



# Money, Money, Money: Using a Funding Model to Guide Decision Making and Program Growth

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# Learning Objectives

By the end of this session, participants will be able to:

1. Articulate the importance of funding models and how they can assist in streamlining processes and growing partnerships
2. Determine which funding models presented align with current programs at their institutions
3. Leave with examples and a sketch of how to introduce/implement funding model(s) for their professional and continuing education programs.



Who **We** Are

What **We** Do

UTSA Professional and Continuing Education (PaCE) develops and delivers targeted continuing and professional education programs that match the university's unique resources with the lifelong learning needs of south-central Texas. Our dedicated team is here to help you through all registration processes, support for your classes and to answer questions about your educational needs.

# Why Funding Models?

- Helps to determine Return on Investment (ROI)
- Provides guidance for setting up new programs, and discontinuing others
- Provides structure, but still leaves room for flexibility

# Funding Model Categories

PaCE Owned  
IP

Department/  
Partner  
Owned IP

Existing  
University  
Courses

Third Party  
Vendors

Customized

Grant Funded

# PaCE Owned IP

Curriculum Development (\$75/hr)  
# hours of content = hours of research  
# hours of writing = hours of content x2

Year 1-3	Year 4+ (Legacy Instructors)	Year 4+ (Other Instructors)
Gross Revenue -14% IRM <u>-30% Marketing</u> 100% Net Revenue to PaCE	Gross Revenue -14% IRM <u>-15% Marketing</u> 80% NR to PaCE 20% NR to Partner	Gross Revenue -14% IRM <u>-15% Marketing</u> 100% NR to PaCE

NR = Net Revenue IP = Intellectual Property IRM = university “tax”



# Department/Partner Owned IP

Curriculum Development (\$75/hr)  
# hours of content = hours of research  
# hours of writing = hours of content x2

Year 1-3	Year 4-5	Year 6+
Gross Revenue -14% IRM <u>-30% Marketing</u> 100% Net Revenue to PaCE	Gross Revenue -14% IRM <u>-20% Marketing</u> 70% Net Revenue to PaCE 30% Net Revenue to Partner	Gross Revenue -14% IRM <u>-20% Marketing</u> 50% Net Revenue to PaCE 50% Net Revenue to Partner

GR = Gross Revenue   NR = Net Revenue   IP = Intellectual Property   IRM = university “tax”

# Third Party Vendors

## Year 1-3

Gross Revenue

-14% IRM

-5% Marketing

40% Net Revenue to PaCE

60% Net Revenue to Vendor

## Year 4+

Gross Revenue

-14% IRM

-5% Marketing

30% Net Revenue to  
PaCE

70% Net Revenue to  
Vendor

NR = Net Revenue IP = Intellectual Property IRM = university “tax”

# Customized

## Curriculum Development

Curriculum Development  
(\$75/hr)

# hours of content =  
hours of research

# hours of writing = hours  
of content x2

## Instruction

\$75-\$125/hr. for  
instruction

Gross Revenue

-14% IRM

100% NR to PaCE

NR = Net Revenue IP = Intellectual Property IRM = university “tax”

## **Grant Funded**

**25% Grant Award to PaCE for  
Marketing & Administrative  
Coordination**

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# PaCE Owned IP

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Year 1-3	Year 4+ (Legacy Instructors)	Year 4+ (Other Instructors)
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NR = Net Revenue IP = Intellectual Property IRM = university “tax”

# Example: PaCE Owned IP – Mediator Program

Year  
#1

40-hour training, in-person		
Instructor Cost -(\$75/hr).		
Course Fee	\$ 2,000.00	
Min. # Students	10	
Max. # Students	30	
<b>Max/Min. # Students</b>	<b>10</b>	<b>30</b>
Gross Revenue	\$ 20,000.00	\$ 60,000.00
Instructor Cost	\$ 3,000.00	\$ 3,000.00
Instructor Travel	\$ 1,500.00	\$ 1,500.00
Supplies	\$ 500.00	\$ 1,500.00
Coordinator's Time	\$ 2,000.00	\$ 2,000.00
Credit Card Fees	\$ 600.00	\$ 1,800.00
Curriculum Cost	\$ 3,000.00	\$ 3,000.00
Marketing (30%)	\$ 6,000.00	\$ 18,000.00
Net Revenue	\$ 3,400.00	\$ 29,200.00
IRM	\$ 476.00	\$ 4,088.00
Profit/Loss	\$ 2,924.00	\$ 25,112.00
PaCE Take-Away (100%)	<b>\$ 2,924.00</b>	<b>\$ 25,112.00</b>
Partner Take-Away (0%)	\$0.00	\$0.00

Year  
#4

40-hour training, in-person		
Instructor Cost -(\$75/hr).		
Course Fee	\$ 2,000.00	
Min. # Students	15	
Max. # Students	30	
<b>Max/Min. # Students</b>	<b>15</b>	<b>30</b>
Gross Revenue	\$ 30,000.00	\$ 60,000.00
Instructor Cost	\$ 3,000.00	\$ 3,000.00
Instructor Travel	\$ 1,500.00	\$ 1,500.00
Supplies	\$ 500.00	\$ 1,500.00
Coordinator's Time	\$ 2,000.00	\$ 2,000.00
Credit Card Fees	\$ 900.00	\$ 1,800.00
Curriculum Cost	\$ -	\$ -
Marketing (15%)	\$ 4,500.00	\$ 9,000.00
Net Revenue	\$ 17,600.00	\$ 41,200.00
IRM	\$ 2,464.00	\$ 5,768.00
Profit/Loss	\$ 15,136.00	\$ 35,432.00
PaCE Take-Away (80%)	<b>\$ 12,108.80</b>	<b>\$ 28,345.60</b>
Partner Take-Away (20%)	\$ 3,027.20	\$ 7,086.40

Now it's  
your turn!



# Questions?



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