STANDARD ON REVENUE SHARING FOR ONLINE, ASYNCHRONOUS PROGRAMS

Responsible Oversight Executive:  Provost and Vice President for Academic Affairs
Date of Current Revision or Creation: July 1, 2010

A. PURPOSE

The purpose of this standard is to incentivize colleges, departments and faculty to provide instruction for online, asynchronous program offerings and to continuously support and invest in advancements in distance learning at Old Dominion University.

B. AUTHORITY

Virginia Code Section 23-9.2:3, as amended, grants authority to the Board of Visitors to establish rules and regulations for the institution. Section 6.01(a)(6) of the Board of Visitors Bylaws grants authority to the President to implement the policies and procedures of the Board relating to University operations.

C. DEFINITIONS (TBD)

Faculty refers to the individual responsible for instructing and/or delivering the course. This may include, but not be limited to, faculty members, adjunct professors, instructors, lecturers, and teaching assistants.

ODL is the acronym for the official name of the Office of Distance Learning.

D. SCOPE

This standard applies to all online asynchronous program offerings resulting from online courses developed using Distance Learning’s CLT resources. All previously approved policies associated with online course/program offerings and compensation to faculty, departments and, or, colleges for distance learning will no longer apply to these programs.

E. STANDARD STATEMENT

In support of further advancing online, asynchronous program offerings available to students at Old Dominion University, an incentive system for departments and colleges is necessary. This standard explains how online programs will be developed and net tuition revenue will be distributed to achieve this goal.

Once a program has been selected for development in an online environment, the University will invest in the cost of producing the courses and the cost of instruction for the initial offering of the courses. These funds must be repaid to the University out of the Department’s revenue
share in either a 3- or 5-year period. This repayment obligation is taken into account when the revenue distributions are calculated.

In order to provide a level of funding stability for each College, a baseline will be set for a base funding level resulting from the cumulative net revenue from the initial year of the program’s course offerings. For each subsequent fiscal year, the base will be adjusted up, or down, per the previous year’s actual net online, asynchronous net revenue. The net revenue will be calculated using the Online Asynchronous Course Cost/Benefit Form, as described in the Procedures section of this document. This form is based on an existing University cost/benefit form currently used by Colleges on a regular basis.

The terms of this revenue sharing standard will not impact current base funding levels. Enrollment from all asynchronous, online programs is included as of the fiscal year in which the standard is implemented. Each college is accountable for the use of funds received. A portion of the funding must be used to support and advance the college’s distance learning program obligations. Once these obligations have been met, remaining funds can be used to support other initiatives.

F. PROCEDURES

Asynchronous, Online Course Specific Cost/Benefit Form
Each time an online, asynchronous course is offered as part of the approved program, the Department will complete the Old Dominion University Asynchronous, Online Course Offering Cost/Benefit Form, as provided by the Office of Distance Learning. This form will record the information needed to project enrollment, associated revenue and costs. It will then be used to track actual revenue and costs at the completion of the course. It will also record the actual revenue distributions by unit less repayment of invested funds, as applicable (net revenue).

As described above, in order to provide a level of funding stability for each College, a baseline will be set for a base funding level resulting from the cumulative net course revenue from the initial year of standard implementation. For each subsequent fiscal year, the base will be adjusted up, or down, per the previous year’s actual net online, asynchronous course revenue. The total net revenue will be calculated using the University’s Cost/Benefit Form, as described in the Procedures section of this document.

The Office of Distance Learning will be responsible for verifying projected information provided on the Cost/Benefit Forms and will calculate resulting allocations for each College on an annual basis. The University Budget Office will then verify and apply these amounts to the base budget adjustments of each College annually.

For all supporting information and documentation see www.dl.odu.edu/revenue_share/

G. RESPONSIBLE OFFICER

Associate Vice President for Distance Learning