

Benchmarking Online Enterprises: Insights into Structures, Strategies, and Financial Models in Higher Education

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Strategic Context

The 2026 Benchmarking Online Enterprises Survey (BOnES) arrives at a consequential moment for online higher education. Budgets are shifting, revenue is climbing, and institutions are making increasingly deliberate choices about where online education sits within their broader academic and financial strategies.

Online learning has entered a new phase of institutional maturity. The questions confronting institutional leaders are no longer whether to invest in online education, but rather how to organize digital learning enterprises that are financially sustainable, academically integrated, technologically sophisticated, and responsive to rapidly changing learner expectations. This study benchmarks the organizational characteristics, financial models, leadership structures, and operational capabilities that distinguish today's online enterprises while identifying emerging practices likely to shape the next generation of institutional strategy.

And yet, artificial intelligence is rapidly reshaping institutional expectations for instructional design, learner support, analytics, administrative efficiency, and academic operations. While this study was not designed as an AI survey, many of the organizational capabilities benchmarked here, including governance, staffing, technology infrastructure, data management, and faculty support, represent foundational capacities institutions will require as AI becomes embedded throughout digital learning.

Many of the organizational characteristics identified in this report correspond closely with the [Hallmarks of Excellence in Digital Learning Enterprises](#) (2026), including leadership and governance, entrepreneurial initiatives, instructional support, learner support, technology and digital innovation, external partnerships, and professional stewardship. Together, these complementary publications provide both benchmarking data and an aspirational framework for institutional improvement.

Executive Summary of Survey Results

UPCEA continues to provide the benchmarking data leaders need to make informed decisions about structure, staffing, revenue, and long-term positioning. The data reveals notable growth with online enrollments up at many institutions and revenues rising.

Online learning is a pillar of the current higher education ecosystem and 80% of respondents agreed that their institutional leadership has centered online learning as a strategic direction. This mandate has resulted in centralizing administrative functions for online enterprises. This phenomenon is seen in the fact that the proportion of online enterprises housed in the provost's office has grown for three consecutive years, reaching 57% in fiscal 2026, up from 51% in 2025 and 41% in 2024. During that time there has been a constant percentage (84%) of online enterprises that are academically decentralized, indicating that the actual courses and programs are emanating from multiple academic departments or units. Collectively, it makes clear that online enterprises are forming a common model of being administratively centralized and academically decentralized.

While academic and administrative models are beginning to solidify, the financial structures remain fragmented. While online enterprises are most often funded from an institution's general fund (39%), just over half (51%) charge an online or distance education fee, most often at the per credit level (74%). It is important to emphasize that it is rarely the online enterprises themselves that set the fee; most often it is mandated by institutional central administration (50%) or system administration (27%). The result is a structural disconnect: the leaders held accountable for an online enterprise's financial performance are often not the ones who control primary revenue levers. That same gap between accountability and control extends to what enterprises are permitted to do with the money once it's collected.

Forty-two percent of online enterprises are permitted to carry forward year-end balances or operating reserves, but the response "it depends" is also meaningful, indicating that for 15% and 19% these permissions are often negotiated case by case rather than set by policy. The average online enterprise budget increased from \$8.1 M in 2025 to \$12.5 M in 2026, while the median decreased from \$4.5 M to \$3.5 M, identical to the 2024 median. Average revenues in fiscal 2026 are \$30.5 M, well above 2025 (\$23.9 M) and 2024 (\$18 M) averages. Median revenue has also increased each year, up from \$11 M in 2025 to \$16 M in 2026. Unlike some of the other metrics, this growth isn't just a handful of large institutions skewing the average; the typical online enterprise actually is bringing in more revenue.

While revenues are increasing for most, a review of BOnES data across the past three years suggests that this survey year marks the first in which the online education sector appears to be diverging rather than progressing on a single trajectory. The clearest signal is in the revenue-to-budget distribution: the share of online enterprises generating at least \$2 in revenue for every dollar budgeted has risen each year, from 32% in 2024 to 36% in 2025 to 43% in 2026, even as the typical enterprise's ratio has held nearly flat. Budget expectations point in the same direction. While 41% anticipate an increase, 23% expect a decrease, and among those projecting a cut, the median expected reduction doubled from 4.8% in 2025 to 10.0% in 2026. The share expecting no change in budget dropped from 53% to 36%, indicating that institutions have greater clarity around their financial trajectories, even when that clarity points toward contraction. Different revenue strategies reinforce the split, with nearly half (48%) of respondents saying their institution does not assess an online or distance fee while 42% apply a standard fee, suggesting institutions are pursuing different paths to offset budget pressures.

The story underneath this data isn't one rising tide lifting every online enterprise equally, but rather a sector beginning to sort itself into those pulling ahead and those bracing for contraction. Growth in online education is real and ongoing, but long-term sustainability depends on how well institutions align their governance structures, financial models, and program strategies with their broader institutional mission. The enterprises treating that alignment as a deliberate strategic choice now, not an afterthought to sort out once budgets stabilize, are the ones that will set the pace for the rest of the field.

Major Strategic Themes Emerging from BOnES 2026

Digital learning has become institutional infrastructure, not a peripheral activity.

Rather than operating as isolated support units, online enterprises are increasingly accountable for operations that influence or contribute to institutional strategy, enrollment management, academic portfolio decisions, technology investments, learner success initiatives, and workforce partnerships.

Organizational models remain contextually diverse, but a clear administrative pattern is emerging.

More online enterprises now sit within the provost's office than at any point in the survey's history, suggesting that while academic structures vary, institutions are converging on where digital learning belongs in the administrative hierarchy

Competition increasingly favors operational maturity rather than simply online availability.

Program quality, faculty expertise, brand reputation, learner services, and data-informed decision making have become stronger competitive differentiators than merely offering online programs.

Financial sustainability is becoming as important as enrollment growth.

Institutional leaders seek organizational models that balance investment, operational efficiency, program innovation, and long-term sustainability rather than viewing online education solely as an enrollment strategy.

Enterprise capabilities are expanding beyond degrees.

Online enterprises increasingly support microcredentials, certificates, workforce partnerships, stackable learning, and other non-degree credentials, suggesting that many institutions now view digital learning as the operational foundation for lifelong learning.

Recommendations

Based on the survey results, there are six recommendations to guide planning and action:

1. **Convert Strategic Priority into Resourced Authority:** Eighty percent of COLOs (Chief Online Learning Officers) report that institutional leadership has named online learning a strategic direction. Despite this strategic direction/governance still ranks as the number one cited barrier to success, even ahead of funding itself (21% vs. 19%). That is not a contradiction; it is the tell. While it takes time for strategy to become action, a label costs nothing to grant and everything to back up. Leaders should not be content with strategic signaling. Decision rights, budget authority, and reporting lines make "strategic" meaningful from an operational sense, moving the leadership of the digital learning enterprise from the rhetorical to the practical. In essence, strategic priorities are measured not by institutional plans but by the authority and resources leaders allocate to achieving them.

Action Item: Institutions that identify online learning as a strategic priority should periodically evaluate whether governance, authority, and resource allocation have evolved accordingly.

2. **Resource and Govern the Enterprise You've Already Built:** Online enterprises are responsible for instructional design (87%), accessibility (72%), faculty development (72%), marketing (70%), recruitment (70%), and a dozen other functions that, anywhere else in the institution, would each justify their own department. This is not a modality with extra duties bolted on. Today's online enterprise functions as institutional infrastructure supporting teaching, learning, enrollment, technology, student success, and workforce engagement.

Action Item: Institutions should periodically map responsibilities against staffing, governance, and budget to ensure operational capacity has kept pace with institutional expectations.

3. **Understand the Operating Model before Negotiating the Budget:** Thirty-nine percent of online enterprises are funded straight from the institution's general fund, more than double the next most common model, revenue share, at 17%. That matters because the field still talks about online units as entrepreneurial, self-funding ventures, and most simply aren't structured that way. If your enterprise is primarily supported through general funds, conversations about growth, investment, and accountability should reflect that operating reality rather than assumptions associated with self-funded auxiliary enterprises.

Action Item: Confirm which model you're actually under before you negotiate anything else; arguing from the wrong financial premise is a losing position before the conversation even starts.

4. **Report Up with the Median, Not the Average:** The average revenue-to-budget ratio fell from \$4.76 to \$2.34 year over year, an alarming swing especially when viewed without context. The median for the same metric barely moved, from 1.6 to 1.47. That gap is the result of a small number of outlier institutions distorting the average, while the typical enterprise stayed roughly where it was.

Action Item: When benchmarking your enterprise, focus on the median values and disclose the average with the outlier caveat attached. Explain why the median more accurately represents the experience of most institutions whenever distributions are highly skewed. Letting an average-driven number set the narrative about online education's trajectory is how a stable program ends up explaining itself out of next year's budget.

5. **Treat Institution-Wide Risks as Risks to the Entire Enterprise:** Fifty-five percent of COLOs agree that academic integrity and AI concerns get raised in the context of online learning before any other modality, even though the exposure is consistent with on-campus students. Left unaddressed, this pattern quietly converts a sector-wide policy question into an online-specific credibility problem, and online leadership ends up defending ground that was never uniquely under threat.

Action Item: When these concerns surface, redirect them explicitly to the institution-wide policy conversation they belong in. The goal isn't to deflect responsibility but rather to make sure the conversation happens at the scale the risk actually exists at, not the scale that's easiest to point at.

6. **Benchmark Capability, Not Just Structure:** Institutions often focus benchmarking conversations on where the online enterprise reports, how many staff it employs, or how large its budget has become. While these characteristics matter, they are proxies for institutional capability rather than outcomes themselves. The strongest enterprises demonstrate coordinated leadership, sustainable governance, effective technology, faculty partnerships, learner support, and continuous improvement regardless of organizational structure.

Action Item: As institutions benchmark themselves against peers, they should evaluate not only how their enterprise is organized but also what capabilities it enables.

Strategic Questions

In a year when the sector has begun to split rather than move as one, it is natural for institutions to be uncertain about which trajectory they are on and what that means for the choices ahead. These questions are not signs of weakness but evidence of thoughtful leadership in an environment that is no longer offering everyone the same tide. The following prompts are intended to help institutional leaders translate this year's benchmarking insights into clear, strategic priorities. As you consider this year's findings, we encourage you to ask:

- As the sector splits between those pulling ahead and those bracing for cuts, do we know which side we're on, and can we prove it with more than the average?
- If online learning is a strategic priority, how do the budget and decision rights affirm this designation?
- What self-described operational model guides our enterprise, and are we negotiating fees, reserves, and budget expectations from that reality? Or are we defaulting to the entrepreneurial framing often assigned to online enterprises?
- How does the scope of the digital learning enterprise (instructional design, accessibility, AI policy, integrity enforcement, etc.) compare to the authority and FTEs assigned to carry it? Is the digital learning enterprise running ahead of its own resourcing?

These questions are not a checklist but a launchpad for deeper dialogue and intentional action. The institutions that pull ahead in the next chapter of online education will not be the ones with the highest average. Instead, they will be the ones that know their actual numbers, have secured the authority to match their stated priorities, and are making deliberate choices instead of waiting for clarity that may not come. The findings in this report are not simply reference points; they are the evidence base for building a more resilient, accountable, and strategically aligned online enterprise.

The Benchmarking Online Enterprises study is intended to help institutions move beyond comparison toward continuous improvement. By understanding how peer institutions organize leadership, allocate resources, manage technology, support learners, and sustain innovation, institutional leaders can make more informed strategic decisions. Future editions will continue tracking the evolution of digital learning enterprises as higher education responds to new technologies, changing learner expectations, regulatory developments, and an increasingly competitive marketplace. Used alongside the [Hallmarks of Excellence in Digital Learning Enterprises](#), this benchmarking research offers institutions both empirical evidence of current practice and a forward-looking framework for organizational excellence.

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Survey Overview

Research Objective

The objective of UPCEA's research was to collect benchmarking data on the structures, functions, finances, and general operations of online education units.

Survey Methodology

The survey took place from April 1 to May 8, 2026. It was sent to UPCEA COLOs, non-member COLOs, individuals who downloaded the 2025 report, and those who previously participated in [CHLOE](#), the annual Changing Landscape of Online Education research project by Eduventures, Quality Matters, and EDUCAUSE. Overall, 169 individuals participated, 151 qualified, and 62 completed the entire survey.

Because of how the survey was structured, with multiple-response options in many areas, the research team focused on descriptive data to provide practical, accessible benchmarks rather than inferential analysis. This approach ensures the results are easy to interpret and apply in a variety of institutional contexts.

As such, the researchers chose to conduct further analysis based on questions a consumer of this information might have:

- How are online enterprises organized and resourced based on the size of the institution? (Small, Medium, Large)
- In general, how are online enterprises organized and resourced at postsecondary institutions?
- How are online enterprises organized and resourced based on the Carnegie classification of the institution?
- How are online enterprises organized and resourced based on where the online enterprise is located at the institution? (Provost's Office, Standalone Unit, Nested Within Multiple Academic Units)

The research team believes that the analyses and reporting of data in aggregate and disaggregated along these four lines of inquiry will allow those interested in benchmarking their institutional online efforts with peers the most comprehensive basis for peer comparison.

Report Organization: Results & Analysis Categories

Responses are reported first in the aggregate, followed by presentation and analysis based on four parameters: institution size, budget size, Carnegie Classification, and online enterprise location. This allows those interested in benchmarking their institution and online enterprise the ability to do so by different attributes and perspectives. Additionally, select figures throughout the report have results presented as both median and average values, which facilitates more precise benchmarking, particularly when there is a large difference between average and median values, which often occur due to the presence of outlier institutions with unusually large enrollments or budgets. Definitions for each analysis parameter are as follows:

Institution Size

- Small: fewer than 5,000 undergraduate and graduate students
- Medium: 5,000 to 15,000 undergraduate and graduate students
- Large: more than 15,000 undergraduate and graduate students

Budget Size

- Less than \$1M
- \$1M to \$3.49M
- \$3.5M to \$7.5M
- Over \$7.5M

Carnegie Classification

The Carnegie Classification is a framework developed to categorize U.S. colleges and universities based on their institutional characteristics, particularly degree offerings, research activity, and size. While the Carnegie Classification was updated and categories changed dramatically in 2025, the researchers chose to continue with simplified categories based on the previous iteration of the classifications for one more year. This allows for YoY comparisons and provides an opportunity for institutional leaders to relate these findings to their historical context. Given the expected cycle of this survey, participants can expect the new Carnegie classifications to be available in future surveys.

The following includes Carnegie Classifications that were represented in splices.

- **R1 Institutions:** R1 institutions are among the top research-intensive universities in the U.S.
- **R2 Institutions:** R2 institutions also exhibit high research activity, with institutions conferring at least 20 doctoral degrees annually.
- **M1 Institutions:** M1 institutions are considered large institutions that award master's degrees across multiple disciplines.

Carnegie Classifications that didn't have at least a sample size of five were not included in spliced results.

Online Enterprise Organizational Location

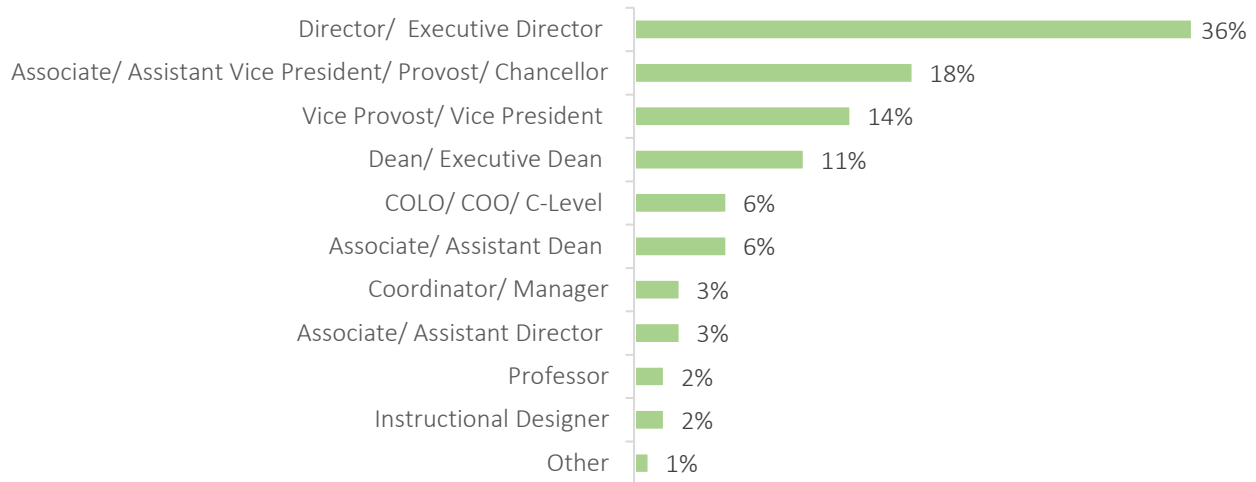
- Provost's Office
- Standalone Unit
- Nested within Multiple Academic Units
- Other

Aggregate Results

Survey Respondent Demographics

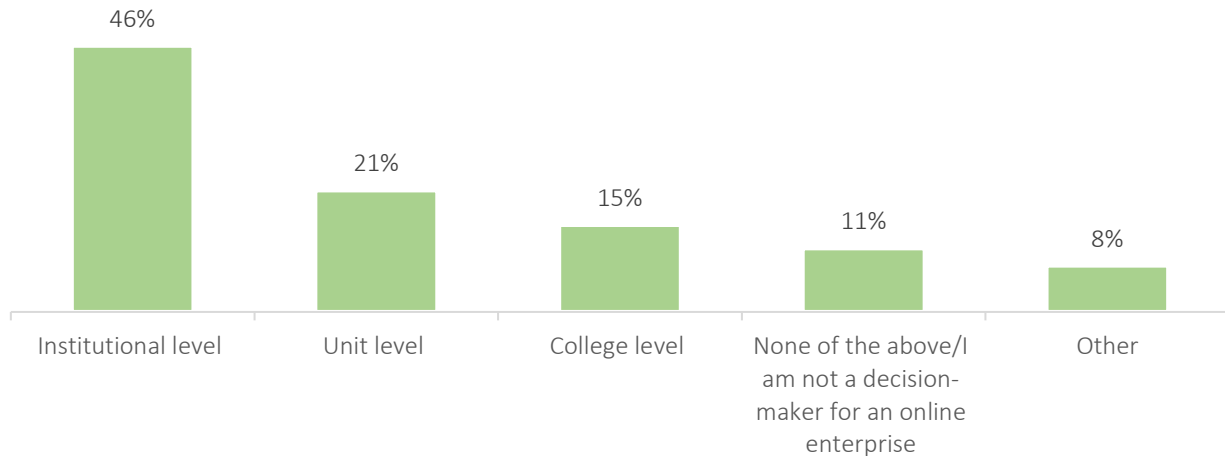
Thirty-six percent of respondents are Directors/Executive Directors, 18% are Associate/Assistant Vice Presidents/Provosts/Chancellors, 14% are Vice Provosts/Vice Presidents, and 11% are Deans/Executive Deans.

Figure 1: What is your title? (n=169)



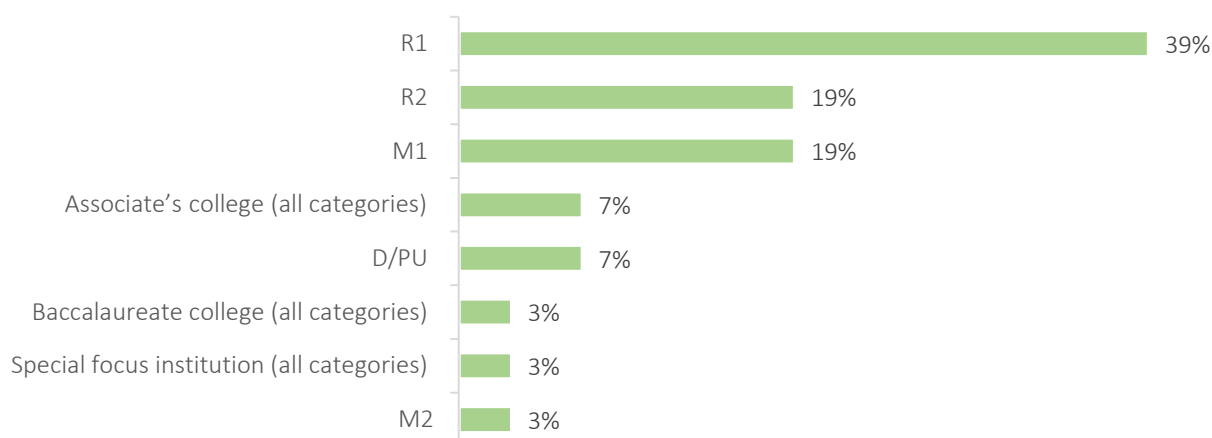
Nearly half of respondents (46%) are the lead decision-makers for their online enterprise at the institutional level, 21% at the unit level, and 15% at the college level. The 11% who said they are not a decision-maker for their online enterprise were terminated from the survey.

Figure 2: I am the lead decision-maker for an online enterprise at the following level (n=169)



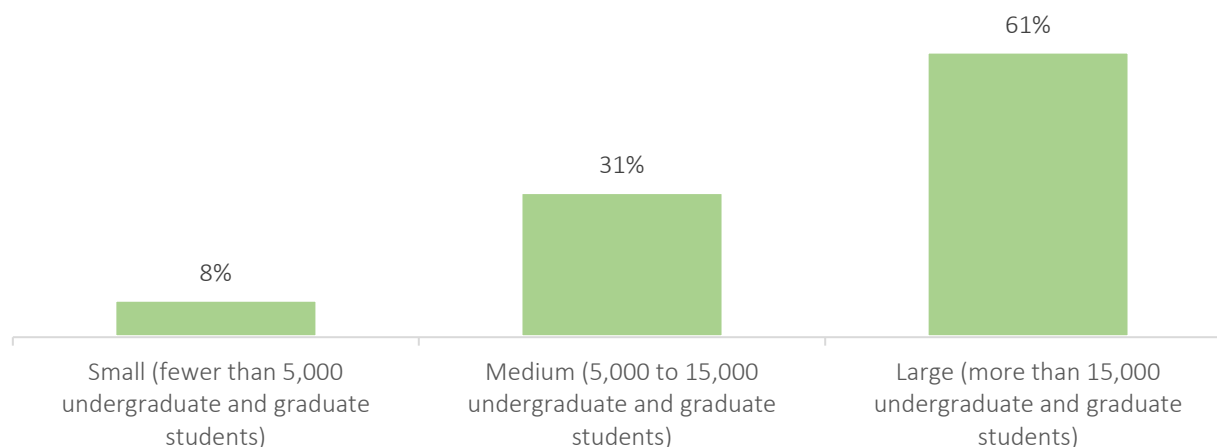
Using the 2021 Carnegie Classifications, 39% of respondents are from R1 institutions, 19% institutions R2, 19% M1 institutions, 7% associate's colleges, 7% doctoral/professional universities (D/PU), 3% baccalaureate colleges, 3% special focus institutions, and 3% are from M2 institutions.

Figure 3: Historical Carnegie Classifications (n=62)



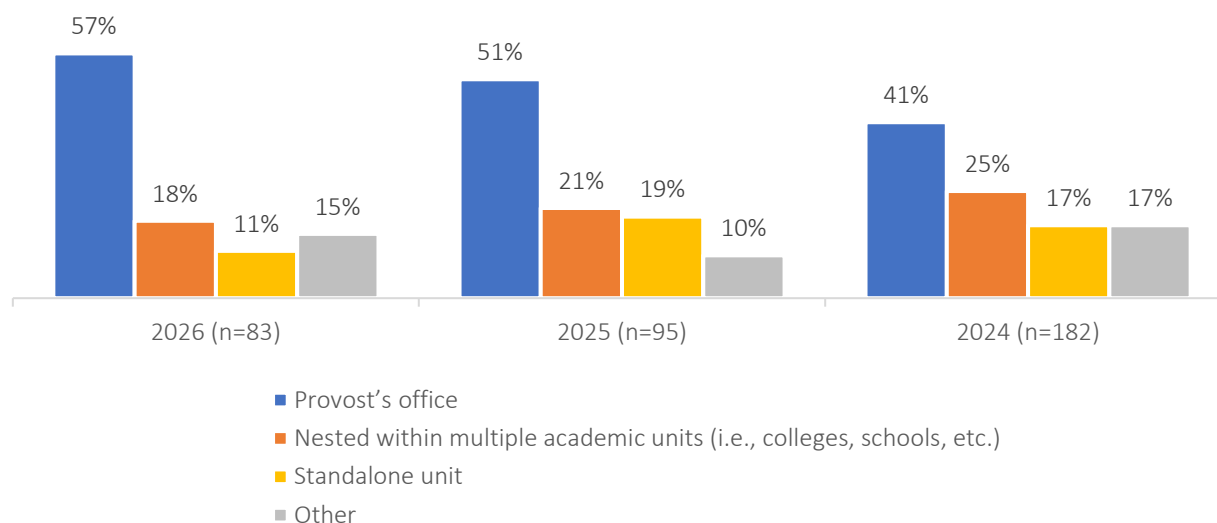
Sixty-one percent of respondents are from large institutions, 31% from medium institutions, and 8% small institutions.

Figure 4: Which of the following best describes your overall institution size for the 2024-2025 academic year? (n=62)



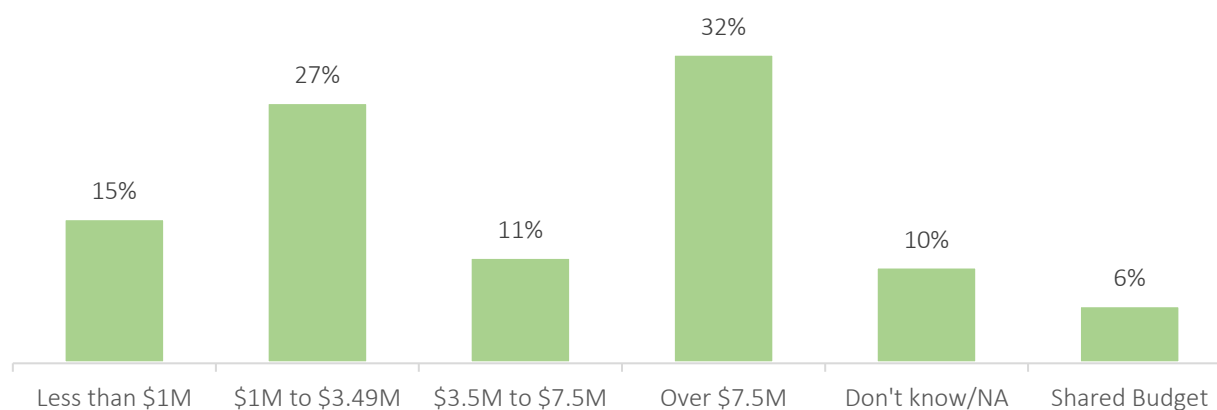
In 2026, over half (57%) of respondents' online enterprises were located in the provost's office, greater than 2025 (51%) and 2024 (41%). Eighteen percent are nested within multiple academic units, 11% operate as standalone units, and 15% listed online enterprise locations in the "Other" category.

Figure 5: Which of the following best describes the organizational location of your institution's online enterprise(s)? (YOY)



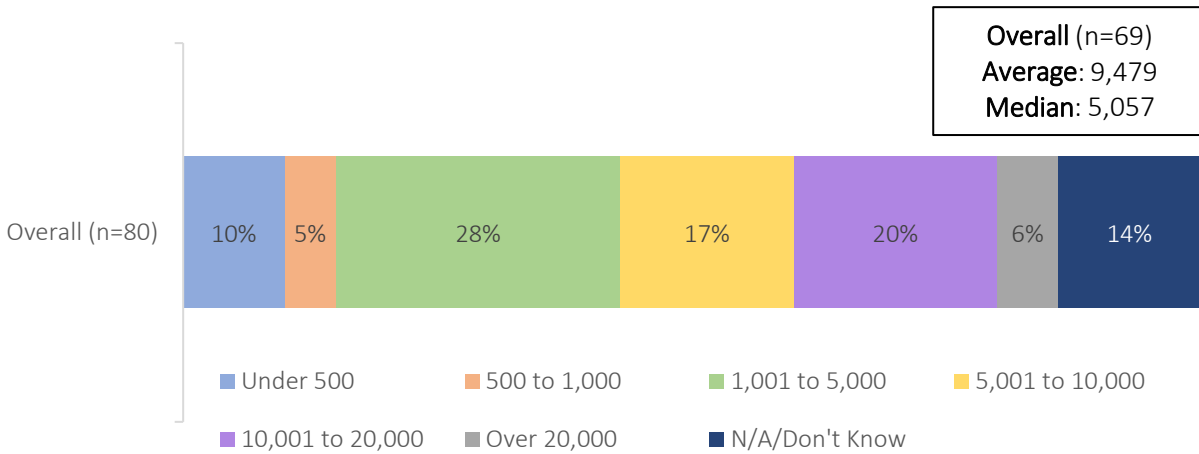
Fifteen percent of respondents' online enterprises had a budget less than \$1M in the 2024-2025 academic year, 27% between \$1M and \$3.49M, 11% \$3.5M to \$7.5M, and nearly a third (32%) over \$7.5M. Ten percent did not know their online enterprises total budget and 6% said their budget is shared with other parts of the institution.

Figure 6: For the 2024-2025 academic year, what was your online enterprise's *total* budget? Please list the budget in USD (n=73)



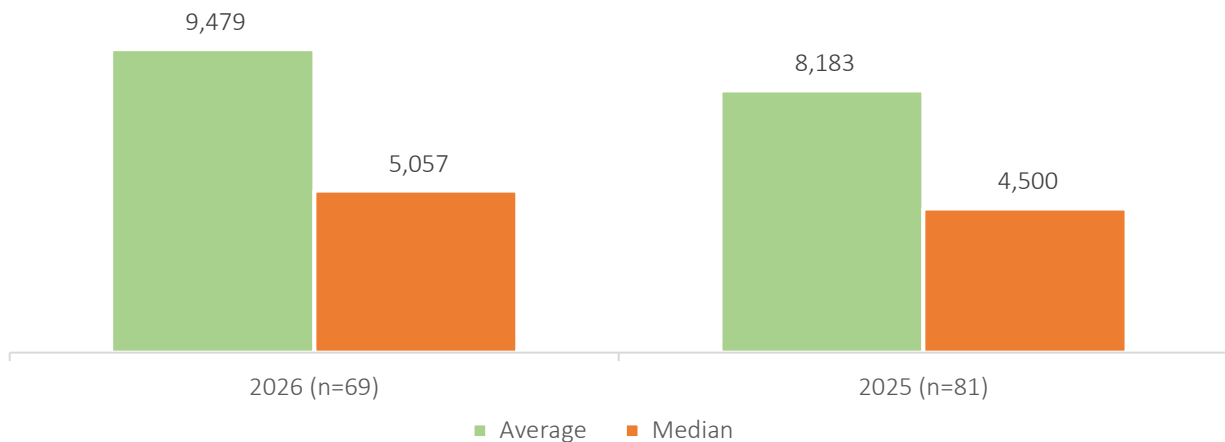
Twenty-eight percent of respondents had an unduplicated headcount of 1,001 to 5,000 learners enrolled in fully online courses in the 2024-2025 academic year, followed by 17% 5,001 and 10,000, and 20% 10,001 to 20,000 online learners. On average, respondents had a fully online headcount of 9,479 with a median of 5,057.

Figure 7: Please provide the unduplicated headcount for learners enrolled in fully online courses for the 2024-2025 academic year.



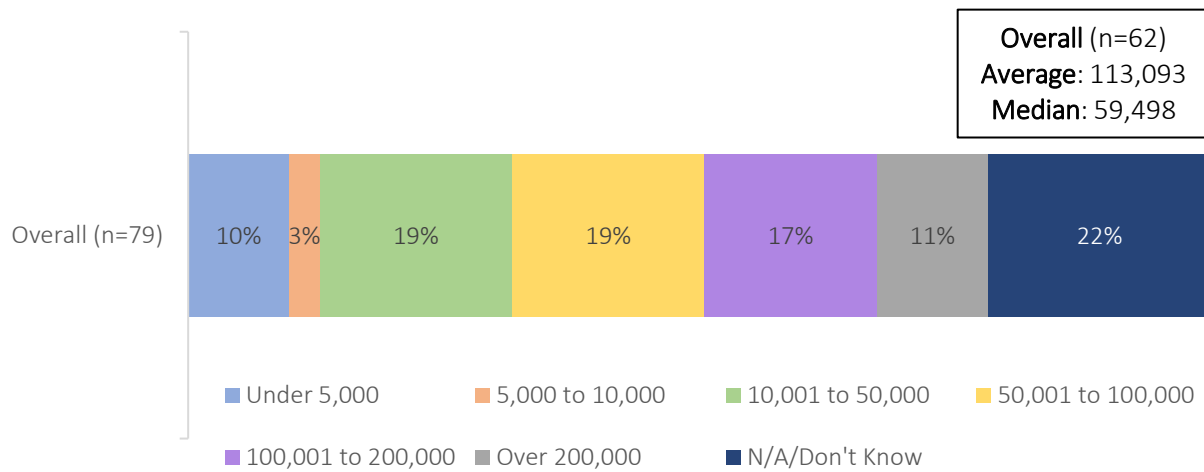
In 2026, both the average and median unduplicated headcount for fully online learners were slightly higher than 2025. The average increased from 8,183 to 9,479, and the median from 4,500 to 5,057.

Figure 8: Please provide the unduplicated headcount for learners enrolled in fully online courses for the 2024-2025 academic year. (YOY)



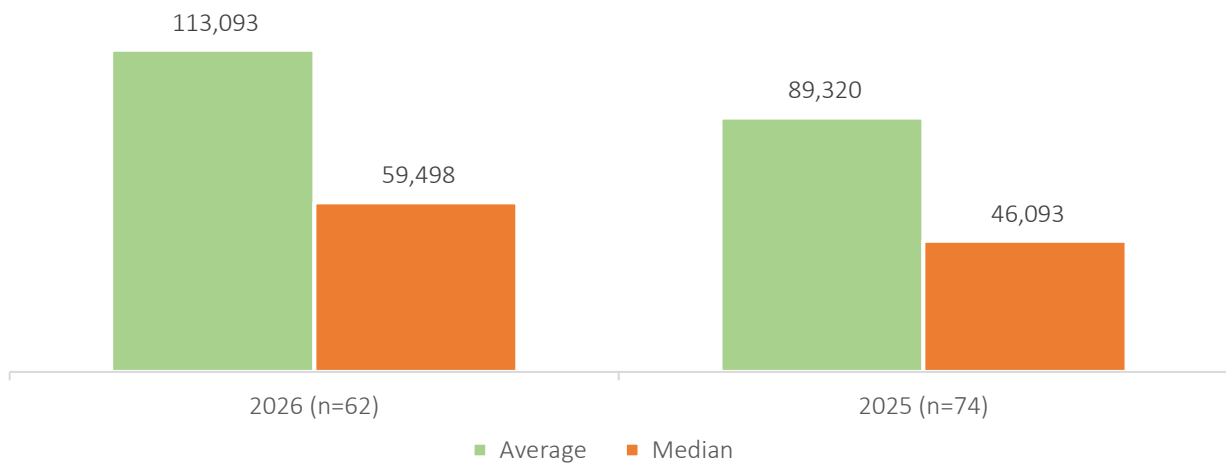
Nineteen percent of respondents had between 10,001 to 50,000 credit hours for learners enrolled in fully online courses for the 2024-2025 academic year, with an additional 19% having between 50,001 and 100,000, and 17% with 100,001 to 200,000 online credit hours. On average, respondents had 113,093 credit hours for fully online courses with a median of 59,498.

Figure 9: Please provide the total student credit hours for learners enrolled in fully online courses for the 2024-2025 academic year.



The average number of student credit hours for learners enrolled in fully online courses reported by respondents increased from 89,320 in 2025, to 113,093 in 2026. The median rose from 46,093 to 59,498.

Figure 10: Please provide the total student credit hours for learners enrolled in fully online courses for the 2024-2025 academic year. (YOY)



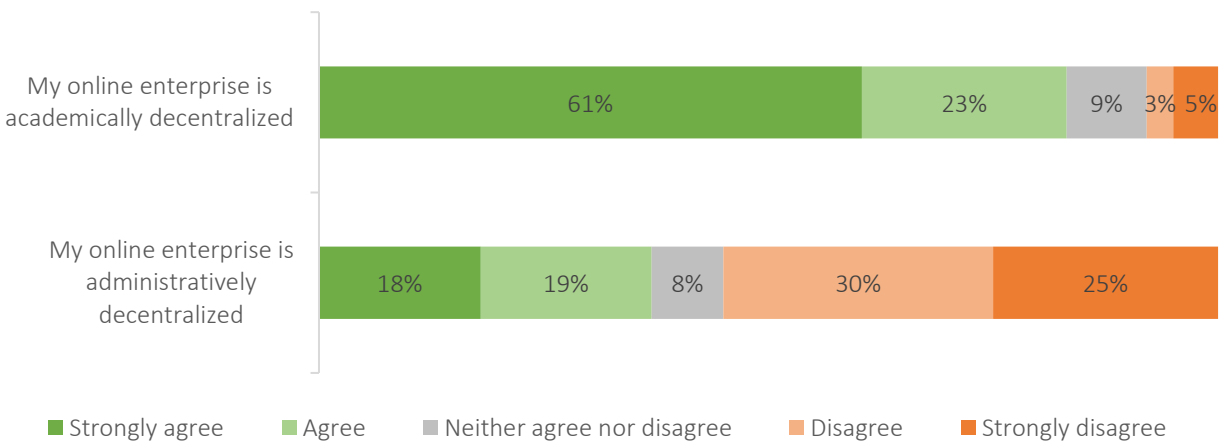
Size and Structure

To ensure survey respondents were working off of a shared understanding of terms, UPCEA used the definitions below for administratively decentralized and academically decentralized.

- ❖ **Administratively Decentralized:** Administratively decentralized is defined as most administrative functions (e.g., enrollment management, student support, instructional design, etc.) occur in individual academic units or in other university units, even those that are centralized outside the online enterprise (e.g. university marketing).
- ❖ **Academically Decentralized:** Academically decentralized is defined as faculty, programs, and courses emanating from multiple academic departments or units for online programs.

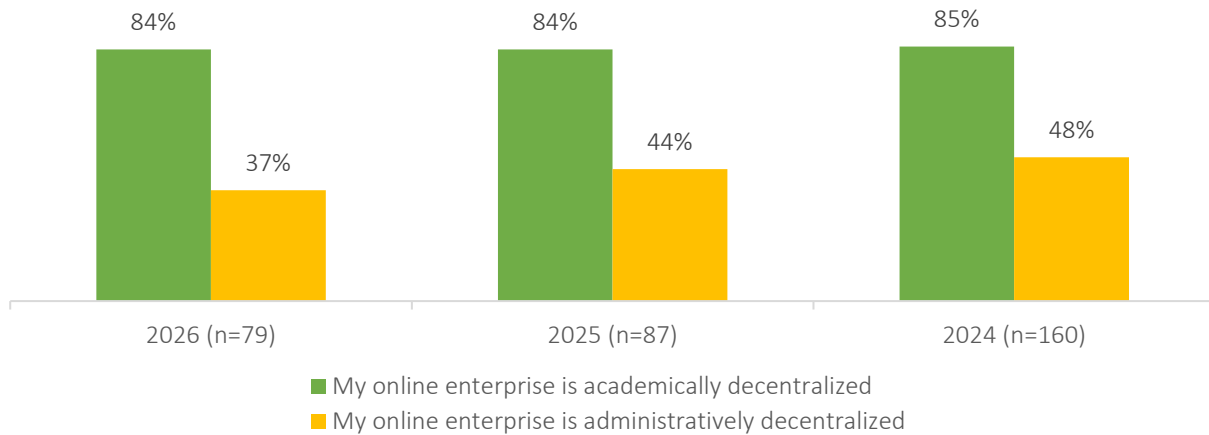
Eighty-four percent of respondents strongly agree or agree that their online enterprise is academically decentralized, while 37% strongly agree or agree that their online enterprise is administratively decentralized. Over half (55%) disagree or strongly disagree that their online enterprise is administratively decentralized.

Figure 11: Please rate how strongly you agree or disagree with the following statements (n=79)



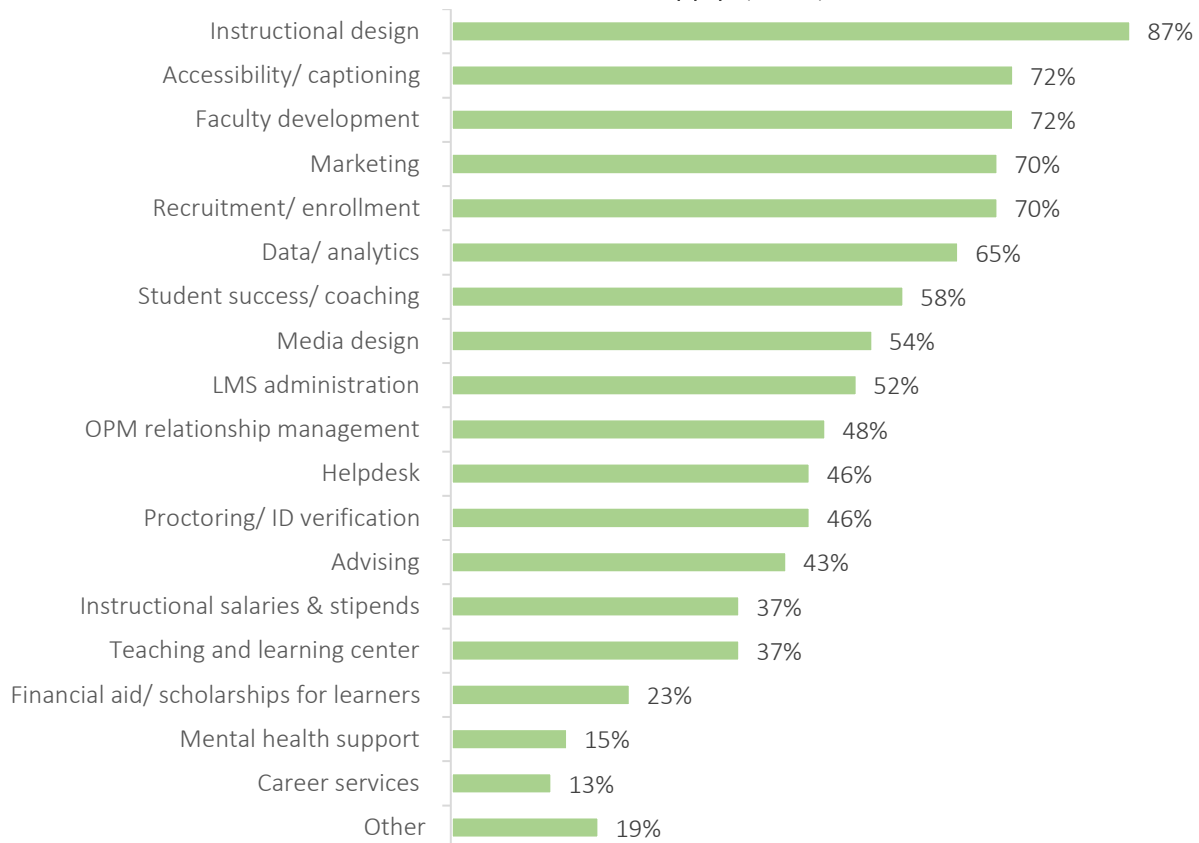
In 2026, respondents were equally likely to strongly agree or agree that their online enterprise is academically decentralized (84%), compared to 2025 (84%), and 2024 (85%). They were less likely to strongly agree or agree that it is administratively decentralized (37%), compared to 2025 (44%), and 2024 (48%).

**Figure 12: Please rate how strongly you agree or disagree with the following statements
(YOY, Combined % Strongly Agree or Agree)**



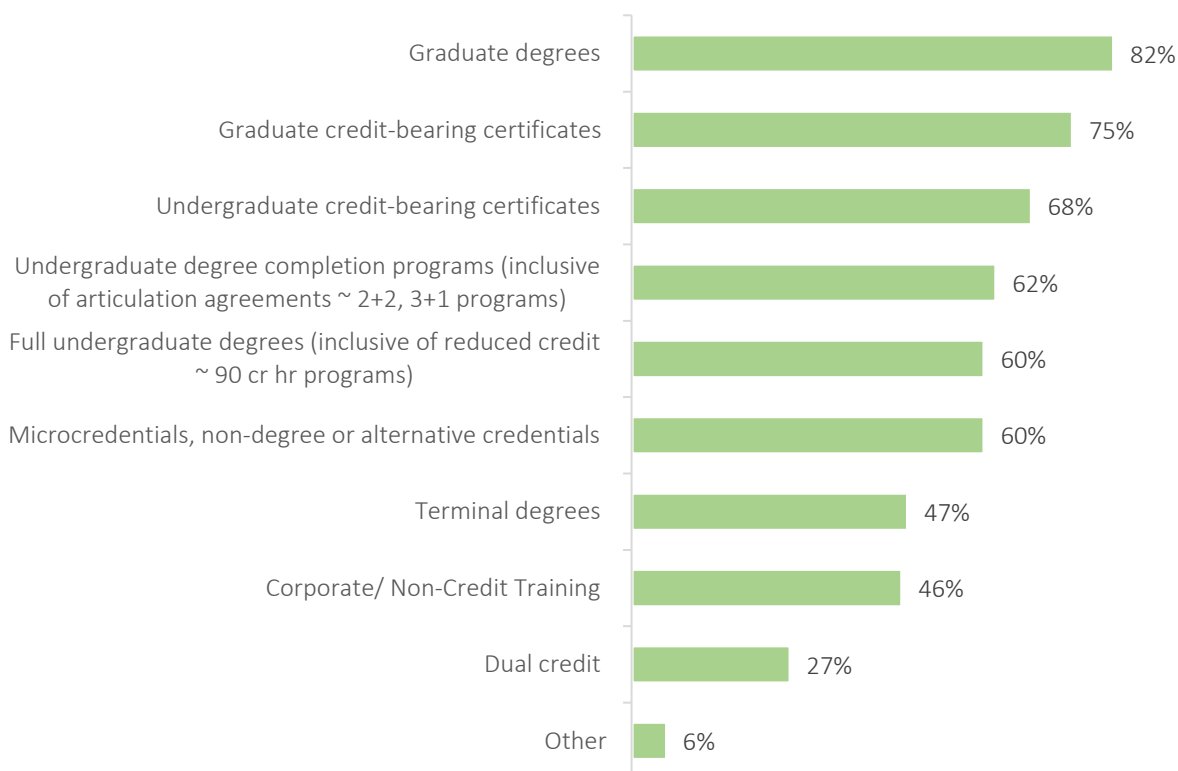
When asked about the responsibilities of their online enterprises, 87% cited instructional design, followed by accessibility/captioning (72%), faculty development (72%), marketing (70%), and recruitment/enrollment (70%). Only 15% said their online enterprises are responsible for mental health support, and 13% for career services.

**Figure 13: Which of the following are responsibilities for your online enterprise?
Please select all that apply. (n=79)**



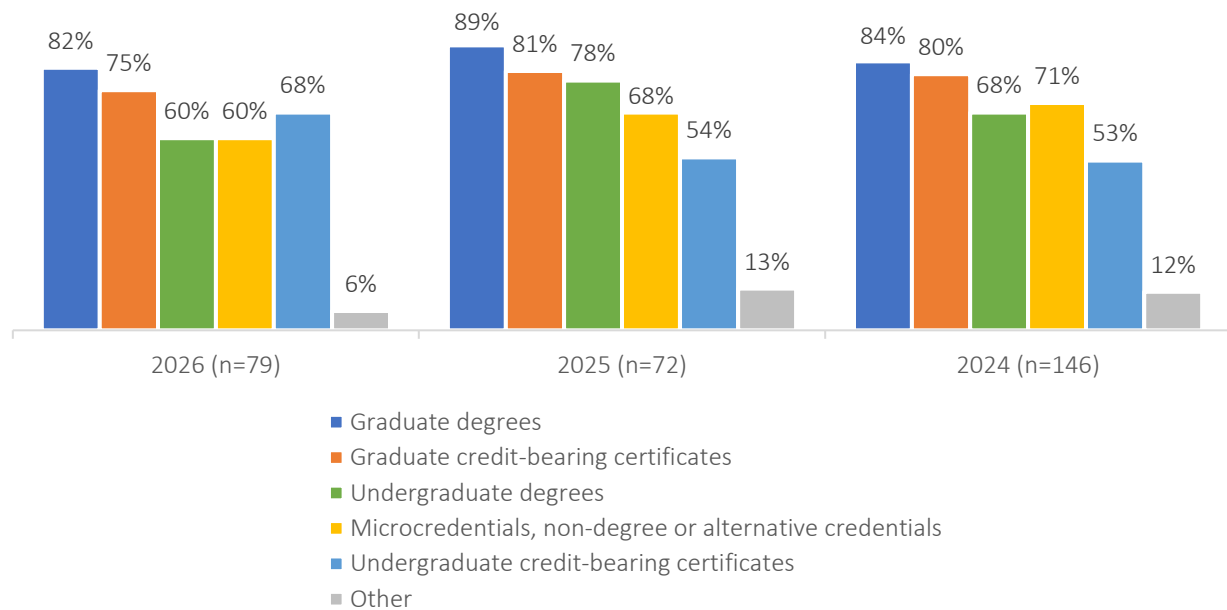
When asked which program types are included in their online enterprise's portfolio of programs that it supports, 82% of respondents said graduate degrees, followed by graduate credit-bearing certificates (75%), undergraduate credit-bearing certificates (68%), undergraduate degree completion programs (62%), full undergraduate degrees (60%), and microcredentials, non-degree or alternative credentials (60%).

Figure 14: Which of the following program types are included in your online enterprise's portfolio of programs that it supports? Please select all that apply (n=79)



In 2026, program type response options were slightly different from previous years, so only comparable response options are included in Figure 15 below. Results are generally consistent with 2024 and 2025, with graduate degrees and graduate credit-bearing certificates remaining the top offerings, while undergraduate degrees and microcredentials saw a slight decrease and undergraduate credit-bearing certificates rose slightly.

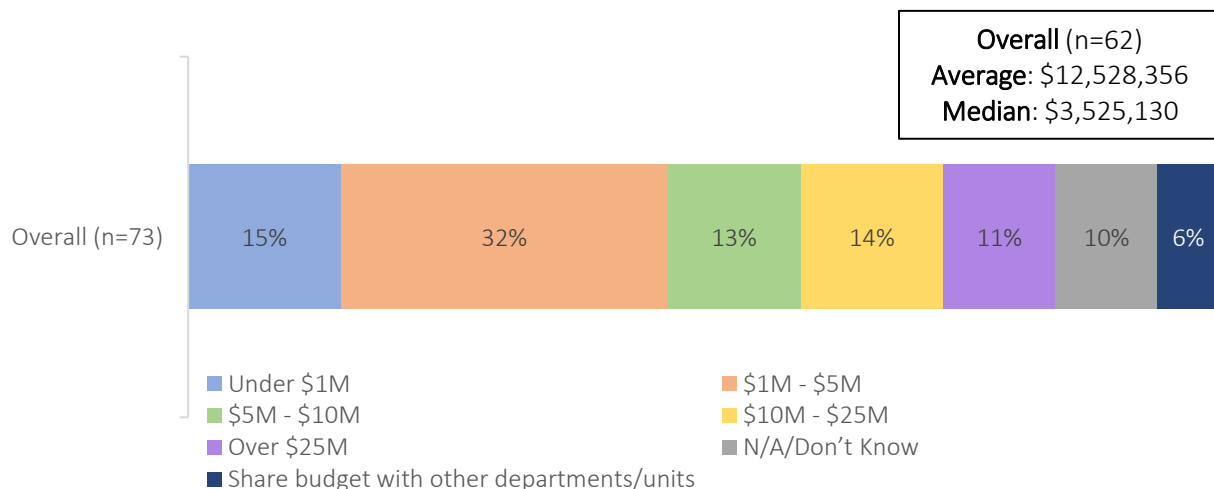
Figure 15: Which of the following program types are included in your online enterprise's portfolio of programs that it supports? Please select all that apply. (YOY)



Budget, Revenue, and Staffing

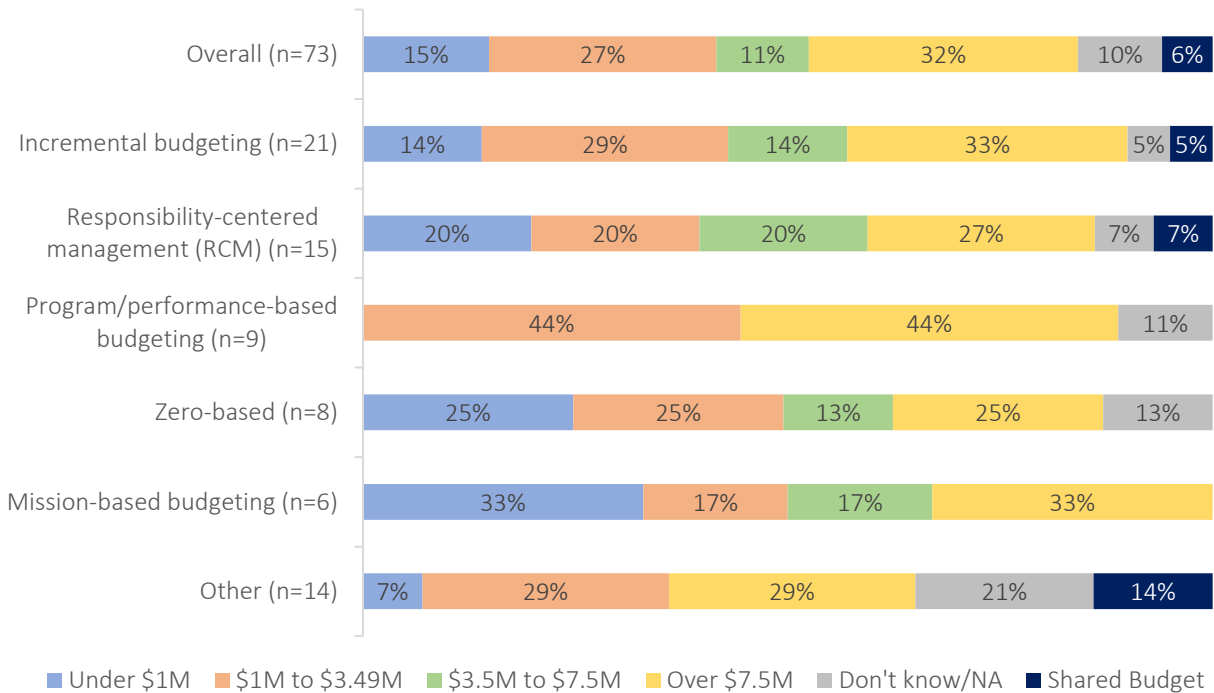
Nearly a third (32%) of 2026 respondents had a total budget from \$1M to \$5M for the 2024-2025 academic year, while 13% had a total budget between \$5M and \$10M, and 14% had a budget between \$10M and \$25M. On average, respondents had a total budget of \$12.5M and a median of \$3.5M.

Figure 16: For the 2024-2025 academic year, what was your online enterprise's total budget? Please list the budget in USD.



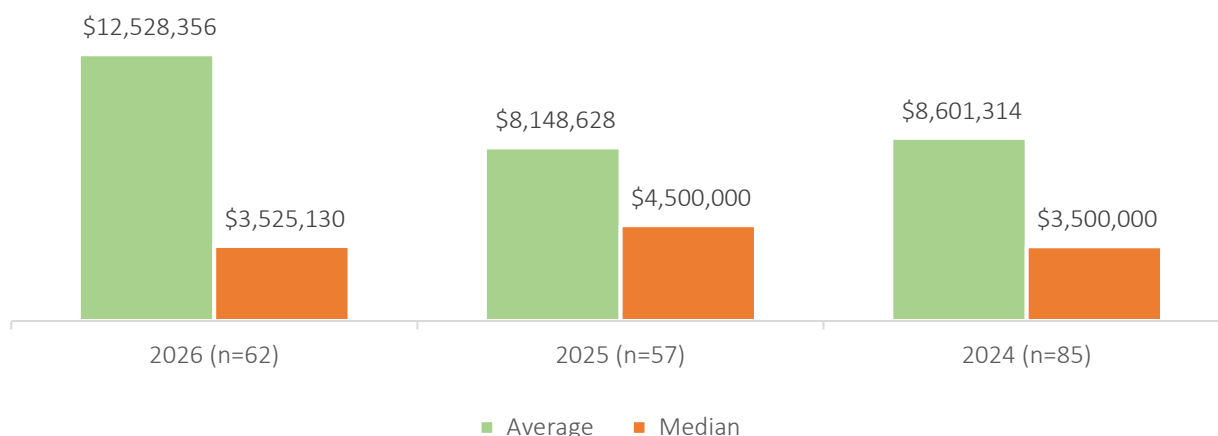
Among all budget models, respondents using a program/performance-based model had the highest proportion of institutions over \$7.5M (44%), while those using a mission-based model, linking budget with mission, vision, and strategic priorities based on relevance on potential contribution, had the highest proportion under \$1M category (33%).

Figure 17: For the 2024-2025 academic year, what was your online enterprise's total budget?
Please list the budget in USD. By Budget Model



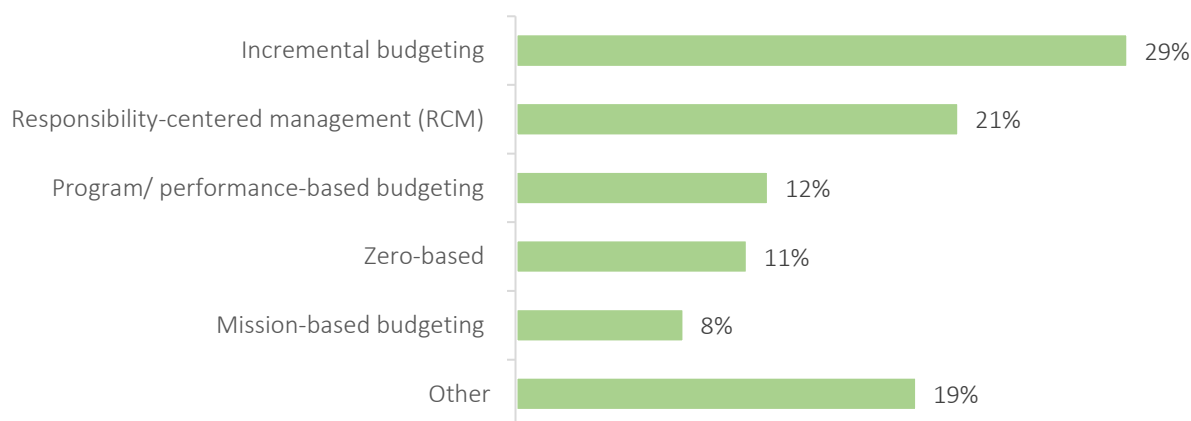
In 2026, respondents indicated a higher average total budget of \$12.5M, compared to \$8.1M in 2025 and \$8.6M in 2024. However, the median (\$3.5M), was much closer to previous years (\$4.5M in 2025, \$3.5M in 2024), suggesting that a smaller number of high-budget outliers is increasing the average.

**Figure 18: For the 2024-2025 academic year, what was your online enterprise's total budget?
Please list the budget in USD. (YOY)**



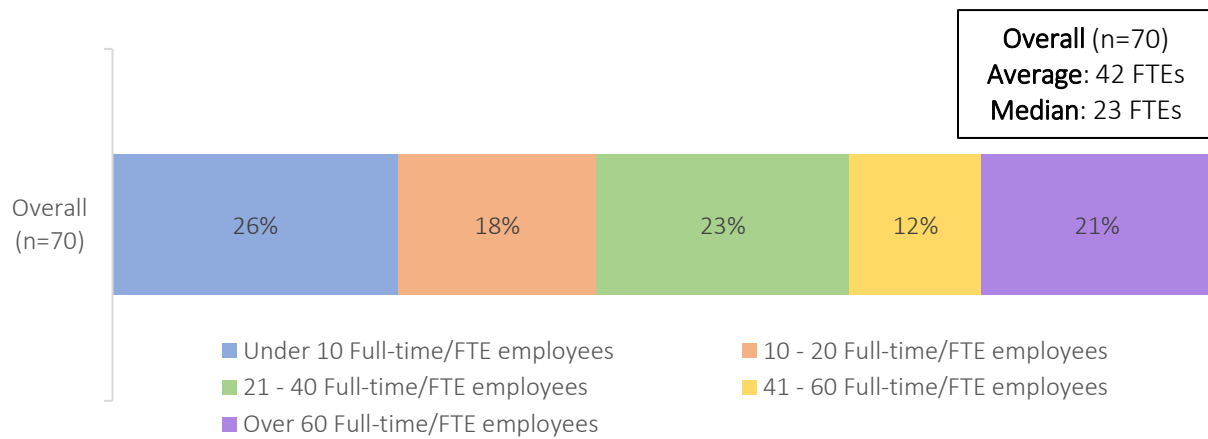
Twenty-nine percent of respondents use an incremental budgeting model, 21% deploy a responsibility-centered management (RCM) model, 12% a program/performance-based model, 11% a zero-based model, and 8% a mission-based model. Nineteen percent cited budget models in the “Other” category which included a need-based model, a modified RCM model, and a combination of several models, among others.

Figure 19: What budget model does your institution primarily deploy for its online enterprise(s)? (n=73)



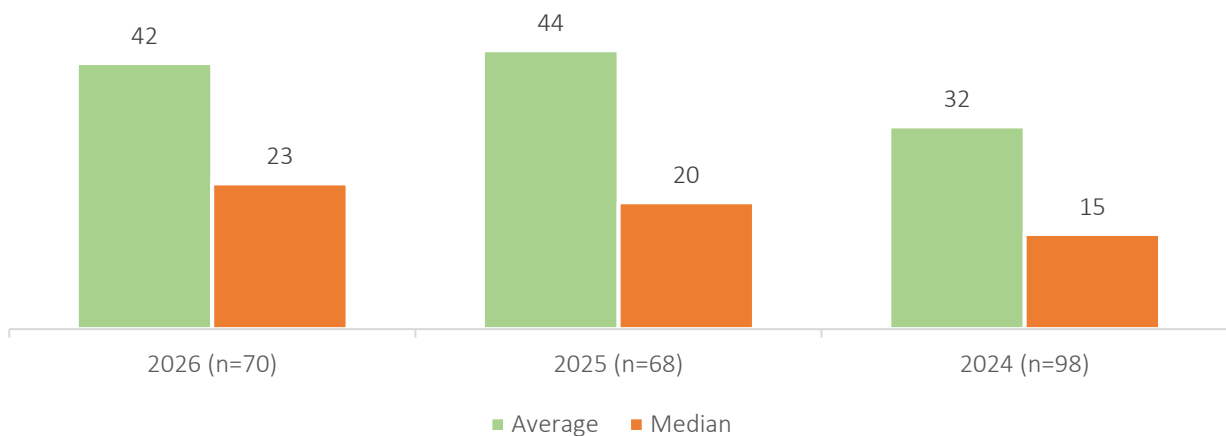
For the purposes of this report, “FTEs” refers to all full-time and full-time-equivalent employees funded by the online enterprise, where two half-time employees count as one FTE. For brevity, “FTEs” is used as shorthand for this combined count in all subsequent references. Twenty-six percent of respondents have fewer than 10 FTEs that are funded by their online enterprise, while 18% have between 10 and 20, and 23% have between 21 and 40. On average, they have 42 FTEs that are funded by their online unit with a median of 23.

Figure 20: Including yourself, how many full-time or full-time equivalent (FTE) employees (i.e., two half-time employees equals one full-time employee) are funded by your online enterprise?



2026 responses suggest the number of FTEs funded by online enterprises decreased from 44 in 2025 to 42 in 2026. However, the median slightly increased from 20 in 2025 to 23 in 2026. Both the average and median were higher in 2026 compared to 2024.

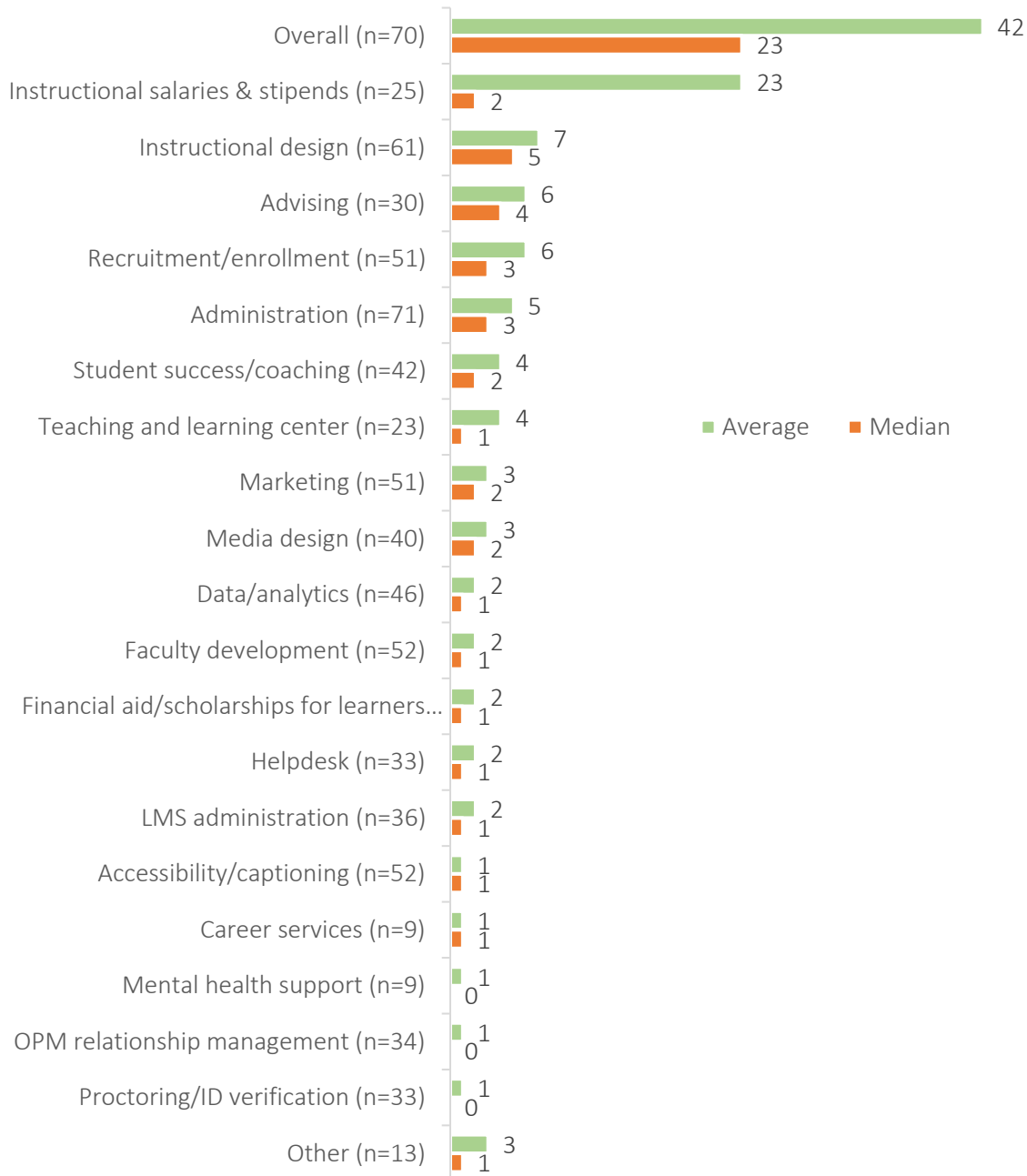
Figure 21: Including yourself, how many full-time or full-time equivalent (FTE) employees (i.e., two half-time employees equals one full-time employee) are funded by your online enterprise? (YOY)



Overall, respondents' online enterprises fund an average of 42 FTEs, with the highest number for instructional salaries and stipends (23), followed by instructional design (7), advising (6), and recruitment/enrollment (6).

