

November 20-21, 2014

ITEM 165-104-R1114**Request for approval of revision of Board Policy 940.20**

THAT

The Board of Regents of Higher Education revises Board of Regents' Policy 940.20 to reduce the current non-resident student rate from no less than 200% to no less than 125% of resident tuition rate for students enrolled in online programs (a degree or certificate program in which 80% or more of the total program is delivered online). This policy imposes no ceiling for the non-resident tuition rates for enrollments in online programs, nor does it prohibit the campus from utilizing, as appropriate, the Western Undergraduate Exchange program tuition rate for qualified non-resident students who are studying solely online. Non-resident students who are admitted to a campus-based program, who are also taking online courses will be assessed the tuition and fees at the full non-resident rate for all courses, plus the addition of any applicable Non-mandatory *eLearning* or online delivery fee.

EXPLANATION

Designing and delivering online certificate, undergraduate and graduate degree programs offers an unparalleled opportunity for Montana students to interact and connect with fellow learners and faculty beyond the confines of the campus. It allows learners to engage in a rigorous course of study and graduate with a degree from a unit of the MUS. More than that, it allows Montana to reach out to a much larger marketplace and in turn reach a critical mass that allows us to offer programs to Montanans' that we would not be able to sustain financially without reaching larger numbers beyond our borders.

The online market has matured over the years and charging full non-resident tuition, or even 200% of non-resident tuition is not competitive in the marketplace. Students seek online programs for a variety of career and lifestyle reasons and have different market criteria from those seeking a campus experience. The total cost of a degree becomes a critical piece of information and while students will first look for a high-quality program, they will also compare costs for programs of equal quality and scope. There is growing competition among peer universities in the delivery of online programs and degrees. To compete effectively in out-of-state and international markets, MUS needs a more favorable rate of tuition for students admitted to fully online programs who reside outside of the state of Montana. A recent survey of WICHE institutions shows that the majority of public institutions in the WICHE region either do not differentiate between resident and non-resident tuition for students in fully online programs, or charge a flat tuition rate (resident and non-resident) designated for online programs plus any approved program fees as they pertain to individual programs (Table 1).

It has become more and more difficult to designate students as either fully online or fully on-campus. Clarification of this policy would allow us to define students and assess tuition based on whether they are admitted to a fully-online or campus-based program. Campus based program students would continue to pay resident and non-resident tuition for either online or classroom based courses. Similarly, non-resident students admitted to online programs would pay full non-resident tuition for any courses, practicum, or capstone courses/credits that are taken on campus, thus covering the cost of any campus services provided while they are physically on campus.

ATTACHMENTS

Attachment #1-Revised Policy 940.20

Attachment #2-Current Policy 940.20