TO: The Academic Senate

FROM: Committee on Budget and Resource Allocation (COBRA)

SUBJECT: Revenue and Budget Implications of the Online Campus Initiative

PURPOSE: For Information to the Academic Senate

ACTION REQUESTED: That the Academic Senate accept the following report regarding the COBRA study of the possible revenue and budgetary implications of the proposed Online Campus Initiative

BACKGROUND INFORMATION: At its meeting on January 20, 2009, the Executive Committee of the Academic Senate discussed President Qayoumi’s proposed plan to increase the revenue base of CSUEB through increased online instruction coupled with proposed supplemental revenue from the Chancellor’s Office based on enrollment in online courses. The members of the Executive Committee noted a number of potential costs and concerns, in addition to the potential positives of increased revenue, that could occur with an increase in online courses and programs, and requested that COBRA undertake a review of the revenue and budgetary implications of the online initiative.

COBRA met with CIO John Charles, AVP/APGS Carl Bellone, Interim Dean of CEAS Jodi Servatius, and University Librarian Linda Dobb, and had a telephone conversation with incoming Director of Online and Hybrid Support Michelle Pacansky-Brock regarding the implications of increasing online instruction. The following is a compendium of those conversations and of information provided by President Qayoumi and Provost Mahoney, along with an analysis of future directions and opportunities for online education at CSUEB.

Online Course and Program Approvals

Programs that are taught 50% or more online are required to get permission from WASC to be offered. Because undergraduate degrees are viewed in terms of the entire four year program of education, when a Bachelor degree program offers all of its upper-division majors courses online, it is considered to be an online degree completion program requiring WASC approval. The online bachelor’s degree completion programs currently offered at CSUEB offer all Upper Division majors courses online and have received WASC approval. CSUEB offers a small proportion of all GE courses online, with very
few lower-division GE courses, only selected upper-division area B6 courses, and the largest number of GE courses offered in areas C4 and D4. While sufficient upper-division GE courses are offered to service our entirely online programs, the lower-division courses are more generally available and taken by students while attending community colleges.

The Academic Senate has developed a Policy on Online Instruction which states that new online degree programs or program modifications will be reviewed in accordance with procedures outlined in the Curricular Procedures Manual and the policies of the Senate. This policy applies to both major courses as well as General Education courses. The policy also stipulates that existing courses that were approved as classroom-based courses shall not be offered as online courses without appropriate curriculum review and approval. Thus, all online courses at CSUEB must adhere to the policies of both WASC and the Academic Senate.

**Online Development to Date**

The online courses and programs currently offered at CSUEB are primarily offered for matriculated students and not through self-support (continuing education), unlike most other online programs offered in the CSU system. The courses and programs we offer have been developed by CSUEB faculty, cover the same material and count for the same number of units as on-ground courses, and are mostly taught by regular university faculty. Thus, online education at CSUEB is occurring within regular University processes. In addition, to develop and offer these online courses and programs, the University has not expended large amounts of money; rather, resources have been strategically aligned in support of online education.

Online education is growing at CSUEB. Currently, there are three online undergraduate degree completion programs and two graduate programs offered entirely online. Within the next year, as many as three new undergraduate and three new graduate programs may be added to the online curriculum at CSUEB. In Fall 2008, approximately 9% of all CSUEB enrollment was online, while in Winter 2009, approximately 12% of enrollment was online, in contrast to the CSU system average of about 2% online enrollment. Because many students enrolled in online courses are also taking on-ground courses at the same time, the online campus provides increased course access and flexibility for our students who may find their travel ability and/or time to be limited or inflexible.

**Challenges for the Expansion of Online Education**

To support growth in online education at CSUEB, an increase in faculty training in the development and deployment of online courses is necessary. Faculty need established, consistent training in online education pedagogy, effective practices, use of online teaching tools and software, and course development. Of equal importance as training for faculty, however, is time; development of effective online courses and programs takes longer than development of traditional on-ground programs. The provision of assigned time for online course/program development will need to be explored. The Online and
Hybrid Support Center is crucial to the development of the training modules as well as the support services essential for faculty success in online education. To further enhance the support of online development of faculty, a mentoring program could be instituted with faculty identified as having experience and passion for online teaching serving as mentors to novice online educators. Support for faculty willing to serve as mentors, in the form of stipends and/or assigned time, may be necessary for this to work. Alternatively or in addition, graduates from the MS in Online Teaching and Learning may be willing to serve as mentors and teaching assistants for faculty just getting started with teaching online. Finally, faculty need to be cognizant of the differences between teaching online vs. on-ground courses and bear these differences in mind in regard to the promotion, tenure and retention review process. For example, teaching online does not preclude the ability to have peer-review of instruction. The Senate and Senate Committees need to continue in efforts to update and improve policies involving development, implementation, and evaluation of teaching in online courses and programs.

