Senate Item for Review: Online Education Project

Response Due Date: Thursday, May 5, 2011 (with apologies for the quick turn-around time, see below)

Return to: Jaime Balboa, CAO, jbalboa@senate.ucla.edu

Relevant Links: Please see attached

On behalf of the UCLA Academic Senate Chair Ann Karagozian, please review the above referenced proposed policy changes. This is specifically requested of the following committees and councils:

Graduate Council  
Council on Planning and Budget  
Undergraduate Council  
ITPB  
FCET  
Executive Board

All other committees and councils are free to opine if they wish to.

Responses to the above would be most useful if they were to include one of the following responses: 1. The committee endorses the program as written; 2. The committee endorses contingent upon the following revisions (please specify); 3. The committee opposes the proposal. Minority reports are welcome and should be submitted with the response of the committee.

Background Information:

**

Dear colleagues,

Please forgive the very short time fuse on this request for opinions on the Project Plan on the UC Online Education program; we just received the formal request today (April 28) from the Systemwide Senate. Given that Divisions have been asked to “seek whatever input they deem appropriate from their constituencies and report back an assessment of the representations and statements regarding this project”, you and/or your committee have been found to be likely to have very relevant opinions on this somewhat altered online education pilot program.

As most of you know, the UC Online Education pilot project has given the green light to the development or augmentation of 29 potential online UC undergraduate courses, five of which are from UCLA (see http://groups.ischool.berkeley.edu/onlineeducation/project-participants/selected-loi for the complete list). The Senate’s Academic Council indicated last year that their endorsement of the online pilot project was contingent on UC’s using external funds to finance the program. Unfortunately, they were not able to procure such funds, except for $750K from the Gates Foundation, and hence the balance of the funding, approximately $7M, is to be borrowed from the UC’s STIP program. As a consequence, the new plan going forward has an altered financial picture, with the need to pay back the
loan, and several alterations in the approach for the program. While the Council is still supportive of online course development and their colleagues’ hard work in developing the courses, there are a number of concerns about this change and its implication for future online programs.

The plan as presented to UCOP leaders is documented in the FIRST attachment. Other attached documents are from 2009-2010 and pertain to the original proposal and Senate memos pertaining to them. These latter documents should provide background and perspective.

If at all possible, I would like to have your opinion (yours or your group’s) on this FIRST DOCUMENT by Thursday, May 5. I know that this is not much time, but I understand that there are a number of faculty on your committees and/or in your units who are very familiar with this program and the changes that are proposed to take place.

Regards,
Ann Karagozian

Sent: Thursday, April 28, 2011 1:57 PM
To: UCACOUN-L@LISTSERV.UCOP.EDU
Subject: On-Line Education Project

Colleagues:

To follow up on our discussion yesterday, I attach several documents regarding on-line education. The first is the “Project Plan, UC Online Education (UCOE),” dated March 24, 2011, which Provost Pitts indicated is a public document. We agreed that the standing committee chairs and divisional chairs would seek whatever input they deem appropriate from their constituencies and report back an assessment of the representations and statements regarding this project. I understand that this document is the basis upon which the Office of the President has authorized loan funding for the development of on-line courses. There is also a spreadsheet developed by the proponents of the project, which I hope the administration will make available to UCPB for their review of the budget and revenue projections.

The Council approved a request for submission of your analysis in time to continue the Council discussion at the May 25 meeting. I request that you submit your analysis to Clare Sheridan by Wednesday May 18 so that we can compile the responses in the May meeting agenda.

In addition, Council agreed to the preparation of an immediate brief statement regarding the “loan” proposal, which we will be circulating to Council for your approval as soon as possible. I’m copying President Yudof and Provost Pitts with this message so that they are aware of our on-going deliberation.

I also attach for your information a copy of Harry Powell’s letter to Provost Pitts and Vice Provost Greenstein indicating Council’s endorsement of the online pilot project “contingent on the procurement of external funds,” and indicating further that, “Council does not indorse the redirection of existing funds to this effort.” Chair Powell’s letter includes as an attachment the letter to Council from UCEP, dated April 5, 2010 and signed by UCEP chair Keith Williams,
which states that “The project proposes to use external funds to develop a set of approximately twenty-five courses based on a framework for course design that will be developed jointly by administration and faculty.”

In addition, I attach enclosure number 5 from the UCEP meeting of April 5, 2010, which is the draft project proposal considered by UCEP as the basis of the committee’s recommendation to Council. Note that the draft prospectus, dated March 30, 2010, does not refer to funding for the project. The draft prospectus presented to UCEP at their October 2009 meeting, dated September 25, 2009 (enclosure 6, also attached), indicates, “At present the effort seeks pledges of $30 million from private and non-profit sources for a capital pool to be drawn down over 18 months, beginning soon after the Regents’ hoped-for endorsement of formal planning, approximately December 1, 2009.”

In the context of our discussion yesterday with the President and Provost, I note several elements of the project prospectus that was endorsed by Council:

**First page, bulleted paragraph:** Indicates that success promises to, “broaden access to an affordable University of California education for well prepared students within California, across the country and around the world”.

**Second page, carryover paragraph:** “This is not just another pilot that sets out to assess the learning effectiveness of individual online courses. It is instead a systematic effort intended to demonstrate where, how, and at what cost, UC-quality online education can be integrated into the main curriculum of undergraduate instruction at an elite research-intensive university, exploring applications with both enrolled and, through summer sessions, cross-campus courses and dual enrollments, fully distant students.”

**Second page, last paragraph carrying over to page three:** “Its principal deliverables will include:

• 25 high-demand lower division online courses, assessed through use in credit-bearing UC undergraduate courses, and made available under Creative Commons License as open courseware (OCW). The footnote at the bottom of page three indicates that, “Open Courseware is taken to mean the online content that is produced in support of the course including course description and syllabus, learning materials and assessments where they are no longer in use. Access to the instructor or the credit bearing course that the content contributes to will naturally only be available to enrolled and registered students.”

**Bottom of page three, section 1.2:** “Courses will be selected from a list of “high-impact” lower division and foundation/gateway courses selected on the basis of detailed analysis of student enrollment data at the University of California. These courses act as the key prerequisites to the most popular college majors and also make up the core curriculum for community college students planning to transfer to a BA-granting institution. . . . Further, should the project succeed by making these courses available as OCW [open courseware] it would make a major contribution to a much broader need than that felt at UC. Such courses could be used by:
• universities and colleges as lower-division gateway or major requirement courses for their high-demand baccalaureate degrees;
• community colleges as courses contributing to AA degrees;
• universities, colleges, and extension programs as courses giving transferable college credit to students for the purposes of degree completion
• high-schools, universities, and colleges in providing students with foundational skills essential to student success in higher education in areas such as writing, mathematics, etc
• high schools at the advance placement level giving college credit to students achieving a satisfactory result.”

Fifth Page, section 1.3, Course Review and Approval:

“Completed course designs will include all the materials required for formal review and approval by the relevant Senate body (e.g. the committee on courses at the campus where the faculty author is located), and may include, for example, course descriptions, syllabuses, statements of learning objectives, descriptions of recommended assessments, information about who – what faculty and/or instructors – would be required to teach the course, as well as faculty recommendations pertaining to the nature and level of student-faculty and student student interaction. They may also include prototype course modules drawn from a toolset developed or adapted from existing open courseware for common deployment across the project.

