

The University of Texas at Austin
Revised Guidelines for
Option III Graduate Degree Programs
REVISED 2016, GRADUATE ASSEMBLY

Preface: Formula-funded and Non-formula-funded Graduate Degree Programs

The usual method for delivering courses at the University is via formula-funded courses to students in residence — this has been called Option I. To meet the market demand for an opportunity to seek advanced degrees from UT Austin which cannot be accommodated by current formula-funded degree programs, colleges and schools may propose programs using one of the following two strategies: Option II or Option III.

Option II Programs essentially offer the standard curriculum of Option I degree programs by means of non-standard modes of delivery (e.g., location, format, and schedule), such as the Executive MBA Program in the School of Business. Like Option I, Option II courses are formula funded. Supplemental activities which enhance the educational experience may be scheduled and separate incidental fees may be charged to students who participate in those activities.

Option III Programs offer the graduate degree curriculum tailored to special needs in modes of delivery, student clientele, course design, class meeting times and locations. Courses are not formula funded. Supplemental activities are a regular, integral part of the degree program. Courses may be run as either in-residence or not-in-residence. To justify the use of this format, most or all of the special circumstances outlined below must be met. Early consultation with the Graduate School and budgetary approval from the Provost are required to explore this option.

Final authorization to offer a degree under either of these formats requires approval by the Graduate Assembly, the Vice Provost and Dean of Graduate Studies, and the Provost (as the President's delegate), and may require further approval of the UT System, the Texas Higher Education Coordinating Board, and the Southern Association of Colleges and Schools (SACS).

Option III Graduate Degree Programs (Non-formula Funded):

Program Characteristics

Items marked with an asterisk (*) also apply to Option II Programs.

- Degree offered is an approved, resident credit UT Austin graduate degree*;
- Normal admission criteria and procedures apply (see below)*;
- Course work will include regular organized courses or courses offered in a non-standard format, schedule, meeting time, or location*; and
- The University's established policies and procedures for payments to current employees will govern any additional compensation permitted under these guidelines for faculty who participate in an Option III program*.
- Degree programs must be at least 30 SCH and are limited to Master's level or relevant professional degrees as sanctioned by individual schools and colleges and in light of national and international professional and credentialing standards.
- The proposed degree program has received prior approval by the Graduate Studies Committee of the Department or Academic Program, by the Chair of the Department or Program Director, by the Dean of the College or School, as well as preliminary approval by the Provost, prior to being submitted to the Graduate Assembly for Academic Program approval.

The following special circumstances are normally present for a degree program to be considered under the Option III format:

- 1) Substantial external community demand exists and has been demonstrated;
- 2) The proposed degree is consistent with our institutional mission, enhances the University's community service function, and is responsive to competitive market factors;
- 3) The existing UT Austin degree, if any, is fully subscribed and additional students are not needed or desired in the regular degree program;
- 4) The proposed degree will not be a detriment to the existing UT Austin degree program, if any.

Courses:

- Semester credit hours (SCH) for option III courses are NOT included in the University SCH base for formula funding; that is, the degree will be offered as a resident credit [but] non-state-funded program.
- Supplemental activities are a regular, integral part of the degree program.

- If an off-campus site remote from the Austin area is proposed, it must be justified on the basis of a place-bound clientele. Facility fees should be calculated into the program costs (see below).
- If an on-campus site is proposed, the degree program must procure the use of University facilities (including any special facilities, such as laboratory, computing, or digital communications facilities) through normal channels and without detriment to existing Option I programs, if any. Special fees may apply and should be calculated into program costs (see below).
- Students from Option I and II programs (including undergraduates) may not register in Option III courses; students in Option III programs may only register in Option III courses or sections and vice versa. It is sometimes possible, however, to have a "meets with" arrangement. Provisions for the "meets with" option must be specified and justified in the degree program proposal, including impact on students and considerations of teaching load and compensation for faculty. No more than 20% of the Option III student's program of work may be made up of "meets with" courses. Two further special provisions apply when "meets with" sections for Option III students are established in Option I courses:
 - (1) Option III students should not displace Option I students; and
 - (2) Option III students must receive permission to enroll from the Option I instructor of record.
- Option III courses are normally taught on a voluntary, overload basis; however, faculty may be assigned to teach on an in-load basis under special circumstances when doing so furthers the mission of the University and allows faculty to meet all of their responsibilities (e.g., allowing faculty to be able to teach specialized Option III classes for Option I programs or vice-versa, or as an incentive to attract new faculty.) In such cases, the option III program must provide reimbursement for the cost of any faculty who teach on an in-load basis. No faculty who teach in the option III program on an in-load basis may be compensated directly by the option III program. Excessive in-load teaching is subject to review by the Academic Committee.

