MEMO

TO: Faculty Senate
FROM: Dean Peter Rodriguez, Jones Graduate School of Business
       Deputy Dean Jeff Fleming, Jones Graduate School of Business
       Senior Associate Dean Barbara Ostdiek, Jones Graduate School of Business
SUBJECT: Proposal for Hybrid Online MBA Degree Program, MBA@Rice
DATE: November 3, 2017

Proposal

The Jones School seeks Faculty Senate approval to offer our existing MBA degree through a new hybrid online MBA degree program, MBA@Rice. The curriculum for the proposed program is very closely modeled on the existing MBA for Professionals degree program, the modality, however, differs. MBA@Rice is a hybrid program with course delivery occurring through asynchronous (video) content, synchronous small-section live sessions, and residential intensive learning experiences.

The proposed program allows the school to extend the reach of its distinctive fully-employed MBA degree programs by serving a population of students we cannot reach through existing on-campus programs. It is possible to design and deliver a program of the same academic rigor and high-quality student experience, because of the hybrid nature of the delivery model and the ability to leverage the technological and pedagogical advances currently propelling online education. The program does not require substantial up-front investment and is quickly scalable, resulting in a financial model that is not only sustainable but contributes substantial financial resources in steady state. This allows the school to build faculty, increase support of the research mission, and enhance our existing degree programs.

This proposal to the Faculty Senate incorporates revisions and clarifications following 1) discussions with Graduate Council and feedback from Graduate Council Chair, Prof. April Deconick and 2) feedback from Speaker of the Faculty Senate, Prof. Jeffrey Fleisher, following consideration of the proposal by the Faculty Senate Executive Committee.

Substantive Change

Jones School faculty approved launching a hybrid online MBA degree program at the May 9th faculty meeting. The key elements of the approved proposal are 1) the curriculum will be consistent with the curriculum of existing Rice MBA degree programs and, in particular, modeled after the MBA for Professionals degree program, 2) admissions standards will be the same as the standards for the MBA for Professionals degree program, 3) tuition will be consistent with tuition for the MBA for Professionals degree program, 4) courses will be designed, developed and delivered by full-time faculty responsible for courses in our existing MBA degree programs who have voluntarily agreed to participate, and 5) the Jones School will partner with 2U to provide the technology, the online education expertise, and the operational support to develop and deliver the asynchronous content and the live class sessions and to provide digital marketing expertise to support our enrollment targets at our quality standards.
This proposal focuses first on the academic program highlighting, in particular, where and why the curriculum differs from the existing MBA for Professionals program. The next section focuses on the resources and oversight and governance issues associated with the hybrid online modality. The third section focuses on the third-party vendor, 2U, selected to support delivery of the program. The fourth section provides the financial model, which is also discussed in Dean Rodriguez’s letter of support. The fifth section discusses significant risks and the final section summarizes key features of the proposal.

1. The Program

General Structure and Curriculum

- 54 total semester credit hours {matches MBA for Professionals}
- 48 semester credits in regular term courses
- Minimum 3.0 semester credit hours of 1.5 semester-credit-hour residency, intensive learning experiences (ILEs)
- Minimum 3.0 semester credits required in additional electives or ILEs

All courses will be offered each term but, in general, students must take the courses in a predetermined sequence. This is intended to foster the cohort nature of the program, the standard pedagogical approach for MBA programs, and facilitate curriculum development. The required course sequence is provided below. Elective courses will be determined by the Senior Associate Dean of Degree Programs, working with area coordinators and faculty leads, consistent with the practice for existing degree programs. The initial set of electives are provided below.

Curriculum. The table provides the core (required) curriculum in our existing MBA for Professionals Evening and Weekend programs and for the proposed hybrid online program. (Please see Appendix A for a schematic of the curriculum.) For MBA@Rice, deviations from the existing programs are highlighted and discussed below. In adapting our Professional program for the hybrid online modality, the Jones School Curriculum Committee assessed trade-offs required to deliver the curriculum within the parameters of the hybrid format and the calendar structure. As is required for each of our programs, the faculty must design a curriculum that meets rigorous academic standards, despite the different constraints present for each program. Importantly, our MBA curriculum is not delivered to our students in precisely the same fashion or in the same format in any our programs. Nonetheless, the faculty have approved the curriculum in each program as meeting the appropriate academic standards.

### MBA for Professionals Programs

<table>
<thead>
<tr>
<th>Subject Code</th>
<th>Course #</th>
<th>Core Courses (Required)</th>
<th>Evening &amp; Weekend Credit Hours</th>
<th>ILE</th>
<th>Proposed Program Credit Hours</th>
<th>ILE</th>
</tr>
</thead>
<tbody>
<tr>
<td>MGMP</td>
<td>501</td>
<td>Financial Accounting</td>
<td>3.00</td>
<td></td>
<td>3.00</td>
<td></td>
</tr>
<tr>
<td>MGMP</td>
<td>502</td>
<td>Managerial Accounting</td>
<td>1.50</td>
<td></td>
<td>1.50</td>
<td></td>
</tr>
<tr>
<td>MGMP</td>
<td>510</td>
<td>Organizational Behavior</td>
<td>1.50</td>
<td></td>
<td>1.50</td>
<td></td>
</tr>
<tr>
<td>MGMP</td>
<td>511</td>
<td>Organizational Change</td>
<td>0.75</td>
<td></td>
<td>0.75</td>
<td></td>
</tr>
</tbody>
</table>
Deviations from On-Campus MBA for Professionals Curriculum. In general, when the curriculum for the proposed online program deviates from the on-campus Professional MBA curriculums the deviation is driven by feasibility constraints imposed by the calendar structure of the online program. The Jones School Curriculum Committee assessed trade-offs across format (regular-term, online courses versus the residential intensive learning experience (ILE) courses) and across course designation (required, custom core or elective course). Below are the details of each deviation in the MBA@Rice program from the existing professional programs.

- **MGMP/W 560 Corporate Responsibility** is a 0.75 semester credit course in the Evening and Weekend programs and is delivered in an ILE format. For our full-time program the course is delivered as a standard course and, in the recent past, it has been delivered as a regular-term course in the Professional Weekend program as well. In both Professional programs the course was offered as a 1.5 semester credit course before recent changes to the curriculum resulted in a smaller footprint for this course. The motivation for that reduction was driven, in part, by the co-curricular programming that addresses issues of corporate responsibility and ethics. We anticipate less co-curricular programming in MBA@Rice and, therefore, chose to offer a 1.5 credit course in this program.

- **MGMP/W 541 Economic Environment of Business** and **MGMP/W 561 Government Business Relations** are custom core courses in the Evening and Weekend programs. For each of those programs, the calendar format limits the number of required regular-term courses. In an effort to ensure that all students have some exposure to the political and economic

<table>
<thead>
<tr>
<th>Course Code</th>
<th>Course Title</th>
<th>Credits</th>
<th>Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td>MGMP 540</td>
<td>Managerial Economics</td>
<td>1.50</td>
<td>1.50</td>
</tr>
<tr>
<td>MGMP 543</td>
<td>Finance</td>
<td>3.00</td>
<td>3.00</td>
</tr>
<tr>
<td>MGMP 560</td>
<td>Corporate Responsibility</td>
<td>0.75</td>
<td>x</td>
</tr>
<tr>
<td>MGMP 541</td>
<td>Economic Environment of Business[^1]</td>
<td>1.50</td>
<td>1.50</td>
</tr>
<tr>
<td>MGMP 561</td>
<td>Business-Government Relations[^1]</td>
<td></td>
<td>1.50</td>
</tr>
<tr>
<td>MGMP 570</td>
<td>Competitive Strategy</td>
<td>1.50</td>
<td>x</td>
</tr>
<tr>
<td>MGMP 571</td>
<td>Strategy: Formulation &amp; Implementation</td>
<td>1.50</td>
<td>1.50</td>
</tr>
<tr>
<td>MGMP 574</td>
<td>Operations</td>
<td>1.50</td>
<td>1.50</td>
</tr>
<tr>
<td>MGMP 580</td>
<td>Marketing</td>
<td>3.00</td>
<td>3.00</td>
</tr>
<tr>
<td>MGMP 595</td>
<td>Data Analysis</td>
<td>3.00</td>
<td>3.00</td>
</tr>
<tr>
<td>MGMP 594</td>
<td>Strategic Business Communication I</td>
<td>0.75</td>
<td>1.50</td>
</tr>
<tr>
<td>MGMP 596</td>
<td>Strategic Business Communication II</td>
<td>0.75</td>
<td></td>
</tr>
<tr>
<td>MGMP 708</td>
<td>Leadership</td>
<td>1.50</td>
<td>x</td>
</tr>
<tr>
<td>MGMP 709</td>
<td>Negotiations</td>
<td>1.50</td>
<td>x</td>
</tr>
<tr>
<td>MGMP 798</td>
<td>1st Year Capstone</td>
<td>1.50</td>
<td>x</td>
</tr>
<tr>
<td>MGMP 799</td>
<td>Capstone</td>
<td>3.00</td>
<td>3.00</td>
</tr>
<tr>
<td>MGMP XXX</td>
<td>Global Field Experience</td>
<td>3.00</td>
<td>x</td>
</tr>
<tr>
<td>MGMT 621</td>
<td>New Enterprise[^2]</td>
<td></td>
<td>3.00</td>
</tr>
</tbody>
</table>

[^1] Student choose one of these two courses in the Evening and Weekend programs.

[^2] An elective course in Weekend and Evening programs, required course in MBA@Rice.
environment of business, students must choose to take one of these two courses. In MBA@Rice, we do not face this constraint on regular-term courses and are able to include both of these business environment courses in the required curriculum.

- MGMP/W 570 Strategy I is taught in an ILE format in the Evening and Weekend programs. Because of the constraints on the feasible number of required ILE residential courses, this course was identified as a course that could be effectively delivered as a regular-term course in the online format.

- MGMP/W 594/596 Strategic Business Communication is split across two semesters, with a 0.75 credit course in each semester, in the Evening and Weekend programs. This split is not necessary or desired in the MBA@Rice program. In all MBA for Professionals programs, credit hours for this course content totals 1.5.

- MGMP/W 708 Leadership is taught in a condensed ILE format in the Evening and Weekend programs. Because of the constraints on the feasible number of required ILE residential courses, the course was identified as a course that could be effectively delivered as regular-term course in the online format.

- MGMP/W 798 First Year Capstone is an ILE-based course in the Evening and Weekend programs. Historically the course has been centered around a business simulation. Because of the constraint on the number of required ILE residency courses that can be offered in the MBA@Rice program, the Jones School Curriculum Committee chose to not make the course, or the simulation experience, required. This does not preclude this type of simulation course being built into an ILE residency course in the MBA@Rice program as an elective option.

- MGMP/W XXX Global Field Experience is a new required week-long course in the Evening and Weekend programs. The calendar format of the MBA@Rice makes a week-long required course infeasible hence, the required course is structured as a 1.5 credit course rather than a 3.0 credit course as it is in the existing programs. Note, it is anticipated that complementary co-curricular or elective programming will be available in association with the required Global Field Experience course, extending the experience and deepening the learning outcomes.

- MGMT 721 Business Law is an elective in the Evening and Weekend programs and a custom core course in our full-time MBA program. It is not uncommon for Business Law to be a required course in MBA programs and, in the past, this course has been required in our MBA for Executives program. The committee determined that for MBA@Rice, Business Law was an appropriate addition to the set of required courses. We have an existing well-developed course that can be effectively offered in the online format.