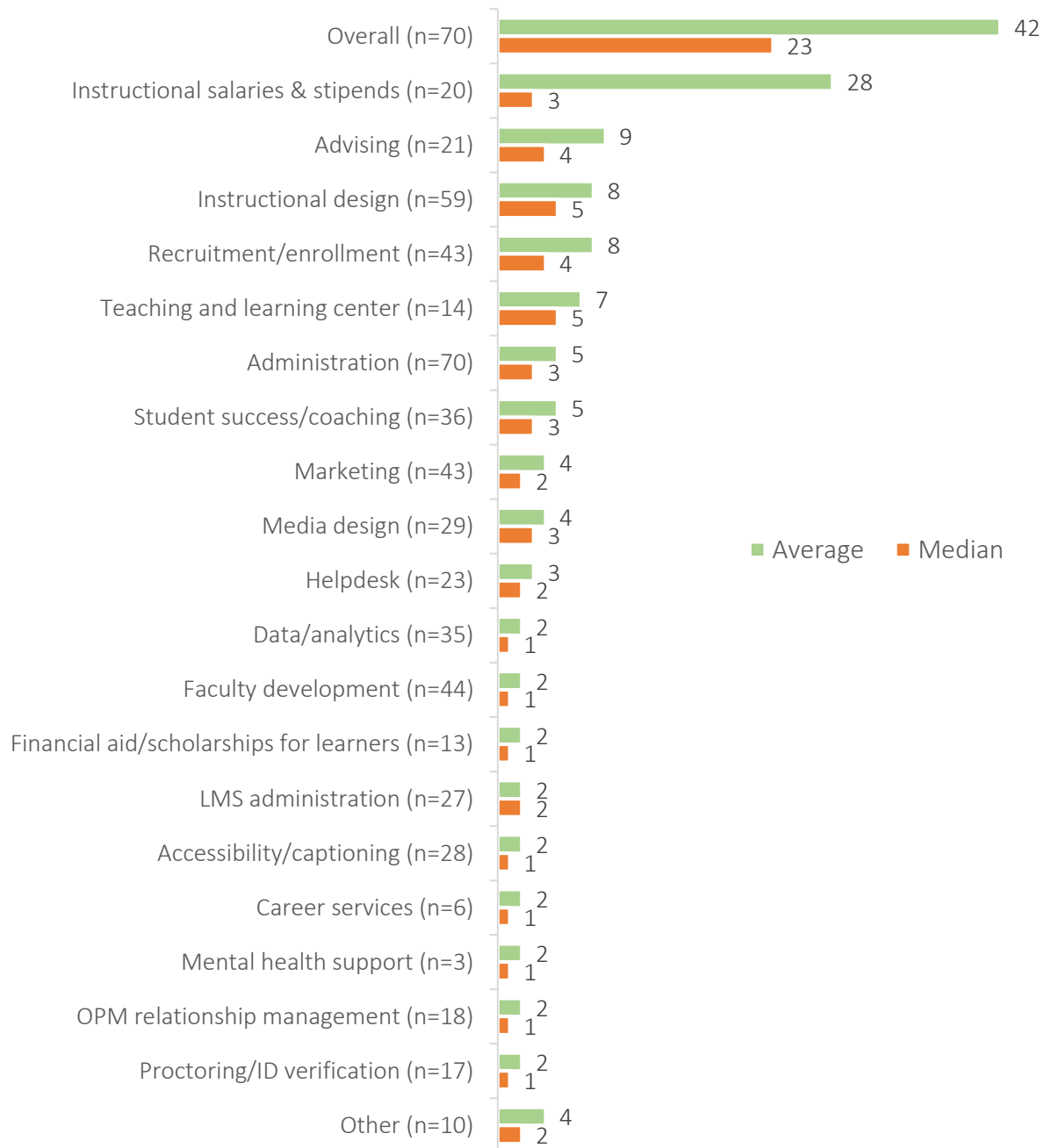
Figure 22: Including yourself, how many full-time or full-time equivalent (FTE) employees (i.e., two half-time employees equals one full-time employee) are funded by your online enterprise?

By Responsibilities



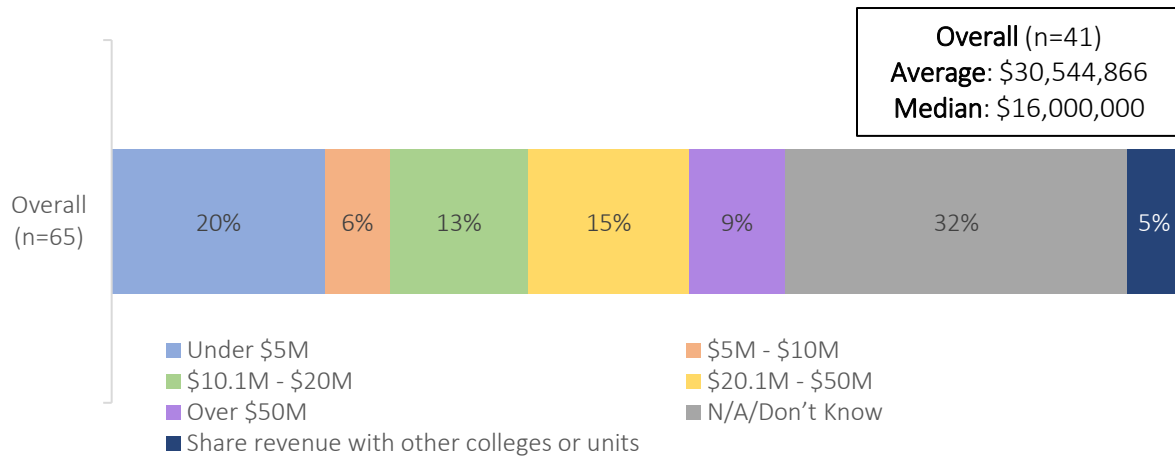
Excluding respondents who reported no FTEs in various categories, the highest average number was for instructional salaries and stipends (28), followed by advising (9), instructional design (8), and recruitment/enrollment (8).

**Figure 23: Including yourself, how many full-time or full-time equivalent (FTE) employees (i.e., two half-time employees equals one full-time employee) are funded by your online enterprise?
By Responsibilities (No Zero's)**



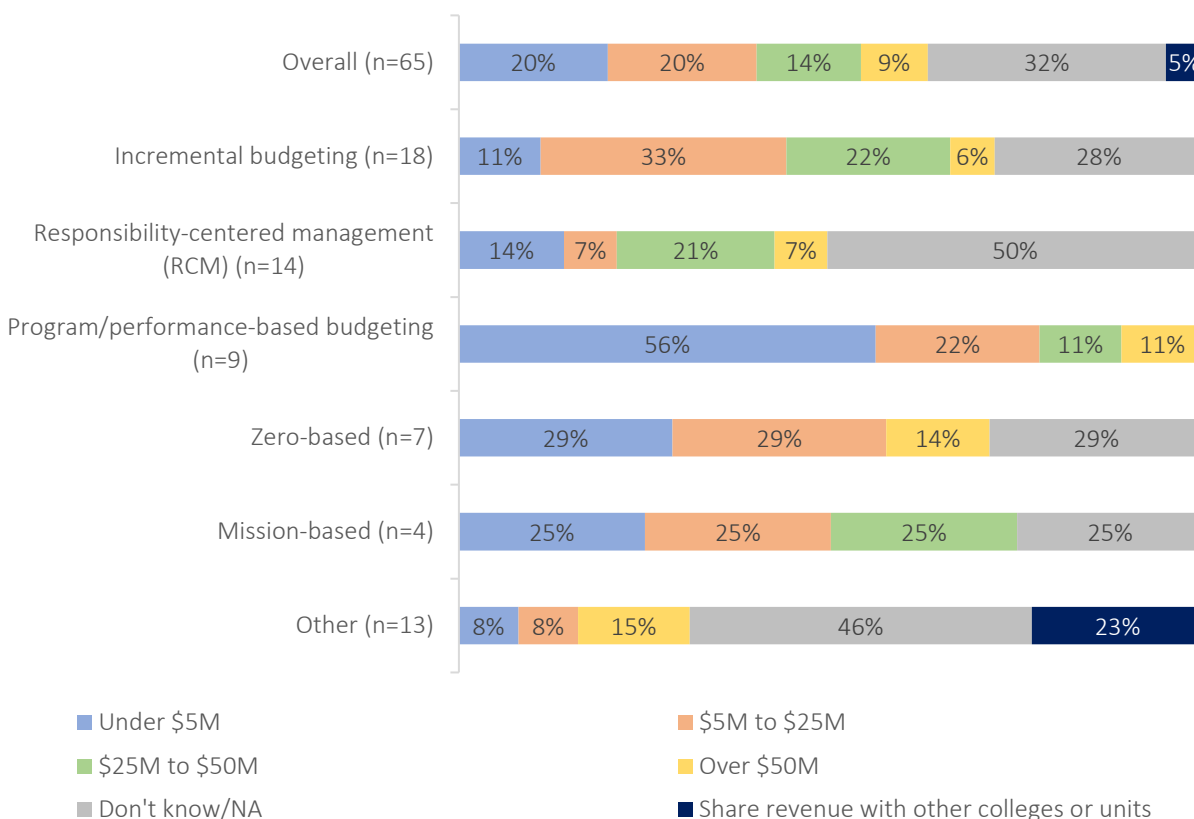
Twenty percent of respondents' online enterprises had a total gross revenue under \$5M, 13% had a total gross revenue between \$10.1M and \$20M, and 15% \$20.1M to \$50M. Nearly a third (32%) didn't know or chose "N/A" for their total gross revenue. On average, the total gross revenue was \$30.5M with a median of \$16M.

Figure 24: For the 2024-2025 academic year, what was your online enterprise's total gross revenue? Please list gross revenue in USD.



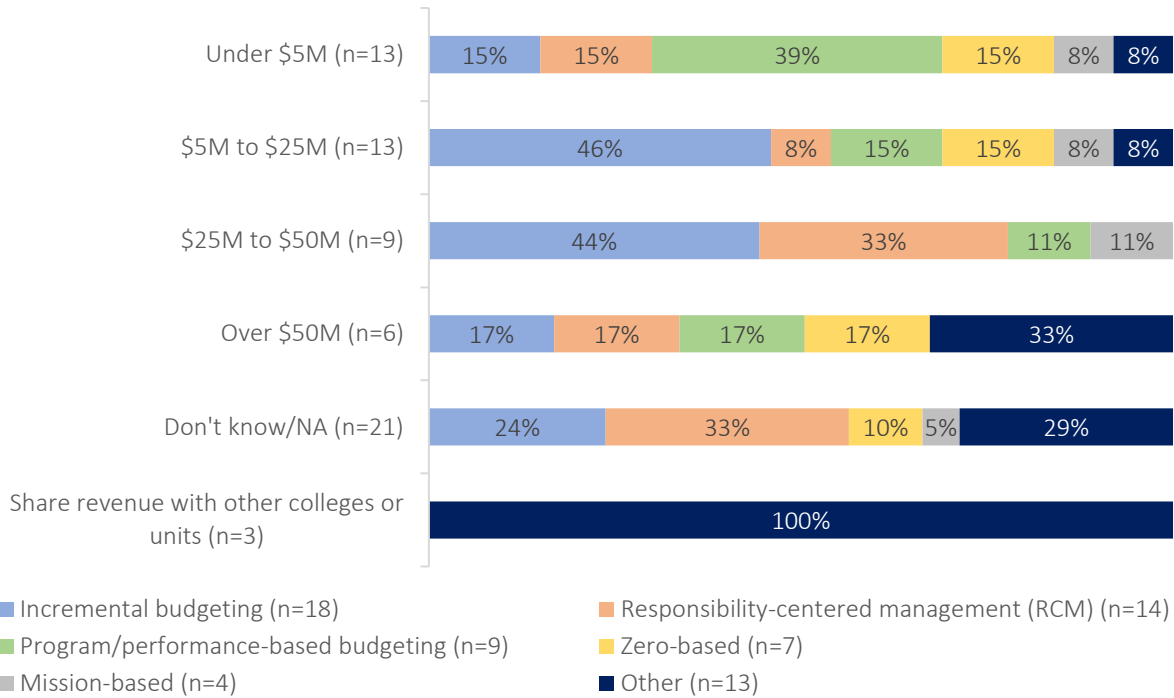
Among all budget model types, respondents who deploy a program/performance-based budgeting model had the highest proportion of gross revenues under \$5M (56%), while those with a zero-based model had the highest proportion of gross revenues over \$50M (14%). Half (50%) of those who use a responsibility-centered management model did not know their unit's total gross revenue.

Figure 25: For the 2024-2025 academic year, what was your online enterprise's total gross revenue? Please list gross revenue in USD. By Budget Model



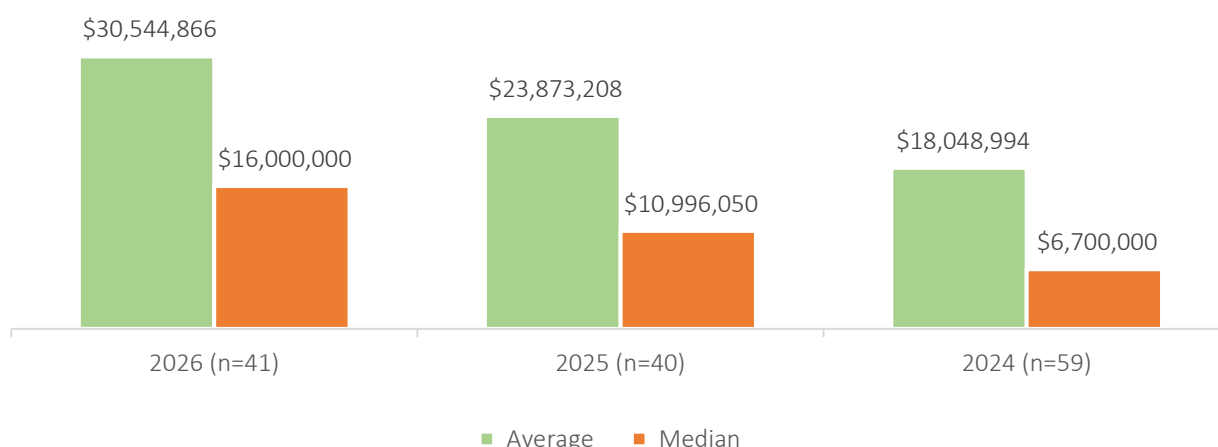
Respondents' institutions who have a revenue under \$5M were most likely to say their online enterprise uses a program/performance-based budget model (39%), while those with revenues between \$5M and \$50M were most likely to cite an incremental budget model, and those with revenue over \$50M were most likely to cite budget models in the "Other" category (33%).

**Figure 26: What budget model does your institution primarily deploy for its online enterprise(s)?
By Total Gross Revenue Category**



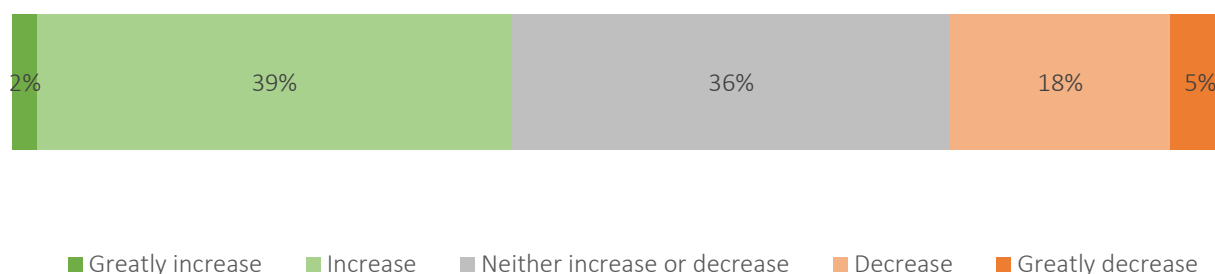
Gross revenue has trended upward over the last three benchmarking surveys. The 2026 academic year saw a notable jump in average gross revenue to \$30.5M, up from \$23.9M in 2025, and the median rose from \$11.0M to \$16.0M.

**Figure 27: For the 2026 academic year, what was your online enterprise's total gross revenue?
Please list gross revenue in USD. (YOY)**



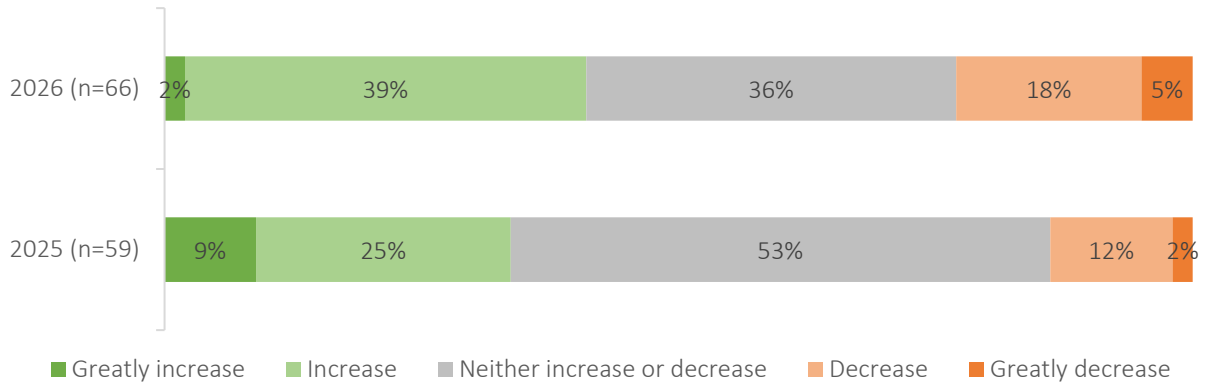
Only 2% of respondents said their online enterprise's overall budget for the next fiscal year will greatly increase over the current year, while 39% said it will increase, 36% said it will remain constant, neither increasing nor decreasing, 18% expect it to decrease, and 5% said it will greatly decrease.

Figure 28: Which of the following best describes your online enterprise's overall budget for the next fiscal year compared to the previous fiscal year? (n=66)



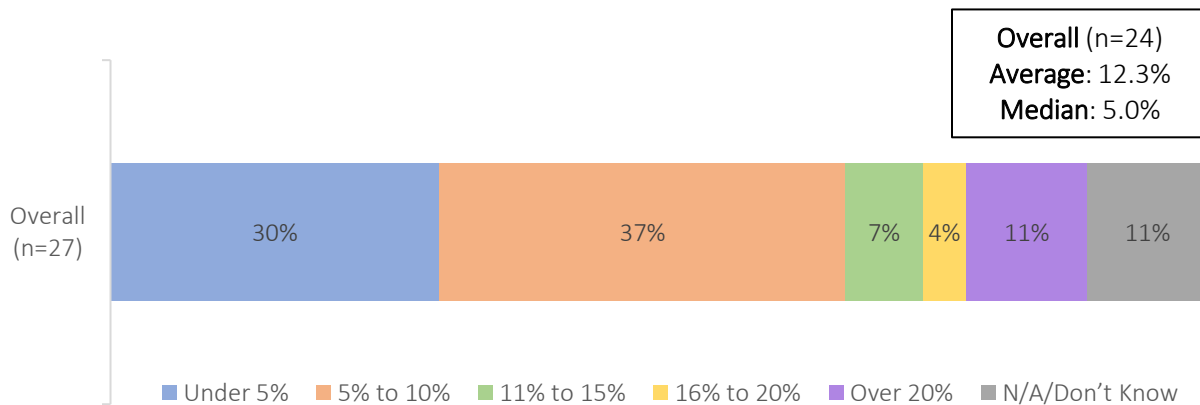
While a greater percentage of respondents (39%) expect an increase in their budget for the next fiscal year compared to the 2025 benchmarking survey (25%), just 2% anticipate it greatly increasing compared to 9% in 2025. A greater percentage also expect a decrease in budget (18% vs. 12%). In 2026, a significantly smaller proportion expect neither an increase nor decrease (36%) compared to 2025 (53%), which suggests there may be more clarity around budget expectations, even if contractions are more prevalent.

Figure 29: Which of the following best describes your online enterprise's overall budget for the next fiscal year compared to the previous fiscal year? (YOY)



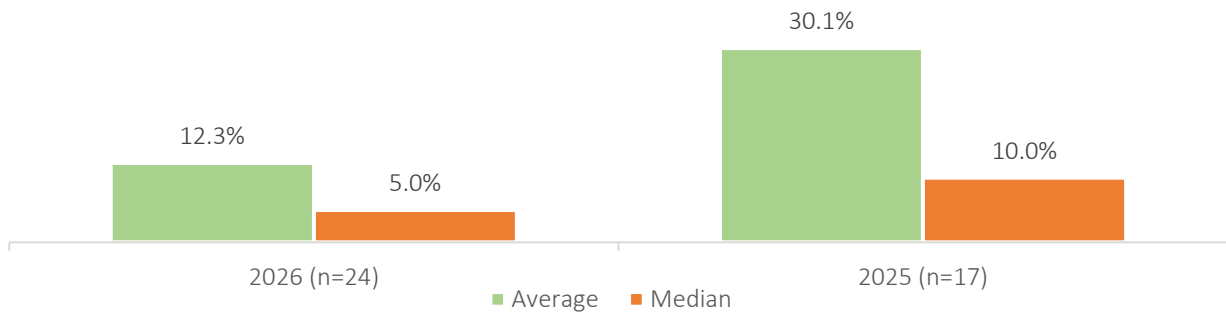
Among respondents who cited a budget increase for the next fiscal year, 37% expect it to increase by 5 to 10%, while 30% report an increase of under 5%. On average, respondents expect a budget increase of 12.3%, with a median of 5.0%.

Figure 30: What percentage do you believe your online enterprise's overall budget will increase by in the next fiscal year? If you are unsure, please feel free to estimate.



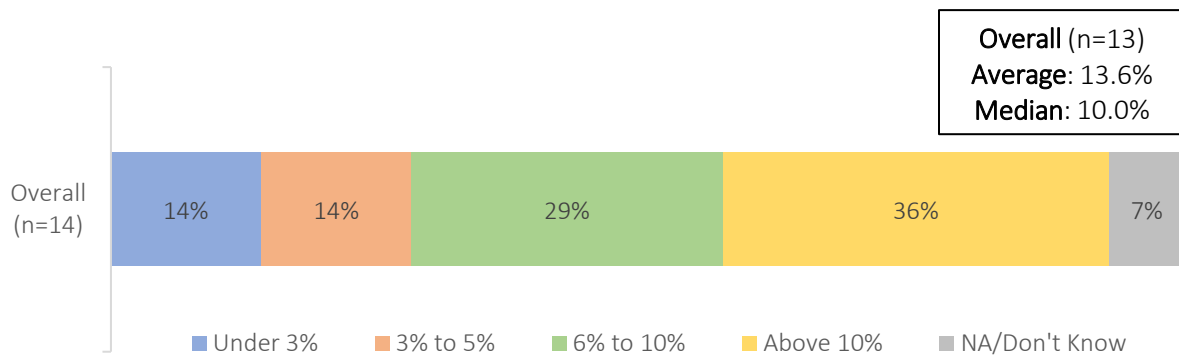
In 2026, respondents' median expected budget increase was halved, down to 5.0% in 2026 from 10.0%. The average value also fell considerably from 30.1% to 12.3%.

Figure 31: What percentage do you believe your online enterprise's overall budget will increase by in the next fiscal year? If you are unsure, please feel free to estimate. (YOY)



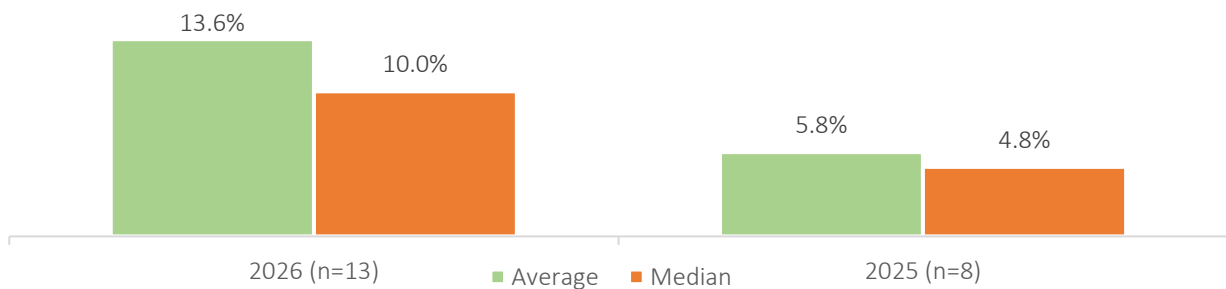
Among respondents who expect a budget decrease for the next fiscal year, 29% see it decreasing by 6 to 10%, and for 36%, above 10%. On average, respondents expect a budget decrease of 13.6%, with a median of 10.0%. Twenty-eight percent expect a decrease of 5% or less.

Figure 32: What percentage do you believe your online enterprise's overall budget will decrease by in the next fiscal year? If you are unsure, please feel free to estimate.



Expected budget decreases rose in 2026, the average more than doubling from 5.8% in 2025 to 13.6% in 2026, and the median rising from 4.8% to 10%.

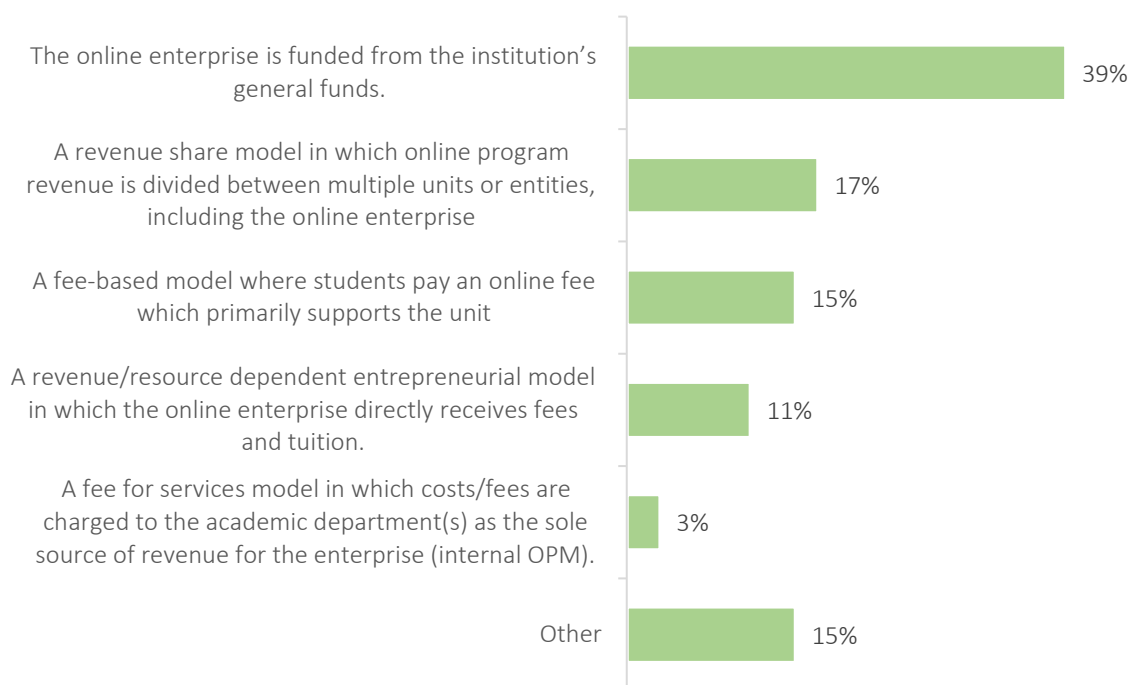
Figure 33: What percentage do you believe your online enterprise's overall budget will decrease by in the next fiscal year? If you are unsure, please feel free to estimate. (YOY)



Finances and Funding

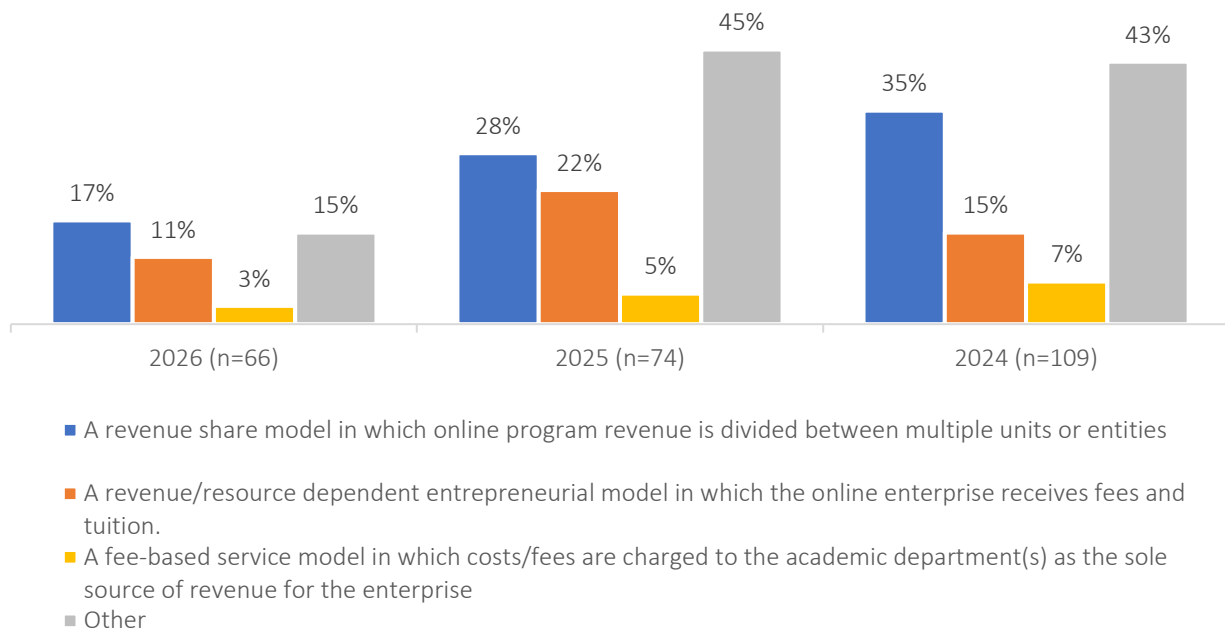
Thirty-nine percent of respondents' online enterprises' primary financial model is from the institution's general funds, 17% have a revenue share model, 15% fee-based model, 11% a revenue/resource dependent entrepreneurial model, and 3% fee for services model. Most responses in the "Other" category include using a combination of different models.

Figure 34: Which of the following best describes your *primary* online enterprise's financial model? (n=66)



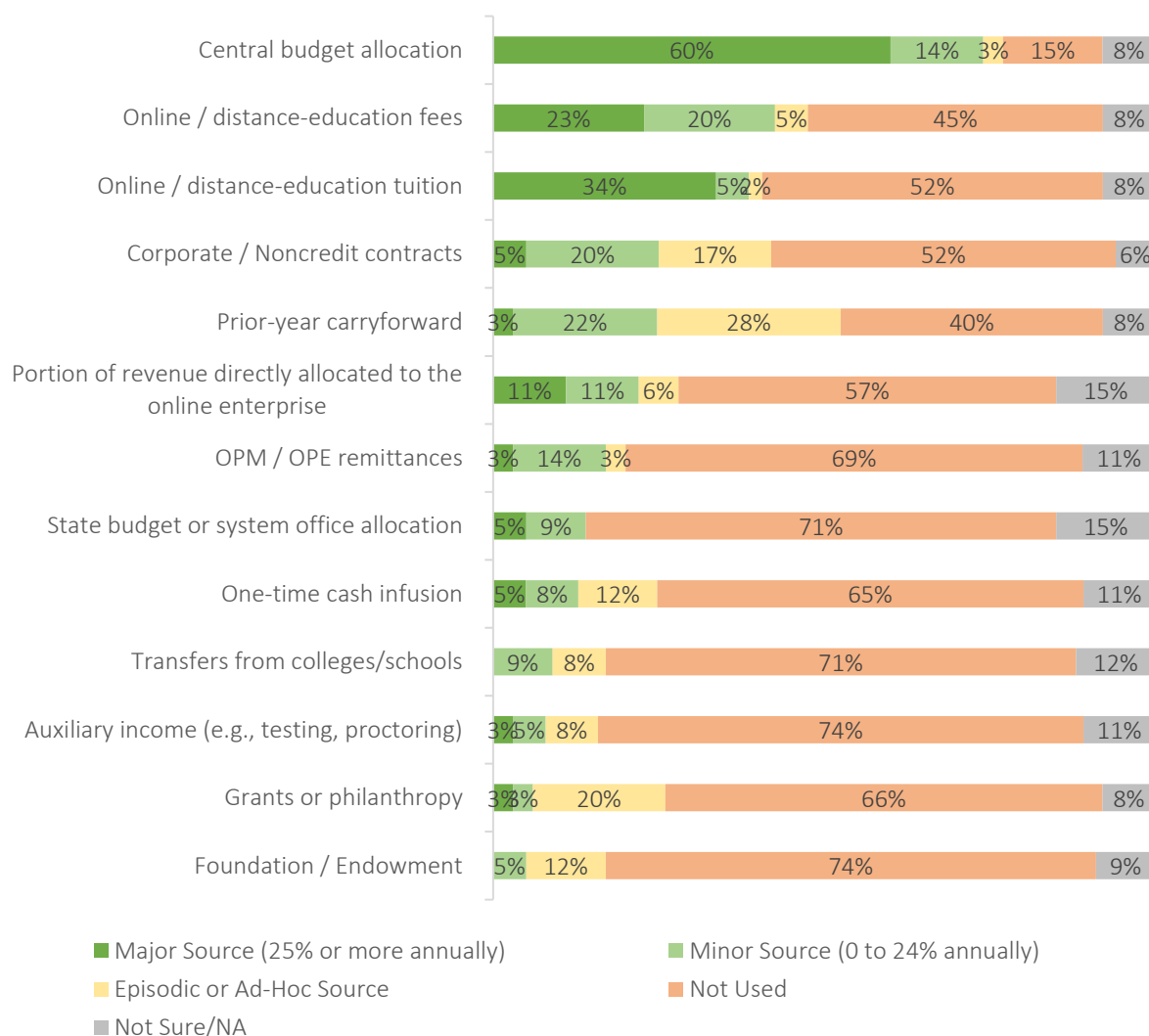
The 2026 survey included two additional response options for this survey question to decrease the size of the "Other" category. For YoY comparison, those response options were not included in the chart below. A smaller percentage of respondents indicated a revenue share and revenue/resource dependent entrepreneurial model in 2026 compared to 2025 and 2024.

Figure 35: Which of the following best describes your *primary* online enterprise's financial model? (YOY)



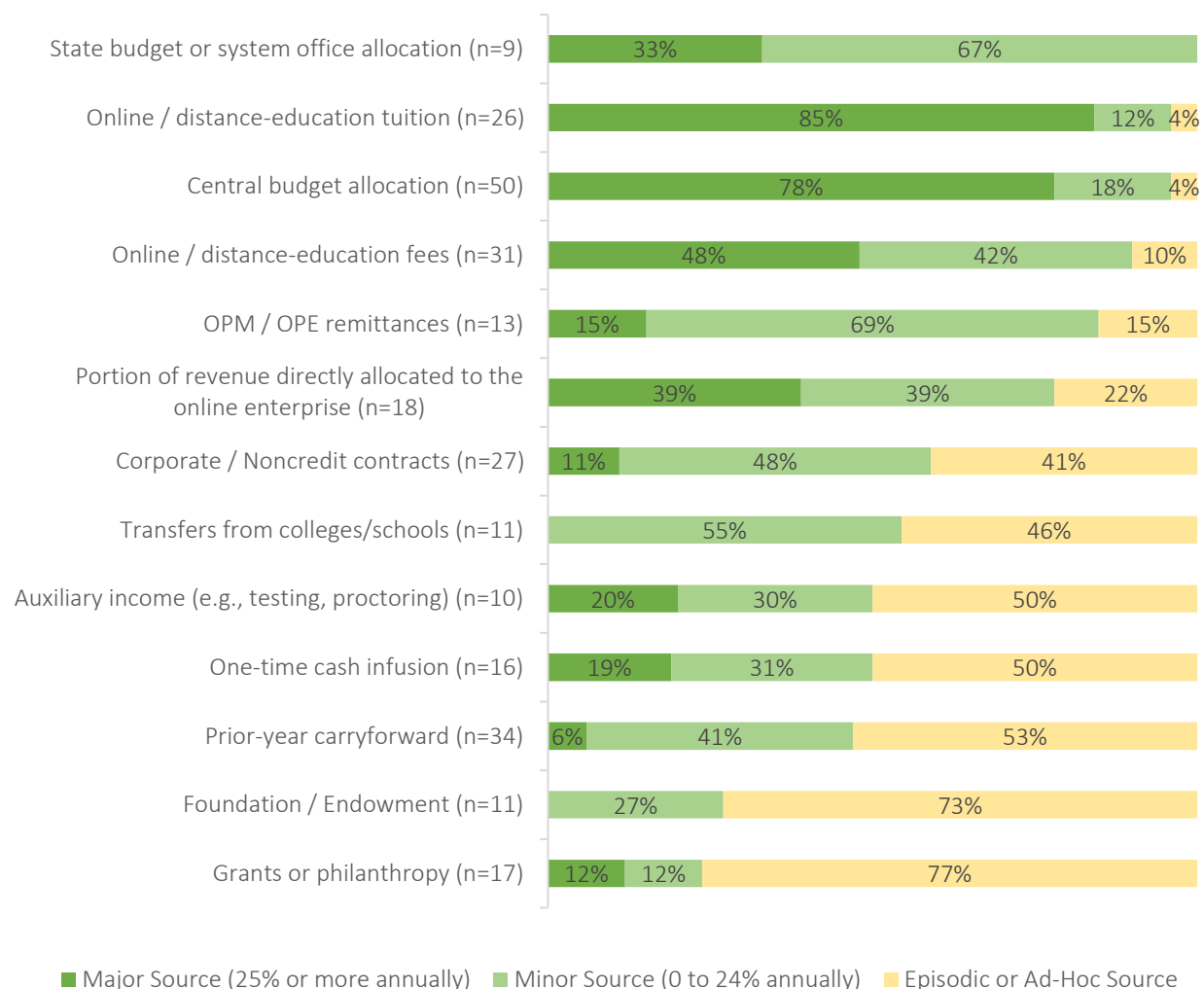
When asked which funding sources their online enterprise relied upon in the most recent fiscal year, central budget allocation predominated (60% major source), followed by online/distance-education tuition (34% major source), and online/distance-education fees (23% major source).

Figure 36: Please select which funding sources your online enterprise relied upon in the most recent fiscal year (n=65)



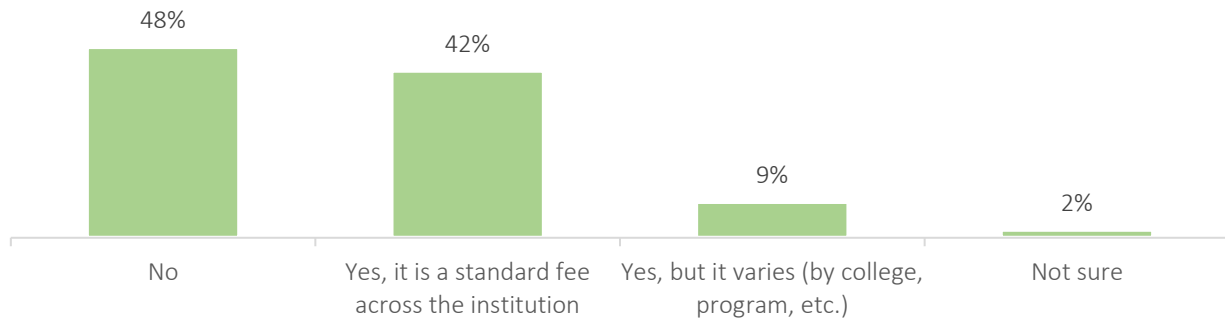
Those in the previous question who selected “Not Used” or “Not Sure/NA” when asked about funding sources were excluded from the following chart. Among the remaining respondents, the greatest source of funding came from state budget or system office allocation (100% major or minor source), followed by online/distance-education tuition (97% major or minor source), and central budget allocation (96% major or minor source).

Figure 37: Please select which funding sources your online enterprise relied upon in the most recent fiscal year (Without “Not Used” & “N/A”)



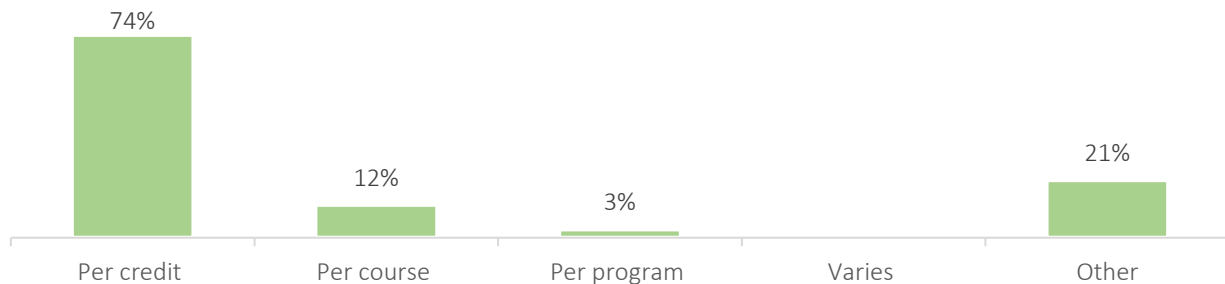
Nearly half (48%) of respondents said an online or distance education fee is not assessed to students enrolled in online courses, while 42% said there is a standard fee across the institution, and 9% said yes there is a fee, but it varies.

**Figure 38: Is an online or distance education fee assessed to students enrolled in online courses?
(n=65)**



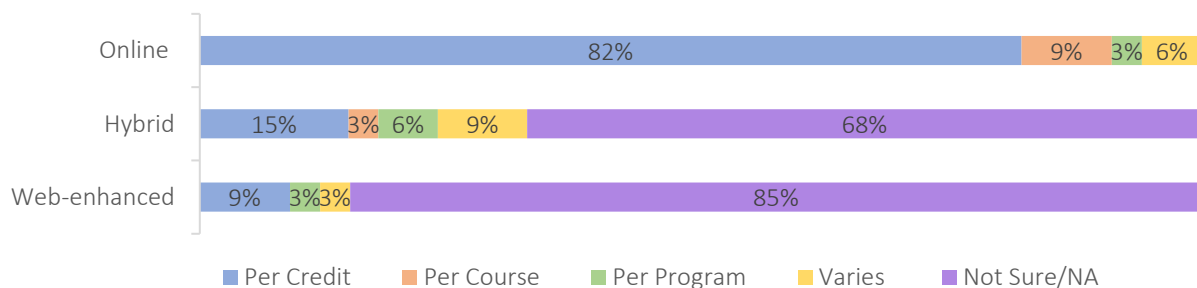
Among respondents who have an online or education fee, nearly three-quarters (74%) said this fee is assessed on a per credit basis, while 12% said it is assessed per course, 3% per program, and 21% gave responses in the “Other” category. Examples include a per semester fee, a fee based on part-time or full-time attendance, and a registration fee, among others.

**Figure 39: How is the online or distance education fee assessed? Please select all that apply
(n=34)**



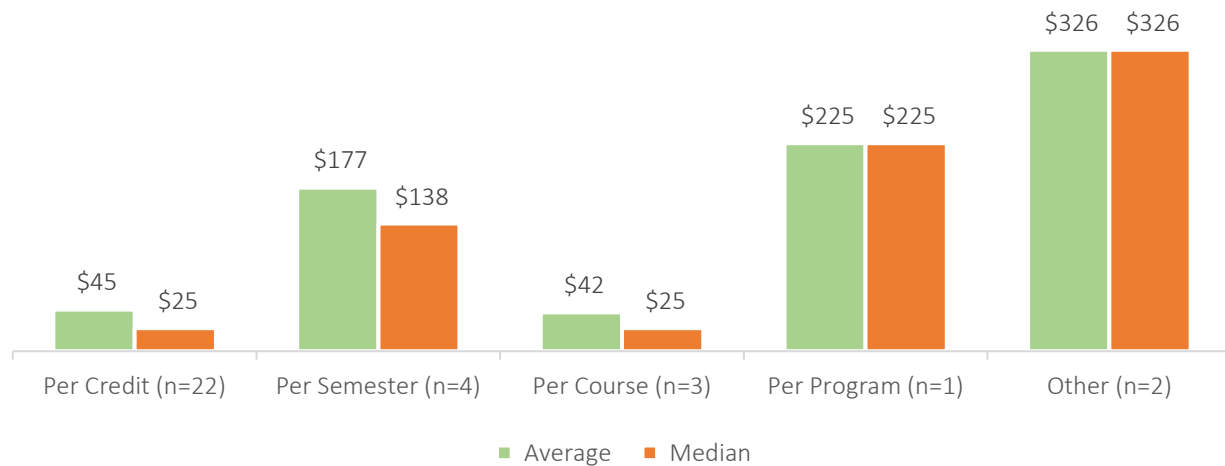
For online courses, 82% of respondents said the distance learning fee is assessed per credit, 15% for hybrid courses, and 9% for web-enhanced courses. For both hybrid and web-enhanced courses, a majority of respondents did not know how the distance learning fee is assessed.

Figure 40: Please select the criteria used to assess distance learning fees (considering the modality combined with the fee assessment) (n=34)



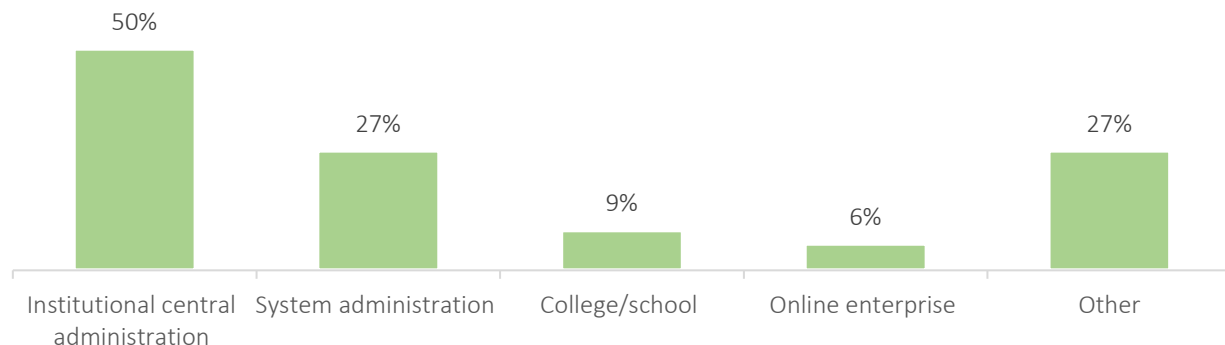
For the 22 respondents whose institution's distance fee is assessed per credit, the average cost is \$45. The number of responses for the other categories was much lower. The average fee assessed per semester was \$177, and \$42 per course. The fee for the one respondent whose institution assessed per program is \$225. The two respondents in the "Other" category gave multiple per credit hour fees, based on degree-level. For example, one respondent said "\$74 for undergraduate per SCH and \$100 for graduate" while the other said "\$475 credit hour/undergrad; \$565 graduate; \$655 doctoral."

Figure 41: What is the average online or distance education fee assessed?



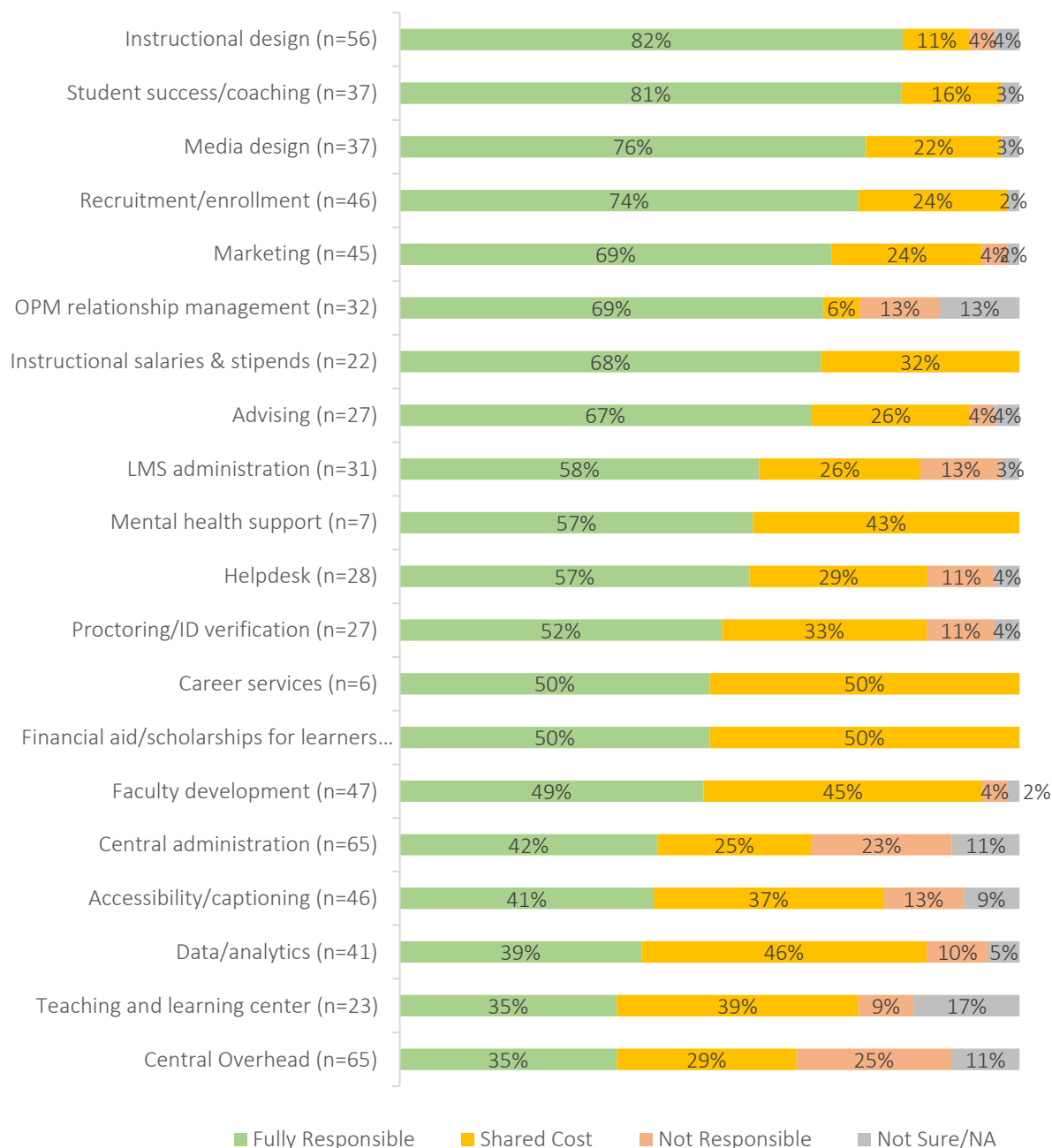
When asked about who establishes the amount of their online or distance education fee, half of respondents (50%) said the institutional central administration, 27% said the system administration, 9% the college/school, and 6% the online enterprise. Over a quarter (27%) cited responses in the "Other" category which included the Board of Trustees, advisory committees, and state regulations, among others.

Figure 42: Who establishes the amount of your online or distance education fee?
Please select all that apply (n=34)



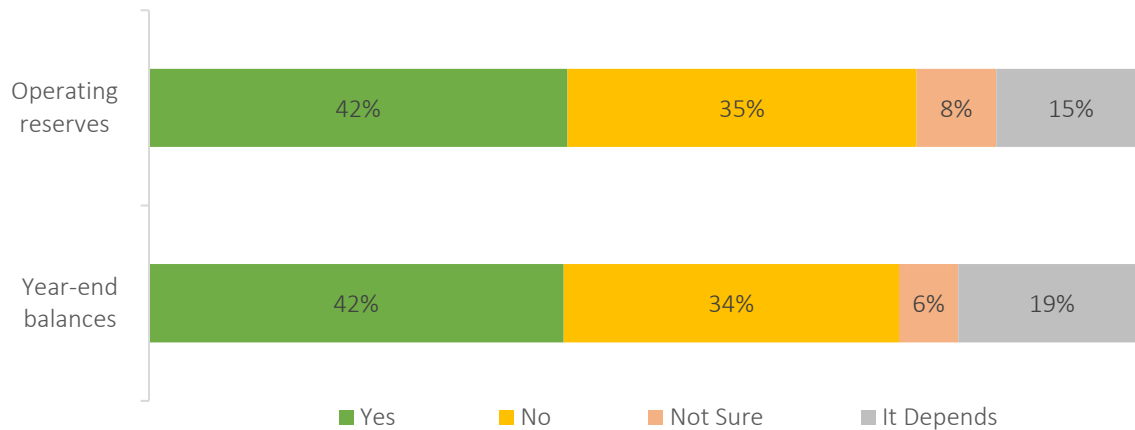
Respondents who indicated their online enterprise was responsible for a given function were then asked how responsible their unit's budget is for that function. Respondents shared their online enterprise's budget was most likely to be fully responsible for instructional design (82%), followed by student success/coaching (81%), and media design (76%). The online enterprise's budget was not likely to be responsible for central overhead (25% not responsible), central administration (23% not responsible), and accessibility/captioning (13% not responsible).

Figure 43: How responsible is your online enterprise's budget for the following functions:



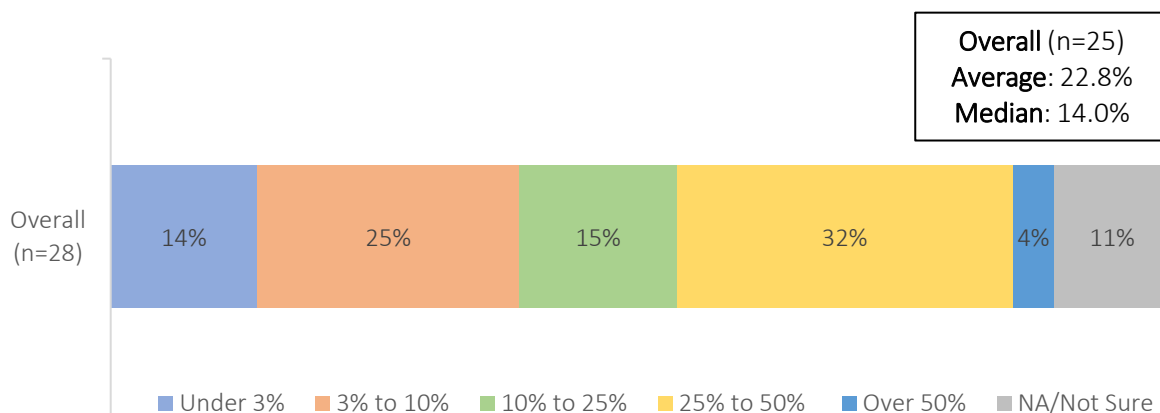
Forty-two percent of respondents said their online enterprise is permitted to carry forward operating reserves and 42% can carry forward year-end balances. In contrast, 35% reported not being permitted to carry forward operating reserves, and 34% said the same for year-end balances.

Figure 44: Is your online enterprise permitted to carry forward either of the following? (n=65)



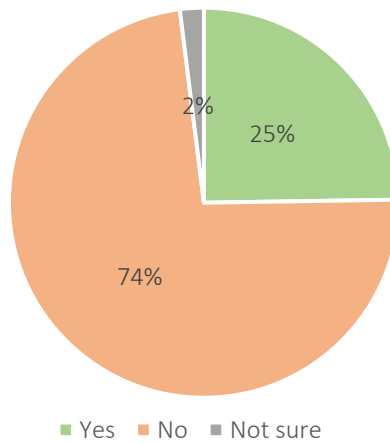
Nearly a third of respondents (32%) state their reserves equal between 25 to 50% of their budget, while a quarter (25%) have a reserve size of 3 to 10% of their online enterprises budget. On average, online enterprises have a reserve size of 22.8% of their budget, with a median of 14%. One respondent had a significantly large reserve size of 135%, which heavily influenced the mean.

Figure 45: What is the current reserve size as a percentage of your online enterprise's budget?



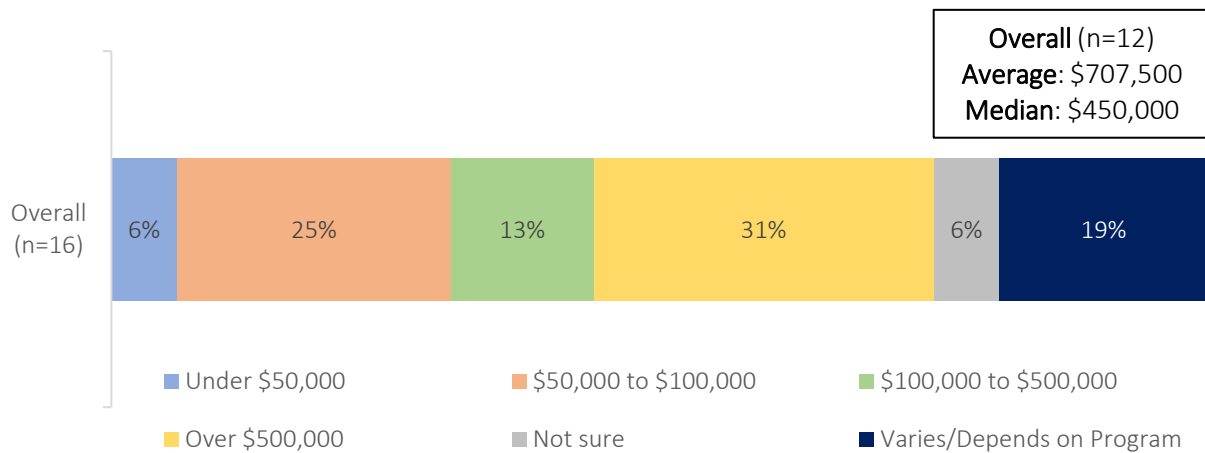
Nearly three-quarters (74%) of respondents said their online enterprise does not have a separate start-up fund to launch and incubate new programs apart from any reserves, while a quarter (25%) said they do, and 2% were not sure.

Figure 46: Does your online enterprise have a separate/additional start-up fund(s) for the launch and incubation of new programs apart from any reserves? (n=65)



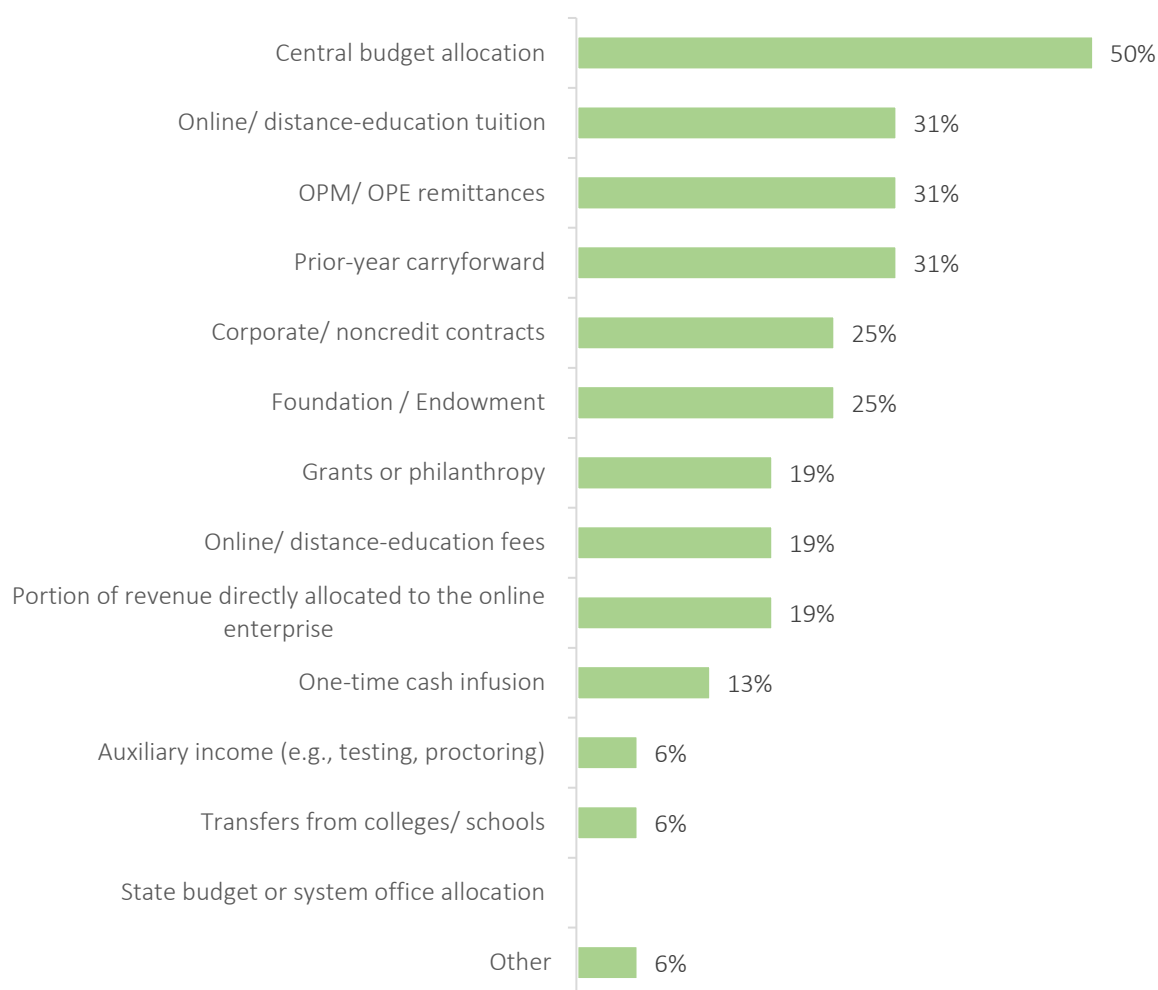
Among respondents who said their online enterprise does have a separate start-up fund for new programs, five (31%) said the average annual size is over \$500,000, while four (25%) said it is between \$50,000 and \$100,000. On average, online enterprises that have separate funding for new programs have a fund size of \$707,500, with a median of \$450,000.

Figure 47: In USD, what is the average annual size of your online enterprise's start-up fund(s) for the launch and incubation of new programs apart from any reserves?



Funding for those start-up funds varies and is not overly reliant on a singular source. Central budget allocation (50%) was the most common followed by online or distance tuition, OPM/OPE remittances, and prior year carryforward (all 31%).

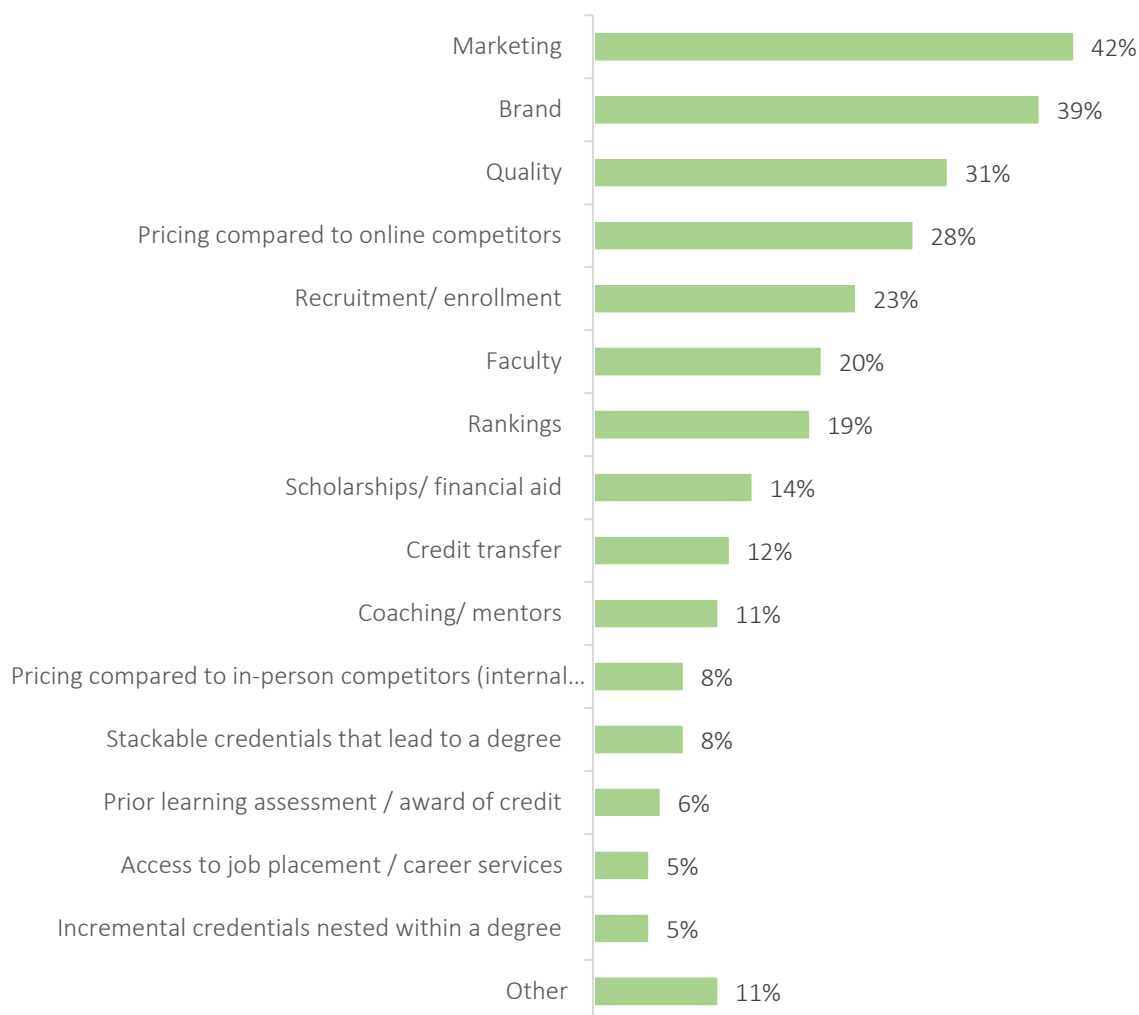
Figure 48: Which of the following are leveraged as funding sources for your online enterprise's start-up fund(s)? Please select all that apply (n=16)



Competitive Environment

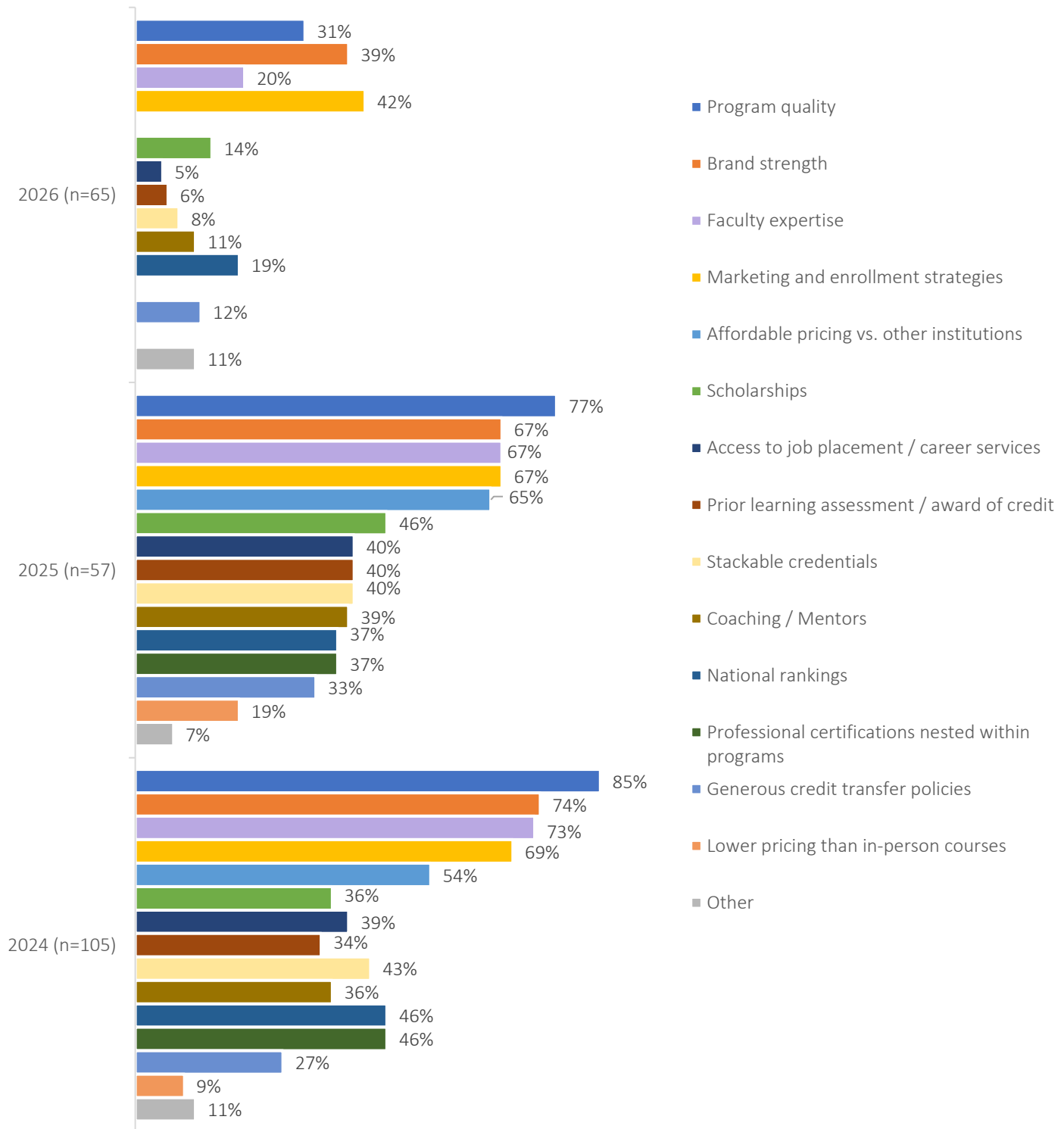
To better position their online programs in a competitive environment, 42% of respondents' online enterprises use marketing, 39% branding, 31% quality, 28% pricing compared to online competitors, and 23% recruitment/enrollment strategies.

