



UNIVERSITY
OF ALASKA
FAIRBANKS
RD 601

The Economics of Distance Education

An Alaskan Student Perspective | Adam Kane

The Economics of Distance Education

An Alaskan Student Perspective

Adam Kane

Rural Development MA Student

RD 601 Political Economy of the Circumpolar North

Fall 2013

Abstract

The rapid transformation from a completely subsistence lifestyle to one that is increasingly dependent on outside resources has made rural Alaska a challenging place to live. In order to adjust to the new way of life based on a currency economy, many changes have had to occur in rural communities, including the increasing need for quality local education necessary to obtain higher paying jobs. Since the late 1970's the University of Alaska has been establishing a system of community colleges and distance delivery methods to offer an effective and affordable post-secondary education to all of rural Alaska. This paper will look specifically at the economics of distance education, from an Alaskan student perspective. There are many similarities and differences regarding the financial needs for post-secondary education for both distance and on-campus students including costs for food, lodging, transportation, books, tuition, fees, communications, entertainment, etc. The costs to the university system will also be briefly discussed as well as a look at future options for providing a quality post-secondary education to rural Alaska.

I) Why do we need this education?

The global economy and associated job markets of today seem to be increasingly unpredictable compared to much of the 1900's and possibly earlier. Having a good post-secondary education can improve a person's chances of getting a higher paying job, it could also make them a better employee (more knowledgeable and responsible regarding their work) thus affording a higher sense of job security.

It can be difficult for adults interested in continuing their education to find the time and financial resources to do so in a traditional post-secondary setting (on-campus, in the classroom). Since the late 1970's the University of Alaska has been serving the educational needs of rural Alaskans in a non-traditional ways through either live or self-paced/evening and weekend classes delivered via correspondence and teleconference technologies. Since the early 2000's the internet has increasingly been used as a medium for distantly delivering University of Alaska courses both synchronously and asynchronously to rural Alaska and around the world.

In 2010 the University of Alaska System had approximately 54,000 total students with 34% taking at least one or more distance or technology delivered course (Distance Education/Information Technology, FY '05 - FY '10). This number is up from 24% in 2005, which shows that distance delivery is becoming increasingly popular amongst University of Alaska students. There is also a rapidly growing trend nationwide for universities to offer courses and complete degree programs distantly. In order to compete (with alternative distantly delivered

programs) and stay relevant as an educational institution, the University of Alaska must assess its current standing in regards to filling the demands of current and potential students.

As the demand for distance education grows and the technologies and infrastructure used for delivery improve, a higher quality product will continue to emerge. Currently much of the focus on distance education is on content, methods and the launching of courses. These aspects of distance education are very important, however, little attention tends to be paid to the cost and pricing issues associated with distance delivery (Thomas H. Taylor, 2001). These topics are the purpose of this paper.

So, how much does it cost?

It is extremely difficult to determine the actual costs of distance education for either the student or the university system. This is because there are continually overlapping costs including personnel, electricity, hardware, software, connectivity, as well as other potentially non-education related necessities that must be considered such as food, housing, transportation, and entertainment. Why must all of these aspects be analyzed when comparing urban on-campus to distance education? Because comparing the costs of a student living in a rural or remote community with one in an urban setting requires looking at the total amount of money spent during a student's education. Because of the massive undertaking this type of research would take, this paper will focus on general costs of living in rural and urban settings, approximate living and personal costs (because they differ greatly between every person and

every community), as well as calculating all tuition and additional fees that could be incurred while schooling either on campus or distantly.

II) I'm going to school!

What's it going to cost?

Many potential students (often urban) think of college as a place, somewhere to go after high school. For some college students the act of leaving their homes, living amongst other students and studying new concepts is part of their most memorable educational experience. Often those who have little exposure to college before attending aren't aware of the extremely high costs associated with a post-secondary education. Many of those who have been through the system dread one of the most negative aspects of college, paying back student loans. This section will look at the financial aspects associated with a post-secondary education from an on-campus student's perspective.

Tuition at the University of Alaska schools is recommended by the University President and then approved by the Board of Regents. The University of Alaska determines on-campus tuition accordingly:

- The number of credit hours in which a student is enrolled
- The level (e.g., 100-level, 200-level) of the course
- Residency status

Undergraduate students taking 12 credits or more are considered full time. Graduate students must take 9 or more credits to be considered full time. Generally, residency is dependent on a person physically being in Alaska for 2 years or fulfilling a number of other requirements. It's interesting to note however, that students taking 4 or fewer credits are charged at the resident rate. (Semester Expenses, 2013)

The costs per credit for an on-campus University of Alaska education differs for Alaska residents and non-residents. In the 2013/14 academic school year the tuition was set by the University Of Alaska Board Of Regents at:

100 – 200 level -- Resident (per credit): \$168, Non-resident (per credit): \$600

300 – 400 level -- Resident (per credit): \$204, Non-resident (per credit): \$636

600 graduate level -- Resident (per credit): \$391, Non-resident (per credit): \$799

Source: (UAF Tuition and Fees, 2013)

Each Major Administrative Unit (MAU) of the University of Alaska System (University of Alaska Fairbanks, Anchorage and Southeast) has different fees for classes, etc. which makes it difficult to give an exact cost of attendance at each school. Thus, the following (Table 1) explains the costs of schooling in Fairbanks at UAF as either a resident, non-resident or undergraduate exchange student. These costs are different from those at University of Alaska Anchorage and at University of Alaska Southeast, however they are similar.

