Professional Master's Program Guidelines

December 2017

PURDUE
UNIVERSITY

PROFESSIONAL MASTER'S
PROGRAM GUIDELINES
West Lafayette Campus
December 2017

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Introduction

The concept of a Professional Master's Program (PMP) at Purdue was initiated to stimulate development of new terminal master's degree programs that are focused on advanced credentialing for working professionals. As such, these degrees have a professional, rather than academic, career focus. These programs may be delivered on campus (face-to-face) or online.

Within the Professional Master's Program (PMP), there are two types of degrees offered; digital/online and residential/on campus. Programs that are **delivered 25% or more digital/online** are considered **Professional Master's Degree – Digital (PMD-D)**. Programs that are **delivered less than 25% digital/online** are considered **Professional Master's Degree – Residential (PMD – R)**.

Table 1:

100% Online	Digital	Administered by Digital Education
25% - 99% Online	Digital (Hybrid)	Administered by Digital Education
< 25% Online	Residential	Not Administered by Digital Education

The process for developing a PMP involves two parts: 1) an academic proposal for a new degree program or concentration in an existing program, and 2) a request for market analysis as well as a rate request for the new program. These requests should be started together in order that both processes are completed in a timely manner.

Definition of Professional Master's Program (PMP)

The characteristics of a Professional Master's Program (PMP) at Purdue, as outlined below, provide a general framework for defining these degree programs. Within this definition, it is expected that each program will incorporate variations and features unique to its curriculum and target student population. In general, these PMD-Rs/PMD-Ds would not be considered appropriate preparation for those entering research careers whether in academia, industry, or government.

General Characteristics of a Professional Master's Program (PMP):

1. Typically a terminal, non-thesis master's degree.

2. Designed specifically to prepare university graduates for a career in industry and government, or to broaden the prospects of university graduates with careers in progress.

3. Incorporates a professional skills or competencies component (such as management, supervision, leadership, or entrepreneurship).

4. A full-time fee-based, self-supporting program of one to two years in length; programs may allow part-time students.

5. Instruction may be digital/online or residential/on campus.

6. Demonstrates clear differentiation between the PMD-R/PMD-D and other master's degrees and concentrations within a department and the university.

7. Priced to include at least regular resident Board of Trustees (BOT) approved tuition and fees plus a market based fee increment; market based increment established through a rate approval process.

8. Receives a return of a portion of the tuition and fee revenue to the academic unit based upon an established distribution model.

Because of the many unique features that may be considered in the design of PMPs, units are encouraged to consult with the Graduate School (for PMD-Rs) and Digital Education (for PMD-Ds) on any questions related to a proposed program.

Professional Master's Degree Students – Policies and Procedures

Graduate students in PMD-Rs/PMD-Ds are subject to the *Policies and Procedures for Administering Graduate Student Programs* at:

> *http://www.purdue.edu/gradschool/faculty/publications.html*.

In addition, graduate students are admitted to and enrolled in a selected PMD-R/PMD-D and are subject to the specific requirements of that PMD-R/PMD-D as defined by the program's academic unit (defined as college, school or department).

Dual Degrees

Students enrolled in a PMD-R/PMD-D are not eligible to pursue another graduate or undergraduate degree while pursuing the professional master's degree.

In the case that a student enrolls in a program that provides an undergraduate degree in route to a PMD-R/PMD-D, (a combined degree program, for example), the student's primary curriculum, as identified by the academic unit, shall drive the assessment of fees and related revenue sharing. To facilitate the appropriate assessment, an academic unit will notify the Bursar's Office, the Digital Education business office, and the Graduate School when students in such programs have advanced from the undergraduate level to the professional degree level. In general, this transition should be based upon the completion of undergraduate degree requirements.

These programs will have the same foregone revenue adjustment requirements as all PMD-Rs/PMD-Ds that shift regular enrollments to PMD-Rs/PMD-Ds (see *Foregone Revenue Adjustments* under Revenue Sharing section below).

Remissions, Scholarships, and Fellowships

Financial aid will be applied to student accounts consistent with Federal Title IV guidelines no earlier than 10 days prior to the first day of classes; students will receive credit balances within 14 days from the date of application of financial aid funds to their account.

Graduate Staff Remissions/Graduate Tuition Scholarships: Students enrolled in a PMD-R/PMD-D program will not be eligible for graduate staff employment or any fee remissions associated with graduate assistantships. Professional master's students are not eligible for graduate tuition scholarships. Admittance letters should clearly state these points. An audit report will be established by the Bursar to identify PMD-R/PMD-D students who have been placed on graduate appointments. Such

an occurrence will be communicated to the academic unit and the Graduate School to address and resolve such a situation.

Staff Fee Remissions: Staff fee remissions are not available to Purdue staff participating in PMD-R/PMD-D programs.

