THE LAND-GRANT VISION:
COLLEGE OF AGRICULTURE
STRATEGIC PLAN
2009-2014

WHO WE ARE

The College of Agriculture was founded as, and remains, a land-grant institution, offering access to knowledge and learning to enhance the lives of Kentuckians. The College is fundamentally interdisciplinary; we apply the biological, physical, and social sciences to challenges in agricultural, food, and environmental systems. Our work encompasses farms and forests, food and fiber, families and communities.

The College holds a unique position as the home of the Kentucky Agricultural Experiment Station and the Kentucky Cooperative Extension Service. Our teaching, research, and extension programs are part of a national system that maintains a statewide presence and links local, state, and global issues.

OUR VISION

The College will be recognized for excellence in fostering:
- learning that changes lives,
- discoveries that change the world, and
- opportunities that shape the future**.**

LAND-GRANT VALUES

As a College, we are guided by the values underlying the land-grant philosophy:
- learning – enhancing access to educational opportunities for all;
- discovery – expanding knowledge through research; and
- engagement – collaborating with diverse institutions, communities, and people to improve lives.

A hallmark of our work is the integration of these three values – learning, discovery, and engagement – into programs that make a difference.

OUR MISSION

The mission of our College is:
- to promote sustainable farming and food systems, from production through consumption;
- to enhance health and well-being of people and the environment in which they live; and
- to expand economic opportunity by sharing the knowledge and tools for wise, innovative uses of natural resources and development of human potential.

As full partners in the University of Kentucky and in every Kentucky county we:
- facilitate lifelong learning, informed by scholarship and research;
- expand knowledge through creative research and discovery; and
- serve Kentuckians by sharing and applying knowledge.

The College shall honor, sustain and advance the land-grant heritage and mission.

GOAL 1
Prepare Students for Leadership in an Innovation-Driven Economy and Global Society

Educating students was the earliest mission of the College and remains the most important way that we enhance the future of the Commonwealth. Instruction is fully integrated with our other missions – research and extension. The College expects its graduates to become leaders in their professions and their communities. To this end, the College must attract and graduate outstanding students with diverse backgrounds and the skills to meet the challenges of the future.

Most Significant Challenges
- In several programs that have experienced significant enrollment growth during the last several years, additional undergraduate enrollment will not be possible without additional faculty instructional DOE.
- Quality and quantity of classroom space on south campus has become limiting.
- Some classrooms and teaching labs are inadequately equipped.
- University-wide, and in the College of Agriculture, freshman retention and six-year graduation rates are not up to the standards of Top 20 benchmarks.
- Advising and teaching quality is inconsistent in some programs.
- Graduate enrollment could be increased in most College programs.

Strategies
- Use the opportunities provided by the university changes in general education requirements to develop more efficient and effective curriculum and instruction delivery at the program level.
- Develop plans and actions that will make the College a leader in integrating experiential education into the curriculum.
- Aggressively promote student participation in personal and professional development opportunities beyond the classroom, including student research, student and professional organization membership, international travel experience, and internships.
- Sustain an active, effective college-level recruitment program, but plan to more selectively target defined student populations and relatively under-enrolled majors.
- Continue to develop, refine and assess the Student Advising Center and related strategies to enhance retention and graduation.
- Increase opportunities for distance learning and continuing education.
- While sustaining and fostering the identity of the School of Human Environmental Sciences, continue to integrate students and faculty into the College.
- Secure additional support for college-based scholarship and recruiting programs.
- Increase faculty recognition and reward for excellence in academic and extracurricular advising.
- Implement incentives for leveraging graduate student financial support with grant funds.

Key Indicators, by 2014 the College will have:
1. Increased the first-to-second year in-college retention rate to 80 percent.
2. Reduced the ratio of majors to teaching/advising faculty to less than 20/1 in each undergraduate program.
3. Shifted enrollment growth to targeted, higher capacity majors in biological and environmental sciences: Five initial targets are Biosystems & Agricultural Engineering, Food Science, Forestry, Natural Resources & Conservation, and Plant & Soil Sciences.
4. Increased the number of graduate degrees awarded by an average of 5% per year.

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

The College's land-grant mission encourages truly creative research endeavors that result in the discovery of new knowledge. Further, we aspire to capitalize on the individual and collective achievement of our faculty by applying discoveries to the improvement of agriculture, industry, families, communities, and the natural environment. The College integrates discovery science and applied research and technology in teaching, technology transfer, and outreach activities to solve problems and generate economic, societal, and environmental benefits at the state and national levels.

Most Significant Challenges
- ❖ Infrastructure and facilities limit the potential for continued growth of research:
    - o Increasing operating costs and accumulating deferred maintenance threatens off-campus research facilities. Our most distinguished and successful research programs have insufficient laboratory space for further expansion.
    - o On-campus facilities for the environmental sciences and for Human Environmental Sciences are inadequate and will not support Top 20-caliber programs.
- ❖ The research attainment of some units in the College remains below expectations.
- ❖ Repeated budget cuts have capped faculty expansion and created key vacancies.

Strategies
- ➢ Aggressively pursue targeted initiatives to increase extramural research funding from all sources, with particular emphasis on federal competitive funding.
- ➢ Review and update the College's "Targets of Opportunity" to identify research opportunities areas where cutting-edge science and critical mass exist to achieve national and international prominence.
- ➢ Develop inter- and multi-disciplinary research teams, facilities, and resources within the College, across the University and with other universities (including Kentucky State and other state universities).
- ➢ Continue to actively compile, document and communicate impacts of our research.
- ➢ Advance planning for and articulation of resource and facility priorities and aggressively advocate for these priorities.

Key Indicators, by 2014 the College will have:
1. Increased the annual total of external awards to $35M or above.
2. Increased federal competitive grant awards from 33 to 40 percent of the College's extramural funding portfolio.
3. Increased at the college level the number of refereed journal publications by 3% per year.
4. Sustained the number of patents awarded on a four-year rolling average of five per year.

GOAL 3
Develop the Human and Physical Resources of the College to Achieve Top 20 Stature

As a land-grant institution, the College of Agriculture offers access to knowledge and learning for citizens and students throughout the Commonwealth. Agriculture, food, and environmental systems are key components of Kentucky's economic future, and the UK College of Agriculture is playing a prominent role in those areas with its research, teaching, and outreach programs. The UK College of Agriculture seeks to be recognized as one of the top colleges of its kind in the nation.

Most Significant Challenges
- Infrastructure and capacity appears likely to constrain further growth and advancement in all mission areas, and across most units in the College.   Limits have been reached in:
  - quantity and quality of lab space
  - ability to sustain Top 20 caliber farm and forest research capacity
  - office, meeting, and teaching space
  - IT and communications support and hardware
  - business management for rapidly growing operations.
- Many national metrics are size-dependent.   We are a mid-size institution.
- National rankings in most agricultural disciplines are of limited validity.
- Budget circumstances portend limited growth in faculty numbers.   Further expansion of enrollment or grant funding is difficult without addition of faculty.
- Retention and compensation of highly skilled staff remains a challenge.
- Recruitment or development of faculty at the most distinguished level (e.g., academy-level) remains severely limited by budget cuts.

Strategies
- The College will strive to recruit, develop and retain nationally distinguished faculty.
  - We will opportunistically reallocate resources to recruit exceptional mid-career faculty who bring elevated recognition and leadership to targeted programs.
  - We will improve strategies for enhanced development of new faculty.
- The College will further develop plans for expanding and enhancing the physical infrastructure needed to sustain the growth and advancement of the last decade.
- We must seek increased funding for high-quality lab, teaching, and field facilities.
- We will seek to improve recruitment, retention, and remuneration of staff.
- The College will continue to improve access to resources and infrastructure through enhanced business management, information technology, and support systems.

Key Indicators, by 2014 the College will have:
1. Sustained at least two listings in the top 10 or top quartile according to Academic Analytic's Faculty Productivity Index.
2. Increased the contributed value of the college endowment by $500,000 per year.
3. Sustained a Top 20 national ranking as indicated by NSF-reported research funding from USDA.
4. Renovated, modernized, or added 50,000 gross sq. ft. of educational, general, research, and student support space available for use by College of Agriculture faculty, staff, and students.

GOAL 4
Promote Diversity and Inclusion

The College is committed to creating an environment where diversity is valued and all individuals can fulfill their highest potential. Respect for diversity of thought, culture, and all human differences is a cornerstone of the land-grant philosophy. To fulfill its mission, the College must model the ways in which diversity, fairness, and equity in policies and practices facilitate learning, discovery and engagement. We seek to sustain an institutional climate wherein differences are valued, we create work and learning environments wherein every person has opportunities to achieve their highest potential, and we support an inclusive institution responsive to the needs of all students, staff, faculty and citizens.

Most Significant Challenges
❖ The College has yet to achieve targets in most areas. Diversity remains unacceptably limited in many departments and program areas.
❖ At the faculty level, both gender and racial diversity are inadequate. Only four African-American faculty members have been hired in five years.
❖ While substantial efforts are being made to hire and retain county agents from under-represented groups, progress remains slow.

Strategies
➢ Continue to strive for full implementation of the College of Agriculture Diversity Review and Planning Task Force Report.
➢ Review and report annually on the progress towards addressing recommendations of the College of Agriculture Diversity Review and Planning Task Force.
➢ Review, evaluate, and optimize resources and operations of the Office of Diversity in support of recruitment and retention.
➢ Establish a network of partners with 1890 land-grant universities for recruitment of students, faculty, and staff.
➢ Sustain and expand the extension internship program and add support for other summer programs targeted for potential undergraduate students from under-represented groups.
➢ Maintain the number of doctoral students receiving College matching funds for Lyman T. Johnson Graduate Fellowship support.

Key Indicators, by 2014 the College will have:
1. Increased the percentage of enrolled undergraduate students from underrepresented groups from 9% in 2007 to 14% in 2014.
2. Increased the percentage of enrolled graduate students from underrepresented groups from 7% in 2007 to 9% in 2014.
3. Completed County Program/Civil Rights Reviews for each of 120 counties including development of Affirmative Action Plans.
4. Increased the percentage of female faculty to 30%.

