

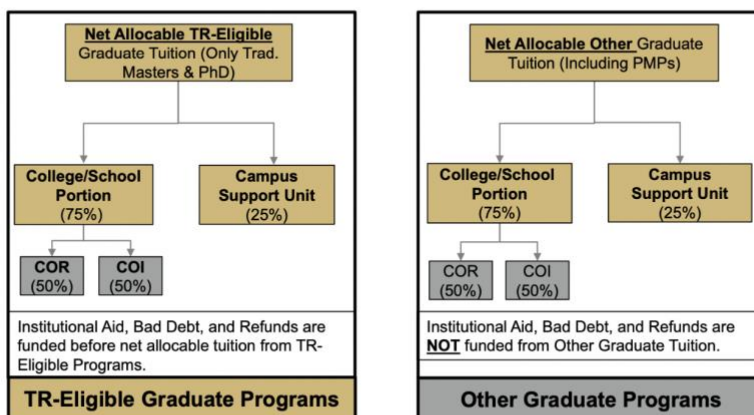
CU Boulder Professional Master's Programs: Budgetary Principles and Processes (2023)

This document clarifies CU Boulder budgetary principles and processes for professional master's programs (PMPs) under the new budget model approved in 2022. These principles and processes hold true regardless of fund type.

Under the new budget model, the campus no longer takes a \$300/student credit hour (SCH) share of PMP tuition revenue. Instead, PMPs follow the net graduate tuition allocation formula illustrated in the box on the right below:

Core Funds Allocation: Net Grad Tuition Allocation ^(1/1)

All graduate tuition to be allocated is separated into two groupings to reflect the different types of graduate programs across the University: Tuition Remission Eligible (TR) & Other (Law & PMPs).



The distinction between TR-Eligible Programs and Other Graduate Programs ensures only programs that are eligible for the benefits of the non-resident graduate tuition remission (TR), administered by the Provost's Office, are providing funding for the non-resident tuition remission budget.



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Source: [Executive Summary of Full Model Recommendations](#), slide 23

As noted on this slide, the distinction between Tuition Remission Eligible (TR) and Other (Law and PMP) graduate programs ensures that only graduate programs eligible for non-resident graduate tuition remission are providing funding for the non-resident tuition remission budget.

Under the new budget model, all other budgetary principles and processes for PMPs are indistinguishable from those which apply to “traditional” (TR-Eligible) graduate programs. Indeed, a key goal of the graduate component of the net tuition allocation formula in the new model is to align traditional master's degrees with professional master's degrees in terms of budget allocation (see [Interactive Budget Allocation Flow Chart](#), “Graduate Tuition Allocation”). For example, net allocable tuition from both PMPs and “traditional” graduate programs automatically contributes to the Supplemental Fund

and the Faculty Actions Pool in the new model. In addition, as with other net allocable undergraduate and graduate tuition, net allocable PMP tuition flows to the school/college in the form of general fund spending authority. The subsequent allocation of the budget and spending authority is at the discretion of the school/college.

The flow of net allocable PMP revenue to the school/college instead of to the PMP might be interpreted as a shift away from previous PMP practices, but it instead aligns with how PMPs were conceived when launched at CU Boulder around 2015. As stated in the 2015 CU Boulder “Professional Master’s Guide” (provided in full in the appendix to this document):

- “All remaining revenue [after the campus share] flows to the dean’s office of the college that offers the degree. Programs offering the PM will work with their dean’s office to determine the revenue sharing model between the college and the department.”
- “Surplus revenue can be applied to marketing and developing the master’s degree, to strengthening traditional undergraduate and graduate teaching, to funding research, or to other unit initiatives.”

Under the old PMP revenue share model, and in the new budget model, it is at the discretion of the school/college dean whether to establish formal school/college-specific budget allocation agreements with PMPs or any other program within the school/college. This same authority holds true for the allocation of all current (restricted and unrestricted) and plant funds, in alignment with any school/college or campus policies.

