

**Florida Atlantic University
Market Tuition Rate
2016 Pilot Program Review Survey**

Only one survey response per university. This survey includes the totality of the market tuition rate programs approved by the Board of Governors for your university

1. How has this market rate tuition program achieved “success?”

Florida Atlantic University’s first market rate tuition programs, Master of Business Administration (Executive MBA, Professional MBA, and Online MBA), Executive Master of Healthcare, and the Master of Science in Finance were approved November 2013, by the Board of Governors. The Executive Master of Accounting, Master of Taxation, and Master of Science in International Business were approved November 2014.

The Executive MBA, Professional MBA, and Online MBA and Executive Master of Healthcare started as market rate programs August 2014. The Master of Science in Finance market rate program started spring 2015. The Executive Master of Accounting and Master of Taxation started as Market Rate Programs August 2015. The Master of Science in International Business will be implemented at a later time.

Programs started thus far have enrolled class sizes that met or exceeded the number of students needed for viability, which is our first indicator of success. These programs have also contributed to increased graduate enrollment for the college, which indicates that there is effective market demand for these programs.

To date, FAU has started 27 cohorts and enrolls over 800 students in market tuition rate programs since fall 2014.

a. How many degrees have been awarded as a direct result of the approval of market tuition rate?

FAU implemented the first market tuition rate programs fall 2014. Due to the length of the programs, FAU has only graduated one cohort from the market tuition rate programs to date. The 15-month Executive Master of Health Administration program that started fall 2014, graduated 19 students December 2015.

The other programs have not been running long enough to produce graduates due to the length of the programs.

i. How does this number compare to the number of degrees awarded for E&G funded program offerings in the same or related CIP code?

The first market tuition rate program cohort in Executive Master of Healthcare Administration graduated December 2015. FAU will also graduate a second cohort May 2016. Based on initial data for the Executive Master of Healthcare Administration (EMHA), FAU expects market rate tuition programs to award more degrees than the E&G funded Master of Health Administration (MHA) program in the same CIP code. The market rate tuition program is also far more efficient with regards to time to graduation.

Market Rate Tuition Executive Master of Health Administration

Cohort Format	Semester Start	Number of Students Started	Graduated	Attrition %	Continued Registration
EMHA 1	Fall 2014	22	19	13.60%	0

E&G Funded Master of Health Administration

Non Cohort Format	Semester Start	Number of Students Started	Graduated	Attrition %	Continued Registration
MHA 1	Fall 2014	12	1	16.70%	9

The other market tuition rate programs have not been implemented long enough to obtain accurate data for comparison, however based on current consistent enrollment in the market rate programs, the number of degrees awarded for market tuition rate programs are expected to be larger than the E&G funded programs in the same CIP code.

- b. How many additional students have enrolled as a direct result of approval of market tuition rate?

Market Tuition Rate Program Enrollment				
Program	Fall 2014	Spring 2015	Fall 2015	Spring 2016
EMHA	22	55	77	81
MBA	355	399	416	439
MS Finance	0	10	22	34
MS International Business	0	0	0	0
Master of Taxation	59	7*	87	7*
Executive Master of Accounting	161	194	264	263
Total Enrollment	597	665	866	824

*Master of Taxation program does not offer classes in spring due to tax season. Students enrolled are taking business foundation courses.

- c. How has each approved program achieved success in terms of outcome measures in original program proposal?

FAU monitors the success of the programs utilizing the following metrics:

• **Number of cohorts initiated:**

Market Tuition Rate Program Cohorts Started					
Program	Fall 2014	Spring 2015	Fall 2015	Spring 2016	Total per Program
EMHA	1	1	1	1	4
MBA	5	3	6	3	17
MS Finance	N/A	1	1	1	3
MS International Business	N/A	N/A	N/A	N/A	N/A
Master of Taxation	N/A	N/A	1	0	1
Executive Master of Accounting	N/A	N/A	1	1	2
Total Cohorts Started	6	5	10	6	27

• **Number of students enrolled:**

Market Tuition Rate Program Enrollment				
Program	Fall 2014	Spring 2015	Fall 2015	Spring 2016
EMHA	22	55	77	81
MBA	355	399	416	439
MS Finance	0	10	22	34
MS International Business	0	0	0	0
Master of Taxation	59	7*	87	7*
Executive Master of Accounting	161	194	264	263
Total Enrollment	597	665	866	824

*Master of Taxation program does not offer classes in spring due to tax season. Students enrolled are taking business foundation courses.

• **Student satisfaction:**

FAU has only graduated one cohort from the market tuition rate programs to date. The 15-month Executive Master of Health Administration (EMHA) program that started fall 2014, graduated 19 students December 2015.

Course evaluations were used to measure student satisfaction with the overall quality of instruction for the program. The evaluations are scored from 1 to 5, with 1 being the highest and 5 being the lowest.

Student satisfaction with EMHA program: 1.46¹

The other programs have not graduated any cohorts and have not been implemented long enough to obtain results for metrics used to evaluate the student satisfaction with the programs.

- d. How does attrition for the market tuition rate program offering compare to attrition rates for E&G funded program offerings in the same or related CIP code?

To date, FAU has only graduated one cohort from market tuition rate programs. The first cohort from the Executive Master of Health Administration started with 22 students, fall 2014. From this cohort 19 student graduated December 2015.

Market Rate Tuition Executive Master of Health Administration

Cohort Format	Semester Start	Number of Students Started	Graduated	Attrition %	Continued Registration
EMHA 1	Fall 2014	22	19	13.60%	0

E&G Funded Master of Health Administration

Non Cohort Format	Semester Start	Number of Students Started	Graduated	Attrition %	Continued Registration
MHA 1	Fall 2014	12	1	16.70%	9

Based on initial data for the Executive Master of Healthcare Administration program, FAU data shows that the attrition rate for the market tuition rate program will be better than the E&G funded program. The market tuition rate program is also far more efficient with regards to time to graduation.

