FL-SARA). This annual report outlines information related to the operations during the 2023-2024 fiscal year as well as descriptions of planned operations for the upcoming fiscal year and beyond. We hope your review of these pages illustrates the tremendous impact the FL-SARA program is making in Florida.

MESSAGE FROM THE DIRECTOR

State Authorization Reciprocity has been a unique part of Florida's educational landscape, streamlining educational operations with 49 states, two territories and the District of Columbia through a national reciprocity agreement. FL-SARA facilitates our state's ability to share high quality educational standards with students across the country. In 2024, FL-SARA institution enrollment increased to nearly 70,000 students, or a 10.6 increase from 2022-2023. While the national reciprocity agreement provides the infrastructure, we, the staff at FL-SARA, help to ensure that Florida's #1 ranked postsecondary education system is an example for the rest of the nation. The following report contains data on FL-SARA participation broken down by institution sector, staff efforts and duties over the past year, a fiscal analysis and finally, an institutional data report.

Sincerely,

Brady Lyon

Brady D. Lyon
Director
Postsecondary Reciprocal Distance Education Coordinating Council
(FL-SARA)

OVERVIEW

A. Distance Education Generally

Postsecondary distance education (which is now almost exclusively online) is an increasingly available and important tool that provides educational options to students and helps them achieve their academic goals. The availability of postsecondary distance education is important for several reasons:

- **Accessibility:** Online education provides access to higher education for individuals who would otherwise be unable to attend traditional on-campus programs, such as those living in remote areas, working full-time or facing mobility or transportation challenges.
- **Affordability:** Online education is often more affordable than traditional on-campus programs, as it eliminates the need for students to incur costs such as housing, transportation and child care.
- **Flexibility:** Online education allows students to study at their own pace and on their own schedule, making it possible to balance their education with work and other personal commitments.
- **Career advancement:** Online education allows individuals to upskill or reskill to advance their careers or transition into new fields.

- Wider educational options: Online education expands the range of educational opportunities available to students, enabling them to choose from a wider variety of programs and courses that might not be available in their local area.

Overall, the availability of postsecondary online education is crucial in helping individuals to access quality education, advance their careers and improve their standard of living. Multiple factors are driving rapid and innovative change in this sector, including:

- Increase in popularity: Postsecondary distance education has seen a steady increase in enrollment in recent years, driven by convenience, flexible scheduling and lower costs.
- Distance education appeals to a wide range of students, including non-traditional students, working professionals, military personnel and individuals in rural areas.
- Technological advancements: Advances in technology have greatly improved the quality and accessibility of distance education programs, with virtual classrooms and online course materials becoming more common.
- Growth in online degrees: The number of online degree programs offered by postsecondary institutions has grown significantly, allowing students to earn degrees in fields such as business, healthcare and technology.

The State Authorization Reciprocity Agreement, and the state of Florida's membership in it, enables Florida's postsecondary institutions to more efficiently provide online education while maintaining high educational-quality standards for all students served by Florida institutions.

B. State Authorization Reciprocity Agreements

In 2013, recognizing the growing demand for distance education opportunities, higher education stakeholders joined together to establish the State Authorization Reciprocity Agreements (SARA), which streamline regulations around distance education programs. (<https://www.nc-sara.org/mission-history>) These reciprocity agreements provide multiple benefits to states, participating institutions and students, including:

- Streamline distance education regulations;
- Improve coordination between states and higher education institutions;
- Ensure member states and participating institutions adhere to a common set of consumer protections for students;
- Broaden offerings at lower costs for students;
- Save institutions from seeking approvals on a case-by-case basis to offer distance education in other states; and
- Allow states to focus oversight on institutions physically located in that state.

In December of 2013, the National Council for State Authorization Reciprocity Agreements (NC-SARA) was established to help support the national implementation of the reciprocity agreements in partnership with four regional compacts. States began joining NC-SARA in 2014. NC-SARA helps states, institutions, policymakers and students understand the purpose and benefits of participating in SARA. Today, more than 2,400 institutions in 49 member states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands all voluntarily participate in SARA. (<https://www.nc-sara.org/about-nc-sara>)

C. Florida Postsecondary Reciprocal Distance Education Coordinating Council

In 2017, the Florida legislature enacted section 1000.35, Florida Statutes (F.S.), authorizing Florida to participate in the State Authorization Reciprocity Agreement and creating the Postsecondary Reciprocal Distance Education Coordinating Council (Council) within the Florida Department of Education. The Florida Commission for Independent Education houses and provides administrative support for the Postsecondary Reciprocal Distance Education Coordinating Council. The Council administers the reciprocity agreement and serves as the point of contact for questions, complaints and other matters related to the reciprocity agreement.