Table 1

FRESHMEN and SOPHOMORES	Alaska resident	Non-resident	Western Undergraduate Exchange
Tuition and fees (30 credits, 100-200-level classes)	\$6,012	\$18,972	\$8,532
JUNIOR and SENIORS	Alaska resident	Non-resident	WUE
Tuition and fees (30 credits, 300-400-level classes)	\$7,112	\$20,072	\$10,172
GRADUATE STUDENTS	Alaska resident	Non-resident	
Tuition and fees (18 credits, 600-level classes)	\$8,050	\$15,394	

Source: (UAF Tuition and Fees, 2013)

On-campus fees for full time University of Alaska Fairbanks students include (some optional):

\$42 per semester for Associated Students of the University of Alaska Fairbanks (ASUAF), \$8 per credit hour for Athletics, varied costs for health insurance, \$143 annual parking permit, \$105 per semester for Student Health and Counseling Center, \$75 per semester Student Recreation Center, \$20 per semester for Student Sustainability Fee, \$5 per credit hour Technology fee, \$13 per semester Transportation Fee, 2% of tuition for UA Network Fee, \$25 per semester for Wood Center Student Life.

Where will I live?

Cost of living is equally difficult to determine because every student has different living and spending habits. The following information (Table 2) was created by the University of Alaska

Fairbanks to demonstrate the cost differences of living on and off campus while attending school on-campus in Fairbanks for an academic school year.

Table 2

ALL STUDENTS	Living Off Campus (9 Months)	Living On Campus
Room and board (double room & 19 meals/week on campus)	\$7,226*	\$7,450
Books/Supplies	\$1,400	\$1,400
Miscellaneous/Personal	\$2,250	\$2,250
Transportation	\$2,000	\$400
Annual Total	\$12,875	\$11,500

Sources: (UAF Tuition and Fees, 2013), *approximated for one room (\$1277/2) including food (avg. \$41.11/week for adults in urban areas), data source: (Fried, 2013)

According to a report produced by the State of Alaska Department of Labor and Workforce Development - Research and Analysis regarding the cost of living in Alaska, an average 2 bedroom apartment in Fairbanks costs \$1,277 per month. For the purposes of this paper, we will divide that cost into two to determine the approximate cost for one student.

Combining the costs of schooling with the costs of living will show the approximate cost for a student during one academic year of an on-campus/off-campus (traditional classroom based) education at the University of Alaska Fairbanks,

Alaska Residents Freshmen & Sophomore On-Campus/Off-Campus: **\$17,512/\$18,887**

Alaska Residents Junior & Senior On-Campus/Off-Campus: **\$18,612/\$19,987**

Alaska Residents Graduate On-Campus/Off-Campus: **\$19,550/\$20,925**

Non-Alaska Residents Freshmen & Sophomore On-Campus/Off-Campus: **\$30,472/\$31,847**

Non-Alaska Residents Junior & Senior On-Campus/Off-Campus: **\$31,572/\$32,947**

Non-Alaska Residents Graduate On-Campus/Off-Campus: **\$26,894/\$28,269**

These prices are not unexpectedly high or different than many campus based universities around the country.

III) Is it cheaper to go to school distantly?

What's it going to cost?

Like on-campus classes, it is very difficult to determine the exact costs of a distantly delivered and technology based education. Unlike on-campus courses, the costs per credit for a distance delivered class from the University of Alaska Fairbanks are the same for both Alaskan residents and non-residents (McLean, 2013). Though, it's unclear if this applies to full time students as well. As noted in the previous section, in the 2013/14 academic school year the tuition was set by the University of Alaska Board Of Regents:

100 – 200 level -- Resident (per credit): \$168

300 – 400 level -- Resident (per credit): \$204

600 graduate level -- Resident (per credit): \$391

Source: (UAF Tuition and Fees, 2013)

Each Major Administrative Unit (MAU) of the University of Alaska System determines different fees for classes including technology fees and others specifically set for distantly delivered classes. Most of the on-campus fees do not have to be paid by distance students, nor does non-residency tuition, so the total cost per credit comes out to be less for distance students, especially those that are not Alaska residents. It is difficult to give an exact cost of attendance at each MAU. Thus, the following (Table 3) explains the costs of schooling distantly through the University of Alaska Fairbanks. These costs are different from those offered distantly through the University of Alaska Anchorage or University of Alaska Southeast, however they should be similar.