- MGMT 621 New Enterprise is an elective in the Evening and Weekend programs. New Enterprise is a custom core course in our full-time MBA program and, in the past, it has been a required course in all of our MBA programs. The committee determined that New Enterprise was an appropriate requirement for MBA@Rice because it is a broad-based course that can serve as a summative experience for the student. With the focus on all aspects of a new business, the course complements the program capstone course which focuses on strategy development for a going concern. We have an existing well-developed course that can be effectively offered in the online format.
Elective Offerings. The elective portfolio in the MBA@Rice will initially focus on a set of primary electives that allow a student to choose to tilt their program towards finance, marketing, or entrepreneurship or to gain general management breadth. In the online program, it is not feasible to offer the same number of elective courses that are available in our on-campus programs. This is the result of both the cost to create and offer the courses and also from the perspective of demand. With approximately 72 students in a cohort, more than 3 or 4 electives per elective slot would result in classes that were too small for quality engagement in the live sessions. In steady state, for each elective, we will offer the number of sections necessary to keep the live sessions at 20 or fewer students. As we do with our on-campus programs, we will periodically review our elective portfolio, adjusting our offerings as appropriate based on changing student demand and changes in the academic disciplines.

<table>
<thead>
<tr>
<th>Initial Elective Offerings</th>
<th>Subject Code</th>
<th>Course #</th>
<th>Course Title</th>
<th>Credit Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>MGMT</td>
<td>648</td>
<td>Applied Finance</td>
<td>1.50</td>
<td></td>
</tr>
<tr>
<td>MGMT</td>
<td>642</td>
<td>Futures &amp; Options</td>
<td>1.50</td>
<td></td>
</tr>
<tr>
<td>MGMT</td>
<td>601</td>
<td>Financial Statement Analysis</td>
<td>3.00</td>
<td></td>
</tr>
<tr>
<td>MGMT</td>
<td>645</td>
<td>Investments</td>
<td>3.00</td>
<td></td>
</tr>
<tr>
<td>MGMT</td>
<td>646</td>
<td>Advanced Corporate Finance</td>
<td>3.00</td>
<td></td>
</tr>
<tr>
<td>MGMT</td>
<td>686</td>
<td>Marketing Research</td>
<td>1.50</td>
<td></td>
</tr>
<tr>
<td>MGMT</td>
<td>680</td>
<td>Customer Analytics</td>
<td>1.50</td>
<td></td>
</tr>
<tr>
<td>MGMT</td>
<td>684</td>
<td>Brand Management</td>
<td>1.50</td>
<td></td>
</tr>
<tr>
<td>MGMT</td>
<td>682</td>
<td>Pricing Strategies</td>
<td>1.50</td>
<td></td>
</tr>
<tr>
<td>MGMT</td>
<td>626</td>
<td>Financing the Start-Up Venture</td>
<td>1.50</td>
<td></td>
</tr>
<tr>
<td>MGMT</td>
<td>627</td>
<td>Enterprise Acquisition</td>
<td>1.50</td>
<td></td>
</tr>
<tr>
<td>MGMT</td>
<td>641</td>
<td>Entrepreneurial Strategy</td>
<td>1.50</td>
<td></td>
</tr>
<tr>
<td>MGMT</td>
<td>733</td>
<td>Strategies for Growth</td>
<td>1.50</td>
<td></td>
</tr>
<tr>
<td>MGMT</td>
<td>713</td>
<td>Global Business Strategy</td>
<td>3.00</td>
<td></td>
</tr>
</tbody>
</table>

Residential Intensive Learning Experience (ILE) courses. The ILE format is adopted for various courses in our existing programs. These courses tend to be more experiential in nature and courses that do not require building blocks of knowledge but instead might benefit from an immersive approach that can drive towards understanding a qualitative concept or an applied framework. Because the overall program experience for the online student can be enhanced by some opportunity to meet with faculty and other students in person, we have built into the program two required residencies. The Leading Change required residency will be on campus and the Global Field Experience required residency will be at a location outside of the United States. Both courses will be modelled closely on existing ILEs offered in our Professional program. It is expected that in addition to the credit-bearing component, additional programming aimed at enhancing the overall student experience will be incorporated into the residencies.
Program Learning Outcomes (PLOs) and Assessment. The PLOs for this MBA program are the same as the PLOs for our existing MBA degree programs and the assessment of the PLOs will follow the same process followed in our existing MBA degree programs.

**PLO 1: Demonstrate an understanding and application of the foundational frameworks and tools of all business disciplines, including accounting, finance, marketing, organizational behavior, operations, and strategic management.**

Assessment: A faculty panel consisting of the Senior Associate Dean of Degree Programs and the faculty area coordinators perform an assessment based on a review of random samples of student summative projects and exams in discipline-based core courses.

**PLO 2: Develop, evaluate, and implement complex business strategies and operational solutions holistically, integrating management principles across the functional areas.**

Assessment: Each program has a “capstone” applied consulting course that serves as a summative evaluation of the core curriculum. All course assignments are evaluated on customized rubrics specifically designed to support course objectives and this learning outcome. The rubrics contain a minimum of 4-5 major weighted criteria with multiple sub-criteria associated with each one. The collective set of assignments and criteria support the desired learning outcomes. Each assignment is evaluated by the lead faculty member for that team and the lead instructor for the course.

**PLO 3: Function effectively in a team setting both as a leader and a contributor.**

Assessment: All entering MBA students are assigned a learning team comprised of 4-5 individuals. They work in these teams in each of their courses throughout the entire first year. First-year students complete a team evaluation at the end of their first semester. This is a “team 360” with each team member responding to a series of questions about their experience with their team focusing on variables such as conflict management, time management, innovation, trust, and accountability. Additionally, each team member is required to provide feedback to team members about their (behavioral) contribution to the team experience.

Faculty Resources. Each course is designed by a lead faculty. This is the instructor of record for the course and will typically be a full-time, tenured faculty member who has developed and delivered the same course in an existing program and who has voluntarily agreed to participate in this program. The lead faculty produces the asynchronous content, develops assignments, evaluations, and the materials necessary for live sessions; provides oversight of course delivery each term; and approves final grades for the course. The lead faculty refreshes the course content and materials as needed.¹ See Appendix B for a description of the course development process.

As a voluntary, “overload” undertaking, the lead faculty member for each course will receive a stipend for building the course, for on-going oversight of the course each term, and for necessary periodic refreshes of the course. Initial development of the course is a time-consuming commitment. The program is structured to ensure that the on-going oversight of the program is

¹ Note, all asynchronous assets are owned by Rice University.
not a significant burden. Course refreshes typically require a meaningful investment every 4-5 years. (Note, the “overload” teaching arrangement is similar to Executive Education teaching in the Jones School.)

For MBA@Rice, the Dean’s Office has worked with Area Coordinators to identify faculty interested in adapting their on-campus course for the online environment. Because multiple faculty teach a given course across our existing programs, we have multiple faculty to draw from for a given course in the proposed program. See Appendix C for the list of potential faculty.

Each course has a coordinating instructor who oversees the section instructors and is the liaison to the lead faculty. The coordinating instructor is a Jones School lecturer and is responsible for ensuring consistency across the sections in meeting learning outcomes and in grading student performance. In steady-state, each required course will have 70-80 students in total, across four live-session sections. Coordinating instructors lead weekly planning sessions with all section instructors. The lead faculty could serve as the coordinating instructor, at the discretion of the faculty member and the dean’s office. Coordinating instructors need not be present on campus.

Each section has a section instructor who leads a weekly live session and grades the students in the section. Each section will have 15-20 students. Section instructors may lead more than one section. We anticipate that coordinating instructors also serve as a section instructor for at least one section. Section instructors will be lecturers and will be subject experts hired, trained, and overseen by Rice. Section instructors need not be present on campus.

The school will have to identify and hire coordinating and section instructors. These will be almost exclusively part-time lecturers. They will go through the same hiring and vetting process that we currently use for our part-time faculty with the additional conditions that 1) the lead faculty for each course must approve of the coordinating and section instructors and 2) all instructors must be trained in effective online instruction.

Administrative resources. Additional staff resources will be needed for admissions, financial aid, registrar and student records, student advising and global programming. These additional resources will be brought on as needed with growth of the program and will be integrated into our existing staff departments. The resources needed relative to the size of the program are far fewer than needed for our on-campus programs. This is primarily because of the operational support provided by 2U. Additional resources will also be required at the University level. Please see Appendix D the letter from Provost Miranda for a commitment to providing those resources.

Admissions. Marketing and recruitment will largely be executed by 2U with close coordination with the Jones School Office of Admissions and the Jones School Marketing and Communications Department. The Jones School provides the parameters that drive 2U’s recruiting focus. The specific parameters of the marketing protocols and of the nature of the collaboration are contractually specified. All applications are made to Rice University. All admission decisions are made by the Jones School, following the same procedures and applying the same standards as for our other MBA programs, in particular, the MBA for Professionals program. Rice University retains complete control over admission decisions.
**Student Advising.** Student academic advising will reside with the Jones School Student Program Office. Academic progress will be tracked, reviewed, documented and communicated to students using the same systems and procedures used for our on-campus programs.

**Calendar format.** Based on consultation with the Office of the Registrar, the program is designed to follow Rice’s three-semester academic calendar with two parts-of-term in the Fall (July and September starts), one in the Spring (January start) and one in the Summer (April start). Students will be admitted into the program each term. Each part-of-term is 12 weeks long with 10 weeks of classes, one week for summative evaluation, and one week for either an ILE course or a break. In steady state, all online courses will be offered each part-of-term. Students will typically take 6.0 semester credit hours per part-of-term.

**Course structure.** Each 10-week course is a 3.0 semester credit hour course. 1.5 semester credit courses will have five weeks of class sessions. Courses will have approximately 120 minutes of asynchronous content each week followed by a 90-minute live session with each section. Sections will typically have 15-20 students.

**Additional Information.**
- Please see Appendix E for GA language.
- Students enrolled in the MBA for Professionals programs do not have the option to enroll in any of our dual degree programs. This will also be the case for the MBA@Rice program.

**Time Line for Program Launch.**
- Fall 2017: Gain Faculty Senate approval
- Fall 2017: Begin building first and second term courses
- November 2017: Submit substantive change proposal to SACSCOC
- Spring 2018: Begin marketing program and adding necessary staff
- Spring 2018: Receive SACSCOC approval for substantive change
- Spring 2018: Begin building third and fourth term courses
- Late Spring 2018: Admit initial cohort (11 student target)
- Fall Semester 2018: Enroll initial cohort
- Ongoing: Build all courses
- Over first 8 terms: Ramp up to steady-state enrollments (72 targeted)

2. **Hybrid Online Modality**

**Rationale.** The Jones School’s top priority is to increase impact through research and distinctive degree programs with a national reputation and global reach. The proposed program would extend the reach our fully-employed MBA degree programs, serving students we cannot reach through programs. Leveraging the technological and pedagogical advances currently propelling online education, the program will be of the same academic rigor as our on-campus programs and will provide a high-quality student experience. As discussed below, because the program
does not require substantial up-front investment and is quickly scalable, the program will contribute substantial financial resources in steady state. This allows the school to build faculty, increase support of the research mission, and enhance our existing degree programs.