Florida, through the Council, participates in the reciprocity agreement through the Southern Regional Education Board (SREB), one of four (4) regional compacts that administer SARA. In collaboration with SREB, NC-SARA and other higher education stakeholders, the Council helps ensure institutional alignment on core elements and requirements of SARA, supports quality assurance and consumer protections for students and increases the value of credits earned through distance education programs.

As the designated entity to administer SARA for Florida, the Council:

- Receives and evaluates applications from institutions located in Florida that want to participate in SARA; approves the participation of institutions that meet SARA requirements and denies participation of institutions that do not;
- Annually approves or denies continued participation of institutions previously approved, based on their status in regard to SARA requirements;
- Ultimately resolves complaints about Florida SARA institutions prompted by an institution's SARA-related activities in any SARA member state and reports (by institution name) the number and resolution of such complaints to NC-SARA for publication on its website; and
- Works cooperatively with other SARA states, regional compacts and NC-SARA to enable the success of the SARA initiative.

To participate in SARA, postsecondary institutions located in Florida must apply to the Council. Institutions must be degree-granting, awarding associate degrees or higher; hold proper authorization to award degrees; hold accreditation from an accreditor whose scope of recognition includes distance education, as recognized by the U.S. Department of Education; and agree to certain consumer protection measures required by SARA. Non-public institutions must also meet institutional financial responsibility requirements; currently, an institutional Federal Financial Responsibility composite score of 1.5 sufficiently indicates minimum financial stability, though other financial information may be considered.

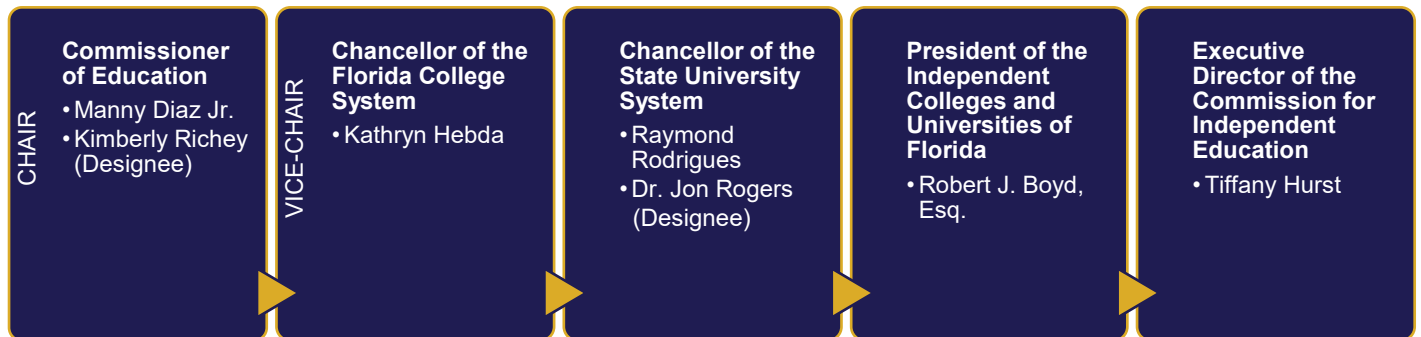
State membership and institutional participation in SARA indicates a tremendous appeal for distance education.

Pursuant to section 1000.35(5), F.S., the Council presents its 2023-2024 Annual Report.

D. Council Structure

The Council is comprised of the following five Council members as authorized by section 1000.35, F.S.:

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



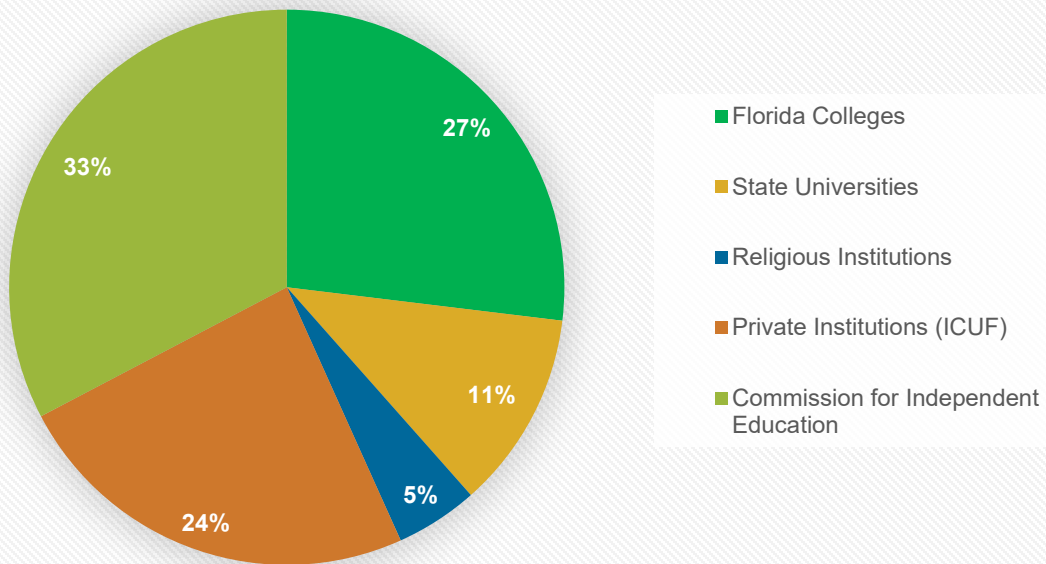
E. Florida Institutional Participation

During fiscal year 2023-2024, the Council held three meetings: October 26, 2023, February 27, 2024 and June 25, 2024. Six new institutions were approved during the fiscal year by FL-SARA and 98 institutions were renewed for SARA participation. During this period, three institutions withdrew their participation.

SECTOR	FL-SARA Participating Institutions 2023-2024
Commission for Independent Education (CIE)	34
Florida College System	28
Independent Colleges and Universities (ICUF)	25
State University System (SUS)	12
Other Florida Institutions*	5
Total participating institutions	104

** Includes institutions exempt from governmental oversight pursuant to s. 1005.06, F.S.*

Institutions Participating in FL-SARA by Sector



F. FL-SARA Institutions Approved as of January 1, 2024

CIE	Florida College System	ICUF	State University System
• Academy for Nursing and Health Occupations • Ana G. Mendez University • Atlantis University • The Baptist College of Florida • Cambridge College of Healthcare & Technology-Altamonte • Cambridge College of Healthcare & Technology-Delray Beach • Chi University • City College- Altamonte • City College – Hollywood • Compu-Med Vocational Careers* • Concorde Career Institute* • Daytona College • Doral College • Florida National University • Full Sail University • International College of Health Sciences • Jose Maria Vargas University • MIU City University Miami • Miami Media School • Miami Regional University • Premiere International College • Sabal College • San Ignacio University • Sarasota University* • <u>Schiller International University</u> • Seminary for the Third Millennium* • Southeastern College • South Florida Bible College • South Florida College of Nursing* • Trinity Baptist College • University of Fort Lauderdale • URBE University* • Westfield Business School • Woodmont College	• Broward College • Chipola College • College of Central Florida • College of the Florida Keys (The) • Daytona State College • Eastern Florida State College • Florida Gateway College • Florida Southwestern State College • Florida State College at Jacksonville • Gulf Coast State College • Hillsborough Community College • Indian River State College • Lake-Sumter State College • Miami Dade College • North Florida College • Northwest Florida State College • Palm Beach State College • Pasco-Hernando State College • Pensacola State College • Polk State College • Santa Fe College • Seminole State College of Florida • South Florida State College • St. Johns River State College • St. Petersburg College • State College of Florida Manatee-Sarasota • Tallahassee Community College • Valencia College	• AdventHealth University • Ave Maria University • Barry University • Bethune-Cookman University • Edward Waters University • Embry-Riddle Aeronautical University – Daytona Beach • Everglades University • Flagler College • Florida College • Florida Institute of Technology • Florida Southern College • Hodges University • Jacksonville University • Keiser University • Lynn University • Nova Southeastern University • Palm Beach Atlantic University – West Palm Beach • Saint Leo University • Southeastern University • St. Thomas University • Stetson University • University of Miami • The University of Tampa • Warner University • Webber International University	• Florida Agricultural and Mechanical University • Florida Atlantic University • Florida Gulf Coast University • Florida International University • Florida Polytechnic University • Florida State University • New College of Florida • University of Central Florida • University of Florida • University of North Florida • University of South Florida • University of West Florida Exempt Religious Institutions (s. 1005.06(1)(f), F.S.) • Genesis University • Knox Theological Seminary • The Robert E. Webber Institute of Worship Studies • St. Vincent De Paul Regional Seminary Exempt Institutions (s. 1005.06(1)(e), F.S.) • Pensacola Christian College

*Institution was approved for initial participation during the 2023-2024 fiscal year.

