

SHEEO State Authorization Inventory

Missouri Last Updated: June 2012

Please note: For purposes of this survey, the terms “authorize” and “authorization” are used generically to include approve, certify, license, regulate, recognize, empower, or similar actions relative to the operation, provision, or availability of postsecondary education in your state.

1. Agency and Contact Information

- a. Agency Name: **Missouri Department of Higher Education**
- o Description:
The Missouri Department of Higher Education (MDHE) is the state higher education agency for Missouri. It is directed by the governor-appointed Coordinating Board for Higher Education. The MDHE has approval and licensing authority for certain Missouri-based institutions, including for-profit/proprietary vocational-technical schools, and all non-Missouri institutions of higher education offering instruction in the state.
 - o Contact:
Leroy Wade
Assistant Commissioner
Missouri Department of Higher Education
573-751-2361
leroy.wade@dhe.mo.gov
 - o Please state who institutions should contact if they have questions about your agency’s authority, policies, or application process?
For Missouri-based institutions and non-Missouri private institutions, contact Leroy Wade as listed above.

For non-Missouri public institutions, contact:
Rusty Monhollon
Assistant Commissioner
Missouri Department of Higher Education
573-751-2361
Rusty.monhollon@dhe.mo.gov

- b. Links:
 Link to agency: <http://www.dhe.mo.gov/>
 Link to regulations: <http://www.dhe.mo.gov/psc/>
- c. The following agencies also have responsibility for authorization in the state.
 None
- d. If the division of responsibility among these agencies is not clear, please explain.

2. Types of Educational Providers Authorized

- a. Please indicate the types of institutions that your agency authorizes, using the list below. Please answer “yes” or “no” to each item. Feel free to provide a short explanation of any ambiguity, including any necessary clarification of “in-state,” “out of state,” or other terminology.

- | | |
|-----|--|
| No | Public, in-state degree granting institutions |
| Yes | Public, out-of-state degree granting institutions |
| No | Private, in-state, not-for-profit degree granting institutions |
| Yes | Private, out-of-state, not-for-profit degree granting institutions |
| Yes | Private, in-state, for-profit degree granting institutions |
| Yes | Private, out-of-state, for-profit degree granting institutions |
| No | Public, in-state, non-degree granting institutions |
| Yes | Public, out-of-state, non-degree granting institutions |
| Yes | Non degree, not-for profit institutions |
| Yes | Non degree, for-profit institutions |
| No | Religious institutions |
| N/A | Tribally-controlled institutions |

Clarifying comments:

In-state public institutions are established by statute. Most long-standing non-profit institutions are authorized through a charter or similar action and not through a license or approval issued by the MDHE. Jurisdiction over most categories of non-public institutions is not necessarily directly linked to profit making status but to other attributes of the institution (accreditation, financial aid participation, etc.). There are no tribally-controlled institutions in Missouri.

- b. Is an institution required to obtain approval from more than one agency to be authorized in your state (excluding purely programmatic approvals)? If so, please explain.
 No.

- c. Is accreditation required for an institution to be authorized in your state?
Yes, for distance education.

- o If yes, please explain:
Non-Missouri public institutions of higher education seeking authorization to offer distance education to Missouri residents must be accredited by a recognized regional body and adhere to the Coordinating Board for Higher Education's Best Practices for Distance Education guidelines.
- o If yes, what type of accreditation is required? Please, check all that apply as appropriate.

Regional
 National
 Programmatic/specialized

Clarifying comments:

- d. Does your agency authorize specific academic programs offered by institutions or only institutions themselves?
Institutions and programs.
- e. Programs in certain subject areas that may require separate approval.

Education

Department of Elementary and Secondary Education
Educator Preparation Section
Post Office Box 480
Jefferson City, MO 65102-0480
573-751-0371
Email: egprep@dese.mo.gov

Nursing

State Board of Nursing
Lori Scheidt
Executive Director
3605 Missouri Boulevard
P.O. Box 656
Jefferson City, MO 65102-0656
573.751.0681
lori.scheidt@pr.mo.gov

Counseling Psychology

Committee for Professional Counselors
3605 Missouri Boulevard
P.O. Box 1335
Jefferson City, MO 65102-1335
573.751.0018
<http://pr.mo.gov/counselors.asp>

Others [please list]

State Board of Therapeutic Massage
3605 Missouri Boulevard
P.O. Box 1335
Jefferson City, MO 65102-1335
573.522.6277
<http://pr.mo.gov/massage.asp>

State Board of Cosmetology and Barber Examiners
3605 Missouri Boulevard
P.O. Box 1062
Jefferson City, MO 65102-1062
573.751.1052
<http://pr.mo.gov/cosbar.asp>

3. Exemptions

- a. Are certain institutions or programs exempt by law or policy from your state authorization requirements?