Scholarships - Purdue: A Purdue scholarship fund may be established by the academic unit hosting the program. The unit's share of the revenue from the PMD-R/PMD-D may be used to offset the cost of scholarships. The cost of scholarships should be included in the proposed expenditure budget. Gift funds may also be used to provide scholarship support to students. Scholarship funds will be awarded at the discretion of the academic unit towards eligible student accounts.

Scholarships – Third-Party: Students sponsored by a third party will submit a billing authorization (Tuition Assistance Authorization, Financial Guarantee, etc.) to Purdue University before the first day of class. The authorization cannot be contingent upon grades for payment. Sponsors will be billed within the term of enrollment, (generally within the first eight (8) weeks of classes for a sixteen (16) week term). Students will be responsible for tuition and fees based upon non-payment of sponsored accounts. Further information regarding Third Party Billing guidelines can be found here:

http://www.purdue.edu/bursar/payment/sponsors.html

Fellowships: Unit gift funds may be used for fellowship support for students enrolled in PMD-R/PMD-D programs.

Resident Enrollments

As Purdue is a state supported land grant institution, it is important that the university develops programs that are supportive of the state economy and accessible to Indiana residents. When departments perform their market analysis for PMD-Rs/PMD-Ds, they will discover both geographic and content specific market niches. Some niches may be significantly focused on the state and regional audience (e.g., a weekend master's program or a program for the orthopedic industry); other programs may have a much smaller intake of Indiana residents (e.g., a program in developmental agriculture delivered in part abroad with an international university partner); while a third program may have fairly uniform global interest across many regions and markets (e.g., a degree in information security). Because of potential market niches, it is recognized that the disciplines of some PMD-Rs/PMD-Ds may have limited interest to students from Indiana. All programs, however, will be open to Indiana residents and units should target those applicants who are qualified.

Academic Review and Approval Process

Specific Graduate School approval is required to establish a Professional Master's Program (PMP). PMPs are governed by the Graduate School and must follow the procedures set forth in the *Policies and Procedures for Administering Graduate Student Programs* at

http://www.purdue.edu/gradschool/faculty/publications.html

Departments may submit a request for a new degree program or for a current degree with a new concentration as discussed below. A summary of this process is provided in ***Attachment A***. More information can be found in the Graduate School publication titled, *Policies and Procedures for Administering Graduate Student Programs (link above).*

Both new degree programs and new concentrations will require a market analysis and a Purdue rate request. New degrees require review by the Graduate School and Graduate Council as part of their approval of the program. Rates for PMD-D programs require a review by Digital Education. Concentrations are administratively approved by the Graduate School. Both processes are addressed in the Graduate School Manual.

New Degree Program: To establish a PMD-R/PMD-D as a new degree program, departments will need to review and follow the procedures for establishing a new degree program as outlined in Section I.F.1 in the *Policies and Procedures for Administering Graduate Student Programs* at the link given on page 4.

This process involves submission of a pre-proposal that is administratively reviewed by the Graduate School after consultation with the Provost's Office (and Digital Education for PMD-D programs). Pre-proposals are also reviewed by a pre-proposal committee. This is followed by submission of a full proposal that is considered by the Graduate Council. Upon passage by the Graduate Council, the proposal is forwarded to the Provost's Office for review and recommendation to the Board of Trustees. The program is then forwarded to the Indiana Commission for Higher Education for action and the Higher Learning Commission is informed of the new program.

If an academic area is interested in creating a new digital/online master's degree (PMD-D), access to a revolving fund may be available that will help fund launch costs inherent in new programs. Please see ***Attachment B*** to learn more about the Digital Education Revolving Fund.

Current Degree Program with New Concentration: Existing degree programs with a new concentration require approval by the Graduate School. Rate requests are required with the initial implementation and must be updated each year. Graduate School review of the rate request is required with the initial program approval only. Copies of annual rate approvals should be distributed to the Graduate School, the Bursar's Office, the Division of Financial Aid, and Digital Education (for PMD-D programs).

Procedures are outlined in the Policies and Procedures for Administering Graduate Student Programs Section I.H. and completing Graduate School Form 25, found at:

> http://www.purdue.edu/gradschool/faculty/forms.html).

Process Review Committee

It is anticipated that some Professional Master's programs will include unique program features that will require special consideration. Unique features, for example, may include partnerships with other institutions; programs with multi-site residences including foreign countries; or internship semesters with or without credit. Unique program components may raise questions about how to manage the processes related to fee assessment and collection, registration and student status, credit assignment, awarding of degrees, rate structure for fees, financial aid, and others.