“They will also include
• a phased project plans for course development; and
• a detailed budget estimate covering the costs both of the course’s development and its first use with a class of UC undergraduates

“Completed course designs and any prototype modules will be submitted for formal course review and approval using normal Academic Senate processes. Senate review and approval is critical. It not only ensures a course may be made available for UC credit; it also guarantees that the online courses achieve the same high standards as apply to UC’s on-the-ground instruction.”

A comparison of the prospectus presented to the Senate and the current project description provides us with an indication of the evolution of this program from the time of its endorsement by the Council to the model being funded. Our assessment of the funded project may reflect our view of the nature of this evolution.

Dan

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Project Plan

UC Online Education (UCOE)

March 24, 2011
Office of the President
University of California
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Appendix A. Project Pro Forma
I. Project Description

UC Online Education will develop a coherent online pathway augmenting constrained on-ground routes to student success while extending access to the baccalaureate experience delivered by this highly selective public university system. In the first of the project’s two overlapping phases, UCOE develops and delivers credit-bearing undergraduate instruction, and through research-based assessment, evaluates the effectiveness of 40 high-enrollment, quarter-length or semester-length courses.¹ These are primarily the core courses required for community college students who transfer to a four-year degree program and for entry into high-demand BA and BS majors at UC and other leading universities. They are also the courses offered in high school as Advanced Placement for college credit. In its second phase, the project will extend its course offerings emphasizing pathways that enable any high-potential high school or community college student to prepare for success in a selective BA/BS-level program. At the same time, the project will become a financially self-sustaining enterprise by offering courses on a revenue-generating basis to non-UC students for transferable credit, eventually perhaps enrolling some into selectively admitted streams that confer a higher status upon successful students through some form of special certification.

For UC, this is more than a project. It is an obligation. As a public institution, UC can and should lead in this arena because access and excellence are at the core of what this university as an institution does. Within California, the project’s impact will be felt as it increases the breadth of pathways leading to UC from high schools and community colleges, boosting the number of Californians able to benefit from UC’s stellar education while expanding pipelines for non-resident and international students as well. Additionally, the project will decrease time to degree for many of UC’s enrolled undergraduates and enhance affordability because more courses will be available anywhere, anytime.

Key features

- Forty full-credit courses that the project seeks to develop initially; many are the “gateway” courses, so-called because without them it is impossible in any credible university to proceed to a baccalaureate degree in any of the high-demand areas of major concentration. The courses would be developed with a modular design to facilitate adaptation to quarter or semester terms.

- A learning environment that dynamically generates information able to guide teaching, learning and the continuous improvement of online instruction.

- An evaluation framework designed and implemented by experts in learning outcomes assessment enables UCOE to assess the effectiveness of online instruction in different disciplines and with different student populations, and to measure the impacts on learning outcomes of different tools, modalities, and approaches. The framework also continuously generates data needed to improve online course content, tools, and teaching approaches in support of student success. Some of the assessment tools used to produce this data may be applicable to standard classroom courses.

- A nimble organizational model that leverages capacity where it exists within UC while contracting from outside that which is not readily or optimally available within. For example, UCOE is likely to select an

¹ A list of courses is available from the request to UC academic faculty for letters of intent to participate in the project (issued October 29, 2010) see http://groups.ischool.berkeley.edu/onlineselection/sites/default/files/RFOI.pdf
external entity to work as service provider and development partner in the structuring of its learning environment.

- An approach designed to build to scale from the outset, so that UCOE may transition quickly to a model that sustains itself financially.

At this time, the project is emerging from a detailed planning phase and is moving towards production. It is

- Defining in implementation-level detail its course design principles and approaches; the features of its learning environment, including a plan that sequences its development and its evaluation and assessment protocol;
- Commissioning its first detailed market research to verify assumptions about student demand and price sensitivity and to inform the development of its marketing and student recruitment plans;
- Working with selected faculty to articulate learning objectives for the courses they have proposed, the activities that will be needed to achieve those objectives, and the assessments that will be used to measure student and faculty progress in accomplishing them; and
- Seeking funds from external agencies (a grant of $750,000 has been awarded by Educause Next Generation Learning Challenge; an application is pending with the National Science Foundation for $1.3 million in support of research and evaluation).

Contingent upon available funding, UCOE will begin course development in April 2011, moving to construction of up to 20 courses in FY 2011/12, while offering the first credit-bearing courses to UC undergraduates possibly as early as July (summer session) 2011 with more coming on stream in successive quarters (October 2011, and January and April 2012, respectively). A further 20 courses will be developed in FY 2012/13 integrating lessons learned during 2011/12. Thereafter, courses will be refreshed on a staggered three-year basis.

While the project focuses in 2011/12 on UC undergraduates to hone its approach to the delivery of effective online education, it will also be paving the way for the open enrollment of non-UC students beginning October 2012. Critical here will be the development and implementation of student recruitment and marketing plans able to meet enrollment targets, and the initial design and development of a suite of services that ensure the success of students who take UCOE courses for transferable credit. Downstream, the project aspires to create a program of lower division courses for non-UC students who meet a high eligibility standard. By conferring some appropriate certification for students who complete this program, such an approach may be compelling enough to increase student enrollments and the number of courses taken annually by non-UC students.

II. Cost-Revenue Model and Financial Forecast

The pro forma submitted in Appendix A sets out a conservative financial forecast which projects profitability by 2014/15, assuming funding sufficient for implementation is agreed in spring 2011. It focuses exclusively on non-UC students who register on an open enrollment basis and pay at a rate based on the number of course credit hours (units). It assumes no selectively admitted pathway for non-UC students who are shown accordingly to take on average only one four-credit course per year.

UC students who take courses outside of summer sessions are not included in the model since their participation will be revenue neutral for UCOE. Thus, UC students will not pay tuition in addition to that paid to the University as an enrolled undergraduate. Costs for the online infrastructure, course development, and the administrative, business, and student services associated with instruction of non-UC students will be borne entirely by course fees paid by non-UC students.

According to the pro forma, UCOE revenues will exceed expenditures in 2014/15 when 5,400 non-UC students enroll in an average of one four-unit course per year. While detailed market research awaits approval of the loan-funding request, the following data points help to put this break-even enrollment target into perspective:
• UC extensions currently enroll over 57,000 students in online courses each year – 5,000 for UC degree credit;
• In 2010 UC summer sessions enrolled over 76,000 students in three and four-credit courses;  
• In 2010 the California Postsecondary Education Commission (CPEC) reported that the demand at the University of California is expected to increase from 172,775 students in fall 2008 to 196,448 students in fall 2014, representing an overall 13.7% increase. If state support remains at current levels, at least 19% of students in 2014 will be unfunded and the University will be unable to expand enrollments to accommodate all eligible students;
• CPEC also reported similar trends for the California State University where demand is expected to increase from 362,226 students in fall 2008 to 419,572 in fall 2015 representing an overall 15.8% increase and an annual average growth rate of 2%;
• California resident enrollment in for-profit universities has expanded as public higher education is too poorly funded to meet student demand. Currently, it is estimated that over 188,500 California residents participate in degree programs provided by for-profit providers. Characteristically, for-profit universities use online courses as their primary medium of instruction. According to the College Board, in 2010 the average tuition at such programs was $13,935 which is about 20% higher than at UC.

