



**Report #10113:  
Fully Online Distance Education Program Registration**

**Report Submitted by the  
Maryland Higher Education Commission**

**December 1, 2014**

Education Article §11-202.2(g) of the Annotated Code of Maryland requires the Maryland Higher Education Commission (MHEC) to submit to the Governor, and in accordance with §2-1246 of the State Government Article, the General Assembly, an annual fully online distance education program registration report. This report shall include:

- I. The number of institutions of higher education that apply for registration under this section;
- II. The type and size of the institutions that apply;
- III. The number of institutions approved for registration;
- IV. The number of institutions denied registration;
- V. The number of Maryland students enrolled in institutions required to register under this section;
- VI. The results of the requirements of §11-202.3 of this subtitle;
- VII. The number of institutions found to be in violation of the requirement to register under this section;
- VIII. Any fines imposed, and in what amounts, on institutions that violate this section; and
- IX. Any fine revenues collected from institutions for violation of this section.

Overview

During the December 1, 2013 through October 31, 2014 reporting period, MHEC received a total of 212 registration applications (as compared to 108 applications for the previous reporting period), including 91 initial applications and 121 renewal applications. During this same time period, the Secretary of Higher Education issued registration to 88 out-of-state

institutions offering a total of 2,039 fully online programs to Maryland residents. MHEC collected a total of \$239,000 in registration fees.

Additionally, MHEC staff members continue to provide guidance to out-of-state institutions that offer online programs that require a certificate of approval to operate in Maryland.

I. Number of institutions that applied in the reporting period: **212**

II. Type and size of institutions that applied:

Types of institutions that applied for registration with the Maryland Higher Education Commission

| Type                   | Number of applicants for registration |
|------------------------|---------------------------------------|
| Public                 | 48                                    |
| Private-for-profit     | 63                                    |
| Private not-for-profit | 101                                   |

Sizes of institutions that applied for registration with the Maryland Higher Education Commission<sup>1</sup>

|  |    |   |    |
|--|----|---|----|
| Very small two-year <sup>2</sup> :                         | 4  | Small two-year <sup>3</sup> :                                 | 2  |
| Medium two-year <sup>4</sup> :                             | 1  | Large two-year <sup>5</sup> :                                 | 2  |
| Very large two-year <sup>6</sup> :                         | 1  | Very small four-year, primarily nonresidential <sup>7</sup> : | 5  |
| Very small four-year, primarily residential <sup>8</sup> : | 5  | Very small four-year, highly residential <sup>9</sup> :       | 3  |
| Small four-year, primarily nonresidential <sup>10</sup> :  | 9  | Small four-year, primarily residential <sup>11</sup> :        | 14 |
| Small four-year, highly residential <sup>12</sup> :        | 9  | Medium four-year, primarily nonresidential <sup>13</sup> :    | 20 |
| Medium four-year, primarily residential <sup>14</sup> :    | 23 | Medium four-year, highly residential <sup>15</sup> :          | 12 |
| Large four-year, primarily nonresidential <sup>16</sup> :  | 30 | Large four-year, primarily residential <sup>17</sup> :        | 14 |
| Large four-year, highly residential <sup>18</sup> :        | 11 | Special Focus Institution:                                    | 24 |
| Not classified:  | 23 |   |    |

<sup>1</sup> Based on Carnegie Classification of Institutions of Higher Education

<sup>2</sup> Fall enrollment data show full time equivalent (FTE) enrollment of fewer than 500 students at these associate's degree granting institutions.

<sup>3</sup> Fall enrollment data show FTE enrollment of 500–1,999 students at these associate's degree granting institutions.

<sup>4</sup> Fall enrollment data show FTE enrollment of 2,000–4,999 students at these associate's degree granting institutions.

<sup>5</sup> Fall enrollment data show FTE enrollment of 5,000–9,999 students at these associate's degree granting institutions.