Appendix: The Professional Master’s Program Guide (2015)

Overview

Professional Master’s (PM) programs present an outstanding opportunity to address university-wide Flagship goals of Student Success, Reputation, and Revenue. Professional, post-baccalaureate education plays an increasingly important role in preparing students for a place in a progressively specialized, high skill, and highly educated professional workforce as well as providing the regional and national economies with the human capital they need in order to function at a high level. CU Boulder has the resources available to supply specialized, high quality, post-baccalaureate education to this growing market.

Professional Master’s also offer the opportunity to extend the reach, reputation, and revenue of their home departments. PMs will be financially self-supporting and will serve as a source of fiscal health and growth across campus. After a contribution to the University, revenue from Professional Master’s programs flows directly to the college and department (unit) that originate the degree. Thus, PMs provide

an internal revenue stream to home colleges and departments: after covering unit program costs, surplus revenue can be applied to marketing and developing the master's degree, to strengthening traditional undergraduate and graduate teaching, to funding research, or to other unit initiatives.

Who is the Professional Master's Student?

Professional Master's programs target students seeking direct skills and advanced education to enhance their careers. Students often have several years of post-baccalaureate work experience and a clear, vocationally driven focus for their graduate education. The primary objective for students enrolled in a PM program is a non-academic, professional career in their area of study.

What Defines a Professional Master's Program?

The requirements of Professional Master's programs differ from traditional academic, research-oriented graduate programs in a number of important ways.

- PM programs must be entirely self-supporting from the shared revenues generated by the program. No other campus funds should be expended in delivering a PM program. Some exceptions may be made by special agreement with the Office of the Provost; for example, gift funds (Fund 34) could be allocated for student scholarships by prior agreement.
- PMs should meet a demonstrable need in the market.
- PMs are flexible and streamlined. A full-time, **on-campus student** should be able to complete a Professional Master's program in 12 months, but in no more than three AY semesters (e.g. Fall, Spring, Summer, and Fall).
- **On-campus PM students** take course loads much more like undergraduates than like research-track graduate students. A PM program should be designed so that students take 12 to 15 hours per term, rather than 6 to 9.
- **An online PM student** who is also employed full-time should usually be expected to enroll in only 3 to 6 hours per term, and to take 2 to 4 years to complete the degree.
- PM students are not eligible for traditional graduate student employee positions like TA, GA or RA that include tuition remission as part of their compensation. However, PM students may be employed as student part-time hourly employees.
- PMs are not research-based degrees.
- PM content will be a combination of disciplinary overview with skill delivery. Frequently, the skill set delivered in PM programs will include multi-disciplinary training.
- PM course content can be delivered by a combination of tenure-track faculty, instructors, and faculty drawn from the professional sectors.
- PM instruction can rely on traditional classroom lecture-based delivery, or it can combine pre-recorded material and live interaction or on-line learning.
- While PM programs can have capstone experiences like project design, practicum, or internship activities, an extended research project and thesis should not be a part of a professional degree.
- Units cannot reduce the size, scope, or quality of existing undergraduate and PhD programs in order to run a PM program. In some cases, however, a PM program might be created to replace all or part of an existing research master's degree.
- The Provost will evaluate the finances of every PM program annually. Programs that are not financially self-sufficient will be required to develop a plan for becoming so. PM programs that repeatedly fail to cover their full costs will be closed.

How Are Professional Master's Degrees Housed and Managed at CU-Boulder?

Professional Master's programs will generally operate under the auspices of existing academic programs at CU-Boulder. In exceptional cases, PMs may be housed in the Graduate School.

All programs should have a faculty director responsible for the operation of the program. This faculty director will report inside existing governance structures.

All Professional Master's programs and students are governed by the policies and standards set forth in the Graduate School Rules.

Tuition

The offering department recommends tuition for PMs, and includes their justification in the formal proposal for PM approval. Tuition recommendation should be based on a competitive analysis of similar degree programs and the needs of the PM target market.

All tuition rates must be approved by the Board of Regents as part of its annual budget approval for the campus.

PM tuition is charged at a per-credit hour rate with no capping of tuition hours.

