The best education in the world.
The best education for the world.
Georgia Tech’s OMS CS degree.
OMS CS: What are we talking about?

- OMS CS: Online Master of Science in Computer Science
- Collaboration among GT, Udacity & major corporation
- Announcement targeted for May 2013
- Program launch October 2013-January 2014
Rationale – Part 1

• We can educate the world
• Lead, not follow—taking 1st real step in the revolution
• Students want degrees, not just courses
• MS & CS are best places to start
• It makes financial sense
• Georgia Tech can do it
Rationale – Part 2

• Pool of prospective students exponentially larger
• Opportunity to redefine learning experience to be more student-focused
• New pipeline for PhD students
• Non-traditional students (international, working professionals)
• Address current shortage of trained computing professionals
Why Udacity?

• Experience in online education delivery
• Quality of product
• Introducing MOOC 2.0
• Experience in massive-scale projects (Google Maps)
• Efficiency of execution
# Budget – Part 1

## Student Projection

I = Prospective degree-seeking (2 courses per term)  
II = Degree-seeking (2 courses per term)  
III = Credit-seeking but non-degree-seeking (1 course per term)  
IV = Non-credit-seeking (MOOC)

<table>
<thead>
<tr>
<th>Year/term</th>
<th>I</th>
<th>II</th>
<th>III</th>
<th>IV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/1</td>
<td>200</td>
<td>0</td>
<td>0</td>
<td>TBD</td>
</tr>
<tr>
<td>1/2</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>TBD</td>
</tr>
<tr>
<td>2/1</td>
<td>800</td>
<td>750</td>
<td>500</td>
<td>TBD</td>
</tr>
<tr>
<td>3/1</td>
<td>1,500</td>
<td>3,290</td>
<td>1,500</td>
<td>TBD</td>
</tr>
<tr>
<td>3/3</td>
<td>2,000</td>
<td>5,890</td>
<td>2,000</td>
<td>TBD</td>
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</tbody>
</table>
Budget – Part 2

Fixed costs
- Course production = $300K per course
- Course maintenance = $100K per course
- GT personnel = $457K in Year 1, $911K in Year 2, $1.129M in Year 3

Variable costs
- Student services
- Exams
- Machines and software licenses
- Recruiting
# Budget – Part 3

## Georgia Tech net revenues

<table>
<thead>
<tr>
<th>Year</th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition &amp; inst. fee</td>
<td>$1.6M</td>
<td>$8.9M</td>
<td>$22.6M</td>
</tr>
<tr>
<td>Based on $402/3 credit Class, SIF $194 &amp; TF $107</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate sponsorship</td>
<td>$2M</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Total costs</td>
<td>$1.1M</td>
<td>$1.9M</td>
<td>$2.5M</td>
</tr>
<tr>
<td>Overhead return</td>
<td>$229K</td>
<td>$409K</td>
<td>$547K</td>
</tr>
<tr>
<td>Gain/loss</td>
<td>$241K</td>
<td>$833K</td>
<td>$5.0M</td>
</tr>
<tr>
<td>Technology fee</td>
<td>$190K</td>
<td>$1.1M</td>
<td>$2.6M</td>
</tr>
</tbody>
</table>
Contract

- 60/40 GT/Udacity split (also for losses)
- Georgia Tech degree/processes (admissions, registration, payment, assessment, evaluation, degree certification)
- Georgia Tech IP, Udacity platform
- Initial production by Udacity, followed by transition to GTPE