Table 3

FRESHMEN and SOPHOMORES	Alaska/Non-Alaska Resident
Tuition and Fees* (30 credits, 100-200-level classes)	\$5,130
JUNIOR and SENIORS	Alaska/Non-Alaska Resident
Tuition and Fees* (30 credits, 300-400-level classes)	\$6,240
GRADUATE STUDENTS	Alaska/Non-Alaska Resident
Tuition and Fees* (18 credits, 600-level classes)	\$7,182

*Fee includes UA 2% Network Fee included, not \$25 per credit UAF eLearning fee

While tuition (not including fees) and book costs are the same for distance and on-campus courses, some University of Alaska campuses charge additional fees for some specific distance courses and materials. (UAS E-Learning (Distance) Classes, 2013)

University of Alaska Fairbanks distance delivery fees can include the UA Network Fee and Distance Fees as follows:

- The 2% UA Network Fee is charged on a course-by-course basis, per credit hour, as follows:
 - \$3 per credit for 000-200 level courses
 - \$4 per credit for 300-400 level courses
 - \$8 per graduate course credit (600 level)
- Distance Fee for eLearning asynchronous courses provided by UAF eLearning & Distance Education- \$25 per credit (eLearning Tuition and Fees, 2013)

Where will I live?

Even more so than in urban settings, every rural student's living situation is dramatically different, and so determining an exact or even an average cost of living is not possible. Many distance students in rural Alaska (most likely a majority) cohabit with extended family, friends, spouses, children, etc. Like off-campus urban students, some live in private houses while others live in rented apartments. The only fair way to make a side by side comparison of distance education costs with on-campus costs is to focus only on cost of living during the school year (approximately 9 months, Sept. - May). One difficulty in estimating cost involves the

varying prices in each community around the state in regards to housing, food and fuel costs. Since the school year falls in the darker colder months of the calendar year, it is assumed that more fuel and electricity will be needed during these months and thus the cost of living will be higher than the average yearly cost. Some of the following information (Table 4) was compiled in a report by State of Alaska Department of Labor and Workforce Development - Research and Analysis regarding the average costs of living in Alaska. Cost of rent data was then calculated with the given differential index.

Table 4

Geographic Cost Differentials in Alaska

Community	Rate of differential	Cost of Rent/Month
Anchorage (base area)	1	\$1,240
Barrow	1.5	\$1,860
Fairbanks	1.03	\$1,277
Bethel	1.53	\$1,897
Parks/Elliott/Steese Highways	1	\$1,240
Cordova	1.13	\$1,401
Glennallen Region	0.97	\$1,203
Dillingham	1.37	\$1,699
Delta Junction/Tok Region	1.04	\$1,290
Homer	1.01	\$1,252
Ketchikan	1.04	\$1,290
Kotzebue	1.61	\$1,996
Juneau	1.11	\$1,376
Nome	1.39	\$1,724
Ketchikan/Sitka	1.09	\$1,352
Roadless Interior	1.31	\$1,624
Petersburg	1.05	\$1,302
Southeast Mid-Size Communities	1.05	\$1,302
Sitka	1.17	\$1,451
Southwest Small Communities	1.44	\$1,786
Southeast Small Communities	1.02	\$1,265
Mat-Su	0.95	\$1,178
Unalaska/Dutch Harbor	1.58	\$1,959
Kenai Peninsula	1.01	\$1,252

Valdez	1.08	\$1,339
Prince William Sound	1.08	\$1,339
Kodiak	1.12	\$1,389
Arctic Region	1.48	\$1,835
Bethel/Dillingham	1.49	\$1,848
Aleutian Region	1.5	\$1,860

Cost of Housing estimate based on average cost of two bedroom apartment in Anchorage. Source: (Fried, 2013), The McDowell Group

For this paper an average rental price calculated in rural (off road system) Alaskan communities was taken and divided in half, because a student will likely be living with another person (or living in a one bedroom apartment) and so the cost is divided. The cost per month that will be used in future calculations in this section is \$913/month/room.

Utilities are substantially more expensive in rural Alaska than in urban Alaska. There are also great variations in the amount of heating fuel and electricity used (See Table 5) depending on the construction of the residence (insulation, materials, windows, ventilation, etc.). Water and sewer costs are generally more of a minimal fee where applicable in rural communities. With the costs of home heating fuel as high as \$7.89/gallon in 2012 (Cooperative Extension Service Food Cost Survey, 2013) and electricity rates over \$.38/kWh (price with PCE, over \$.50 before PCE) paired with poorly insulated houses and apartments in rural Alaska, it is possible that the cost of utilities per month could (and often do) exceed the cost of rent or a mortgage payment. Despite the vast amount of research and reporting done on the price and availability of fuel and electricity, there have been few studies looking at the end use amounts of those products in rural Alaska. For the purposes of this study an even 25 gallons of fuel will be estimated per month at a cost of \$5/gallon. This estimate will cover the coldest winter months where the


usage is likely higher than 25 gallons, as well as early fall and late spring where less than 25 gallons might be used in a month. This amount is also one that does not seem unreasonably high or low for a residence in rural Alaska.

