



SMALL COLLEGE SHARED SERVICES ALLIANCE EVALUATION  
FOR THE NEVADA SYSTEM OF HIGHER EDUCATION



DECEMBER, 2013

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## EXECUTIVE SUMMARY

The three northern Nevada Community Colleges are unique, individually accredited institutions. Each has its own distinctive faculty, its own academic centers of excellence, its own community and culture. These differences are embraced by college employees. Yet, it must be understood that similarities exist as well. All community colleges are student-centered, focus on teaching and learning, and support the service area economic development by providing technical training as well as transfer education. How institutions accomplish their academic mission may depend on the specific college culture, service area needs and its distinct strategic goals, but the business functions needed to support the mission are truly similar.

Recently, several factors impacting revenue to each of the three northern Nevada community colleges have converged to place very high pressure on the institutions' ability to fund operations. Truckee Meadows Community College, Western Nevada College and Great Basin College are all experiencing essentially flat or small declines in enrollment and requests for expanded services; yet at the same time, state support is declining at unprecedented rates. While registration fees, tuition, and fund sources such as grants and gifts will continue to be important segments of funding, traditional state funding will be reduced due to full implementation of a new higher education funding formula and lapse of one-time mitigation dollars provided by the State and the Nevada System of Higher Education ("NSHE"). The current funding platform is not sufficient to sustain the institutions' current operating practices. Without change, each college's status quo simply cannot be maintained. The discussion of how to deal with these pressures compliments the Efficiency and Effectiveness initiative undertaken by the Board of Regents; the recently completed Business Process Review/ Huron study in support of new administrative information systems (iNtegrate 2) and the ongoing work of the eLearning Task Force.

Due to the mounting fiscal challenges, NSHE Chancellor, Daniel Klaich, commissioned a study to identify specific strategies to achieve cost savings and efficiencies at each institution while maintaining or enhancing the academic programs, service to students and Northern Nevada communities. The purpose of the evaluation was to determine whether strategically implementing a variety of shared services could provide significant cost savings at each institution. For this study, functions and activities that are currently performed independently by each college but could be "centralized" to a single entity were evaluated. The objective was to identify opportunities to share services in order to:

- Achieve cost savings to allow reallocation of resources to institutions' core mission
- Develop long term sustainability strategies by evaluating new revenue streams
- Gain economies of scale through centralized transaction processing
- Standardize practices, processes and policies among the community colleges
- Re-focus college staff on mission-critical functions
- Improve on current levels of services to students, staff , the community and other stakeholders

The Study Included:

- Interviews with each college president
- Meetings with functional representatives from each college
- Phone conference with University of Nevada, Reno Finance and Administration Staff
- Phone conference with Nevada System of Higher Education Finance, IT, and Academic staff
- Interviews with colleges who have implemented a shared services approach to back office functions

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- Synergy and gap review of key support services at each institution
  - Review structure and functions of the NSHE Business Center North
  - Verification of accreditation issues with Northwest Commission on Colleges and Universities (NWCCU)
  - Modeling of potential structures including analysis of institutional strengths

There are many institutional business activities that are valuable and important. Without them, the institution could not function. Yet by themselves, these activities provide no unique institutional differentiation, no specific advantage or distinction. They are processes that are simply a duplicate of what is currently being done at all three institutions. These necessary though redundant activities can draw resources away from an institution's academic focus. Implementation of a Northern Small College Shared Services Alliance could realize significant, permanent savings without impacting the overall quality of academic program delivery.

The initial review of Northern Nevada Community College Shared Services back office efficiency and management identifies how savings can be generated and redirected to support academic and frontline services. It is premature to forecast the exact savings that can be achieved without further intensive discussions with the college presidents and chancellor. This report provides an evaluation of the relative efficiency of community college back office functions and outlines the steps necessary to re-engineer and transform back office services to realize the savings potential. Additionally, two new revenue sources are identified for consideration to support the shared services functions and introduce additional revenue to the colleges in support of a more sustainable long term business model.

A set of bold recommendations have been outlined. It is recommended that college leadership move rapidly toward adopting a shared service approach for back office services. It is proposed that college leadership work to identify consortia partners by Spring of 2014, recognizing that in many instances individual departments will be able to achieve this well in advance of the proposed timeline. Within the report, various models of shared service are identified and evaluated. Strategies are identified to realize savings at a granular level. System and college leadership will need to determine which approach best suits the needs of Northern Nevada.

The following departments are identified as likely shared services components: finance, institutional research, financial aid, information technology, human resources, grant acquisition and management, and support services for online education (instructional design). The recommendations and guidance contained within this report are centered on three objectives. The first is to reduce redundant costs associated with back office functions; the second is to maintain capacity and capability to deliver high quality educational services with a focus on students; and the third is to take practical actions to drive efficiencies and savings, capitalizing on the learning drawn from other higher education organizations and the private sector.