Implications for existing programs. It is anticipated that our existing programs will benefit from increased recognition of the Rice MBA brand, a spillover from 2U’s marketing spend on MBA@Rice. 2U data indicate that branded search for partner programs has increased after launch of an online program, without exception. Branded search increased approximately 30% after the launch of MBA@UNC and the selectively rate for the on-site program improved. Cannibalization of our evening Professional program is a concern but, to date, this has not been the experience for 2U’s university partners. Note, some institutions have chosen to close down unsustainable on-campus programs and launch the hybrid online program as a substitute.

Comparable Programs. The closest comparison to the proposed hybrid online program is the MBA@UNC. UNC’s hybrid online degree program is modelled on their on-campus MBA program and delivered in partnership with 2U. Online MBA programs are offered by growing number of top tier universities, including Carnegie Mellon University, Johns Hopkins University, Indiana University, University of Maryland, University of Southern California, Emory University, University of Minnesota, Pennsylvania State University, and University of Wisconsin-Madison.

Course Quality Assurance. Consistent with our on-campus programs, the Jones School faculty and administrative leadership are responsible for overseeing the quality of course content and delivery. Rice Online will support the oversight of quality standards for the online modality.

Course Refreshes. As with courses delivered on-campus, the evolution of MBA@Rice courses will be supported by the school to keep pace with theory, practice, research and accreditation. A process of ongoing review and revision will be in place to assure appropriate course evolution. A complete overhaul of each course occurs approximately every 4-5 years. There are three levels of revisions:

- Level 1: inter-term edits to text pages; merger or separation of units; edits to gradebooks; renaming of units; new syllabi; new or edited assessments; new textbooks and associated readings
- Level 2: intra-term (just-in-time replacement): factually incorrect course content; typos; broken hyperlinks; gradebook errors; video playback issues; setting changes
- Level 3: long-term: full reimagining of a course; significant % of course content added or replaced; new in-studio video produced

Recruiting and Oversight of Coordinating and Section Instructors. Coordinating and section instructors act as group facilitators rather than traditional classroom instructors. They are not responsible for the development of any course materials, but do have responsibility for reviewing information with students, grading, etc., similar to a teaching assistant.

As we add enrollment and sections, we will recruit individuals to serve in this capacity. The individuals will receive significant training and support for teaching in the online live session environment and significant oversight and support from the coordinating faculty and, ultimately, oversight from the lead faculty. All live sessions are recorded and can be monitored as desired.
We will have a staff position with significant responsibility for the recruiting and overseeing these instructors.

University Governance. At the request of the Graduate Council, the Jones School will provide a report in three years that evaluates the program in terms of staffing, faculty involvement, student admissions, student retention, quality of instruction, and interface with 2U.

3. Program Partner

2U. Rice University and the Jones School will partner with 2U (www.2u.com) to deliver the program and recruit students for intakes each term. Using an outside partner to market the program and recruit students reduces our upfront investment, provides access to digital marketing capabilities and talent that are likely not attainable directly, and leverages marketing spend for other online MBA degrees. Using an outside partner to deliver the program gives us access to scale in the required investments in infrastructure and experienced expertise and talent to develop asynchronous content and to deliver and support live sessions. 2U has granted Rice University exclusivity for online MBA programs in Texas. See Appendix F for information on the choice of 2U as the program partner. This partnership is also addressed by Caroline Levander, Vice President for Strategic Initiatives and Digital Education, in her letter of support (Appendix D).

Roles and Responsibilities

Rice
Add staff in Admissions, Registrar, Financial Aid, Advising.

- Admissions parameters
- Admissions decisions
- Curriculum design
- Course creation and up-keep.
- Hiring and supervising lead, coordinating & section instructors.
- Course delivery – intellectual content.
- Immersion planning & execution.
- All registrar duties.
- All financial aid duties.
- Higher-level academic advising.
- Career development support.

2U
30-40 across Marketing, Recruiting & Ops, + Program Mgr & Ops Director

- Digital marketing – paid & organic, coordinated with JGS marketing & benefiting JGS sites
- Recruiting – moving appropriate prospects through the funnel
- Instructional design – producer & content strategist work with faculty to develop asynchronous assets and learning outcomes and guidelines for synchronous sessions
- Course delivery – LMS & Adobe Connect/IT infrastructure & support
- Basic academic advising.
- Career development support.

4. Financial Model

Please see Appendix G for a summary of the MBA@Rice financial model based on projected enrollments. {Note in the past year, across it partner schools, 2U has hit enrollment targets with a margin of less than 1.5%.) Tuition is expected to closely follow the tuition of the on-campus MBA for Professionals. 2U receives a 60% share of MBA@Rice tuition revenue. 2U bears the following expenses: 1) all course production expenses outside of faculty compensation; 2) all
course delivery expenses outside of faculty compensation; 3) all marketing and student recruitment expenses (~$10-$12 million over first three years); 4) the majority of student and faculty logistical and experience-related support, including 24/7 student and faculty IT support for the proprietary learning management system and the Adobe Connect live session environment.

Jones School direct program expenses are concentrated in the instructional costs related to designing the course and developing the asynchronous assets and to delivering the course and providing instructors for the live sessions. The School will also need additional staff in admissions, the student program office, financial services, and career services. The contract with 2U includes a payment of $1 million to help defer start-up costs for the degree. In terms of magnitude, note that this start-up cost sharing approximately offsets the 2018-2019 instructional costs associated with the new degree program. Net revenues are projected to reach $8.8 million in the 5th year of the program.

5. Risk Assessment

**Brand Dilution.** A primary risk is dilution of our brand, to the extent that an online degree program is perceived as “second rate,” and a related risk is possible negative reaction by our students and alumni (driven by a similar perception). Both of these risks seem manageable. Importantly, we control the quality of the product and the quality of the student body, supported by the expertise of our partner. The quality of the technology and of the learning experience and the level of satisfaction with UNC’s program indicate that any first impressions of the program as being “second rate” will be short lived. In fact, 2U to-tier partner schools report that they do not face any significant issues on these fronts subsequent to program launch.

**Program Cannibalization.** Another risk is the degree to which the program cannibalizes enrollments in our Professional programs. 2U’s marketing team projects demand for our program coming largely from Texas, the Southwest and the West coast and that a large number of enrollments will come from Texas cities outside of Houston. Both UNC and Syracuse currently draw two thirds of their online enrollments from outside their home region. We believe that the program will extend our reach of our fully-employed programs to those not able to earn the degree through an on-campus program. The program is not likely to directly affect our full-time program as the target audience is generally different for full-time vs. fully-employed programs.

More generally, it is anticipated that our existing programs will benefit from increased recognition of the Rice MBA and Rice Business brand as a spillover from 2U’s marketing spend. 2U data indicate that, without exception, branded search for partner programs increased after launch of an online program. Branded search increased approximately 30% after the launch of MBA@UNC and the selectivity rate for the on-site program improved.

**Low Enrollments.** Typically, the largest concern when launching a new program is that enrollments, and therefore tuition revenue, will fall short of projections, failing to cover the necessary up-front investments and, perhaps, the variable costs of delivering the program. Our partnership with 2U reduces the direct risk of low enrollment: 2U has a proven ability to generate the applicant pool necessary to yield target enrollments. They have demonstrated this across a variety of graduate programs and with a number of partner institutions. 2U knows the online
MBA market well and has developed what are believed to be conservative estimates of MBA@Rice enrollments.

Furthermore, in the event that enrollments do fall short of projections, the Jones School has little financial exposure because of 2U’s investment in offsetting the cost of course development and other necessary start-up costs. Finally, because of the ramp-up period and our choice to integrate staff support of the new program into our existing staffing model, we will add resources as they are needed, ensuring that course delivery costs tied to enrollment do not run ahead of program revenues.

**Competition.** The greatest competitive risk is to not introduce the online MBA and build market share in Texas and the surrounding states where the Rice brand is particularly strong. As other strong schools in Texas and the region consider offering the online MBA, it will be to our benefit to have an established program offering. Our partner, 2U, has granted Rice University exclusivity in Texas for the MBA; they will not partner with another institution in Texas to offer an online MBA.

**Execution Risk.** A substantive change of this nature brings with it many execution risks. Mitigating these risks was an important contributing factor in our decision to launch the degree in collaboration with an experienced delivery partner. 2U provides full-service marketing, recruiting, and IT/systems infrastructure. The Jones School provides the world-class faculty, 2U provides dedicated teams of digital marketers, data scientists, operations analysts. 2U provides infrastructure we need to attract, enroll, educate and support students. In each program launch, 2U makes a substantial up-front investment, with $5-10 million of cumulative net negative cash over the first three to five years. This investment allows the program to achieve the quality and scale.

Based on our discussions with current partner schools, we are comfortable that 2U provides excellent support for course design and delivery and excellent student operational and programmatic support. Across schools and programs, 2U appears to consistently meet enrollment goals. More than half of 2U’s university partners have expanded their relationship with 2U by launching additional degree programs. Their first three partners (USC, UNC, and Georgetown) have all extended initial contracts out as far as 2030. {No other contracts have yet come up for renewal.}

The ultimate success or failure of the MBA@Rice lies with Jones School faculty and with School and University staff and leadership. We have the resources we need to design and deliver a world-class program. Within the Jones School and the University, we have the staff resources we need to leverage the operational and marketing support provided by our partner. Folding this program into our portfolio, our administration, staff and faculty will all learn from working in this new modality.

6. **Summary: Primary Elements of Proposed Hybrid Online MBA Degree Program**

- The curriculum is modelled on the existing on-campus MBA for Professionals program.
- Program delivery is a hybrid of 1) asynchronous online content, 2) live online sessions delivered to sections of 20 or fewer students, and 3) required and elective residential intensive learning experience (ILE) courses on campus and globally.
• The student profile will be similar to the profile of our existing MBA for Professionals program. In steady-state, we anticipate enrolling 70-80 students each part-of-term for an intake of approximately 300 students per year.

• Tuition will approximately match the tuition for our existing MBA for Professionals program.

• The calendar “parts-of-term” structure of the program conforms to the semester system and Rice University’s Academic Calendar with courses offered in the Fall, Spring and Summer semesters.

• A new cohort is admitted each term and all courses are offered each term. Nonetheless, the sequence of courses in which a student completes the degree is structured.

• The course structure is 10 weeks for a 3.0 semester credit course with approximately 120 minutes of asynchronous content and 90 minutes of small-section, online live-session content each week.

• Courses will be developed by full-time, tenured or non-tenure-track faculty who will serve as the lead faculty member. The lead faculty member provides ongoing oversight of the course. The weekly live sessions will be delivered by section instructors, following the course plan developed by the lead faculty. Each course will have a coordinating instructor focused on consistently achieving the learning outcomes across sections.

• The Jones School, and Rice University, will partner with 2U to develop and deliver the degree program. 2U will market the program, recruit students, and facilitate the development and delivery of the online content. 2U provides digital marketing expertise that we cannot replicate internally. This partnership will allow us to quickly reach scale in the program.

• The Jones School will make all admission decisions, determine the curriculum, develop course learning objectives and course content, provide oversight of the program and will own all course content, including asynchronous assets.

• At the request of the Graduate Council, the Jones School will provide a report in three years that evaluates the program in terms of staffing, faculty involvement, student admissions, student retention, quality of instruction, and interface with 2U.

• The financial model forecasts the generation of substantial net revenue allowing the addition of several faculty lines to support both our existing degrees and our research mission. The financial risks are minimal because of the low required upfront investment and continued risk-sharing with 2U.