Recognizing the risks inherent in financial forecasting and the continuing fluid nature of online higher education, UCOE has built in to its project plan three features to mitigate financial risk:

1) Key milestones in the projects first 15 months will provide early indicators of its progress, an opportunity to course correct or even terminate the project. Milestones include:

Winter 2012 – early evidence of success generating interest among and enrolling non-UC students, including data on the average cost involved in enrolling a non-UC student

Spring 2012 – initial data available from evaluation about the educational effectiveness of online courses

Fall 2012 – evidence of progress meeting initial enrollment

2) UCOE will annually review its financial forecasts as presented here in the pro forma. It will look in particular at the operational scale assumptions, enrolment assumptions, and financial results and adjust accordingly with a view to ensuring that the C3 loan is paid off in a timely fashion. In general, UCOE must show annual meeting-or-exceeding of key pro forma assumptions (see columns A through P of the pro forma) within a 10% range including:

- Tuition Levels
- Average seats filled per unique course offering
- Course starts per year
- Total Enrolment
- % of Total Enrolment Attributable to Non-UC Students
- Net Income
- Debt Service Coverage

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4 Ibid.


Such annual review will be scheduled in a way that will minimize disruption in student life if the UCOE programs is ultimately eliminated. The EVP-Chief Financial Officer will maintain sole discretion with regard to continuation of C3 authorization after each annual review.

3) UCOE will continue to raise external funding which will be used to offset the need to draw upon C3 loan authorization.

III. Incentives Supporting Campus and Faculty Participation

For UCOE to succeed, faculty and campuses must participate in a variety of roles, including developing online courses and keeping them current, recruiting non-UC students and teaching (by instructors of record and graduate student instructors).

To stimulate and sustain the level of involvement that is required, the UCOE envisages a number of incentives. While these remain to be worked out in detail with the campus-led governing board, these will at a minimum include the following:

- **Profit sharing.** Net revenues will be distributed to campuses according to a formula developed by the governing board -- taking account potentially of the number of non-UC students a campus enrolls, and the number of faculty and graduate student instructors it provides.

- **Course creation and renewal.** Fees will be paid to academic units (and/or their faculty) for the new courses they contribute ($15,000 per course) and for the existing courses they refresh ($7,000 per course every three years). A royalty fee of up to $2,000 will also be paid each time a course is offered, possibly in a manner that scales to reflect the number of student enrollments and/or faculty involvement in the creation of the current course content. If the UCOE program becomes increasingly financially successful, these fees can be larger.

- **Reimbursement for the costs of instructors.** Fees will be paid to the academic unit that recruits faculty and graduate student instructors. Faculty costs will be paid at a rate that assumes the use of a ladder-rank faculty and Graduate Student Instructors.

Additional benefits will accrue to campuses though these are not easily accounted for as specific cash incentives.
- The common learning environment (CLE) that is being deployed for UCOE is designed by the campus Chief Information Officers and Educational Technology Leaders with a view of the downstream efficiencies that will result from eventual widespread adoption. Additional efficiencies will accrue from the eventual integration with student, library, and other information systems that the CLE will support.
- Campuses may also choose to use UCOE’s lower division and general education courses in any hybrid and fully online degrees and programs they choose to offer and for which they have Senate approval. This will significantly reduce the start-up costs associated with such programs.

IV. Risks and Risk Management

**Risk.** Uncertainty over whether the Senate will approve online instruction as a means of delivering for-credit undergraduate courses.

**Explanation.** Under their delegated authorities, the Academic Senate manages review and approval processes that govern whether courses can be offered for UC-credit (whether to UC or non-UC students). The Academic Senate has repeatedly voiced concerns about whether and to what extent online
instruction delivery will provide a UC quality education.

**Mitigation Measures.**
1. UCOE uses a rigorous research-based evaluation protocol to gather data bearing on the quality of the online educational experience.
2. UCOE has been planned and developed in close consultation with the Academic Senate.
3. Since thinking about UCOE began in March 2009, divisional senates have made progress in developing and exercising review and approval processes for online courses, and campuses have developed and successfully delivered online courses (mostly in summer sessions). In addition, online education has gained increasing acceptance at selective (peer) institutions.
4. The recent request for Letters of Interest resulted in proposals from more than 70 faculty, indicating a high degree of interest in offering high quality online courses.

**Risk. The slow pace of Senate course approvals.**

**Explanation.** Divisional Senates review proposals for new courses on a fixed schedule. Review of new on-ground courses can take from a few months and up to a year. Review of online courses may be more protracted especially at campuses where the relevant Senate review committee has little experience of reviewing or are particularly skeptical about the educational effectiveness of online courses.

**Mitigation Measures.**
1. Slow review may impede progress but will not undermine the program’s success.
2. UCOE will fund course development and seek Senate approval immediately upon course design completion, thereby speeding the process. We believe that (a) the standing of the Senate faculty who have been selected as course developers; (b) the course developers’ experience as undergraduate teachers with pedagogical innovation, and their familiarity, as UC faculty, with UC educational quality; and (c) the project’s design and the level of interest in it across the University will ensure that the courses created and delivered under its auspices will have the highest possible attention paid to issues of educational quality and effectiveness.
3. UCOE has alerted campus courses committees of impending online course development and asked for guidance on ways to facilitate review.
   a. The report of the Senate’s *ad hoc* Committee on Remote and Online Instruction published in May 2010 provides guidelines to divisional senates for the review of online courses.\(^7\)

**Risk. The difficulty generating the campus-level participation required to build enough courses to meet initial enrollment goals for non-UC students.**

**Explanation.** As indicated in Section III, campus and faculty participation is essential to the project’s success. Without it UCOE can neither develop courses nor offer them for instruction to non-UC students.

**Mitigation Measures.**
1. Online education promises to address some of the impacts of the University deteriorating budget including faculty workload, overcrowded classes, and curtailed ability to enroll all eligible California students. Additionally, it promises to expand pipelines of highly qualified non-resident students, including international students, whose presence diversifies and enriches the student experience while enhancing revenues.

\(^7\) A copy of the Academic Senate’s *ad hoc* Committee on Remote and Online Instruction can be found at [http://www.universityofcalifornia.edu/senate/reports/HP_MGYreRpt_Spec_Cte_Online_Remote_Instruction_FINAL.pdf](http://www.universityofcalifornia.edu/senate/reports/HP_MGYreRpt_Spec_Cte_Online_Remote_Instruction_FINAL.pdf)
2. The UCOE business model builds in financial incentives to encourage faculty and campus-level participation.
3. The project is organized to ensure widespread participation and buy-in by including key stakeholders in planning, advisory, and development roles.
4. The project includes courses taught across two or more campuses to help identify and mitigate issues related to distance-learning and cross-campus registration and grade transfer.

Risk. Competition from other providers.

Explanation. UC is a relative late-comer to online education. While it develops capacity, students from California and elsewhere are able to avail themselves of a growing range of for-credit course offerings from credible providers.

Mitigation Measures.
1. UC has national and international name recognition, and while a growing number of selective universities are offering online education, few are active outside their continuing professional and adult education units in offering transferable credit-bearing courses on an open enrollment basis.
2. The project moves rapidly from initial evaluation and capacity building to enrollment of non-UC students. A key early deliverable is a marketing plan that allows UC as early as fall 2011 to begin marketing credit-bearing courses to non-UC students, thereby asserting itself into an increasingly crowded marketplace.
3. UC starts a major online initiative unencumbered by previous investments in a specific learning management system, making it able to more easily incorporate the advanced technologies that best fit its desired assessment model.

Risk. Online Education has High Start-up Costs and May Not Succeed Economically.