Evidence to support change is presented. The key challenges that have historically impaired the delivery of effective and efficient shared service functions are well understood. The lack of uniformity of approach has often hindered efficient provision of back office functions and the proposal outlines how each of these challenges can be addressed. Various independent reviews have suggested that savings on

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the order of 20%–30% can be achieved through the development of shared back office functions. The private sector has led the way in this area, creating leaner back office functions through three key steps: simplification of processes, re-engineering processes to a common standard, and tracking key performance indicators on a regular basis.

It is proposed that the Northern Nevada Small College Shared Services Alliance be directed by a single executive director that will report to the chancellor. However, different approaches for specific functions may be employed. These approaches include deploying activity-based costing, eliminating low-value-added transactions, applying lean methodologies, exploiting technology, leveraging cost reduction through scale, and improving efficiency by matching resources to processes and decision models. A number of examples are highlighted which show how other institutions and agencies have used these techniques to deliver greater efficiency. Additionally, individual units within the Shared Services Alliance may be located at any one of the three campuses.

A detailed methodology for governance and organization of the shared services center is included. The work focuses on the development of leadership, redesign of back office services, selection of additional possible consortia members, establishment of memoranda of understanding, and the formal operation of new services. An outline of the immediate actions colleges should take in order to initiate work to re-engineer back office functions is provided. It is recommended that colleges move to establish a program team to oversee the range of reorganization work, including reviewing the current state of back office functions and developing a more detailed road map which sets out actions towards implementation of a re-engineered back office function, predicated on the development of shared services alliance.

The Northern Nevada community colleges will not reduce costs solely through moving into a shared service alliance. It is important that the colleges seek to simplify, standardize and combine back office functions, using a structured approach toward transforming their efficiency. Two additional innovations – an online consortium of the colleges and an extended concurrent enrollment program – which can be implemented in order to achieve sustainable change are also reviewed. Concurrent enrollment programs have the potential to help advance the vision for an aligned system of high school and post-secondary standards, helping to ensure a prepared workforce for Nevada. Agreements between local education providers and NSHE community colleges should be reviewed and considered for expansion. Further opportunities for greater efficiency are outlined. In particular, the report highlights the potential to further transform middle and front office functions, including a transformation of online student services.

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## **Summary of Recommendations**

### **Recommendations for Colleges**

- TMCC, WNC and GBC should move towards adopting a Shared Service Alliance. Collaboratively, all college leadership should participate in the development of plans to consolidate and re-engineer their back office functions and establish a shared service alliance.
- Each college should establish regular performance benchmarking to monitor its own progress and comparative performance.
- Colleges should seek to establish consortia agreements by Spring, 2014.
- All college leaders should collaborate to develop an appropriately structured shared governance model to drive key phases of the timetable and deliverables.
- Presidents should be held responsible through the annual evaluation process for ensuring that identified savings are realized. It is encouraged that colleges establish and annually publish Key Performance Indicators (KPI) on the performance and efficiency of the shared office alliance annually.
- All colleges should systematically review their front and middle office functions to identify the scope for greater efficiencies. The evaluation should focus on enrollment services and advising/counseling.

### **Recommendations for the Nevada System of Higher Education**

- NSHE should support a training retreat for college leadership to develop a strategic roadmap for generating shared efficiencies.
- NSHE should explore line item funding for the Northern Nevada community college shared services alliance. This would align with funding provided for the current business centers.
- Further work should be undertaken to explore Board of Regents initiatives designed to support a robust statewide concurrent enrollment program to serve all Nevada Students, particularly those who represent communities with historically low college participation rates and rural, isolated communities.
- NSHE should facilitate the collaborative work of the colleges to accomplish these recommendations.

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## INTRODUCTION

Institutions of higher education began as shared services enterprises when, in medieval Europe, monks recruited students for tutoring. Ultimately, the educator-monks banded together and designated others to provide services such as charging fees, keeping records, and scheduling for them so they were available to focus on the educational enterprise.

In the last five years, U.S. institutions of higher education have begun to develop shared services entities for five main reasons:

- Achieve cost savings in order to allow reallocation of resources to institutions' core mission
- Develop long-term sustainability strategies by evaluating new revenue streams
- Gain economies of scale through centralized transaction processing
- Standardize practices, processes, and policies
- Re-focus college staff on mission critical functions

Sharing back office functions is becoming much more common in higher education, a trend that is motivated by factors of financial need, service improvement, risk mitigation, and consistency. Interviews with institutions that have moved to shared services models revealed that cost savings often are achieved through economies of scale, quality improvements by specialized expertise or technological innovation, and consistency through required data definitions, required processes, and common reporting formats.