A Process Review Committee will be established to consider the implementation of programs with unique components. The committee will be appointed by the Dean of the Graduate School and will include representation from the Graduate School, Digital Education, Marketing and Media, the Office of the Provost, the Offices of the Bursar, Registrar and Financial Aid, and the academic unit sponsoring the program (both programmatic and business office). The University's Global Support Specialist

(Comptroller unit) and representation from International Programs will participate when foreign institutions or experiences are involved. Others will be asked to participate on an as needed basis.

When PMPs are first presented to the Graduate School for consideration, proposals that include international components or other unique features as determined by the Graduate School will be referred to the Process Review Committee for review and resolution of process issues. The Process Review Committee will not advise on academic issues or make any academic programmatic recommendations. The Process Review Committee will be convened by the Graduate School representative to the Committee when a review is required.

Professional Master's Fee Approval Process *(see Attachment C)*

A Purdue rate request must be prepared for all new degree programs, existing degrees with new concentrations, and existing degrees based on the guidelines in **Attachment C**. An annual budget review via a rate request is required of all existing degrees. The initial rate request for a program must be reviewed and recommended for approval by the Graduate School (and Digital Education for PMD-D programs); annual updates need to include a distribution to the Graduate School following approval (and Digital Education for PMD-D programs). Initial and renewal rate requests will be prepared and submitted jointly by the Assistant Directors of Financial Affairs of Digital Education and the sponsoring academic unit. The Senior Director of Business Management will provide final approval of the initial and renewal rate requests. Below is a list of the key items that need to be addressed in the rate request (complete list in **Attachment C**):
- Market analysis
- Present and proposed rates (not less than resident BOT approved rates for regular graduate programs)
    - Resident and nonresident rates (for PMD-R programs)
    - Academic year and summer rates
- Projected revenue
- Estimated expenses
- Enrollments and growth plan
- Potential loss of existing fee revenue

New Degree Program: In addition to the rate request, new degree programs also require Indiana Commission of Higher Education approval and will follow the preparation and approval guidelines documented in **Attachment D**. Rate requests are required with the initial implementation and must be updated each year. Graduate School review of the rate request is required with the initial program approval only. Copies of annual rate approvals should be distributed to the Graduate School, the Bursar's Office, and Digital Education (for PMD-D programs).

Current Degree Program with New Concentration: Existing degree programs with a new concentration require approval by the Graduate School. Rate requests are required with the initial implementation and must be updated each year. Graduate School review of the rate request is required with the initial program approval only. Copies of annual rate approvals should be distributed to the Graduate School, the Bursar's Office, and Digital Education (for PMD-D programs).

Program Pricing, Tuition and Fees, and Revenue Sharing
New Degree Programs and Current Degree Programs with New Concentrations: Tuition and fees for PMPs will include two primary components: 1) regular BOT approved tuition and fee rates, and 2) a market based increment. Regular BOT approved fees, that is, general service fee, nonresident tuition (if applicable), graduate differential fee (if applicable), and pass-through fees (technology fee, R&R fee,

student wellness fee, Digital Education fee (for PMD-D programs), other miscellaneous and incidental fees) will be augmented with a Professional Master's fee that adjusts the overall fee to a market based level.

Market Analysis: A market analysis will be required to determine if a PMP market fee adjustment should be added to the current program fee. Market data is critical to establishing the PMP fee and will be required for the rate approval. The market analysis may determine the PMP market fee adjustment should be zero. See *Attachment E* for an outline of an appropriate market analysis. Though academic units may conduct their own market research, Digital Education currently contracts with Eduventures, Wiley Education Services, and EAB for market analysis services. All units proposing a PMD-D will have access to this service at no additional charge to the unit or to the PMD-D for baseline market analysis (market analysis beyond a base level may require additional charges). The market analysis should be included in the rate request and materials submitted to the Graduate School for program approval. It should be noted that this analysis will take time and is a primary reason for making sure all parties, i.e. faculty, business office, Digital Education, are aware of the proposal at the time it is initiated.

Program Pricing: The following table shows the minimum components that must be factored into the pricing for PMD-R and PMP-D programs (the price of each PMP program must be at least as much as the required components listed in the table below):

Table 2:

Tuition and Fees	PMD-R	PMD-D
General Service	Yes	Yes
Technology Fee	Yes	Yes
Repair & Rehabilitation Fee	Yes	Yes
Digital Education Fee	No	Yes
Student Fitness & Wellness Fee	Yes	No
Student Activity Fee	Yes	No
Differential Fees (if applicable)	Yes	No
Non-resident Tuition	Yes	Not required, but non-resident rate must exceed resident rate (per ICHE)
Proctoring Fee	Optional	Optional
Market Fee Adjustment	Optional	Optional

Fees for PMD-Rs/PMD-Ds will not be approved at rates less than the BOT established tuition and fee rates for regular resident graduate programs. All new PMPs will be established using the new pricing and revenue sharing models outlined in this Professional Master's Guidelines document.

