



THE UNIVERSITY OF KENTUCKY TOP 20 BUSINESS PLAN

2006-2007 UPDATE

Introduction

During its 2006 session, the Kentucky General Assembly provided full funding for the University of Kentucky's Top 20 Business Plan. In doing so, the General Assembly made a significant statement of its continued commitment to the goals and aspirations envisioned in House Bill 1. The General Assembly embraced the Business Plan as a reasonable, viable financial blueprint for achieving that vision.

The Top 20 Business Plan articulates clearly and explicitly what UK must do to become a major comprehensive research institution ranked nationally in the top 20 and to defend a claim that it has indeed achieved such a lofty goal. Across four domains – undergraduate education, graduate education, faculty recognition, and research – UK must demonstrate exceptional quality and productivity, while improving the lives of Kentuckians.

This *Update* presents evidence of progress made in fulfilling the promise of the Top 20 Business Plan, even before the first year of full funding is implemented.

Projected Timetable

The Top 20 Business Plan evolved from a data-driven financial modeling process, grounded in aspirational yet reasonable assumptions regarding strategies for growth and quality. Anticipating full funding of the Plan beginning in 2007-08, the University initiated intensive strategic planning in 2006-07 to align goals and measures of progress to guide resource allocations. A timetable for implementation of strategies and securing measurable results is presented below.

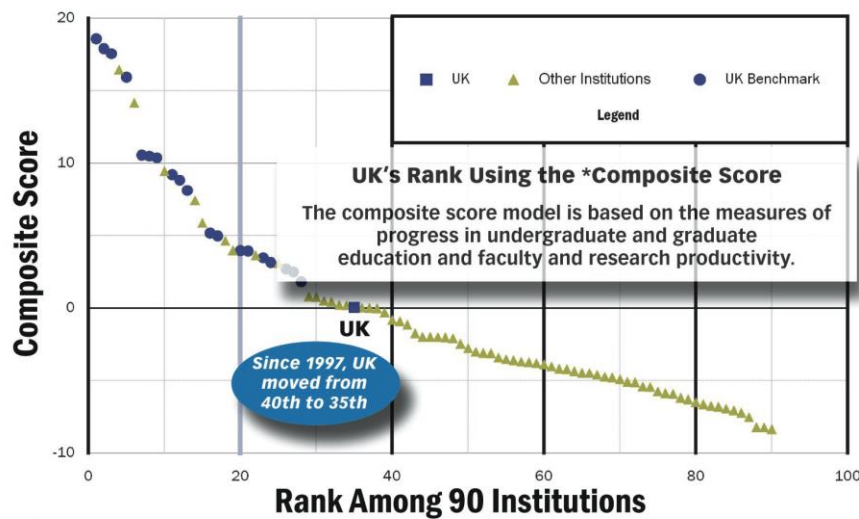
CHRONOLOGY OF EVENTS AND UPDATES (by Fiscal Year)								
	Business Plan and composite score established	General Assembly approves Business Plan funding	UK Strategic Plan revised; faculty hiring starts	Business Plan funding commences	Significant Improvements Anticipated			
Measures	Sept 2005*	2006	2007	2008	2009	2010	2012	2014
ACT	24.2	24.6	23.9		X			
Student/Faculty Ratio	17 to 1	18 to 1	18 to 1		X			
6 Yr Grad Rate	59.6%	59.8%	59.1%					X
Doctorates Granted	233	256	292				X	
Postdoctoral Appointments	230	251	338			X		
Citations	42,288	44,928				X		
Awards	11	10				X		
Federal Research	\$100.4M	\$142.8m				X		
Non-federal Research	\$135.8m	\$163.9m				X		

*Based on most recent data available from all sources in September 2005

2006-2007 Update

This is the first update of the Top 20 Business Plan, based on the most recent data available during 2006-07. For the purposes of the Plan, the University of Kentucky compares itself with public research universities in the United States that conduct at least \$20 million in federal research expenditures annually. Since the original Plan was approved by the Board of Trustees in December 2005, two institutions (Ohio University and Georgia State University) have joined that group, bringing the total to 90.

As in the original Plan, UK's overall rank remained at 35 (see chart below). And the slope of the curve created by the six or seven institutions immediately above and below UK remained relatively flat.