GOAL 5
Improve the Quality of Life for Kentuckians through Extension, Outreach and Service

Agricultural, environmental, economic, and societal issues create an unprecedented demand for knowledge- and research-based educational programs applicable to the needs of all Kentuckians. Economic development, leadership development, family, nutrition and health issues, opportunities for youth, and a rapidly changing agricultural landscape in Kentucky require a vital, progressive and responsive College of Agriculture and Cooperative Extension Service system.

Most Significant Challenges
- ❖ Budget cuts combined with turnover have created critical capacity shortages in key areas, including family and consumer science, health/wellness, community and economic development, and program and staff development.
- ❖ Extension's role in health programs such as the National Extension Primary Health Care initiative should be carefully reviewed.
- ❖ Cuts in state funding of mandated programs and increasing burdens on alternative funds sources, including county extension funds.
- ❖ New communication/information tools are available, but have not been adapted and incorporated fully into Extension programming.
- ❖ The expectation for graduate education for agents has been established. Now more accessible and appropriate graduate degree options must be developed.
- ❖ Operating funds for extension, teaching and some applied research becomes increasingly limited. Reliance on extramural sources necessarily increases. Not all faculty and staff have successfully adjusted to this shift.

Strategies
- ➢ Sustain traditional Extension strengths while offering innovative new programs in health and wellness, business, engineering, and humanities to serve increasingly diverse stakeholders.
- ➢ Promote new Extension and outreach partnerships within and outside UK.
- ➢ Increase the deployment of new information technologies such as eXtension, YouTube, and enhanced web effectiveness.
- ➢ Enhance recruiting, retention, training, and support for outreach personnel statewide.
- ➢ Establish clearly understood measures to assess and communicate the impact of Extension programs.
- ➢ Engage key constituencies – including alumni – to help the College achieve its objectives.
- ➢ Enhance the service capacity of the Livestock Disease Diagnostic Center and Regulatory Services.

Key Indicators, by 2014 the College will have:
1. Enhanced and refined an accessible, easily understood database of Extension outcomes, with annual data reported for each priority program area of Cooperative Extension.
2. Sustained or increased grantsmanship in Extension or Integrated Projects as evidenced by numbers of proposals funded and total funding amount.
3. Sustained Cooperative Extension Service contacts at or above 6 million.
4. Increased or sustained accession and sample numbers at Livestock Disease Diagnostic Center and Regulatory Services.

Report of the
College of Agriculture
External Review Committee

Last revised 6-25-07

Chair:

David Watt, Department of Molecular and Cellular Biochemistry, College of
Medicine

Committee Members (alphabetically by last name):

Mary A. Arthur, Department of Forestry, Subcommittee Chair for Facilities
Beverly Durgan, Dean and Director, University of Minnesota Extension and
Minnesota Agriculture Experiment Station
Ken Esbenshade, Associate Dean and Director of Academic Programs, North
Carolina State University
Charles W. Fox, Department of Entomology, Subcommittee Chair for Business-
related Support
Stanley R. Johnson, Former Vice Provost of Extension at Iowa State University
and Special Assistant to the Dean of the College of Agriculture, Biotechnology
and Natural Resources, University of Nevada-Reno
Susanna Elizabeth Kitts, Ph.D. Candidate, Nutritional Physiology
Daryl Lund, Executive Director of the North Central Agricultural Experiment
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Laura Stephenson, Family and Consumer Sciences Extension Program Leader
John Van Willigen, Department of Anthropology, College of Arts and Sciences
Paul Vincelli, Department of Plant Pathology, Subcommittee Chair for
Communications and Information Technology

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I. Introduction

    A. The Charge

On March 8, 2007, Provost Kumble Subbaswamy appointed the College of Agriculture External Review Committee and requested that the Committee conduct a focused review as follows:

"A half decade of enhancements in extramural funding, undergraduate enrollment and extension operations place the College of Agriculture in a position of strength within the University of Kentucky and around the Commonwealth of Kentucky. The stature, level of excellence, and record of achievement has by many measures advanced substantially. However, the College's faculty and administration now perceive that further progress may be severely limited by current infrastructure and capacity. We anticipate that this self-study and review will lead to a better analysis of the issue, refine new strategies for better use of current resources, improve definition of infrastructure priorities and refine justification and plans for securing the resources needed to sustain growth and advancement in the next decade."

The Committee affirms that the College has made significant progress in its teaching, research and service missions since the last review. Given this charge, the focused review concentrated its efforts on the following questions.

> What facilities, including offices, laboratories and instructional spaces, are needed both on and off-campus to support the College's mission in instruction, research, extension and public service? How can the College sustain its past success given the status of its current facilities?
> Are the units that provide communications and information technology support best organized to support the College's diverse missions?
> What infrastructure support and business systems are needed by offices and departments overseeing instruction, research, extension, and public service programs?

The Review Committee, in the course of its deliberations, also looked other issues pertinent to the College's future success that tie to the questions above but are broader in their scope than the focused questions of this review.

    B. Process

The Provost and the Dean defined three areas for the focused review: [1] facilities; [2] communications and information systems; and [2] infrastructure and business systems support for instruction, research, extension, and public service. The Committee Chair met with the Dean, early in this process to better understand the selection of these three areas and to develop a preliminary

agenda for the April meeting. This information was, in turn, shared with the Committee electronically and advice sought on additional clarifications as to the scope of the review and/or modifications to the schedule.

The internal members of the Review Committee convened to discuss the agenda and any general concerns on April 12, 2007. Electronic communications among the internal members and the four external members were used to finalize the agenda for the on-campus meetings. The whole Review Committee examined the College's Self-Study and spent two days on April 17 and 18 in meetings with key leaders and guests as summarized in the schedule in the Appendix. At the conclusion of this process, the Committee divided into several subcommittees to construct the preliminary draft report. The draft was circulated for comment among the Committee, shared with the Dean and his administrative staff, and posted on a Web-site for the students, faculty and staff to review. Comments and suggestions for changes were solicited. An open meeting was also held on June 21, 2007, to give faculty and staff the opportunity to present their concerns, and additional changes were made in the draft report. These revisions were again viewed by the Committee; the final changes were approved and incorporated, and the report was forwarded to the Dean and Provost.

The Review Committee expresses its appreciation to Dean Smith, the associate deans, the chairs, faculty, and staff for their interest and candor during the process. The same is true for the support provided by Ms. Pam Poe who assisted the Committee during its visit.

II. Commentary

A. General Remarks

In the course of the Committee's deliberations, several issues emerged that were important but outside of the boundaries of the Review Committee's focused charter. The Committee felt that these issues – several of which go beyond just the College of Agriculture – were sufficiently important to merit comment in this report. The Committee certainly spent the majority of its time listening and discussing the topics of the focused review. What follows are topics that surfaced in the course of our deliberations. Some of these comments are intended for the Dean, others for the Provost. We forward these remarks, not as a series of recommendations but rather as a commentary that it is hoped will be useful to the University administration.

B. For the Provost

Nowhere has the great Land-Grant tradition received greater attention than in the colleges of agriculture across the United States. Others, notably business, engineering and health science colleges, certainly have followed the lead that the colleges of agriculture developed through their extension programs, but nowhere

within the modern university does the range of teaching, service and research programs exist on as broad a base as in Agriculture. The University of Kentucky, like other universities that are the inheritors of this proud tradition, take pride in its collective outreach activities but must grapple with the challenges of maintaining this network in the face of today's financial pressures and rapidly changing society.

The initiative for the University of Kentucky to become a Top-20 public institution emerged within the last decade and received considerable support from the Commonwealth. It is a worthy and ambitious goal that creates many challenges, particularly for those colleges that have embraced the Land-Grant mission to the same degree as the College of Agriculture. The goals of maintaining the Land-Grant mission *and* achieving Top-20 designation are not mutually exclusive, but they have different boundary conditions and certainly different geographic constraints. The Top-20 ambition principally drives investments in new faculty lines, new and renovated laboratory space, increased student credit hours, increased PhD production, and enhanced extramural funding. The Land-Grant ambition drives investments in facilities and staff that support missions other than the teaching and research missions. It is not clear, at least to the Committee, that the University fully appreciates the financial tension that these two ambitions produce in the College of Agriculture.

The College of Agriculture would like to maintain its statewide programs and facilities under the extension program as well as augment its on-campus, research and teaching programs under the Top-20 Business Plan. Financial realities, however, will ultimately force the College to make choices. The University administration needs to understand these pressures and give the Dean sufficient flexibility to address these problems. For example, fees may be instituted for certain extensions services heretofore free; 4-H campus may levy fees for campers using these facilities; animal herds may need to be winnowed or sold; and off-campus facilities and property sold and redirected to the College's Top-20 aspirations. These are difficult issues. Such decisions need to balance the needs of the diversity of users of these off-campus facilities. For example, farm-based activities, such as animal herds, support teaching, extension and research – albeit of a different nature than laboratory-based research. 4H-Camps already levy fees of $100 to $125 for a four- or five-day camp, and it will be important to gauge how this compares to fees levied in other states. Study and consultation will certainly precede any such decisions, but absent the latitude to implement sensible changes and retain the income from such decisions, it is our opinion that the College of Agriculture will have difficulty fulfilling its role in the Top-20 Business Plan.

Off-campus facilities are difficult to close or reorganize, but it is likely that some consolidation of these off-campus operations will be necessary. The process of making the decision on how to manage the off-campus facilities should involve a "committee" that is dominated by stakeholders including public members.

Careful and complete financial information, past and present for both on-campus and off-campus programs, should be put before the committee. The charge to the committee should be to develop a long-term plan for off-campus facilities that could involve closing some of them, changing the financial support mechanisms, obtaining additional local or industry support, and suggesting any other mechanisms that can relieve the College of the increasing financial burden of maintaining the off-campus facilities. The result must be either greater resources largely from non-traditional sources or reductions in the number and functions of the off-campus facilities. This committee should include some faculty statesmen, senior staff, and untenured faculty who understand the benefits of improved communications and the leveraging that can occur through new communications technology. The Dean should consider appointing such a committee with language couched in the Top-20 Business Plan.