Additional Information

• Criteria for Approval of Online Courses Appendix H
• Course Approval and Substantive Change Appendix I
• Rice Policy on Distance and Online Education Appendix J
APPENDIX A
Curriculum Schematic
APPENDIX B
2U Course-Development Process

2U offers comprehensive, experienced support for both asynchronous content and live sessions. Individual course design and development is fully supported by several teams within 2U. The entire production process ranges on average 150-200 hours of faculty time (for a 3.0 semester credit course) with effort unevenly dispersed across a 7-9 month period. Each lead faculty member is assigned a course producer who works with him/her across the arc of the course-development process and serves as both project manager and coach. Throughout the process the course producer introduces the faculty lead to the core course development teams including the course strategy team and the video production team.

The course development process includes deconstructing the course into desired learning outcomes and assessing the individual inputs that are pedagogically designed to lead to those outcomes. The course strategy team assists the faculty member in thinking through the best course plan for the asynchronous and synchronous portions of the course. A member of the course strategy team may fly to campus to observe the faculty delivering the corresponding on-site in order to get a sense of the faculty’s personality and teaching style.

Approximately half way through the 7-9 month period, faculty are flown to the 2U studio for an intense 3-5 day filming. Next, the course is assembled and presented to the faculty member for final review, edits and corrections and the final product is loaded into our course management system.

*See the next two pages for 2U’s description of the process.*
Working with 2U

Below are descriptions of the roles various team members play in the course development process.

1. Producer - main point of contact for faculty; serves as a project manager
2. Content Strategist - works with faculty to plan course utilizing 2U technology
3. Director of Production - main point of contact for program leadership on overall course development status and progress
4. Video Producer - works with faculty on set to ensure successful completion of all filmed elements

Basic Elements of a Course

1. Synchronous - regularly scheduled live class time conducted via video conference
2. Asynchronous - content and activities that students work through at their own pace—as individuals or in groups—prior to attending the live class.

The Asynchronous content and the Synchronous class activities for any given week should work hand in hand as much as possible.

Course Development Timetable

Course development follows an eight-month calendar. The process has several phases which can be roughly divided in the following way:

1. Orientation and Initial Development
   
   **Goal:** Become familiar with workload, process, and program expectations; begin high level course outline and syllabus development
   
   **Faculty Time and Effort:** 10-30 total hours over 3 weeks
   
   **Location:** Initial group meeting, followed by independent work

2. Course Planning

   **Goal:** With 2U Content Strategist, devise and document a detailed plan for course.
   
   **Faculty Time and Effort:** 25-35 total hours over 12 weeks
   
   **Location:** First meeting on campus, subsequent remote meetings
3. Content Intake

**Goal:** Concurrent with Course Planning, develop and deliver all raw materials, such as lecture slides, related to course
**Faculty Time and Effort:** 60-80 hours over 12 weeks
**Location:** Remote

4. Production

**Goal:** At our professional studio in Washington D.C., film all elements of course
**Faculty Time and Effort:** Typically 3 full time days, plus travel
**Location:** Washington, D.C.

5. Build

**Goal:** Build all elements of course
**Faculty Time and Effort:** 0 hours (all work done by 2U)

6. Synchronous Session Planning

**Goal:** Concurrent with Build, work with Content Strategist to plan and document live session roadmap for section instructors to ensure unified student experience.
**Faculty Time and Effort:** 10 hours over 3-4 weeks
**Location:** Remote

7. Review

**Goal:** Review finished course content
**Faculty Time and Effort:** 1-5 hours over 1 week
**Location:** Remote

8. Deployment

**Goal:** Completed course made available to students
**Faculty Time and Effort:** 0 hours (all work done by 2U)
APPENDIX C
Faculty List

**Full Professors**
1. Back, Kerry  
   J. Howard Creekmore Professor of Finance
2. Butler, Alexander  
   Professor of Finance
3. Dholakia, Utpal  
   George R. Brown Professor of Marketing
4. Fleming, Jefferson  
   Fayez Sarofim Vanguard Professorship of Finance
5. George, Jennifer M.  
   Mary Gibbs Jones Professor of Management and Psychology (Organizational Behavior)
6. Glick, William H.  
   H. Joe Nelson III Professor of Management (Organizational Behavior)
7. Grullon, Gustavo  
   Jesse H. Jones Professor of Finance
8. Hemmer, Thomas  
   Houston Endowment Professor of Accounting
9. Hochberg, Yaël  
   Ralph S. O’Connor Professor in Entrepreneurship & Finance
10. Kalra, Ajay  
    Herbert S. Autrey Professor of Marketing
11. Kamakura, Wagner  
    Jesse H. Jones Professor of Marketing
12. Li, Haiyang  
    Professor of Strategic Management
13. Mittal, Vikas  
    J. Hugh Liedtke Professor of Management (Marketing)
14. Pazgal, Amit  
    Friedkin Professor of Management (Marketing)
15. Ramesh, K.  
    Herbert S. Autrey Professor of Accounting
16. Rodríguez, Peter  
    Dean & Professor of Management (Strategic Management)
17. Sivaramakrishnan, Shiva  
    Henry Gardiner Symonds Professor of Accounting
18. Sonenshein, Scott  
    Henry Gardner Symonds Professor of Management (Organizational Behavior)
19. Westbrook, Robert A.  
    William Alexander Kirkland Professor of Marketing
20. Weston, James P.  
    Harmon Whittington Professor of Finance
21. Windsor, Duane  
    Lynette S. Autrey Professor of Management (Strategic Management)
22. Zeff, Stephen A.  
    Professor of Accounting and Keith Anderson Professorship in Business
23. Zhang, Yan “Anthea”  
    Fayez Sarofim Vanguard Professor of Management (Strategic Management)
24. Zhou, Jing  
    Houston Endowment Professor of Management and Psychology (Organizational Behavior)

**Associate Professors**
1. Batsell, Richard  
   Associate Professor of Marketing and Psychology
2. Borle, Sharad  
   Associate Professor of Marketing
3. Dane, Erik  
   Associate Professor of Management (Organizational Behavior)
4. Duarte, Jefferson  
   Gerald D. Hines Associate Professor of Real Estate Finance (Finance)
5. Kale, Prashant  
   Associate Professor of Strategic Management
6. Koka, Balaji  
   Associate Professor of Strategic Management
7. Ostdiek, Barbara  
   Associate Professor of Finance and Statistics
8. Rountree, Brian R.  
   Associate Professor of Accounting
9. Schuler, Douglas A.  
   Associate Professor of Business and Public Policy
10. Smith, D. Brent  
    Associate Professor of Management and Psychology (Organizational Behavior)
11. Xing, Yuhang  
    Associate Professor of Finance

**Assistant Professors**
It is not expected that assistant professors will teach in this program.

**Professors in the Practice**
1. Arnold, William  
   Professor in the Practice of Energy Management (MBA)
2. Lansford, Benjamin  
   Professor in the Practice of Accounting (Ph.D.)
3. VanHorn, David  
   Associate Professor in the Practice of Operations Management (MBA)
Clinical Assistant Professor
1. Porter, Constance  Clinical Assistant Professor of Marketing

Full-time Lecturers
1. Foote, Jill  Senior Lecturer in Finance (Ph.D.)
2. Larson, Abby  Lecturer in Entrepreneurship (Ph.D.)
3. Moore, Janet  Director of Full-time Communication Program (J.D.)
4. Musher, Lydia  Lecturer in Communications (MBA MS)
5. Panahi, Hesam  Lecturer in Management – Entrepreneurship (Ph.D.)
6. Schell, Rick  Senior Lecturer in Communications (Ph.D.)
7. Tobin, David  Senior Lecturer in Communications (Ph.D.)
APPENDIX D
Letters of Support

a. Dean Rodriguez
b. Provost Miranda
c. Senior VP Levander
d. Dean Matsuda
To: Graduate Council  
Attn: Prof. April DeConick  
Date: September 27, 2017  
From: Dean Peter Rodriguez  
Re: Jones School Proposal for Hybrid Online MBA@Rice Degree Program

The opportunity to explore offering a hybrid online MBA degree at Rice first arose in June 2016, one week before the formal start of my term as Dean of the Jones School. Along with most every academic leader of a US business school I had contemplated the appeal and wisdom of online MBA programs and firmly believed Rice should explore launching one. Working through the summer alongside the Provost, the Vice President for Strategic Initiatives and Digital Education, and other university leaders, my colleagues at the Jones School and I began the fifteen-month process of research, consultation, and design of the proposal accompanying this letter.

The delivery of an online MBA degree program advances the teaching and research missions of the Jones School and will enable Rice to deliver a highly sought after professional degree to highly qualified students. The new degree format also strengthens the strategic positioning of Rice and the Jones School by adding pedagogical and technological capabilities that have become critical to university strategies.

Over the past decade, concerns about indebtedness and the value proposition of graduate degrees have resulted in declines in the number of students seeking a full-time Masters of Business Administration (MBA) degree at US institutions. While the appeal of the degree remains high, a growing share of students elect to remain employed while pursuing an MBA. Our MBA for Professionals and MBA for Executives programs serve fully-employed students who attend classes two evenings a week or every other weekend. These students represent two-thirds of our nearly 700 MBA students. The scheduling options we offer are feasible for those who live and work within a reasonable drive to our campus, but not for others. Nearly all our students in our fully-employed programs live in the Houston metro area.

A predominantly online program will allow us to serve a broader, talent-rich pool of students than would increasing our local offerings and while not significantly altering the demands on our physical facilities or the intimate feel of our school and campus. Moreover, because of the high appeal of the program we expect that after fully financing the costs of delivery, including costs for the infrastructural support provided by central Rice, the program will support the addition of a dozen tenure-track faculty within five years of the launch. These faculty additions are critical to the research mission of the Jones School where even small increases in the scale of each of our academic areas would significantly advance our ability to deliver robust PhD programs and grow our scholarly impact. The addition of the proposed online program greatly advances our strategic position by enabling this sharp growth in our faculty coupled with the capability to further grow
our online presence for the delivery of non-degree and certificate courses, to engage our alumni in life-long learning, and to potentially offer online specialty degrees.

The gradual path towards the advancement of this proposal was essential as it allowed the Jones School faculty to carefully consider and participate in the decision to take on the challenge of launching a new and unfamiliar degree format. Moreover, the decision to launch with a partner, 2U, added complexity to the proposal and invited the consideration of alternative paths and the tradeoffs associated with each.

The timeline of our engagement with colleagues at Rice and our faculty spanned the academic year. My colleagues and I began the comprehensive exploration and vetting processes in late summer 2016. We worked with our colleagues at Rice on a variety of questions and strategic issues through late fall when we also began sharing the formative proposal with key faculty and staff at the Jones School. We developed a financial model suitable for sharing just before the winter break and began more in-depth discussions with the School’s faculty council and research area leaders in January and February. Representatives from 2U and partner schools came to Houston and engaged our leadership and faculty in discussions of the proposal and their experiences with online delivery in mid- and late-March. We invited groups of our faculty to meet and have meals with these representatives to discuss any questions they had about the proposal. We held a school-wide town hall meeting to discuss the proposal in mid-April when I also delivered mock, distance-classes, open to all faculty and staff, using the technology of the proposed program. Faculty voted on the proposal at our regularly scheduled faculty meeting on May 10th. For the first time in our school’s history, we employed an anonymous voting process to allay any concerns about a public vote against the proposal. The proposal passed with 90% voting in favor. After the vote, I met with those who responded to an open call to discuss remaining concerns. Most of the significant remaining reservations around the proposal revolved around teaching assignments for tenure-track faculty, which we addressed by ensuring none would be required to teach in the new format. The curriculum committee worked through the summer to finalize details on the course structure shared this proposal. The curriculum, modelled closely on our existing MBA for Professionals program, was proposed and accepted with unanimous support at our regularly scheduled faculty meeting on September 11.