<sup>6</sup> Fall enrollment data show FTE enrollment of at least 10,000 students at these associate's degree granting institutions.

<sup>7</sup> Fall enrollment data show FTE enrollment of fewer than 1,000 degree-seeking students at these bachelor's degree granting institutions. Fewer than 25 percent of degree-seeking undergraduates live on campus and/or fewer than 50 percent attend full time (includes exclusively distance education institutions).

<sup>8</sup> Fall enrollment data show FTE enrollment of fewer than 1,000 degree-seeking students at these bachelor's degree granting institutions. 25-49 percent of degree-seeking undergraduates live on campus and at least 50 percent attend full time.

<sup>9</sup> Fall enrollment data show FTE enrollment of fewer than 1,000 degree-seeking students at these bachelor's degree granting institutions. At least half of degree-seeking undergraduates live on campus and at least 80 percent attend full time.

<sup>10</sup> Fall enrollment data show FTE enrollment of 1,000–2,999 degree-seeking students at these bachelor's degree granting institutions. Fewer than 25 percent of degree-seeking undergraduates live on campus and/or fewer than 50 percent attend full time (includes exclusively distance education institutions).

III. Number of institutions approved for registration in the reporting period: **88**

IV. Number of institutions denied registration: **0**

V. Number of Maryland students enrolled at institutions required to register: **19,720**

VI. Results of the requirements of §11-202.3 of this subtitle:

*§11-202.3*

*At least twice a year, the Commission shall peruse federal databases and other information sources to determine whether there are Maryland students who are enrolled in a fully online distance education program offered by an institution of higher education that is required to register with the Commission under § 11–202.2 of this subtitle, but that has failed to register with the Commission.*

During the current reporting period, MHEC launched two investigatory efforts in compliance with §11-202.3. First, the Secretary sent investigatory letters to 55 institutions accredited by the Distance Education and Training Council (DETC) that had not yet applied for registration in Maryland. Second, the Secretary sent letters to 746 institutions identified through the Integrated Postsecondary Education Data System (IPEDS) as both having Maryland students enrolled, and/or as offering distance education. Progress and outcomes related to these efforts were reported to Senator Paul G. Pinsky on a bimonthly basis and are outlined below.

Distance Education Training Council (DETC) Members

In January 2014, MHEC sent letters to 55 non-registered institutions accredited by DETC. As of October 31, 2014, 44 (80%) of these institutions have responded.

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- <sup>11</sup> Fall enrollment data show FTE enrollment of 1,000–2,999 degree-seeking students at these bachelor’s degree granting institutions. 25-49 percent of degree-seeking undergraduates live on campus and at least 50 percent attend full time.
- <sup>12</sup> Fall enrollment data show FTE enrollment of 1,000–2,999 degree-seeking students at these bachelor’s degree granting institutions. At least half of degree-seeking undergraduates live on campus and at least 80 percent attend full time.
- <sup>13</sup> Fall enrollment data show FTE enrollment of 3,000–9,999 degree-seeking students at these bachelor’s degree granting institutions. Fewer than 25 percent of degree-seeking undergraduates live on campus and/or fewer than 50 percent attend full time (includes exclusively distance education institutions).
- <sup>14</sup> Fall enrollment data show FTE enrollment of 3,000–9,999 degree-seeking students at these bachelor’s degree granting institutions. 25-49 percent of degree-seeking undergraduates live on campus and at least 50 percent attend full time.
- <sup>15</sup> Fall enrollment data show FTE enrollment of 3,000–9,999 degree-seeking students at these bachelor’s degree granting institutions. At least half of degree-seeking undergraduates live on campus and at least 80 percent attend full time.
- <sup>16</sup> Fall enrollment data show FTE enrollment of at least 10,000 degree-seeking students at these bachelor’s degree granting institutions. Fewer than 25 percent of degree-seeking undergraduates live on campus and/or fewer than 50 percent attend full time (includes exclusively distance education institutions).
- <sup>17</sup> Fall enrollment data show FTE enrollment of at least 10,000 degree-seeking students at these bachelor’s degree granting institutions. 25-49 percent of degree-seeking undergraduates live on campus and at least 50 percent attend full time.
- <sup>18</sup> Fall enrollment data show FTE enrollment of at least 10,000 degree-seeking students at these bachelor’s degree granting institutions. At least half of degree-seeking undergraduates live on campus and at least 80 percent attend full time.