Almost all the efforts now in progress across institutions of higher education as well as the private sector focus first on cost savings. This aligns well with the northern Nevada community colleges which are currently experiencing additional funding cuts of more than 10 percent, on top of many years of reductions in state support.

Improvement of service is also a primary driver. In fact, in some other states, such as Texas and Colorado, this has become the primary motivation for sharing services, especially with regard to smaller departments and colleges and where the alternative may be for a service not to be available in any meaningful way. Risk mitigation, through common expertise and consistency of procedures, is an additional source of motivation.

Consistency may take on a special importance in a Northern Nevada consolidation of services model. Each institution has evolved and developed programs, policies and procedures independently. The merging of services will require a significant level of consistency in policy, data, and practice. While antithetical to the level of institutional autonomy naturally sought by the colleges, it may be a necessary reality in order for each institution to continue as a viable full-service community college. However, it is important to note that consistency in these back-office areas should not materially impact the front-line specialization institutions need for mission differentiation and education delivery.

The pillars of cost savings, service improvement, risk mitigation, and consistency have emerged nationally as motivators for higher education institutions to share services. They are the underpinnings of efforts as ambitious as the "system" work of the State University of New York, the common on-line efforts and shared library resources of the University of California, and the emerging shared services efforts of the University System of New Hampshire. Sharing is becoming much more common in

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American public higher education, motivated by financial, service improvement, risk mitigation, and consistency factors

Efficiency for the sake of efficiency is understandably unpopular among those whose choices are limited by a shared services model. There is a natural tendency of staff and the institution as a whole to believe that processes can be better executed at the local level because of the idea that the unique knowledge and commitment to the institution is what can best fulfill the college mission and service to students. As a result, it is likely that colleges will have to adopt a greater degree of standardization than many may initially be comfortable with. The governance of the Shared Services Alliance must account for real differences among the colleges and incorporate necessary differences in certain practices into a model that is otherwise very standardized.

An important risk to the effectiveness of implementing a shared services model is the development of “shadow systems,” in which colleges maintain certain functions alongside shared services, resulting in redundancy and higher costs. In order to avoid redundancy, the leadership at each college must align their institution’s goals with the success of the shared services model and work aggressively to fully transfer shared services to the shared service center where they will ultimately reside.

The argument that sharing services can free up resources to provide more money for direct instruction and improved student services should not be overlooked. This is especially true in the formation of a shared services model for online education.

#### **THE SHARED SERVICES MODEL**

Shared services are a customer-focused organizational structure and service model that provides back-office support primarily to internal customers and eliminates redundant processes, systems and organizations.

In order to be truly effective, a shared services model must be motivated by three things:

- Providing quality service to customers (primarily internal customers at each college)
- Minimizing costs to the ultimate rate payers (the taxpayers and students)
- Assuring the consistency needed to assure public trust and accountability, as well as advancing Nevada’s higher education goals

Prior to moving forward with development of the Northern Nevada Community College Shared Services Alliance, college presidents must agree to several key principles, including the following:

- The primary motivators of culture and behavior for a Shared Services Alliance will be customer service and the delivery of value to the three participating institutions.
- Standardization of information, processes, and functions is critical to cost-effective operations and to providing the lowest cost for a service.
- The Shared Services Alliance should implement best practices in each service area and focus on lowest cost for the quality of service desired, as opposed to the path of least resistance.
- The Shared Services Alliance should be managed by an executive director who will report to the Chancellor. Three functional committees will be established to provide strategic and functional guidance.
- The Shared Services Alliance will enter into service level agreements with each college that specify levels of quality and cost.

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- The Shared Services Alliance will be most effective as part of a distinct entity that includes the three colleges as members.
  - The Shared Services Enterprise will be supported for its capital and operating financial needs through a base appropriation from state funds plus tuition revenue share from online education and/or rates charged to member colleges for its services.

The Nevada System of Higher Education has provided classified human resource and procurement services to all institutions through the Business Center concept. While there is some concern about the level of service provided, an evaluation of potentially transitioning the Business Center North functions from the University of Nevada, Reno to the Shared Services Alliance concluded the transition would not provide savings or additional quality in service at this time.

#### **PROPOSED SHARED SERVICES ALLIANCE GOVERNANCE**

The proposed shared services governance model requires the establishment of new governance bodies specific to the shared services alliance while still leveraging the members of current bodies. An executive director should be retained immediately. The executive director of the Shared Services Alliance will provide overall leadership and management for each functional center, including:

- direction of business operations and strategic planning;
- management and oversight of operational budgets and resource allocation in support of the goals and mission of the NSHE and the three partner institutions; and
- establishment, implementation and evaluation of Alliance goals and procedures.