Admissions:

Normal admissions criteria and procedures apply to Option III graduate programs:

The General requirements for admission to the Graduate School are:

1. A bachelor's degree from a regionally accredited institution in the United States or a comparable degree from a foreign academic institution. The Graduate and International Admissions Center (GIAC) will determine

eligibility for admission in consultation with prospective graduate programs.

2. A grade point average of at least 3.00 in upper- division (junior- and senior-level) coursework and in any graduate work already completed.
3. An official score on the Graduate Record Examinations General Test (GRE), unless otherwise specified by the graduate program to which the student is applying.

The McCombs School of Business requires master's and doctoral degree applicants to submit a satisfactory score on either the GRE or the Graduate Management Admission Test (GMAT).

Applicants to dual or combined degree programs with the School of Law must submit a satisfactory score on the Law School Admission Test (LSAT) as well as on the GRE or GMAT.

The University of Texas Medical Schools require the Medical College Admissions Test (MCAT), and most of the joint PhD-MD programs of the Graduate School likewise substitute the MCAT in place of the GRE.

International students whose native language is not English must also submit scores on the Test of English as a Foreign Language (TOEFL) or the International English Language Testing System (IELTS), as specified by the graduate program.

4. Adequate subject preparation for the proposed major. Evidence of adequate preparation varies by program, but examples include letters of reference, auditions, samples of work, and personal statements.
5. A recommendation for acceptance by the Graduate Studies Committee for the proposed major area.

Applicants to Option III graduate programs should be asked to supply normal test scores (as specified in item 3 above). Option III programs may propose to use alternative measures in place of these standard numeric test scores, when the nature of the specific target audience justifies. Such alternative admission criteria must be approved by the Graduate Assembly as part of the program approval process.

Administration and Review:

- The Graduate School will have responsibility for overall administration and coordination of all graduate degrees offered under this format.

Guidelines for Option III Degree Programs (Revised 2016)

- Graduate students admitted to Option III degree programs are under the guidance and oversight of the Graduate Study Committee of the Department or Academic Program.
- The degree plan proposal must include procedures for the collection and disbursement of student fee income (see below).
- The degree plan proposal must include a description of orientation and career services to be provided.
- Option III degree programs must submit an annual report to the Graduate Assembly that includes program metrics identified by the Graduate Assembly.
- Option III degree programs are reviewed by the Graduate School every seven years as part of the regular cycle of review of graduate programs.
- The Academic Committee of the Graduate Assembly will conduct a review of the overall status of option III programs every three years.
- Guidelines for the review process are dictated by prior legislation of the Graduate Assembly (1998; Documents and Proceedings of the Graduate Assembly, pages 3022a-c) and by requirements of the Graduate Program Review in keeping with current statutes of the Texas Higher Education Coordinating Board.

Program Costs and Budget:

The full costs of the entire program are covered from fees charged to students. This includes the cost of instruction (including any additional compensation of instructional staff), facilities, equipment (purchase, maintenance, and use), computing costs, administrative costs (department, college, and University), and other support services. The program must be fully self-supporting; income in excess of direct program expenses may be used for curriculum and program development or faculty development.

Program Size (Admissions Cohorts) and Duration (Time to Degree): Needs to be consistent with and justified by issues of budget, market (need/demand), and prospects for recruiting and sustainability.

Faculty compensation:

- Instruction in option III courses is normally done on an overload basis; and these courses are not part of a faculty member's regular workload. The faculty member may receive additional compensation for this overload activity.
- Option III courses are normally taught on a voluntary, overload basis; however, faculty may be assigned to teach on an in-load basis under special

circumstances when doing so furthers the mission of the University and allows faculty to meet all of their responsibilities (e.g., allowing faculty to be able to teach specialized Option III classes for Option I programs or vice-versa, or as an incentive to attract new faculty.) In such cases, the option III program must provide reimbursement for the cost of any faculty who teach on an in-load basis. No faculty who teach in the option III program on an in-load basis may be compensated directly by the option III program. Excessive in-load teaching is subject to review by the Academic Committee.

- Additional faculty compensation is also permitted for participation in supplemental activities.
- Additional faculty compensation should follow standard policies of each College or School and be approved in advance by the Dean of the College or School in which the program is housed.

Budget:

- Program budget, including additional faculty compensation, additional fees, and administrative costs (see above), must receive preliminary approval by the Office of the Vice President and Provost and by the Dean of the College or School prior to submission to the Graduate Assembly for academic approval.

