

# CHLOE



## STRATEGY SHIFT: INSTITUTIONS RESPOND TO SUSTAINED ONLINE DEMAND

### CHLOE 9: STRATEGY SHIFT: INSTITUTIONS RESPOND TO SUSTAINED ONLINE DEMAND

THE CHANGING LANDSCAPE OF ONLINE EDUCATION, 2024

*Quality Matters, Eduventures & EDUCAUSE Survey of Chief Online Learning Officers*

**Co-Directors:**

**Bethany Simunich, Ph.D.**

*Vice President of Innovation and Research, Quality Matters*

**Richard Garrett**

*Eduventures Chief Research Officer at Encoura*

**Senior Editor:**

**Robert Ubell**

*Vice Dean Emeritus, Online Learning, Tandon School of Engineering, New York University*

**Co-Authors:**

**Eric E. Fredericksen, Ed.D.**

*Associate Vice President for Online Learning and Professor, University of Rochester*

**Mark McCormack, Ph.D.**

*Senior Director, Research & Insights, EDUCAUSE*

**Jenay Robert, Ph.D.**

*Senior Researcher, EDUCAUSE*



## TABLE OF CONTENTS

I. Executive Summary .....	4
II. Online Strategies and Priorities.....	6
III. Online Revenue, Funding, and Pricing .....	16
IV. Outsourcing: Third-Party Servicers (TPS) and OPMs .....	25
V. Online Learner Tracking and Support .....	31
VI. Policy Focus: Artificial Intelligence (AI) and Regular and Substantive Interaction (RSI).....	34
VII. The CHLOE 9 Sample .....	44
VIII. References .....	46
IX. Acknowledgements .....	46
X. Sponsors and Affiliates .....	48

## LIST OF FIGURES

1. Primary Institutional Strategic Approach to Online Learning .....	6
2. Primary Institutional Strategic Approach to Online Learning Differs by Sector .....	7
3. Top Priority Goes to Offering Online Versions of Campus Courses and Degrees.....	8
4. Online Learning Priorities Differ by Sector .....	9
5. Top Online Learning Priorities Differ by Sector .....	10
6. Increasing Enrollment and Meeting Demand Are Major Drivers Behind Offering Online Courses and Programs.....	11
7. Online Marketplace Focus and Differentiators .....	12
8. Future Markets of Importance .....	14
9. Barriers and Challenges to Online Initiatives .....	15
10. Faculty Autonomy Is Primary Barrier to Online Initiatives.....	15
11. Online Programs Are Net Revenue Generator for Majority of Institutions.....	17
12. Public 4-Year Institutions Most Likely to View Online Programs As Revenue Generator .....	17
13. Nearly Half Combine Online Revenue with Fees for School-wide Distribution.....	18
14. More Institutions Report Increase in Online Learning Resources .....	19
15. Sufficiency of Institutional Resources for Online Learning Varies .....	20
16. Majority of Institutions Have Standardized Tuition for Online and On-Campus Programs.....	20
17. Most Schools Not Offering Special Discounts for Online Programs .....	21
18. Institutional Approaches to Online Tuition Discounting Vary by Sector.....	22
19. Online Learning Fees Vary Widely.....	23
20. FY 2024-25 Plans for Online vs. On-campus Tuition and Fees.....	24
21. Most COLOs Show Concern About Expanded TPS Oversight .....	27
22. Most Schools Adopt ‘Wait-and-See’ Approach to TPS Regulation .....	28
23. Majority of COLOs Unconcerned About TPS Oversight .....	28
24. OPMs: Current, Former, Potential and Non-Clients.....	29



25. Most Institutions Plan to Maintain Current OPM Partnerships .....	30
26. Most Institutions Collect Modality Data at the Course Level .....	31
27. Online Student Support Largely Informed by Surveys and Informal Feedback.....	32
28. Many Areas of Online Student Support Still Lagging .....	33
29. Use of AI Varies at Higher Ed Institutions.....	34
30. Students Encouraged to Use AI in a Variety of Ways in Online Coursework .....	35
31. AI Use for Administrative Institutional Needs Varies .....	37
32. COLO Sentiment About AI Use in Online Learning Is Largely Positive .....	37
33. Perception of Faculty Attitudes Toward AI Is Largely Negative.....	38
34. Majority Lack Published Policies for Student Use of AI .....	39
35. Multiple Stakeholders Involved in Creating AI Policies .....	40
36. Public Institutions More Likely to Publish Institution-wide RSI Policies and Guidelines .....	41
37. Public Institutions Provide Greater Support for Meeting RSI .....	42
38. Strategies for Evaluating Online Courses for RSI Compliance Vary.....	43
39. RSI Evaluations Largely Conducted by Instructional Designers .....	43

## LIST OF TABLES

1. High Online-Enrollment Schools More Likely to Encourage AI Use in Online Coursework.....	36
2. The CHLOE 9 Sample vs. U.S. Higher Education (Fall 2022).....	45
3. The CHLOE 8 vs. 9 Sample by Online Student Headcount (Fall vs. 12-month Unduplicated Headcount) .....	46

**\*The CHLOE Report categorizes institutions by size of fully and partly online enrollment as follows:**

- 1. Low online enrollment institutions (low-OE)** = Less than 1,000 online students
- 2. Mid or mid-sized online enrollment institutions (mid-OE)** = 1,000 - 7,500 online students
- 3. High online enrollment institutions (high-OE)** = More than 7,500 online students

## SUGGESTED CITATION

Simunich, B., Garrett, R., Fredericksen, E. E., McCormack, M., Robert, J., & Ubell, R. (2024). *CHLOE 9: Strategy Shift: Institutions Respond to Sustained Online Demand, The Changing Landscape of Online Education, 2024*. Retrieved from the Quality Matters website:

<https://qualitymatters.org/qa-resources/resource-center/articles-resources/CHLOE-9-report-2024>



# CHLOE 9: STRATEGY SHIFT: INSTITUTIONS RESPOND TO SUSTAINED ONLINE DEMAND

*The Changing Landscape of Online Education, 2024*

## EXECUTIVE SUMMARY

The CHLOE 9 Survey, administered in early 2024, offers new insight into U.S. online higher education two years after the COVID-19 pandemic. The global health crisis tested higher education to the limit, disrupting instruction and engagement norms and forcing most institutions to adopt emergency remote learning. As higher education adjusts to a new landscape with increased online demand, the impact of emergency-specific reactions versus long-lasting strategic responses is becoming more apparent. CHLOE 9 provides more evidence that online higher education has been dramatically advanced by the pandemic (in terms of both student demand and course and program investment) but that adaptation, support, and strategy are works in progress.

CHLOE 9 — a survey of chief online learning officers (COLOs) in U.S. colleges and universities — captures online higher education across the spectrum, from fully online institutions to mature mixed-mode schools and smaller, emerging online operations. Responses also span activity among public and private two- and four-year institutions.

This year's survey includes updates on online investment priorities and pricing approaches, which were covered in past CHLOE surveys. New questions illuminate where COLOs see friction between online efforts, the legacy institution and mission, and the direction and adequacy of online budgets and support. There is also a discussion on how COLOs view brewing regulatory changes on third-party servicers (TPS) and online program management (OPM) companies, as well as existing regulations for regular and substantive interaction (RSI). As online learning (and education in general) faces a new era of artificial intelligence (AI), CHLOE 9 quizzed COLOs about where the technology is beginning to make an impact (or at least have a presence) and the extent to which institutional policy is taking shape to address AI use and challenges.

Findings from the CHLOE 9 Report include:

- **Student Demand.** About three-quarters of COLOs said that campus-based students are asking for more online options, with 60% observing that online classes tend to fill first. Almost half reported that online program enrollment is growing faster than on-campus. About half of COLOs said that faculty are pushing for more online learning, lagging the student ratio.
- **Strategic Alignment.** Aside from a handful of fully online institutions, a third of the CHLOE 9 sample said that the modality is fully incorporated into the institution's strategy across all or most student types; another quarter cited integration but a strategy that targets only specific student groups. The remaining minority (39%) reported that either online learning goals have been formulated but not integrated at the institutional level or that formulating online learning goals was a topic still under discussion. Public two-year institutions were most — and private four-year institutions least — likely to report institution-wide strategic integration of online.
- **Strategic Priorities.** Student recruitment dominates: 92% of COLOs reported that online enhances their ability to pursue students in their region, and 87% said the same for outside their region. Only



17% of COLOs, however, said they see online as a way to reduce institutional costs, and two-thirds are convinced such a goal is unrealistic.

- **Net Revenue versus Net Cost.** In 2024, 52% of COLOs said online programs generate net revenue, up from 47% in 2020. The share that regards online programs as a net cost shrank from 26% to 15%. This is consistent with the growing maturity of online operations but also a reminder that not all investments bear fruit or that it may still be too soon to judge. About a quarter of COLOs reported wide variation by program.
- **Course and Program Plans.** Most COLOs noted plans for new online courses and degree programs, citing conversion of campus-based offerings more often than brand-new ones. Conversely, about half of COLOs said they are working on new online non-degree programs versus only 38% planning conversion of existing campus programs. These ratios are similar to last year, as reported in CHLOE 8. Online learning-related employer partnerships — new and expanded — are in the works for 46% of institutions.
- **Online Learning Budgets and Tuition.** In an era of tight budgets, 42% of COLOs reported at least some increase in their online learning budget (12% noted a 10% or greater annual increase, and the rest less than 10%), with another 41% saying budgets are flat. Far more COLOs characterized their budget as inadequate (42%) than reported a dollar decline (16%). Consistent with past CHLOE surveys, most COLOs say that their institution charges uniform tuition by modality, with only 13% tending to charge higher tuition online and 15% tending to charge less (little changed from past CHLOE surveys).
- **Operational and Cultural Barriers.** For the first time, this year’s survey asked COLOs about the cultural, attitudinal, and operational obstacles they face as online leaders. On most of the issues asked about (e.g., faculty autonomy, mission and culture, and administrative buy-in), most COLOs reported barriers and tensions, often regardless of sector or online enrollment scale. Similar barriers have been discussed since the advent of online learning over 30 years ago. The good news is that most COLOs see tensions as resolvable. Indeed, many schools have grown sizable online enrollment despite cultural and operational issues. In fact, COLOs in our “high” online enrollment category were mostly likely to cite budget, faculty autonomy, lack of faculty/administrative buy-in, lack of senior leadership expertise, and mission/culture as their most considerable ongoing tensions. This is not surprising: online scale highlights tensions and has the heft to address them.

This year’s CHLOE survey also covered several hot-button issues facing U.S. higher ed:

**OPMs.** About a quarter of COLOs reported working with an OPM, up from 18% two years ago. This apparent growth occurred despite stresses in the OPM market in recent years, including company sales, mergers, and financial troubles. Given the uncertainty over whether the U.S. Department of Education (ED) will block revenue-sharing arrangements between OPMs and higher ed partners, COLOs were surprisingly unruffled. Most reported they will keep relationships steady, with only modest plans for change. Few said they plan to end contracts, and the most common response was no plans to change the contract (31% of OPM partners).

**TPS.** Similar ambivalence shadows ED’s as-yet-undetermined expanded rules governing third-party servicers (TPS) — companies or other entities that work with institutions and touch federal student aid. Since its initial proposal last year, the Department’s intended rules have been delayed, and now, with the ED’s latest postponement, they may never be enforced. It’s no surprise that most schools have adopted a wait-and-see attitude. A handful of states and accreditors are also scrutinizing TPS and OPMs.

**RSI.** Three years ago, in another ED action, the Department revisited the mandate that distance education classes must demonstrate regular and substantive interaction (RSI) between students and faculty, clarifying definitions and examples. Because compliance can affect federal student aid, a strong majority of COLOs reported being familiar with the regulations. Most schools said they provide faculty support with help from staff, training, or digital resources. Still, nearly a quarter do not evaluate any courses to determine if RSI requirements are met.



**AI.** With AI overwhelming everything in its path, its effect on higher ed is also apparent. About a third (34%) of COLOs reported that students are being encouraged to use AI to support learning, including generating content (32%), developing or editing code (29%), or using AI-powered adaptive learning tools (27%). While COLOs reported being quite optimistic about AI, they see many faculty as less enthused about its educational applications. Besides its use in administrative tasks, faculty attitudes were reported as typically neutral or negative regarding AI use.

In summary, CHLOE 9 confirms that online learning continues to scale, fueled by broadening student demand and met with an increasingly robust and strategic institutional response. While different sectors may focus on specific populations and offerings, online learning is now integral to nearly all institutions. Scale, however, invites tension as schools grapple with bottom-up versus top-down approaches, when to innovate and when to be conservative, and where to invest limited resources. Regulators are similarly mulling when to give free rein and when to impose. These tensions are marks of online’s power and potential, which chief online learning officers work so hard to nurture and steer.

## ONLINE STRATEGIES AND PRIORITIES

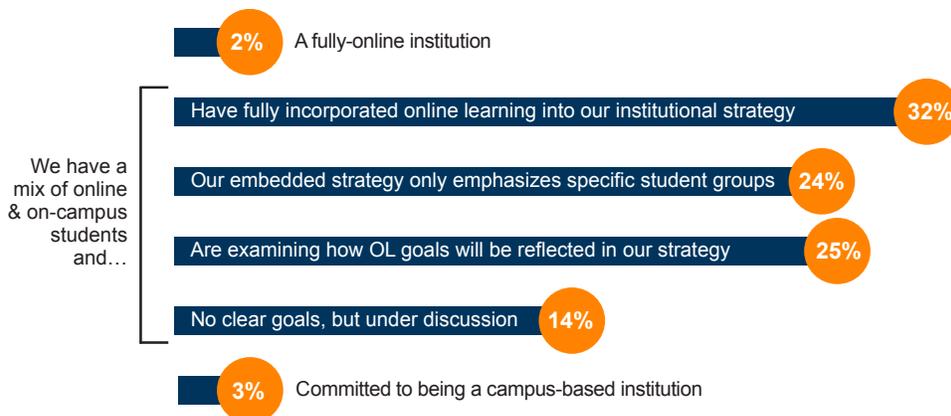
### Strategic Approaches

Last year, CHLOE 8 surveyed chief online learning officers (COLOs) to gauge alignment between their online strategic priorities and burgeoning demand. Fewer than half of COLOs (39%) reported consistency between priorities and demand, and about a third (36%) acknowledged a need for goal reassessment in light of increased demand. A minority (10%) cited a consistent strategy that struggled to match demand, while another 9% attempted to meet demand without altering institutional strategy.

Although CHLOE 9 did not repeat this exact question, this year marks a strategy shift. While COLOs reported alignment between priorities and demand last year, CHLOE 9 asked chief online learning officers about alignment between strategic approach and online learning goals.

For those with a mix of online and on-campus students, most (56%) reported adapting their strategies to accommodate online demand and reflect institutional goals, whether by targeting all student demographics by fully incorporating online learning (32%) or targeting only specific segments most likely to drive new enrollments (24%). One-quarter, however, are still examining how online goals should be reflected in institutional strategy, and 14% reported having clear goals for online, though it was a topic being discussed (Figure 1).

**Figure 1. Primary Institutional Strategic Approach to Online Learning (Sample = 324)**



© Eduventures Research, Quality Matters, and EDUCAUSE 2024

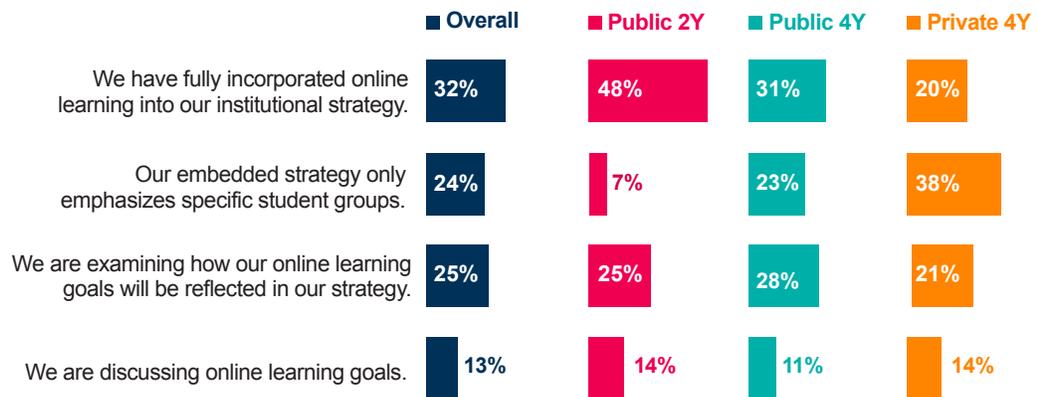




Still, the strategic landscape across institutional sectors varies widely. Public community colleges stand out, with nearly half (48%) having integrated online learning goals into their institutional strategies, surpassing both public four-year institutions (31%) and private four-year institutions (20%). The post-pandemic surge in online enrollment at community colleges bolsters the alignment, reflecting the preference for online flexibility among various student populations, notably underserved groups like regional rural students. This trend underscores the strategic emphasis observed in nearly half of public two-year institutions toward online integration.

Public community colleges stood out additionally as the least inclined to prioritize specific student groups, contrasting with the emphasis at both public and private four-year institutions on graduate students, particularly those seeking fully online degree programs. While 24% of the overall sample highlighted a strategic focus on particular student cohorts, private four-year institutions led with 38%, public four-year institutions at 23%, and public two-year schools at only 7% (Figure 2).

**Figure 2. Primary Institutional Strategic Approach to Online Learning Differs by Sector (Sample = 318; Public 2Y = 83, Public 4Y = 127, Private 4Y = 108)**



© Eduventures Research, Quality Matters, and EDUCAUSE 2024

### Priorities to Meet Current and Future Demand

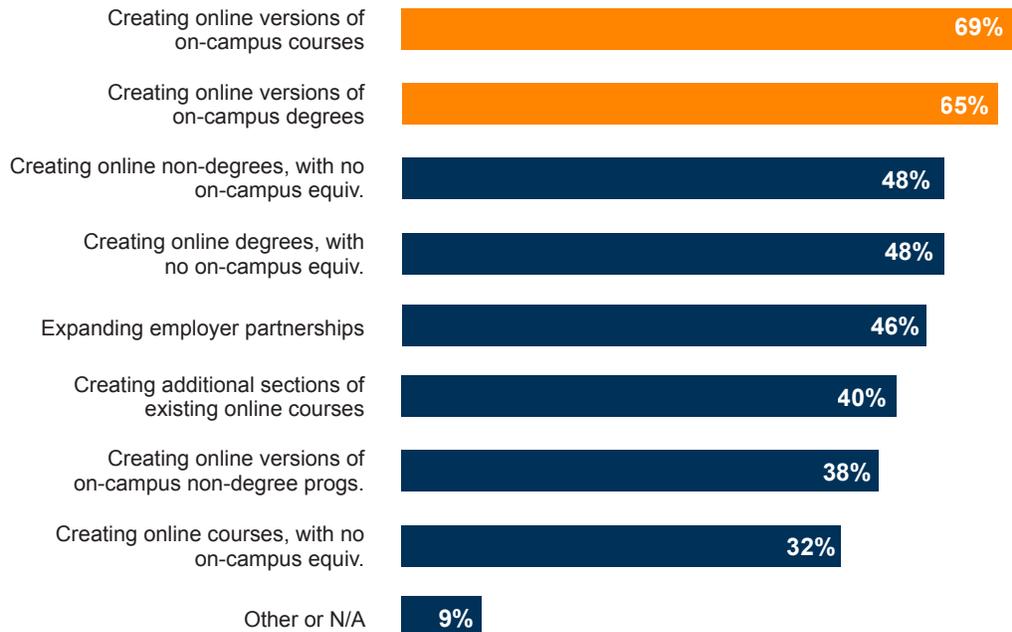
Last year, CHLOE 8 revealed that 41% of respondents cited introducing fully online counterparts to existing face-to-face courses as the primary institutional focus for meeting online demand at the course level. Secondary priorities included adopting HyFlex and hybrid models and entirely new online courses with no on-campus equivalents. CHLOE 8 also explored higher ed strategies for attracting future online student audiences at the program level. Approximately three-quarters of four-year institutions indicated a greater focus on launching new online degree programs (75% for private four-year and 69% for public four-year), contrasting with a minority (47%) of public community colleges. The divergence likely mirrors four-year institutional demand for graduate and professional students seeking academic advancement. In contrast, community colleges prioritize flexible pathways for degree completion, and many already have various online programs.