It is recommended that the executive director report to the NSHE Chancellor. A successful candidate will have a wide-range of experience in the areas of human resources, budgeting, and finance; knowledge of a variety of funding types; experience working with faculty and staff in academic or administrative settings; a collaborative management style; and a strong customer service orientation. The executive director will strive for consistency of process across business centers and build collaborative relationships among college leaders to provide administrative support services and implement policy changes.

In collaboration with the college presidents and system staff functional leaders, the goals for the executive director's initial 18 month tenure will be:

- Consistency and best-practices: The executive director will work with the managers and central functional leaders to review performance across the Alliance and use data to identify where best practices exist and where consistency can be applied to improve overall efficiency.
- Communication and Transparency: In collaboration with the joint steering committee, the executive director will design and implement a communication plan including a Shared Services Project Charter.
- Cross-center support: The executive director will work with the employees to develop a model that maximizes efficiency and cooperation through developing a cross-center support model to address and overcome short-term resource issues in individual units.
- Future funding: The executive director will work with the Vice Chancellor of Finance and the college presidents to identify and implement a consistent funding model for the Alliance.
- Dashboard: The executive director will need to have a strong data-driven ability to develop dashboard metrics to enhance the ability to assess the impact and performance of the Alliance

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functions. The dashboard will include quality and volume indicators and serve as a model for operational excellence of the Shared Services concept.

- Technology applications: The executive director will work with various constituents to employ technology solutions that will reduce redundancies, inefficiencies, and manual transactions and that will increase efficiencies and customer satisfaction.
- Consideration of additional shared services opportunities: This will include not only considering how the model might be expanded to provide additional services but also other models of shared services that could benefit the Northern Nevada community colleges with respect to other parts of their business.

To support the executive director in this work, three governance committees will be formed with the following purpose and membership:

Joint Steering Committee - *Strategic*

**PURPOSE:** The Joint Steering Committee is a guiding body that ensures the Shared Services Alliance is accountable and provides high-quality, continuously improving services to the colleges. It also oversees the Alliance's strategic objectives to ensure the initiative remains aligned with the priorities, vision, and mission of the Nevada System of Higher Education as well as each of the three colleges.

**MEMBERSHIP:** The committee consists of the three college presidents.

Operational Advisory Council - *Operational*

**PURPOSE:** The cross-functional Operational Advisory Council ensures that the Shared Services Alliance is meeting stated performance expectations and is accountable to its customers for quality of service.

**MEMBERSHIP:** Composed of executives with HR, Finance, IR, FA, IT and online expertise from each college.

Functional Committees - *Technical*

**PURPOSE:** The Functional Committees (one per function) provide expertise for each of the Shared Services Alliance functions in order to promote efficient, effective and continuously improving service delivery.

**MEMBERSHIP:** Each functional committee is composed of process owners – managers or supervisors of functional/technical administrative staff that have a deep understanding of function-specific processes.