Explanation. While successes are increasingly more prevalent in the arena of online higher education, a single, well-known failure (University of Illinois’s Global Campus) stands out in stark relief. It acts as a warning to those who seek to launch a new initiative and as a touchstone for any that wish to oppose it. Illinois allegedly spent and lost at least $16 million in a short period of time on a program that was intended to be financially self-sustaining and more.

Mitigation Measures.
1. UCOE is based on careful review of online education initiatives nationally in both the for- and not-for-profit sectors. While analysis of past performances cannot guarantee a future success, it certainly helps identify and then to avoid key risks.
2. UCOE is organized to leverage UC’s considerable capacities, thereby reducing risks ordinarily inherent in startups by incorporating experience.
3. UCOE is designed with three early milestones that permit quick exit at an early stage, thereby reducing downside risk. Those milestones are: (a) early review (March 2012) of the effectiveness of the student recruitment campaign that is initiated to enroll non-UC students including data on average cost of enrolling each non-UC student; (b) formal evaluation of data generated through the instruction of up to 20 online courses during the 2011/12 academic year, and bearing directly on issues of quality, educational effectiveness, student and faculty experience, and cost (expected

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8 Columbia’s Fathom is also frequently mentioned in this light. Yet it was a more publishing than an educational operation insofar as it never sought to offer credit-bearing online instruction. See Taylor Walsh (2011). Unlocking the Gates. How and Why Leading Universities are Opening Up Access to their Courses (Princeton, Princeton University Press).
6/12); and (c) evaluation of success meeting first-year enrollment targets for non-UC students (10/12). While program termination would leave a portion of the working capital unpaid by the project, that portion would not likely exceed $3.5 million.

4. UCOE will annually look at the operational scale assumptions, enrolment assumptions, and financial results and adjust accordingly with a view to ensuring that the C3 loan is paid off in a timely fashion (see pages 6-7). Such annual review will be scheduled in a way that will minimize disruption in student life if the UCOE program is ultimately eliminated. The EVP-Chief Financial Officer will maintain sole discretion with regard to continuation of C3 authorization after each annual review.

5. UCOE is actively seeking external support that, where successfully acquired, will reduce the amount of C3 debt-financing required and thus, the project’s downside financial risk for the university.

V. PROJECT ORGANIZATION AND MANAGEMENT

UCOE is based at the Office of the President although its functions are highly distributed as follows:

1. **Executive leadership and coordination** (responsible for strategic and business planning, project and budgetary management, project coordination, and communication)
   - Chair (Christopher Edley, Jr, Dean Berkeley Law School and Senior Policy Advisor to the President (15%, UCB, 15% when fully funded)
   - Director (Daniel Greenstein, Vice Provost, Academic Planning and Programs, 60%, UCOP)
   - Project Manager (Do Quyen Tran-Taylor, Planning Analyst, Academic Planning, 80%, UCOP, 100% when fully funded)
   - Project Analyst (Artemio Cardenas, contractor, 100%, UCOP)
   - Communications (Susan Sward, contractor, 20%, UCOP, moving 100% when fully funded)
   - Faculty associate and evaluation coordinator (Keith Williams, Senior Lecturer, Neurobiology, Physiology, and Behavior, UCD, and Faculty Associate to the Vice Provost for Academic Planning and Programs, UCOP, 20%, moving to 20% when fully funded)
   - Legal Counsel (Tina Combs Deputy General Counsel, leads team of counsel contributing 10% total)

In addition, should the loan be approved, the project will hire a business manager initially on a half-time basis from July 1, 2011 and then full time if appropriate from July 1, 2012. The business development manager will act as chief operating officer with principal responsibility for the design and implementation of UCOE’s revenue-generating instructional activities – that is, the instruction offered to non-UC students. The pro forma accounts for a business manager working full time for the project from July 1, 2012.

2. **Educational Technology and Instructional Design** responsible for the development of the project’s course design principles, common learning environment, and instructional design staff
   - Director ETID (Mara Hancock, Director, Educational Technology Services, 30%, UCB, 100% when fully funded)
   - Technology Lead, Learning Environment (Kirk Alexander, Program Manager, Academic Technology Services, 60%, UCD, 100% when fully funded)
   - Marketing Director (when fully funded and contingent on marketing plan development Q2 – see detailed timeline in Section VI)
   - Instructional Designer, northern region (100%, UCB, begins 4/1/11)
   - Instructional Designer, southern region (100%, UCI, begins 5/1/11)
3. **Course development and instruction** Presently, 29 UC Senate faculty have been selected as course developers/instructors through a competitive process completed in January 2011. A full list is available in appendix along with course titles.

4. **Service Providers** acting under contract to provide key functions to UCOE (project liaison only are identified below)

   - Evaluation (will determine whether, how, and at what cost online instruction is or is not effective in delivering a UC-quality undergraduate education. John Yun, Associate Professor of Education, Gevirtz Graduate School of Education and Director, UC Educational Evaluation Center, UCSB)
   - CLE Service Provider and Development Partner (TBD via RFP, selection expected 5/11)
   - Marketing (contingent upon marketing plan, staff appointment(s) will be made or a service provider will be selected via RFP in Q3 – see Section VI)
   - Student Services Provider (to be selected via RFP issued Qs2-3, See Section VI)

The project also benefits from

**An advisory group**, formed in 2010, has been appointed by the Provost and Executive Vice President for Academic Affairs and includes representatives nominated by the system-wide Academic Senate. The group is chaired by Gene Lucas, executive vice chancellor and provost at UCSB, and includes members listed below. If fully funded, the advisory board will transition into a governing body that will involve additional key perspectives, including planning and budget, undergraduate deans, business development, students, student services.

Jim Davis, Vice Provost, Information Technology, UCLA
Christopher Edley, Jr., Dean, Berkeley School of Law
Daniel Greenstein, Vice Provost, Academic Planning, Programs and Coordination, UCOP
David Kay, Chair, University Committee on Education Policy and Lecturer SOE, Informatics, UCI
Gary Matkin, Dean, Continuing Education, UCI
Brett Stalbaum, Lecturer SOE, Visual Arts, UCSD
Jose Wudka, Professor, Physics, UCR

**A support network.** Integral to the project’s success is the network of campus-based functional and subject matter experts that is mobilized to provide support. Networks are developed and managed by members of the management or advisory groups in areas that reflect their expertise and include:

   - Regents and Chancellors (Edley)
   - Executive Vice Chancellors and Provosts (Lucas)
   - Chief Information Officers (Davis and Hancock)
   - Directors of Educational Technology including audio-visual and related production units (Hancock, Alexander, Davis)
   - Directors of instructional and faculty support units (Hancock, Alexander)
   - Deans of University Extension (Greenstein)
   - Vice Provosts for Undergraduate Education (Greenstein, Williams)
   - Academic Senate committees on educational policy, planning and budget, etc. (Williams and Greenstein)
   - Intellectual property, purchasing technology transfer, patent, and other similar business functions(Combs and Greenstein)

With this collection of academic excellence and technological expertise supporting UCOE, we believe the project will succeed, bringing recognition to UC for its response to the needs of today’s students and for its awareness that a university, to remain great, must evolve continually with the times.
VI. Detailed Project Timeline, April 2011 to September 2013 (by quarter)

Critical “cut-and-run” decision points are marked in bold italic.

