March 26, 2013

Council of Deans

Re: Summer Session Incentive Program – 2013

Dear Colleagues:

Summer Session is an important part of our instructional program and a revenue generating activity for the campus. In 2012, $4.1 million was generated to offset a significant portion of the budget shortfall. This support was slightly less than the $4.4 million generated the year before due to a 3% decline in enrollments, resulting from a loss of nearly $5 million in Pell grants. Continuing efforts to increase enrollments and decrease costs will, we hope, yield additional net revenue in the future.

Last year we continued a departmental revenue incentive program which set aside an additional $600,000 allocated equally between positive net revenue and growth in student credit hours. The funds were broadly earned by departments in all the colleges with the highest individual department earning nearly $60,000 despite the downturn in overall enrollment. Many departments are developing strategies to increase available seats for high demand courses resulting in higher net revenue. To continue the progress made in these last two years, we are again offering this departmental incentive program for summer of 2013 with some changes recommended by several assistant deans and the program’s director.

- The weight given to each portion of the incentive plan will change to 67% for generating net revenue and 33% for enrollment growth to encourage course offerings that increase enrollments while containing costs.
- The net revenue portion of the allocation will be calculated as 10% of the total net revenue for a department. There will be no total cap. As net revenues rise, all departments will have the same opportunity to earn additional incentive.
- The base student credit hours from which enrollment increases are determined will use the prior three year average (2010-2012). A total of $200,000 will be allocated to this portion of the incentive.
- Total incentive payments will need to be at least $200 for distribution.

As departments finalize their 2013 course offerings I would recommend working with Summer Sessions director, Mary Wall, to review your course offerings to ensure we are offering courses meeting our goal of efficiently providing summer courses needed by our students. Departments can also expect courses that do not meet enrollment minimums to be canceled.
The incentive plan methodology will be reevaluated for summer 2014 considering the feedback received in the last three years with emphasis on the current academic year budget process. Summer Sessions' future goals will also need to reflect campus growth and sustainability plans as well as the distinct nature and character of Summer Sessions.

Thank you in advance for your efforts to expand our summer session instructional programs.

Sincerely,

Ralph J. Hexter
Provost and Executive Vice Chancellor

/mbm

c:  Interim Vice Provost de la Peña
    Associate Vice Chancellor Ratliff
    Director Mary Wall
    Principal Budget Analyst Saylor
    Assistant Deans