

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

FEES

Final omitted regulations have been promulgated to establish an annual fee payable to the Pennsylvania Department of Revenue to support the costs of the annual affiliation with SREB and administrative costs associated with SARA membership.

The new PA Fees are not in place yet, therefore, the PA Fee has been waived until further notice. The proposed new PA Fees are as follows:

Distance Tuition Revenue	Proposed New
Fee \$0-9,999	Fee \$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

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.

FINANCIAL RESPONSIBILITY SCORE

Institutions with a financial responsibility rating between 1.0 and 1.49 are permitted to provide evidence of financial solvency to PDE. PDE will evaluate the evidence provided and make a determination regarding participation in SARA on a case by case basis.

Institutions with a financial responsibility score between 1.0 and 1.49 can be permitted to participate in SARA for one year. Failure to provide a financial responsibility score above 1.5 after one year will preclude further participation in SARA until a score of 1.5 is obtained.

PDE or a PDE selected third party will calculate the financial responsibility score using the USDOE formula for institutions that do not participate in federal financial aid.

COMPLETE THE FOLLOWING AND SIGN

I, the undersigned President 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. The calculation of a federal composite score of 1.5 or above by a qualified third party professional is provided and detailed financial information is provided to support the calculation.

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.

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.

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.

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.

Name of Institution

Print Name of President or Chief Operating Officer

Signature of President or Chief Operating Officer

Date

Mail the completed SARA Application, PA Supplement, and 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: Gina Wetten
333 Market Street, 12th Floor
Harrisburg, PA 17126
giwetten@pa.gov