Figure 49: Which of the following does your online enterprise use to better position its online programs in a competitive environment? Please select no more than three. (n=65)



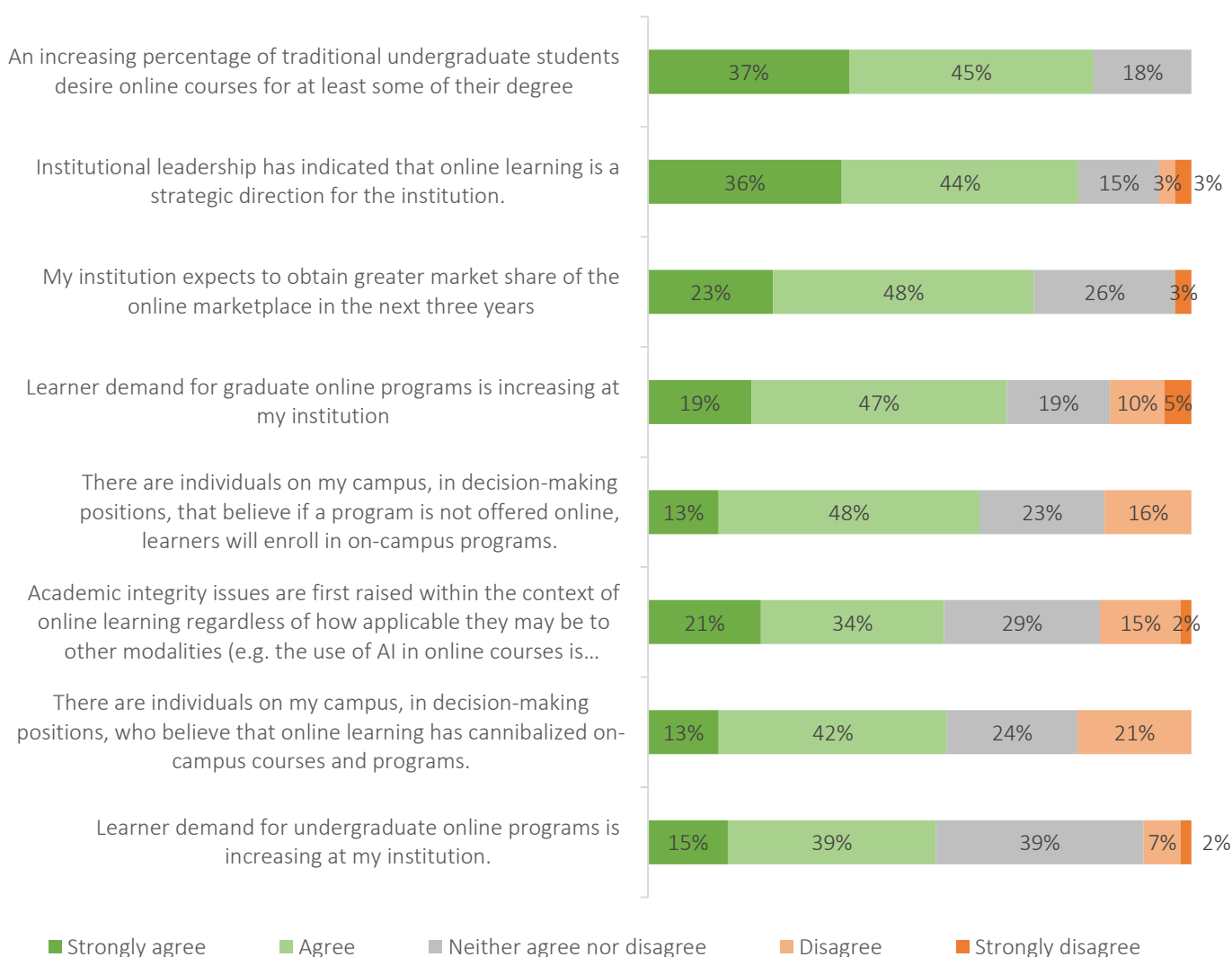
Across all three benchmarking surveys, program quality and brand strength remained consistently among the top competitive strategies. In 2026, marketing and enrollment strategies ranked first, though it is worth noting that in the 2026 survey, this was listed simply as "marketing," and respondents could only select up to three responses rather than all that applied as in previous years. These methodological differences should be kept in mind when comparing results across years.

Figure 50: Which of the following does your online enterprise use to better position its online programs in a competitive environment? Please select all that apply. (Please select no more than three in 2026 survey.) (YOY)



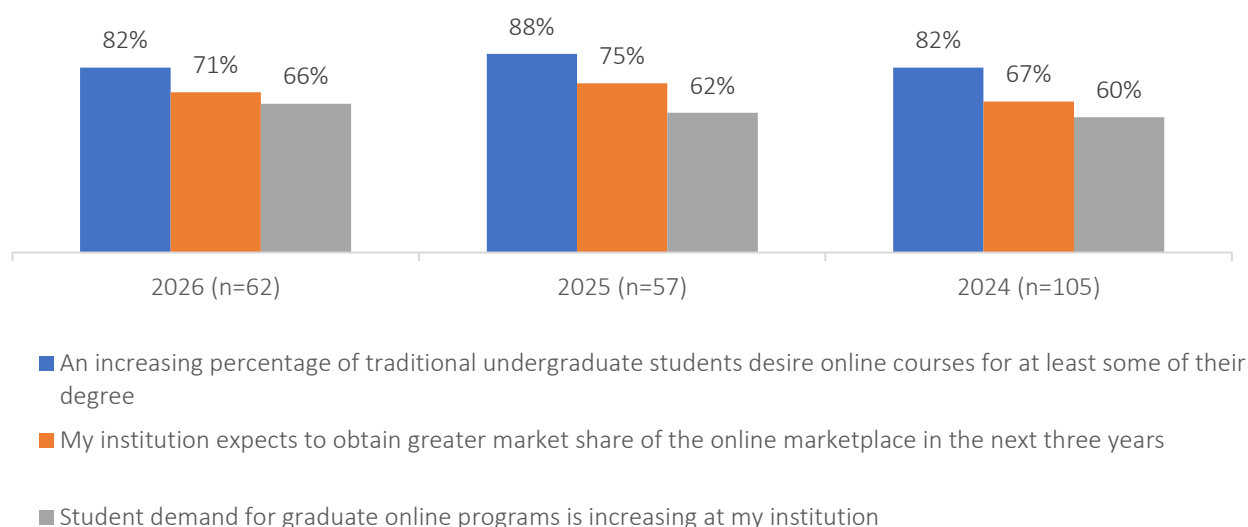
Participants were asked how strongly they agree with some generalized trends. They strongly agreed or agreed that an increasing percentage of traditional undergraduate students desire online courses for at least some of their degree (82%). Also, a large number said their institutional leadership has indicated that online learning is a strategic direction for their institution (80%), and that their institution expects to obtain greater market share of the online marketplace in the next three years (71%). Of note, over half (55%) strongly agreed or agreed that there are individuals on their campus, in decision-making positions, who believe that online learning has cannibalized on-campus courses and programs. Just 21% disagreed with that statement. Academic integrity issues are also first raised within the context of online learning (55%) rather than the larger learning ecosystem at the institution.

Figure 51: Please rate how strongly you agree or disagree with the following statements (n=62)



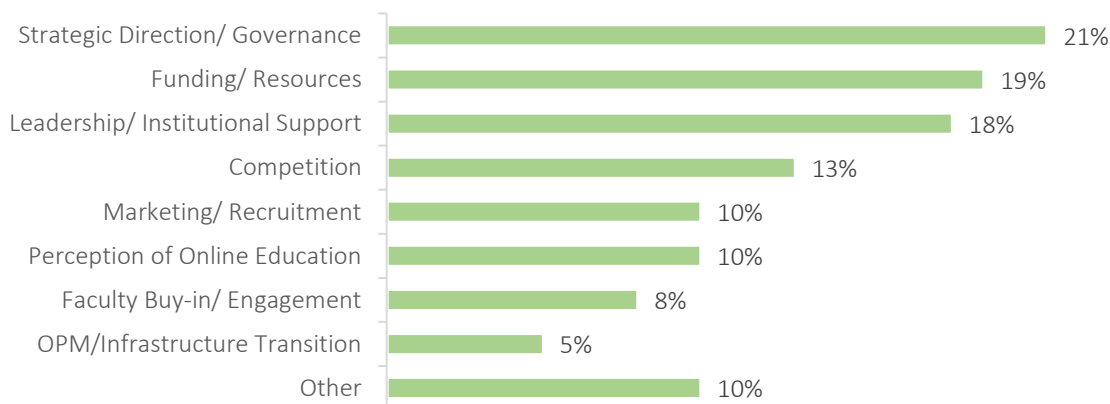
The 2026 benchmarking survey included additional statements about institutional attitudes which are not included in the chart below. Additionally, one statement from previous years was not included in the 2026 survey. Overall, institutional attitudes have remained relatively consistent across all three benchmarking surveys, though there has been a slight increase each year in the belief that learner demand for graduate online programs is increasing.

Figure 52: Please rate how strongly you agree or disagree with the following statements (YOY, Combined % Strongly Agree or Agree)



When asked about the single biggest challenge to the success of their online enterprise, 21% of respondents said strategic direction/governance, 19% said funding/resources, 18% said leadership/institutional support, and 13% competition. Responses mentioned fewer than three times were put in the “Other” category which included technology, instructional designers, and program quality, among others.

Figure 53: What is the single biggest challenge to the success of your online enterprise? (n=62)

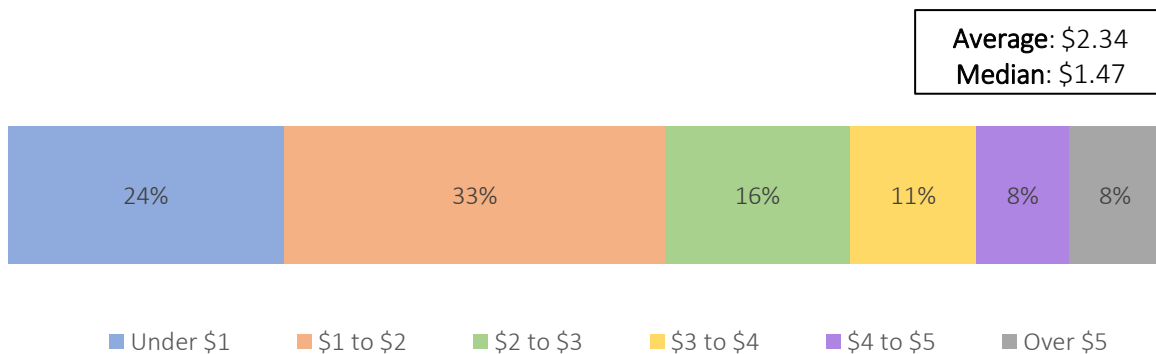


Key Performance Indicators

For all KPI metrics, values identified as statistical outliers, those exceeding three standard deviations above the mean, were excluded from the average and median calculations. The median line is held constant across all institutional categories to show a consistent per capita value.

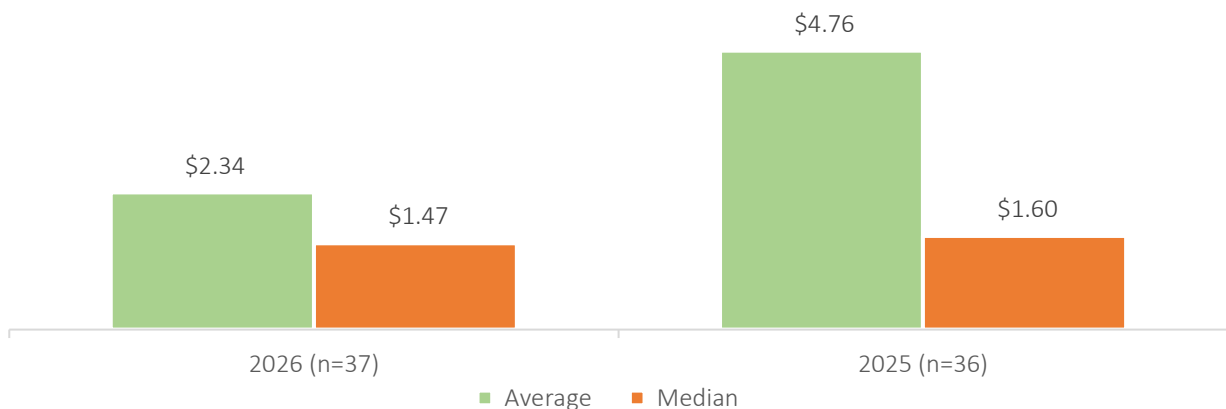
The gross revenue to budget ratio shows how much revenue an institution generates for every dollar spent in budget. A third (33%) of respondents' institutions generate between \$1 and \$2 in revenue for every dollar in budget, while nearly a quarter (24%) generate under \$1. Overall, the average gross revenue to budget ratio is \$2.34 with a median of \$1.47.

Figure 54: Gross Revenue to Budget Ratio (n=37)



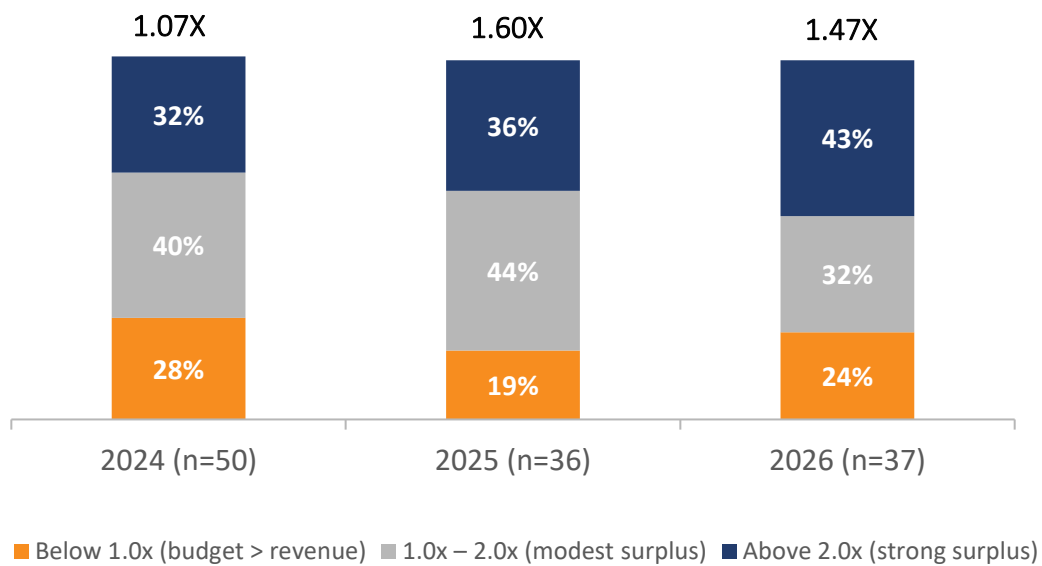
In 2026, respondents reported an average gross revenue to budget ratio (\$2.34). This was about half the amount reported in 2025 (\$4.76). However, median statistics are more similar between benchmarking years.

Figure 55: Gross Revenue to Budget Ratio (YOY)



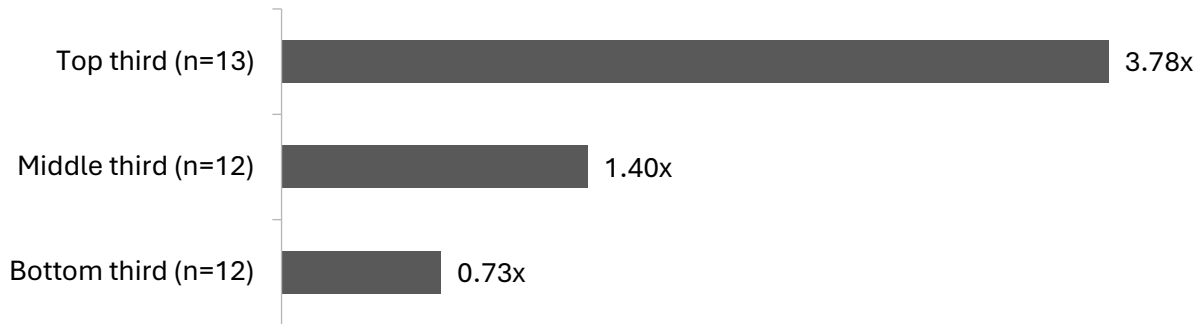
While the median revenue-to-budget ratio held nearly flat year over year (1.60 to 1.47) and the average is distorted by a handful of outliers, the distribution beneath those summary figures is shifting. The share of online enterprises clearing 2.0x (generating at least \$2 in revenue for every dollar budgeted) has risen every year, from 32% in 2024 to 36% in 2025 to 43% in 2026. The share operating below 1.0x, where budget outruns revenue, has not followed a clean trend, moving from 28% to 19% to 24%, though it remains below its 2024 level even as the top cohort has steadily expanded.

Figure 56: Ratio of Gross Revenue to Budget Over Time



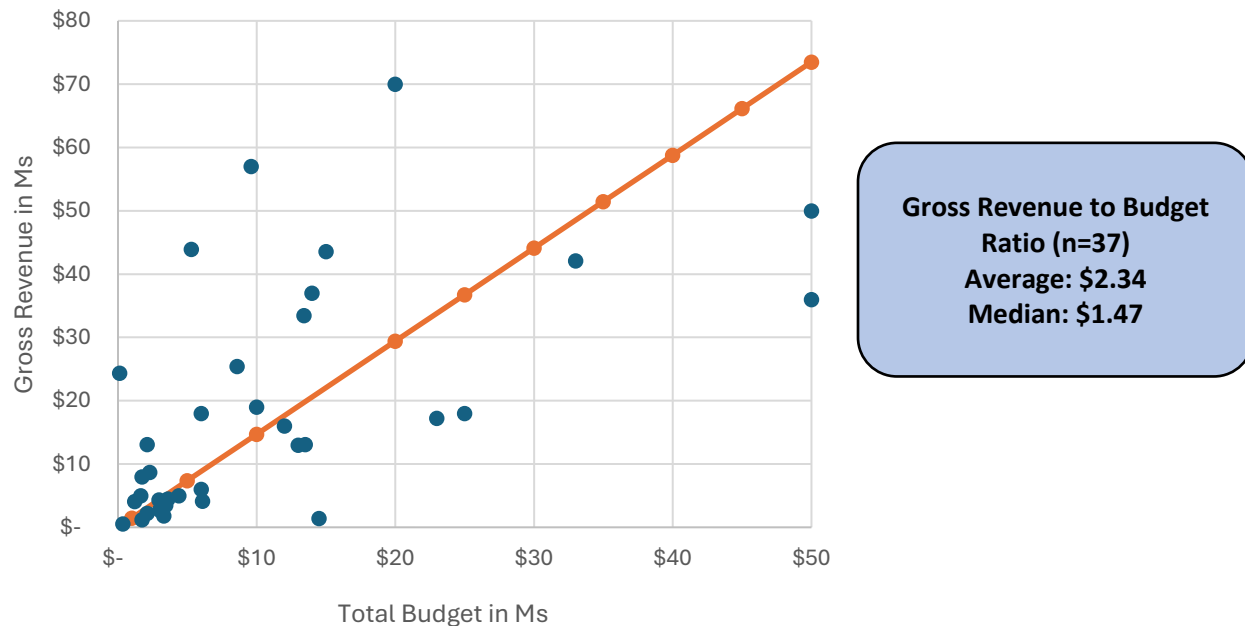
To gauge how far apart those groups sit, the 2026 institutions that provided both gross revenue and budget values were split into three roughly equal groups based purely on their gross revenue to budget ratio. Given the limited sample size this should be treated as directional rather than definitive, but the separation between the groups is pronounced. The median ratio within the bottom third sits at roughly 0.73x, not clearing break-even. For some that may be intentional: a subsidized enterprise the institution deliberately underwrites is a strategic posture, not a failure. However, if that ratio is not intentional, there are significant challenges in the enterprises' structure and operations. The middle third sits at about 1.40x, clearing break-even but with limited margin to reinvest. The top third sits at roughly 3.78x, accumulating institutional capital and the investment capacity that comes with it.

Figure 57: Gross Revenue to Budget Ratio Terciles in 2026



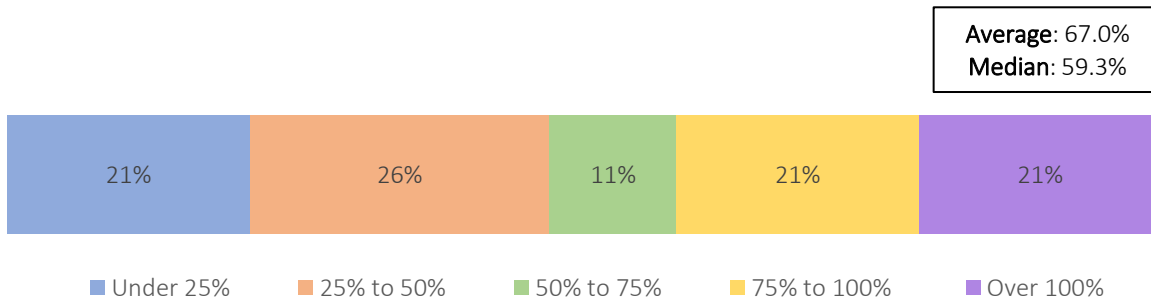
The average gross revenue to budget ratio of \$2.34 and the median of \$1.47 suggests that for every \$1 in budget, institutions typically gross \$2.34 in revenue on average, and \$1.47 in revenue for the median. The graph below uses the median value to estimate the total revenue expected for varying budgets. Median figures are used here and throughout this section to minimize the influence of outliers.

Figure 58: Gross Revenue to Budget Ratio



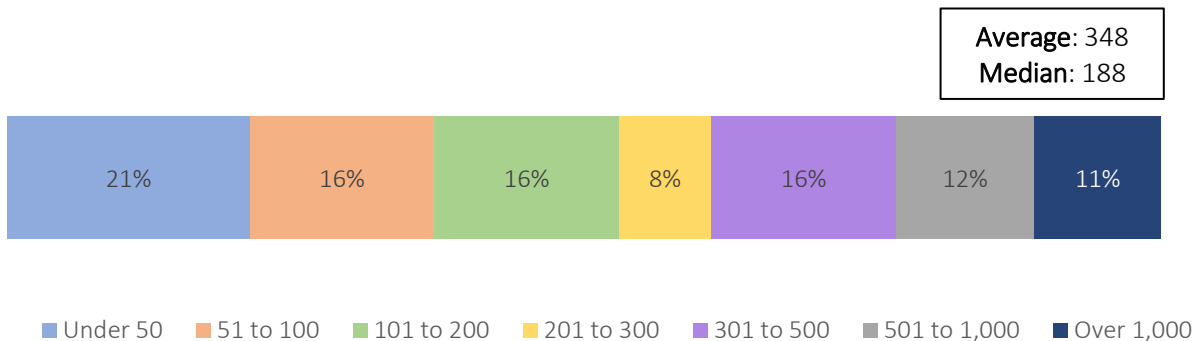
The budget as a percentage of gross revenue statistic shows what share of gross revenue is consumed by an online enterprise's budget. Just over a quarter (26%) of respondents have a budget as a percentage of gross revenue between 25 to 50%. On average, 67% of gross revenue goes to budget, with a median of 59%.

Figure 59: Budget as a Percentage of Gross Revenue (n=38)



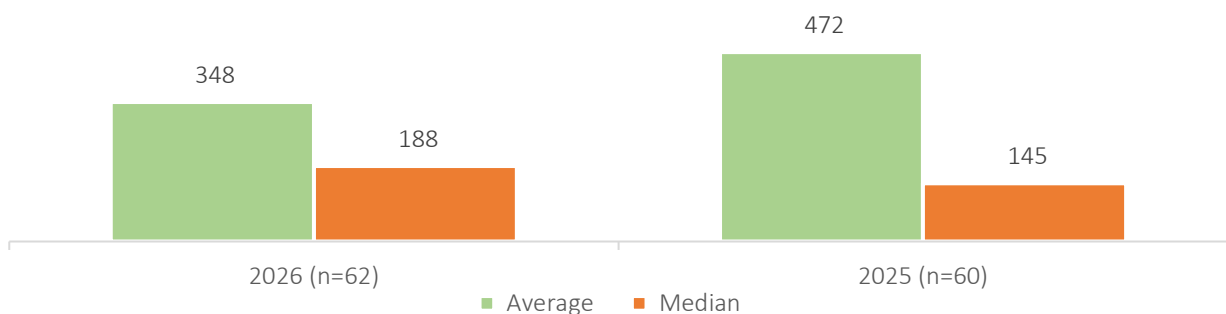
The unduplicated headcount to FTE ratio shows how many students each FTE supports, which is generally a measure of staffing efficiency and service capacity. Twenty-one percent of respondents have an unduplicated headcount to FTE ratio under 50, 16% between 51 and 100, and 16% between 101 and 200. On average, respondents have an unduplicated headcount to FTE ratio of 348, with a median of 188.

Figure 60: Unduplicated Headcount to FTE Ratio (n=62)



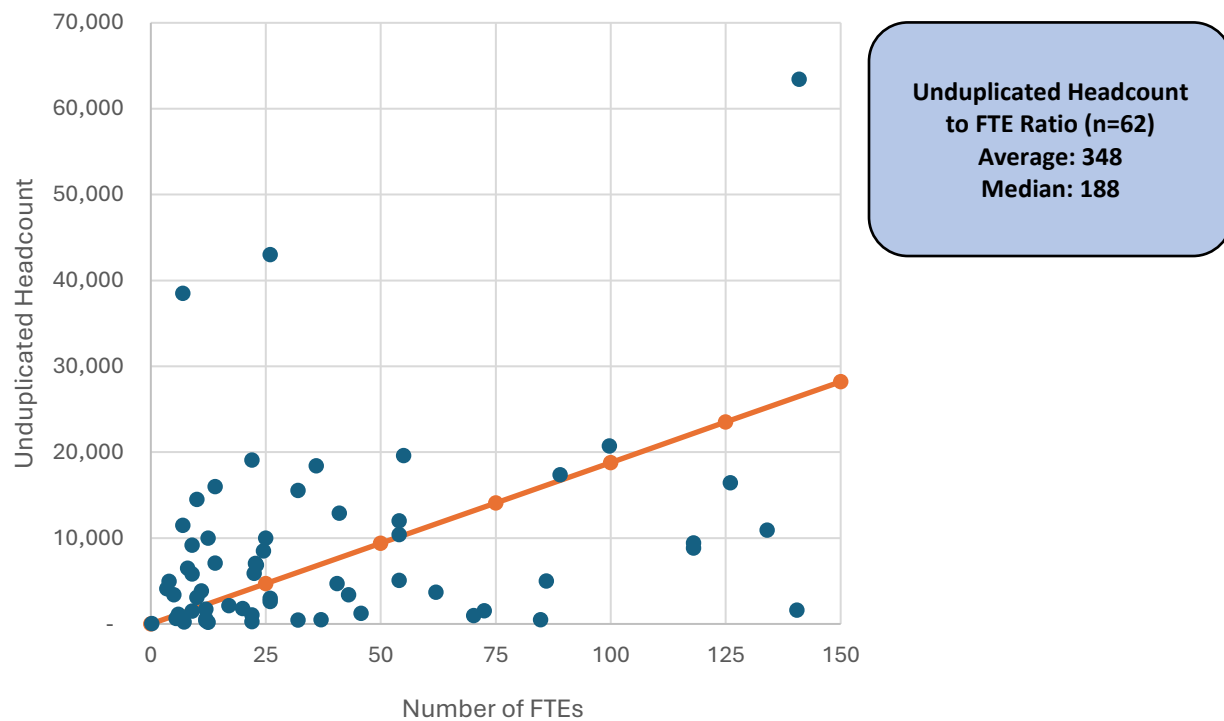
The 2026 average unduplicated headcount to FTE ratio is 348, down from 472 in 2025 while the median rose from 145 to 188.

Figure 61: Unduplicated Headcount to FTE Ratio (YOY)



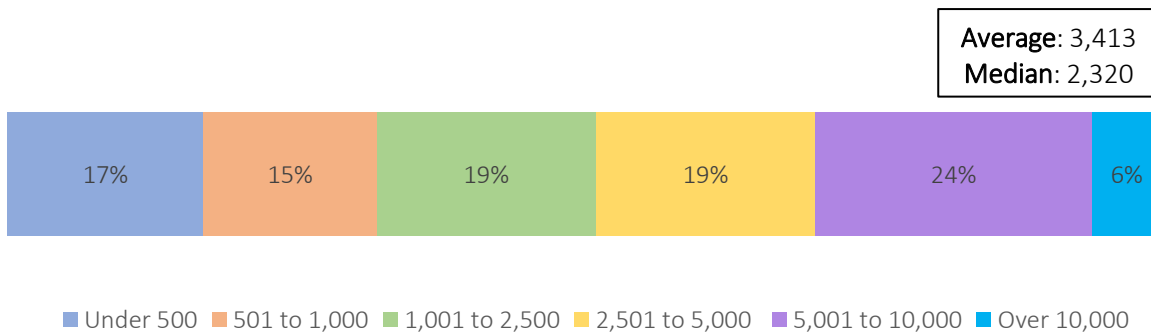
Using the median ratio of 188, an institution with 100 FTEs would expect to serve approximately 18,800 online learners.

Figure 62: Unduplicated Headcount to FTE



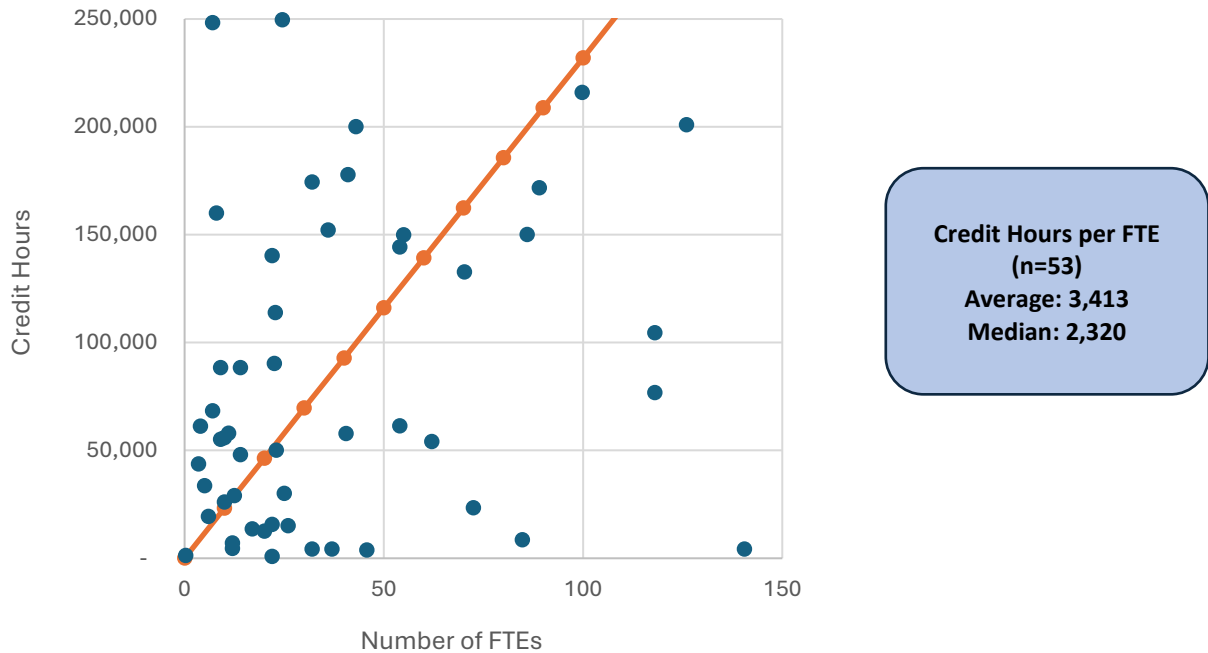
The credit hours per FTE statistic shows how many credit hours of online coursework each member supports. Nearly a quarter (24%) of respondents have a credit hour per FTE between 5,001 and 10,000. On average, they have a credit hour per FTE of 3,413, with a median of 2,320.

Figure 63: Credit Hours per FTE (n=53)



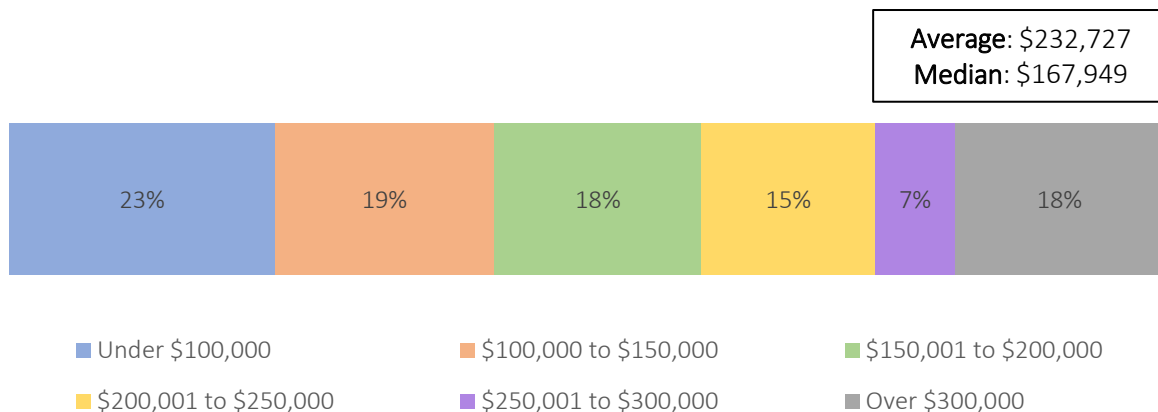
Using the median credit hours per FTE statistic, an online enterprise that has 100 FTEs would expect to have around 232,000 online credit hours.

Figure 64: Credit Hours per FTE



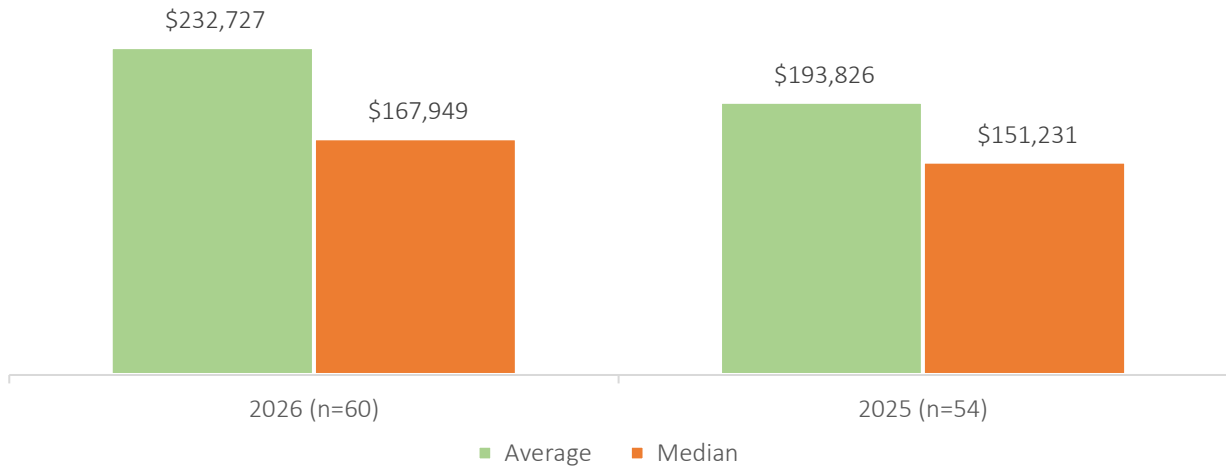
The total budget per FTE metric is useful for evaluating staffing investments and institutional cost structures. Nearly a quarter (23%) of respondents indicated a total budget per FTE under \$100,000, while 19% are between \$100K and \$150K, and 18% \$150K to \$200K. On average, online enterprises total budget per FTE is \$232,727, with a median of \$167,949.

Figure 65: Total Budget per FTE (n=60)



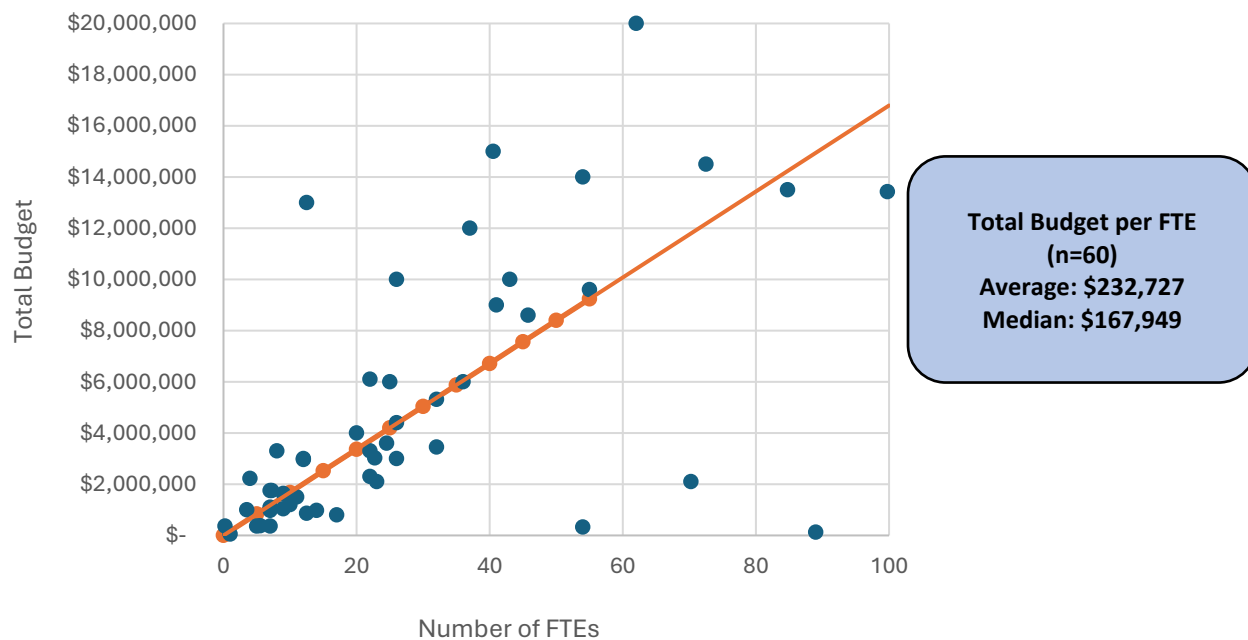
Both the average and median total budget per FTE statistics increased in the 2026 benchmarking survey compared to 2025.

Figure 66: Total Budget per FTE (YOY)



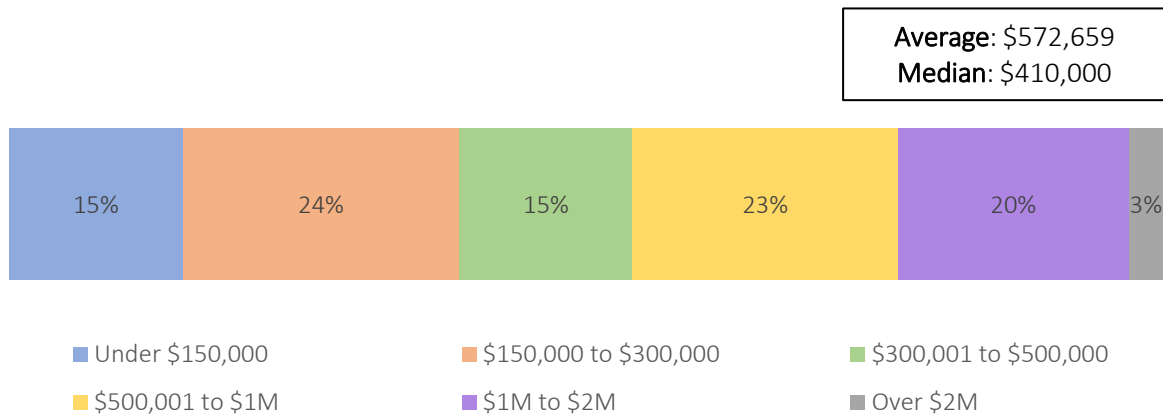
The average total budget allocated per FTE is \$232,727, while the median is \$167,949. Using the median, an online enterprise with 20 FTEs would have an estimated budget around \$3.4M.

Figure 67: Total Budget per FTE



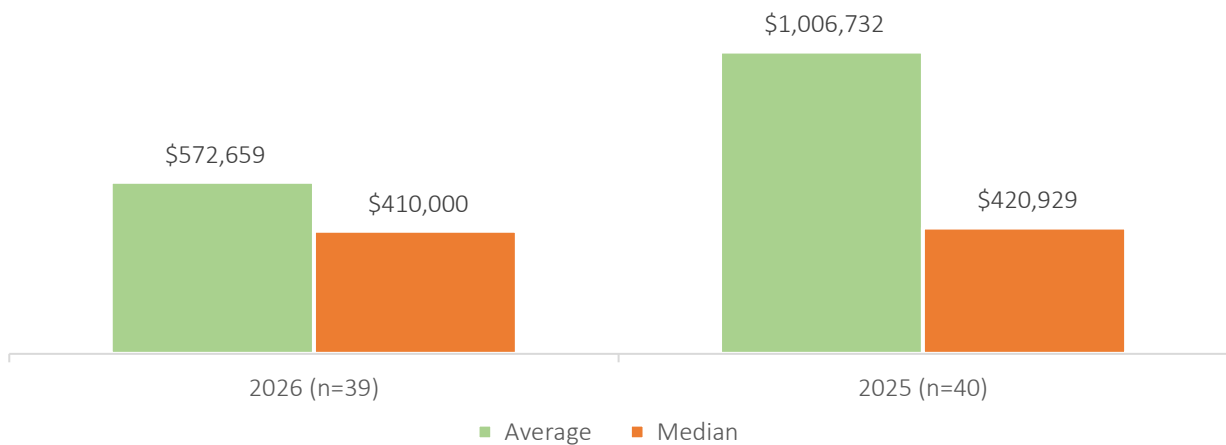
The gross revenue per FTE is used as a crude way to measure the financial productivity of staffing, in the private sector and even more problematic in education, and yet it affords us the ability to quantify value in the decentralized environments in which online enterprises exist. Nearly a quarter (24%) of respondents indicated gross revenues per FTE between \$150K and \$300K, and 23% between \$500K and \$1M. On average, respondents reported a gross revenue per FTE of \$572,659, with a median of \$410,000.

Figure 68: Gross Revenue per FTE (n=39)



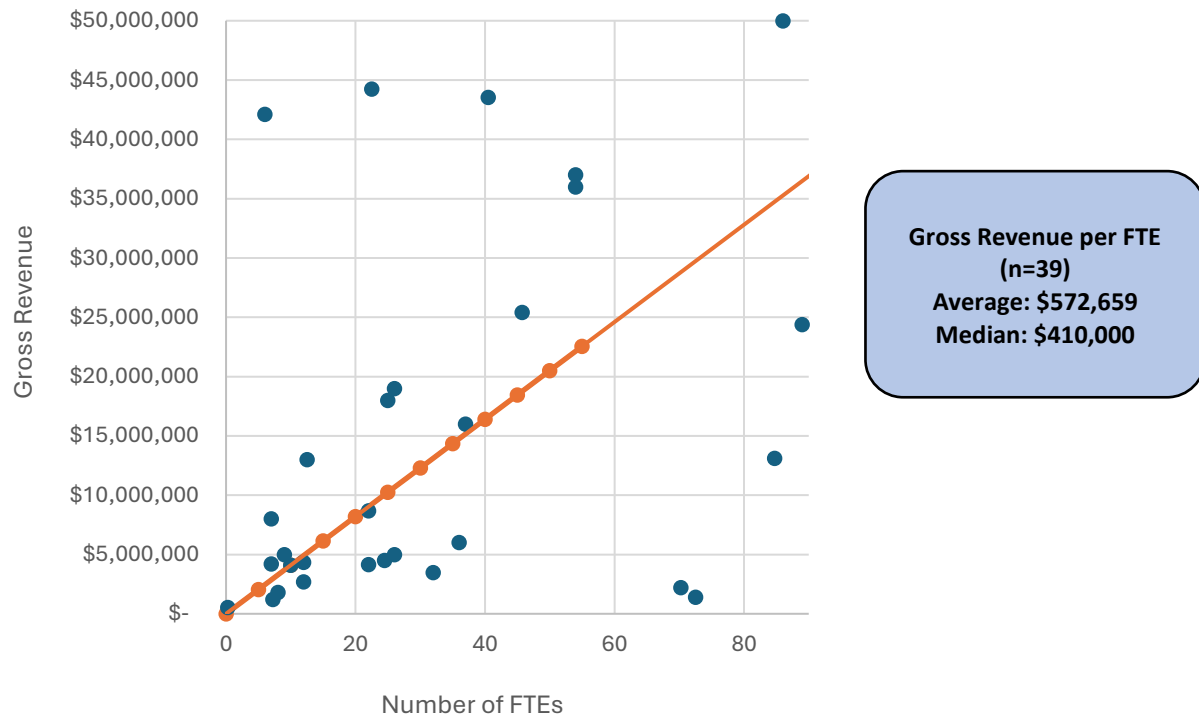
The average gross revenue per FTE in 2026 (\$572,659) was almost half compared to the 2025 benchmarking average (\$1.0M). However, the median statistics were more similar across benchmarking surveys (\$410,000 in 2026, \$420,929 in 2025). It is likely the average in 2025 was heavily influenced by a few high-metric respondents.

Figure 69: Gross Revenue per FTE (YOY)



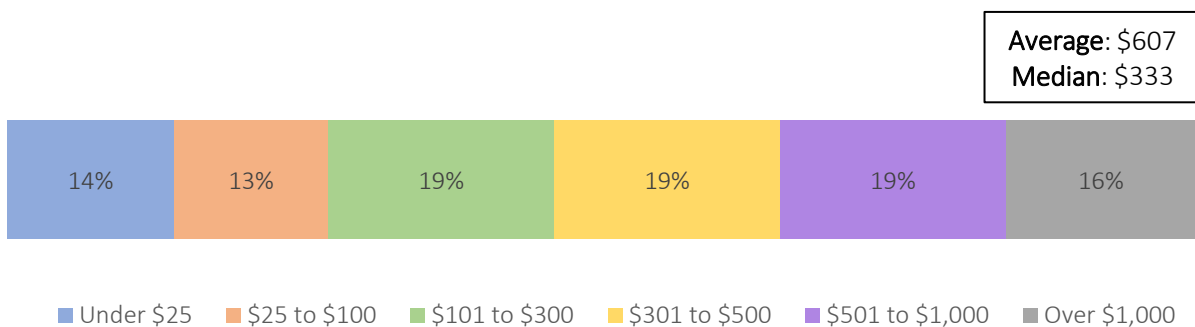
Using the gross revenue per FTE median calculation, an online enterprise that had 20 FTEs would generate a gross revenue around \$8.2M. However, the scatterplot shows that there are institutions that both significantly over and underperform based on estimates.

Figure 70: Gross Revenue per FTE



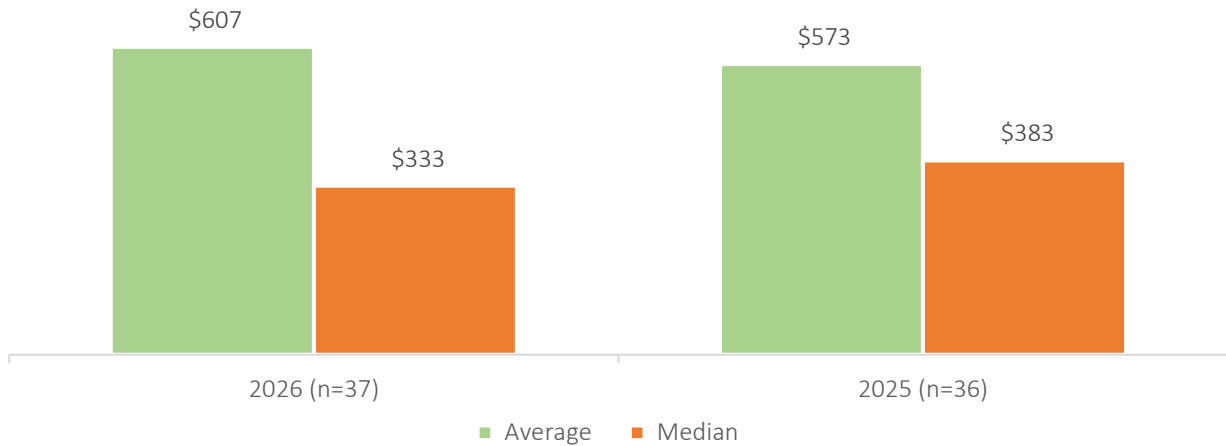
The gross revenue per credit hour indicates financial efficiency per unit of academic instruction. This metric can be useful for benchmarking sustainability of operations, given known revenue such as tuition, which is commonly assessed by credit hour. Nineteen percent of respondents have a gross revenue per credit hour between \$101 and \$300, 19% between \$301 and \$500, and 19% between \$501 and \$1K. On average, respondents have a gross revenue per credit hour of \$607, with a median of \$333.

Figure 71: Gross Revenue per Credit Hour (n=37)



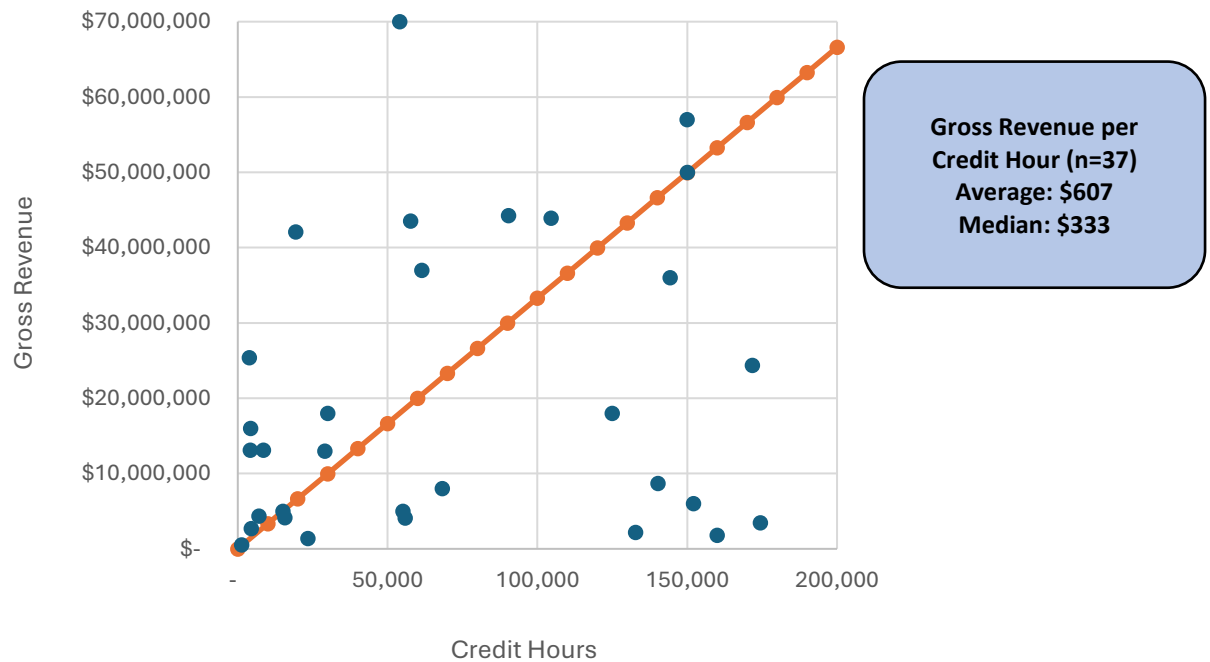
Gross revenue per credit hour statistics remained relatively stable across 2026 and 2025 benchmarking surveys, showing an increase in the average, but a decrease in the median.

Figure 72: Gross Revenue per Credit Hour (YOY)



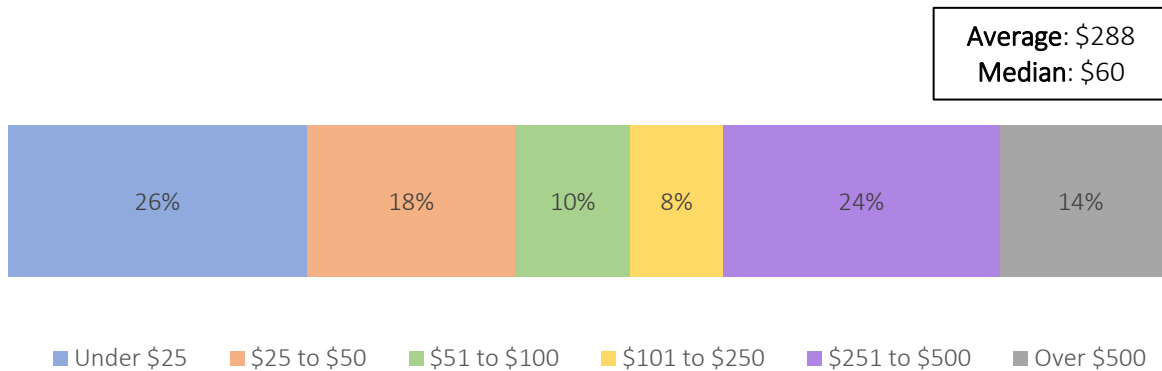
For every unduplicated online student credit hour, an institution generates \$607 on average, and \$333 for the median. Therefore, using the median, an online enterprise that has 100,000 credit hours would generate a gross revenue of \$33.3M.

Figure 73: Gross Revenue per Credit Hour



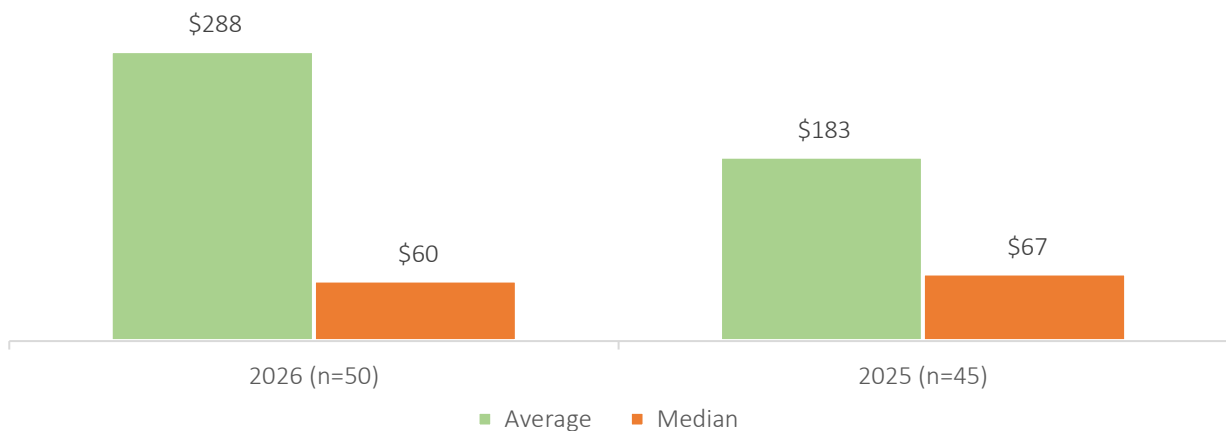
The total budget per credit hour measures how much an institution is spending to deliver one unit of academic instruction. Just over a quarter (26%) of respondents have a total budget per credit hour under \$25, while 24% spend between \$251 and \$500. On average, respondents have a total budget per credit hour of \$288, with a median of \$60. The delta between average and median exists due to a small number of respondents who had a total budget per credit hour over \$1,000.

Figure 74: Total Budget per Credit Hour (n=50)

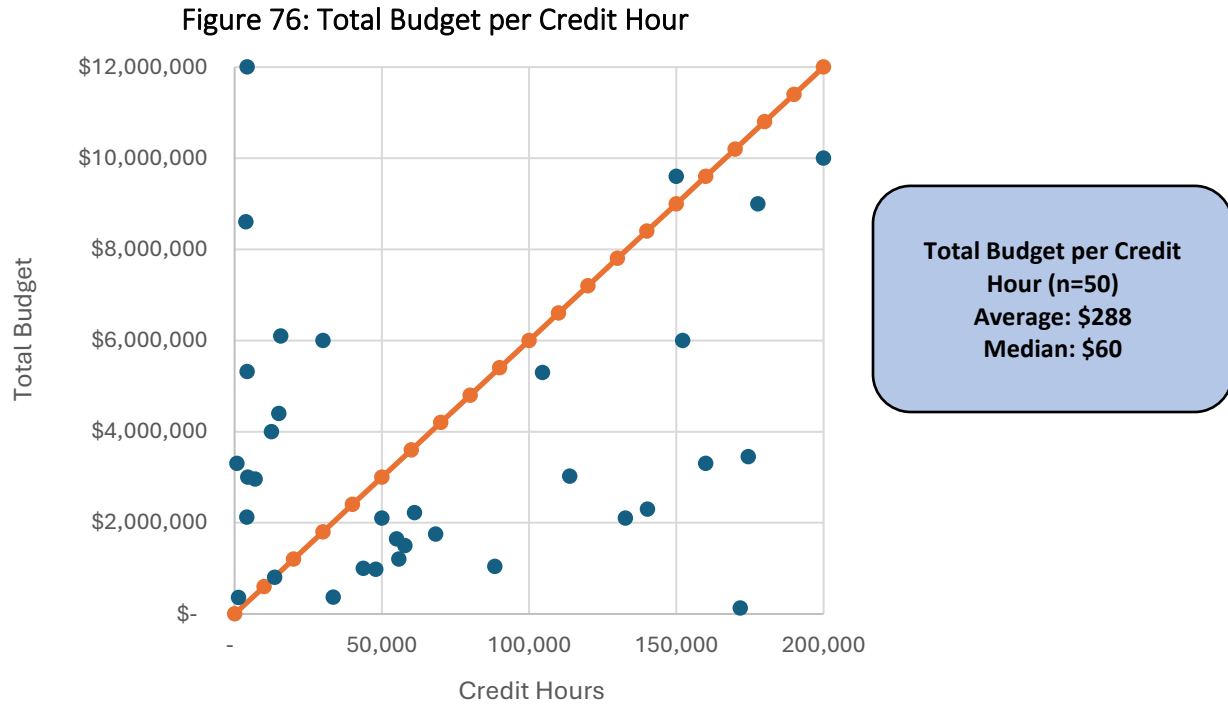


The average total budget per credit hour increased to \$288 in 2026 compared to \$183 in 2025. However, median statistics were more similar (\$60 in 2026, \$67 in 2025).

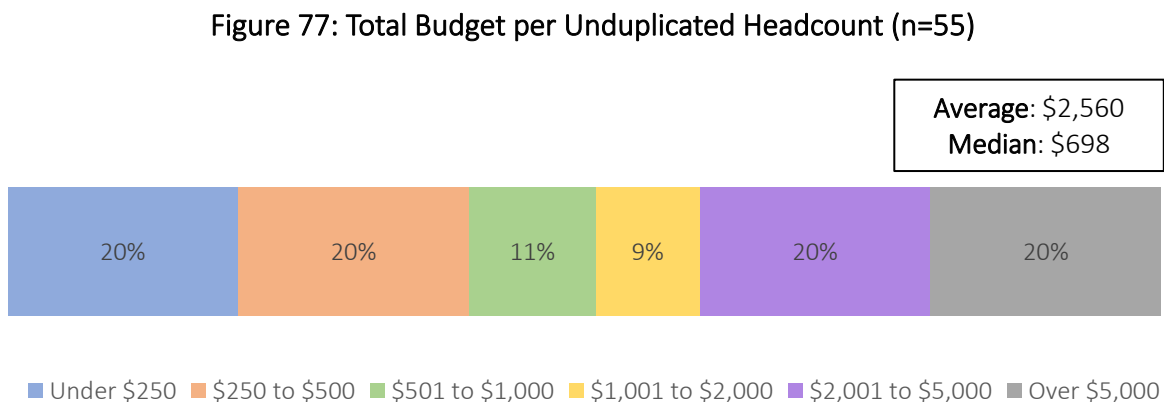
Figure 75: Total Budget per Credit Hour (YOY)



The average total budget allocated per unduplicated student credit hour is \$288, while the median is \$60 per student credit hour. An online enterprise with 50,000 online student credit hours would have a budget around \$3M, though many cluster below that.

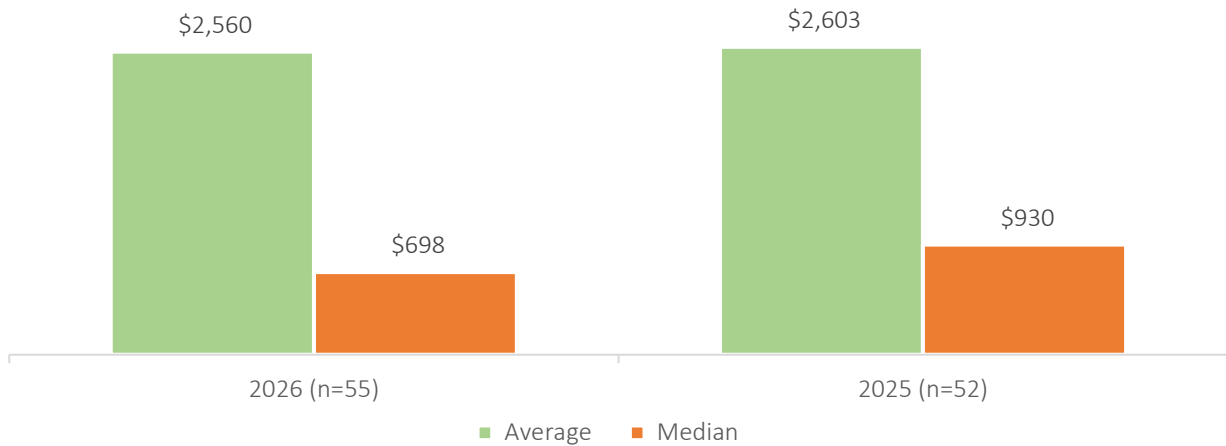


The total budget per unduplicated headcount reflects how much the institution spends per online student, helping evaluate resource allocation. Twenty percent of respondents indicate spending under \$250 per student, while 20% have a total budget per student between \$250 and \$500, and an additional 20% between \$2,001 and \$5K. On average, respondents report a budget of \$2,560 per unduplicated headcount, with a median of \$698.



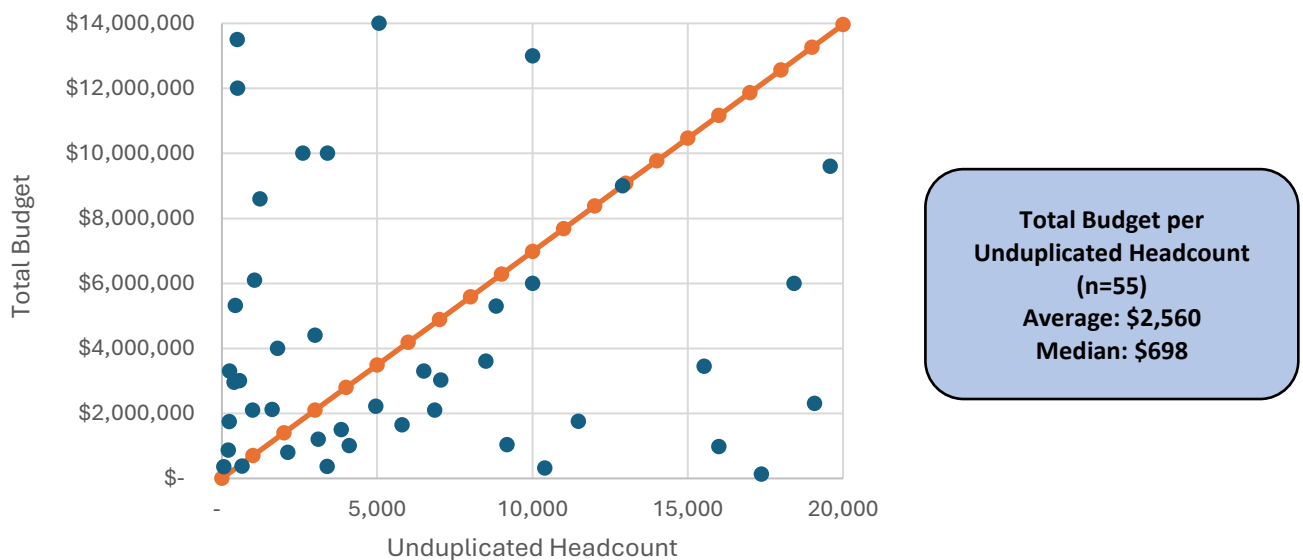
The 2026 average total budget per unduplicated headcount (\$2,560) was relatively similar to the 2025 average (\$2,603), though the median decreased (\$698 in 2026, \$930 in 2025).

Figure 78: Total Budget per Unduplicated Headcount (YOY)



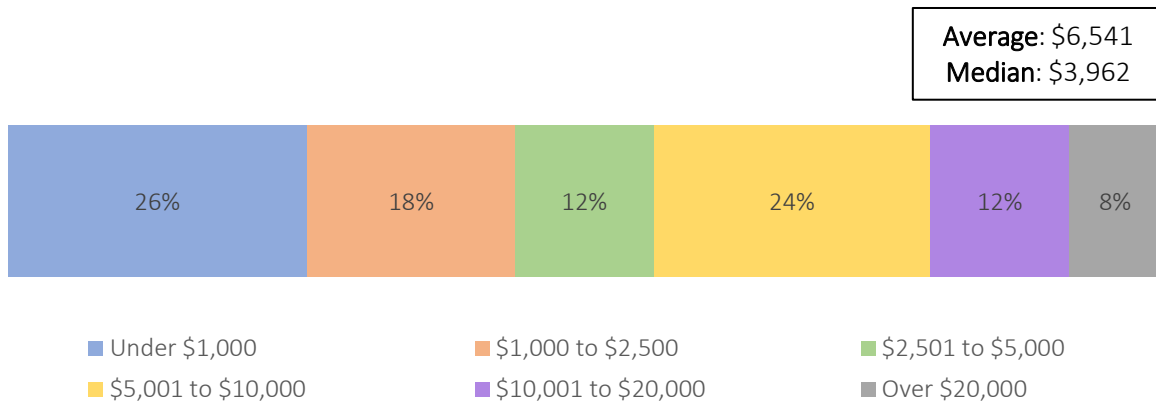
The graph below uses the median value to estimate the total budget needed for varying student headcounts. For a headcount of 15,000, online enterprises would need a budget around \$10.5M. Institutions budget per unduplicated headcount varied considerably.

Figure 79: Total Budget per Unduplicated Headcount



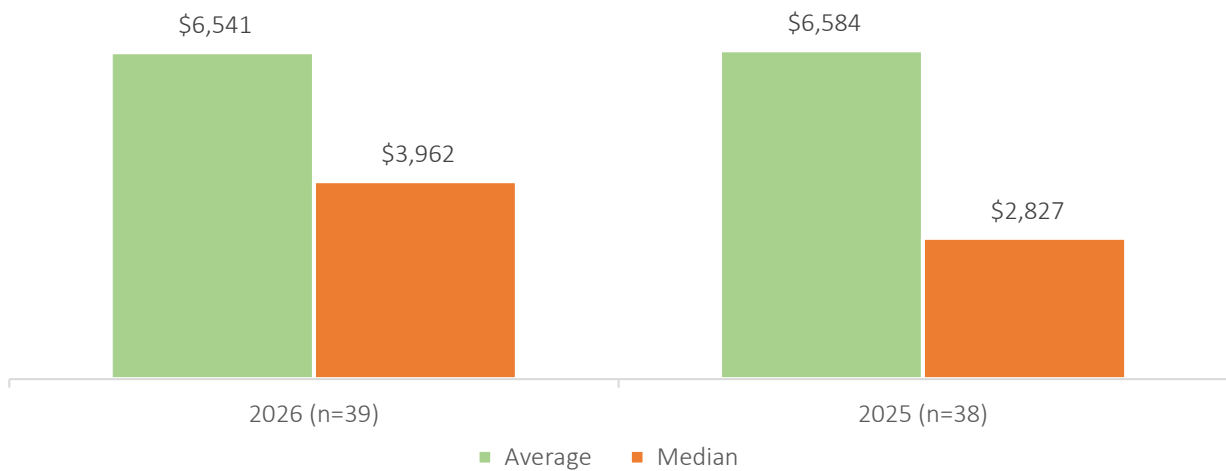
Gross revenue per unduplicated headcount helps assess revenue potential per learner served. Twenty-six percent of respondents indicated a gross revenue per unduplicated headcount under \$1,000, 24% between \$5K and \$10K, and 18% between \$1K and \$2.5K. On average, respondents have a gross revenue per unduplicated headcount of \$6,541, with a median of \$3,962.

Figure 80: Gross Revenue per Unduplicated Headcount (n=39)



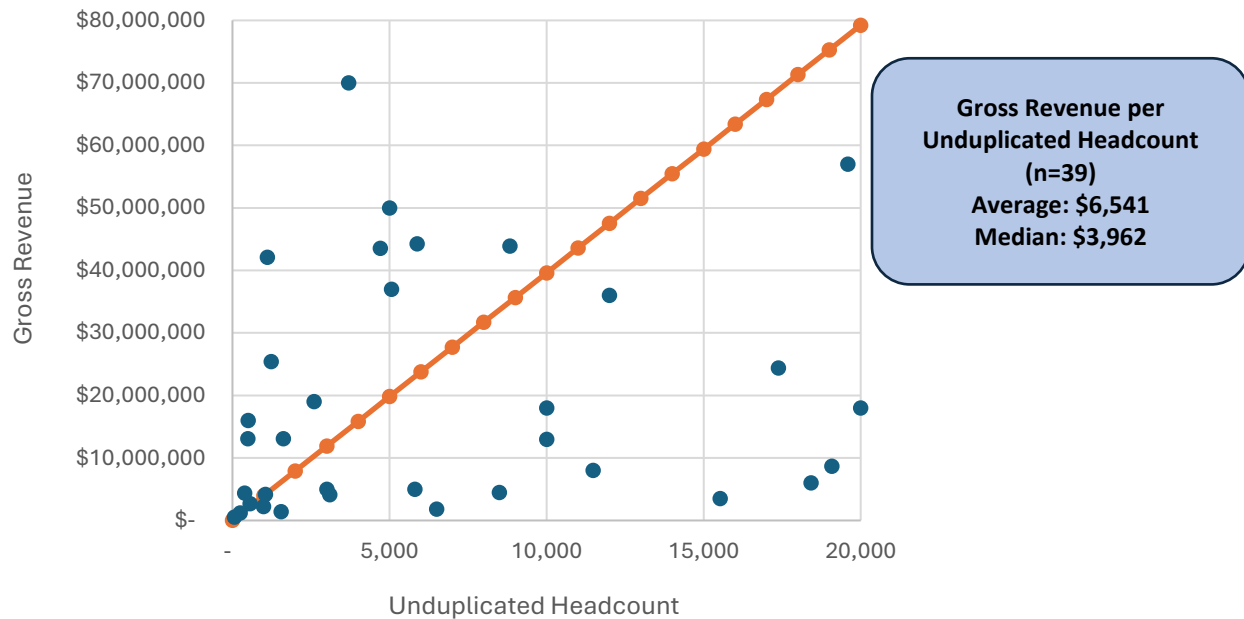
The 2026 average gross revenue per unduplicated headcount (\$6,541) remained relatively similar to the 2025 average (\$6,584). However, the median statistic increased from \$2,827 in 2025 to \$3,962 in 2026, which suggests institutions are generally seeing more revenue.