G. Fiscal Analysis

Florida statutes require the Council to collect an annual fee from each Florida institution participating in the reciprocity agreement and establish caps based on an institution's enrollment. Fees collected from SARA participating institutions are, per statutory requirement, set at an amount that will generate no more than the total revenue necessary for the Council's operation. Should the revenue collected exceed the cost of operation, the fees shall be lowered. (See section 1000.35(5), F.S.)

In August 2017, the Council voted to set the SARA fees at the following limits established by the Legislature:

- for institutions with fewer than 2,500 total FTE enrollment, \$1,500.00;
- for institutions with at least 2,500 students but not more than 9,999 total FTE enrollment, \$3,000.00; and
- for institutions with 10,000 or more total FTE enrollment, \$4,500.00.

During fiscal year 2019-2020, a revenue surplus occurred, primarily due to an increase in Florida SARA participating institutions; as such, the Council reduced fees. The fee change received final approval from the State Board of Education on June 10, 2021. (See Rule 6N-1.005, F.A.C.) The current fee structure is as follows:

- for institutions with fewer than 2,500 total FTE enrollment, \$1,250.00;
- for institutions with at least 2,500 students but not more than 9,999 total FTE enrollment, \$2,750.00; and
- for institutions with 10,000 or more total FTE enrollment, \$4,250.00.

1. Justification of Staff

By statute, the annual report is due to the Legislature and the Governor's Office by February 15 of each year and must include justification of staff needed for the Council. See section 1000.35(3), F.S. Primary responsibilities of Council staff are to:

- support Council members in their statutory mission to operate as the state portal entity for the administration of the reciprocity agreement;
- review all new and renewal SARA applications, assist institutions with resolving deficiencies and prepare staff recommendations for Council consideration;
- ensure compliance with the SARA agreement relating to accreditation and institutional quality, consumer information and protection, disclosure and reporting requirements, complaint mechanisms and financial responsibility; and
- recommend rules necessary to administer the agreement and work with legal counsel to prepare rules for consideration by the Council members and the State Board of Education.

During fiscal year 2023-2024, Council staff consisted of the Council Director and a single administrative assistant.

Council staff performed the following duties during fiscal year 2023-2024:

- Prepared agenda materials, including 104 application packets, meeting minutes and director's reports for three meetings;
- Reviewed 350 complaints received in the Commission office to determine if they required Council resolution;
- Served as a liaison to the Southern Regional Education Board (SREB), of which Florida is a member, and participated as a voting member on the SREB-SARA Regional Steering Committee;
- Voted on the bi-yearly renewal of state membership applications presented to the SREB-SARA Regional Steering Committee for continued state SARA membership;
- Responded to approximately 133 inquiries relating to SARA from students, institutions, state agencies and the general public. All states, except for California and a few U.S. territories, have now joined SARA and the number of inquiries requiring response is substantial; and
- Participated in NC-SARA meetings and webinars about national and state SARA issues, most significantly, proposed changes to federal regulations and the NC-SARA policy manual, provided input on those changes and monitored them to keep Council members informed.
- Served on the steering committee for a regional compact developing and analyzing current policies and policy proposals.

2. 2023-2024 SARA Spending Authority and Expenses

Category	2023-24 Spending Authority	2023-24 Annual Expenditures
Salaries & Benefits	\$ 184,208	\$ 113,706
Expenses	\$ 38,468	\$ 7,358
Contracted Services	\$ 10,000	\$ 781
Risk Management Insurance	\$ 879	\$ 879
Statewide Contract (TF/DMS/HR Services)	\$ 521	\$ 521
Education Technical & Information Services	\$ 31,521	\$ 20,001
FL-SARA Total	\$ 265,597	\$ 143,246

3. 2023-2024 SARA Annual Fee Revenues

Seventy-five Florida institutions initially joined SARA in 2017, the first year of Florida's participation in the national agreements. In fiscal year 2022-2023, the number of SARA-participating institutions increased to 98. As of fiscal year, 2023-2024, the number of SARA-participating institutions increased to 104.

In fiscal year 2023-2024, SARA generated \$256,250 in fees for institutional participation. The expenditures for the same period remained within the authorized spending limit for 2023-2024.

4. Projected Revenue and Expenses for Fiscal Year 2024-2025

1. *Revenue*

While all public state universities and colleges have been approved for participation in SARA, approximately 147 CIE-licensed institutions and six ICUF colleges and universities appear to be eligible for SARA participation but have not applied to participate.