Student restrictions:

Students registered in these degree programs are not eligible for university financial aid, except federal guaranteed loans and some private sector loans. They may not be offered TA, AI, GRA, AA, or A(G) appointments or departmental fellowships. They will receive no other student "benefits" unless specific arrangements have been made and the appropriate costs (fees) have been paid. Students in Option III programs are not eligible for Hinson-Hazlewood Act Exemptions (for Texas ex-servicemen and their children), but may be eligible for GI Bill benefits. Direct questions to the Veterans Certification section in the Office of the Registrar.

Program fees:

The fee charged to the students shall recover the full costs to the University to offer the program. This is a complex area which requires careful consultation with the administration to insure that the costs for all desired services are included in the base fee.

The following elements should be considered in determining the proposed student fee(s):

1. Instructional personnel for organized classes — salaries and fringe benefit costs for faculty, TA/Al's tutors, graders, and all other instructional personnel.
2. Administrative costs at the department, college, and Graduate School — salary and fringe benefits costs for clerical, program administration (faculty and staff), computer and other technical staff, accounting and records, and other support personnel.
3. Equipment cost and maintenance.
4. Supplies and course related materials.
5. Seminars and other instructional activities associated with organized classes.
6. Orientation and career services.
7. Miscellaneous other expenses such as promotion, postage, telephone, etc.

8. Institutional facility allowance (on-campus programs only) – a fixed percentage of items 1 - 6. This rate may vary from year to year and is based on the facilities and use elements in the University's federally negotiated indirect cost rate. For more information, consult the Associate Vice Provost for Academic Business Affairs in the Office of the Vice President and Provost.

The items listed below are not included in the calculation of the institutional facilities allowance.

8. Student fees (at current rates paid by regular degree students) for existing equipment, facilities, and services to be used.
9. Capital costs for equipment.
10. Supplemental (optional) activity program costs – specify individual components.

Previously Approved Option III Programs:

Option III Programs implemented prior to passage of these new guidelines may continue to operate without modification according to the proposal under which they were approved. Previously approved Option III Programs that were never implemented or that have been deactivated or formally terminated must file a new proposal under the new guidelines should they wish to seek reinstatement. Any Option III Program that wishes to implement new provisions as outlined in these revised guidelines must (a) adhere to all the new guidelines presented above, and (b) file an amendment clarifying how it plans to modify its current operation to meet the new guidelines.

The proposed modifications must have received prior approval by the Graduate Studies Committee of the Department or Academic Program, by the Chair of the Department or Program Director, by the Dean of the College or School, as well as preliminary (budgetary) approval by the Provost, prior to being submitted to the Graduate Assembly for academic approval. Final authorization of the modified degree program requires approval by the Graduate Assembly by action of the Academic Committee, the Vice Provost and Dean of Graduate Studies, and the Provost (as the President's delegate).

Appendix A

Approved Option III Programs

Active Option III Programs

| Graduate Degree and Program | Approval Date |
|---|---------------|
| MSTC-Technology Commercialization, School of Business (Austin) | April 1995 |
| MBA- Business Administration (Mexico City) | May 1996 |
| MBA- Business Administration (Dallas) | October 1998 |
| MSE-Electrical and Computer Engineering (Software Engineering) [Note: Originally approved as Opt II program in 1996 in error. Officially changed to Opt III program in 1998] | December 1998 |
| MSE-Engineering Management | June 1999 |
| MBA - Business Administration (Houston) | April 2004 |
| MSE-Engineering Management (via distance education) | February 2012 |
| MSFinance-Department of Finance, School of Business | March 2012 |
| MA-Human Dimensions of Organizations, COLA | March 2012 |
| MSIROM (Information, Risk, and Operations Management)- McCombs School of Business | July 2012 |
| MA with a major in Economics, Department of Economics, COLA | December 2012 |
| MPAff- LBJ School of Public Affairs | March 2013 |
| MSBusinessAnalytics – McCombs School of Business [Note: Originally approved as MSIROM. Officially changed to MSBA degree title in 2014] | June 2014 |
| MSE-Mechanical Engineering | November 2014 |
| MSE-Electrical and Computer Engineering | May 2015 |

| | |
|--|---------------------------------------|
| MSIMS-Identity Management and Security | June 2015 |
| DNP in Nursing | July 2015 |
| MSMarketing | Pending final approval spring 2016 |