Utility calculations will also include an estimated \$75/month electricity charge, which could represent a typical rural household (if not excessively more) in a community that is able to take advantage of the state's Power Cost Equalization (PCE) program.

The total utility costs that will be used for this paper will thus be estimated at \$200/month including the \$125 for heating fuel and \$75 for electricity.


Like housing, food costs are considerably higher in rural Alaska than in urban/road accessible communities. The University of Alaska Fairbanks Cooperative Extension Service conducted a food cost survey in 2012 which produced the following results (Table 5&6):

Table 5

					Cooperative Extension Service Food Cost Survey University of Alaska Fairbanks March 2012 (1)							
Community	Sales Tax (%) on Food (2)	Missing Items (3)	Couple 20-50y; Children 6-11 (4)	% March 2012 (5)	March 2011 (6)	March 2010	March 2009	Electricity (7)	Heating Oil (8)	Gasoline (8)	Lumber (9)	Propane (10)
Anchorage	0	0	146.62	100	132.00	123.89	128.16					
Anvik	0	33	301.75	206						5.25		9.32
Bethel	6	0	281.82	192	273.52	251.75	263.36	337.79*	5.90	6.13	6.32	9.06
Cordova	6	0	225.24	154	219.56	206.10	208.17		4.77	4.95	5.15	4.18
Delta Junction	0	1	188.85	129	174.95	166.97	171.93	233.30	4.37	4.23	2.88	3.80
Dillingham	6	8	360.74	246					5.22	7.29	5.90	
Fairbanks	0	0	158.83	108	133.18	128.00	125.87	233.30	4.34	4.16	3.28	4.35
Grayling	0	33	283.11	193					5.00	6.00	0.00	7.42
Haines	5.5	0	207.61	142	188.36	166.03		212.96*	4.72	4.97	3.39	4.19
Juneau	5	0	153.45	105	140.91	135.99	143.83	133.21	4.42	4.34	3.37	3.83
Kenai-Soldotna	3	0	152.62	104	135.76	148.69	149.09	194.39	3.90	4.52	1.98	4.46
Ketchikan	6	0	173.28	118	159.56	150.47	150.33	102.20	4.66	4.05	2.99	4.20
McGrath	0	7	328.57	224								
Napaskiak	4	41	322.23	220								
Napaskiak	3	52	361.71	247					7.75	7.89		
Nome	5	1	283.19	193	244.45	232.46	216.74	175.75*	6.00	5.95	5.99	7.79
Palmer-Wasilla	2.75	0	157.71	108	146.03	129.78	126.25		4.40	4.21	4.95	3.81
Portland,OR	0	0	115.62	79	108.39	103.61	102.36	122.41	4.82	3.96	2.20	
Tok	0	2	178.75	122				236.40*	4.53	4.32	3.94	3.47
Valdez	0	1	184.22	126	173.96	166.75	174.19	271.70	4.50	4.69	4.25	16.27

1 | Contact Bret Luick, 907-474-6338 (phone); bluick@alaska.edu (email)
2 | Average of adjoining communities where applicable
3 | Total food items in survey = 104. See <http://www.uaf.edu/ces/foods/>
4 | Family of 4 including 2 school age children, 6-11 years old
5 | Weekly food cost by community as a percentage of Anchorage cost, 100 = Anchorage cost
6 | Historical Dollar Values
7 | 1000 kWh. ** communities participate in the power cost equalization program. See <http://www.state.ak.us/rca/Statistics/pce.html>
8 | Per Gallon
9 | 2" x 4" x 8'
10 | Per Gallon, 23.6 gallons equals 100 lbs.

