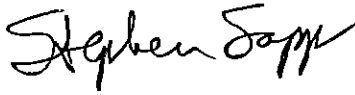




MEMORANDUM

To: Donna E. Shalala, President

From: Stephen Sapp  
Chair, Faculty Senate 

Date: March 11, 2008

Subject: Faculty Senate Legislation #2007-38(B) – Establishment of University of Miami  
Online High School

\*\*\*\*\*

The Faculty Senate, at its January 30, 2008, meeting, voted unanimously to approve a proposal for a University of Miami Online High School with the following changes:

- Provide for an external review after three years, and periodically thereafter
- Provide to the Faculty Senate a full report on the program after three years.

The proposal is enclosed for your reference.

This legislation is now forwarded to you for your action. If approved, this legislation would become effective immediately.

SS/rh

Enclosure (University of Miami Online High School Business Plan)

cc: Thomas LeBlanc, Executive Vice President and Provost  
✓ Paul Orehovec, Vice President; Dean, Enrollments  
✓ Isaac Prilleltensky, Dean, School of Education

[Please contact the Senate office to view this proposal.]

Faculty Senate  
1252 Memorial Drive, 325 Ashe Admin. Bldg.  
Coral Gables, Florida 33124  
Phone: (305) 284-3721 • Fax: (305) 284-5515  
<http://www.miami.edu/FacultySenate>  
email: [facsen@miami.edu](mailto:facsen@miami.edu)



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**To:** Donna E. Shalala, President

**From:** Stephen Sapp  
Chair, Faculty Senate

A handwritten signature in black ink that reads "Stephen Sapp".

**Date:** March 11, 2008

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email: [facsen@miami.edu](mailto:facsen@miami.edu)

CAPSULE: Faculty Senate Legislation #2007-38(B) – Establishment of University of Miami Online High School

**PRESIDENT'S RESPONSE**

APPROVED:  DATE: 3/11/08  
(President's Signature)

OFFICE OR INDIVIDUAL TO IMPLEMENT: Paul Orehovec

EFFECTIVE DATE OF LEGISLATION: \_\_\_\_\_  
(if other than June 1 next following)

NOT APPROVED AND REFERRED TO: \_\_\_\_\_

REMARKS (IF NOT APPROVED): \_\_\_\_\_



Division of Continuing and  
International Education

---

# University of Miami Online High School

## Business Plan

**Paul M. Orehovec**

Vice President  
Enrollment Management and Continuing  
and International Education

**Dr. Marcy Ullom**

Associate Vice President  
Continuing and International  
Education

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A Proposal for the Establishment of the University of Miami Online High School  
**BUSINESS PLAN**  
 November, 2007

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## Executive Summary

Our core business is education. We know education. We know how to create and implement a new business. We have identified key partners to help us implement this new business. From 2004 - 2007, the Division of Continuing and International Education collaborated with Sagemont Virtual School to offer the University of Miami Online High School. Based on history, our current knowledge and the marketplace, we are confident there is a market for a premier on-line high school.

The University of Miami will develop a proprietary, branded curriculum that will serve the needs of University of Miami Online High School students and will also position the University of Miami to generate revenue by licensing and distributing the curriculum to a broader national and international online high school market.

The University of Miami Online High School will provide a high quality educational product for high achieving high school students, grades 9-12, who have a need for institutional and programmatic flexibility. Quality and control of curricular materials and upholding high academic standards consistent with the University of Miami's undergraduate programming are germane to this initiative. Collaboration with the School of Education, will provide academic oversight, as well as position the School of Education in the unique position of providing online student teaching for education majors.

### *Online High School Administration, Governance, and Implementation*

The University of Miami through an internal, divisional partnership between the Division of Continuing and International Education and the School of Education will implement a grade 9-12, comprehensive, online high school providing for the learning needs of high achieving students culminating in a secondary school completion diploma. The Division of Continuing and International Education will oversee administration of the online high school program, and the School of Education will provide instructional design expertise and consultation through an oversight board in addition to research and evaluation. The University of Miami, under the leadership of the Division of Continuing and International Education, will provide overall governance for the school and will apply existing resources to accreditation, housing for administration, initial and maintained technology installations, marketing, and other ancillary aspects of the development and launch of an online high school.

The University of Miami will contract with FYI Curriculum, a third party vendor, which will develop a complete set of ninety (90) online high school curriculum courses for use by the University of Miami Online High School in the first year. A detailed listing of on-line courses is offered in Appendix 1. Drawing on the collective strengths of the University of Miami's Division of Continuing and International Education and the School of Education, this unique, internal partnership agreement will leverage the existing brand and the departmental operational

expertise of both. FYI Curriculum, a third party vendor, will publish online 9-12 materials and resources as it works with the University of Miami to produce curriculum for the University of Miami Online High School and other external markets. The School of Education has created an Academic Advisory Committee to collaborate on the identification and hiring of key University of Miami Online High School personnel (including teachers), assist with educational quality issues, share research expertise, and contribute to program evaluation; the Division of Continuing and International Education will lead, manage, and administrate both University of Miami Online High School operations and the curriculum generation process; and FYI Curriculum will develop, illustrate, secure permissions, edit, and publish curriculum courses.

### *Initial Cost*

The total cost of development for all ninety courses will be \$2.5MM. This estimate derives from a one-time development fee of \$28,000 per course. These courses can be ready for use by the University of Miami Online High School within 9-12 months from the contract agreement and a complete course list will be provided prior to project inception. Following the initial development cycle, if the University of Miami Online High School identifies additional courses they wish to offer to students, the vendor will quote said course requests 'at cost.'

## **Company Overview**

### *Business Nature and Objectives*

The University of Miami's core business is education. The university seeks to expand its on-line education initiatives in ways that will increase its ability to offer grade 9-12 students effective, quality-assured, tested, and branded curriculum; to serve its faculty with learning tools that facilitate instructional delivery and foster faculty and student collegiality; and to increase the university's name recognition with national and international markets. This proposal is unique, as it is the first time that UM will manage an online high school. Since the University of Miami has not explored the concept of a purely virtual endeavor, especially in the online high school market, this plan offers an opportunity to map uncharted, yet not wholly unexplored, business revenue lines keeping pace with instructional innovations in the world outside the university sphere.

### *Initiatives*

This plan proposes the following initiatives: first, the establishment of its own on-line high school, branded as University of Miami Online High School, and secondly, to establish a relationship with a private company to develop and license on-line courses for the K-12 education market. It also offers UM the opportunity to become a leader in university and business partnership hybrids at a time when the nature of instruction and student learning is



changing. An increasing number of students have the expectation of online learning, and University of Miami Online High School will help to establish the University of Miami as a leader in innovation and as a purveyor of high quality educational services for a variety of students and clients.

### Description of Product and/ or Service

#### *Primary Service: Enrollment and Tuition Generated from the University of Miami Online High School*

The university will launch the University of Miami Online High School, a complete and comprehensive grade 9-12 instructional program, delivered by qualified state and nationally certified teachers in specific content areas. Students will have access to a full complement of rigorous college preparatory courses designed to meet individual learning styles and needs. The University of Miami Online High School will be an accredited diploma granting institution for both full-time students and non-diploma seeking students who wish to enhance their educational experience with courses that are not available in their home instruction. The University of Miami Online High School will provide a learning environment with a high level of interaction between students and instructors and among peer groups of students, which is the hallmark of high quality instruction on-line. We will be exploring models to ensure academic success, adding staff within year 1-2 such as counselors, tutors and academic coaches. This individualized approach to on-line learning will set a standard of high quality on-line high school education that is commensurate with the University of Miami brand.

#### *Secondary Service: Curriculum Licensing*

Curriculum, the underpinning of a good instructional program, will provide the framework for student success at the University of Miami Online High School and require relatively little additional capitalization for use in broader markets. Through a collaborative, unique, internal partnership between School of Education and Division of Continuing and International Education at the University of Miami and the expertise of proven curriculum vendors, UM will have the opportunity to establish high standards and to establish the premier curricular model. This will set the University of Miami apart in what has become a commoditized industry so that it has market differentiation for the product resulting in greater market share. The present industry trend is that there are a few key players. All University of Miami Online High School curricula will hold a customized brand trademark and copyrighted content covering both the educational design logic and the specific, proprietary content. Furthermore, this proposal outlines the first coalition of experienced educators and curriculum developers with schools of education to apply research to relate best practices for on-line learning.

Please see Appendix 1: Partial Listing of Courses Developed for Use by UMOHS

Curriculum, developed for University of Miami Online High School and branded by the University of Miami, will serve as a tangible asset for sale to other institutions. A royalty-based residual will produce a constant revenue stream derived from a case-by-case contractual arrangement with the university. This will lead to a twofold advantage, namely: **revenue** from already produced materials and **marketing and name recognition**, without the cost the operational cost overhead.

## Competitive and Market Analysis

### *Competitive Advantage: Rationale*

The University of Miami Online High School will offer parents, students, and school districts a better product than its competitors. In both the brick and mortar and online spheres, all stakeholders require evidence of educational efficacy prior to enrolling in a program. Large corporate brands such as Kaplan University and the University of Phoenix are known presences in the online education sector, but they are viewed in a negative light due to the "diploma factory" issues surrounding many distance learning and online education companies.

The viewpoint of public education watch groups, politicians, and school administrators nationwide is that the online education provided by for-profit institutions without any affiliation with an established higher education institution has little to lose by offering diplomas to students who have not yet grasped the skills to guarantee their success following high school graduation. The need emerges for an online high school that has a strong affiliation with a university to ensure programmatic quality and to offer courses that prepare students for university-level work.

### *UM's Unique Offering*

Positioning the University of Miami Online High School as a quality institution with substantial curriculum would both disassociate the University of Miami Online High School from the "diploma mill" market environment, as well as provide a brand-based marketing strategy that competitors will be unable to duplicate without significant modifications of their current business models.

Although Stanford University offers a similar program called the Education Program for Gifted Youth Online High School, it specifically focuses on gifted students. The University of Miami Online High School would expand offerings to advanced students interested in academic challenges. The University of Miami Online High School will expand a niche in the marketplace with a clear goal of delivering quality education online that will include a significant amount of teacher-student contact, tutorial services, and a feeling of community for academically motivated

students. Active participation of professors and graduate students will increase the efficacy of education and solidify an impression of being part of a university community.

### *Market Differentiation in Quality Curriculum*

Differentiation in the online high school marketplace is not simply defined by the organizational structure and level of student-teacher interaction. Quality curriculum becomes an integral component, as in brick and mortar institutions; teachers utilize textbooks as a baseline for lesson planning. Each text is selected based on the number of state and national standards addressed within its contents. In the online environment, curriculum leverages the assets and unique capabilities of the Internet to increase the breadth and depth of knowledge offered to students while still meeting state and national standards and utilizing the most up-to-date curricular materials. The University of Miami Online High School will have the added advantage of School of Education consultation.

There are few online educational publishers with an established track record of successful development. Generally, online high schools are forced to determine what content is utilized by evaluating a relatively short list of suppliers. These suppliers provide the same content to schools domestically and internationally, essentially making the curriculum a commodity that is selected based on pricing. With increased consolidation within this vertical of the industry, often curriculum providers will not sell to new online high schools to avoid cannibalization of their own market. Through collaboration with an established online publishing company, the University of Miami Online High School would have proprietary content, and thus circumvent the issue of compromised quality.

### *Trends in the K-12 Business*

Recently, there are a number of newly emerging trends in the online learning industry. One trend is that established distance education companies in the K-12 space are seeking to own both online high schools and online curriculum companies. KC Distance Learning's (owners of Keystone National High School) acquisition of Aventa Learning curriculum publishers and Kaplan University's acquisition of Sagemont Virtual School illustrate this trajectory. These moves seem to suggest a realization of the importance of having proprietary online content to support their online high schools.

Another emerging consideration is that for-profit universities with prominent online presences are moving into the K-12 market and establishing and acquiring online high schools and curriculum companies. As an example, the University of Phoenix recently acquired Insight Schools, Inc.; the University of Phoenix is actively searching to acquire an established online curriculum publisher. Similarly, Kaplan University recently acquired K-12 curriculum producers and an online high school. The stated rationale for these acquisitions is to convert potential higher education leads by addressing high school credit deficiencies. By creating a "pre-college" program, these entities can effectively blur the line between high school and college by

providing students with university branded online remediation and tracking them into higher education programs.

### *K-12 Online Education*

Online education in the K-12 sector emerged later than in university settings, and its presence is a logical manifestation of standards spiraling in the sense of inter-grade level curricular connections, learning outcomes, and institutional expectations. Akin to the proliferation of technology at universities, the K-12 sector is moving quickly to online education. Picciano and Seaman (2006) in their report *K-12 Online Learning: A Survey of U.S. School District Administrators* explored the nature of online learning in K-12 schools with a random sampling of 7,700 schools culled from the universe of 16,098 public school districts in the United States during the 2005-2006 academic year. The findings of this report include:

- Almost two-thirds of the responding public school districts are offering online courses.
- Over 60% of school districts with students enrolled in online courses anticipate their online enrollments will grow. Over the next two years districts predict online enrollments will increase by 19% and blended enrollments by 23%.
- The overall number of K-12 students engaged in online courses in 2005-2006, is estimated at 700,000.
- Respondents report that online learning is meeting the specific needs of a range of students, from those who need extra help to those who want to take more advanced courses and whose districts do not have enough teachers to offer certain subjects. (pp. 7-17)

Students choose online learning for a variety of reasons: to make up lost credits; to take courses not offered at their own school; to graduate early; to have flexible time for working or other interests. Currently, there are 170 cyber charter schools serving more than 92,000 students. Major changes in federal, state, and local policy could accelerate online learning in K-12 schools. The U.S. Department of Education has been enthusiastic in its support regarding online learning.

About 25 percent of all K-12 public schools now offer some form of e-learning or virtual school instruction. Within the next decade every state and most schools will be doing so [11, p. 34].” This report trumpeted “we may well be on our way to a golden age” in American education because of the infusion of technology including online learning into primary and secondary schools. (pp. 17-18)

### *Market Leaders*

Market leaders such as Connections Academy, Insight Schools, Inc, and K12, Inc., are expanding their instruction into grades 9-12 and are in need of online high school content. While these organizations have in the past developed proprietary K-8 content, they are beginning to recognize the advantages of outsourcing the development of online high school content and/or are actively seeking to acquire such a company.

### *Current Competitors in the K-12 School Operations Space*

The following is a listing of the current competitors in the K-12 school operations space; descriptions follow in the Appendix 2A: Detailed Listing of Market Competitors.

- *Connections Academy*
- *Florida Virtual School*
- *Insight Schools, Inc.*
- *K12, inc.*
- *KC Distance Learning / Keystone National High School*
- *Sagamont Virtual School and Kaplan University High School*

### *Competitors in the K-12 Curriculum Space*

The following is a list of the current competitors in the K-12 school curriculum generation and publications space; descriptions follow in the Appendix 2A:

- *Advanced Academics*
- *Apex Learning*
- *Aventa Learning*
- *Class.com*
- *The College Board (Advanced Placement Courses)*
- *Connection Academy*
- *Curriculum Advantage*
- *Florida Virtual School*
- *Virtual High School*

Appendix 2B: Competitors is a spreadsheet detailing some of the pertinent aspects of the various companies in this online space.

## **Organizational Structure**

The University of Miami Online High School's organizational structure relies on inter-department cooperation between the University of Miami's Division of Continuing and International Education and the School of Education.

### *Location*

The University of Miami Online High School will be a program of the Division of Continuing and International Education. The University of Miami Online High School, other online operations, and the Division of Continuing and International Education will initially share selected positions, such as budget and marketing, until financially capable of financially sustaining these positions.

### *Management*

The Associate Vice President of the Division of Continuing and International Education will provide operational oversight and administrative leadership for any third party vendors, including: course development; student information system development; hiring of administrative staff, including Headmaster/Director and Principal; interfacing with University of Miami schools, faculty, and offices, such as School of Education Academic Advisory Committee, Instructional Advancement Center (Blackboard), Division of Continuing and International Education Budget Office; marketing; and initiating accreditation procedures.

Initially, the University of Miami Online High School and Division of Continuing and International Education will share a Business/ Budget Manager position.

The Division of Continuing and International Education currently has a Director of Business Development on staff. He has already been testing the waters with many of his international contacts on interest and is getting a positive response.

### *Operational Personnel*

The following professionals will be hired to fill the basic positions needed to implement the University of Miami Online High School. Other positions will be added as enrollment increases.

The Headmaster/Director will work closely with the School of Education in curriculum and instructional quality oversight and student teaching opportunities, conduct research on the online instructional environment, provide oversight for curriculum development, identify

student information systems, hire instructors, develop appropriate academic procedures, work with the accreditation process, recruit, and interface with parents/students.

The Principal will be responsible for the day to day operations and will work with the Headmaster on curriculum development, identifying student information systems, hiring of instructors, developing academic procedures, recruiting, admissions, and financial aid, and interfacing with students and parents.

Four Teachers, certified in content area, will oversee language arts, mathematics, science, and social studies.

Please see Appendix 3: Organizational Chart.

### **Target Markets and Marketing**

The University of Miami Online High School has been in operation for over (3) years. A key target audience is young athletes in training and competition for either turning professional or college scholarships. The arrangements with Pendleton/IMG and Evert Tennis Academy should continue due to the relationships of Division of Continuing and International Education with those organizations.

Other markets include:

- Home schooled children
- Private schools
- Students with medical concerns – the curriculum will be 508 compliant
- Children of expats: Latin America; Asia; Middle East
- Russia: previous target market and will continue to be with our contacts
- China: developing relationships with Fudan University High School and other locales
- School districts looking for an educational alternative for specific audiences

Marketing strategies will be dependent upon the target audience, but will include:

- Online ads; search engine optimization
- Personal marketing through Business Development
- Office of International Admissions
- Identifying very targeted publications, i.e., home school publications
- Collaborating with Media Relations to develop a launch strategy

## Operational Plan and Time Frame

October 1 – 15, 2007	<ul style="list-style-type: none"> <li>• Discussion with School of Education</li> <li>• Review Kaplan contract with Legal</li> <li>• Paul M. Orehovec to discuss with Business &amp; Finance financial alternatives</li> </ul>
October 15 – November 14, 2007	<ul style="list-style-type: none"> <li>• Meet with President, Provost and Senior Vice President of Business &amp; Finance</li> </ul>
November 15 – December 15, 2007	<ul style="list-style-type: none"> <li>• Respond to any concerns/questions</li> </ul>
December 15 – 30, 2007	<ul style="list-style-type: none"> <li>• Sign agreement with curriculum development company</li> <li>• Meet with William R. Vilberg (Blackboard expert)</li> <li>• Develop timeline with curriculum development company for roll-out</li> </ul>
January 1-30, 2008	<ul style="list-style-type: none"> <li>• Meet with Kaplan representatives</li> <li>• Develop marketing strategy and timeline</li> <li>• Post position: Headmaster</li> </ul>
February 1 – July 30, 2008	<ul style="list-style-type: none"> <li>• Develop/distribute RFP for Student Information System</li> <li>• Fill Headmaster position</li> <li>• Identify operational issues and begin to address, for example:             <ul style="list-style-type: none"> <li>• Help desk and technical support</li> <li>• Advising structure</li> <li>• Communication flow: a) inquiry to registrant; b) advisor to student; c) teacher to student; d) teacher to parent</li> <li>• Work with Budget Office to set up accounts, etc.</li> <li>• Develop timeline for hiring additional personnel</li> <li>• Initiate marketing</li> <li>• Post position: Principal (once Headmaster position is filled)</li> <li>• Fill Principal position</li> </ul> </li> </ul>
July 1, 2008	<ul style="list-style-type: none"> <li>• Teachers positions posted and filled (after Principal is hired)</li> </ul>
September 1 – October 1, 2008	<ul style="list-style-type: none"> <li>• Launch University of Miami Online High School</li> </ul>



## Legal Considerations

### *University of Miami Online High School and Kaplan University*

The University of Miami has a pre-existing involvement with an on-line high school. In fact, the University of Miami Online High School, which was owned and operated by Sagemont Virtual School, was sold to Kaplan University, a Washington Post Company, in 2007. Kaplan University was able to maintain operations of the online high school and retain the name, the University of Miami Online High School, for one year. Since Kaplan and the University of Miami have obviously disparate demographics they each serve, the present situation calls for clarification, which may follow from a UM-directed and controlled 9-12 high school bearing its own name with a focus on high achieving, college-bound students.

