

Distance Learning Committee Recommendation: A Temporary Moratorium on Out-of-State Students Intending to Take 100% Distance Learning Courses and Certificates

April 8, 2014

The Distance Learning Committee recommends a temporary moratorium on out-of-state students who plan to take 100% online courses and certificates. This Recommendation would be in place until the U. S. Department of Education provides regulatory clarifications and directives, expected sometime in 2014-15. If approved, this means the College would temporarily not admit such students effective Fall 2014.

Background on State Authorization

Each academic year, about 25 students with out-of-state addresses take online classes at Mt. SAC. The states from which they hail must grant the College authorization to educate their students (known as State Authorization <http://sheeo.org/projects/state-authorization-postsecondary-education>). States expect institutions of higher education in other states to comply with their laws governing distance education. These are inter-state laws intended to protect consumers (i.e., students) by ensuring out-of-state educational programs and institutions that offer online courses/programs comply with individual state's requirements, whatever they may be. Each state's laws, regulations, agencies, processes, and in some cases, application fees are unique and can change without notice. To continue admitting physically out-of-state students into our 100% online courses and certificates, the College would need to plan resources to address these mandates. Given the ever-shifting conditions, it is virtually impossible to plan resources when there is no current mechanism to identify such students *prior* to their enrollment at Mt. SAC.

The current process for identifying such students is after-the-fact: they are admitted like any other applicants, out-of-state or in-state, and they register in 100% online classes, or have completed them, before they are identified. After identifying the students as having no physical presence on campus, their home state's government agency handling State Authorization is contacted for that state's requirements for us to secure after-the-fact authorization.

The criteria that we use to identify students as physically out-of-state DL students include:

- A mailing or legal address outside of California
- Enrollment in only 100% DL classes and no other on-ground classes or activities with an assigned CRN
- Calling individual students to ascertain their physical location while taking DL classes at Mt. SAC (i.e., 7 students in 2013-14 hail from Hawaii, Nevada, New York, Michigan, Georgia, and Washington. Washington exempted our college from its State Authorization. New York's government agency handling State Authorization is yet to be made obvious and accessible.)

State Authorization Compliance Rules Are Still Being Written

The U.S. Department of Education is developing rules now for how institutions of higher education must comply with State Authorization (see latest update: <http://wctblog.wordpress.com/2014/04/07/state-auth-feedback/>.) In whatever form the rules take, colleges have been expected to actively seek

authorization from applicable states. Compliance with State Authorization will be a subject of keen interest to accrediting commissions once U.S. Department of Education declares the rules.

Fiscal and Resource Impact of Pursuing Individual State's Authorization

Some states charge application fees from \$200 to \$10,000 regardless of full-time equivalent student count. An inter-state reciprocity agreement, also known as State Authorization Reciprocity Agreement (SARA) is under development through the WICHE Cooperative for Educational Technologies <http://wcet.wiche.edu/advance/state-approval>. If SARA is approved, and the College decides to join it, the cost is \$6,000 per year. However, SARA would not cover every state from which our students could hail. The resources the College could potentially expend to pursue individual state's authorization are difficult to predict and impossible to plan for.

Additionally, the College resources to be expended to meet each state's unique regulations could involve employees' time and effort among Library & Learning Resources Division, Admissions and Records, Financial Aid, Information Technology, Fiscal Services, among other areas. The collective resources to be expended for this endeavor would be for about 25 students per year, resources that could be expended to benefit tens of thousands of Mt. SAC students located in California.