Finally, the Committee was not asked to evaluate the Dean's performance, but we wanted to convey the sentiments that we heard as well as the opinions of some of the members of the Committee who brought an external perspective to their analysis of this College. Dean Smith is commended for his efforts to build a modern College of Agriculture both on- and off-campus, to contribute the time that was required to serve as Interim Provost, to work with the many commodity markets who have a stake in College's programs, and to make the faculty, staff and students from the former College of Human Environmental Sciences welcome in the College of Agriculture. The increases in PhD production, extramural funding, and gifts to the College are particularly noteworthy at a time when the College received relatively few new faculty positions or new state support.

Apart from concerns about the tension between the Top-20 Business Plan and the Land-Grant mission, the Committee offers the following prioritized comments.

The Provost should consider a budgeting process that aligns increased student credit hours and increased extramural funding with the allocation of state funding, indirect cost recovery, priorities for capital construction, and distribution of tuition income. The disconnection between these latter sources of income and the College's development of its research portfolio and credit-hour production was of particular concern to the external members of the Committee.

The Provost should increase the level of funding for operating costs not only within the College but also across campus. A plan is needed to augment such funding. The Committee heard reports that departments and some interdisciplinary teaching and research units within the College of Agriculture are struggling with insufficient operating funds. In the Committee's opinion, cannibalizing faculty lines, proposing new student fees, holding open needed staff lines and using indirect cost returns for routine expenses are not viable solutions to this problem and are not consistent with "Top-20" aspirations. If the University is to build and maintain a cadre of excellent faculty, it must put in place

the operating budgets needed to sustain their teaching and research activity, particularly for interdisciplinary programs within the College of Agriculture and among groups of colleges.

The Provost, in concert with the Dean of the Graduate School and the faculty, should reconsider the sources of financial support of graduate students with a particular focus how on tuition and benefits are paid. The stature of the University of Kentucky will depend upon the quality of its faculty and their accomplishments. These accomplishments require access to talented graduate students. Because of the rising cost of graduate tuition, faculty now face a situation in which a comparable level of funding is required for either a postdoctoral fellow or a science-oriented research assistant. Given that graduate students spend a significant fraction of their first two years in didactic study, the postdoctoral fellows are more immediately productive than graduate students. The highly competitive nature of extramural funding and typical three-year funding cycles requires immediate results if faculty is to renew the grant. These factors are leading to an unfortunate shift from PhD-support to postdoctoral support and will continue to do so unless some of the expenses associated with graduate students, such as tuition, can be defrayed elsewhere.

The Provost should consider the issue of perceived inequities in staff salaries in research laboratories across colleges. Anecdotal information suggests that staff routinely migrate from the College to comparable positions in the Medical Center. The Committee has not examined this particular issue in detail and has no specific examples to cite in support of this comment. The Committee also understands and encourages staff to seek positions that represent promotions within the staff ranks. It was suggested, however, that mechanisms are needed to allow programs within the College to retain their most productive staff.

The Provost should take a leadership role in working with the University Senate to streamline the course-approval process. The current requirement for multiple levels of review for course changes, including relatively minor changes, introduces significant delays in the revision of courses and curricula, creates unnecessary administrative effort for curriculum committees, and provides disincentive for faculty and departments to regularly update course offering and course descriptions, credit hours and prerequisites.

The Provost should advocate that programs across campus consider utilizing the College's extension service. The extension service should remain a part of the College but should serve as the preferred outreach arm for the University. We are already doing some of this. The Cooperative Extension Service has relationships through the Fine Arts Agents positions and through relationships with the colleges of Medicine, Public Health, Education (Kinesiology), Nursing, and Social Work using the Health Education through Extension Leadership (HEEL) program. We are poised to use those models to open the door for partnerships across campus to expand the University's outreach base with the

caveat that a plan for infrastructure development is also needed to make this work. Working with the current Extension Councils at the state level would be an excellent way to start.

The Provost, in concert with the Dean of the Graduate School and the faculty, should consider appointing a committee to make a recommendation on the value of having separate processes for the hiring of faculty and their appointment to the Graduate Faculty. The Committee sees this additional appointment as an unnecessary process that consumes administrative effort and adds little or no value to the graduate programs. New faculty that is hired at the assistant professor level represents a source of new ideas and enthusiasm for research and teaching. Once hired, it strikes this Committee as unreasonable that we must inform them that they can only be appointed as associate members of the Graduate Faculty and cannot supervise graduate students without the oversight of their senior colleagues.

The Provost should expand and provide adequate funding for the postdoctoral office in the College of Medicine such that it would become a campus-wide office providing training programs and oversight of salaries and benefits. Increasingly, PhD students are required to complete postdoctoral appointments as the next step in their fields. Thus, the postdoctoral appointments should be considered as a step in the educational process, and postdoctoral fellows should be managed to reflect this change in higher education.

C. Comments for the Dean

We offer the following prioritized suggestions for the Dean to consider.

The Dean and Associate Dean for Research should take an active role in the further development of interdisciplinary graduate programs. An increasing number of students want these programs. The Committee can appreciate the challenge that such an endeavor represents since the current control of resources lies in the departments. The Provost may want to take a campus-wide look at interdisciplinary programs, their funding, and the allocation of credit hours generated in these interdepartmental programs. The College of Agriculture should not, however, wait. The College's departments are interdisciplinary in their interests, and the need to develop additional programs is clear. By integrating graduate programs and increasingly allocating resources to interdisciplinary programs, the College could take a lead position relative to the rest of the University. Interdisciplinary programs are what the students want and what the grant and contracting agencies want to fund. In the Committee's opinion, allocating funds to these interdisciplinary programs should reap significant rewards for the College: better students, increased grants and contracts and increased status of the departments that participate.

The Dean should consider requiring chairs in the College of Agriculture to develop a system of "departmental benchmarks" such that departments can measure and compare their progress in meeting agreed-upon goals. The Committee acknowledges that departments are difficult to compare across universities. Different institutions will organize departments in different ways; however, it should be possible to identify a set of comparable departments nationwide and make systematic comparisons. The departments should reflect what the faculty at the University of Kentucky wants to become in the future, with one important caveat - at least some of the comparable departments should be within the University's benchmarks and among the premier public institutions.

The Dean should consider the allocation of faculty salary funds to the appropriate associate dean to recruit faculty needed for interdepartmental teaching programs. The Dean must reach an agreement with appropriate chairs as to the FTE contribution from these departments to each of these programs. The College has developed an impressive teaching program across a range of social science and scientific disciplines. Interdisciplinary teaching programs, such as the Agricultural Biotechnology program, are among the University's best. The Committee commends Associate Dean Michael Mullen and the faculty who provide leadership for these efforts. Sustaining these programs, particularly those that cut across departmental boundaries, is always a challenge. These are premier institutional programs in addition to their role within the College and mechanisms for rewarding the faculty who develop and teach in these programs should be identified.

The Dean should consider appointing a committee to make recommendations on the optimal size and continuation of Masters degree programs. Certain MS programs provide terminal degrees of continued value to the recipients, but others might be best combined into a general, broadly based Master of Agricultural Sciences degree or some small subset of general degrees. This change would give the faculty and graduate committees an opportunity to design interdisciplinary programs for the students and would "protect" degree programs that train a limited number of students. In a sense, this is in keeping with the fact that people or students are in fact life-long learners, and masters programs need to reflect this change in the market. Furthermore, colleges of agriculture nationwide are reducing the discipline-specific MS programs and focusing more on strong interdisciplinary programs than in the past. In addition to changes in the MS programs, the College will need to have more and higher quality PhD students than in the past if additional departments in the College are to achieve Top-20 designation.

The Dean should allocate funding including new faculty lines, support positions, space and other resources to those programs that are most successful and for which growth will most significantly contribute to the University's Top 20 Business Plan. An explicit mechanism should be used, broadly endorsed by the faculty,

and tied to College goals such as increased extramural funding and increased quality of graduate programs.

III. Focused Review

A. Facilities

The Review Committee saw and heard of numerous examples of facilities in need of significant renovation as well as space limitations on the expansion of programs. The Committee noted that failure to address renovation and new facility needs of the College will ultimately lead to choices based on facilities rather than on programmatic priorities. The Committee makes seven recommendations in the area of facilities as follows:

[1] The Provost, Dean and faculty must explore creative approaches to construct new facilities and renovate current facilities if the research, teaching, and extension enterprises are to maintain their forward momentum. Among the high priority projects are:

- the new Agricultural Research Services (ARS) building;
- an expansion of the current Plant Sciences Building;
- off-campus greenhouse facilities;
- an expansion of the Livestock Disease Diagnostic Center
- renovating the largely unused Seay Auditorium into modern teaching space;
- refurbishing the Cooper House as a possible location for non-academic units thereby allowing renovation of their current space for academic needs;
- renovating the Cooper Building, depending on its projected lifespan, for more efficient utilization than is now possible by the Forestry Department; and
- renovating space for the School of Human Environmental Sciences or relocating these programs to more suitable buildings as suggested below.

[2] The Provost and the Dean should develop a mechanism for carrying forward fund-balances, without taxation or administrative surcharge that could be used to meet the growing list of renovations on- and off-campus. The Provost and the Dean should explore creative mechanisms – possibly involving a loan from other parts of the University - so that projects for the College can begin immediately. The Dean should also investigate the possibility of a surcharge on off-campus income generated at College facilities.

[3] Acknowledging that the timeframe for improving facilities through new construction and renovation will take some time, the Committee recommends that the Dean simultaneously consider the relocation of non-academic support

units to off-campus rented space to provide additional space to academic units. For example, the relocation of Agricultural Communications from Scovell Hall would provide much-needed space for the School of Human Environmental Sciences.

[4] Space management within the College relies largely on a decentralized approach that may not adequately match needs for space with productive use of space. The Dean should consider other models for space management that could address inefficiencies in the allocation and use of space. This could involve the control of all academic, teaching and research space by the Dean or his designee and the use of a faculty committee to provide guidance on remodeling priorities and reassignments among units. One mechanism that the Dean might use to develop an alternative process for space allocation is to have an external advisory group come in to examine space and to review and recommend space utilization models that are in use elsewhere. Once an internal Space Committee is formed, it could also assist the Associate Dean of Academic Programs in the College to improve and better utilize teaching space than is currently the case. Some classes, for example, may need to move from the popular Tuesday/Thursday 9:00AM-2:00PM day/time slots to other time slots. Finally, such a Space Committee could make recommendations to the Dean regarding priorities for space renovation and construction and could assist in analyzing how the University's strategic plan affects space in the College.