Figure 81: Gross Revenue per Unduplicated Headcount (YOY)



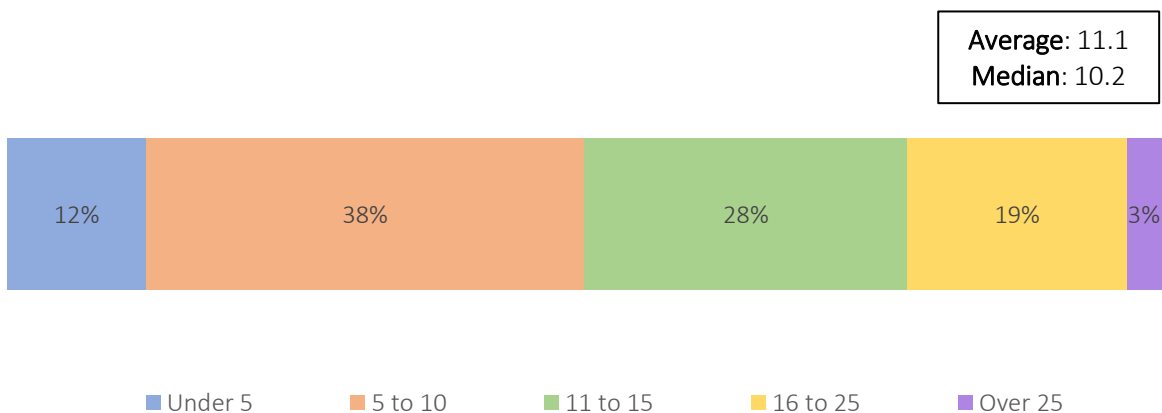
The average gross revenue per unduplicated headcount is \$6,541, while the median is \$3,962. An online enterprise that had an unduplicated online headcount of 10,000 would generate a gross revenue around \$40M.

Figure 82: Gross Revenue per Unduplicated Headcount



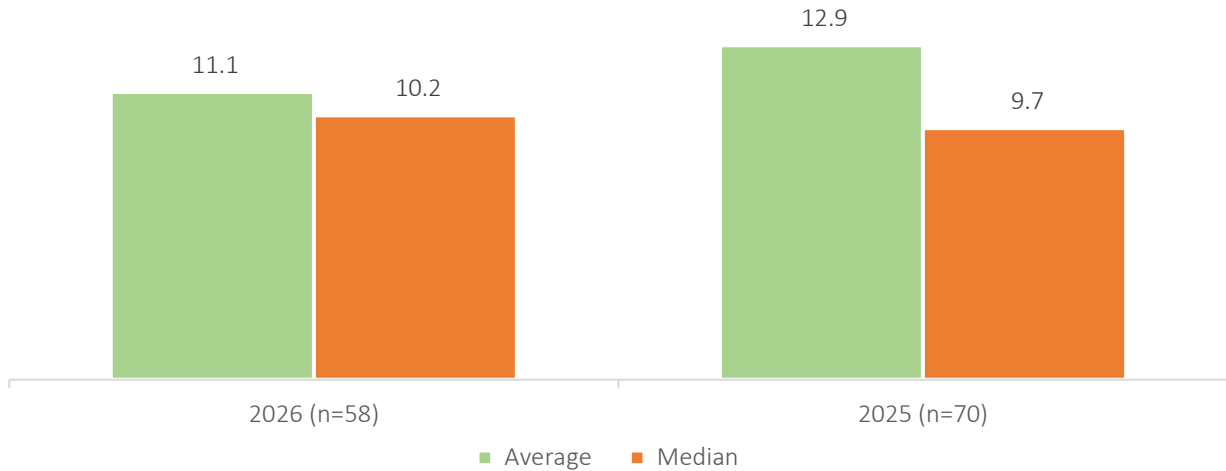
Credit hours per unduplicated headcount offers insight into learner enrollment behavior. This metric is calculated by dividing an institution's total fully online credit hours by its fully online unduplicated headcount. Thirty-eight percent of respondents indicated between 5 and 10 fully online credit hours per unduplicated headcount, while 28% have 11 to 15. Overall, the average fully online student course load is 11.1 credit hours, with a median of 10.2.

Figure 83: Credit Hours per Unduplicated Headcount (n=58)



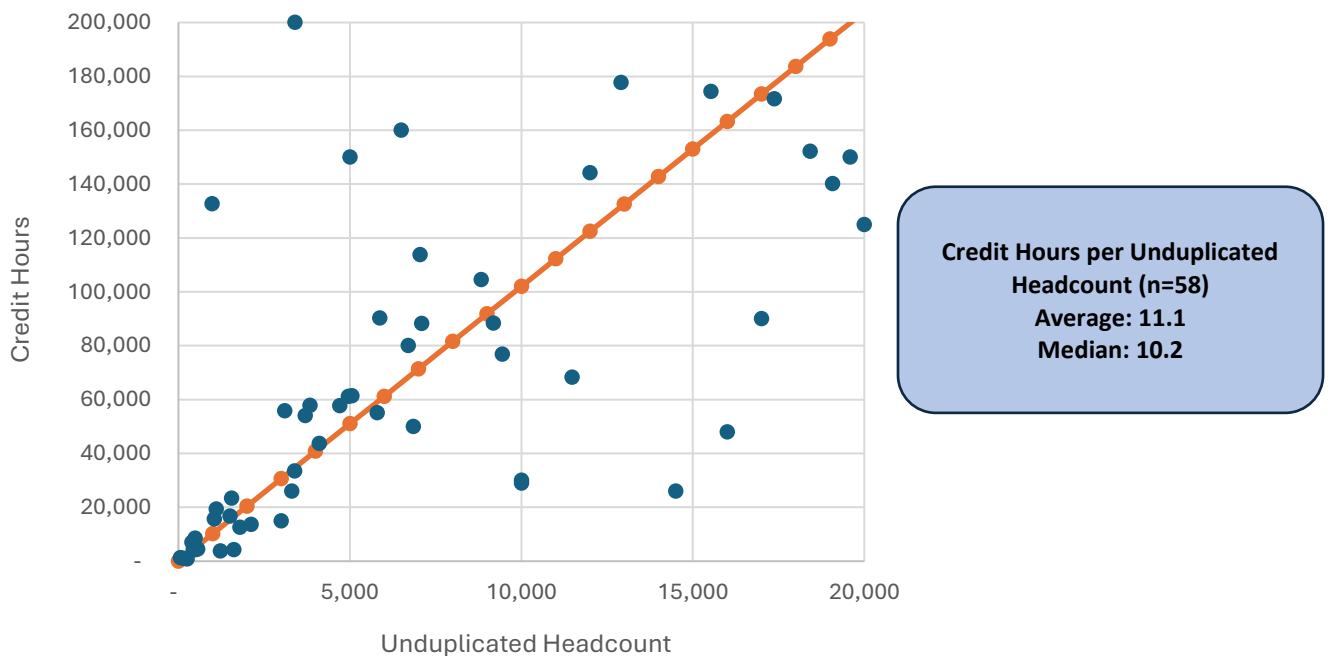
The average credit hours per unduplicated headcount statistic decreased from 12.9 in 2025 to 11.1 in 2026. However, the median slightly increased from 9.7 in 2025 to 10.2 in 2026.

Figure 84: Credit Hours per Unduplicated Headcount (YOY)



Using the median credit hours per unduplicated headcount statistic, an online enterprise that has an unduplicated headcount of 10,000 would expect to have around 102,000 credit hours, though lived realities can certainly deviate from the expectation.

Figure 85: Credit Hours per Unduplicated Headcount



In Summary: Aggregate Data

The 2026 BOnES data reflects continued momentum in online education, with enrollment, revenue, and institutional commitment all trending upward. The average unduplicated headcount for fully online learners rose to 9,479 from 8,183 in 2025, and average fully online credit hours climbed from 89,320 to 113,093, signaling sustained and expanding learner demand across institution types. R1 institutions continue to make up the largest share of respondents (39%), with the majority of respondents' online enterprises located in the provost's office (57%), noting an upward trend from 41% in 2024 and 51% in 2025. This suggests a steady consolidation of online education under centralized academic leadership.

Financially, both average budgets and revenues grew considerably, though the averages require context. The average total budget rose to \$12.5M from \$8.1M in 2025, while the median held far lower at \$3.5M, suggesting that a small number of high-budget institutions continue to skew the average upward. Gross revenue followed a similar pattern, with the average increasing to \$30.5M from \$23.9M and the median climbing from \$11.0M to \$16.0M. General funds remain the most common financial model (39%), with revenue share, fee-based, and revenue/resource dependent entrepreneurial models accounting for much of the remainder.

Budget expectations for the coming fiscal year reveal a more divided picture than in previous years. While 41% of 2026 respondents anticipate a budget increase, 23% expect a decrease, and among those projecting a cut, the median expected reduction doubling from 4.8% in 2025 to 10.0% for the 2026 fiscal year. The proportion expecting no change dropped sharply from 53% to 36%, indicating that institutions have developed greater clarity around their budget trajectories, even when that clarity points toward contraction.

Staffing levels remained relatively stable, with respondents indicating an average of 42 FTEs funded by online enterprises, slightly down from 44 in 2025. Instructional salaries and stipends continue to account for the largest share of staffing allocation, followed by instructional design, advising, and recruitment/enrollment. The 2026 average total budget per FTE rose to \$232,727, and the average gross revenue per FTE was \$572,659, lower than the 2025 average of \$1.0M, though median figures were more closely aligned across years, suggesting the prior year's average was influenced by a small number of high-performing outliers.

Operationally, instructional design remains the most widely cited online enterprise responsibility (87%) reported by respondents, followed by accessibility/captioning and faculty development (both 72%). Graduate degrees continue to lead program portfolios (82%), with graduate credit-bearing certificates (75%), and undergraduate credit-bearing certificates (68%) also well represented.

Administrative decentralization continues its gradual decline, with 37% of respondents strongly agreeing or agreeing that their enterprise is administratively decentralized in 2026, compared to 44% in 2025 and 48% in 2024, while academic decentralization has remained consistent around 84% across all three survey years.

On the competitive front, marketing (42%), brand (39%), and quality (31%) are the strategies respondents most commonly cite as the best means to position their online programs. 2026 participants remain broadly optimistic about the trajectory of online education, with 82% strongly agreeing or agreeing that an increasing percentage of traditional undergraduate students desire online courses for at least some of their degree, and 80% saying institutional leadership has indicated that online learning is a strategic direction for the institution. Strategic direction/governance (21%), funding/resources (19%), and leadership/institutional support (18%) are the most commonly cited challenges to success, underscoring that governance alignment and institutional buy-in remain ongoing friction points even for well-resourced enterprises.

The 2026 data illustrate a sector that is expanding in enrollment, revenue, and institutional prominence, while navigating meaningful divergence in financial outlook. Institutions that have built strong alignment between their governance structures, financial models, and program strategies are best positioned to sustain that growth in an increasingly competitive environment.

Institution Size: Responses and Analysis

Key Findings

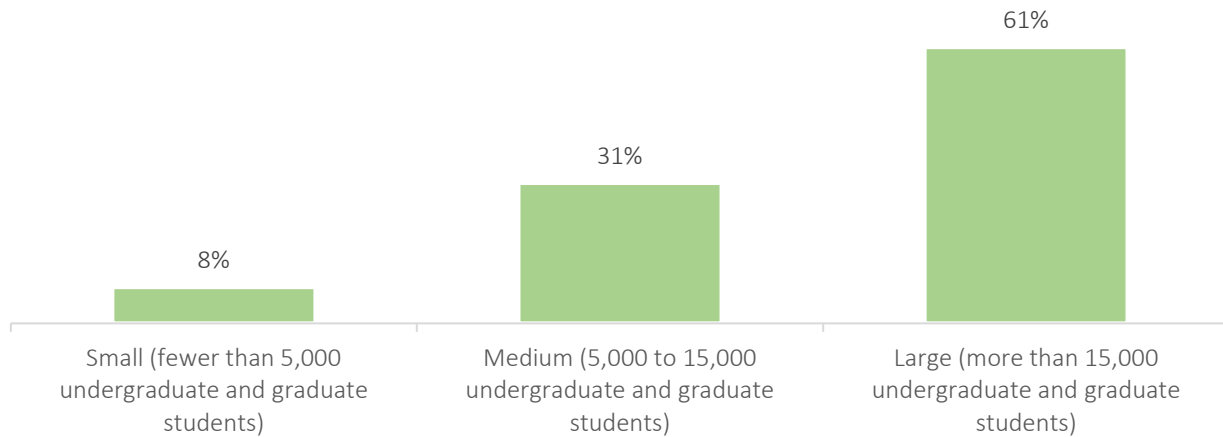
Note: Institutional size categories were kept consistent with 2024 and 2025 classifications. The authors of the study have made the decision to align institution size with Carnegie Classification beginning in the 2028 BOnES report.

Small Institutions (fewer than 5,000 undergraduate and graduate students)	- Respondents from small institutions indicate an average total budget of \$3.3M and an average total gross revenue of \$2.8M. Respondents indicate a reliance on incremental budgeting model compared to other institution sizes. - Respondents from these institutions are most likely to cite general funds as their primary source of funding (67%).
Medium Institutions (5,000 to 15,000 undergraduate and graduate students)	- Respondents from medium institutions indicate an average total budget of \$5.2M and an average total gross revenue of \$18.7M. - Participants from medium institutions are most likely to strongly agree or agree that their institution expects to obtain a greater market share of the online marketplace in the next three years (100%). - Respondents from medium institutions in the 2026 survey have the highest average gross revenue per FTE (\$595,515). Forty-seven percent of medium institution respondents expect an increase in their online enterprise's budget for the next fiscal year, slightly higher than that of large (44% increase) institutions. - Respondents from medium institutions are most likely to cite pricing compared to online competitors as their top competitive strategy (53%). - These online practitioners are most likely to cite leadership/institutional support and faculty buy-in/engagement as their biggest challenges to success (both 21%).
Large Institutions (more than 15,000 undergraduate and graduate students)	- Respondents from large institutions have the highest average total budget (\$11.7M) and total gross revenue (\$32.2M) for the 2024-2025 academic year. - These 2026 survey respondents have the highest average unduplicated headcount for online courses (12,221), significantly higher than medium institutions (4,354) and small institutions (303). - These participants have the highest average number of online student credit hours (118,943). - Respondents from large institutions are the most likely to strongly agree or agree that their online enterprises are academically decentralized (97%). - Respondents from these institutions have the highest average gross revenue to budget ratio (\$2.70), indicating strong revenue efficiency relative to spend. - Participants from large institutions are most likely to cite strategic direction/governance as their biggest challenge to success (27%).

Demographics

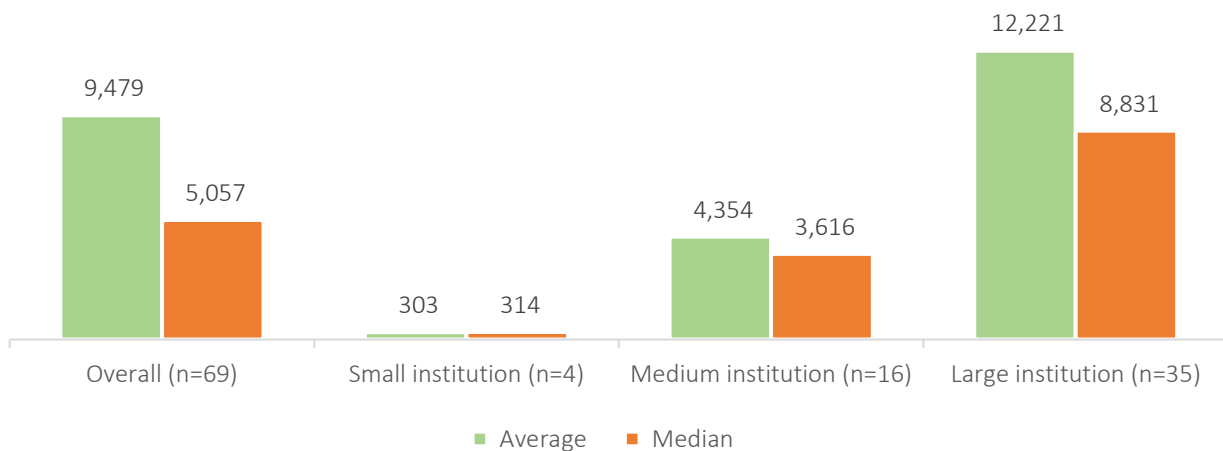
Sixty-one percent of respondents are from large institutions, 31% from medium institutions, and 8% from small institutions.

Figure 86: Which of the following best describes your overall institution size for the 2024-2025 academic year? (n=62)



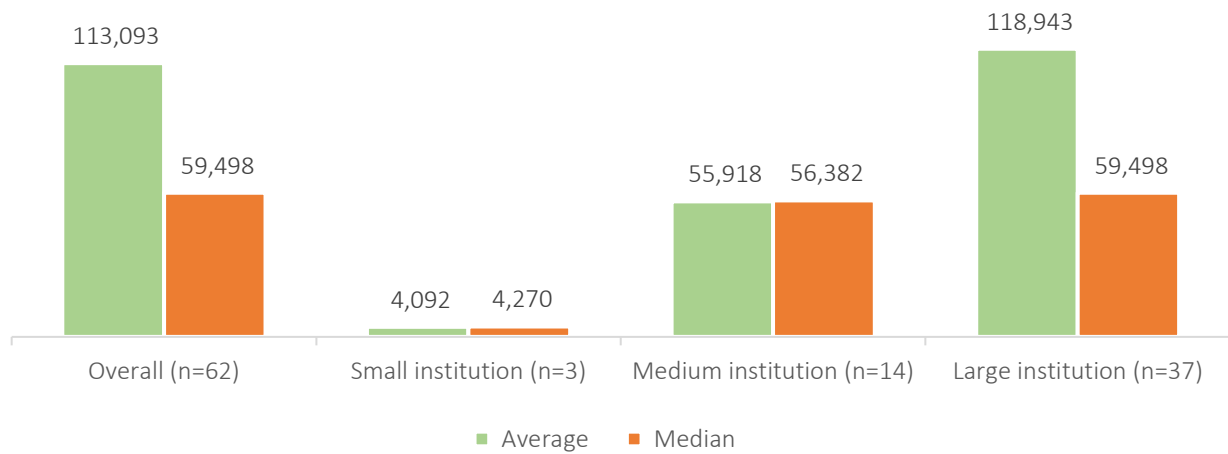
Large institutions have a significantly higher average unduplicated headcount for online courses (12,221) than medium institutions (4,354), and small institutions (303).

Figure 87: Please provide the unduplicated headcount for learners enrolled in fully online courses for the 2024-2025 academic year.



Large institutions have the highest average number of student credit hours for learners enrolled in fully online courses (118,943), followed by medium institutions (55,918), and small institutions (4,092).

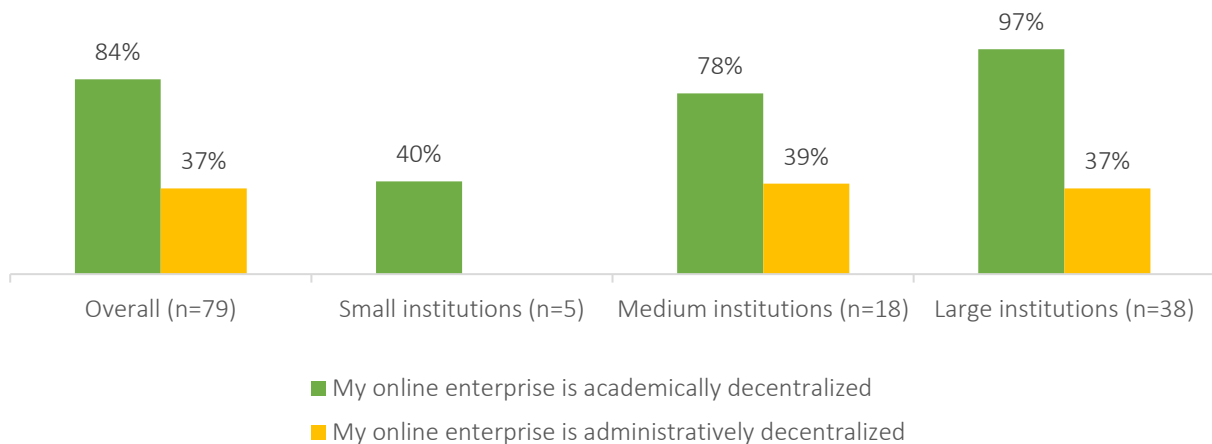
Figure 88: Please provide the total student credit hours for learners enrolled in fully online courses for the 2024-2025 academic year.



Size and Structure

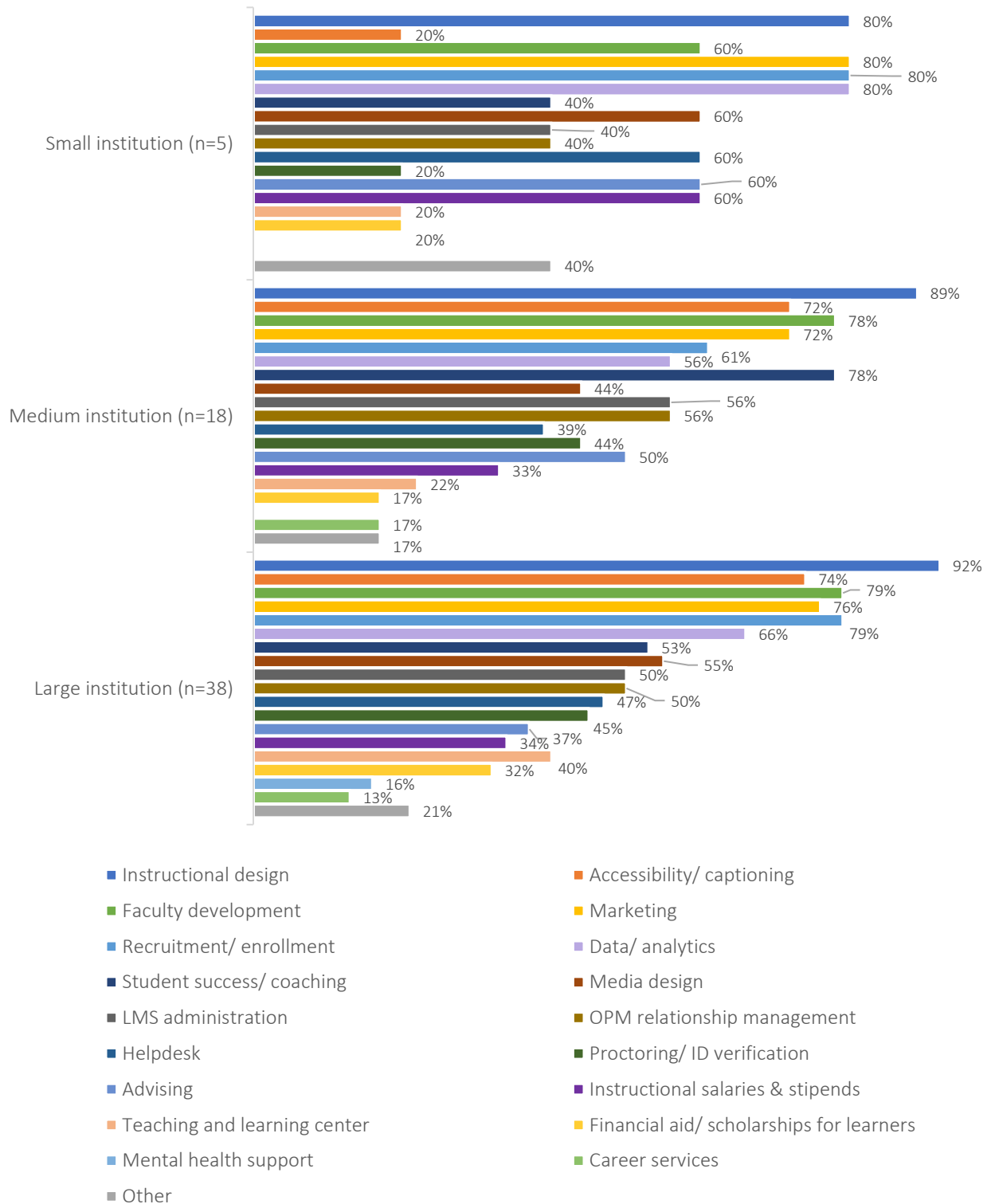
Respondents from large institutions are the most likely to strongly agree or agree that their online enterprises are academically decentralized (97%), followed by those from medium institutions (78%), and small institutions (40%). Among the five respondents from small institutions, none strongly agree or agree that their online enterprise is administratively decentralized.

Figure 89: Please rate how strongly you agree or disagree with the following statements (% Strongly Agree or Agree)



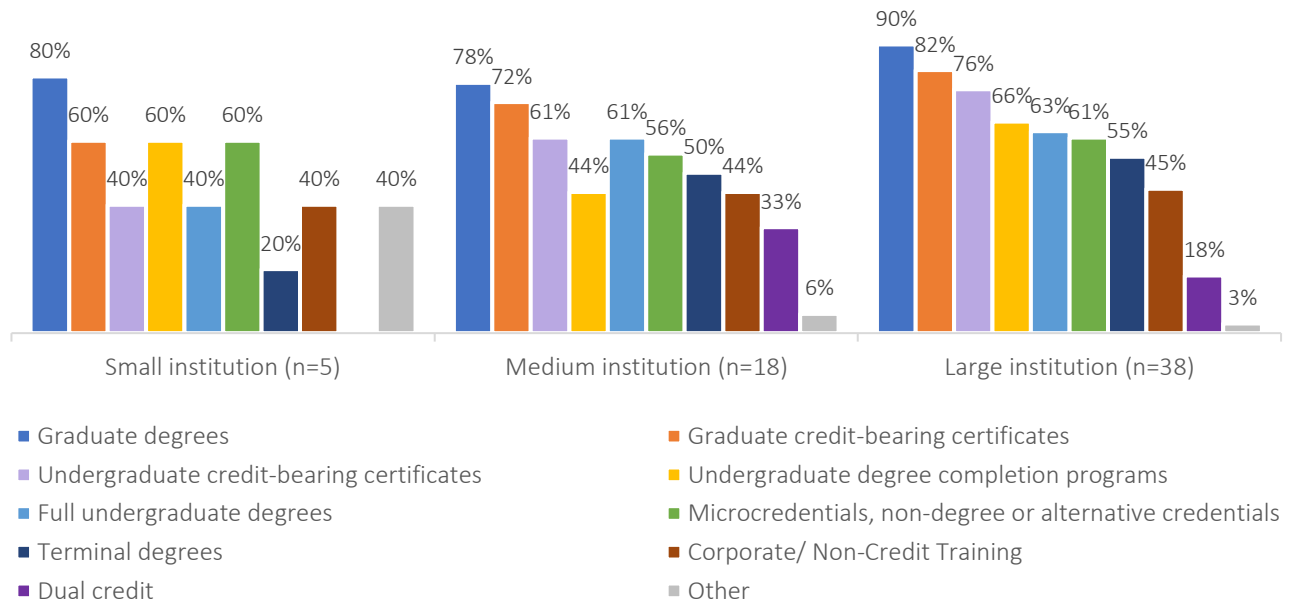
Respondents from large and medium institutions report similar levels of responsibility across most functions, with instructional design and faculty development at the top. Those from small institutions have a notably smaller sample size, with only 1 of 5 reporting responsibility for accessibility/captioning, much lower compared to medium (72%) and large (74%) institutions.

Figure 90: Which of the following are responsibilities for your online enterprise? Please select all that apply.



Overall, large institutions are more likely to support nearly all offerings compared to medium and small institutions.

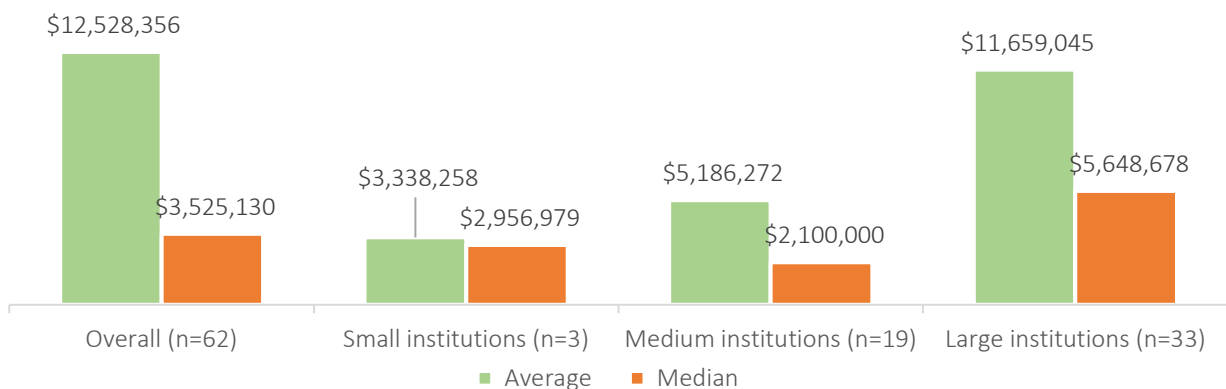
Figure 91: Which of the following program types are included in your online enterprise's portfolio of programs that it supports? Please select all that apply.



Budget, Revenue, and Staffing

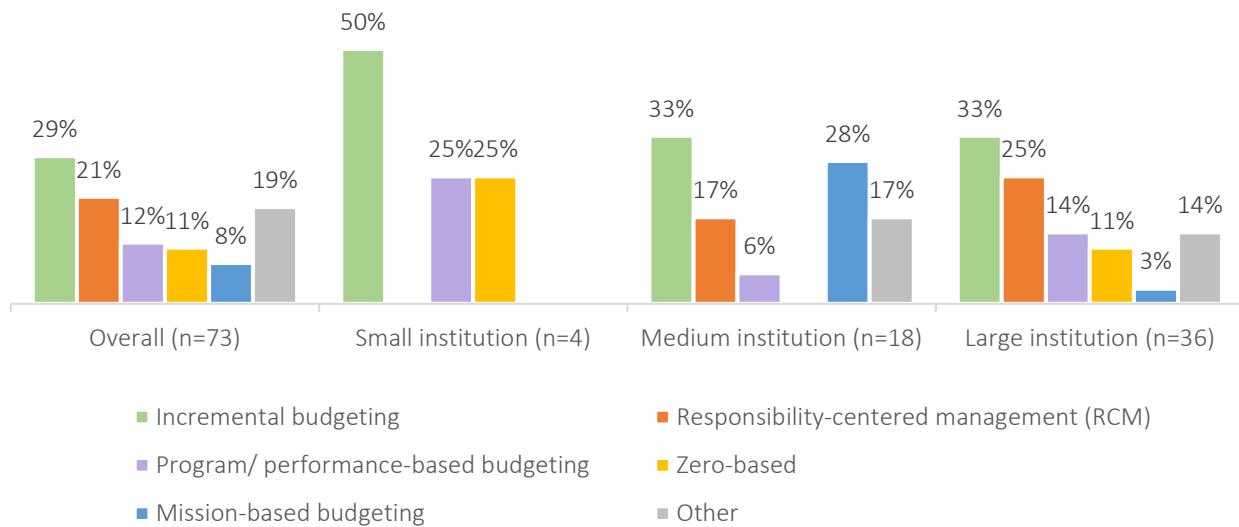
Large institutions had the highest average budget (\$11.7M) for the 2024-2025 academic year, more than double that of medium institutions (\$5.2M). Small institutions had the lowest average total budget (\$3.3M).

Figure 92: For the 2024-2025 academic year, what was your online enterprise's total budget? Please list the budget in USD.



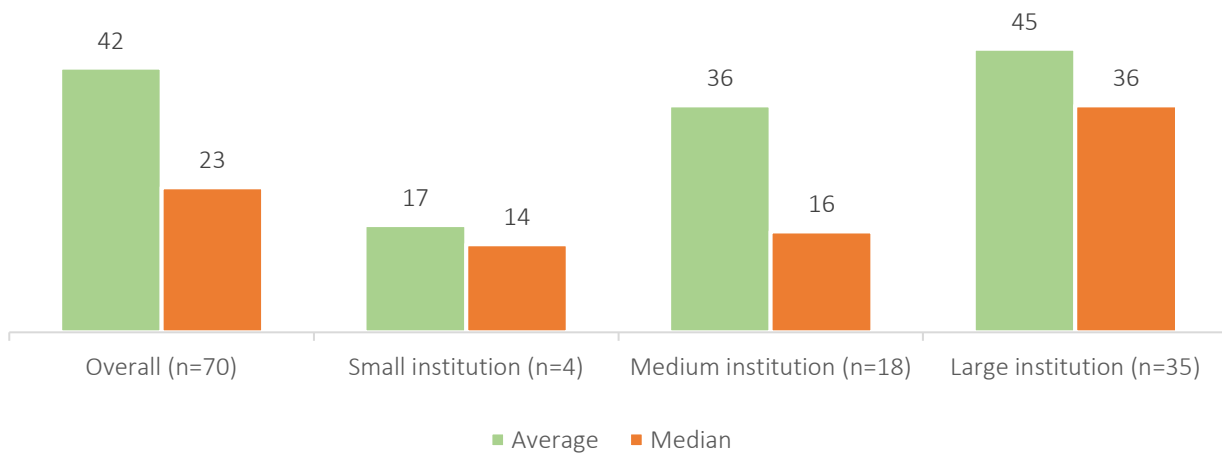
All institution sizes are most likely to deploy an incremental budgeting model. Larger institutions tend to use a mix of different models, while smaller institutions rely more exclusively on the incremental approach. Medium institutions are the most likely to use mission-based budgeting compared to other institution sizes.

Figure 93: What budget model does your institution primarily deploy for its online enterprise(s)?



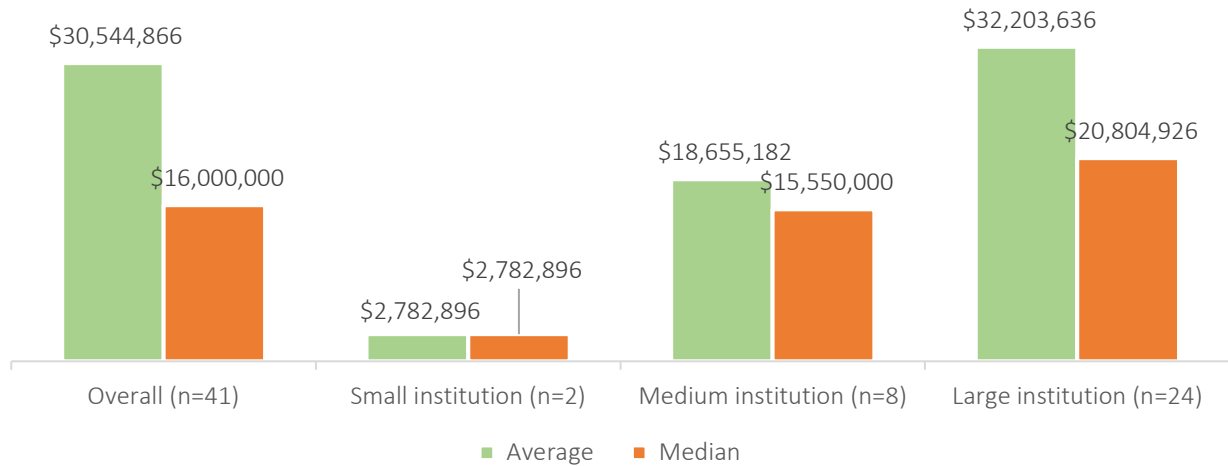
On average, large institutions have 45 FTEs that are funded by their online enterprise, followed by medium institutions (36) and small institutions (17).

Figure 94: Including yourself, how many full-time or full-time equivalent (FTE) employees (i.e., two half-time employees equals one full-time employee) are funded by your online enterprise?



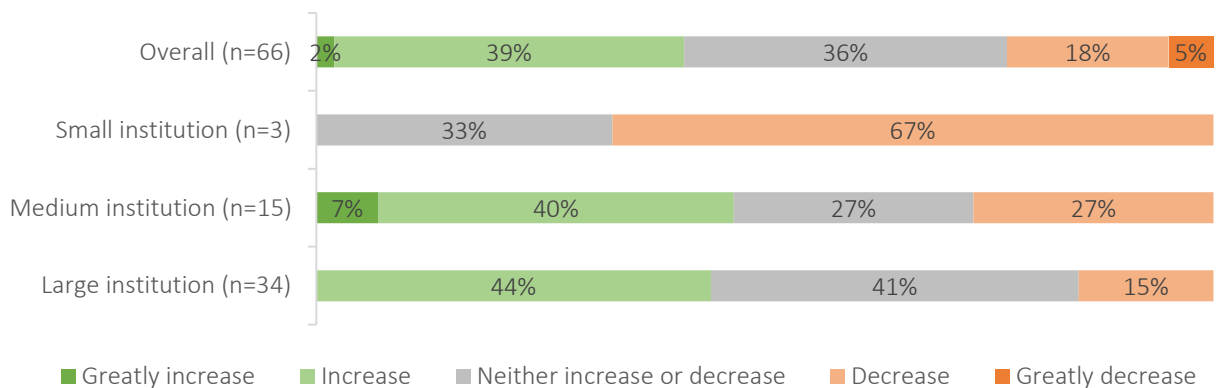
The average total gross revenue for large institutions was \$32.2M for the 2024-2025 academic year, followed by medium institutions (\$18.7M), and small institutions (\$2.8M).

Figure 95: For the 2024-2025 academic year, what was your online enterprise's total gross revenue? Please list gross revenue in USD.



Forty-seven percent of respondents from medium institutions and 44% from large institutions expect an increase in their online enterprise's budget for the next fiscal year. Among the three respondents from small institutions, two expect a decrease in their budget.

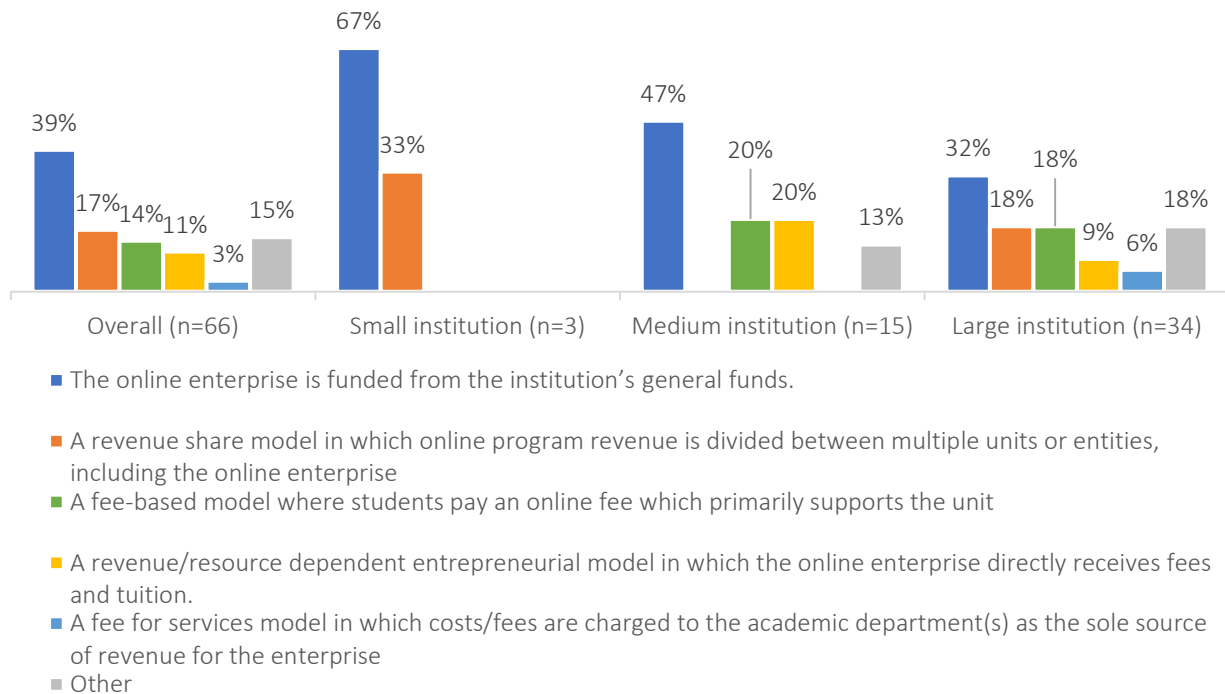
Figure 96: Which of the following best describes your online enterprise's overall budget for the next fiscal year compared to the previous fiscal year?



Finances and Funding

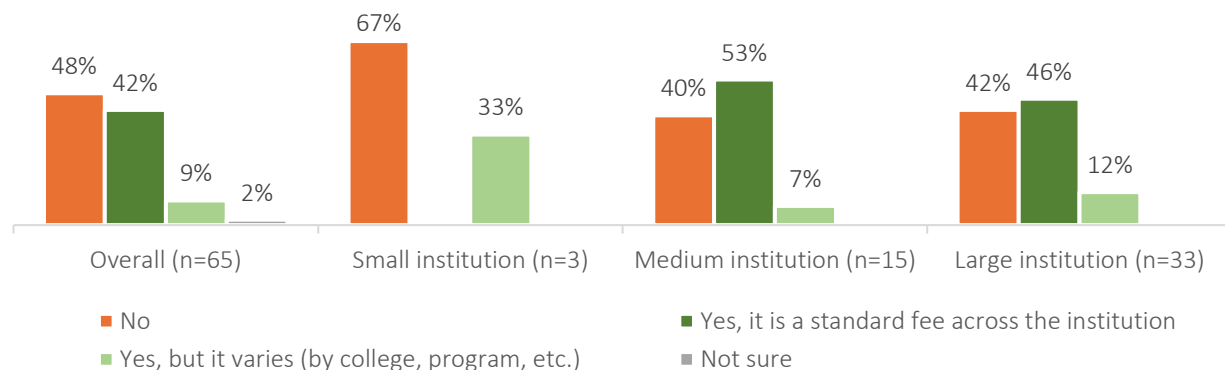
Respondents from institutions of all sizes were most likely to say their online enterprise is funded from the institution's general funds, with those from small institutions most likely to cite it (67%). Participants from large institutions were most likely to cite multiple different financial models.

Figure 97: Which of the following best describes your primary online enterprise's financial model?



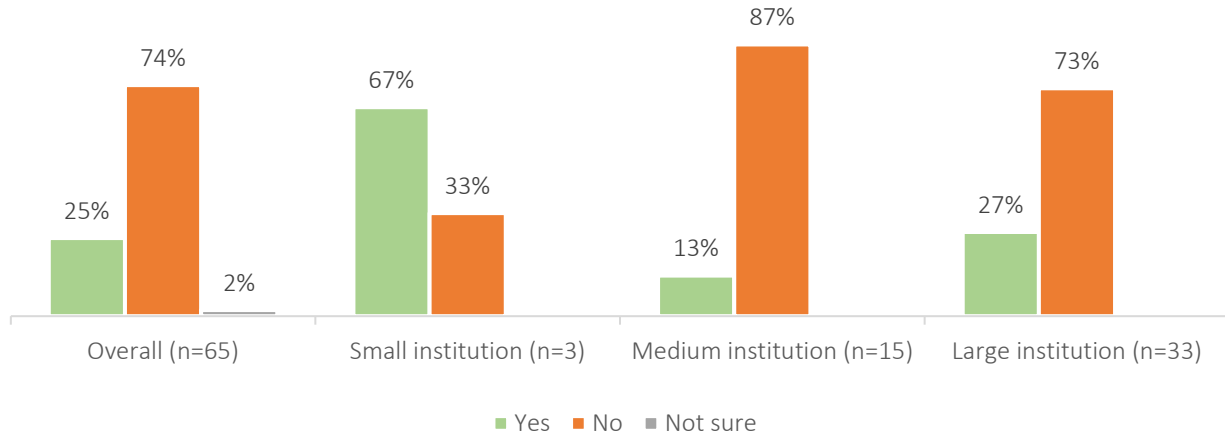
Two of the three respondents from small institutions said there is not an online or distance education fee assessed to students enrolled in online courses, while over half (53%) from medium institutions and 46% from large institutions said there is a standard fee across the institution for students enrolled in online courses.

Figure 98: Is an online or distance education fee assessed to students enrolled in online courses?



Respondents from both large (73%) and medium (87%) institutions were more likely to say their online enterprise does not have a separate start-up fund for new programs, and those from small institutions were more likely to say they do (67%). However, the latter sample size was only three respondents.

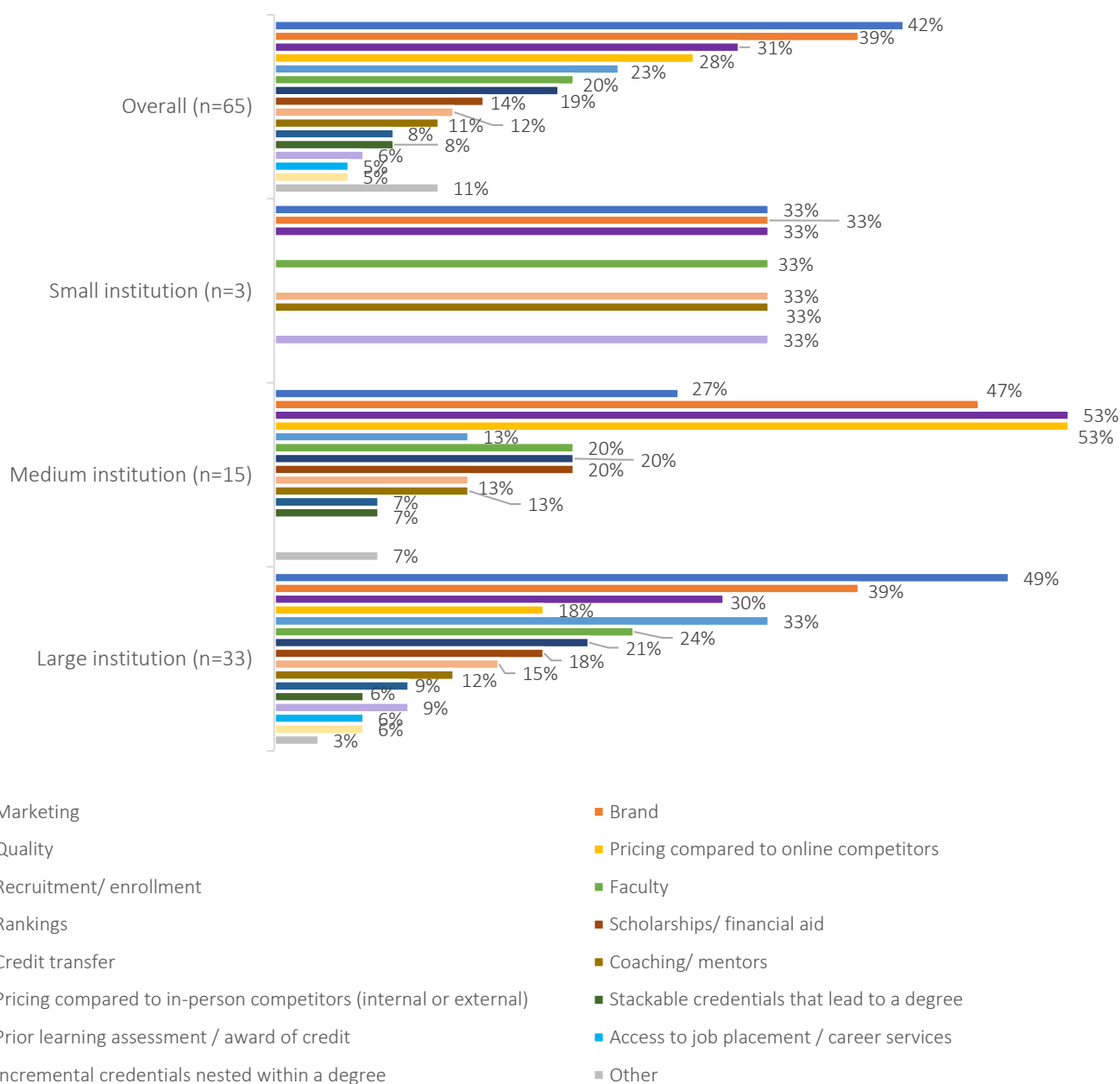
Figure 99: Does your online enterprise have a separate/additional start-up fund(s) for the launch and incubation of new programs apart from any reserves?



Competitive Environment

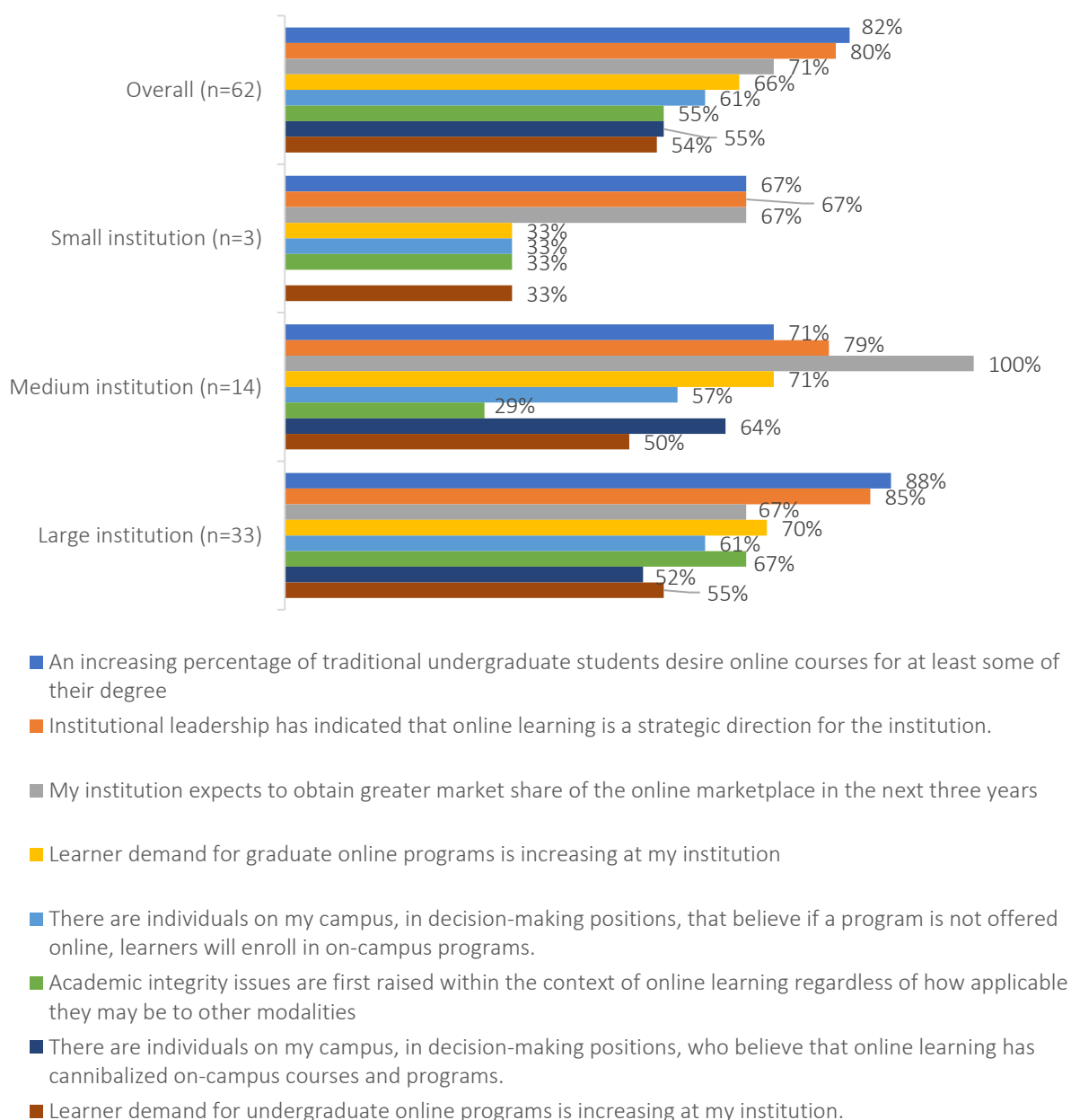
When asked about their online enterprise's use of competitive strategies, respondents from large institutions were most likely to list marketing (49%), while those from medium institutions were most likely to cite pricing compared to online competitors (53%). The three respondents from small institutions all mentioned different competitive strategies.

Figure 100: Which of the following does your online enterprise use to better position its online programs in a competitive environment? Please select no more than three.



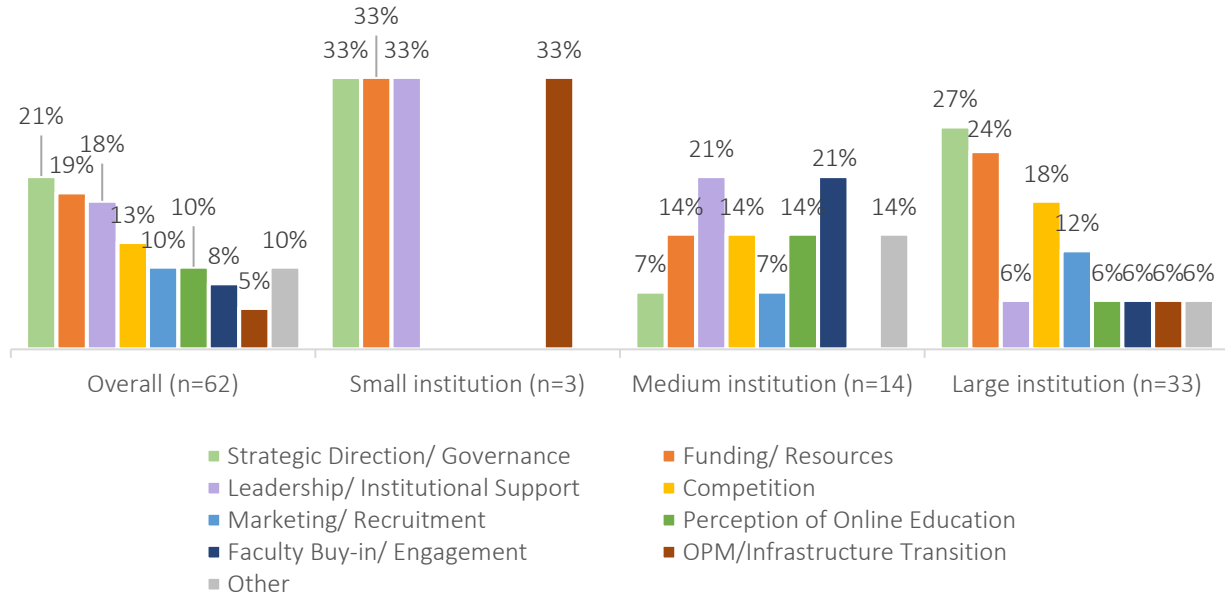
Respondents from medium institutions were most likely to strongly agree or agree that their institution expects to obtain a greater market share of the online marketplace in the next three years (100%), while those from large institutions were most likely to strongly agree or agree that an increasing percentage of traditional undergraduate students desire online courses for at least some of their degree (88%).

**Figure 101: Please rate how strongly you agree or disagree with the following statements
(% Strongly Agree or Agree)**



Respondents from large institutions were most likely to list strategic direction/governance as their biggest challenge to success (27%), while those from medium institutions were most likely to cite leadership/institutional support and faculty buy-in/engagement (both 21%). Among the three respondents from small institutions, all listed different challenges including strategic direction/governance, funding/resources, leadership/institutional support, and OPM/infrastructure transition.

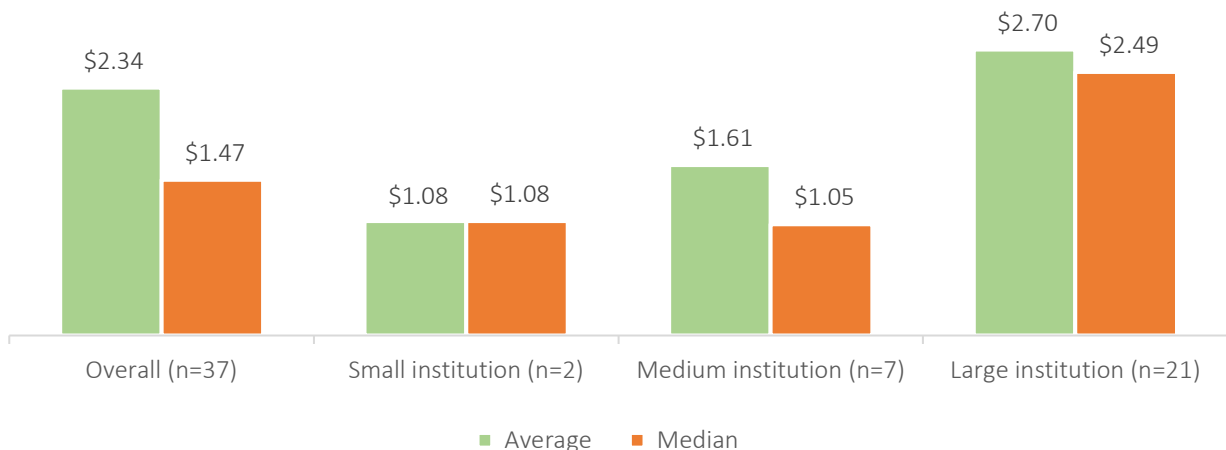
Figure 102: What is the single biggest challenge to the success of your online enterprise?



Key Performance Indicators

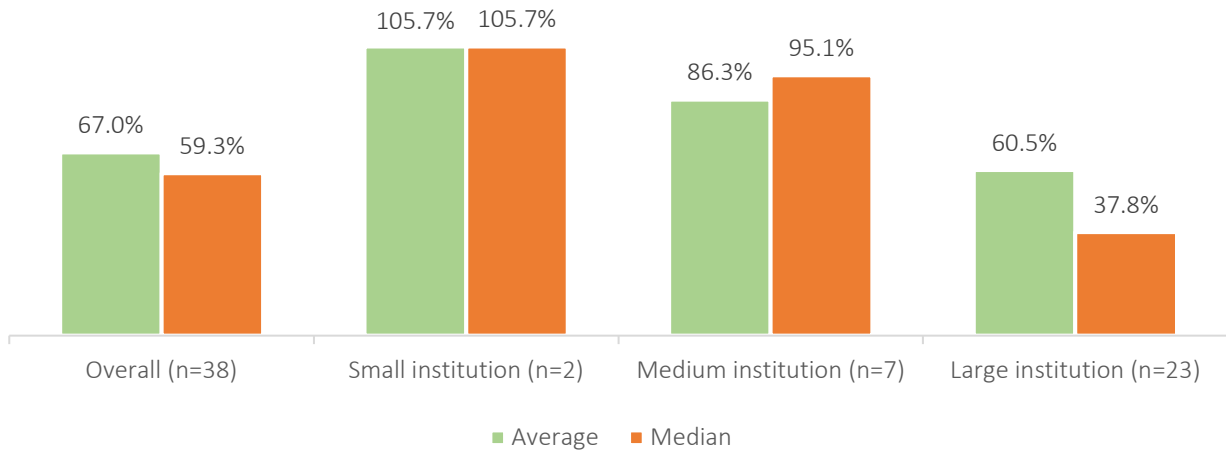
Large institutions have the highest average gross revenue to budget ratio (\$2.70), followed by medium institutions (\$1.61), and small institutions (\$1.08).

Figure 103: Gross Revenue to Budget Ratio



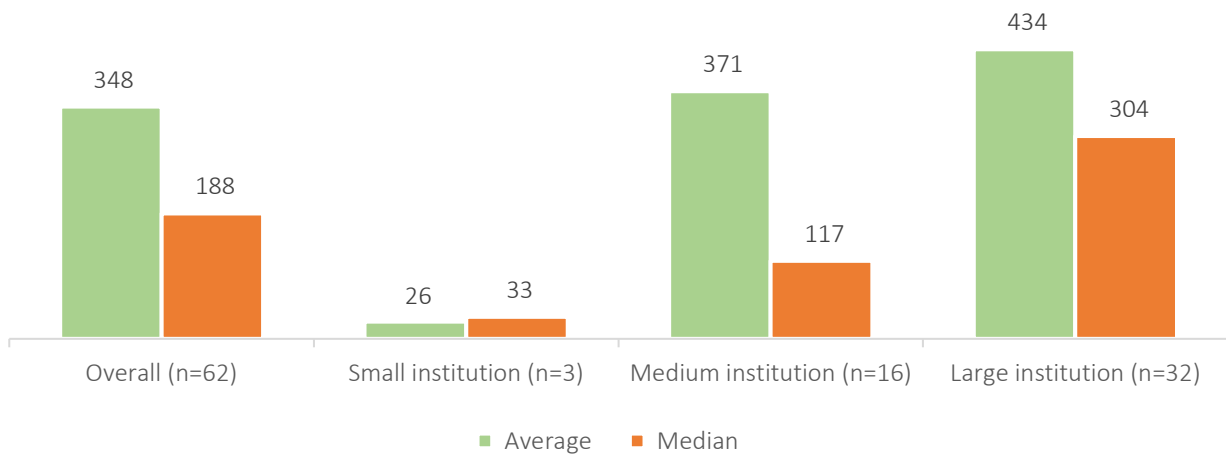
The two respondents from small institutions reported the highest average budget as a percentage of gross revenue (105.7%) indicating their budget is larger than their revenue, followed by medium institutions (86.3%) and large institutions (60.5%).

Figure 104: Budget as a Percentage of Gross Revenue



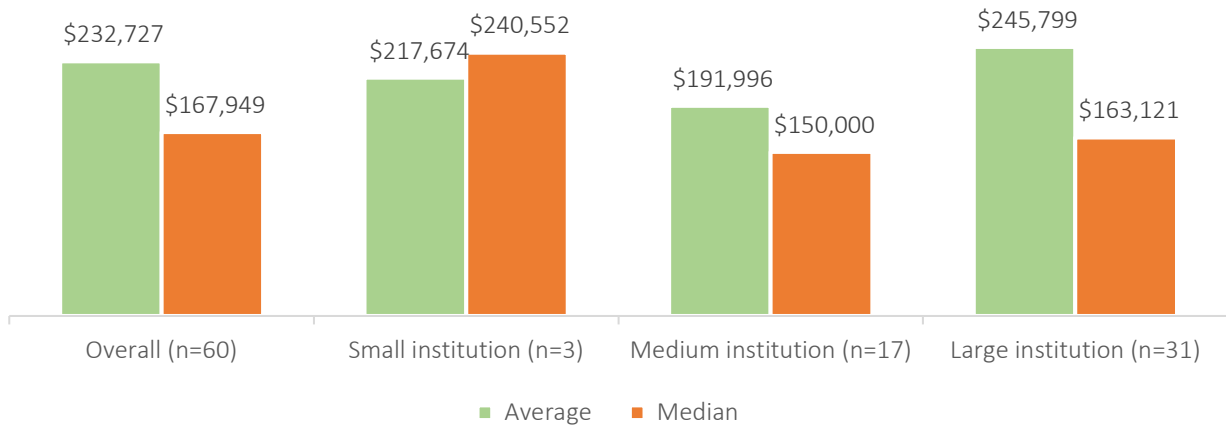
Large institutions have the highest average unduplicated headcount to FTE ratio (434), followed by medium institutions (371) and small institutions (26), both significantly lower.

Figure 105: Unduplicated Headcount to FTE Ratio



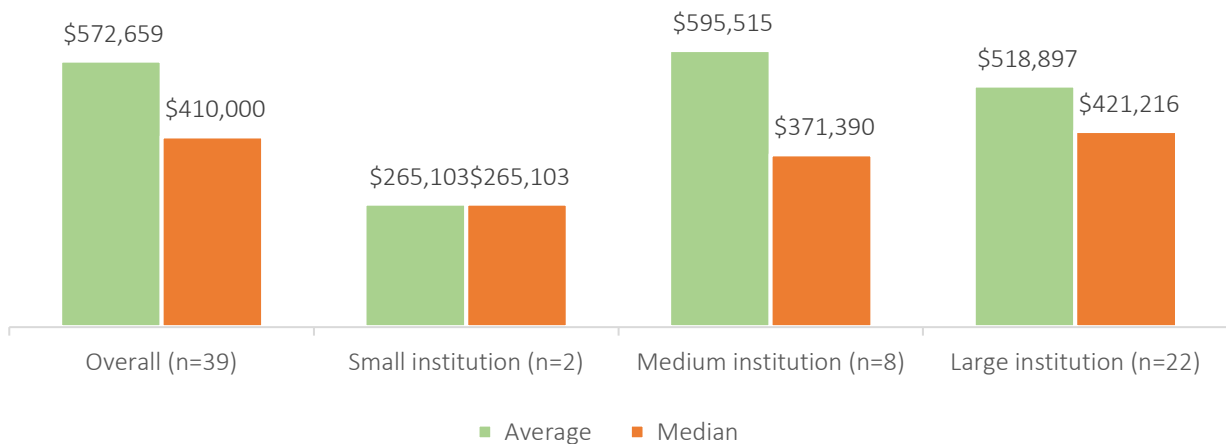
The average total budget per FTE is relatively similar across institution sizes, with respondents from large institutions taking the lead at \$245,799, followed by those from small institutions (\$217,674), and medium institutions (\$191,996).

Figure 106: Total Budget per FTE



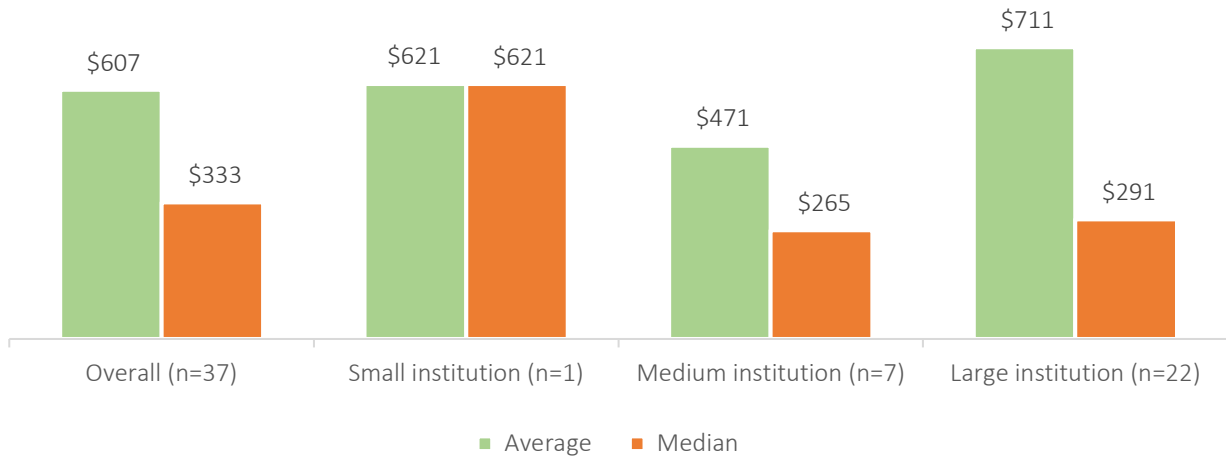
Medium institutions have the highest average gross revenue per FTE (\$595,515), followed by large institutions (\$518,897), and small institutions (\$265,103).

Figure 107: Gross Revenue per FTE



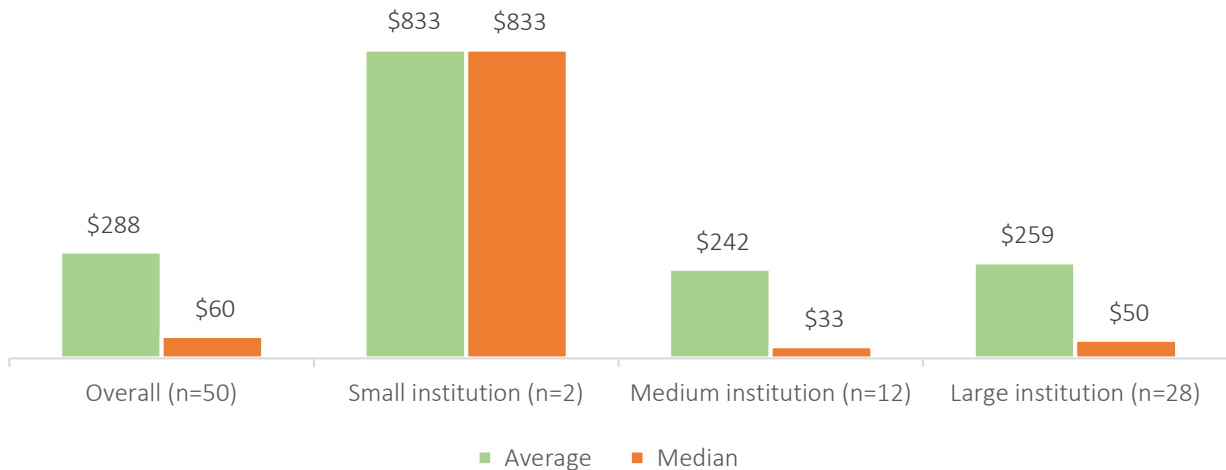
Large institutions have the highest average gross revenue per credit hour (\$711), followed by small institutions (\$621), and medium institutions (\$471). The small institution category only included one respondent.