UK is well-positioned to make progress as it initiates a number of significant growth and quality strategies funded in the 2007-08 operating budget, including:

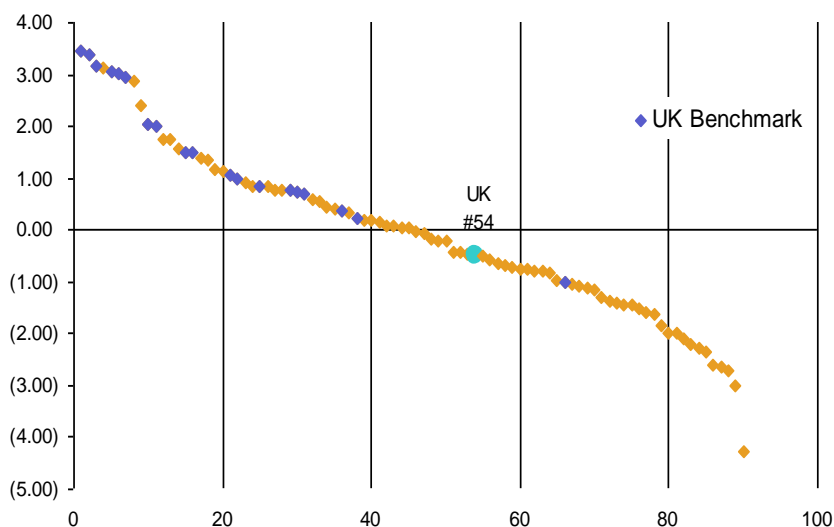
- Forty-seven additional faculty positions
- Seven additional professional advisors to substantially enhanced academic support to undergraduates
- Student-related initiatives to further internationalize the student experience
- Faculty and staff salary catch-up and salary adjustment pools
- Classroom and research lab renovations
- New scholarship programs
- Enhanced student recruitment and marketing activities

Undergraduate Education Domain

The Undergraduate Education Domain is composed of SAT/ACT scores, student to faculty ratio, and graduation rate. UK's rank fell from 49th to 54th due to losing ground in the student to faculty ratio and graduation rate, compared with other institutions.

UK must contribute to achieving the Council on Postsecondary Education's public agenda of doubling the number of Kentuckians with college degrees by 2020. UK has declared "war" on undergraduate student attrition.

