

INTRODUCTION

The University of Kentucky's commitment, created and nurtured in our land-grant heritage, is to be an unwavering guidepost for the state through our multi-faceted mission of teaching, research, service, and health care. Two years ago, we set forth, together, as a campus and a Board of Trustees on an ambitious path to renew our covenant with the people we serve.

We have responded with sharp focus on the priorities developed by the University Review Committee – chaired by former University Senate Council Chair, Dr. Hollie Swanson – and enforced by the Board of Trustees. The corresponding progress on the respective metrics in the Top 20 Business Plan and the 2009-14 Strategic Plan were used by the University Review Committee and the Board in deliberations about future directions. In general, the University lagged most in metrics associated with undergraduate education and faculty and staff compensation. Measures associated with graduate education, research, service, and diversity and inclusion are basically on track to satisfy quantitative goals (see attachment 1).

Our success over the last two years has been the result of mutual interest in our future, an honest and open dialogue that included the voices of all university and community constituents, and the persistence of a deeply devoted Wildcat family.

Most important to the University's academic integrity was the very successful reaffirmation visit by representatives of the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) in April 2012. Led by Dr. Heidi Anderson and supported by literally hundreds of University faculty, staff and students, this reaffirmation process will confirm the University's accreditation by SACSCOC for the next 10 years. Although a final report will not be issued for several months, the site team was effusive in its praise of our efforts and, most importantly, of the commitment they see at the University of Kentucky to creating a culture of excellence that places students first.

PART I: CONTINUING OUR PROGRESS

At the conclusion of the 2011 "Continuing our Ascent" retreat, the Board of Trustees identified two key priorities distilled from a variety campus feedback and previous research and planning.

I. Priority One: ENHANCE and EXPAND the UNDERGRADUATE EXPERIENCE:

- a. Accomplishments:
 - i. *The 2012-13 First-year Class was UK's largest, most diverse and best prepared class in history:*
 - 1. 4,647 new students, boosting UK's enrollment to 28,928.
 - 2. 71 National Merit and National Achievement Scholars. This is more than double the number in the 2011 class and ranked 11th among 123 public institutions.
 - 3. 51 new Singletary Scholars – nearly double the 2011 class.

4. A 26% increase in African American students enrolled, a 34% increase in non-resident students, and a 96% increase in international students in the first-year class.
5. A record number of doctoral students in professional practice programs.

ii. *Recruitment*

1. Throughout the year, regional recruiters visit high schools; the University hosts luncheons for guidance counselors, students and families both on and off campus; and we organize 12 “see blue” preview nights across Kentucky and nine in out-of-state recruitment markets.
2. I had the pleasure of attending 34 enrollment management events in Kentucky, Ohio, Georgia, Alabama, New York, and Illinois. We hosted Kentucky Collegians and Class of Kentucky for top scholars and recruitment events for transfer, underrepresented and minority students; among others. Additionally, I made approximately 60 calls to top academic prospects.

II. **Priority Two: RENEW and REBUILD the CORE OF A NEARLY 150-YEAR-OLD CAMPUS:**

a. Accomplishments:

- i. *Expeditious planning and implementation of residence hall revitalization*
 1. We entered into a unique partnership – what has been described as a game-changer for higher education – with Memphis-based EdR to revitalize our entire housing stock. As the construction of Phase-I concludes, Phases II-A and II-B are underway, adding eight additional facilities across campus – nearly 4,600 beds and 175 active learning spaces by 2015. With unprecedented expediency, EdR will invest more than \$264 million in our campus living/learning spaces.
- ii. *House Bill 7 passage granting permission for bond authorization for academic and athletic facilities*
 1. Plans are underway for a dramatically renovated and expanded Gatton College of Business and Economics, new Academic Science Building and revitalized Commonwealth Stadium and Nutter Training Center. These three self-funded projects - \$275 million in scope – are made possible with the support of private donors, UK’s Athletics Department, which is making a significant investment in our academic future, and other financing revenue identified through a 2-year budget planning process.
- iii. *Critical to the passage of House Bill 7 was a grassroots communications effort called “BBN United.” It utilized a combination of traditional, social and digital media to build a network of support, including the following:*
 1. News conference with the governor, legislative leaders and legislators supporting House Bill 7

2. Interviews/editorial board with the Herald-Leader, CN2, KSR and Business Lexington.
3. Statewide op-ed distributed to newspapers.
4. Distribution of a campus video and message.
5. A website (bbnited.com) employed to provide information about the projects, and utilized to create a database of – and communicate with – approximately 2,000 supporters.
6. Emails sent to more than 40,000 alumni during key points of the process.
7. Twitter account with 7,000+ followers, and a Facebook page with nearly 1,000 followers.
8. Tweets were sent to legislators who voiced their support and voted for the project.

This level of investment – more than \$615 million – in our campus (see below) requires a comprehensive plan to guide our work. Our current projects – and future space needs – will be brought together under a new Master Plan. For more information, see *Part II*.

UK Capital Construction, 2011-present

Project	Project Total
<i>Purchase Lexington Theological Seminary</i>	\$13,500,000
<i>Renovate/Expand Commonwealth Stadium</i>	\$110,000,000
<i>Construct New Academic Science Building</i>	\$100,000,000
<i>Renovate/Expand Gatton Business and Economics Building</i>	\$65,000,000
<i>Housing Phase II-B</i>	\$101,172,427
<i>Housing Phase II-A</i>	\$138,026,392
<i>Housing Phase I</i>	\$25,200,138
<i>Housing Support (Infrastructure)</i>	\$8,000,000
<i>Campus Security System</i>	\$4,800,000
<i>Renovate Dental Class Labs</i>	\$4,700,000
<i>Renovate Robotics Building</i>	\$2,375,000
<i>Repair/Upgrade/Expand Central Utility Plant Cooling Towers</i>	\$1,310,000
<i>Repair/Upgrade/Improve Mechanical Infrastructure (Steam Line Farm Road)</i>	\$835,000
<i>Expand/Renovate Ambulatory Care: Orofacial Pain Clinic</i>	\$1,448,000
<i>Upgrade/Renovate/Improve or Expand Research Labs (Chemistry/Physics)</i>	\$832,000
<i>Renovate Track and Field Facility</i>	\$13,000,000
<i>Construct UK/Nicholasville Road Flood Mitigation</i>	\$8,015,463
<i>Renovate/Upgrade Softball Complex</i>	\$9,700,000
<i>Renovate/Expand Soccer Facilities</i>	\$7,000,000
<i>Upgrade Parking Garages</i>	\$1,000,000
	\$615,914,420