Table 6

		Cooperative Extension Service Food Cost Survey University of Alaska Fairbanks March 2012										
		Weekly Food Costs for Individuals by Age (Years)										
Community	Child 1y	Child 2-3y	Child 4-5	Child 6-8	Child 9-11	Male 12-13	Male 14-18	Male 19-50	Male 51-70	Male 71+	Female 12-13	Female 14-18
Anchorage	21.56	23.59	24.40	31.32	35.38	38.23	39.45	42.30	38.64	38.84	38.23	37.62
Anvik	44.36	48.55	50.22	64.45	72.82	78.68	81.19	87.05	79.52	79.94	78.68	77.43
Bethel	41.43	45.34	46.90	60.19	68.01	73.48	75.83	81.30	74.27	74.66	73.48	72.31
Cordova	33.11	36.24	37.49	48.11	54.36	58.73	60.61	64.98	59.36	59.67	58.73	57.79
Delta Junction	27.76	30.38	31.43	40.34	45.58	49.24	50.81	54.48	49.77	50.03	49.24	48.46
Dillingham	53.04	58.04	60.04	77.05	87.06	94.06	97.06	104.07	95.06	95.56	94.06	92.56
Fairbanks	23.35	25.55	26.44	33.92	38.33	41.41	42.74	45.82	41.86	42.08	41.41	40.75
Grayling	41.62	45.55	47.12	60.47	68.32	73.82	76.18	81.67	74.61	75.00	73.82	72.64
Haines	30.52	33.40	34.55	44.34	50.10	54.13	55.86	59.89	54.71	55.00	54.13	53.27
Juneau	22.56	24.69	25.54	32.78	37.03	40.01	41.29	44.27	40.44	40.65	40.01	39.37
Kenai-Soldotna	22.44	24.55	25.40	32.60	36.83	39.80	41.07	44.03	40.22	40.43	39.80	39.16
Ketchikan	25.48	27.88	28.84	37.01	41.82	45.18	46.62	49.99	45.66	45.90	45.18	44.46
McGrath	48.31	52.86	54.69	70.18	79.29	85.67	88.41	94.79	86.59	87.04	85.67	84.31
Napakiak	47.37	51.84	53.63	68.83	77.76	84.02	86.70	92.96	84.92	85.36	84.02	82.68
Napaskiak	53.18	58.19	60.20	77.26	87.29	94.32	97.33	104.35	95.32	95.82	94.32	92.81
Nome	41.63	45.56	47.13	60.49	68.34	73.84	76.20	81.70	74.63	75.02	73.84	72.66
Palmer-Wasilla	23.19	25.37	26.25	33.69	38.06	41.12	42.44	45.50	41.56	41.78	41.12	40.47
Portland,OR	17.00	18.60	19.24	24.70	27.90	30.15	31.11	33.35	30.47	30.63	30.15	29.67
Tok	26.28	28.76	29.75	38.18	43.14	46.61	48.10	51.57	47.10	47.35	46.61	45.87
Valdez	27.08	29.64	30.66	39.35	44.46	48.04	49.57	53.15	48.55	48.80	48.04	47.27

Source: (Cooperative Extension Service Food Cost Survey, 2013)

An analysis of the results from the Cooperative Extension Service study shows that typical college aged male adults (14-50 years) in rural communities spent an approximate average of \$72.80 per week for food. This is compared with \$41.11 for college aged males in urban areas of the state. When extrapolated, the monthly food allocation for a rural student could be about \$290 per month. While many rural students might have access to subsistence foods to offset these costs, there are additional costs of obtaining subsistence foods including time away from schoolwork and actual costs of fuel, transportation, etc. For the purposes of this paper, \$290/month food allocation will be used.

The miscellaneous cost included in the on-campus UAF cost estimate for students will also be left unchanged for this study. These costs could include personal communications (mobile phones, land lines, internet, cable TV, etc.), entertainment, recreational and subsistence activities. Though there are fewer places to spend money on many of these things in rural communities, the costs are often higher when they are available, thus the miscellaneous cost will be left the same at \$2,250/school year.

In many of the state’s rural areas, fuel prices are nearly double compared to urban communities, there are also generally fewer roads and considerably less traffic. There is very little data available for the actual amount of fuel used by adults in Alaska’s rural communities and so ultimately for this discussion, the cost of transportation will be left equal to the cost of transportation for off campus housing in Fairbanks (\$2000). The transportation costs could be lower in rural communities with fewer vehicles and fewer roads (though much higher fuel costs) and much higher in communities with more roads (and still potentially high fuel costs). Using all of the estimates, we can look at an approximate cost of living for a student in rural Alaska during the 9 month school year (September – May).

Table 7

RURAL STUDENTS	Living in Rural Alaska (9 Months)
Housing	Average off road western Alaska communities (\$913/month/room) \$8217
Food	(\$290/month) \$2610
Utilities	(\$200/month) \$1800
Books/Supplies	\$1,400
Miscellaneous/Personal	\$2,250
Transportation	\$2,000
Annual Total	\$18,277

Sources: approximated from (Fried, 2013)

Combining these numbers together with the cost of tuition will show the approximate cost of attending the University of Alaska Fairbanks distantly for one academic year:

Rural Alaska Distance Freshmen & Sophomore Students: **\$23,407**

Rural Alaska Distance Junior & Senior Students: **\$24,517**

Rural Alaska Distance Graduate Students: **\$25,459**

These costs seem to be higher than the cost of an on-campus education and while they might be initially, we will see why they are likely to actually be less in section IV.

IV) What do all these numbers mean for my education?

In order to better understand the actual cost of post-secondary education in Alaska, the following section will attempt to comparatively analyze the cost differences between on-campus and distance educations. There will also be a discussion about why the costs of distance education in the University of Alaska system might actually not be near the estimated amounts found in this report.