Undergraduate Education Domain

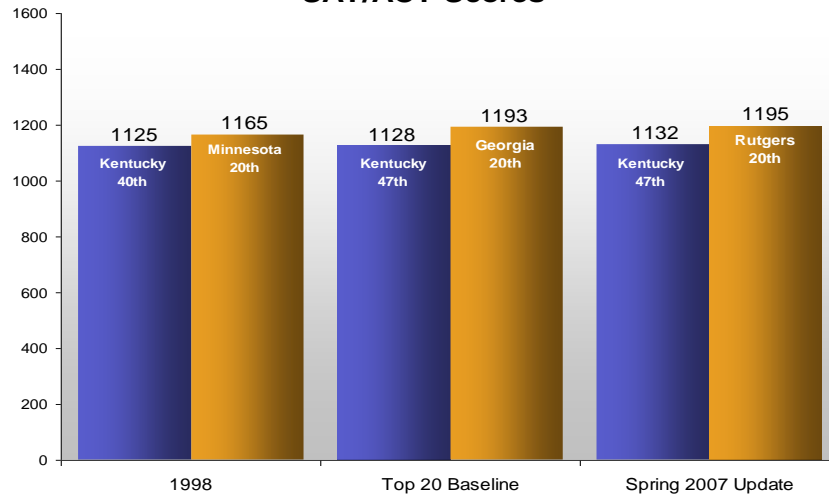


Rank Among 90 Public Research Universities

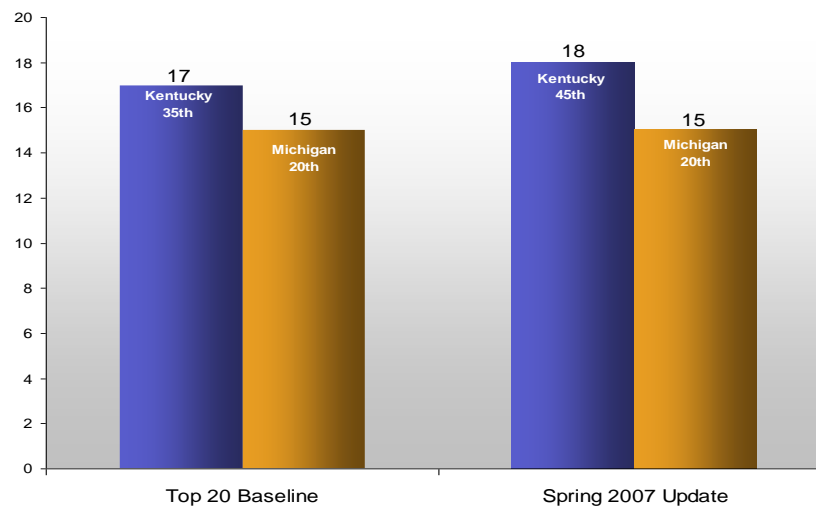
A gap analysis measures the difference between current performance and desired outcome, which is defined throughout the Plan as the position of the 20th-ranked university on each measure. The charts below demonstrate how the gap between

UK's performance and that of the 20th institution has changed since House Bill 1 was passed (where data is available) and since the Business Plan was developed.