This year, the potential of delivering online versions of on-campus courses and programs was a returning theme when COLOs were asked about general priorities for online learning. A significant majority (69%) said that introducing online versions of on-campus courses was a priority, closely followed by offering online equivalents of on-campus degree programs (65%). Nearly half of respondents (48%) expressed interest in developing new online degree programs and non-degree offerings, such as certificate programs or microcredentials.



There was also a strong wish (46%) to expand collaboration with employers, leverage tuition assistance benefits, and enhance employee enrollment. Lower priority was given to initiatives such as creating additional sections of existing online courses (40%), developing new online courses without on-campus counterparts (32%), and adapting on-campus non-degree programs into online formats (38%) (Figure 3).

**Figure 3. Top Priority Goes to Offering Online Versions of Campus Courses and Degrees (Sample = 304)**

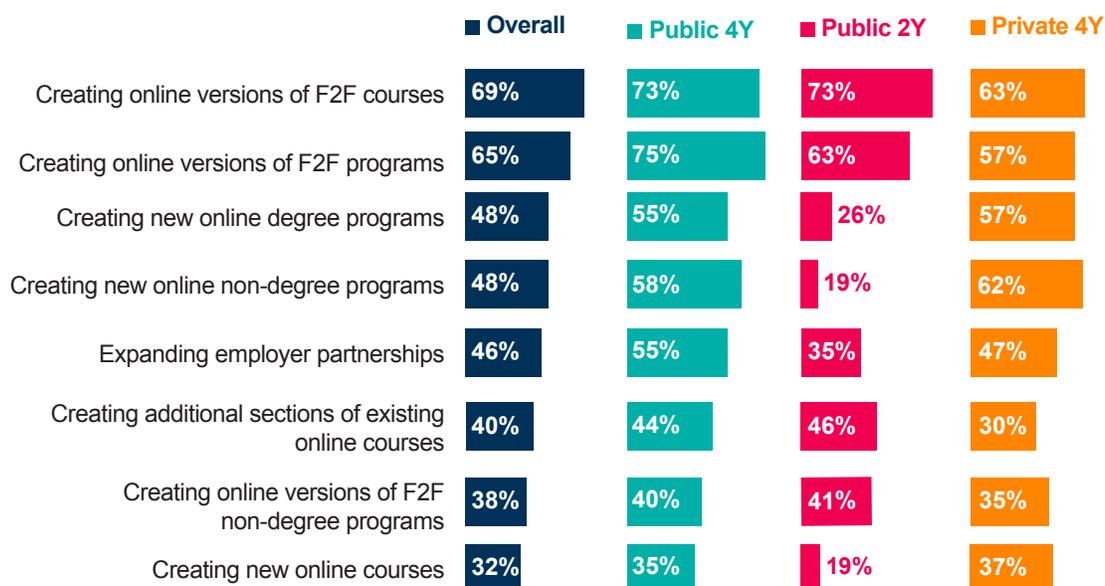


© Eduventures Research, Quality Matters, and EDUCAUSE 2024

Differences in strategic approach to scaling online and meeting demand, however, persisted across institutional categories. In general, four-year institutions are giving much higher prioritization to new online degree and non-degree programs than public community colleges, though all sectors are emphasizing online versions of existing on-ground programs, as well as online versions of on-ground courses. Public four-year institutions reported the highest prioritization for creating online equivalents for on-campus programs, with 75% prioritizing it, compared to 63% of public community colleges and 57% of private four-year institutions. Moreover, a majority of public four-year institutions (55%) seek to expand partnerships with employers, compared with a minority of private four-year institutions (47%) and public community colleges (35%).

Public community colleges mainly target online versions of both on-campus courses (73%) and programs (63%), with lower priority given to introducing new online programs (26% compared to a majority of four-year institutions), new online non-degree programs (19% versus approximately 60% for four-year institutions), and new online courses (19% versus approximately 35% for four-year institutions) (Figure 4).

**Figure 4. Online Learning Priorities Differ by Sector**  
(Sample = 299; Public 4Y = 119, Public 2Y = 80, Private 4Y = 100)



© Eduventures Research, Quality Matters, and EDUCAUSE 2024

While creating online versions of on-campus courses ranked as the online priority most commonly identified (69%), closely followed by prioritizing online equivalents of on-campus degrees (65%), a more nuanced picture emerged when COLOs were asked to rank their *top two* strategic priorities for online learning. Here, the top choices were reversed: offering online versions of on-campus degrees emerged as the leading choice (43%), followed closely by online versions of on-campus courses (39%), with the creation of new online degree programs ranking third (31%).

Although developing online versions of on-campus degree programs has traditionally risked cannibalizing on-campus enrollments, it seems that online programs are attracting new audiences in today's higher-ed landscape. In addition, creating an online version of an existing on-campus program is often a lighter institutional lift. Schools likely see this approach as an easier strategy for scaling online revenue, as it involves lower cost and less effort than developing brand-new, online-exclusive programs.

Insights from open-ended comments illuminated deeper institutional contexts and requirements. For instance, one COLO highlighted differing strategies between undergraduate and graduate programs – targeting online sections of in-person courses for undergraduates and new, fully asynchronous programs for graduate studies – a common approach among four-year institutions. Meanwhile, a chief online learning officer representing a public community college reported a deeper aim of meeting students' diverse needs, whether for degree completion, program requirements, or personalized learning, reflecting the flexible approach characteristic of many public two-year institutions.

Comments from public four-year COLOs illustrated a spectrum of approaches within the sector, from addressing employer demand to enhancing the quality of existing online courses and programs. The diversity of strategy for this sector is likely due in part to challenges added by a decentralized approach to online learning services and administration, even with seemingly shared institutional goals. One COLO noted, "online is decentralized, so all of these options are happening at different levels."

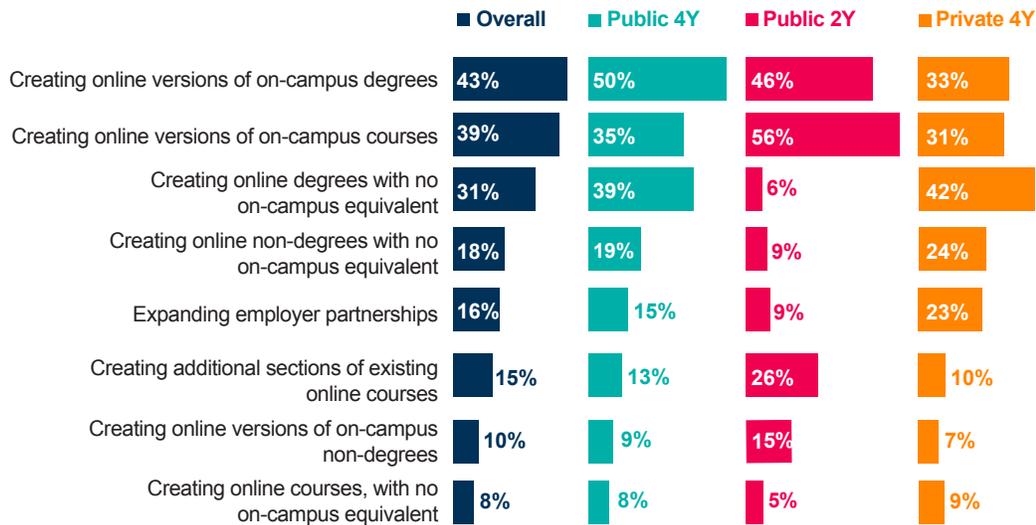
Looking at top-ranked priorities, differences across sectors were again evident. Most public four-year institutions (50%) identified creating online versions of on-campus degree programs as their primary focus, whereas most public community colleges (56%) prioritized online equivalents of on-campus



courses. In contrast, private four-year institutions exhibited no clear majority, with 42% ranking new online degrees as their top priority, followed by online versions of on-campus degrees (33%) and online versions of on-campus courses (31%).

Public community colleges are pursuing online versions of existing programs as a secondary priority but largely avoiding new online degrees; their main priority remains online versions of on-campus courses. In contrast, four-year institutions are giving notable priority to existing and new online programs, with an accompanying strong priority for online course versions. This underscores the trend of public community colleges emphasizing flexibility by offering students equivalent on-campus and online options. At the same time, four-year institutions concentrate more deeply on both new and existing online programs (Figure 5).

**Figure 5. Top Online Learning Priorities Differ by Sector**  
 (Sample = 299; Public 4Y = 119, Public 2Y = 80, Private 4Y = 100)



© Eduventures Research, Quality Matters, and EDUCAUSE 2024

### Recruiting New Students in a Competitive Marketplace

While institutions exhibit varying approaches and priorities in their online strategies, there appears to be a common acknowledgment of the driving forces behind the expansion of online offerings and associated marketing efforts: recruiting new students and fulfilling current students’ needs. Chief online learning officers believe that online programs enable institutions to reach new student populations and, in some cases, sustain institutional viability.

Still, many higher-ed institutions have yet to define their online goals and strategies, and many more struggle with effectively marketing online initiatives. In open-ended responses, COLOs said that some institutions are just beginning to distinguish themselves in the online marketplace, whether through new online degrees or promoting quality aspects, while others are still in the planning phase or primarily focused on increasing awareness of their online offerings.

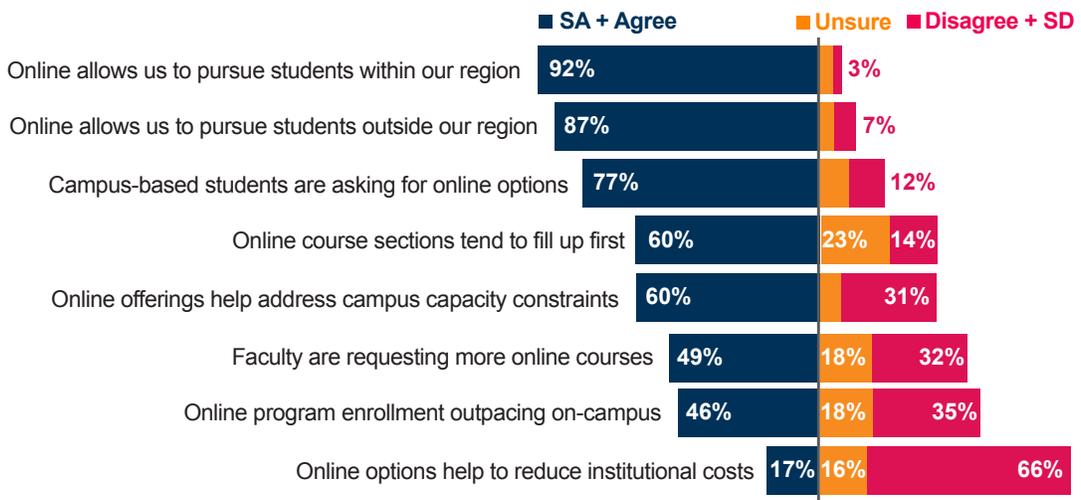
COLO responses overwhelmingly support the belief that institutions must increase online enrollment rather than curb costs. Nearly all respondents either agreed or strongly agreed that online offerings facilitated outreach to students within (92%) and beyond (87%) their region. Almost three-quarters reported an increasing demand for online options from campus-based students, with 60% noting that online sections typically fill first. Additionally, nearly half (46%) of COLOs indicated that “online program



enrollment is outpacing on-campus program enrollment growth,” underscoring the importance of online enrollments as key drivers.

The strategic emphasis on online modalities often aligned with institutional contexts, with 60% of COLOs highlighting how online options help mitigate campus capacity constraints. Approximately half of the respondents called attention to faculty requests for more online courses (much lower than the share of COLOs who cited student demand for online). In contrast, only a minority (17%) cited online initiatives as contributing to cost-reduction efforts (Figure 6).

**Figure 6. Increasing Enrollment and Meeting Demand Are Major Drivers Behind Offering Online Courses and Programs (Sample = 306)**



© Eduventures Research, Quality Matters, and EDUCAUSE 2024

Primary drivers for expanding online offerings remained consistent across sectors and levels of online enrollment. Public community colleges, however, were comparatively less inclined (43% versus 60% overall) to exploit online offerings to alleviate campus capacity issues, and private four-year institutions were less likely to report that online sections fill up first (42% versus 60% overall), that online program enrollment is exceeding on-campus enrollment (36% versus 46% overall), or that faculty are seeking more online course offerings (35% versus 49% overall). In contrast, most respondents from public four-year institutions said that online sections are the first to fill (71% versus 60% overall), with a similar proportion saying online options address campus capacity obstacles (67% versus 60% overall).

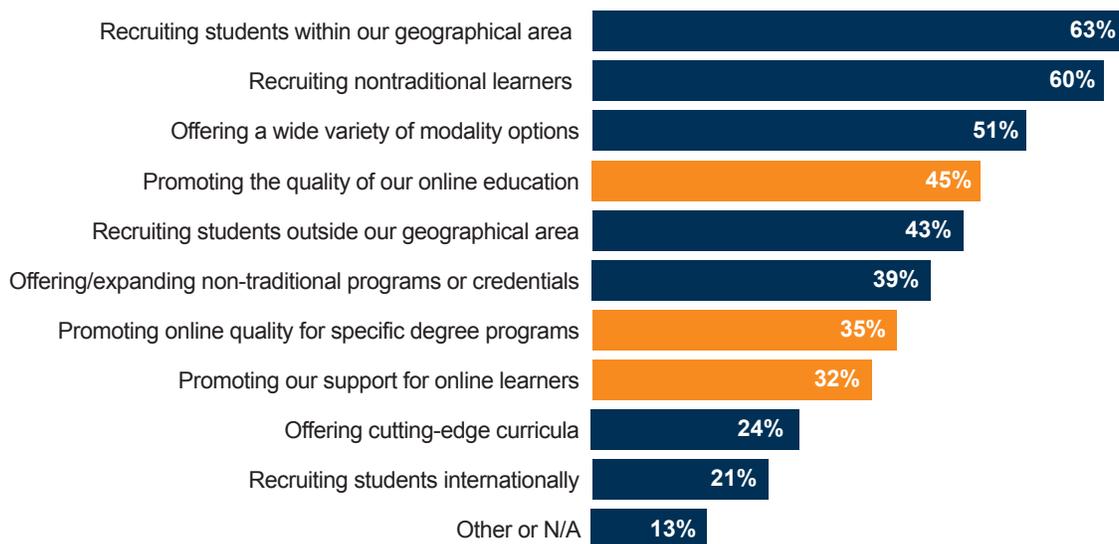
Differences were also noted based on the level of online enrollment. Schools with high online enrollment were more inclined to indicate that online course sections are the first to reach capacity (71%). In comparison, a greater proportion of low-online enrollment (low-OE) institutions (67%) reported that online offerings contribute to addressing capacity constraints. Moreover, low-OE institutions were significantly more likely (31%) to cite the expansion of online options as a strategy to reduce institutional costs compared to both mid-online enrollment (16%) and high-online enrollment (13%) schools.

As highlighted in CHLOE 8 and this year’s findings, most institutions prioritize new online degree programs (whether converted campus programs or brand-new ones) to drive enrollment growth, intensifying competition in the online education sector. Recognizing heightened competition, CHLOE 9 asked COLOs about efforts to distinguish their online programs in the online education market over the past year.

Most schools reported a reliance on demographic differentiation, targeting students from nearby geographical regions (63%) and non-traditional learners (60%); only 43% actively recruit students from

outside their region, following the tendency of online students to prefer nearby institutions despite online flexibility. Roughly half of COLOs reported offering diverse online modality options, while approximately 40% provided non-traditional programs or credentials (Figure 7).

**Figure 7. Online Marketplace Focus and Differentiators (Sample = 302)**



© Eduventures Research, Quality Matters, and EDUCAUSE 2024

Fewer than half (45%) of those surveyed promote the overall quality of online education at their schools, and even fewer (35%) specifically spotlight the quality of online degree programs.

Despite not reaching a majority, the shift toward emphasizing online quality is noteworthy. Last year, CHLOE 8 asked a slightly different question, inquiring whether institutions practice specific aspects of online quality and, if so, whether they communicate those practices to existing and new students. Institutional responses highlighted that many institutions showcased “quiet quality” by practicing robust online quality assurance measures spanning student support, faculty development, and course design, but largely failing to market these efforts publicly. CHLOE 8 reported that less than a third of institutions promoted these specific quality efforts to current students, and fewer than one-fifth utilized quality assurance practices to attract new students. Given this, having a near-majority of institutions reporting this year that they are promoting the general quality of their online offerings is noteworthy.

Quality remains a crucial differentiator in today’s fiercely competitive online marketplace, with more institutions acknowledging its value in attracting new students. High-OE schools are significantly more likely to promote general online quality (56% for high online enrollment, compared to 39% for low-OE and 38% for mid-OE institutions) and to publicize the quality of specific online degree programs (41% for high-OE as compared with 32% for both low-OE and mid-OE institutions). Across sectors, community colleges were least likely to promote the quality of their online education (29% compared to 43% of private four-year and 56% of public four-year schools), as well as the quality of specific online degree programs (21% compared to 36% of public four-year and 44% of private four-year institutions). As noted last year in CHLOE 8, this lag in marketing online quality – specifically online program quality – may be a missed opportunity.

While student support services figure prominently in ensuring a quality online learning experience, only 32% of respondents said that their school promoted the extent and types of online learner support. Public



community colleges emerged as the least likely to market online student support (26% compared to 30% of private four-year and 39% of public four-year schools). Institutions with high online enrollment were more likely to promote it (41% compared to 32% of low- and 25% of mid-OE institutions). Few COLOs (24%) highlighted cutting-edge curricula as a marketplace differentiator.

When asked to prioritize their top two points of focus and differentiation, about a third (34%) ranked recruitment of geographically close students as their first priority; slightly fewer (28%) prioritized the recruitment of non-traditional learners. A quarter of respondents indicated that offering a diverse range of modalities ranked among their top two priorities. Only 19%, however, identified promoting the overall quality of online learning as a top priority, with just 13% emphasizing specific program quality as a differentiating factor.

A mere 7% of institutions reported prioritizing online learner support as a means of institutional promotion. Perhaps efforts to promote the quality of online education and support for online students are integrated into recruitment. Nonetheless, the low prioritization of quality, student support, and cutting-edge curricula in marketing efforts raises questions about how effective schools are in positioning themselves distinctly and competitively in the online marketplace.

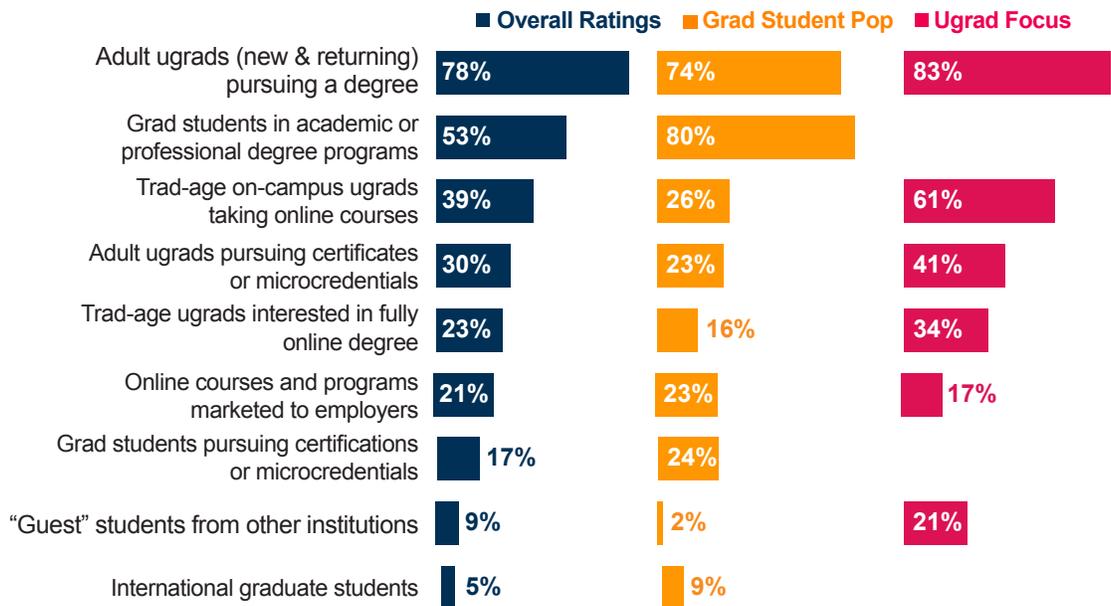
Analyzing responses regarding the top three online student demographics/markets deemed institutionally significant for the future, a substantial majority (78%) identified adult undergraduates — new and returning — as their primary focus, while approximately 40% targeted traditional-age, on-campus students participating in online courses as their third most important market. One-third of COLOs highlighted adult undergraduates pursuing certificates or microcredentials as a vital focus.