At first glance, it is apparent that distance education at UAF is considerably more costly than a traditional on-campus education (Table 8). In many respects this is true, when comparing cost of housing, food, fuel, etc. in a rural community versus an urban one. On a side by side comparison, the cost of living is almost always more expensive in rural areas. Despite this, there are some caveats which could change the picture.

Table 8

Total Cost for One Full Time Academic Year	On-Campus Alaska Resident/Non-Resident	Off-Campus Alaska Resident/Non-Resident	Distance Student
FRESHMEN and SOPHOMORES (30 credits, 100-200-level classes)	\$17,512	\$18,887	\$23,407
	\$30,472	\$31,847	
JUNIOR and SENIORS (30 credits, 300-400-level classes)	\$18,612	\$19,987	\$24,517
	\$31,572	\$32,947	
GRADUATE STUDENTS (18 credits, 600-level classes)	\$19,550	\$20,925	\$25,459
	\$26,894	\$28,269	

First and foremost, at 31 years, the average age of the student population taking classes distantly through most of the University of Alaska rural campuses are older than what is considered normal college aged students on-campus (McDowell Group, 2010). Along with the higher age of students, generally comes other life responsibilities of adults including taking care of children, spouses, family, and working (often full time).

A 2010 McDowell Group report shed light on some interesting information about the University of Alaska Rural Campuses.

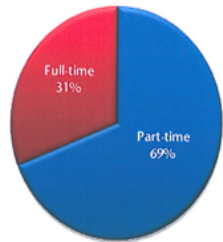
As Table 9 shows, the amount of full time students attending rural campuses (as opposed to the urban based community colleges) tend to have many more part-time students than full-time.

Part time students at the rural campuses generally do not take more than 9 credits per

semester. This significantly lowers the cost per year, however it does extend the amount of time it would take to earn a degree.

Table 9

Full-Time/Part-Time Students, Fall 2008

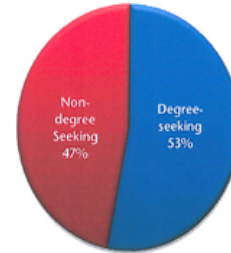


Full-Time/Part-Time Students, Fall 2008				
Campus	Part time	% of Campus Total	Full-time	% of Campus Total
UAA				
Kenai	1,234	73%	465	27%
Kodiak	471	84	88	16
Mat-Su	1,034	63	602	37
PWSCC	1,054	92	89	8
UAF				
Bristol Bay	605	92%	51	8%
Chukchi	327	83	66	17
Interior-Aleutians	431	89	54	11
Kuskokwim	245	79	65	21
Northwest	467	95	23	5
Rural College	978	42	1,337	58
Tanana Valley	1,672	51	1,624	49
UAS				
Ketchikan	324	62%	201	38%
Sitka	631	73	230	27
% of combined campus enrollment	8,853	69%	3,979	31%

Source: UA Statewide Planning and Budget, UAF Planning, Analysis, and Institutional Research.

Table 10

Degree Seeking Status, Fall 2008



Degree Seeking Status, Fall 2008				
Campus	Degree-seeking	% Campus Total	Non-degree seeking	% Campus Total
UAA				
Kenai	922	54%	777	46%
Kodiak	221	40	338	60
Mat-Su	1,077	66	559	34
PWSCC	192	17	951	83
UAF				
Bristol Bay	160	24%	496	76%
Chukchi	125	32	268	68
Interior-Aleutians	183	38	302	62
Kuskokwim	157	51	153	49
Northwest	82	17	408	83
Rural College	1,974	85	341	15
Tanana Valley	2,293	70	1,003	30
UAS				
Ketchikan	345	66%	180	34%
Sitka	470	55	391	45
% of combined campus enrollment	6,801	53%	6,031	47%

Source: UA Statewide Planning and Budget. Degree-seeking status is determined at the UA statewide level; the students counted as degree-seeking are enrolled at each campus but may be degree-seeking at any of the three MAUs (UAF, UAA, UAS).

There are also many fewer students seeking degrees at the states rural campuses (see Table 10). This is because non-traditional students take classes that specifically help their career, or interest them, however might not count towards a degree. Non-degree seeking students are also much less likely to take higher (and more expensive) 300-400 level courses.

One more aspect of attending University of Alaska from a rural community that differs from many urban communities is the availability of scholarships and other forms of grant funding. Many of Alaska's rural campuses are eligible for federal and other grants which, depending on how they are written, can include money which can be used to pay a student's transcription

fees (the cost of the credits). In rural Alaska there are also many private and non-profit agencies who often allocate significant amounts of funding for education. Some of these organizations include Community Development Quota (CDQ) groups, Economic Development Corporations, Native Village Corporations, Regional Native Corporations, Seafood Processors, Mining Companies, Oil Companies, etc. These organizations often fund courses and programs that are intended to enhance the economy of the region through the fisheries, mining, petroleum, etc.

