

NC STATE UNIVERSITY

August 8, 2013

MEMORANDUM

TO: Vice Chancellor and Deans

FROM: Charles D. Leffler, Vice Chancellor for Finance and Business
Warwick Arden, Provost and Executive Vice Chancellor



RE: Changes to Distance Education Processes

As announced on March 14, 2012 NC State implemented the Distance Education task force recommendations on tuition and fees effective with the fall 2012 semester. These changes implemented a model which eliminated the inequity when students enroll in a mix of online and face-to-face courses by applying a tuition and fee formula based on the classification of the student.

It is now time to implement two more changes to our Distance Education (DE) process as follows:

1. Effective immediately distance education funds will become part of the 16030 Personnel Benefits Pool process. Documentation on this process may be found at: <http://budget.ncsu.edu/budgetoffice/documents/PersonnelBenefitsPool.pdf>. This change will be implemented during the month of September 2013 and applied retroactively to 7/1/13. The University Budget Office will lead us through this process and be available to assist campus through the transition. The conversion will be handled similarly to the process when the pool was created in 2008. More detailed information including a schedule of processes will be shared with you and campus Business Officers in the near future.
2. NC State currently distinguishes Distance Education projects by the numbering sequence (projects beginning with 205xxx). As a result of this separation units have not been allowed to “flex” or comingle DE budget with regular term instructional funds (201xxx). Given the recent tuition changes and the shifting of course taking patterns in DE and on-campus courses we have decided that this separation is no longer necessary. Therefore, all DE (205xxx) projects will be inactivated. We realize that this will not be a simple process, therefore, FY 2013-14 will be used as a

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transitional year to fully implement the change. The University Budget Office will work with campus Business Officers to programmatically move the existing budget and actual expenditures, during the month of September 2013, to regular term instructional projects (201xxx) of your choice and be available to assist campus throughout the transition process. All DE (205xxx) projects will be inactivated effective 7/1/14.

Thank you for your continued assistance and support as we implement this and future operational efficiencies.

cc: W. Randolph Woodson, Chancellor
Steve Keto, Associate Vice Chancellor