The launch of any online degree program, let alone the first at our school and university, is a highly significant choice. We have seriously considered the choice with our faculty, staff and leaders throughout Rice. This choice brings opportunities and advantages that far outweigh its risks to Rice, the Jones School and the distinctive qualities of our university. This path forward is a critical component of a strategy for ensuring the Jones School’s continued rise. Furthermore, I strongly believe in the strategic value to Rice of launching this degree with our partner, 2U, and am convinced that our control of all key pedagogical, curricular and admissions decisions ensure that we can deliver a degree that enhances our reputation and benefits our students and alumni.
Dear April:

I write in support of the MBA@Rice program proposed by the Jones Graduate School of Business. The delivery of a high-quality online degree is innovative and strategically advances both the business school and the university by offering a Rice MBA degree to students outside our region who do not have the option to be on campus.

I was very impressed with the work that Dean Rodriguez undertook to ensure that the Jones School faculty were actively engaged in the consideration of the idea and in all aspects of the design of the program. The length of engagement and strong support by the faculty will ensure that faculty will fully engage in all aspects of the new degree format and that academic standards and integrity in this new delivery format will meet or exceed the existing excellent programs at the Jones School. Most top-20 business schools use online delivery in their degree or certificate programs, and all are looking to expand their digital reach. Offering the MBA@Rice is one way that the Jones School will continue to operate at the forefront of the field.

This partnership with 2U involves low upfront investment, shared risks and incentives, and a rapidly scalable and sustainable model. I am very pleased that the Jones School has chosen to become a leader in this important growth area for business schools and higher education more broadly.

With my very best regards,

Marie Lynn Miranda, PhD
Professor of Statistics and Provost
To: Graduate Council  
Attn: Professor April DeConick  
Date: September 12, 2017  
From: Professor Caroline Levander (VP Strategic Initiatives and Digital Education)  
Re: Jones School Proposal for Hybrid Online MBA@Rice

Since 2012, Rice University has developed and refined a set of strategic goals utilizing new online and digital technologies. In collaboration with the Faculty Senate and the three senate working groups focused on digital education, the University has leveraged digital education resources and technology to improve the quality of education at Rice, expand our reach and reputation, and generate resources to support the university’s core mission. Future strategic university planning recognizes that digital education is, increasingly, an essential component of both on-premise and online curricular experience for 21st century students. In order to continue to fulfill our distinctive commitment to education and to our mission of providing unsurpassed teaching, we recognize that we need to integrate these new tools into our learning environment and curriculum as appropriate.

A new University policy on distance and online education outlines oversight and implementation of online courses for credit to ensure that all courses utilizing distance and online instructional resources are of consistently high quality.

In order to fulfill these goals, the university has carefully selected a number of platform and third-party provider partners, including Coursera, edX, and 2U. In each instance, the university has done rigorous and careful due diligence, engaging all relevant university departments and offices and consulting with peer institutions as appropriate. For the purposes of the proposed Jones School Hybrid Online MBA@Rice, the University conducted a lengthy assessment of the company, competitors, and business model, and consulted extensively with peer universities who have chosen to partner with 2U. A rigorous selection process clearly indicated that 2U is a robust and optimal partner to deliver the Jones Schools MBA@Rice in a hybrid online format.

As stipulated, Rice Online Learning will ensure that the proposed program meets the requirements of Rice University Policy “Distance and Online Education”, specifically section II and section IV [A & B “Developing and Implementing Courses and Programs” and “Expectations for Courses for Credit”]. Rice Online Learning will ensure that the workflow is completed and that appropriate records are maintained to demonstrate that the university has met its obligations (Section II).

Per the Faculty Senate’s “Addendum: Process for the Creation of Online Courses” (approved April 2017, Rice Online Learning has reviewed the proposed program plan for needed equipment and technical expertise and confirmed that 2U possesses it (Criteria 1) and has reviewed 2U’s faculty training program, committing to fill in any gaps (Criteria 3). Also, Rice Online Learning has
reviewed that evaluation of faculty teaching online courses is well planned and satisfies requirements (Criteria 4). Regarding federal, state, and accreditation compliance, the proposed program will be compliant with the Rice Online Learning workflow which ensures federal, state, and accreditation compliance (Criteria 5). Finally, Rice Online Learning will collaborate with Jones School to meet Criteria 6, the comparison of the online program and subsequent online courses to their on-premise equivalents.

As I hope the above makes clear, the Jones School proposal before you has thoroughly and carefully integrated both Faculty Senate recommendations for digital education course and program development at Rice and Rice’s new policy for online and distance education. The choice of partnership with 2U is the result of the University’s and School’s careful deliberation and assessment of providers. Finally, the hybrid online delivery format aligns and supports the university’s strategic priorities.

[Signature]
October 10, 2017

Professor April DeConick
Chair, Graduate Council

Dear April,

I enthusiastically support the online MBA program that the Jones School proposes to undertake with the 2U group. The Jones School has strategically pursued projects that improve their national position, and I view this initiative as a very strong step in that direction.

It is a university priority to establish online and partially online programs to increase our national footprint. We have made a number of important early steps, and should this proposal gain approval by Graduate Council and Faculty Senate, the MBA will be our first online degree program. I view the proposal in that light. If this MBA program should not be our initial entry, what should be instead? If major adjustments to this program are necessary, what should they be?

An MBA program is clearly an ambitious choice for a first program. The MBA experience generally includes more face-to-face interaction than many other master’s programs do, and it would be easier to start somewhere else. On the flip side, if we can launch a successful and prestigious online MBA program, a wide range of master’s programs will then seem relatively straightforward. The MBA program is a great place to start, as long as we can do it well. I don’t see other Rice online degree programs coming along quickly enough that it would make sense for us to delay the MBA until we have more experience.

I am very positive about the choice of 2U as a partner. An alternative would be to work with on-campus partners. GPS does not have the expertise or the bandwidth to serve as even a component of a credible alternative to 2U. 2U’s entire business model is built on getting projects like this one to be successful, and I don’t believe they will fail. The Jones School has conceded a substantial part of the income in exchange for the quality of the partnership. I view that decision very positively. Our objective is to pursue stature and prestige rather than money, and leaving money on the table to get the best partnership seems a shrewd business decision. We have arguably the best business school in the 2U portfolio, and that’s a very favorable position. Prospective students who apply to any of the 2U programs will view us as the high-market option and so we have an excellent position to recruit people who otherwise would not have viewed Houston as a possibility. Not everyone is so lucky to already live in our city.

I view the online MBA initiative as a major step forward for Rice.

With very best regards,

Seiichi P. T. Matsuda
Dean of Graduate and Postdoctoral Studies
APPENDIX E
General Announcements

Summary of Changes

To capture the proposed program, in addition to the course requirements, the GA text requires the modifications provided below. All other aspects of the program will match the descriptions provided in the GA for our existing MBA for Professionals degree programs. The language for the existing GA text for the MBA for Professionals degree program can be found here:


The necessary changes in addition to the specific list of required courses:

Program description: The MBA@Rice hybrid online program consists of a 24-month curriculum generally earned over eight consecutive 3-month parts-of-terms over a two-year period.

Program requirements: Deviations in the curriculum from the existing Evening and Weekend Professional MBA Programs are provided in the body of the proposal.

Course Registration Policy for non-Jones School Rice University Students: Non-Jones Graduate School of Business students may not register for elective courses in the MBA for Executives or MBA@Rice programs or core (required) courses in any of the school’s MBA programs. This restriction also applies to auditing these courses.

Opportunities: For other degree programs this tab provides information on independent studies. Independent studies will not initially be available to MBA@Rice students. While independent studies are feasible through this modality, we do not want to commit faculty resources in this manner until we gain more experience with the program.
General Announcement Draft Text

This draft language is based on the existing GA text for the MBA for Professionals degree program. Modifications for the MBA@Rice degree program are noted. Additions are indicated with underlined text or otherwise called out.

Overview Tab

Master of Business Administration (MBA) Degree Programs
The MBA degree can be obtained via the Full-Time MBA program, the MBA for Executives program, the MBA for Professionals program, or the MBA@Rice hybrid online program. The Executive and Professional MBA programs and MBA@Rice are designed for executives and working professionals who do not wish to interrupt their careers while pursuing the MBA degree. The MBA for Professionals program has three formats: an evening format, an alternating weekend format, and an extended evening format.

Graduate Tab

Master's Programs
- Master of Arts (MA) Degree in the field of Business Administration*
- Master of Accounting (MAcc) Degree
- Master of Business Administration (MBA) Degree, Full-Time Program
  - and a Major Concentration in Accounting
  - and a Major Concentration in Energy
  - and a Major Concentration in Entrepreneurship
  - and a Major Concentration in Finance
  - and a Major Concentration in Health Care
  - and a Major Concentration in Marketing
  - and a Major Concentration in Operations Management
  - and a Major Concentration in Real Estate
  - and a Major Concentration in Strategic Management
- Master of Business Administration (MBA) Degree, Executive Program
- Master of Business Administration (MBA) Degree, Professional Program
- Master of Business Administration (MBA) Degree, MBA@Rice Program
Program Learning Outcomes for the MBA Degree Programs

Upon completing the MBA degree programs, students will be able to:

1. Demonstrate an understanding and application of the foundational frameworks and tools of all business disciplines, including accounting, finance, marketing, organizational behavior, and strategic management.
2. Develop, evaluate, and implement complex business strategies and operational solutions holistically, integrating management principles across the functional areas.
3. Function effectively in a team setting both as a leader and a contributor.
Program Link: Requirements  

Master of Business Administration (MBA) Degree, MBA@Rice Program  

- Outcomes  
- Requirements  
- Policies  
- Opportunities  

Requirements for the MBA Degree, MBA@Rice Program

The MBA degree is a non-thesis master's degree. For general university requirements, please see [Non-Thesis Master's Degrees](#).

**MBA@Rice Program**

The MBA@Rice hybrid online program consists of a 24-month curriculum generally earned over eight consecutive 3-month terms over a two-year period. Students pursuing the MBA through the MBA@Rice Program must complete:

- A minimum of 54 credit hours as listed below to satisfy degree requirements.

