



Business Process - Accounting for ITV Tuition Revenue

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Business Process Description

This document explains how to account for Interactive Television (ITV) revenues in PS General Ledger.

University College Outreach (UCOLL) has been established as a System function, i.e., an entity separate from any of the universities. One of the responsibilities of UCOLL is to provide the technology and support services to deliver courses at a distance via ITV or ATM to sites throughout the state of Maine.

Definitions

The following definitions apply throughout this document:

1. Broadcast Site/University is a site that is broadcasting a course over the ITV network or ATM.
2. Receive Site/University is a site that is receiving a course broadcast over the ITV network or ATM.
3. Students at Broadcast sites are students in the classroom where the distance education course originates, i.e., where the instructor is located and from which the course is broadcast over the ITV network or ATM to sites around the state.
4. Students at Receive sites are students taking distance education courses at any of the sites around the state that are receiving the distance education course that is being broadcast from the Broadcast classroom.

Billing for Distance Education Tuition Revenue

The Broadcast University usually does the billing for students taking courses in the Broadcast classroom.

For students taking courses at Receive sites, the billing is done as follows.

1. Students taking distance education courses at a Receive site managed by a university other than UMA or UCOLL will be billed by the university in whose region the Receive site is located.
2. Students taking distance education courses at all other Receive sites (i.e., managed by UMA or UCOLL) will be billed by UMA.

Distance Education Tuition Rate Policy

All students taking distance education courses pay the tuition rate associated with the university that is broadcasting the course. Students taking distance education courses are eligible for all UMS Board of Trustee approved tuition waivers.

Distance Education Tuition Revenue Sharing Formula

100% of the tuition revenue associated with students taking courses at a Broadcast site stay with the Broadcast university.

ITV revenues for students taking classes at Receive sites are shared by the Receive and Broadcast Site universities as follows:

1. The Billing University gets 10% of the gross tuition revenue to cover billing costs. This 10% recognizes that not all tuition will be collected and that an allowance must be provided for waivers, refunds, and doubtful accounts. This allowance is a conservative estimate that exposes the billing university to a minimum of risk.
2. The Broadcast University gets 90% of the gross tuition revenue.
3. When the Billing University and Broadcast University are the same, then it gets 100% of the gross tuition revenue (10% as the Billing University plus 90% as the Broadcast University)

Key Assumptions

This process document was written with the assumptions that the reader is familiar with:

- PeopleSoft GL Chartfields and their use
- PeopleSoft GL Inquiry Screen
- Business process documents “Journal Entry (Online) – Enter”
- Business process document, “Journal Entry (Excel) – Enter/Copy”

Recording ITV Revenues in the General Ledger

The process for recording ITV tuition revenues in the general ledger is different for revenue associated with students taking classes at Broadcast sites versus the revenue from students taking classes at Receive sites.

Broadcast Sites

ITV revenues billed by Broadcast universities for students taking a class at the Broadcast site are recorded directly into one of the following revenue accounts in a chartfield combination **belonging to the Broadcast university**:

40110 – Fall ITV Res Tuition	40310 – Spring ITV Res Tuition
40120 – Fall ITV Res UG Tuition	40320 – Spring ITV Res UG Tuition
40130 – Fall ITV Rest Grad Tuition	40330 – Spring ITV Res Grad Tuition
40210 – Fall ITV NR UG Tuition	40410 – Spring ITV NR Tuition
40220 – Fall ITV NR UG Tuition	40420 – Spring ITV NR UG Tuition
40230 – Fall ITV NR Grad Tuition	40430 – Spring ITV NR Grad Tuition

- 40510 – Summer ITV Res Tuition
- 40520 – Summer ITV Res UG Tuition
- 40530 – Summer ITV Res Grad Tuition
- 40610 – Summer ITV NR Tuition
- 40620 – Summer ITV NR UG Tuition
- 40630 - Summer ITV NR Grad Tuition
- 40680 – Summer ITV Canadian Tuition

Receive Sites

In summary, once a student registers for a class to be taken at a Receive site, the following occurs to record ITV revenues in the general ledger:

1. The applicable university bills the student for the class(es) and the revenue is recorded in the general ledger in a chartfield combination belonging to UCOLL. The reason that all ITV Receive Site tuition revenue is initially directed to UCOLL chartfield combinations is that there are ISIS barriers between universities with regard to distributing tuition revenue. The barrier between universities and UCOLL has, however, been removed.
2. The System Office periodically moves the ITV revenues from UCOLL's accounts to those of the applicable universities (based on the revenue sharing policy previously discussed in this document).

To ensure that the amount of ITV revenue belonging to each University can be properly identified, several specialized items have been established:

1. Special fee codes in the student financial system (ISIS)
2. Special chartfield combinations (accounts and programs) in UCOLL's chart of accounts
3. Special chartfield combinations (accounts and programs) in each university's chart of accounts

The following material describes in detail the process for recording ITV tuition revenue associated with students taking classes at a Receive site.

ITV TUITION REVENUE ACCOUNTS

UCOLL and each university that broadcasts or receives a distance education course has the following tuition revenue accounts. These accounts are referred to as ITV tuition accounts, but include tuition from ATM receive courses.

