

TOWN HALL 2020

Responsibility + Integrity + Community + Excellence





RICE

With deep thanks to those who made sure
our university never closed

Rice Crisis Management Team
Rice University Police Department
Housing and Dining
Facilities, Engineering and Planning
Office of Information Technology
Office of Dean of Undergraduates
College Magisters and RAs
Office of Public Affairs



RICE

And for all who remained on campus



An aerial photograph of a university campus at sunset. The sun is a bright orange orb in the center of the sky, casting a warm glow over the scene. The sky is filled with soft, orange-tinted clouds. In the background, a city skyline is visible with several tall buildings and a construction crane. The middle ground is dominated by a dense forest of green trees. In the foreground, a large, historic university building with a red-tiled roof and a central archway is visible. The building is surrounded by green lawns and pathways. The overall atmosphere is peaceful and celebratory.

2019

A year that was building on our success



OUR MISSION

As a leading research university with a distinctive commitment to undergraduate education, Rice University aspires to pathbreaking research, unsurpassed teaching and contributions to the betterment of the world. It seeks to fulfill this mission by cultivating a diverse community of learning and discovery that produces leaders across the spectrum of human endeavor.

Living our mission through our values...

Responsibility + Integrity + Community + Excellence

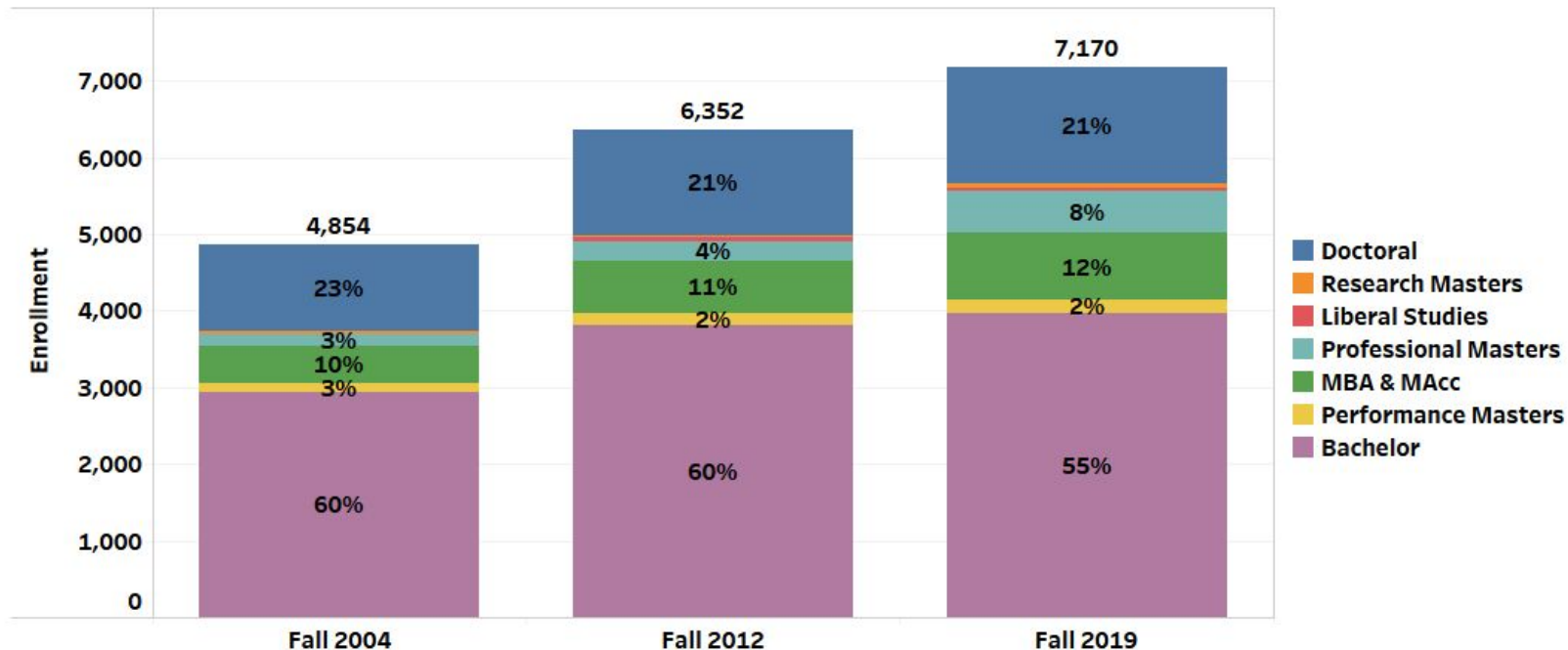




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Student enrollment continued to grow across undergraduate and graduate programs

Growth and diversification of enrollment



Data Source: Office of the Registrar



RICE

New student enrollment for Fall 2020 is strong

1,058

Undergraduates

(as of May 18)

34

UG Transfers

(as of May 18)

1,148

Graduate Students

628 - Domestic 520 - International

(as of May 20)