In addition to the two strategic priorities identified at the 2011 Retreat, four areas of focus were identified in my 2012-13 performance evaluation. Progress in each of the four areas is described below.

I. Focus Area One: LEADERSHIP, DIVERSITY and ORGANIZATIONAL STRUCTURE

The value of shared dialogue and transparency continue to undergird my leadership philosophy as President. Over the last year, I have filled several critical senior academic and administrative

positions and several searches are underway. In each process, we ensured the search committee was a diverse, representative body selecting from an equally diverse candidate pool.

a. *Administrative Appointments*

- i. Provost – **Dr. Christine Riordan**, Dean of the Daniels College of Business at the University of Denver, will join UK as Provost beginning in August 2013.
- ii. Executive Vice President of Finance and Administration – **Mr. Eric Monday**, the former Vice Chancellor of Finance and Administrative Services at LSU, joined UK as Executive Vice President of Finance and Administration in December 2012.
- iii. General Counsel – **Mr. Bill Thro**, the former General Counsel at Christopher Newport University, accepted the offer to serve as the University’s General Counsel in September 2012.

b. *College Leadership*

- i. **Dr. John Walz** began his tenure as Dean of the College of Engineering in September 2012, following Dr. Tom Lester’s return to the faculty in the College.
- ii. Two interim deans were appointed in the colleges of Design – **Prof. Ann Dickson** – and Health Sciences – **Dr. Sharon Stewart** – following the promotions of their deans to positions at Syracuse University and Appalachian State University, respectively.
- iii. An interim dean has been appointed for the College of Nursing – **Dr. Patricia Howard** – following the former dean’s relocation to pursue personal and professional opportunities. A search committee is currently reviewing applications and planning to conduct interviews and candidate visits in the fall.
- iv. **Dean Scott Smith**, who will return to the faculty when his successor is named, continues to lead the College of Agriculture during its search process. A search committee – comprised of college, community and industry constituents – is reviewing applications and planning to conduct interviews and visits in the fall. I have met with numerous agriculture policy leaders and constituency groups to receive input on what we need to be mindful of during this search process.

c. *Diversity*

- i. Over the last year, as senior administrative positions opened, I have emphasized the importance of a diverse candidate pool for interim and permanent appointments, and maintained a commitment to attracting the most qualified candidates who bring a new vantage point and decision-making process to the table. Four of the seven appointments listed in the prior section went to women.
- ii. Four critical direct report posts have changed since 2011: the Executive Vice President of Finance and Administration, Chief of Staff, General Counsel and

Provost. The average age of individuals in these four positions has decreased from 66 years of age in July 2011 to 46 years of age. Among them is Dr. Christine Riordan, who will soon begin her role as the university's highest ranking and chief academic officer - a position vital to the UK's success.

d. *Organizational Structure*

- i. Office of the Provost – I asked Interim Provost Tim Tracy to undertake a reorganization of the Provost's Office to streamline workflow, focus on student success and reduce a large administrative structure. The following is a summary of the office's new structure:
 1. Created the Senior Vice Provost for Student Success and the Senior Vice Provost for Academic Planning, Analytics and Technologies, which tie together our collection and analysis of "big data" with our student success initiatives.
 2. Eliminated four associate provost positions and transferred two units to colleges.
 3. Reduced the number of direct reports to the Provost from 35 to 24.
- ii. Office of Commercialization and Economic Development – In 2012, the Vice President for Commercialization and Economic Development position was eliminated following Len Heller's retirement. The component parts of the office were redistributed throughout the campus:
 1. Coldstream Research Campus reports to the Executive Vice President for Finance and Administration.
 2. Centers for intellectual property (IP) incubation and commercialization reports to the Vice President for Research.
 3. Programs that help foster entrepreneurial efforts and small business development will report to the colleges of Business and Economics, and Agriculture.

II. **Focus Area Two: COMMUNICATIONS and CONSTITUENT RELATIONS**

- a. *Board of Trustees communication and engagement*
 - i. 80 emails to Board members regarding issues in higher education, news stories, campus announcements, new hires and partnerships, university successes, and campus messages.
 - ii. More than 60 meetings and events with Board members, in addition to regular phone calls and interactions at athletics, alumni and/or development events.
 - iii. Provision of "UK in the News;" a daily (weekdays) summary of UK media coverage across the state and nation.
 - iv. Creation of a discussion session at the end of each Board of Trustees meeting.
 - v. One-on-one meetings with Board members, either on campus or in their community.
 - vi. Two-day retreat in October to discuss progress and identify key guiding principles.