About half (53%) prioritized graduate students enrolled in academic or professional degree programs, but this data point needed further analysis because that included institutions that do not have graduate programs. Parsing the data by institutional type — baccalaureate/associate versus graduate-serving institutions — reveals distinct priorities, which may be skewed when looking only at the overall sample. Baccalaureate institutions emphasize targeting adult undergraduates more than graduate-serving institutions (83% versus 74%), with 80% of graduate institutions ranking the pursuit of graduate students in academic or professional programs as the most crucial.

Furthermore, most (61%) baccalaureate institutions prioritize traditional-age, campus-based undergraduates taking online courses— a priority shared by only 26% of graduate schools. Similar trends emerge for adult undergraduates pursuing non-degree options (41% versus 23% of graduate institutions) and traditional-age undergraduates pursuing fully online degrees (34% versus 16%). Approximately one-fifth of baccalaureate/associate's institutions underscored the importance of seeking "guest" students versus only 2% of graduate-serving institutions (Figure 8).



**Figure 8. Future Markets of Importance (Sample = 300; Graduate = 185, Undergraduate = 115)**



© Eduventures Research, Quality Matters, and EDUCAUSE 2024

### Online Barriers and Challenges

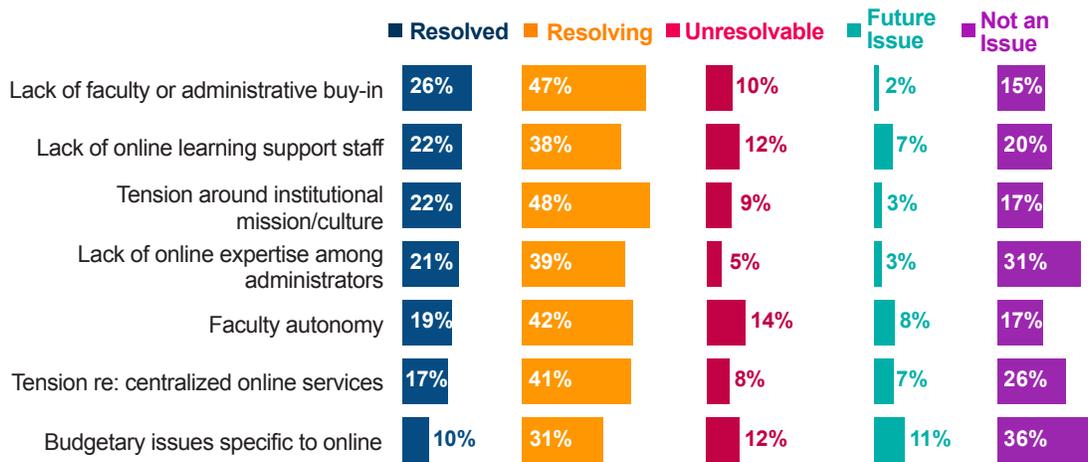
As a final question on institutional strategy, COLOs were asked about resolved and ongoing challenges hindering the advancement of online initiatives. Taking together both previously resolved barriers and barriers currently being resolved, nearly three-fourths of schools indicated successful efforts in addressing a lack of faculty or administrative buy-in. Similarly, 71% reported that they are actively resolving, or had already resolved, tensions between online initiatives and institutional mission and culture.

About 60% reported past or current progress in addressing issues related to faculty autonomy, a lack of online expertise among senior administration (with 31%, however, indicating it had not been an issue), insufficient online learning support staff, and tensions over the centralization of online services (with 26% stating it was not an issue). Only 41% reported past or current resolution of budgetary challenges specific to online efforts, but 36% deemed budgetary concerns not an obstacle. In comparison, a small minority positioned them as either unresolvable (12%) or an anticipated future issue (11%).

In terms of persistent barriers and unresolvable challenges, faculty autonomy was most often reported as intractable (14%), followed closely by challenges with online-specific budgetary constraints, inadequate online learning support staff, and lack of buy-in from faculty or administrators, each garnering a 12% response (Figure 9).



**Figure 9. Barriers and Challenges to Online Initiatives (Sample = 298)**



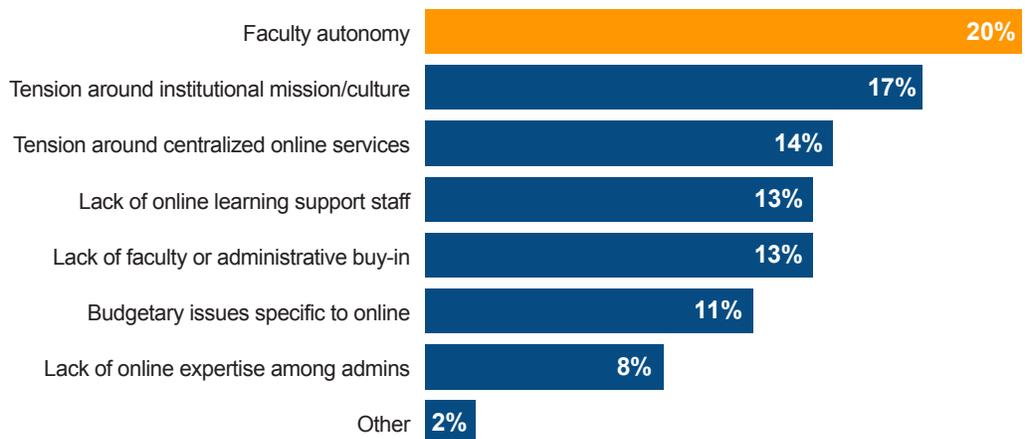
© Eduventures Research, Quality Matters, and EDUCAUSE 2024

Responses showed a familiar pattern across sectors, with a few notable exceptions concerning a lack of online expertise among administrators. Seventy-five percent of private four-year institutions indicated resolving or working to resolve this challenge, compared with 57% of public four-year and 47% of public two-year schools. Additionally, four-year private institutions appeared more adept at resolving tensions over the centralization of online services (68% versus 53% for both public four-year and public two-year).

Public two-year institutions exhibited slightly less progress overall in resolving various issues than their four-year counterparts. These included lack of buy-in (68% versus 74% of private four-year and 77% of public four-year), tensions over institutional mission and culture (61% versus 73% of public four-year and 76% of private four-year), and online budgetary concerns (30% versus 43% of private four-year and 44% of public four-year).

When prompted to identify their primary sources of tension overall, though, COLOs singled out faculty autonomy as the most significant issue (20%), closely followed by tensions surrounding institutional mission and culture, which garnered a 17% response (Figure 10).

**Figure 10. Faculty Autonomy Is Primary Barrier to Online Initiatives (Sample = 295)**



© Eduventures Research, Quality Matters, and EDUCAUSE 2024



Differences, however, were observed across levels of online enrollment. For example, faculty autonomy as a primary barrier increased with online enrollment (13% for low-OE schools, 20% for mid-OE, and 23% for high-OE). High-OE institutions were also more likely to cite faculty or administrative buy-in as their second most prominent barrier (19% versus only 13% of low-OE and just 6% of mid-OE schools).

One-quarter of low-OE schools, however, pinpointed the lack of online learning support staff as their primary obstacle, compared to 17% of mid-OE schools and just 4% of high-OE institutions. Mid-OE schools were more likely to identify tensions over centralization as a significant challenge (19% compared to 13% of low-OE and only 8% of high-OE schools).

By sector, public two-year schools ranked tensions related to mission and culture relatively low as a primary barrier (9% compared to 19% of private four-year and 21% of public four-year institutions). Additionally, 37% of public two-year colleges cited faculty autonomy as the primary challenge, contrasted with just 17% of public four-year institutions and 12% of private four-year institutions.

Insights from open-ended responses further illuminated institutional challenges surrounding online initiatives. Market saturation and the quest for viable online programs that compete effectively in a crowded marketplace emerged as common hurdles. Specific tensions between administration and faculty were highlighted, particularly over online policies and procedures, as well as challenges related to limited faculty time for training in online design and teaching. Institutional identity and mission issues were also cited, including constraints on resources for strategic redirection toward online initiatives and the dilemma of increasing class sizes to meet fiscal demands despite faculty objections.

Some institutions cited ongoing inadequacies in online learner support services, including insufficient wrap-around academic and other support services. These challenges underscore potential disparities in online offerings, and quality and levels of support for online learners — critical yet underserved areas for differentiation within the competitive online marketplace.

## Summary

In general, institutional strategy and priorities for online learning continue to reflect persistent student demand and the drive for new enrollments. Regardless of size or type, many institutions continue to grapple with identity issues around being historically campus-based, likely contributing to lagging buy-in and goal-setting challenges. Even for campuses that traditionally have had online offerings, incorporating online options as “mainstream” rather than “in addition to” often reignites institutional tensions around mission, budget, staffing, faculty support, and autonomy.

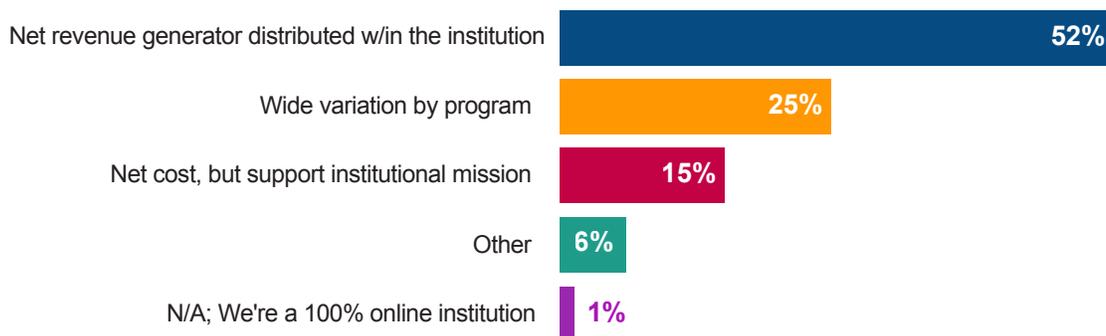
Strategic approaches differ by sector, with public community colleges exemplifying a more flexible approach for all students and four-year institutions gravitating to more segmented marketing efforts for different student populations. Competition in the online higher education marketplace will continue to increase as institutions develop new online degrees to entice new student populations. With the slow adoption to market specific program facets that would offer differentiation and competitive advantages, such as level of quality or online student support, conventional online program positioning may increasingly be found wanting.

## ONLINE REVENUE, FUNDING, AND PRICING

This section of CHLOE 9, which focuses on financial matters related to online learning for the institution, is an area CHLOE explored in CHLOE 4 (2020) and CHLOE 6 (2021). In CHLOE 9, more than half of the surveyed COLOs reported that their online programs are a revenue generator and that revenue is distributed within the institution. While a quarter of the respondents observe variability in revenue generation across different programs, 15% view online programs as a necessary expense that supports the broader educational mission. Additionally, open-ended “other” feedback revealed that a small percentage of institutions do not differentiate between online and in-person programs regarding their potential to generate revenue (Figure 11).



**Figure 11. Online Programs Are Net Revenue Generator for Majority of Institutions (Sample = 292)**

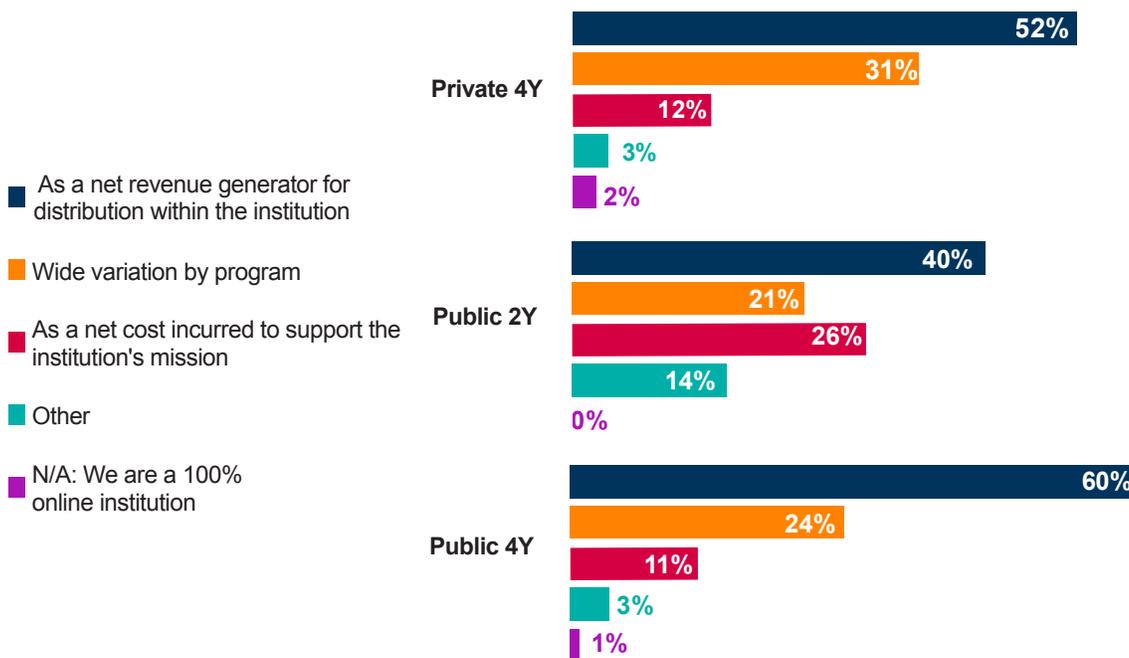


© Eduventures Research, Quality Matters, and EDUCAUSE 2024

Compared to CHLOE 4, which showcased 2019 data, Figure 11 suggests that a majority of institutions are now seeing financial returns from online learning. In the CHLOE 4 Report, a slight minority (47%) of COLOs said online programs generated net revenue, and 26% regarded them as a net cost.

Some differences emerged when analyzed by institutional sector. COLOs from public four-year schools were more likely (60%) to acknowledge online programs as a net revenue generator than those at private four-year schools (52%) and public two-year schools (40%). In comparison, COLOs at public two-year schools (26%) were twice as likely to recognize online programs as a net cost, as compared to both public four-year (11%) and private four-year schools (12%).

**Figure 12. Public 4-Year Institutions Most Likely to View Online Programs As Revenue Generator (Sample = 292)**



© Eduventures Research, Quality Matters, and EDUCAUSE 2024

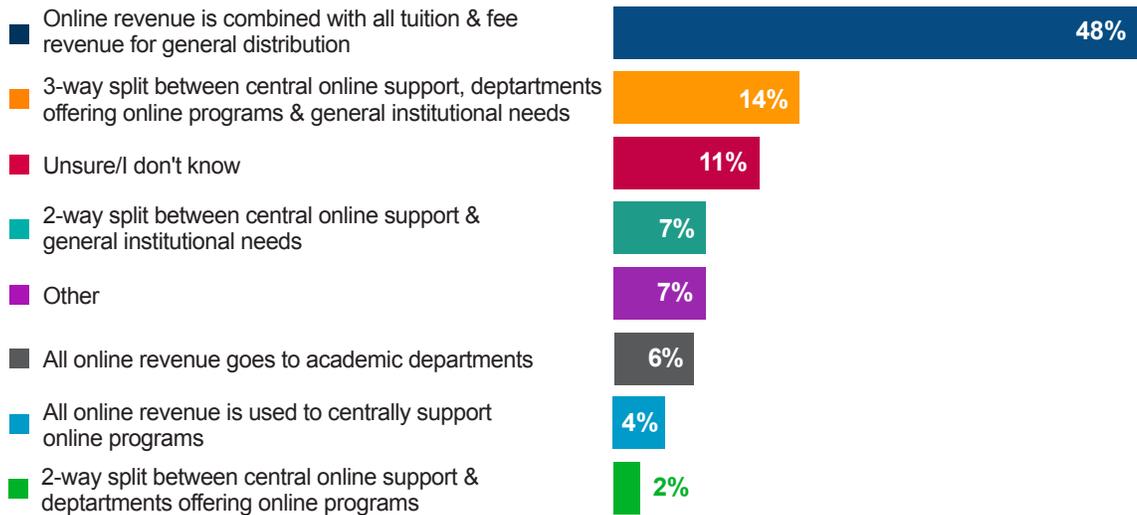
Examined by online enrollment levels, institutions with greater online enrollment tended to acknowledge online programs as a net revenue generator more than schools with less enrollment. Institutions with less online enrollment tend to manage online programs as a net cost to support the institution's mission. This strategy may suggest that institutions initially view online programs as a cost or activity to invest in, with future expectations as revenue generators.

## Distributing Revenue

In response to how colleges distribute online revenue, almost half of the COLOs said their institutions combine it with all tuition and fee revenue for general distribution. The findings were broadly in line with CHLOE 4 (2019), but the question options were not identical.

In CHLOE 9, only 14% split revenue between central online education support, academic departments offering online programs, and general institutional needs. A surprising 11% were unsure how the revenue was distributed (an option not offered in CHLOE 4).

**Figure 13. Nearly Half Combine Online Revenue with Fees for School-wide Distribution (Sample = 288)**



© Eduventures Research, Quality Matters, and EDUCAUSE 2024

However, looking at revenue distribution through an institutional lens uncovers some interesting differences. Public two-year schools (66%) were more likely to combine online revenue with all tuition and fee revenue for general distribution, followed by private four-year schools (48%) and then public four-year schools (39%). COLOs from public four-year schools (30%) were much more likely to report that online revenue is split between central online education support, academic departments offering online programs, and general institutional needs as compared to COLOS from private four-year schools (4%) and public two-year schools (1%).

Although a near-majority of schools have a general distribution model, there were some notable differences by online enrollment for the second-greatest response. For example, 22% of high-OE schools reported a split between central online education support, academic departments offering online programs, and general institutional needs, compared with just 10% of mid-OE and 5% of low-OE schools. The second-greatest response for both mid-OE (14%) and low-OE schools (24%), however, was "Unsure/I don't know," compared with just 4% of high-OE schools. This might signal a pattern of strategic funding

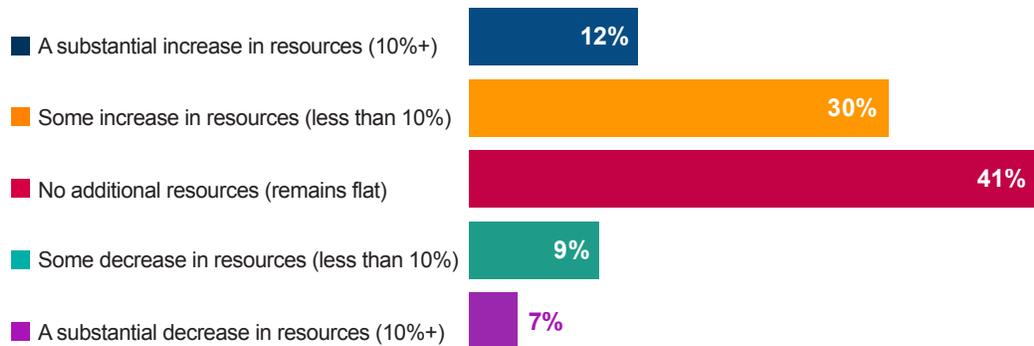
for sustaining or scaling online at institutions that are most capitalizing on current and future enrollment trends. A distributed model that supports the institution, the department developing and delivering the program, and general and centralized online learning support, is a strategic choice that can aid buy-in, quality, and growth.

The much higher percentage of “unsure/I don’t know” at mid- and low-OE schools, however, may signal a lack of connection between institutional goals for online learning and the corresponding financial and support resources needed to meet them. COLOs looking to grow online enrollment might examine more deeply the benefits of a centralized model and a revenue distribution that specifically supports online quality and growth.