Yes.

- o If yes, please describe which institutions or programs the exemption applies to and how it works? If available, please provide any pertinent web links.

There are twelve categories of exemption established in statute. They include all public institutions, most non-profit colleges and universities, certain types of religious institutions, institutions offering only avocational programs, most schools that do not charge students for attendance, programs offered by employers for employee training, closed membership organizations (such as labor unions), and schools licensed by another agency. The related statute can be reviewed at <http://dhe.mo.gov/documents/MissouriRevisedStatutes.pdf>.

- If yes, how does the institution or program claim an exemption? For example, is the exemption automatic as long as it meets specified criteria, does the institution or program notify the agency and the exemption is granted, is there an application process, etc.?
The school must submit an application and be determined by the MDHE to satisfy the specified criteria.
- b. If an institution or program is exempt from state authorization, are there any other state requirements that an institution would need to fulfill in order to operate in your state (e.g., providing contact information, list of programs, etc.)?
Other than general consumer fraud requirements, no.
- c. Does your state constitution or do your state laws provide any exemptions for religious institutions?
Yes, state law.
 - Are all religious institutions exempt (please describe)?
No. Religious schools must be accredited by a regional or religious accrediting agency recognized by USDE or they must restrict their programs to religiously designated certificates and degrees.
 - Are religious institutions that award only religious degrees or certificates exempt (please describe)?
Yes. See description above.
 - Are certain religious institutions exempt that meet other criteria (please describe)?
Yes. See description above.

4. Authorization of Distance Education

- a. Does your agency require purely (100%) distance education programs, including online or correspondence study programs that enroll residents of your state, to be authorized without regard to physical presence?
Yes, out-of-state public institutions are required to affirm in writing that they are accredited by a recognized regional body and will adhere to the Coordinating Board for Higher Education’s Best Practices for Distance Education guidelines.
- b. If not, does your agency determine whether an institution must be authorized based on a physical presence or “operating” standard?
Yes.

5. Physical Presence Policy – Common “Triggers”

- a. If your agency uses a physical presence standard, how does your agency define physical presence? If available, please provide a link to that policy or a citation to the relevant regulation giving that standard.

The definition can be found at

<http://www.sos.mo.gov/adrules/csr/current/6csr/6c10-5.pdf>.

- b. Please specify whether any of the following activities would constitute a physical presence or signify “operating” in your state, assuming that the named activity is the institution’s sole activity in your state. **Please answer “yes” or “no” to each question. In addition you may provide a short explanation of any ambiguity.**

- Permitting a student to complete an internship, externship, field experience, or clinical practicum organized by the institution?

Yes.

- Does this apply only to distance education students or more generally?

Applies to all institutions regardless of delivery method.

- Permitting a student to complete an internship, externship, field experience, or clinical practicum found by the student acting independently?

No.

- Does this apply only to distance education students or more generally?

- Employing full-time faculty in the state to provide instruction via distance education programs to students in the state?

Generally no, as long as the contact with the faculty person occurs through non-Missouri addresses and institutional contacts.

- What about adjunct faculty?

Same as above.

- Employing full-time faculty in the state to provide instruction via distance education programs solely to students outside of the state?

Same as above.

- What about adjunct faculty?

Same as above.

- Having a contract/agreement between the institution and in-state institutions or in-state entities to provide services for students (i.e. library, gym, computer centers, etc.)?
Probably yes but it would depend on the nature and scope of the services provided by the Missouri-based entity.
- Organized, consistent, on-the-ground recruiting of students in the state by employees or agents of the institution?
Yes.
 - What if the agent is only recruiting students in the state on an occasional basis (i.e. at job fairs)?
Probably no but depends on the scope and nature of the activities.
- Advertising in local media sources that are largely viewed by residents of the state?
No.
- Advertising in national media sources that can be accessed by residents of the state?
No.
- Having computer servers or other equipment located in the state?
Yes.
- Hosting short term, face-to-face, seminars or conferences in the state where students meet in person?
Yes but it would likely depending on the nature and scope of the activities.
- Employing mentors, tutors, or preceptors in the state to aid students, who are residents of the state, on an individual basis?
No.
- Requiring a student to take a proctored exam at a location or with an entity in the state prescribed by the institution?
No.
- Requiring a student to take a proctored exam with an entity in the state chosen by the student but approved by the institution?
No.
- Other [please explain]

- c. Of the activities or conditions listed above that alone would not constitute a physical presence, are there any that if combined would create a physical presence?