**Degree Requirements**

<table>
<thead>
<tr>
<th>Subject Code</th>
<th>Course #</th>
<th>Core Courses (Required)</th>
<th>Credit Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>MGM</td>
<td>T501</td>
<td>Financial Accounting</td>
<td>3.00</td>
</tr>
<tr>
<td>MGM</td>
<td>T502</td>
<td>Managerial Accounting</td>
<td>1.50</td>
</tr>
<tr>
<td>MGM</td>
<td>T510</td>
<td>Organizational Behavior</td>
<td>1.50</td>
</tr>
<tr>
<td>MGM</td>
<td>T511</td>
<td>Organizational Change</td>
<td>1.50</td>
</tr>
<tr>
<td>MGM</td>
<td>T540</td>
<td>Managerial Economics</td>
<td>1.50</td>
</tr>
<tr>
<td>MGM</td>
<td>T543</td>
<td>Finance</td>
<td>3.00</td>
</tr>
<tr>
<td>MGM</td>
<td>T560</td>
<td>Corporate Responsibility</td>
<td>1.50</td>
</tr>
<tr>
<td>MGM</td>
<td>T541</td>
<td>Economic Environment of Business</td>
<td>1.50</td>
</tr>
<tr>
<td>MGM</td>
<td>T561</td>
<td>Business-Government Relations</td>
<td>1.50</td>
</tr>
<tr>
<td>MGM</td>
<td>T570</td>
<td>Competitive Strategy</td>
<td>1.50</td>
</tr>
<tr>
<td>MGM</td>
<td>T571</td>
<td>Strategy: Formulation &amp; Implementation</td>
<td>1.50</td>
</tr>
<tr>
<td>MGM</td>
<td>T574</td>
<td>Operations</td>
<td>1.50</td>
</tr>
<tr>
<td>MGM</td>
<td>T580</td>
<td>Marketing</td>
<td>3.00</td>
</tr>
<tr>
<td>MGM</td>
<td>T595</td>
<td>Data Analysis</td>
<td>3.00</td>
</tr>
<tr>
<td>MGM</td>
<td>T594</td>
<td>Strategic Business Communication I</td>
<td>1.50</td>
</tr>
<tr>
<td>MGM</td>
<td>T708</td>
<td>Leadership</td>
<td>1.50</td>
</tr>
<tr>
<td>MGM</td>
<td>T709</td>
<td>Negotiations</td>
<td>1.50</td>
</tr>
<tr>
<td>MGM</td>
<td>T799</td>
<td>Capstone</td>
<td>3.00</td>
</tr>
<tr>
<td>MGM</td>
<td>XXX</td>
<td>Global Field Experience</td>
<td>1.50</td>
</tr>
<tr>
<td>MGM</td>
<td>T721</td>
<td>Business Law$^2$</td>
<td>1.50</td>
</tr>
<tr>
<td>MGM</td>
<td>621</td>
<td>New Enterprise$^2$</td>
<td>3.00</td>
</tr>
</tbody>
</table>

Students select an additional 12.5 credit hours from elective course offerings.
Policies for the MBA Degree, MBA@Rice Program

MBA Admission Requirements

Applicants to the MBA programs must submit scores on the Graduate Management Admission Test (GMAT) or the Graduate Record Examination (GRE). International applicants, who did not earn an undergraduate degree from an institution where the primary language of instruction was English must submit a valid score report from either TOEFL, PTE, or IELTS. Admission to the MBA programs is open to students regardless of their undergraduate major, but it is highly selective and limited to those who have performed with distinction in their previous academic work and on the GMAT or GRE.

The MBA@Rice Program

The MBA@Rice Program does not have specific prerequisite courses required for admission.

Academic and Professional Standards

Students must meet both academic and professional standards to continue academic work and to graduate. In accepting admission to the MBA program, all students agree to be governed by the standards and procedures for dismissal or disciplinary action stated below.

Academic Standards

A minimum cumulative grade point average of 3.00 (B) is required for graduation. All courses taken towards the MBA degree (including approved courses taken at the university but outside the Jones Graduate School of Business) are counted in the cumulative grade point average calculation.

Students with a cumulative grade point average lower than 3.00 at the end of any semester will be notified of academic standing. A student who has been notified may appeal to the Academic Standards Committee of the Jones Graduate School of Business requesting to be placed on academic probation. The committee will decide, based on the circumstances of the appeal, whether the student:

1. may resume studies on academic probation,
2. is academically suspended for one semester or an academic year, or
3. is dismissed from the MBA program.
Students proposing to return after a period of academic suspension must apply to the Academic Standards Committee and receive permission to be readmitted. If permitted to return, the student will pay the current rate of tuition, based upon the class of students s/he is joining.

Only grades of C and above are counted for credit toward graduation. If students receive a grade below a C in a course required for graduation, they must repeat the course. If students receive a grade below a C in an elective course, they need not repeat the specific course, but they must make up the credits. If the required course is not offered again prior to graduation, the student will be permitted to take the course the following academic year, but will be charged the current pro-rated tuition for the program in which the additional course work is completed.

Students may retake a failed course only once and then only if their cumulative grade point average is 3.00 or higher or if they have received the permission of the Sr. Associate Dean of Degree Programs to do so. Students who fail a required course twice will be notified of dismissal. (Students may not take any course for which the failed course is a prerequisite until they pass the prerequisite course.)

Students on academic probation cannot be candidates for student offices and must complete all future courses with a grade of C or above. Students are removed from probation only upon achieving a cumulative grade point average of at least 3.00 must appeal to the Academic Standards Committee.

Students who have completed the required number of hours for the MBA degree, the coordinated MBA/Master of Engineering degrees, the coordinated MBA/Master of Science Professional Science Masters degrees, or the coordinated MBA/MD dual degree, but who have a cumulative grade point average lower than 3.00, are dismissed without graduation.

Jones Graduate School of Business students may not take courses pass/fail to count toward their degree requirements. Jones Graduate School of Business students may audit courses with professor approval. The audited courses do not count toward the MBA, but do appear on the transcript.

Professional Standards
MBA students are held to the high standards of professional conduct expected of managers—standards substantially exceeding those expected of them simply as students. Students may be dismissed or suspended for failure to meet professional standards, as defined in the University Code of Conduct. The dean may place a student on disciplinary probation for unacceptable conduct, giving oral and written notice that future misconduct will lead to filing specific charges. (This probationary notice, however, is not required as a precondition for filing specific charges.)

Guidelines for Appealing Academic Dismissal

The Process
A student who wishes to appeal a dismissal should address the following issues in a letter to the Academic Standards Committee. The student must send the letter to the chair of the Academic Standards Committee. These questions should be answered in the appeal letter:
1. What circumstances led to your academic performance last semester and to what degree were those circumstances beyond your control?

2. If your performance in a particular course(s) last semester was below par, describe any circumstances specific to that course that explain your performance.

3. Do you expect the circumstances that created the problems for you last semester to change next semester? If so, how?

Students may include any additional information they deem relevant in the appeal letter.

Timing

If the student intends to appeal, the letter to the committee must be filed within one week after receiving a dismissal letter. If a student plans to appeal, he/she should continue to attend classes. It is important to keep up in with studies during the appeal process. If the appeal is accepted, the student may continue progress towards the completion of their degree.

Appeals

Appeals beyond the Academic Standards Committee must go to the dean of the Jones Graduate School of Business, who may seek guidance from other constituents of the school. All decisions rendered by the dean are final.

Confidentiality

The Family Educational Rights and Privacy Act of 1974 and amendments govern the records of actions related to appeals.

Grade Appeal Process

Once a course grade has been assigned by an instructor, it is generally considered final and is rarely changed for any reason other than calculation or transcription errors. The procedure below outlines the process by which a student may appeal a course grade.

1. The student should first pursue any grading question with the instructor following the formal or informal process the instructor has outlined for the course.

2. If the matter is not resolved in step 1 above, the student must file a written appeal to the instructor and send a copy to the senior associate dean of degree programs. This written appeal must be filed no later than two weeks after the final grade for a course was assigned.

3. The instructor must schedule a meeting with the student within two weeks of receiving the written appeal to further discuss the appeal with the student. Notice of the appeal time and date will be provided by the instructor to the senior associate dean of degree programs.

4. If step 3 does not resolve the issue to the satisfaction of both parties, the student may appeal to the Academic Standards Committee by sending a written notice describing the grounds for the appeal within two weeks of the date of the scheduled meeting in step 3.

5. The Academic Standards Committee will seek out information on the appeal from the instructor and the student and, at its discretion, hold a hearing to further consider the matter. The decision of the Academic Standards Committee will be rendered within 4 weeks of receiving a written notice of appeal (step 4).
6. Appeals beyond the Academic Standards Committee must go to the dean of the Jones Graduate School of Business, who may seek guidance from other constituents of the school. All decisions rendered by the dean are final.

7. In the event that the protested grade is necessary for the student to graduate, an accelerated schedule will be followed.

8. The Family Educational Rights and Privacy Act of 1974 and amendments govern records of these actions.

**MBA Elective Course Add/Drop Policy and Procedures**

Due to the unique term schedule followed by the Jones Graduate School of Business MBA programs, MBA students have special procedures they must follow to make schedule changes. The Jones Graduate School of Business Associate Registrar administers an add/drop policy which allows students to add/drop elective courses at various times throughout the semester. For all elective courses, student may not add/drop a course after the deadline for the appropriate term.

**MBA Course Registration Policy for non-Jones Graduate School of Business Rice University Students**

Graduate students from outside the Jones Graduate School of Business may register for elective courses in the full-time MBA program and the MBA for Professionals program. To be eligible for a specific course, a student must be in good academic standing in their program, have permission from the student’s department advisor, and have satisfied the specified course prerequisites. In order to register for the course, the student should verify eligibility with the Jones Graduate School of Business associate registrar and then request approval from the course instructor.

Non-Jones Graduate School of Business students may not register for elective courses in the MBA for Executives program or core (required) courses in any of the school’s MBA programs. This restriction also applies to auditing these courses.

Rice undergraduate students are not allowed to register for any MBA-level courses (MGMT, MGMP, or MGMW) offered at the Jones Graduate School of Business.

**Class Attendance Policy**

Students are expected to be in class on the first day of each term. The instructor reserves the right to exclude a student from their course who is absent on the first day. Students should refer to the specific attendance policy for each program. This information can be found in the Jones Graduate School of Business Student Handbook, which is referenced below. For special circumstances, students should see the instructor.

**Withdrawal Policy**

A Jones Graduate School of Business student, participating in any offered program, may voluntarily withdraw from school at any time. Upon withdrawal, Rice University applies a sliding scale to tuition, which is noted in the university's Academic Calendar posted on the Rice [Office of the Registrar website](http://www.rice.edu/).
Jones Graduate School of Business Student Handbook

Generally, the Jones Graduate School of Business adheres to the academic regulations of Rice University. However, the Jones Graduate School of Business MBA program has unique policies and procedures that vary from the Office of Graduate and Postdoctoral Studies regarding, but not limited to, leave of absence, withdrawals and readmission, add/drop, academic discipline, dismissal, procedures for resolution of problems, and appeal of academic regulations. A copy of the handbook is available on Campus Groups.

Financial Aid

Jones Graduate School of Business scholarships are awarded at the point of admission and are based on the merit of the application. Financial assistance is generally awarded one academic year at a time. Continuation of assistance depends on Satisfactory Academic Progress (SAP) in accordance with Academic and Professional Standards of performance, professional behavior, and is subject to the availability of funds. Academic or disciplinary probation, suspension, or general failure to maintain academic pace will result in the removal of all forms of financial assistance (i.e. scholarship, employment, Federal/State student loans, etc.). Students have the right to appeal the suspension. All appeals will be reviewed by a committee.