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<th>Quarter 3</th>
<th>Quarter 4</th>
<th>Quarter 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Full time project staff hired</td>
<td>• 2-4 new online courses available to UC students in summer sessions using beta CLE</td>
<td>• 2-3 new courses available to UC students on 1st gen CLE</td>
<td>• 6-8 new courses available to UC students on 1st gen CLE</td>
<td>• 8-12 new courses available to UC students on 1st gen CLE</td>
</tr>
<tr>
<td>• Course development schedule developed for first 20 courses and course design / development / Senate review and approval begins</td>
<td>• CLE provider and development partner selected</td>
<td>• Marketing campaign launched targeting non-UC students for fall 2012; student recruitment begins according to plan</td>
<td>• Student services up and running for enrollment management and advising</td>
<td>• Faculty provisionally selected to build additional courses</td>
</tr>
<tr>
<td>• Evaluation Framework finalized</td>
<td>• Student recruitment and marketing plans commissioned and completed</td>
<td>• Student services provider(s) selected (non-UC students)</td>
<td>• First cut and run decision in light of early review of marketing and student recruitment campaigns; early progress towards enrollment targets; data on average cost per student enrollment.</td>
<td>• Second cut and run decision in light of preliminary analysis of evaluation data gathered by project on educational effectiveness.</td>
</tr>
<tr>
<td>• Intellectual property regime finalized</td>
<td>• Strategize plan for offering courses to non-UC students, including enrollment, hiring instructors, support services, etc.</td>
<td>• All-project meeting reviews experience of first 4-7 courses (development and delivery, etc)</td>
<td>• Specification developed for administrative and business services required to support non-UC students, and RFP released</td>
<td>• Review identifies emerging good, bad, and best practices and informs design of 2nd gen CLE, refresh for year 1 courses, design approach to year-2 courses.</td>
</tr>
<tr>
<td>• RFP released for CLE provider and development partner</td>
<td>• Specification for student services function developed (non-UC students) and RFP released</td>
<td>• RFP issued seeking proposals from faculty interested in developing additional courses (list of target courses published in RFP)</td>
<td>• Provider(s) selected for administrative and business services required to support non-UC students</td>
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<tr>
<td>Quarter 6</td>
<td>Quarter 7</td>
<td>Quarter 8</td>
<td>Quarter 9</td>
<td>Quarter 10</td>
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<tr>
<td>• 6-10 new courses offered to UC students on beta 2nd gen CLE</td>
<td>• First courses offered to non-UC students admitted on open enrollment basis, using 2nd gen CLE</td>
<td>• 4-6 new courses available</td>
<td>• 4-6 new courses available</td>
<td>4-6 new courses available</td>
</tr>
<tr>
<td>• Third cut and run decision results from 'review of progress towards operational scale targets, enrolment targets, and financial results'</td>
<td>• 4-6 new courses available</td>
<td>• All-project meeting evaluates Q7 data collected for non-UC students; mitigating adjustments identified and planned e.g. for course content, technology, student services, etc.</td>
<td>4-6 new courses available</td>
<td>4-6 new courses available</td>
</tr>
<tr>
<td>• Preliminary report to Academic Senate on the assessment of online courses with regard to quality</td>
<td>• Phased periodic course refreshment/revision begins</td>
<td>• After refresh, year 1 courses are offered again (4-6 courses)</td>
<td>• All-project meeting reviews progress to date including data gathered for UC students during 2012/13 academic year.</td>
<td>• After refresh, year 1 courses are offered again (4-6 courses)</td>
</tr>
<tr>
<td>• Evaluation framework extended as needed to accommodate non-UC students</td>
<td>• Extensive data collected for non-UC students about educational effectiveness, student satisfaction, student</td>
<td>• Detailed report to Academic Senate on the assessment of online courses</td>
<td>4-6 new courses available</td>
<td>4-6 new courses available</td>
</tr>
<tr>
<td>• Student services extended to include advising and support for non-UC students</td>
<td>• After refresh, year 1 courses are offered again (4-6 courses)</td>
<td></td>
<td>• After refresh, year 1 courses are offered again (4-6 courses)</td>
<td></td>
</tr>
<tr>
<td>• Administrative and business services implemented as required to support non-UC students</td>
<td>• Detailed report to Academic Senate on the assessment of online courses</td>
<td></td>
<td>• Detailed report to Academic Senate on the assessment of online courses</td>
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<tr>
<td>• After refresh, year 1 courses are offered again (2-4 courses)</td>
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</table>

4-6 new courses available

4-6 new courses available
PROVOST AND EVP PITTS
VICE PROVOST GREENSTEIN

Re: Online Learning Pilot Project

Dear Larry and Dan:

At the recommendation of UCEP, the Academic Council unanimously endorsed proceeding with the pilot project on online learning as proposed in the prospectus prepared by UCOP’s Academic Planning, Programs and Coordination unit. Please note, however, that this endorsement is contingent on the procurement of external funds and that Council does not endorse the redirection of existing funds to this effort.

Last year a Senate Special Committee on Remote and Online Instruction recommended a graduated approach to online instruction that would incorporate assessment. The proposed project’s value lies in the evaluation of the effectiveness of the online courses developed. This approach should address questions about the circumstances in which UC-quality online courses can be offered. As UCEP’s letter states, “This is a chance for UC to do what it does best – use a research-based model to investigate the level and means that online education can contribute most effectively to instruction at UC.”

Please do not hesitate to contact me if you have any questions.

Sincerely,

Henry C. Powell, Chair
Academic Council

Copy: Academic Council
    Martha Winnacker, Academic Senate Executive Director
April 5, 2010

Henry Powell, CHAIR
ACADEMIC COUNCIL

Re: Endorsement of Academic Planning Online Project

Dear Harry,

UCEP has recently reviewed a revised draft prospectus (version 11) from Academic Planning concerning development of a project that would investigate a variety of issues related to online instruction at the University of California, and proposes endorsement of this project by the Academic Council as an indication of the faculty’s willingness to fully participate in the project as a means of evaluating the most viable methods for online education at UC. UCEP has interacted with Academic Planning since early last fall and seen this project evolve from one aimed at far-reaching future uses of online education to one focused on first demonstrating how online education can be done most effectively at UC. The primary intent of the project is now focused on establishing a series of courses that would help answer the questions that have arisen from faculty regarding modes of delivery, startup and ongoing costs, means of assessment to allow quality to be evaluated, and issues related to faculty workload and the integrity of the academic process using online education. The project is still dependent on external funding and we believe the concerns consistently raised by faculty regarding online education can best be addressed by full participation of the Senate in the process.

This project is a natural follow-up to the recommendations from the special senate committee on online education that submitted its report last summer. That report advocated continued development of online education at UC, raised a number of critical questions to be addressed before widespread adoption, and suggested a pilot project similar to what is currently proposed. While looking further into online education may be especially relevant in the continuing budgetary crisis, it is also appropriate for UC to investigate how online education can help improve the scope and quality of education in a variety of areas so that we can maintain our status as a leading public university system. While the Senate has repeatedly recognized the benefits of face-to-face instruction, we also realize the need to stay current with alternate modes of education and developing technologies that can leverage our expertise and funding in ways that help us meet our educational objectives. There are already many examples within UC of successful online education, and a number of faculty who are adamant about its potential to expand educational horizons. There are also faculty who are concerned that this is step toward a reduced quality education for a top flight university such as UC, and we need to fully address those concerns to identify how online education can be used effectively at UC, in what types of classes or disciplines it can be used to advantage, how it will affect instructional costs, how it fares relative to traditional teaching methods in meeting learning objectives, and
whether it can help us meet the variety of challenges we face to be able continue to offer the highest level of education while maintaining or increasing access to the University.