Figure 108: Gross Revenue per Credit Hour



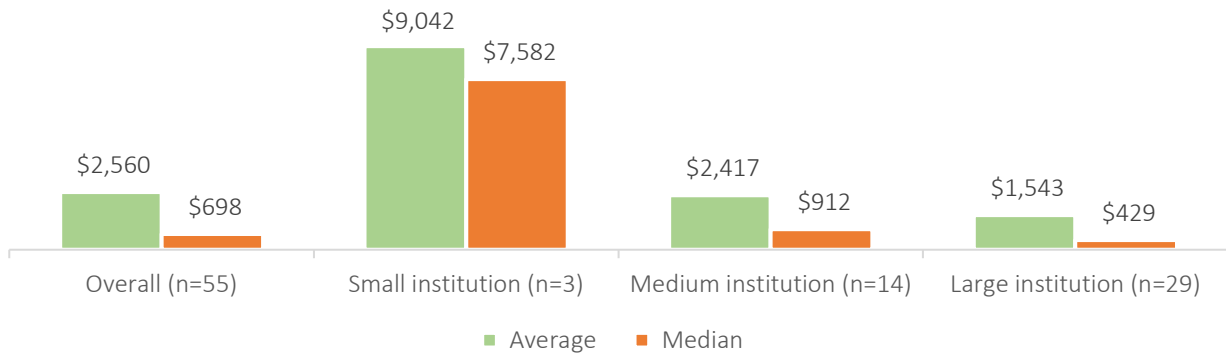
Small institutions have a significantly higher average total budget per credit hour metric (\$833), though the sample size was only two respondents. Large (\$259) and medium (\$242) institutions have relatively similar average total budget per credit hour metrics.

Figure 109: Total Budget per Credit Hour



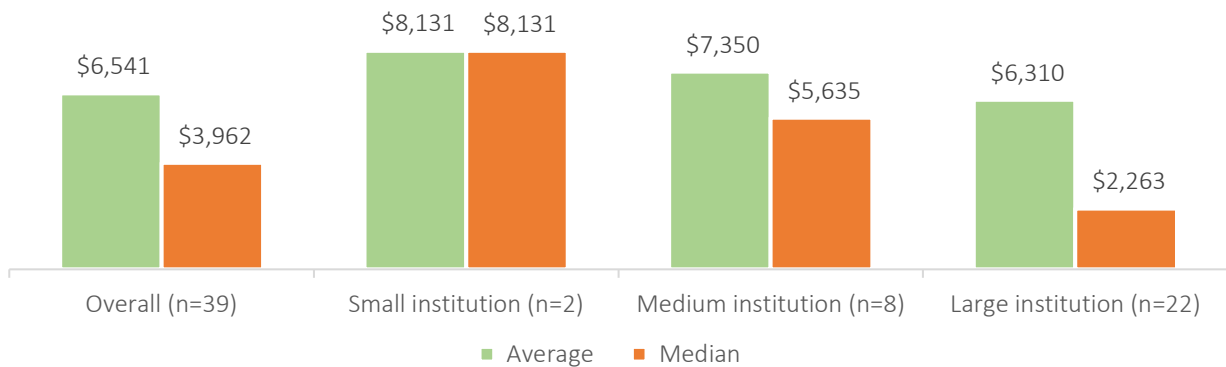
Three participants from small institutions have a significantly higher average budget per unduplicated headcount (\$9,042). Medium institutions have an average total budget per unduplicated headcount of \$2,417, followed by large institutions (\$1,543).

Figure 110: Total Budget per Unduplicated Headcount



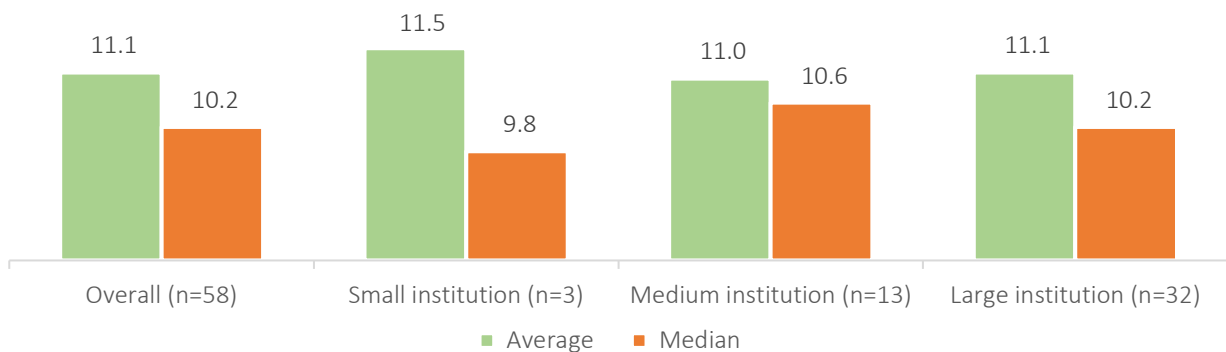
The two respondents from small institutions reported the highest average gross revenue per unduplicated headcount (\$8,131), followed by medium institutions (\$7,350), and large institutions (\$6,310).

Figure 111: Gross Revenue per Unduplicated Headcount



Respondents from small institutions (3) have the highest average fully online credit hours per unduplicated headcount metric (11.5), followed by large institutions (11.1) and medium institutions (11.0).

Figure 112: Credit Hours per Unduplicated Headcount



In Summary: Institutional Size

With only three respondents representing small institutions, we hesitate to make observations about these institutions to avoid any suggestions of generalization. Overall, only 8% of survey respondents are from small institutions, in which their online enterprises have an average budget of \$3.3M and an average gross revenue of \$2.8M. Notably, small institutions have a budget greater than their revenue, which is reflected in the highest average budget as a percentage of gross revenue statistic compared to all institution sizes (105.7%), and the highest average budget per unduplicated headcount (\$9,042), but again, the sample sizes are considerably lower. Despite their smaller scale, small institutions had the highest average gross revenue per unduplicated headcount (\$8,131) and the highest average fully online credit hours per unduplicated headcount (11.5), suggesting a focused and intensive approach to online education.

Financially, two-thirds (67%) of respondents from small institutions report being funded primarily from the institution's general funds, making them the most reliant on this model compared to all institution sizes. None of the five respondents from small institutions strongly agree or agree that their online enterprise is administratively decentralized, indicating a more centralized operational structure. Among the three respondents from small institutions who responded to the online fee question, the majority reported that there is no standard fee assessed to students enrolled in online courses.

Respondents from medium institutions (31%) reported an average online enterprise budget of \$5.2M and gross revenue of \$18.7M. This was the highest average gross revenue per FTE (\$595,515), suggesting efficient revenue generation relative to staff size. They were the most likely to strongly agree or agree that their institution expects to obtain a greater market share of the online marketplace in the next three years (100%), reflecting strong confidence in future growth. Forty-seven percent anticipate a budget increase in the next fiscal year.

Over three-quarters (78%) of respondents from medium institutions reported that their online units are academically decentralized, which allows for greater flexibility across departments. The most commonly cited online enterprise responsibilities include instructional design (89%), faculty development (78%), and student success/coaching (78%). They were most likely to cite quality and pricing compared to online competitors as their primary competitive strategies (both 53%), and leadership/institutional support and faculty buy-in/engagement as their biggest challenges to success (both 21%).

Respondents from large institutions (61%) reported the most substantial online enterprises, with an average budget of \$11.7M, more than double that of medium institutions, and an average gross revenue of \$32.2M. They have the highest average unduplicated headcount to FTE ratio

(434) and generate the strongest gross revenue to budget ratio (\$2.70), which indicates they have a considerable revenue efficiency relative to spend. However, the average gross revenue per FTE (\$518,897) is right behind that of medium institutions, and the average gross revenue per unduplicated headcount (\$6,310) is the lowest across institution sizes, which reflects the tradeoffs inherent to operating at scale.

Respondents from large institutions were the most likely to report academic decentralization (97%), and their top responsibilities include instructional design (92%), faculty development (79%), and recruitment/enrollment (also 79%). Nearly a third (32%) primarily rely on general funds, yet they are also the most likely to cite multiple financial models, which reflects the complexity of their funding structures. Marketing is the most commonly cited competitive strategy (49%), and strategic direction/governance the most frequently reported challenge to success (27%).

Across all institution sizes, respondents indicated that instructional design and faculty development consistently rank among the top responsibilities for online enterprises. Large institutions are more likely to support a broader range of offerings compared to medium and small institutions. These data suggest that the large institutions in this sample leverage scale to drive overall revenue, medium institutions show a notable efficiency in revenue generation per staff member, and small institutions, despite resource constraints, exhibit a concentrated focus on program-sustaining revenue production per student.

Budget Size: Responses and Analysis

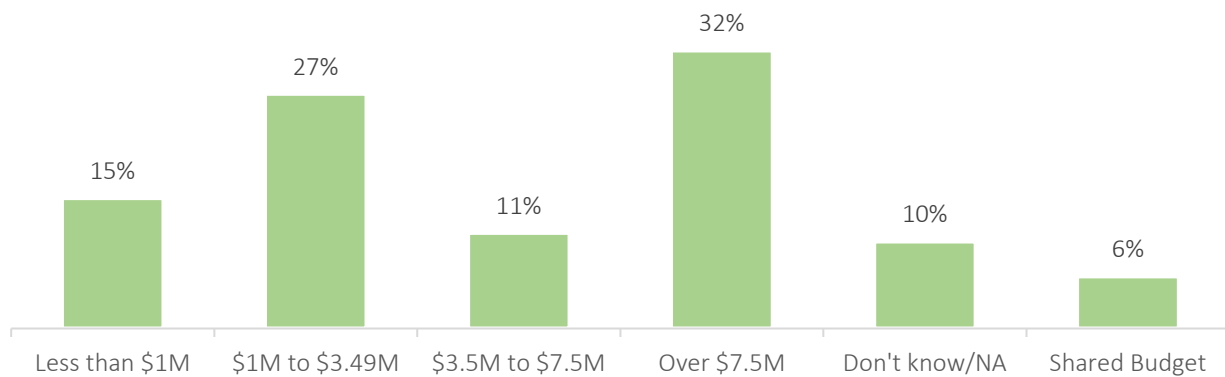
Key Findings

Less than \$1M	• Fifteen percent of online enterprises reported a budget of less than \$1M for the 2024-2025 academic year. • Online enterprises with a budget under \$1M are most likely to cite pricing compared to online competitors as their top competitive strategy (50%). • Roughly a quarter (26%) of units with a budget of less than \$1M expect a decrease in their budget for the next fiscal year. • Online enterprises under \$1M are most likely to be funded from the institution's general funds.
\$1M to \$3.49M	• Twenty-seven percent of online enterprises reported a budget between \$1M and \$3.49M. • Those with a budget between \$1M and \$3.49M have the highest average unduplicated headcount to FTE ratio (576), meaning each staff member serves the greatest number of students on average. • Strategic direction/governance was the most commonly cited challenge to success among this budget category (28%). • Roughly a quarter (26%) expect a decrease in their budget for the next fiscal year. • Marketing was cited as a top competitive strategy by 44% of online enterprises in this budget category, as well as branding (also 44%).
\$3.5M to \$7.5M	• Eleven percent of online enterprises reported a budget between \$3.5M and \$7.5M. • Online enterprises in this budget category have the highest average gross revenue to budget ratio (\$2.56), indicating strong revenue efficiency relative to spend. • Those with a budget between \$3.5M and \$7.5M are most likely to expect a budget increase for the next fiscal year (57%). • Marketing was the top competitive strategy cited by this budget category (71%).
Over \$7.5M	• Nearly a third (32%) of online enterprises reported a total budget of over \$7.5M for the 2024-2025 academic year. • Online enterprises with a budget over \$7.5M had the highest average gross revenue (\$52.1M), significantly higher than all other budget categories. • These online enterprises have the highest average number of FTEs funded by their online enterprise (82). • Those with a budget over \$7.5M have the highest average total budget per FTE (\$376,298). • Online enterprises with a budget over \$7.5M have the highest average unduplicated headcount (13,343) for learners enrolled in fully online courses and the highest average number of student credit hours (187,080). • Forty-eight percent expect their budget to increase for the next fiscal year. • Those with a budget over \$7.5M are most likely to cite a revenue share model as their primary financial model (29%). • Funding/resources and competition were equally noted as the biggest challenges to success (both 25%).

Demographics

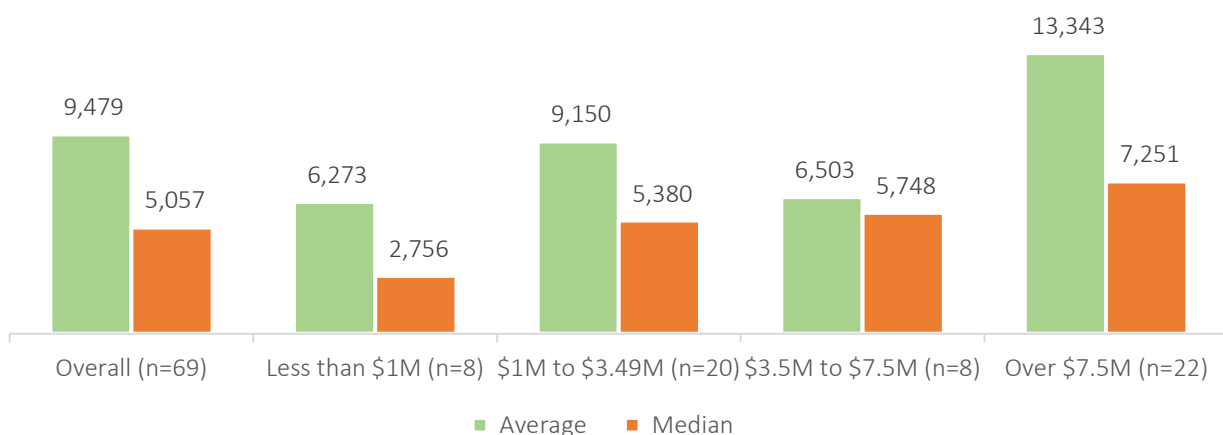
Fifteen percent of online enterprises had a budget less than \$1M in the 2024-2025 academic year, 27% had a budget between \$1M and \$3.49M, 11% \$3.5M to \$7.5M, and nearly a third (32%) over \$7.5M. Ten percent of respondents did not know their online enterprises total budget and 6% said their budget is shared with other parts of the institution.

Figure 113: For the 2024-2025 academic year, what was your online enterprise's *total* budget?
Please list the budget in USD (n=73)



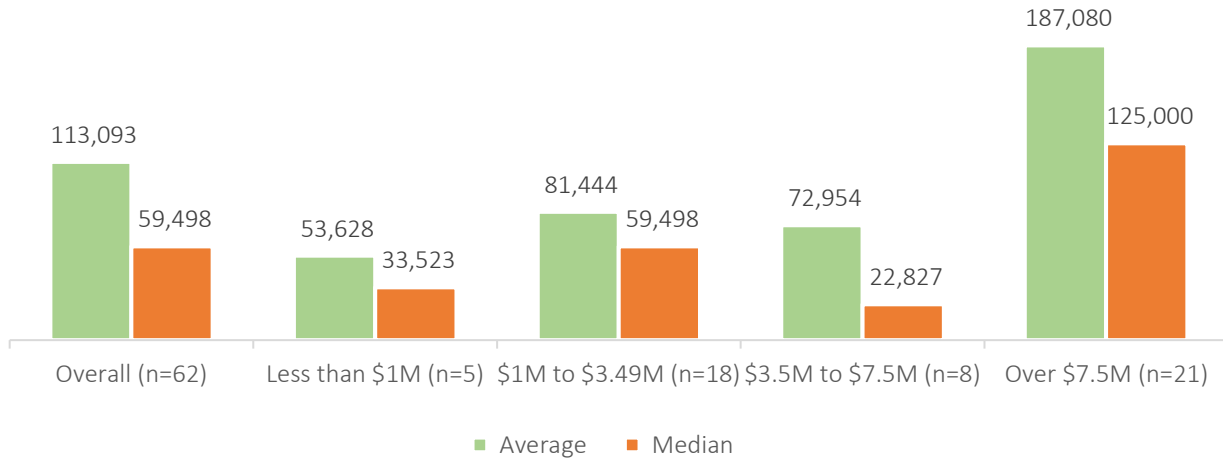
Generally, institutions with higher budgets tend to serve more fully online learners. Those with a budget over \$7.5M had an average headcount of 13,343, while those with a budget under \$1M had less than half that number, 6,273.

Figure 114: Please provide the unduplicated headcount for learners enrolled in fully online courses for the 2024-2025 academic year.



Online enterprises with budgets over \$7.5M had the highest average number of student credit hours for learners enrolled in fully online courses (187,080), followed by those with budgets between \$1M and \$3.49M (81,444), those between \$3.5M and \$7.5M (72,954), and budgets less than \$1M (53,628).

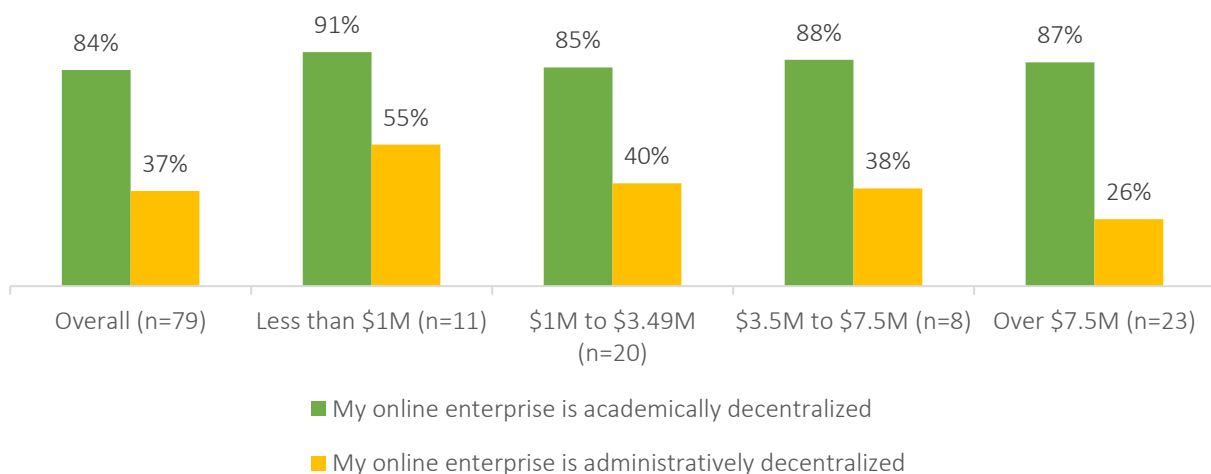
Figure 115: Please provide the total student credit hours for learners enrolled in fully online courses for the 2024-2025 academic year.



Size and Structure

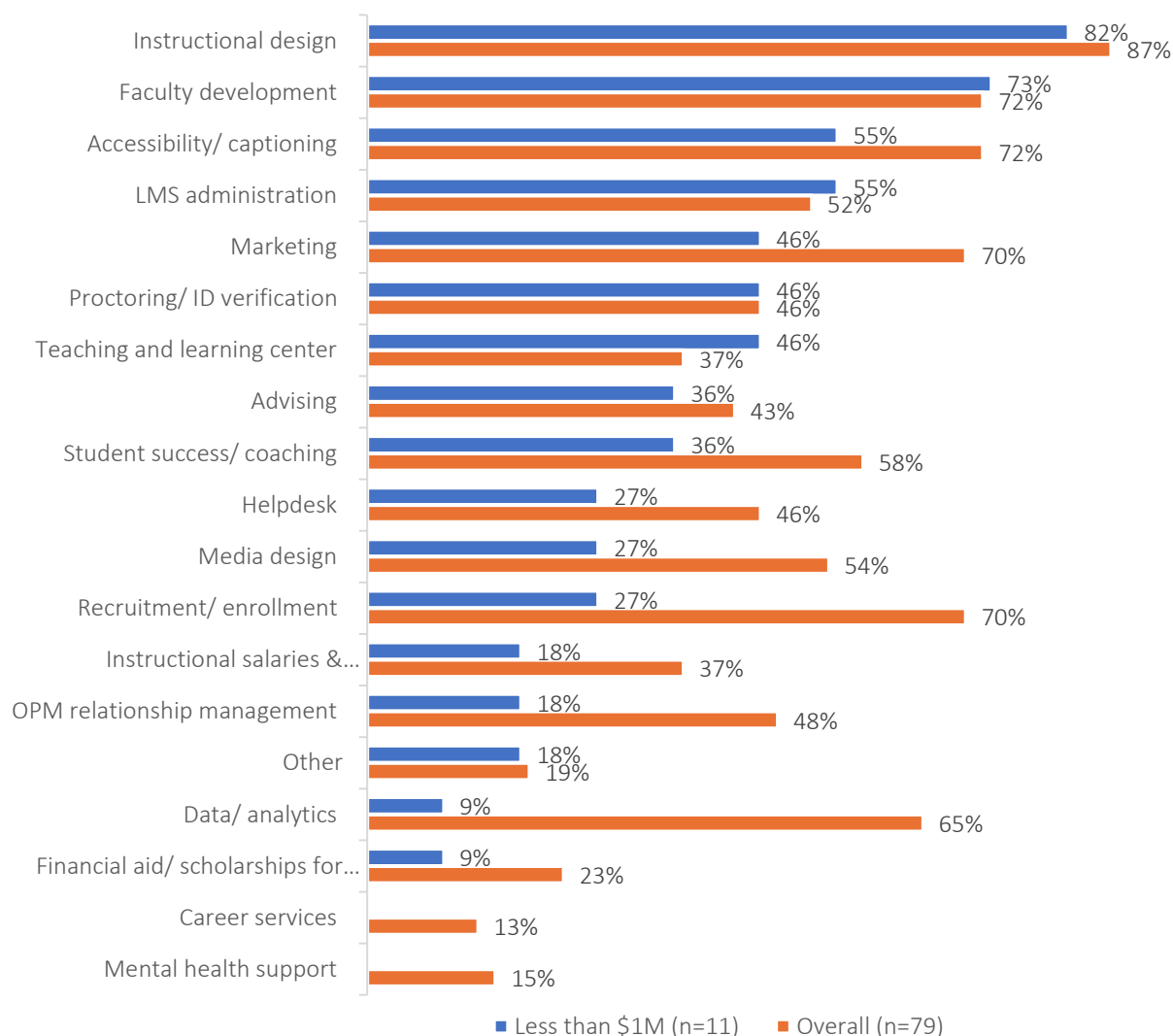
Across all budget sizes, respondents were more likely to report academic decentralization than administrative decentralization. The gap is widest among institutions with budgets over \$7.5M, which show a 61-point difference between the two (87% vs 26%), compared to a 36-point difference among institutions with budgets under \$1M (91% vs 55%).

Figure 116: Please rate how strongly you agree or disagree with the following statements (% Strongly Agree or Agree)



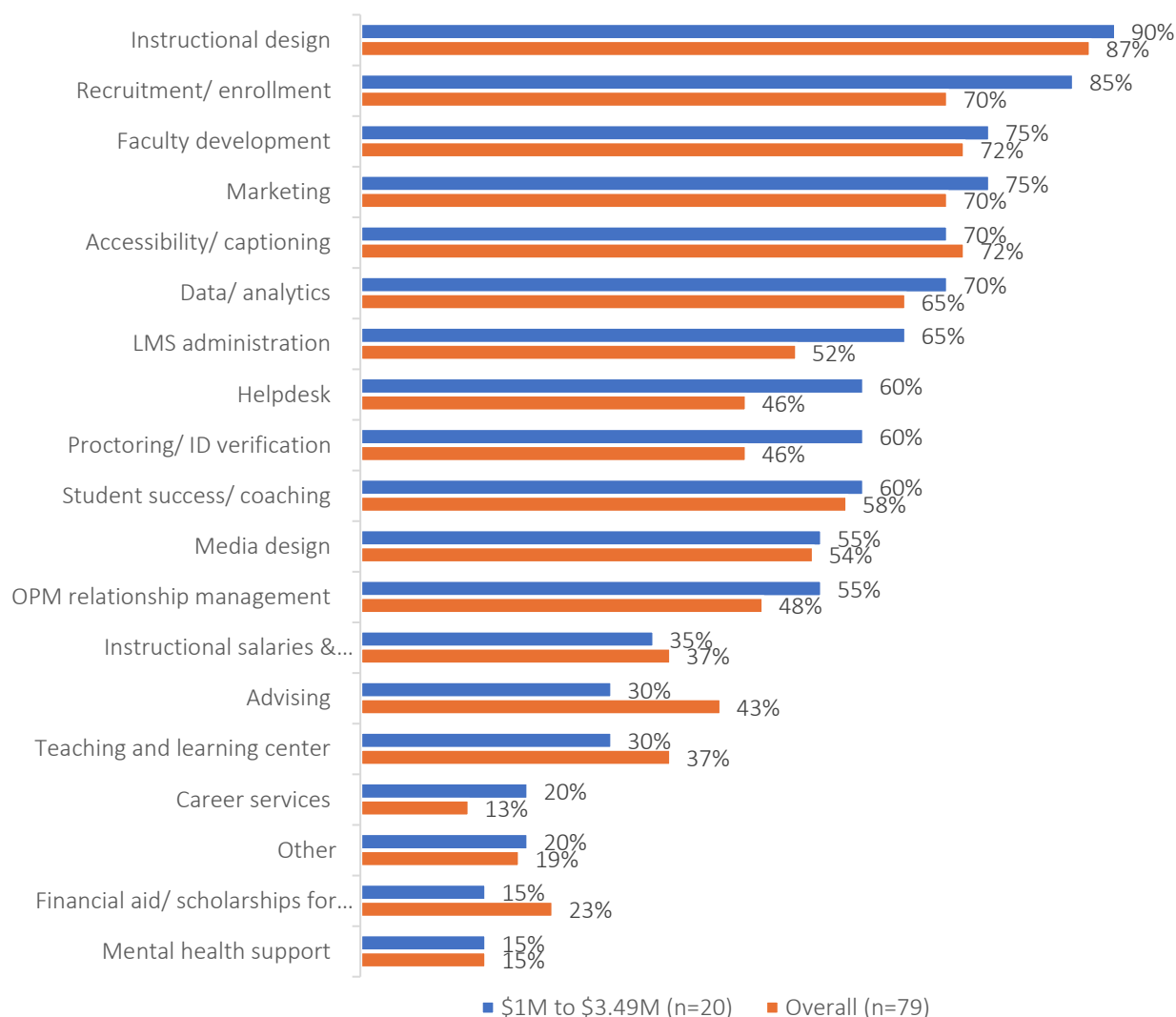
Across online enterprises with budgets ranging from \$1M to beyond \$7.5M, overall, responsibility levels remained largely consistent regardless of function category. A clear difference emerged among respondents whose budgets are less than \$1M, where participation in marketing, recruitment/enrollment, and data/analytics was significantly lower.

Figure 117: Which of the following are responsibilities for your online enterprise? Please select all that apply. (Less than \$1M)



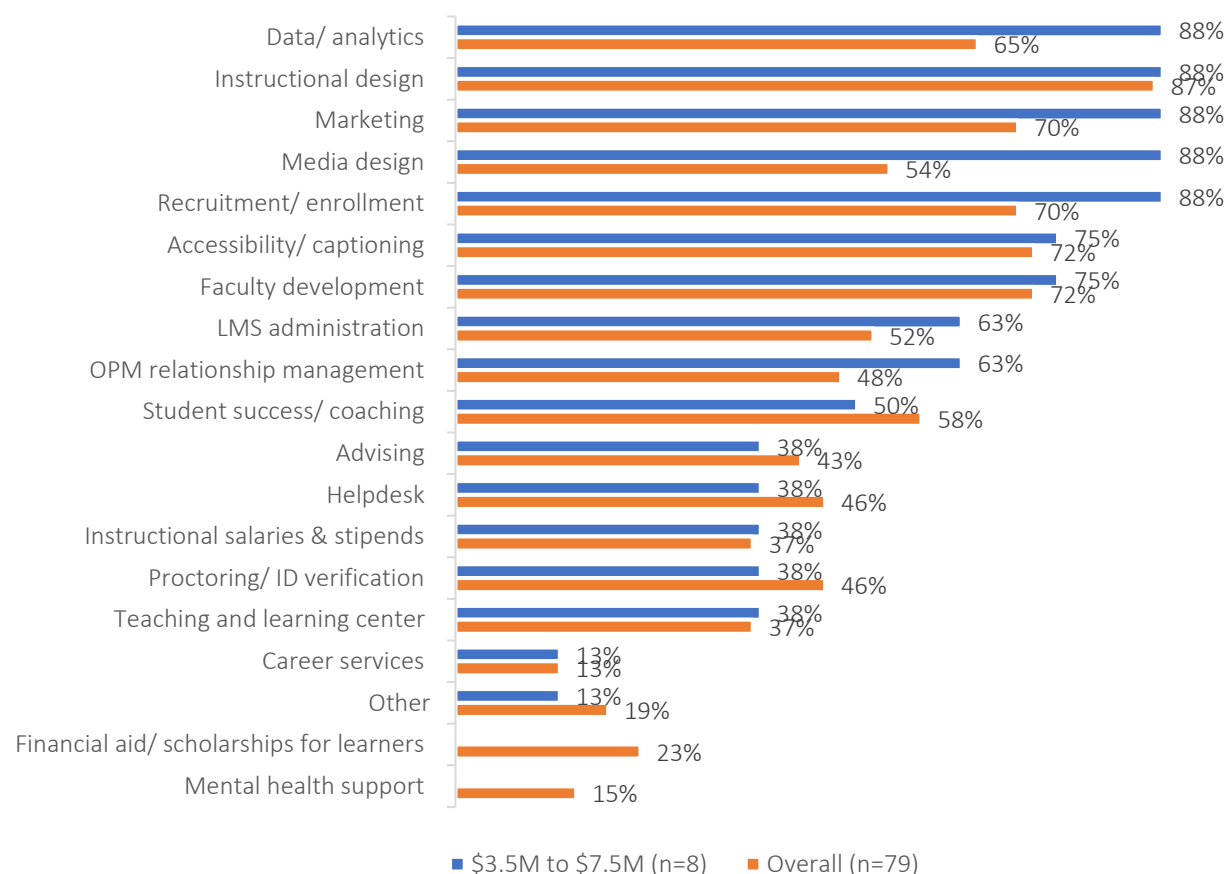
The top responsibilities for respondents who have a budget between \$1M and \$3.49M include instructional design (90%), recruitment/enrollment (85%), faculty development (75%), and marketing (also 75%).

Figure 118: Which of the following are responsibilities for your online enterprise? Please select all that apply. (\$1M to \$3.49M)



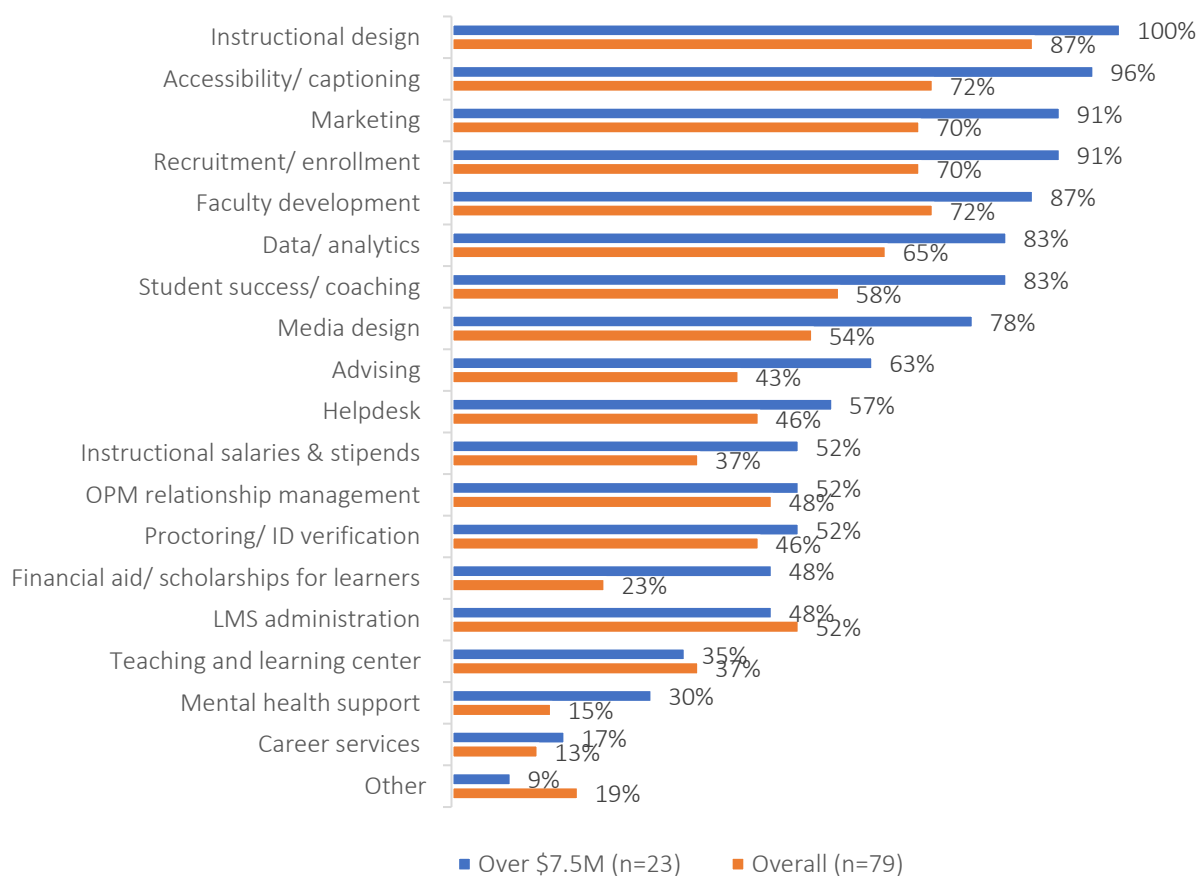
For respondents whose budgets are between \$3.5M and \$7.5M, the top responsibilities included instructional design, marketing, recruitment/enrollment, data/analytics, and media design (all 88%).

Figure 119: Which of the following are responsibilities for your online enterprise? Please select all that apply. (\$3.5M to \$7.5M)



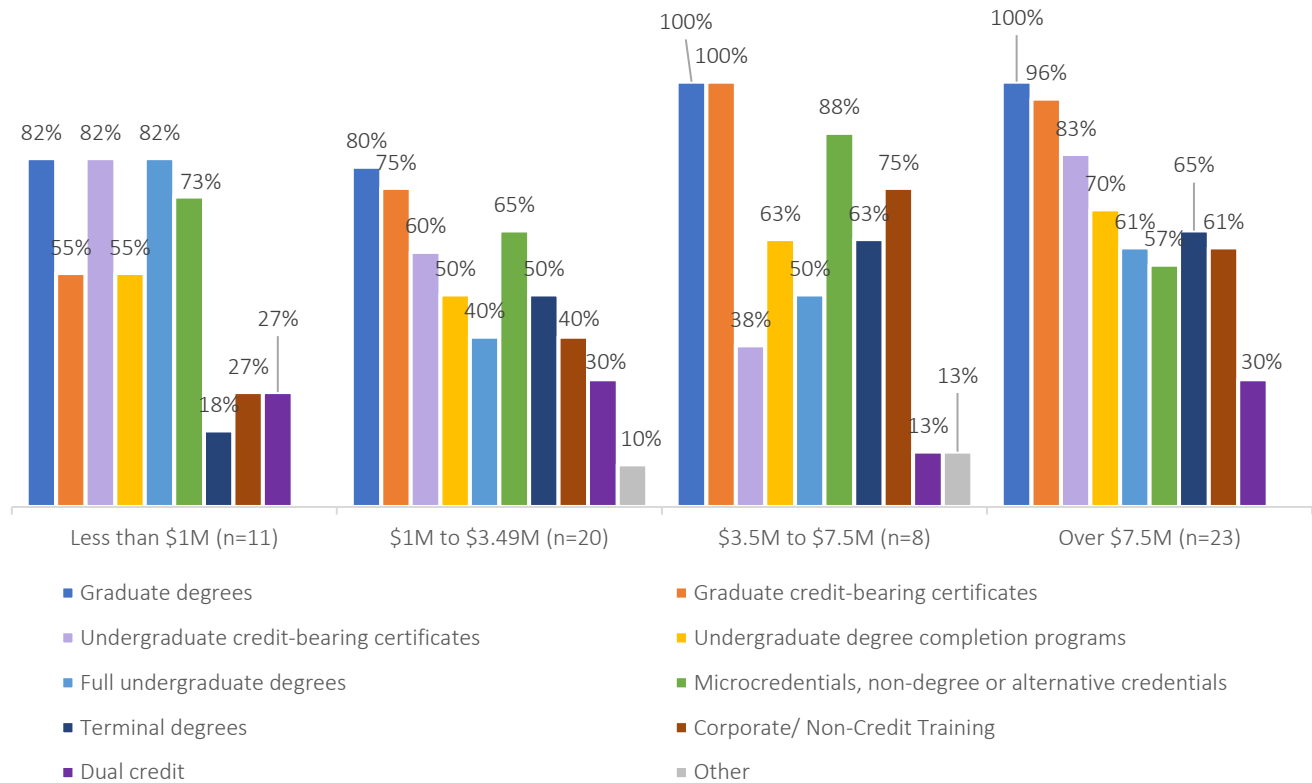
The top responsibilities for respondents who have a budget over \$7.5M include instructional design (100%), accessibility/captioning (96%), marketing (91%), and recruitment/enrollment (also 91%).

Figure 120: Which of the following are responsibilities for your online enterprise? Please select all that apply. (Over \$7.5M)



Graduate degrees and graduate credit-bearing certificates are the top two offerings among online enterprises with budgets ranging from \$1M to over \$7.5M. For respondents with a budget under \$1M, the top offerings include graduate degrees, undergraduate credit-bearing certificates, and full undergraduate degrees (all 82%).

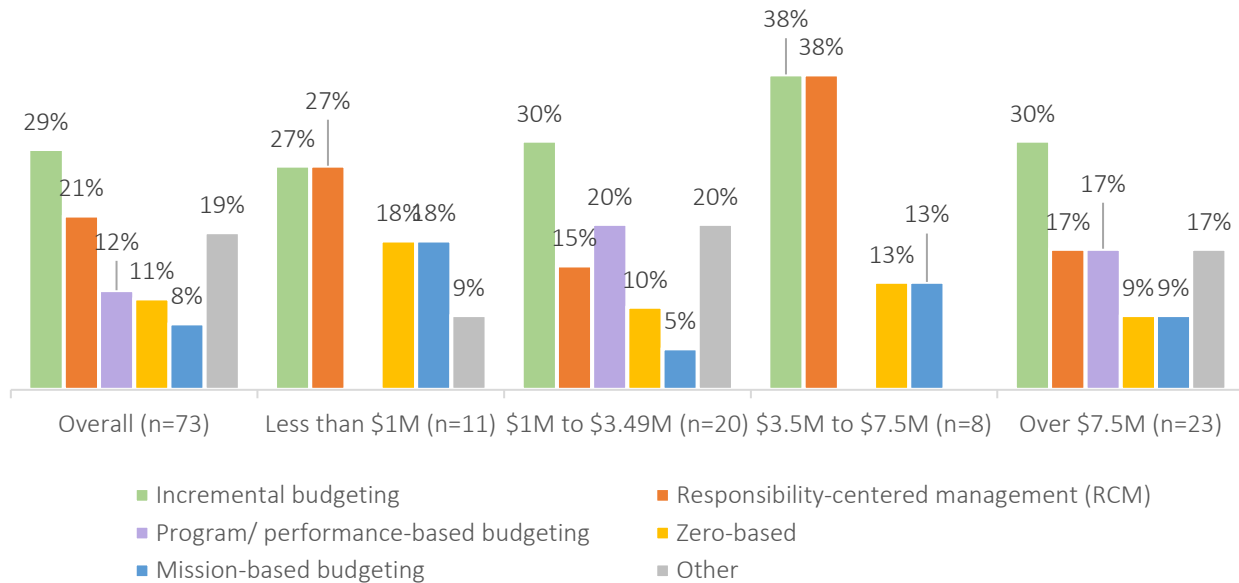
Figure 121: Which of the following program types are included in your online enterprise's portfolio of programs that it supports? Please select all that apply.



Budget, Revenue, and Staffing

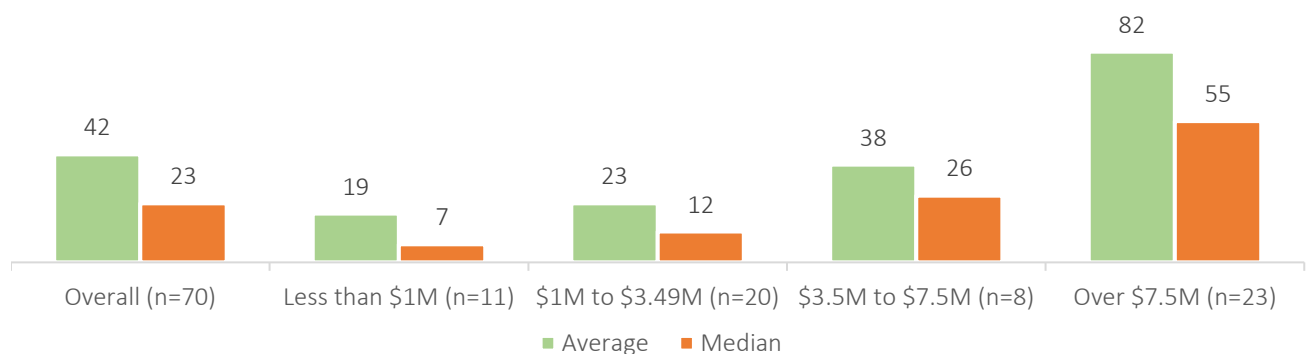
Online enterprises across all budget sizes most commonly deploy an incremental budgeting model. Respondents with a budget of less than \$1M, and those with a budget between \$3.5M and \$7.5M are equally likely to use a responsibility-centered management (RCM) budgeting model as the incremental budgeting approach.

Figure 122: What budget model does your institution primarily deploy for its online enterprise(s)?



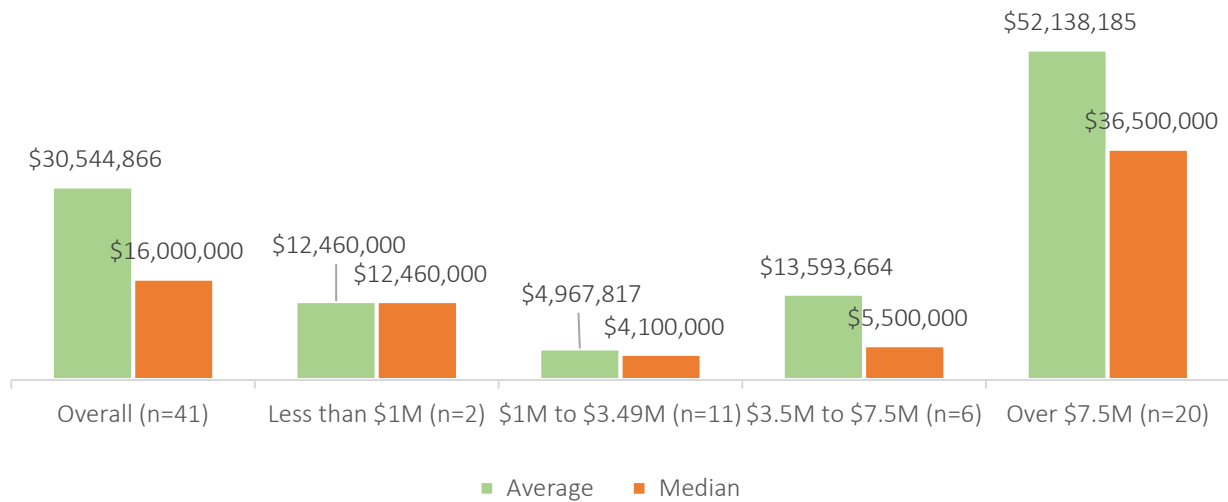
Online enterprises with larger budgets have a higher average number of FTEs funded by their online units. On average, those with a budget of over \$7.5M have 82 FTEs, while those with a budget of less than \$1M have only 19.

Figure 123: Including yourself, how many full-time or full-time equivalent (FTE) employees (i.e., two half-time employees equals one full-time employee) are funded by your online enterprise?



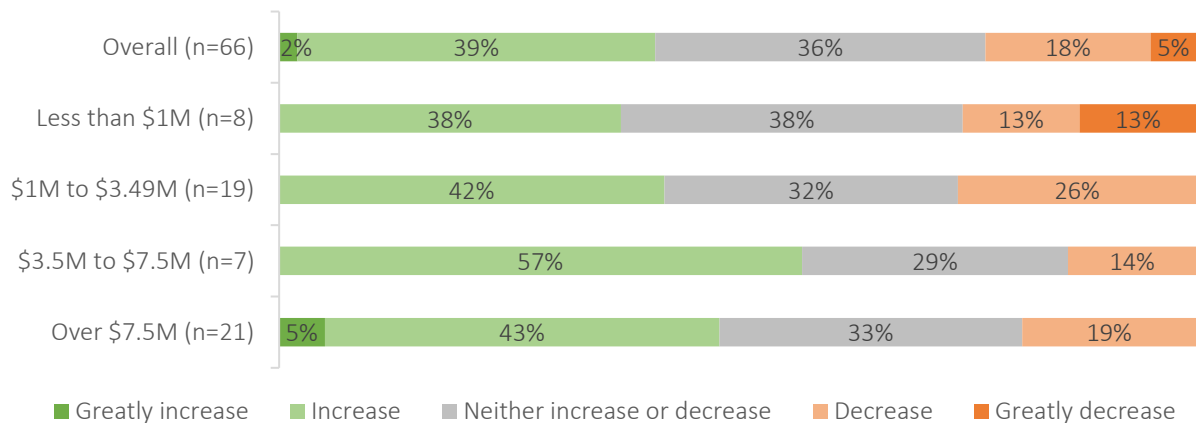
Not surprisingly, online enterprises with a budget of over \$7.5M had the largest average gross revenue (\$52.1M), compared to all other budget size categories. It is also worth emphasizing the small sample size of enterprises with less than \$1.0 and between \$3.5 to \$7.5 million.

Figure 124: For the 2024-2025 academic year, what was your online enterprise's total gross revenue? Please list gross revenue in USD.



Respondents from the two largest budget categories are most likely to expect increases to their budgets. Those with a budget between \$3.5M and \$7.5M are most likely to expect an increase in their budget for the next fiscal year (57%), followed by those with budgets over \$7.5M (48%). Roughly a quarter (26%) of units with a budget of less than \$1M and those with a budget between \$1M and \$3.49M expect a decrease.

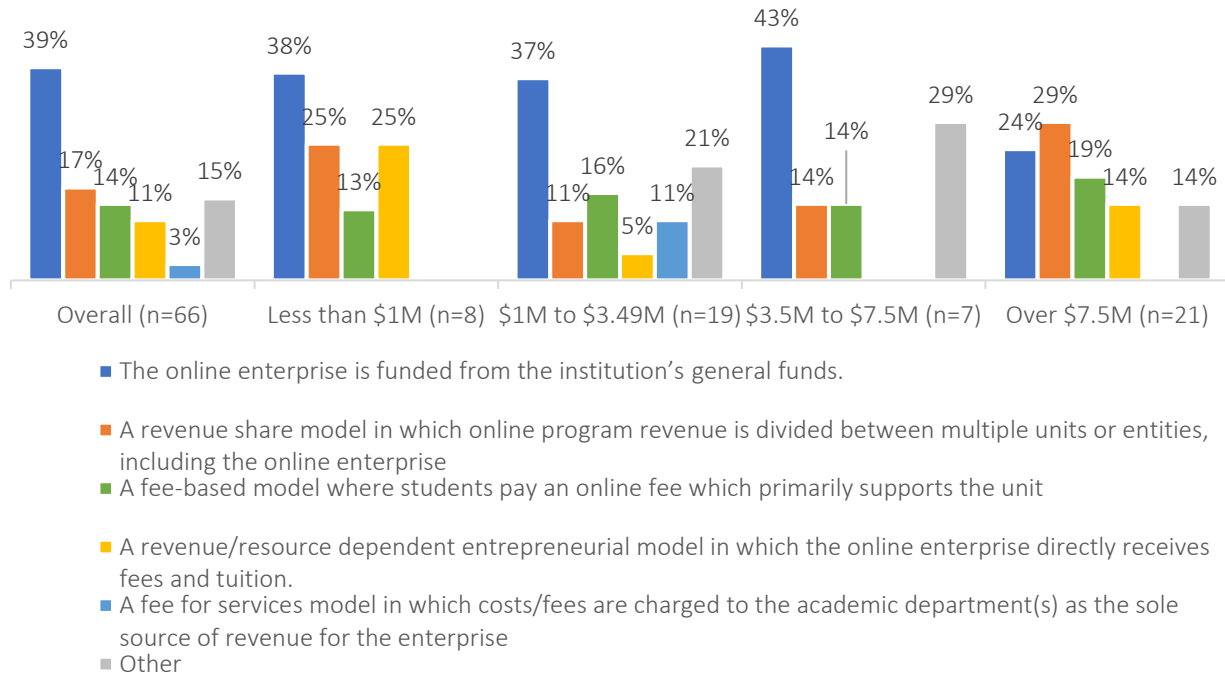
Figure 125: Which of the following best describes your online enterprise's overall budget for the next fiscal year compared to the previous fiscal year?



Finances and Funding

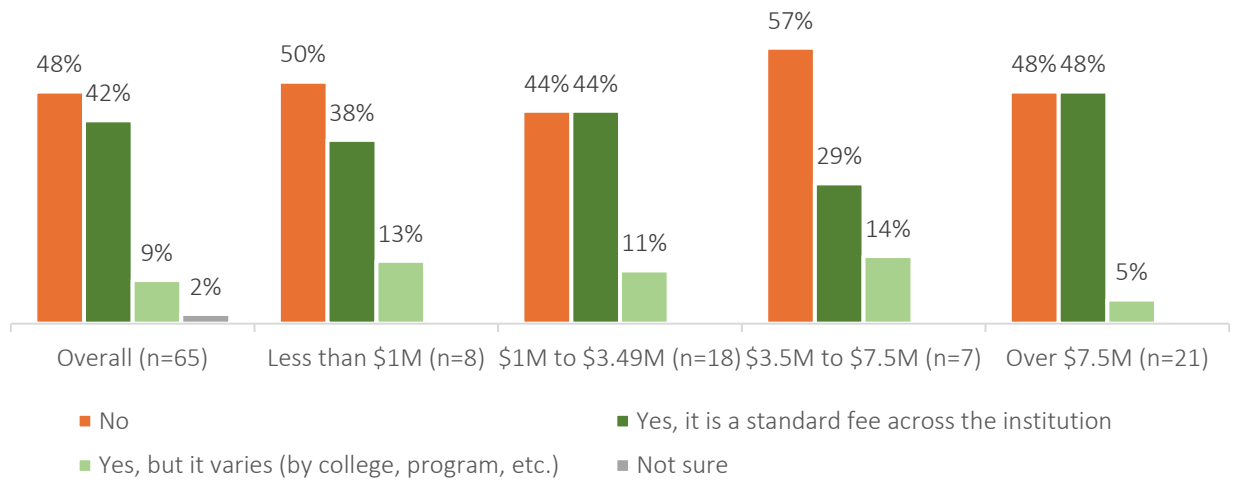
Online enterprises with a budget ranging from less than \$1M up to \$7.5M are most likely to have their unit funded from their institution's general funds. Those with a budget over \$7.5M are most likely to use a revenue share model (29%), followed by the institution's general funds (24%).

Figure 126: Which of the following best describes your primary online enterprise's financial model?



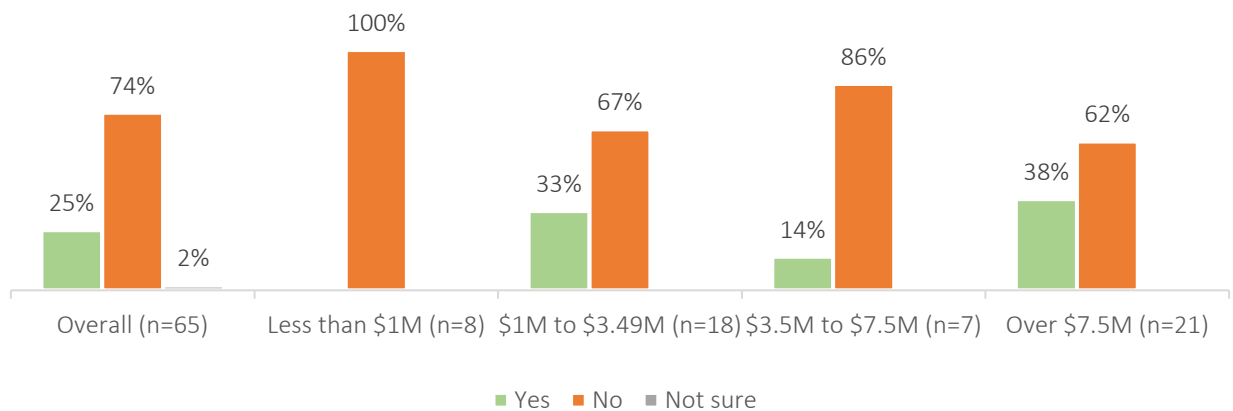
Online enterprises with a budget less than \$1M (50%) and those with a budget between \$3.5M and \$7.5M (57%) are most likely to not assess an online or distance education fee for students enrolled in online courses, while those with a budget between \$1M and \$3.49M and those with a budget over \$7.5M are equally likely to not assess a fee or have a standard fee.

Figure 127: Is an online or distance education fee assessed to students enrolled in online courses?



While respondents across all budget categories were more likely to say their online enterprise does not have a separate start-up fund for new programs, those with a budget of over \$7.5M were the most likely to say they do (38%).

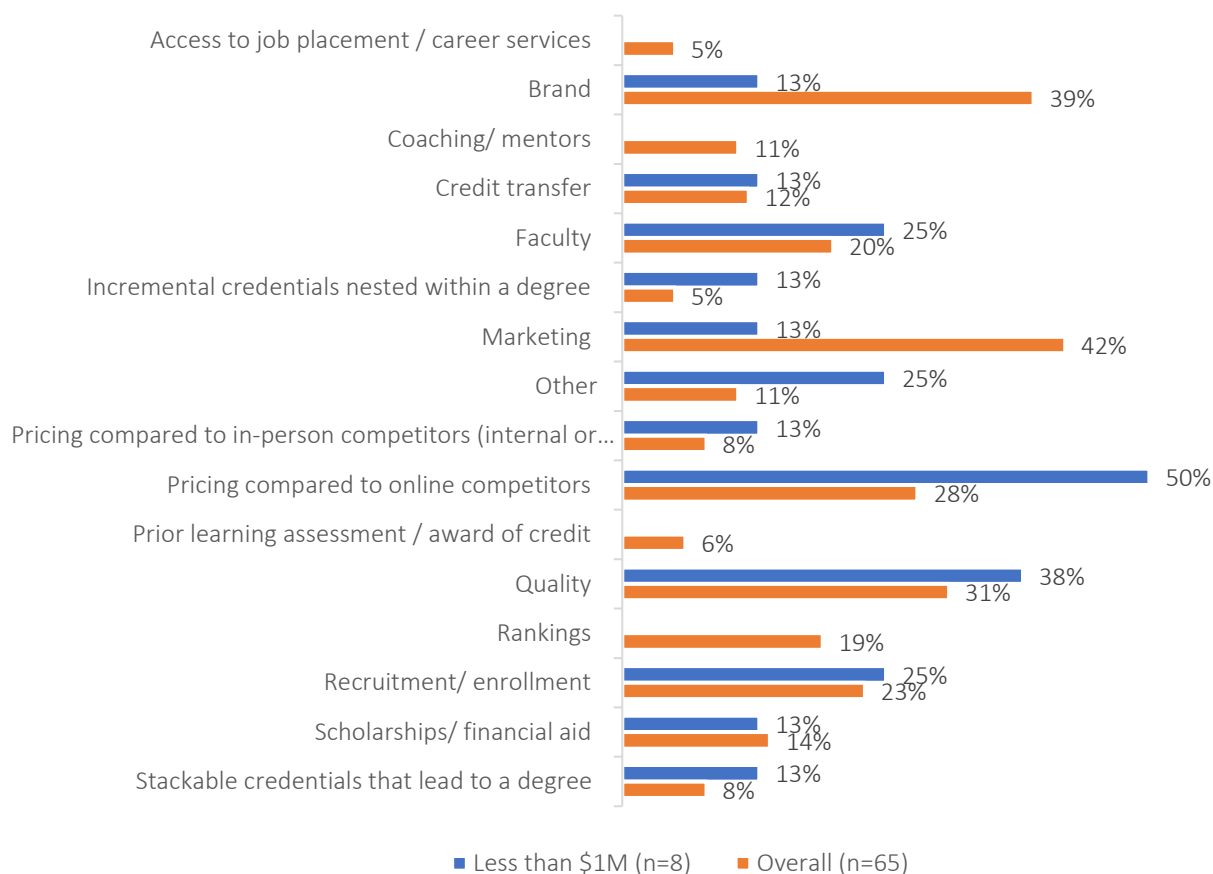
Figure 128: Does your online enterprise have a separate/additional start-up fund(s) for the launch and incubation of new programs apart from any reserves?



Competitive Environment

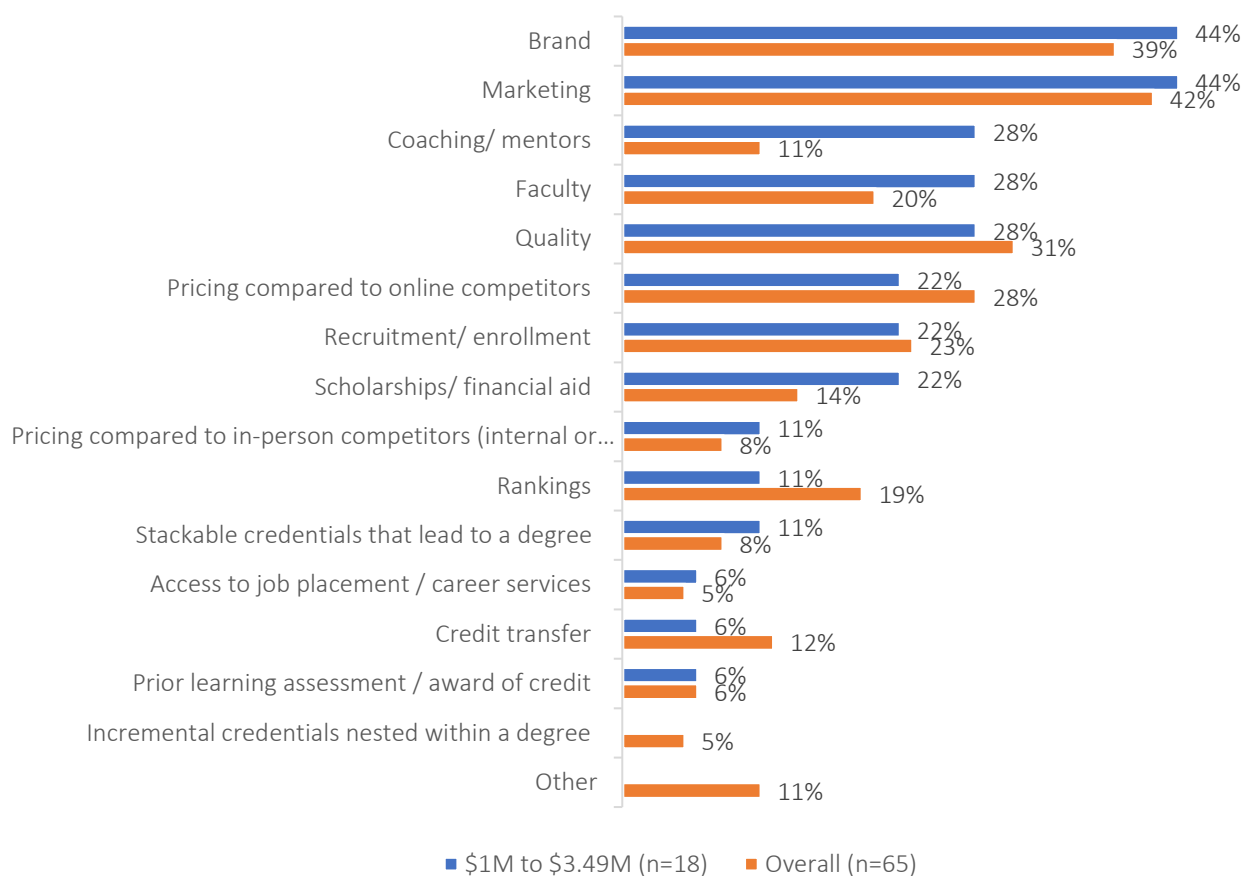
Marketing was one of the top competitive strategies identified by respondents for online enterprises with a budget between \$3.5M and \$7.5M (71%), those with a budget over \$7.5M (52%), and those between \$1M and \$3.49M (44%). Those with a budget under \$1M cited pricing compared to online competitors as their top competitive strategy (50%).

Figure 129: Which of the following does your online enterprise use to better position its online programs in a competitive environment? Please select no more than three. (Less than \$1M)



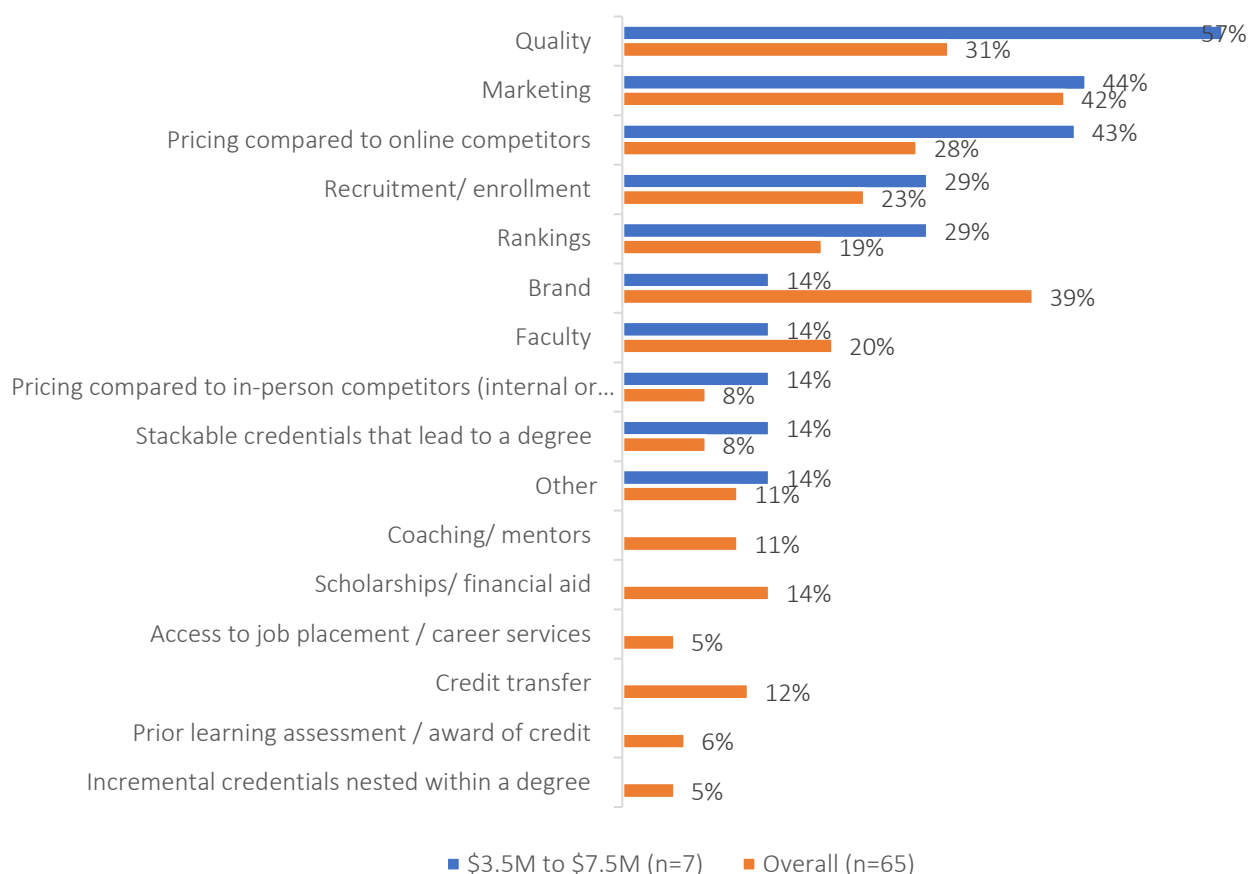
The top competitive strategies for those with a budget between \$1M and \$3.49M included marketing and branding (both 44%). Institutions in this budget range were also more likely than the overall average to list coaching/mentors (28%), faculty (28%), and scholarships (22%).

Figure 130: Which of the following does your online enterprise use to better position its online programs in a competitive environment? Please select no more than three. (\$1M to \$3.49M)



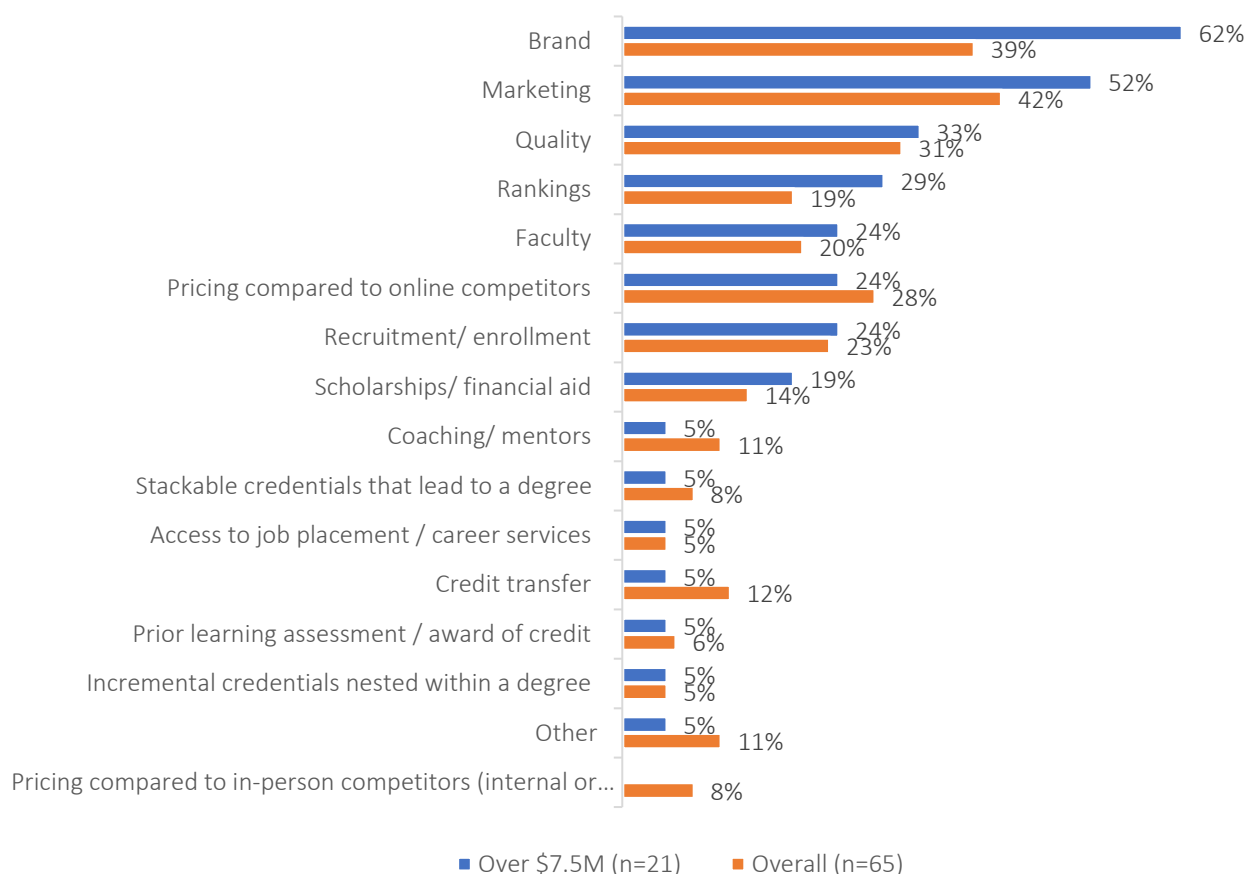
Marketing was the top competitive strategy for those with a budget between \$3.5M and \$7.5M (71%), followed by quality (57%), and pricing compared to online competitors (43%).