The other programs have not graduated any cohorts and have not been implemented long enough to evaluate attrition rate for the programs.

- e. Provide other indicators of success:

FAU monitors the success of the programs measuring cohorts initiated, number of students enrolled and student satisfaction. The programs that have been initiated are performing well and are seeing great demand. The programs will contribute to increased number of degreed graduates through enhanced access, service and flexibility.

2. If market tuition rate was approved for a program identified as a state critical workforce need, how has implementing market tuition rate increased the number of critical need graduates overall?

N/A

3. What has been the impact on similar existing E&G funded program offerings in the same or related CIP code at the same degree level?

There has been minimal impact on similar existing E&G funded programs in the same or related CIP code. These program has been sustaining well due to increased marketing and outreach efforts from the University.

E&G Funded Program Enrollment in Similar Existing CIP Codes						
Program	Fall 2013	Spring 2014	Fall 2014	Spring 2015	Fall 2015	Spring 2016
Traditional MBA	237	261	266	249	203	193
E&G Master of Accounting	136	138	147	126	130	119
E&G Master of Tax	38	36	31	25	22	16
E&G Master of Health Administration	41	40	41	38	50	52
Total Enrollment E&G Funded Programs	452	475	485	438	405	380

4. Have any E&G funded program offerings in the same or related CIP code at the same level been eliminated since the approval of market tuition rate? If so, please explain.

No E&G funded programs in the same or related CIP code have been eliminated since the approval of the market tuition rate.

5. How do program revenues compare to program costs?

For fiscal year 2014-2015, the University generated approximately \$10.6 million in market tuition rate programs. In fiscal year 2015-2016, the University expects to exceed the

revenue that was generated in the prior fiscal year. Revenues in excess of immediate program costs are reserved to support future enhancements to the market tuition rate programs in alignment with the University’s mission.

6. How much revenue has been generated by market tuition rate cohorts and how has the revenue been used?

Market Tuition Rate Revenues since Inception		
Program	FY 2014/2015	FY 2015/2016
EMHA	\$ 973,088	\$ 1,258,993*
MBA	\$ 6,060,072	\$ 4,612,525*
MS Finance	\$ 100,860	\$ 431,457*
Master of Taxation	\$ 565,911	\$ 517,776*
Executive Master of Accounting	\$ 2,970,080	\$ 3,264,801*
Total Revenue	\$ 10,670,011	\$ 10,085,553*

*As of April 2016 – these figures do not yet include Summer 2016 enrollment revenues.

Revenues from the University’s market tuition rate programs have been used to cover direct and indirect program related costs including, but not limited to, program administration, student support services, advertising and promotion, renovation of classroom facilities, technology for program delivery, professional development for faculty and staff, program faculty stipends, and associated program vendors (textbook publishers, catering, media outlets, educational technology providers, etc.). Revenue beyond these expenditures will be utilized for future program enhancements and to develop new (or enhance current) programs to support evolving regional economic and community needs.

7. Describe the positive aspects of the market tuition rate initiative.

The market tuition rate initiative allows the University to generate funding to assist both E&G and market tuition rate initiatives, generate more degrees, and enhance our educational programs with minimal added costs to the Florida taxpayers. Economic growth and prosperity in the State of Florida can be supported and enhanced by a workforce that has earned advanced degrees in many areas. However, some degrees will provide much higher returns, in an economic sense, than others, and we believe our business programs provide a solid return. Market tuition rate programs allow FAU to be responsive to changing market demands, and design and deliver programs that meet workforce needs.

- 8.

- a. Describe the negative aspects

We have not experienced any negative aspects of market tuition rate programs, with the possible exception of the uncertainty of whether they will be allowed to

continue. For our purposes in planning future offerings, we appreciate the opportunity that the market rate framework allows, and hope that it can be confirmed for future.

9. How does the market tuition rate initiative compare to Continuing Education?

The market tuition rate initiative has enabled the University to remain competitive in the market place. Early indications show that the initiative has allowed Florida Atlantic University to:

- Increase access and enrollment
- Increased retention and graduation rates through full-service cohort programs
- Become recognized in several national rankings, such as US News & World Report
- Increase funding for the University and the Colleges
- Allowed for greater marketing efforts and visibility
- Allowed the University to hire additional staff to manage programs and service students

The Continuing Education Regulation allows the university to offer similar programming; however, the regulation and its constraints do not provide the University resources or flexibility to expand program offerings.

10. If the Board's Continuing Education Regulation 8.002 was modified to allow greater flexibility, could this take the place of market tuition rate for future programs? Please explain.

FAU believes market tuition rate programs will provide greater flexibility to start programs and produce more degreed graduates through enhanced access, service and flexibility. The Continuing Education Regulation in its current form restricts the University's ability to expand programs and services offered to students due to its lack of flexibility. The current Continuing Education model is also impacted by state tuition increases for both in-state and out-of-state students. Increases in state tuition will force the University to increase tuition for programs and negatively impact enrollment for the programs.

Campus contact for any follow-up questions about this survey:

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ENDNOTES

¹ Market tuition rate programs are currently providing superior student satisfaction ratings and graduation rates (see item 1d). The educational experience of our faculty and staff suggests higher completion rates for cohort versus non-cohort based programs. All of FAU market tuition rate programs are cohort based. Thus, superior student outcomes for market tuition rate programs are expected to be better, all else equal. FAU continues to measure student success outcomes in order to maintain quality across all E&G and market tuition rate programs.