### *Intellectual Property*

The University of Miami will own the intellectual property of the coursework. Authors, instructors, editors and all those involved in the publication and implementation process will be considered "work for hire" or "contractor".

### *Copyrights*

UM will hold copyright on all coursework. K-12 content that is co-developed will share copyright with authorial recognition. Permission must be granted for use, and material must be licensed from the University of Miami with a negotiated royalty.

### *Trade Secrets*

There are some trade secrets inherent in running an on-line school. Any one who works for the school will sign a document that he/ she will not share any secrets involved in the running, application, or administration of an on-line high school. Confidentiality and non-compete will be binding.

### *Accreditation*

The University of Miami Online High School was and still maintains accreditation through Southern Association of Colleges. In addition, the University of Miami Online High School also been accredited by the Commission on International and Trans-Regional Accreditation which provides policies, standards and procedures for accreditation of distance education schools. Certification is given for a four-year period. The University of Miami did

not initiate the original accreditation; therefore, it is not clear when termination takes place. If our certification lapses prior to launching University of Miami Online High School under the University of Miami banner, UM will re-establish accreditation, as this will be a key initial priority of Division of Continuing and International Education.

### **Operational Budget**

Please see Appendix 4: Operational Budget.

### **Risk Factors**

#### *Technology Risk and Uncertainty of Product Development*

New product development invariably involves risk. FYI Curriculum may not be able to develop core courses within the allotted time frame. Additionally, there may be an issue regarding hosting, file security, and backup in the case of a catastrophe such as a natural disaster, which may impact product development.

In order to mitigate design and implementation risks, concerned parties will establish timelines associated with deliverables as well as perform standard reporting during all phases of development. Furthermore, few of the course writers are localized in the immediate vicinity of the Coral Gables campus. Since writers are decentralized, the risk of missing deadline due to catastrophe is smaller than if all writers relied on production in a central location.

#### *Regulatory Risk*

The only possible risk in this regard is no accreditation through Southern Association of Colleges (SACS) or through Commission on International and Trans-Regional Accreditation (CITA); however, staff have ample experience with accreditation requirements and documentation. Currently University of Miami Online High School is accredited by both SACS and CITA.

#### *Commercial Risk*

The University of Miami is a well-known brand and there is a receptiveness to the University of Miami brand, as evidenced by the success of that entity in its present state. There is a risk that the market will shift or change. The University of Miami Online High School has a market presence, though, and there is ample evidence that there are customers for the product. Additionally, enrollment may fluctuate or have difficulty with initial positioning and curriculum licensing may prove to involve more oversight and administration than was previously assumed.

### *Financial Risk*

There is always financial risk in any new venture; however, this venture leverages existing expertise and institutions.

### *Disaster Risk*

It may become necessary to relocate faculty and staff to maintain school operations in the event of a natural disaster. In order to mitigate this risk, data will be collected and stored in a safe location, and all faculty and staff will be briefed and trained regarding hurricane safety. The University of Miami Online High School will establish an emergency protocol, conformant to the University of Miami's established policies, to respond to any disaster situation. This protocol will establish emergency notification procedures, data storage for both course work and records, and messaging and communication related to school operations.

### *Intellectual Property Risk*

The intent of the University of Miami Online High School is to be legally sound; however, there is always the possibility of copyright infringement, plagiarism, or other unforeseen or unintentional consideration. University of Miami Legal will provide support and consultation on a case-by-case basis as the need arises.

## **Conclusion**

This proposal asserts that University of Miami should move into the operation and management of an online high school. There are institutional precedents, as the University of Miami has had affiliations with brick and mortar lab schools. The University of Miami Online High School will offer the University of Miami an opportunity to enter a mildly competitive and fast-growing business segment. This proposal articulates a method to generate annual revenue, and it will position University of Miami in the emerging online education market.

## **References**

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Division of Continuing  
and International  
Education

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## Appendices

**Appendix 1: Partial Listing of Courses Developed for Use by UMOHS**

There will be 90 semester courses in the first year. They are as follows:

Name of Course	Number of Semester Courses
Language Arts	18
Social Studies	14
Mathematics	18
Science	12
Foreign Language	10
Computer Education	6
Advanced Placement	12
<b>TOTAL:</b>	<b>90</b>

A detailed listing by subject matter follows. Most courses are two semesters. Some courses are single semester. Several will be developed during the school's second year.

Developed in Year 1	Developed in Year 2
<b>Language Arts</b>	
• English 1: Survey of Literature	2 semesters
• English 1: Honors: Survey of Literature Honors	2 semesters
• English 2: World Literature	2 semesters
• English 2: Honors: World Literature Honors	2 semesters
• English 3: American Literature	2 semesters
• English 3: Honors: American Literature Honors	2 semesters
• English 4: British Literature	2 semesters
• English 4 Honors: British Literature Honors	2 semesters
• Journalism	2 semesters
<b>Total Semesters Courses:</b>	<b>18</b>

Mathematics

- Algebra I 2 semesters
- Algebra I Honors 2 semesters
- Geometry 2 semesters
- Geometry Honors 2 semesters
- Algebra II 2 semesters
- Algebra II Honors 2 semesters
- Pre-Calculus 2 semesters
- Calculus 2 semesters
- Consumer Math 2 semesters

Total Semesters Courses: 18

Computer Education

- Intro to Computers/Applications 2 semesters
- Web Masters 2 semesters
- Computer Programming I 2 semesters

Total Semesters Courses: 6

Foreign Language

- Spanish I 2 semesters
- Spanish II 2 semesters
- Spanish III 2 semesters
- French I 2 semesters
- French II 2 semesters

Total Semesters Courses: 10

Advanced Placement

- AP Psychology 2 semesters
- AP European History 2 semesters
- AP Statistics 2 semesters
- AP English Language and Composition 2 semesters
- AP English Literature and Composition 2 semesters
- AP World History 2 semesters

Total Semesters Courses: 12

## Developed in Year 1

### Social Studies

- World History
- World History Honors
- American History
- American History Honors
- American Government
- American Government Honors
- Economics
- Economics Honors
- Psychology

2 semesters  
2 semesters  
2 semesters  
2 semesters  
1 semester  
1 semester  
1 semester  
1 semester  
2 semesters

Total Semesters Courses: 14

### Science

- Biology
- Biology Honors
- Chemistry
- Chemistry Honors
- Physics
- Physics Honors

2 semesters  
2 semesters  
2 semesters  
2 semesters  
2 semesters  
2 semesters

Total Semesters Courses: 12

## Developed in Year 2

### Social Studies

- World Cultural Geography
- The History of the Vietnam War
- African American History
- Holocaust History
- Political Science
- Art History
- Future Studies

2 semesters  
1 semester  
1 semester  
1 semester  
1 semester  
2 semesters  
2 semesters

Total Semesters Courses: 10

### Science

- Genetics
- Botany
- Environmental Science
- Physical Science
- Earth Space/Science
- Marine Science

1 semester  
1 semester  
1 semester  
1 semester  
1 semester  
1 semester

Total Semesters Courses: 6

### Humanities

- Philosophy
- World Religions
- Humanities Survey
- Ethics for the 21<sup>st</sup> Century

1 semester  
1 semester  
1 semester  
1 semester

Total Semesters Courses: 4

### Research and Critical

- Research I
- Research II

1 semester  
1 semester

Total Semesters Courses: 2

### Health and Fitness

- Health/Life Management Skills
- Personal Fitness

1 semester  
1 semester

Total Semesters Courses: 2



## Appendix 2A: Detailed Listing of Market Competitors - Profile

### *Current Competitors in the K12 school operations space*

*Connections Academy.* Connections Academy works with states and districts to establish charter virtual schools or virtual programs, and it leverages public school tuition to provide free online learning opportunities to eligible public school students. The company currently serves grades K-11, and it has established virtual academies in 12 states with a plan to launch schools in 4 additional states Fall 2007. Students use paper- and CD-based curriculum purchased from Calvert Education for grades K-8 and a combination of content from Sagemont Virtual School and other providers for grades 9-11. They are accredited by CITA.  
<http://www.ConnectionsAcademy.com>

*Insight Schools, Inc.* Insight Schools builds, operates, and funds statewide, full-time, diploma-granting, online public high schools that are authorized and governed by school districts and community organizations. Insight Schools partner with local school districts and other community organizations to build and operate complete high schools. Insight was started by Keith Oelrich who prior to founding Insight Schools, was President and CEO of KC Distance Learning (KCDL), where he operated Keystone National High School. Insight Schools, Inc. was recently sold to University of Phoenix. <http://www.insightschools.net>

*KC Distance Learning / Keystone National High School.* KC Distance Learning (KCDL) is a leading provider of distance learning programs for high school students including: core courses, honors, and Advanced Placement. In 2005-06, over 23,000 students took courses from KCDL.

KCDL provides online high school courses directly to families through Keystone National High School, the nation's largest online high school. Keystone offers college prep, general diploma programs and single courses. KCDL also partners with school districts to provide online learning solutions which include credit recovery, individual courses designed to augment existing school curriculum, and complete virtual school solutions.

Keystone is licensed by the Pennsylvania State Board of Private Licensed Schools, and is accredited by the Northwest Association of Schools and Colleges, the Distance Education and Training Council (DETC), and the National Collegiate Athletic Association (NCAA). <http://www.keystonehighschool.com>

*K12, Inc.* K12, Inc. positions itself as both an online school and a curriculum provider, and the company works directly with state and school districts to establish virtual academies (charter schools for independent homeschooling) in their areas and leverages public school tuition to provide free online learning opportunities to eligible public school students. They currently have virtual academies in 15 states and use content from Apex Learning. K12 also offers individual high school courses directly to students at a fee of \$350 per semester. They have recently expanded the grades they serve from K8 to K12. <http://www.K12.com>

*Florida Virtual School.* In 2006-07, FLVS served more than 52,000 students in 87,000 half-credit courses. An increase of 67% in students and 27% in enrollments over 2005-06. Courses

are available to public, private, and home school students. National and international students can enroll in FLVS on a tuition basis.

FLVS is part of the Florida public education system and serves students in all 67 Florida districts. FLVS also serves students, schools, and districts around the nation through tuition-based instruction, curriculum provision, and training. FLVS offers online learning to individual students outside of Florida for a fee and has a franchising program through which it assists school districts in establishing their own virtual schools.

All FLVS teachers possess a valid Florida teaching certificate and are certified specifically in the subject they teach. More than 64% of their staff hold advanced degrees, and 76 are national board certified. 308 FLVS full-time and 180 adjunct teachers reside throughout Florida and beyond.

Among FLVS clients are all 67 districts of Florida, Appleton Area School District and Kiel School District, Wisconsin; Monmouth Ocean Educational Services Commission, New Jersey; West Virginia Department of Education; Alabama Department of Education; SPARCC (Ohio consortium), and many more throughout the U.S.

FLVS develops and licenses its own proprietary content. Florida Virtual School is fully accredited by two major agencies: The Southern Association of Colleges and Schools (SACS) and The Commission on International and Trans-Regional Accreditation. <http://www.flvs.net>

*Sagemont Virtual School and KUHS*. Kaplan University's acquisition of Sagemont Virtual School positions Kaplan to enter the K12 online education market. Through strong brand recognition, high academic standards and student support, and high quality curriculum, UMOHS is recognized as the premier private online high school. The school offers three programs of study with varying price points according to the level of student teacher interaction and types of curricular programs.

Through its recent acquisition by Kaplan Higher Education, and the agreement between University of Miami and Kaplan University to retain the UMOHS brand through April 8, 2008, Kaplan will utilize the existing brand to offer higher price points, full service online high school education. Concurrently, Kaplan will launch its new brand "Kaplan University High School" which will offer the independent study and career preparatory programs (formerly offered under the UMOHS Blueprint brand). Additionally, KUHS will seek to compete directly in the cyber charter market and other online verticals. <http://www.Kaplan.edu>

#### *Competitors in the K12 Curriculum space*

*Advanced Academics*. Coursework relies on the teachers, available by chat, phone, or email, for assistance in all courses. Advanced Academics' products are tutorial tools for students "at risk" or those requiring remediation. The content links lack connections to general course requirements. <http://www.advancedacademics.com>

*Aventa Learning.* Aventa Learning presents course information in a patented process. The content relies largely on textbook learning. <http://www.aventallearning.com>

*Apex Learning.* At the present, the courses are online textbooks; however, the curriculum is grade-level appropriate. Apex uses LMS (Blackboard), as its platform. The company has plans to migrate to its own LMS; this may develop more sophisticated delivery tools with better functionality. <http://www.apexlearning.com>

*Class.com.* Class.com offers forty-eight online courses that are all-inclusive. Class.com offers courses developed specifically for online learning and provide their instructional design process on the internet welcome page. The courses contain multimedia, including: audio and video, animated tutorials, and interactive exercises. Courses also provide opportunities for online communication between instructors and students, enabling one-on-one instructions and a sense of community within the course. <http://www.class.com>

*The College Board (Advanced Placement Courses).* The AP courses are rich in background information and serve to scaffold difficult texts. The course instruction is written clearly despite the difficulty level of the curriculum. Many lessons are enrichment or practice and thus keep the number of teacher-graded assessments to a minimum. Students submit an average four assignments a week, with one written essay that requires up to 15 minutes of feedback from the teacher. This quality feedback is standard for all AP teachers. <http://www.apcentral.collegeboard.com>

*Connection Academy.* Connection Academy provides curriculum K-8. The curriculum consists of short lesson plans with activities and third party content. The Connection Academy's system can be characterized as a learning portal than a complete turn-key curriculum solution with interactive features required for true online learning. <http://www.ConnectionsAcademy.com>

*Curriculum Advantage.* The customers for this product are students who have been targeted by state-wide assessments to need remedial lessons and drill. This curriculum tool meets the intervention required for the "No Child Left Behind" federal legislation. This company's products are tutorial tools for students "at risk" or for students who require remediation. The target audience for this company is students in kindergarten through eighth grade. <http://www.classworks.com>

*Florida Virtual School.* Curriculum has minimal interactive features and is geared to an average public school student who will attend a community college. Opportunities for enrichment or honors level are limited by an attention to core course offerings. <http://www.flvs.net>

*Virtual High School.* Virtual High school is a networking system where the federally granted company trades the use of a teacher from a designated school to teach an online course for a specific number of students. In exchange, the teacher's school is provided with a specific number of "slots" in which their students can take online courses.

The content present is designed (for the most part) by the teachers themselves. The courses contain very few resources for supporting or supplementing the content. Textbooks are required for all courses. <http://www.govhs.org>

**Appendix 2B: Detailed Listing of Market Competitors - Operations**

Organization Name	URL	Market to Student	Market to School	Diploma	Continuous Enrollment	Part Time Student	Tuition includes Materials	AP Prep
UMOHS	<a href="http://www.umohs.com">www.umohs.com</a>	yes	Districts	yes	yes	yes	yes	yes
KUHS	<a href="http://www.kuhighschool.com">www.kuhighschool.com</a>	yes	No	yes	Yes	yes	Yes	No
KC Distance/Keystone	<a href="http://www.keystonehighschool.com">www.keystonehighschool.com</a>	yes	No	yes	Yes	yes	yes	Yes
K12, inc.	<a href="http://www.k12.com">www.k12.com</a>	No	Yes	no	Yes	yes	no	yes
Connections Academy	<a href="http://www.connectionsacademy.com">www.connectionsacademy.com</a>	yes	yes	no	Yes	no	yes	No
Insight Schools	<a href="http://www.go2ischool.net">www.go2ischool.net</a>	yes	no	yes	yes	no	yes	yes
Florida Virtual School	<a href="http://www.flvs.net">www.flvs.net</a>	yes	yes	no	yes	ye	yes	yes

**Additional Information**

Organization Name	Notes
UMOHS	To receive a diploma, student must earn 24 credits
KUHS	Courses may be online or correspondence Students enrolled in 3 or more courses are automatically enrolled fulltime at no additional cost 21 credits must be earned to receive a diploma Unlimited support from certified teachers
K12, inc.	Only courses kindergarten through 9th grade are available After assessment of eligibility, tuition is free Field trips have a cost, but are optional
Connections Academy	Families receive a computer, printer subsidy for internet access, online communication, planning, learning management tools, online lessons Cartridges for the printer are at parents' expense

21 credits to graduate

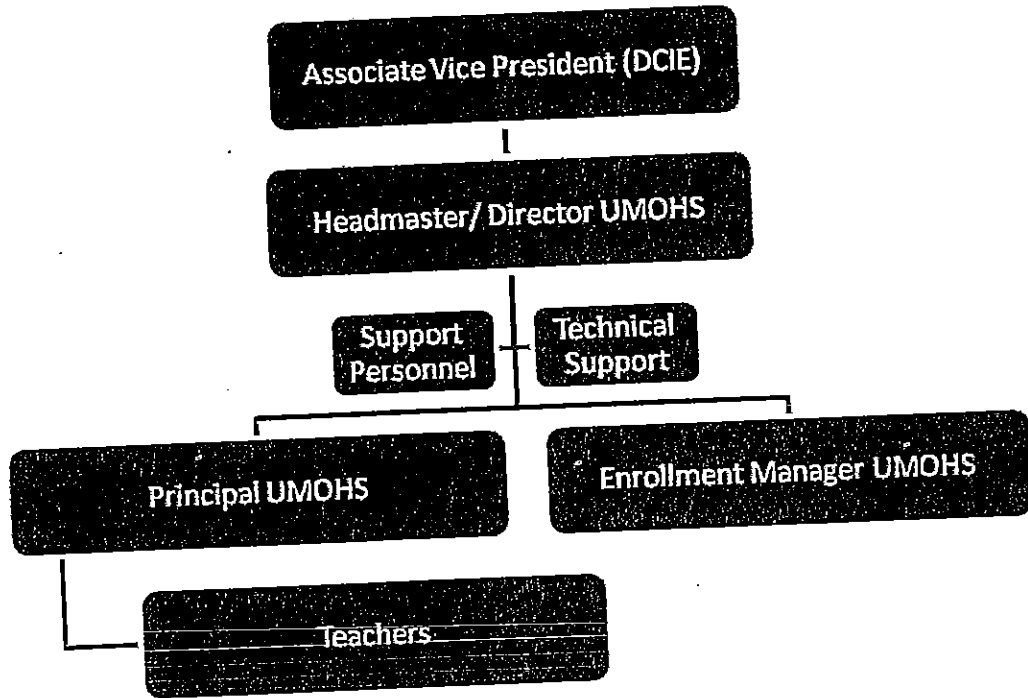
Laptop with wireless capabilities/printer provided free  
Tuition free

Acquired by KC Distance Learning

**Insight Schools**

**Aventa Learning**

*Appendix 3: Organizational Chart*



Budget Manager to be shared with DCIE.