The project proposes to use external funds to develop a set of approximately twenty-five courses based on a framework for course design that will be developed jointly by administration and faculty. By seeking proposals from faculty, courses could be developed that would address issues such as: how best to teach introductory, GE, or gateway courses that are critical to student progress; whether it is feasible to teach across several campuses a large-enrollment course, evaluating whether this would gain benefits through economy of scale without detracting from quality, or to teach a smaller-enrollment course that couldn’t be justified on a single campus; how best to evaluate the quality of online courses relative to traditional methods to identify what works best; or whether access by high school or community college students to selected courses can help improve the background of students when they enter UC. There has already been formed a joint senate/administrative task force to oversee the project, but we would suggest that UCEP should continue to be closely involved with the development and oversight of the project to provide a wider faculty representation. Ultimately faculty must approve online courses and the curricula they contribute to, so it is essential that the senate review process be involved in a meaningful way in both the development and evaluation of the project.

While the project has evolved a great deal, there are still many issues related to online education at UC that need refinement and clarification. This pilot project provides a means for addressing many of the questions that have been inherent in senate discussions, and we endorse going forward with this project as a joint effort between Academic Planning and the Academic Senate, contingent on the availability of adequate external funding. This is a chance for UC to do what it does best – use a research-based model to investigate the level and means that online education can contribute most effectively to instruction at UC.

Sincerely,

Keith Williams, Chair
UCEP
Online undergraduate instruction at a selective university. An intensive, faculty-led evaluation of opportunities, challenges, quality, cost, and viability

DRAFT PROSPECTUS

Version 11
March 30, 2010

Introduction
The University of California’s mission is unique and essential: world-class excellence, and access for the best and brightest students who grapple with society’s most important and challenging questions. It is also inviolate, notwithstanding the deterioration in fiscal and political conditions over the course of a generation, and notwithstanding the painful effects of the current budget crisis. UC is responding to these challenges by restructuring, streamlining and adapting. However, UC must also innovate. The delivery of a quality education online is an area that UC must explore if it is to thrive and continue its leadership in today’s selective higher education arena.

Online undergraduate instruction is potentially a vital part of what UC must become for the new century. Success in its adaptation promises among other things to:

- create opportunities for new, powerful forms of instruction, collaboration, and student assessment, not only exploiting current technologies but driving innovation in software and pedagogy through a program of in-house research and development;
- broaden access to an affordable University of California education for well-prepared students within California, across the country and around the world;
- expand course options for on-campus UC students, enabling them to complete their degree more quickly by increasing capacity in presently oversubscribed courses and expanding use of cross-campus general, advanced and “niche” offerings;
- improve B.A. completion rates and time-to-degree generally;
- expand UC’s capacity to serve mid-career students, students with family obligations, students who work part-time, and professionals; and
- generate revenue for distribution to participating faculty and campuses.

But all of these goals rely first and foremost on establishing an online pedagogy that meets UC’s historically high standards of instruction that focuses on the educational needs and aspirations of a selectively admitted student body. This is something that few have attempted in a systematic fashion.

To that end, the University proposes a project that will bring the expertise of its faculty and the deliberative nature of its academic senate’s course review and
approval processes to bear in the development, delivery, and formal evaluation of online undergraduate courses that are suitable for delivery for credit in a selective research university. This is not just another pilot that sets out to assess the learning effectiveness of individual online courses. It is instead a systematic effort intended to demonstrate where, how, and at what cost, UC-quality online education can be integrated into the main curriculum of undergraduate instruction at an elite research-intensive university, exploring applications with both enrolled and, through summer sessions, cross-campus courses and dual enrollments, fully distant students.

Proposed as a collaborative effort, the project will study whether it is possible to, and if so, how best to, deliver UC-quality online courses that meet faculty-determined student learning outcomes. This will be pursued through a competitive award process whereby faculty and campus departments explore the pedagogy of online instruction by designing and delivering online courses, assessing its use in the undergraduate curriculum, and measuring its efficacy in learning outcomes.

As proposed, the project will move to implementation through a highly consultative academic and business planning process. It will be discussed with the Academic Senate’s Academic Council and the University Committee on Education Policy, and will be subject to oversight by an Academic Planning Council advisory committee. Presently, we anticipate that experts within and beyond the UC community will be consulted to ensure adoption of best practices, and the Academic Senate will provide leadership to ensure academic quality and integrity. The goals are

- to test whether online education allows academic quality of instruction and effectiveness of student learning to be maintained albeit with alternative uses of faculty time and expertise;
- to confirm that California’s flagship university system has the vision and leadership to integrate information technology in an innovative response to the growing demand for selective, high quality, undergraduate education.

This document presents some of our preliminary thoughts on how the project may unfold and some of the issues it will address.

This project will bring the expertise of UC’s faculty and the deliberative nature of its Academic Senate’s course review and approval processes to bear in the development, delivery, and formal evaluation of online undergraduate instruction as introduced systemically in key areas of the undergraduate curriculum. Its principal deliverables will include:
- 25 high-demand lower division online courses, assessed through use in credit-bearing UC undergraduate courses, and made available under Creative Commons License as open courseware (OCW);
- a well articulated framework for course design and development and an accompanying assessment of current practices including pedagogical approaches, and technology standards; and
- a methodology for systematically evaluating the effectiveness of online learning and results generated through its application in assessment in this project

And it will develop a more comprehensive and data driven understanding about the effectiveness and cost of online instruction in a selective university setting than is currently available.

1.1. The project team
The project will be conducted by a team (the project team) whose members will be selected through a competitive, peer-reviewed proposal (RFP) process and include:
- a research and evaluation group – selected to develop and implement a common assessment framework enabling the project to get at issues having to do with the quality, effectiveness, cost, and long-term viability of online education;
- a course design and development group – selected to develop a high-level framework that will guide the development of platform independent online courses that meet a variety of design principles as specified below. The unit will also act as a resource or utility for faculty course developers and their local support staff ensuring effective information and resource sharing across the project and enabling faculty from all UC campuses to participate in the project, even where their local educational technology and other support groups are stretched to capacity;
- UC faculty course developers – selected to develop the 25 courses and who contribute to the project’s overall development and evaluation;

A small group at the Office of the President will provide administrative support and coordination for the project as a whole.

1.2. The courses
Courses will be selected from a list of “high-impact” lower division and foundationgateway courses selected on the basis of detailed analysis of student enrollment data at the University of California. These courses act as the key pre-requisites to the most popular college majors and also make up the core curriculum

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1 Here Open Courseware is taken to mean the online content that is produced in support of the course, including course description and syllabus, learning materials and assessments where they are no longer in use. Access to the instructor or the credit bearing course that the content contributes to will naturally only be available to enrolled and registered students.
for community college students planning to transfer to a BA-granting institution. As such, they are in the highest demand at UC and the cause of the greatest “impaction”. Further, should the project succeed by making these courses available as OCW it would make a major contribution to a much broader need than that felt at UC. Such courses could be used by:

- universities and colleges as lower-division gateway or major requirement courses for their high-demand baccalaureate degrees;
- community colleges as courses contributing to AA degrees;
- universities, colleges, and extension programs as courses giving transferable college credit to students for the purposes of degree completion
- high-schools, universities, and colleges in providing students with foundational skills essential to student success in higher education in areas such as writing, mathematics, etc
- high schools at the advance placement level giving college credit to students achieving a satisfactory result

Funding permitting, selected upper division courses may also be included to gather information on the extent to which online instruction is appropriate at that more advanced level.

