

Marietta College
Policy for Budgeting and Funding of Off-Campus Programs
23Sep03
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Introduction: This policy applies to the development of budgets for off-campus programs. It is intended to standardize the manner by which the College budgets and funds its off-campus programs. For purposes of this policy, the term “off-campus program” means any College-sponsored educational experience for its students that involve travel to a location other than the Marietta College campus. Off-campus programs are usually developed and managed by an individual faculty member or an academic department, but this policy applies to off-campus programs regardless of their origin. Off-campus programs may involve classroom coursework, but not necessarily. Off-campus programs may award academic credit, but not necessarily. Off-campus programs may range in duration from one day to two semesters. They are usually accomplished within one academic/fiscal year.

Program Solvency: Unless otherwise indicated in writing by the President on a case-by-case basis, each off-campus program must at least break even financially. That is, the revenues generated by each program must at least cover the expenses associated with conducting the program. Base costs to be included in the program budget are identified below. Individual program may have additional costs that must be added over and above the base costs.

Revenues: Program revenues usually come from charges made to students and other participants. These charges are divided into two categories--tuition-related charges and program charges. Tuition-related charges are intended to cover the tuition-related costs listed immediately below. They cannot be used to cover programs costs as described below. Program charges are intended to cover costs such as travel, lodging, meals, and other costs related to conducting the program at a location other than the Marietta College campus. Program charges cannot be used to cover tuition-related costs.

Other sources from outside the College may also contribute to revenues from time to time, such as supplemental grants from outside benefactors. The College may also dedicate financial resources to an off-campus program on a case-by-case basis with proper approvals from the President, Provost or Vice President for Administration and Finance. In these cases, the charges made to participating students may be reduced.

Deposits: Deposits are intended to illustrate commitment by the traveler to participate in the program. Deposits are also required to pay advances to vendors associated with the program, usually transportation-related expenses like airline tickets and cruise ship deposits. In most cases, deposits are non-refundable and to the extent that a traveler makes a deposit, the deposit is non-refundable if the traveler voluntarily determines not to participate in the program or a specific aspect of the program. If, however, the traveler cannot participate for reasons that are beyond the traveler’s control, the sponsoring faculty member/department can determine if a refund, in whole or in part, is appropriate and can request same from the Student Accounts Office. Any portion of a deposit that has already been expended by the College on behalf of a traveler cannot be refunded. However, unused portions of deposits may be refunded at the discretion of the sponsoring faculty member/department.

Forfeited deposits remain in the off-campus account until after the program is completed or cancelled and final accounting has been completed. Then the forfeited deposit is transferred into the off-campus programs account controlled by the Provost along with other excess revenue if any.

Base Costs: Base costs are divided into two categories--tuition-related costs and program costs. They correspond to the tuition-related and program charges discussed immediately above.

Tuition-related costs apply only if Marietta College is awarding academic credit for successful completion of the academic work associated with the program. The costs are those related to developing and conducting the course for which academic credit is being given. The costs include, but are not limited to, compensation of faculty and/or staff; purchase or rental of books, classroom materials, supplies, equipment, space or services; program insurance; and Marietta College administrative overhead. Because the program is not conducted on the Marietta College campus, the administrative overhead charge will exclude charges related to the use of Marietta College facilities.

Program costs apply to all off-campus programs. The costs are those related to conducting the program at a location other than Marietta College. The costs include, but are not limited to, air travel, ground transportation, lodging, meals, fees & tolls, gratuities, entertainment, taxes, and so forth. Depending on the location of the program, program cost categories and/or amounts can vary widely.

Additional Costs: Some programs may incur costs over and above the base costs discussed above. If a program has additional costs, the costs must be covered by either tuition-related charges or Program-related charges, as appropriate. If there is uncertainty regarding whether an additional cost should be tuition-related or program-related, the Vice President for Administration or Finance will determine application.

Budget Development: The faculty member and/or department sponsoring the off-campus program are responsible for developing the program budget at the earliest possible date. See the budget model at the end of this document for assistance in budget development. The faculty member/department is responsible for ascertaining all costs, except for personnel compensation and Marietta College administrative overhead. The Vice President for Administration and Finance will determine personnel compensation and overhead costs.

The faculty member or the department's designee will meet with the Vice President for Administration and Finance to develop the program budget so that projected revenues will cover projected costs, both tuition-related and program costs, and will stipulate the timing of any required deposits. The faculty member or department may not set the tuition charges or program charges, but may recommend them to the Vice President as part of the budget development process. The budget must be approved by the appropriate department chair, the Provost and the Vice President for Administration and Finance *prior* to publicizing of the program. After the budget is approved, the Business Office will establish a general ledger account for the program.

Enrollment: Enrollment in each program must generate revenues sufficient to cover program costs, less any applicable grant, College or other revenue funding. Unless otherwise authorized by the Provost on a case-by-case basis, programs with insufficient enrollment revenues will be cancelled. Provost authorization requires sufficient infusion of revenues by the Provost from other sources to permit the program to be financially viable. Program publicity will clearly indicate potential for program cancellation.

Collections: Collection of charges from participating students is conducted by the Student Accounts Office (Business Office). At the appropriate point in the planning process, the sponsoring faculty member/department will provide the Student Accounts Office with a roster of travel participants. The sponsoring party will also inform travelers of the need to forward payments in a timely manner to the Student Accounts Office. The Student Accounts Office will, in turn, report via e-mail to the sponsoring party immediately after each deposit's due date regarding payment status. The sponsoring party will use this information to prompt payments as may be required. The sponsoring party is also responsible for timely and regular advising to the Records Office and the Student Accounts Office of the award of academic credit. All travelers must pay all charges in full prior to the program, unless other special arrangements are approved in advance by the Vice President for Administration and Finance. The College cannot advance cash to an off-campus program to cover its cash flow needs. However, the Provost may choose to supplement, either temporarily or permanently, the cash flow and /or revenues of any given program from accumulated resources from previous off-campus programs.

Rebates: Following confirmation and final program accounting by the Business Office, if a program has generated excess revenues over expenses, the Provost and sponsoring party have the option of depositing said excess revenues into the off-campus programs account controlled by the Provost or rebating portions of the excess to travelers or both. Excess revenues less than \$100 per traveler cannot be rebated. If excess revenues are greater than \$100 per travelers, the Provost and sponsoring party may issue rebates to travelers in amounts up to the amount of excess revenues rounded to the next lowest \$100 increment (e.g., \$234 excess revenue/traveler may be rebated at \$200/traveler; similarly \$198 excess revenue/traveler may be rebated at \$100/traveler.) Excess revenues not rebated to travelers remains in the off-campus program account controlled by the Provost.

END

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