Appendix A: Operational Budget

Tuition Profiles	Profile #1 - Tuition \$1,250			
	Year 1	Year 2	Year 3	Year 4
Enrollment (# of semester courses enrolled)	0	1000	1200	1500
Gross Revenues	\$ -	\$ 1,250,000	\$ 1,500,000	\$ 1,875,000
Expenses	\$ 552,327	\$ 1,079,472	\$ 1,140,317	\$ 1,168,738
Transfer to Provost	\$ -	\$ -	\$ 225,000	\$ 281,250
Net Income	\$ (552,327)	\$ 170,528	\$ 134,683	\$ 425,012
Breakeven (# of students)	442	864	1092	1160

Tuition Profiles	Profile #2 - Tuition \$1,500				Profile #3 - Tuition \$1,750			
	Year 1	Year 2	Year 3	Year 4	Year 1	Year 2	Year 3	Year 4
Enrollment (# of semester courses enrolled)	0	1000	1200	1500	0	1000	1200	1500
Gross Revenues	\$ -	\$ 1,500,000	\$ 1,800,000	\$ 2,250,000	\$ -	\$ 1,750,000	\$ 2,100,000	\$ 2,625,000.00
Expenses	\$ 552,327	\$ 1,079,472	\$ 1,140,317	\$ 1,168,738	\$ 552,327	\$ 1,079,472	\$ 1,140,317	\$ 1,168,737.96
Transfer to Provost	\$ -	\$ -	\$ 270,000	\$ 337,500	\$ -	\$ -	\$ 315,000	\$ 393,750.00
Net Income	\$ (552,327)	\$ 420,528	\$ 389,683	\$ 743,762	\$ (552,327)	\$ 670,528	\$ 644,683	\$ 1,062,512.04
Breakeven (# of students)	368	720	940	1004	316	617	832	893



UM Online High School Budget		FY 2008-2009	FY 2009-2010	FY 2010-2011	FY 2011-2012
Subobject Code		1/1/2008 - 5/31/2008	6/1/2008 - 5/31/2009	6/1/2009 - 5/31/2010	6/1/2010 - 5/31/2011
Description		5 months	12 months	12 months	12 months
021	Revenue	\$ -	\$ 1,250,000	\$ 1,500,000	\$ 1,875,000
	Tuition				
<b>Salary and CFB</b>					
	Headmaster/Director	\$ 70,000	\$ 73,500	\$ 77,175	\$ 81,034
	Salary	\$ 5,833	\$ 6,125	\$ 6,431	\$ 6,753
	Monthly Salary	100%	100%	100%	100%
	% Effort				
1201	Base Salary (=#mths*monthly salary*effort)	\$ 29,167	\$ 73,500	\$ 77,175	\$ 81,034
	Composite Fringe Benefit	\$ 9,683	\$ 25,137	\$ 27,166	\$ 28,524
	Subtotal	\$ 38,850	\$ 98,637	\$ 104,341	\$ 109,558
	33.2%		34.2%	35.2%	35.2%
	Teacher #1	\$ -	\$ 40,000	\$ 42,000	\$ 44,100
	Salary	\$ -	\$ 3,333	\$ 3,500	\$ 3,675
	Monthly Salary	0%	100%	100%	100%
	% Effort				
1101	Base Salary (=#mths*monthly salary*effort)	\$ -	\$ 40,000	\$ 42,000	\$ 44,100
	Composite Fringe Benefit	\$ -	\$ 11,480	\$ 12,474	\$ 13,098
	Subtotal	\$ -	\$ 51,480	\$ 54,474	\$ 57,198
	27.7%		28.7%	29.7%	29.7%



1201	Principal	\$ 60,000	\$ 63,000	\$ 66,150	69,458
	Salary	\$ 5,000	\$ 5,250	\$ 5,513	5,788
	Monthly Salary	100%	100%	100%	100%
	% Effort				
	Base Salary (=monthly salary*effort)	\$ 25,000	\$ 63,000	\$ 66,150	69,458
	Composite Fringe Benefit	\$ 8,300	\$ 21,546	\$ 23,285	24,449
	Subtotal	\$ 33,300	\$ 84,546	\$ 89,435	93,907
		33.2%	34.2%	35.2%	35.2%

1201	Support Personnel	\$ 28,000	\$ 28,840	\$ 29,994	31,193
	Salary	\$ 2,333	\$ 2,403	\$ 2,499	2,599
	Monthly Salary	100%	100%	100%	100%
	% Effort				
	Base Salary (=monthly salary*effort)	\$ 11,667	\$ 28,840	\$ 29,994	31,193
	Composite Fringe Benefit	\$ 3,873	\$ 9,863	\$ 10,558	10,980
	Subtotal	\$ 15,540	\$ 38,703	\$ 40,551	42,173
		33.2%	34.2%	35.2%	35.2%

1201	Technical Support	\$ 28,000	\$ 28,840	\$ 29,994	31,193
	Salary	\$ 2,333	\$ 2,403	\$ 2,499	2,599
	Monthly Salary	100%	100%	100%	100%
	% Effort				
	Base Salary (=monthly salary*effort)	\$ 11,667	\$ 28,840	\$ 29,994	31,193
	Composite Fringe Benefit	\$ 3,873	\$ 9,863	\$ 10,558	10,980
	Subtotal	\$ 15,540	\$ 38,703	\$ 40,551	42,173
		33.2%	34.2%	35.2%	35.2%





4232	Photo ID Services	\$ 50	\$ 25	\$ 25	\$ 25
	Expenses Subtotal	\$ 429,942	\$ 555,376	\$ 557,576	\$ 559,276
	Total Revenue	\$ -	\$ 1,250,000	\$ 1,500,000	\$ 1,875,000
	Total Salaries and CFB & Expenses	\$ 552,327	\$ 1,079,472	\$ 1,140,317	\$ 1,168,738
71XX	Transfer to Provost (15% of revenues)	\$ -	\$ -	\$ 225,000	\$ 281,250
	Net Income (Break Even)	\$ (552,327)	\$ 170,528	\$ 134,683	\$ 425,012

\$2.0M would be amortized over 72 months.

\$0 would be earned in the first eight months due to establishment of curriculum, start up.

Revenues would be earned beginning 8/01/08, when school begins.

Rent is not included in this budget.

**Assumptions:**

Revenue	Enrollment										
	100	250	350	425	500	750	1000	1250	1500	1750	2000
\$750	\$75,000	\$187,500	\$262,500	\$318,750	\$375,000	\$562,500	\$750,000	\$937,500	\$1,125,000	\$1,312,500	\$1,500,000
\$1,250	\$125,000	\$312,500	\$437,500	\$531,250	\$625,000	\$937,500	\$1,250,000	\$1,562,500	\$1,875,000	\$2,187,500	\$2,500,000
\$1,500	\$150,000	\$375,000	\$525,000	\$637,500	\$750,000	\$1,125,000	\$1,500,000	\$1,875,000	\$2,250,000	\$2,625,000	\$3,000,000
\$1,750	\$175,000	\$437,500	\$612,500	\$743,750	\$875,000	\$1,312,500	\$1,750,000	\$2,187,500	\$2,625,000	\$3,062,500	\$3,500,000
\$2,000	\$200,000	\$500,000	\$700,000	\$850,000	\$1,000,000	\$1,500,000	\$2,000,000	\$2,500,000	\$3,000,000	\$3,500,000	\$4,000,000

Amortization Schedule		Interest Rate:	6.75%
		Loan Amount:	\$2,000,000.00
		Months:	72
		Beginning Date:	Jan-08
Fiscal Year	Total Payment	Principal	Interest
2008	\$ 169,292.14	\$ 114,321.04	\$ 54,971.10
2009	\$ 406,301.14	\$ 287,813.84	\$ 118,487.30
2010	\$ 406,301.14	\$ 307,853.72	\$ 98,447.41
2011	\$ 406,301.14	\$ 329,288.94	\$ 77,012.19
2012	\$ 406,301.14	\$ 352,216.65	\$ 54,084.49
2013	\$ 406,301.14	\$ 376,740.77	\$ 29,560.37
2014	\$ 237,009.00	\$ 231,765.03	\$ 5,243.96
2015	\$ -	\$ -	\$ -
2016	\$ -	\$ -	\$ -
2017	\$ -	\$ -	\$ -
Totals:	\$ 2,437,806.82	\$ 2,000,000.00	\$ 437,806.82

*Appendix 5: Selected Articles about Online Education*

Article 1: Learning in the 21st Century: A National Report of Online Learning

Article 2: K12 Inc. to Provide Curriculum and School Services to the New Nevada Virtual Academy

Article 3: DeVry Inc. Acquires Advanced Academics Inc.

Article 4: Laboratories of Reform: Virtual High Schools and Innovation in Public Education



**January 30, 2008**  
**Faculty Senate Minutes**

The meeting was held in the Hurricane 100 Room of the BankUnited Center and opened at 3:30 p.m.

**CHAIR'S REMARKS**

The Chair began by wishing the Senate a Happy New Year. In addition to the printed Chair's remarks he urged the Senators to take part in the faculty survey that is currently underway and to remind their colleagues to do the same as an excellent way to provide input to the administration on a number of important matters. Distinguished faculty members Felipe Prestamo and Jonathan Braunstein died recently and the Chair will send condolence letters to their families on behalf of the faculty. The Outstanding Teaching Award ceremony has been changed from February 20 to April 16. The Chair commended Dean Prilleltensky and the School of Education for their outstanding national rankings: Number 1 in Curriculum and Instruction, Number 3 in Math Education, and Number 4 in Evaluation and Research.

**PRESIDENT'S REMARKS**

The President announced to the Senate that the Momentum Campaign concluded December 31, 2007, as a resounding success, exceeding the increased goal of \$1.25 billion. The annual fund also had an outstanding year. The final strategic plan will be presented to the Board of Trustees in May, accompanied by the financial plan that will describe specifically how the plan will be funded. The President described the \$24-million Robert and Judi Prokop Newman Alumni Center, which is about to begin construction and is expected to open in 2010. The Alumni Center will house a café as well as a multi-purpose hall featuring excellent acoustics and will be under the control of the Provost. The President announced that the Governor has approved the \$80 million contract for the Institute for Human Genomics and stated that there are some excellent candidates for Athletics Director, with the final decision to be made shortly.

**APPROVAL OF TODAY'S AGENDA**

After discussion two motions were made:

- To change the wording in Item B1 to "Proposal for Transferring Political Science Department from the School of Business Administration to the College of Arts and Sciences"
- To change Item B5 from D legislation to B Legislation

The meeting agenda *passed unanimously*.

**PROPOSAL FOR UNIVERSITY OF MIAMI ONLINE HIGH SCHOOL -- PAUL OREHOVEC AND ISAAC PRILLELTENSKY**

Vice President Paul Orehovec presented an update on the online high school, a currently accredited program using only certified teachers. He asserted that there are not many competitors for the high-quality program we envision. Mr. Orehovec outlined the

advantages of such an undertaking, including opportunities for faculty research and for course development and as a recruitment tool for strong students. For students in the School of Education, it will provide a chance to gain valuable experience in a growing area of education delivery. He asserted his belief that this project will expand the UM brand name and ultimately generate revenue. It will be a high-quality enterprise in every regard, including the teachers, students, and curriculum. Bernard Oxman suggested that some entity outside the university monitor the online high school, and Dean Prilleltensky readily accepted the suggestion for an external review after three years and periodically after that. Marvin Dawkins suggested that the program at some point allocate money for scholarships to those students who are eligible but cannot afford the tuition.

*A motion was made* by Eugene Clasby to extend the discussion by 5 minutes, which *passed unanimously*. Steve Green *made a motion* to approve the proposal with recommended changes, and the motion *passed unanimously*. *A motion was made* that the Senate receive a full report on the program from Dean Prilleltensky and Vice President Orehovec after three years. *The motion passed unanimously*.

**PROPOSAL FOR TRANSFERRING THE UNDERGRADUTE MARINE AND ATMOSPHERIC SCIENCE PROGRAM FROM THE COLLEGE OF ARTS AND SCIENCES TO THE ROSENSTIEL SCHOOL OF MARINE AND ATMOSPHERIC SCIENCE - LARRY PETERSON AND MICHAEL HALLERAN**

Upon the unanimous recommendation of the General Welfare Committee, with no further discussion, *the motion passed unanimously*.

**PROPOSAL FOR TRANSFERRING THE POLITICAL SCIENCE DEPARTMENT FROM THE SCHOOL OF BUSINESS ADMINISTRATION TO THE COLLEGE OF ARTS AND SCIENCES - MICHAEL HALLERAN**

Upon the overwhelming recommendation of the General Welfare Committee, with no further discussion, *the motion passed*, with one negative vote recorded from Dr. June Dreyer.

**UPDATE ON SACS REACCREDITATION AND PRESENTATION OF THE QUALITY ENHANCEMENT PLAN (QEP) – THOMAS LEBLANC AND ANDY GOMEZ**

Provost LeBlanc began by stating that several tasks remain before the SACS site visit March 25-27 but that overall we appear to be in good shape. We have had problems with offsite programs, all of which require approval by SACS but many of which have not been through such a process, but we are currently cleaning that up. A new requirement of SACS is that we have a Quality Enhancement Plan (QEP) that is aimed at improving the quality of undergraduate education. Two faculty committees have worked to produce such a plan, which is titled "Communication Across the Curriculum." For the time being, the plan is focusing on "New Media" and their role in improving student learning through extension of the use of technology in the classroom. For the SACS site visit it is essential that faculty know what UM's QEP is, and the Provost urged Senators to remember the two words "New Media." He suggested that Senators visit the University's SACS website and provide feedback to Assistant Provost Gomez.

**PROPOSAL TO MAKE LEGISLATION #2007-31(B), EXTENSION OF PROBATIONARY PERIOD FOR TENURE IN MILLER SCHOOL OF MEDICINE, EFFECTIVE UPON PASSAGE OF THIS MOTION BY THE FACULTY SENATE AND APPROVAL BY THE PRESIDENT**

The Chair explained that because Legislation #2007-31(B) changes the language of the Faculty Manual it does not become effective until the June 1 following passage. Miller, however, needs to incorporate the extension into offers currently being made to prospective faculty hires. An oversight at the November meeting led to a failure to make the original legislation effective immediately when the Senate passed it then, and this motion is intended to correct that.

*The proposal was moved, seconded, and passed unanimously.*

**OTHER BUSINESS**

Dr. Eugene Clasby suggested that Paul Dee, retiring as Director of Athletics, be presented with a resolution of appreciation and gratitude for his hard work and dedication on behalf of the University and its faculty, first as General Counsel and now as Athletics Director. After many laudatory and appreciative comments about Mr. Dee, Mary Coombs suggested that the Senate present Mr. Dee a Special Achievement Award at the Outstanding Teaching Award ceremony in April. Steve Green *made a motion* to give Paul Dee a Special Achievement Award and plaque at the Outstanding Teaching Award ceremony. *The motion was seconded and passed unanimously and enthusiastically.*

The meeting adjourned at 5:37 p.m.

## Faculty Senate Office

---

**From:** Faculty Senate Office

**Sent:** Tuesday, March 18, 2008 12:23 PM

**To:** Berg, Shelton G.; Brown, Ofis B.; Cabrera, Jose M.; Carpintero, Yvette M.; Fontellio, Dawn J; Garcia, Cecilia; Glemaud, Rose-Kettie; Goldschmidt, Pascal J.; Gonzalez, Martha Lopez; Grogg, Sam; Halleran, Michael Ros; Kahn, Barbara; Lepisto, Catherine; Lynch, Dennis O.; Peragallo, Nilda P; Plater-Zyberk, Elizabeth M.; Prilleltensky, Isaac; Ripoll, Blanca Ileana; Robitaille, Magaly; Rowand, Michele M; Ruiz, Odalis A.; Scandura, Teresa Anne; Stadmire, Dawn Renee; Tien, James M.; Walker, William

**Subject:** Legislation #2007-38(B)-Establishment of the University of Miami Online High School

The below link is your copy of Legislation #2007-38(B)-Establishment of the University of Miami Online High School for your records:

<https://www6.miami.edu/faculty-senate/2007-Legislation/2007-38B.pdf>

Thank you,  
Robyn Hardeman

Faculty Senate Office  
325 Ashe Administration Building  
1252 Memorial Drive  
Coral Gables, FL 33146  
305-284-3721  
[www.miami.edu/fs](http://www.miami.edu/fs)

## Faculty Senate Office

---

**From:** Faculty Senate Office  
**Sent:** Wednesday, March 12, 2008 9:57 AM  
**To:** Orehovec, Paul Martin; Prilleltensky, Isaac  
**Subject:** pending legislation re: Online High School

*cc's copy*

**Attachments:** 2007-38B.pdf



2007-38B.pdf (2  
MB)

Attached is your copy of the legislation sent to the President for her approval. You will be sent a copy of the legislation after it has been signed by the President.

Please note: The proposal was included with the legislation sent to the President, but is not included in your copy. Please let me know if you request a copy of the proposal.

Regards,  
Robyn Hardeman

Faculty Senate Office  
325 Ashe Administration Building  
1252 Memorial Drive  
Coral Gables, FL 33146  
305-284-3721  
[www.miami.edu/fs](http://www.miami.edu/fs)

**FACULTY SENATE MEETING AGENDA**  
**Hurricane 100 Room, Bank United Center**  
**January 30, 2008 - 3:30 P.M.**

<b>A.</b>	<b><u>Introductory Matters</u></b>	<b>Approx. Time</b>
A1.	#Chair's remarks	3:30
A2.	President's remarks	3:35
A3.	Approval of today's agenda	4:00
A4.	#Approval of minutes of November 28, 2007	4:05
A5.	Other announcements	4:10
<b>B.</b>	<b><u>General Matters</u></b>	
B1.	#Proposal for Miami Online High School – Paul M. Orehovec	4:15
B2.	#Proposal for transferring the undergraduate marine and atmospheric science program from the College of arts and Sciences to the Rosenstiel School of Marine and Atmospheric Science– Larry Peterson and Michael Halleran	4:55
 		5:00
B3.	#Political Science Department transfer to the College of Arts and Sciences – Michael Halleran and Fred Frohock	5:05
B4.	Presentation of Quality Enhancement Plan (QEP) – Dr. Andy Gomez	5:35
B5.	Motion to make legislation #2007-31 (D) Extension of Probationary Period for Tenure in MSOM effective upon passage of this motion by the Faculty Senate and approval by the President	
<b>C.</b>	<b><u>Other Business</u></b>	
<b>D.</b>	<b><u>Adjournment</u></b>	

#related material



Division of Continuing and  
International Education

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# University of Miami Online High School

## Business Plan

**Paul M. Orehovec**

Vice President

Enrollment Management and Continuing  
and International Education

**Dr. Marcy Ullom**

Associate Vice President

Continuing and International  
Education

**A Proposal for the Establishment of the University of Miami Online High School**  
**BUSINESS PLAN**  
**November, 2007**

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## Executive Summary

Our core business is education. We know education. We know how to create and implement a new business. We have identified key partners to help us implement this new business. From 2004 - 2007, the Division of Continuing and International Education collaborated with Sagemont Virtual School to offer the University of Miami Online High School. Based on history, our current knowledge and the marketplace, we are confident there is a market for a premier on-line high school.

The University of Miami will develop a proprietary, branded curriculum that will serve the needs of University of Miami Online High School students and will also position the University of Miami to generate revenue by licensing and distributing the curriculum to a broader national and international online high school market.