For additional information, please see the Jones School website: https://business.rice.edu/
Program Link: Opportunities

Opportunities for the MBA Degree, MBA@Rice Program

*For other degree programs this tab has information on independent studies. It will be empty for MBA@Rice.*

Independent studies will not initially be available to MBA@Rice students. While independent studies are feasible through this modality, we do not want to commit faculty resources in this manner until we gain more experience with the program.
APPENDIX F
Selection of 2U as Program Partner

2U provides full-service marketing, recruiting, and IT/systems infrastructure. Based on our discussions with current partner schools, we are comfortable that 2U provides excellent support for course design and delivery and excellent student operational and programmatic support. Across schools and programs, 2U appears to consistently meet enrollment goals. More than half of 2U’s university partners have expanded their relationship with 2U by launching additional degree programs. Their first three partners (USC, UNC, and Georgetown) have all extended initial contracts out as far as 2030. {No other contracts have yet come up for renewal.} ²

Faculty and Student Satisfaction in Current 2U Programs. 2U relies on Net Promoter Scores ³ and other satisfaction surveys for student support, faculty support, admissions and marketing. 2U shared the following metrics (all NPS figure are for the most recent rolling 12 months):

- Student NPS: 59
- Student satisfaction with student support advisor NPS: 68
- Student satisfaction with admissions counselors NPS: 74
- Student satisfaction with technology NPS: 59
- Faculty satisfaction with faculty support (Q1 2017): 4.5/5.0
- Faculty overall satisfaction (Q1 2017): 4.6/5

² 2U’s verbatim response to the “Why 2U?” question: “2U seeks to create the world’s best digital education with a singular focus on high-quality outcomes for students and our university partners. 2U develops deep, comprehensive partnerships with universities leveraging dedicated teams of digital marketers, data scientists, operations analysts and more in tandem with our partners’ world-class faculty, instructors, and school leadership to build cutting-edge online programs. Through our cloud-based software-as-a-service (SaaS) technology and technology-enabled services, 2U provides schools with the comprehensive operating infrastructure they need to attract, enroll, educate and support students globally in an increasingly competitive landscape. In each program we launch, 2U invests $5-10 million of cumulative net negative cash over the first three to five years. This investment allows the program to achieve the quality and scale necessary to drive positive outcomes for the university. 2U continues to support each program through the rest of the long-term (10 years or more) commitment, earning a return on its investment over that time. Every academic function that has traditionally been the province of universities remains under the purview of the university partner.”

³ Net Promoter Score (NPS) gauges customer loyalty. It is calculated based on responses to a single question: How likely is it that you would recommend our company/product/service to a friend or colleague? The scoring for this answer is on a 0 to 10 scale. Those who respond with a score of 9 to 10 are called Promoters, and are considered likely to make positive referrals. Those who respond with a score of 0 to 6 are labeled Detractors. Responses of 7 and 8 are labeled Passives, likely to neither detractor nor promote. The Net Promoter Score is calculated by subtracting the percentage of customers who are Detractors from the percentage of customers who are Promoters. A score above 0 would be considered “good,” above 50 “excellent,” and above 70 “world class.”
2U Partners and Programs. 2U has partnered with nearly 20 universities to offer degrees in business, accounting, analytics, social work, teaching, counseling, law, nursing, healthcare, international relations, and communications, among others. According to the 2016 annual report, 2U is on track to launch 10 more degree programs this year, with partners including Pepperdine University and the University of Dayton, and has another 13 lined up for 2018. They recently announced a partnership with the Harvard Business School, the Harvard John A. Paulson School of Engineering and Applied Sciences and the Faculty of Arts and Sciences at Harvard University to offer the Harvard Business Analytics 1-year certificate program.

2U Partner Institutions ([https://2u.com/about/partners/](https://2u.com/about/partners/))
American University Washington D.C., Kogod School of Business
American University Washington D.C., School of International Service
Fordham University, The Jesuit University of New York
Georgetown University, School of Nursing & Health Studies
Harvard University, Business Analytics Program
The George Washington University, Milken Institute School of Public Health
NYU, Steinhardt
Northwestern University
Pepperdine University
Rice University, Jones Graduate School of Business
Simmons, School of Management
Simmons, School of Nursing & Health Sciences
Simmons, School of Social Work
SMU
Syracuse University, Maxwell
Syracuse University, Newhouse
Syracuse University, Engineering & Computer Science
Syracuse University, School of Information Studies
Syracuse University, Whitman School of Management
Technologico de Monterrey
UC Berkeley, School of Information
University of Dayton, School of Business Administration
University of Denver, Daniels College of Business
University of Denver, Graduate School of Social Work
UNC, Gillings School of Global Public Health
UNC, Kenan-Flagler Business School
UNC, School of Government
USC, Division of Biokinesiology and Physical Therapy
USC Iovine and Young Academy, Arts, Technology and the Business of Innovation
USC, Rossier School of Education
USC, Suzanne Dworak-Peck School of Social Work
USC, Suzanne Dworak-Peck School of Social Work, Department of Nursing
Vanderbilt, Peabody College
Washington University in St. Louis, School of Law
Yale School of Medicine, Physician Assistant Online
### APPENDIX G

**Summary Financial Model**

($ values are in 1000’s)

#### MBA@Rice

**Summary Financial Model (Annual)**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue Model</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Enrollments</td>
<td>-</td>
<td>71</td>
<td>178</td>
<td>272</td>
<td>296</td>
<td>299</td>
</tr>
<tr>
<td>Total Tuition/Student</td>
<td>$</td>
<td>109</td>
<td>112</td>
<td>116</td>
<td>119</td>
<td>123</td>
</tr>
<tr>
<td><strong>Tuition Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross Tuition</td>
<td>-</td>
<td>2,047</td>
<td>9,770</td>
<td>21,863</td>
<td>31,735</td>
<td>36,220</td>
</tr>
<tr>
<td>2U Share (60%)</td>
<td>-</td>
<td>1,228</td>
<td>5,862</td>
<td>13,118</td>
<td>19,041</td>
<td>21,732</td>
</tr>
<tr>
<td><strong>Net Tuition</strong></td>
<td>$ -</td>
<td>$ 819</td>
<td>$ 3,908</td>
<td>$ 8,745</td>
<td>$ 12,694</td>
<td>$ 14,488</td>
</tr>
<tr>
<td><strong>Direct Program Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Instructional Costs</td>
<td>-</td>
<td>1,009</td>
<td>2,408</td>
<td>3,654</td>
<td>4,462</td>
<td>4,548</td>
</tr>
<tr>
<td>Staff Costs</td>
<td>478</td>
<td>975</td>
<td>995</td>
<td>1,014</td>
<td>1,035</td>
<td>1,055</td>
</tr>
<tr>
<td><strong>Total Direct Expenses</strong></td>
<td>$ 478</td>
<td>$ 1,984</td>
<td>$ 3,402</td>
<td>$ 4,668</td>
<td>$ 5,497</td>
<td>$ 5,604</td>
</tr>
<tr>
<td><strong>Net Revenue</strong></td>
<td>-478</td>
<td>-1,165</td>
<td>505</td>
<td>4,077</td>
<td>7,197</td>
<td>8,884</td>
</tr>
</tbody>
</table>

**Notes:**

1) The contract with 2U includes a payment of $1 million to help defer start-up costs for the degree. In terms of magnitude, note that this approximately offsets the 2018-2019 instructional costs associated with the new degree program.

2) As discussed in the proposal, 2U bears the expense for the following:
   a. all course production expenses outside of faculty compensation
   b. all course delivery expenses outside of faculty compensation
   c. all marketing and student recruitment expenses (~$10-$12 million in first three years)
   d. ongoing student and faculty logistical and experience-related support
   e. 24/7 student and faculty IT support for the proprietary learning management system and the Adobe Connect live session environment
APPENDIX H
Criteria for Approval of Online Courses

1) Demonstrate that the appropriate equipment and technical expertise required for online courses are available.

State of the art equipment and course production technical expertise are provided through our partnership with 2U. See Appendix F for information on the selection of 2U as program partner.

2) Demonstrate that adequate funding for faculty, staff, services, and technological infrastructure to support the methodology are available.

The partnership with 2U eliminates the upfront investment in plant and equipment and substantially reduces the required administrative infrastructure. Initial course development outlays and internal staff expenses are offset by cost sharing with 2U. The program quickly becomes self-funding.

3) Ensure that faculty who teach in online courses and programs receive appropriate training.

Each live-session section instructor completes over six hours of training before their first class, three hours asynchronous and three hours of live training with a 2U faculty support member in a demo environment. The training modules have been certified by Rice Online. The training modules include an overview of teaching online, running a live session, designing live sessions, active live sessions using breakout rooms, and navigating the learning management system. Rice Online will augment 2U training as/if determined necessary.

2U also offers on-demand live-session and LMS training:
https://sites.google.com/2tor.com/training

See Appendix B for a complete description of the course development process.

4) Establish clear criteria for the evaluation of faculty teaching online courses and programs.

Consistent with quality control for our on-campus programs, area coordinators and the Deans Office will monitor several aspects of each course. This includes review of the course syllabus and quantitative and qualitative student evaluations as well as a policy of openness and responsiveness to student complaints and concerns about a course.

In addition, we will work with Rice Online and 2U to evaluate the quality of the asynchronous course materials and the execution of the live sessions.

5) Ensure that credit-bearing online courses satisfy federal, state and accreditation regulation and oversight above and beyond what is required for non-online courses.
The program is consistent with the Rice Distance and Online Education Policy and related procedures and, as specified in section II of the policy, the Provost and the Vice President of Strategic Initiative and Digital Education will develop procedures and guidance that focus on compliance with all governmental and accreditor bodies and Rice Online will provide oversight and documentation demonstrating compliance. See Appendix J for the policy.

6) Develop a procedure for course and program evaluation to demonstrate comparability of online courses to campus-based programs and courses. This requires the evaluation of educational effectiveness, including assessments of student learning outcomes, student retention, and student satisfaction.

The same faculty who deliver our on-campus courses will design the MBA@Rice courses including producing the asynchronous assets and all course materials, including those necessary for the live sessions. We will directly compare student learning outcomes across the online courses and the on-campus courses by comparing performance on evaluative assignments, projects and exams. We will assess the PLOs for our MBA degree across all programs, including MBA@Rice. We will directly compare student retention in the MBA@Rice program with retention in our Professional MBA on-campus program. We will directly compare student satisfaction survey results with results for our Professional MBA on-campus program.
APPENDIX I
Course Approval and Substantive Change

1. The following procedures for the review and approval of online courses and programs includes previously established policies and resolutions, including: Rice University General Policy No. 804-00; course review processes established by the Faculty Senate in 2015 (School Course Review Committees); and the Faculty Senate resolution announced in December, 2012 that establishes that Faculty Senate must approve the creation of any new graduate or undergraduate degree program.

*See body of proposal for specific elements required for policy 804-00.*

2. The development of all proposals for new or revised online courses and programs must be coordinated through Rice Online, under the Office of the Vice President for Strategic Initiatives and Digital Education. This office will ensure that the course or program meets the standards the university has set for its online presence and that the university is in compliance with regulations related to out-of-state and international enrollments. Rice Online is also responsible for ensuring workflow/process completion and retaining appropriate records to demonstrate that the university has met its objectives and obligations.

*MBA@Rice and, in particular, the partnership with 2U was developed in collaboration with Rice Online. See Appendix D for a letter of support and compliance attestation from Dr. Caroline Levander, Vice President for Strategic Initiatives and Digital Education.*

3. All proposals for new or revised online courses and online programs must also be reviewed and approved by the Deans of Schools in which they are taught. Each School is responsible for ensuring that the development, creation, and evaluation of online courses meet the criteria listed above.

*MBA@Rice was developed under the leadership of Dean Peter Rodriguez, Deputy Dean Jeff Fleming and Senior Associate Dean Barbara Ostdiek. See Appendix D for a letter of support from Dean Rodriguez.*

4. New individual online courses, or existing courses that are modified to be online courses, must then follow the established course review process and be reviewed by a School Course Review Committee or the Committee on Undergraduate Curriculum for final approval.