[5] Given the strained financial and facility needs experienced during the recent unrestrained growth, the Dean should consider enrollment caps or GPA-minimum requirements. Alternatively or simultaneously, College administrators could consider evaluating academic programs for growth potential, and develop recruitment strategies for those programs with a goal of shifting enrollment to those programs with the greatest potential for growth. Consideration should also be given to increasing the rigor of programs within the College of Agriculture that are perceived to be alternatives to more rigorous programs on campus that have instituted GPA-minimum requirements.

[6] With the increased interest in the biological sciences by undergraduate students, the teaching laboratories within the College (and within departments in Arts and Sciences that also serve Agriculture students) need to be upgraded and enlarged. The laboratories should be strategically located on the College's campus since other University students with biological science interests will be enrolled in the College's courses. Quality greenhouse space on the College's campus for both teaching and research is also severely lacking.

[7] Currently the 4-H camps are owned by the College, a practice that differs from that of some other universities. These 40-year-old facilities are now in nearly constant need of annual repair and maintenance, and yet, these facilities continue to serve approximately 17,000 campers every summer and thousands more on an annual basis across the Commonwealth. The College should

explore mechanisms to divest ownership of the facilities. A mechanism used in other states is to have ownership of 4-H facilities reside with a 4-H Foundation. Such a foundation could enter into fund-raising activities in both the public and private sectors without interfering with University priorities.

B. Communications and Information Technology

The Committee makes five recommendations in the area of communications and information technology as follows:

[1] The Dean should consider working with Extension Councils and higher education-affiliated groups to develop a comprehensive plan that would allow county-based facilities to be used in ways that more effectively extend the college and the University throughout the state. The Cooperative Extension Service already provides many educational opportunities for local constituents but additional educational opportunities in Extension programming, on-line courses, certificate programs, and teleconferencing would be helpful. Issues to be considered should include:

- funding for technical support and maintenance of the infrastructure (including buildings and technology);
- central mechanism for ease of scheduling and accessing sites; and
- imminent need for graduate courses *via* distance learning to support the Extension Agent Enhancement Initiative.

[2] The Dean should appoint a committee to examine the current staffing, funding levels and potential constraints in Agricultural Communications that might impinge on the goal of effective and efficient service to all departments in the College. This committee should consider all options including the possible out-sourcing of communications as, for example, is done at the University of Wisconsin.

[3] Given the pervasive nature of communications in all facets of the College's operations, the Dean should consider the creation of a position of Chief Information Officer with responsibility for technology, data management, reporting, and information delivery. It will be necessary to consider whether or not the additional administrative cost would be offset by substantial improvements in efficiency and coordination.

[4] The need for graduate instruction *via* distance learning is significant, for such thrusts as the Extension Agent Enhancement Initiative and for expanding enrollment consistent with the Top-20 Business Plan. The Dean should consider and address factors that may constrain the development and expansion of distance-learning course offerings, such as:

- the need for timely technical support during both curriculum development and course offering;
- the need for space to deliver distance learning given the heavy utilization of the current extension offices as well as the competing, instructional, satellite centers set up by other universities; and
- bureaucratic issues (partitioning of tuition, for example) that might complicate the integration of on-line courses from other universities.

[5] The College needs to expand the faculty's interest in distance-based graduate and undergraduate education, perhaps through a series of departmental seminars. There will be an obvious need to look at the resource implications of such an expansion.

C. Business-related Support

The Committee makes nine recommendations in the area of business-related support as follows:

[1] The Provost and Dean should consider the recruitment of an Associate Dean for Finance (or some other suitable title). This Associate Dean and appropriate staff could assist chairs in managing their departments, faculty in managing their grants, and extension offices and their Councils in overseeing their budgets. This dean's responsibilities would include oversight of all college business operations and production of financial summaries (*i.e.*, "dashboard" financial indicators) for all administrative units in the College.

[2] The Dean should consider clustering business operations across departmental boundaries or centralizing services (*e.g.*, payroll). This clustering would increase efficiency and enable staff in these new offices to be cross-trained. Departmental staff is under-trained for the diversity of tasks that must now be performed including, in particular, the administration of grants, personnel actions, and the production of required University and College reports. The recent switch to IRIS exacerbated these problems, and recent growth in grant support has strained departmental administrative personnel. A centralized business office or offices would be responsible for tasks that departments handle only occasionally and to which they cannot dedicate a single, well-trained administrative staff member. Centralization would reduce the need for redundancy in training across all departments, relieve departments of the need to have their administrative staff trained to be broad generalists, and reduce the burden currently created by increasing growth in administrative responsibilities without concomitant growth in administrative personnel. The centralized business office(s) could fall under the purview of the Associate Dean for Finance. Grants management would report to the Associate Dean for Research.

[3] The Provost and Dean should consider whether or not selected fees might be levied for Extension-related and other services, consistent with the dictates of

Cost Accounting Standards. Implementation of fees should come only after careful consideration of the ramifications of such proposals and plans for the reinvestment of this income in the programs that generate this income. The College should distinguish between public and private goods and services, and consider implementation of fees only for private goods and services. It is our understanding that Iowa State University, Maryland, and Ohio State have documents that detail the basis for charging fees that they have developed.

[4] The Dean should consider developing a uniform accounting system for all extension offices to inform the Extension Councils and their staff as to their financial status. The goal of this effort would be to help these Councils and their members to understand their financial picture.

[5] The Dean should appoint a committee to review the staffing in the Experiment Station directors' offices and make decisions for new or reallocated funding to drive research activities. We commend Nancy Cox, the Associate Dean for Research for her efforts to increase the College's research resource base through innovative initiatives. The committee should consider if additional faculty support, perhaps as an assistant dean, is needed to manage the workload.

[6] The Dean should review the allocation of Experiment Station funds to determine the best method to support the most creative and productive programs. Current allocation of Experiment Station funds are largely based on historical allocations and are non-competitive within the College. A new model could include a more competitive granting process than in the past.

[7] The Dean should appoint a committee of department chairs and faculty to review the staffing in the College's student services office and make decisions for new or reallocated funding for student advising, teaching, and other student services. The undergraduate population in the College has increased substantially in recent years, due to the merger with the former College of Human Environmental Sciences and due to increases in University enrollment. Staffing in the student services office has not kept pace with these increases and is not adequate to provide the level of service expected by students at a "Top 20 institution".

[8] The Provost and the Dean should work with the President to implement the creation of a Real Estate Foundation that could accept real property from potential donors to the College of Agriculture as well as other colleges. Currently, recruitment of real estate donations is hindered by a need for complex agreements between the College and the University of Kentucky Research Foundation.

[9] In an era in which a larger proportion of the College's funds are committed to recurring expenses than in the past, the Dean has fewer discretionary funds to bolster thriving programs than in the past. The Dean should appoint a committee

to make recommendations regarding farm costs and farm income. These farm management operations need to be self-sustaining. Currently, the costs associated with farm operations (*e.g.*, labor and feed paid for by Management Operations are paid by different College units) than those that receive profits from these operations (*e.g.*, owners of herds). Better linkage between operating costs and profits would encourage more cost-effective management of farm facilities, associated labor costs, and other assets. As for many of the recommendations, it will be important for the committee that wrestles with this issue to have representation from the faculty, the Dean's office and Management Operations.

IV. Conclusions

The College of Agriculture has made significant strides in its broad missions in teaching, research, and service. The leadership, both at the Dean's level and among the chairs, was enthusiastic about the College's future and simultaneously concerned about the topics that are the subject of this focused review. The Committee offers its recommendations in the spirit of assisting the University and the College with issues that may impair the College's ability to reach its full potential.

Appendix

Pre-review Meeting for Internal Members
April 9, 2007

Introductions

Schedule for Review
>Does the schedule seem reasonable to everyone in order to address the
>   issues before us?
>Are there additional groups that we need to see?
>Is there additional information that we need?

Nature of the Focused Review
The Provost and the Dean have defined three areas for our focused review. I
provide some commentary on these issues and raise some questions for
discussion at our meeting.

1. Facilities including classrooms and instruction; on-campus research and office
facilities; off-campus Experiment Station; and statewide Extension

>Apart from the issue of providing classroom/instructional space for the
>increasing number of Agriculture majors, what recommendations, if any,
>do we want to consider for the burgeoning number of Biology majors?
>This will become an acute problem in the next few years as the number of
>undergraduates increases under the President's Top-20 Business Plan.
>Do we need more information about this Plan?

>The classrooms and laboratories available to the School of Human
>Environmental Sciences within Erickson and Funkhouser are among the
>worst at the University. What recommendations should we consider?

>How will we balance the traditional land-grant mission versus the Top-20
>Business Plan? This is a complex question if we consider the desired
>outcomes for each and if we consider how decisions for prioritizing capital
>construction projects are made. Additional laboratory space will be
>needed if the College is to make an additional, significant contribution to
>the research mission of the University.

>What happens to facilities like the Livestock Disease Center or the
>Princeton Station if we adhere to the Top-20 Business Plan that provides
>a greater emphasis on local, research development than on outreach
>mission?

2. Communications and Information Systems including distance learning and
telecommunications support and Ag Communications operations

3. Support and Business Systems including research administration and management; instructional support and student services; and state-level support of local Extension programs

What is needed here, beyond some "fixes" for the new IRIS system and what justifies this cost in terms of benefit to the faculty, not just benefit to the administrators constantly pressed to collect information?

Writing the Final Report

Does it make sense to divide up the writing responsibilities for the report by assigning individuals to three teams focused on research, instruction and extension?