330

MBA

295 - Domestic
35 - International

530

Masters

207 - Domestic
323 - International

288

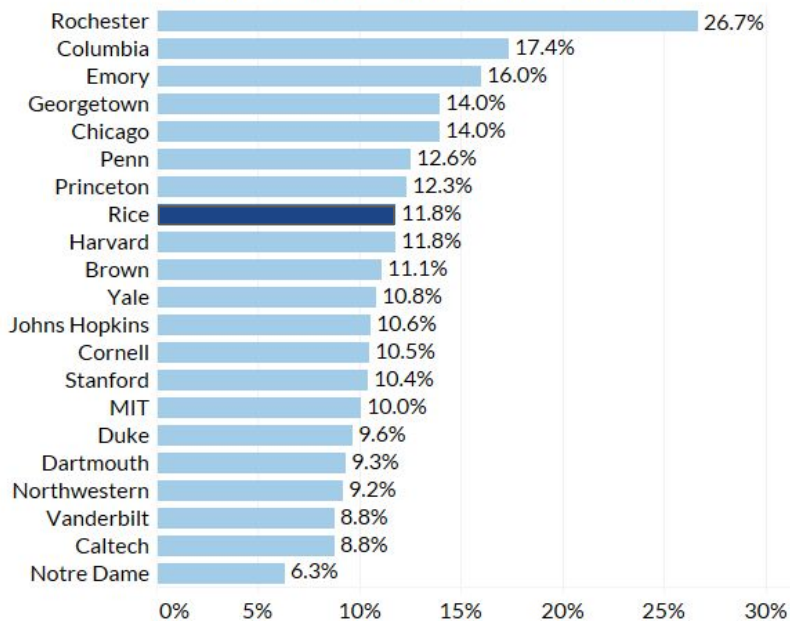
Doctoral

126 - Domestic
162 - International

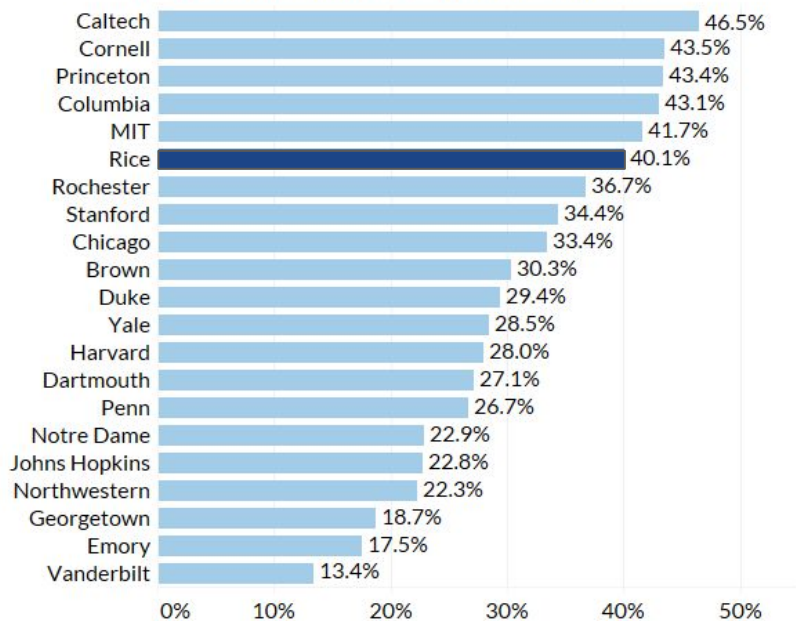


We are an international community of students

Percent International - Undergraduate Students



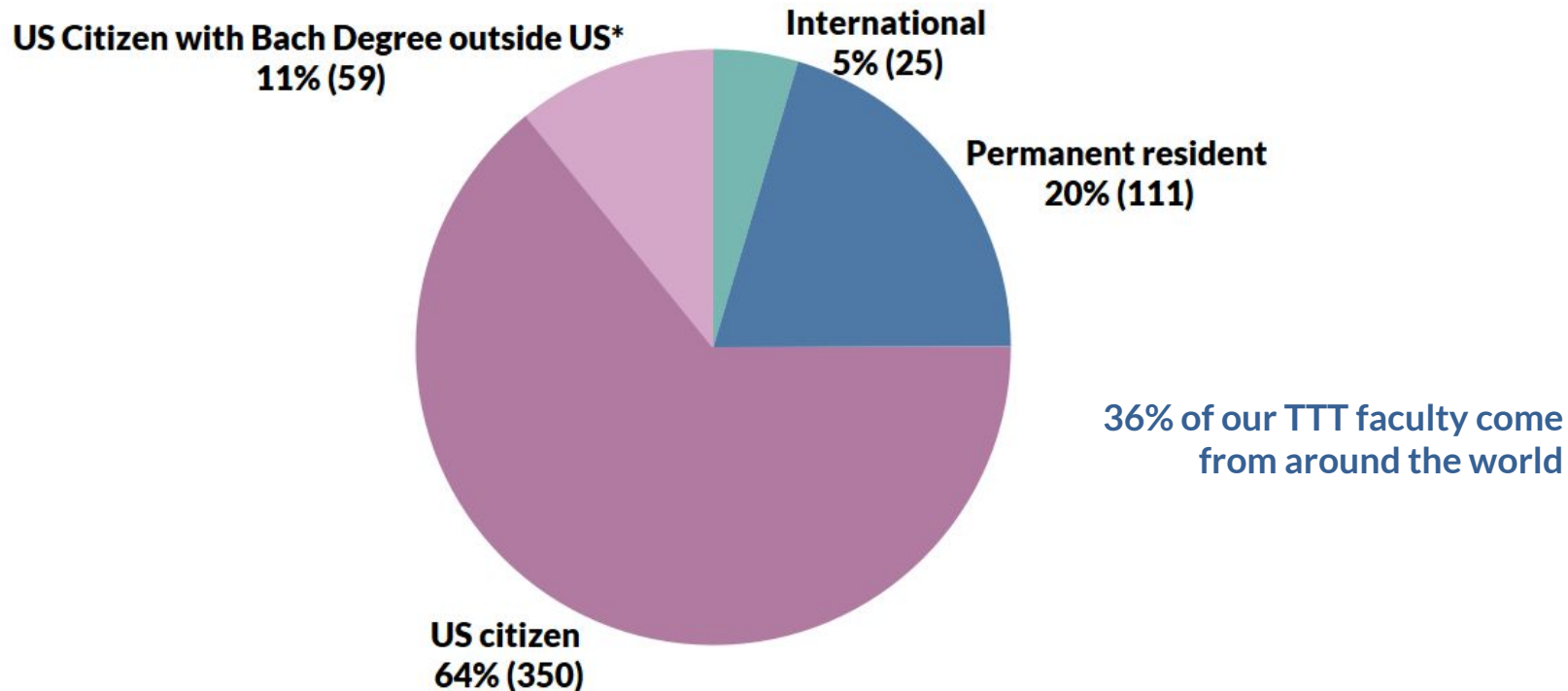
Percent International - Graduate Students