Because some studies from other universities have indicated online students tend to feel isolated, sometimes resulting in higher failure and non-completion rates in online courses, and possibly lower retention rates at the university, efforts to develop more interactive and engaging methods of teaching are important. Interactivity with other students as well as with CSUEB faculty are important to student engagement. These efforts may require the integration of video and multimedia, with the use of emerging technologies and tools, all the while bearing in mind the need for accessibility. Both hardware at the University site, for example in a classroom for recording purposes, as well as software, that for example allows for split screens, closed captioning, etc., may be necessary purchases. In addition, technical and CMS (course management system, e.g., Blackboard) support for both students and faculty must be available 24/7. Support will be needed at non-traditional days and times as students located in different time zones increasingly enroll in courses taught by CSUEB faculty.

Student support services must be developed and provided online as self-service modules or sites, and be available 24/7. These services include not only business services such as applying, changing or establishing a major, registration, cashiering, getting a student ID, etc., but also must include orientation, counseling, advising, and tutoring, as well as recreation, social and leisure opportunities. Students need to have opportunities to establish connections with CSUEB, despite never setting foot on campus. They must be able to access library e-books including e-reserve books, streaming videos, and electronic databases. The library needs to have the resources to continue e-book, video and electronic database acquisitions, as well as the ability to provide resources to students who are at remote locations. Support services for faculty must also be available electronically, including library services and business processes. For example, business processes in regard to faculty hiring and payroll will need to be revised to accommodate faculty who may not be physically present on campus and/or not U.S. citizens. Textbook availability from the Bookstore requires that both early adoption deadlines be met and that texts be available in alternative formats or mailed to students not in the area. At its last report to ExCom, the Bookstore seems already able to accommodate these needs.
Partnerships with community colleges that offer lower-division online coursework must be clearly established if upper-division degree completion programs continue to be developed in the online environment of CSUEB. An example of such a partnership has been developed with Foothill Community College where CSUEB degree completion programs are posted on the Foothill Global Access website. Pathways to online degree completion programs need to be established with additional community colleges in Alameda and Contra Costa counties, as well as elsewhere.

Marketing will also be key as our programs need to be found easily using standard search software, by students at community colleges and elsewhere, if a significant increase in enrollment is to occur. The usual recruitment and collaboration net must be cast more broadly, rather than just with our “local feeder colleges” as well. Pathways to degree completion already established with our local community colleges need to be communicated or made easily accessible to community colleges throughout California and to Veterans Assistance programs.

Challenges of Gearing Up and Building Out

If a significant scale-up of our online processes is undertaken to build out access to online education in order to serve more than a standard enrollment growth pattern, some degree of one-time external funding will be needed. A number of proposals have been written by and in collaboration with CSUEB with requests of between $100,000 and $3 million in funds, depending on whether the proposal involved single or multiple CSUs. Potential funding sources explored for these proposals have included the Troops to College initiative, the California Virtual College initiative, and ACE (American Council on Education). Funding would support library electronic resources, infrastructure enhancements, program coordination, support for faculty time and training for online course development, workshops, and marketing.

Revenue Implications of Increasing Online Enrollment

Information provided by President Qayoumi indicated that with a projected increase of 1000 FTES due to online enrollment over a period of time, the combination of State University Fees and projected state support funds could result in the generation of over $10 million in additional university revenue. With the maintenance of an average university SFR of 22.1, this has the potential to result in 45 new tenure track faculty positions. Therefore, revenue generation from increasing online enrollment has the potential to provide clear and compelling benefits for the university.

Revenue generation must be balanced with potential costs. As many guests made clear to COBRA, offering courses online is not a way to save money. Although online courses support strong enrollments, class sizes of 30-40 are the generally agreed upon maximum, therefore SFR is unlikely to be greatly enhanced by a move toward more online teaching. Students who complete degrees entirely online cost the CSU system less money in capital outlay for buildings in the long run, and potentially save money for universities in terms
of infrastructure because online students do not require parking spaces or classroom seats, for example. But, in general, offering courses online is not a way to save money, particularly on instructional costs. Faculty time and training for online course development, new hardware and software for online instructional development, new online processes and services that will be available 24/7, acquisition and maintenance of electronic library resources, tech support for faculty and students that is available 24/7 and online student services, are all going to cost money and time, although specific dollar amounts are difficult if not impossible to assign to these activities and needs at this time.

Increasing online education presents great opportunities for CSUEB, but success in online education depends on buy-in from faculty, students and administration. As is commonly understood, increasing enrollment of any kind without ensuring quality of instruction is counterproductive. CSUEB has provided numerous examples of how online education may be done well. One of our goals must be to sustain that level of quality. Amending our review policies for teaching and curriculum as well as including modifications to the 5 year program review process to include online issues will assure our continuing educational quality is being sustained.

Assuming that the above mentioned challenges are understood and met, COBRA supports the continued development and build-out of online courses and programs at CSUEB as outlined in this document.