The University of Miami Online High School will provide a high quality educational product for high achieving high school students, grades 9-12, who have a need for institutional and programmatic flexibility. Quality and control of curricular materials and upholding high academic standards consistent with the University of Miami's undergraduate programming are germane to this initiative. Collaboration with the School of Education, will provide academic oversight, as well as position the School of Education in the unique position of providing online student teaching for education majors.

### *Online High School Administration, Governance, and Implementation*

The University of Miami through an internal, divisional partnership between the Division of Continuing and International Education and the School of Education will implement a grade 9-12, comprehensive, online high school providing for the learning needs of high achieving students culminating in a secondary school completion diploma. The Division of Continuing and International Education will oversee administration of the online high school program, and the School of Education will provide instructional design expertise and consultation through an oversight board in addition to research and evaluation. The University of Miami, under the leadership of the Division of Continuing and International Education, will provide overall governance for the school and will apply existing resources to accreditation, housing for administration, initial and maintained technology installations, marketing, and other ancillary aspects of the development and launch of an online high school.

The University of Miami will contract with FYI Curriculum, a third party vendor, which will develop a complete set of ninety (90) online high school curriculum courses for use by the University of Miami Online High School in the first year. A detailed listing of on-line courses is offered in Appendix 1. Drawing on the collective strengths of the University of Miami's Division of Continuing and International Education and the School of Education, this unique, internal partnership agreement will leverage the existing brand and the departmental operational

expertise of both. FYI Curriculum, a third party vendor, will publish online 9-12 materials and resources as it works with the University of Miami to produce curriculum for the University of Miami Online High School and other external markets. The School of Education has created an Academic Advisory Committee to collaborate on the identification and hiring of key University of Miami Online High School personnel (including teachers), assist with educational quality issues, share research expertise, and contribute to program evaluation; the Division of Continuing and International Education will lead, manage, and administrate both University of Miami Online High School operations and the curriculum generation process; and FYI Curriculum will develop, illustrate, secure permissions, edit, and publish curriculum courses.

### *Initial Cost*

The total cost of development for all ninety courses will be \$2.5MM. This estimate derives from a one-time development fee of \$28,000 per course. These courses can be ready for use by the University of Miami Online High School within 9-12 months from the contract agreement and a complete course list will be provided prior to project inception. Following the initial development cycle, if the University of Miami Online High School identifies additional courses they wish to offer to students, the vendor will quote said course requests 'at cost.'

<b>Company Overview</b>
-------------------------

### *Business Nature and Objectives*

The University of Miami's core business is education. The university seeks to expand its on-line education initiatives in ways that will increase its ability to offer grade 9-12 students effective, quality-assured, tested, and branded curriculum; to serve its faculty with learning tools that facilitate instructional delivery and foster faculty and student collegiality; and to increase the university's name recognition with national and international markets. This proposal is unique, as it is the first time that UM will manage an online high school. Since the University of Miami has not explored the concept of a purely virtual endeavor, especially in the online high school market, this plan offers an opportunity to map uncharted, yet not wholly unexplored, business revenue lines keeping pace with instructional innovations in the world outside the university sphere.

### *Initiatives*

This plan proposes the following initiatives: first, the establishment of its own on-line high school, branded as University of Miami Online High School, and secondly, to establish a relationship with a private company to develop and license on-line courses for the K-12 education market. It also offers UM the opportunity to become a leader in university and business partnership hybrids at a time when the nature of instruction and student learning is

changing. An increasing number of students have the expectation of online learning, and University of Miami Online High School will help to establish the University of Miami as a leader in innovation and as a purveyor of high quality educational services for a variety of students and clients.

### **Description of Product and/ or Service**

#### *Primary Service: Enrollment and Tuition Generated from the University of Miami Online High School*

The university will launch the University of Miami Online High School, a complete and comprehensive grade 9-12 instructional program, delivered by qualified state and nationally certified teachers in specific content areas. Students will have access to a full complement of rigorous college preparatory courses designed to meet individual learning styles and needs. The University of Miami Online High School will be an accredited diploma granting institution for both full-time students and non-diploma seeking students who wish to enhance their educational experience with courses that are not available in their home instruction. The University of Miami Online High School will provide a learning environment with a high level of interaction between students and instructors and among peer groups of students, which is the hallmark of high quality instruction on-line. We will be exploring models to ensure academic success, adding staff within year 1-2 such as counselors, tutors and academic coaches. This individualized approach to on-line learning will set a standard of high quality on-line high school education that is commensurate with the University of Miami brand.

#### *Secondary Service: Curriculum Licensing*

Curriculum, the underpinning of a good instructional program, will provide the framework for student success at the University of Miami Online High School and require relatively little additional capitalization for use in broader markets. Through a collaborative, unique, internal partnership between School of Education and Division of Continuing and International Education at the University of Miami and the expertise of proven curriculum vendors, UM will have the opportunity to establish high standards and to establish the premier curricular model. This will set the University of Miami apart in what has become a commoditized industry so that it has market differentiation for the product resulting in greater market share. The present industry trend is that there are a few key players. All University of Miami Online High School curricula will hold a customized brand trademark and copyrighted content covering both the educational design logic and the specific, proprietary content. Furthermore, this proposal outlines the first coalition of experienced educators and curriculum developers with schools of education to apply research to relate best practices for on-line learning.

Please see Appendix 1: Partial Listing of Courses Developed for Use by UMOHS

Curriculum, developed for University of Miami Online High School and branded by the University of Miami, will serve as a tangible asset for sale to other institutions. A royalty-based residual will produce a constant revenue stream derived from a case-by-case contractual arrangement with the university. This will lead to a twofold advantage, namely: revenue from already produced materials and marketing and name recognition, without the cost the operational cost overhead.

### Competitive and Market Analysis

#### *Competitive Advantage: Rationale*

The University of Miami Online High School will offer parents, students, and school districts a better product than its competitors. In both the brick and mortar and online spheres, all stakeholders require evidence of educational efficacy prior to enrolling in a program. Large corporate brands such as Kaplan University and the University of Phoenix are known presences in the online education sector, but they are viewed in a negative light due to the "diploma factory" issues surrounding many distance learning and online education companies.

The viewpoint of public education watch groups, politicians, and school administrators nationwide is that the online education provided by for-profit institutions without any affiliation with an established higher education institution has little to lose by offering diplomas to students who have not yet grasped the skills to guarantee their success following high school graduation. The need emerges for an online high school that has a strong affiliation with a university to ensure programmatic quality and to offer courses that prepare students for university-level work.

#### *UM's Unique Offering*

Positioning the University of Miami Online High School as a quality institution with substantial curriculum would both disassociate the University of Miami Online High School from the "diploma mill" market environment, as well as provide a brand-based marketing strategy that competitors will be unable to duplicate without significant modifications of their current business models.

Although Stanford University offers a similar program called the Education Program for Gifted Youth Online High School, it specifically focuses on gifted students. The University of Miami Online High School would expand offerings to advanced students interested in academic challenges. The University of Miami Online High School will expand a niche in the marketplace with a clear goal of delivering quality education online that will include a significant amount of teacher-student contact, tutorial services, and a feeling of community for academically motivated

students. Active participation of professors and graduate students will increase the efficacy of education and solidify an impression of being part of a university community.

### *Market Differentiation in Quality Curriculum*

Differentiation in the online high school marketplace is not simply defined by the organizational structure and level of student-teacher interaction. Quality curriculum becomes an integral component, as in brick and mortar institutions; teachers utilize textbooks as a baseline for lesson planning. Each text is selected based on the number of state and national standards addressed within its contents. In the online environment, curriculum leverages the assets and unique capabilities of the Internet to increase the breadth and depth of knowledge offered to students while still meeting state and national standards and utilizing the most up-to-date curricular materials. The University of Miami Online High School will have the added advantage of School of Education consultation.

There are few online educational publishers with an established track record of successful development. Generally, online high schools are forced to determine what content is utilized by evaluating a relatively short list of suppliers. These suppliers provide the same content to schools domestically and internationally, essentially making the curriculum a commodity that is selected based on pricing. With increased consolidation within this vertical of the industry, often curriculum providers will not sell to new online high schools to avoid cannibalization of their own market. Through collaboration with an established online publishing company, the University of Miami Online High School would have proprietary content, and thus circumvent the issue of compromised quality.

### *Trends in the K-12 Business*

Recently, there are a number of newly emerging trends in the online learning industry. One trend is that established distance education companies in the K-12 space are seeking to own both online high schools and online curriculum companies. KC Distance Learning's (owners of Keystone National High School) acquisition of Aventa Learning curriculum publishers and Kaplan University's acquisition of Sagemont Virtual School illustrate this trajectory. These moves seem to suggest a realization of the importance of having proprietary online content to support their online high schools.

Another emerging consideration is that for-profit universities with prominent online presences are moving into the K-12 market and establishing and acquiring online high schools and curriculum companies. As an example, the University of Phoenix recently acquired Insight Schools, Inc.; the University of Phoenix is actively searching to acquire an established online curriculum publisher. Similarly, Kaplan University recently acquired K-12 curriculum producers and an online high school. The stated rationale for these acquisitions is to convert potential higher education leads by addressing high school credit deficiencies. By creating a "pre-college" program, these entities can effectively blur the line between high school and college by

providing students with university branded online remediation and tracking them into higher education programs.

### *K-12 Online Education*

Online education in the K-12 sector emerged later than in university settings, and its presence is a logical manifestation of standards spiraling in the sense of inter-grade level curricular connections, learning outcomes, and institutional expectations. Akin to the proliferation of technology at universities, the K-12 sector is moving quickly to online education. Picciano and Seaman (2006) in their report *K-12 Online Learning: A Survey of U.S. School District Administrators* explored the nature of online learning in K-12 schools with a random sampling of 7,700 schools culled from the universe of 16,098 public school districts in the United States during the 2005-2006 academic year. The findings of this report include:

- Almost two-thirds of the responding public school districts are offering online courses.
- Over 60% of school districts with students enrolled in online courses anticipate their online enrollments will grow. Over the next two years districts predict online enrollments will increase by 19% and blended enrollments by 23%.
- The overall number of K-12 students engaged in online courses in 2005-2006, is estimated at 700,000.
- Respondents report that online learning is meeting the specific needs of a range of students, from those who need extra help to those who want to take more advanced courses and whose districts do not have enough teachers to offer certain subjects. (pp. 7-17)

Students choose online learning for a variety of reasons: to make up lost credits; to take courses not offered at their own school; to graduate early; to have flexible time for working or other interests. Currently, there are 170 cyber charter schools serving more than 92,000 students. Major changes in federal, state, and local policy could accelerate online learning in K-12 schools. The U.S. Department of Education has been enthusiastic in its support regarding online learning.

About 25 percent of all K-12 public schools now offer some form of e-learning or virtual school instruction. Within the next decade every state and most schools will be doing so [11, p. 34]. This report trumpeted "we may well be on our way to a golden age" in American education because of the infusion of technology including online learning into primary and secondary schools. (pp. 17-18)

### *Market Leaders*

Market leaders such as Connections Academy, Insight Schools, Inc, and K12, Inc., are expanding their instruction into grades 9-12 and are in need of online high school content. While these organizations have in the past developed proprietary K-8 content, they are beginning to recognize the advantages of outsourcing the development of online high school content and/or are actively seeking to acquire such a company.

### *Current Competitors in the K-12 School Operations Space*

The following is a listing of the current competitors in the K-12 school operations space; descriptions follow in the Appendix 2A; Detailed Listing of Market Competitors.

- *Connections Academy*
- *Florida Virtual School*
- *Insight Schools, Inc.*
- *K12, inc.*
- *KC Distance Learning / Keystone National High School*
- *Sagemont Virtual School and Kaplan University High School*

### *Competitors in the K-12 Curriculum Space*

The following is a list of the current competitors in the K-12 school curriculum generation and publications space; descriptions follow in the Appendix 2A:

- *Advanced Academics*
- *Apex Learning*
- *Aventa Learning*
- *Class.com*
- *The College Board (Advanced Placement Courses)*
- *Connection Academy*
- *Curriculum Advantage*
- *Florida Virtual School*
- *Virtual High School*

Appendix 2B: Competitors is a spreadsheet detailing some of the pertinent aspects of the various companies in this online space.



## Organizational Structure

The University of Miami Online High School's organizational structure relies on inter-department cooperation between the University of Miami's Division of Continuing and International Education and the School of Education.

### *Location*

The University of Miami Online High School will be a program of the Division of Continuing and International Education. The University of Miami Online High School, other online operations, and the Division of Continuing and International Education will initially share selected positions, such as budget and marketing, until financially capable of financially sustaining these positions.

### *Management*

The Associate Vice President of the Division of Continuing and International Education will provide operational oversight and administrative leadership for any third party vendors, including: course development; student information system development; hiring of administrative staff, including Headmaster/Director and Principal; interfacing with University of Miami schools, faculty, and offices, such as School of Education Academic Advisory Committee, Instructional Advancement Center (Blackboard), Division of Continuing and International Education Budget Office; marketing; and initiating accreditation procedures.

Initially, the University of Miami Online High School and Division of Continuing and International Education will share a Business/ Budget Manager position.

The Division of Continuing and International Education currently has a Director of Business Development on staff. He has already been testing the waters with many of his international contacts on interest and is getting a positive response.

### *Operational Personnel*

The following professionals will be hired to fill the basic positions needed to implement the University of Miami Online High School. Other positions will be added as enrollment increases.

The Headmaster/Director will work closely with the School of Education in curriculum and instructional quality oversight and student teaching opportunities, conduct research on the online instructional environment, provide oversight for curriculum development, identify

student information systems, hire instructors, develop appropriate academic procedures, work with the accreditation process, recruit, and interface with parents/students.

The Principal will be responsible for the day to day operations and will work with the Headmaster on curriculum development, identifying student information systems, hiring of instructors, developing academic procedures, recruiting, admissions, and financial aid, and interfacing with students and parents.

Four Teachers, certified in content area, will oversee language arts, mathematics, science, and social studies.

Please see Appendix 3: Organizational Chart.

### **Target Markets and Marketing**

The University of Miami Online High School has been in operation for over (3) years. A key target audience is young athletes in training and competition for either turning professional or college scholarships. The arrangements with Pendleton/IMG and Evert Tennis Academy should continue due to the relationships of Division of Continuing and International Education with those organizations.

Other markets include:

- Home schooled children
- Private schools
- Students with medical concerns – the curriculum will be 508 compliant
- Children of expats: Latin America; Asia; Middle East
- Russia: previous target market and will continue to be with our contacts
- China: developing relationships with Fudan University High School and other locales
- School districts looking for an educational alternative for specific audiences

Marketing strategies will be dependent upon the target audience, but will include:

- Online ads; search engine optimization
- Personal marketing through Business Development
- Office of International Admissions
- Identifying very targeted publications, i.e., home school publications
- Collaborating with Media Relations to develop a launch strategy

### Operational Plan and Time Frame

October 1 – 15, 2007	<ul style="list-style-type: none"> <li>• Discussion with School of Education</li> <li>• Review Kaplan contract with Legal</li> <li>• Paul M. Orehovec to discuss with Business &amp; Finance financial alternatives</li> </ul>
October 15 – November 14, 2007	<ul style="list-style-type: none"> <li>• Meet with President, Provost and Senior Vice President of Business &amp; Finance</li> </ul>
November 15 – December 15, 2007	<ul style="list-style-type: none"> <li>• Respond to any concerns/questions</li> </ul>
December 15 – 30, 2007	<ul style="list-style-type: none"> <li>• Sign agreement with curriculum development company</li> <li>• Meet with William R. Vilberg (Blackboard expert)</li> <li>• Develop timeline with curriculum development company for roll-out</li> </ul>
January 1-30, 2008	<ul style="list-style-type: none"> <li>• Meet with Kaplan representatives</li> <li>• Develop marketing strategy and timeline</li> <li>• Post position: Headmaster</li> </ul>
February 1 – July 30, 2008	<ul style="list-style-type: none"> <li>• Develop/distribute RFP for Student Information System</li> <li>• Fill Headmaster position</li> <li>• Identify operational issues and begin to address, for example:               <ul style="list-style-type: none"> <li>• Help desk and technical support</li> <li>• Advising structure</li> <li>• Communication flow: a) inquiry to registrant; b) advisor to student; c) teacher to student; d) teacher to parent</li> <li>• Work with Budget Office to set up accounts, etc.</li> <li>• Develop timeline for hiring additional personnel</li> <li>• Initiate marketing</li> <li>• Post position: Principal (once Headmaster position is filled)</li> <li>• Fill Principal position</li> </ul> </li> </ul>
July 1, 2008	<ul style="list-style-type: none"> <li>• Teachers positions posted and filled (after Principal is hired)</li> </ul>
September 1 – October 1, 2008	<ul style="list-style-type: none"> <li>• Launch University of Miami Online High School</li> </ul>

## Legal Considerations

### *University of Miami Online High School and Kaplan University*

The University of Miami has a pre-existing involvement with an on-line high school. In fact, the University of Miami Online High School, which was owned and operated by Sagemont Virtual School, was sold to Kaplan University, a Washington Post Company, in 2007. Kaplan University was able to maintain operations of the online high school and retain the name, the University of Miami Online High School, for one year. Since Kaplan and the University of Miami have obviously disparate demographics they each serve, the present situation calls for clarification, which may follow from a UM-directed and controlled 9-12 high school bearing its own name with a focus on high achieving, college-bound students.

### *Intellectual Property*

The University of Miami will own the intellectual property of the coursework. Authors, instructors, editors and all those involved in the publication and implementation process will be considered "work for hire" or "contractor".

### *Copyrights*

UM will hold copyright on all coursework. K-12 content that is co-developed will share copyright with authorial recognition. Permission must be granted for use, and material must be licensed from the University of Miami with a negotiated royalty.

### *Trade Secrets*

There are some trade secrets inherent in running an on-line school. Any one who works for the school will sign a document that he/ she will not share any secrets involved in the running, application, or administration of an on-line high school. Confidentiality and non-compete will be binding.

### *Accreditation*

The University of Miami Online High School was and still maintains accreditation through Southern Association of Colleges. In addition, the University of Miami Online High School also been accredited by the Commission on International and Trans-Regional Accreditation which provides policies, standards and procedures for accreditation of distance education schools. Certification is given for a four-year period. The University of Miami did

not initiate the original accreditation; therefore, it is not clear when termination takes place. If our certification lapses prior to launching University of Miami Online High School under the University of Miami banner, UM will re-establish accreditation, as this will be a key initial priority of Division of Continuing and International Education.

### **Operational Budget**

Please see Appendix 4: Operational Budget.

### **Risk Factors**

#### *Technology Risk and Uncertainty of Product Development*

New product development invariably involves risk. FYI Curriculum may not be able to develop core courses within the allotted time frame. Additionally, there may be an issue regarding hosting, file security, and backup in the case of a catastrophe such as a natural disaster, which may impact product development.

In order to mitigate design and implementation risks, concerned parties will establish timelines associated with deliverables as well as perform standard reporting during all phases of development. Furthermore, few of the course writers are localized in the immediate vicinity of the Coral Gables campus. Since writers are decentralized, the risk of missing deadline due to catastrophe is smaller than if all writers relied on production in a central location.

#### *Regulatory Risk*

The only possible risk in this regard is no accreditation through Southern Association of Colleges (SACS) or through Commission on International and Trans-Regional Accreditation (CITA); however, staff have ample experience with accreditation requirements and documentation. Currently University of Miami Online High School is accredited by both SACS and CITA.

