

Montana University System
State Authorization Update
September 1, 2012

To date, 371 letters of State Authorization have been provided to campuses across the country. Included are:

- 59 not-for-profit institutions
- 40 for-profit institutions
- 272 public institutions

266 institutions and System campus listings have been entered on the OCHE Share-point database, each along with all supporting documentation for accreditation and business registration with the MT Secretary of State (where applicable).

Eight institutions have been denied their request for State Authorization to deliver online academic programs to students residing in MT. Primary reason is the lack of accreditation by an agency that is recognized and accepted – either the Council for Higher Education Accreditation (CHEA) or by one of the six regional accrediting agencies. However, two campuses have discussed their Title IV re-authorization with the OCHE Director of Academic Processes, to document due process in seeking the necessary State Authorization for their campuses.

To date, OCHE has received and acknowledged an additional 372 institutional requests for which additional accreditation documentation and/or business registration is pending.

The Federal Courts have determined certain segments of the State Authorization regulations to be null and void, including the use of a threat to use Title IV Financial Aid reauthorization as a lever to ensure compliance. Nonetheless, the need to ensure that each campus is authorized to deliver academic courses and programs remains a need for each of the MT campuses that are serving those students.

Movement is under way by SHEEO to work with other groups in supporting the development of a formal State reciprocity agreement. However, given the wide range of State Authorization requirements by the various States, it is very unlikely that useable reciprocity agreements will be in place within the next two years or so. Additionally, as State Legislatures continue to meet, the individual State Authorization requirements continue to change, both in terms of process and cost.

OCHE continues to coordinate the process through the Director of Academic Processes, with the campus Legal Counsels serving their respective MSU and UM campuses, and using the OCHE Staff Attorney to assist in serving the community colleges. The OCHE Staff Attorney continues to maintain and expand the formal database of State regulations for the campuses, and has met the Federal requirements for the establishment of a formal complaint process for students being posted at the appropriate web sites.

Respectfully submitted,

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