### Financial Resources

When asked about their institution’s financial resources for online learning in 2023-2024, most COLOs (41%) reported that budgets remain flat, with no additional resources anticipated. Thirty percent, however, expected a slight increase of less than 10%, while 12% noted a substantial increase of 10% or more. Fewer (9%) indicated reductions, with some showing a decrease of less than 10%, and 7% reported a substantial reduction of 10% or more. These results paint a generally positive picture of resource allocation in the current period (Figure 14).

**Figure 14. More Institutions Report Increase in Online Learning Resources (Sample = 286)**



© Eduventures Research, Quality Matters, and EDUCAUSE 2024

Examining finances by institutional sector or online enrollment size showed consistent responses, with flat budgets across the board. COLOs from private four-year schools (20%), however, were slightly more likely to report a decrease, as compared to COLOs from public four-year schools (14%) and public two-year schools (14%).

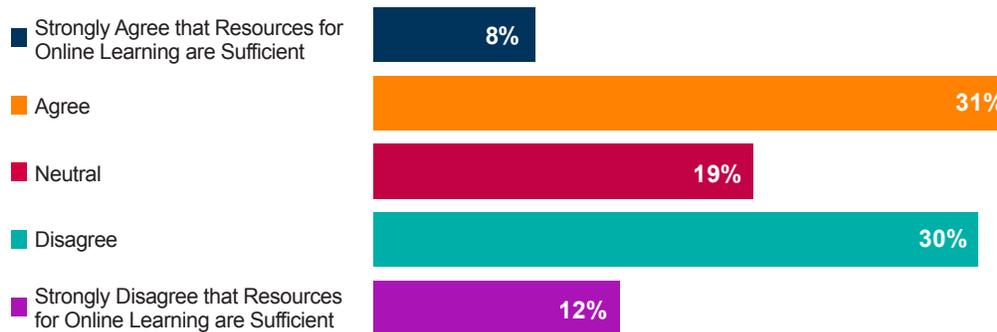
### Adequacy of Budgets

CHLOE 9 additionally inquired about the adequacy of institutional financial resources for online learning. Respondents were asked to agree with the statement, “We have sufficient institutional resources available for online learning at our institution.” The responses indicate a clear division in opinions, with 42% expressing disagreement with the statement (either strong or general), a similar amount (39%) agreeing (either strong or general), and a smaller minority (19%) remaining neutral.

The previous question noted that 16% of respondents expected a budget decrease, while a much higher percentage of respondents (42%) indicated that their budget was inadequate. Taken together, it seems that many COLOs, even those with increasing budgets, still believe resources for online learning are insufficient for institutional needs (Figure 15).



**Figure 15. Sufficiency of Institutional Resources for Online Learning Varies (Sample = 289)**



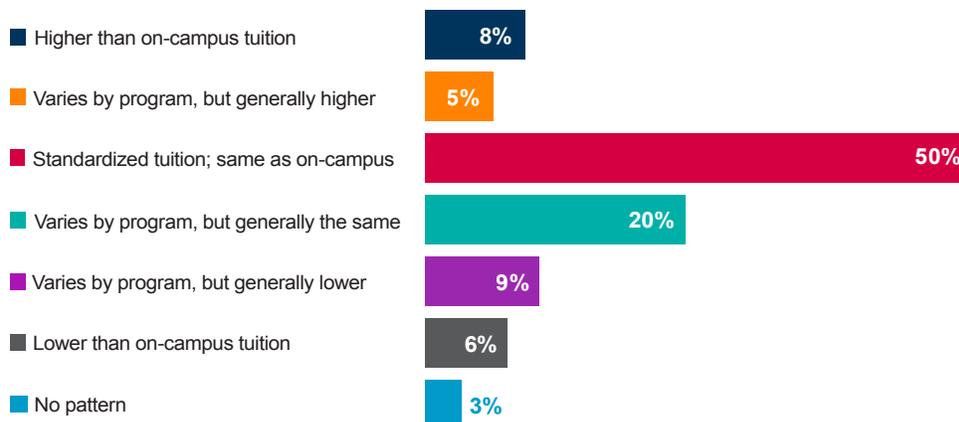
© Eduventures Research, Quality Matters, and EDUCAUSE 2024

Digging deeper into responses by institutional sector and level of online enrollment, slight differences emerged on resource adequacy. COLOs from private four-year schools were slightly more likely (49%) to disagree that resources were sufficient than COLOs from public four-year (40%) and public two-year schools (35%). Additionally, COLOs from low-online (42%) and mid-online (47%) enrollment schools were somewhat more likely to disagree that they had enough resources than those from high-online enrollment schools (36%). Differing strategic approaches and revenue expectations might strongly factor in these differences. For example, a COLO with a modest budget increase but substantially higher hopes for growth will naturally be more concerned about those the adequacy of those resources.

### Tuition Discounting

CHLOE 9 also revisited tuition policy, asking whether institutions charge more, the same, or less for online programs compared to on-campus programs. Consistent with previous findings from CHLOE 4 (2020) and CHLOE 6 (2021), half of the COLOs indicated that their institution has a standard tuition rate for programs, regardless of modality, and another 20% reported mostly standardized tuition, with some variation by program. A small minority reported higher (13%) or lower (15%) tuition for online courses than on-campus, including variations by program (Figure 16). A consistent approach to tuition can often help counter misinformed public perceptions about lower quality or reduced value for online programs, with the expectation of a lower price (Figure 16).

**Figure 16. Majority of Institutions Have Standardized Tuition for Online and On-Campus Programs (Sample = 289)**



© Eduventures Research, Quality Matters, and EDUCAUSE 2024

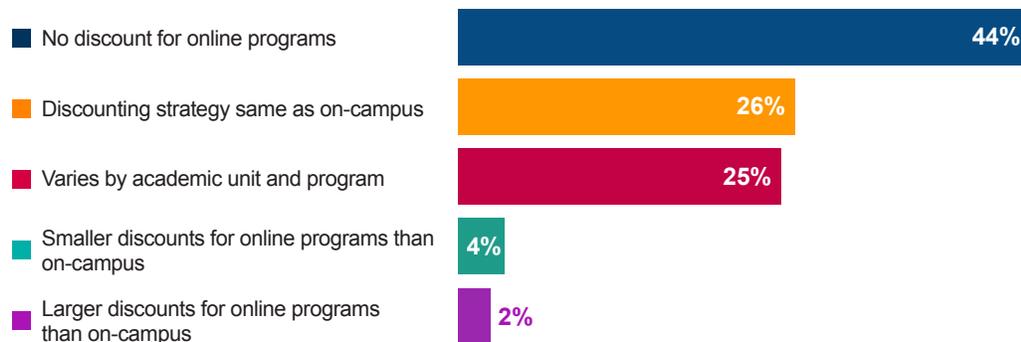
The dominant response for all sectors revealed a standard tuition rate, with not a single public two-year school reporting their online tuition is lower than on-campus tuition. Public four-year schools were more likely (19% versus 10%) to charge higher tuition rates for online offerings rather than lower. The private four-year schools showed the reverse — with 32% charging less for online programs and only 3% with higher tuition rates. This reflects private schools’ greater autonomy or flexibility regarding these decisions than public institutions and typically higher prices at privates.

Examining responses by online enrollment level, the dominant approach was consistent, with a majority reporting a standard tuition rate. High-OE schools, however, were more likely (17% versus 9% overall) to charge more for online offerings, while low-OE schools were more likely (32% versus 5% overall) to charge less. This may suggest that colleges and universities with more online offerings (and often more support for high-quality online learning) charge a premium, whether due to program quality, level of student support, marketing efforts, or other factors.

CHLOE 9 asked COLOs what justifies their approach to their online tuition policy, recognizing that institutional costs and prices for students are not the same thing but acknowledging that institutional costs might provide some basis or rationale for determining the student price. For those who answered greater than on-campus pricing, the two most cited factors were “Costs specifically associated with IT infrastructure, investments, and staffing for online” (58%) and “Costs of online instruction and support services” (56%). The two most-cited responses for the COLOs who answered less than on-campus pricing were “Pricing constraints in a competitive market” (56%) and “No cost for campus activities, facilities, maintenance, and security” (49%).

CHLOE 9 also asked about institutional approaches to tuition discounting — the calculated approach of making programs more accessible and attractive to a broader range of students — for online programs. The most cited response indicates online’s increasingly mainstream status, with 44% stating that their institutions do not discount tuition for online programs, followed by 26% stating that their discounting strategy for online programs is the same as that for their on-campus programs. A quarter said discounting varies by academic unit and program, and smaller discounts for online programs were noted by 4%, with just 2% providing more significant discounts (Figure 17).

**Figure 17. Most Schools Not Offering Special Discounts for Online Programs (Sample = 284)**

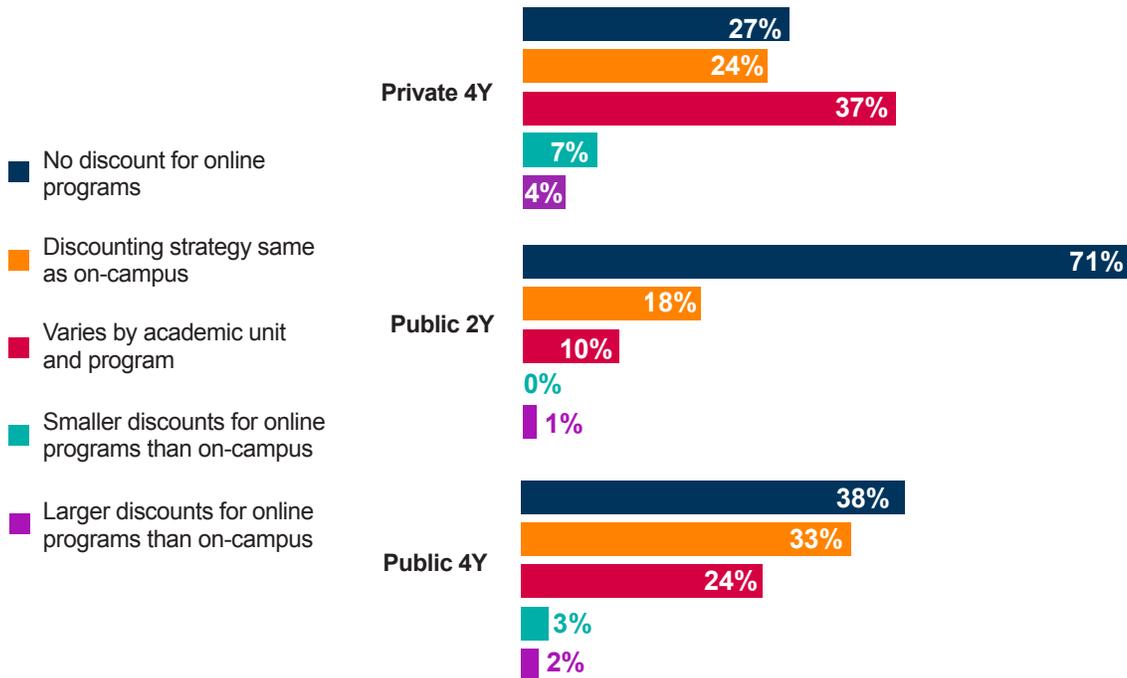


© Eduventures Research, Quality Matters, and EDUCAUSE 2024

Two-year public schools were significantly more likely (71%) to indicate that they do not discount tuition for online programs, as compared to public four-year schools (38%) and private four-year schools (27%). Of note is that the most-cited response for private four-year schools (37%) is that tuition discounting varies by academic unit and program. There was greater consistency based on online enrollment size, however—all three levels indicated as their top answer that they do not discount tuition for online programs (Figure 18).



**Figure 18. Institutional Approaches to Online Tuition Discounting Vary by Sector (Sample = 284)**

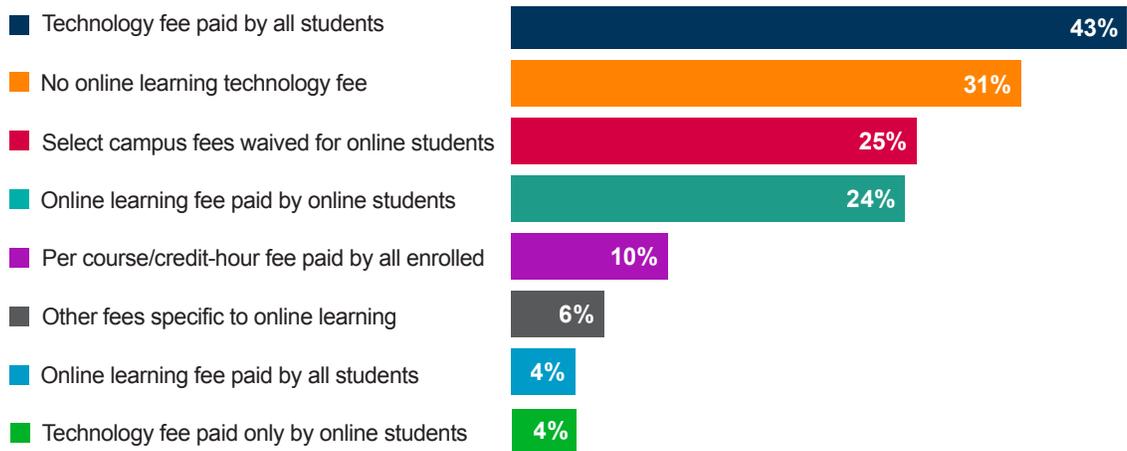


© Eduventures Research, Quality Matters, and EDUCAUSE 2024

### Institutional Fees

Turning to institutional fees, CHLOE 9 asked respondents what fees or fee waivers are levied at their institutions and which students pay them. The most-cited answer (43%) was a technology fee paid by all students, with about a third reporting that they have no fee or fee waivers specific to online learning and/or online students. The third and fourth most common responses were similar in aligning fees according to student type. “Select campus fees are waived for online students” was noted by a quarter of respondents, and 24% cited “Distance Learning/Online Learning fee paid only by online students.” (Figure 19).

**Figure 19. Online Learning Fees Vary Widely (Sample = 283)**



© Eduventures Research, Quality Matters, and EDUCAUSE 2024

Historical data shows that more institutions today are not charging an online learning fee. In 2019, CHLOE 4 asked a similar question about online fees, with only 20% of COLOs reporting no fee, compared with 31% in CHLOE 9. This is consistent with a more crowded online market, where schools compete on tuition and additional costs such as fees. The proportion of institutions that waive select campus fees for online students also rose from 17% to 25%.

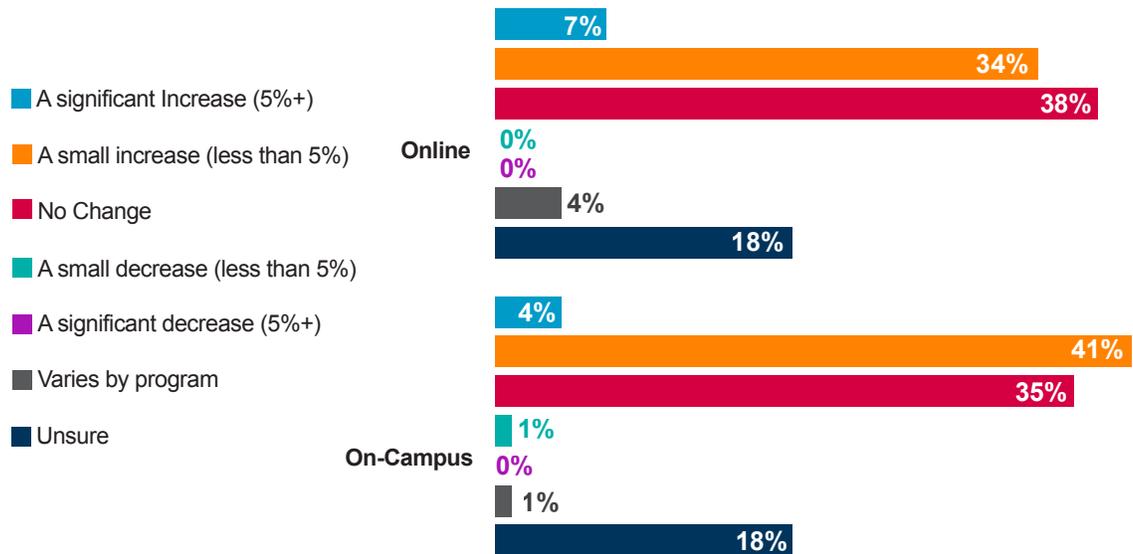
In CHLOE 9, a technology fee paid by all students was the dominant response for public four-year (48%) and public two-year (48%) schools, but the most-cited response for private four-year schools (38%) was no fee or fee waivers specific to online learning and/or online students. Taking together with previously discussed data showing more private four-year schools reporting budget inadequacy, limited revenues from online learning-related fees may be one reason. By online enrollment, mid-OE (47%) and high-OE (40%) schools painted a similar picture, with a technology fee paid by all students as the most cited response. A similar number (42%) of COLOs from low-OE schools, however, said they have no fee or fee waivers specific to online learning and/or online students.

### Financial Plans and Projections

Respondents were asked to describe their institutional plans for 2024-2025 tuition and fees, comparing online with on-campus. Around a third reported no change in plans for tuition and fees for online (38%) or on-campus (35%). For those planning on a tuition and fee increase, however, more respondents (41% versus 34%) are planning a slight increase for on-campus as compared with online courses. For the small minority planning a significant increase, more COLOs (7% versus 4%) indicated a significant increase for online offerings compared to on-campus. Not a single COLO expected their institution to decrease online tuition and fees (Figure 20).



**Figure 20. FY 2024-25 Plans for Online vs. On-campus Tuition and Fees (Sample = 283)**



© Eduventures Research, Quality Matters, and EDUCAUSE 2024

Looking at responses by institutional sector, private four-year institutions were more likely to indicate a potential increase in tuition and fees, both for online and on-campus. COLOs from private four-year (41%) schools were more likely to report a slight increase in online tuition and fees, compared with a similar number of public four-year (45%) and public two-year (48%) schools who reported no planned changes. Similarly, more than half (55%) of COLOs from private four-year schools indicated a slight increase in on-campus tuition and fees, with no change as the top reply from those at public four-year schools (42%) and public two-year schools (45%).

Likewise, high-OE (46%) and low-OE (46%) schools were more likely to report no change for online tuition and fees, while mid-OE schools (37%) were more likely to report a slight increase; high-OE (45%) and low-OE schools (50%) were also more likely to report no change in on-campus tuition and fees, with mid-OE schools (47%) more likely to report a slight increase.

### Summary

CHLOE 9 captured colleges’ and universities’ current financial picture and future plans. A small majority of COLOs reported that online programs are a net revenue generator, up a few percentage points since 2020. An increase is the most common online budget projection (42%), closely matched by a flat budget (41%). Most COLOs project flat or increased tuition rates and fees for online and on-campus academic offerings.

According to historical CHLOE data, most U.S. colleges and universities charge the same tuition for online and on-campus courses. This pricing structure reflects asserted educational parity between on-campus and online courses, including equivalent learning outcomes. Disparate online student fee arrangements remind us that scrutiny of tuition AND fees is necessary to understand the true “cost of attendance” for a student.

Far more COLOs cite budget inadequacy than report budget decline, which begs the question of the interplay between burgeoning online demand and institutional capacity.

## OUTSOURCING: THIRD-PARTY SERVICERS (TPS) AND OPMs

### Introduction and Background

In this section, CHLOE 9 addressed two related themes: the prospect of new federal and other regulation of “third-party servicers” (TPS), and the possibility of more prescriptive regulation of online program management (OPM) companies. Both of these may profoundly impact online learning and related institutional strategies.

For decades, the novelty of online delivery has fueled partnerships between conventional colleges and universities and specialized third parties. From learning management systems (LMS) to marketing, instructional design, and student support, many commercial entities have found opportunities to assist with online growth, and many higher education institutions have viewed outside support as a way to address capacity challenges. Online program management (OPM) companies are one kind of third-party servicer (TPS), offering a suite of services related to online degree programs. Many others specialize in selected capabilities, such as marketing or faculty recruitment. Only a minority of institutions, however, partner with or have partnered with an OPM.

Federal regulation has long been concerned with guarding the line between institutions and non-institutions regarding access to federal student aid dollars. Only accredited higher education institutions are eligible to receive such funds, but institutions may (within certain constraints) partner with other entities to outsource elements of their operations. When more than 25% of the delivery of a for-credit program is outsourced to a non-eligible entity, the federal government requires institutions to obtain formal approval for the arrangement from their accreditor. For outsourcing below that threshold, institutions must notify their accreditor within 30 days. Institutions subject to adverse action by their accreditor must still seek approval; outsourcing of more than 50% is approved only in exceptional cases.