Disposition of Revenue: The following table shows how the revenue will be allocated after the total price is collected from the student:

Table 3:

	PMD-R	PMD-D
Total Revenue (price paid by student)	Collected by Bursar	Collected by Bursar
Less: Technology Fee	Allocated to Institutional Fund	Allocated to Institutional Fund
Less: Repair & Rehabilitation Fee	Allocated to Institutional Fund	Allocated to Institutional Fund
Less: Digital Education Fee	Does not apply	Allocated to DE

Less: Student Fitness & Wellness Fee	Allocated to Institutional Fund	Does not apply
Less: Student Activity Fee	Allocated to Institutional Fund	Does not apply
Total Revenue Less Fees = Net Revenue. Net Revenue Distribution.	70% to College/Unit Funds 25% to Institutional Fund 5% to the Provost's Office	90% to College/Unit Funds (if an external partner is used, funds for the partner comes out of this portion) 10% to Institutional Fund

An illustration of the financial model for PMD-Rs/PMD-Ds for a typical program is included in *Attachment F*.

Academic Unit: The distribution to the college, school, or department is expected to cover all direct costs of offering the program including instructional salaries and fringe benefits, direct student support, and external partner fees (if applicable). If the curriculum of the program impacts instructional costs in other disciplines, this should also be addressed. As the PMPs have market based fees, it is anticipated that these programs will generate revenue in excess of departmental costs. If revenue exceeds departmental costs, the excess revenue will remain within the academic unit for expenditure as determined by the academic unit. If revenues do not fully offset departmental costs, it will be the responsibility of the academic unit to absorb those costs.

Institutional Fund: The distribution to Institutional Fund will fund additional central staffing and related costs associated with supporting growth in PMPs, and centrally funded instructional infrastructure costs. Because PMP offerings can require unique processing requirements by central offices, individual monitoring is often necessary in order to administer such programs centrally. Staffing levels in centralized support units will be reviewed on an ongoing basis and may be adjusted based on consideration of the impact of new program development, student enrollment, and course offerings.

Foregone Revenue Adjustments: If a new PMP competes with an existing traditional program, or replaces an existing program, an adjustment will be made for the amount of the foregone fee revenue (i.e., current fee revenue from the existing program prior to conversion to a PMD-R/PMD-D) prior to the professional master's revenue distribution. For current undergraduate and master's programs, fee revenue flows to the university general fund, while the PMD-R/PMD-D model distributes a portion of fee revenue to the academic unit. The foregone revenue adjustment assures that the university general fund maintains its current revenue base. The foregone revenue adjustment should be documented in the rate approval process.

New degree program foregone revenue adjustment:

- The Graduate School will review submitted 'Related Programs at the Proposing Institution' within the Pre-Proposal Executive Summary with the Office of the Provost.
- The Office of the Provost will determine if the new PMD-R/PMD-D will attract students away from current programs, and provide an initial FTE count by program that is anticipated to be affected, to the Office of Financial Planning & Analysis (FP&A).
- FP&A will determine the revenue diverted from the university's general fund (foregone revenue adjustment) associated with these FTE, and provide to requesting unit to assist in building the rate request.

- FP&A will coordinate the foregone revenue adjustment transfer with the respective Business Office.
- Foregone revenue adjustment will be reviewed annually and adjusted for Tuition & Fee Increases, as well as for any changes to FTE impact of other programs.

PMD-R/PMD-D replacing an existing program revenue adjustment:
- Prior to submitting a new rate request, unit should get programmatic approval from the Office of the Provost to convert degree to PMD-R/PMD-D, and contact FP&A to determine the foregone revenue adjustment.
- FP&A will coordinate with the unit and the Bursar's Office to identify appropriate historical annual Tuition and Fee revenue average, which will become the foregone revenue adjustment.
- FP&A will coordinate the foregone revenue adjustment transfer with the Digital Education Business Office.

Foregone revenue adjustment will be reviewed annually and adjusted for Tuition & Fee increases, as well as for any changes to FTE impact of other programs.

Non-Traditional Costs: While instructional costs and departmental support expenses will be charged to accounts within the academic unit, any non-traditional expenses will be recorded within the Digital Education account structure. Non-traditional expenses include costs typically not supported on general funds.

Digital Education Fee (for PMD-D programs only)

In its December 2016 meeting, the Board of Trustees approved replacing the $20 per credit hour allocation to Digital Education from program <u>tuition</u> for graduate-level self-supporting degree programs with a separate $50 per credit hour Digital Education <u>Fee </u>(for PMD-D programs only). The new fee will fund the development of a robust and scalable campus-wide support infrastructure in Digital Education for online graduate programs. This is expected to eventually include market analysis, program and instructional design, video production and editing support, instructor training, program launch, marketing, recruitment, student success coaching, assessment, analytics, and financial analysis. In addition to the Digital Education Fee, students participating in online graduate programs will be assessed the Technology Fee, the Repair and Rehabilitation Fee, and a Proctoring Fee (if applicable).

