

COMMISSION FOR HIGHER EDUCATION

Friday, March 12, 2010

DECISION ITEM A-2:

Master of Science in Aeronautics and Astronautics To Be Offered by Purdue University-Statewide via Distance Education Technology

Staff Recommendation

That the Commission for Higher Education approve the Master of Science (M.S.) in Aeronautics and Astronautics to be offered by Purdue University-Statewide via Distance Education Technology in accordance with the background discussion in this agenda item and the *Abstract*, February 26, 2010; and

That the Commission recommend no new state funds, in accordance with the supporting document, *New Academic Degree Program Proposal Summary*, February 26, 2010.

Background

The fees charged to students for degree programs that are delivered entirely through distance education technology has been a long-standing concern of the Commission for Higher Education. Indeed, when the Commission approved its *Policy for Delivering Degree Programs Through Distance Education Technology* in March 1998, there was much debate, and little resolution, around this very issue. This lack of consensus led to present *Policy*'s extremely modest position:

“Fees charged to non-Indiana residents ... will not be lower than fees charged to Indiana residents.”

On a number of occasions in the recent past, the Commission has raised questions about fees charged for distance education programs. While a thorough discussion of distance education instruction might consider a number of factors – including subject matter content, level of instruction, size of the market, nature of the student clientele – the policy questions around fees have tended to be formulated along these lines:

1. Can distance education technology reduce instructional costs, resulting in reduced fees charged to students?
2. Should Hoosier residents, by virtue of being Indiana taxpayers, be charged, as a matter of principle, lower fees than non-residents?
3. Should the market be the sole or predominant factor in setting instructional fees?

Because the questions raised about distance education charges have been persistent, the staff intends to place the matter of distance education fees and related Commission policy as a

major discussion item on the May 2010 agenda. However, the staff recommends action on the Purdue Aeronautics and Astronautics program at this meeting for the following reasons:

- The existing Commission *Policy* on fees is not violated (Purdue charges the same fee to all distance education students, irrespective of whether they are Indiana residents or not);
- The existing *Policy* calls for quick action on distance education program requests (within 60 days, assuming no extenuating circumstances);
- The Aeronautics and Astronautics program is a specialized, highly regarded program, and serving a national market in this program area is consistent with Purdue's mission and state interests to support enhancement of the national and international standing of the West Lafayette campus;
- 85 percent of the students in the courses in Astronautics and Astronautics currently being offered via distance education are out-of-state residents.

Purdue University has provided comparative data on the pricing of its program relative to peer institutions (see attachment 1). While the distance education fee per semester is three times the on-campus fee (\$942 v. \$309), it is the median fee for professional engineering distance education programs offered by Purdue's peers.

Supporting Documents

- (1) *Distance Education Tuition Charged in FY2010 per Credit Hour.*
- (2) *New Academic Degree Program Proposal Summary – M.S. in Aeronautics and Astronautics.*

**Distance Education Tuition Charged in FY2010 per Credit Hour
for Professional Engineering Programs
Offered by Peer Institutions of Purdue**

		Difference from Purdue	Average Difference for Institutions Above or Below
Wisconsin	\$ 1,441	\$ 499	
Michigan	\$ 1,440	\$ 498	
Minnesota	\$ 1,165	\$ 223	\$297.80
UCLA	\$ 1,111	\$ 169	
Texas A & M	\$ 1,042	\$ 100	
Purdue	\$ 942		
Illinois	\$ 889	(\$ 53)	
Penn State	\$ 851	(\$ 91)	
Maryland	\$ 796	(\$ 146)	
Washington	\$ 721	(\$ 221)	
Florida	\$ 601	(\$ 341)	

The MS in Aeronautics & Astronautics distance degree program is for working professional engineers in the Aerospace industry. The program is fully costed, with no state appropriations support. The tuition is market based, obtained primarily from bench marketing studies against peer institutions. As seen above, Purdue's fees are in line with peer institutions engineering professional education programs.

**Engineering Professional Education
Historical Budget**

	2007-08	2008-09	2009-10
Fees - 3 credit hours	\$ 2,610	\$ 2,725	\$ 2,825
Fees - 1 credit *	\$ 870	\$ 908	\$ 942
* Included in fee			
University Tech Fee	\$ 5.80	\$ 6.10	\$ 6.40
University Repair & Rehabilitation	\$ 8.75	\$ 9.15	\$ 9.55
Engineering Differential Fee**	\$ 150.00	\$ 157.00	\$ 164.00

** per student fee

NEW ACADEMIC DEGREE PROGRAM PROPOSAL SUMMARY

I. Prepared by Institution

Institution/Location: Purdue University to be offered Statewide via Distance Education Technology
 Program: M.S. in Aeronautics and Astronautics

	<u>FY2009-10</u>	<u>FY2010-11</u>	<u>FY2011-12</u>	<u>FY2012-13</u>	<u>FY2013-14</u>
Enrollment Projections (Headcount)					
Full-Time	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Part-Time	<u>40</u>	<u>45</u>	<u>50</u>	<u>55</u>	<u>60</u>
Total	<u>40</u>	<u>45</u>	<u>50</u>	<u>55</u>	<u>60</u>
Enrollment Projections (FTE)					
Full-Time	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0a</u>
Part-Time	<u>10</u>	<u>11</u>	<u>13</u>	<u>14</u>	<u>15</u>
Total	<u>10</u>	<u>11</u>	<u>13</u>	<u>14</u>	<u>15</u>
Degree Completions Projection	<u>3</u>	<u>6</u>	<u>6</u>	<u>12</u>	<u>14</u>
New State Funds Requested (Actual)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
New State Funds Requested (Increases)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

II. Prepared by CHE

New State Funds To Be Considered for Recommendation (Actual)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
New State Funds To Be Considered for Recommendation (Increases)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

CHE Code: 10-04
 Campus Code: 1825
 County Code: Tippecanoe
 Degree Level: 07
 CIP Code: 140201