SAT/ACT Scores

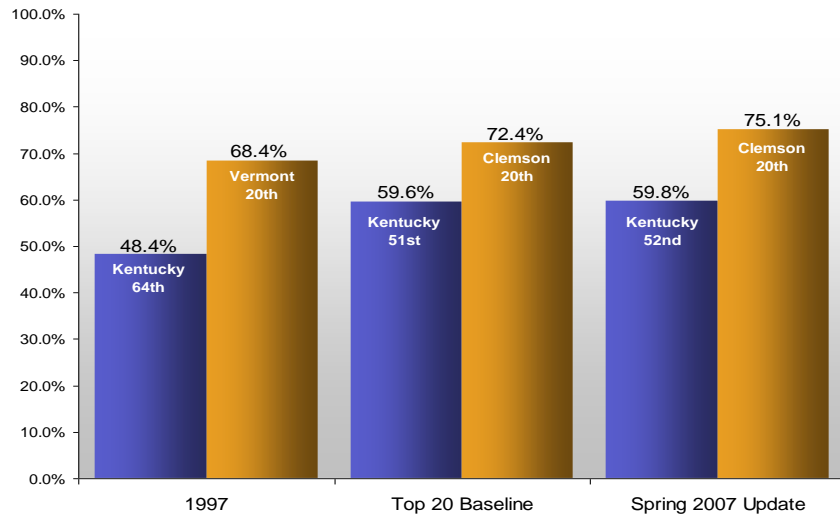


Student to Faculty Ratio





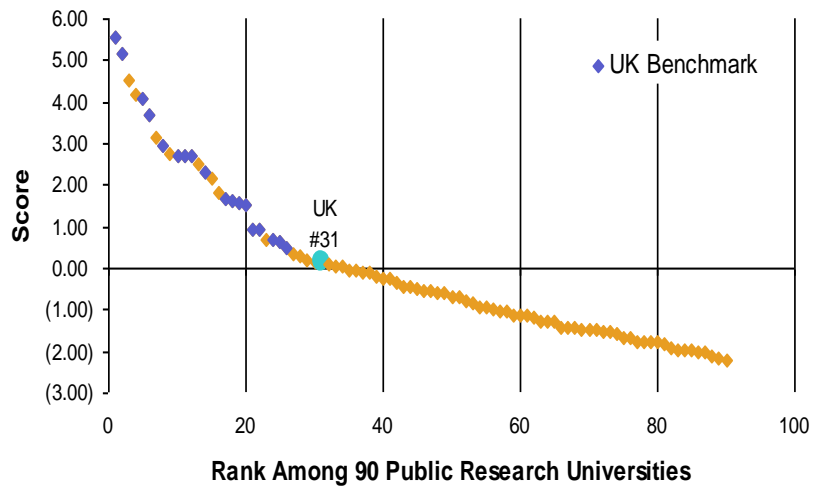
Six-Year Graduation Rate



Graduate Education Domain

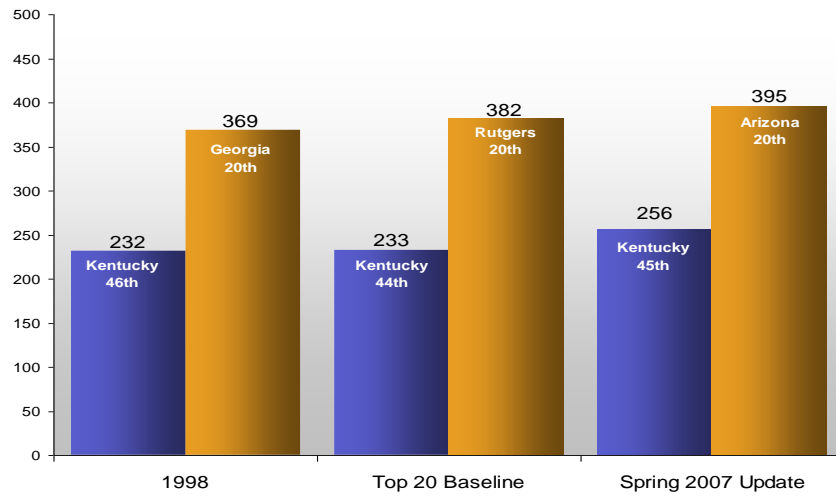
The Graduate Education Domain is composed of doctorates granted and post-doctoral appointments. UK's rank improved from 34th to 31st, due to a substantial increase in postdoctoral appointments.

Graduate Education Domain

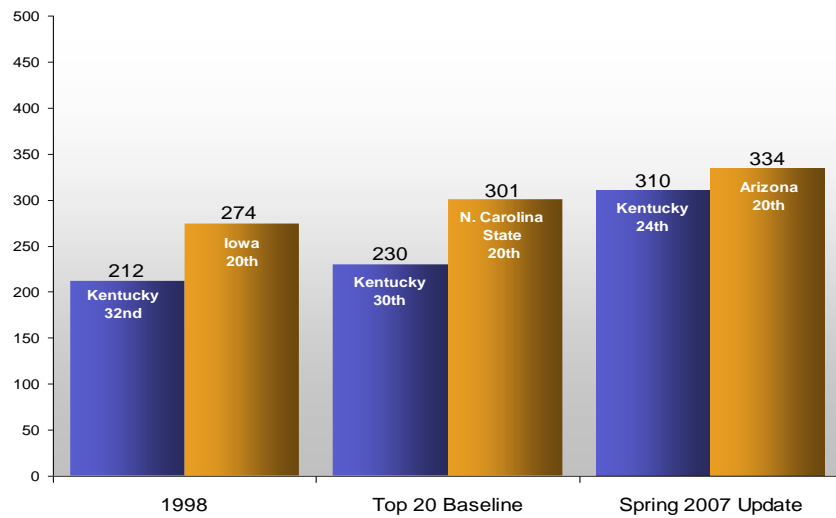


The charts below provide additional insights into UK's progress on the Graduate Education Domain:

Doctorates Granted



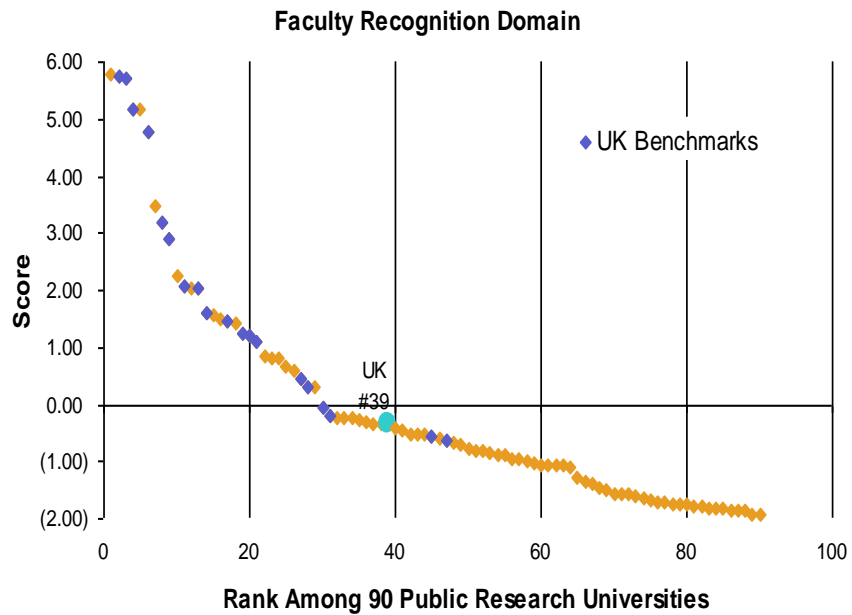
Postdoctoral Appointments



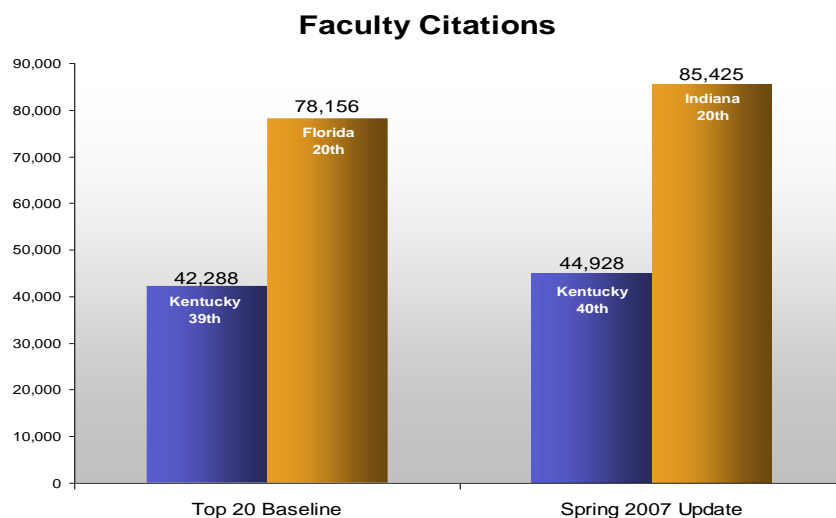
Faculty Recognition Domain

The Faculty Recognition Domain is composed of citations of faculty research and faculty awards. UK's rank dropped from 37th to 39th, due to a slight decline in the faculty citations rank and a substantial decline in the ranking for faculty awards.

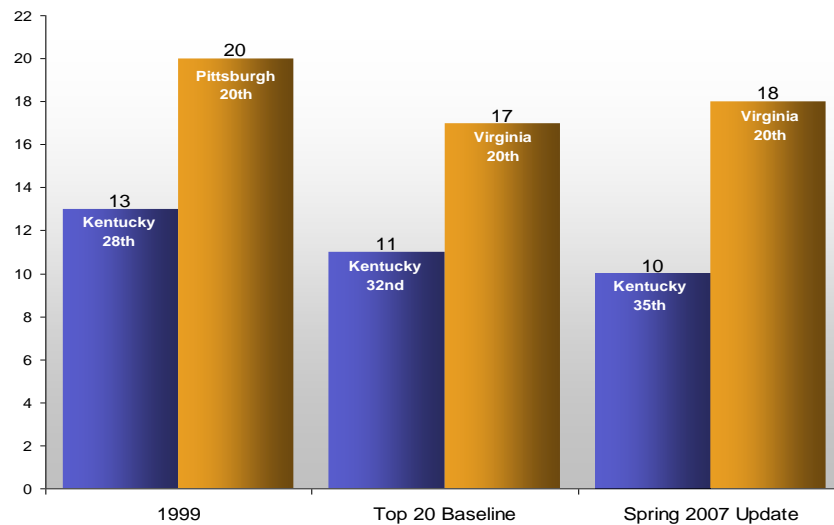
These measures are based on the total productivity of UK faculty. On a per faculty member basis, UK ranked 19th in faculty scholarly activity among public universities, according to Academic Analytics.



An updated gap analysis (see charts below) provides additional insights into UK's progress on the Faculty Recognition Domain.