Inactive Option III Programs

| | |
|---|---|
| MSTC-Technology Commercialization (Mexico City) | March 2000 (not implemented) |
| MSTC-Technology Commercialization (Dallas) | March 2000 (not implemented) |
| MSTC-Technology Commercialization (Houston) | March 2000 (not implemented) |
| MSTC-Technology Commercialization (Web-based) | March 2000 (deactivated 2006) |
| MSE-ECE Integrated Circuits and Systems | April 2003 (deactivated 2014) |
| MSE-Mechanical Engineering (Advanced Manufacturing Eng.) | December 2007 (not implemented; formally terminated 2009) |
| MSIROM (Information, Risk, and Operations Management) - McCombs School of Business | July 2012 (changed to MSBA degree June 2014) |

Appendix B

Guidelines for Reviewing Proposals for Non-traditional Graduate Degree Programs

**The University of Texas at Austin
Original Fall 1996 S.Monti; Rev. Fall 2000 J.Griffith**

The usual method for delivering courses at the University is via formula-funded courses to students in residence—this can be called Option I. To meet the private sector demand for an opportunity to seek advanced degrees from UT Austin under non-traditional circumstances (schedule, format, class meeting times, and/or location), colleges may propose programs using one of the following two strategies: Option II or Option III.

The Option II (formula funded) strategy is the normal format for all non-traditional, resident credit degree programs; Business and Pharmacy Option II programs are offered under this format.

The Option III (non-formula funded) strategy may be considered for a non-traditional, resident credit degree program only in exceptional situations. Early consultation with and preliminary approval from the Provost and the Dean of Graduate Studies are required to explore this option. To justify the use of this format, most or all of the special circumstances outlined below must be met.

Final authorization to offer a degree under either of these formats requires approval by the Vice Provost and Dean of Graduate Studies, the Graduate Assembly, and the Provost (as the President's delegate), and may require further approval of the UT System and the Texas Higher Education Coordinating Board.

Option II and III – Common Elements:

- Degree offered is an approved, resident credit UT Austin graduate degree;
- Normal admission criteria and procedures will be followed;
- Course work will consist of regular organized courses, often offered in a non-traditional format, schedule, meeting time, or location; and,
- The University's established policies and procedures for payments to current employees will govern any additional compensation permitted under these guidelines for faculty who participate in an Option II or III program.

Appendix B (cont.)

Option II (Formula Funded):

Courses:

- Semester credit hours (SCH) for all organized courses are included in the University's SCH base for normal Legislative formula funding; and,
- Supplemental activities which enhance the educational experience may be scheduled. Participation in such activities, however, must be voluntary and not a requirement for the degree.

Costs:

- Regular tuition and fees will be paid by registered students for all organized courses; and,
- A separate incidental fee may be charged to those students who participate in the supplemental activities. The schedule of fees for supplemental activities must be submitted to the Provost's office and be approved before on-campus approval of the program is completed.

Faculty compensation:

- All instruction in organized courses is part of the faculty member's regular University workload; no supplemental or additional compensation will be provided for organized course instruction; and,
- Additional faculty compensation is permitted for supplemental activities clearly distinct from organized course instruction.

Option III (Non-formula Funded):

The following special circumstances are normally present for a degree program to be considered under this format:

- Substantial external community demand exists and has been demonstrated for offering the degree to non-traditional or not-in residence students;
- The proposed degree is consistent with our institutional mission, enhances the University's community service function, and is responsive to competitive, market factors;
- The existing UT Austin degree, if any, is fully subscribed and additional students are not needed or desired in the regular degree program;
- The current degree program for traditional students will be maintained at its current enrollment level or capacity;

Appendix B (cont.)

- If an off-campus site remote from the Austin area is proposed, it must be justified on the basis of a place-bound clientele;
- If an on-campus site is proposed, the degree program must require the use of special University facilities; and,
- Faculty are available to teach in this program on an overload basis only.

Courses:

- Semester credit hours (SCH) for all organized courses are NOT included in the University SCH base for formula funding; that is, the degree will be offered as a resident credit, non-state funded program; and,
- Supplemental activities are a regular, integral part of the degree program.

Costs:

The full costs of the entire program are recovered from fees charged to students. This includes the cost of instruction, facility, equipment and equipment use, computing costs, administrative costs (department, college, and University), and other support services. The program must be fully self-supporting; income in excess of direct program expenses may be used for curriculum and program development or faculty development.

Faculty compensation:

- Instruction in these organized courses is on an overload basis; these courses are not part of a faculty member's regular workload. The faculty may receive additional compensation for this overload activity.
- Additional faculty compensation is also permitted for participation in supplemental activities.

Administration:

- The Graduate School will have responsibility for overall administration and coordination of all graduate degrees offered under this format.
- The degree plan proposal must include procedures for the collection and disbursement of student fee income.