Possible teams with * designating team leaders

Extension	Research	Instruction
Paul Vincelli*	Charles Fox*	Mary Arthur*
Stan Johnson	Bev Durgan	Ken Esbenshade
Laura Stephenson	Daryl Lund	Beth Kitts
	John Van Willigen	

Other Business

Review Schedule for College of Agriculture
Last revised 4-11-07

<u>First Day, Tuesday, April 17</u>

7:00   Committee Breakfast (Good Barn)
                        Introductions
                        Discussion of charge and "focused review" concept
                        Discussion of team concept and team leaders
                        Discussion of schedule during visit
                        Discussion of self-study: key points and questions

8:00   Initial meeting with Dean and College administration (Good Barn)
                        Comprehensive Overview
                        Question and Answer Session

9:30   Extension programs (Good Barn)
                        Comprehensive Overview/Presentation by Associate Dean
                            and invited guests (30-45 minutes)
                        Question and Answer Session

11:00   Committee discussion (Good Barn)

12:00   Lunch with Department Chairs (Good Barn)
                        (Watt to serve as moderator)

1:30   Research (Good Barn)
                        Comprehensive Overview/Presentation by Associate Dean
                            for Research and invited guests (30-45 minutes)
                        Question and Answer Session

3:30   Committee discussion (Good Barn)

4:30   Slide show on the College's current physical on-campus and off-
campus
                        Infrastructure by Dean Smith (Good Barn)

6:00   Travel to Crowne Plaza hotel

7:00   Committee working dinner (Crowne Plaza's Turf Room)

<u>Second Day, Wednesday, April 18</u>

7:00   Committee Breakfast (Good Barn)
                        Additional discussion of instruction and research

Discussion of extension program summary in self-study
Discussion of report submission

8:00   Instruction (Good Barn)
        Comprehensive Overview/Presentation by Associate Dean
            for Academic Programs and invited guests (30-45
            minutes)
        Question and Answer Session

9:30   Committee discussion (Good Barn)

10:00   Communications, information technology, and business
            infrastructure needs (Good Barn)
        Comprehensive Overview/Presentation by College
            administration and invited participants (30-45 minutes)
        Question and Answer Session

11:30   Committee discussion (Good Barn)
        Develop bullet point summary of preliminary findings and
            recommendations for presentation to Provost, Dean and
            College administration

12:30   Lunch with invited College of Agriculture Senators and Faculty
        Council members (Good Barn; Watt to serve as moderator)

2:00   Discussion with Dean and College administration (Good Barn)

3:00   Discussion with Provost (location TBA, preferably Good Barn)

4:00   Committee final discussion (Good Barn)
        Discussion of assignments and report submission

5:00   Outside guests depart for hotel or airport

Possible teams:

Extension	Research	Instruction
Paul Vincelli*	Charles Fox*	Mary Arthur*
Stan Johnson	Bev Durgan	Ken Esbenshade
Laura Stephenson	Daryl Lund	Beth Kitts
	John Van Willigen	

* team leaders

Top 20 Business Plan
University of Kentucky

This Plan establishes the fiscal and capital framework for accomplishing the Top 20 Compact that UK and the people of the Commonwealth created in 1997. It identifies clear goals and explains what it means to be in the Top 20 of 88 public research universities. And it shows the investments required to achieve them.

In fulfilling the terms of this Compact, UK will:
- Increase its enrollment by 7,000 students

Improve the quality of undergraduate and graduate education
- Increase the graduation rate by 12 percentage points
- Increase research expenditures to over $700 million
- Increase by 625 the number of faculty dedicated to teaching students and doing research and public service that attack the persistent health and economic problems Kentucky faces
- Increase engagement of the UK community in improving Kentucky's schools, communities, farms, and businesses
- Increase substantially the number of inventions, patents, and start-up businesses

Kentucky will:
- Increase UK's base appropriations on a schedule characterized by consistency and shared responsibility
- Provide more capital construction support for research and educational facilities
- Grant UK authority to issue debt to support thoughtful, planned growth
- Give UK greater flexibility in the financial management of the institution

What it will mean for Kentucky:
- Increased educational attainment
- Increased wages and broader benefits
- Better health
- More locally-owned businesses
- Improved economic vitality

U K

DECEMBER 2005

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Top 20 Steering Committee

M. Scott Smith, Co-Chair and Interim Provost and Dean, College of Agriculture

Frank A. Butler, Co-Chair and Executive Vice President for Finance and Administration and Vice President for Medical Center Operations

Wendy Baldwin, Executive Vice President for Research

Douglas Boyd, Chief of Staff to the President

Jeffrey B. Dembo, Board of Trustees Faculty Representative

Kyle Dippery, Staff Senate Chair

Rebecca Ellingsworth, Student Government Association President

David Ellis, Former Staff Senate Chair

Barbara W. Jones, General Counsel

Michael Karpf, Executive Vice President for Health Affairs

Michael D. Kennedy, Former Board of Trustees Faculty Representative

Angela S. Martin, Vice President for Planning, Budget, and Policy

Everett McCorvey, Faculty

Roy L. Moore, Board of Trustees Faculty Representative

Constance A. Ray, Vice President for Institutional Research, Planning, and Effectiveness

Michael Reid, Faculty

Ellen B. Rosenman, Faculty

Devanathan Sudharshan, Dean, College of Business and Economics

William H. Turner, Vice President for University Initiatives and Associate Provost for Multicultural Affairs

Rachel Webb, Former Student Government Association President

Carolyn Williams, Dean, College of Nursing

Russell G. Williams, Staff Board of Trustee Member

Bob Wiseman, Vice President for Facilities Management

Ernest J. Yanarella, University Senate Chair

Board of Trustees

James F. Hardymon, Chair

JoEtta Y. Wickliffe, Vice Chair

Mira S. Ball

Stephen P. Branscum

Penelope A. Brown

Dermontti F. Dawson

Jeffrey B. Dembo

Marianne Smith Edge

Rebecca A. Ellingsworth

Ann Brand Haney

Pamela Robinette May

Billy Joe Miles

Roy L. Moore

Phillip R. Patton

Steven S. Reed

C. Frank Shoop

Myra Leigh Tobin

Billy B. Wilcoxson

Russ Williams

Barbara Smith Young

Top 20 Work Group

Elizabeth Baker, Planning Director

Mark Denomme, Senior Director, Academic & Research Support

Angela S. Martin, Vice President for Planning, Budget, and Policy

JoLynn R. Noe, Principal Planning and Budget Specialist

Constance A. Ray, Vice President for Institutional Research, Planning, and Effectiveness

Bill Swinford, Policy Analysis Director

The Stillwater Group

Gerald Finch

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David Woodward

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THE UNIVERSITY OF KENTUCKY
TOP 20 BUSINESS PLAN

Introduction

The University of Kentucky's Top 20 Business Plan represents the dedicated, thoughtful, and persistent efforts made by members of the UK community to develop a viable, research-based financial plan to support the mandate of House Bill 1—that the Commonwealth must have *a major comprehensive research institution ranked nationally in the top twenty public universities at the University of Kentucky*. This Plan articulates clearly and explicitly what UK must do to defend a claim that it has indeed become a Top 20 public research university—demonstrate exceptional quality and productivity in undergraduate education, graduate education, faculty recognition, and research productivity, while improving the quality of life for Kentuckians. This Plan uses a rational, well-conceived financial modeling process, grounded in aspirational yet reasonable assumptions regarding strategies of growth and quality, to project the investments needed over the next 14 years to propel UK to national prominence. This Plan also proposes a long-range funding methodology for ensuring adequate resources and facilities in support of the Top 20 goals.

This Plan represents a unique accomplishment in planning for the future among public higher education institutions, and as such, it is a reflection of the profound commitment of the UK community to the University and her mission and to the people of the Commonwealth.

UK has done its part. All the necessary components for moving forward and fulfilling the institution's share of the Top 20 Compact with the people of Kentucky are in place. We have established measures of progress toward achieving Top 20 status, identified the necessary strategies, projected needed investments, and proposed credible sources of revenue. We have done so because we believe in the Top 20 mandate of House Bill 1; because every indicator of quality applied to the lives of Kentuckians confirms the importance of a highly engaged, productive public research university within the state's borders; because we are a campus that extends to every corner of the Commonwealth; and because we believe in the future of Kentucky. Our Governor, our legislators, and the people of Kentucky themselves should do no less—believe in the importance of the Top 20 goal, believe in the University of Kentucky, and believe in our future as citizens of the Commonwealth. With this challenge, we seek your support to make all our dreams a reality.

UK Mission Statement

The University of Kentucky is a public, research-extensive, land-grant university dedicated to enriching people's lives through excellence in teaching, research, and service.

The University of Kentucky:

- Facilitates learning, informed by scholarship and research.
- Expands knowledge through research, scholarship, and creative activity.
- Serves a global community by disseminating, sharing, and applying knowledge.

The University, as the flagship institution, plays a critical leadership role for the Commonwealth by promoting human and economic development that improves lives within Kentucky's borders and beyond. The University models a diverse community characterized by fairness and social justice.

– Adopted by the Board of Trustees, April 1, 2003

Postsecondary Education Reform: The Top 20 Compact

The University of Kentucky has completed a significant effort to re-define how it goes about planning for the future. The Top 20 Business Plan provides the financial framework for establishing priorities and identifying long-term strategies—both strategic and financial—that will lead to a higher level of progress and success than ever before. The effort comprises a serious, determined, and visionary response to the mandate of *The Postsecondary Education Improvement Act of 1997* (House Bill 1).

The Top 20 Compact between UK and the people of the Commonwealth began to take shape in 1996 when the Kentucky General Assembly passed Senate Concurrent Resolution 93. The Resolution

…established a Task Force on Postsecondary Education to develop recommendations and an implementation plan for a system of postsecondary education in Kentucky that promotes quality instruction designed to provide students with the knowledge and skills necessary to be competitive in a global economy.

The Task Force's report, issued in March 1997, found that:

Kentucky must significantly improve the postsecondary knowledge and skills of its population and its research competitiveness if the Commonwealth hopes to compete in the global economy and raise the quality of life of its citizens. The international and national economies are currently undergoing rapid transformation. These changes result from the growth of technology, the development of new products and expanding markets and the inevitable dislocations associated with the establishment of a new economic order. Kentucky's traditional economic sectors are declining and are being replaced by high-tech manufacturing and by the provision of services. As a result of this structural economic shift, the need for a skilled

workforce has become even more important for the Commonwealth's competitive position.

