

MITx/edX Revenue Guidelines

When MIT offers online courses through external channels, MIT may receive revenue attributable to the provision of the course. In the event an online course generates such revenue, MIT generally will share the revenue it receives with certain of the individuals who contributed to the creation or offering of the online course, their respective departments and MIT's General Fund.

These Guidelines apply to revenues received by MIT that are directly attributable to the offer of massive open online courses (MOOCs) through edX Inc., the organization founded by MIT and Harvard University to offer free, online courses and other content to the world. If an online course is offered for a fee or through another channel, such as MIT Professional Education or MIT Sloan Executive Education, other policies, practices or arrangements may dictate the allocation of revenue.

Revenues directly attributable to a particular offering of a MOOC through edX, such as fees for certificates recognizing successful completion of the MOOC and fees from licensing the MOOC, are referred to herein as Gross Revenues. Gross Revenues will be applied or distributed as follows:

- First, the Office of Digital Learning will receive an amount equal to 115% of accumulated, documented costs that are incurred by the Office of Digital Learning in connection with the MOOC, including costs of improvements to the MOOC, and are not covered by funding provided by departments, laboratories or centers.
- Next, one-third of the remaining Gross Revenues (referred to herein as Net Revenues) will be distributed to the members of the Teaching Team according to their relative contributions to the particular offering of the MOOC in terms of effort and intellectual content. The Teaching Team for a particular offering of a MOOC is composed of those faculty members and those academic instructional staff and research scientists who contribute more than incidental content or teaching effort to that offering of the MOOC. The Teaching Team members' relative contributions will be determined as follows:
 - If the Teaching Team is composed of more than one individual, but all are from a single academic department, each member's relative contribution will be determined by the department head.
 - If the Teaching Team is composed of more than one individual and the individuals are from more than one academic department, each member's relative contribution will be determined by the relevant School Dean or Deans, in consultation with the heads of the relevant departments.
 - If the individual charged with making the determination of relative contributions is a member of the Teaching Team, the determination of the relative contributions will be made by the relevant School Dean or Deans.
- One-third of Net Revenues will be distributed to the departments in which members of the Teaching Team have appointments. If the Teaching Team draws from more than one department, the relevant School Dean or Deans will determine a fair allocation between or

among the departments. A department head may, in his or her discretion, allocate all or a portion of the department's share of Net Revenues to laboratories and centers that were involved in the creation or offering of the MOOC.

- One-third of Net Revenues will be distributed to MIT's General Fund.

These Guidelines supersede any existing policies and guidelines that may be applicable to revenue covered by these Guidelines, including, without limitation, the MIT Compensation Guidelines for Special Activities and Programs, the MIT Technology Licensing Office's royalty distribution policies and previous versions of these Guidelines.

These Guidelines are effective as of May 19, 2015.