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We are an international community of scholars



*U.S. citizen with bachelor degree or equivalent earned from non-U.S. university

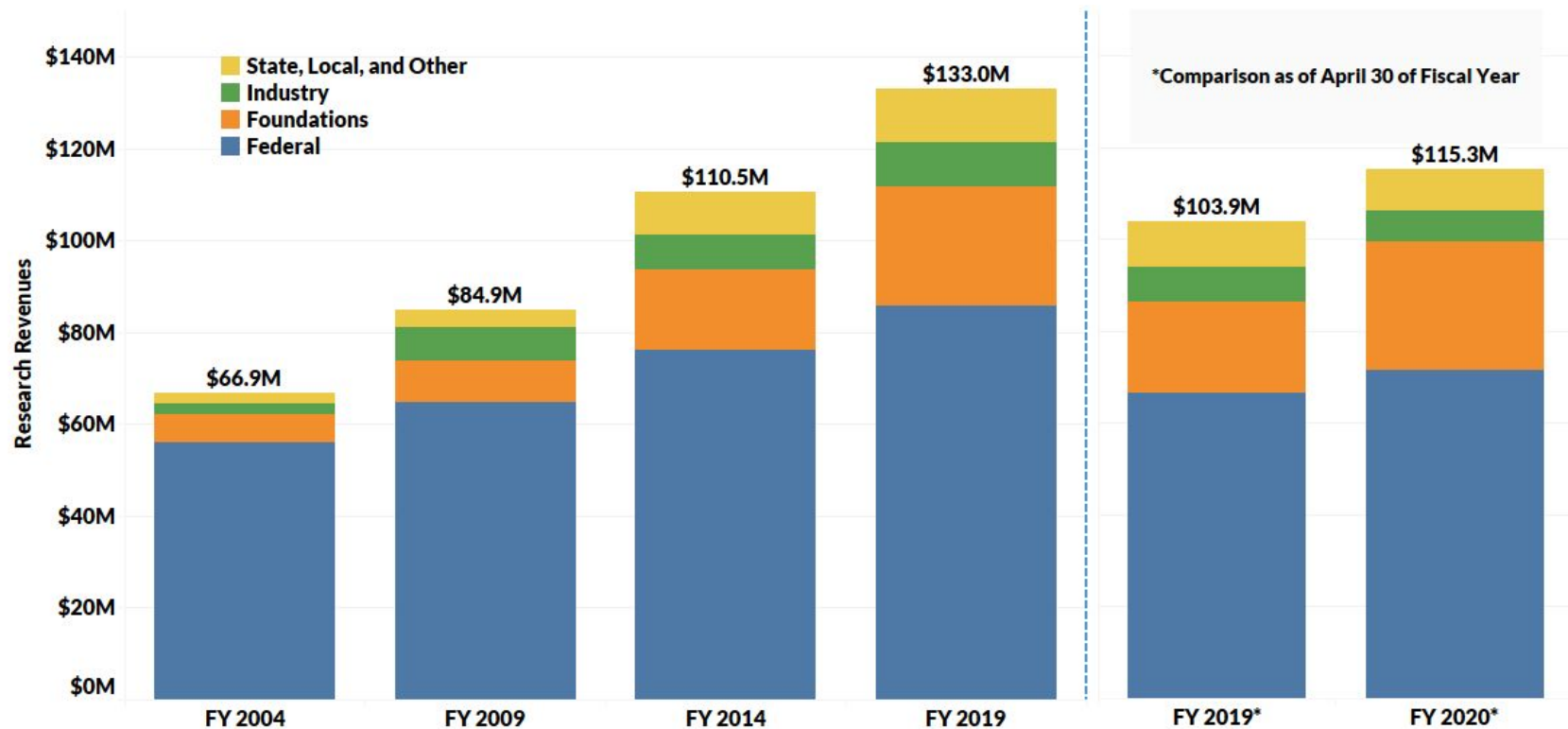
Fall 2019 Tenure-track Instructional Faculty

