

MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
INNOVATION AND ONLINE COMMITTEE
UNIVERSITY OF SOUTH FLORIDA
TAMPA, FL
October 17, 2016

1. Call to Order

Chair Ned Lautenbach convened the meeting at 2:01 p.m. on October 17, 2016, with the following members present: Governors Ed Morton, Dick Beard, Dean Colson (by phone), Wendy Link, Pam Stewart (by phone), Norman Tripp, and Gary Tyson. A quorum was established.

2. Approval of Committee Meeting Minutes

Governor Morton moved that the committee approve the minutes of the meeting held on September 21, 2016, as presented. Governor Tyson seconded the motion, and the members concurred.

3. Cost of Online Education

Chair Lautenbach stated that one of the goals of the SUS Strategic Plan for Online Education is to determine the cost of online education. He thanked Dr. Pam Northrup, Dr. Cindy DeLuca, and all other institutional staff that worked so hard on this report.

Dr. Northrup said that Texas, North Carolina, Tennessee, Indiana, and, most recently, Georgia have tackled the issue of cost of online education and most were not successful in building a uniform methodology to capture cost and explain it as a system. She said she believes this report is the most comprehensive in the nation at this point.

She stated that thirty-seven states assess a distance learning fee and the average for that fee is \$50.00 per student credit hour. In Florida, there is statutory authority for charging a distance learning fee. This fee is only used for courses that are delivered 80% or more online and are included in the distance learning course catalog.

She said that Florida is a national leader in online education, with each institution taking a different path to implementation of its distance learning program. Dr. Northrup stated that the system average incremental cost per student credit hour for online courses is \$41.48, although the cost varies by institution. A deeper review

showed there were clusters of institutions, from those with lower costs that were heavily engaged in distance learning to those that were not heavily engaged and had higher costs. The ones with lower costs became engaged in distance learning in the mid-nineties, earlier than the other institutions, and distance learning was a part of their institutional strategy.

For the cost study, Dr. Northrup said the workgroup included several different data elements in the model created, including ones for online course and faculty development, technology and infrastructure, support services, and administrative services. The model captures total cost of distance learning, not just costs paid with the distance learning fee.

Dr. Northrup said that, system-wide, 42% of the cost of online education is for course development and 58% is for course delivery.

The report also addressed cost avoidances, cost savings, and the price to students. It included four recommendations: share courses and programs across the system; share services across the system; build institutional dashboards; and develop an alternative cost model.

Governor Tripp asked Dr. Northrup to clarify the meaning of administrative service costs. Dr. Northrup said that administrative costs include such items as staffing, state authorization, and Quality Matters and other activities and resources to run the operation itself.

Governor Morton asked if there had been a discussion about the kinds of courses that would lend themselves to sharing across the system. He also asked about electronic textbooks being more useful and cost effective for all students to use. Dr. Northrup said that there are several workgroups addressing different aspects of the 2025 Strategic Plan for Online Education, and the Online Courses and Programs Workgroup, chaired by Dr. Andy McCollough, is studying both of these issues. Dr. McCollough said there are courses that are common across the State University System, not by title, but by intent. General education courses that students tend to take in their first couple of years tend to be alike. He said plans for master courses will be presented to the Innovation and Online Committee in March. Dr. Northrup added that the integrated library system that is being developed now has a component that will allow library e-resources to be populated within the learning management system in a significant way to help with those textbook costs. Governor Morton suggested setting goals and objectives regarding e-textbooks.

Chair Lautenbach indicated that Appendix C in the report shows that institutions have a variety of approaches to charging tuition and fees to online students. Governor Tripp moved that President John Hitt be requested to reconstitute his strategic planning task

force to look at a new cost model that would encourage online students to graduate in a timely manner, while being cognizant of institutional costs and fairness in student pricing. Governor Link seconded the motion and members concurred. Governor Lautenbach asked Dr. Nancy McKee and Mr. Tim Jones to work with President Hitt on this effort.

Governor Tyson encouraged the workgroups to do a study on what we are doing in the state and what other states are doing. Dr. Northrup said Florida institutions were in many places online - lower division, upper division, general studies, graduate, and professional. Dr. McCollough said that his workgroup was looking at all online programs offered across the system, workforce needs, and areas of strategic emphasis to uncover where supply is not meeting demand.

Governor Tripp moved that the Implementation Committee and Steering Committee present recommendations for sharing additional services and/or resources. Governor Link seconded the motion and members concurred.

Governor Tripp moved that the Implementation Committee and Steering Committee present recommendations related to sharing courses and programs. Governor Link seconded the motion and members concurred.

Governor Tripp moved that the Implementation Committee and Steering Committee develop common definitions and common dashboards to more effectively manage online education. Governor Link seconded the motion and members concurred.

4. Concluding Remarks and Adjournment

Governor Lautenbach adjourned the meeting at 2:49 p.m.