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Tennessee's public higher education institutions have offered online courses for over two decades, and the prevalence of online courses has increased during the ongoing COVID-19 pandemic. Students who enroll in online courses are typically charged the same tuition and mandatory fees as students who attend class in person. Many of Tennessee's public colleges and universities also assess a fee for online courses in addition to tuition and mandatory fees, though online course fees were adjusted during the pandemic at many of the state's public postsecondary institutions.

Key Points

Approximately 97,700 undergraduate students (about half) enrolled in at least one online course through one of Tennessee's public colleges or universities in fall 2019 (the semester prior to the pandemic). Many institutions reported a steady increase in demand for online course options in the years preceding the COVID-19 pandemic, and that demand is anticipated to continue.

Many of Tennessee's public colleges and universities assess a fee for online courses in addition to tuition and mandatory fees. The fee amount, applicable course type, and assessment method vary by institution. Tennessee State University, the University of Memphis, and six of the state's community colleges do not assess a fee for online courses. Online course fees are also not assessed at Tennessee Colleges of Applied Technology, which have few online or hybrid program options compared to Tennessee's other public postsecondary institutions.

The revenues generated by online fees are used by institutions for online course development, student support, faculty training, and technology. Most institutions indicated the revenues generated through online course fees are essential for providing online course options. Without an online course fee, these institutions would either reduce or eliminate their online course offerings or turn to other revenue sources to fund the same level of online course offerings. Base tuition and/or mandatory fees paid by all students might be increased, for example.

At most institutions that assess online course fees, students pay more to enroll exclusively in online courses than to attend courses on campus. On average, community college students pay \$256.57 more and university students pay \$630.81 more per semester to enroll exclusively in online courses, based on a 15-hour course load. All of Tennessee's public universities and most community colleges offer undergraduate degrees that can be completed entirely online.

Some institutions significantly increased their online course offerings in 2020 and 2021 in response to the pandemic and most adjusted their online course fee assessment. In most cases, students were not charged an online course fee for courses that were converted to an online delivery method as a result of the pandemic. Some institutions waived online course fees for all courses or adjusted their assessment method.

The Tennessee Board of Regents has suspended the assessment of online course fees for the 2021-22 academic year. The board suspended the assessment of online course fees to remove the financial barrier for students who choose to take online courses during the COVID-19 pandemic. The suspension applies to the seven community colleges that assess online fees. The Tennessee Board of Regents anticipates a loss of approximately \$2.6 million in online fee revenue.