This change will be phased in, so that students who start their degree programs prior to Spring 2018 will be on the old funding model. Advertising and recruiting aimed at students who will start in Spring 2018 or later must include the new digital education fee, and programs may need to revise their rate.

Purdue Marketing & Media Support

Purdue Marketing and Media (M&M), working in conjunction with Digital Education, has the capability to assist units in identifying potential clientele and in promoting their PMPs to this audience. While some programs currently exist with a built-in customer base, other units may require this type of strategic marketing assistance as well as creative assistance. Units are encouraged to use these services when the expertise is not available within their academic unit. M&M may charge an existing hourly rate for their services. These marketing expenses should be budgeted in the cost plan for the PMP.

All marketing materials should be reviewed by the Graduate School in advance of release to the public. This will assure that the degree is appropriately stated to meet the guidelines of the Indiana Commission for Higher Education and the Higher Learning Commission. Academic units developing their

own marketing materials must also ensure their materials are in brand and the Graduate School review occurs.

Questions

The following offices should be contacted for assistance in the process of establishing and managing PMPs:

Academic Issues	**Graduate School, Graduate Programs Office**
Academic Infrastructure	**Office of the Registrar**
Access and Compliance	**Digital Education, Associate Director**
Action Plan for Digital Education	**Director, Digital Education**
Market Analysis	**Digital Education, Senior Associate Director**
Account Management and Reporting	**Digital Education, Business Office**
Fees and Refunds	**Office of the Bursar**
Rate Approval Process	**Director of Financial Affairs for College/School/Department**

PROFESSIONAL MASTER'S DEGREE PROGRAMS

NEW DEGREE PROPOSAL PROCESS SUMMARY

Proposal Review Process
- The proposal should be submitted electronically using the Curriculog workflow system. The proposal should follow the format and guidelines specified in the section titled *Proposal Format and Content.*
- The Graduate Programs Office in the Graduate School conducts an administrative review and forwards all comments with the proposal to the appropriate Graduate Council Area Committee for review and recommendation to the Council. The area committee chair may seek feedback from corresponding degree granting units.
- Non-academic reviews are conducted by the Office of Institutional Research Assessment and Effectiveness (OIRAE), the Office of Financial Analysis and Planning, and, if required, the Director of Digital Education and Associate Vice Provost.
- The area chair presents the proposal to the Graduate Council for consideration. The Council may elect to approve, not approve, or table the proposal.

Conversion of Existing Masters Programs to PMD-R/PMD-D

Conversion of existing master's programs to PMD-Rs/PMD-Ds will be reviewed by sponsoring academic units to determine if the program should continue as a currently established master's program or if the program will convert to a PMD-R/PMD-D including the new pricing and revenue sharing models. Existing master's programs will be grandfathered under the current model if the units determine this is the preferred approach. Current master's programs that transition to a PMD-R/PMD-D will follow the same academic and rate approval processes as new PMD-Rs/PMD-Ds.

Record of PMP Programs
- The Graduate School will maintain a listing of all approved PMD-Rs. This will be considered the official list.
- The Digital Education office will maintain a listing of all approved PMD-Ds. This will be considered the official list.

Digital Education Revolving Fund

Purpose: To provide units with the ability to internally borrow funds to start new, financially self-supporting, online degree programs. Launching a new online degree program requires an up-front investment to complete the approval process, develop the required fully-online courses, develop and implement plans for marketing, recruitment, and admissions, and in some cases to subsidize initial instruction while enrollments build.

Priorities: Online graduate degree programs that:

- a formal market analysis shows the potential for steady-state enrollments of at least 150 students. Digital Education can provide departments with access to external partners who provide a market analysis (please contact DErevolvingfund@purdue.edu for additional information).
- have evidence for strong faculty commitment to such a program.
- broaden the scope of Purdue's online graduate degree programs
- leverage existing online programs to develop a suite of coordinated degrees with some shared courses.

Funding Levels: Requests between $20,000 and $200,000 are anticipated to support the launch of a robust online program. The final amount of any loan from the Revolving Fund will be negotiated between the program unit and Digital Education.

Applications: Applications are accepted at any time, and must include:

- An initial draft proposal for the program, using the format required by the Graduate School for "Adding an online option to an existing degree program" (see https://www.purdue.edu/gradschool/documents/gpo/adding-online-option-existing-degree-program-iche-guidelines.pdf)
- Proposed timeline for development, approval, and launch of the program, and a list of key faculty and staff who will have time dedicated to this project
- Program budgets for a) launch phase and b) post-launch growth to a sustainable program. Please use the revolving fund template.
- Names, approval signature, and contact information for unit head, lead faculty member for the program, business office lead for the program, and college dean.