The report pointed to a litany of statistics describing Kentucky's low levels of education attainment (e.g. high secondary school drop out rate, low college-going rate, relatively few bachelor's degrees) and resulting economic fragility (e.g. low per capita income, high poverty rate). Identified among the obstacles to success in the knowledge economy was that Kentucky did not have a nationally recognized doctoral degree-granting institution. In particular, the Task Force noted:

> *In contrast to virtually every other major research university in the country, Kentucky's major research university's mission is dispersed across far broader categories: remedial education, lower division courses, workforce training, and graduate education. No other major research university among Kentucky's competitor states has such a breadth of mission.*

The result was a postsecondary education system that was not nationally competitive in terms of its research quality.

In May 1997, the Kentucky General Assembly convened to debate legislation aimed at reforming the postsecondary education system in Kentucky. Among the primary goals of that legislation was: *A major comprehensive research institution ranked nationally in the top twenty public universities at the University of Kentucky.* In addition, the legislation moved the University of Kentucky Community College System under the leadership of a new and separate organization – the Kentucky Community and Technical College System (KCTCS). A Compact was established between the University of Kentucky and the people of the Commonwealth—in return for the loss of the community colleges, UK would receive the support from the state necessary to achieve the legislation's mandate to become a Top 20 public research university by 2020.

Table 1 compares the quality-of-life in Kentucky with states that have Top 20 universities and the nation. These data confirm the Kentucky General Assembly's understanding of the importance of having a leading national research university in Kentucky.

Table 1: Measures of Quality of Life

Statewide Quality of Life Measures	National Average	Average in States With a Top 20 University*	Kentucky
Population with Bachelor's Degree or Higher (2000)	27.2%	28.4%	19.0%
Median household income (2003–04)	$44,436	$46,856	$36,786
Population Below the Poverty Level (2003–04)	12.6%	11.7%	16.0%
Percent of Population on Medicaid (2001)	17%	14.7%	19%

*States with Top 20 Universities:
California
Colorado
Florida
Georgia
Illinois
Maryland
Michigan
Minnesota
North Carolina
Ohio
Pennsylvania
Texas
Virginia
Washington
Wisconsin

Eight years have passed since the Compact was established. The community colleges have separated from UK and are thriving in KCTCS. But the other half of the Compact has not yet been fulfilled—UK has not received the support from the state necessary to become a Top 20 public research university by 2020. Additionally, in spite of institutional efforts designed to define and assess progress toward Top 20 status, there has not been a joint agreement between the University of Kentucky and the people of the Commonwealth that sets forth clear, unambiguous goals and expectations as conditions of the Compact.

The University of Kentucky Top 20 Business Plan has two purposes: 1) to establish clear, explicit goals and expectations for what it means to be a Top 20 public research university; and 2) to project the financial investments needed through the year 2020 to achieve the goals and fulfill the agreed upon expectations. With completion of the first-ever Business Plan of the University, the state and UK enter the next phase of the pursuit of Top 20 status. This phase begins with a collaborative, long-term agreement on the mission, broad goals, strategic directions, and funding of UK as the flagship and land-grant research university of the Commonwealth of Kentucky.

PLANNING FOR THE FUTURE

Measuring Progress Toward National Prominence

Achieving the goal specified in House Bill 1 to become a Top 20 public research university and developing the long-range business plan to support that effort both require the thoughtful design of a research-based method for measuring current status and future progress. Increased financial support from the state and from University of Kentucky students must be accompanied by a series of markers of institutional progress.

Since House Bill 1 was passed in 1997, the University community has discussed what it means to be a Top 20 institution, and how the achievement should be measured. In 2001, shortly after becoming President, Lee Todd appointed and charged the *Top 20 Task Force* to answer these questions. The *Task Force* issued a report that provided the foundation for the 2003–2006 Strategic Plan—*The Dream & the Challenge*. Additionally, the *Top 20 Task Force* recommendations provided the basis for a model to measure progress over the long term, beginning with the identification of a set of key measures and an assessment of the gap between the University and other doctoral research-extensive institutions performing at a Top 20 level on those measures. The Stillwater Group (a consulting firm based in Stillwater, New Jersey) provided essential consultation and perspective in the development of the model and the Business Plan.

This section outlines the underlying assumptions, establishes measures of progress toward national prominence—including national rankings and engagement—and uses a gap analysis to identify strategic directions for the future.

Underlying Assumptions

As an initial step, design of the Top 20 ranking model considered the major findings and recommendations of the *Top 20 Task Force*:

■ There should be two types of measures:

1) those independently collected at the national level (TheCenter[1], Integrated Postsecondary Education Data System [IPEDS], National Science Foundation [NSF] surveys, and the *U.S. News & World Report* [USN&WR] undergraduate college rankings, among others), and

2) those local measures that address UK's "higher purpose" of improving the overall quality of life and economic prosperity of Kentuckians. Local measures of the impact of engagement across Kentucky are necessary due to the current lack of national data collection efforts and consortia that facilitate comparisons of public service outcomes across institutions,

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[1] TheCenter is a research enterprise at the University of Florida focused on the competitive national context for major research universities.

especially those with land-grant and/or health science missions.

■ No single indicator or composite number can represent what an institution has done, can do, or will do. Therefore, a number of indicators needed to be indentified that, taken together, give the people of Kentucky a sense of the accomplishment and relative strength of their flagship university. The indicators established for such a purpose do not necessarily have to encompass all aspects of UK's programs and services.

■ Any attempt to use indicators to define quality, productivity, and progress will evoke controversy and disagreement. Due to great variance both across and within institutions, it will be difficult to gain consensus on quality criteria or on measures.

■ Universities of the highest quality tend to do most things very well.

In considering a variety of measures to include in a ranking model as indicators of progress toward national prominence, there are a number of caveats to clarify and qualify the use of such measures. The quality of an institution cannot be measured by only a few select quantitative or qualitative measures; however, the extent to which policies and procedures guide allocation of resources and produce expected outcomes can be a characteristic of an effective organization. Thus, a select group of measures has been identified to represent overall organizational effectiveness and success in fulfilling the institution's mission, with the following caveats:

■ National data, such as those used by TheCenter, IPEDS, NSF, and USN&WR to evaluate higher education institutions are imperfect—but the best available. A certain amount of error is intrinsic in calculations based on definitions that may be interpreted differently by institutions resulting in inconsistent reporting of data. However, comparative results indicate that such data have considerable face validity.

■ Rankings are inherently subjective and susceptible to a number of problems—misinterpretation, over-use, lack of reliability, and others.

■ Rankings provide a means to assess current performance in relation to Top 20 institutions, assess gaps, establish targets, and measure progress, but they are not an end in themselves.

■ An institution such as UK may achieve a high level of performance on select indicators, but if it does not serve the needs of the Commonwealth of Kentucky, it will have failed.

Finally, while there is no universally accepted measure of university performance, there is broad agreement on the desirable attributes of measures used in university ranking models. The UK *Top 20 Task Force* identified nine characteristics of such measures in its review of university rankings, and these were given careful consideration throughout the model-building process for the purpose of the Business Plan. Measures should be:

■ well-defined;

■ already collected by some entity;

- possible to change;

- important and significant to society;

- widely used nationally;

- under institutional control;

- realistic;

- reflective of the heterogeneity of UK's academic programs; and

- indicative of where the institution intends to go.

Making National Comparisons

The process of designing a ranking model for measuring progress toward national prominence included four distinct tasks:

1. **COLLECT** and analyze available measures;

2. **BUILD** a ranking model for consideration and refinement by the campus community;

3. **ANALYZE** previous and current performance gaps between UK and its competitors; and

4. **ESTABLISH** targets for future performance to guide strategic and resource planning through the year 2020.

This section provides the key decision points and the rationale associated with each of the four tasks, resulting in the design of a multi-dimensional composite score to monitor UK's progress toward national prominence.

DATA COLLECTION AND ANALYSIS. As a first step in the model-building process, UK developed a comprehensive database of key institutional measures, including data from IPEDS, TheCenter, and the USN&WR college rankings. Additionally, research was conducted on six of eight Stage 1 Membership Indicators used by the Association of American Universities (AAU) and the performance on those indicators by two institutions recently accepted into AAU—SUNY-Stony Brook and Texas A&M. Those institutions then were compared to UK (see Appendix A).

Review and analysis of the comprehensive database, AAU membership indicators, current literature, and extensive campus discussions resulted in the following key decision points:

- Give primary consideration to nine measures used by TheCenter in its annual report on the comparative performance of America's research universities:

TOTAL RESEARCH	FEDERAL RESEARCH
ENDOWMENT ASSETS	ANNUAL GIVING
FACULTY AWARDS	DOCTORATES GRANTED
POSTDOCTORAL APPOINTEES	MEDIAN SAT SCORES
NATIONAL ACADEMY MEMBERS	

The recommendations of the *Top 20 Task Force* relied heavily on TheCenter's data. Moreover, UK incorporated many of TheCenter's measures in its 2003–06 Strategic Plan, and has included a

summary of all results in the Council on Postsecondary Education's (CPE) annual accountability report to the Governor and the General Assembly.

■ Further consider measures used by AAU and USN&WR in their evaluations of university quality. There is considerable correspondence between TheCenter's data and the Stage 1 indicators used by AAU. In essence, there is substantial value in using measures already researched by external organizations and widely recognized as key indicators of quality.

■ To the greatest extent possible, design a ranking model that measures relative performance and includes outcome measures and excludes input measures. While adequacy of resources is a primary factor in performance, the true mark of quality is the institution's ability to use its available resources to bring about desired results. Further, national reputation and perceptions of quality appear to be more highly correlated with outcomes than with inputs. For example, in a correlation analysis that included endowment assets as an indicator of financial resources (input) as well as peer assessment ratings, research expenditures, graduation rates, doctoral degrees awarded, and faculty awards, the latter four outcomes were more strongly correlated with peer assessment ratings than were endowment assets (see Appendix B).

