

APPENDIX C

PRINCIPLES FOR PRICING DISTANCE EDUCATION CREDIT COURSES, DEGREE AND CERTIFICATE PROGRAMS

1. Access for Wisconsin residents to undergraduate education through distance education courses does not have to be provided solely on a cost-recovery basis and can be supported by GPR/Fee funds.
2. Academic and student support services for distance education courses should adhere to system-wide standards to assure high quality distance education programming.
3. UW institutions will identify distance education costs (such as instruction, development, support services, electronic delivery, and administrative overhead) using a common methodology. Costs may be calculated at the course or program level.
4. Pricing distance education courses and programs should take into account fixed and variable costs, future enrollments, and frequency of distance education offerings. Prices may be charged at the course or program level.
5. Institutions may choose to increase the price charged for distance education courses and programs to take advantage of market opportunity. Conversely, institutions may choose to decrease the price charged for distance education courses and programs according to the following factors: derivative benefits to faculty or institution, access/mission relationship, multiple sources of subsidy (e.g., grants, contracts, unused or marginal capacity), or competition.
6. Tuition for all students taking distance education courses will be charged outside the credit plateau, i.e., each distance education credit would be charged at the per credit rate. However, institutions will have the flexibility to waive this principle and charge within the plateau for their own students.
7. There is no change to current policy (FPPP 44) which allows institutions to waive segregated fees for students enrolled exclusively in courses held off-campus. Institutions should consider a number of factors when determining if segregated fees are appropriate including student input, the benefits received by off-campus students, and whether the price charged will be a disincentive for students to register for distance education courses.
8. Institutions will be held accountable for their distance education pricing and cost analyses (consistent with the above principles) by keeping records demonstrating the use of a common methodology. UW System Administration will report annually to the Board of Regents on distance education pricing activities.
9. These principles do not pertain to non-credit continuing education courses and programs. Existing institutional and system policies are sufficient for determining costs and setting prices (see Continuing Education Fee Policy).