Student restrictions:

Students registered in these degree programs are not eligible for University financial aid, except federal guaranteed loans and some private sector loans. They may not be offered TA, AI, GRA, AA, or A(G) appointments. They will receive no other student

Appendix B (cont.)

“benefits” unless specific arrangements have been made and the appropriate costs (fees) have been paid.

Students in Option III programs are not eligible for Hinson-Hazlewood Act Exemptions (for Texas ex-servicemen and their children), but may be eligible for GI Bill benefits. Direct questions to Vasanth Srinivasa, Assistant Registrar-Certification, 475-7525.

Program fee:

The fee charged to the students shall recover the full costs to the University to offer the program. The following elements should be considered in determining the proposed student fee;

1. Instructional personnel for organized classes – salaries and fringe benefit costs for faculty, TA/Al, tutors, graders, and all other instructional personnel.
2. Administrative costs at the department, college, and Graduate School – salary and fringe benefits costs for clerical, program administration (faculty and staff), computer and other technical staff, accounting and records, and other support personnel.
3. Equipment maintenance.
4. Supplies and course related materials.
5. Seminars and other instructional activities associated with organized classes.
6. Miscellaneous other expenses such as promotion, postage, telephone, etc.
7. Institutional facility allowance (on-campus programs only) – 26% of items 1 through 6. This rate is based on the facilities and use elements in our federally negotiated indirect cost rate.

The items listed below are not included in the calculation of the institutional facilities allowance.

8. Student fees (at current rates paid by regular degree students) for existing equipment, facilities, and services to be used. This is a complex area which requires careful consultation with the administration to insure that the costs for all desired services are included in the base fee.
9. Capital costs for equipment.
10. Supplemental (optional) activity program costs – specify individual components.

Appendix C

Graduate Assembly
Option III Taskforce
2012-2013

Report on Proposed Revisions to the Guidelines for Option III Graduate Degree Programs

The following report and recommendations are presented to the Graduate Assembly by the Option III Taskforce, an ad hoc Committee delegated by the Graduate Assembly to assess and revise current guidelines for Option III Graduate Degree Programs.

- At base, the document contained herein represents a revision of the "**Guidelines for Reviewing Proposals for Non-Traditional Graduate Degree Programs**," authored by Associate Provost S. Monti in 1996 and revised by J. Griffith in 2000. *A copy of this document is attached in Appendix B.*
- The other major document consulted was the 1998 Graduate Assembly Legislation on "Option II and III Program Review Guidelines," forwarded with approval by the Vice-President and Dean of Graduate Studies, T. Sullivan and approved by President ad interim Peter T. Flawn. (See *Documents and Proceedings of the Graduate Assembly*, pages 3022a-c.)
- Also consulted were (1) a summary version of the guidelines for "Review of Option II and III Programs" revised in 2009 by Assistant Dean of Graduate Studies T. Belinoski and (2) a summary of "Option III Degree Programs Administrative Process" compiled in 2012 by Assistant Dean of Graduate Studies M. Broadway.

Note: This document does not address the guidelines for Option II Graduate Degree Programs as specified in the documents cited above and offers no changes to the existing Option II format.

The members of the Option III Taskforce are:

Michelle Broadway (Assistant Dean of Graduate Studies)
Pat Ellison (Assistant Dean of Graduate Studies; Assistant Director of Admissions)
Jay Hartzell (McCombs School of Business, Department of Finance)
Jennifer Holme (College of Education, Department of Educational Administration)
Maria Juenger (Cockrell School of Engineering, Department of Civil Engineering)
Terry Kahn (Associate Dean of Graduate Studies)
Francie Ostrower (LBJ School of Public Affairs and Department of Theater & Dance)
H.W. Perry (School of Law and Department of Government)
Michael Redding (President of the Graduate Student Assembly; School of Information)
L. Michael White (College of Liberal Arts, Departments of Classics & Religious Studies),
Taskforce Chair

Appendix C (Cont.)

Graduate Assembly – Report of the Option III Taskforce

Background

Non-traditional graduate degree programs began in the 1980's, with the Executive MBA program (1981), now classified as Option II. The first Option III program to be developed was the MS in Technology Commercialization (MSTC), also in the School of Business. It was officially approved for the Austin campus, but with special course scheduling and delivery, in April, 1995 and generally ranks in the Top 10 programs of its type in the nation and the world.¹

Later, in 2000 additional versions of the same MSTC program were developed for remote operation in Mexico City, Dallas, and Houston, as well as a Web-based version run from Austin. Ultimately, none of the three remote programs were ever implemented, and the Web-based program became inactive after only a few years. It ceased admitting students in 2006.