Data source: Faculty Fall Census and VPAA



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Research revenue continues to grow 11.4% growth over same period last year July-April



Data Source: Finance



RICE

Rice now has extensive experience with online courses and programs building a global presence

Rice Online statistics:

- 3.2+ million enrollments to date
- 1.6+ million enrolled in more than one course
- Total enrollments in 2019: 294,664
- Total international enrollments in 2019: 189,959
- Online MBA launched July 2018
- Online Master of Computer Science launched August 2019

Neuroengineering

Carbon Hub

African and African American Studies

New professional master's degrees

Building Research on Inequality and Diversity to Grow Equity
(BRIDGE)



Projects Completed

- Kraft Hall - Social Sciences
- M.D. Anderson Biological Laboratory Renovation
- Will Rice Magister's House

Projects Under Construction

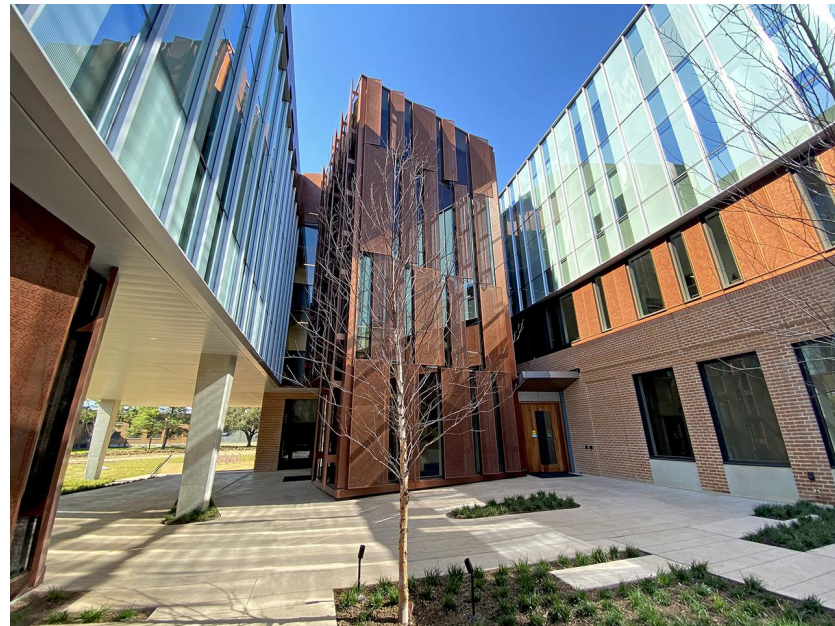
- McNair Hall Renovations (Phase 1)
- Brockman Hall for Opera
- Loop Road and Entrance 8 Road
- BRC floors 6, 8-9 Buildout
- BRC Infrastructure
- New Sid Richardson College
- Library Service Center Expansion
- Waltrip Indoor Training Center
- Shakespeare Street Graduate Student Housing

Projects in Design

- Hanszen College new wing
- OEDK expansion
- Cannady Hall (Anderson Hall Addition)
- Dell Butcher Hall Floor 4 Renovation
- Maxfield Hall Renovation (Mech Lab)

Planning Underway

- New building for VADA
- New Engineering and Science Building (Abercrombie replacement)
- RMC with multicultural center



Patricia Lipoma Kraft '87 and Jonathan A. Kraft Hall for Social Sciences

World University Rankings

#64 – Most International University

U.S. News & World Report

#17 – Best Colleges in the Country
#1 – Graduate Entrepreneurship

Global Think Tank Index

#2 – University Global think tank
#1 – Global Energy Policy think tank

Princeton Review

#14 – Best Value Colleges
#1 – Race/Class interaction
#3 – Happiest students
#10 – Best Financial Aid

Niche.com

#10 – Best Colleges in America
#10 – Best Professors
*Six departments ranked in top five



RICE

Rice recognizes Rev. William Lawson
by naming grove in honor of his contributions to Houston





Caleb McDaniel
Pulitzer Prize in History



Lacy Johnson
Guggenheim Fellowship



Lydia Kavraki
AMC-AAAI Allen Newell Award



RICE

We celebrate our faculty who have
received recognition



Reginald DesRoches

National Academy of Engineering



Gene Frantz

National Academy of Engineering



Hannah Pearce

GSA Past President



Alison Farrish

GSA Current President



Grace Wickerson

SA Past President



Anna M. Clyburn

SA Current President



RICE

We celebrate our students who have
received recognition



Savannah Cofer

Knight-Hennessy Scholar



Cordy McJunkins

Truman Scholarship Winner



RICE

We celebrate our student-athletes who
have received recognition



Erica Ogwumike, Women's Basketball
Joyce Pounds Hardy Award
For Outstanding Female Athlete



Adolfo Carvalho, Men's Track and Field
The Bob Quin Award
For Outstanding Male Athlete



RICE

Leadership transitions We welcome our new leaders



Reginald DesRoches

Provost



Kathi Dantley Warren

Vice President for Development
and Alumni Relations



RICE

With appreciation for his
stewardship and leadership



Seiichi Matsuda

Interim Provost



RICE

COVID-19 interrupts two school dean searches; Interim deans continue to provide leadership



Susan McIntosh

Interim Dean, Social Sciences



John Casbarian

Interim Dean, Architecture

Two academic dean searches launched and we welcome new interim deans



Janet Braam

Interim Dean, Natural Sciences



Rob Griffin

Interim Dean, Engineering



Our Response to COVID-19



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Rice University's decisions regarding COVID-19 are guided by four core principles

1

Protect the health, safety and wellbeing of every member of our community, and contribute to local and national efforts to reduce the spread of the deadly virus.

