

Outline: How the Tiered Cost Model Works

AFTER Programs and Courses are Tiered

- I. Instructor Cost
- a. Identify all tiered courses **and verify they are tied or linked to a technical program** with enrollments in either the KSPSD or BTE system
 - b. Multiply the section(course) enrollment by the section credit hours to determine a section SCH
 - c. Multiple the SCH by the course tier rate to get the cost for the section(course)
 - d. Add all the section(course) costs
 - e. Example1:
 - i. Access 2003 is not tied or linked to a technical program. The institution has only placed this course in a block that is tied with the 24.0101 General Studies program. Therefore this course will not be eligible for the tiered funding money.
 - f. Example2:
 - i. Dreamweaver state tier rate is \$118
 - ii. At institution X, it is offered for 2 credit hours
 - iii. At the same institution, 40 students take the course in section 1 and 38 students in section 2
 - iv. For the year, the institutional cost for Dreamweaver is
$$(2*40)*118 + (2*38) *118 = \$18,408$$
- II. Extraordinary Cost
- a. Identify all the extraordinary tiered courses **and verify they are tied or linked to a technical program** with enrollments in either KSPSD or BTE system
 - b. Multiply the section(course) enrollment by the section credit hours to determine a section SCH
 - c. Multiple the SCH by the course tier rate to get the cost for the section(course)
 - d. Add all the section(course) costs
 - e. Example
 - i. Pipe Welding Tig State rate is \$100
 - ii. At Institution X, it is offered for 3 credit hours
 - iii. At the same institution, 12 students take the course in section 1 and 11 students in section 2
 - iv. For the year, the institutional Extraordinary Cost for Pipe Welding Tig is $(3*12)*100 + (3*11)*100 = \$4,800$
- III. Indirect Cost
- a. Every tiered credit hour will received tier 3 rate - \$123.
 - b. Receive 43.5% of this cost
 - c. Example
 - i. Institution X has a total SCH of 100,000
 - ii. $(.435)*(100000)*123 = \$5,350,500$