In 1996 an Option III version of the Executive MBA program was approved for remote operation in Mexico City. In 1998 a similar MBA program was approved for Dallas and in 2004 for Houston. All three of these programs are still active and considered quite successful.

Also in 1996 an MSE in Software Engineering program was approved as a Option II program, but was later deemed to be properly classified as an Option III program. It was officially changed to Option III in 1998.

A full list of the active Option III Programs is contained in Appendix A.

The dates of these early programs are relevant for various reasons, but most significantly for this report as they relate to the development of the definitions and guidelines for non-traditional programs (Option II and III). These guidelines (see previous page) were first presented by then Associate Provost Steve Monti in 1996 (see Appendix B), around the time that the first two programs were approved. The minutes of the October 8, 1997 meeting of the Graduate Assembly reflect these early discussions, as concerns were expressed for periodic review of existing programs and approvals of new proposals. These concerns include specifying program goals, admissions standards, grading, and the impact of non-traditional programs on existing programs and faculty. The Graduate Assembly enacted legislation on these issues regarding Option II and III program review guidelines in 1998 (*Documents and Proceedings of the Graduate Assembly*, pages 3022a-c).

The 1996 guidelines were subsequently revised in 2000, again at about the same time as several new programs were being proposed. They have since received further modifications in practice

¹ <http://www.mcombs.utexas.edu/mstc/MSTC-Ranking.aspx>. Current rankings include #5 in the world for Engineering and Project Management (2012-13); #9 in the world for Entrepreneurship (2011-12); #6 nationally in Entrepreneurship; #15 nationally in Executive Education (according to the Financial Times).

Appendix C (Cont.)

Graduate Assembly – Report of the Option III Taskforce

over the years. For example, the substitution of the GMAT for the GRE was approved by the Graduate Assembly for the Executive MBA programs, the MS Engineering Management program, and the Human Dimensions of Organization program in April, 2011 and February and December, 2012 respectively. The MSE in Engineering Management, first approved in 1999, was approved for distance education delivery in 2012. Also, four new Option III programs have been approved since March, 2012, and new proposals are forthcoming. Thus, recent changes in practice and new initiatives in program development prompt the need for review and revision of the guidelines. Given the non- traditional nature of these programs both in terms of student clientele and program delivery, flexibility is a key desideratum; however, program quality and academic standards remain the highest priority.

The University of Texas at Austin

**Revised Guidelines for Option III
Graduate Degree Programs
REVISED 2013, GRADUATE ASSEMBLY**

Preface: Traditional and Non-Traditional Graduate Degree Programs

The usual method for delivering courses at the University is via formula-funded courses to students in residence — this has been called Option I. To meet the market demand for an opportunity to seek advanced degrees from UT Austin under non-traditional circumstances (schedule, format, class meeting times, and/or location), colleges and schools may propose programs using one of the following two strategies: *Option II or Option III*.

Option II Programs essentially offer the standard curriculum of Option I degree programs by means of non-standard modes of delivery (e.g., location, format, and schedule), such as the Executive MBA Program in the School of Business. Like Option I, Option II courses are formula funded.

Option III Programs offer the graduate degree curriculum tailored to special needs in modes of delivery, student clientele, and course design. Courses are not formula funded. Courses may be run as either in-residence or not-in-residence. To justify the use of this format, most or all of the special circumstances outlined below must be met. Early consultation with and preliminary approval from both the Provost and the Dean of Graduate Studies are required to explore this option.

Final authorization to offer a degree under either of these formats requires approval by the Graduate Assembly, the Vice Provost and Dean of Graduate Studies, and the Provost (as the President's delegate), and may require further approval of the UT System and the Texas Higher Education Coordinating Board.

Option III Graduate Degree Programs (Non-formula Funded):

Program Characteristics

Items marked with an asterisk () also apply to Option II Programs.*

- Degree offered is an approved, resident credit UT Austin graduate degree;*
- Normal admission criteria and procedures apply (see below);*

Appendix C (Cont.)

Graduate Assembly – Report of the Option III Taskforce

- Course work will consist of regular organized courses, often offered in a non-traditional format, schedule, meeting time, or location;* and
- The University's established policies and procedures for payments to current employees will govern any additional compensation permitted under these guidelines for faculty who participate in an Option III program.*
- Degree programs must be at least 30 SCH and are limited to Masters level or relevant professional degrees as sanctioned by individual schools and colleges and in light of national and international professional and credentialing standards.
- The proposed degree program has received prior approval by the Graduate Studies Committee of the Department or Academic Program, by the Chair of the Department or Program Director, by the Dean of the College or School, as well as preliminary approval by the Provost, prior to being submitted to the Graduate Assembly for Academic Program approval.