2

Base our decisions on health guidance from an authoritative scientific source – the Centers for Disease Control and Prevention.

3

Continue carrying out our academic mission as best as possible given the circumstances.

4

Take actions that are consistent with our Rice values of responsibility, integrity, community and excellence.

- Faculty moved over 1900 courses online
- Rice continued to provide housing and meals for international students and others who needed to remain on campus to complete the semester
- Rice IT supported students and faculty who needed help with equipment and technology
- Faculty Senate adopted flexible approaches to grading and course withdrawal to ease stress
- Result: successful completion of the semester by almost all students.



RICE

Helping to serve those in need



OEDK \$300 ventilator development



Moody Center 3D printed face shields



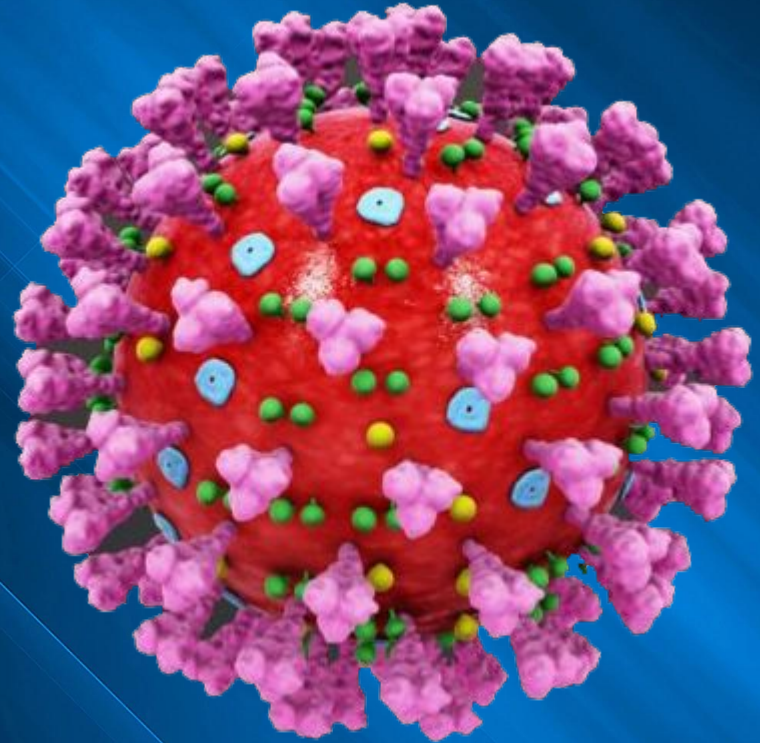


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Rice dedicates \$500,000 for COVID-19 research grants

**18 grants have been awarded
so far to Rice researchers to
conduct COVID-19 related
research.**

XXX R



- ApolloBVM ventilator developed and brought into production
- COVID-19 registry surveys the regional population
- COVID-19 cases tracked through wastewater analysis
- Device that rapidly identifies high-risk COVID-19 patients
- Environmental impact of COVID-19 in Texas
- Impact of COVID-19 information and recommendations on human behavior and opinions



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We housed TMC workers on campus





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Virtual commencement was celebrated from home



Madeleine Frazier, Rice 2020 graduate, watches the virtual ceremony from home.

“It was actually so well done ... You can just tell from having the adults speak, there really is a big connection between anyone and it really is difficult to say goodbye without saying goodbye.

... I’m really glad they had our magisters do speeches.”

— Gabrielle Falcon, Rice 2020 graduate



The image shows a city skyline at dusk. In the foreground, there is a large building with a red-tiled roof and a central tower with a clock face. The background features a dense cluster of modern skyscrapers, including a prominent glass-clad tower on the left. The sky is a mix of blue and orange, with scattered clouds. A semi-transparent dark blue banner is positioned across the upper half of the image, containing the title text in white.

Current State of the Pandemic

Our World Transformed by COVID-19 in months

Jan 21 - United States first confirmed coronavirus case

Jan 30 - First case of person to person transmission in US

Feb 11 - WHO announced official name of COVID-19

Feb 25 - U.S. stock market plummets over coronavirus fears

Feb 26 - First case in the U.S. with no clear source of exposure

Feb 29 - First recorded coronavirus death in the U.S.

- Rice announces employee exposed to coronavirus visited campus (later confirmed infected) others exposed self-quarantine

Mar 3 - Rice-sponsored international spring break travel canceled

Mar 6 - U.S. approves \$8.3 billion emergency spending package to combat virus

- SXSW cancelled along with other high-profile events

Mar 8 - Rice cancels classes for the week before spring break to prepare for possible teaching online

Mar 11 - WHO declares the outbreak “can be characterized as a pandemic”

Mar 12 - Rice announces moving classes online for remainder of the semester starting March 23

Mar 13 - President Trump declares a national state of emergency

Mar 19 - Rice closes Gibbs Recreation Center, RMC, campus USPS, Children’s Campus, Brochstein Pavilion, and Fondren Library closed to visitors.