Coincidentally, the occupations associated with these industries available in the rural regions are often the only occupations known to the youth that grow up there and thus are often the jobs they consider as they grow up. Often these occupations are more labor intensive and not the type of jobs that would require a traditional 2 or 4 year degree.

With the large amounts of funding available in some regions of the state, there are many students who pay very little or nothing at all for their educations such as those attending the UAF Bristol Bay Campus. However, this is not the case at all rural campuses.

So what is the cost of schooling distantly and how does it compare to an on-campus education in Alaska? Unfortunately, there still isn't a clear answer.

The biggest problem in comparing the two forms of education is that they were never intended to be the same type of school. The model for community colleges in general stem from the 1947 President Truman Commission on Higher Education which included 10 recommendations:

1. Abandon the European concepts of education, and in its place, develop a curriculum attuned to the needs of a democracy
2. Double college attendance by 1960
3. Integrate vocational and liberal education

4. Extend free public education through the first 2 years of college “for all youth who can profit from such education.” (H. Truman)
5. Eliminate racial and religious discrimination
6. Revise the goals of graduate and professional school education to make them effective in training well-rounded persons as well as research specialists and technicians
7. Expand Federal support for higher education through scholarships, fellowships, and general aid.
8. Establish a system of community colleges
9. Expand adult education programs
10. Distribute federal aid to education in such a manner that the poorer States can bring their educational systems closer to the quality of the wealthier States.

Source: (Dunn, 2013)

These ideals of a community college do not necessarily mesh with those of a traditional college.

Despite this, in the 1970's and 1980's the University of Alaska expanded to incorporate many of the state's rural campuses into their system. As a part of the system, the university tends to treat their students similarly. This is one of the constant struggles of Alaska's community colleges and their students, the fact that neither of them intended to be part of a traditional university and yet both of them are being evaluated based on methods and standards set by traditional schools.

There is also another aspect of rural/distance based education that is difficult to assess the value of, and that is the cultural ties to the community in which the student is living. Living a traditional subsistence lifestyle, surrounded by friends and family members can be immensely beneficial to a student's health and wellbeing. These are some of the things that can be missing from an on-campus student's life, and these are things that can directly contribute to a student's success at school.

As communications technologies change and improve, and as more urban students shift towards distantly delivered classes (as is a common trend recently), there will more opportunities for rural students as well. These opportunities will primarily include the development of more distantly deliverable traditional type degrees. It's unclear what will happen to the cost of these programs, whether new technologies or increased outside competition will lower the cost, or whether federal and state funding will diminish thus increasing the costs.

The University of Illinois conducted a study looking at the cost differences between distance and face to face education. They found that when asynchronous distance delivery was substituted for face to face instruction costs to the university system were reduced (Rumble, 2001). Interestingly, this study noted that distance courses remained cost effective when student enrollment was greater than 40 per year. Courses with fewer than 20 students per year were not considered economically worthwhile. Many University of Alaska Fairbanks distance courses are set up with maximum enrollments of approximately 20 students per semester which, if filled, would just reach the limit of being economically sustainable (According to University of Illinois estimates). With budget cuts across the UA system, it seems likely that course enrollment limits will be raised in the near future.

A study conducted by Arizona Learning Systems found costs for distance classes to be higher than traditional classroom courses. Though, their study found that much of cost difference was generated through purpose-built materials and development of the distance course. (Rumble,

2001) These prices will probably come down in the future as more classes are created where materials and methods can be adapted instead of invented.

In the end it's clear to see that the cost differences between an on-campus and a distance education in Alaska are hard to calculate. There are many more economical choices and lower cost of living for urban students. On the other side of the coin, there are potentially more financial aid and culturally beneficial aspects of schooling distantly in a rural setting. Ultimately, the decision to obtain an education either on-campus or distantly will have to come down to what exactly the student is looking for and what they are capable of. If they are interested in pursuing a 2 or 4 year degree from a traditional school, the fastest and lowest cost option might be to attend an urban university. For those who are not interested in working towards a degree, taking distance classes through a rural campus could be more economical and also allow the student to be at home.

Bibliography

Need for Distance Education. (2009, September 28). Retrieved from PRLOG:

<http://www.prlog.org/10356616-need-for-distance-education.html>

College of Rural & Community Development History. (2012). Retrieved April 6, 2012, from University of Alaska Fairbanks: <http://www.uaf.edu/rural/about/history/>

University of Alaska Fairbanks. (2012). Retrieved April 5, 2012, from Wikipedia:

http://en.wikipedia.org/wiki/University_of_alaska_fairbanks

(2013, October 13). Retrieved from Alaska commission on Postsecondary Education:

<http://acpe.alaska.gov/>

(2013, October 13). Retrieved from Distance Learning - University of Alaska:

<http://www.alaska.edu/distance/programs.html>

Choosing the Best Technology. (2013, Nov 16). Retrieved from iTeachU UAF eLearning Instructor Training Online: <http://iteachu.uaf.edu/grow-skills/choosing-the-best-technology/>

(2013). *Cooperative Extension Service Food Cost Survey*. Fairbanks, Alaska: University of Alaska Fairbanks.