- vii. Consistent, continuous availability for questions, comments and meetings with Board members.
- b. *Campus broadcast email and letters*
- i. 37 campus-wide broadcast emails regarding a diverse range of topics critical to UK, including the budget, tuition, new hires, immigration reform, new partnerships (Coursera and EdR), institutional milestones in capital improvement and enrollment, and others.
 - ii. Several hundred letters/email to faculty, staff, students, alumni and friends across the community, state and nation to congratulate, thank, recommend and support their work.
- c. *Media*
- i. Interviews and/or Editorial board with Lexington Herald-Leader, Louisville Courier-Journal, Paducah Sun, Owensboro Messenger Inquirer, Elizabethtown News-Enterprise, Business Lexington, WPSD-Paducah, Kentucky Kernel, and Hemispheres Magazine.
 - ii. A special 30-minute broadcast from WKYT, distributed through much of the state, discussing UK's priorities for the coming year.
 - iii. National interviews with Inside Higher Ed, The Chronicle of Higher Education and the Wall Street Journal.
 - iv. Multiple interviews on statewide radio, KSR, WUKY, Big Blue Insider, and KET
 - v. 16 press conferences/events, averaging more than one per month.
- d. *Speeches*
- i. More than 200 speeches, welcome remarks and major addresses across the University, local community, state and nation. Examples include: State of the University address to the University Senate, University Senate Forum, Campus Budget Forum, Kentucky Chamber of Commerce Business Summit, several K Week events, the Global Health Conference, fall and spring Commencement, Martin Luther King, Jr. program, ROTC commissioning, Bingham McCutchen grand opening, Eastern State Hospital ribbon cutting, and many more.
- e. *Social Media*
- i. Twitter (@UKYPres): 680 updates; 5,580 followers
 - ii. Facebook (www.facebook.com/UKELiCapilouto): 1,291 Facebook fans
 - iii. 44 blog entries and several video messages since June 15, 2012.
 - iv. Utilized UK athletics social media platforms – including Coach Calipari's nearly 2 million Twitter followers – to disseminate academic messages, including support for the BBNUnited effort regarding House Bill 7.
- f. *Government Relations*
- i. Local Officials
 - 1. Communicated regularly and often with Lexington Mayor Jim Gray.
 - 2. Hosted the four new Lexington-Fayette Urban County Government Council members on campus after they were sworn into office.

ii. General Assembly

1. Worked closely with Governor Steve Beshear, Senate President Robert Stivers and Speaker of the House Greg Stumbo to pass House Bill 7 authorizing UK to borrow and spend a total of \$275M on three critical construction projects (see above).
2. Traveled the state extensively to meet with key legislators.
3. During and prior to the legislative session met with:
 - a. All members of House and Senate leadership and the Governor
 - b. Both Senate and House Appropriations & Revenue Committee chairs and Education Committee chairs;
 - c. Members of the Fayette delegation;
 - d. Many members of both Appropriations & Revenue committees;
 - e. Testified to both the Senate and House Appropriations & Revenue committees regarding House Bill 7 – acted as the spokesperson for all of the state universities.
 - f. Hosted 34 legislators as personal guests at basketball games.
 - g. Met or appeared before more than 60 legislators this past year – many more than once – in their communities, on campus and in Frankfort, KY.

iii. Federal Relations

1. Traveled twice to Washington, D.C. to meet privately with all members of the Kentucky congressional delegation.
2. Hosted Senator Rand Paul and Congressman Andy Barr twice each on campus.
3. Hosted Congressman Hal Rogers for lunch at Maxwell Place, hosted the Congressman and the Rogers Scholars reunion, and had dinner with Congressman Rogers in DC.
4. Met with Senate Minority Leader Mitch McConnell in advance of the Senator's campus lecture on Henry Clay and in Washington as part of a select delegation from the Association of Public Land Grant Universities to discuss the federal budget.
5. Signed letters on federal initiatives supporting continuation of student financial aid, international program support, R&D tax credits, impact of sequestration, and immigration reform.

g. *Alumni*

- i. More than 60 events, meetings and announcements with alumni and friends of the University, including pregame receptions in advance of football and basketball games; meetings with the National Alumni Association; the UK Advocacy Network; and club meetings in Hopkinsville, Henderson, Owensboro, Lexington, Louisville, and Winchester; as well as Dayton, OH; Napierville, IL; Mountain Brook, AL; Atlanta, GA; Nashville, TN; Houston, TX; Duluth, GA; and Scottsdale, AZ.

h. *State and Local Community*

- i. More than 75 events, meetings, announcements and programs with community and business leaders throughout Lexington and the state, including: Somerset, Henderson, Hopkinsville, Owensboro, Paducah, Louisville, Richmond and Northern Kentucky.
- ii. Events included the Kentucky Business Summit; state and local chamber events; Rotary and professional societies; Lexington's Martin Luther King, Jr. celebration; several press conferences; benefits and fundraisers with non-profit entities; and a broad series of community meetings regarding the Master Plan.

i. *Higher Education*

- i. More than 50 events, meetings and programs with public and private college and university presidents in Kentucky and out-of-state; national organizations such as the Association of Governing Boards and the Association of Public Land Grant Universities; and the Southeastern Conference. Signed a Memorandum of Understanding with a group of independent Kentucky colleges and universities to provide professional development opportunities to prepare graduate students for future faculty appointments.

j. *Campus*

- i. More than 50 events, meetings and programs with faculty including several faculty roundtable discussions, regular meetings with the University Senate and Senate Council, and college programs and receptions. I also meet on a monthly basis with the Chair of the Senate Council, Dr. Lee Blonder.
- ii. Interim Provost Tracy and I conducted a "listening tour" – spending two hours with each college, UK Libraries and the Graduate School.
- iii. More than 24 events, meetings and programs with staff to discuss and answer questions related to important campus issues; celebrate successes and thank staff for their dedication to UK; and listen to ideas, comments and concerns on a range of topics. In the spring, I increased the number of staff breakfasts from once a month to bi-monthly. I also meet on a monthly basis the Chair of the Staff Senate, Mr. Mike Adams.
- iv. Approximately 80 events, meetings and programs with students. Among these were: K Week, Honors Program, the Leadership Development Program, UK 101, Harambee Ceremony, Posters-At-The-Capitol, DanceBlue, FUSION, student performances in the College of Fine Arts, the University Awards Banquet, and several dinners/luncheons with student groups. I also meet twice a semester with the student government president.

k. *Maxwell Place*

- i. As the University's residence, Mary Lynne and I hosted nearly 80 events at Maxwell Place in the last year, including entertaining international guests; tribute dinners for generous donors; student, faculty and staff dialogues; receptions for college events; appreciation cookouts for campus units; co-hosting programs with community partners; and celebrating successes of the UK family. More than 2,000 individuals have been guests for these events.