#### *Commercial Risk*

The University of Miami is a well-known brand and there is a receptiveness to the University of Miami brand, as evidenced by the success of that entity in its present state. There is a risk that the market will shift or change. The University of Miami Online High School has a market presence, though, and there is ample evidence that there are customers for the product. Additionally, enrollment may fluctuate or have difficulty with initial positioning and curriculum licensing may prove to involve more oversight and administration than was previously assumed.

### *Financial Risk*

There is always financial risk in any new venture; however, this venture leverages existing expertise and institutions.

### *Disaster Risk*

It may become necessary to relocate faculty and staff to maintain school operations in the event of a natural disaster. In order to mitigate this risk, data will be collected and stored in a safe location, and all faculty and staff will be briefed and trained regarding hurricane safety. The University of Miami Online High School will establish an emergency protocol, conformant to the University of Miami's established policies, to respond to any disaster situation. This protocol will establish emergency notification procedures, data storage for both course work and records, and messaging and communication related to school operations.

### *Intellectual Property Risk*

The intent of the University of Miami Online High School is to be legally sound; however, there is always the possibility of copyright infringement, plagiarism, or other unforeseen or unintentional consideration. University of Miami Legal will provide support and consultation on a case-by-case basis as the need arises.

## **Conclusion**

This proposal asserts that University of Miami should move into the operation and management of an online high school. There are institutional precedents, as the University of Miami has had affiliations with brick and mortar lab schools. The University of Miami Online High School will offer the University of Miami an opportunity to enter a mildly competitive and fast-growing business segment. This proposal articulates a method to generate annual revenue, and it will position University of Miami in the emerging online education market.

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Division of Continuing  
and International  
Education

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## Appendices



**Appendix 1: Partial Listing of Courses Developed for Use by UMOHS**

There will be 90 semester courses in the first year. They are as follows:

Name of Course	Number of Semester Courses
Language Arts	18
Social Studies	14
Mathematics	18
Science	12
Foreign Language	10
Computer Education	6
Advanced Placement	12
<b>TOTAL:</b>	<b>90</b>

A detailed listing by subject matter follows. Most courses are two semesters. Some courses are single semester. Several will be developed during the school's second year.

Developed in Year 1	Developed in Year 2
<b>Language Arts</b>	
• English 1: Survey of Literature	2 semesters
• English 1: Honors: Survey of Literature Honors	2 semesters
• English 2: World Literature	2 semesters
• English 2: Honors: World Literature Honors	2 semesters
• English 3: American Literature	2 semesters
• English 3: Honors: American Literature Honors	2 semesters
• English 4: British Literature	2 semesters
• English 4 Honors: British Literature Honors	2 semesters
• Journalism	2 semesters
<b>Total Semester Courses:</b>	<b>18</b>

Developed in Year 2

Developed in Year 1

Mathematics

- Algebra I 2 semesters
- Algebra I Honors 2 semesters
- Geometry 2 semesters
- Geometry Honors 2 semesters
- Algebra II 2 semesters
- Algebra II Honors 2 semesters
- Pre-Calculus 2 semesters
- Calculus 2 semesters
- Consumer Math 2 semesters

**Total Semesters Courses: 18**

Computer Education

- Intro to Computers/Applications 2 semesters
- Web Masters 2 semesters
- Computer Programming I 2 semesters

**Total Semesters Courses: 6**

Foreign Language

- Spanish I 2 semesters
- Spanish II 2 semesters
- Spanish III 2 semesters
- French I 2 semesters
- French II 2 semesters

**Total Semesters Courses: 10**

Advanced Placement

- AP Psychology 2 semesters
- AP European History 2 semesters
- AP Statistics 2 semesters
- AP English Language and Composition 2 semesters
- AP English Literature and Composition 2 semesters
- AP World History 2 semesters

**Total Semesters Courses: 12**

**Developed in Year 1**

**Developed in Year 2**

Social Studies

- World History
- World History Honors
- American History
- American History Honors
- American Government
- American Government Honors
- Economics
- Economics Honors
- Psychology

Total Semesters Courses: 14

Science

- Biology
- Biology Honors
- Chemistry
- Chemistry Honors
- Physics
- Physics Honors

Total Semesters Courses: 12

Social Studies

- World Cultural Geography
- The History of the Vietnam War
- African American History
- Holocaust History
- Political Science
- Art History
- Future Studies

Total Semesters Courses: 10

Science

- Genetics
- Botany
- Environmental Science
- Physical Science
- Earth Space/Science
- Marine Science

Total Semesters Courses: 6

Humanities

- Philosophy
- World Religions
- Humanities Survey
- Ethics for the 21<sup>st</sup> Century

Total Semesters Courses: 4

Research and Critical

- Research I
- Research II

Total Semesters Courses: 2

Health and Fitness

- Health/Life Management Skills
- Personal Fitness

Total Semesters Courses: 2

20

## Appendix 2A: Detailed Listing of Market Competitors - Profile

### *Current Competitors in the K12 school operations space*

*Connections Academy.* Connections Academy works with states and districts to establish charter virtual schools or virtual programs, and it leverages public school tuition to provide free online learning opportunities to eligible public school students. The company currently serves grades K-11, and it has established virtual academies in 12 states with a plan to launch schools in 4 additional states Fall 2007. Students use paper- and CD-based curriculum purchased from Calvert Education for grades K-8 and a combination of content from Sagemont Virtual School and other providers for grades 9-11. They are accredited by CITA.  
<http://www.ConnectionsAcademy.com>

*Insight Schools, Inc.* Insight Schools builds, operates, and funds statewide, full-time, diploma-granting, online public high schools that are authorized and governed by school districts and community organizations. Insight Schools partner with local school districts and other community organizations to build and operate complete high schools. Insight was started by Keith Oelrich who prior to founding Insight Schools, was President and CEO of KC Distance Learning (KCDL), where he operated Keystone National High School. Insight Schools, Inc. was recently sold to University of Phoenix. <http://www.insightschools.net>

*KC Distance Learning / Keystone National High School.* KC Distance Learning (KCDL) is a leading provider of distance learning programs for high school students including: core courses, honors, and Advanced Placement. In 2005-06, over 23,000 students took courses from KCDL.

KCDL provides online high school courses directly to families through Keystone National High School, the nation's largest online high school. Keystone offers college prep, general diploma programs and single courses. KCDL also partners with school districts to provide online learning solutions which include credit recovery, individual courses designed to augment existing school curriculum, and complete virtual school solutions.

Keystone is licensed by the Pennsylvania State Board of Private Licensed Schools, and is accredited by the Northwest Association of Schools and Colleges, the Distance Education and Training Council (DETC), and the National Collegiate Athletic Association (NCAA). <http://www.keystonehighschool.com>

*K12, Inc.* K12, Inc. positions itself as both an online school and a curriculum provider, and the company works directly with state and school districts to establish virtual academies (charter schools for independent homeschooling) in their areas and leverages public school tuition to provide free online learning opportunities to eligible public school students. They currently have virtual academies in 15 states and use content from Apex Learning. K12 also offers individual high school courses directly to students at a fee of \$350 per semester. They have recently expanded the grades they serve from K8 to K12. <http://www.K12.com>

*Florida Virtual School.* In 2006-07, FLVS served more than 52,000 students in 87,000 half-credit courses. An increase of 67% in students and 27% in enrollments over 2005-06. Courses

are available to public, private, and home school students. National and international students can enroll in FLVS on a tuition basis.

FLVS is part of the Florida public education system and serves students in all 67 Florida districts. FLVS also serves students, schools, and districts around the nation through tuition-based instruction, curriculum provision, and training. FLVS offers online learning to individual students outside of Florida for a fee and has a franchising program through which it assists school districts in establishing their own virtual schools.

All FLVS teachers possess a valid Florida teaching certificate and are certified specifically in the subject they teach. More than 64% of their staff hold advanced degrees, and 76 are national board certified. 308 FLVS full-time and 180 adjunct teachers reside throughout Florida and beyond.

Among FLVS clients are all 67 districts of Florida, Appleton Area School District and Kiel School District, Wisconsin; Monmouth Ocean Educational Services Commission, New Jersey; West Virginia Department of Education; Alabama Department of Education; SPARCC (Ohio consortium), and many more throughout the U.S.

FLVS develops and licenses its own proprietary content. Florida Virtual School is fully accredited by two major agencies: The Southern Association of Colleges and Schools (SACS) and The Commission on International and Trans-Regional Accreditation. <http://www.flvs.net>

*Sagemont Virtual School and KUHS*. Kaplan University's acquisition of Sagemont Virtual School positions Kaplan to enter the K12 online education market. Through strong brand recognition, high academic standards and student support, and high quality curriculum, UMOHS is recognized as the premier private online high school. The school offers three programs of study with varying price points according to the level of student teacher interaction and types of curricular programs.

Through its recent acquisition by Kaplan Higher Education, and the agreement between University of Miami and Kaplan University to retain the UMOHS brand through April 8, 2008, Kaplan will utilize the existing brand to offer higher price points, full service online high school education. Concurrently, Kaplan will launch its new brand "Kaplan University High School" which will offer the independent study and career preparatory programs (formerly offered under the UMOHS Blueprint brand). Additionally, KUHS will seek to compete directly in the cyber charter market and other online verticals. <http://www.Kaplan.edu>

#### *Competitors in the K12 Curriculum space*

*Advanced Academics*. Coursework relies on the teachers, available by chat, phone, or email, for assistance in all courses. Advanced Academics' products are tutorial tools for students "at risk" or those requiring remediation. The content links lack connections to general course requirements. <http://www.advancedacademics.com>

*Aventa Learning.* Aventa Learning presents course information in a patented process. The content relies largely on textbook learning. <http://www.aventallearning.com>

*Apex Learning.* At the present, the courses are online textbooks; however, the curriculum is grade-level appropriate. Apex uses LMS (Blackboard), as its platform. The company has plans to migrate to its own LMS; this may develop more sophisticated delivery tools with better functionality. <http://www.apexlearning.com>

*Class.com.* Class.com offers forty-eight online courses that are all-inclusive. Class.com offers courses developed specifically for online learning and provide their instructional design process on the internet welcome page. The courses contain multimedia, including: audio and video, animated tutorials, and interactive exercises. Courses also provide opportunities for online communication between instructors and students, enabling one-on-one instructions and a sense of community within the course. <http://www.class.com>

*The College Board (Advanced Placement Courses).* The AP courses are rich in background information and serve to scaffold difficult texts. The course instruction is written clearly despite the difficulty level of the curriculum. Many lessons are enrichment or practice and thus keep the number of teacher-graded assessments to a minimum. Students submit an average four assignments a week, with one written essay that requires up to 15 minutes of feedback from the teacher. This quality feedback is standard for all AP teachers. <http://www.apcentral.collegeboard.com>

*Connection Academy.* Connection Academy provides curriculum K-8. The curriculum consists of short lesson plans with activities and third party content. The Connection Academy's system can be characterized as a learning portal than a complete turn-key curriculum solution with interactive features required for true online learning. <http://www.ConnectionsAcademy.com>

*Curriculum Advantage.* The customers for this product are students who have been targeted by state-wide assessments to need remedial lessons and drill. This curriculum tool meets the intervention required for the "No Child Left Behind" federal legislation. This company's products are tutorial tools for students "at risk" or for students who require remediation. The target audience for this company is students in kindergarten through eighth grade. <http://www.classworks.com>

*Florida Virtual School.* Curriculum has minimal interactive features and is geared to an average public school student who will attend a community college. Opportunities for enrichment or honors level are limited by an attention to core course offerings. <http://www.flvs.net>

*Virtual High School.* Virtual High school is a networking system where the federally granted company trades the use of a teacher from a designated school to teach an online course for a specific number of students. In exchange, the teacher's school is provided with a specific number of "slots" in which their students can take online courses.

The content present is designed (for the most part) by the teachers themselves. The courses contain very few resources for supporting or supplementing the content. Textbooks are required for all courses. <http://www.govhs.org>

**Appendix 2B: Detailed Listing of Market Competitors - Operations**

Organization Name	URL	Market to Student	Market to School	Diploma	Continuous Enrollment	Part Time Student	Tuition includes Materials	AP Prep
UMOHS	<a href="http://www.umohs.com">www.umohs.com</a>	yes	Districts	yes	yes	yes	yes	yes
KUHS	<a href="http://www.kuhighschool.com">www.kuhighschool.com</a>	yes	No	yes	Yes	yes	Yes	No
KC Distance/Keystone	<a href="http://www.keystonehighschool.com">www.keystonehighschool.com</a>	yes	No	yes	Yes	yes	yes	Yes
K12, inc.	<a href="http://www.k12.com">www.k12.com</a>	No	Yes	no	Yes	yes	no	yes
Connections Academy	<a href="http://www.connectionsacademy.com">www.connectionsacademy.com</a>	yes	yes	no	Yes	no	yes	No
Insight Schools	<a href="http://www.go2ischool.net">www.go2ischool.net</a>	yes	no	yes	yes	no	yes	yes
Florida Virtual School	<a href="http://www.fivs.net">www.fivs.net</a>	yes	yes	no	yes	ye	yes	yes

**Additional Information**

Organization Name	Notes
UMOHS	To receive a diploma, student must earn 24 credits
KUHS	Courses may be online or correspondence Students enrolled in 3 or more courses are automatically enrolled fulltime at no additional cost 21 credits must be earned to receive a diploma Unlimited support from certified teachers
K12, inc.	Only courses kindergarten through 9th grade are available After assessment of eligibility, tuition is free Field trips have a cost, but are optional
Connections Academy	Families receive a computer, printer subsidy for internet access, online communication, planning, learning management tools, online lessons Cartridges for the printer are at parents' expense



21 credits to graduate

Laptop with wireless capabilities/printer provided free

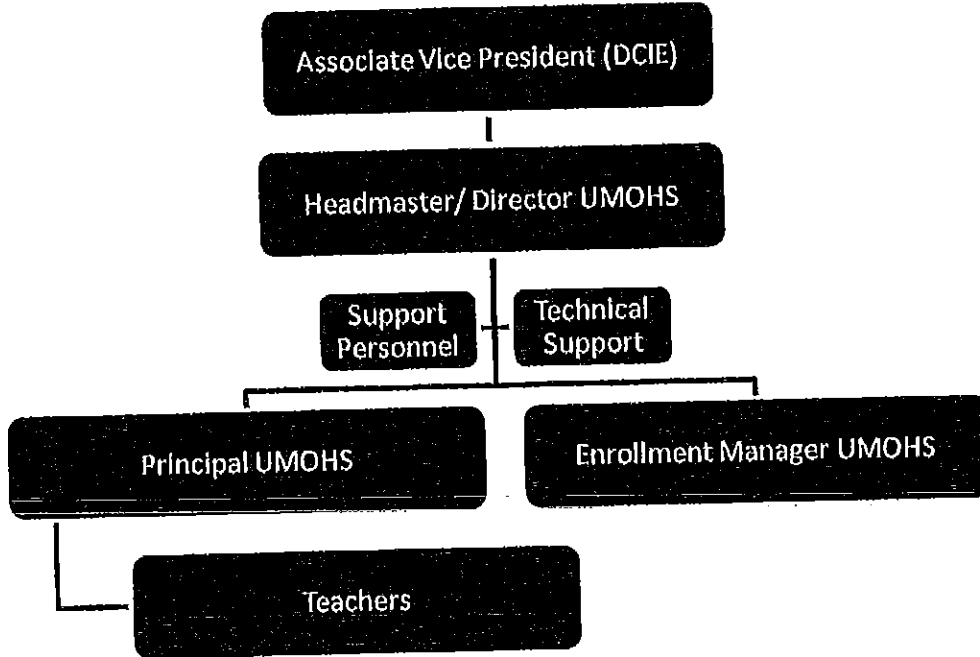
Tuition free

Acquired by KC Distance Learning

**Insight Schools**

**Aventa Learning**

**Appendix 3: Organizational Chart**



Budget Manager to be shared with DCIE.

**Appendix 4: Operational Budget**

Tuition Profiles	Profile #1 - Tuition \$1,250			
	Year 1	Year 2	Year 3	Year 4
Enrollment (# of semester courses enrolled)	0	1000	1200	1500
Gross Revenues	\$ -	\$ 1,250,000	\$ 1,500,000	\$ 1,875,000
Expenses	\$ 552,327	\$ 1,079,472	\$ 1,140,317	\$ 1,168,738
Transfer to Provost	\$ -	\$ -	\$ 225,000	\$ 281,250
Net Income	\$ (552,327)	\$ 170,528	\$ 134,683	\$ 425,012
Breakeven (# of students)	442	864	1092	1160

Tuition Profiles	Profile #2 - Tuition \$1,500				Profile #3 - Tuition \$1,750			
	Year 1	Year 2	Year 3	Year 4	Year 1	Year 2	Year 3	Year 4
Enrollment (# of semester courses enrolled)	0	1000	1200	1500	0	1000	1200	1500
Gross Revenues	\$ -	\$ 1,500,000	\$ 1,800,000	\$ 2,250,000	\$ -	\$ 1,750,000	\$ 2,100,000	\$ 2,625,000.00
Expenses	\$ 552,327	\$ 1,079,472	\$ 1,140,317	\$ 1,168,738	\$ 552,327	\$ 1,079,472	\$ 1,140,317	\$ 1,168,737.96
Transfer to Provost	\$ -	\$ -	\$ 270,000	\$ 337,500	\$ -	\$ -	\$ 315,000	\$ 393,750.00
Net Income	\$ (552,327)	\$ 420,528	\$ 389,683	\$ 743,762	\$ (552,327)	\$ 670,528	\$ 644,683	\$ 1,062,512.04
Breakeven (# of students)	368	720	940	1004	316	617	832	893

UM Online High School Budget		FY 2008-2009	FY 2009-2010	FY 2010-2011	FY 2011-2012
		1/1/2008 - 5/31/2008	6/1/2008 - 5/31/2009	6/1/2009 - 5/31/2010	6/1/2010 - 5/31/2011
Subject Code	Description	5 months	12 months	12 months	12 months
	Revenue				
021	Tuition	\$ -	\$ 1,250,000	\$ 1,500,000	\$ 1,875,000
	Salary and CFB				
	Headmaster/Director				
	Salary	\$ 70,000	\$ 73,500	\$ 77,175	\$ 81,034
	Monthly Salary	\$ 5,833	\$ 6,125	\$ 6,431	\$ 6,753
	% Effort	100%	100%	100%	100%
1201	Base Salary (=months*monthly salary*effort)	\$ 29,167	\$ 73,500	\$ 77,175	\$ 81,034
	Composite Fringe Benefit	\$ 9,683	\$ 25,137	\$ 27,166	\$ 28,524
	Subtotal	\$ 38,850	\$ 98,637	\$ 104,341	\$ 109,558
	Teacher #1				
	Salary	\$ -	\$ 40,000	\$ 42,000	\$ 44,100
	Monthly Salary	\$ -	\$ 3,333	\$ 3,500	\$ 3,675
	% Effort	0%	100%	100%	100%
1101	Base Salary (=months*monthly salary*effort)	\$ -	\$ 40,000	\$ 42,000	\$ 44,100
	Composite Fringe Benefit	\$ -	\$ 11,480	\$ 12,474	\$ 13,098
	Subtotal	\$ -	\$ 51,480	\$ 54,474	\$ 57,198

Teacher #2									
Salary	\$	40,000	\$	42,000	\$	44,100			
Monthly Salary	\$	3,333	\$	3,500	\$	3,675			
% Effort		100%		100%		100%			
Base Salary (=months*monthly salary*effort)	\$	40,000	\$	42,000	\$	44,100			
Composite Fringe Benefit	27.7%	\$ 11,480	29.7%	\$ 12,474	29.7%	\$ 13,098			
Subtotal	\$	51,480	\$	54,474	\$	57,198			