*We will follow the same process for approving new courses for this program as we follow for our on-campus programs. Elective courses are approved by the Senior Associate Dean of Degree Programs in collaboration with faculty area coordinators and faculty leads. Changes to the courses in the required curriculum must be approved first by the curriculum committee and then by the full Jones School faculty.*
5. All new online degree programs must be reviewed by either the Committee on Undergraduate Curriculum (for undergraduate programs) or Graduate Council (for graduate programs) and submitted to the Faculty Senate for approval. These reviews will follow policies already established by the following policy documents (see: http://professor.rice.edu/professor/faculty_senate.asp): “Creating, Administering, and Eliminating Majors and Minors” (for new undergraduate programs) and “Creating and Changing Graduate-Degree Programs” (for graduate programs).

This proposal is pursuant to fulfillment of this requirement.
APPENDIX J
Rice Policy on Distance and Online Education

September 8, 2017 draft.
Final draft is awaiting President Leebron’s signature and will be shared with the Graduate Council when available.
Rice University Policy No. ____

DISTANCE AND ONLINE EDUCATION

I. General Policy

Rice University provides distance and online education courses and programs to extend its academic reach and enhance classroom instruction. It is the policy of the university to ensure that such distance and online instructional resources are of high quality; that appropriate support is available to students; and that enrollments in such courses comply with federal and state regulations and the principles of the Southern Association of Colleges and Schools, Commission on Colleges (SACSCOC).

This policy applies to for credit courses and programs; and covers all faculty, staff and students, and any arrangements that the university makes with third parties involved in distance and online education.

II. Roles and Responsibilities

The Provost and Vice President of Strategic Initiatives and Digital Education will develop procedures and guidance related to distance education, based on federal and state laws and regulations, principles of SACSCOC, and applicable university policies and protocols relating to approval of courses, majors and degrees. Further, Rice Online, under the Vice President of Strategic Initiatives and Digital Education, will serve as a strategic resource in the development of courses or programs, and is responsible for ensuring that online courses or programs meet relevant requirements. Rice Online is also responsible for ensuring workflow/process completion and retaining appropriate records to demonstrate that the university has met its objectives and obligations.

III. Definitions

Distance and Online Education Course has been defined by SACSCOC as a formal educational process in which 50 percent or more of the instruction in a course occurs when students and instructors are not in the same place.

Distance and Online Education Program is any series of courses leading to a degree, certificate, achievement, or credential, in which 25 percent or more of the credit hours or effort can be achieved through online or distance education.

IV. Elaboration of Policy

A. Developing and Implementing Courses and Programs

All proposals for new or revised distance and online courses and programs will be first coordinated through the normal process for course or program approval (e.g., the relevant committees, Faculty Senate, and Dean approvals). Once approved, the Office of the Vice President for Strategic Initiatives and Digital Education, in coordination with the Office of the Provost, will coordinate the execution of the course to ensure that the course meets the standards the university has set for its online presence and meets the requirements of this policy.

B. Expectations for Courses for Credit

All for credit online courses and programs associated with Rice University must be developed and administered following the Rice Online workflow process and policies. This process has been designed to ensure that Rice meets the additional requirements applicable to distance or online education, as mandated by the Department of Education, the State of Texas, other states, and SACSCOC. The current
The workflow is included as Appendix 1 (which may be updated with approval of the Provost and Vice President for Strategic Initiatives and Digital Education).

All faculty, instructors, and teaching assistants teaching an online course for credit must first successfully complete training provided by Rice Online (or demonstrate to Rice Online sufficient proficiency in online pedagogy) and sign an agreement that specifies the processes, roles and responsibilities for those teaching an online course. Learning outcomes, course development, and summative and formative assessments, both direct and indirect, must be developed and conducted by the relevant faculty and department consistent with SACSCOC principles.

The course or program must use methods approved by Rice Online to verify the identity of the student, and provide for reasonable assurance of academic integrity, including confirmation that the student who registers is the same student who participates in and completes the course or program. Participating in this context includes participating in asynchronous and synchronous class sessions, in completing coursework assignments, and producing assessments for grading and determining final grade.

Methods that provide for reasonable assurance of academic integrity include, but are not limited to, using a secure login and password, facial identification of students online, virtual proctoring or in-person proctoring at Rice-approved proctoring sites, and pedagogical methods that support academic integrity. Any additional costs or fees required of the student because of these methods must be communicated to the student at the time of registration or enrollment.

C. Guidance for Non-Credit Courses

While beyond the scope of this policy, the Rice Online workflow and process is also a resource for developing non-credit courses. At a minimum, the workflow process will ensure that courses meet the university’s quality standards, measures to ensure integrity are included, instructors are trained, appropriate support services are available, and learners are informed of their rights and responsibilities.

D. Student Responsibilities and Services

Any individual taking a Rice University course must do so with integrity and in accordance with the honor code and applicable sections of the General Announcements. All online courses include a mandatory orientation that will cover academic integrity and behaviors such as plagiarism. Any individual taking a Rice University course must also meet expectations for appropriate behavior (including the Code of Student Conduct and sexual misconduct policy).

Sexual harassment and sexual misconduct will not be tolerated in any course environment. The following acts and behaviors fall short of Rice’s expectations wherever they occur and are therefore unacceptable within the university community: sexual comments or jokes; explicit photographs, drawings, videos, or other visual depictions (unless clearly germane to the subject matter of the course); gender-based insults, slurs or put downs; and all other forms of sexual harassment and sexual misconduct.

Any individual concerned about prohibited behaviors can make a report to the course instructor, to the Rice Online program administrator, or through the Rice Title IX process (for more information see safe.rice.edu). Those involved may be removed from the course, program, or the university, and may face additional consequences.

Individuals who are on non-immigrant visas should be aware that some visas are incompatible with online or distance education. Rice University students on a non-immigrant visa must consult with Office of International Students and Scholars (OISS) prior to enrolling in an online course or program.

Individuals should also be aware that some private or government scholarships and grants, including some military or veteran benefits, may contain restrictions that preclude or limit application to online or
distance education, and as such, individuals are responsible for reviewing the terms of their own scholarship or grant prior to enrolling in an online course or program.

All students or learners will be provided with information and resources describing, at a minimum, the process and contact information for questions and concerns, including those related to written or consumer complaints, Title IX, and accessibility for disabilities.

E. Exceptions from the Rice Online Workflow Process

It is expected that all online courses and programs affiliated with Rice University will follow the university’s academic approval processes, as well as the workflow established by the Office of the Provost and Vice President of Strategic Initiatives and Digital Education, and will meet quality and compliance standards.

Exceptions or deviations from the Rice Online workflow may be allowed when to do so will not compromise the quality or result in failure to adhere to a university policy or university obligation to the government or accrediting bodies. Any such exception or deviation to Rice Online’s portion of the workflow must be reviewed and agreed to by the Dean, who will then forward as a recommendation for approval to the Provost and Vice President of Strategic Initiatives and Digital Education.

V. Cross References to Related Policies

Policy 106, Substantive Changes Policy
Policy 701, Written Student Complaints
Policy 804, Procedure for Establishing New Courses
Policy 832, Appropriate Use of Information Technology
Policy 830, Sexual Harassment

VI. Responsible Official and Key Offices to Contact Regarding the Policy and its Implementation

Responsible Official: Vice President of Strategic Initiatives and Digital Education
Other Key Offices: Provost
Rice Online
Faculty Senate
Dean of Undergraduates
Dean of Graduate and Postdoctoral Studies
Office of the Registrar

VII. Links to Procedures or Forms:

Link to Rice Online guidance and workflow
Link to Resource page for online students

David W. Leebron
President

Policy History
Issued: __________, 2017
Workflow for Online Courses

Part I

I. Project Workflow

Review & Approve

Key
• Instructor, TA and student training
• Learning outcomes assessment (for credit only)

II. Required Documentation

Step A Proposal
Step B Consult notes Revised proposal
Step C Finance comments ROL comments
Step D FS comments OTR comments OIE comments OISS comments

III. Required Reviews & Approvals

Step A Digital Ed VP - all
Dept Chair - courses
Dean - programs, courses
Step B ROL review
Step C ROL Approval
Step D
For Credit Only:
SORC approval (UG)
CUC approval (UG)
GC approval (Gr)
Dean approval (UG, Gr)
Provost approval (UG, Gr)
Faculty Senate approval (program)
OTR review (UG, Gr)
OIE review (UG, Gr)
OISS review (UG, Gr)
Workflow for Online Courses

Part II

Plan

Key
- Instructor, TA and student training
- Learning outcomes assessment (for credit only)

1. Project Kickoff
   - Outcomes
     - Agreements
     - Charter
     - Project funds
     - Instructor checklist
     - Base Camp setup
     - Meeting schedule
     - Instructor training: platform, course development, copyright

2. Team Formation
   - Outcomes
     - TA recruitment
     - Communications plan
     - TA training: platform, copyright

3. Content Assessment
   - Outcomes
     - Project timeline recommendations

4. Course Design
   - Outcomes
     - Draft blueprint
     - Draft timeline
     - Draft risk register

5. Production Planning
   - Outcomes
     - Module prototype
     - Video test shoot
     - Final blueprint
     - Final timeline
     - Final risk register
     - Final assessments
     - Final marketing plan
     - Draft product page
     - Instructor training - learning outcomes

II. Required Documentation

Step 1
- Agreements
- Charter
- Instructor startup checklist
- Instructor training verification - course development

Step 2
- Communication plan
- TA training verification - platform

Step 3
- Content assessment report

Step 4
- Course blueprint
- Project plan
- Risk management plan

Step 5
- Marketing plan
- Instructor outcomes training verification - learning outcomes

III. Required Reviews & Approvals

Step 1
- ROL review
  - For Credit
  - OTR review
  - ROL review

Step 2
- ROL review

Step 3
- ROL review

Step 4
- ROL review

Step 5
- ROL review
  - For Credit
  - OIE review
  - ROL review
Workflow for Online Courses

I. Project Workflow

Key
- Instructor, TA and student training
- Learning outcomes assessment (for credit only)

II. Required Documentation

<table>
<thead>
<tr>
<th>Step 6</th>
<th>Step 7</th>
<th>Step 8</th>
<th>Step 9</th>
<th>Step 10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Learning outcomes</td>
<td>Product page</td>
<td>Copyright audit</td>
<td>Student orientation verification</td>
<td>Learning outcomes report</td>
</tr>
<tr>
<td></td>
<td>Learning outcomes assessment plan</td>
<td>Accessibility audit</td>
<td></td>
<td>Project report</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Beta testing report</td>
<td></td>
<td>Closeout checklist</td>
</tr>
<tr>
<td></td>
<td></td>
<td>QA report</td>
<td></td>
<td>Documentation checklist</td>
</tr>
</tbody>
</table>

III. Required Reviews & Approvals

<table>
<thead>
<tr>
<th>Step 6</th>
<th>Step 7</th>
<th>Step 8</th>
<th>Step 9</th>
<th>Step 10</th>
</tr>
</thead>
<tbody>
<tr>
<td>ROL review</td>
<td>ROL review</td>
<td>ROL review</td>
<td>ROL review</td>
<td>ROL review</td>
</tr>
<tr>
<td>For Credit</td>
<td>For Credit</td>
<td></td>
<td></td>
<td>For Credit</td>
</tr>
<tr>
<td>OIE review</td>
<td>OIE review</td>
<td></td>
<td></td>
<td>OIE review</td>
</tr>
<tr>
<td>ROL review</td>
<td>ROL review</td>
<td></td>
<td></td>
<td>OIE review</td>
</tr>
</tbody>
</table>