Figure 131: Which of the following does your online enterprise use to better position its online programs in a competitive environment? Please select no more than three. (\$3.5M to \$7.5M)



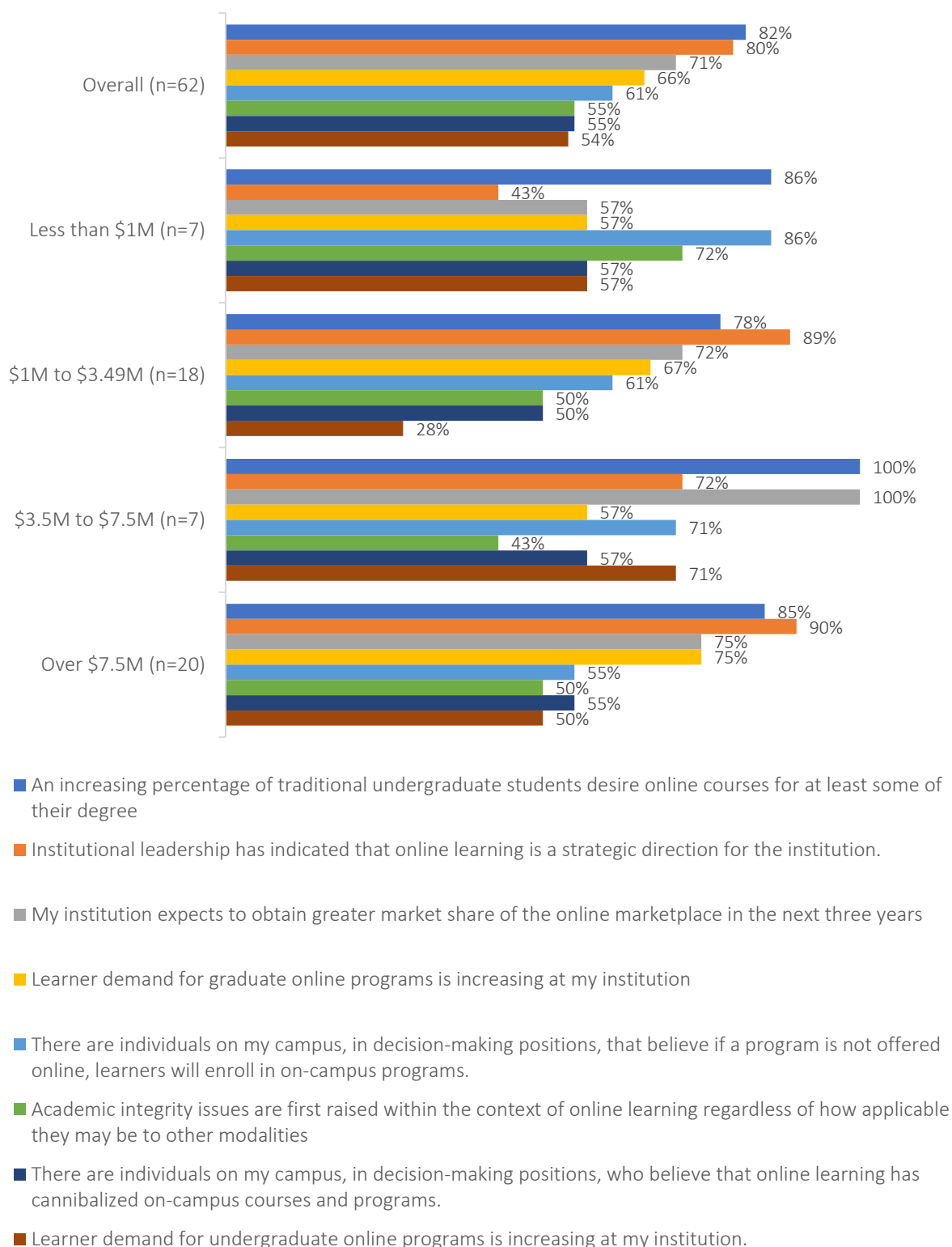
Respondents with budgets over \$7.5M were more likely to list brand (62%), marketing (52%), and rankings (29%) compared to the overall average.

Figure 132: Which of the following does your online enterprise use to better position its online programs in a competitive environment? Please select no more than three. (Over \$7.5M)



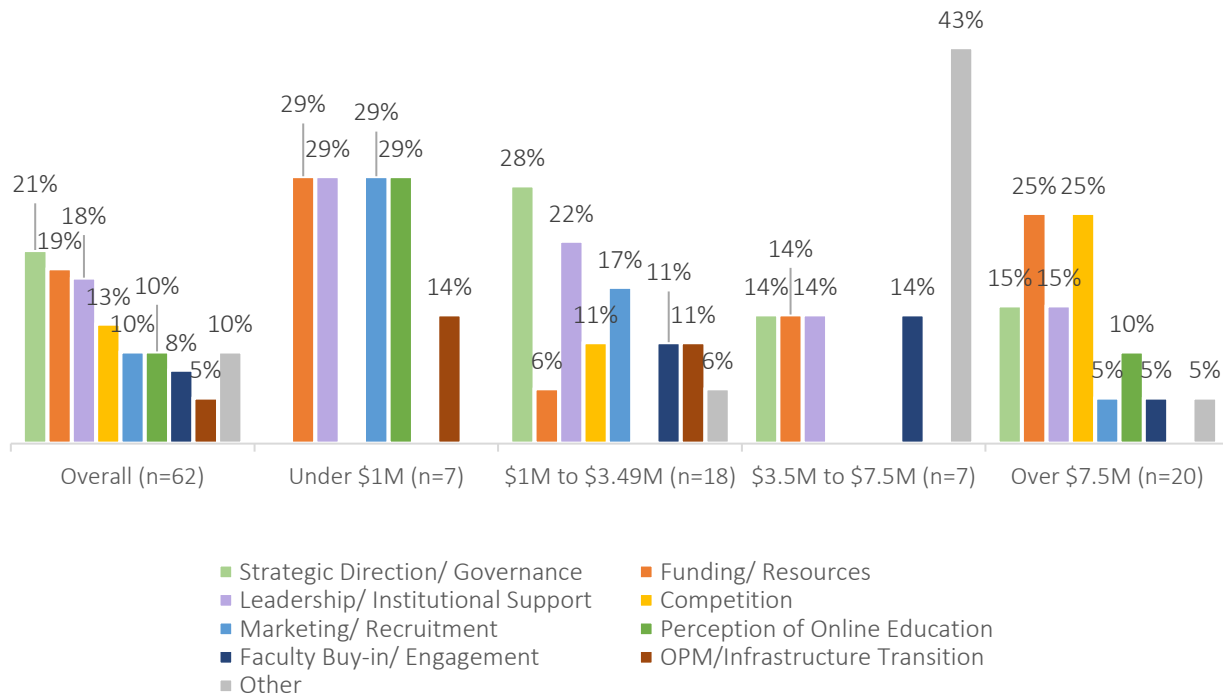
Among all budget categories, respondents reported a high level of agreement that an increasing percentage of traditional undergraduate students desire online courses for at least some of their degree. Notably, those with a budget under \$1M are also most likely to strongly agree or agree that there are individuals on their campus, in decision-making positions, who believe if a program is not offered online, learners will enroll in on-campus programs (86%).

**Figure 133: Please rate how strongly you agree or disagree with the following statements
(% Strongly Agree or Agree)**



The biggest challenge for success for the two most populous budget categories was strategic direction/governance (28%) for those with a budget between \$1M and \$3.49M and for those with a budget over \$7.5M, funding/resources and competition (both 25%).

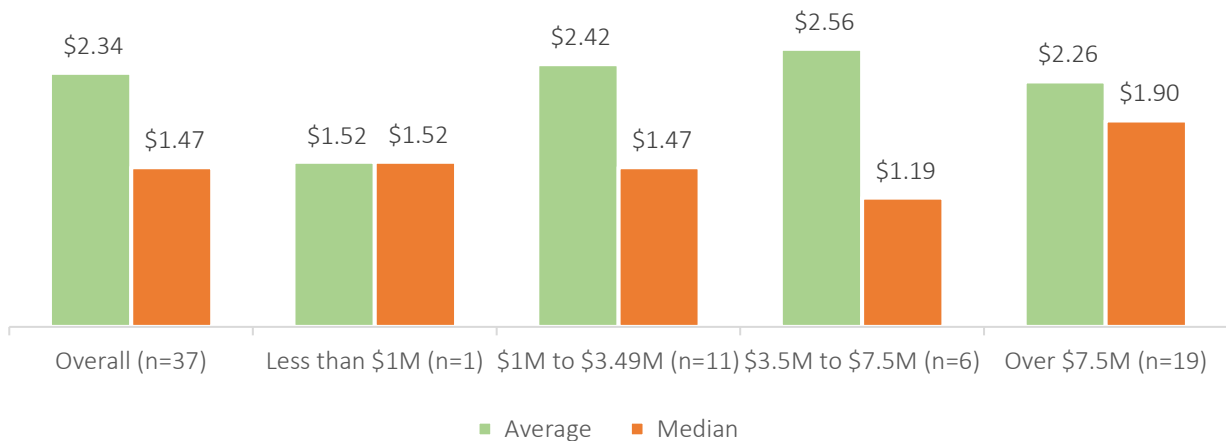
Figure 134: What is the single biggest challenge to the success of your online enterprise?



Key Performance Indicators

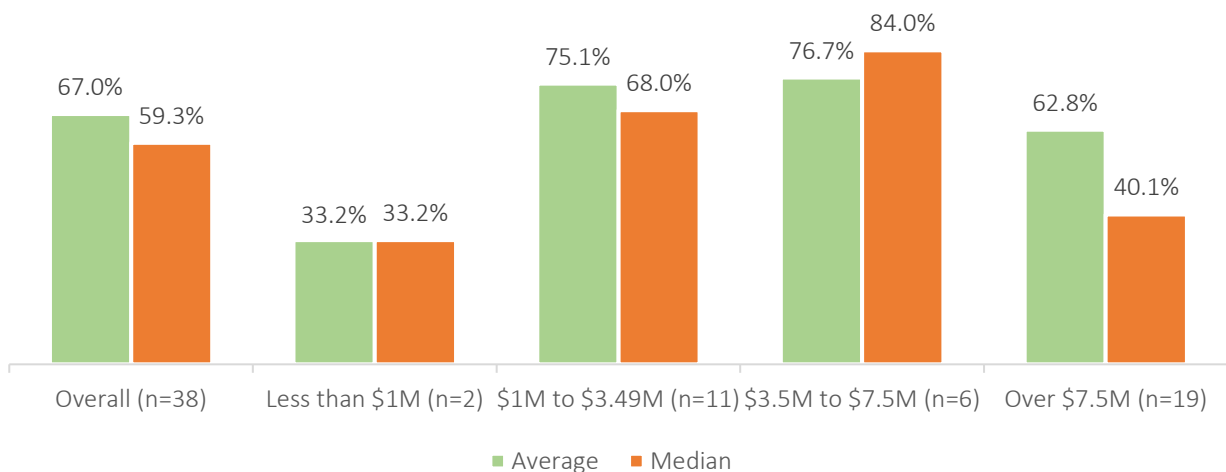
Online enterprises with a budget between \$3.5M and \$7.5M have the highest average gross revenue to budget ratio (\$2.56), followed by budgets between \$1M and \$3.49M (\$2.42), over \$7.5M (\$2.26), and under \$1M budget (\$1.52).

Figure 135: Gross Revenue to Budget Ratio



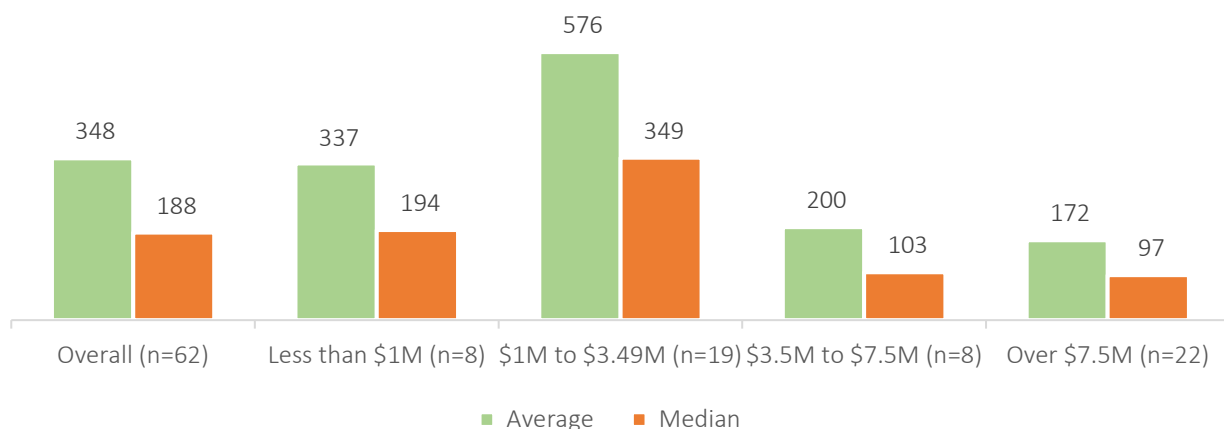
Enterprises with budgets between \$1M and \$7.5M consume about three-quarters of their revenue, while the two units with less than a \$1M budget only used about a third of their revenue.

Figure 136: Budget as a Percentage of Gross Revenue



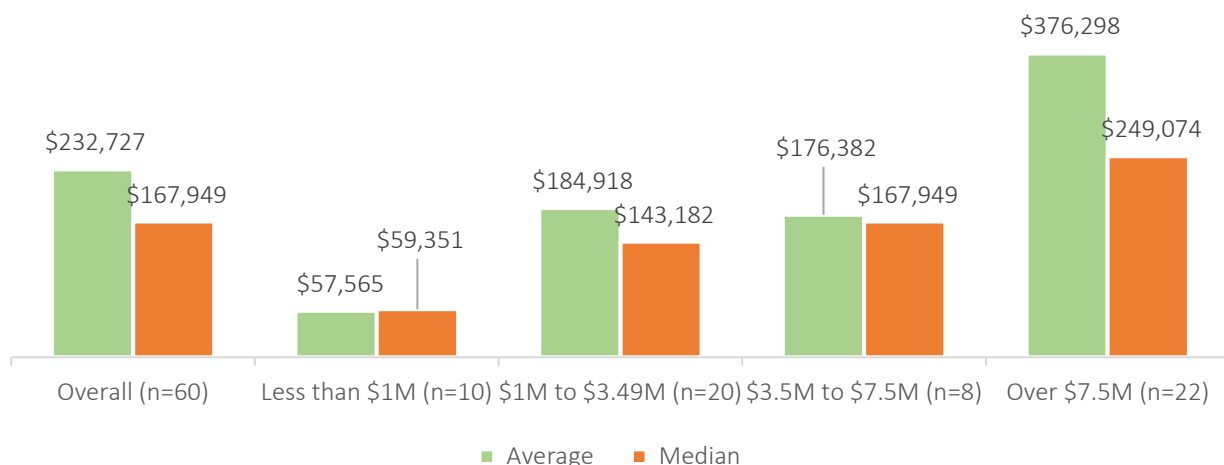
Online enterprises with a budget between \$1M and \$3.49M have the highest average unduplicated headcount to FTE ratio (576), followed by those with a budget of less than \$1M (337). Units with the highest budget (over \$7.5M), have the lowest average unduplicated headcount to FTE ratio (172), meaning each staff member serves fewer students on average, suggesting greater service capacity per learner.

Figure 137: Unduplicated Headcount to FTE Ratio



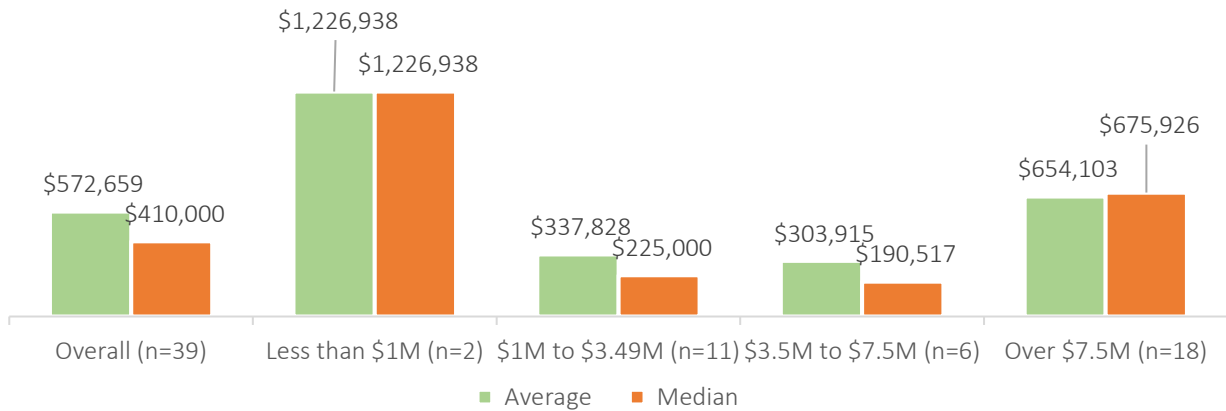
Online enterprises with a budget over \$7.5M have a significantly higher average total budget per FTE (\$376,298), while those with a budget less than \$1M have the lowest average total budget per FTE (\$57,565).

Figure 138: Total Budget per FTE



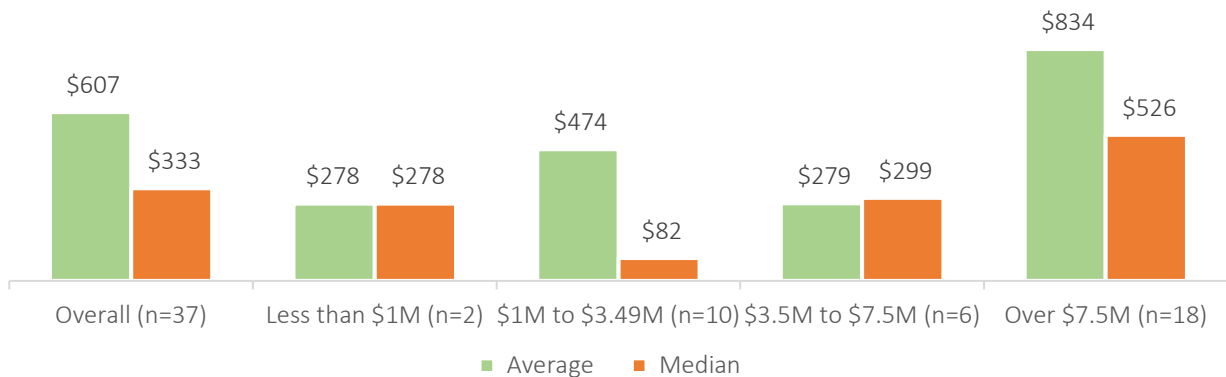
Units with a budget under \$1M have the highest average gross revenue per FTE ratio (\$1.2M); however, the sample size was only two. The average gross revenue per FTE was \$654,103 for online enterprises with budgets over \$7.5M.

Figure 139: Gross Revenue per FTE



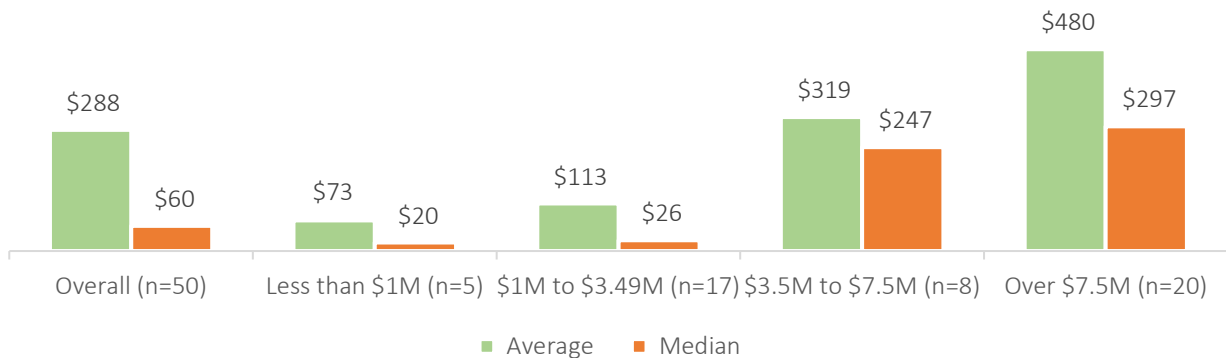
Units with a budget over \$7.5M have the highest average gross revenue per credit hour (\$834), while those with a budget under \$1M have the lowest (\$278).

Figure 140: Gross Revenue per Credit Hour



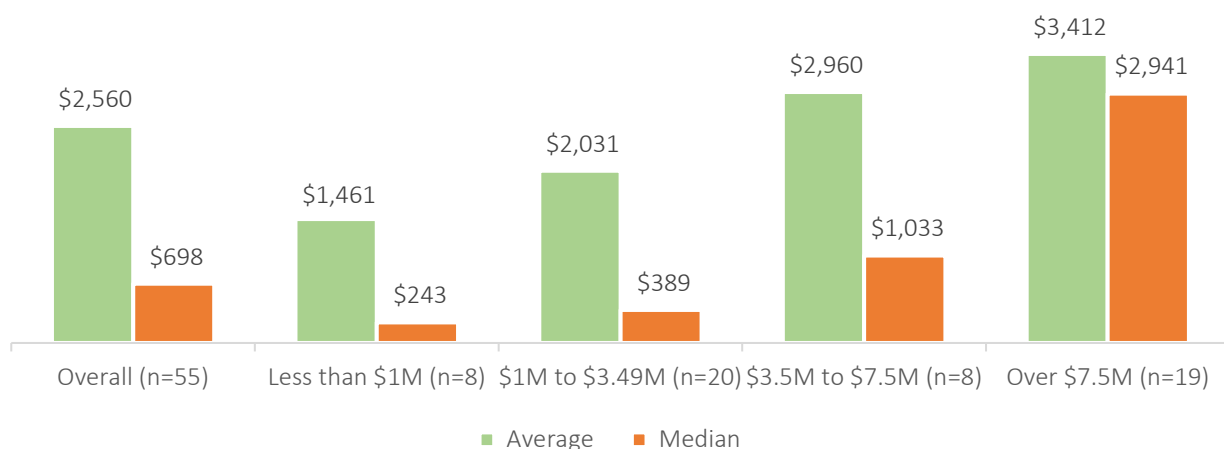
As an online enterprise's total budget increases, so does its average total budget per credit hour, with the smallest budget category averaging \$73 and the largest having an average of \$480.

Figure 141: Total Budget per Credit Hour



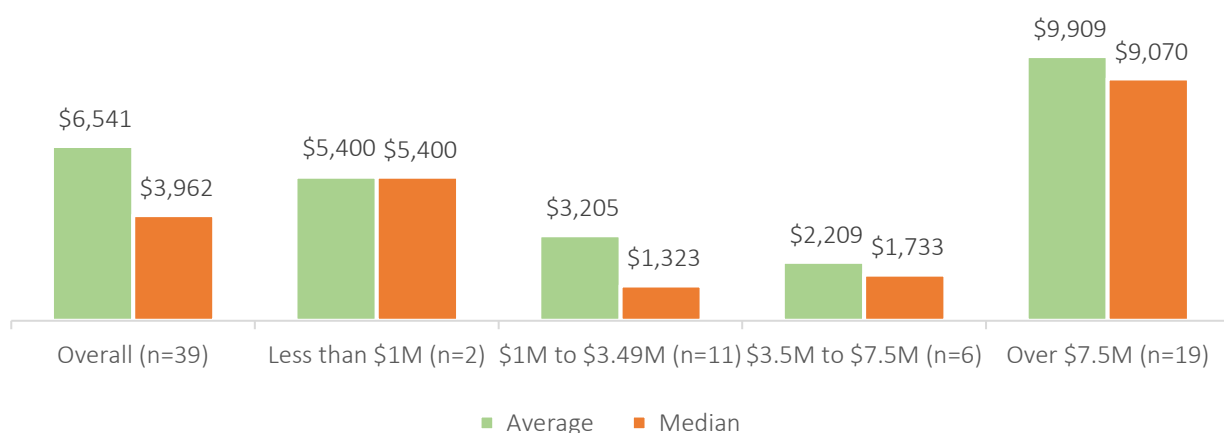
As an online enterprise's budget increases, so does its total budget per unduplicated headcount. Those with a budget over \$7.5M have an average budget per unduplicated headcount of \$3,412, while those with a budget under \$1M have an average of \$1,461.

Figure 142: Total Budget per Unduplicated Headcount



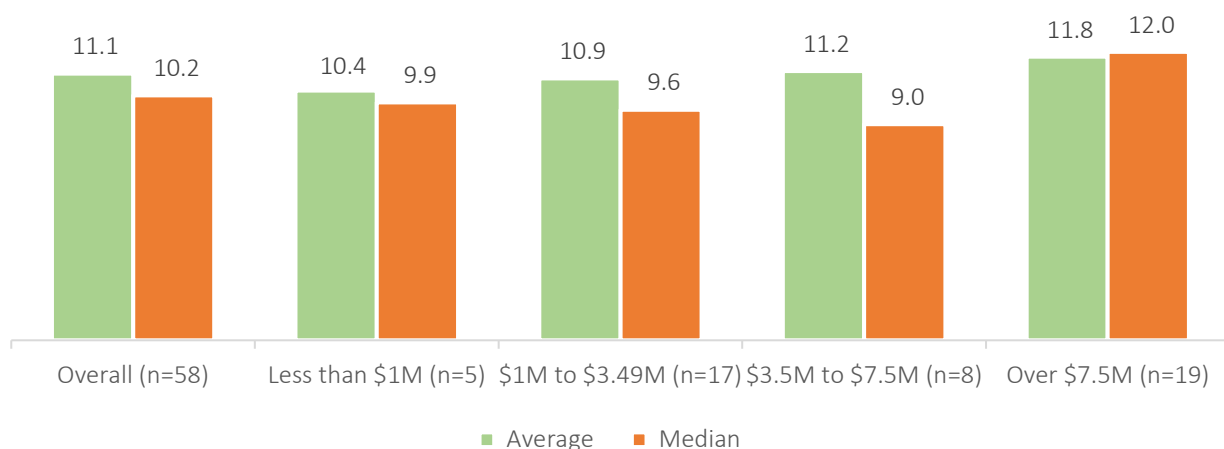
Online enterprises in the largest budget category have a significantly higher gross revenue per unduplicated headcount (\$9,909), followed by the smallest budget category (\$5,400), though the sample size was only two for the latter.

Figure 143: Gross Revenue per Unduplicated Headcount



As online enterprise budgets increase, so do the credit hours per unduplicated headcount. For a budget over \$7.5M, the average credit hour per unduplicated headcount is 11.8, while for a budget less than \$1M, the average is 10.4 credit hours.

Figure 144: Credit Hours per Unduplicated Headcount



In Summary: Budget Size

While sample sizes were small and varied, the 2026 benchmarking found trends to indicate that budget size is a meaningful differentiator of online enterprise scale, structure, and strategic orientation. Online enterprises with budgets under \$1 M represent 15% of respondents and tend to operate with more limited functional scope. Participation in marketing, recruitment/enrollment, and data/analytics was notably lower among these respondents compared to all other budget categories. Their program portfolios skew toward traditional credential offerings, with graduate degrees, undergraduate credit-bearing certificates, and full undergraduate degrees each cited by 82% of respondents. Financially, 38% rely on general funds as their primary model, and none reported having a separate start-up fund for new programs. Almost a quarter (26%) expect a budget decrease in the coming fiscal year, though 86% strongly agree or agree that an increasing percentage of traditional undergraduate students desire online courses for at least some of their degree, signaling confidence in learner demand. Pricing compared to online competitors was the most cited competitive strategy for this budget category (50%).

Online enterprises with a budget between \$1M and \$3.49M represent 27% of respondents and reported the highest average unduplicated headcount to FTE ratio (576), meaning each staff member serves the greatest number of students compared to other budget categories. Their top responsibilities include instructional design (90%), recruitment/enrollment (85%), faculty development (75%), and marketing (75%). Graduate degrees (80%) and graduate credit-bearing certificates (75%) are the most reported offerings. Strategic direction/governance was the most commonly cited challenge to success (28%), and 26% also expect a budget decrease in the next fiscal year. General funds are the dominant financial model (37%) for institutions in this budget category. Marketing (44%) and branding (also 44%) were the most cited competitive strategies.

Online enterprises with budgets between \$3.5M and \$7.5M represent 11% of respondents. It should be emphasized that their sample size is small and data for this group should be seen as directional rather than definitive. Enterprises in this category stand out for their scope of programming, with all respondents in this category supporting both graduate degrees and graduate credit-bearing certificates, and 88% supporting microcredentials. Their top responsibilities include instructional design, marketing, recruitment/enrollment, data/analytics, and media design (all 88%), suggesting a highly developed operational capacity. Incremental budgeting and responsibility-centered management (RCM) are equally likely to be deployed as online enterprise budget models (both 38%). Despite their revenue efficiency, in which they reported the highest gross revenue to budget ratio (\$2.56), 86% do not have a separate start-up fund for new programs, suggesting program launch expenses draw from operating expense budget lines. Marketing dominates their competitive strategy (71%), and over half (57%) expect a budget increase in the next fiscal year. Notably, all respondents in this category strongly agree or agree that an increasing percentage of traditional undergraduate students desire online courses for at least some of their degree, and that their institution expects to obtain greater market share of the online marketplace in the next three years.

Nearly a third (32%) of respondents from online enterprises have a budget over \$7.5M, which operate as the most expansive compared to other budget categories. Respondents reported the largest average unduplicated headcount (13,343) and the highest average number of fully online student credit hours (187,080) along with the highest average gross revenue (\$52.1M). Their program portfolios are the most diversified, with all supporting graduate degrees, graduate credit-bearing certificates (96%), and undergraduate credit-bearing certificates (83%). Instructional design (100%) and accessibility/captioning (96%) are the top online enterprise responsibilities among this budget group. A revenue share model is the most distinctive financial characteristic of this category (29%), and 38% have a separate start-up fund for new programs. Funding/resources and competition are equally cited as the biggest challenges to success (both 25%), and nearly half (48%) anticipate a budget increase in the coming fiscal year.

Across all budget categories, the data reveal a consistent pattern: as reported budget size grows, so does functional breadth, program portfolio diversity, and overall enrollment volume. However, larger budgets do not automatically translate into greater revenue efficiency per student or per credit hour. Enterprises in the \$1M to \$3.49M range demonstrate strong per-student revenues, while those under \$1M face the steepest capacity constraints. These findings reinforce that resource alignment, governance clarity, and strategic focus are just as important to online enterprise performance as budget size alone.

Carnegie Classifications: Responses and Analysis

Key Findings

While the Carnegie Classifications were updated and categories changed dramatically in 2025, the researchers chose to continue with simplified categories based on the previous iteration of the classifications for one more year. This allows for YoY comparisons and provides an opportunity for institutional leaders to relate these findings to their historical context. Given the expected cycle of this survey, participants can expect the new Carnegie Classifications to be available in future surveys.

- **Institutions:** R1 institutions are among the top research-intensive universities in the U.S.
- **R2 Institutions:** R2 institutions also exhibit high research activity, with institutions conferring at least 20 doctoral degrees annually.
- **M1 Institutions:** M1 institutions are considered large institutions that award master's degrees across multiple disciplines.

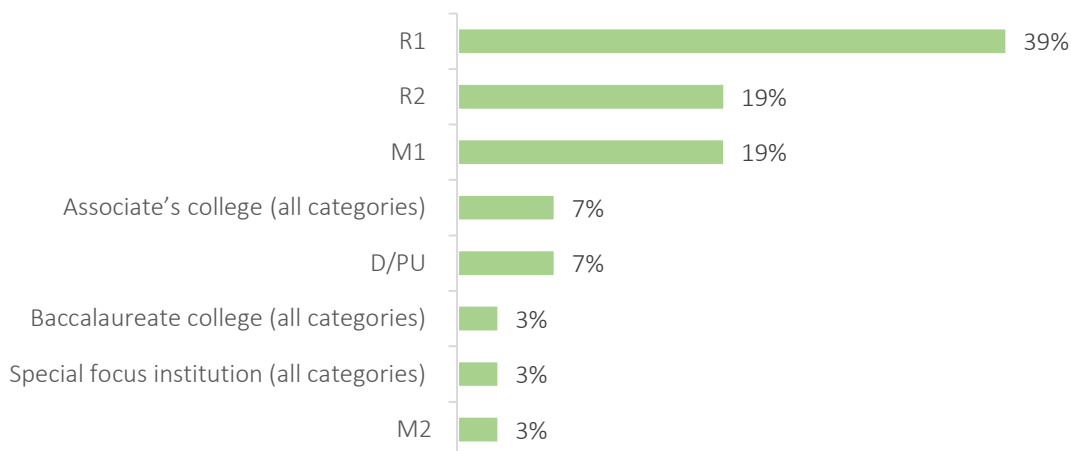
Carnegie classifications that didn't have at least a sample size of five were not included in spliced results.

R1 Institutions	• Thirty-nine percent of survey respondents are from R1 institutions. • Respondents from R1 institutions have the highest average unduplicated headcount for online learners (11,561) and the highest average number of fully online student credit hours (126,125). • Survey participants from R1 institutions reported the highest average total budget (\$15.9M) and average total gross revenue (\$37.4M) for the 2024-2025 academic year. • R1 institutions have the highest average budget per FTE (\$324,911) and the highest average gross revenue per credit hour (\$926). • Participants from R1 institutions were most likely to list marketing as their top competitive strategy (59%). • R1 institution respondents were most likely to say strategic direction/governance and funding/resources are their biggest challenges to success (both 27%).
R2 Institutions	• Nineteen percent of survey respondents are from R2 institutions. • These institutions have the highest average fully online credit hours per unduplicated headcount (13.0) and the highest average gross revenue per unduplicated headcount (\$8,639). • R2 institutions have the highest average number of FTEs funded by their online enterprise (47). • R2 institution respondents were most likely to say quality is their top competitive strategy (50%) and are most likely to have their online enterprise funded from the institution's general funds (58%). • R2 institution respondents were most likely to cite competition as their biggest challenge to success (25%).
M1 Institutions	• Nineteen percent of survey respondents are from M1 institutions. • All M1 institution respondents strongly agree or agree that their online enterprise is academically decentralized (100%). • M1 institution respondents reported a significantly lower average total budget (\$1.2M) compared to R1 (\$15.9M) and R2 (\$5.0M) institutions. • M1 institutions have the highest average gross revenue per FTE (\$662,722), suggesting strong revenue efficiency relative to staff size. • These institutions have the highest average unduplicated headcount to FTE ratio (569), meaning each staff member serves the greatest number of students on average. • Respondents from M1 institutions were most likely to identify pricing compared to online competitors as their top competitive strategy (56%). • These respondents were equally likely to cite marketing/recruitment, perception of online education, and faculty buy-in/engagement as their biggest challenges to success (all 22%).

Demographics

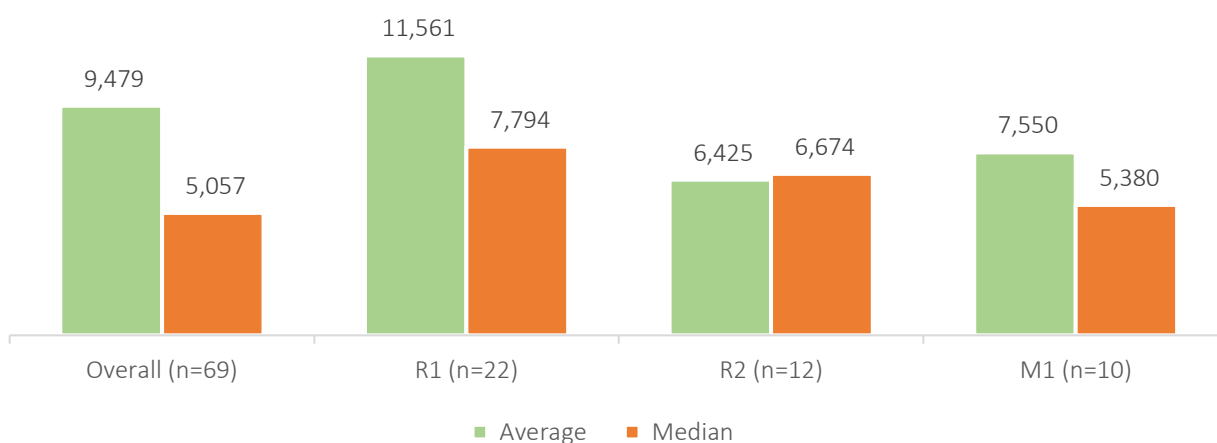
Using the 2021 Carnegie Classifications, 39% of participants are from R1 institutions, 19% R2, 19% are from M1 institutions, 7% associate's colleges, 7% doctoral/professional universities (D/PU), 3% baccalaureate colleges, 3% special focus institutions, and 3% M2 institutions.

Figure 145: Historical Carnegie Classifications (n=62)



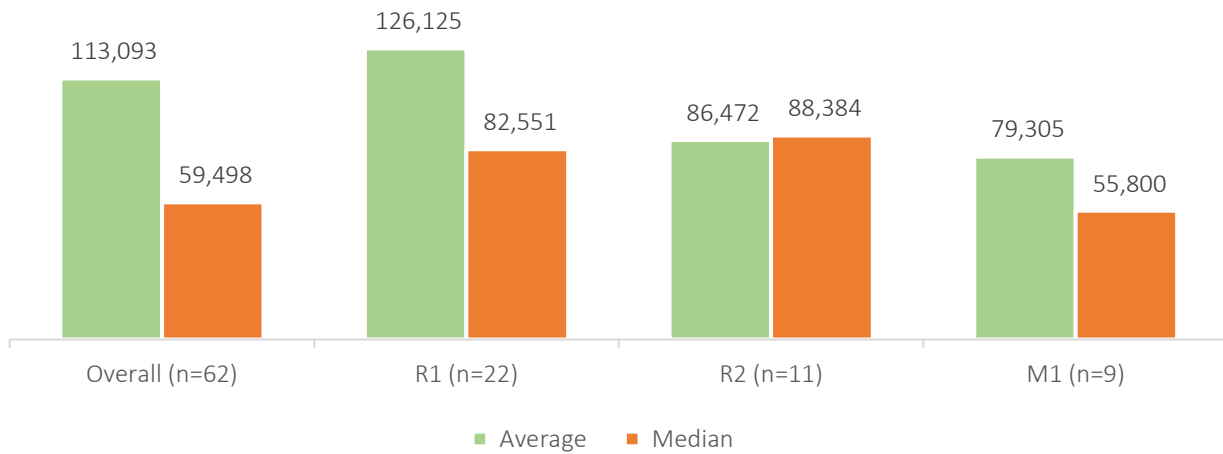
R1 institutions have the highest average unduplicated headcount (11,561) for learners enrolled in fully online courses, followed by M1s (7,550), and R2s (6,425).

Figure 146: Please provide the unduplicated headcount for learners enrolled in fully online courses for the 2024-2025 academic year



R1 institutions have the highest average number of student credit hours for learners enrolled in fully online courses (126,125), followed by R2s (86,472), and M1s (79,305).

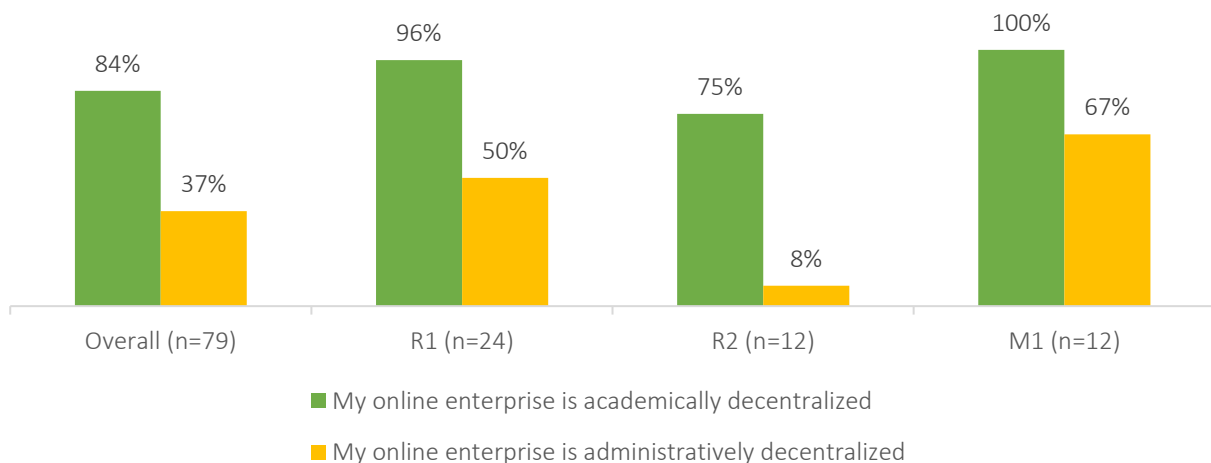
Figure 147: Please provide the total student credit hours for learners enrolled in fully online courses for the 2024-2025 academic year.



Size and Structure

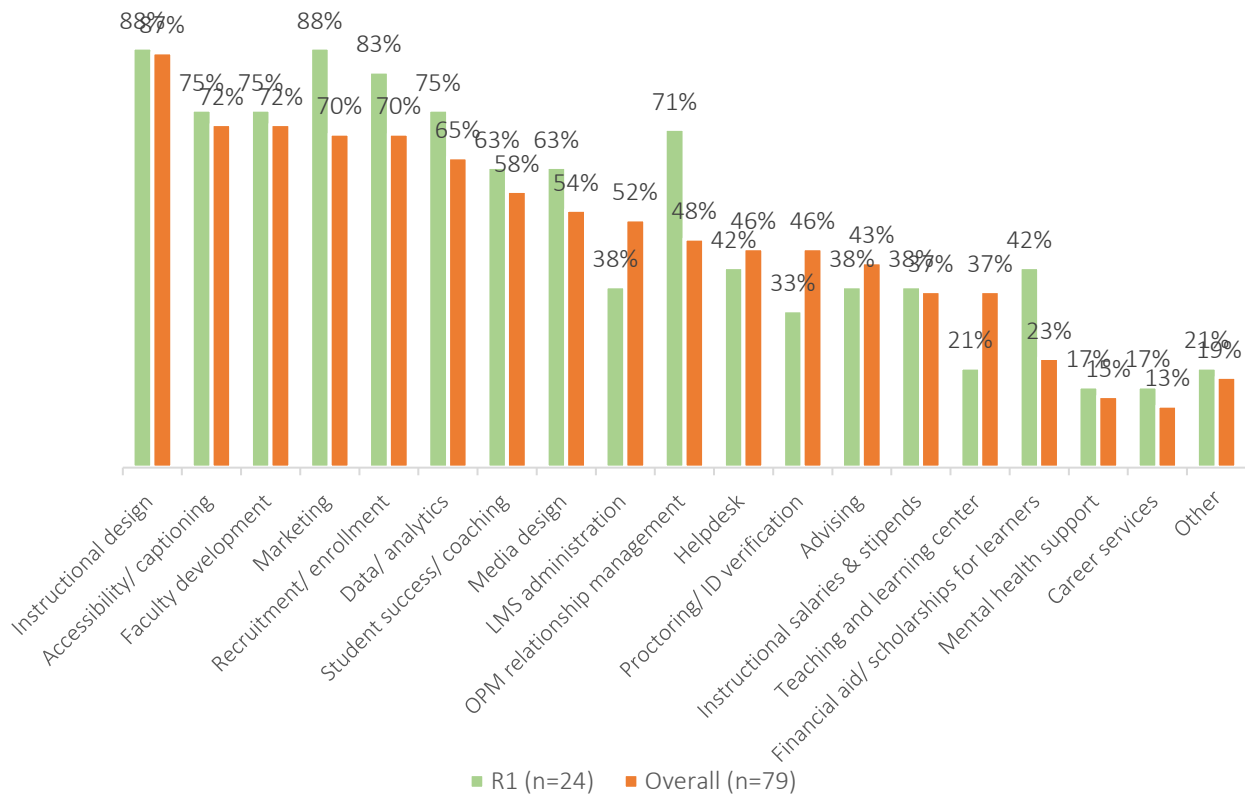
All M1 institution respondents strongly agree or agree that their online enterprise is academically decentralized, followed by 96% of those from R1s, and 75% of R2s. Those from all three institution Carnegie classifications were more likely to strongly agree or agree that their online enterprise is academically decentralized rather than administratively decentralized, with those from R2s showing the greatest gap between the two models.

Figure 148: Please rate how strongly you agree or disagree with the following statements (% Strongly Agree or Agree)



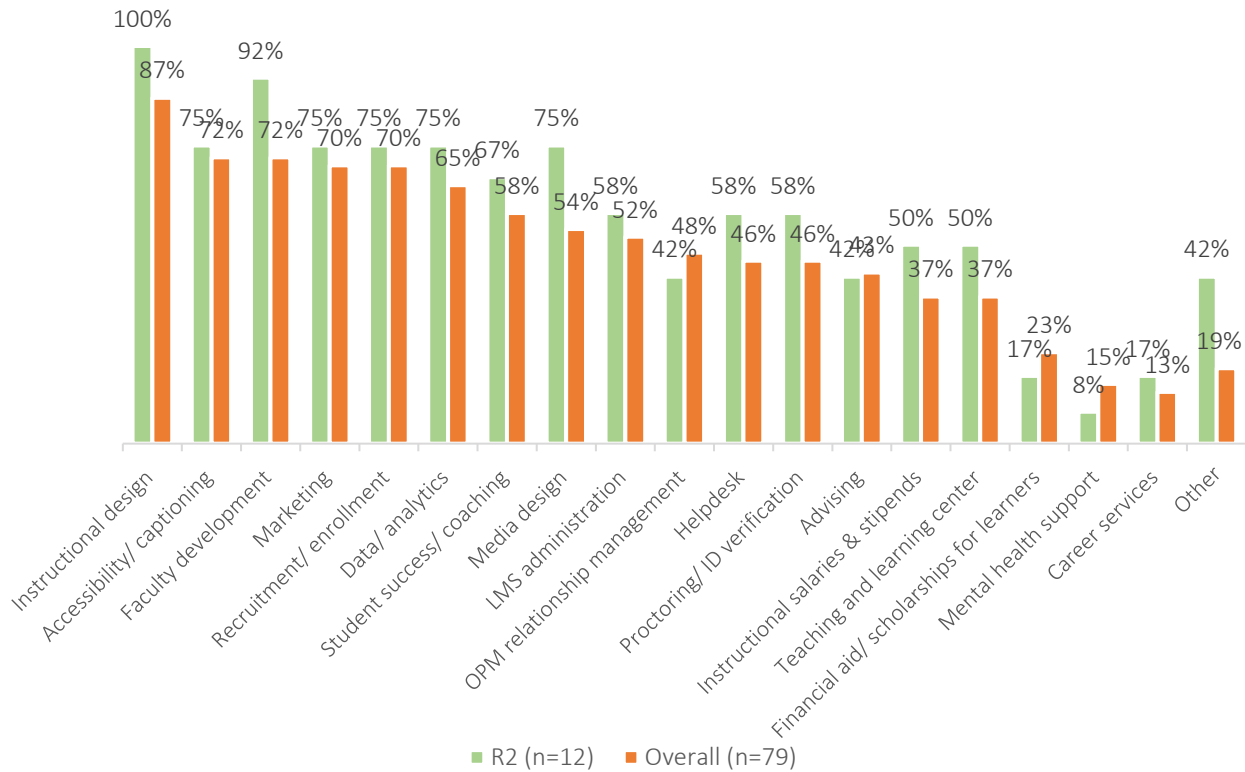
Across R1, R2, and M1 institutions, the top reported responsibilities for online enterprises are largely consistent and include instructional design, faculty development, and accessibility/captioning. R1s reported the highest rates of marketing, 88%.

Figure 149: Which of the following are responsibilities for your online enterprise? Please select all that apply. (R1 Institutions)



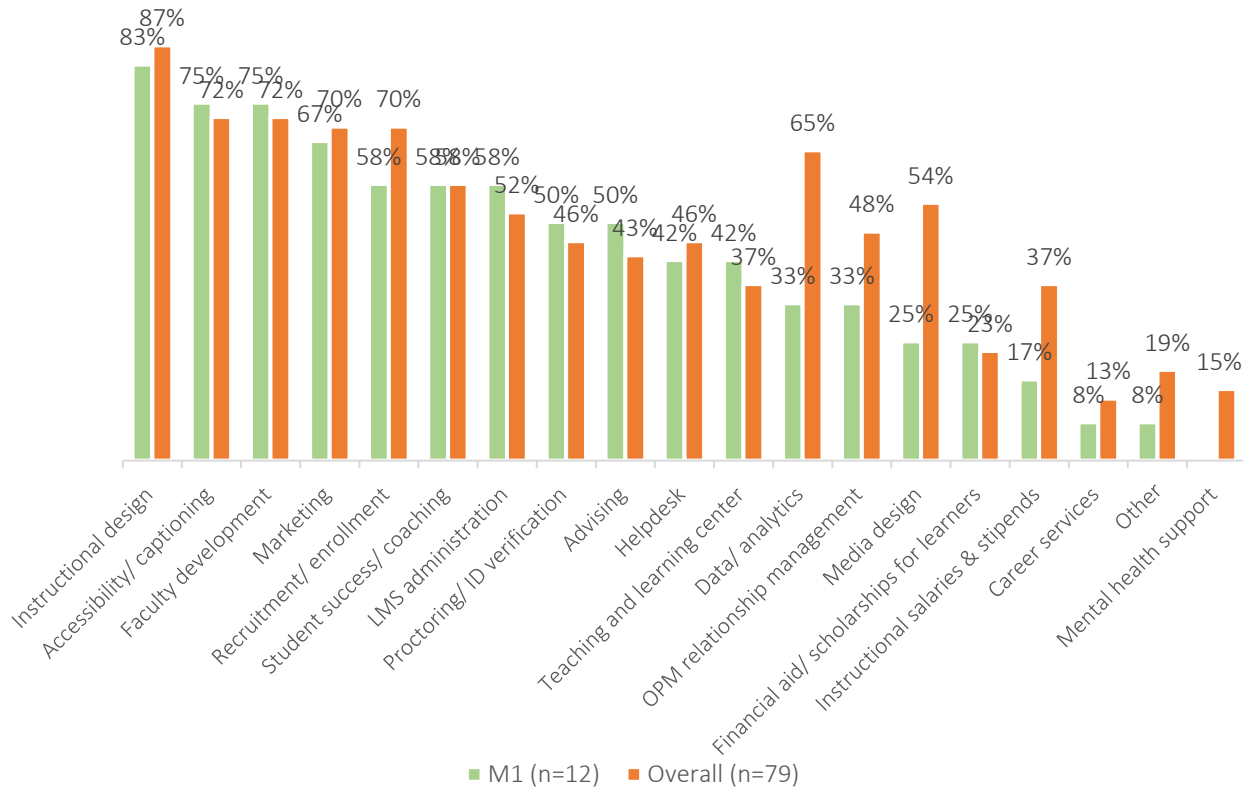
R2s were more likely to be responsible for instructional design (100%), faculty development (92%), and media design (75%) compared to the overall average.

Figure 150: Which of the following are responsibilities for your online enterprise? Please select all that apply. (R2 Institutions)



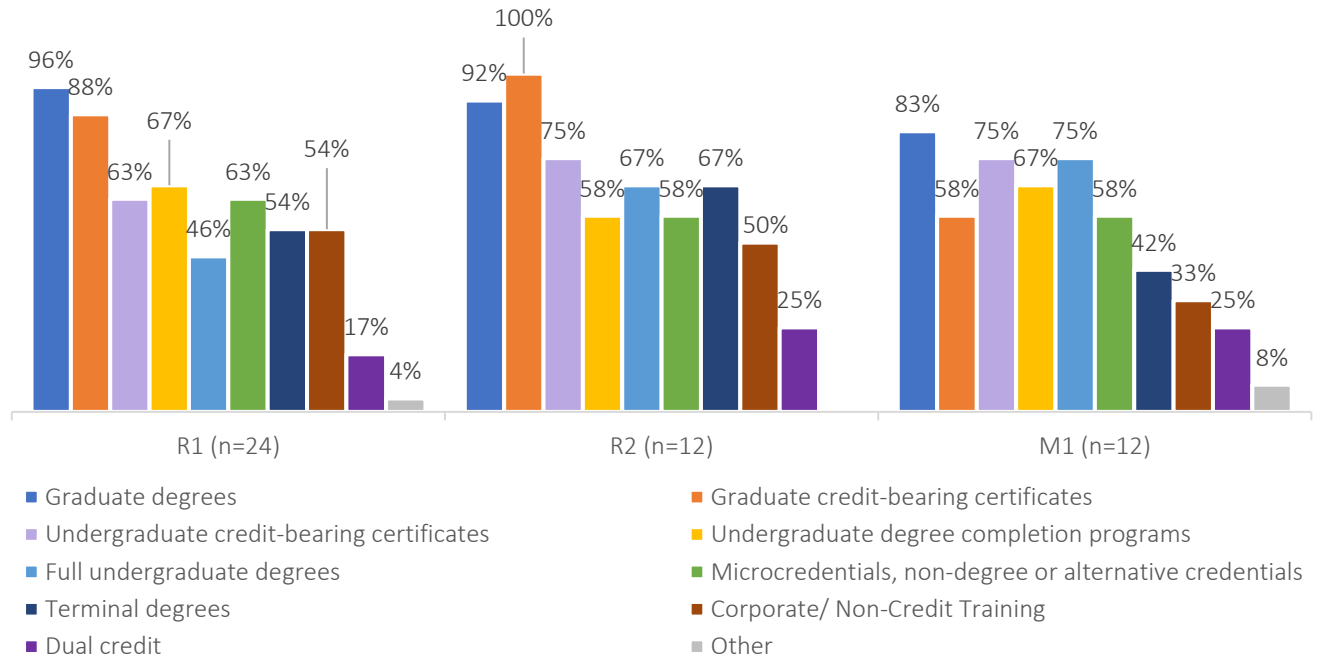
M1 online enterprise responsibilities are more in line with the overall averages. They are slightly above overall percentages in accessibility/captioning and faculty development.

Figure 151: Which of the following are responsibilities for your online enterprise? Please select all that apply. (M1 Institutions)



R1 and R2 institutions are most likely to support graduate degrees and graduate credit-bearing certificates, while M1 institutions are more likely to support full undergraduate degrees compared to the other two Carnegie classifications.

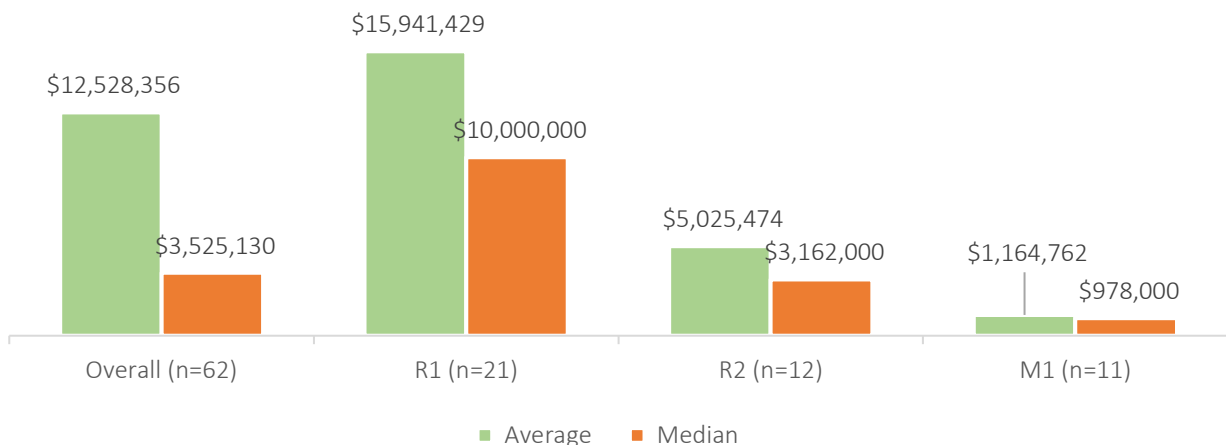
Figure 152: Which of the following program types are included in your online enterprise's portfolio of programs that it supports? Please select all that apply.



Budget, Revenue, and Staffing

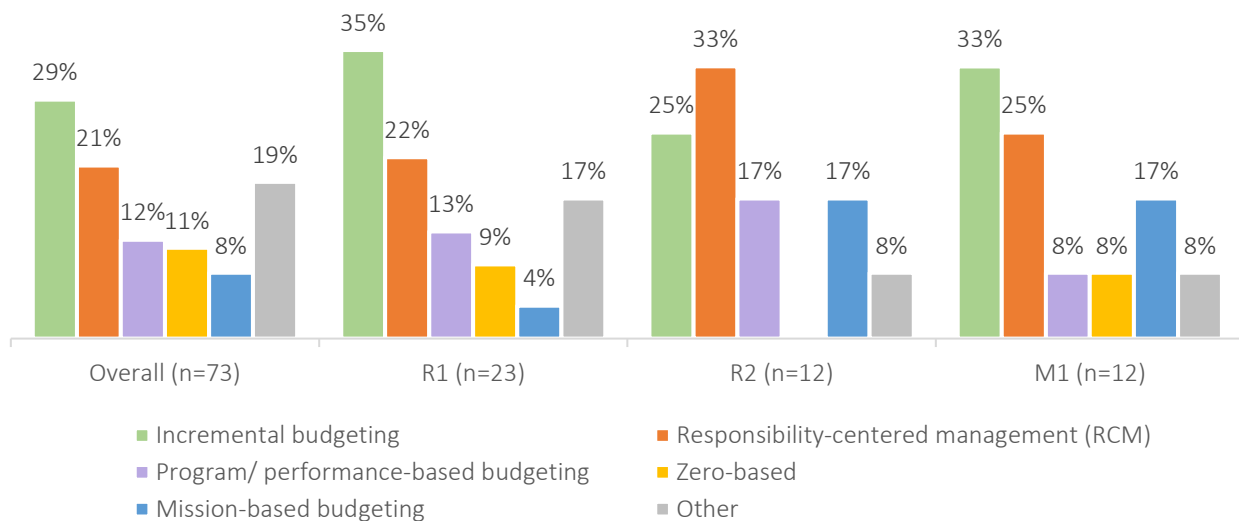
On average, R1 institutions had a total budget of \$15.9M for the 2024-2025 academic year, over three times that of R2 institutions (\$5.0M). M1 institutions reported a significantly lower average total budget (\$1.2M).

Figure 153: For the 2024-2025 academic year, what was your online enterprise's total budget? Please list the budget in USD.



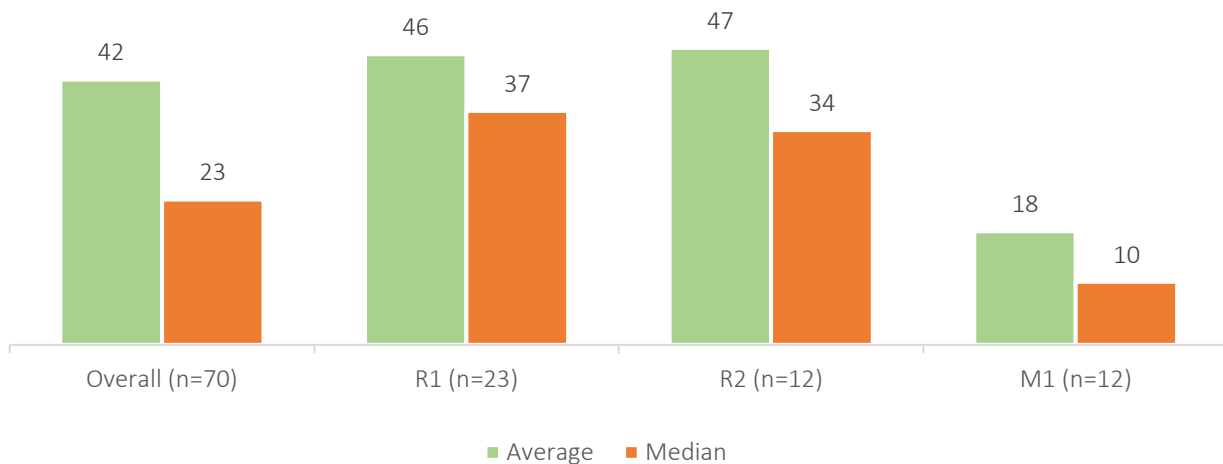
Both R1 (35%) and M1 (33%) institution online enterprises are most likely to use an incremental budgeting model, while R2 institutions are most likely to deploy a responsibility-centered management (RCM) model (33%).

Figure 154: What budget model does your institution primarily deploy for its online enterprise(s)?



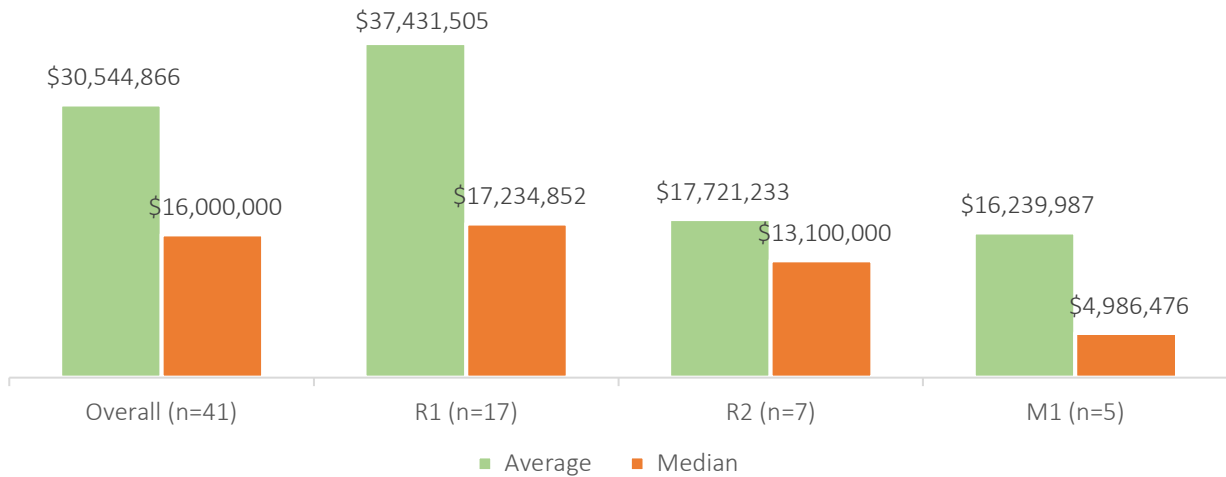
R2 institution respondents reported the highest average number of FTEs funded by their online enterprise (47) but were followed closely by R1 institutions (46). M1 institutions had a much lower number (18).

Figure 155: Including yourself, how many full-time or full-time equivalent (FTE) employees (i.e., two half-time employees equals one full-time employee) are funded by your online enterprise?



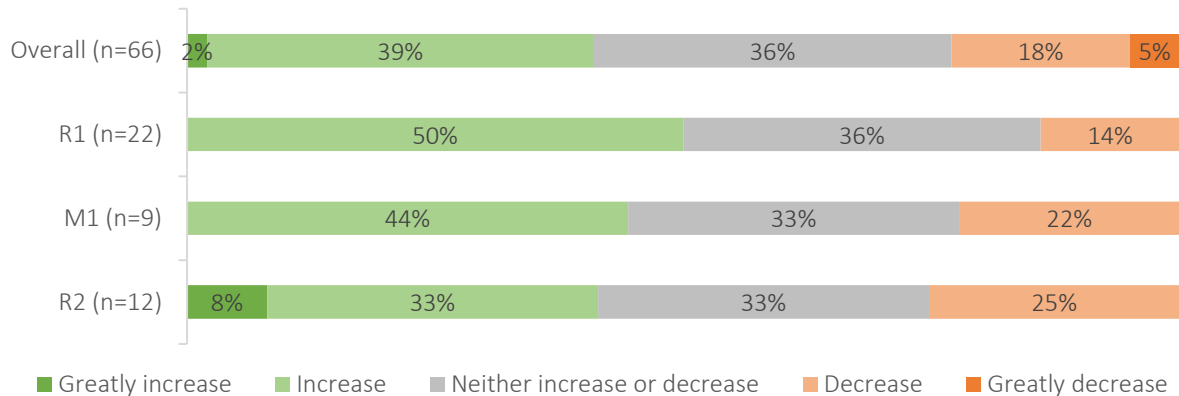
The average online enterprise total gross revenue reported for R1 institutions was \$37.4M for the 2024-2025 academic year, followed by R2 institutions (\$17.7M), and M1 institutions (\$16.2M).

Figure 156: For the 2024-2025 academic year, what was your online enterprise's total gross revenue? Please list gross revenue in USD.



R1, M1, and R2 institution respondents are all more likely to expect an increase than decrease in their budget for the next fiscal year compared to the previous one.

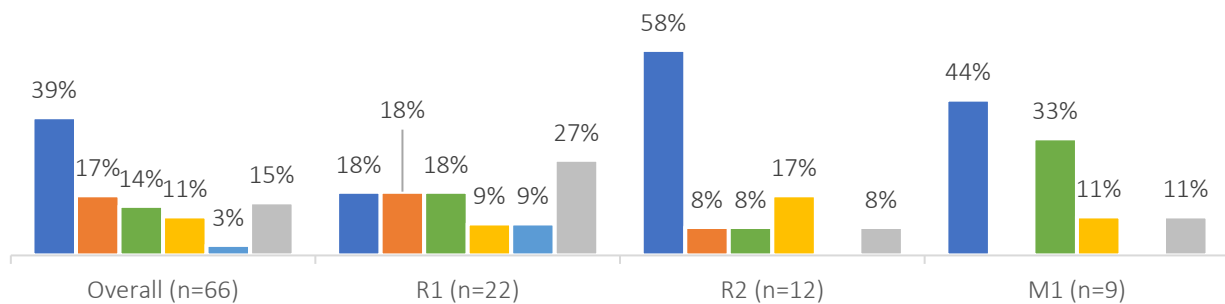
Figure 157: Which of the following best describes your online enterprise's overall budget for the next fiscal year compared to the previous fiscal year?



Finances and Funding

R2 (58%) and M1 (44%) institutions are most likely to have their online enterprise funded from the institution's general funds, while R1 institutions are equally likely to use multiple different financial models including the general fund, a revenue share model, and a fee-based model (all 18%).

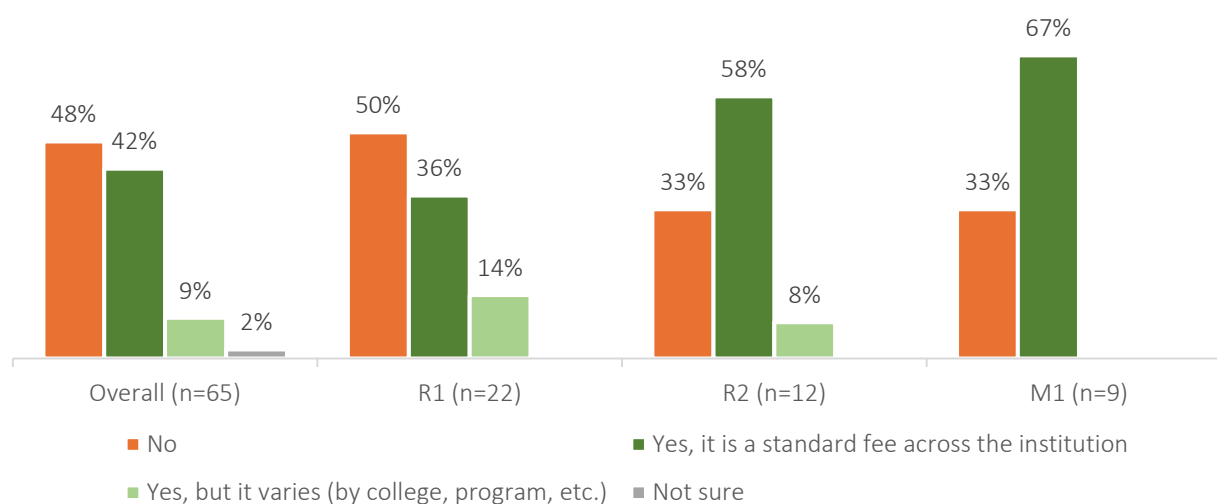
Figure 158: Which of the following best describes your primary online enterprise's financial model?



- The online enterprise is funded from the institution's general funds.
- A revenue share model in which online program revenue is divided between multiple units or entities, including the online enterprise
- A fee-based model where students pay an online fee which primarily supports the unit
- A revenue/resource dependent entrepreneurial model in which the online enterprise directly receives fees and tuition.
- A fee for services model in which costs/fees are charged to the academic department(s) as the sole source of revenue for the enterprise
- Other

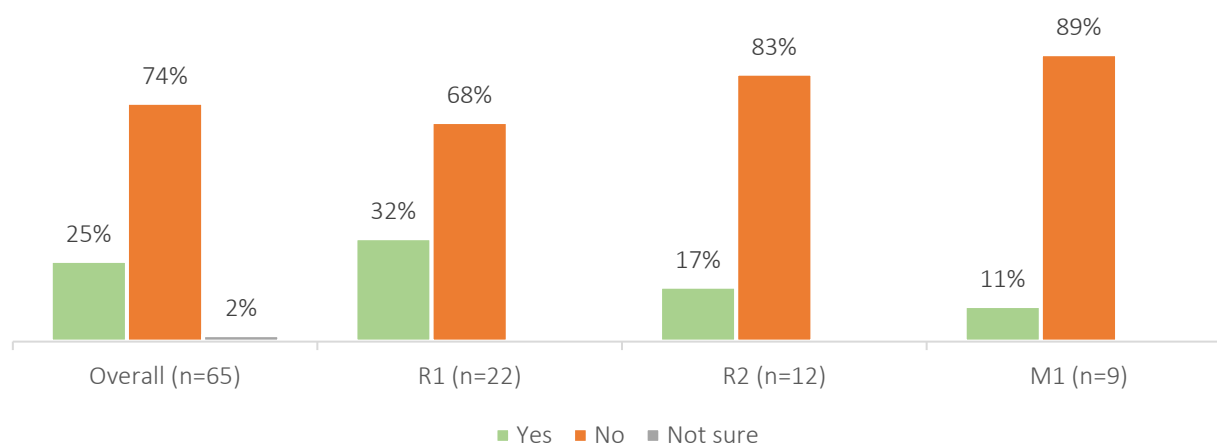
R1 institutions are most likely to not assess an online or distance education fee to students enrolled in online courses (50%), while M1 (67%) and R2 (58%) institutions are most likely to have a standard online or distance education fee across their institutions.