Pushback against for-profit colleges and universities in the early 2010s persuaded private capital to invest in services targeting conventional schools, and OPMs were a prominent investment target. The boom in online learning and partnerships between institutions and third parties — further fueled by the COVID-19 pandemic — prompted renewed regulatory attention to the line between institutions and their outsourcing corporate partners.

### Federal and Accreditor Scrutiny of TPS and OPMs

In early 2023, the U.S. Department of Education (ED), in a “Dear Colleague” letter, announced new accountability measures for “Third-Party Servicers” — corporate entities that partner with colleges to help them develop or deliver some aspect of their operations related to federal student aid. The ED claims it is proposing new rules to enhance consumer protection and improve higher ed transparency — federal officials worry that students may not realize that their program involves significant outsourcing and that such information should inform student decisions.

The letter greatly expanded the definition of a TPS, potentially covering large and small partnerships and spanning the entire student lifecycle from marketing to instruction to student support. Campus-based and online programs, software, and services also fell under the new guidelines. Under the new rules, institutions and TPS would be obliged to report in some detail to the Department of Education about their activities, which both TPS companies and institutions predicted would prove costly and burdensome. It was not clear, critics alleged, which entities, partnerships, or arrangements would fall under the new rule, as almost any TPS might fit under the new regulations if broadly defined. The higher education sector also objected to imminent enactment and lack of consultation.

In response to the outcry, the Department of Education backed down, rescinding the “Dear Colleague” letter and promising further guidance. Aside from a few specific exclusions, such as study abroad providers, no guidance has been issued. However, a recent update from the Department anticipates a formal TPS rulemaking process in fall 2024. But any new regulation would not apply until at least mid-2025 and would likely not survive a change of administration following this year’s presidential election.



OPMs have attracted additional scrutiny. Following the 2008 reauthorization of the federal Higher Education Act, rule-making tightened incentive compensation regulations, barring enrollment-based payment to student recruiters. A carve-out, however, was made for those offering a bundle of services beyond recruitment. This enabled OPMs to continue to offer revenue-share contracts, where the company provided upfront funding to help design and launch an online program in exchange for a portion of future enrollment revenue. It is an attractive option from an institutional perspective: providing investment to kickstart online programming while reducing institutional risk.

As OPMs grew in scale, the model attracted continued controversy. OPM companies are accused of bamboozling institutions into one-sided long-term contracts, practicing deceptive or aggressive admissions, and inflating tuition. Critics worry about loss of institutional control and lack of transparency for students. OPMs, however, are quick to point out the advantages of revenue-sharing to schools in achieving elevated service quality with strong academic outcomes and positive student feedback. In defense of their limited role, OPMs maintain that institutions are in charge of admissions, academics, and pricing.

Eduventures estimates that about 15% of U.S. higher education institutions offering online programs partnered with an OPM before the pandemic, spanning a few thousand degree and other programs with an OPM in 2022. Programs under OPM partnerships tend to outperform the average in enrollment, giving OPMs increased significance in enrollment and market share.

Regulatory changes aside, the OPM business is evolving in other ways. As the online market has expanded, OPMs have become more selective about the schools and programs they take on, resulting in portfolio rationalization alongside new contracts and programs. As degree markets have slowed and grown more crowded, some OPMs have invested in non-degree programming, and specialized non-degree OPMs have emerged. The OPM sector has experienced a recent spate of mergers and ownership changes, as well as the growing prominence of companies offering revenue-share alternatives. OPMs and revenue share may form part of Fall 2024's formal rulemaking process on third-party servicers. A handful of states and accreditors are also scrutinizing OPMs.

## Concerns Over Potential Regulatory Impacts

Against this complex and evolving backdrop, the CHLOE 9 Survey gauged how online leaders perceive emerging TPS regulation and the incidence of and views on OPM partnerships. While chief online learning officers are not panicking, they are concerned about possible expanded TPS regulation. CHLOE 9 asked online leaders to comment on their concerns about the prospect of additional federal or other regulation of third-party servicers.

Few COLOs (7%) expressed great concern about the proposed TPS regulation, which is consistent with as-yet-unclear regulatory specifics. This suggests that most schools are confident about the quality of third-party arrangements and view additional scrutiny as more of an administrative inconvenience than an operational threat. The growing sense that the TPS definition may narrow to impact only particular types of partners may also be calming nerves. Of course, the typical online program portfolio is run primarily in-house, minimizing TPS exposure at many institutions.

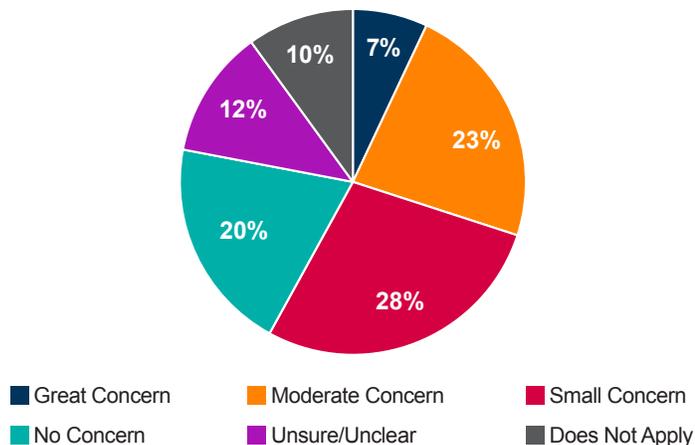
"Great Concern" schools are diverse, encompassing two-year and four-year, public and private. The list includes very large and very small colleges in terms of online enrollment. Combined, 51% of respondents indicated moderate or small concern, suggesting a view that regulatory action may only increase under an administration skeptical of outsourcing and online learning. Even if the current TPS concern does not lead to new regulation, it may not end the matter. Relatively few institutions reported "unsure/unclear," confirming a (mildly) net-negative take on the situation. A new presidential administration in 2025 might tear up any new TPS oversight, but might also invite other unpredictable developments.

Twenty percent of the sample expressed no concern, and a few online leaders commented that greater oversight of TPS was both overdue and a positive development. The final 12% said that TPS rules do not apply to them, presumably because they see no current or anticipated outsourcing that would fall under any expanded rule, perhaps underestimating the potential scope of new regulations (Figure 21).



Turning to the variation in responses by sector and scale of online enrollment, opinion by sector looks similar, save that community colleges are less likely than four-year schools to report significant outsourcing activity and correspondingly less likely to show moderate or great concern over expanded oversight. Schools with fewer online students, however, were also less likely to report concerns, even though they were more likely to partner with OPMs.

**Figure 21. Most COLOs Show Concern About Expanded TPS Oversight (Sample = 296)**



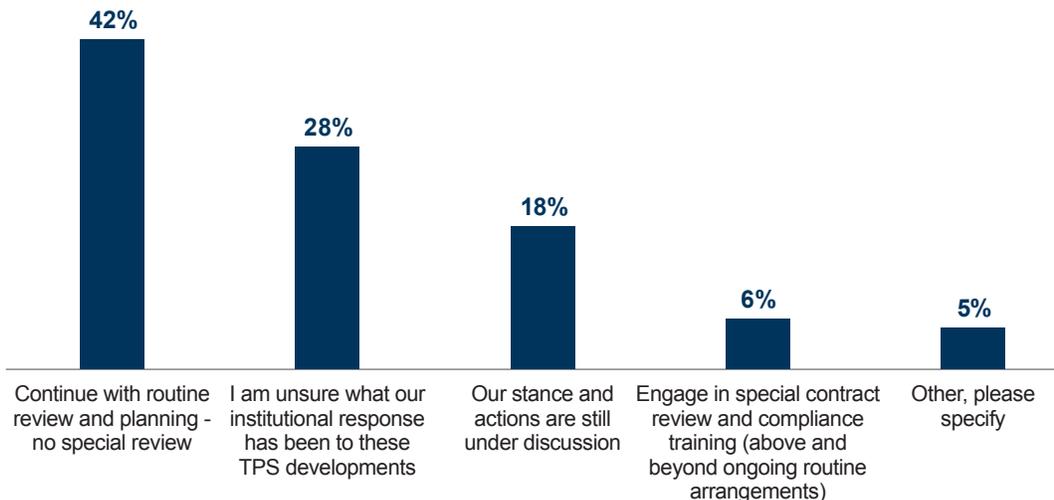
© Eduventures Research, Quality Matters, and EDUCAUSE 2024

A follow-up question inquired about potential institutional action on the TPS issue. Very few schools (6%) have embarked on special contract reviews, while a plurality (42%) cite business-as-usual, and another 28% are unsure of any official stance. The CHLOE 9 Survey was administered in early 2024, months after the immediate federal “threat” receded, so that uncertainty may indicate a lack of clarity about any future regulatory action and pockets of inattention. Eighteen percent of COLOs, however, said that an official stance was still under discussion, which at least suggests attention to the issue. Most “Other” responses reiterated the non-use of third parties in online learning (Figure 22).

Four-year publics were most likely to say that the matter was still under investigation, and community colleges were most uncertain about the existence of any official institutional stance. Similarly, low-OE schools were less certain than average about institutional positions, and high-OE operations were most confident. Half the high-OE schools pointed to “routine review” versus 36% at low-OE ones.



**Figure 22. Most Schools Adopt ‘Wait-and-See’ Approach to TPS Regulation (Sample = 265)**

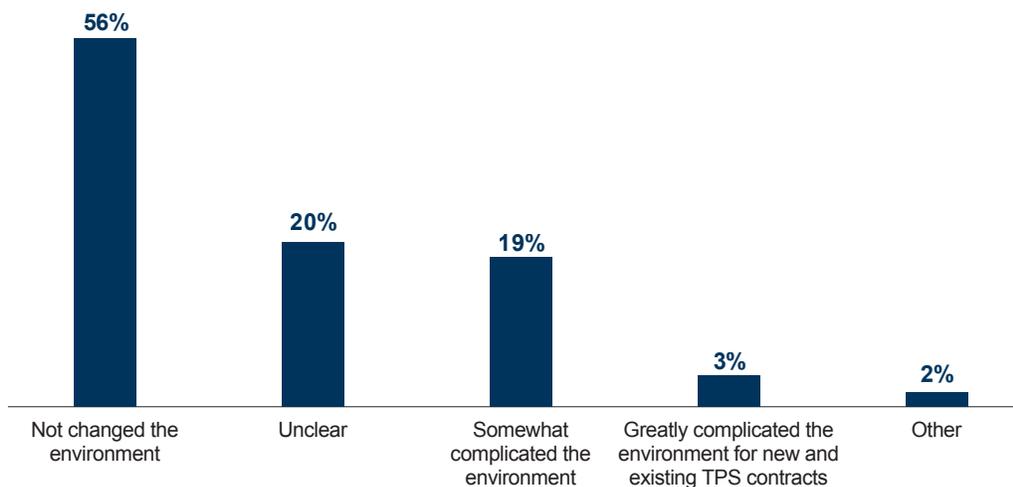


© Eduventures Research, Quality Matters, and EDUCAUSE 2024

The final TPS question asked whether the prospect of additional regulatory scrutiny complicated the environment for new and existing TPS contracts. A majority of COLOs (56%) reported that this prospect had not changed the environment, and 19% reported a somewhat complicated environment. One-fifth reported that the impact on the environment was unclear. Only 3% of respondents saw a “greatly complicated” environment for new and existing TPS contracts, but no pattern emerged by institutional type or online scale (Figure 23). One “other” response noted active divestment from third parties (already in motion before the federal TPS “Dear Colleague” letter) to build up internal capacity.

By sector, only community colleges stood out as less involved with relevant contracting and, therefore, less concerned. By enrollment, high-OE schools were mostly likely to see great complication (6%) compared to less than 2% of mid-OE and zero low-OE institutions.

**Figure 23. Majority of COLOs Unconcerned About TPS Oversight (Sample = 266)**



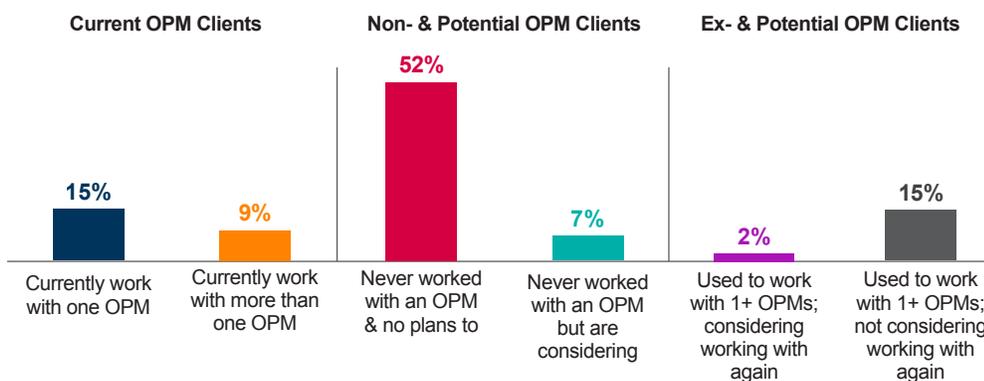
© Eduventures Research, Quality Matters, and EDUCAUSE 2024



## OPM Partnerships: Past, Present, and Future

Regarding OPM partnerships, CHLOE 9 inquired whether an institution currently works with one or more OPMs, whether they have historically, and/or if they have any plans to do so in the future. Only a small minority (15%) currently work with an OPM, and even fewer (9%) currently work with more than one. More than half of institutions reported never working with an OPM, and most of this group said they have no future partnership plans. The remaining COLOs (17%) pointed to past OPM relationships, with the majority indicating no future plans to re-engage (Figure 24).

**Figure 24. OPMs: Current, Former, Potential and Non-Clients (Sample = 292)**



© Eduventures Research, Quality Matters, and EDUCAUSE 2024

COLOs from private four-year schools were most likely to report an OPM partnership: 36% versus 26% for four-year publics and only 7% for community colleges and other two-year publics. This aligns with the potential value of OPMs for smaller institutions with less-developed online capacity that look to an OPM to boost revenue. Public institutions, however, may have more complicated procurement dictated by state or local governments, perhaps inhibiting some OPM alliances. Greater four-year than two-year school OPM adoption also reflects the prominence of bachelor's and master's degrees in the online program market.

There is also alignment with institutions with “elite” brands, which often see an OPM as a means to widen geographical reach and overcome the supply constraints of a conventional, campus-based institution. Research universities were more likely than average to report an active OPM partnership; partnerships might be institution-wide or pertain to a single program in one department. Forty-three percent of R1s answered in the affirmative, as did 38% of R2s and 40% of R3s, versus 24% overall.

Using the Carnegie Classification, larger and mid-sized master's institutions reported an average likelihood of partnering with an OPM, while their smaller counterparts reported no such arrangements. An OPM partnership with a baccalaureate institution was exceptional. This is a reminder that OPMs seek partners with unrealized enrollment potential, a higher bar for smaller schools.

There was a more precise pattern for prospective adoption. Among responding COLOs at institutions that have never worked with an OPM, low-OE schools were most likely to report interest (17%) versus 8% for mid- and 3% for high-OE schools. Modest internal online capacity can make an OPM look more attractive.

For COLOs who reported a current OPM partnership, the survey asked about the number of online degree or non-degree programs under management. The most common response (54% of schools with an active partnership) was four or fewer programs, and the next most common (27%) was 5-9 programs. Another 7% said 10-19 programs, and the final 11% said 20+ programs. There were few meaningful differences



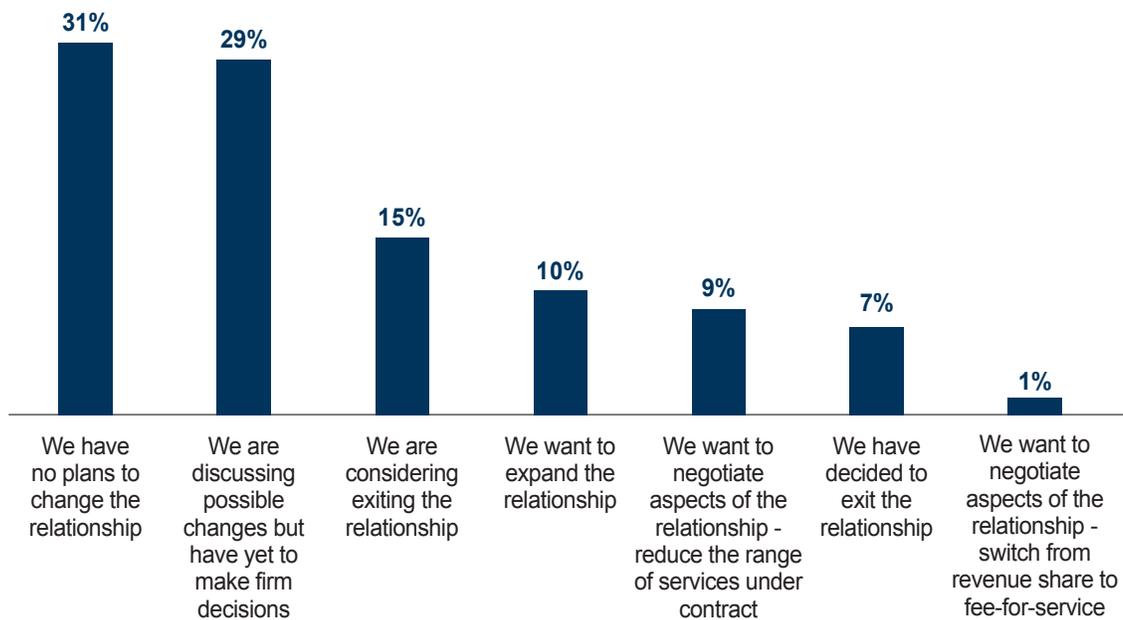
by sector or online enrollment scale, reinforcing circumstantial and partnership variety and underscoring different stages of online and partnership development.

The final OPM question on the CHLOE 9 Survey concerned plans for existing contracts. COLOs were invited to select one or more options from a list, ranging from “no change” to “exiting the relationship.” The most common response was no plans to change the contract, cited by 31% of active institutions. The next most common response was discussion about possible changes but no decision, suggesting that many COLOs and their colleagues are watching market and institutional developments. The right move is not apparent.

Ending or reducing existing contracts, however, appears more common than expansion. Seven percent of COLOs with an active OPM arrangement said a decision had already been made to end the relationship, and 15% said an exit was under consideration. Another 9% noted plans to reduce contract scope. By contrast, only 10% of COLOs with active partnerships cited a plan for expansion (Figure 25).

Only one COLO said a switch from revenue share to fee-for-service was in the cards, underlining that such contracts remain mainstream and popular. “Other” responses pointed to institutions where an OPM contract sits with an academic department rather than the COLO, a decision to reduce the number of programs under management, and non-credit-only partnerships (implying lower-stakes investments). There were no clear associations between sector or online enrollment scale and OPM trends or views, reflecting that specific circumstances matter more.

**Figure 25. Most Institutions Plan to Maintain Current OPM Partnerships (Sample = 68)**



© Eduventures Research, Quality Matters, and EDUCAUSE 2024

### Summary

Overall, CHLOE 9 responses point to sustained interest in current and prospective OPM partnerships and growing contract churn and debate, despite anticipated changes in regulation and oversight. There is no sign of mass rejection of the OPM model, but at the same time there is evidence that most institutions working with an OPM want to revisit the relationship. This does not mean every school wants an exit — and a complete break will be challenging if a school has grown dependent on partner capability — but it does suggest that market and regulatory movement will leave few agreements untouched.

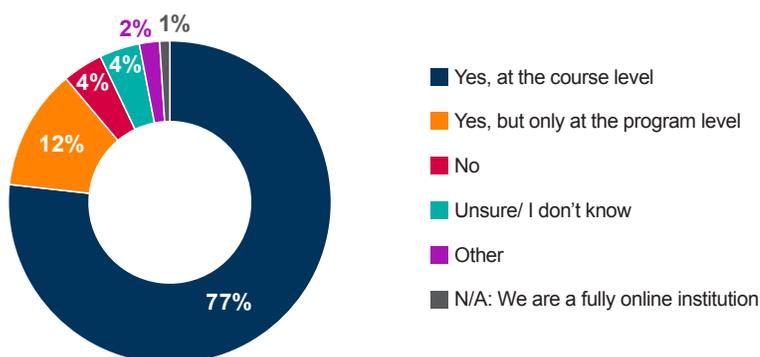
## ONLINE LEARNER TRACKING AND SUPPORT

### Modality Tracking: Data Collection and Reporting

Most institutions collect data on student participation across different instructional modalities, whether for strategic or business planning purposes or external compliance and reporting. This year, CHLOE asked chief online learning officers about student data collection by modality.

