



MEMORANDUM

June 26, 2017

TO: Deans, Department Chairs, Faculty

FROM: Dr. Michael Galyean, Senior Vice President & Provost
Noel Sloan, Vice President for Administration and Finance & CFO
Dr. Melanie Hart, Vice Provost

CC: Dr. Lawrence Schovanec, President

RE: FY 2018 OLDE Allocation

Beginning with FY 2018, we will change the Online Learning and Distance Education (OLDE) fee distribution model to be an allocation to the Colleges, based on SCH generated. Funding to support the central services provided for online learning and distance education through TTU Worldwide eLearning and Regional Sites will be supported with 40% of the OLDE fee revenue generated. The other 60% will be distributed to Colleges, with 75% allocated based on undergraduate SCH and 25% allocated based on graduate SCH.

For FY 2018, the revenue budget is \$5,400,000. So, 40%, or \$2,160,000, will be used to support central services. The remaining 60%, or \$3,240,000, will be allocated by 75% (\$2,430,000) on undergraduate SCH and 25% (\$810,000) on graduate SCH to the Colleges. This is an overall increase in the amount of OLDE fee distributed to the Colleges with the goal to incentivize and increase online and distance course offerings. There may be opportunities for more upper level undergraduate offerings to enhance our summer enrollment. Vice Provost Hart will be working with the Colleges to identify potential areas of growth and ensure that allocated funding is used for investments related to online-related expenses and development of new programs. In addition, we will be working to better categorize and appropriately allocate expenses that are currently covered solely by TTU Worldwide eLearning.

FY 2017 SCH numbers were used for the initial budget target amounts. The Budget Office has adjusted each College's FY 2018 allocation in Budget Prep. The CFO Office will adjust to actual SCH in late Spring/early Summer term each year. Moving forward the current Fall, Spring, and prior year Summer SCH will be used to calculate the allocations. This is the same process that is used for graduate tuition for budget targets and then true-up for actual SCH and revenue generated.

Our goal is to provide a more transparent and consistent method of the OLDE fee that incentivizes continued growth.