ITV Fall In-State
 ITV Spring In-State
 ITV Summer In-State

ITV Fall Out-of-State
 ITV Spring Out-of-State
 ITV Summer Out-of-State

ISIS ITV TUITION FEE CODES

ISIS Fee Codes have been established for each ITV course, both Broadcast and Receive. These Fee Codes have the following format:

Fee Code = TRLS		
Position 1 = T	The first position of the Fee Code is always a T.	
Position 2 = R	Residency Code	
	R = 1	In-State
	R = 2	Out-of-State
	R = 3	NEBHE
	R = 4	Foreign
	R = 5	Canadian
	R = 6	Canadian NEBHE
Position 3 = L	Term and Level	
	L = A	Fall Level 1
	L = B	Fall Level 2
	L = C	Fall Level 3
	L = D	Spring Level 1
	L = E	Spring Level 2
	L = F	Spring Level 3
	L = G	1st Summer Level 1
	L = H	1st Summer Level 2
	L = I	1st Summer Level 3
	L = J	2nd Summer Level 1
	L = K	2nd Summer Level 2
	L = L	2nd Summer Level 3
Position 4 = S	SPDS Code	

Typically Level is interpreted as follows:

- Level 1 = Undergraduate
- Level 2 = Graduate
- Level 3 = Law

ISIS ITV TUITION SPDS CODES

ITV courses are separately identified based on the configuration of the Broadcast and Receive sites for each ITV course being offered. This configuration is identified for each ITV course through a Special Designator code (SPDS). A different set of codes is used for Receive Site courses and Broadcast Site courses. The following are the SPDS codes that are used and in each case these codes identify the university that is broadcasting the course.

RECEIVE SITE COURSES	
SPDS CODE	BROADCAST CAMPUS ASSOCIATED WITH RECEIVE COURSE
A	UMA
F	UMF
I	UMPI
K	UMFK
M	UMM
O	UM
P	USM
E	Reserved - Broadcast from Non-UMS Institution

A SPDS code of E refers to courses being broadcast from an institution other than a University of Maine System campus. A SPDS code of B refers to Broadcast classroom courses.

UCOLL ITV TUITION CHARTFIELD COMBINATIONS

As previously mentioned, the ITV tuition fee codes used by the billing universities map to revenue chartfield combinations in UCOLL's general ledger. UCOLL uses specialized combination of department/account/program to record the ITV tuition revenues. These specialized combinations enable the System Office to identify the amount of such revenues that belong to each Receive and Broadcast university. These special UCOLL ITV tuition revenue chartfield combinations are coded as follows.

The business unit and department code used by UCOLL to record the ITV revenues is UMS08 and 8930106, respectively.

ACCOUNT = 40SLC		
Position 1 = 4		
Position 2 = 0		
Position 3 = S	Semester and Residency	
	S = 1	Fall Resident
	S = 2	Fall Non-Resident
	S = 3	Spring Resident
	S = 4	Spring Non-Resident
	S = 5	Summer Resident
	S = 6	Summer Non-Resident
Position 4 = L	Level	
	L = 1	Unknown
	L = 2	Undergraduate
	L = 3	Graduate
Position 5 = C	Broadcast University - Gets 90% of the ITV Tuition Revenue	
	C = 0	Unknown
	C = 1	UMA
	C = 2	UMF
	C = 3	UMFK
	C = 4	UMM
	C = 5	UM
	C = 6	USM
	C = 7	UMPI
PROGRAM = C808Z		
Position 2 to 4 = 808		
Position 1 = C	University where dollars are recorded	
	C = 1	UMA
	C = 2	UMF
	C = 3	UMFK
	C = 4	UMM
	C = 5	UM
	C = 6	USM
	C = 7	UMPI
Position 5 = Z	Receive University - Gets 10% of the ITV Tuition Revenue	
	Z = 1	UMA
	Z = 2	UMF
	Z = 3	UMFK
	Z = 4	UMM
	Z = 5	UM
	Z = 6	USM
	Z = 7	UMPI

ITV TUITION REVENUE ALLOCATION

In the following discussion we refer to UCOLL as UMS08. 100% of the ITV Tuition Revenue that is recorded in UMS08's ITV tuition accounts is to be moved from UMS08 to the applicable Broadcast and Receive Universities. The System Accounting Department moves the revenue into specialized campus chartfield combinations defined as follows:

1. The same **ACCOUNT CODE** used by UMS08.
2. The same **PROGRAM CODE** used by UMS08 except Position 1 changes to the University receiving the funds.
3. 90% of the ITV Tuition Revenue goes to the Business Unit from position 5 of the UMS08 **ACCOUNT**.
4. 10% of the ITV Tuition Revenue goes to the Business Unit from position 5 of the UMS08 **PROGRAM**.
5. Use the following **DEPARTMENTS**.

DEPARTMENTS ASSOCIATED WITH ALLOCATION	
UMS08 Department	8930106
University Department Receiving the Funds	
UMA	1704000
UMF	2710200
UMFK	3600500
UMM	4310000
UM	5700100
USM	6704000
UMPI	7602205