Figure 159: Is an online or distance education fee assessed to students enrolled in online courses?



All the listed Carnegie classification institutions' online enterprises are more likely to not have a separate start-up fund for new programs. Of those that do, R1 institutions are the most likely to have a start-up fund (32%) compared to R2 (17%) and M1 (11%) institutions.

Figure 160: Does your online enterprise have a separate/additional start-up fund(s) for the launch and incubation of new programs apart from any reserves?



Competitive Environment

When asked about their use of competitive strategies, R1 institution respondents were most likely to select marketing (59%), R2 institution respondents' top response was quality (50%), and M1 institution respondents were most likely to choose pricing compared to online competitors (56%).

Figure 161: Which of the following does your online enterprise use to better position its online programs in a competitive environment? Please select no more than three. (R1 Institutions)

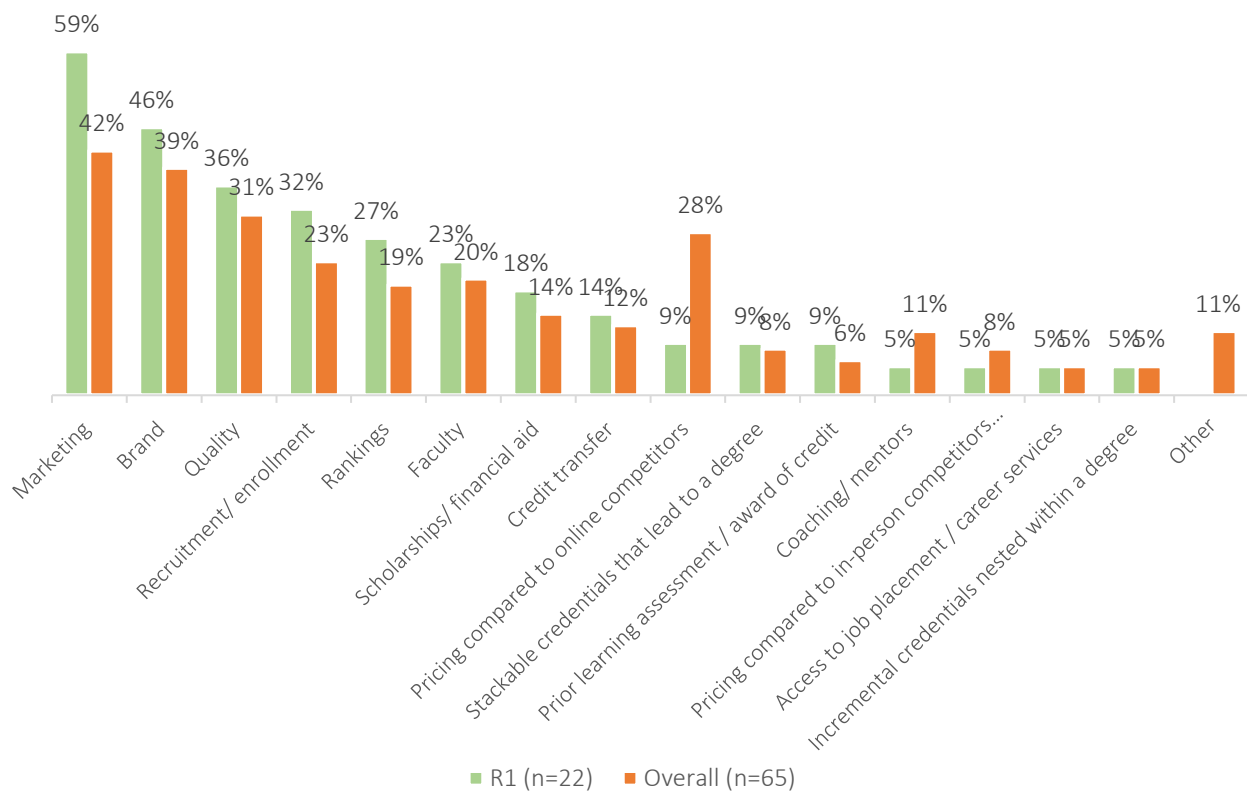


Figure 162: Which of the following does your online enterprise use to better position its online programs in a competitive environment? Please select no more than three. (R2 Institutions)

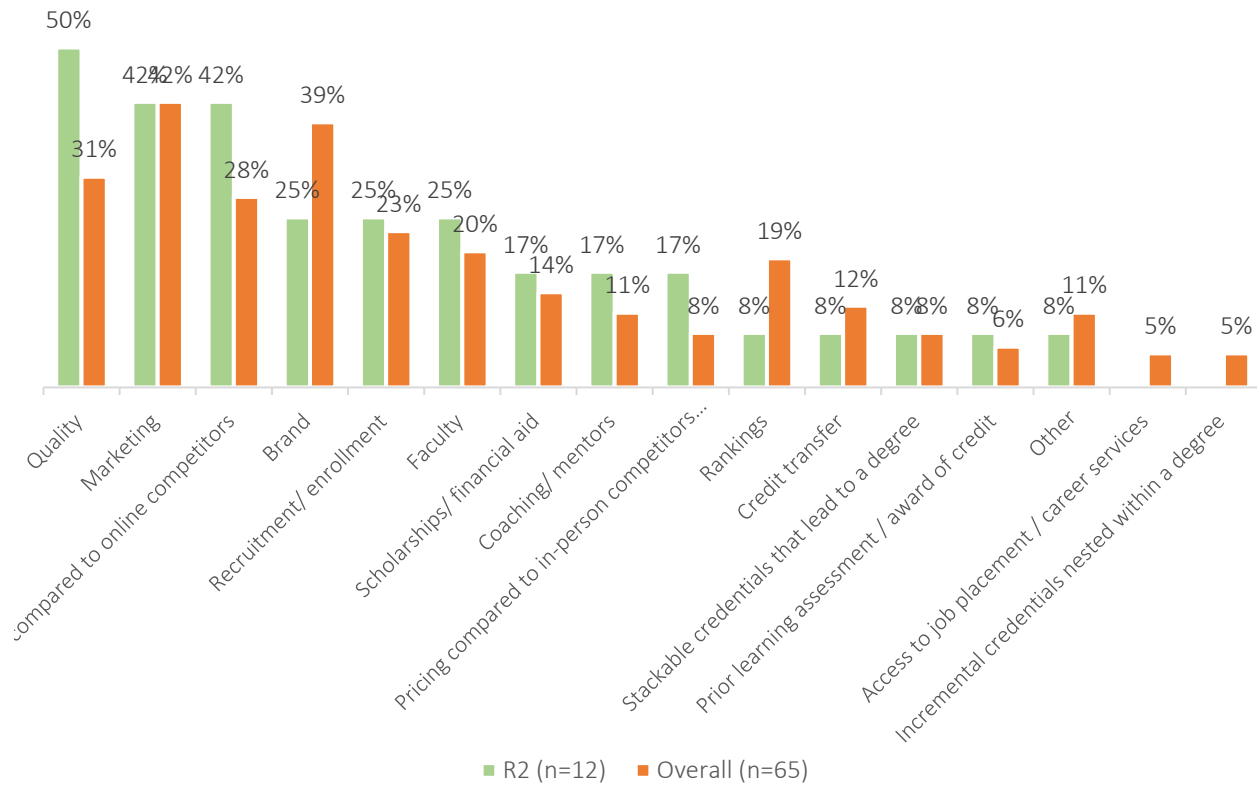
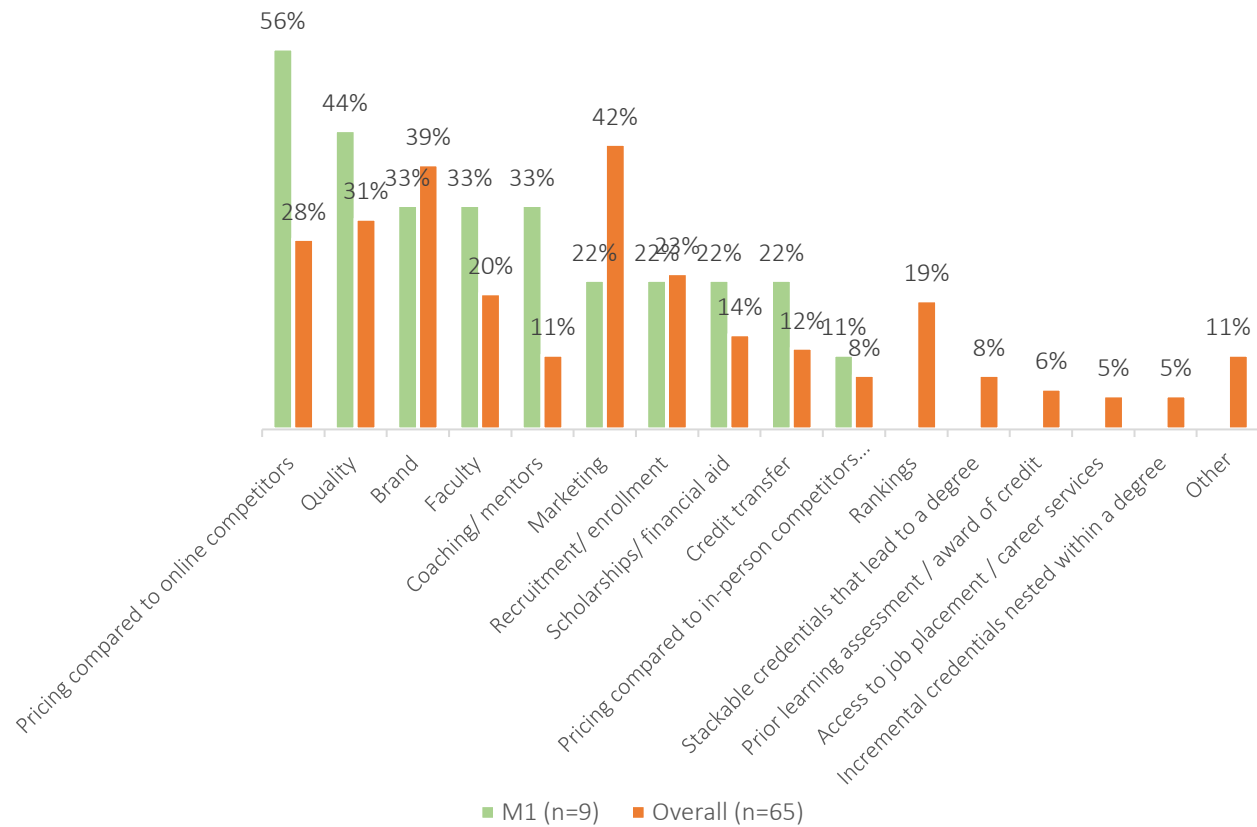
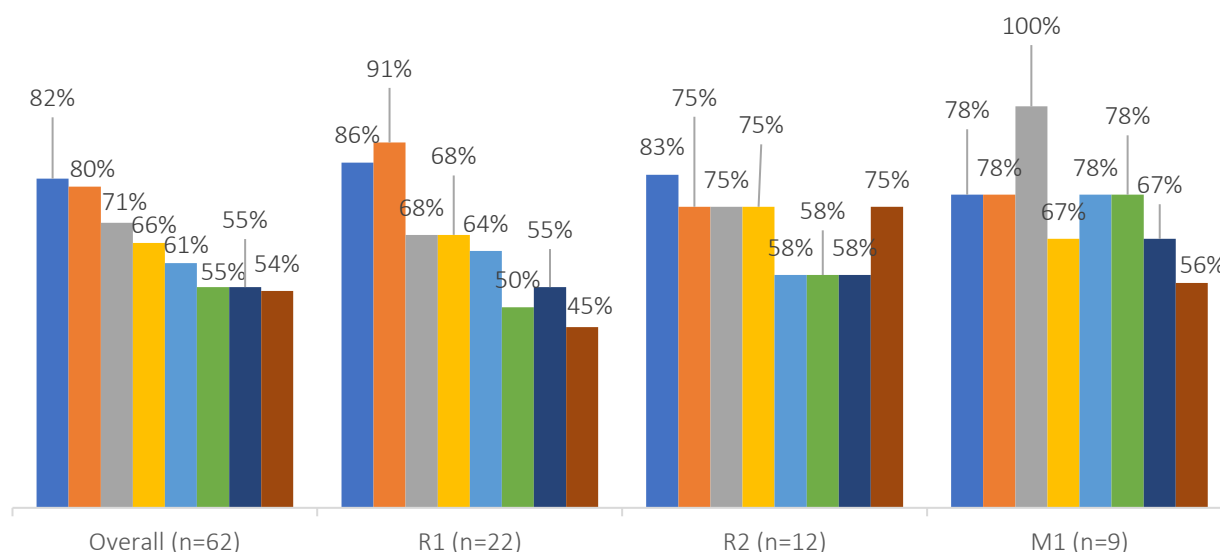


Figure 163: Which of the following does your online enterprise use to better position its online programs in a competitive environment? Please select no more than three. (M1 Institutions)



Respondents from R1 institutions were most likely to strongly agree or agree that institutional leadership has indicated that online learning is a strategic direction for their institution (91%), while the R2 respondents' top answer was an increasing percentage of traditional undergraduate students desire online courses for at least some of their degree (83%), and for M1 their institution expects to obtain a greater market share of the online marketplace in the next three years (100%).

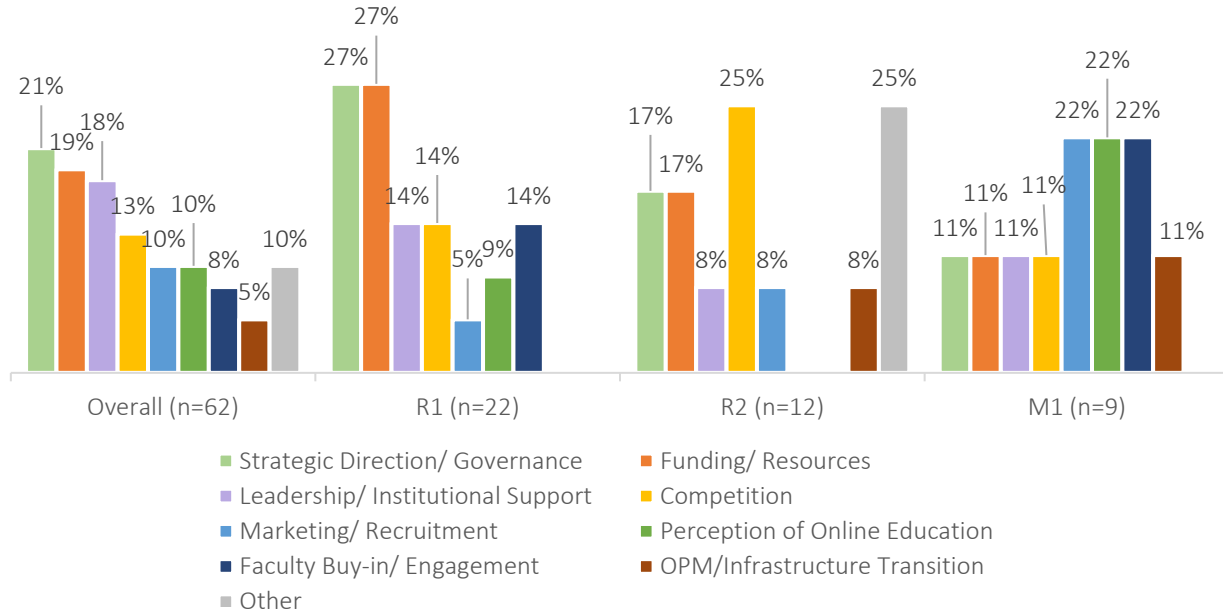
**Figure 164: Please rate how strongly you agree or disagree with the following statements.
(% Strongly Agree or Agree)**



- An increasing percentage of traditional undergraduate students desire online courses for at least some of their degree
- Institutional leadership has indicated that online learning is a strategic direction for the institution.
- My institution expects to obtain greater market share of the online marketplace in the next three years
- Learner demand for graduate online programs is increasing at my institution
- There are individuals on my campus, in decision-making positions, that believe if a program is not offered online, learners will enroll in on-campus programs.
- Academic integrity issues are first raised within the context of online learning regardless of how applicable they may be to other modalities
- There are individuals on my campus, in decision-making positions, who believe that online learning has cannibalized on-campus courses and programs.
- Learner demand for undergraduate online programs is increasing at my institution.

Respondents from R1 institutions were most likely to say strategic direction/governance and funding/resources (both 27%) are their biggest challenges to success, while those from R2 institutions listed competition (25%), and those at M1 institutions cited marketing/recruitment, perception of online education, and faculty buy-in/engagement (all 22%).

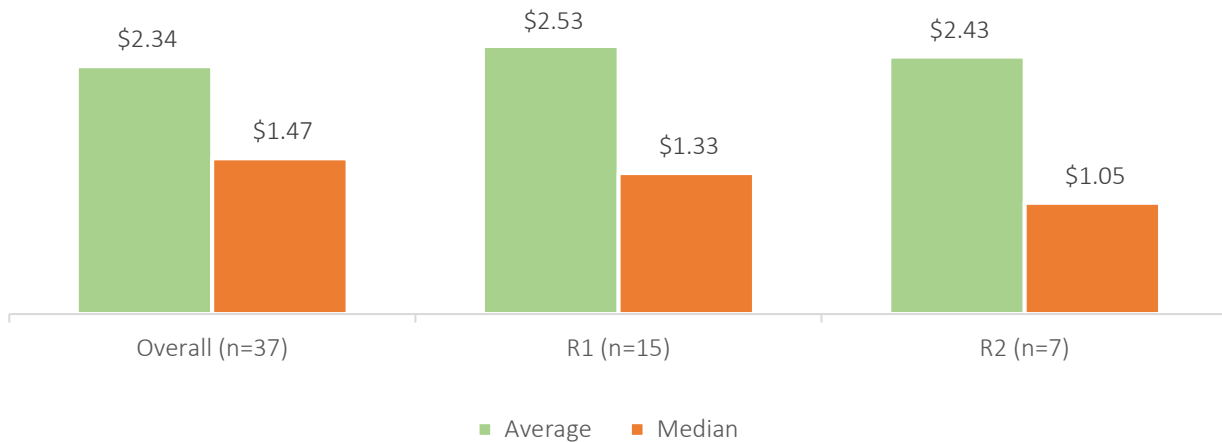
Figure 165: What is the single biggest challenge to the success of your online enterprise?



Key Performance Indicators

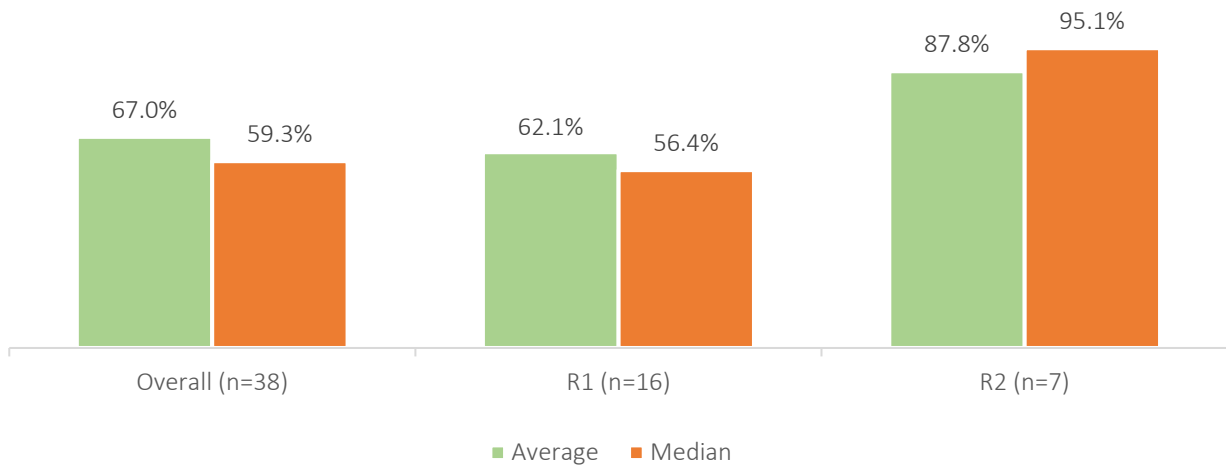
R1 institutions have a slightly higher average gross revenue to budget ratio (\$2.53) than R2 institutions (\$2.43).

Figure 166: Gross Revenue to Budget Ratio



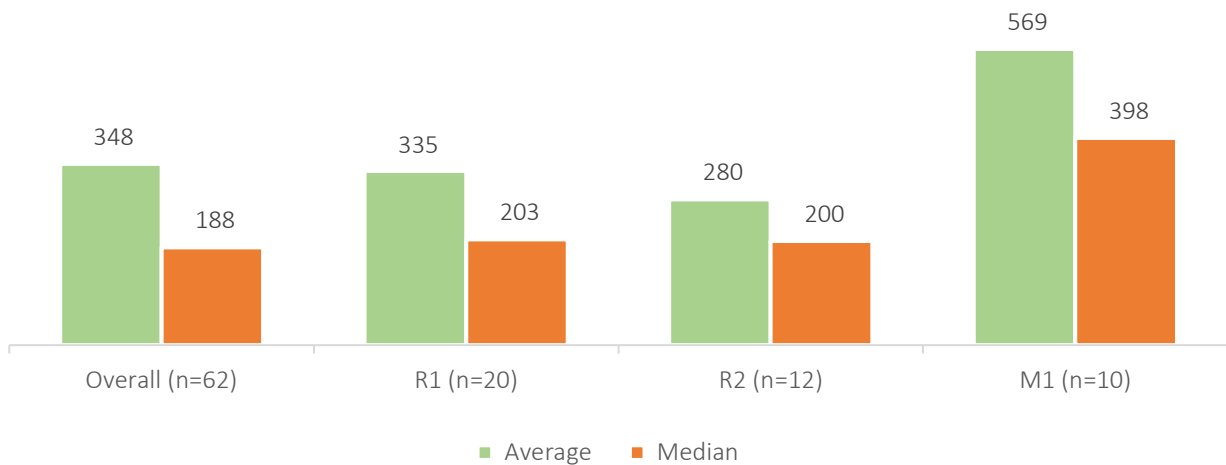
R2 institutions have a higher average budget as a percentage of gross revenue (87.8%) compared to R1 institutions (62.1%).

Figure 167: Budget as a Percentage of Gross Revenue



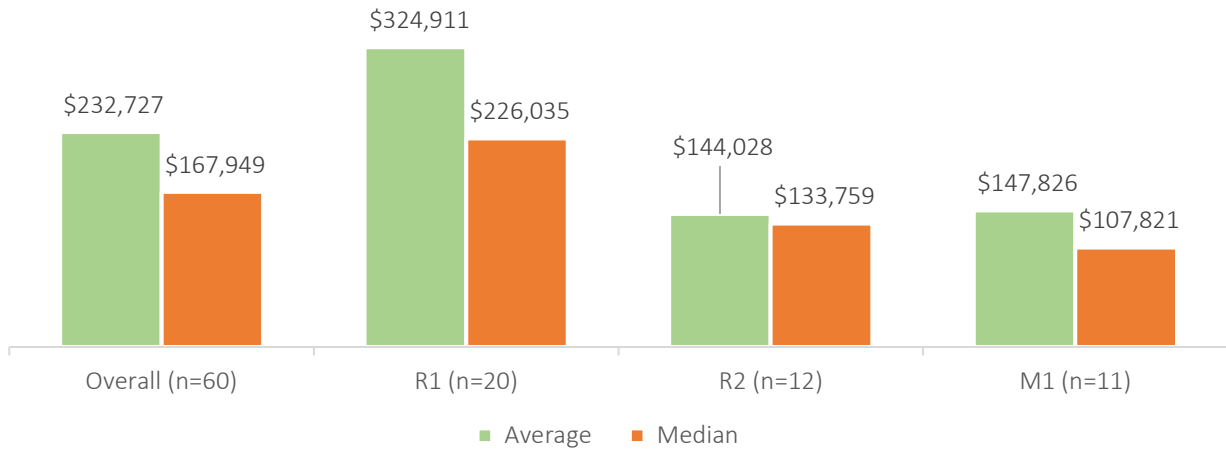
M1 institutions have an average unduplicated headcount to FTE ratio of 569 followed by R1s (335), and R2s (280).

Figure 168: Unduplicated Headcount to FTE Ratio



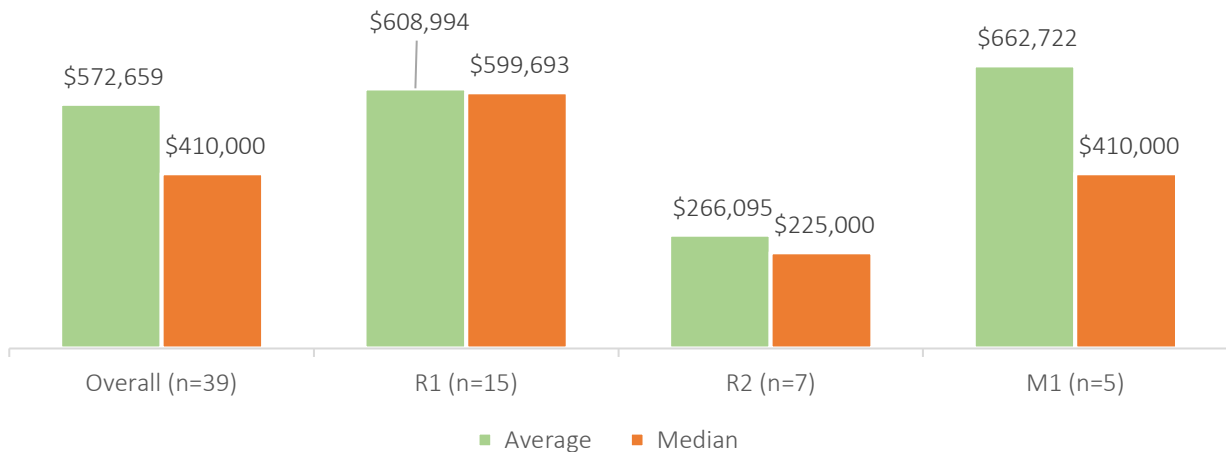
R1 institutions have a significantly higher average budget per FTE (\$324,911), compared to M1 (\$147,827), and R2 institutions (\$144,028).

Figure 169: Total Budget per FTE



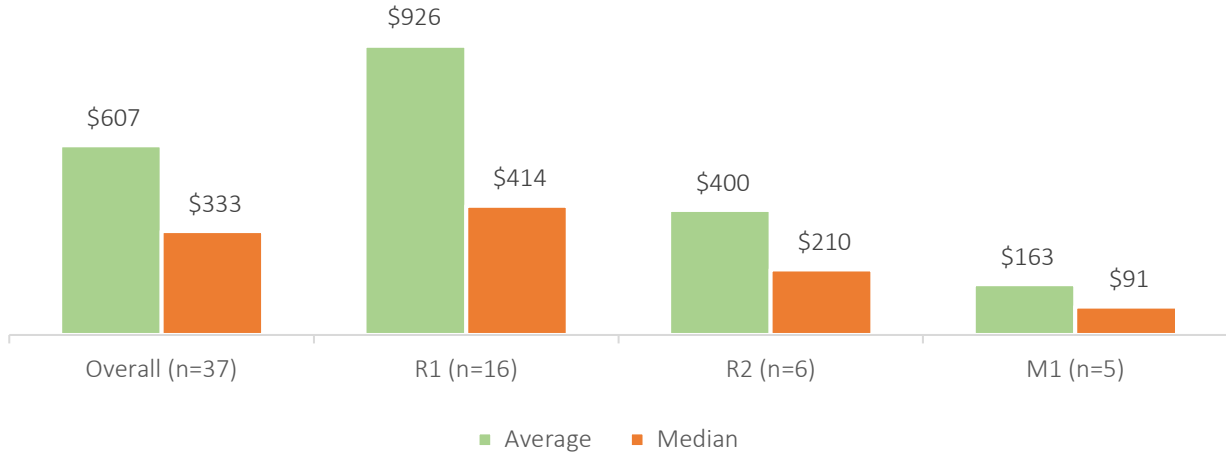
M1 institutions have a higher average gross revenue per FTE (\$662,722) compared to R1 institutions (\$608,994), while R2s (\$266,095) are significantly lower.

Figure 170: Gross Revenue per FTE



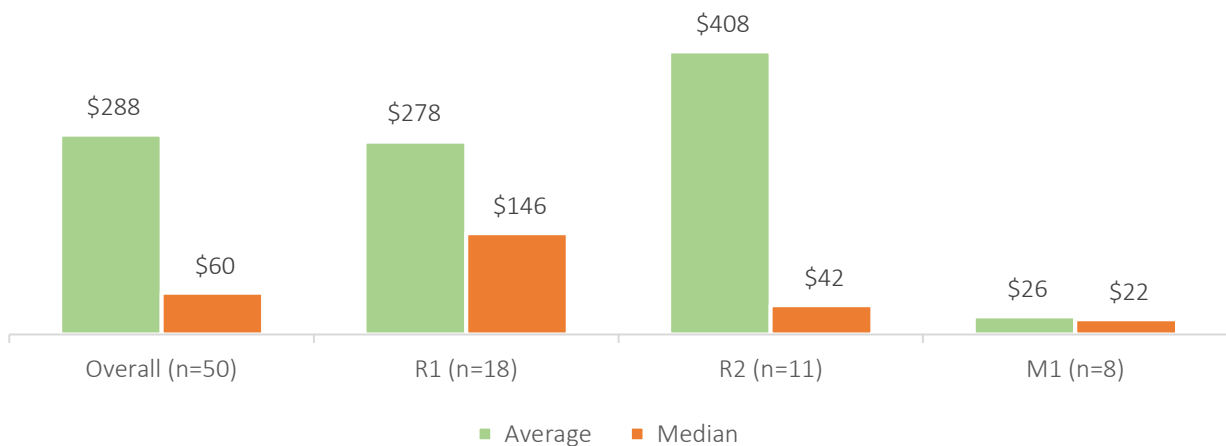
R1 institutions have more than double the average gross revenue per credit hour (\$926) compared to those from R2 institutions (\$400). M1 institutions have a significantly lower average gross revenue per credit hour (\$163).

Figure 171: Gross Revenue per Credit Hour



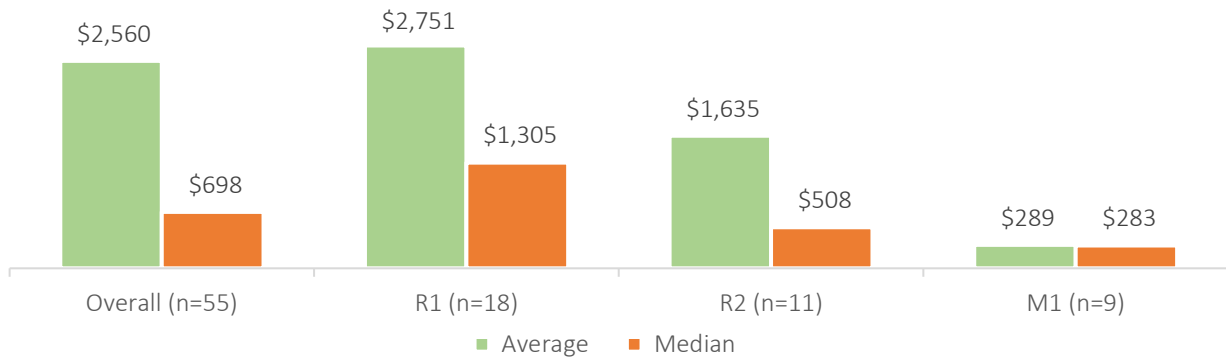
R2 institutions have the highest average total budget per credit hour (\$408) compared to R1 institutions (\$278) and M1 institutions (\$26).

Figure 172: Total Budget per Credit Hour



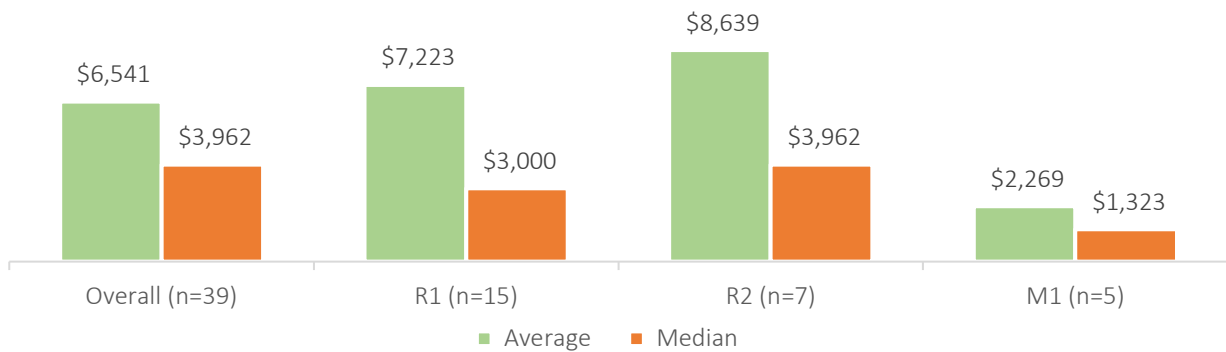
R1 institutions have a higher average budget per unduplicated headcount (\$2,751) compared to R2 institutions (\$1,635) and M1s (\$289), significantly lower.

Figure 173: Total Budget per Unduplicated Headcount



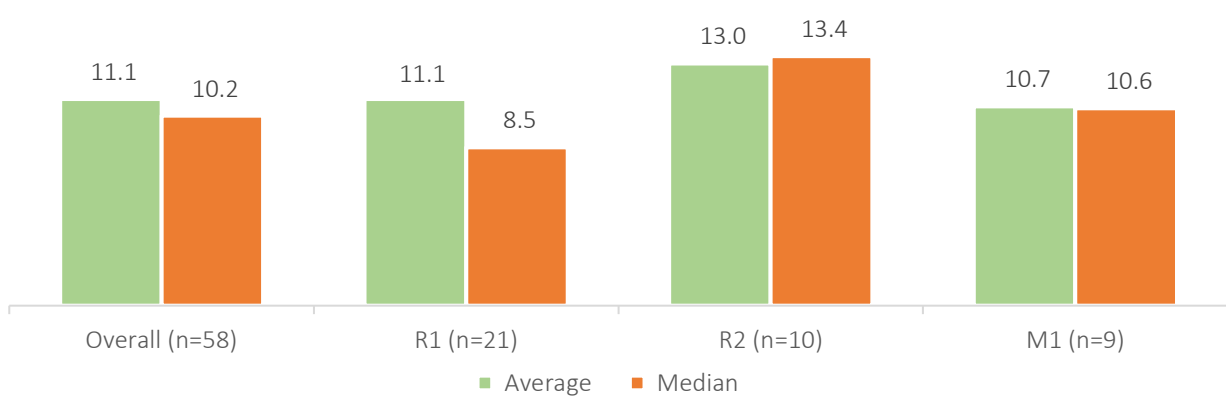
R2 institutions have a higher average gross revenue per unduplicated headcount (\$8,639) compared to R1 institutions (\$7,223) and M1 institutions (\$2,269).

Figure 174: Gross Revenue per Unduplicated Headcount



R2 institutions have the highest average fully online credit hour per unduplicated headcount metric (13.0), followed by R1s (11.1), and M1s (10.7).

Figure 175: Credit Hours per Unduplicated Headcount



In Summary: Carnegie Classification

The 2026 data reveal meaningful distinctions in the structure, financial models, and strategic orientations of online enterprises across the R1, R2, and M1 Carnegie classifications. R1 institutions lead across nearly every measure of scale and investment. They have the highest average unduplicated online learner headcount (11,561), average total budget (\$15.9M), and average gross revenue (\$37.4M), operating at a level of volume and financial capacity unmatched by the other two Carnegie classifications. Their average gross revenue per credit hour (\$926) and budget per FTE (\$324,911) are also the highest. Financially, R1s are equally likely to use general funds, revenue share, and a fee-based model as their primary financial model (all 18%), reflecting diversified funding structures. Half (50%) expect a budget increase in the next fiscal year, and 91% agree that institutional leadership has indicated online learning is a strategic direction. Marketing is their top competitive strategy (59%), and strategic direction/governance and funding/resources are equally their biggest challenges (both 27%).

Despite operating with significantly smaller budgets, R2 institutions generate strong returns. With an average budget of \$5.0M and average gross revenue of \$17.7M, R2s achieve the highest average gross revenue per unduplicated headcount (\$8,639) and the highest average fully online credit hours per unduplicated headcount (13.0). General funds are the dominant financial model (58%), and responsibility-centered management (RCM) is the most common (33%). Quality is their top competitive strategy (50%), and competition is their greatest challenge to success (25%). A quarter R2 institutions (25%) anticipate a budget decrease in the next fiscal year, the highest rate among the three classifications.

M1 institutions operate with the most constrained budgets (\$1.2M average) but demonstrate strong per-student and per-staff efficiency. They report the highest average unduplicated headcount to FTE ratio (569) and the highest average gross revenue per FTE (\$662,722). All M1 institution respondents strongly agree or agree their online enterprise is academically decentralized (100%) and that their institution expects to obtain greater market share in the next three years (100%). General funds are the primary model for 44%, while a third (33%) use a fee-based model which is the highest rate across the three primary classifications. Pricing compared to online competitors is their top competitive strategy (56%), and marketing/recruitment, perception of online education, and faculty buy-in/engagement are equally their biggest challenges (all 22%).

R1s scale for reach and revenue complexity, R2s demonstrate lean efficiency with strong per-student returns, and M1s leverage accessible pricing and undergraduate breadth to sustain growth.

Online Enterprise Organizational Location: Responses and Analysis

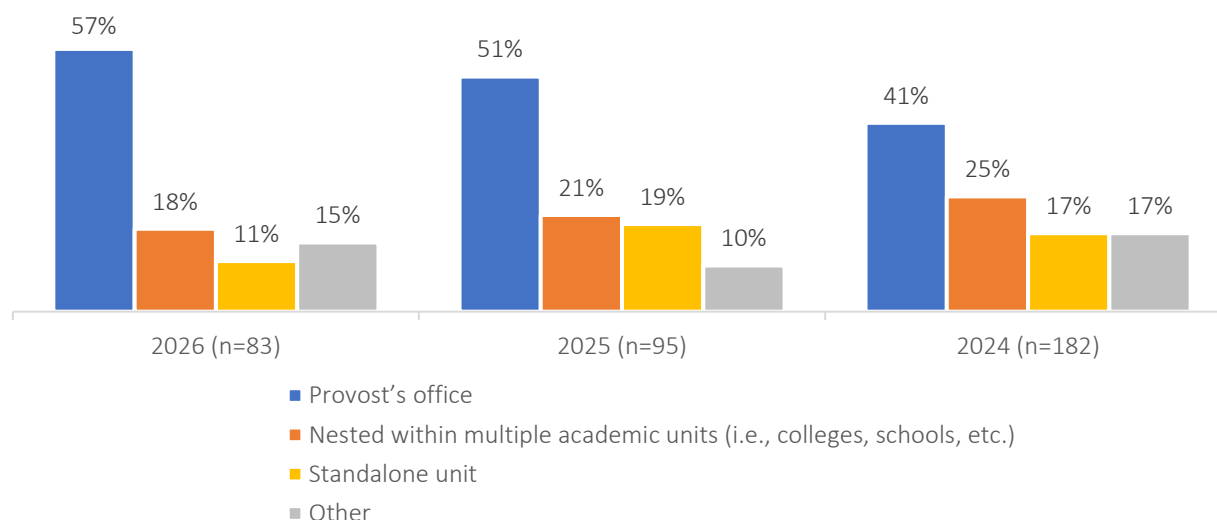
Key Findings

Provost's Office	• Over half (57%) of online enterprises are located in the provost's office, up from 51% in 2025 and 41% in 2024. • Units in the provost's office have the highest average unduplicated headcount for online learners (10,814) and the highest average number of fully online student credit hours (153,471). • These respondents are most likely to say their online enterprise is funded from the institution's general funds (49%). • Units in the provost's office are most likely to have a standard online or distance education fee across the institution (54%). • They are most likely to consider leadership/institutional support to be their biggest challenge to success (22%). • Marketing is their top competitive strategy (51%).
Standalone Units	• Standalone units had the highest average total budget (\$15.2M) and the highest average gross revenue (\$44.3M). • These units have the highest average gross revenue per unduplicated headcount (\$10,897) and the highest average fully online credit hours per unduplicated headcount (15.1). • Standalone units are most likely to use a fee-based model and a revenue/resource dependent entrepreneurial model as their primary financial models (both 29%). • They are most likely to view strategic direction/governance as their biggest challenge to success (43%). • Twenty-eight percent of standalone units expect a budget increase for the next fiscal year; however, an additional 28% expect a decrease.
Nested Within Multiple Academic Units	• Online enterprises nested within multiple academic units have the highest average gross revenue to budget ratio (\$2.72) and the highest average gross revenue per FTE (\$907,732). • These units are notably more likely to support microcredentials (73%) and corporate/non-credit training (67%) compared to other unit locations. • Units nested within multiple academic units are equally likely to rely on the institution's general funds and a revenue share model as their primary financial model (both 44%). • These online enterprises are most likely to find funding/resources to be their biggest challenge to success (33%). • Forty-four percent expect a budget increase for the next fiscal year, the highest rate among all unit locations.

Demographics

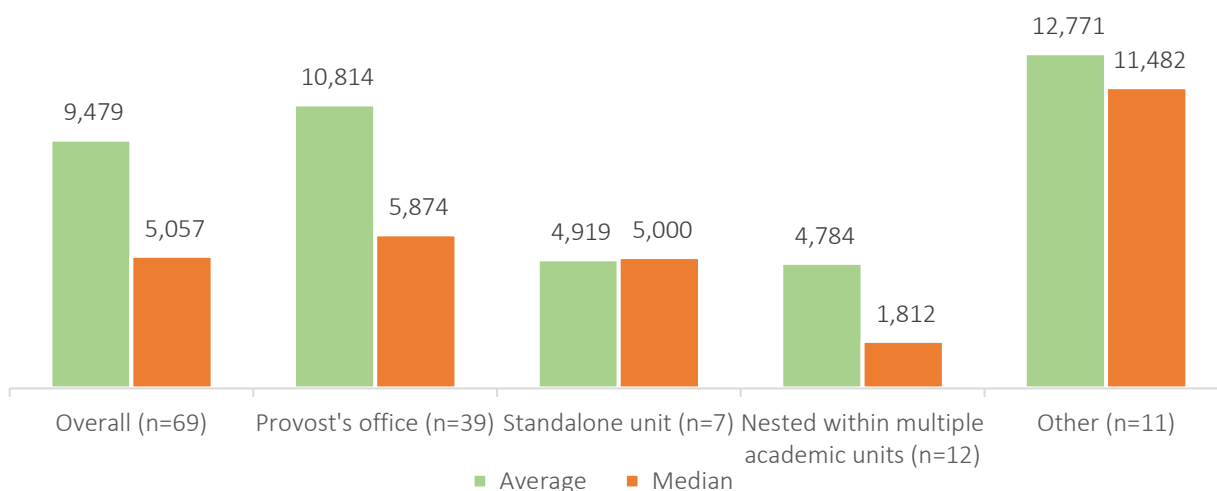
In 2026, over half (57%) of online enterprises are located in the provost's office, greater than 2025 (51%) and 2024 (41%). Eighteen percent are nested within multiple academic units, while 11% operate as standalone units. Fifteen percent of respondents listed online enterprise locations in the "Other" category which included the academic department, a specialized department, and enrollment management, among others.

Figure 176: Which of the following best describes the organizational location of your institution's online enterprise(s)?



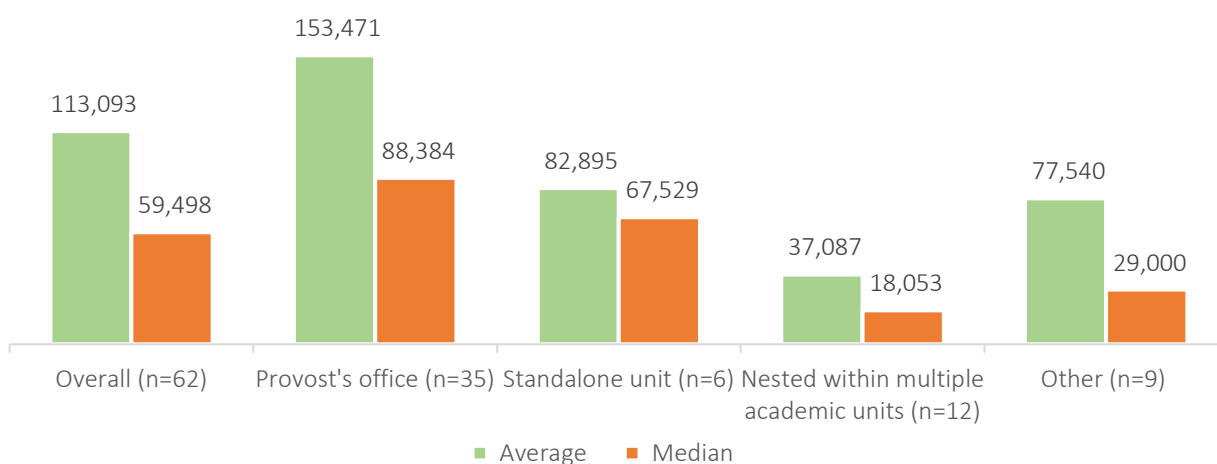
Among the three identified online enterprise locations, those in the provost's office have the highest average unduplicated headcount (10,814) for learners enrolled in fully online courses for the 2024-2025 academic year, followed by standalone units (4,919), and units nested within multiple academic units (4,784). The average for units in "Other" locations was 12,771.

175: Please provide the unduplicated headcount for learners enrolled in fully online courses for the 2024-2025 academic year.



Online enterprises located in the provost's office had the highest average number of student credit hours for learners enrolled in fully online courses (153,471), followed by standalone units (82,895), and units nested within multiple academic units (37,087). The average number in "Other" locations was 77,540.

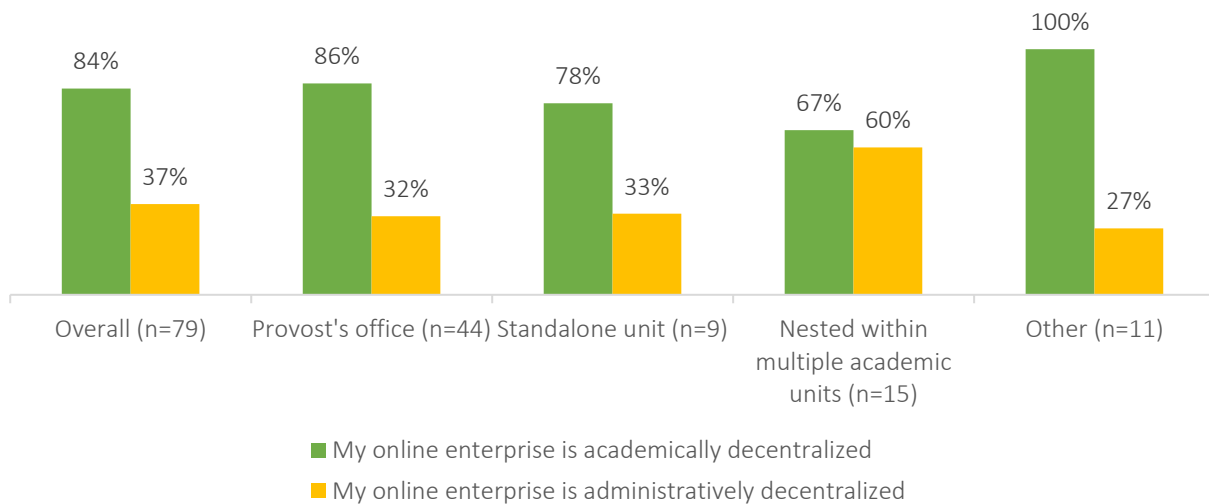
Figure 177: Please provide the total student credit hours for learners enrolled in fully online courses for the 2024-2025 academic year.



Size and Structure

Online enterprises in the provost's office and standalone units are significantly more likely to be academically decentralized than administratively decentralized. Enterprises nested within multiple academic units are only slightly more likely to be academically decentralized (67%) than administratively decentralized (60%). All those in the "Other" locations have units that are academically decentralized.

**Figure 178: Please rate how strongly you agree or disagree with the following statements
(% Strongly Agree or Agree)**



Online enterprises across all locations had nearly the same top three responsibilities: instructional design, accessibility/captioning, and faculty development. However, standalone units reported higher rates of responsibility in data/analytics.

Figure 179: Which of the following are responsibilities for your online enterprise?
Please select all that apply. Provost's Office

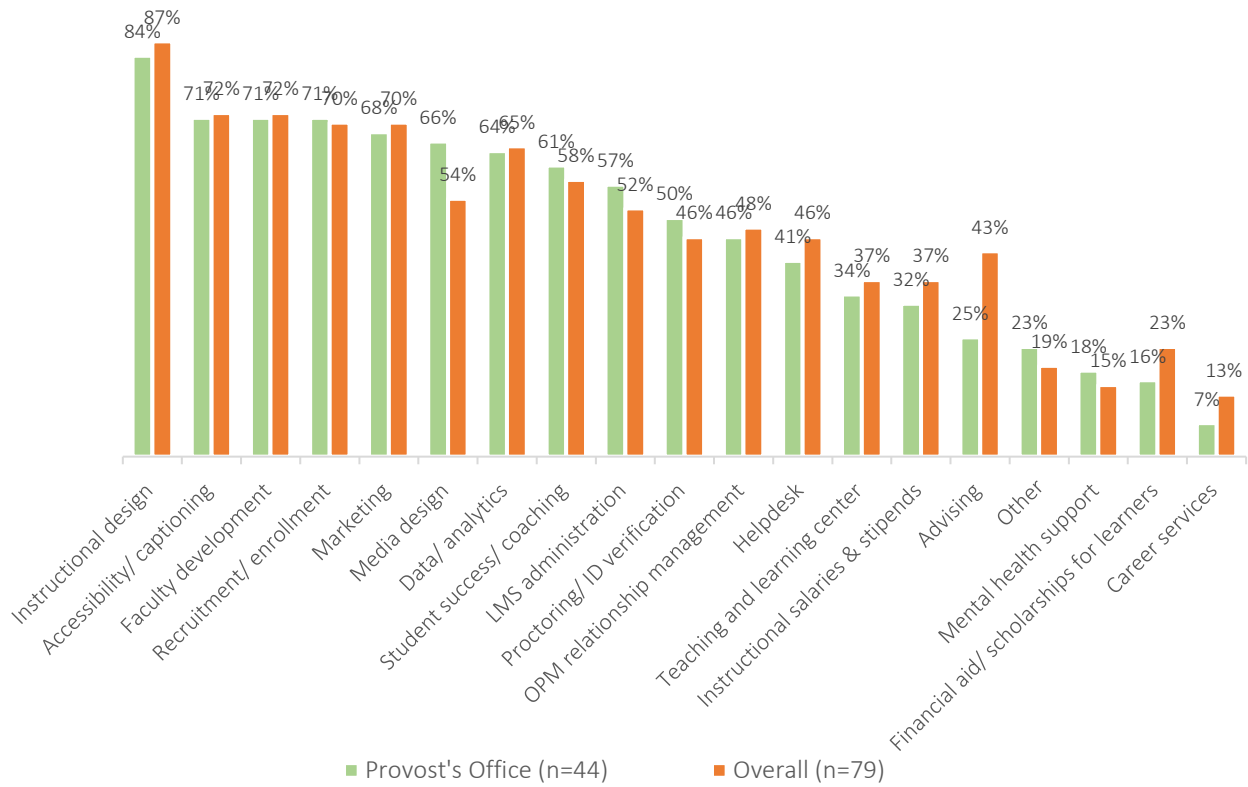


Figure 180: Which of the following are responsibilities for your online enterprise?
Please select all that apply. Standalone Unit

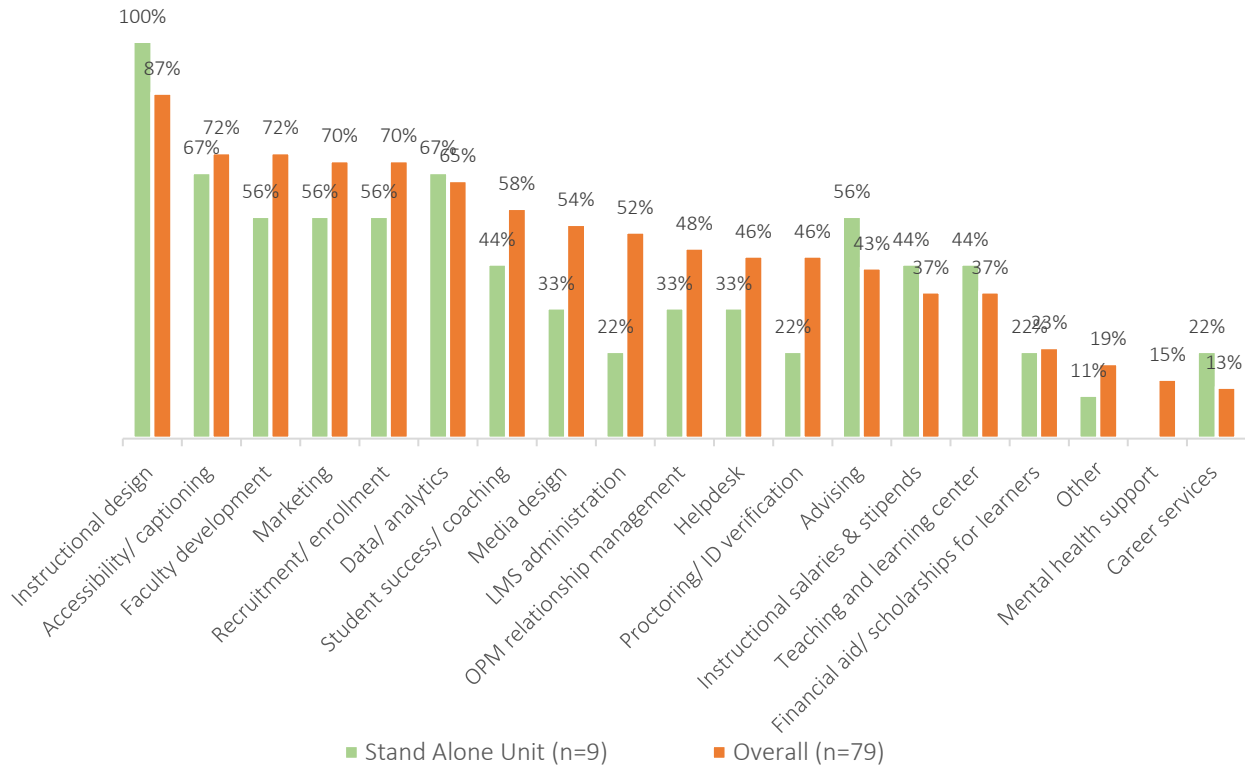
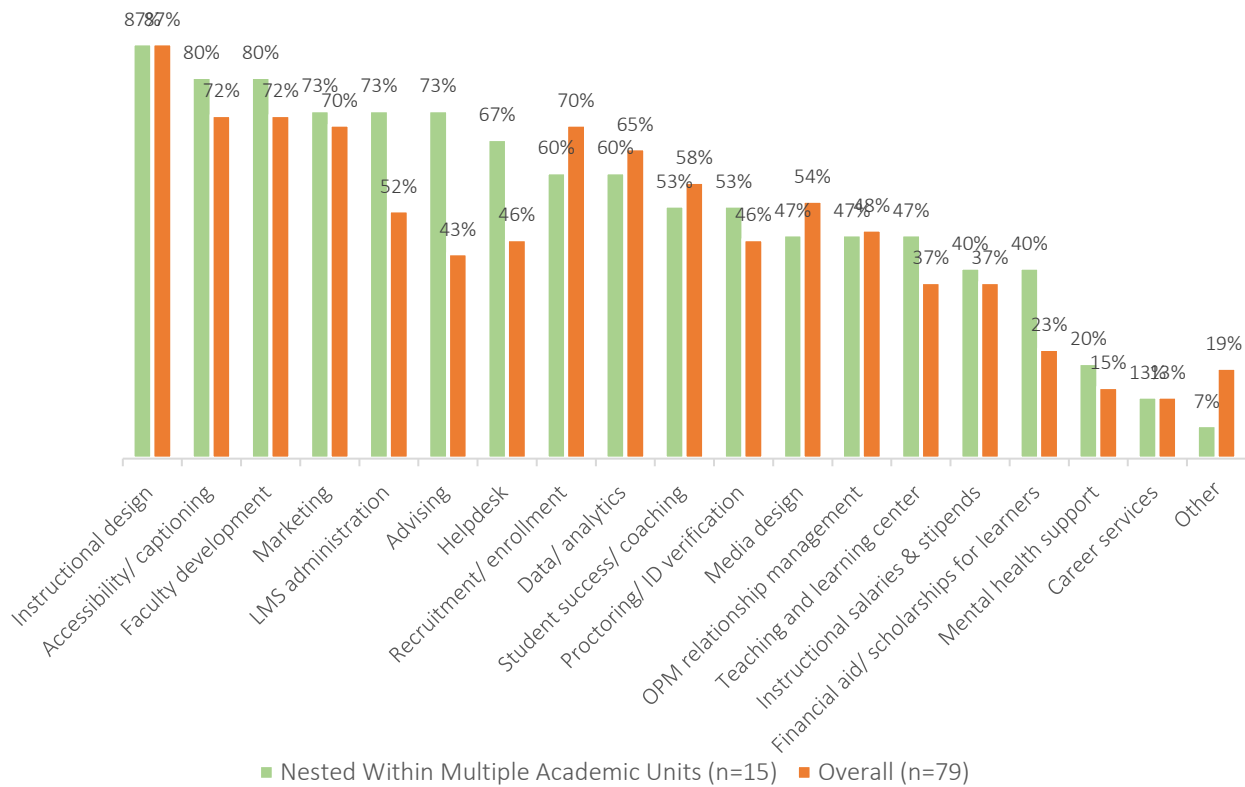
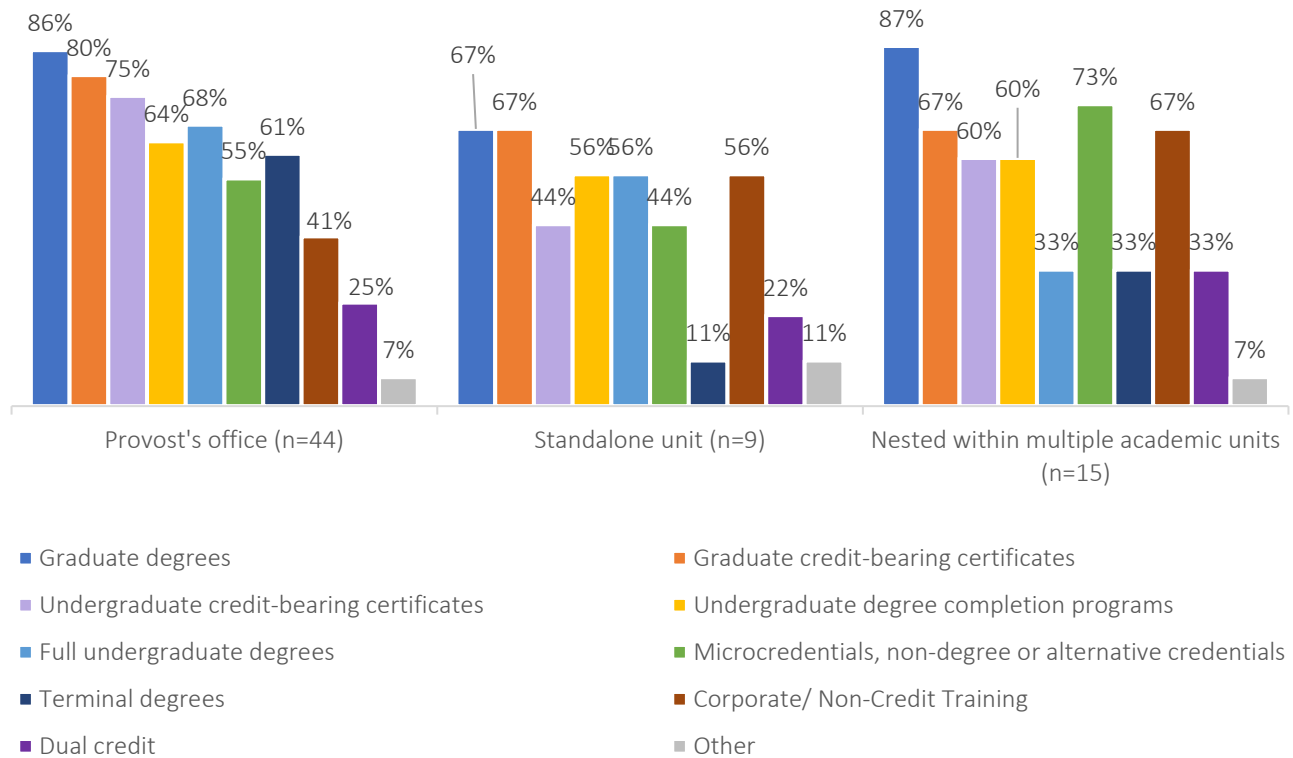


Figure 181: Which of the following are responsibilities for your online enterprise?
Please select all that apply. Nested Within Multiple Academic Units



Generally, online enterprises located in the provost's office are more likely to support nearly all offerings compared to other unit locations. However, units nested within multiple academic units are notably more likely to support microcredentials (73%) and corporate/non-credit training (67%) compared to other unit locations.

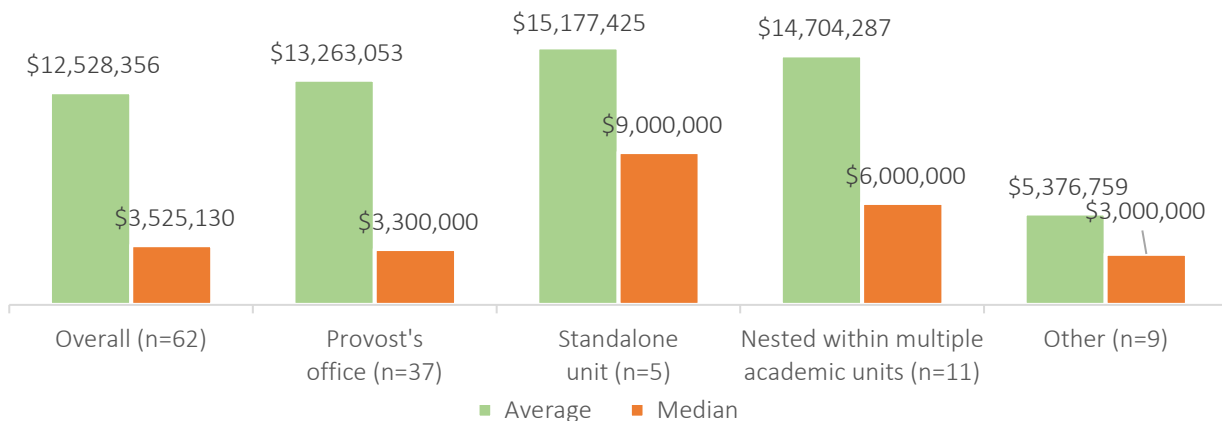
Figure 182: Which of the following program types are included in your online enterprise's portfolio of programs that it supports? Please select all that apply.



Budget, Revenue, and Staffing

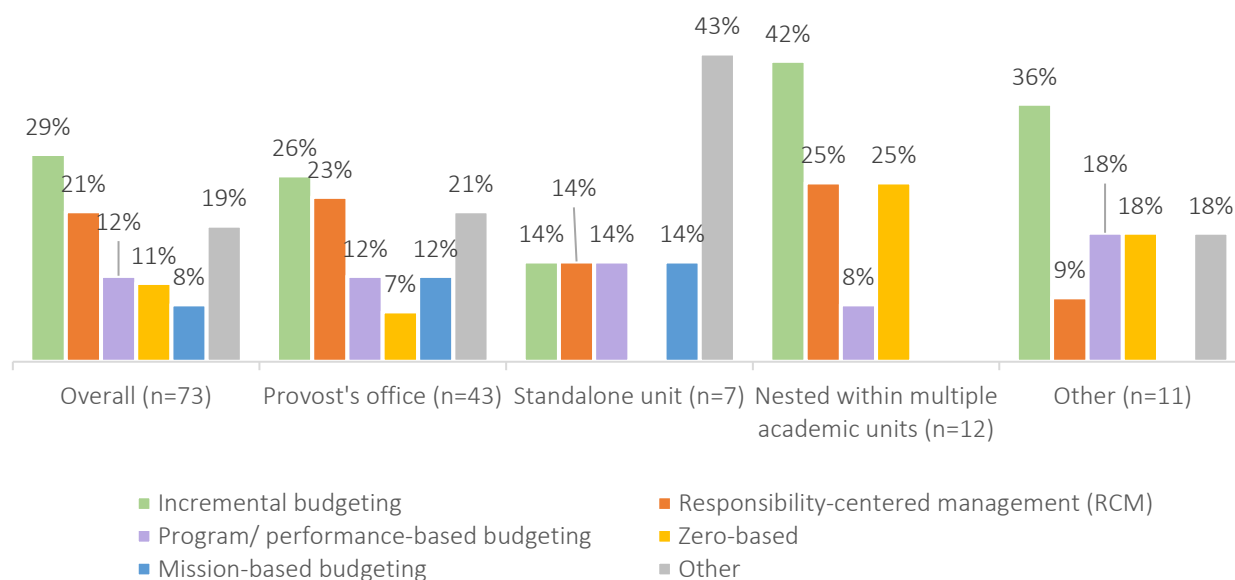
Of the three identified locations, standalone units had the highest average total budget (\$15.2M), followed closely by units nested within multiple academic units (\$14.7M), and those located in the provost's office (\$13.3M). Units in "Other" locations average \$5,376,759.

Figure 183: For the 2024-2025 academic year, what was your online enterprise's total budget? Please list the budget in USD.



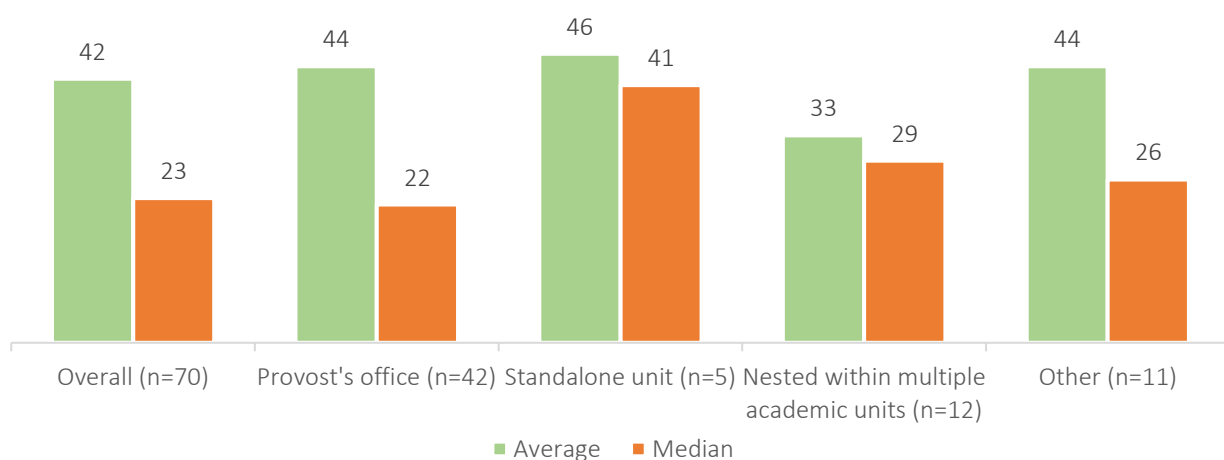
Online enterprises located in the provost's office (26%) and those nested within multiple academic units (42%) are most likely to deploy an incremental budgeting model, while standalone units are much more likely to use other types of budgeting models (43%). Units in "Other" locations most likely use incremental budgeting (36%).

Figure 184: What budget model does your institution primarily deploy for its online enterprise(s)?