Teacher #3									
Salary	\$	40,000	\$	42,000	\$	44,100			
Monthly Salary	\$	3,333	\$	3,500	\$	3,675			
% Effort		100%		100%		100%			
Base Salary (=months*monthly salary*effort)	\$	40,000	\$	42,000	\$	44,100			
Composite Fringe Benefit	27.7%	\$ 11,480	29.7%	\$ 12,474	29.7%	\$ 13,098			
Subtotal	\$	51,480	\$	54,474	\$	57,198			

Teacher #4									
Salary	\$	40,000	\$	42,000	\$	44,100			
Monthly Salary	\$	3,333	\$	3,500	\$	3,675			
% Effort		100%		100%		100%			
Base Salary (=months*monthly salary*effort)	\$	40,000	\$	42,000	\$	44,100			
Composite Fringe Benefit	27.7%	\$ 11,480	29.7%	\$ 12,474	29.7%	\$ 13,098			
Subtotal	\$	51,480	\$	54,474	\$	57,198			





Expenses									
3101	Promotion and Public Relations Services	\$	15,000	\$	15,000	\$	15,000	\$	15,000
3103	Advertising	\$	85,000	\$	85,000	\$	85,000	\$	85,000
3105	Consulting Fees (Course development - see amortization schedule)	\$	169,292	\$	406,301	\$	406,301	\$	406,301
3218	Clerical - Office Supplies	\$	5,000	\$	5,000	\$	5,000	\$	5,000
3223	Equipment Supplies (SIS & 1 yr maintenance and additional software)	\$	125,000	\$	20,000	\$	20,000	\$	20,000
3235	Equipment & Furniture (Non-Capital: printer and computers)	\$	12,000	\$	2,500	\$	2,500	\$	2,500
3229	Copy/Publishing/Printing Supplies	\$	500	\$	2,000	\$	2,750	\$	3,000
3530	Rent/Lease Space	\$	-	\$	-	\$	-	\$	-
3633	Faculty Recruiting Expenses	\$	3,500	\$	3,500	\$	3,500	\$	3,500
3634	Non-Faculty Recruiting Expenses	\$	1,500	\$	1,500	\$	1,500	\$	1,500
3814	Postage	\$	800	\$	800	\$	800	\$	800
3842	Local Telephone Charges	\$	750	\$	800	\$	850	\$	900
3852	Monthly-Line and Sets	\$	1,500	\$	1,750	\$	2,000	\$	2,250
3855	Long Distance Charge	\$	1,000	\$	1,000	\$	1,000	\$	1,000
3858	Monthly Voice Mail	\$	750	\$	850	\$	950	\$	1,050
3878	WATS Service (Conference Calls)	\$	300	\$	350	\$	400	\$	450
4111	Network Service	\$	8,000	\$	9,000	\$	10,000	\$	11,000



4232	Photo ID Services	\$	50	\$	25	\$	25
	Expenses Subtotal	\$	429,942	\$	555,376	\$	559,276
	Total Revenue	\$	-	\$	1,250,000	\$	1,875,000
	Total Salaries and CFB & Expenses	\$	552,327	\$	1,079,472	\$	1,168,738
71XX	Transfer to Provost (15% of revenues)	\$	-	\$	-	\$	281,250
	Net Income (Break Even)	\$	(552,327)	\$	170,528	\$	425,012

\$2.0M would be amortized over 72 months.

\$0 would be earned in the first eight months due to establishment of curriculum, start up.

Revenues would be earned beginning 8/01/08, when school begins.

Rent is not included in this budget.

Revenue	Enrollment											
	100	250	350	425	500	500	750	1000	1250	1500	1750	2000
\$750	\$75,000	\$187,500	\$262,500	\$318,750	\$375,000	\$375,000	\$562,500	\$750,000	\$937,500	\$1,125,000	\$1,312,500	\$1,500,000
\$1,250	\$125,000	\$312,500	\$437,500	\$531,250	\$625,000	\$625,000	\$937,500	\$1,250,000	\$1,562,500	\$1,875,000	\$2,187,500	\$2,500,000
\$1,500	\$150,000	\$375,000	\$525,000	\$637,500	\$750,000	\$750,000	\$1,125,000	\$1,500,000	\$1,875,000	\$2,250,000	\$2,625,000	\$3,000,000
\$1,750	\$175,000	\$437,500	\$612,500	\$743,750	\$875,000	\$875,000	\$1,312,500	\$1,750,000	\$2,187,500	\$2,625,000	\$3,062,500	\$3,500,000
\$2,000	\$200,000	\$500,000	\$700,000	\$850,000	\$1,000,000	\$1,000,000	\$1,500,000	\$2,000,000	\$2,500,000	\$3,000,000	\$3,500,000	\$4,000,000

Amortization Schedule		Interest Rate:	6.75%
		Loan Amount:	\$2,000,000.00
		Months:	72
		Beginning Date:	Jan-08
Fiscal Year	Total Payment	Principal	Interest
2008	\$ 169,292.14	\$ 114,321.04	\$ 54,971.10
2009	\$ 406,301.14	\$ 287,813.84	\$ 118,487.30
2010	\$ 406,301.14	\$ 307,853.72	\$ 98,447.41
2011	\$ 406,301.14	\$ 329,288.94	\$ 77,012.19
2012	\$ 406,301.14	\$ 352,216.65	\$ 54,084.49
2013	\$ 406,301.14	\$ 376,740.77	\$ 29,560.37
2014	\$ 237,009.00	\$ 231,765.03	\$ 5,243.96
2015	\$ -	\$ -	\$ -
2016	\$ -	\$ -	\$ -
2017	\$ -	\$ -	\$ -
Totals:	\$ 2,437,806.82	\$ 2,000,000.00	\$ 437,806.82

***Appendix 5: Selected Articles about Online Education***

Article 1: Learning in the 21st Century: A National Report of Online Learning

Article 2: K12 Inc. to Provide Curriculum and School Services to the New Nevada Virtual Academy

Article 3: DeVry Inc. Acquires Advanced Academics Inc.

Article 4: Laboratories of Reform: Virtual High Schools and Innovation in Public Education

**General Welfare Committee**  
**January 16, 2008**  
**3:30 p.m.**  
**Law Library Conference Room, 4<sup>th</sup> floor**

1. Chair's remarks (3:30)
2. #Review of Draft Minutes of November 28, 2007 (3:35)
3. Update of Proposal for the Center for Computational Science -Jennifer McCafferty-Cepero (3:40)
4. #Proposal for Miami Institute of Human Genomics -Jennifer McCafferty-Cepero (3:50)
5. #Proposal for University of Miami Online High School- Paul M. Orehovec (4:00)
6. #Human Services Major Name Change and Reactivation -Blaine Fowers (4:20)
7. #Proposal for transferring the undergraduate marine and atmospheric science program from the College of Arts and Sciences to the Rosenstiel School-Otis Brown (4:35)
8. #Political Science Department transfer to the College of Arts and Sciences-Michael Halleran and Fred Frohock(4:50)
9. Motion to make Legislation #2007-31(D) Extension of Probationary Period for Tenure in the MSOM effective upon passage of this motion by the Faculty Senate and approval by the President. (5:05)
10. Other Matters

\*\*\*\*\*

# related material included



Division of Continuing and  
International Education

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# University of Miami Online High School

## Business Plan

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Education

A Proposal for the Establishment of the University of Miami Online High School  
**BUSINESS PLAN**  
 November, 2007

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## Executive Summary

Our core business is education. We know education. We know how to create and implement a new business. We have identified key partners to help us implement this new business. From 2004 - 2007, the Division of Continuing and International Education collaborated with Sagemont Virtual School to offer the University of Miami Online High School. Based on history, our current knowledge and the marketplace, we are confident there is a market for a premier on-line high school.

The University of Miami will develop a proprietary, branded curriculum that will serve the needs of University of Miami Online High School students and will also position the University of Miami to generate revenue by licensing and distributing the curriculum to a broader national and international online high school market.

The University of Miami Online High School will provide a high quality educational product for high achieving high school students, grades 9-12, who have a need for institutional and programmatic flexibility. Quality and control of curricular materials and upholding high academic standards consistent with the University of Miami's undergraduate programming are germane to this initiative. Collaboration with the School of Education, will provide academic oversight, as well as position the School of Education in the unique position of providing online student teaching for education majors.

### *Online High School Administration, Governance, and Implementation*

The University of Miami through an internal, divisional partnership between the Division of Continuing and International Education and the School of Education will implement a grade 9-12, comprehensive, online high school providing for the learning needs of high achieving students culminating in a secondary school completion diploma. The Division of Continuing and International Education will oversee administration of the online high school program, and the School of Education will provide instructional design expertise and consultation through an oversight board in addition to research and evaluation. The University of Miami, under the leadership of the Division of Continuing and International Education, will provide overall governance for the school and will apply existing resources to accreditation, housing for administration, initial and maintained technology installations, marketing, and other ancillary aspects of the development and launch of an online high school.

The University of Miami will contract with FYI Curriculum, a third party vendor, which will develop a complete set of ninety (90) online high school curriculum courses for use by the University of Miami Online High School in the first year. A detailed listing of on-line courses is offered in Appendix 1. Drawing on the collective strengths of the University of Miami's Division of Continuing and International Education and the School of Education, this unique, internal partnership agreement will leverage the existing brand and the departmental operational



expertise of both. FYI Curriculum, a third party vendor, will publish online 9-12 materials and resources as it works with the University of Miami to produce curriculum for the University of Miami Online High School and other external markets. The School of Education has created an Academic Advisory Committee to collaborate on the identification and hiring of key University of Miami Online High School personnel (including teachers), assist with educational quality issues, share research expertise, and contribute to program evaluation; the Division of Continuing and International Education will lead, manage, and administrate both University of Miami Online High School operations and the curriculum generation process; and FYI Curriculum will develop, illustrate, secure permissions, edit, and publish curriculum courses.

### *Initial Cost*

The total cost of development for all ninety courses will be \$2.5MM. This estimate derives from a one-time development fee of \$28,000 per course. These courses can be ready for use by the University of Miami Online High School within 9-12 months from the contract agreement and a complete course list will be provided prior to project inception. Following the initial development cycle, if the University of Miami Online High School identifies additional courses they wish to offer to students, the vendor will quote said course requests 'at cost.'

## Company Overview

### *Business Nature and Objectives*

The University of Miami's core business is education. The university seeks to expand its on-line education initiatives in ways that will increase its ability to offer grade 9-12 students effective, quality-assured, tested, and branded curriculum; to serve its faculty with learning tools that facilitate instructional delivery and foster faculty and student collegiality; and to increase the university's name recognition with national and international markets. This proposal is unique, as it is the first time that UM will manage an online high school. Since the University of Miami has not explored the concept of a purely virtual endeavor, especially in the online high school market, this plan offers an opportunity to map uncharted, yet not wholly unexplored, business revenue lines keeping pace with instructional innovations in the world outside the university sphere.

### *Initiatives*

This plan proposes the following initiatives: first, the establishment of its own on-line high school, branded as University of Miami Online High School, and secondly, to establish a relationship with a private company to develop and license on-line courses for the K-12 education market. It also offers UM the opportunity to become a leader in university and business partnership hybrids at a time when the nature of instruction and student learning is

changing. An increasing number of students have the expectation of online learning, and University of Miami Online High School will help to establish the University of Miami as a leader in innovation and as a purveyor of high quality educational services for a variety of students and clients.

### Description of Product and/ or Service

#### *Primary Service: Enrollment and Tuition Generated from the University of Miami Online High School*

The university will launch the University of Miami Online High School, a complete and comprehensive grade 9-12 instructional program, delivered by qualified state and nationally certified teachers in specific content areas. Students will have access to a full complement of rigorous college preparatory courses designed to meet individual learning styles and needs. The University of Miami Online High School will be an accredited diploma granting institution for both full-time students and non-diploma seeking students who wish to enhance their educational experience with courses that are not available in their home instruction. The University of Miami Online High School will provide a learning environment with a high level of interaction between students and instructors and among peer groups of students, which is the hallmark of high quality instruction on-line. We will be exploring models to ensure academic success, adding staff within year 1-2 such as counselors, tutors and academic coaches. This individualized approach to on-line learning will set a standard of high quality on-line high school education that is commensurate with the University of Miami brand.

#### *Secondary Service: Curriculum Licensing*

Curriculum, the underpinning of a good instructional program, will provide the framework for student success at the University of Miami Online High School and require relatively little additional capitalization for use in broader markets. Through a collaborative, unique, internal partnership between School of Education and Division of Continuing and International Education at the University of Miami and the expertise of proven curriculum vendors, UM will have the opportunity to establish high standards and to establish the premier curricular model. This will set the University of Miami apart in what has become a commoditized industry so that it has market differentiation for the product resulting in greater market share. The present industry trend is that there are a few key players. All University of Miami Online High School curricula will hold a customized brand trademark and copyrighted content covering both the educational design logic and the specific, proprietary content. Furthermore, this proposal outlines the first coalition of experienced educators and curriculum developers with schools of education to apply research to relate best practices for on-line learning.

Please see Appendix 1: Partial Listing of Courses Developed for Use by UMOHS

Curriculum, developed for University of Miami Online High School and branded by the University of Miami, will serve as a tangible asset for sale to other institutions. A royalty-based residual will produce a constant revenue stream derived from a case-by-case contractual arrangement with the university. This will lead to a twofold advantage, namely: **revenue** from already produced materials and **marketing and name recognition**, without the cost the operational cost overhead.

### Competitive and Market Analysis

#### *Competitive Advantage: Rationale*

The University of Miami Online High School will offer parents, students, and school districts a better product than its competitors. In both the brick and mortar and online spheres, all stakeholders require evidence of educational efficacy prior to enrolling in a program. Large corporate brands such as Kaplan University and the University of Phoenix are known presences in the online education sector, but they are viewed in a negative light due to the "diploma factory" issues surrounding many distance learning and online education companies.

The viewpoint of public education watch groups, politicians, and school administrators nationwide is that the online education provided by for-profit institutions without any affiliation with an established higher education institution has little to lose by offering diplomas to students who have not yet grasped the skills to guarantee their success following high school graduation. The need emerges for an online high school that has a strong affiliation with a university to ensure programmatic quality and to offer courses that prepare students for university-level work.

#### *UM's Unique Offering*

Positioning the University of Miami Online High School as a quality institution with substantial curriculum would both disassociate the University of Miami Online High School from the "diploma mill" market environment, as well as provide a brand-based marketing strategy that competitors will be unable to duplicate without significant modifications of their current business models.

Although Stanford University offers a similar program called the Education Program for Gifted Youth Online High School, it specifically focuses on gifted students. The University of Miami Online High School would expand offerings to advanced students interested in academic challenges. The University of Miami Online High School will expand a niche in the marketplace with a clear goal of delivering quality education online that will include a significant amount of teacher-student contact, tutorial services, and a feeling of community for academically motivated

students. Active participation of professors and graduate students will increase the efficacy of education and solidify an impression of being part of a university community.

### *Market Differentiation in Quality Curriculum*

Differentiation in the online high school marketplace is not simply defined by the organizational structure and level of student-teacher interaction. Quality curriculum becomes an integral component, as in brick and mortar institutions; teachers utilize textbooks as a baseline for lesson planning. Each text is selected based on the number of state and national standards addressed within its contents. In the online environment, curriculum leverages the assets and unique capabilities of the Internet to increase the breadth and depth of knowledge offered to students while still meeting state and national standards and utilizing the most up-to-date curricular materials. The University of Miami Online High School will have the added advantage of School of Education consultation.

There are few online educational publishers with an established track record of successful development. Generally, online high schools are forced to determine what content is utilized by evaluating a relatively short list of suppliers. These suppliers provide the same content to schools domestically and internationally, essentially making the curriculum a commodity that is selected based on pricing. With increased consolidation within this vertical of the industry, often curriculum providers will not sell to new online high schools to avoid cannibalization of their own market. Through collaboration with an established online publishing company, the University of Miami Online High School would have proprietary content, and thus circumvent the issue of compromised quality.

### *Trends in the K-12 Business*

Recently, there are a number of newly emerging trends in the online learning industry. One trend is that established distance education companies in the K-12 space are seeking to own both online high schools and online curriculum companies. KC Distance Learning's (owners of Keystone National High School) acquisition of Aventa Learning curriculum publishers and Kaplan University's acquisition of Sagemont Virtual School illustrate this trajectory. These moves seem to suggest a realization of the importance of having proprietary online content to support their online high schools.

Another emerging consideration is that for-profit universities with prominent online presences are moving into the K-12 market and establishing and acquiring online high schools and curriculum companies. As an example, the University of Phoenix recently acquired Insight Schools, Inc.; the University of Phoenix is actively searching to acquire an established online curriculum publisher. Similarly, Kaplan University recently acquired K-12 curriculum producers and an online high school. The stated rationale for these acquisitions is to convert potential higher education leads by addressing high school credit deficiencies. By creating a "pre-college" program, these entities can effectively blur the line between high school and college by

providing students with university branded online remediation and tracking them into higher education programs.

### *K-12 Online Education*

Online education in the K-12 sector emerged later than in university settings, and its presence is a logical manifestation of standards spiraling in the sense of inter-grade level curricular connections, learning outcomes, and institutional expectations. Akin to the proliferation of technology at universities, the K-12 sector is moving quickly to online education. Picciano and Seaman (2006) in their report *K-12 Online Learning: A Survey of U.S. School District Administrators* explored the nature of online learning in K-12 schools with a random sampling of 7,700 schools culled from the universe of 16,098 public school districts in the United States during the 2005-2006 academic year. The findings of this report include:

- Almost two-thirds of the responding public school districts are offering online courses.
- Over 60% of school districts with students enrolled in online courses anticipate their online enrollments will grow. Over the next two years districts predict online enrollments will increase by 19% and blended enrollments by 23%.
- The overall number of K-12 students engaged in online courses in 2005-2006, is estimated at 700,000.
- Respondents report that online learning is meeting the specific needs of a range of students, from those who need extra help to those who want to take more advanced courses and whose districts do not have enough teachers to offer certain subjects. (pp. 7-17)

Students choose online learning for a variety of reasons: to make up lost credits; to take courses not offered at their own school; to graduate early; to have flexible time for working or other interests. Currently, there are 170 cyber charter schools serving more than 92,000 students. Major changes in federal, state, and local policy could accelerate online learning in K-12 schools. The U.S. Department of Education has been enthusiastic in its support regarding online learning.

About 25 percent of all K-12 public schools now offer some form of e-learning or virtual school instruction. Within the next decade every state and most schools will be doing so [11, p. 34].” This report trumpeted “we may well be on our way to a golden age” in American education because of the infusion of technology including online learning into primary and secondary schools. (pp. 17-18)

### *Market Leaders*

Market leaders such as Connections Academy, Insight Schools, Inc, and K12, Inc., are expanding their instruction into grades 9-12 and are in need of online high school content. While these organizations have in the past developed proprietary K-8 content, they are beginning to recognize the advantages of outsourcing the development of online high school content and/or are actively seeking to acquire such a company.

### *Current Competitors in the K-12 School Operations Space*

The following is a listing of the current competitors in the K-12 school operations space; descriptions follow in the Appendix 2A: Detailed Listing of Market Competitors.