■ In addition to faculty quality and research productivity measures readily accepted as important to comparisons among research universities, recognize the significant impact of undergraduate education measures on national reputation and perceptions of quality (see the correlation matrix in Appendix B for additional information on the relationship between graduation rates and peer assessment ratings). Although UK is striving to be among the top public research universities in the nation, a ranking model cannot ignore the substantial influence of undergraduate education measures on a university's market position and its ability to attract and retain academically prepared students and a renowned faculty that ultimately drives performance and shapes reputations and rankings.

BUILDING A RANKING MODEL. Following preliminary data analysis and discussions, analysis focused on a set of measures that represent quality in undergraduate and graduate education as well as faculty and research productivity. In keeping with a commitment to use TheCenter's data and ensuring adequate representation of undergraduate education, 9 measures were included in a draft model. Elements for building the model included:

■ using a comparison population of the 88 doctoral research-extensive public universities in the U.S. that have federal research expenditures of $20 million or more per year;

■ converting data on each measure to standard scores (i.e. z-scores) to allow the values to be summed to create a composite score; and

■ sorting institutions by the composite score to determine UK's relative position, or rank.

The draft model then was presented to campus groups for discussion, feedback, and refinement (see Appendix C for a list of individuals and groups consulted during development of the Business Plan). Many of the deans believed strongly that a measure of faculty resources available to carry out teaching activities was essential in assessing the quality of an institution committed to success in all its mission areas. In response, the student-to-faculty ratio was added to the model. Also, the Top 20 Steering Committee expressed concern that the National Academy members measure was too stable—a reflection of the history of an institution rather than recent improvements in quality and productivity—to be useful for monitoring progress.

Consequently, the National Academy measure was dropped from the model. Finally, there was strong consensus for building a model that included four dimensions of quality weighted equally. (See Appendix D for key decisions and rationale for including or excluding suggested measures in the model.)

The final composite score model is comprised of nine measures within four domains: Undergraduate Education, Graduate Education, Faculty Recognition, and Research—with each domain weighted equally.

Based on ranking data available as of September 2005, UK ranks the lowest in Undergraduate Education (49th), while it ranks highest in Research Productivity (26th).

The composite scores and rankings of the 88 institutions on each domain are presented in Table 2.
(The final model and UK's position on each measure and domain relative to the 87 other doctoral research-extensive institutions are depicted in Appendix E.)

Table 2: Composite Score Rankings by Domain

**Undergraduate Education Score
[ACT/SAT (2004), Graduation Rate (2004),
and Student-to-Faculty Ratio (2004)]**
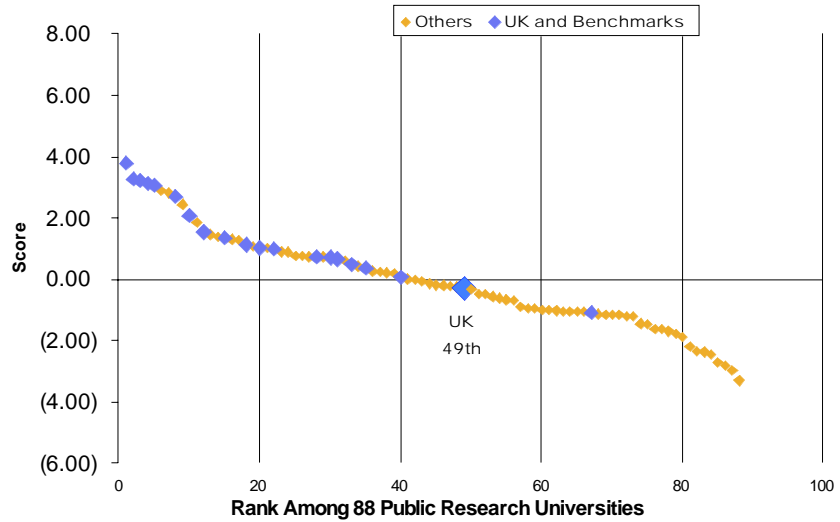
**Graduate Education Score
[Doctorates Awarded (2004) and
Postdoctoral Appointees (2002)]**
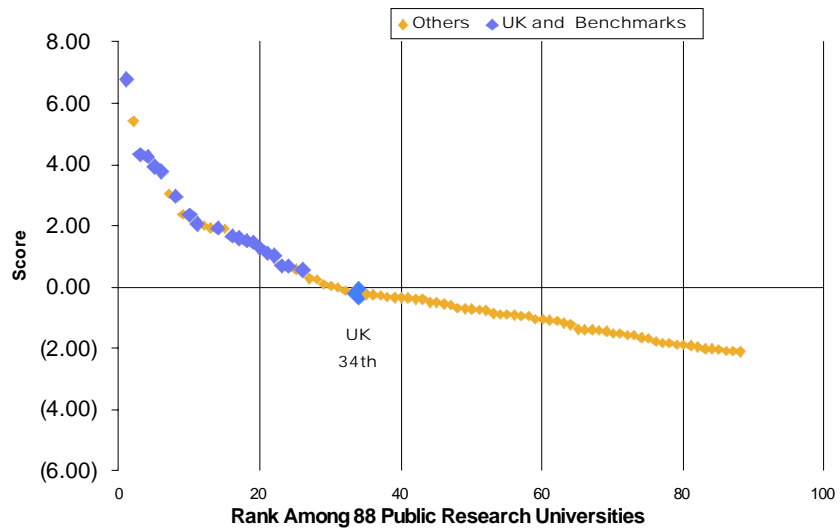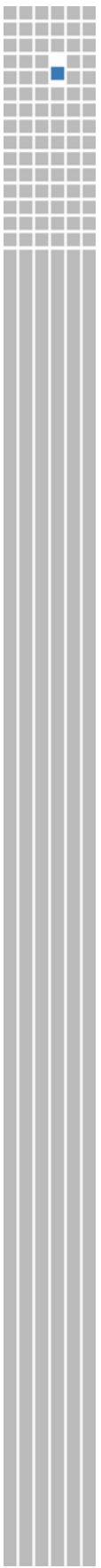
Faculty Recognition Score
[Citations (2000-04) and Awards (2003)]
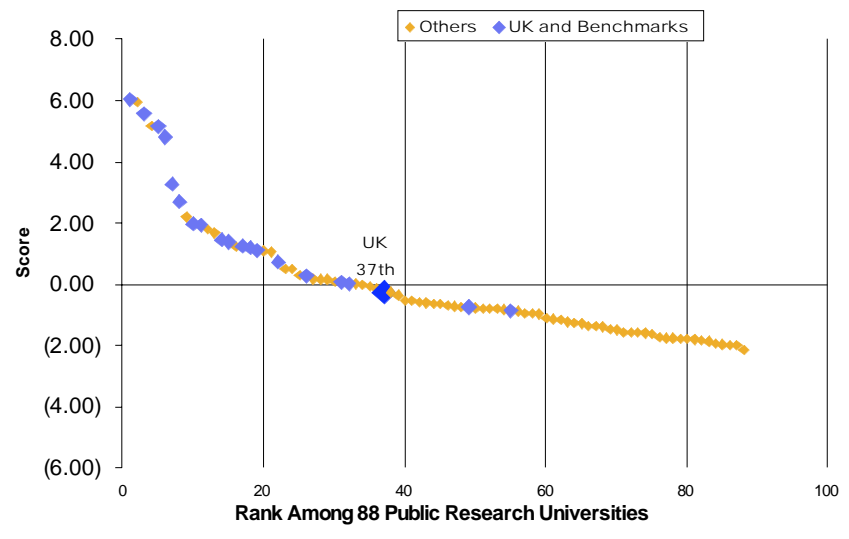
Research Score
[Federal and Non-Federal Research (2002)]
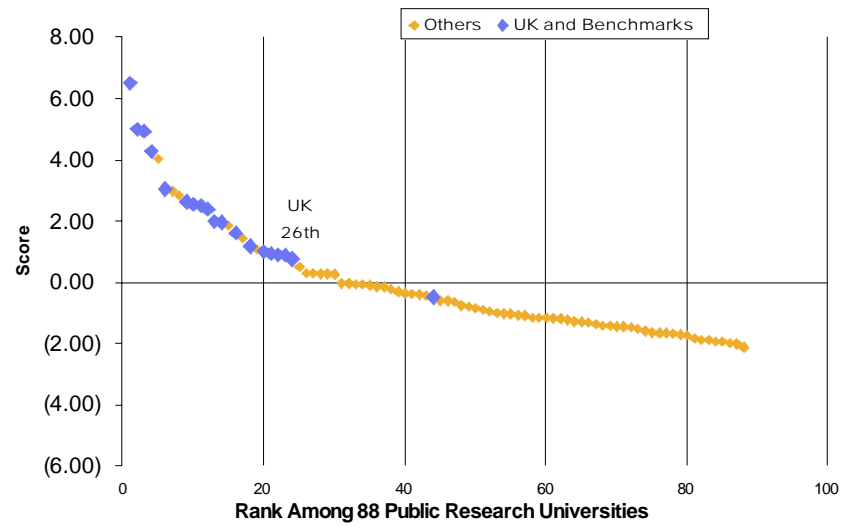
The domain composite scores were summed to obtain a total composite score. UK ranks 35th among the 88 doctoral research-extensive universities (see Figure 1). A retrospective analysis, using all measures except the student-to-faculty ratio (ranking data were not available), estimated that UK ranked 40th in 1997.