III. **Focus Area Three: FINANCIAL MANAGEMENT:**

a. *Debt Study*

- i. Careful stewardship of the University of Kentucky's resources remains a top priority. As we begin to address more than \$1 billion in differed maintenance and capital needs, I commissioned Prager & Co., LLC to analyze our institutional debt capacity. In determining our affordability and capacity, Prager examined several internal/external factors and three critical ratios: expendable resources to debt, debt to revenues and debt service to operations.
- ii. Their conclusion: "The University has substantial debt capacity barring any material deterioration in the non-debt related drivers of credit strength. Based on our analysis, we estimate that there is an additional \$450-\$650 million of debt capacity at the current rating level."

b. *2013-14 Operative and Capital Budget*

- i. The 2013-14 capital and operating budget is the culmination of a two-year planning process. In that time, we have made difficult decisions, shared an open dialogue, balanced strategic priorities, and drafted a budget that builds on our success. In the fall 2011, we began planning what we wanted to accomplish with our limited resources during the next two years.
- ii. In May 2012, we discussed the preliminary 2013-14 budget plans with campus constituents. These plans called for more realignment of resources including an additional 6.4 percent budget reallocation for administrative and support units and 4.2 percent for academic units; respecting "access and affordability" concern by restraining tuition increase to three percent; a five percent salary plan; and long term set-asides to support nearly \$200 million for campus rebuilding.
- iii. The ongoing conversation with campus constituents over the next six months and the recruitment of more students and a higher non-resident student mix led to revisions to the proposal.
- iv. The budget reallocation effective July 1, 2013 for the academic core was reduced from 4.2 percent to 2.0 percent. The academic unit reductions were effectively reduced to 1.0 percent through a values-based funding initiative led by the Provost. Administrative and support units will absorb a lesser reallocation as well

-- 5.0 percent in lieu of 6.4 percent. The proposed reallocations are necessary to fund investments and commitments that will strengthen our future. In combination with significant revenues made possible through record enrollment, the final budget featured the following:

1. Limited the tuition and mandatory fee increase for resident students to three percent -- the lowest increase in 15 years;
2. Established a five percent merit salary pool while holding constant the employee benefit cost for parking and health care;
3. Set aside an annual \$10 million capital renewal fund to support \$170-200 million of campus construction.

Investments for the coming year align with the 2009-14 Strategic Plan in the following way:

	Investment (in thousands)	Goal 1: Students	Goal 2: Research	Goal 3: Faculty, Staff and Facilities	Goal 4: Diversity	Goal 5: Service
<i>Faculty investments</i>	\$1,166	X	X	X	X	X
<i>Faculty & staff merit salary increase, benefits</i>	\$20,521	X	X	X	X	X
<i>Undergraduate and graduate scholarships</i>	\$7,340	X	X		X	X
<i>Facility M&O</i>	\$3,503	X	X	X		X
<i>Capital renewal</i>	\$1,000	X	X	X		
<i>Capital debt service pool</i>	\$5,454	X	X	X		
<i>Values-Based Performance Funding Provost Council on Metrics</i>	\$3,900	X	X	X	X	X
<i>Other</i>	\$1,624	X	X	X		
<i>Strategic Investments:</i>						
<i>Tuition incentive programs</i>	\$4,596	X	X	X		X
<i>Academic and student support</i>	\$3,232	X	X	X	X	X
<i>Community of Concern</i>	\$1,172	X		X		
<i>eLearning initiatives</i>	\$1,128	X		X		X
<i>Accountability and IT systems</i>	\$715	X	X	X	X	X
<i>Libraries</i>	\$500	X	X	X		X
<i>Misc</i>	\$1,225	X	X	X	X	X
Total Investments	\$57,076					

IV. Focus Area Four: DEVELOPMENT:

Fundraising is a shared responsibility among a wide group of institutional leaders. I work with the deans of our academic colleges – in close collaboration with the VP for Development and his office – to create and sustain a culture of philanthropy. Our collaborative success in generating private support is a critical part of moving the University forward in priority areas.

Focusing on the new Gatton College campaign, I was delighted to work closely with our Vice President for Development Mike Richey and Dean David Blackwell to cultivate and solicit three new \$5 million commitments to this priority. Gifts and pledges to the Gatton College campaign have reached \$35 million – more than halfway toward the \$65 million goal. I have made numerous personal visits to Arizona, California, Florida, Kentucky, Ohio, Virginia, Tennessee and Texas to meet with individual prospects for this campaign.

Over the last year, I have maintained an extensive schedule of events designed for me to meet prospects and donors and encourage their investment in priority areas:

- a. Individual meetings with Major and Principal Gift Prospects
- b. Meetings with Foundations and Corporations
- c. Tribute dinners to recognize leading donors who have helped transform the University.
- d. Cultivations and Recognition Events for High-End Donors: Over the past twelve months, I have hosted six Fellow Society events (major gift donors) with over 1,196 donors in attendance, and more than 65 strategic events, dinners and meetings with alumni, friends, corporate and foundation donors and prospects in Kentucky and in other states including North Carolina, New York, Ohio, Atlanta, Texas, Tennessee, Arizona and California.

At the time of preparing this self-evaluation, our FY13 gift activity, in cash and new commitments, totaled almost \$114 Million, as compared to a little over \$105 Million at the end of FY12 – an increase of 8% with an additional month still that will add to this year’s total.