1.3. Course design
Courses will be designed to a set of common design principles established by the project team under the leadership of its course design and development group. The principles will be instantiated by faculty in their work on specific courses. In this way, the principles will provide signposts rather than prescription and will focus at a high level for example, on:

- scope – courses will cover the majority of core content and learning objectives that may be expected for the specific discipline and level

- academic quality – courses will reflect the rigorous academic standards that apply at UC as defined in tangible terms that support ongoing evaluation of the courses and the experience of faculty and students who engage with them

- re-useability – courses will be configurable for adaptation and use by instructors with different curricula requirements or pedagogical approaches. They will be
  - modular – so course components can be swapped in or out, tailored, and re-used;
  - granular – so course components are re-purposeable at the lesson or task level
  - platform independent – so courses and course components may be moved between and used upon any of the leading learning management systems
The aim here is to ensure that course materials may be used to support instruction – in effect to build a library of highly dynamic online educational materials that may be adopted by instructors in delivery of their courses.

- open access – the project aims to ensure that as many materials as possible that are included in any course – both learning modules and supporting information resources such as journal articles or textbook chapters will be freely available to anyone with an Internet connection

- sustainability at predictably low cost – courses will be designed with a view to reducing and making predictable the cost and effort involved in re-purposing, revising, adapting, and reconfiguring them and in maintaining their currency

### 1.4. Course review and approval

Completed course designs will include all the materials required for formal review and approval by the relevant Senate body (e.g. the committee on courses at the campus where the faculty author is located), and may include, for example, course descriptions, syllabuses, statements of learning objectives, descriptions of recommended assessments, information about who – what faculty and/or instructors – would be required to teach the course, as well as faculty recommendations pertaining to the nature and level of student-faculty and student-student interaction. They may also include prototype course modules drawn from a toolset developed or adapted from existing open courseware for common deployment across the project.

They will also include

- a phased project plans for course development; and
- a detailed budget estimate covering the costs both of the course’s development and its first use with a class of UC undergraduates

Completed course designs and any prototype modules will be submitted for formal course review and approval using normal Academic Senate processes. Senate review and approval is critical. It not only ensures a course may be made available for UC credit; it also guarantees that the online courses achieve the same high standards as apply to UC’s on-the-ground instruction.

### 1.5. Course development, delivery, and evaluation.

Courses that are approved by a Divisional Senate’s committee on courses (or equivalent body) will be fully developed and used and evaluated in undergraduate instruction. In the development phase, the course design and development group will work with faculty course developers and their local support staff to complete the course as designed.
Once available, courses will be offered by their faculty authors to UC undergraduates who are enrolled in them for course credit. Because the project seeks amongst other things to get a handle on the effectiveness of fully distant education, the project will seek through the RFP process to deliver courses to some fully distant students for example through summer sessions, cross campus courses, and/or dual enrollment.

Finally, while the project will encourage exploration of different forms of delivery (and different approaches to student-faculty and student-student interaction online), it is expected that all online courses will be overseen in the normal way by Senate faculty. That is, all courses will have instructors of record, and some combination of faculty, lecturers, and graduate student instructors responsible for day-to-day course operation.

With regard to their evaluation courses will be assessed according to a common framework developed by the research and evaluation group in order to assess the viability of online undergraduate instruction through a variety of perspective lenses. The framework will be developed using current assessment methodologies and emphasize the use of qualitative as well as quantitative longitudinal as well as static data. Issues to be evaluated may include

- learning effectiveness of online vs comparable on the ground courses
- cost developing, delivering, and maintaining online courses,
- student and faculty workload
- level, nature, and cost of faculty and student support including training and technical support
- ability to ensure academic integrity

It will also enable the project to gain an evidenced based understanding of at least three aspects of online education about which we know too little.

- the effectiveness of specific forms of instruction (e.g. instructor-led asynchronous section-like discussion groups, multiple low stakes assessments, etc)
- how online courses differ from on the ground ones with regard to the faculty and student experience that they support and permit, and how those differences influence student outcomes
- how and to what extent technology environments shape both student and faculty experiences and (crucially) shape student outcomes

**1.7. Standards specifications and the development of common tools and platforms** Led by the course design and development unit in consultation with the project team, the project will develop:

- an intellectual property regime that applies to the ownership of intellectual property in the courses produced as part of this project, and that guides decisions pertaining to the use in those courses of any in-copyright materials;
• technical and documentation standards that ensure course content is platform independent and available through time and changing technical regimes;
• a single platform that will host the UC courses for the purposes of their distribution as open courseware; and
• a set of course modules or tools that are commonly required by faculty authors and may be adapted for use in and integrated in their courses. Such tools will be developed by project’s course design and development unit in consultation with faculty course developers and using existing open courseware where available. It may include, for example, tools that enable scheduling, hosting asynchronous seminars, performing certain kinds of assessment, etc.

1.8. Project phasing. The project will take place in four phases
• project team development and course design;
• course development, delivery, and evaluation;
• publishing and dissemination; and
• evaluation of next steps
The University of California’s mission is unique and essential: world-class excellence, access for the best and brightest students who grapple with society’s most important and challenging questions. UC’s mission is unique, essential, and inviolate, notwithstanding the deterioration in fiscal and political conditions over the course of a generation, and notwithstanding the painful effects of the current budget crisis. UC is responding by restructuring, streamlining and adapting. But UC must also innovate. Online undergraduate instruction is potentially a vital part what UC must become for the new century. This pilot project will assess its use in the undergraduate curriculum both with residential as well as non-residential students. Proposed as an extensively collaborative effort, the pilot will assess whether online undergraduate education can extend capacity to support existing students who will have access to online courses from across the system, and extend UC’s reach to eligible students in California and around the world.

As proposed, the pilot project will move to implementation through a highly consultative academic and business planning process. As an initial step the plan for the project will be discussed with the Academic Council at its September meeting and with the Senate Committee on Education Policy in the week that follows. Presently, we anticipate that experts within and beyond the UC community will be consulted to ensure adoption of best practices, and the Academic Senate will provide leadership to ensure academic quality and integrity. The goal is to confirm that California’s flagship university system has the vision and leadership required to integrate information technology in an innovative response to the growing demand for selective, high quality, undergraduate education.

This document represents some of our preliminary thoughts on how the pilot may unfold and also some of the issues it will help to address.

* We believe that integrating online instruction into UC’s undergraduate curriculum will:

- create opportunities for new, powerful forms of instruction, collaboration, and student assessment, not only exploiting current technologies but driving innovation in software and pedagogy through a program of in-house research and development;

- broaden access to an affordable University of California education for well-prepared students within California—but also across the country and around the world;
• position UC as the market leader in providing high-quality online undergraduate education to selectively admitted students at UC and globally;

• expand course options for on-campus UC students, enabling them to complete their degree more quickly by increasing capacity in presently oversubscribed courses and expanded use of cross-campus general, advanced and “niche” offerings;

• create online materials that will be licensed for use by universities and secondary schools worldwide, and provided free to California public institutions;

• improve B.A. completion rates and time-to-degree generally;

• expand UC’s capacity to serve mid-career students, students with family obligations, students who feel they must work part-time, and professionals; and

• by Year 3, with effective marketing, generate revenue for distribution to the participating campuses.