Of those 44 DETC institutions that have responded, 18 institutions indicated that they have Maryland students enrolled in fully online programs. Of these institutions, 15 have now submitted applications for registration, and MHEC staff members are continuing efforts to contact the other 3 institutions to facilitate the submission of their applications. 26 DETC institutions indicated that they do not currently have Maryland students enrolled in fully online programs, and have agreed (in writing) to register upon enrolling their first Maryland student. MHEC staff members continue to follow up with the 11 nonresponsive DETC institutions to determine their status.

#### Integrated Postsecondary Education Data System (IPEDS) Analysis

In March 2014, using IPEDS data, MHEC mailed 746 investigatory letters to out-of-state institutions that enroll Maryland students and that offer distance education. MHEC instructed these institutions to self-report, by April 25, 2014, the status of Maryland residents enrolled in any fully online programs.

Of the 746 institutions that received letters, 394 institutions had not responded as of September 1, 2014. MHEC's Assistant Attorney General issued a follow-up letter to those remaining institutions, requesting a reply by November 10, 2014.

As a result of both of these efforts, as of October 31, 2014, MHEC has received a total of 383 institutional responses (51%) from the 746 institutions originally identified. Of the 383 responses received:

- 288 institutions reported that they do not currently have Maryland students enrolled in fully online programs. Of these:
  - 208 institutions have agreed (in writing) to register upon enrolling their first Maryland student, or have indicated their intent to proceed with registration.
  - 79 institutions have barred Maryland students from enrolling in their fully online programs.
  - 1 institution dropped its Maryland enrollee and has barred future enrollment of Maryland students.
- 77 institutions reported having Maryland students enrolled in their fully online programs and indicated their intent to register. Of these:
  - 51 institutions have now submitted an application for registration.
  - MHEC staff members continue to work with the remaining 26 institutions' liaisons on completing the registration application.
- 18 institutions offer online programs that participate in the Southern Regional Education Board's (SREB) Electronic Campus Regional Reciprocity Agreement (SECRRRA), and are thereby exempt from registration.

VII. Number of institutions found to be in violation of the requirement to register: 95

These 95 institutions were identified as a result of MHEC's investigatory efforts summarized in Section VI. Once contacted, it was determined that these institutions were currently enrolling Maryland residents in fully online programs. As of this report, 70% (66) of these institutions have already submitted applications for registration, with the remaining 30% still in progress. No fines have been issued to these institutions to date, as MHEC staff members are still working with these institutions to bring them into compliance.

As more out-of-state institutions become aware of the requirements of registration, MHEC continues to respond to inquiries from institutions regarding interpretation of the statute and regulations, as well as the application process. Once these institutions self-identify, MHEC maintains contact with them to ensure that the application for registration is submitted. In addition, MHEC staff members continue to receive numerous anonymous inquiries about the registration process from out of state institutions through private law firms, but have been unable to pursue those institutions since their identities have not been disclosed.

During this reporting period, MHEC has also encountered situations in which out-of-state institutions have determined that they cannot comply with the statute. For example, North Dakota State University and the University of Oregon withdrew their applications for registration, citing an inability to meet the State's statutory refund policy requirements for online registration. No Maryland students were enrolled in fully online programs at either institution at the time the applications were withdrawn.

VIII. Any fines imposed, and in what amounts, on institutions that were found to be in violation: 0

IX. Any fine revenues collected from institutions found to be in violation: 0