- *Connections Academy*
- *Florida Virtual School*
- *Insight Schools, Inc.*
- *K12, Inc.*
- *KC Distance Learning / Keystone National High School*
- *Sagemont Virtual School and Kaplan University High School*

### *Competitors in the K-12 Curriculum Space*

The following is a list of the current competitors in the K-12 school curriculum generation and publications space; descriptions follow in the Appendix 2A:

- *Advanced Academics*
- *Apex Learning*
- *Aventa Learning*
- *Class.com*
- *The College Board (Advanced Placement Courses)*
- *Connection Academy*
- *Curriculum Advantage*
- *Florida Virtual School*
- *Virtual High School*

Appendix 2B: Competitors is a spreadsheet detailing some of the pertinent aspects of the various companies in this online space.

## Organizational Structure

The University of Miami Online High School's organizational structure relies on inter-department cooperation between the University of Miami's Division of Continuing and International Education and the School of Education.

### *Location*

The University of Miami Online High School will be a program of the Division of Continuing and International Education. The University of Miami Online High School, other online operations, and the Division of Continuing and International Education will initially share selected positions, such as budget and marketing, until financially capable of financially sustaining these positions.

### *Management*

The Associate Vice President of the Division of Continuing and International Education will provide operational oversight and administrative leadership for any third party vendors, including: course development; student information system development; hiring of administrative staff, including Headmaster/Director and Principal; interfacing with University of Miami schools, faculty, and offices, such as School of Education Academic Advisory Committee, Instructional Advancement Center (Blackboard), Division of Continuing and International Education Budget Office; marketing; and initiating accreditation procedures.

Initially, the University of Miami Online High School and Division of Continuing and International Education will share a Business/ Budget Manager position.

The Division of Continuing and International Education currently has a Director of Business Development on staff. He has already been testing the waters with many of his international contacts on interest and is getting a positive response.

### *Operational Personnel*

The following professionals will be hired to fill the basic positions needed to implement the University of Miami Online High School. Other positions will be added as enrollment increases.

The Headmaster/Director will work closely with the School of Education in curriculum and instructional quality oversight and student teaching opportunities, conduct research on the online instructional environment, provide oversight for curriculum development, identify

student information systems, hire instructors, develop appropriate academic procedures, work with the accreditation process, recruit, and interface with parents/students.

The Principal will be responsible for the day to day operations and will work with the Headmaster on curriculum development, identifying student information systems, hiring of instructors, developing academic procedures, recruiting, admissions, and financial aid, and interfacing with students and parents.

Four Teachers, certified in content area, will oversee language arts, mathematics, science, and social studies.

Please see Appendix 3: Organizational Chart.

### **Target Markets and Marketing**

The University of Miami Online High School has been in operation for over (3) years. A key target audience is young athletes in training and competition for either turning professional or college scholarships. The arrangements with Pendleton/IMG and Evert Tennis Academy should continue due to the relationships of Division of Continuing and International Education with those organizations.

Other markets include:

- Home schooled children
- Private schools
- Students with medical concerns – the curriculum will be 508 compliant
- Children of expats: Latin America; Asia; Middle East
- Russia: previous target market and will continue to be with our contacts
- China: developing relationships with Fudan University High School and other locales
- School districts looking for an educational alternative for specific audiences

Marketing strategies will be dependent upon the target audience, but will include:

- Online ads; search engine optimization
- Personal marketing through Business Development
- Office of International Admissions
- Identifying very targeted publications, i.e., home school publications
- Collaborating with Media Relations to develop a launch strategy



### Operational Plan and Time Frame

October 1 – 15, 2007	<ul style="list-style-type: none"> <li>• Discussion with School of Education</li> <li>• Review Kaplan contract with Legal</li> <li>• Paul M. Orehovec to discuss with Business &amp; Finance financial alternatives</li> </ul>
October 15 – November 14, 2007	<ul style="list-style-type: none"> <li>• Meet with President, Provost and Senior Vice President of Business &amp; Finance</li> </ul>
November 15 – December 15, 2007	<ul style="list-style-type: none"> <li>• Respond to any concerns/questions</li> </ul>
December 15 – 30, 2007	<ul style="list-style-type: none"> <li>• Sign agreement with curriculum development company</li> <li>• Meet with William R. Vilberg (Blackboard expert)</li> <li>• Develop timeline with curriculum development company for roll-out</li> </ul>
January 1-30, 2008	<ul style="list-style-type: none"> <li>• Meet with Kaplan representatives</li> <li>• Develop marketing strategy and timeline</li> <li>• Post position: Headmaster</li> </ul>
February 1 – July 30, 2008	<ul style="list-style-type: none"> <li>• Develop/distribute RFP for Student Information System</li> <li>• Fill Headmaster position</li> <li>• Identify operational issues and begin to address, for example:             <ul style="list-style-type: none"> <li>• Help desk and technical support</li> <li>• Advising structure</li> <li>• Communication flow: a) inquiry to registrant; b) advisor to student; c) teacher to student; d) teacher to parent</li> <li>• Work with Budget Office to set up accounts, etc.</li> <li>• Develop timeline for hiring additional personnel</li> <li>• Initiate marketing</li> <li>• Post position: Principal (once Headmaster position is filled)</li> <li>• Fill Principal position</li> </ul> </li> </ul>
July 1, 2008	<ul style="list-style-type: none"> <li>• Teachers positions posted and filled (after Principal is hired)</li> </ul>
September 1 – October 1, 2008	<ul style="list-style-type: none"> <li>• Launch University of Miami Online High School</li> </ul>

## Legal Considerations

### *University of Miami Online High School and Kaplan University*

The University of Miami has a pre-existing involvement with an on-line high school. In fact, the University of Miami Online High School, which was owned and operated by Sagemont Virtual School, was sold to Kaplan University, a Washington Post Company, in 2007. Kaplan University was able to maintain operations of the online high school and retain the name, the University of Miami Online High School, for one year. Since Kaplan and the University of Miami have obviously disparate demographics they each serve, the present situation calls for clarification, which may follow from a UM-directed and controlled 9-12 high school bearing its own name with a focus on high achieving, college-bound students.

### *Intellectual Property*

The University of Miami will own the intellectual property of the coursework. Authors, instructors, editors and all those involved in the publication and implementation process will be considered "work for hire" or "contractor".

### *Copyrights*

UM will hold copyright on all coursework. K-12 content that is co-developed will share copyright with authorial recognition. Permission must be granted for use, and material must be licensed from the University of Miami with a negotiated royalty.

### *Trade Secrets*

There are some trade secrets inherent in running an on-line school. Any one who works for the school will sign a document that he/ she will not share any secrets involved in the running, application, or administration of an on-line high school. Confidentiality and non-compete will be binding.

### *Accreditation*

The University of Miami Online High School was and still maintains accreditation through Southern Association of Colleges. In addition, the University of Miami Online High School also been accredited by the Commission on International and Trans-Regional Accreditation which provides policies, standards and procedures for accreditation of distance education schools. Certification is given for a four-year period. The University of Miami did

not initiate the original accreditation; therefore, it is not clear when termination takes place. If our certification lapses prior to launching University of Miami Online High School under the University of Miami banner, UM will re-establish accreditation, as this will be a key initial priority of Division of Continuing and International Education.

### **Operational Budget**

Please see Appendix 4: Operational Budget.

### **Risk Factors**

#### *Technology Risk and Uncertainty of Product Development*

New product development invariably involves risk. FYI Curriculum may not be able to develop core courses within the allotted time frame. Additionally, there may be an issue regarding hosting, file security, and backup in the case of a catastrophe such as a natural disaster, which may impact product development.

In order to mitigate design and implementation risks, concerned parties will establish timelines associated with deliverables as well as perform standard reporting during all phases of development. Furthermore, few of the course writers are localized in the immediate vicinity of the Coral Gables campus. Since writers are decentralized, the risk of missing deadline due to catastrophe is smaller than if all writers relied on production in a central location.

#### *Regulatory Risk*

The only possible risk in this regard is no accreditation through Southern Association of Colleges (SACS) or through Commission on International and Trans-Regional Accreditation (CITA); however, staff have ample experience with accreditation requirements and documentation. Currently University of Miami Online High School is accredited by both SACS and CITA.

#### *Commercial Risk*

The University of Miami is a well-known brand and there is a receptiveness to the University of Miami brand, as evidenced by the success of that entity in its present state. There is a risk that the market will shift or change. The University of Miami Online High School has a market presence, though, and there is ample evidence that there are customers for the product. Additionally, enrollment may fluctuate or have difficulty with initial positioning and curriculum licensing may prove to involve more oversight and administration than was previously assumed.

### *Financial Risk*

There is always financial risk in any new venture; however, this venture leverages existing expertise and institutions.

### *Disaster Risk*

It may become necessary to relocate faculty and staff to maintain school operations in the event of a natural disaster. In order to mitigate this risk, data will be collected and stored in a safe location, and all faculty and staff will be briefed and trained regarding hurricane safety. The University of Miami Online High School will establish an emergency protocol, conformant to the University of Miami's established policies, to respond to any disaster situation. This protocol will establish emergency notification procedures, data storage for both course work and records, and messaging and communication related to school operations.

### *Intellectual Property Risk*

The intent of the University of Miami Online High School is to be legally sound; however, there is always the possibility of copyright infringement, plagiarism, or other unforeseen or unintentional consideration. University of Miami Legal will provide support and consultation on a case-by-case basis as the need arises.

## **Conclusion**

This proposal asserts that University of Miami should move into the operation and management of an online high school. There are institutional precedents, as the University of Miami has had affiliations with brick and mortar lab schools. The University of Miami Online High School will offer the University of Miami an opportunity to enter a mildly competitive and fast-growing business segment. This proposal articulates a method to generate annual revenue, and it will position University of Miami in the emerging online education market.

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[http://www.public.iastate.edu/~vschool/TEGIVS/publications/JP2007%20harns&niederhauser.p](http://www.public.iastate.edu/~vschool/TEGIVS/publications/JP2007%20harns&niederhauser.pdf)  
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Division of Continuing  
and International  
Education

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## Appendices

**Appendix 1: Partial Listing of Courses Developed for Use by UMOHS**

There will be 90 semester courses in the first year. They are as follows:

Name of Course	Number of Semester Courses
Language Arts	18
Social Studies	14
Mathematics	18
Science	12
Foreign Language	10
Computer Education	6
Advanced Placement	12
<b>TOTAL:</b>	<b>90</b>

A detailed listing by subject matter follows. Most courses are two semesters. Some courses are single semester. Several will be developed during the school's second year.

Developed in Year 1	Developed in Year 2
<b>Language Arts</b>	
• English 1: Survey of Literature	2 semesters
• English 1: Honors: Survey of Literature Honors	2 semesters
• English 2: World Literature	2 semesters
• English 2: Honors: World Literature Honors	2 semesters
• English 3: American Literature	2 semesters
• English 3: Honors: American Literature Honors	2 semesters
• English 4: British Literature	2 semesters
• English 4 Honors: British Literature Honors	2 semesters
• Journalism	2 semesters
<b>Total Semester Courses:</b>	<b>18</b>

Developed in Year 2

Developed in Year 1

Mathematics

- Algebra I 2 semesters
- Algebra I Honors 2 semesters
- Geometry 2 semesters
- Geometry Honors 2 semesters
- Algebra II 2 semesters
- Algebra II Honors 2 semesters
- Pre-Calculus 2 semesters
- Calculus 2 semesters
- Consumer Math 2 semesters

Total Semesters Courses: 18

Computer Education

- Intro to Computers/Applications 2 semesters
- Web Masters 2 semesters
- Computer Programming I 2 semesters

Total Semesters Courses: 6

Foreign Language

- Spanish I 2 semesters
- Spanish II 2 semesters
- Spanish III 2 semesters
- French I 2 semesters
- French II 2 semesters

Total Semesters Courses: 10

Advanced Placement

- AP Psychology 2 semesters
- AP European History 2 semesters
- AP Statistics 2 semesters
- AP English Language and Composition 2 semesters
- AP English Literature and Composition 2 semesters
- AP World History 2 semesters

Total Semesters Courses: 12



Developed in Year 2

Developed in Year 1

<p><u>Social Studies</u></p> <ul style="list-style-type: none"> <li>• World History 2 semesters</li> <li>• World History Honors 2 semesters</li> <li>• American History 2 semesters</li> <li>• American History Honors 2 semesters</li> <li>• American Government 1 semester</li> <li>• American Government Honors 1 semester</li> <li>• Economics 1 semester</li> <li>• Economics Honors 1 semester</li> <li>• Psychology 2 semesters</li> </ul> <p><b>Total Semesters Courses: 14</b></p>	<p><u>Social Studies</u></p> <ul style="list-style-type: none"> <li>• World Cultural Geography 2 semesters</li> <li>• The History of the Vietnam War 1 semester</li> <li>• African American History 1 semester</li> <li>• Holocaust History 1 semester</li> <li>• Political Science 2 semesters</li> <li>• Art History 2 semesters</li> <li>• Future Studies</li> </ul> <p><b>Total Semesters Courses: 10</b></p>
<p><u>Science</u></p> <ul style="list-style-type: none"> <li>• Biology 2 semesters</li> <li>• Biology Honors 2 semesters</li> <li>• Chemistry 2 semesters</li> <li>• Chemistry Honors 2 semesters</li> <li>• Physics 2 semesters</li> <li>• Physics Honors 2 semesters</li> </ul> <p><b>Total Semesters Courses: 12</b></p>	<p><u>Science</u></p> <ul style="list-style-type: none"> <li>• Genetics 1 semester</li> <li>• Botany 1 semester</li> <li>• Environmental Science 1 semester</li> <li>• Physical Science 1 semester</li> <li>• Earth Space/Science 1 semester</li> <li>• Marine Science 1 semester</li> </ul> <p><b>Total Semesters Courses: 6</b></p>
<p><u>Humanities</u></p> <ul style="list-style-type: none"> <li>• Philosophy 1 semester</li> <li>• World Religions 1 semester</li> <li>• Humanities Survey 1 semester</li> <li>• Ethics for the 21<sup>st</sup> Century 1 semester</li> </ul> <p><b>Total Semesters Courses: 4</b></p>	<p><u>Humanities</u></p> <ul style="list-style-type: none"> <li>• Philosophy 1 semester</li> <li>• World Religions 1 semester</li> <li>• Humanities Survey 1 semester</li> <li>• Ethics for the 21<sup>st</sup> Century 1 semester</li> </ul> <p><b>Total Semesters Courses: 4</b></p>
<p><u>Research and Critical</u></p> <ul style="list-style-type: none"> <li>• Research I 1 semester</li> <li>• Research II 1 semester</li> </ul> <p><b>Total Semesters Courses: 2</b></p>	<p><u>Research and Critical</u></p> <ul style="list-style-type: none"> <li>• Research I 1 semester</li> <li>• Research II 1 semester</li> </ul> <p><b>Total Semesters Courses: 2</b></p>
<p><u>Health and Fitness</u></p> <ul style="list-style-type: none"> <li>• Health/Life Management Skills 1 semester</li> <li>• Personal Fitness 1 semester</li> </ul> <p><b>Total Semesters Courses: 2</b></p>	<p><u>Health and Fitness</u></p> <ul style="list-style-type: none"> <li>• Health/Life Management Skills 1 semester</li> <li>• Personal Fitness 1 semester</li> </ul> <p><b>Total Semesters Courses: 2</b></p>

**Appendix 2A: Detailed Listing of Market Competitors - Profile**

*Current Competitors in the K12 school operations space*

*Connections Academy.* Connections Academy works with states and districts to establish charter virtual schools or virtual programs, and it leverages public school tuition to provide free online learning opportunities to eligible public school students. The company currently serves grades K-11, and it has established virtual academies in 12 states with a plan to launch schools in 4 additional states Fall 2007. Students use paper- and CD-based curriculum purchased from Calvert Education for grades K-8 and a combination of content from Sagemont Virtual School and other providers for grades 9-11. They are accredited by CITA.  
<http://www.ConnectionsAcademy.com>

*Insight Schools, Inc.* Insight Schools builds, operates, and funds statewide, full-time, diploma-granting, online public high schools that are authorized and governed by school districts and community organizations. Insight Schools partner with local school districts and other community organizations to build and operate complete high schools. Insight was started by Keith Oelrich who prior to founding Insight Schools, was President and CEO of KC Distance Learning (KCDL), where he operated Keystone National High School. Insight Schools, Inc. was recently sold to University of Phoenix. <http://www.insightschools.net>

*KC Distance Learning / Keystone National High School.* KC Distance Learning (KCDL) is a leading provider of distance learning programs for high school students including: core courses, honors, and Advanced Placement. In 2005-06, over 23,000 students took courses from KCDL.

KCDL provides online high school courses directly to families through Keystone National High School, the nation's largest online high school. Keystone offers college prep, general diploma programs and single courses. KCDL also partners with school districts to provide online learning solutions which include credit recovery, individual courses designed to augment existing school curriculum, and complete virtual school solutions.

Keystone is licensed by the Pennsylvania State Board of Private Licensed Schools, and is accredited by the Northwest Association of Schools and Colleges, the Distance Education and Training Council (DETC), and the National Collegiate Athletic Association (NCAA). <http://www.keystonehighschool.com>

*K12, Inc.* K12, Inc. positions itself as both an online school and a curriculum provider, and the company works directly with state and school districts to establish virtual academies (charter schools for independent homeschooling) in their areas and leverages public school tuition to provide free online learning opportunities to eligible public school students. They currently have virtual academies in 15 states and use content from Apex Learning. K12 also offers individual high school courses directly to students at a fee of \$350 per semester. They have recently expanded the grades they serve from K8 to K12. <http://www.K12.com>

*Florida Virtual School.* In 2006-07, FLVS served more than 52,000 students in 87,000 half-credit courses. An increase of 67% in students and 27% in enrollments over 2005-06. Courses

are available to public, private, and home school students. National and international students can enroll in FLVS on a tuition basis.

FLVS is part of the Florida public education system and serves students in all 67 Florida districts. FLVS also serves students, schools, and districts around the nation through tuition-based instruction, curriculum provision, and training. FLVS offers online learning to individual students outside of Florida for a fee and has a franchising program through which it assists school districts in establishing their own virtual schools.

All FLVS teachers possess a valid Florida teaching certificate and are certified specifically in the subject they teach. More than 64% of their staff hold advanced degrees, and 76 are national board certified. 308 FLVS full-time and 180 adjunct teachers reside throughout Florida and beyond.

Among FLVS clients are all 67 districts of Florida, Appleton Area School District and Kiel School District, Wisconsin; Monmouth Ocean Educational Services Commission, New Jersey; West Virginia Department of Education; Alabama Department of Education; SPARCC (Ohio consortium), and many more throughout the U.S.

FLVS develops and licenses its own proprietary content. Florida Virtual School is fully accredited by two major agencies: The Southern Association of Colleges and Schools (SACS) and The Commission on International and Trans-Regional Accreditation. <http://www.flvs.net>

*Sagemont Virtual School and KUHS*. Kaplan University's acquisition of Sagemont Virtual School positions Kaplan to enter the K12 online education market. Through strong brand recognition, high academic standards and student support, and high quality curriculum, UMOHS is recognized as the premier private online high school. The school offers three programs of study with varying price points according to the level of student teacher interaction and types of curricular programs.