The following special circumstances are normally present for a degree program to be considered under the Option III format:

- Substantial external community demand exists and has been demonstrated;
- The proposed degree is consistent with our institutional mission, enhances the University's community service function, and is responsive to competitive market factors;
- The existing UT Austin degree, if any, is fully subscribed and additional students are not needed or desired in the regular degree program;
- The existing UT Austin degree, if any, will be maintained at its current enrollment level or capacity;
- Faculty are available to teach in this program on a voluntary basis; full-time UT faculty may teach in the program only as an overload. Normal teaching responsibilities should not be altered to accommodate teaching in the Option III program.

Courses:

- Semester credit hours (SCH) for all organized courses are NOT included in the University SCH base for formula funding; that is, the degree will be offered as a resident credit [but] non-state-funded program.
- Supplemental activities are a regular, integral part of the degree program.
- If an off-campus site remote from the Austin area is proposed, it must be justified on the basis of a place-bound clientele. Facility fees should be calculated into the program costs (see below).
- If an on-campus site is proposed, the degree program must procure the use of University facilities (including any special facilities, such as laboratory, computing, or digital

Appendix C (Cont.)

Graduate Assembly – Report of the Option III Taskforce

communications facilities) through normal channels and without detriment to existing Option I programs. Special fees may apply and should be calculated into program costs (see below).

- Students from Option I and II programs (including undergraduates) may not register in Option III courses; students in Option III programs may only register in Option III courses or sections and vice versa. It is sometimes possible, however, to have a "meets with" arrangement. Provisions for the "meets with" option must be specified and justified in the degree program proposal, including impact on students and considerations of teaching load and compensation for faculty. Option III courses are taught on an overload basis only and are voluntary. No more than 20% of the Option III student's program of work may be made up of "meets with" courses. The Option III program's courses taught under the "meets with" provision (both quantity and subject matter) will be reviewed by the Graduate School and Graduate Assembly (Academic Committee) every 3.5 years as part of the 7-year review cycle. Two further special provisions apply when "meets with" sections for Option III students are established in Option I courses:
 1. Option III students should not displace Option I students; and
 2. Option III students must receive permission to enroll from the Option I instructor of record.

Admissions:

Normal admissions criteria and procedures apply to Option III graduate programs:

The General requirements for admission to the Graduate School are:

1. A bachelor's degree from a regionally accredited institution in the United States or a comparable degree from a foreign academic institution. The Graduate and International Admissions Center (GIAC) will determine eligibility for admission in consultation with prospective graduate programs.
2. A grade point average of at least 3.00 in upper- division (junior- and senior- level) coursework and in any graduate work already completed.
3. An official score on the Graduate Record Examinations General Test (GRE), unless otherwise specified by the graduate program to which the student is applying.
 - a. The McCombs School of Business requires master's and doctoral degree applicants to submit a satisfactory score on either the GRE or the Graduate Management Admission Test (GMAT).
 - b. Applicants to dual or combined degree programs with the School of Law must submit a satisfactory score on the Law School Admission Test (LSAT) as well as on the GRE or GMAT.
 - c. The University of Texas Medical Schools require the Medical College Admissions Test (MCAT), and most of the joint PhD-MD programs of the Graduate School

Appendix C (Cont.)

Graduate Assembly – Report of the Option III Taskforce

likewise substitute the MCAT in place of the GRE.

- d. International students whose native language is not English must also submit scores on the Test of English as a Foreign Language (TOEFL) or the International English Language Testing System (IELTS), as specified by the graduate program.
4. Adequate subject preparation for the proposed major. Evidence of adequate preparation varies by program, but examples include letters of reference, auditions, samples of work, and personal statements.
5. A recommendation for acceptance by the Graduate Studies Committee for the proposed major area.

(Graduate Catalogue 2011-2013, p. 11)

Applicants to Option III graduate programs should be asked to supply normal test scores (as specified in item 3 above). Option III programs may propose to use alternative measures in place of these standard numeric test scores, when the nature of the specific target audience justifies. Such alternative admission criteria must be approved by the Graduate Assembly as part of the program approval process.