No.

6. Application Process

- a. Please provide a short description of the application process to obtain state authorization. If available, please provide web links to the specific references to all applicable state laws, regulations, manuals, forms, or other pertinent documents.

An applicant requests an initial application to operate from the Proprietary School Certification division of the MDHE. Once a completed application, including all exhibits, is submitted, the department conducts a review of those materials to assess compliance with certification standards. The school will receive the results of that review in writing and is provided time to address any deficiencies and to provide additional information relating to areas of confusion or concern. Once the application has been approved, the applicant school must post a security deposit (typically, a surety bond) and pay the certification fee. When all three of these items are complete, the MDHE issues a certificate of approval to operate, which includes an inventory of approved programs.

<http://www.dhe.mo.gov/psc/initialcertification.php>

"The complete application for certification to operate a school in Missouri is not available online. In order to receive a complete application for certification to operate, you must contact the MDHE and request the necessary materials. You may submit your application request via telephone or by submitting an application request form."

"It is important to note that the review process takes a minimum of 120 days after the application reaches the MDHE."

While some credit is given to recognized accreditation and approval in the school's home state, all proposals are required to follow the full application process.

For out-of-state public institutions seeking state authorization to offer distance education, they must affirm in writing that they are accredited by a recognized regional body and will adhere to the Coordinating Board for Higher Education's Best Practices for Distance Education guidelines.

- b. Generally, how long does it take to approve applications (assuming that the agency has received all required information from the institution)? Please provide a typical range if appropriate.
Our standard response is that the school should allow at least 120 days for the review to be completed. Depending on workload, that time frame may expand or contract.
- c. What is the authorization duration?
One year. The first authorization is for the remainder of the current certification year (July 1 through June 30).
- d. What does an institution need to do to maintain authorization?
Submit an acceptable renewal application
Confirm continued coverage by an adequate security deposit
Pay the annual fee.
- e. What kinds of information or data must an institution report to your agency as a condition for continued authorization? How frequently is this reported or updated? Is this information published or shared publicly?
The following list is reported annually as part of the renewal application.

Programs offered
Personnel numbers
Student financial aid awarded
Total enrollment
Completions
Employment

In addition, all schools certified to operate by the MDHE must report student level data pertaining to enrollment in and exit from the institution. This includes student demographics, educational background, program information, and completion/exit information.

The MDHE produces an annual report of statistical information about school's it certifies to operate and the students enrolled at those schools. The 2008 version of that report is available at <http://dhe.mo.gov/data/propstatsum.php>.

- f. Can an institution lose its authorized status? If so, how?
Yes, by violation of certification standards.
- g. Can a multi-institutional system or college corporation apply to your agency for authorization on behalf of all of its component institutions? If so, please describe the process.
No.

- h. Would multi-institution public systems be treated the same as multi-location for-profit institutions?

No. Missouri statutes establish a different process and different standards for non-Missouri public institutions offering instruction in the state.

- i. What distinctive features in your authorization process would be useful for applicants to know (e.g., certain times during the year that you process applications for authorization, sharing of applications or information about proposed programs with institutions or other stakeholders in your state for comment)?

- j. Is your agency currently planning to amend its application process by the end of 2011?

No.

- o If yes, please provide a brief description of the anticipated change.
- o If yes, when does the agency expect the change to be fully implemented?

7. Fees Associated with Authorization

- a. Is there an application fee to initiate the authorization process? If so, what is the fee or fee schedule? Please provide a web link if available.

No.

However, for Missouri-based licensed schools and non-Missouri private institutions, the applicant must pay a certification fee before a certificate of approval will be issued. For the initial certificate of approval, the certification fee is \$250 for the remainder of the current certification year.

- b. Are there any other costs associated with the state authorization process (e.g. site visits, hiring a reviewer, surety bond, tuition recovery fund, agent licensing, etc.)?