PART II: BUILDING A TWENTY-FIRST CENTURY UNIVERSITY

At the conclusion of the 2012 Board retreat, six key priorities distilled from the discussion topics. Below are the steps that have been taken to fulfill these guiding principles.

I. Guiding Principle One: CONTINUING EMPHASIS on UNDERGRADUATE EDUCATION/INFRASTRUCTURE:

- a. The Office of Student Success was created during the reorganization of the Provost’s office; bringing together five divisions closely tied to the recruitment and matriculation of students: Enrollment Management, Student Affairs, Undergraduate Education, the Center for the Enhancement of Learning and Teaching (CELT) and International Studies. Below is a selection of major accomplishments over the last year:
 - i. Developed the Student Success and Graduation Task Force including deans, senior administrators, faculty and students to find ways to improve student retention and time to degree rates.
 - ii. Developed a strategic model, Finishing with Class, which identifies enabling conditions as well as six strategic goals for success.
 - iii. Created a new office for Assistant Provost for Student Success and Retention Officer
 - iv. Conducted focus groups with freshmen and sophomores to triangulate open-ended responses with survey data--study was critical in visioning strategies for going forward.
 - v. Invested in an e-resource center that offers a one-stop shop for student services.
 - vi. Designed, developed and opened a much needed second peer-tutoring operation on North campus similar to The Study.

- vii. Created the Academic Retention Network, comprised of student success liaisons from each of the academic colleges and select representatives from the area of Student Success.
 - viii. Developed a new Transfer Center to facilitate transfer student recruitment, admission, and enrollment.
 - ix. Tuition increase limited to three percent – the smallest increase in 15 years.
 - x. Increased institutionally-funded student aid by \$7.3 million to \$75 million.
- b. Additional progress to date on undergraduate education and revitalizing the campus core is included in Part I: Continuing our Progress.

II. **Guiding Principle Two: STRENGTHENING MECHANISMS for FACULTY and STAFF RECRUITMENT, REWARDS and RETENTION:**

- a. Seven months ago, Dr. GT Lineberry was appointed to oversee major developments in the area of faculty advancement. Following the recommendations of the November 2012 Faculty Committee on Review, Rewards and Retention (R3) Report, a seven-person advisory group was created to help prioritize and implement the R3 recommendations. Initiatives underway or completed include the following:
- i. Changes in leave and sabbatical policies
 1. Developing Policy for Modified Duties for Faculty Employees, with the goal of accommodating special family circumstances (e.g., birth/adoption).
 2. Implementing revised sabbatical leave request process.
 - ii. Faculty appointment, promotion, title series, tenure, workload and emeriti status
 1. Having internal discussions regarding possible reconfiguration of faculty title series.
 2. Benchmarked other SEC schools regarding their salary-increment policies for promotion.
 3. Reviewed faculty proposals for phased retirement, endowed and named professorships.
 4. Progress toward wider use of Digital Measures as a web-based tool for organizing and reporting on faculty accomplishments.
 5. Reviewing and considering revisions to Administrative Regulations and Governing Regulations that govern faculty workload and faculty review to establish clear expectations for review and promotion and review.
 6. Developing a strategy for an Emeritus Faculty Enhancement Program. Focus groups with emeriti and senior faculty are planned to gain feedback from stakeholder groups.
- b. Five percent merit raise pool to support our faculty and staff.
- c. New workshops are being created with campus partners to cover: student affairs and success, grant writing, faculty search processes, and a “Chairs Academy” for the

development of new and prospective charges. The traditional faculty development programs will still be offered.

- d. The Office of Faculty Advancement continues to mediate conflicts, hear appeals and grievances, handle complaints, and provide counsel to deans and chairs on rules, regulations, policy, and best practices related to faculty performance issues, potential ethical and behavioral problems, faculty evaluation and review, and other matters related to faculty.
- e. A Performance Evaluation (PE) Task Force reviewed and recommended changes to the current staff evaluation forms. The revised form directly supports the accomplishment of institutional goals and is a mechanism for providing employees with meaningful feedback about performance and contribution to achieving institutional goals. The revised form will be fully implemented in 2013-14.

III. **Guiding Principle Three: CONDUCTING an ASSESSMENT of WHAT CONSTITUTES a STRONG ENVIRONMENT for RESEARCH, CREATIVE SCHOLARSHIP, and GRADUATE EDUCATION:**

- a. As Kentucky's flagship research university, a fundamental component of our mission is research and graduate education. I asked Vice President for Research, Dr. Jim Tracy, to conduct an assessment of our research and graduate enterprise. Preliminary findings include:
 - i. A summary of our success in collaborative research areas – the value of having multiple colleges on a single campus is a strong advantage for UK. Our Clinical and Translational Science Award and partnerships on campus are yielding exciting discoveries.
 - ii. Predicted decline in federally funded research – the National Institutes of Health (NIH) is UK's primary source of federal research funding. While the NIH budget was doubled in 2003, when adjusting for inflation, President Obama's budget proposal is \$4 billion lower than 2003. Further, the number of funded research grants has declined every year since then.
 - iii. The related impact on UK's research goals. Written amidst a more robust economy, the Top 20 Business Plan projects UK's federal research expenditures would reach \$254 million and total expenditures reported would reach \$476 million by FY12. In reality, non-stimulus federal expenditures in FY12 were closer to \$210 million, or 17 percent below target. Projections by the Office of Sponsored Projects estimates that our total R&D expenditures reported to the National Science Foundation (NSF) will range from \$380-390 million in FY12, which is \$95 million short of the amount projected in the Top 20 plan. The 2009-14 Strategic Plan projects total R&D expenditures reported to NSF to increase to \$430 million by FY2014, which may be achievable, though it would be a "stretch

goal.”

