



RESOLUTION

concerning

FY1998-99 FEE SCHEDULE FOR COURSES OFFERED THROUGH CSU-ED ONLINE

August 21, 1998

WHEREAS, The Board of Trustees for the Connecticut State University System under its statutory authority - CGS 10a-99 - reviews and establishes fees for such purposes as the Board of Trustees deems necessary, and

WHEREAS, The Trustees agreed at their May 1998 meeting that the Chancellor and the University Presidents were to develop a plan to strategically position CSU as a leader in information technology, as learner centered universities, and as the hub of learning opportunities in Connecticut, and

WHEREAS, The Connecticut State University System is moving ahead with an initiative to offer a variety of on-line graduate and undergraduate courses, to be known as CSU-ED Online, and

WHEREAS, Recommendations regarding appropriate fees for on-line credit courses have been discussed by University management, System Office staff and the Board of Trustees, therefore be it

RESOLVED That the following fees are effective for FY1998-99 for on-line credit courses offered through the CSU-ED Online initiative:

Student Type	Course Fee per Credit	On-line Fee per Course
In-State Student - Full Time	NA	\$25
In-State Student - Part Time, Intersession, Summer	\$190	\$25
Out-of-State Student - Full Time	NA	\$25
Out-of-State Student - Part Time, Intersession, Summer	\$190	\$25

and be it further

RESOLVED: That fees for non-credit courses offered through the CSU-ED Online initiative are to be established at the discretion of the Chancellor of the Connecticut State University System.

A Certified True Copy:

Lawrence D. McHugh
Lawrence D. McHugh
Chairman



ITEM

FY1998-99 Fee Schedule for Courses Offered Through CSU-ED Online

BACKGROUND

The Board of Trustees under its statutory authority - CGS 10a-99 - reviews and establishes fees annually for such purposes as the Board of Trustees deems necessary. In December of 1997, the Board of Trustees established tuition and fees to be effective at each university as appropriate for FY1998-99. Subsequently, in May of 1998, the Board of Trustees passed a resolution which froze tuition and extension fee charges at FY1997-98 levels.

ANALYSIS

At the time the FY1998-99 tuition and fee schedules were approved and established, on-line learning was not yet contemplated for the CSU System. Subsequently, in May of 1998, the Board of Trustees agreed that the Chancellor and the university Presidents should develop a plan to strategically position CSU as a leader in information technology, as learner centered universities and as the hub of learning opportunities in Connecticut. As part of fulfilling this strategic mission, CSU is moving ahead with an on-line learning initiative, known as CSU-ED Online, which will begin as a pilot program this year with an offering of thirteen courses in the Fall 1998 semester. A listing of courses to be offered in the Fall 1998 semester is attached to this Staff Report. It is intended that CSU-ED Online will eventually be self-supporting.

The costs involved in offering on-line courses entail such items as course development, advertising and marketing costs, and faculty support costs over and above those already incurred by the Universities. In addition, acquisition and maintenance costs for hardware, software and accompanying support services are also significant in an on-line venture. The recommended fees are essential and will provide partial funding for these costs in the early years of CSU-ED Online.

RECOMMENDATION

The proposed fees for CSU-ED Online for FY1998-99 be approved.

LIST OF ONLINE PILOT COURSES FALL 1998

1. Nature, Mind & Science (Controversies in Evolution)
2. Business Statistics 1
3. Educational Motivation and the Learning Process
4. Contemporary Applications -- Visual Basic
5. Introduction to HTML and Web Page Design
6. History and Criticism of Radio and Television
7. Political Economy of Labor Relations
8. Knowledge-Based Systems
9. Technology in the Classroom
Educational Technology Seminar
International and Cross-Cultural Education Seminar
10. Theoretical Foundations of Professional Nursing
11. Criminal Procedure and Process
12. Mathematical Modeling
13. Developmental Reading in the Elementary School

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8/13/98

CSU-ED ONLINE -- FORECAST

ASSUMES 50% OF STUDENTS ARE FULL TIME, ONLY PAY \$25 PER COURSE
 ASSUMES 20 STUDENTS PER CLASS FY98-99 AND FY99-00, 30 STUDENTS PER CLASS FY00-01 AND FY01-02
 ASSUMES 50% OF PART TIME, SUMMER, AND INTERSESSION STUDENTS ARE OUT-OF-STATE