Applications should be submitted to DErevolvingfund@purdue.edu, and decisions or requests for additional information will be made within ten working days of the submission.

Terms:

- Revolving fund investments are loans that provide authority for expenditures from an account housed in Digital Education up to the amount approved and for the specific purposes listed in the proposal budget.
- Until the loan investment is repaid in full, the loan is paid back to the revolving fund when the unit's income for the program exceeds the direct cost of online course instructors' salary/stipend at a rate of:
    - 25% of any excess income in year 1 of program operation, and
    - 50% of any excess income in subsequent years.
- If the online degree program is not able to repay the revolving fund investment in full by the end of four years from when the first students in the program started taking courses, then:

a) If the unit decides to terminate the program, the unit commits to repay 50% of the remaining revolving fund investment and DE will absorb the remaining 50%.
b) If the unit decides to continue the program because of its strategic value to the unit, the unit commits to repay the remaining revolving fund investment at that time.

Internal Process Details

Applications will be sent for initial review and comments to at least two people with prior experience launching programs outside of the area proposed (e.g. Director of existing successful large-scale programs). Decisions on which applications to approve, and for how much, will be made by an investment committee, which will be chaired by the DE director, and that will include the DE online program launch manager, a DE Senior Associate Director, and the Assistant Treasurer or his designee.

PROFESSIONAL MASTER'S DEGREE PROGRAMS

PROFESSIONAL MASTER'S FEE APPROVAL PROCESS

Purdue Rate Request (New Degree, New Concentration in an Existing Degree, and Existing Degree Programs):

College/school requests a market analysis (currently contracted with Eduventures, EAB, and Wiley Education Services through Digital Education). Alternate market data can be used if provided from a reputable source. In these cases, any costs will be the responsibility of the unit.

College/school prepares rate request and 5-year net income and enrollment projections.

The rate request will cover the following items:

- Department
- Effective date
- Purpose/services
- Present and proposed rates (includes peer analysis)
- Budget explanation
- Five-year revenue and expenditure budget, net income and enrollment projections, along with the projected attrition rate
- Potential loss of existing fee revenue
- Income collection/billing
- Income disposition
- Refund policy - Should follow existing Purdue University guidelines located on the Bursar website: http://www.purdue.edu/business/bursar/refunds.html
- Any previous approval (if existing)
- Approvals (*required signatures*):
    - *Existing degree*: Department Head and Dean of College/School; Executive Director of Digital Education; Senior Director of Business Management

    - *New degree or new specialization of an existing degree* (*additional signatures*): Dean of Graduate School; Provost and Executive Vice President for Academic Affairs and Diversity (or delegate – Senior Vice Provost for Teaching and Learning); and Senior Vice President and Assistant Treasurer (or delegate – Senior Director of Business Managers).
- Notifications – All approvals shall be reported to the Graduate Programs Office of the Graduate School upon completion.

Each college/school is required to submit an annual budget review to Digital Education (updated rate request).

Indiana Commission for Higher Education New Degree Proposals (Enrollment and Budget Data):

College/school completes the required Commission documentation (current guidelines include tables with enrollment data and budgeted revenue and expenditure data):

- *Developing New Academic Program Proposals* based on the guidelines, policies, and procedures established by the Indiana Commission for Higher Education, and
- In addition, for a blended degree, the forms for *Proposing Degree Programs to be delivered via Distance Technology* based on the *Policy on Delivering Degree Programs through Distance Education Technology*.

Review Process for Rate Requests

On-Campus or Blended – Approvals for New Degree, New Concentration of Existing Degree, and Existing Degree Programs
- College/School
- Digital Education
- Senior Director of Business Management (delegate)

Additional signatures required for New Degree Programs and New Concentration of Existing Degrees (On Campus or Blended)
- Dean of Graduate School
- Provost and Executive Vice President for Academic Affairs and Diversity (or delegate – Senior Vice Provost for Teaching and Learning)
- Senior Vice President and Assistant Treasurer (or delegate – Senior Director of Business Managers)

All approvals shall be reported to the Graduate Programs Office of the Graduate School upon completion.

Review Process for Indiana Commission for Higher Education (where appropriate):

New Degree Programs (proposals are completed and routed for review and approval):

On-Campus (or Blended) – Review and Approvals
- College/School
- Graduate School
- Graduate Council
- Financial Planning and Analysis
- Provost and Executive Vice President for Academic Affairs and Diversity
- Board of Trustees
- Indiana Commission for Higher Education/Higher Learning Commission

PROFESSIONAL MASTER'S DEGREE PROGRAMS

CHECKLIST FOR PREPARATION OF A PROPOSAL

The characteristics of a Professional Master's Degree program (PMD/PMD-D) at Purdue are outlined in the attached Program Guidelines. In general, PMDs/PMD-Ds are designed as a terminal master's degree that prepares a student by combining subject matter training with exposure to techniques important in managing a professional position. The PMD/PMD-D would not be considered appropriate preparation for those entering research careers whether in academia, industry, or government.