- iv. Additional data collected by Dr. Tracy include trends in the following:
 1. Publication, citation and recognition data;
 2. Intellectual property data;
 3. Research space utilization;
 4. Distribution of effort and funded effort analysis;
 5. Areas of excellence and emerging strengths;
 6. The uses and benefits of \$124 million in institutional funds to support research;
 7. F&A income distribution;
 8. And methods for enhancing partnerships with the Graduate School.

The information assembled in this preliminary analysis will be used in broader dialogue to develop a short- and long-term research strategy. This is consistent with action taken during the May 2013 meeting of the UK Research Foundation (UKRF), in which the Board approved a motion to “conduct an assessment of current expenses and investment categories for appropriateness and develop a three-year strategic plan for dealing with projected declines in F&A revenue ... The review is to be completed within 90 days and submitted to UKRF Board for its consideration.” The assessment will be a part of campus-wide dialogue and the 2013 October Board of Trustees Retreat.

- b. The University continued its strong commitment to educating graduate and professional students. In 2012-13, the institution spent \$42.9 million on financial aid to graduate students – representing nearly twice the amount spent on undergraduate student assistance (\$23.8 million). For 2013-14, we have budgeted an additional \$7.3 million in graduate student assistance to boost such aid to \$50.2 million, two times what we have budgeted for undergraduate students (\$24.3 million). It is important to note that this financial assistance from the University that does not have to be repaid.

In 2012-13, 2,517 graduate and professional students received assistance (or 34% of the total number of such students enrolled at our University).

Such investments have resulted in considerable progress in already achieving our Strategic Plan goal to “Increase research and professional doctoral degrees awarded per academic year to 780” by 2014. In 2012-13, we awarded 888 such degrees.

IV. **Guiding Principle Four: CONTINUING the DEVELOPMENT and INTRODUCTION of the VALUES-BASED FINANCIAL MODEL:**

- a. Led by Interim Provost Tim Tracy, the values-based financial model implementation has involved a major outreach and communication effort that has created understanding and support for the new model by working with the colleges/units to educate them on the substance and process of implementing the new model, soliciting their ideas,

addressing their concerns, brainstorming opportunities, and keeping them engaged in the process. To date, there have been:

- i. 11 Financial Model Steering Committee meetings
 - ii. 11 Business Officers Work Group meetings
 - iii. Close coordination with the Provost's Council on Metrics
 - iv. Hundreds of (large/small group) meetings with faculty, chairs, directors, staff, and deans
 - v. A constantly maintained Financial Model Implementation website
 - vi. Two Town Hall meetings (live streamed, recorded and posted on the website)
 - vii. Broadcast e-mail updates and timely responses to ad hoc community concerns and input.
- b. Feedback and input collected through our outreach and education efforts has been synthesized and incorporated into the model. This has involved ongoing technical refinements to the model and the building of numerous modeling scenarios in order to analyze the potential impact of different options. This has also involved ongoing collection, analysis, and refinement of data driving the model in order to ensure its integrity and reliability.
 - c. Launched further discussion with thought leaders to validate and confirm the substance of the new model in terms of preliminary assumptions governing revenue and expense allocations, as well as testing and refining a presentation and communications strategy for broadly sharing the model with deans, faculty, staff, and students.
 - d. Plan to utilize FY14 as a "parallel process" year, in which Colleges will be able to see their budgets under the values-based model compared against the current model. Leading up to "go-live" in FY15, expecting the model and assumptions will be refined and building sufficient time, education and training for colleges and administrative units to manage successfully under the new model.

V. **Guiding Principle Five: DEVELOPING a PLAN for IMPLEMENTING INNOVATIVE, TECHNOLOGY-RICH DELIVERY to ADDRESS NEEDS in a CONSTANTLY CHANGING LEARNING ENVIRONMENT:**

- a. Through an internal grant process, the Office of Academic Planning, Analytics and Technologies is supporting faculty researchers interested in learning and technology. This grant program encourages the application of cognitive/non-cognitive models using current adaptive learning methods or tools. The goal is to support faculty developing methods for measurably and sustainably improving instructional delivery and learning outcomes in all content areas.
- b. At the end of the spring semester, UK announced a partnership with Coursera, a leading MOOC platform, to create online courses that improve the readiness and performance of current and incoming college students. UK was among 10 leading universities and university systems included in this latest phase of Coursera partnerships. Our first

online Coursera course will be designed to help students prepare themselves for university-level chemistry classes and to support current students in existing chemistry classes with supplemental materials. Its design will also assist high school instructors in preparing their students for university-level chemistry.

- c. The eLearning Innovation Initiative (ELII) will launch a 3-year, 3 funding track, \$3 million dollar effort beginning in Summer 2013. The program is designed to:
 - i. Help faculty redesign courses with ‘flipped’ class designs and adaptive learning.
 - ii. Help colleges/departments redesign degree programs to fully online programs.
 - iii. Provide faculty with courses on active learning, instruction methods, and technology.
- d. In fall 2013, five specialized learning areas will open in W.T. Young Library. Known as “The Media Depot,” the space will provide online assistance, recording equipment, editing machines for group work, “Bring Your Own Device” areas, and “media experts” to assist students.

VI. **Guiding Principle Six: CONTINUING to DEVELOP a MASTER PLAN that CREATES a 21st CENTURY LIVING and LEARNING ENVIRONMENT and is SENSITIVE TO COMMUNITY CONCERNS:**

- a. For nearly one year, we have worked with Sasaki Associates to envision how we utilize and build a 21st century university that meets the needs and demands of our faculty, staff, students and community. The Master Plan ties together the campus’ physical future and helps us envision a campus that emboldens our mission. The considerations guiding the Plan include the academic environment, campus life, mobility, growth, community, sustainability and civic structure.
- b. To date, we have held 50 meetings with UK administration; faculty, staff and students; Lexington-Fayette Urban County Government Planning, Engineering and other city officials; adjacent neighborhood associations; local landlords and business owners; and our area faith community. All details/presentations have been posted to a website, www.uky.edu/masterplan. A more in-depth presentation will be part of the 2013 Board of Trustees retreat.