Cost. (2013, January 24). Retrieved from Distance Education - Texas A&M University:

<http://distance.tamu.edu/futureaggies/getting-started/cost.html>

eLearning & Distance Education. (2013, October 13). Retrieved from eLearning & Distance Education - University of Alaska Fairbanks: elearning.uaf.edu

E-Learning (Distance) Classes. (2013, October 13). Retrieved from University of Alaska Southeast:

<http://www.uas.alaska.edu/students/getahead/elearn.html>

eLearning Tuition and Fees. (2013, October 28). Retrieved from UAF eLearning:

<http://elearning.uaf.edu/courses/tuition-and-fees/>

Lead. (2013, October 7). Retrieved 10 7, 2013, from Dictionary.com:

<http://dictionary.reference.com/browse/lead>

Semester Expenses. (2013, July 31). Retrieved from Registration Guide, University of Alaska Fairbanks:

<http://www.uaf.edu/register/expenses/#tuitcalc>

Tuition and Fees. (2013, October 13). Retrieved from Office of Student Financial Assistance, University of Alaska Anchorage: <http://www.uaa.alaska.edu/financialaid/costs.cfm>

- UAF Tuition and Fees. (2013, October 9). Retrieved from UAF Financial Aid Office:
<http://www.uaf.edu/finaid/costs/>
- UAS E-Learning (Distance) Classes. (2013, October 20). Retrieved from University of Alaska Southeast:
<http://www.uas.alaska.edu/students/getahead/elearn.html>
- Bates, T. (July 18, 2011). Thoughts on the history and future of distance education. *Online learning and distance education resources*, <http://www.tonybates.ca/2011/07/18/thoughts-on-the-history-and-future-of-distance-education/>.
- Cavanaugh, C. (11/16/2004). The Effects of Distance Education on K-12 Student Outcomes: A Meta-Analysis. <http://faculty.education.ufl.edu/cathycavanaugh/docs/EffectsDLonK-12Students1.pdf>,
<http://faculty.education.ufl.edu/cathycavanaugh/docs/EffectsDLonK-12Students1.pdf>.
- Dunn, S. (2013, November 21). *The Truman Commission & Community Colleges*. Retrieved from Office of Professional Development - Southeast Community College - Nebraska:
http://prodev.southeast.edu/index.php?option=com_content&view=article&id=397:the-truman-commission-a-community-colleges&catid=83:general&Itemid=148
- Fried, N. (2013). *The Cost of Living in Alaska*. <http://laborstats.alaska.gov/col/col.pdf>.
- (FY '05 - FY '10). *Distance Education/Information Technology*. University of Alaska.
- Hülsmann, T. (2004, April). Low Cost Distance Education Strategies: The use of appropriate information and communication technologies. *The International Review of Research in Open and Distance Learning*.
- Jeffries, M. (July 4, 2008). Research in Distance Education. *MA Distributed Learning*,
http://www.digitalschool.net/edu/DL_history_mJeffries.html.
- Learning, O. (2013, October 13). Retrieved from Professional & Continuing Education - University of Washington: <http://www.pce.uw.edu/online-learning/>
- Lenn Annetta, P. (Winter 2004). Investigating the Relationship Between Cost, Reach, and Richness in Distance Education . *Online Journal of Distance Learning Administration, Volume VII, Number IV*.
- Maria Elena Reyes, P. (2001). Bringing the Virtual Classroom to Rural Alaska: Web-Based Professional Development for Teachers. <https://tojde.anadolu.edu.tr/tojde3/2/ffmertext.htm>,
<https://tojde.anadolu.edu.tr/tojde3/2/ffmertext.htm>.
- McDowell Group. (2010). *University of Alaska Community Campus Impact Study*. Juneau/Anchorage, Alaska: McDowell Group.
- McLean, D. (2013, 18 11). UAF Bristol Bay Campus. (A. Kane, Interviewer)

Nagel, D. (2010, May 5). Report: Mobile and Classroom Technologies Surge in Schools. *The Journal*, pp. <http://thejournal.com/articles/2010/05/05/report-mobile-and-classroom-technologies-surge-in-schools.aspx>.

Rumble, G. (2001, September). THE COSTS AND COSTING OF NETWORKED LEARNING. *JALN Volume 5, Issue 2*.

Thomas H. Taylor, G. P. (2001). Confronting Cost and Pricing Issues in Distance Education. *Educause Quarterly, Number 3*, pp. 16 - 23.

UA Office of Information Technology. (2013). *FY12 2% Network Fee Revenue & Use by Major Administrative Unit*. Fairbanks, Alaska: University of Alaska.