The concept of a Professional Master's Degree at Purdue (PMD/PMD-D) was initiated to stimulate development of new terminal master's degree programs that are focused on advanced credentialing for residential working professionals. As such, these degrees have a professional, rather than academic, career focus.

As a starting point, existing programs were allowed to develop new concentrations in existing programs as a prototype before developing an entirely new degree program. Thus, the goal of these program concentrations is to be converted to a degree program. As such, newly developed concentrations for PMDs/PMD-Ds will be reviewed after five (5) years and a decision made to either delete the concentration or initiate the process of moving forward with a new degree proposal.

This process for developing PMDs/PMD-Ds involves two parts: 1) an academic proposal for a new degree program or concentration in an existing program, and 2) a financial request for market analysis as well as a rate request for the new program. These requests should be started together in order that both processes are completed in a timely manner.

1. General:
    a. Organizational meeting: In all cases the PMD/PMD-D process should begin with an organizational meeting among the faculty member proposing the new program/concentration, the DFA in the appropriate College, and representatives from Digital Education and from the Graduate School.
    b. Planning: In this meeting the process shall be outlined and a timeline for all parts of the process will be developed and adopted. The timeline will include target dates for completion of each part of the process.

2. Academic Process (http://www.purdue.edu/gradschool/faculty/publications.html)
    a. The proposal should be prepared using the format and guidelines in *Proposal Format and Content*. The proposal is submitted in the Curriculog system.
    b. The proposal is then reviewed within the Graduate Programs Office of the Graduate School and forwarded to the appropriate Area Committee of the Graduate Council for review. The Area Committee may seek feedback and/or changes from the faculty member proposing the new program or from other degree granting units.
    c. The Area Committee chair presents the proposal to the Graduate Council for consideration. The council may elect to approve, not approve, or table the proposal.

3. Financial Process (summarized in Attachment C of the Program Guidelines)
    a. Market analysis: Usually conducted by Digital Education through Eduventures, Wiley Education Services, or EAB, but may be done by the initiating program or by another vendor.
    b. Advance on Revenue: If a program needs funds to cover start-up costs, the request must fulfill several requirements detailed in the Program Guidelines (pg. 6).
    c. Rate Request and Fee Approval Process: An outline of the process to be followed in preparing the rate request in order to get approval of fees for the PMD/PMD-D is included in Attachment B of the Program Guidelines. Items included in this request include:
        i. Market analysis
        ii. Present and proposed rates (not less than BOT approved rates)
        iii. Projected revenue
        iv. Estimated expenses
        v. Enrollment and growth plan
        vi. Advance in revenue option
        vii. Potential loss of existing fee revenue
4. Notifications: In order that all parties are kept informed of the progress of proposals, at each stage for each approval, the Graduate Programs Office of the Graduate School shall be informed of the approval. Upon completing all approvals for a proposal, the Office will inform all interested parties of the outcome. Those include:
    a. Faculty member and department head of program initiating proposal
    b. Dean of appropriate College/School
    c. DFA of program initiating proposal
    d. Digital Education
    e. Provost and Executive Vice President for Academic Affairs and Diversity
    f. Bursar
    g. Registrar
    h. Financial Aid

PROFESSIONAL MASTER'S DEGREE PROGRAMS
MARKET ANALYSIS

While an external market analysis for a new professional master's degree is preferable, units are allowed to perform their own analysis. A complete analysis would include discussion of the following:

What is the proposed program? What is the focus or specialization of the program?

Fit with the University and Department – How does the program fit with the mission of the university? Does the university have a recognized competence in this area, or will new faculty capabilities need to be acquired? How will the program be distinctive or differentiated from competitors?

The target student market for the program – What are the demographic characteristics of the target student population (age, geographic scope, prior preparation, current employment or pre-employment)? What is the size of the target population and anticipated growth in the pool?

What is the value proposition for the degree – What are the employment prospects for graduates of the program? What is the anticipated salary for graduates? What are the anticipated trends in these factors? What opportunities await students who complete the degree? Will students be prepared for new careers or certifications?

Characteristics of peer institutions and programs – Is there existing competition delivering the degree? Who are they? What, if anything, makes their programs distinctive? If they are traditional institutions, are they peer or aspirant schools? What are the program sizes? What are the current enrollments and trends in enrollment? What is the format of the delivery model? What markets have these programs targeted? What are the prices and trends for pricing of these programs? Is the significant financial aid provided? If this is truly a unique, ground breaking degree, who would be the likely competitors if a market is established? Will the degree be easily copied?