PART III: ADDITIONAL CONSIDERATIONS

I. **RECENT SUCCESSES in UK HEALTHCARE**

- a. 2012-13 was an extraordinary year for UK HealthCare in spite of a contraction in the health care market locally and regionally, and a difficult health environment at the federal and state level,
 - i. Ranked #1 Hospital in Kentucky by US News & World Report

- ii. UK Chandler Hospital became the fifth medical center in the U.S. to receive triple designation for ECMO and is a designated ELSO Center of Excellence.
- iii. UKHC finished 2012 with 34,453 inpatient discharges (6% increase over 2011) and 448,673 outpatient visits (7.6% increase over 2011).
- iv. Partnered with Louisville-based Norton Healthcare in a Partnership for Quality focused on improving the health of Kentucky's residents. In the area of stroke alone, the partnership creates a system of 20 hospitals networked to improve stroke care in the state.
- v. UKHC partnered with the state to manage and construct Eastern State Hospital at Coldstream. The partnership creates a continuum of care for patients with behavioral health needs and expands opportunities for our academic, clinical and research missions.
- vi. The Markey Cancer Center made great progress toward National Cancer Institute Designation, receiving \$10.8M in NCI research funding.

II. RECENT SUCCESSES in UK ATHLETICS

- a. UK Athletics continues to make strides toward building a program that both competes at the highest level in each of its 22 sports and emphasizes character in all areas.
- b. UK Athletics' success in the classroom and community:
 - i. UK's scholarship student-athletes met Athletics' goal of a 3.0 grade-point average for both semesters, including a record 3.14 GPA this spring.
 - ii. Six-year graduation rates have continually increased over the past 10 years and now equal or exceed the rate for all students.
 - iii. Forty-nine current and former student-athletes received degrees at May Commencement.
 - iv. The Wildcats also spent thousands of hours serving both inside and outside the Lexington area. This May, three football players traveled to Ethiopia for a weeklong service trip.
- c. Wildcat student-athletes are excelling individually and in competition:
 - i. A'dia Mathies defended her SEC Player of the Year title as Women's basketball won a program-record 30 games and advanced to the Elite Eight for the third time in four years.
 - ii. Chelsea Oswald and Megan Moir won the H. Boyd McWhorter Female Scholar-Athlete of the Year and Brad Davis SEC Female Community Service Leader of the Year.
 - iii. Rifle won the regular-season conference championship and finished as national runner-up.
 - iv. Softball set a new standard with 41 wins and hosted a Regional at John Cropp Stadium.
 - v. Women's and men's soccer, volleyball, men's tennis hosted NCAA Tournament rounds.

- vi. Mark Stoops had a successful first six months, including 50,831 fans at the Spring Game.
- d. UK Athletics made substantial and unprecedented financial contributions to the University:
 - i. Athletics' expanded its contribution to academic scholarships to \$3 million this past year.
 - ii. UK Athletics also pledged to fund \$65 million to a new Academic Science Building.

PART IV: ATTACHMENT I

2009-14 STRATEGIC PLAN STATUS REPORT SCORECARD

Goal 1: Prepare Students for Leading Roles in an Innovation-driven Economy and Global Society.

Metrics		Goal	Baseline	Year 1	Year 2	Year 3	Year 4
1-1	Increase the 75 th percentile of the ACT Composite score to 28 for the first-year class.	28	22-27	22-28	22-28	23-28	23-28
1-2	Reduce the undergraduate student-to-faculty ratio to 17 to 1.	17 to 1	17.8 to 1	17.7 to 1	17.7 to 1	17.5 to 1	18.2 to 1
1-3	Increase the first-to-second year retention rate to 85 percent.	85%	81%	80.3%	81.8%	81.5%	81.3%
1-4	Increase the number of high impact co-curricular activities that support the student's classroom experience in the areas of research, community service, leadership development, internationalization, and inclusion.	Show Increase	--	400	748	774	Available June '13
1-5	Increase the six-year graduation rate to 64 percent.	64%	57.7%	59.5%	58.2%	59.2%	57.6%
1-6	Improve undergraduate performance on the Collegiate Learning Assessment as measured by value-added statistics: Cross Sectional Study / Longitudinal Study *Year 1/Year 2 Fall 2007 cohort; Year 3 Fall 2011 cohort	Improve performance	Above Expected / As Expected	--	Near Expected	51% performed Above/Well Above Expected*	Final Administration will occur Spring '15
1-7	Exceed benchmark averages on pass rates of first-time test takers in professional programs with licensure examinations.	Exceed benchmarks	92%	79%	80%	80%	Available June '13
1-8	Increase bachelor degrees awarded per academic year to 3,925.	3,925	3,775	3,650	3,521	3,712	3,735
1-9	Increase master's degrees awarded per academic year to 1,450.	1,450	1,311	1,334	1,211	1,307	1,231
1-10	Increase research and professional doctoral degrees awarded per academic year to 780.	780	717	719	734	783	888
1-11	Increase degrees awarded per academic year in science, technology, engineering, and mathematics (STEM) disciplines, including degrees that prepare teachers in STEM disciplines, to 1300.	1,300	1,181	1,089	1,056	1,050	1,063

2009-14 STRATEGIC PLAN STATUS REPORT SCORECARD

Goal 2: Promote Research and Creative Work to Increase the Intellectual, Social, and Economic Capital of Kentucky and the World Beyond its Borders.