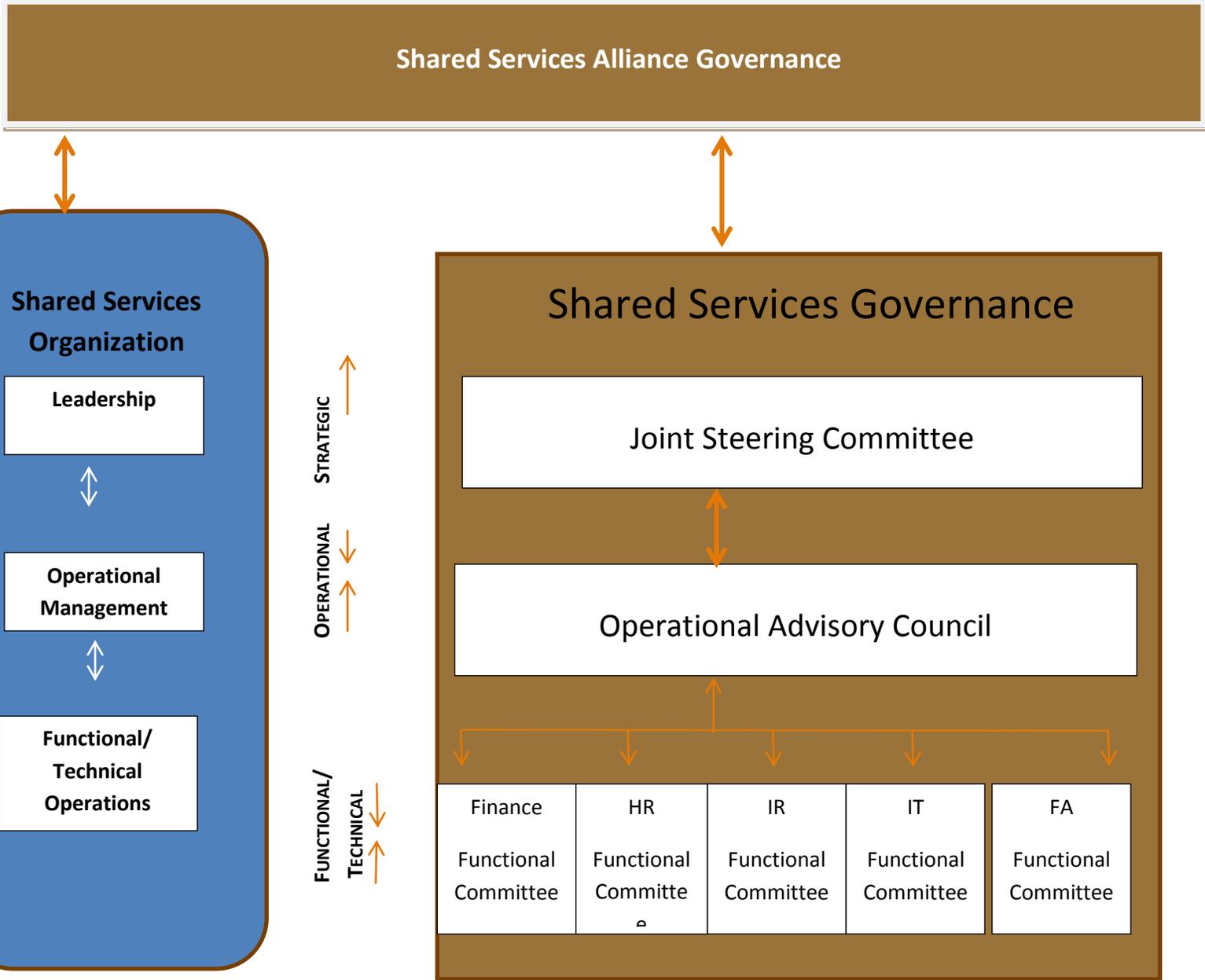
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The recommended transition strategy will require thoughtful planning to ensure seamless human resource movement, promoting fair treatment of impacted individuals while staffing shared services with the necessary skills to accomplish the shared services objectives.

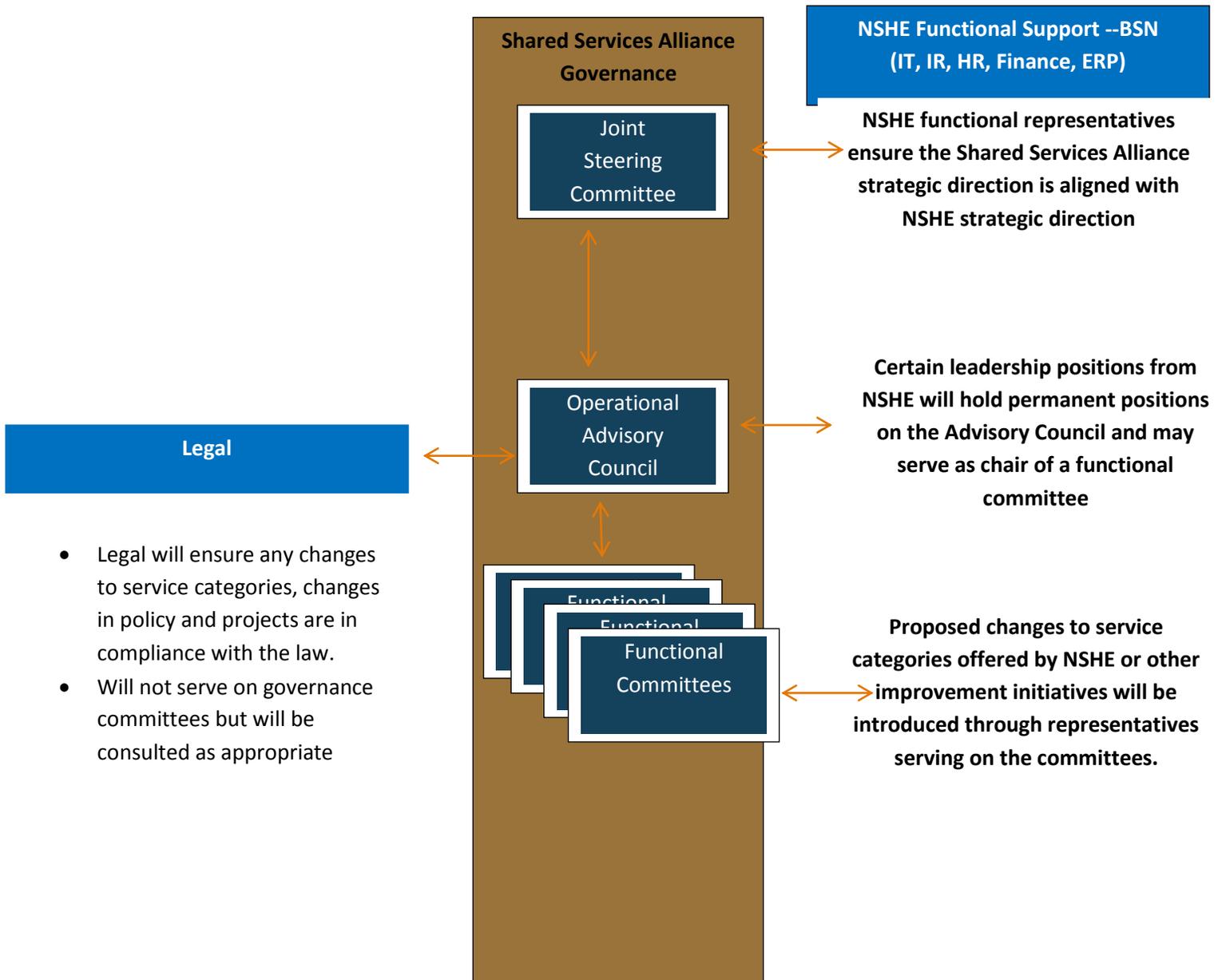
The transition to a shared services model must emphasize the following principles as paramount components of the implementation process:

Transparency	Frequent and open communications with impacted administrative staff
Consistency	Fair and respectful approach toward staffing through a single set of well-defined recruitment practices
Opportunity	Expanded potential for career development, student internship opportunities, and professional growth
Transition Support	Role-based training to build the required skills and capabilities to support new ways of working
Minimized Disruption	Knowledge transition and people movement is managed to minimize disruption and mitigate operational risks
Clear Expectations	College Presidents endorse high expectation and success strategies

The proposed shared services governance committees will interact with all levels of the Shared Services Alliance. The following chart demonstrates the interaction of all participating groups:



During the development of the Shared Services Alliance, the NSHE functional leaders may be represented on governance bodies. This will assist with endorsement of needed policy changes and allow experts to serve as consultants on service changes. The legal counsel serving the college where the Shared Services Alliance administration is housed will review proposed changes and guidelines to ensure compliance as needed. The following chart illustrates the relationship between the Shared Service Alliance governance structure and Nevada System of Higher Education:



**Implementation Timeline**

Time is of the essence in order to ensure implementation occurs smoothly and increased costs associated with redundant “shadow systems” are avoided. The following implementation is aggressive by design. It was modeled after a very successful University of Michigan implementation timeline.

2014												2015											
Q1			Q2			Q3			Q4			Q1		Q2		Q3		Q4					
J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
Change Management & Communication Activities																							
Shared Services/Retained Org Planning & Build																							
Workforce Transition Planning & Build																							
IR/FA/OL functional Build						Training																	
IT/FIN/HR Process Build																							

= Deployment of 1,2,3 expected implementation go live date of April 2014

**PROCESS TAXONOMY FOR SHARED SERVICES UNITS**

*“THE SECRET OF WORLD-CLASS COMPANIES’ SUCCESS—BASICALLY, THEIR ABILITY TO DO MORE WITH LESS—LIES IN GETTING THE MIX RIGHT: STREAMLINING PROCESSES, EMBEDDING CONTROLS WITHIN THE PROCESSES, REDUCING OR ELIMINATING MANUAL HANDOFFS, AND LEVERAGING THE FUNCTIONALITY OF TECHNOLOGY ARE ESSENTIAL TO DRIVING LOWER ERROR RATES AND LOWER OVERALL COSTS.”*

*PROFILE OF WORLD-CLASS FINANCE*

Seven functions are being considered by this report for consolidation into a shared services model: Human Resources (HR), Finance, Financial Aid, Institutional Research, Grants Acquisition Management, Information Technology (IT) and online education. Within these areas, specific processes and services are being identified that are the best candidates for Shared Services. A series of consultations and interviews were conducted to determine process functions and recommended staff for each unit within the initial Shared Services Alliance. These should be viewed as a starting point for organizational structure discussions and negotiations. Following is a sample for financial aid processing:

Financial Aid Process Center Recommended Staffing:

- Director, Financial Aid
- 4 Program Officer I
- Administrative Assistant II

Financial Aid College-Based Service Centers Recommended Staffing:

■ 2 Customer Service Agents

Financial Aid Taxonomy of Services:

FINANCIAL AID PROCESSES	RESPONSIBLE PARTY	
	COLLEGE	Central Processing
1. Dataload (Import ISIR/Electronic FASFA)		X
2. New Applications		X
3. Discrepancy report		X
4. Assign new applications to tracking groups		X
5. Batch Posting		X
6. Assign new applications to budgeting and packaging groups		X
7. Missing Information Letter		X
a. Pull those that need letters		X
b. Get appropriate variables for the letters		X
c. Extract information for the letters (doc file would need to be available to FA office for merging)		X
d. Merge doc file with Word letter		X
e. Mail letters to students	X	
f. Re-set MIL		X
8. Document Managing/ Imaging	X	
a. Collect documents from students	X	
b. Record collected documents	X	
c. Image and index documents	X	
9. Review files not selected for verification and set up to award		X
a. Pull students ready to review		X
b. Manually review each file		X
c. Set flag for auto awarding		X
10. Verification		X
a. Pull those ready for verification		X
b. Verify files, make corrections (must have access to document imaging)		X
c. Run job to send corrections		X
d. When corrections are returned, review and set file for auto awarding		X
e. Secondary review of some verified files	X	
11. Certification of Student Loans (need consistent procedure for accepting loans)		X
a. Pull those ready for certification		X
b. Certify loan and set up for extraction		X
c. Run job to extract loan originations		X
d. Run loan letters for students when funds are disbursed		X
e. Mail loan letters to students	X	
f. Reconcile loan funds with fiscal at each college each month		X
g. Insure loan exit counseling is complete		X

h. Certify alternative loans as requested		X
i. Transmit data on alternative loans via ELM		X
12. Transfer Monitoring (NSLDS)		X
13. Awarding		X
a. Run batch awarding for federal and state grants, loans and work study		X
b. Manually award institutional funds	X	
c. Manually adjusting awards		X
14. Award Letters		X
a. pull need letters		X
b. Get appropriate variables for the letters		X
c. Extract information for the letters (doc file would need to be available to FA office for merging)		X
d. Merge doc file with Word letter		X
e. Mail letters to students	X	
f. Re-set award letter flag		X
15. Update financial aid enrollment prior to disbursement		X
16. Disbursement of financial aid		X
17. Satisfactory Academic Progress		X
a. Set up rules and adjust as needed		X
b. Update sat prog status		X
c. Run the processes to create letters to students		X
d. Mail letters to students	X	
e. Review satisfactory academic progress suspension appeals	X	
f. Send letters on results of suspension appeals	X	
g. Update results of suspension appeals	X	
18. Return of Title IV		X
a. Pull students who dropped between first day of class and census		X
b. Contact faculty to determine if student attended class (No-show policy)	X	
c. Perform calculation for post withdrawal disbursement		X
d. Send letters to students of post withdrawal disbursement		X
e. Manually adjust award on Banner for post withdrawal disbursement		X
f. Run program to assign TW to total withdrawals		X
g. Run job to determine students with TW		X
h. Manually determine financial aid, LDA and institutional charges		X
i. Perform calculation of R2T4 in DOE software		X
j. Adjust financial aid (Document process?)		X
k. Send letter to students of R2T4 calculation		X
l. Run process to return funds in timely manner (deadlines now audited carefully)		X
m. Notify fiscal of students with R2T4 reductions		X
19. Work Study coordination	X	
a. Determine work study positions, supervisors, pay scale	X	
b. Set up work study in Peoplesoft	X	
c. Set up individual students for work study	X	

d. Run job to move pay roll to financial aid	X	
e. Monitor work study funds	X	
f. Reconcile work study funds	X	
20. Professional Judgments and requests for Independent Override	X	
a. Meet with students to determine and accept appropriate documentation	X	
b. Review documentation and determine appropriate action	X	
c. Update financial aid application if appropriate	X	
d. Notify student of results of their request	X	
21. Data transmission	X	
a. Transmission via EdConnect to COD of Pell and loan originations and disbursements, corrections, transfer monitoring	X	
22. Reporting	X	
a. FA SURDS	X	
b. FISAP (federal)	X	
c. IPEDS	X	
d. FA Common Data Set	X	
23. Completing forms for outside entities such as Social Services	X	
24. Providing financial aid information sessions for the community	X	

### **NVOnlineFunction, Structure, and Governance**

Online education has enormous potential to expand access to higher education for Nevada residents and to enhance student learning. Technology-supported course delivery options open new possibilities for individualized learning and can promote collaborative problem-based learning that will help students access high quality post-secondary education regardless of their geographic location.