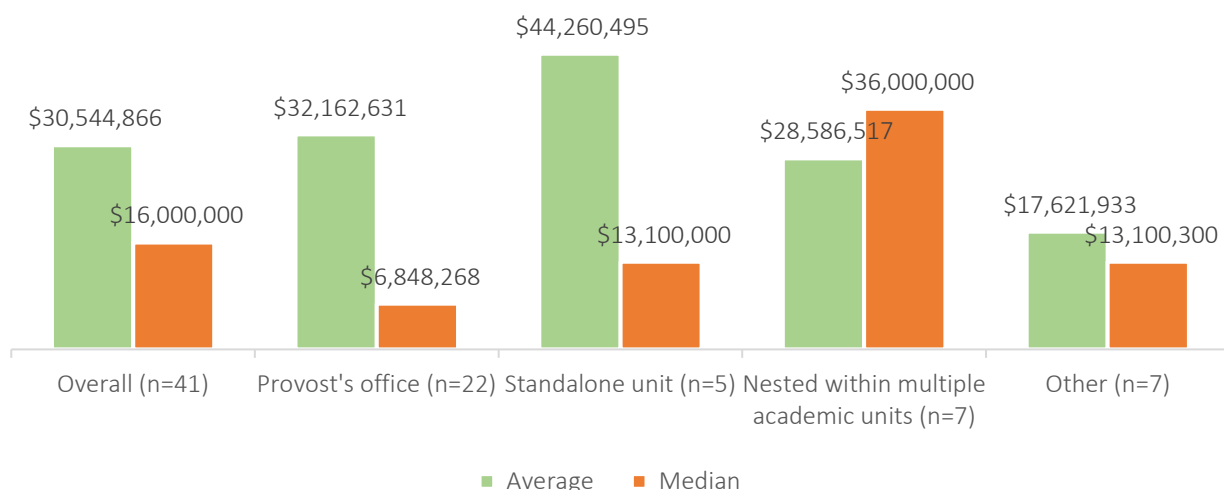
Standalone units have the highest average number of FTEs funded by their online enterprise (46), followed by units in the provost's office (44), and those nested within multiple academic units (33). Units in "Other" locations have 44 FTEs.

Figure 185: Including yourself, how many full-time or full-time equivalent (FTE) employees (i.e., two half-time employees equals one full-time employee) are funded by your online enterprise?



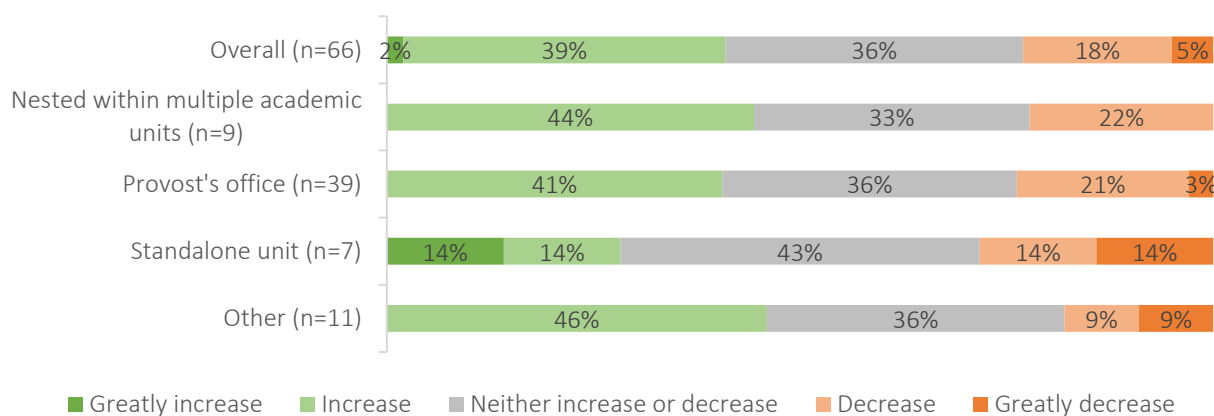
Standalone units had the highest average online enterprise total gross revenue (\$44.3M) for the 2024-2025 academic year, followed by units located in the provost's office (\$32.2M), and those nested within multiple academic units (\$28.6M). Those in "Other" locations average the lowest, \$17.6M.

Figure 186: For the 2024-2025 academic year, what was your online enterprise's total gross revenue? Please list gross revenue in USD.



Forty-four percent of respondents with units nested within multiple academic units expect their budget to increase for the next fiscal year, followed by 41% located in the provost's office, and 28% of standalone units. However, 28% of standalone units expect a decrease. Among "Other" location units, 46% anticipate a budget increase.

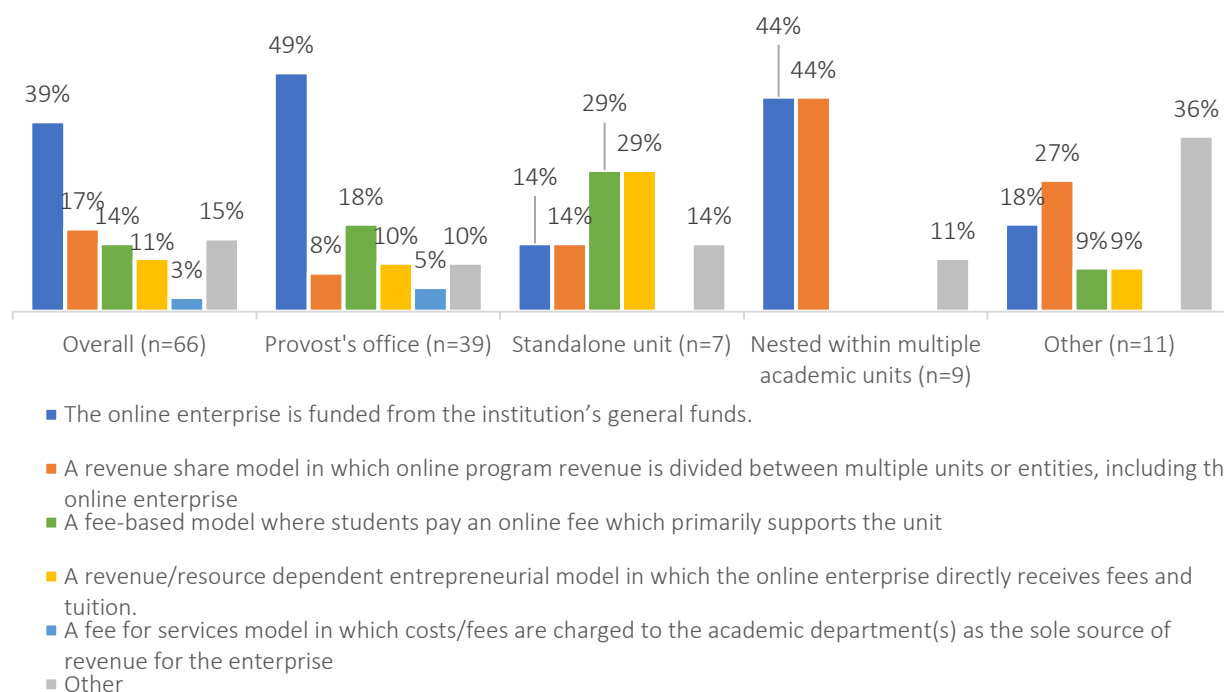
Figure 187: Which of the following best describes your online enterprise's overall budget for the next fiscal year compared to the previous fiscal year?



Finances and Funding

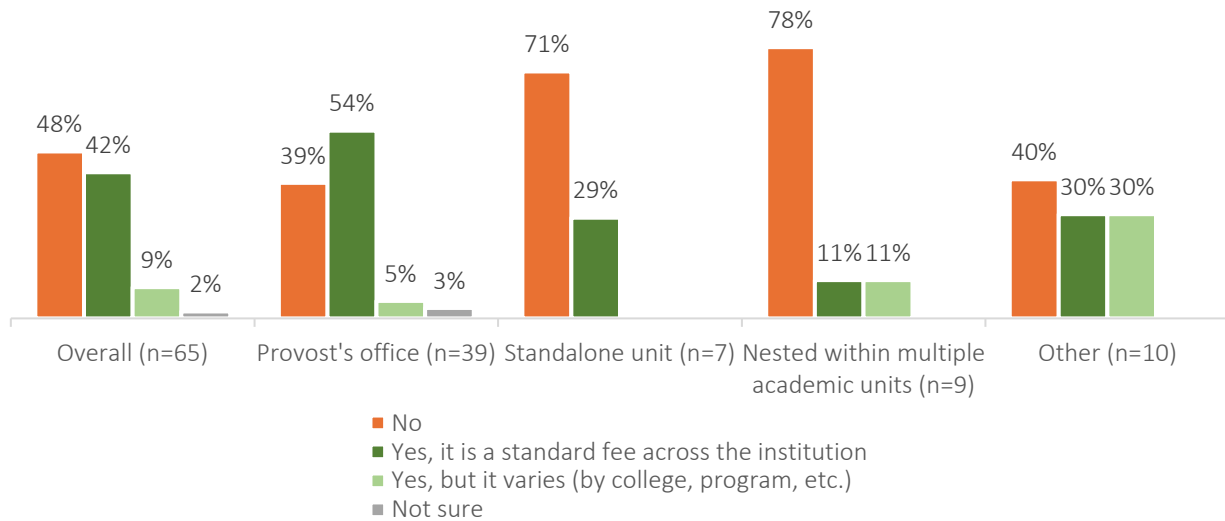
Units located in the provost's office are significantly most likely to be funded from the institution's general funds (49%). Those nested within multiple academic units are equally likely to use the institution's general funds and a revenue share model (both 44%). Standalone units are most likely to have a fee-based model and a revenue/resource dependent entrepreneurial model (both 29%).

Figure 188: Which of the following best describes your primary online enterprise's financial model?



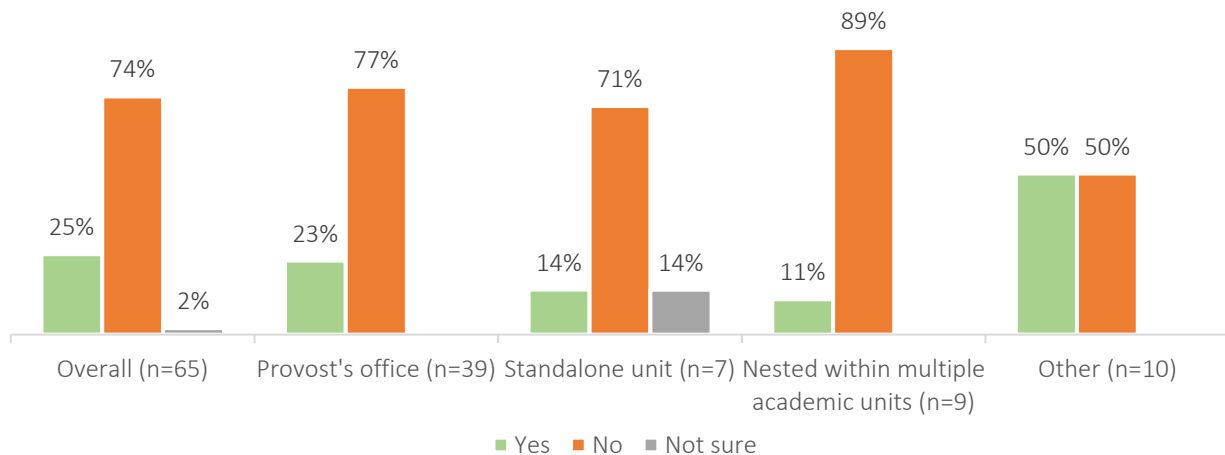
Online enterprises that are nested within multiple academic units do not have an online or distance education fee for students enrolled in online courses (78%), nor do standalone units (71%). Units located in the provost's office do have a standard fee across the institution (54%).

Figure 189: Is an online or distance education fee assessed to students enrolled in online courses?



Online enterprises across the three identified locations are more likely to not have a separate start-up fund for new programs (77 to 89%). Those located in the provost's office are the most likely to have such funding (23%) compared to standalone units (14%) and those nested within multiple academic units (11%). Half (50%) of units in "Other" locations have a separate/additional fund.

Figure 190: Does your online enterprise have a separate/additional start-up fund(s) for the launch and incubation of new programs apart from any reserves?



Competitive Environment

Units located in the provost's office have marketing as their top competitive strategy (51%), while those nested within multiple academic units cited their institutional brand and quality (both 44%). Standalone units use various competitive strategies including marketing, brand, quality, recruitment/enrollment, and faculty (all 29%).

Figure 191: Which of the following does your online enterprise use to better position its online programs in a competitive environment? Please select no more than three. Provost's Office

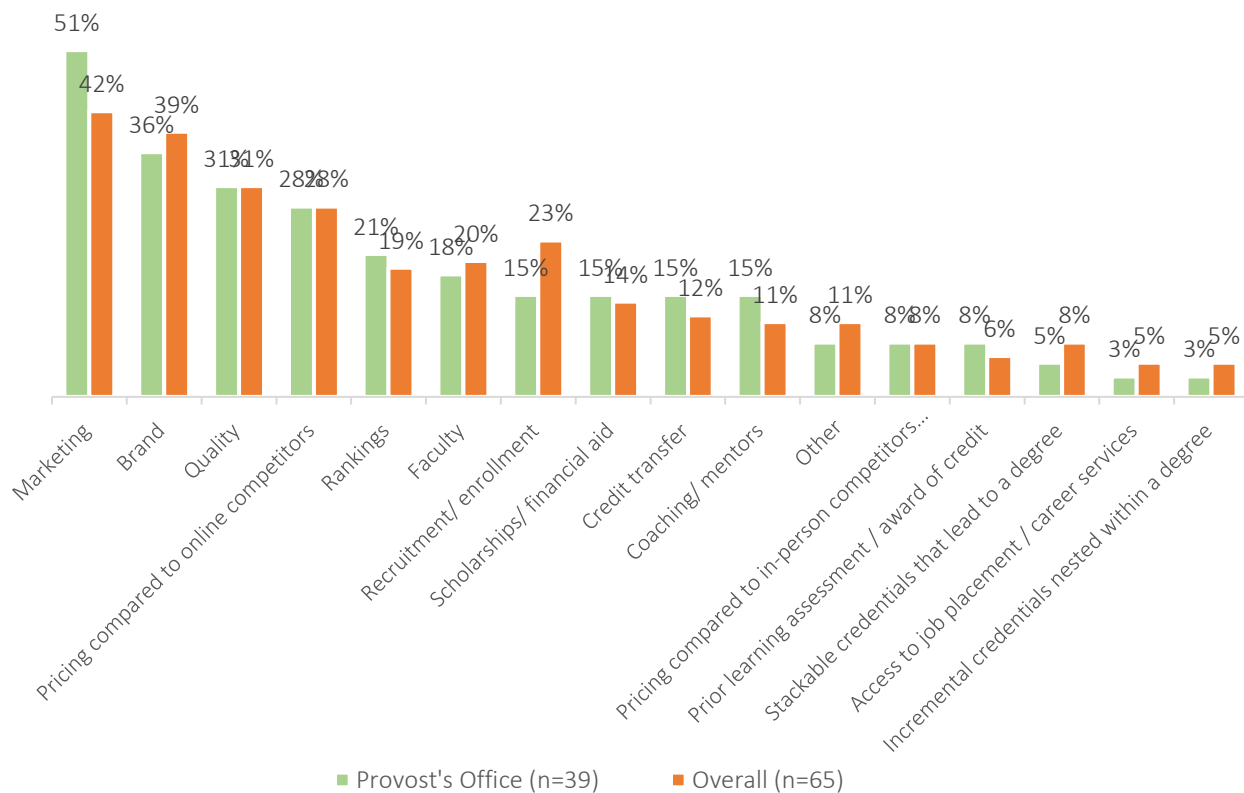


Figure 192: Which of the following does your online enterprise use to better position its online programs in a competitive environment? Please select no more than three. Standalone Unit

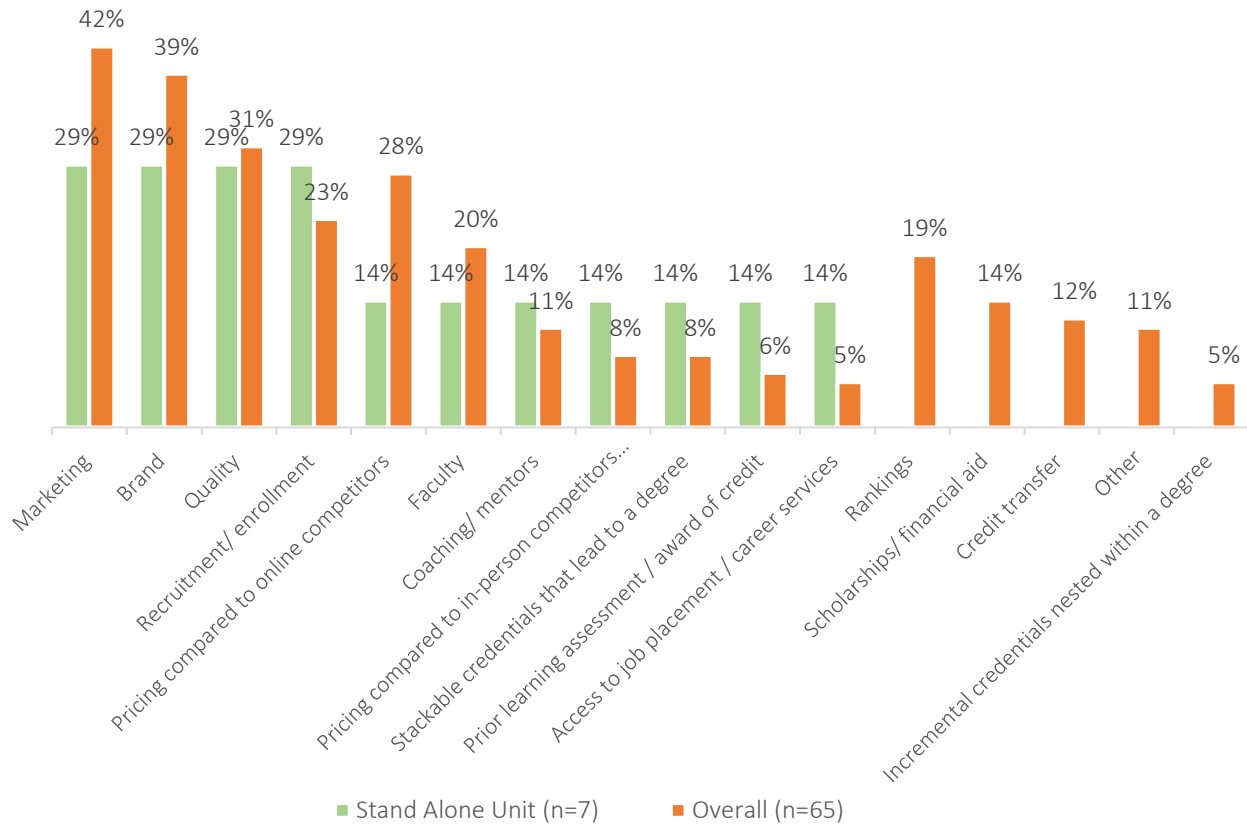
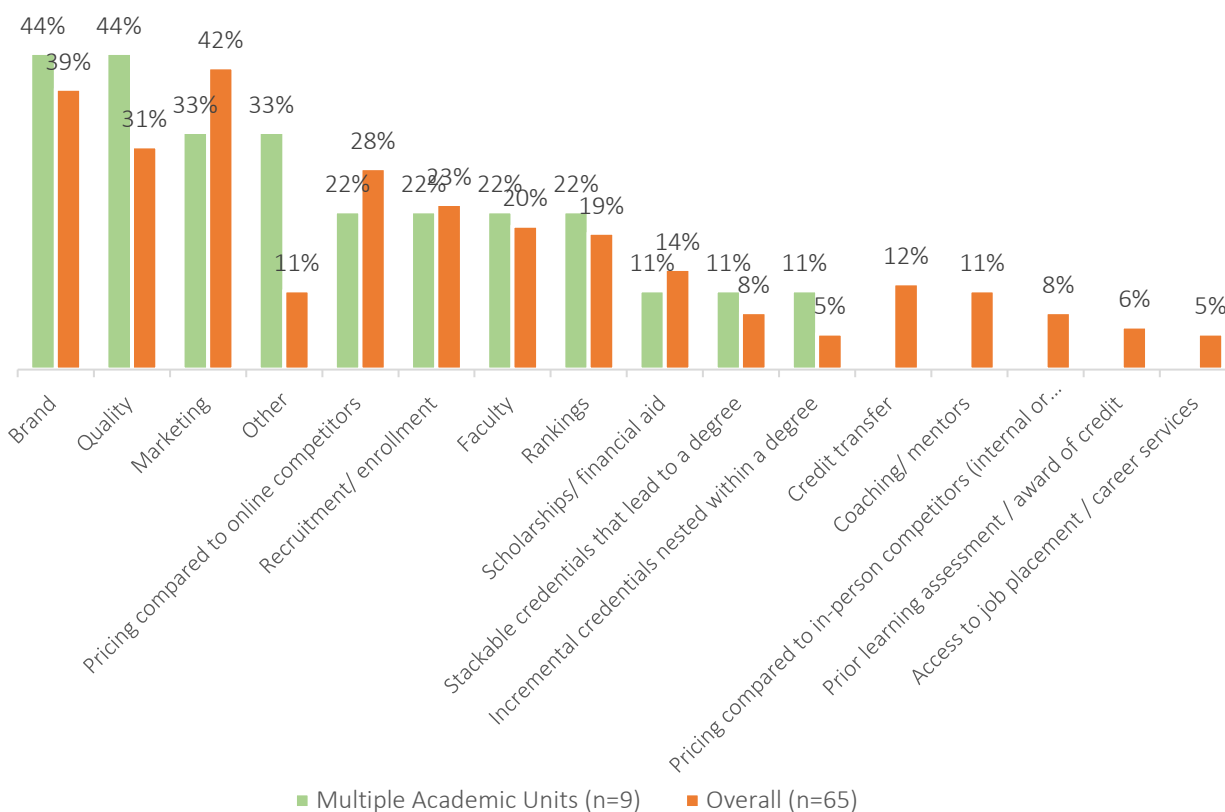
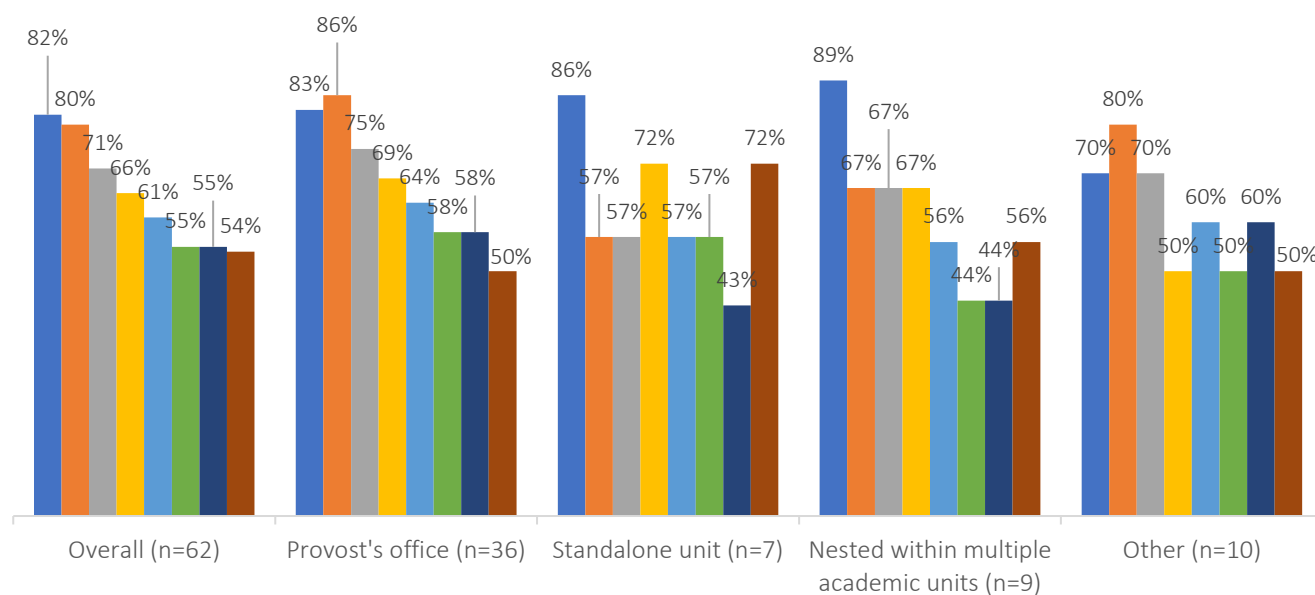


Figure 193: Which of the following does your online enterprise use to better position its online programs in a competitive environment? Please select no more than three. Nested Within Multiple Academic Units



Respondents from standalone units (86%) and those nested within multiple academic units (89%) were most likely to strongly agree or agree that an increasing percentage of traditional undergraduate students desire online courses for at least some of their degree. Those located in the provost’s office were most likely to strongly agree or agree that institutional leadership had indicated that online learning is a strategic direction for their institution (86%), as did 80% of those in “Other” locations.

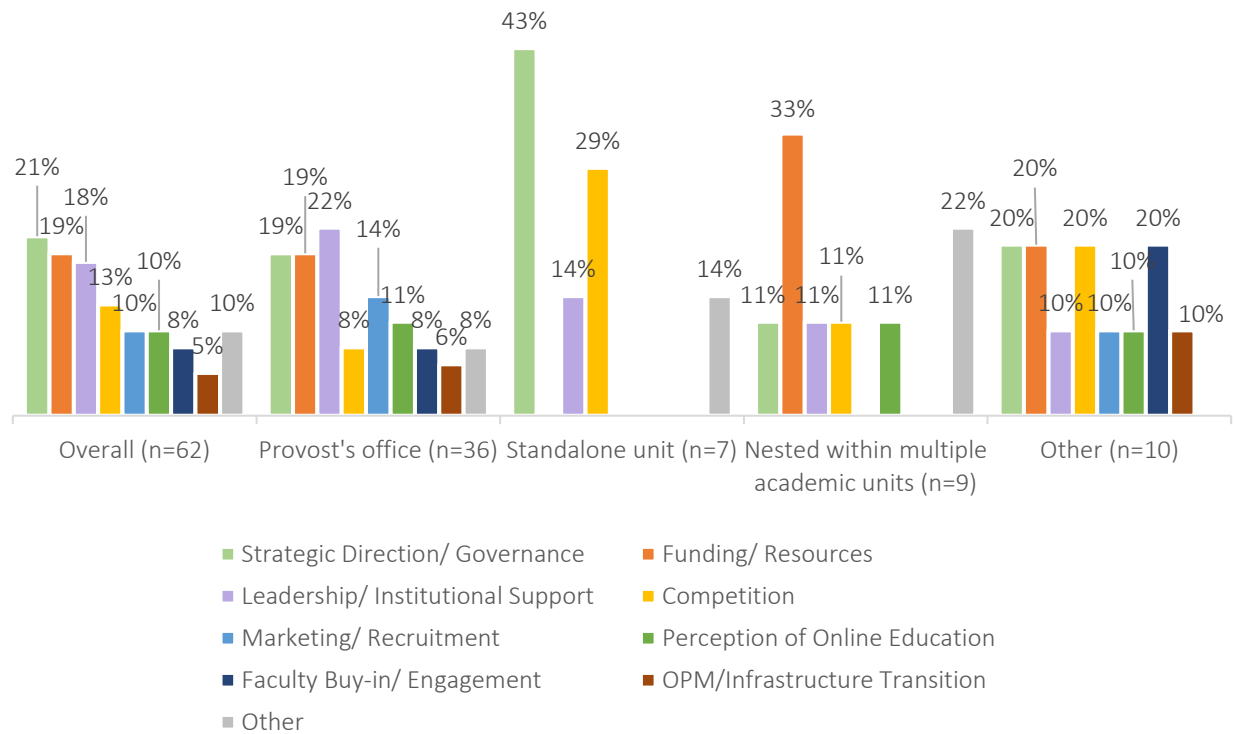
**Figure 194: Please rate how strongly you agree or disagree with the following statements
(% Strongly Agree or Agree)**



- An increasing percentage of traditional undergraduate students desire online courses for at least some of their degree
- Institutional leadership has indicated that online learning is a strategic direction for the institution.
- My institution expects to obtain greater market share of the online marketplace in the next three years
- Learner demand for graduate online programs is increasing at my institution
- There are individuals on my campus, in decision-making positions, that believe if a program is not offered online, learners will enroll in on-campus programs.
- Academic integrity issues are first raised within the context of online learning regardless of how applicable they may be to other modalities
- There are individuals on my campus, in decision-making positions, who believe that online learning has cannibalized on-campus courses and programs.
- Learner demand for undergraduate online programs is increasing at my institution.

Standalone units are significantly more likely to have strategic direction/governance (43%) as their biggest challenge to success, while for those nested within multiple academic units this is funding/resources (33%), and for units located in the provost's office leadership/institutional support (22%).

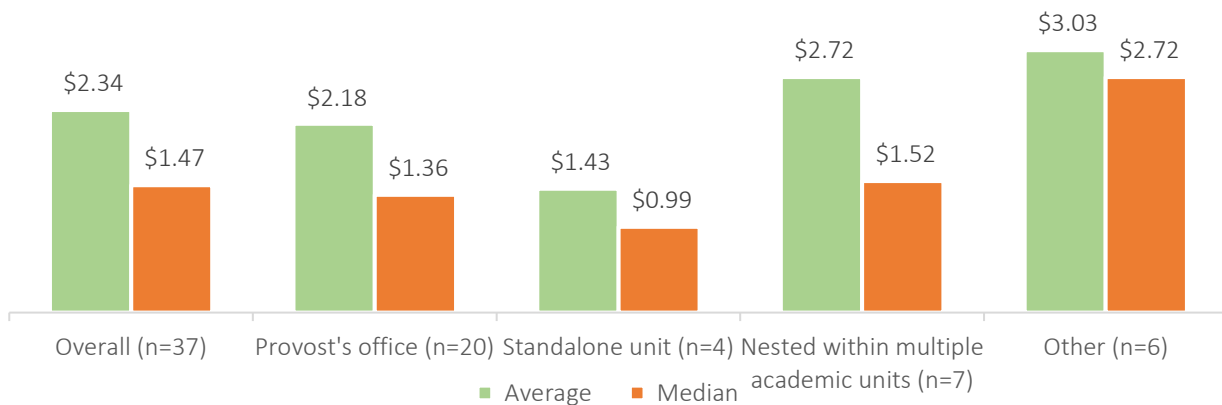
Figure 195: What is the single biggest challenge to the success of your online enterprise?



Key Performance Indicators

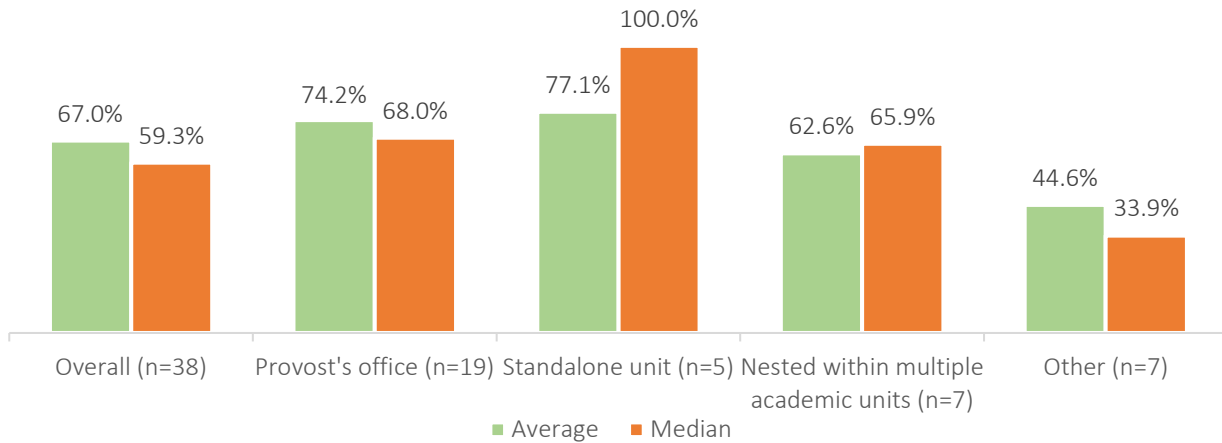
Of the three locations, units nested within multiple academic units have the highest average gross revenue to budget ratio (\$2.72), followed by those in the provost's office (\$2.18), and standalone units (\$1.43). Units in "Other" locations have the highest average gross revenue (\$3.03).

Figure 196: Gross Revenue to Budget Ratio



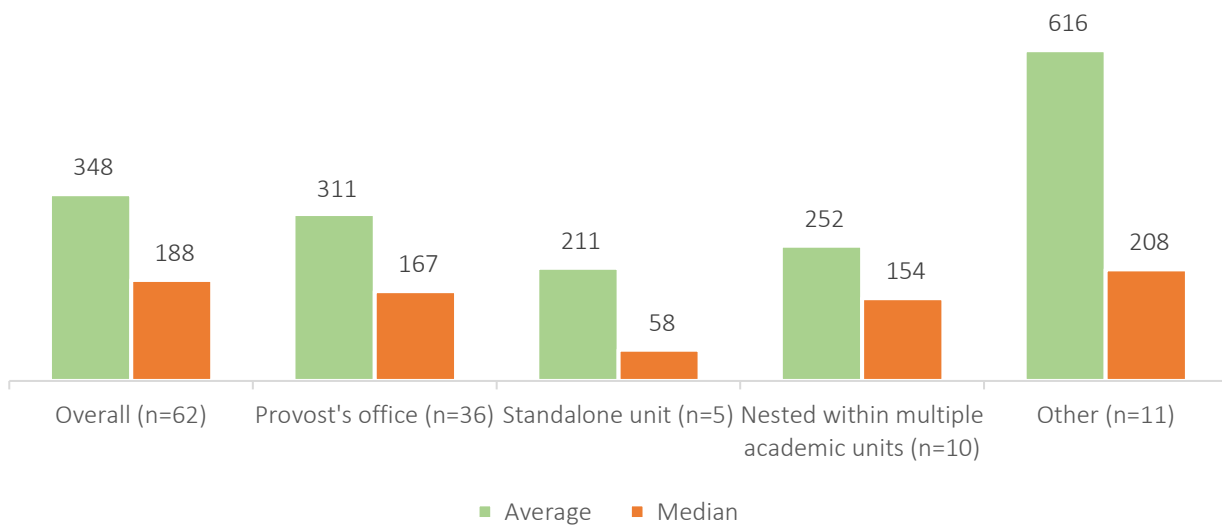
Standalone units have the highest average budget as a percentage of gross revenue (77.1%), followed by units located in the provost's office (74.2%), and those nested within multiple academic units (62.6%).

Figure 197: Budget as a Percentage of Gross Revenue



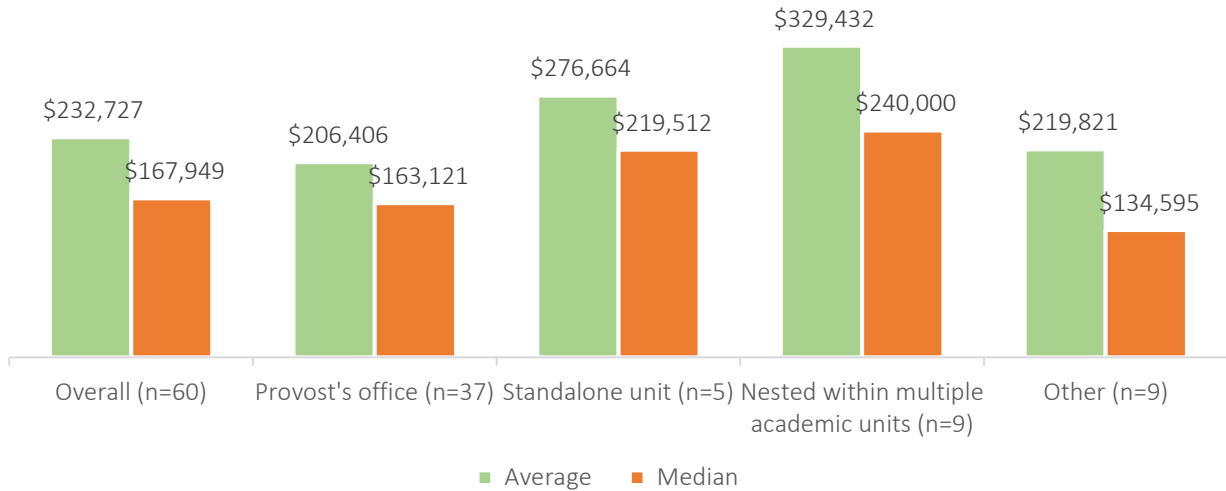
Units located in the provost's office have the highest average unduplicated headcount to FTE ratio (311) of the three identified unit locations, followed by those nested within multiple academic units (252), and standalone units (211). Notably, units in "Other" locations have an average unduplicated headcount to FTE ratio of 616, the highest among all location categories.

Figure 198: Unduplicated Headcount to FTE Ratio



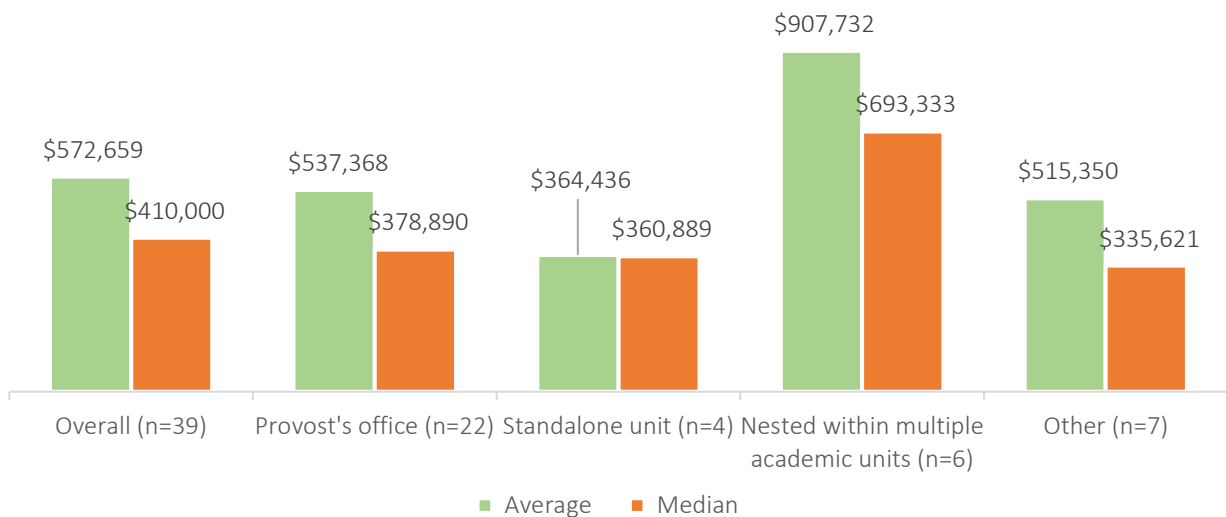
Online enterprises nested within multiple academic units have an average budget per FTE of \$329,432, followed by standalone units (\$276,664), and those located in the provost's office (\$206,406). Units in "Other" locations average \$219,821.

Figure 199: Total Budget per FTE



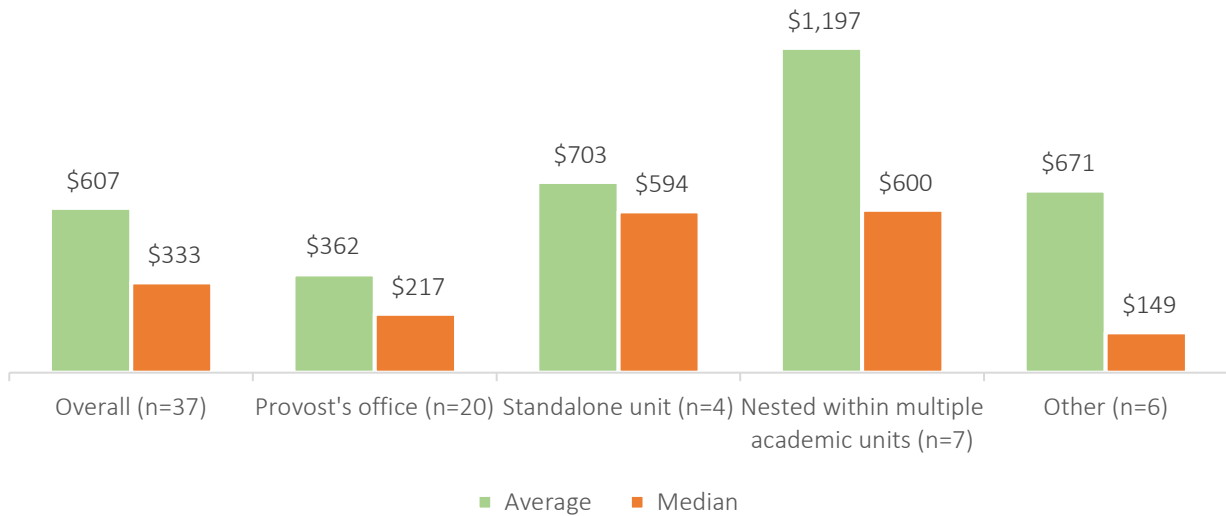
Online enterprises nested within multiple academic units have a significantly higher average gross revenue per FTE (\$907,732), compared to units in the provost's office (\$537,368), and standalone units (\$364,436). "Other" unit locations average \$515,350.

Figure 200: Gross Revenue per FTE



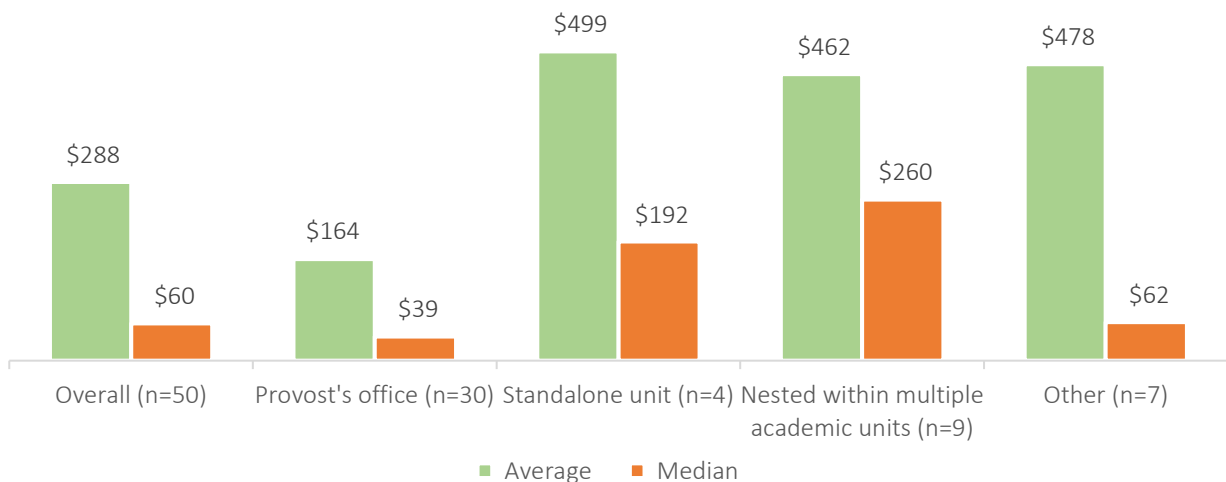
Online enterprises nested within multiple academic units had a significantly higher average gross revenue per credit hour (\$1,197), compared to standalone units (\$703), and those in the provost's office (\$362). The average gross revenue per credit hour for units in "Other" locations is \$671.

Figure 201: Gross Revenue per Credit Hour



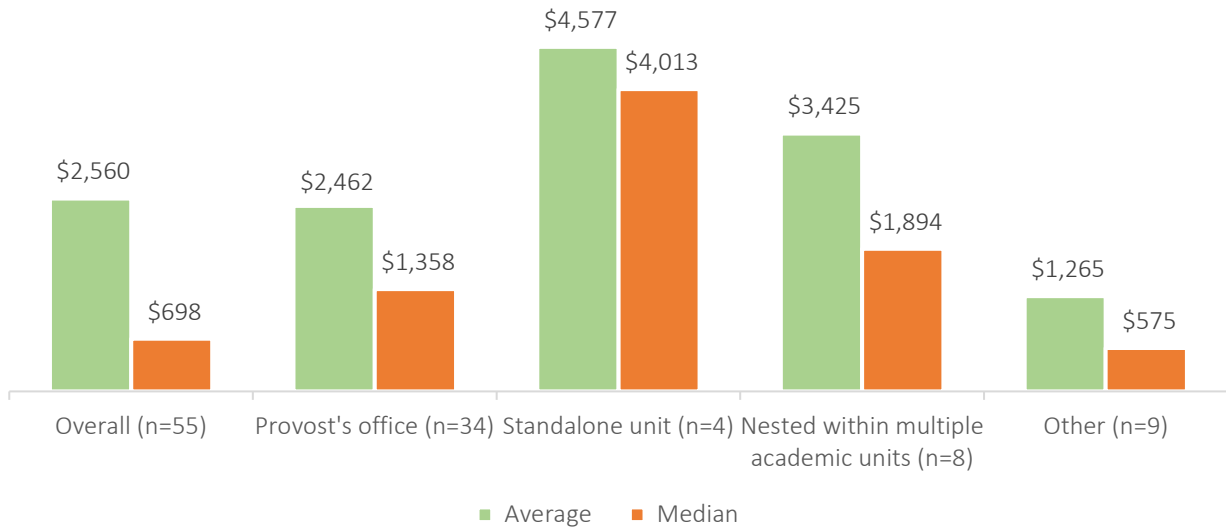
The average total budget per credit hour metric is similar for standalone units (\$499) and those nested within multiple academic units (\$462). Those located in the provost's office are significantly lower (\$164). The average for "Other" location units is 478.

Figure 202: Total Budget per Credit Hour



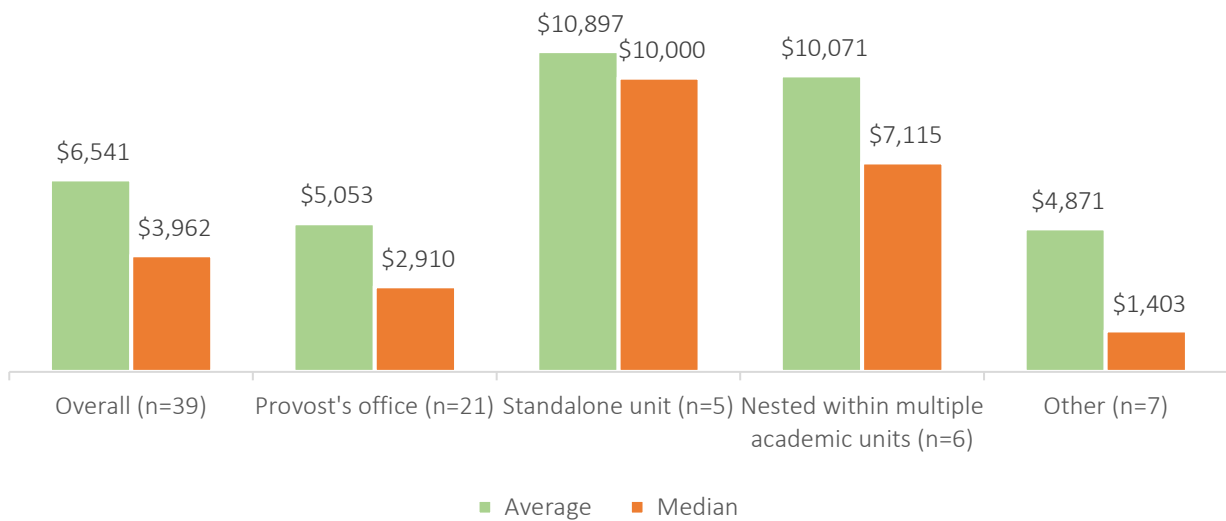
Standalone units have the highest average budget per unduplicated headcount (\$4,577), followed by those nested within multiple academic units (\$3,425), and those located in the provost's office (\$2,462).

Figure 203: Total Budget per Unduplicated Headcount



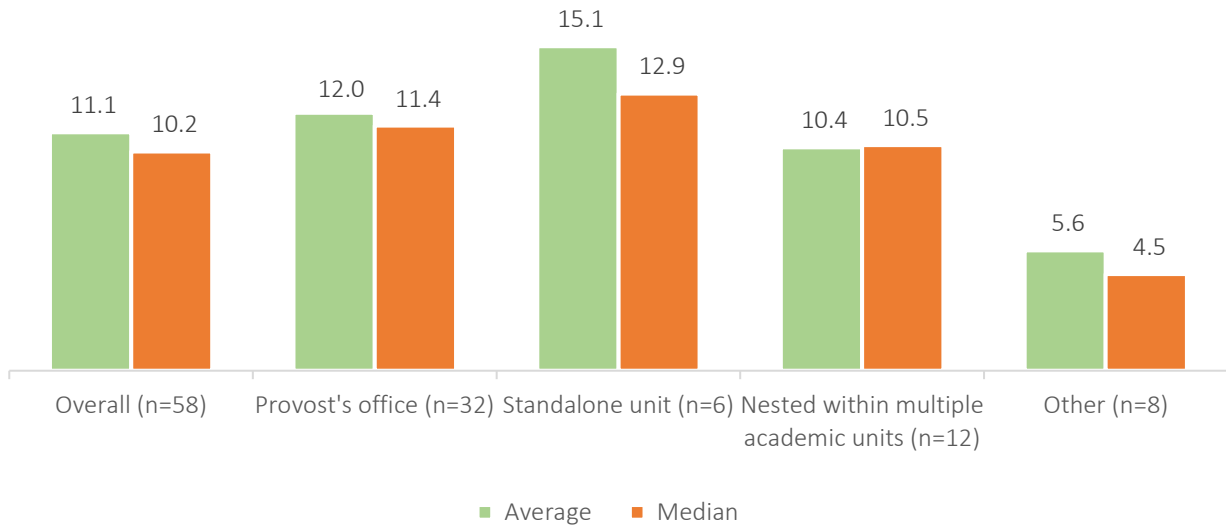
Standalone units have the highest average gross revenue per unduplicated headcount (\$10,897), followed closely by those nested within multiple academic units (\$10,071). Those located in the provost's office average about half that (\$5,053).

Figure 204: Gross Revenue per Unduplicated Headcount



Standalone units have the highest average fully online credit hour per unduplicated headcount (15.1), followed by units in the provost's office (12.0), and those nested within multiple academic units (10.4).

Figure 205: Credit Hours per Unduplicated Headcount



In Summary: Online Enterprise Location

The location of online enterprises significantly shapes their operational structure, financial strategy, and institutional alignment. In 2026, more than half (57%) are located in the provost's office, up from 51% in 2025 and 41% in 2024, reflecting a broader trend toward centralizing online education under academic leadership.

Those in the provost's office serve the largest online student populations, with the highest average unduplicated headcount (10,814) and fully online student credit hours (153,471). These units benefit from strong institutional alignment, in which 86% of respondents strongly agree or agree that institutional leadership has indicated online learning is a strategic direction for the institution. General funds are the primary financial model (49%), and 54% have a standard online or distance education fee. Program portfolios are the broadest, led by graduate degrees (86%) and graduate certificates (80%) at the top. Marketing is their main competitive strategy (51%), and leadership/institutional support is their most cited challenge (22%).

Despite not reporting the highest average budget, respondents from standalone units generate the highest average gross revenue (\$44.3M) and the strongest per-student returns, with the highest average gross revenue per unduplicated headcount (\$10,897) and fully online credit hours per unduplicated headcount (15.1). Their financial models are the most entrepreneurial, equally likely to have a fee-based and revenue/resource dependent model (both 29%). Instructional design is a universal responsibility (100%), and strategic direction/governance is their greatest challenge (43%).

Online enterprises nested within multiple academic units generate the highest average gross revenue per FTE (\$907,732) and gross revenue per credit hour (\$1,197), reflecting strong revenue efficiency despite serving smaller student populations. Their financial structure is notably distinct, in that they are equally likely to use general funds and a revenue share model (both 44%). These units are the most likely to support microcredentials (73%) and corporate/non-credit training (67%), which may point to a more market-responsive program portfolio. A third (33%) said funding/resources is their greatest challenge, yet 44% expect a budget increase in the next fiscal year, which is the highest rate among all unit locations.

Across all three locations, graduate degrees and instructional design consistently appear as priorities. However, their governance structures, financial models, and strategic orientations differ considerably. Respondents from online enterprises in the provost's office benefit from centralized institutional support, those from standalone units operate with entrepreneurial independence and strong revenue efficiency, and those nested within multiple academic units leverage cross-unit collaboration to support diverse portfolios and strong per-staff returns.

The Future of Digital Learning Enterprises

From Benchmarking to Institutional Strategy

Over the past three years, the Benchmarking Online Enterprises (BOnES) study has documented the continued maturation of online enterprises from operational units supporting distance education to strategic organizations shaping institutional direction. While the organizational structures, financial models, and responsibilities of these enterprises vary considerably across institutions, the trajectory has been remarkably consistent. Online enterprises are assuming broader portfolios, managing increasingly complex technologies, contributing more directly to institutional financial sustainability, and playing a larger role in strategic planning and innovation.

Concurrently, the emergence of generative artificial intelligence, shifting learner expectations, demographic pressures, and intensifying competition have accelerated the pace of change. Collectively, these findings suggest that the conversation is no longer about whether online enterprises belong at the center of institutional strategy, but rather how institutions can organize, govern, and resource them most effectively.

Looking across three years of benchmarking data, and considering parallel findings from the [CHLOE](#) research alongside the principles articulated in the [UPCEA Hallmarks of Excellence in Digital Learning Enterprises](#), several broader conclusions emerge that extend beyond the individual survey results and point toward the future of digital learning leadership.

The first and perhaps most significant conclusion is that online enterprises have become enduring institutional infrastructure. Across the three editions of this study, respondents consistently reported expanding portfolios of responsibility that extend well beyond supporting online courses. Today's digital learning enterprises commonly oversee instructional design, faculty development, accessibility, marketing, enrollment management, learner support, educational technologies, analytics, artificial intelligence initiatives, compliance activities, and elements of strategic planning. These responsibilities are no longer peripheral functions designed to support a single instructional modality; together they represent a core institutional capability that influences academic quality, operational effectiveness, enrollment strategy, and institutional competitiveness. As digital learning becomes increasingly woven into every aspect of institutional operations, online enterprises have evolved from specialized support units into organizations that enable institutional transformation.

At the same time, the data repeatedly challenge one of the most enduring assumptions in higher education - that organizational structure alone determines success. Across institutions represented in the BOnES study, successful enterprises can be found in centralized, decentralized, and hybrid models. No single organizational arrangement consistently outperforms another. Rather, the findings suggest that institutional effectiveness depends less on where an online enterprise resides on an organizational chart than on whether leadership

authority, governance, financial resources, staffing, technology, and institutional priorities are aligned. Institutions that intentionally connect these elements appear better positioned to respond to changing learner expectations and organizational challenges regardless of their reporting structure. Organizational charts may describe how institutions are organized, but alignment determines how effectively they operate.

This evolution has also fundamentally reshaped the role of online leadership. Over the past three years, online leaders have become increasingly responsible for issues that extend well beyond the management of online programs. The introduction of artificial intelligence into teaching, learning, and administration has accelerated this trend, requiring online leaders to participate in conversations about governance, ethics, data privacy, technology strategy, and institutional risk. At the same time, institutions increasingly rely on these leaders to support workforce partnerships, microcredentials, faculty innovation, learner success initiatives, and institutional financial sustainability. The role of the Chief Online Learning Officer, and those serving in comparable positions, has become one of enterprise leadership rather than operational management. As responsibilities continue to expand, institutions should periodically assess whether governance structures, decision-making authority, and resource allocation have evolved at the same pace as leadership expectations.

Perhaps the most important implication of these findings is that the competitive landscape for online education has changed. Earlier generations of institutional strategy focused on whether colleges and universities offered online learning. That question has largely been answered. Today, competitive advantage increasingly depends on how effectively institutions organize and sustain their digital learning enterprises. Mature governance, integrated technology ecosystems, strong instructional support, responsible AI adoption, sustainable financial models, high-quality learner services, and a culture of continuous improvement are emerging as stronger differentiators than modality alone. This mirrors broader trends identified through the [CHLOE](#) studies, which increasingly emphasize institutional readiness and organizational capability over simple measures of online adoption. Institutions are no longer competing on the existence of online programs; they are competing on the effectiveness of the enterprises that support them.

These observations also suggest that benchmarking itself is evolving. While comparing organizational structures, staffing models, budgets, and reporting relationships remains valuable, these characteristics are ultimately proxies for broader institutional capabilities. Future benchmarking efforts should increasingly examine an institution's capacity to govern emerging technologies, integrate data-informed decision-making, foster innovation, support lifelong learning, manage institutional risk, and sustain organizational resilience. As digital learning continues to intersect with workforce development, credential innovation, learner mobility, and artificial intelligence, benchmarking must move beyond describing organizational characteristics toward measuring institutional capability.

Ultimately, the purpose of benchmarking is not to identify a single model worthy of replication, but to provide institutional leaders with evidence that informs thoughtful strategic decision-making. The findings presented throughout this report demonstrate that successful digital learning enterprises are defined less by their organizational structure than by their ability to align leadership, governance, technology, finance, and learner-centered practices in support of institutional mission. That conclusion is reinforced by both the longitudinal trends emerging from the BOnES research and the broader body of evidence in [CHLOE](#) studies.

Together, the Benchmarking Online Enterprises research and the [UPCEA Hallmarks of Excellence in Digital Learning Enterprises](#) offer complementary perspectives on institutional maturity. BOnES provides empirical evidence of how institutions currently organize, resource, and govern their digital learning enterprises. The Hallmarks articulate the organizational capabilities and leadership practices that institutions should aspire to develop as digital learning becomes increasingly central to institutional strategy. Used together, they offer institutional leaders both a mirror and a map: one reflecting where the field stands today, the other pointing toward the capabilities that will define excellence in the years ahead.

AI Disclosure

Artificial intelligence (AI) tools were used in a limited, collaborative, and supportive capacity during the development and refinement of this report. Multiple AI-assisted workflows informed the editorial process. A custom Claude-based assistant was used to help identify, interpret, and challenge narratives developed by the authors based on evolving trends in digital learning. The tool also generated suggested draft language to strengthen or clarify sections of the report.

Separately, a customized ChatGPT research assistant, developed specifically to support the long-term evolution of the *Benchmarking Online Enterprises (BOnES)* research program, was used to compare findings across multiple editions of the BOnES study, identify longitudinal themes, examine areas of alignment and divergence with related research, including the Quality Matters/Eduventures [CHLOE](#) studies, and suggest opportunities to strengthen the report's narrative and organizational framework. The tool also assisted in developing draft language for synthesized narrative content, while helping ensure consistency with the [UPCEA Hallmarks of Excellence in Digital Learning Enterprises](#).

Following AI-assisted drafting and analysis, contributing authors and editors engaged in multiple rounds of human review and revision to refine clarity, improve readability, strengthen alignment with institutional perspectives, and ensure consistency in tone and intent. In several instances, authors requested revised or alternative language after these human edits to improve precision and better reflect the evidence presented.

At all stages, human contributors maintained full responsibility for the selection and interpretation of findings, verification of reported data, editorial judgment, and the accuracy, integrity, and final content of the report.

Appendix: Online Enterprise Benchmarking Survey Questions

Thank you for agreeing to help us with this important research. The survey will take approximately 10 minutes to complete. All responses will remain anonymous. Individuals that complete the study will receive an early copy of the final research paper produced as a result of this research and will receive access to an exclusive results webinar. The results of this survey will be featured as a session at UPCEA's #SOLAR26 event in July. The final report will be released at #SOLAR26.

Demographics

- 1) What is your title?
- 2) I am the lead decision-maker for an online enterprise at the following level:
 - a) Institutional level
 - b) College level
 - c) Unit level
 - d) Other (please specify)
 - e) None of the above/I am not a decision-maker for an online enterprise [Terminate]
- 3) What is your institution's IPEDS ID? If you're unsure, you can look up your institution [here](#) or you can enter your institution name in the box below. As a reminder, all information will be kept anonymous and confidential.
- 4) For the following question, provide information based on how *your institution* defines online courses. Please provide the following for the entire 2024-2025 academic year (inclusive of all terms and online learners enrolled as defined by your institution):
 - a) The unduplicated headcount for learners enrolled in fully online courses
 - b) The total student credit hours for learners enrolled in fully online courses
- 5) Which of the following best describes the organizational location of your institution's online enterprise(s)?
 - a) Provost's office
 - b) Standalone unit
 - c) Nested within multiple academic units (i.e., colleges, schools, etc.)
 - d) Other (please specify)

[Only show for those that indicate multiple units in Q5] If there are other people at your institution with a similar title or level at another online enterprise within your institution, please invite them to participate in this research using this link: XXXX

Online Enterprise - Size and Structure

Please remember to answer the remainder of the survey from your lens as a decision maker for an online enterprise at the [insert answer from Q2].

6) Please rate how strongly you agree or disagree with the following statements:

	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
My online enterprise is <i>administratively decentralized</i> . For the purpose of this research, administratively decentralized is defined as most administrative functions (e.g., enrollment management, student support, instructional design, etc.) occurring in individual academic units or in other university units, even those that are centralized, outside the online enterprise (e.g. University marketing)					
My online enterprise is <i>academically decentralized</i> . For the purpose of this research, academically decentralized is defined as faculty, programs, and courses emanating from multiple academic departments or units for online programs.					

- 7) Which of the following are responsibilities for your online enterprise? Please select all that apply.
- a) Accessibility/captioning
 - b) Advising
 - c) Career services
 - d) Data/analytics
 - e) Faculty development
 - f) Instructional salaries & stipends
 - g) Financial aid/scholarships for learners
 - h) Helpdesk
 - i) Instructional design
 - j) LMS administration
 - k) Marketing
 - l) Media design
 - m) Mental health support
 - n) OPM relationship management
 - o) Proctoring/ID verification
 - p) Recruitment/enrollment
 - q) Student success/coaching
 - r) Teaching and learning center
 - s) Other (please specify)
- 8) Which of the following program types are included in your online enterprise's portfolio of programs that it supports? Please select all that apply.
- a) Undergraduate credit-bearing certificates
 - b) Full undergraduate degrees (inclusive of reduced credit ~ 90 cr hr programs)
 - c) Undergraduate degree completion programs (inclusive of articulation agreements ~ 2+2, 3+1 programs)
 - d) Graduate credit-bearing certificates
 - e) Graduate degrees
 - f) Terminal degrees
 - g) Microcredentials, non-degree or alternative credentials
 - h) Corporate/Non-Credit Training
 - i) Dual credit
 - j) Other (please specify)

Online Enterprise – Budget, Revenue, and Staffing

- 9) For the 2024-2025 academic year, what was your online enterprise's *total* budget? Please list the budget in USD.
- 10) What budget model does your institution *primarily* deploy for its online enterprise(s)?
- a) Incremental budgeting
 - b) Mission-based budgeting
 - c) Program/performance-based budgeting
 - d) Responsibility-centered management (RCM)
 - e) Zero-based
 - f) Other (please specify)

- 11) Including yourself, how many full-time or full-time equivalent (FTE) employees (i.e., two half-time employees equals one full-time employee) are funded by your online enterprise?
- a) Administration [not in Q7]
 - b) *Pull selected answers from Q7*
- 12) For the 2024-2025 academic year, what was your online enterprise's total *gross* revenue? Please list gross revenue in USD.
- 13) Which of the following best describes your online enterprise's overall budget for the next fiscal year compared to the previous fiscal year?
- a) Greatly increase [Go to Q14]
 - b) Increase [Go to Q14]
 - c) Neither increase nor decrease [Go to Q16]
 - d) Decrease [Go to Q15]
 - e) Greatly decrease [Go to Q15]
- 14) [Show for increase] What percentage do you believe your online enterprise's overall budget will increase by in the next fiscal year? If you are unsure, please feel free to estimate. [Go to Q16 after completion]
- 15) [Show for decrease] What percentage do you believe your online enterprise's overall budget will decrease by in the next fiscal year? If you are unsure, please feel free to estimate.

Finances and Funding

- 16) Which of the following best describes your **PRIMARY** online enterprise's financial model?
- a) A fee for services model in which costs/fees are charged to the academic department(s) as the sole source of revenue for the enterprise (internal OPM).
 - b) A revenue share model in which online program revenue is divided between multiple units or entities, including the online enterprise
 - c) A fee-based model where students pay an online fee which primarily supports the unit
 - d) A revenue/resource dependent entrepreneurial model in which the online enterprise directly receives fees and tuition.
 - e) The online enterprise is funded from the institution's general funds.
 - f) Other (please specify)

17) Please select which funding sources YOUR online enterprise relied upon in the most recent fiscal year.

	Major Source (25% or more annually)	Minor Source (0 to 24% annually)	Episodic or Ad-Hoc Source	Not Used	Not Sure/NA
Auxiliary income (e.g., testing, proctoring)					
Central budget allocation					
Corporate / Noncredit contracts					
Foundation / Endowment					
Grants or philanthropy					
One-time cash infusion					
Online / distance-education fees					
Online / distance-education tuition					
OPM / OPE remittances					
Prior-year carryforward					
Portion of revenue directly allocated to the online enterprise					
State budget or system office allocation					
Transfers from colleges/schools					
Other (please specify)					

18) Is an online or distance education fee assessed to students enrolled in online courses?

- a) Yes, it is a standard fee across the institution
- b) Yes, but it varies (by college, program, etc.)
- c) No [Go to Q23]
- d) Not sure [Go to Q23]

19) How is the online or distance education fee assessed? Please select all that apply.

- a) Per credit
- b) Per course
- c) Per program
- d) Varies
- e) Other (please specify)

20) Please select the criteria used to assess distance learning fees (considering the modality combined with the fee assessment)

Modality	Per Credit	Per Course	Per Program	Varies	Not Sure/NA
Online					
Hybrid					
Web-enhanced					

21) What is the *average* online or distance education fee assessed?

22) Who establishes the amount of your online or distance education fee? Please select all that apply.

- a) System administration
- b) Institutional central administration
- c) College/school
- d) Online enterprise
- e) Other (please specify)

23) [Hide those not selected in Q7] How responsible is your online enterprise's budget for the following functions:

	Fully Responsible	Shared Cost	Not Responsible	Not Sure/NA
Accessibility/captioning				
Advising				
Career services				
Central administration				
Central Overhead				
Data/analytics				
Faculty development				
Instructional salaries & stipends				
Financial aid/scholarships for learners				
Helpdesk				
Instructional design				
LMS administration				
Marketing				
Media design				
Mental health support				
OPM relationship management				
Proctoring/ID verification				
Recruitment/enrollment				
Student success/coaching				
Teaching and learning center				

24) Is your online enterprise permitted to carry forward either of the following?

	Yes	No	Not Sure	It Depends
Year-end balances				
Operating reserves		[Go to Q26]	[Go to Q26]	[Go to Q26]

25) What is the current reserve size as a percentage of your online enterprise's budget?

26) Does your online enterprise have a separate/additional start-up fund(s) for the launch and incubation of new programs apart from any reserves?

- a) Yes
- b) No [Go to Q29]
- c) Not sure [Go to Q29]

27) In USD, what is the *average* annual size of your online enterprise's start-up fund(s) for the launch and incubation of new programs apart from any reserves?

28) Which of the following are leveraged as funding sources for **YOUR** online enterprise's start-up fund(s)? Please select all that apply.

- a) Auxiliary income (e.g., testing, proctoring)
- b) Central budget allocation
- c) Corporate/noncredit contracts
- d) Foundation / Endowment
- e) Grants or philanthropy
- f) One-time cash infusion
- g) Online/distance-education fees
- h) Online/distance-education tuition
- i) OPM/OPE remittances
- j) Prior-year carryforward
- k) Portion of revenue directly allocated to the online enterprise
- l) State budget or system office allocation
- m) Transfers from colleges/schools
- n) Other (please specify)

Competitive Environment

29) Which of the following does your online enterprise use to better position its online programs in a competitive environment? Please select no more than three.

- a) Access to job placement / career services
- b) Pricing compared to online competitors
- c) Pricing compared to in-person competitors (internal or external)
- d) Brand
- e) Coaching/mentors
- f) Faculty
- g) Credit transfer
- h) Marketing
- i) Recruitment/enrollment
- j) Rankings
- k) Prior learning assessment / award of credit
- l) Incremental credentials nested *within* a degree
- m) Stackable credentials *that lead* to a degree
- n) Quality
- o) Scholarships/financial aid
- p) Other (please specify)

30) How strongly do you agree or disagree with the following statements:

	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
My institution expects to obtain greater market share of the online marketplace in the next three years					
Learner demand for <i>graduate</i> online programs is increasing at my institution					
Learner demand for <i>undergraduate</i> online programs is increasing at my institution.					
An increasing percentage of <i>traditional undergraduate</i> students desire online courses for at least some of their degree					
Institutional leadership has indicated that online learning is a strategic direction for the institution.					
Academic integrity issues are first raised within the context of online learning regardless of how applicable they may be to other modalities (e.g. the use of AI in online courses is discussed before the use of AI in all courses).					
There are individuals on my campus, in decision-making positions, who believe that online learning has cannibalized on-campus courses and programs.					
There are individuals on my campus, in decision-making positions, who believe if a program is not offered online, learners will enroll in on-campus programs.					

31) What is the single **biggest** challenge to the success of your online enterprise?

32) If you'd like to receive a copy of the final results when they become available, please provide the following:

- a) First name
- b) Email

Thank you for your time! You'll receive an invitation to participate in the VIP webinar once the data has finished collecting.



UPCEA is the online and professional education association. Our members continuously reinvent higher education, positively impacting millions of lives. We proudly lead and support them through cutting edge research, professional development, networking and mentorship, conferences and seminars, and stakeholder advocacy. Our collaborative, entrepreneurial community brings together decision makers and influencers in education, industry, research, and policy interested in improving educational access and outcomes.

Uranis, J., Etter, B., & Sullberg, D. (2026). Benchmarking Online Enterprises: Insights into Structures, Strategies, and Financial Models in Higher Education [Review of Benchmarking Online Enterprises: Insights into Structures, Strategies, and Financial Models in Higher Education]. UPCEA.