Mar 23 - Rice courses begin to be offered only online

- Houston area K-12 schools closed and began classes online

Mar 24 - Harris County and Houston issue stay-at-home order

- Rice employees began working from home wherever possible

Mar 25 - Deaths in U.S. passed 1,000

- President Trump approves disaster declarations for Florida, Texas and North Carolina

Apr 24 - Deaths in U.S. passed 50,000

Apr 30 - U.S. jobless total at 30 million

May 16 - Rice holds first virtual commencement exercise

May 21 - Worldwide confirmed cases 5.2 million
Deaths in U.S. pass 96,000



Living with COVID-19

- Houston region thus far has flattened the curve
- While greatly increased testing is in place, it is still not at levels desired by experts
- Economic issues threaten our welfare and our future, especially in Houston's key industries
- Texas allows some business to reopen, but public health protocols remain critically important while reopening the economy
- Stress affects physical and mental health throughout the community
- Schools and daycare centers remain closed

Adapting to the environment of COVID-19

- Campus operations limited with only several hundred staff and until recently about 250 resident students
- Communication with students, staff and faculty is ongoing
- Summer school moved entirely online with substantially expanded offerings and much higher enrollment
- Planning is underway for return to campus in the fall if conditions permit under framework of flexibility, agility and adaptability
- We face an evolving and uncertain environment



All of Rice

Follow CDC guidance about personal protection, behaviors and hygiene

- Face coverings when in public or group settings
- Physical distancing
- Continue health monitoring and self-reporting: isolation and quarantine as necessary
- If ill, stay home



Employees

- Essential employees continue to work on campus
 - Others return as determined by deans and vice presidents
 - Nonessential employees mostly continue to work remotely
- Research labs and Fondren Library
 - Support research, submit mitigation plans to begin to return to work
- Online summer course delivery; preparation & instruction for fall dual delivery
- Rice Children's Campus opens

Visitors & Events

- Critical services only: contractors, construction workers and deliveries
- No campus events, camps, activities or gatherings

Chris Johns-Krull (chair) – Speaker of the Faculty Senate; Natural Sciences

Kathleen Canning – Dean of the School of Humanities

Bridget Gorman – Dean of Undergraduates; Social Sciences

Fred Higgs – Vice Provost for Academic Affairs; Engineering

Klara Jelinkova – Vice President for International Operations and Information Technology

Eden King – Social Sciences

Kevin Kirby – Vice President for Administration

Caroline Levander – Vice President for Global and Digital Strategy; Humanities

Seiichi Matsuda – Dean of Graduate and Postdoctoral Studies; Natural Sciences

Ed Nikonowicz – Deputy speaker (and former speaker) of the Faculty Senate; Natural Sciences

Renata Ramos – Engineering

Jesus Vassallo – Architecture

James Weston – Business (and former speaker of the Faculty Senate)

Bob Yekovich – Dean of the Shepherd School of Music

David Tenney – Registrar and consulting member

Class delivery issues (dual delivery and recording).

Exceptions to dual modality (Architecture, Music, VADA, labs)

Class schedule issues/classroom allocations

Faculty training

Student training and engagement (rules and better compliance from students)

Student and faculty choices about modality
(attend or be remote if classes resume in person)

Semester schedule: Classes ending before Thanksgiving: Friday or Tuesday?

Spreading scheduled hours over the day

Rescheduled hours

Physical distancing, class size

Supplemental community-building efforts

Fall contingency planning

Spring contingency planning

January enrollments and orientation



All of Rice

Follow CDC guidance about personal protection, behaviors and hygiene

- Face coverings when in public or group settings
- Physical distancing
- Continue health monitoring and self-reporting:
isolation and quarantine as necessary
- If ill, stay home

Testing services begin



Employees

- Return to campus as determined by deans and vice presidents
 - Remote or alternative work as determined by dean or vice president
- Support services fully operational to assist return to campus

Visitors and events

- Critical services only: contractors, construction workers and deliveries
- Campus events, activities and gatherings limited to no more than 50 people with physical distancing



All of Rice

Measures in place to mitigate disease transmission

- Regular testing
- Case management and contact tracing
- Continue health monitoring and self-reporting: isolation and quarantine as necessary
- Physical distancing
- Face coverings in public or group settings
- If ill, stay home
- Sanitizing protocols
- Academic Restart Committee's protocols implemented



Employees

- Work arrangements as determined by deans and vice presidents
- Support services fully operational to assist return to campus

Students

- Modified student life model (social gatherings, dining, clubs, physical activities)
- Social gathering spaces closed or available with limited or modified usage guidelines

Visitors and events

- Venues reopened to the public with appropriate physical distancing measures
- Campus tours resume with appropriate physical distancing measures
- Sporting events resume with appropriate physical distancing measures
- Campus events, activities and gatherings of 50 people or less with physical distancing



The Financial Challenges

“Perhaps the defining character trait of Edgar Odell Lovett was his steadfast optimism.” – Prof. John Boles

COVID-19 impacted the entire economy including higher education

- Direct costs of the pandemic now and in the future
 - Impact to Rice in FY 20: so far \$10 million in expenses and lost revenues
- Volatility of financial markets impacts endowments and philanthropy
- High unemployment will likely impact student financial aid requirements
- Uncertainty and travel restrictions impact students' decisions about going to college