Metrics		Goal	Baseline	Year 1	Year 2	Year 3	Year 4
2-1	Increase total annual research expenditures, as reported to the National Science Foundation in science and engineering fields, to \$430 million.	\$430 million	\$329 million	\$352 million	\$360* million	\$373 million	\$361 million
2-2	Increase the five-year total for journal publications to 10,000.	10,000	8,991	9,413	9,858	10,064	10,358
2-3	Increase the five-year total for citations to 65,000.	65,000	52,169	56,520	62,226	62,715	65,311
2-4	Increase total annual invention disclosures, licenses, and options executed, and startups based on new licenses to 132.	132	118	106	121	72	97
2-5	Increase total annual national and international recognition awards for research excellence.	Show Increase	--	75	58	170	235

Note: Beginning in FY 2009-10, the Higher Education Research and Development survey includes all fields of R&D activities and expenditures in both science and engineering and non-science and engineering.

2009-14 STRATEGIC PLAN STATUS REPORT SCORECARD

Goal 3: Develop the Human and Physical Resources of the University to Achieve the Institution's Top 20 Goals.

Metrics		Goal	Baseline	Year 1	Year 2	Year 3	Year 4
3-1	Increase the average all-ranks instructional faculty salary as a percent of the benchmark median to 90 percent.	90%	83.9%	83.0%	82.4%	83.6%	Available July '13
3-2	Improve work-life satisfaction among faculty and staff, according to results of the University-wide Work-Life Survey ¹ <ul style="list-style-type: none"> • Commitment Scale (Faculty / Staff) • Satisfaction Items (Faculty / Staff) 	Show Increase	3.42 / 3.92 3.44 / 3.68	--	3.52 / 3.99 3.75/3.73	--	Next report fall 2014
3-3	Improve the ranking among public research universities of UK Libraries, according to the Library Investment Index of the Association of Research Libraries.	Show Increase	35 th	35 th	35 th	35 th	Available fall 2013
3-4	Increase the percent of staff at the appropriate point between the minimum and mid-point of the pay grade, based on performance and years of experience, to 90 percent.	90%	76.1%	74.8%	76.5%	79.1%	78.6%
3-5	Achieve parity commensurate with Top 20 public research universities for information technology solutions and service.	Achieve 100%	--	25%	75%	88%	Available Dec. '13
3-6	Add one million gross square feet (GSF) of educational and general, research, and student support space, targeted in areas of greatest need.	1,000,000 GSF	--	313,208	359,948 (2-yr total)	499,034 (3-yr total)	533,820 (4-yr total)
3-7	Renovate or modernize 200,000 square feet of classroom, research, and student support space, as prioritized by a needs analysis.	200,000 SF	--	83,981	259,101 (2-yr total)	299,921 (3-yr total)	404,721 (4-yr total)

¹ NOTE: Based on items rated using a 5-point scale where 1=strongly disagree and 5= strongly agree.

2009-14 STRATEGIC PLAN STATUS REPORT SCORECARD

Goal 4: Promote Diversity and Inclusion.

Metrics		Goal	Baseline	Year 1	Year 2	Year 3	Year 4
4-1	Ensure that all educational and administrative units implement strategies to achieve inclusive excellence.	100%	--	Not Met	Progressing	Progressing	Progressing
4-2	Increase the proportion of students from diverse ethnic groups and other underserved populations. <ul style="list-style-type: none"> • Racial/Ethnic Minorities • International • Appalachian • Underserved KY Counties • Pell Grant Recipients 	Show Increase	10.1%	10.9%	11.9%	12.9%	14.0%
			4.7%	4.7%	5.0%	5.1%	5.6%
			12.4%	11.9%	11.6%	11.1%	11.0%
			3.0%	2.8%	2.8%	2.7%	2.7%
			11.5%	14.5%	17.0% ³	17.3%	17.5%
4-3	Achieve the employment goals of UK's annual Affirmative Action Plan.	21	16	15	14	14	Available June '14
4-4	Improve student, faculty, and staff ratings ¹ on the extent to which UK is an inclusive community, according to results of a University-wide survey. Students: Welcoming Campus Environment Scale Students: Perceptions of Disparate Treatment Scale Faculty: Welcoming Campus Environment Scale Faculty: Perceptions of Disparate Treatment Scale Staff: Welcoming Campus Environment Scale Staff: Perceptions of Disparate Treatment Scale	Show Increase	3.53	Follow-up surveys will be conducted in 2013-2014 to obtain data on strategic plan progress for Metric 4-4.			
			2.37 ²				
			3.51				
			2.17 ²				
			3.76				
			2.09 ²				
4-5	Improve student ratings ¹ of curricular and co-curricular effectiveness in promoting diversity and inclusion, according to results of a university-wide survey.	Show Increase	3.46	Follow-up survey will be conducted in 2013-2014 to obtain data on strategic plan progress for Metric 4-5.			
4-6	Increase the number of partnerships with community organizations whose purpose is to promote diversity and inclusion.	Show Increase	--	151	156	284	300

¹NOTE: Based on a scale of 1 to 5, where 1=strongly disagree and 5=strongly agree
disparate treatment.

²NOTE: The lower the rating on this scale, the fewer the perceptions of

³NOTE: Part of the Pell Grant increase is due to criteria changes to increase eligibility and more families applying for need-based aid.

2009-14 STRATEGIC PLAN STATUS REPORT SCORECARD

Goal 5: Improve the Quality of Life of Kentuckians through Engagement, Outreach, and Service.

Metrics		Goal	Baseline	Year 1	Year 2	Year 3	Year 4
5-1	Increase the number of faculty and staff reporting outreach and engagement activities on the Engagement Measurement Instrument (EMI) to 1,000.	1,000	674	666	942	1,061	Achieved (over 1,000 reported)
5-2	Increase outreach, service, and engagement (OSE) contacts made with individuals in providing University knowledge and expertise to improve lives and benefit communities.	Show Increase	--	11.8 million	14.1 million	19.2 million	19.5 million
5-3	Achieve at least five national, regional, or disciplinary competitive grants or recognitions for engagement and outreach.	5	--	5	8 (2-yr total)	Achieved (70+ reported)	Achieved (113 reported)