The tuition differential for non-resident students will be much narrower for PMs than exists for other graduate and undergraduate programs; for instance, on the order of only 15 to 25 percent more than resident tuition. The narrow differential recognizes that tuition rate competition is likely to intensify in the market for non-resident students, and especially for online students.

Revenue Sharing

In order to cover campus overhead expenditures, the University shall receive \$300 per credit hour for enrolled PM students.[1] All remaining revenue flows to the dean's office of the college that offers the degree. Programs offering the PM will work with their dean's office to determine the revenue sharing model between the college and the department.

What Revenue Might a PM Deliver?

As an example of potential revenue, suppose a PM is offered where students complete 10 three-hour courses over three terms—Fall, Spring, and Summer. Four courses are taught by TTT faculty, four by instructors, and two courses are in shared curriculum with other units. In addition, suppose the cost of replacing the TTT faculty or hiring instructor-ranked faculty is \$10,000 per course “fully-loaded,” while the cost of shared curriculum is \$200 per SCH. If there are 25 students per year in the program paying an average R/NR tuition of \$1,000/SCH, then the program will have gross revenues of \$750,000/year, which will be shared at \$225,000 to the campus, \$30,000 to other units, and \$495,000 to the offering unit.

In this model, the unit's costs include: teaching at \$80,000, an administrative assistant at \$75,000, operating costs including development, marketing, and recruiting at \$75,000, and a faculty director stipend of \$50,000, for a total of \$280,000 in costs.

Thus, a PM with 25 students generates \$215,000 of discretionary funds for the college and department offering the degree. Furthermore, any student enrolled after the first 25 students contributes an additional \$19,800 to the program's bottom line (\$30,000 tuition less \$9,000 in campus overhead and less \$1,200 in other-unit transfers).

Tracking

Students who are admitted into PM programs need to be easily identifiable. Therefore the PM programs into which students matriculate must all be distinct degree programs from any other graduate degree programs in the offering unit. Non-degree seeking students (for instance, graduate certificate students) cannot be considered as PM students even though they might take the same courses. Bachelors-Master's students, in approved bachelor's/master's degree programs, are only considered PM students once they have advanced to graduate status.

Online Education and Professional Master's Programs

Insofar as Professional Master's programs must be financially self-sufficient, and given the increasing benefit of higher enrollment, departments are encouraged to develop distance delivery modalities for their PM programs where pedagogically appropriate. The addition of an online option to a PM program has the potential to dramatically increase enrollment, revenue, and success. While PMs may focus on campus-based students, PMs are particularly suited for online delivery to working, mature professionals who cannot leave their homes, families, or careers to pursue full-time educational advancement.

To support departments interested in developing online graduate professional degrees, the campus has inaugurated Be Boulder Anywhere (BBA), a cost-center reporting to the Provost's office. BBA is an expansion and extension of the long-standing CAETE distance-education program in Engineering. Through BBA and its historical predecessors, CU Boulder has over 45 years of experience offering graduate education concurrently on-campus and at a distance. The BBA team is available to consult and facilitate the development of professional master's degrees with an online component from ideation to formal approval, to manage the technological needs of the program, and to provide faculty support and training.

Professional Master's degrees are also well suited for partial off-site delivery, either via traditional online course work, MOOC for credit delivery, or even course offerings at new physical sites like the Wildlife Experience campus at Denver South.

Initiating the Development of a Professional Master's Program.

Once a department identifies a Professional Master's program for development, program representatives should contact the Dean of the Graduate School to discuss moving forward. New programs should follow existing processes and procedures for degree approval, including approval by department, college dean, Graduate School and Graduate Council, campus administration, and Regents. Proposal and process information can be found on the Graduate School's website:

http://www.colorado.edu/GraduateSchool/academics/new_degree_process.html.

Be Boulder Anywhere (BBA) has been charged by the Provost to facilitate both on-line and on-campus professional master's degrees. Working closely with the Graduate School, BBA assists with the development of new PMPs from conception to approval. Departments interested in developing a professional master's degree should contact the Director of Be Boulder Anywhere and the Director of Program Development for Be Boulder Anywhere for consultation, project management, and support of their efforts.

[1] The University fee will grow as average tuition increases in the future.