

**TUITION RECOVERY MODEL
GUIDELINES, PROCEDURES and RESPONSIBILITIES
FINAL, 05-Nov-2010**

Tuition Recovery Model (TRM) programs provide Colleges and Departments with the opportunity to design and develop entrepreneurial academic programs outside the scope of their academic year and other primary program offerings.

TRM programs are typically limited to the following:

- Cohort programs
- Outreach programs
- Pilot programs with innovative or experimental curricula
- Study Abroad programs

TRM programs may not include independent studies, internships or other individualized instruction, unless such instruction is a required component of a TRM cohort degree or certificate program or a TRM Study Abroad program.

TRM programs (save for Study Abroad programs) are typically limited to three years and should not be run indefinitely. Successful TRM programs in the long run should be mainstreamed and incorporated into the regular offerings of the college and departments.

General Guidelines

- Approved TRM programs are to be offered through the School of Continuing Education. The total instructional costs of all TRM programs over the course of a fiscal year may not exceed the established budget for the 126T00 reserve (\$1.2-million for FY11).
- Ongoing TRM programs are to be reviewed for eligibility at least every three years.
- To be approved, TRM programs must have the expectation of generating tuition revenues in excess of their personnel and operating costs.
- Units must submit budgets for their TRM programs every fiscal year.
- Because TRM programs are offered in addition to a unit's customary academic year and other primary programs, TRM programs should be offered using overload, summer and adjunct (non-bargaining-unit) instruction. In-load academic-year instructional costs, along with in-load teaching assignments that are part of a chair or faculty member's extended contract, are not to be used in

TRM programs. With the Provost's approval, an exception may be made in cases where there is no qualified instructor willing to teach a required course for a TRM program.

- If a TRM program permits students to use tuition waivers, then 15% of gross tuition from the program remains in the Income Fund to cover students' potential use of tuition waivers.
- A TRM program's profit equals the total tuition generated less the instructional and operating costs less the adjustment for tuition waivers if applicable. If an exception is made to use any in-load academic-year or extended-contract instructional costs to offer the TRM program, then those costs and the associated revenues are excluded from the profit calculation.
- A TRM program's profit is distributed with 20% remaining in the Income Fund, 20% going to SCE, and the remaining 60% going to the College offering the program. The College is responsible for allocating its share of the profit among participating departments. If a TRM program does not generate sufficient tuition revenues to cover its costs, then 20% of the deficit is absorbed by the Income Fund, 20% is transferred from SCE to cover the deficit, and 60% is transferred from the College to cover the deficit.

Procedures

- Each TRM program is to have its own Banner organization, part of a tuition recovery hierarchy under the 126Txx SCE hierarchy. Banner organization 126T00 serves as a reserve for this hierarchy; funds from this reserve are to be transferred to the individual TRM program organizations to cover their instructional and operating costs. Neither the TRM reserve nor the TRM program organizations are to be in deficit status. SCE personal services reserve funds outside of the 126Txx hierarchy are not to be transferred to TRM program organizations.
- All relevant personnel and operating costs for a TRM program are to be charged to the relevant Banner organization in the 126Txx hierarchy. If an exception is made to use in-load academic-year or extended-contract instructional costs in the TRM program, then those instructional costs may remain in the College or Department and need not be moved to the 126Txx hierarchy.
- The revenue side of TRM programs must be periodically updated, with the tuition revenues from TRM programs finalized based on official enrollments if available. The appropriate shares of profit remaining after costs have been covered are to be transferred to SCE and the College by August 1 for the Summer term, December 15 for the Fall term and March 15 for the Spring term.
- A BD08 rule code is used to adjust the budgeted Income Fund figure for the profit generated by the TRM programs.

Responsibilities

The College offering a TRM program, in consultation with its Departments, is responsible for

- Submitting proposals for new TRM programs to the School of Continuing Education.
- Submitting an annual budget for each TRM program to the School of Continuing Education and the Planning, Budget and Institutional Research Office.
- Monitoring TRM courses and enrollments to ensure that, over the course of the entire fiscal year, that a TRM program has a high probability of being profitable.
- Informing the School of Continuing Education and the Planning, Budget and Institutional Research Office of any changes in TRM courses or instructors.
- Working with the School of Continuing Education to ensure that all instructional and operating costs are charged to the proper Banner organization in the 126Txx hierarchy.
- Requesting an exception from the Provost if it is necessary to use any in-load academic-year or extended-contract instructional costs as part of the TRM program.
- Allocating its share of profits from TRM programs among its Departments and the central College office.
- Mainstreaming successful TRM programs, making them part of its regular curriculum.

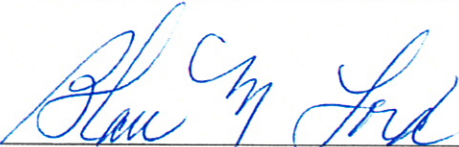
The School of Continuing Education is responsible for

- Developing a process to review, prioritize and select college and department TRM proposals to be offered as TRM programs.
- Keeping the total cost of TRM programs within the established annual budget for the 126T00 reserve.
- Ensuring that all costs of a TRM program are properly charged to a Banner organization in the 126Txx hierarchy.
- Tracking whether or not a TRM program permits the use of tuition waivers.


- Reviewing TRM budgets submitted by offering colleges and departments, and working with those units to ensure the accuracy of course listings and course instructors.
- Completing budget transfer forms that allocate the 126T00 reserve to the 126Txx Banner organization in which a TRM program's costs are charged.
- Working with the Office of Academic Affairs and the Department of Human Resources to ensure that all overload, summer and adjunct instructional costs for a TRM program are charged to the appropriate 126Txx Banner organization.

The Planning, Budget and Institutional Research Office is responsible for

- Assisting the School of Continuing Education with the allocation of its 126T00 reserve among the 126Txx organizations.
- Calculating, in consultation with the School of Continuing Education, the tuition revenue and profit generated by each TRM program in each semester.
- Completing and processing budget transfers to distribute 60% of a TRM program's profit to the offering College and 20% to the School of Continuing Education. Profits for the summer term should be transferred by August 1, profits for the fall semester should be transferred by December 15, and profits for the spring semester should be transferred by March 15. Some TRM programs that run year-round may be scheduled to have a loss in the summer term to be covered by profits generating in the fall and spring semesters.
- Processing a BD08 rule code to update the amount budgeted for the Income Fund in order to account for the distributed TRM profit.

By: 
Provost/VP Academic Affairs

Date: 11-5-10

By: 
VP for Business Affairs

Date: 11/5/10