Through its recent acquisition by Kaplan Higher Education, and the agreement between University of Miami and Kaplan University to retain the UMOHS brand through April 8, 2008, Kaplan will utilize the existing brand to offer higher price points, full service online high school education. Concurrently, Kaplan will launch its new brand "Kaplan University High School" which will offer the independent study and career preparatory programs (formerly offered under the UMOHS Blueprint brand). Additionally, KUHS will seek to compete directly in the cyber charter market and other online verticals. <http://www.Kaplan.edu>

#### *Competitors in the K12 Curriculum space*

*Advanced Academics*. Coursework relies on the teachers, available by chat, phone, or email, for assistance in all courses. Advanced Academics' products are tutorial tools for students "at risk" or those requiring remediation. The content links lack connections to general course requirements. <http://www.advancedacademics.com>

*Aventa Learning.* Aventa Learning presents course information in a patented process. The content relies largely on textbook learning. <http://www.aventallearning.com>

*Apex Learning.* At the present, the courses are online textbooks; however, the curriculum is grade-level appropriate. Apex uses LMS (Blackboard), as its platform. The company has plans to migrate to its own LMS; this may develop more sophisticated delivery tools with better functionality. <http://www.apexlearning.com>

*Class.com.* Class.com offers forty-eight online courses that are all-inclusive. Class.com offers courses developed specifically for online learning and provide their instructional design process on the internet welcome page. The courses contain multimedia, including: audio and video, animated tutorials, and interactive exercises. Courses also provide opportunities for online communication between instructors and students, enabling one-on-one instructions and a sense of community within the course. <http://www.class.com>

*The College Board (Advanced Placement Courses).* The AP courses are rich in background information and serve to scaffold difficult texts. The course instruction is written clearly despite the difficulty level of the curriculum. Many lessons are enrichment or practice and thus keep the number of teacher-graded assessments to a minimum. Students submit an average four assignments a week, with one written essay that requires up to 15 minutes of feedback from the teacher. This quality feedback is standard for all AP teachers. <http://www.apcentral.collegeboard.com>

*Connection Academy.* Connection Academy provides curriculum K-8. The curriculum consists of short lesson plans with activities and third party content. The Connection Academy's system can be characterized as a learning portal than a complete turn-key curriculum solution with interactive features required for true online learning. <http://www.ConnectionsAcademy.com>

*Curriculum Advantage.* The customers for this product are students who have been targeted by state-wide assessments to need remedial lessons and drill. This curriculum tool meets the intervention required for the "No Child Left Behind" federal legislation. This company's products are tutorial tools for students "at risk" or for students who require remediation. The target audience for this company is students in kindergarten through eighth grade. <http://www.classworks.com>

*Florida Virtual School.* Curriculum has minimal interactive features and is geared to an average public school student who will attend a community college. Opportunities for enrichment or honors level are limited by an attention to core course offerings. <http://www.flvs.net>

*Virtual High School.* Virtual High school is a networking system where the federally granted company trades the use of a teacher from a designated school to teach an online course for a specific number of students. In exchange, the teacher's school is provided with a specific number of "slots" in which their students can take online courses.

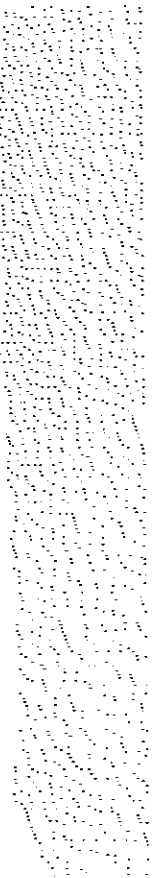
The content present is designed (for the most part) by the teachers themselves. The courses contain very few resources for supporting or supplementing the content. Textbooks are required for all courses. <http://www.govhs.org>

**Appendix 2B: Detailed Listing of Market Competitors - Operations**

Organization Name	URL	Market to Student	Market to School	Diploma	Continuous Enrollment	Part Time Student	Tuition includes Materials	AP Prep
UMOHS	<a href="http://www.umohs.com">www.umohs.com</a>	yes	Districts	yes	yes	yes	yes	yes
KUHS	<a href="http://www.kuhighschool.com">www.kuhighschool.com</a>	yes	No	yes	Yes	yes	Yes	No
KC Distance/Keystone	<a href="http://www.keystonehighschool.com">www.keystonehighschool.com</a>	yes	No	yes	Yes	yes	yes	Yes
K12, inc.	<a href="http://www.k12.com">www.k12.com</a>	No	Yes	no	Yes	yes	no	yes
Connections Academy	<a href="http://www.connectionsacademy.com">www.connectionsacademy.com</a>	yes	yes	no	Yes	no	yes	No
Insight Schools	<a href="http://www.go2ischool.net">www.go2ischool.net</a>	yes	no	yes	yes	no	yes	yes
Florida Virtual School	<a href="http://www.flvs.net">www.flvs.net</a>	yes	yes	no	yes	yes	yes	yes

**Additional Information**

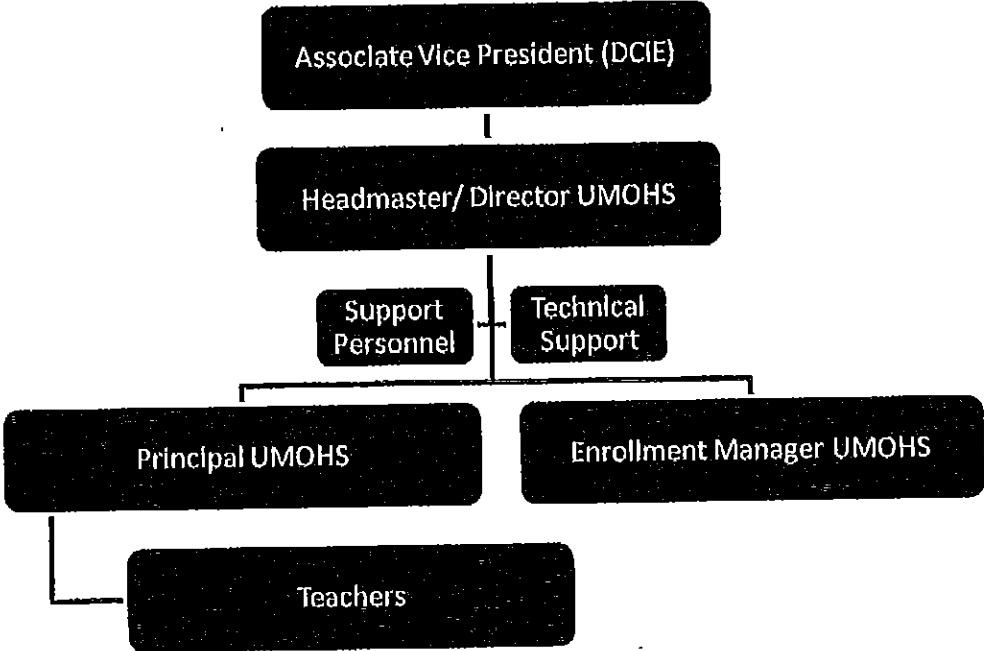
Organization Name	Notes
UMOHS	To receive a diploma, student must earn 24 credits Courses may be online or correspondence Students enrolled in 3 or more courses are automatically enrolled fulltime at no additional cost
KUHS	21 credits must be earned to receive a diploma Unlimited support from certified teachers
K12, inc.	Only courses kindergarten through 9th grade are available After assessment of eligibility, tuition is free Field trips have a cost, but are optional
Connections Academy	Families receive a computer, printer subsidy for internet access, online communication, planning, learning management tools, online lessons Cartridges for the printer are at parents' expense



21 credits to graduate  
Laptop with wireless capabilities/printer provided free  
Tuition free  
Acquired by KC Distance Learning

Insight Schools  
Aventa Learning

**Appendix 3: Organizational Chart**



Budget Manager to be shared with DCIE.



**Appendix 4: Operational Budget**

Tuition Profiles	Profile #1 - Tuition \$1,250			
	Year 1	Year 2	Year 3	Year 4
Enrollment (# of semester courses enrolled)	0	1000	1200	1500
Gross Revenues	\$ -	\$ 1,250,000	\$ 1,500,000	\$ 1,875,000
Expenses	\$ 552,327	\$ 1,079,472	\$ 1,140,317	\$ 1,168,738
Transfer to Provost	\$ -	\$ -	\$ 225,000	\$ 281,250
Net Income	\$ (552,327)	\$ 170,528	\$ 134,683	\$ 425,012
Breakeven (# of students)	442	864	1092	1160

Tuition Profiles	Profile #2 - Tuition \$1,500				Profile #3 - Tuition \$1,750			
	Year 1	Year 2	Year 3	Year 4	Year 1	Year 2	Year 3	Year 4
Enrollment (# of semester courses enrolled)	0	1000	1200	1500	0	1000	1200	1500
Gross Revenues	\$ -	\$ 1,500,000	\$ 1,800,000	\$ 2,250,000	\$ -	\$ 1,750,000	\$ 2,100,000	\$ 2,625,000.00
Expenses	\$ 552,327	\$ 1,079,472	\$ 1,140,317	\$ 1,168,738	\$ 552,327	\$ 1,079,472	\$ 1,140,317	\$ 1,168,737.96
Transfer to Provost	\$ -	\$ -	\$ 270,000	\$ 337,500	\$ -	\$ -	\$ 315,000	\$ 393,750.00
Net Income	\$ (552,327)	\$ 420,528	\$ 389,683	\$ 743,762	\$ (552,327)	\$ 670,528	\$ 644,683	\$ 1,062,512.04
Breakeven (# of students)	368	720	940	1004	316	617	832	893

UM Online High School Budget		FY 2008-2009	FY 2009-2010	FY 2010-2011	FY 2011-2012
Subobject Code		1/1/2008 - 5/31/2008	6/1/2008 - 5/31/2009	6/1/2009 - 5/31/2010	6/1/2010 - 5/31/2011
Description		5 months	12 months	12 months	12 months
	Revenue				
021	Tuition	\$ -	\$ 1,250,000	\$ 1,500,000	\$ 1,875,000
	Salary and CFB				
	Headmaster/Director				
	Salary	\$ 70,000	\$ 73,500	\$ 77,175	\$ 81,034
	Monthly Salary	\$ 5,833	\$ 6,125	\$ 6,431	\$ 6,753
	% Effort	100%	100%	100%	100%
1201	Base Salary (=months*monthly salary*effort)	\$ 29,167	\$ 73,500	\$ 77,175	\$ 81,034
	Composite Fringe Benefit	\$ 9,633	\$ 25,137	\$ 27,166	\$ 28,524
	Subtotal	\$ 38,850	\$ 98,637	\$ 104,341	\$ 109,558
	Teacher #1				
	Salary	\$ -	\$ 40,000	\$ 42,000	\$ 44,100
	Monthly Salary	\$ -	\$ 3,333	\$ 3,500	\$ 3,675
	% Effort	0%	100%	100%	100%
1101	Base Salary (=months*monthly salary*effort)	\$ -	\$ 40,000	\$ 42,000	\$ 44,100
	Composite Fringe Benefit	\$ -	\$ 11,480	\$ 12,474	\$ 13,098
	Subtotal	\$ -	\$ 51,480	\$ 54,474	\$ 57,198



1201	Principal								
	Salary	\$ 60,000	\$ 63,000	\$ 66,150	\$ 69,458				
	Monthly Salary	\$ 5,000	\$ 5,250	\$ 5,513	\$ 5,788				
	% Effort	100%	100%	100%	100%				
	Base Salary (=monthly salary*effort)	\$ 25,000	\$ 63,000	\$ 66,150	\$ 69,458				
	Composite Fringe Benefit	\$ 8,300	\$ 21,546	\$ 23,285	\$ 24,449	35.2%	35.2%	35.2%	35.2%
	Subtotal	\$ 33,300	\$ 84,546	\$ 89,435	\$ 93,917				

1201	Support Personnel								
	Salary	\$ 28,000	\$ 28,840	\$ 29,994	\$ 31,193				
	Monthly Salary	\$ 2,333	\$ 2,403	\$ 2,499	\$ 2,599				
	% Effort	100%	100%	100%	100%				
	Base Salary (=monthly salary*effort)	\$ 11,667	\$ 28,840	\$ 29,994	\$ 31,193				
	Composite Fringe Benefit	\$ 3,873	\$ 9,863	\$ 10,558	\$ 10,980	33.2%	34.2%	35.2%	35.2%
	Subtotal	\$ 15,540	\$ 38,703	\$ 40,551	\$ 42,173				

1201	Technical Support								
	Salary	\$ 28,000	\$ 28,840	\$ 29,994	\$ 31,193				
	Monthly Salary	\$ 2,333	\$ 2,403	\$ 2,499	\$ 2,599				
	% Effort	100%	100%	100%	100%				
	Base Salary (=monthly salary*effort)	\$ 11,667	\$ 28,840	\$ 29,994	\$ 31,193				
	Composite Fringe Benefit	\$ 3,873	\$ 9,863	\$ 10,558	\$ 10,980	33.2%	34.2%	35.2%	35.2%
	Subtotal	\$ 15,540	\$ 38,703	\$ 40,551	\$ 42,173				





4232	Photo ID Services	\$ 50	\$ 25	\$ 25	\$ 25
	Expenses Subtotal	\$ 429,942	\$ 555,376	\$ 557,576	\$ 559,276
	Total Revenue	\$ -	\$ 1,250,000	\$ 1,500,000	\$ 1,875,000
	Total Salaries and CFB & Expenses	\$ 552,327	\$ 1,079,472	\$ 1,140,317	\$ 1,168,738
71XX	Transfer to Provost (15% of revenues)	\$ -	\$ -	\$ 225,000	\$ 281,250
	Net Income (Break Even)	\$ (552,327)	\$ 170,528	\$ 134,683	\$ 425,012

Assumptions:  
 \$2.0M would be amortized over 72 months.  
 \$0 would be earned in the first eight months due to establishment of curriculum, start up.  
 Revenues would be earned beginning 8/01/08, when school begins.  
 Rent is not included in this budget.

Revenue	Enrollment										
	100	250	350	425	500	750	1000	1250	1500	1750	2000
\$750	\$75,000	\$187,500	\$262,500	\$318,750	\$375,000	\$562,500	\$750,000	\$937,500	\$1,125,000	\$1,312,500	\$1,500,000
\$1,250	\$125,000	\$312,500	\$437,500	\$531,250	\$625,000	\$937,500	\$1,250,000	\$1,562,500	\$1,875,000	\$2,187,500	\$2,500,000
\$1,500	\$150,000	\$375,000	\$525,000	\$637,500	\$750,000	\$1,125,000	\$1,500,000	\$1,875,000	\$2,250,000	\$2,625,000	\$3,000,000
\$1,750	\$175,000	\$437,500	\$612,500	\$743,750	\$875,000	\$1,312,500	\$1,750,000	\$2,187,500	\$2,625,000	\$3,062,500	\$3,500,000
\$2,000	\$200,000	\$500,000	\$700,000	\$850,000	\$1,000,000	\$1,500,000	\$2,000,000	\$2,500,000	\$3,000,000	\$3,500,000	\$4,000,000

Amortization Schedule		Interest Rate:	6.75%
		Loan Amount:	\$2,000,000.00
		Months:	72
		Beginning Date:	Jan-08
Fiscal Year	Total Payment	Principal	Interest
2008	\$ 169,292.14	\$ 114,321.04	\$ 54,971.10
2009	\$ 406,301.14	\$ 287,813.84	\$ 118,487.30
2010	\$ 406,301.14	\$ 307,853.72	\$ 98,447.41
2011	\$ 406,301.14	\$ 329,288.94	\$ 77,012.19
2012	\$ 406,301.14	\$ 352,216.65	\$ 54,084.49
2013	\$ 406,301.14	\$ 376,740.77	\$ 29,560.37
2014	\$ 237,009.00	\$ 231,765.03	\$ 5,243.96
2015	\$ -	\$ -	\$ -
2016	\$ -	\$ -	\$ -
2017	\$ -	\$ -	\$ -
<b>Totals:</b>	<b>\$ 2,437,806.82</b>	<b>\$ 2,000,000.00</b>	<b>\$ 437,806.82</b>



***Appendix 5: Selected Articles about Online Education***

Article 1: Learning in the 21st Century: A National Report of Online Learning

Article 2: K12 Inc. to Provide Curriculum and School Services to the New Nevada Virtual Academy

Article 3: DeVry Inc. Acquires Advanced Academics Inc.

Article 4: Laboratories of Reform: Virtual High Schools and Innovation in Public Education

11/11/09-67WC

file on-line  
high school  
legislation

## Chair's Remarks

-FS office hearing concerns re: anonymity of voting faculty on dean/chair evaluations, RW sent email to all deans re: anonymity of voting process.

-from now on retired **\*faculty\*** Cane cards will read **\*emeritus\*** and retired **\*staff\*** cane cards will continue to read **\*retired\***.

-working on web conferencing in the Senate office for committee meetings

-Administrators with Provost or dean titles and professorial titles:

total count = 101 (100%)

with professorial titles = 82 (~81%)

Richard,



Since the Faculty Senate was so supportive of our effort to start an online high school, I thought I would share this information.

The SACS Secondary School Quality Assurance Review Team met on campus the past two days to review the accreditation application for the University of Miami Global Academy. I am pleased to inform you that they are going to recommend full accreditation for our online high school. This is rather remarkable considering the fact that we have been offering classes for less than six months.

Dr Craig Wilson, Headmaster for the academy did an outstanding job of preparing for the visit and creating the UMGA team for the visit. The visiting team was gushing with praise at the exit presentation. They were especially effusive about their conversations with parents and students. They mentioned four commendations and three recommendations. All of the recommendations will be easy to follow up on. Most had to do with the fact that we didn't have trend data because we are so new. We will not receive official notification until after the SACS Board meets in January. Assuming the Board accepts the recommendation of the visiting

committee, this represents a major step in the development of the Global Academy. I am quite proud of the entire UMGA family, including faculty, staff and administration.

We appreciate the continued support of the Faculty Senate.

Paul

-Recent Hire, Conflicts of Interest, Research Policy, etc.

SS 3/12 -  
sign leg.

I am going back a couple of meetings to make sure that everything was dealt with at this year's GWC meetings. I have a couple of questions:

1. ~~August 22 - Creation of the title "distinguished Professor" - S. Green~~ *talk to Li*
2. October 17 - discussion of recommendation for the President to combine award ceremonies *← GWC said NO - Dead*
3. November 14 - change in definition of graduate Faculty *- active, SS working on*
4. Jan. 16 - what was the outcome of the University of Miami Online High-School presented by P. Orehovec?

**(PROPOSAL FOR UNIVERSITY OF MIAMI ONLINE HIGH SCHOOL - PAUL OREHOVEC AND ISAAC PRILLELTENSKY**

Vice President Paul Orehovec presented an update on the online high school, a currently accredited program using only certified teachers. He asserted that there are not many competitors for the high-quality program we envision. Mr. Orehovec outlined the advantages of such an undertaking, including opportunities for faculty research and for course development and as a recruitment tool for strong students. For students in the School of Education, it will provide a chance to gain valuable experience in a growing area of education delivery. He asserted his belief that this project will expand the UM brand name and ultimately generate revenue. It will be a high-quality enterprise in every regard, including the teachers, students, and curriculum. Bernard Oxman suggested that some entity outside the university monitor the online high school, and Dean Prilleltensky readily accepted the suggestion for an external review after three years and periodically after that. Marvin Dawkins suggested that the program at some point allocate money for scholarships to those students who are eligible but cannot afford the tuition.

*A motion was made by Eugene Clasby to extend the discussion by 5 minutes, which passed unanimously. Steve Green made a motion to approve the proposal with recommended changes, and the motion passed unanimously. A motion was made that the Senate receive a full report on the program from Dean Prilleltensky and Vice President Orehovec after three years. The motion passed unanimously.)*

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325 Ashe Administration Building  
1252 Memorial Drive  
Coral Gables, FL 33146  
305-284-3721  
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*Create Association*

