

**STATE AUTHORIZATION RECIPROCITY AGREEMENT (SARA)  
INSTITUTION APPLICATION  
PENNSYLVANIA SUPPLEMENT**

**FEES**

In accordance with 22 Pa. Code §741a.21, postsecondary institutions in this Commonwealth shall pay a fee to the Department based on tuition revenue from distance education in the most recently completed calendar year for the initial application fee and for each annual renewal to the Department to participate in SARA.

Pennsylvania fees are resuming with the 2023-2024 renewal cycle. The institution is responsible for defining who they consider to be a distance education student. **Both the definition and verification of the institution's reported distance education revenue must be provided.** The fees are as follows:

<b>Distance Tuition Revenue Fee</b>	
\$0 - \$9,999	\$1,000
\$10,000 - \$4,999,999	\$2,000
\$5,000,000 - \$19,999,999	\$3,000
\$20,000,000 - \$39,999,999	\$5,000
\$40,000,000 and over	\$7,000

- Definition of Institutions "Distance Education Student" is enclosed.
- Documentation to verify distance education tuition in the most recently completed year (i.e., audited financial statements with page number indicated; institution's ledger; etc.) is enclosed.

The institution's reported gross distance education revenue is found on page \_\_\_\_ of the statements.

**SURETY**

Surety is required for licensed career schools at a minimum level of \$10,000 for tuition revenue up to \$500,000 and increasing by \$10,000 for each additional \$500,000 in tuition revenue with a \$100,000 maximum. Degree-granting institutions are required to maintain a \$500,000 endowment to be used to refund unearned tuition in the event of catastrophic closure.

All institutions are required to place students in a teach out in the event of catastrophic closure.

**FEDERAL FINANCIAL RESPONSIBILITY COMPOSITE SCORE**

New applicant institutions with a Federal Financial Responsibility Composite Score between 1.0 and 1.49 will be denied participation.

Institutions that currently participate with a Federal Financial Responsibility Composite Score rating between 1.0 and 1.49 are placed on provisional status and permitted to provide evidence of financial solvency to PDE. Based on the outcome of PDE's review, the institution may be permitted to participate in SARA for one year. Failure to provide an acceptable Federal Financial Responsibility Composite Score after one year will preclude further participation in SARA until the institution demonstrates an acceptable score of 1.5 or higher unless the institution provides sufficient evidence to be granted an extension of one additional year.

**The following information must be completed and signed by the President or Chief Operating Officer of the institution:**

I, the undersigned of the named institution, in conjunction with the enclosed application for membership in SARA, hereby certify:

The institution has a federal financial composite score of 1.5 or above. Evidence is enclosed.

**OR**

The institution is a public institution.

**OR**

The institution does not participate in federal financial aid. Notice from USDE to the institution of a composite score of 1.5 or above must be presented to PDE.

**OR**

The institution has a federal financial composite score of 1.0 – 1.49 and additional information is provided as requested to demonstrate financial solvency.

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**AND**

The institution accepts the authority and responsibility of the Pennsylvania Department of Education to investigate and adjudicate complaints. The institution will cooperate in the investigation and will accept the adjudication. The institution acknowledges that failure to cooperate or comply with an adjudication can result in termination of membership in SARA.

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**AND**

The institution recognizes its responsibility to provide the full course of study to each student who enrolls and confirms that, in the event of a catastrophic event preventing the delivery of a full course of study, each enrolled student will be placed in an appropriate teach out at another authorized and accredited institution that is able to deliver a comparable course of study and credential.

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**AND**

The institution is an authorized degree-granting institution and confirms that the \$500,000 endowment is protected in accordance with 24 C.S.A. § 6502 (b) and that the endowment would be used, if necessary, to reimburse unearned tuition in the event of a catastrophic closure. Tuition would be reimbursed equally to students regardless of the state of domicile or the mode of instruction.

OR

- The institution is a private licensed school and confirms that the surety required in 24 P.S. § 6507 (b) is in place and that this surety would be used, if necessary, to reimburse unearned tuition in the event of a catastrophic closure. Tuition would be reimbursed equally to students regardless of the state of domicile or the mode of instruction.

OR

- The institution is a public institution.

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Name of Institution

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Print Name of President or Chief Operating Officer, Title

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Signature of President or Chief Operating Officer  
(If electronic signature, include time and date stamp)

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Date

**SUBMISSION:**

**1) Application materials:** Please e-mail the completed SARA Application, PA Supplement, and required documents to [giwetten@pa.gov](mailto:giwetten@pa.gov).

**2) PA FEE** (Application materials cannot be reviewed until this fee is received. Please pay the fee at least 1 week prior to submission. Application materials are due 60 days before the institutions renewal due date.):

- **If paying electronically (ACH/Credit Card)** – please go to the [PA SARA website](#) for instructions. Once payment is completed, please email receipt to [michellsim@pa.gov](mailto:michellsim@pa.gov) and [giwetten@pa.gov](mailto:giwetten@pa.gov).
- **If paying by check or money order** - please mail the PA Fee (made payable to the "Pennsylvania Department of Revenue") to:

SARA Office  
Bureau of Postsecondary and Adult Education  
Pennsylvania Department of Education  
Attn: SARA Office  
333 Market Street, 12<sup>th</sup> Floor  
Harrisburg, PA 17126