

**REPORT ON EXPANDING ACCESS
TO HIGHER EDUCATION THROUGH STATE-FUNDED
DISTANCE EDUCATION PROGRAMS**

**Submitted in response to North Carolina Session Laws 1998, chapter 212,
section 11.7 of the North Carolina General Assembly
May 2006**

**Board of Governors
The University of North Carolina
*Executive Summary***

The 1998 legislation providing enrollment funding for UNC distance education requires submission of a biennial report that addresses the impact of these programs on access to higher education and the cost of these programs compared to on-campus instruction. As with the three preceding biennial reports, this report provides substantial information that documents the growth of UNC distance education programs and their role in meeting the high priority education and economic development needs of the State.

- State funding for UNC off-campus (distance) education degree-credit instruction, first provided in FY 1999, is achieving the intended legislative goal of expanding access to higher education opportunities for North Carolinians who otherwise would be unable to obtain an undergraduate degree, graduate degree, or licensure in a teaching specialty. High quality degree programs are being developed and offered throughout the state in subject areas that are responsive to the workforce and economic development needs of North Carolina; for example, more than a third of all distance education instruction is related to K-12 teacher education courses.
- The unduplicated number of individuals enrolled in UNC distance education programs increased by 377 percent from FY 1999 to FY 2005—from 6,929 individuals to 33,045. Distance education course offerings increased 424 percent from Fall 1998 (the first year distance education enrollment funding was provided) to Fall 2005—from 412 course sections to 2,159.
- UNC constituent institutions offer 237 site-based degree programs in 53 North Carolina counties, which are taught at 28 North Carolina Community College campuses, public school settings, Area Health Education Centers and other health care settings, UNC graduate centers, and North Carolina military bases.
- UNC online degree programs are rapidly increasing, growing from 6 online programs in Spring 2000 to 90 online degree programs in Spring 2006. Online course sections for UNC distance education programs increased from 799 in Fall 2004 to 978 in Fall 2005, a 22.4 percent increase in one year.

- In Fall 2005, students who are 26 and older comprised 80.6 percent of distance education enrollments as compared to only 22.5 percent of regular term (on campus) enrollments. This indicates that UNC distance education programs are reaching non-traditional higher education audiences who otherwise would not have access to these programs.
- UNC-General Administration e-learning grants have supported faculty development, collaborative online courses and degree programs, and development of distance degree programs that are responsive to critical needs of the state. UNC-GA is coordinating a number of initiatives related to online teacher education support, development of articulated 2+2 degree programs with the community colleges, coordination of information resources infrastructure, degree consortia and joint degree programs, outreach to NC military bases, and the Teaching and Learning with Technology Collaborative.
- UNC constituent institutions ensure that they provide the same quality of instruction to distance education students as to on-campus students through a variety of assessment and evaluation procedures. Appendix A of this report provides campus summaries of how each UNC constituent institution approaches such quality assurance.
- A cost analysis of 74 matched pairs of campus and distance courses was conducted (*i.e.*, costs of on- and off-campus versions of the same course were compared). Because of the great interest in online education costs, 53 of the distance courses were online courses. Study results yielded an average total cost for distance education course delivery of \$1,301 per course enrollment. On-campus course delivery costs averaged \$892 per course enrollment. This difference translates to a 30% cost variance. The primary differentiating factor was course development cost. Because programs are in the early stages of adapting many courses for technology-mediated delivery, up-front development cost are often substantial.
- The four biennial costs analyses performed to date all indicate that the greatest direct cost of traditional (“face-to-face”) instruction, whether on- or off-campus, is the instructional salary, primarily related to the delivery and administration of the course. In the current analysis, instructional salary costs accounted for 60 percent of the costs of traditional “face to face” on campus, 52 percent of the costs for distance education “face to face” instruction, and 62 percent of technology-mediated courses (online, and interactive video).
- Course development costs comprise a significant part of the costs measured for those courses delivered via Internet or interactive video. The additional costs of technical expertise (often in the form of instructional technology specialists), training, hardware and software required to adapt courses for technology-mediated delivery add further to course development costs. This represents a new category of costs not present in traditionally-taught courses and not anticipated by our current funding model.