Most COLOs reported that their institution collects such data at the course level (77%) or the program level (12%). Only 4% of COLOs reported that their institution does not collect this data (Figure 26).

**Figure 26. Most Institutions Collect Modality Data at the Course Level (Sample = 293)**



© Eduventures Research, Quality Matters, and EDUCAUSE 2024

For COLOs who indicated collecting this data at the course or program level, they also indicated the collection frequency. A high majority (80%) of institutions reported collecting data once per term, and a majority (56%) also analyzed and reported on the collected data once per term (about one-quarter indicated that analysis and reporting happened once per academic year). High-OE institutions were slightly more likely to both collect this data each term (86% versus 75% of mid-OE and 74% of low-OE schools) and report this data internally each term (60% versus 53% of mid-OE and 52% of low-OE schools), suggesting that more staff or resources can enable more frequent data collection and reporting, or that larger and more complex organizations require more routine reporting.

COLOs touted the benefits of such data collection and reporting, including determining enrollment shifts, tracking online demand, rethinking institutional strategy, helping allocate staff, instructors, and support/ resources, identifying trends, making financial projections, revising budgets, and predicting future demand.

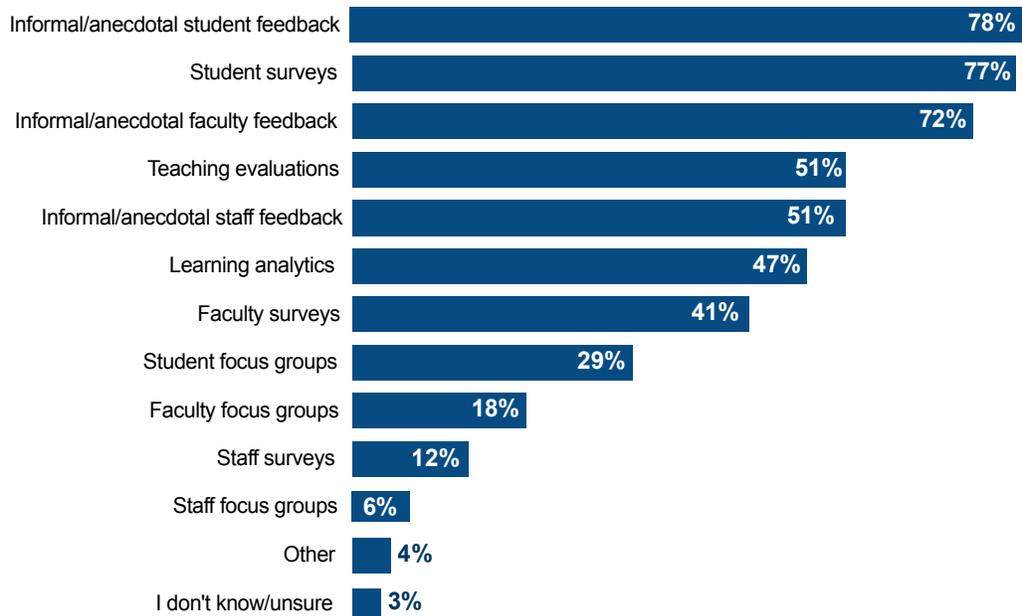
Data collection and governance challenges include consistency in collection and definition, data reliability, inconsistent data analysis methods, translating data analysis into actionable insights, lack of cooperation among stakeholders, issues with staff capacity, and disparate data systems.

### Online Student Support: Data Collection and Use

Historically, CHLOE has covered the various ways institutions support online learners, and data on this topic has generally shown an upward trend in both breadth and depth of support. This year, CHLOE 9 inquired about how institutions determine the support needs of online learners; effectively meeting online students' needs first requires understanding what those needs are.

When asked what methods are used to determine online student support needs, most COLOs reported that their institution collects feedback directly from students — primarily through informal or anecdotal methods (78%) and/or student surveys (77%). Slightly fewer (72%) reported that their institution uses informal or anecdotal feedback from faculty regarding online student support, with far fewer employing faculty surveys (41%). A slight majority (51%) utilize information from student evaluations of instruction/teaching evaluations and informal or anecdotal feedback from staff. Fewer schools use focus groups, likely because of the increased time and other resources required to conduct them (Figure 27).

**Figure 27. Online Student Support Largely Informed by Surveys and Informal Feedback (Sample = 293)**



© Eduventures Research, Quality Matters, and EDUCAUSE 2024

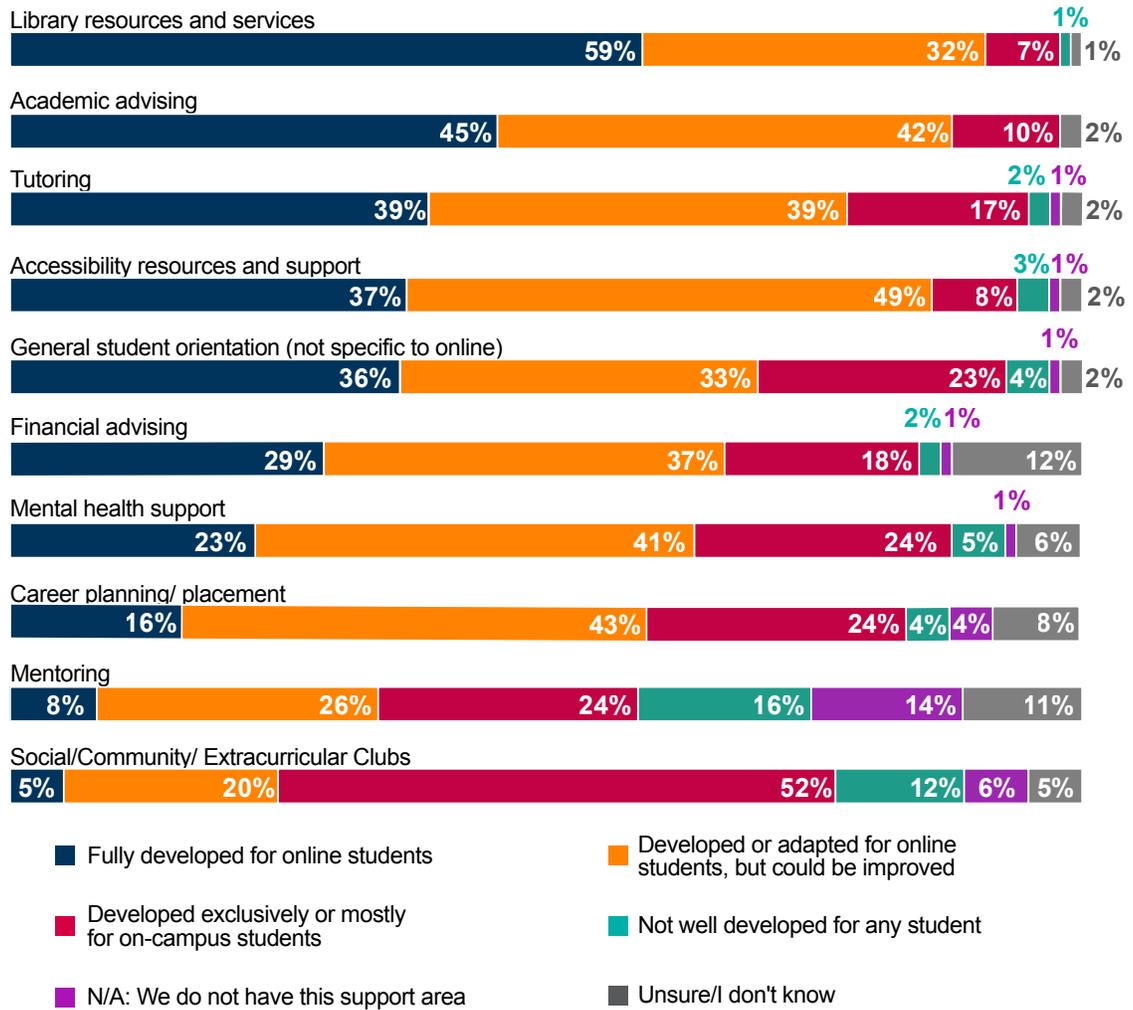
Supporting online learners' unique needs is vital to online quality and strategy—especially if the institutional mission and strategy include a “students first” approach. Undeniably, a better understanding of online students' unique needs can pave the way for tailored student support rather than simply replicating on-campus student services.

To that end, CHLOE 9 then asked about specific areas of online student support and whether they are fully developed for the unique needs of online learners, adapted from similar supports for on-campus students, or if the support offered was created exclusively for on-campus students.

Most institutions (59%) reported that library resources are fully developed for online student needs. Fewer respondents note that academic advising (45%) and general student orientation (36%) have also been fully developed for online students. Social and extracurricular clubs have not yet been widely developed for online students. This may be a missed opportunity for institutions looking to create feelings of belonging and community among online students, especially those studying exclusively online (Figure 28).



**Figure 28. Many Areas of Online Student Support Still Lagging (Sample = 292)**



© Eduventures Research, Quality Matters, and EDUCAUSE 2024

### Summary

Robustly supporting online learners is an increasingly vital component of institutional online strategy. Especially since the remote learning of the COVID-19 pandemic, students have come to expect (and institutions are increasingly providing) both academic and social support options, whether they are campus-based, online-exclusive, or studying in a mix of modalities. While many academic supports, such as library and tutoring services, are relatively well-developed for online learners, holistic support for the whole student is still lagging, especially regarding social and community support.



## POLICY FOCUS: ARTIFICIAL INTELLIGENCE (AI) AND REGULAR AND SUBSTANTIVE INTERACTION (RSI)

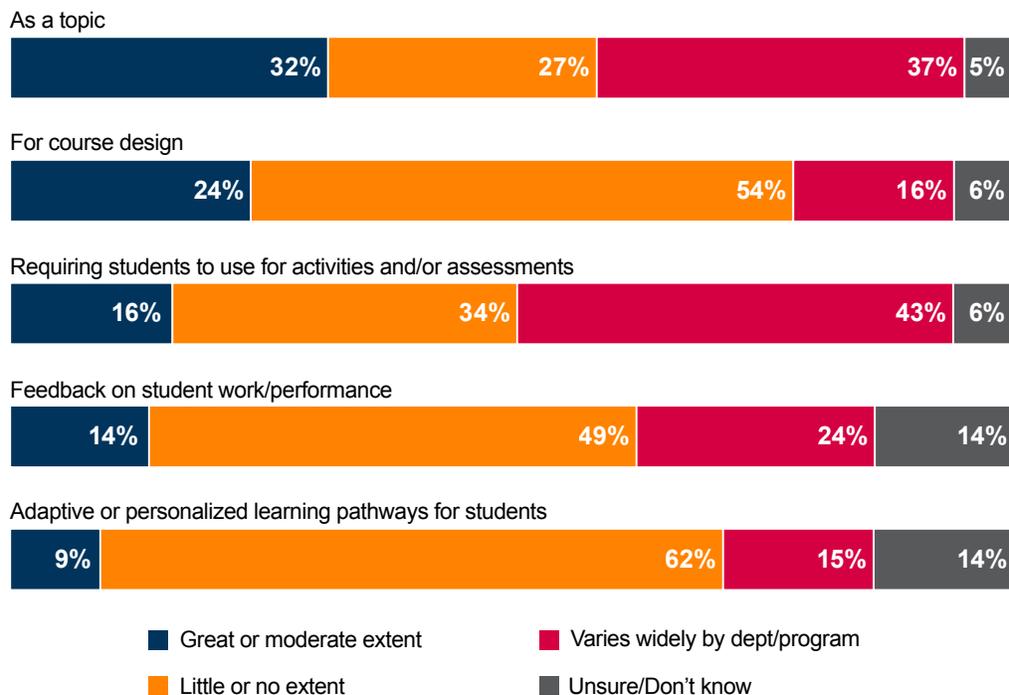
### AI: Use, Attitudes, and Policies

#### How Institutions Are Using AI

In CHLOE 9, artificial intelligence (AI) is debuting as a topic in the CHLOE survey, reflecting its growing influence and potential to reshape online learning. AI has a growing capability to personalize education, automate administrative tasks, and provide insights into student performance. By exploring the use of AI and related policies and attitudes, CHLOE 9 offers a snapshot of how this technology is being adopted and perceived by COLOs and U.S. higher education institutions. The results gauge the readiness of the sector to embrace AI and to develop strategies to use it to enhance online learning.

COLOs report that the use of AI for online learning varies widely, with about a third of institutions covering it as a topic to either a great or moderate extent (32%), about one-fourth using it to the same degree for course design, and far fewer reporting required student use of AI for activities and assessments (16%), using AI for student feedback (14%), or for adaptive/personalized learning (9%). Many institutions reported widely varied use by department or program, and a majority cited low or no use of AI in course design (54%) or adaptive/personalized learning for students (62%) (Figure 29).

**Figure 29. Use of AI Varies at Higher Ed Institutions (Sample = 293)**



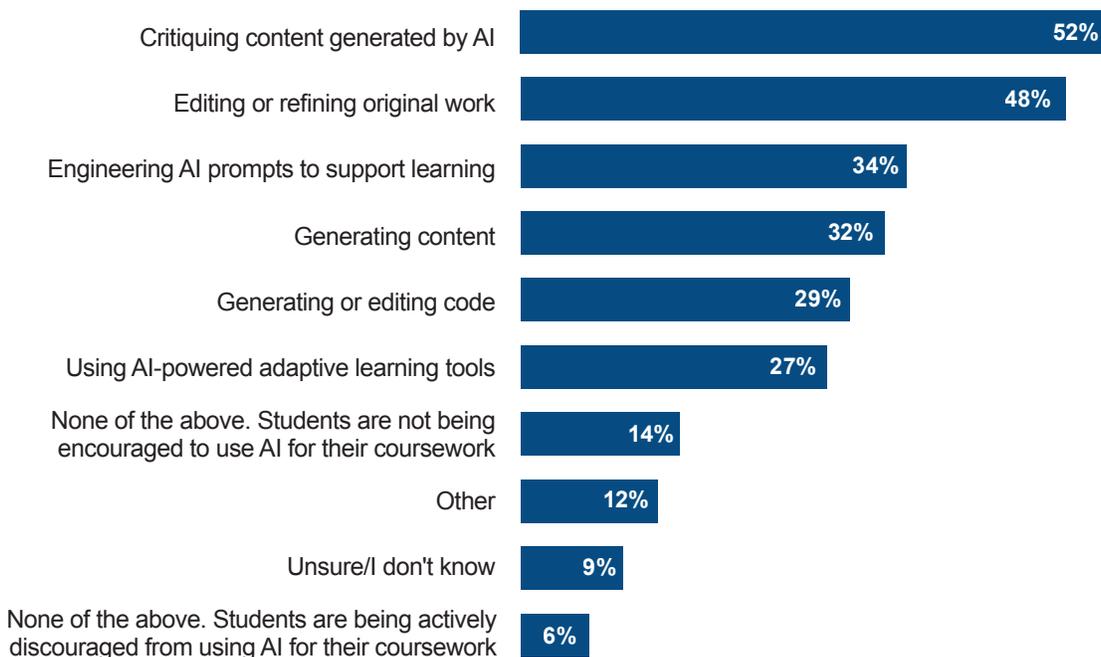
© Eduventures Research, Quality Matters, and EDUCAUSE 2024

CHLOE 9 inquired about how students were being encouraged to use AI in their coursework. Approximately half of institutions (52%) encourage students to critique AI-generated content and/or use AI to refine original work (48%). About a third of COLOs reported online students are being encouraged to engineer AI prompts to support learning (34%), generate content (32%), develop or edit code (29%), and/or use AI-powered adaptive learning tools (27%) (Figure 30).



Only 6% of COLOs said students at their institution are being actively discouraged from using AI in online coursework. Open-ended comments indicated that the use of AI for instruction is highly variable. One respondent explained, “some departments have become very familiar with AI and are teaching/preparing their students to use it, while others know very little about it.”

**Figure 30. Students Encouraged to Use AI in a Variety of Ways in Online Coursework (Sample = 293)**



© Eduventures Research, Quality Matters, and EDUCAUSE 2024

As shown in Table 1, as online enrollment increases, so does the proportion of respondents who reported that students are encouraged to use AI in online coursework. This pattern holds for all of the specific instructional elements. Respondents from institutions with lower online enrollment were more likely to say they discourage online students from using AI tools.

**Table 1. High Online-Enrollment Schools More Likely to Encourage AI Use in Online Coursework (Sample = 293)**

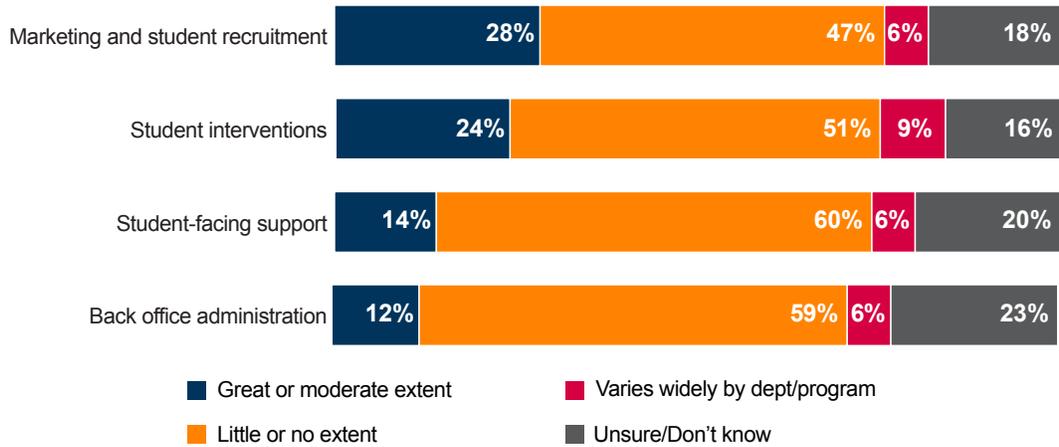
	Online Enrollment Less than 1,000	Online Enrollment 1,000 - 7,500	Online Enrollment More than 7,500
Critiquing content generated by AI	38%	48%	62%
Editing or refining their original work	27%	47%	57%
Engineering AI prompts to support their learning	24%	34%	38%
Generating content	5%	34%	39%
Generating or editing code	11%	29%	34%
Using AI-powered adaptive learning tools (including publisher tools)	8%	27%	33%
None of the above. Students at my institution are not being encouraged to use AI for their coursework	30%	16%	7%
Unsure / I don't know	3%	10%	9%
None of the above. Students at my institution are being actively discouraged from using AI for their coursework	22%	5%	3%

© Eduventures Research, Quality Matters, and EDUCAUSE 2024

Deployment and experimentation with AI tools for administrative use are reportedly less common than student use. Only about a quarter of respondents (28%) reported using AI for marketing and recruitment or student interventions, such as LMS analytics (24%). Even fewer (14%) said AI was implemented for student-facing support or back-office administration (12%). About half reported little or no use of AI for any of these categories, and about one-fifth indicated they were unsure if, or how, AI was being used for specific administrative needs (Figure 31).



