



BOISE STATE UNIVERSITY

University Policy 6320

Fees for Non-Traditional Academic Programs

Effective Date

July 2015

Last Revision Date

February 04, 2022

Responsible Party

Chief Financial and Operating Officer and Vice President for Finance and Operations, (208) 426-1200

Provost and Vice President for Academic Affairs, (208) 426-1212

Scope and Audience

This policy applies to the defining and establishment of guidelines for three Alternative Student Fee Models for Nontraditional Academic Programs: Self-support Academic Programs and Online Academic Programs.

Additional Authority

- Idaho State Board of Education Policy, Section V.R.
 - University Policy 3150 (Tuition and Student Fees)
 - University Policy 6220 (Administrative Service Charge)
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1. Policy Purpose

To guide the development of alternative funding models for academic programming offered by the university and to establish standards and procedures for the financial administration of such programs, including the setting of fees, annual reporting, and University review.

2. Policy Statement

Programs utilizing Alternative Student Fee Models must be aligned with the University's mission and academic standards.

Alternatively-funded programs must be consistent with the institution's role and mission and aligned with the strategic plans of the University, college, and department.

Alternatively-funded programs must adhere to the same academic governance and standards as do other Boise State academic programs. Boise State policies not directly conflicting with this section of policy also apply.

3. Definitions

3.1 Alternative Student Fee Models

Includes the self-support academic program funding model and online academic program funding model. Both models provide an alternative to the University's primary tuition and student fee model described in University Policy 3150 (Tuition and Student Fees). Only Nontraditional Academic Programs are eligible to utilize Alternative Student Fee Models.

3.2 Nontraditional Academic Programs

Credit-bearing academic programs that culminate in a certificate or degree and are either 1.) online programs or 2.) in other ways distinct from the traditional offerings of the University by serving a population that does not access the same activities, services, and features as fulltime, tuition-paying students (such as those designed specifically for working professionals or programs offered at off-campus sites). Only programs that meet at least one of these two definitions are eligible to utilize Alternative Student Fee Models.

4. Responsibilities and Procedures

- a. The Provost's Office has charged the Division of Extended Studies with facilitating the development, funding, and delivery of Nontraditional Academic Programs. Academic departments interested in developing a Nontraditional Academic Program, including those wanting to utilize Alternative Student Fee Models, will work with Extended Studies to develop and submit the necessary proposal to the Provost's Office.
- b. In addition to the program proposal, the academic department will work with Extended Studies to enter into a memorandum of agreement (MOA) that delineates the details of the

fee model, delivery methods, and administrative supports typically required by a Nontraditional Academic Program.

- c. The roles and responsibilities for Nontraditional Academic Programs are as follows:
- The academic department/college is the academic owner of the program and responsible for decisions regarding the curriculum, faculty, students, and finances of the academic programs.
 - The role of Extended Studies is to 1.) provide support and structure for the development, funding and delivery of Nontraditional Academic Programs, and 2.) monitor financial and administrative commitments outlined in the budget and MOA.
 - The Provost's Office is responsible for the approval of Nontraditional Academic Programs, ensuring corrective action is taken when instances of noncompliance are identified, and retaining official University documents pertaining to Nontraditional Academic Programs.
 - The Chief Financial and Operating Officer and Vice President for Finance and Operations is a signatory on all program MOAs.
- d. Proposals regarding Nontraditional Academic Programs, including funding models and student fee amounts, require approval by the Idaho State Board of Education per Idaho State Board Policy, sections III.G. and V.R. The Provost's Office is responsible for advancing these proposals to the Idaho State Board of Education.

5. Self-Support Academic Program Funding Model

- a. The self-support academic program funding model is a method for locally funding academic credit-bearing certificate or degree programs that are distinct from the traditional offerings of the institution. As described in Idaho State Board of Education policy, section V.R., such programs are distinct by serving a population that does not access the same activities, services and features as regular tuition-paying students. Such programs can include fully online programs, programs offered off-campus, or programs designed specifically for working professionals.
- b. Students in self-support programs are charged program fees in lieu of tuition, and those fees are then deposited into a designated local account to pay for the expenses of the program, including the cost of instruction, program support, student services, and marketing.

- c. The revenues generated by a self-support academic program will be sufficient to cover all expenses associated with delivering the program. Per Idaho State Board of Education policy, section V.R., other appropriated funds cannot be used in support of self-support programs except during program start-up and then must be paid back to the university from program revenue within three (3) years of startup.
- d. Practices must be followed to demonstrate the self-sustaining nature of the program.
- Self-support academic programs will adhere to their most recently approved annual budget and most recently approved MOA.
 - Financial transactions for self-support academic programs will be segregated, tracked, and accounted for separately from all other programs of the institution in Extended Studies accounts designated specifically for the program.
 - Any utilization of existing faculty to develop or deliver a self-support program must be done in a way that avoids diminishing any existing programs. Any teaching overloads associated with the development and early implementation of the program must be limited to the first two (2) years after the program's launch. Further, if existing faculty members assume teaching responsibilities in a self-support academic program as part of their load, their home program should be fully reimbursed for the cost of delivering the lost workload. For instance, if backfilling requires the addition of a faculty FTE to the department, at a minimum a qualified lecturer should be funded by the self-support program. Ongoing commitments must be stipulated in the MOA.
 - Similarly, self-support academic programs must provide fair compensation to the home department for consistent utilization of administrative staff and/or other resources. Ongoing commitments must be stipulated in the MOA.
 - To cover indirect costs incurred by the University, as required by Idaho State Board of Education Policy, section, V.R., self-support programs will pay an annual administrative service charge (ASC) to the university. The terms of ASC are delineated in University Policy 6220 (Administrative Service Charge).
 - Self-support academic programs will build and maintain reserve funds. Specifics regarding timeline and the minimum and maximum amount of reserves will be specified in the program's MOA.