Assume: Course Fees

1998-99: \$200 per cr i/s, \$250 per cr o/s + \$25 reg. fee, \$250 per non-cr course (avg)
 1999-00: \$210 per cr i/s, \$265 per cr o/s + \$25 reg. fee, \$260 per non-cr course (avg)
 2000-01: \$220 per cr i/s, \$280 per cr o/s + \$25 reg. fee, \$270 per non-cr course (avg)
 2001-02: \$230 per cr i/s, \$295 per cr o/s + \$25 reg. fee, \$280 per non-cr course (avg)
 \$6,000 per consulting engagement

	# of students	# of professors
Assume: 13 courses Fall 98 (11 3-credit, one 2-credit, one 1-credit)	260	13
13 courses Spring 99	260	13
1 non-credit course -1999 (spring)	20	1
12 courses Summer 99	240	12
20 courses Fall 99	400	20
5 non-credit courses each sem.	200	10
50 courses Spring 2000	1000	42
10 courses Summer 00 - 1st	200	9
10 courses Summer 00 - 2nd	300	9
5 consulting engagements - yr 2	NA	5
120 courses Fall 00	3600	96
20 non-credit courses each sem	1200	32
150 courses Spring 01	4500	120
75 courses Summer 01 - 1st	2250	60
75 courses Summer 01 - 2nd	2250	60
10 consulting engagements - yr 3	NA	10
120 courses Fall 01	3600	96
20 non-credit courses each sem	1200	32
150 courses Spring 02	4500	120
75 courses Summer 02 - 1st	2250	60
75 courses Summer 02 - 2nd	2250	60
10 consulting engagements - yr 4	NA	10



CSU-ED Online

Year Budget

	Fiscal Year 1998-99	Fiscal Year 1999-00	Fiscal Year 2000-01	Fiscal Year 2001-02
Revenue				
Part Time, Summer, and Intersession Fees	186,750	947,750	5,600,250	7,444,125
Full Time Student Fee from Universities		323,750	1,873,125	1,873,125
Total Revenue	186,750	1,271,500	7,473,375	9,317,250
Expenses				
Staffing				
Senior Executive	29,333	44,660	45,330	46,010
Director	-	-	70,000	71,050
Marketing Representative	-	32,500	98,475	131,950
Administrative Support	9,880	10,176	45,000	45,675
Help Center			80,000	81,200
Course Developer/Trainer			120,000	121,800
Server Support			90,000	91,350
Fringe @30%	11,764	26,201	164,641	176,710
Total Staffing	50,977	113,537	713,446	765,745
Facilities				
Desks	11,000	15,500	49,500	-
PC's	5,100	5,100	32,900	-
Phones	1,300	1,400	8,100	3,600
Other	833	2,574	10,605	10,923
Assessment Consultant	21,000	40,000	40,000	40,000
Course Development	144,200	565,800	2,637,000	1,380,000
Registration/Billing (assume a university charges \$5.00 per student)	2,700	10,200	59,250	69,000
Advertising/Marketing	65,000	100,000	150,000	150,000
Honoraria	5,000	10,000	25,000	25,000
Course Purchases	10,000	10,000	20,000	20,000
Travel/Training	2,500	2,500	27,500	27,500
Professor Stipend (\$3,113-1999, \$3,236-2000, \$3,366-2001, \$3501-2002))	77,712	313,892	1,098,999	329,094
Legal Services	40,000	25,000	10,000	10,000
Reassigned Time Cost		456,192	1,771,110	1,989,900
Servers			50,000	50,000
Network Bandwidth			30,000	30,000
Course Development Software			30,000	30,000
Total Expenses	437,322	1,872,796	6,830,444	4,997,796
Addition/(Deduction) to Fund Balance	(250,572)	(601,296)	642,931	4,319,454

NOTE: The Board of Trustees allocated \$220,000 in Systemwide reserves to fund the first year startup of CSU-ED Online. Current projections indicate that slightly more funding may be required. Another FY1998-99 projection will be developed in January as part of the Mid-Year Spending Plan Update, and funding may be revisited with the Board of Trustees at that time.