2. *Expenses*

During fiscal year 2023-2024, SARA underwent a reorganization to streamline operations and enhance efficiency. This reorganization resulted in allocating 100% of salaries and benefits for two full-time equivalent (FTE) positions (Council Director and an administrative assistant) as authorized by statute. Historically, the two authorized FTE were composed of parts of three positions, one of which remained vacant during the fiscal year 2023-2024. This change took effect on July 1, 2024, with the financial impact of the reallocation expected to be realized at the end of fiscal year 2024-2025. SARA staff will continue to collaborate with the Florida Department of Education's budget office throughout fiscal year 2024-2025 to address office administration, equipment and staffing needs, ensuring that adequate resources are available for fulfilling statutory duties and program administration. The following expenses are projected as necessary to support the administration and operations of the Council:

- Design and implement the replacement data and workflow management system technology, estimated at approximately \$25,000.
 - Ongoing service of the new data and workflow management system estimated at approximately \$20,000 annually.
- Dedicate developer Services for the workflow management system, estimated at approximately \$7,500.00
- Authorize annual travel expenses for out-of-state conferences and seminars, estimated at approximately \$3,500.
- Replace laptops, estimated at approximately \$2,000.

H. Institutional Data Reporting

SARA requires all educational institutions participating in the reciprocity agreement to report annually distance education enrollment and out-of-state learning placements. All 100 of the FL-SARA institutions that were required to participate in 2023 data reporting of distance education enrollment and out-of-state learning placements during the reporting window completed their reports. One institution closed and did not participate. Data collected reflects fall 2023 distance education enrollment and calendar year 2023 out-of-state-learning placements.

1. Distance Education Enrollment

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

FL-SARA By the Numbers: Students

FL-SARA institutions reporting during Fall 2023 enrollment window	100
Out-of-state students enrolled in FL-SARA institutions	61,572
Students in non-SARA states/territories enrolled in FL-SARA institutions	6,525
Total out-of-state students enrolled in FL-SARA institutions	68,097
Total Florida students enrolled in distance education in other SARA states	113,999

**Data above does not include in-state distance education enrollment of in-state students.*

2. Out-of-State Learning Placements (OOSLP)

Participating institutions are additionally required to report the number of students engaged in certain experiential learning placements (e.g., clinical 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 SARA. Data is collected on a calendar year basis for OOSLP. The data below reflects a marked increase in student training utilizing the in-person/workforce-related SARA learning placement provision for the 2021, 2022 and 2023 calendar years.

Out-of-State Learning Placements (OOSLP)

	<u>2021</u>	<u>2022</u>	<u>2023</u>
OOSLP FROM Florida to other SARA states	7,920	11,263	12,924
OOSLP TO Florida from other SARA states	20,283	25,761	33,581

REGULATORY UPDATES

The U.S. Department of Education (ED) has proposed rulemaking activities that will likely impact the governance of state authorization reciprocity agreements (SARA). Proposed changes currently being considered through the negotiated rulemaking process include amendments to existing regulations that would require the reciprocity agreements to include a

process to report non-resident student complaints to agencies in the state in which the student resides. Currently, SARA policy allows for the investigation of complaints in the state in which the educational institution is located. ED is also considering placing limitations on the individuals who can serve on the governing board that oversees a state authorization reciprocity agreement. ED is considering prohibiting, by federal rule, members of the public, individuals who have expertise in higher education and representatives of educational institutions from serving on the SARA governing boards. Specifically, ED is considering amending federal regulations to allow *only* individuals who are state employees to serve on state authorization reciprocity governing boards, significantly limiting who can serve on a SARA governing body. Additionally, ED is considering regulations that would significantly impair the reciprocity agreement by requiring states to individually authorize out-of-state institutions offering distance education in their state regardless of SARA participation. The federal rulemaking process is ongoing and draft regulations have not yet been finalized. FL-SARA staff will continue to monitor ongoing federal regulatory changes impacting SARA.

CONCLUSION

In conclusion, this annual report of the Postsecondary Reciprocal Distance Education Coordinating Council highlights the progress made in facilitating and coordinating distance education opportunities among Florida-participating institutions. The Council's continued efforts, in conjunction with regional compacts and NC-SARA, to provide students with access to high-quality educational opportunities, regardless of their location, have resulted in significant benefits for learners, educators and institutions alike. The Council's work fosters collaboration, innovation and resource-sharing among member states and has helped to ensure that participating institutions providing distance education meet high standards of quality and rigor. Looking ahead, the Council is committed to building on its successes and continuing to advance the field of distance education.

Florida State Authorization Reciprocity Agreement

325 W. Gaines St., Suite 1414

Tallahassee, Florida 32399-0400

Phone: 850-245-3200

<http://www.fldoe.org/sara/>