Faculty Awards

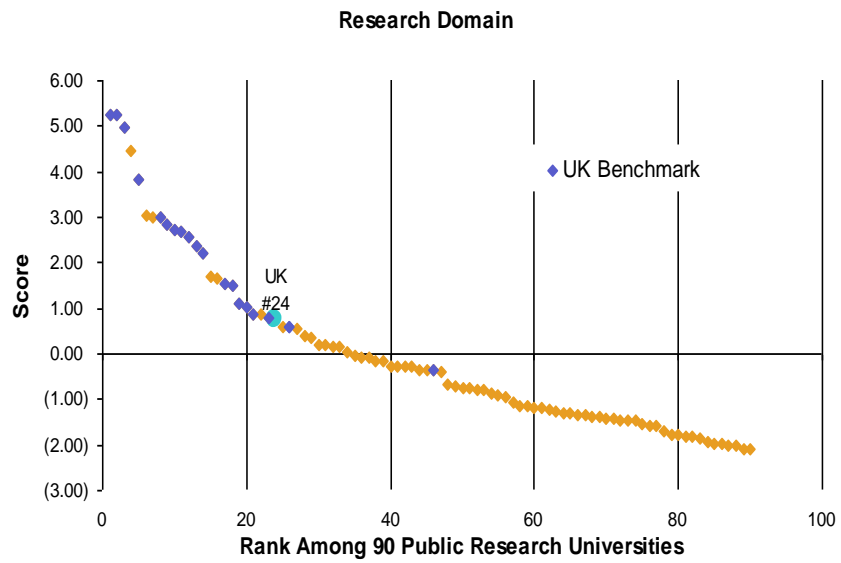


UK's rank on faculty awards dropped from 32nd to 35th in 2006-07 due to a decline from 11 to 10 in the number of awards tracked and reported by TheCenter¹ in its annual report. The small number of awards tracked by TheCenter creates volatility in this measure. UK is reviewing other promising sources for obtaining more stable and comprehensive data to evaluate progress in this area.

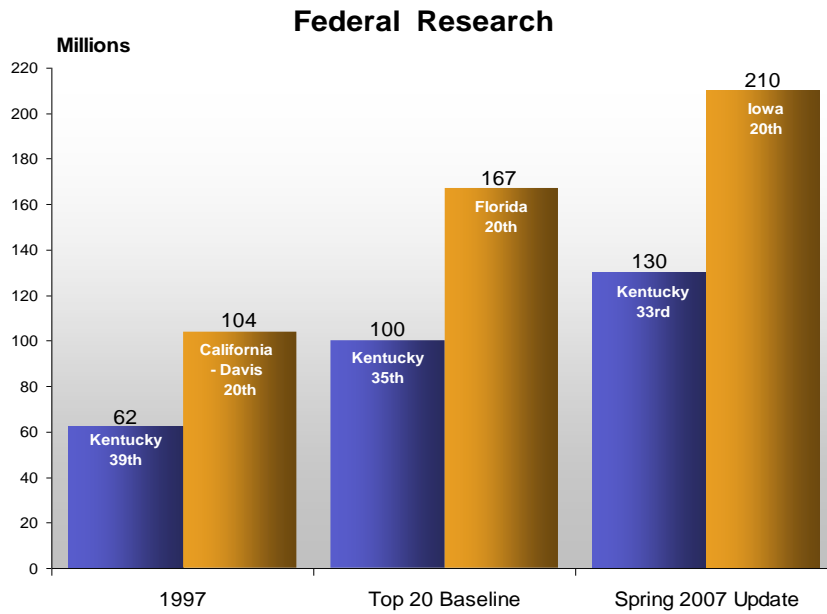
Research Domain

The Research Domain is composed of federal and non-federal research expenditures. Non-federal research expenditures include grants and contracts from state and local governments and industry as well as institutionally-funded research. UK's rank improved from 26th to 24th, due to gains in both areas. Research expenditures are reported to the National Science Foundation and refined by TheCenter to account for multiple institutions that report as a single system.

¹ John V. Lombardi, Elizabeth D. Capaldi, Craig W. Abbey, *The Top America Research Universities 2006 Annual Report*, TheCenter for Measuring University Performance.



Results of the updated gap analysis:





Non-Federal Research