At its March 2013 meeting, the NSHE Board of Regents received and enthusiastically accepted the report prepared by Richard N. Katz & Associates, *E-Learning and Higher Education's Iron Triangle: Opportunity, Affordability and Student Success at NSHE*. The Board directed the Chancellor to develop and proceed with a plan for the implementation of the report's recommendations. In response to that direction, an eLearning committee was charged with setting priorities, evaluating and pricing alternatives, and crafting an implementation plan for NSHE e-learning.

This study, as part of its comprehensive evaluation of options for maintaining or improving NSHE educational delivery in the face of funding declines, also identified online course delivery as an opportunity for the small Northern Nevada community colleges. The following pages describe a proposal called *NVOnline* which would provide an opportunity for the three colleges to enhance online course delivery options while also benefiting from cost savings and increased revenue. As the statewide eLearning taskforce continues its work of establishing a plan to expand eLearning in the State of Nevada, components of the *NVOnline* model can be evaluated for inclusion in the statewide plan.

NVOnline is a defined academic unit, meaning that it would operate under faculty direction and be organized as one unit of an institution of higher education. As such, it is somewhat different from the business function process centers. This unique concept of combining services with academic delivery will

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allow the Northern Nevada Community Colleges not only to serve the entire services area but serve as a national model for distance education. Additionally, it is expected that NVOnline will provide the colleges with substantial increases in annual revenue.

The Online Learning Center will be staffed with the following educators and support staff:

- Dean, Online Education
- E-Learning Specialist
- Administrative Assistant II
- Coordinator, Student Services
- Coordinator, Academic Technology
- LMS Administrator
- Help Desk Coordinator
- Instructional Designer II

NVOnline students will select a “home” college from among the three land-based northern community colleges for admission, registration, and the awarding of their degrees. Students will earn credit by taking courses through NVOnline, but the courses will be transcribed by and follow the degree requirements of the home college. Because Nevada colleges follow a common course numbering system, it allows courses to be delivered centrally and transcribed at any of the three colleges. All NVOnline courses will be published alongside the colleges’ own courses in their printed and web-based schedules.

NVOnline will maintain a staff of full-time professional and technical employees at the service center location. The staff should be organized similar to a college structure, with units including Academic Affairs, Technology, Student Services, and Business Operations. The four unit directors report to an NVOnline Director, who will report to the Executive Director of the Shared Services Alliance.

For each NVOnline enrollment, the “home” college collects student tuition. A differential “online” tuition will be set each year by the Board. A significant premium should be charged for online tuition. It is recommended that a 30% online surcharge be implemented. The student’s “home” college also collects the state subsidy. The home college will maintain the entire amount of state funding for NVOnline enrollments. Tuition revenue will be shared between the home college and NVOnline with the home college reimbursing NVOnline 48% of tuition. Home colleges will not incur any direct instructional costs, but will reimburse 48% of the tuition revenue to NVOnline to cover the cost of instructional services and the technology to support those services. NVOnline faculty will continue to be faculty from the three partner colleges. Agreements will be completed between the college and NVOnline to retain faculty for online loads.

As students enroll through their home colleges, NVOnline will aggregate students from all colleges, and load them into individual course sections taught by NVOnline instructors. The pool of students will typically be larger than at any single college, thus decreasing the likelihood that courses will be cancelled due to low enrollment. NVOnline will implement a rolling section strategy that allows adding sections as needed, once the optimum course size is reached for a given course. Just as in land-based courses,

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optimum course sizes vary by discipline and are set for reasonable student/faculty interaction and cost effectiveness. The business model is scalable because sections can be added relatively easily, based on the availability of qualified and trained faculty. There is no marginal overhead or classroom space required.

NVOnline will provide the following services:

- **Marketing** – NVOnline will maintain a course schedule in order to provide accurate course and program information to students.
- **Student Services** – The “home” colleges will provide admission, registration, academic advising and financial aid services to students. NVOnline should provide a 24/7 help desk, online tutoring, and supplemental advising to students.
- **Academic Services** – NVOnline will provide adjunct faculty hiring and training; course design, development, and instructional delivery (teaching); quality assurance; and student evaluation and assignment of grades.
- **Technology Support** – The Learning Management System (Canvas) will be managed by NVOnline on behalf of all three colleges, providing web-enhanced and blended courses to each college in addition to providing this service for NVOnline. Third party application systems, such as the online tutoring service, web-conferencing system, publisher products, plagiarism detection software, etc. will be supported by NVOnline.
- **Administration** – The NVOnline staff will represent the organization at system-level meetings, including the Vice Presidents for Instruction, and Curriculum Committees. Staff will participate in data reporting, negotiating system licenses, initiating new projects, and managing all aspects of the organization.