

MONTANA BOARD OF REGENTS OF HIGHER EDUCATION
Policy and Procedures Manual

SUBJECT: ACADEMIC AFFAIRS
Policy 221.1 – State Authorization Reciprocity Agreement
Adopted: September 24, 2026

I. Board Policy

Accredited, degree-granting institutions in Montana that offer distance education courses can seek approval from the Office of the Commissioner of Higher Education (OCHE) to participate in the State Authorization Reciprocity Agreement (SARA). If approved, these institutions will be able to deliver distance education to students in any other SARA member state without needing to seek independent authorization from those states.

II. Procedures

1. Applications for Institutional Participation in the State Authorization Reciprocity Agreement

- a. An institution desiring to participate in SARA shall submit to OCHE the following:
 - i. A completed application form for institutional participation in SARA that is approved by NC-SARA;
 - ii. Payment of the fee established by OCHE for administering SARA; and
 - iii. The following documents verifying the statements made in the application:
 1. Evidence supporting the institution's statement that its principal campus or central administrative unit is located in Montana;
 2. Evidence supporting the institution's statement that it is a degree-granting institution that is accredited by an accrediting body recognized by the U.S. Secretary of Education;
 3. Evidence that the institution has disaster recovery protocols for protection of student records;
 4. Evidence showing:
 - a. each student is informed, before completing the enrollment process for an online course or program, of the student consumer complaint processes available to the student; and
 - b. the student complaint processes are clearly defined and can be used electronically;
 5. Evidence showing that each student, before completing the enrollment process for an educational program that is designed to meet educational requirements for a specific professional licensure or certification, or is advertised as meeting such requirements, is located in a state or U.S. territory where the educational programs meets professional licensure or certification educational requirements;
 6. If an educational program is designed to meet educational requirements for a specific professional license or certification that is required for employment in an occupation, or is advertised as meeting such requirements, a list of all states and U.S. territories where the institution has determined that the program does and does not meet such requirements;
 7. Evidence of tuition assurance funds, surety bonds, teach-out provisions, or other assurances that OCHE deems sufficient to protect students that shows that the institution is capable of fulfilling its obligation with OCHE to provide a reasonable alternative for delivering the instruction or reimbursement of reasonable compensation in the event the institution

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- cannot fully deliver the instruction for which the students have contracted; and
- 8. For a non-public institution, evidence of the institution's financial responsibility index score that is 1.5 or above, or if its score is between 1.0 and 1.5, evidence that the institution has obtained the surety required in Board of Regents Policy 221, Section C.4. A non-public institution with a score below 1.0 will not be eligible to participate in SARA.
- b. An institution desiring to continue participating in SARA after one year of the initial application shall submit to OCHE annually thereafter the following:
 - i. A completed renewal application that includes a renewal application form that is approved by NC-SARA;
 - ii. Payment of the fee established by OCHE for administering SARA; and
 - iii. The following documents verifying the statements made in the application:
 - 1. Evidence that the institution's principal campus or central administrative unit remains located in Montana;
 - 2. Evidence that the institution retains its accreditation by an accrediting body recognized by the U.S. Secretary of Education; and
 - 3. For a non-public institution, evidence of the institution's financial responsibility index score; and
 - iv. Additional evidence to verify statements made in the application, as requested by OCHE.

2. Institutional Appeal of State Authorization Reciprocity Agreement Determination

- a. Within thirty (30) days of the denial of an institution's initial or renewal application for participation in SARA or of notice of the state portal entity's intent to remove an institution from participation in SARA, the institution may appeal in writing to the Commissioner of Higher Education. During any such appeal, the institution's status as SARA participating (or non-participating) remains unchanged. Institutions who choose to appeal must do so on the following grounds:
 - i. OCHE's staff review of the institution's application did not follow the procedures as outlined in the SARA Policy Manual; and/or
 - ii. OCHE's staff made a mistake in determining that the institution does not meet the eligibility criteria to participate in SARA, as outlined in the SARA Policy Manual.
 - iii. For each ground listed above believed to be the reason for the appeal, the institution appealing should submit a written explanation and any supporting documentation.
- b. Upon receiving the appeal and supporting documentation, the Commissioner will issue a decision. The Commissioner's decision on the appeal is final except that an institution may appeal the denial of its renewal application within thirty (30) days to its regional compact.