**Figure 31. AI Use for Administrative Institutional Needs Varies (Sample = 294)**

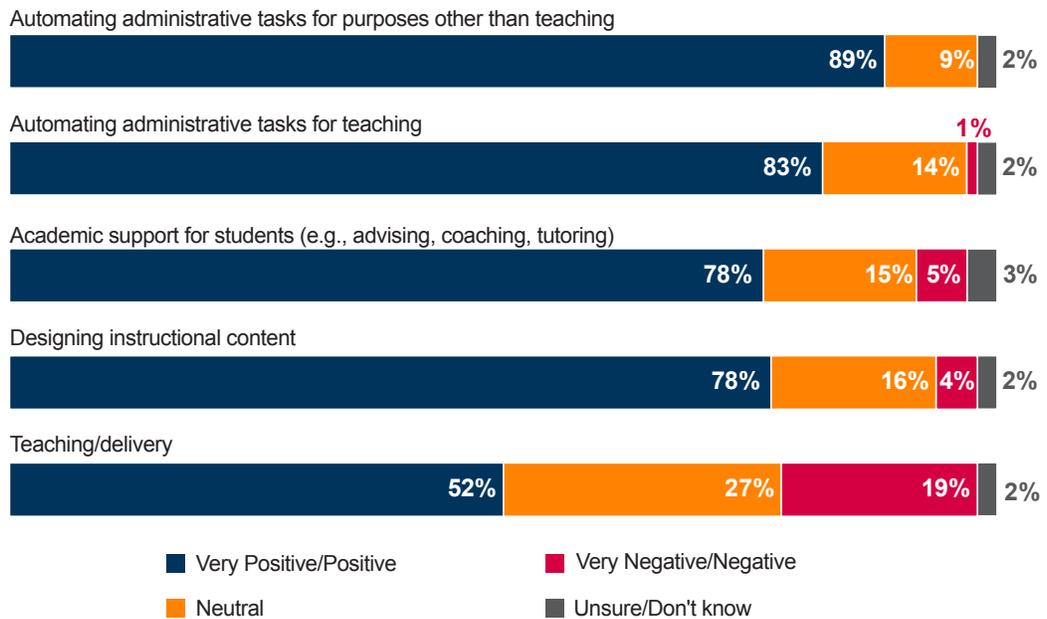


© Eduventures Research, Quality Matters, and EDUCAUSE 2024

### Attitudes Toward AI in Instruction and Academic Work

While AI adoption is not yet widespread across many aspects of online learning, COLOs’ personal sentiments about the potential uses of AI technologies are mainly positive. A substantial majority of COLOs (83%) reported feeling positive or very positive about various uses of AI in online learning, including automating administrative tasks for both teaching and non-teaching (89%) purposes, student academic support (78%), and instructional content design (78%) (Figure 32).

**Figure 32. COLO Sentiment About AI Use in Online Learning Is Largely Positive (Sample = 295)**

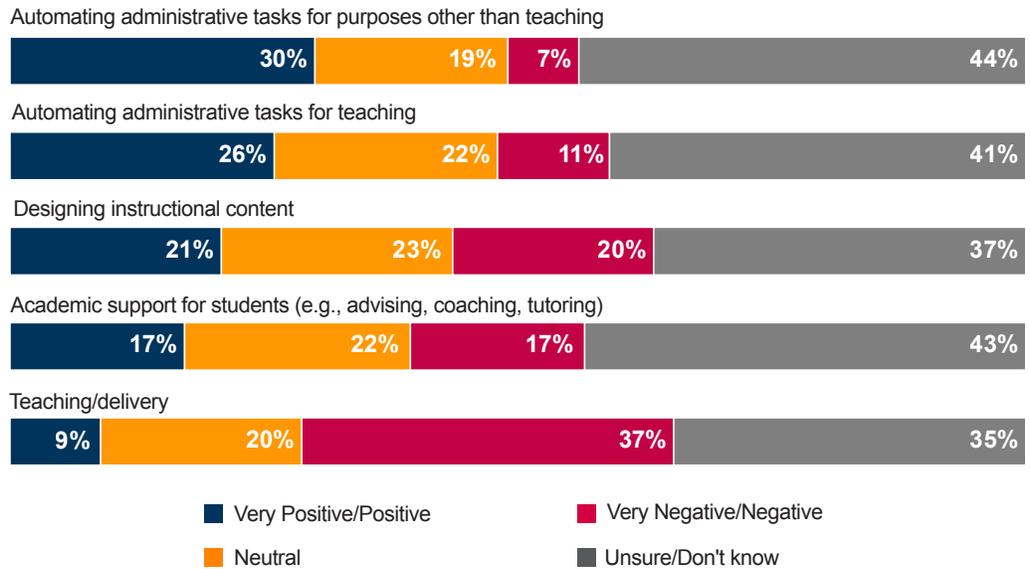


© Eduventures Research, Quality Matters, and EDUCAUSE 2024



COLO perceptions of faculty sentiments toward AI, however, were not nearly as positive (Figure 33). COLOs perceive faculty to be more neutral or negative toward AI adoption, save for AI use in administrative tasks, where a third of COLOs reported a positive faculty sentiment. While the most frequent response was “unsure,” 37% of COLOs reported negative or very negative faculty attitudes toward using AI for teaching, and 20% indicated the same attitude toward using AI for course design (Figure 33).

**Figure 33. Perception of Faculty Attitudes Toward AI Is Largely Negative (Sample = 294)**



© Eduventures Research, Quality Matters, and EDUCAUSE 2024

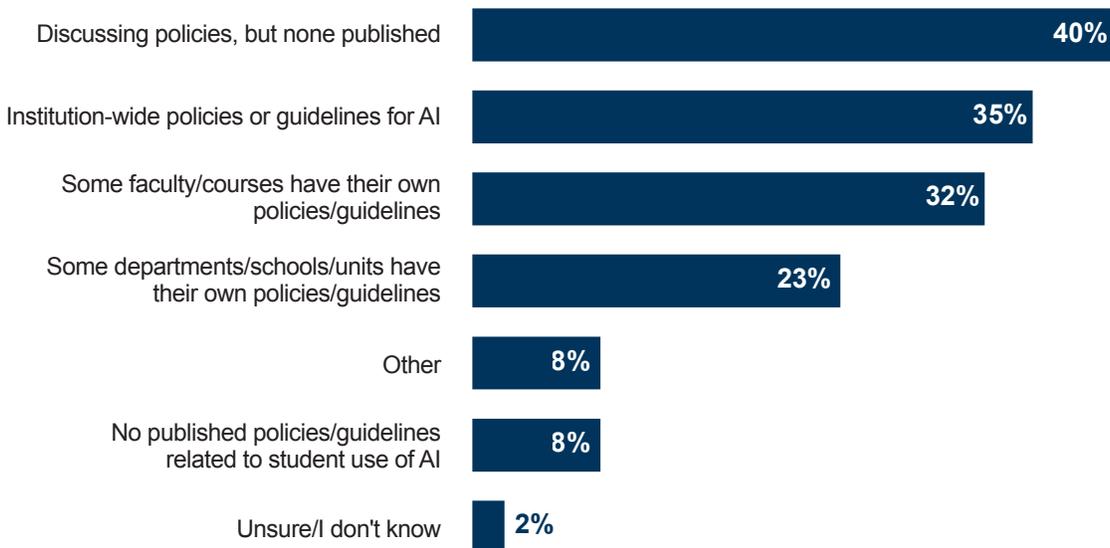
### AI Policies and Guidelines

In the 2024 EDUCAUSE AI Landscape study (conducted in late 2023), just 23% of respondents indicated that their institution had any AI-related acceptable use policy. In the CHLOE 9 Survey, conducted in early 2024, more than a third (35%) of respondents said they have institution-wide AI-related policies and guidelines, perhaps a promising indication of higher education’s intentionality in exploring these emerging technologies. A plurality of respondents (40%) reported that their institution is discussing or developing policies or guidelines.

Other respondents reported varying policy or guideline adoption levels across the institution, within individual departments or schools, and even for individual faculty or courses. Among the 8% who selected “other,” many described current efforts in adapting or adding to existing policies or guidelines to accommodate AI-related concerns. One respondent noted, “most other policies already cover this content. [We are] determining the need before developing a new policy.” A mere 8% of respondents said their institution has not published and is not developing AI policies or guidelines (Figure 34).



**Figure 34. Majority Lack Published Policies for Student Use of AI (Sample = 295)**



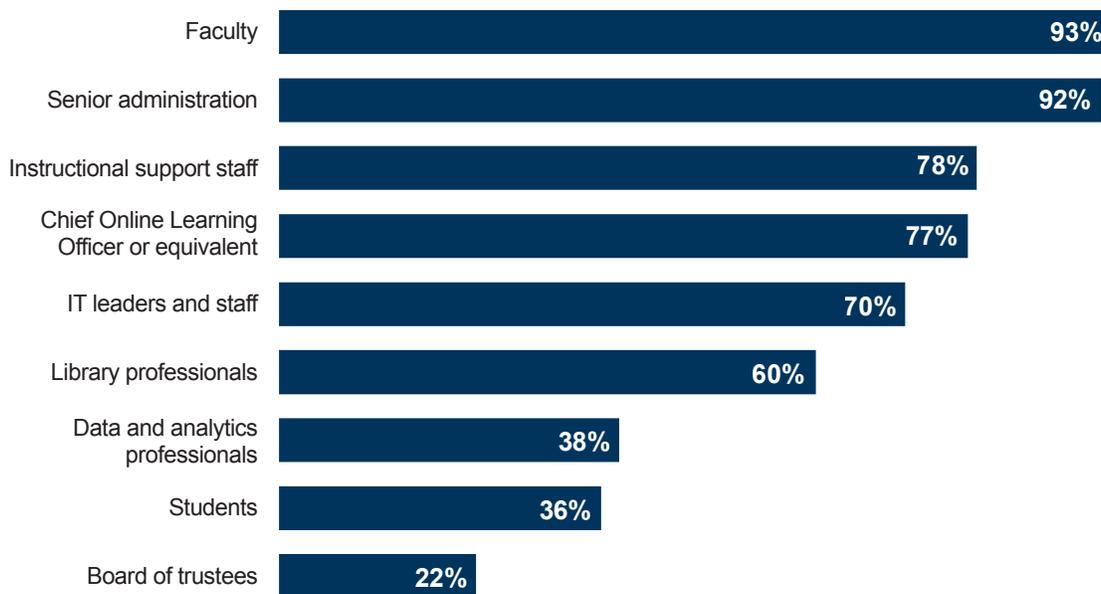
© Eduventures Research, Quality Matters, and EDUCAUSE 2024

Respondents reporting at least some form of AI policy or guideline adoption were then asked to indicate who was involved in the development. Faculty and senior administrators were the most-commonly identified stakeholders, at 93% and 92%, respectively. These findings are consistent with recent EDUCAUSE research, which identified institutional leaders and faculty as the stakeholders most involved in developing AI strategies.

At the other end of the spectrum, only 36% of COLOs reported that their AI policy or guideline development involved students, a stakeholder group at the center of many of higher education’s challenges and opportunities with AI technologies. Further, only 38% indicated that data and analytics professionals were involved in developing AI policies, pointing to an opportunity for institutions to work more collaboratively across units (Figure 35).



**Figure 35. Multiple Stakeholders Involved in Creating AI Policies (Sample = 172)**



© Eduventures Research, Quality Matters, and EDUCAUSE 2024

## RSI: Policies, Support, and Evaluation

### RSI Familiarity, Policies, and Guidelines

For online students receiving federal financial aid, the U.S. Department of Education’s “regular and substantive interaction” (RSI) standards for distance education help hold faculty and institutions accountable for ensuring meaningful and worthwhile online learning experiences. Institutions have a vested interest in understanding, supporting, and assuring these standards across their online courses and programs.

To gauge knowledge of these standards, CHLOE 9 asked chief online learning officers how personally familiar they were with RSI regulations. Unsurprisingly, most COLOs (78%) reported being familiar or very familiar with RSI regulations. Familiarity was more significant among respondents at public four-year (86%) and public two-year (81%) institutions, compared with COLOs at private four-year institutions (66%). More private four-year institutions (13%) also reported having no familiarity with RSI, compared with public two-years (7%) or public four-years (4%).

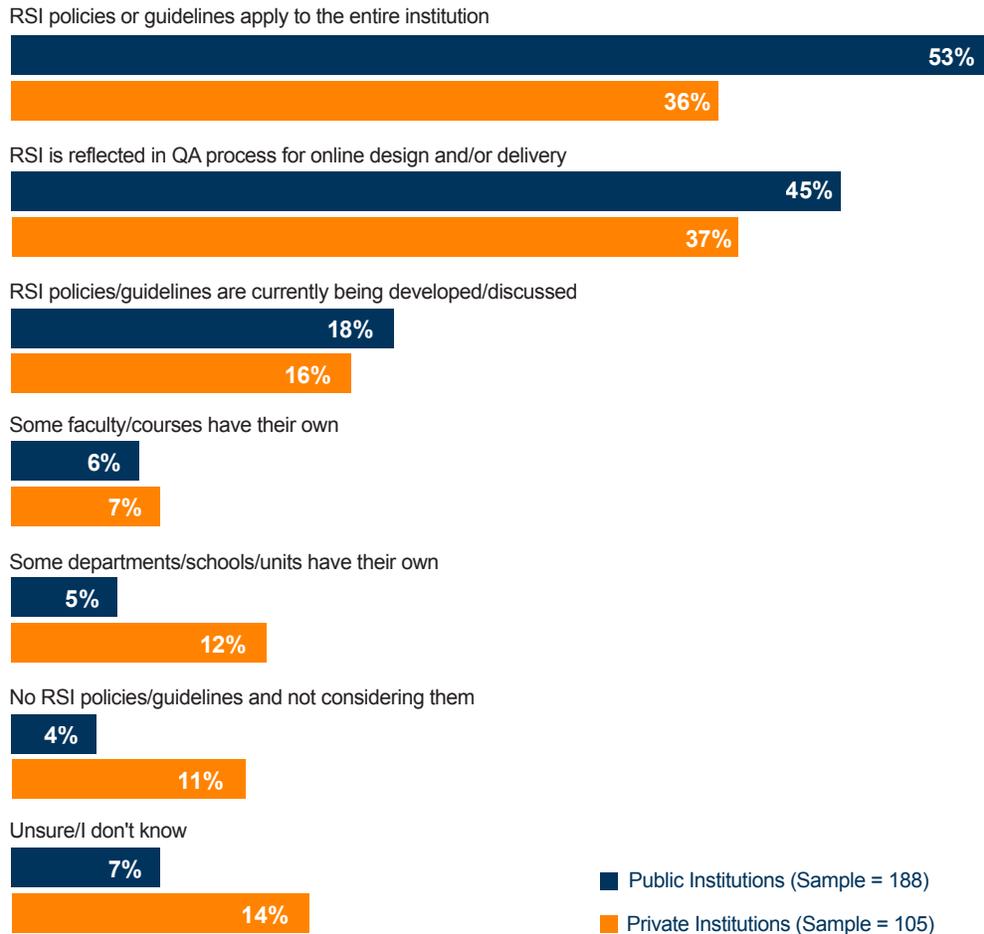
CHLOE 9 inquired about published policies or guidelines for RSI. A near-majority (47%) reported having policies or procedures that applied to the entire institution. In comparison, 42% said RSI was reflected in policies, guidelines, and/or standards embedded within quality assurance processes for online design and/or delivery. A minority (17%) relayed that RSI policies are being developed or are under discussion, and the remainder indicated policies that vary by department (8%) or faculty/course (6%), or having no policy at all (7%).

Differences emerged between public and private institutions, though. Respondents from public institutions (53%) were more likely to report consistent institution-wide RSI policies than private schools (37%) or to have them embedded in course design and/or delivery (45% of public institutions versus



37% of private institutions). In contrast, more private institutions (12%) than public (5%) have RSI policies individual to the department, school, or unit or reported having no policies at all and not considering developing them (11% of private institutions compared to just 4% of public institutions) (Figure 36).

**Figure 36. Public Institutions More Likely to Publish Institution-wide RSI Policies and Guidelines (Public Institutions Sample = 188, Private Institutions Sample = 105)**



© Eduventures Research, Quality Matters, and EDUCAUSE 2024

### Support for Meeting RSI

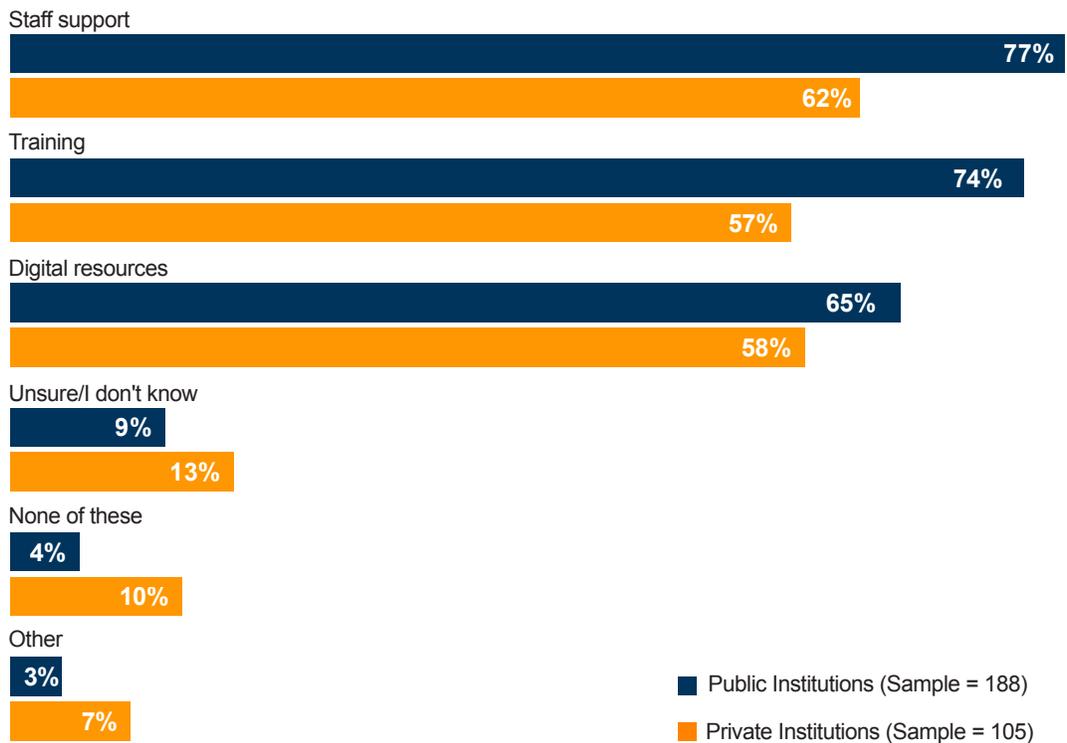
Most institutions not only have universal, discrete, or embedded policies or guidelines related to regular and substantive interaction, but the majority also provide faculty with various types of support in meeting RSI. Most (71%) provide direct support via online staff, such as instructional designers. A similar amount (68%) provide training in courses or workshops, and 62% provide self-help or on-demand resources, such as websites, digital documents, etc. Only a small percentage (10%) were unsure of the resources provided; just 6% reported not providing any support in meeting RSI, and 4% who replied “other” primarily reflected support resources that were under discussion or noted that the question has now prompted thinking about such resources.



High-online enrollment schools were also much more likely to provide support than mid- or low-OE schools. Most high-OE institutions (83%) reported providing staff support, compared to 66% of mid-OE schools and 55% of low-OE schools. High-online enrollment institutions were also more likely to provide faculty training (79%) and digital resources (69%) for meeting RSI than mid-OE institutions (64% provide training; 60% provide digital resources) or low-OE institutions (47% provide training; 50% provide digital resources). In general, though, this paints a robust system of varied support resources at most reporting institutions, aligning well with the high adoption of RSI policies and guidelines.

Again, though, differences emerged between public and private institutions. Public institutions were much more likely to provide all forms of support for meeting RSI than private institutions (Figure 37).

**Figure 37. Public Institutions Provide Greater Support for Meeting RSI (Public Institutions Sample = 188, Private Institutions Sample = 105)**



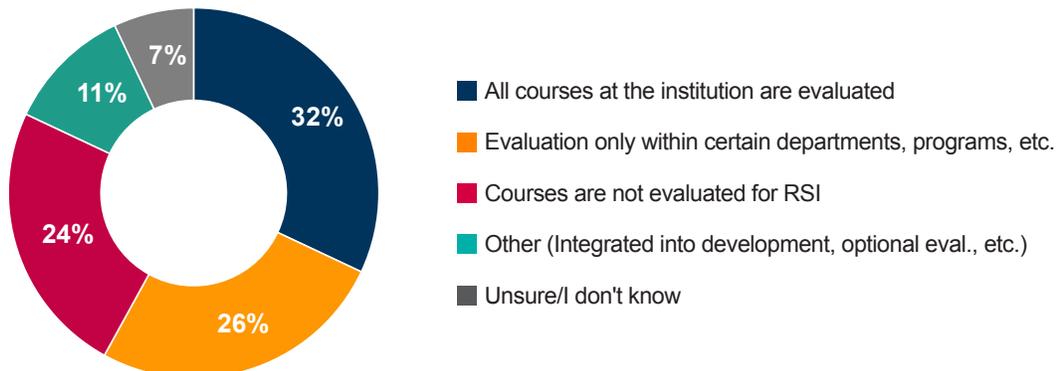
© Eduventures Research, Quality Matters, and EDUCAUSE 2024

### Evaluating for RSI Compliance

Despite high familiarity and support levels for RSI, only 32% of COLOs reported that online courses are evaluated for RSI compliance across the entire institution. A similar number (26%) indicated that online courses are only assessed within specific departments or programs, and nearly a quarter (24%) said that online courses are not evaluated for RSI compliance. Those who selected “other” described various approaches, such as voluntary reviews or reviews by request, faculty self-evaluations, or integrating RSI into online course development as an “assurance” it is met (Figure 38).