- Programs will complete and submit to Extended Studies after each fiscal year the self-support academic program annual fiscal report, which demonstrates and attests to the program's self-sustaining financial model and explains the use of any net revenues.
 - Extended Studies is charged with carrying out Idaho State Board of Education Policy, section V.R., which requires each self-support academic program to be reviewed every three (3) years "to ensure that program revenue is paying for all program costs, direct and indirect, and that no appropriated funds are supporting the program."
- e. After a program pays for its annual expenses, including ASC, any remaining funds are considered net revenue. All net revenue must be managed in accordance with Idaho State Board of Education policy.
- f. If it appears a program is in danger of no longer being self-sustaining, the program director, department chair, college dean, Extended Studies dean and, if a graduate program, the graduate college dean will meet to address the situation. If corrective action is needed, the program's MOA will be updated to outline actions that will either: 1.) make the program financially solvent again, or 2.) reach-out and discontinue the program. In the latter event, any costs that cannot be borne by the program or from reserves will be borne by those parties outlined in the program MOA as sharing in the financial risk of the self-support program.
- g. Self-support academic programs will receive approval prior to adjusting program fees. Programs will work with Extended Studies to submit requests as part of the annual university student fee process. If faced with compelling extenuating circumstances, programs may request adjustments to program fees during other times of year. Ultimately all fee requests must be decided upon by the Idaho State Board of Education.
- h. Because the funding of self-support academic programs must, by Idaho State Board of Education Policy, be isolated from traditional programs, cross-over of students between self-support and traditional academic programs is limited.
- Traditional tuition-paying students will not be required to enroll in a self-support class section as part of their degree or certificate requirements.
 - A program can request that classes have both a self-support section and a traditional section, each with its own appropriate fee model for its respective students. Each must pay the appropriate share of expenses for such sections, based on enrollment. Such requests will be directed to Extended Studies.

6. Online Academic Program Funding Model

- a. The online academic program funding model is a method for using appropriated funding to deliver fully online, credit-bearing certificate or degree programs designed primarily to serve students at a distance. Such programs may have a limited in-residence requirement. The model is consistent with Idaho State Board of Education Policy, section V.R., which ensures that designated portions of student fee revenue are distributed to support the services needed for fully online students.
- b. Students in programs using this funding model are charged program fees in lieu of tuition. Fees are deposited into designated appropriated accounts established to cover expenses associated with online programs using the online academic program funding model. These programs are not required to be fully funded from their fee revenues. However, as part of the approval process the program will submit a plan that delineates the sources from which all program expenses are funded, including expenses associated with instruction, program support, student services, marketing, online delivery, and overhead.
- c. Programs utilizing the online academic program funding model are responsible for following the practices below:
 - Programs will adhere to the terms specified in their MOA.
 - Financial transactions will be tracked and accounted for in Extended Studies accounts designated specifically for the program.
 - Any utilization of existing faculty to develop or deliver a program utilizing the online academic funding model must be done in a way that avoids diminishing existing programs. Any teaching overloads associated with the development and early implementation of the program must be limited to the first two (2) years after program implementation. Programs will build and maintain reserve funds. Specifics regarding timeline and amount of reserves will be specified in the program's MOA.
 - After a program pays for its annual expenses, any remaining funds are considered net revenue. All net revenue must be managed in accordance with Idaho State Board of Education Policy.
- d. If it appears a program is becoming financially insolvent, the program director, college dean, Extended Studies dean and, if a graduate program, the graduate college dean will meet to address the situation. If corrective action is needed, the program's MOA will be updated to

outline actions to be taken to either: 1.) make the program financially solvent again, or 2.) teach-out and discontinue the program. In the latter event, any costs that cannot be borne by the program will be borne by those parties outlined in the MOA as sharing in the financial risk of the program.

- e. Programs will receive approval prior to adjusting program fees. Programs will work with Extended Studies to submit requests as part of the annual University student fee process. Ultimately these fee requests are decided upon by the Idaho State Board of Education.
 - f. While programs utilizing the online academic program funding model are designed to serve primarily distance students, cross-enrollment by campus-based students may be allowed on a space-available basis.
 - g. To provide students who are enrolled in traditional academic programs with greater access to courses in fully online programs (non-traditional academic programs), an academic department may request that a course have both a section for students enrolled in traditional academic programs and a section for fully online students. Such requests must be made through Extended Studies, and each course section will use its corresponding fee model.
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Last Review Date

September 27, 2021; March 21, 2024

Revision History

February 04, 2022