All of Rice's revenue sources are challenged and at risk

While we must make changes, Rice is in a stronger position than many

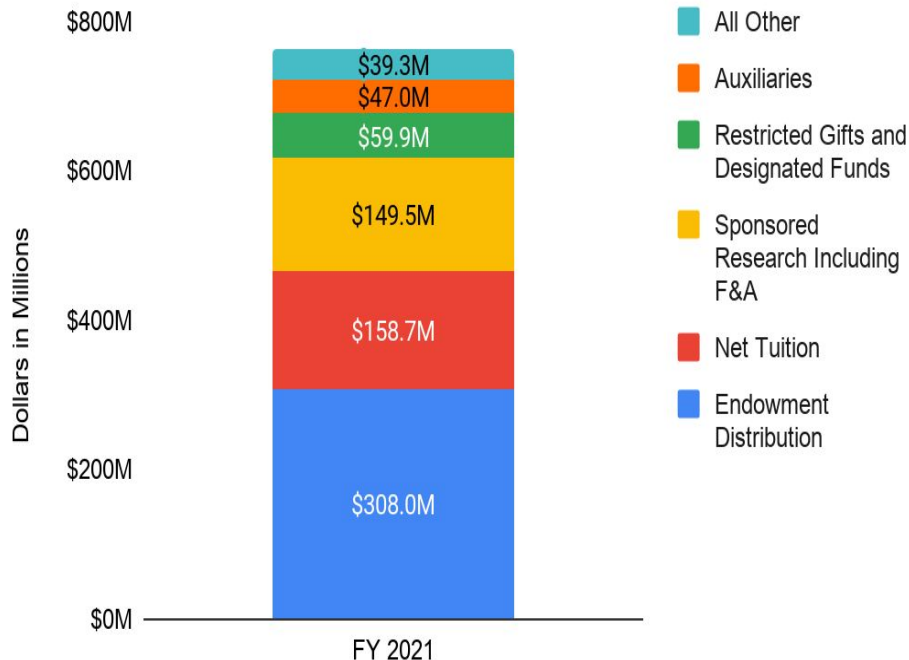
- Comparatively large endowment helps provide resilience, enables thoughtful transitions
- Adequate liquidity to pay our bills
- Recent debt issuance reaffirmed our AAA rating and provided resources to continue capital projects
- Comparatively lower tuition rate among peers
- Our already very generous financial aid makes us better prepared to support our students
- Capacity to expand undergrad enrollment with new housing opening in January 2021
- No hospital losses draining our current resources
- No large amount of athletics revenues to lose
- Strong foothold in online education that could be expanded
- Efficiencies that could be realized through implementation of Enterprise Resource Planning (ERP) system and other administrative improvements
- The Rice Management Company, which manages the endowment, has done a spectacular job in limiting losses



RICE

The FY 2021 budget is currently balanced

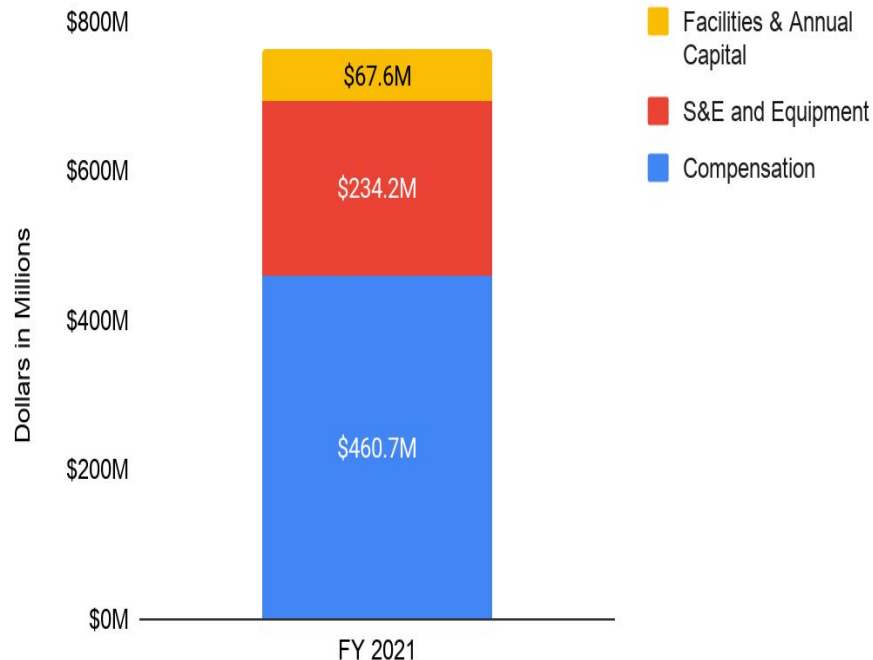
Endowment Distribution is 40% of Revenues