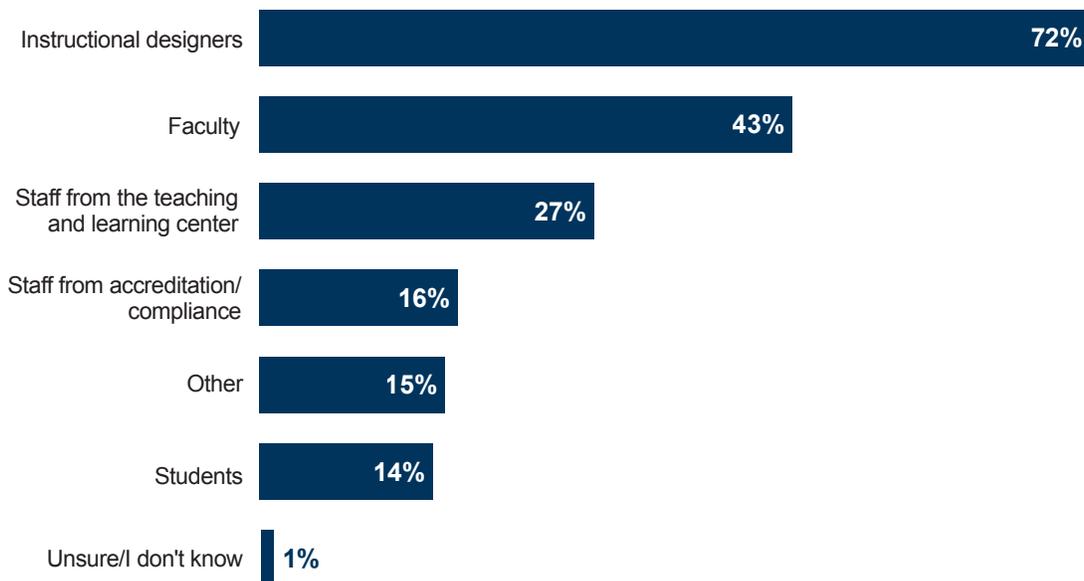
**Figure 38. Strategies for Evaluating Online Courses for RSI Compliance Vary (Sample = 292)**



© Eduventures Research, Quality Matters, and EDUCAUSE 2024

Among respondents who reported evaluation of online courses for RSI, a substantial majority (72%) reported that instructional designers conduct RSI evaluations. Less than half (43%) said RSI evaluations are conducted via faculty peer review, while 27% reported that teaching and learning center staff served in the evaluator role. A small minority (16%) have accreditation/compliance staff conduct RSI evaluations, and a similar number (15%) identified “other” evaluators as AVPs, deans, department chairs, and various other staff, including directors of online and quality assurance specialists (Figure 39).

**Figure 39. RSI Evaluations Largely Conducted by Instructional Designers (Sample = 167)**



© Eduventures Research, Quality Matters, and EDUCAUSE 2024



## Summary

In CHLOE 9, AI appears as an emerging but significant topic. About a third (34%) of COLOs reported that students are being encouraged to use AI to support learning, including generating content (32%), developing or editing code (29%), or using AI-powered adaptive learning tools (27%).

More than half of the responding COLOs reported encouraging students to engage critically with AI-generated content and refine their work using AI, indicating a shift toward further embracing these technologies. Responses also reveal a positive outlook among COLOs regarding AI's utility, contrasting with faculty's more neutral or negative perceptions (from the COLO perspective). CHLOE 9 results indicate a growing number of institutions formulating AI-related policies, with faculty and senior administrators actively involved in their development.

Regular and substantive interaction standards, necessary for quality online learning and meeting federal regulations, are frequently discussed among senior online leaders. Compliance in this area is crucial to ensure a high level of interaction and presence between online students and instructors, not to mention the financial implications of non-compliance. In general, COLOs reported a high level of support for meeting RSI. Still, assurance that RSI standards are being met is lagging, similar to past CHLOE data revealing that assurance for design and/or teaching standards is lacking at most institutions. Optional compliance with federal policies tied to financial aid might be a tenuous strategy, and institutions might be advised to strengthen assurance in this area.

## THE CHLOE 9 SAMPLE

The CHLOE 9 Report is based on an online survey of chief online learning officers at colleges and universities in the United States, conducted in January and February 2024.

The survey invitation was sent to the chief online learning officer or closest equivalent at the vast majority of public, private, and for-profit two- and four-year schools in the country. The invitation list was drawn from existing CHLOE contacts, past survey completers, and purchased lists of relevant titles.

The CHLOE Team uses the term “chief online learning officer” (COLO) to capture the growing incidence of online learning leadership roles in higher education institutions. Specific online leaders have many job titles, and some occupy positions that span online learning and other responsibilities.

The CHLOE 9 Survey invitation was sent to chief online learning officers at 2,399 U.S.-based colleges and universities. A total of 324 unique institutional responses were received (including some usable partial responses), and the response rate was 13.5%. The invitation list encompassed most, but not all, U.S.-based degree-granting institutions.

Additional analysis confirmed that the response profile of partials matched that of completes. With that reassurance, the addition of partial responses boosted the scale and reliability of the CHLOE 9 sample. The report notes each question-specific response size.

The margin of error for the CHLOE 9 sample, allowing for question-specific sample variation between the high-200s and low 300s, is 5% (95% confidence interval), depending on the question. This is similar to past CHLOE surveys.

The CHLOE 9 sample closely resembles prior CHLOE surveys and the profile of U.S. higher education. Table 2 compares the CHLOE 9 sample to U.S. higher education institutions (degree-granting), overall enrollment, and online enrollment.

**Table 2. The CHLOE 9 Sample vs. U.S. Higher Education (Fall 2022)**

Sector	Public 2Y	Public 4Y	Private 4Y	For-Profit
Institutions	21%	19%	37%	20%
Total Enrollment*	24%	48%	22%	5%
Online Enrollment**	26%	48%	18%	8%
Fully Online Enrollment*	29%	36%	22%	13%
CHLOE 9 Sample	26%	39%	33%	2%
DIFFERENCE between CHLOE 9 Sample and Online Enrollment	Identical	-9 percentage points	+15 percentage points	-6 percentage points

*N.B. Row totals exclude the small number of degree-granting institutions outside these sectors.*

*\*Undergraduate and graduate students combined (Fall 2022). \*\*Fully online students and those taking one or two online courses as part of an otherwise campus-based experience, undergraduate and graduate combined (Fall 2022).*

*Source: IPEDS*

Representation looks similar to past CHLOE samples and depends on the metric of choice. At the institutional level, the CHLOE 9 sample overcounts public four-year institutions, undercounts for-profits, and is close to the actual proportion of public two-year and private four-year schools. When total or online enrollment ratios are considered, however, public four-year schools and for-profits look underrepresented in the CHLOE 9 sample, while private four-year institutions are overrepresented.

For comparison, the CHLOE 4 sample, conducted pre-pandemic in 2019, counted 27% public two-year, 36% public four-year, 34% private four-year, and 2.2% for-profit institutions, similar to the CHLOE 8 distribution.

The CHLOE Survey continues (apart from for-profits) to offer a reasonable representation of U.S. higher education as a whole and online higher education in particular.

The CHLOE 9 sample captures the state-of-play from the largest to the smallest institutional online operations. Table 3 contrasts two definitions of online enrollment scale: 12-month unduplicated headcount and point-in-time Fall enrollment.



**Table 3. The CHLOE 8 vs. 9 Sample by Online Student Headcount (Fall vs. 12-month Unduplicated Headcount)**

CHLOE 9 Sample	Large >7,500	Mid-Sized 1,000-7,500	Small <1,000
CHLOE 9- Schools by Number of Fully and Partially Online Students (Fall 2022)	83	173	68
% of CHLOE 9 Sample	26%	53%	21%
CHLOE 9- Schools by Number of Fully and Partially Online Students (12-Month 2021-2022)	129	153	42
% of CHLOE 9 Sample	40%	47%	13%

*The “small” category includes a few schools reporting zero online enrollment. Source: IPEDS. Excludes three responding institutions that could not be categorized. .*

The 12-month unduplicated headcount often reveals larger enrollment totals for online courses and programs than the single-point-in-time Fall count alone. Significantly more institutions are classified as “large” or “mid-sized” on this measure.

This is also consistent with a more online-centric higher education system post-pandemic. CHLOE 9 sample schools look much less developed online when judged by enrollment modality patterns in Fall 2019 (18% “large,” 50% “mid-sized,” and 32% “small”).

Table 3 may also suggest that the CHLOE Survey has become better known over time and is particularly interesting to institutions with more extensive online operations.

## REFERENCES

Robert, J. (2024). *2024 EDUCAUSE AI Landscape Study (4-Policies and Procedures)*. EDUCAUSE. <https://www.educause.edu/ecar/research-publications/2024/2024-educause-ai-landscape-study/policies-and-procedures>

## ACKNOWLEDGEMENTS

Creating the CHLOE 9 Report required the work and collaboration of numerous staff members at the three partner organizations: Quality Matters, Eduventures Research/Encoura, and EDUCAUSE. The report’s authors extend their gratitude to the major contributors to this endeavor.

### Quality Matters

**Barbra Burch**, project manager

**Grace Hall**, press liaison

**Braeden Henderson**, marketing





**Leigh Hopf**, data analysis and visualization

**Kathleen Schassen**, web presence

**Jim Snyder**, sponsor liaison

#### Eduventures Research/Encoura

**Maggie Lamond**, marketing

**Brittany Leiva**, public relations

**Lauren Monz**, data analysis

**Cara Quackenbush**, proofreading

**Dave Scott and Andrew Swenson**, report and presentation design

#### EDUCAUSE

**Veronica Diaz and Kathe Pelletier**, project coordinators and survey design contributors

#### CHLOE Advisory Panel

We are also grateful for the contributions of the CHLOE Advisory Panel members, who provided us with their expert perspectives on the U.S. higher ed and online learning environment and the questions essential for us to investigate in CHLOE 9. We give our sincere thanks to:

**Dylan Barth, Ph.D.**, Assistant Vice President of Learning, Online Learning Consortium

**Thomas B. Cavanagh, Ph.D.**, Vice Provost for Digital Learning, University of Central Florida

**Elizabeth Ciabocchi, Ed.D.**, Vice Provost for Academic Affairs, Adelphi University

**Cristi Ford, Ph.D.**, Vice President of Academic Affairs, D2L

**Connie Johnson, Ed.D.**, Higher Education Consultant

**Valerie Kelly, M.S., M.A.**, Associate Vice President, Kent State Online

**Tina Parscal, Ph.D.**, Associate Vice Chancellor for CCCOnline and Academic Affairs, Colorado Community College System

**Julie Porosky Hamlin, Ph.D.**, Director, MarylandOnline

**Karen Rege, Ed.D.**, Dean of Online Learning and Media Services, Community College of Philadelphia

**Jeff Seaman, Ph.D.**, Director, Bay View Analytics

**Morris Thomas, Ph.D.**, Assistant Provost of Digital and Online Learning, Howard University

**Lori Williams, Ph.D.**, Executive Vice President & Chief of Staff, Excelsior University

#### Chief Online Learning Officers

Most importantly, we give our heartfelt thanks to the chief online learning officers who took the time to share their expertise and perspectives with us for CHLOE 9. Many of them have responded to several of our annual CHLOE surveys. CHLOE is only possible with the information you share with us.

**Bethany Simunich, Quality Matters**

**Richard Garrett, Eduventures Research**

**Eric Fredericksen, University of Rochester**

**Mark McCormack, EDUCAUSE**

**Jenay Robert, EDUCAUSE**

**Robert Ubell, New York University (Emeritus)**



## SPONSORS AND AFFILIATES

### Platinum Sponsor

Instructional Design & Development | Program Alignment | Curriculum Mapping

# Intentional Program Design & Curriculum Alignment

iDesign partners with colleges, universities, and organizations to build, grow, and support impactful online and blended programs. While leveraging the affordances of learning technologies, we help faculty design courses that ensure accreditation standards are addressed, supported, and assessed. Our curriculum mapping and reporting tools are designed to modernize your program development process.

**iDesign Studio** bridges the student success gap in online learning and our **newest SaaS application, Align**, enables simplified curriculum alignment and management. Align captures comprehensive curriculum data including each content item, activity, and assessment. Elements are mapped to any skill, competency, or standard you define, offering rich data on time-on-task and activity profiles. The result: actionable insights, driving continuous improvement through data-driven decision-making.

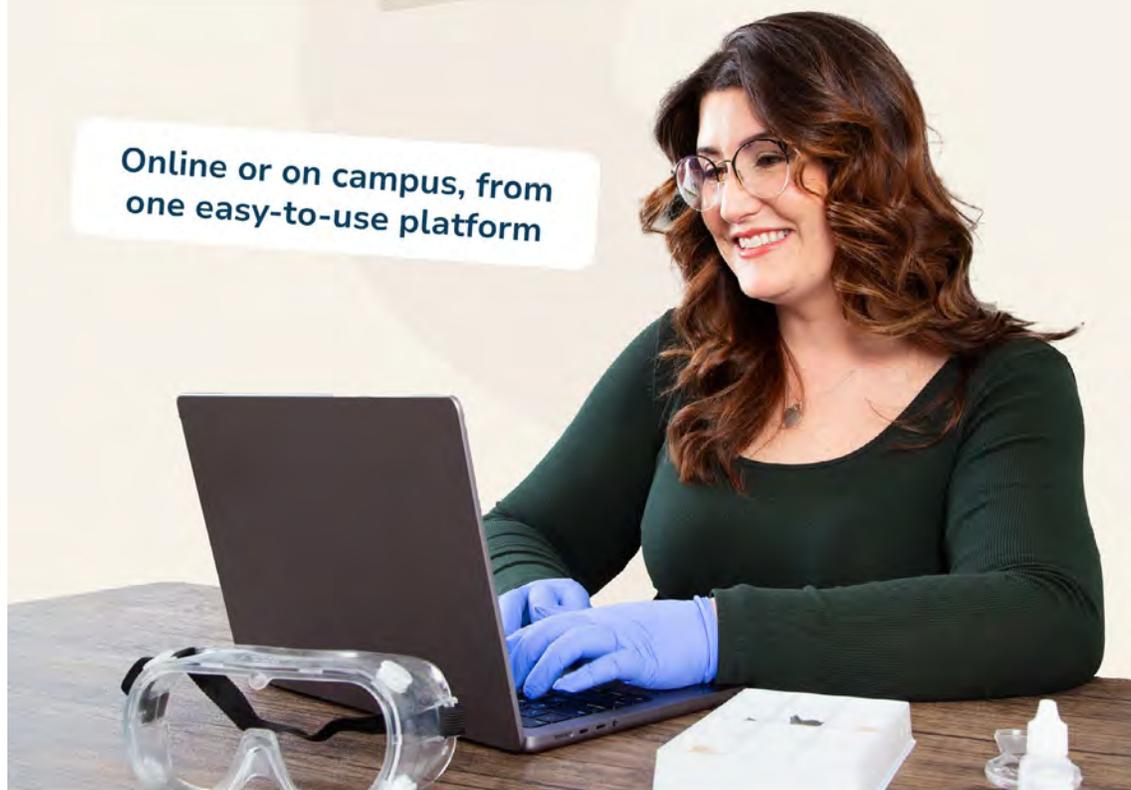


 iDesign



# Grow enrollment with labs that *engage students* and *save instructors time*

Online or on campus, from one easy-to-use platform



450+ hands-on and virtual labs | 13 Disciplines Certified by Quality Matters

Gold Sponsor

**archer**  
education

You have a vision for the future.  
We have the **roadmap**.

**Your partner in online growth enablement.**  
Archer partnerships start with a data-rich understanding of your opportunities, and together we create a scaled roadmap for institutional growth.

- STRATEGY & DEVELOPMENT
- ENROLLMENT MARKETING
- DIGITAL STUDENT ENGAGEMENT
- ADMISSIONS
- ENROLLMENT SERVICES
- CORPORATE PARTNERSHIPS

hello@ArcherEdu.com ArcherEdu.com

Affiliate Sponsor

**ADVANCING QUALITY AND LEADERSHIP IN ONLINE AND DIGITAL EDUCATION BEGINS WITH YOU!**

Join a community shaping the future of online, digital, and blended learning.

Visit the OLC website to learn more about our:

- Conferences & Webinars
- Workshops & Certificates
- Research & Publications
- Scorecards & Reviews

[onlinelearningconsortium.org](http://onlinelearningconsortium.org)

**OLC** ONLINE LEARNING™ CONSORTIUM

## Have Your Efforts to Create Campus-Wide Quality Stalled Out?

*Get a Jump-Start From QM Consulting*

- **Expertise:** Work with seasoned educators and quality assurance specialists.
- **Tailored Solutions:** Your institution has unique needs. Our recommendations are customized to fit your context.
- **Proven Results:** Partner with us to amplify your online learning initiatives and achieve excellence.



Whether your institution is looking to establish, revitalize or elevate your online learning initiatives, QM can create a consulting package that prioritizes institutional goals and leverages available resources.

[Learn more at qualitymatters.org/consulting](https://qualitymatters.org/consulting)

## encoura® Identify New Academic Opportunities

With an Eduventures® Research **Program Explorer Study**, you'll future-proof your academic portfolio, allowing your team to:

- Pinpoint new potential program opportunities
- Learn where your program ranks
- Expand market reach + drive enrollment growth



LEARN MORE AT

[encoura.org/explorer](https://encoura.org/explorer)

## EDUCAUSE Teaching and Learning Program

Enhance or transform teaching and learning at your institution with technology.

Visit EDUCAUSE to find:

- Community
- Insights
- Policy advocacy
- And more

[educause.edu](https://www.educause.edu)

<b>2,200+</b> Member Organizations	<b>25+</b> Years in Operations	<b>100,000+</b> Individual Members



[Quality Matters \(QM\)](#) is the global organization leading quality assurance in online and innovative digital teaching and learning environments. It provides a scalable quality assurance system for online and blended learning used within and across organizations. When you see QM Certification Marks on courses or programs, it means they have met [QM Course Design Standards](#) or [QM Program Review Criteria](#) in a rigorous review process. For more information, visit us at [qualitymatters.org](https://qualitymatters.org)

## encoura® Eduventures® Research



Eduventures® Research—the research division of Encoura—provides higher education leaders primary research, analysis, and advisory services to support decision-making throughout the student life cycle. Building on over 30 years of success in working with education leaders, Eduventures provides forward-looking and actionable research based on proprietary market data and advisory services that support both strategic and operational decision-making. Research and insights from Eduventures is available in the Encoura Platform. More information on Encoura and Eduventures can be found at [encoura.org/eduventures](https://encoura.org/eduventures).

## encoura®

Encoura®, a wholly owned subsidiary of ACT, is an educational data science and research organization serving over 2,000 member institutions comprising public and private colleges and universities across the nation. Since 1972, Encoura has been a leading provider of data science, technology, and programs serving students, high school educators, colleges, and universities with offices in Austin, TX and Boston, MA. These solutions represent the link between students making important life decisions and those providing the resources and information students need to succeed in their postsecondary educations and careers. For more information, visit [encoura.org](https://encoura.org).

## EDUCAUSE

EDUCAUSE is a nonprofit association whose mission is to lead the way, advancing the strategic use of technology and data to further the promise of higher education. We connect and empower our member community through insights, advocacy, resources, and learning opportunities to anticipate trends and strengthen professional practice. We welcome diversity—in viewpoints and experience—and believe in inspiring the transformation of higher education in service to a greater good.