Administration and Review:

- The Graduate School will have responsibility for overall administration and coordination of all graduate degrees offered under this format.
- Graduate students admitted to Option III degree programs are under the guidance and oversight of the Graduate Study Committee of the Department or Academic Program.
- The degree plan proposal must include procedures for the collection and disbursement of student fee income (see below).
- Option III degree programs are reviewed by the Graduate School every seven years as part of the regular cycle of review of graduate programs.
- Guidelines for the review process are dictated by prior legislation of the Graduate Assembly (1998; Documents and Proceedings of the Graduate Assembly, pages 3022a-c) and by requirements of the Graduate Program Review in keeping with current statutes of the Texas Higher Education Coordinating Board.

Program Costs and Budget:

The full costs of the entire program are covered from fees charged to students. This includes the cost of instruction (including any additional compensation of instructional staff), facilities, equipment (purchase, maintenance, and use), computing costs, administrative costs (department, college, and University), and other support services. The program must be fully

Appendix C (Cont.)

Graduate Assembly – Report of the Option III Taskforce

self-supporting; income in excess of direct program expenses may be used for curriculum and program development or faculty development.

Program Size (Admissions Cohorts) and Duration (Time to Degree):

- Needs to be consistent with and justified by issues of budget, market (need/demand), and prospects for recruiting and sustainability.

Faculty compensation:

- Instruction in these organized courses is on an overload basis; these courses are not part of a faculty member's regular workload. The faculty member may receive additional compensation for this overload activity.
- Additional faculty compensation is also permitted for participation in supplemental activities.
- Additional faculty compensation should follow standard policies of each College or School and be approved in advance by the Dean of the College or School in which the program is housed.

Budget:

- Program budget, including additional faculty compensation, additional fees, and administrative costs (see above), must be approved by the Office of the Vice President and Provost and by the Dean of the College or School prior to submission to the Graduate Assembly for academic approval.

Student restrictions:

- Students registered in these degree programs are not eligible for university financial aid, except federal guaranteed loans and some private sector loans. They may not be offered TA, AI, GRA, AA, or A(G) appointments. They will receive no other student "benefits" unless specific arrangements have been made and the appropriate costs (fees) have been paid.
- Students in Option III programs are not eligible for Hinson-Hazlewood Act Exemptions (for Texas ex-servicemen and their children), but may be eligible for GI Bill benefits. Direct questions to the Veterans Certification section in the Office of the Registrar.

Appendix C (Cont.)

Graduate Assembly – Report of the Option III Taskforce

Program fees:

The fee charged to the students shall recover the full costs to the University to offer the program. *This is a complex area which requires careful consultation with the administration to insure that the costs for all desired services are included in the base fee.*

The following elements should be considered in determining the proposed student fee(s):

1. Instructional personnel for organized classes — salaries and fringe benefit costs for faculty, TA/Al's tutors, graders, and all other instructional personnel.
2. Administrative costs at the department, college, and Graduate School — salary and fringe benefits costs for clerical, program administration (faculty and staff), computer and other technical staff, accounting and records, and other support personnel.
3. Equipment cost and maintenance.
4. Supplies and course related materials.
5. Seminars and other instructional activities associated with organized classes.
6. Miscellaneous other expenses such as promotion, postage, telephone, etc.
7. Institutional facility allowance (on-campus programs only) – a fixed percentage of items 1 - 6. This rate may vary from year to year and is based on the facilities and use elements in the University's federally negotiated indirect cost rate. For more information, consult the Associate Vice Provost for Academic Business Affairs in the Office of the Vice President and Provost.

The items listed below are not included in the calculation of the institutional facilities allowance.

8. Student fees (at current rates paid by regular degree students) for existing equipment, facilities, and services to be used.
9. Capital costs for equipment.
10. Supplemental (optional) activity program costs – specify individual components.

Previously Approved Option III Programs:

Option III Programs implemented prior to passage of these new guidelines may continue to operate without modification according to the proposal under which they were approved. Previously approved Option III Programs that were never implemented or that have been deactivated or formally terminated must file a new proposal under the new guidelines should they wish to seek reinstatement. Any Option III Program that wishes to implement new provisions as outlined in these revised guidelines must (a) adhere to all the new guidelines presented above,

Appendix C (Cont.)

Graduate Assembly – Report of the Option III Taskforce

and (b) file an amendment clarifying how it plans to modify its current operation to meet the new guidelines.

The proposed modifications must have received prior approval by the Graduate Studies Committee of the Department or Academic Program, by the Chair of the Department or Program Director, by the Dean of the College or School, as well as preliminary (budgetary) approval by the Provost, prior to being submitted to the Graduate Assembly for academic approval. Final authorization of the modified degree program requires approval by the Graduate Assembly by action of the Academic Committee, the Vice Provost and Dean of Graduate Studies, and the Provost (as the President's delegate).