Schools must post a security deposit in order to receive approval to operate under 173.600. The deposit requirement may be met by a surety bond, cash bond, or letter of credit. All of those instruments must use department provided forms and requirements. The statutory reference for this requirement is 173.612. An excerpt relating to the amount of the deposit is copied below.

“The bond or other security shall cover all the facilities and locations of a proprietary school and shall not be less than five thousand dollars or ten percent of the preceding year's gross tuition, whichever is greater, but in no case shall it

exceed twenty-five thousand dollars. The bond shall clearly state that the school and the agents of the school are covered by it.”

These provisions do not apply to non-Missouri public institutions, as they are not required to post a security deposit.

It should be noted that legislation is pending that would give the MDHE the authority to assess fees to non-Missouri public institutions seeking state authorization for distance education. If the legislation is passed (and its passage seems likely at this time) the MDHE will initiate a process of assessing fees to out-of-state public institutions.

- c. What are the costs, if any, to renew authorization?

“The annual fee for a proprietary school certificate of approval shall be \$.001 per one dollar of net tuition and fees income (excluding refunds, books, tools and supplies), with a maximum of two thousand five hundred dollars and a minimum of two hundred fifty dollars per school. For a school having a certificate of approval for the sole purpose of recruiting students in Missouri, the net tuition used for this computation shall be only that paid to the school by students recruited from Missouri and the fee shall be two hundred fifty dollars plus the amount produced by the foundation calculation.”

- d. What costs are associated with receiving a waiver or exemption to authorization?

None.

8. Interstate Reciprocity

- a. Do your state regulations explicitly allow or prohibit interstate reciprocal agreements about authorization? If so, please describe.

No.

- b. What is the process, if any, to obtain a reciprocal agreement with your state?

- c. Are there any reciprocal agreements currently in place or under consideration? If so, please list those agreements.

- d. If interstate reciprocal agreements are not addressed in your regulations, would your agency consider establishing such agreements? Please elaborate.

Yes.

9. Consumer Protection and Student Complaints

- a. Does your agency have a process for handling complaints about postsecondary institutions or programs?

Yes. <http://www.dhe.mo.gov/documents/POLICYONCOMPLAINTRESOLUTION-reviseddraft.pdf>

- If yes, please describe the process or provide a web link to the material that describes the complaint process.
 - If yes, does this complaint process extend to institutions not authorized by the agency that may enroll residents of the state (such as explicitly distance education programs with no physical presence or exempt institutions)?
 - If available, please provide a web link to the complaint form.
 - Who is the contact person for receiving complaints? Please include name, title, address, phone, and email if available.
- b. If your agency has no formal process for handling complaints related to postsecondary institutions, what state agency would handle a complaint?

10. Enforcement

- a. If your agency finds that an institution or program is operating in your state without authorization, what is the resulting warning or enforcement action?

Upon discovering a school that is not complying with the certification requirement, we contact the school to inform them of the requirements and encourage them to contact us to discuss future steps. If the school does not respond and continues to violate statutes, the case would be referred to the Office of the Attorney General for action.

- b. Can an institution or program appeal a warning or enforcement action? If yes, please describe the process or provide web links to the regulations/policies.

There is no formal appeal for a warning. Schools can appeal actions by the MDHE to suspend or revoke a certificate of approval to the Administrative Hearing Commission.

11. Legislative or Regulatory Changes

- a. Is your agency or state legislature planning to amend its regulations or alter its physical presence policy by the end of 2011?

No.

- If yes, please provide a brief description of the anticipated change.
- If yes, when does the agency expect the change to be fully implemented?

- b. Is your agency or state legislature making changes in your state regulations or statutes so that institutions with locations in your state would be considered legally authorized in accordance with the federal institutional eligibility regulations?

No.

- If yes, please provide a brief description of the anticipated change.
- If yes, when does the agency expect the change to be fully implemented?

- c. Is your agency or state legislature making any other changes in your state regulations or statutes with regard to state authorization?

Yes. Legislation is pending (with passage expected) that would give the MDHE the authority to charge fees to out-of-state public institutions seeking authorization for distance education. Also, the current fee structure for proprietary institutions will be modified.

- If yes, please provide a brief description of the anticipated change.
- If yes, when does the agency expect the change to be fully implemented?
The rule making process and full implementation will take at least six months from the time the law goes into effect.

12. Is there anything else about the authorization process in your state that we and others ought to know about?