Program content, delivery, and cost structure – What courses and experiences will make up the proposed degree? How will the content be delivered and where? What costs will need to be incurred in development of the program? What is the five year cost structure of delivery? What support infrastructure will be needed outside of instructional cost?

It is expected the analysis will be supported with references to third party data from appropriate sources like peer institutions, library data sets, governmental or foundation reports, employment or census data.

Financial Model Illustration

Professional Masters Programs (PMP)
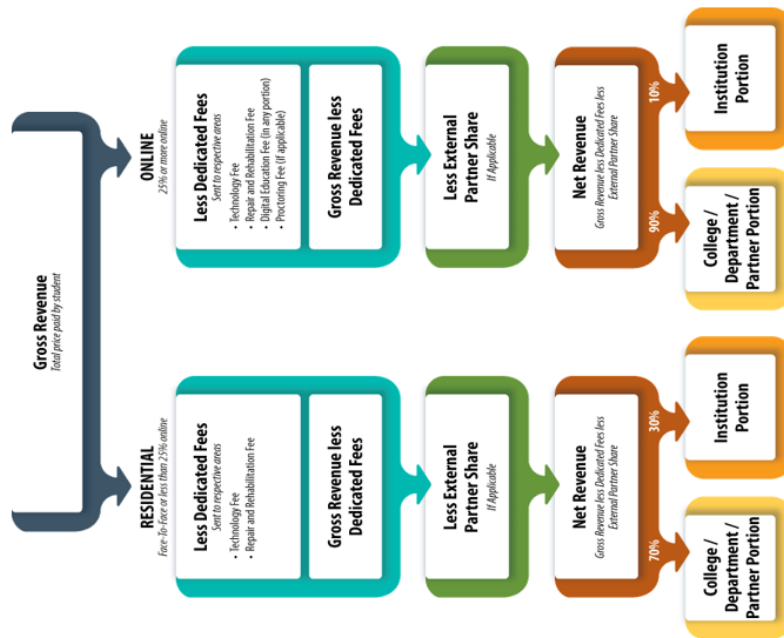
Effective for programs beginning Spring 2018

	A: Residential (<25% online)	B: Digital/Online - With Ext Partner	C: Digital/Online - No Ext Partner
Gross Revenue	$ 945,000	$ 945,000	$ 945,000
Less: Tech Fee	$ 7,928	$ 7,928	$ 7,928
Less: RR Fee	$ 11,813	$ 11,813	$ 11,813
Less: DE	$ -	$ 52,500	$ 52,500
Revenue Less Dedicated Fees	$ 925,260	$ 872,760	$ 872,760
Less: External Partner Share	$ -	$ 436,380	$ -
Net Revenue	$ 925,260	$ 436,380	$ 872,760
College Share	$ 647,682	$ 392,742	$ 785,484
Institution Share	$ 277,578	$ 43,638	$ 87,276

SUMMARY

	A		B		C	
College/Unit Share	$ 647,682	68.5%	$ 392,742	41.6%	$ 785,484	83.1%
Institution Share	$ 277,578	29.4%	$ 43,638	4.6%	$ 87,276	9.2%
Dedicated Fee (non-DE)	$ 19,740	2.1%	$ 19,740	2.1%	$ 19,740	2.1%
DE Fee	$ -	0.0%	$ 52,500	5.6%	$ 52,500	5.6%
Partner Share	$ -	0.0%	$ 436,380	46.2%	$ -	0.0%
TOTAL	$ 945,000	100%	$ 945,000	54%	$ 945,000	100%

ASSUMPTIONS

Students	35
Credit Hours	30
Program Price	$ 27,000.00
Tech Fee per credit hour	$ 7.55
RR Fee per credit hour	$ 11.25
DE Fee per credit hour	$ 50.00
Proctoring Fee per credit hour	$ -
Residential College/Unit	70%
Residential Institution	30%
Online College/Unit	90%
Online Institution	10%

NOTE: All program costs, including instruction, are paid out of the college/unit share

NOTE: Historically, online programs with an external partner have had much larger enrollments than programs without an external partner. This is not included in this example.

RESIDENTIAL — *Face-To-Face or less than 25% online*

ONLINE — *25% or more online*

Gross Revenue — *Total price paid by student*

Less Dedicated Fees — *Sent to respective areas*
- Technology Fee
- Repair and Rehabilitation Fee
- Digital Education Fee (in any portion)
- Proctoring Fee (if applicable)

Gross Revenue less Dedicated Fees

Less External Partner Share — *If Applicable*

Net Revenue — *Gross Revenue less Dedicated Fees less External Partner Share*

College / Department / Partner Portion — 70% / 90%

Institution Portion — 30% / 10%