

Funding Models for Distance Education in Texas Public Institutions

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Distance Education

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Introduction/Need for Research

Startup costs for a college or university intent on offering distance education (DE) options in its coursework can be extensive. Hardware and software technology costs – both initial and ongoing – and content development are two major cost areas that can be daunting to would-be DE programs. Several business models have been proposed in the literature as useful for handling the financial side of the DE programs (Guthrie, 2003), but none has stood out as clearly superior.

The state of Texas currently has 101 public degree-granting institutions of higher learning (Texas Higher Education Coordinating Board, n.d.). The Texas Higher Education Coordinating Board (THECB) has the task of developing initiatives for the management and measurement of many aspects of the public higher education system in the state. One of its permanent committees, the Distance Education Advisory Council (DEAC), is charged with overseeing and coordinating distance education programs and offerings in the many public colleges and universities in Texas. The DEAC is composed of DE professionals from various higher education institutions in Texas. It is tasked with advising the THECB on any matters pertaining to DE. It has not, however, recommended any specific business model or evaluation system for determining the fiscal viability or sustainability of the DE programs under THECB authority.

As noted above, the DEAC has not recommended, nor even addressed, the topic of funding DE initiatives in Texas higher education. Before proposing any funding system, many important questions must be answered with respect to identifying and quantifying costs, income streams, and even financial goals of a DE program.

Methodology

The present study surveyed the attitudes and beliefs of selected members of the Distance Education Advisory Committee of the THECB. The subject selection was through a purposive sample initially identifying several members of the committee and asking them for a telephone interview. As a part of the interview the snowball sampling method (Gall, Gall, & Borg, 2007) was used, where each interviewee was asked to identify one or more other members of the committee that they felt would have particular insight into the line of inquiry. This continued until the researcher believed that a sufficient quantity of interviews were obtained and theme redundancy occurred.

The instrument consisted of an interview protocol used as a general guideline, and the researcher himself. Interviews were conducted by telephone, with each participant choosing the time and duration of the discussion. Comments made by the participants are supported with quotations taken from the interviewer notes and transcripts of the recordings. The data also include historical documents available on the THECB website.

Results and Findings

The contextual knowledge of the council members showed that THECB does not concern itself with financial matters, and may be missing an important aspect of Texas distance learning that could aid in solving other matters considered more pressing by the Coordinating Board. Additionally, updating the definitions used for distance education could assist in better understanding distance programs in the state.

Based on the interviews and document analysis, we can conclude that the THECB provides no statewide guidance to Texas higher education institutions with respect to fiscal models for sustainable funding of distance learning initiatives.

While a statewide fiscal plan is not available, that does not mean that institutions themselves do not have plans. Texas law requires fiscal responsibility in degree programs, and each university must balance its books. Unfortunately, for the THECB not to assist the 101 state institutions of higher learning in developing and implementing a model for the fiscal planning of distance learning programs surely causes a costly duplication of effort.

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