Consolidated budget includes research and auxiliaries

Facilities includes annual capital budget, utilities and interest expenses

Compensation is 60% of Expenses

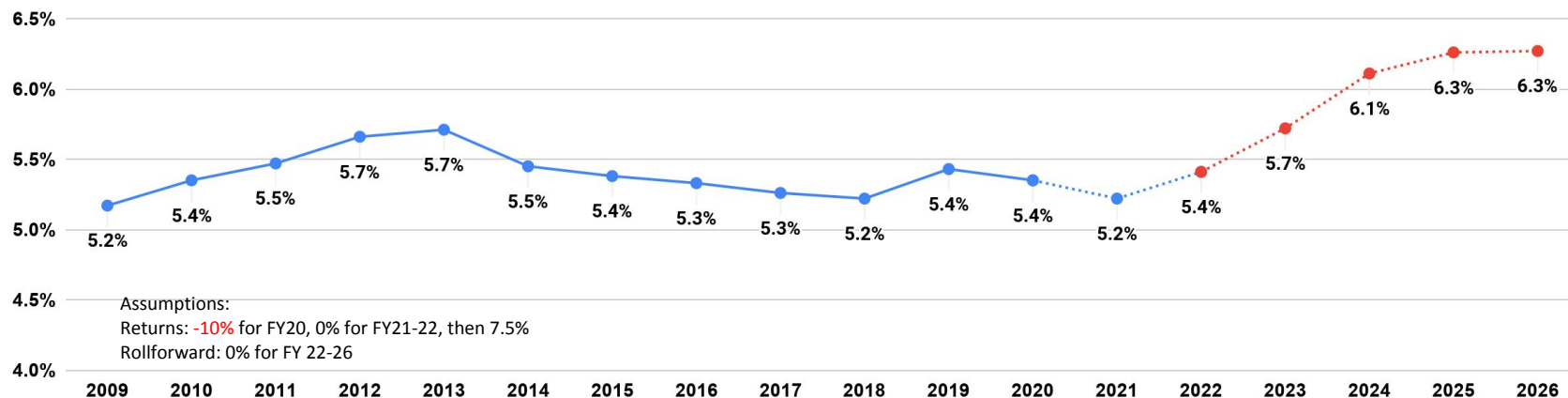




- The purpose of the endowment is to support operations now and for future generations; it is not a “rainy day fund”
- Rice preserves the purchasing power for the future by spending on average somewhat less than earnings to account for inflation
- The endowment can help smooth downturns, as it did in 2008-09, but cannot eliminate need to significantly adjust spending in cases of severe losses
- The Rice Board of Trustees approves annual spending to fall within 4.5-5.5% of the endowment value over the last three years
- If spending is too high, the ability of the endowment to contribute to the permanent mission and success of Rice, and fulfill the purpose of its donors to support the university in perpetuity, would decline

Economic turmoil affects the endowment

- The market value of the endowment may be down ~10% in FY 20, reflecting possible decline of about \$600 million
- Further losses or a slow recovery -- flat returns in FY 21 or longer -- means endowment support is reduced and spending cuts are needed to stay within parameters of 4.5% to 5.5% of the trailing 3-year average market value



● Distribution as a % of the 3 Year Moving Average of Endowment Market Value

What other revenues are at risk?

- **Net tuition revenue**

How many students will be enrolled? Will some defer?
How will high unemployment impact financial aid?

- **Housing and dining revenues**

What if we can't reopen?

- **Fundraising may suffer**

The annual fund contributes about \$8 million to the budget

- **Athletics revenues** that depend on games and donors

Bottom line:

- Lower revenues require spending cuts and new sources of revenue to maintain a balanced budget
- Efforts to date aim for a soft landing to protect jobs, but given uncertainties, no guarantees
- The more we work together to identify savings and raise new revenues, the better we can protect all members of our community



Financial gap could be \$60 million or more over the next 5 years

- Gap could grow depending on:
 - Endowment returns in FY 2020 and the next several years as the economy recovers
 - Net tuition revenue, which depends on enrollment and financial aid requirements
 - Philanthropy
 - Athletics and event revenue
- We will close the gap by cutting expenses and raising revenues
- If we are not able to open in the fall, the challenges will be greater
- We are working over the summer to confirm the size of the gap that we need to close and the actions we need to take

Implement processes to consult and communicate with the Rice community as we plan and define our path moving forward

- We have told the Board of Trustees we will analyze a wide range of options over the summer
- We have surveyed our faculty, staff and students about issues regarding COVID-19 and will continue to do so
- Academic Restart Committee (ARC) involves a collaboration from across the campus
- Please share with your supervisor your thoughts and concerns; your input is valuable
- We will be implementing other ways to communicate online and anonymously; watch for announcements

Rice has overcome severe challenges throughout our history

Beginning in 1918, students, faculty and staff were abruptly dispersed due to World War I and the Spanish Flu epidemic.

Military doctors, nurses and staff came to Rice and converted a residential college into a hospital that served the Rice community and the city of Houston. Commencement was held early so that members from all groups could serve in the war. Others fell gravely ill.

Rice and its community not only survived the Spanish Flu and the war, but emerged a stronger university. When “war workers” were returning home and the worst of the pandemic had passed, the February 1919 Thresher reported on the improved state of the university:

“... we are living at a wholly different, bigger, broader and better school.”





A photograph of a person walking through a park. The person is wearing a red and black patterned dress and a backpack, and is talking on a phone. They are walking on a path that is lined with large, mature trees and a dense hedge of bright pink flowers. The scene is bathed in warm, golden light, suggesting late afternoon or early morning. A semi-transparent brown banner is overlaid across the middle of the image, containing the text "Your Questions".

Your Questions