What will a typical online UC course be like? How will it work? Online materials will rely on the best available technologies for delivery of instruction and reflect the latest research into the effectiveness of online learning. Courses will be prepared by members of a world class faculty who are selected for their teaching ability and enthusiasm as well as for their expertise and interest in this project. Based around high-quality video, courses will be highly interactive and include audio clips, graphical material, web-based simulations and models, and other made-for-internet materials. Crucially, courses will integrate social networking, voice-over-IP, desktop videoconferencing, and other technologies to ensure that students have real-time contact with faculty instructors as well as with fellow students. UC will, in effect, reproduce in an online environment traditional seminar- and tutorial-based learning modalities that are in danger of become lost with the drift toward mass education and – even at UC – higher student-faculty ratios. In addition, the online learning environment deployed by UC will enable faculty to track students’ progress to facilitate targeted real-time instruction to specific student needs. Throughout the courses, students will have 24x7 access to graduate student assistants, who are emerging experts in their fields and who will offer tutorials and seminars, or be available to provide assistance with essays, problem sets, or other challenges that may arise. Papers will be read by teaching assistants supervised by professors, and student assessment will be conducted in a manner that ensures the same level of rigor and integrity that faculty demand on-campus. Crucially, students will have access to faculty and researchers who are deeply immersed in the process of discovery, and they will have opportunities to debate and challenge ideas in tutorial and small group discussions that are designed self-consciously to adapt the newest internet technologies in a manner that emulates and enriches the best of more traditional forms of education.

What students will take advantage of UC’s online courses? A market study will be conducted in the coming weeks, but our preliminary sense of the potential student market includes both non-residential as well as residential students.

Non-residential students are likely to include:

• students from low and middle-income families who, notwithstanding UC’s financial aid policies, prefer to save on housing and related costs by staying at home and matriculating in an online program;
• working students;
• students who for some reason are unwilling to move away from home to a campus;
• students with parenting or family care responsibilities;
• older students;
• students with disabilities;
• language minority students for whom self-pacing and part-time enrollment are attractive;
• enlisted military personnel;
• nonresident U.S. students for whom online UC credits or a UC degree is preferable to residential or other programs in their state or community (e.g., rural and poorer states); and
• foreign students.

Residential students who avail themselves of online courses may include:
• students who want flexibility to take certain courses online or who can’t get into traditional version of course; impacted courses
• “Fall Program for Freshman” students who want an online version of that program, or students for whom there wasn’t enough space in the regular program;
• spring transfer students (currently numbering 300) who want to get started in the Fall;
• graduating seniors or students who have “stopped out” who just need a few courses to complete a degree;
• students who are “stopping out” to have an international experience but want to keep making progress toward their degree; and

STRUCTURE: Presently two models for delivering online instruction have been floated.

In model 1, online courses are offered by participating campuses. Majors and degrees continue to be controlled and awarded at the campus level, and may include online courses available from other campuses. Any non-residential or distance students will be recruited to a campus, e.g., Berkeley, Davis, or Irvine, but will avail themselves of online courses offered by any campus. The student’s home campus will be responsible for the student’s welfare, her progress, her academic advising, and ultimately for conferring a degree.

In model 2, a fully online degree is supplied by a separate organizational entity – a virtual “11th campus”, managed by a competitively selected campus or consortium of campuses. This entity will have a “virtual faculty” selected from across the UC System and jointly appointed to their home campus and this new entity, and constituting a new division of the Academic Senate.

In either model, campuses would be reimbursed for the costs they incur in developing online courses and providing instruction in them. Start-up funding of several million dollars will be sought from donors but the effort will, within three years, become fully self-supporting on the basis of student fee revenues, using a revenue-sharing formula that will provide the incentives necessary to engage leading faculty in producing high-quality courses within what is likely to become a highly competitive marketplace. (We will not proceed at scale unless, among other considerations, our business models and market research promise financial sustainability, or better.)
In the pilot project, contracts will be awarded in a competitive process to interested departments and faculty from across the UC system to produce an initial inventory of online courses. Phase I will build roughly two dozen freshman and sophomore courses that are either oversubscribed, important gateways for popular majors, or critical for students from California Community Colleges who plan to transfer to UC in their junior year. As with all academic courses, course development and delivery will be subject to approval by applicable Academic Senate processes to ensure that online courses are no different from on-campus courses in terms of their quality and academic integrity. Course development will conform to a common set of technical and production standards ensuring consistent high-level quality in the student experience without constraining academic innovation.

Contracts will also be established with campuses and departments to actually deliver instruction in online courses. That is, for example, a Berkeley campus professor might create a gateway American History course, but the population of online students will require an instructor of record and teaching assistants in sufficient numbers to serve the sum total of all student enrollments across the system, both residential and non-residential. Depending on enrollment, “instructional services” may be provided by the Berkeley campus, another campus, or by several campuses acting in a consortium. Revenue sharing would reflect the form and amount of campus participation.

In later phases, upper division (junior and senior) courses and majors may be developed in the same fashion—coordinated competition. The approach will vary depending on which of the two structural models described above is adopted. In the collaborative design (model 1), campuses will offer particular majors to online students from across the system. In the 11th campus design (model 2), UC faculty will play a particularly important role in defining the requirements for graduation in each major, selecting courses and instructors from around the system, and managing to a budget that will necessarily constrain the breadth of the curriculum.

At all levels, instructors who teach online courses will be selected based on their ability to instruct in an online environment, to motivate, inspire, engage, and teach.

Admissions, enrollment, and student services will be built by the campus consortium, sourced from a third party (which may be a UC campus) in the 11th campus model, or integrated into campus-based administrative systems in the collaborative model.

For all online students, admissions eligibility criteria will be consistent with the Master Plan. Nonresident applicants, including students abroad, must be comparably qualified.

Tuition, in our current thinking, will at least be equal to on-campus tuition—approximately $10,500 in FY 2011. Financial aid will be available, although aid policies will recognize that online students will typically be at home, and many will be enrolled part-time and working. Others will be juggling family care or health issues. Some will be in the active military and a great many will be international students “attending” from the other side of the world.

Online instruction is rapidly becoming an increasingly competitive field, including for highly selective online baccalaureate degrees. UC’s great advantages include its world-class reputation, 10-campus breadth of intellectual capital, and existing base of research on information technology in education. A portion of the revenue stream from online instruction will be reinvested in research, evaluation, development, dissemination, and marketing to ensure that UC achieves and maintains leadership in this field. For example, rapid advances in social networking software and virtual reality platforms are
creating exciting possibilities for student-to-student and student-to-instructor interactions that can supplement, if not substitute for, traditional on-campus interactions. Technology is now providing coaching and testing tools that traditional instructors can barely imagine. A growing body of research, most recently vetted by the US Department of Education, shows that learning gains from high-quality online instruction equal or exceed those from traditional lecture-method instruction.

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**NUMBERS, TIMELINE:** As part of the planning effort, APPC will conduct market studies in early fall 2009 to refine a business plan for the pilot project. We have begun intensive discussions with the UC Academic Senate, and will refine our plans as part of the new Regents’ Commission on the Future of the University. We also plan to present the project plan to the Board of Regents for information and endorsement in November 2009.

At present the effort seeks pledges of $30 million from private and non-profit sources for a capital pool to be drawn down over 18 months, beginning soon after the Regents’ hoped-for endorsement of formal planning, approximately December 1, 2009.

The target date for initial delivery of online courses developed as part of the pilot project is January 1, 2011.