Figure 1: Composite Score and Rankings

Since 1997, UK moved from 40th to 35 th
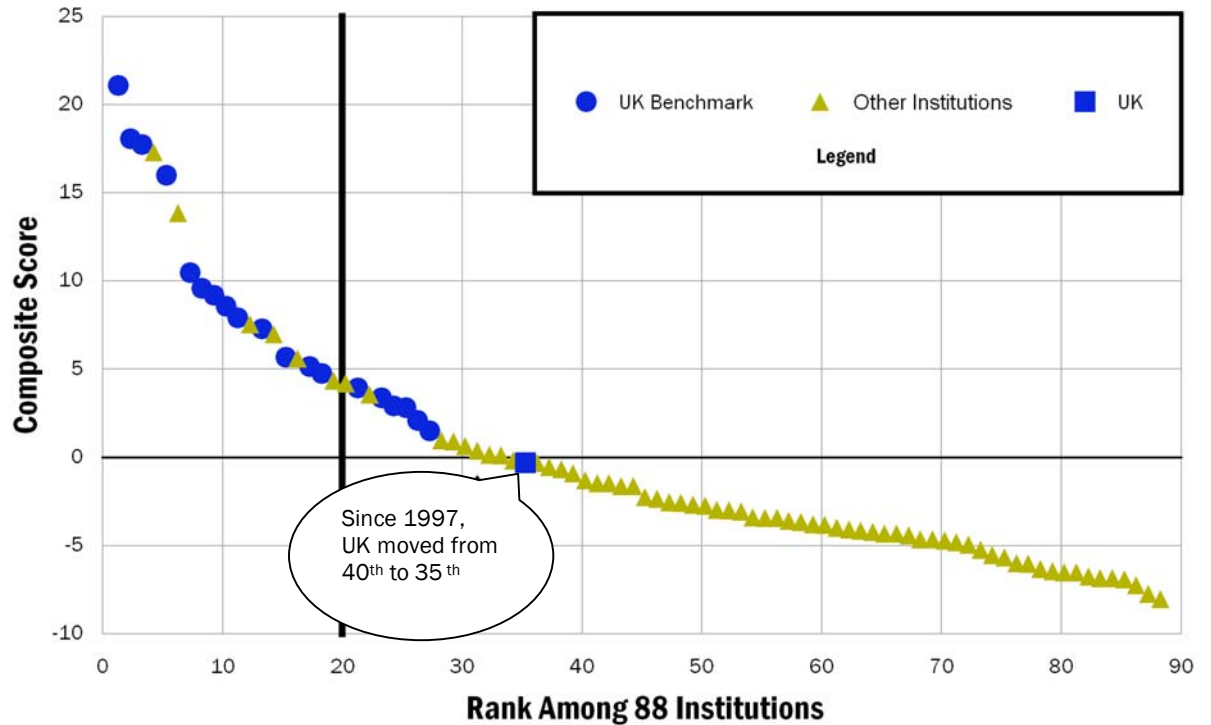
*UK's 19 benchmark institutions are highlighted. When UK selected these benchmarks in 1998, it felt strongly that these institutions should have a land-grant mission, or a medical center, or both.

GAP ANALYSIS AND FUTURE TARGETS. A gap analysis measures the difference between current performance and a desired outcome. To estimate the difference between UK's current level of performance and the level necessary to achieve national prominence as determined by the composite score model, a gap analysis was conducted on the nine measures. The gap to be determined was the difference between UK's performance and the performance of the 20th ranked institution on each measure based on data available in September 2005.

First, the analysis was conducted retrospectively to assess UK's progress toward the Top 20 goal since the 1997 passage of House Bill 1. This analysis provided a valuable perspective on the quality of effort thus far, but also brought into bold relief the fact that no research university stands still and Top 20 universities consistently make rapid progress. It is especially difficult to catch a moving target. For example, Figure 2 shows the gap between UK and the 20th institution on federal research expenditures in 1997 and in 2002. UK increased federal research expenditures by 61 percent between 1997 and 2002 and moved from 39th to 35th. However, UK fell further behind the

20th institution in actual dollars spent on federal research. In 1997 the difference between UK and the 20th institution was $42 million. In 2002 the difference was $67 million.

Figure 2: Federal Research and Development Expenditures in Science and Engineering Fields
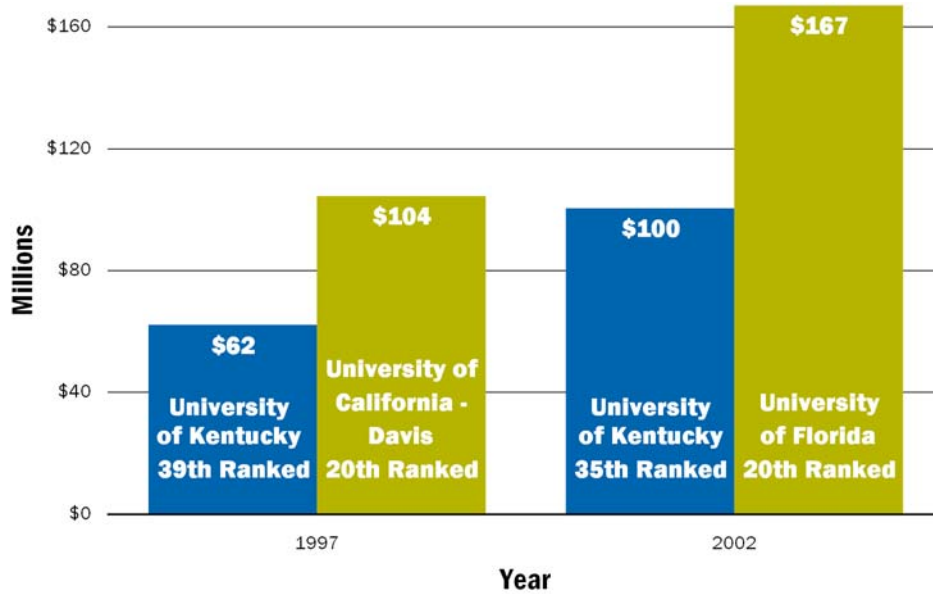
As another example, UK made significant progress on the six-year graduation rate of first-time, full-time, degree-seeking freshmen. In Figure 3, the difference between UK and the 20th institution is shown for 1997 and 2004. UK closed the gap from a difference of 20 percentage points to a difference of 12, improving from 64th to 51st in rank. Results for the remaining measures for which 1997 data were available are presented in Appendix F.

Figure 3: Six-Year Graduation Rate of First-time, Full-time Degree-seeking Freshmen
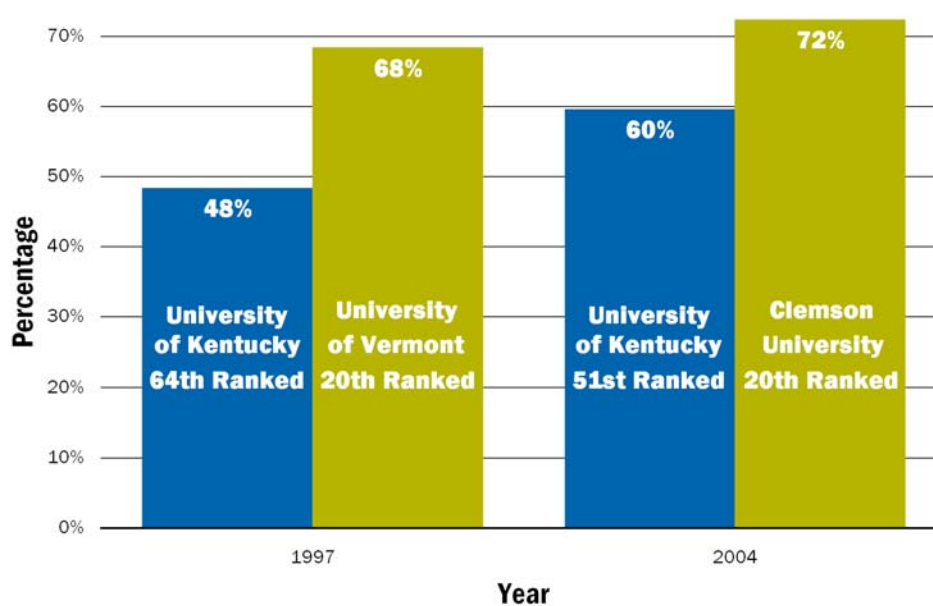
The gap analysis for UK's current performance on all measures in the four domains was based on the actual ranking data available as of September 2005, except for the student-to-faculty ratio. The student-to-faculty ratio is the one measure where a decline is expected. To account for this anticipated decline and plan appropriately, preliminary fall 2005 student-to-faculty ratio data was used to estimate the current gap. These results are summarized in Table 3. For each measure in each domain UK's most recent value is shown in addition to the current gap between UK and the 20th instituion.

Next, the performance and rankings of all 88 public research universities on all measures and domains were projected for the year 2012 to give UK specific intermediary targets (see Table 3). Additional modeling of the data identified the values needed to move UK from 35th to 28th in the composite score rankings, and these values were then established as 2012 intermediary targets. To estimate future performance these projections used recent performance and other basic assumptions about the rate of inflation and capacity for improvement. Incorporated into the projection model was the assumption that the other 87 institutions will also be growing and improving on key measures of quality. The last column in Table 3 presents a number of straightforward, reasonable strategies for UK to pursue.

Table 3: Results of Gap Analysis
Using Most Recently Available Data and 2012 Performance Targets

Domain	Measure	UK	Current Top 20 Gap	2012 Target	Suggested Strategies
Undergraduate Education	ACT/SAT (2004-05)	1128	65	1160	Enhance student quality, improve undergraduate programs and services, and increase faculty size
	Six-Year Graduation Rate (2004-05)	60%	12%	71%	
	Student to Faculty Ratio (2005-06)	18 to 1 (preliminary)	3	17.2 to 1	
Graduate Education	Doctorates Granted (2003-04)	233	149	350	Increase graduate enrollment and degree productivity and external funding in doctoral programs
	Postdoctoral Appointments (2002-03)	230	71	373	
Faculty Recognition	Citations (2000–2004)	42,288	35,868	47,144	Increase faculty size, salaries, and research productivity, and promote accomplishments
	Awards (2002-04)	11	6	14	
Research Productivity	Federal Expenditures (2001-02)	$100.4 m.	$67 m.	$254.1m	Increase faculty size, salaries, and research productivity, and increase and improve research facilities.
	Non-Federal Expenditures (2001-02)	$135.8 m.	$13 m.	$221.9m	

Measures of Engagement

The University of Kentucky maintains a strong commitment to improving the lives of Kentuckians as it works to fulfill its teaching, research, and public service mission and attain national prominence. In response to the recommendation of the *Top 20 Task Force* that local measures be used to evaluate the University's progress, additional research was conducted to determine the current status of national engagement measures.

A 1999 report by the W. K. Kellogg Foundation[1] identified a wide range of terms used by institutions and scholars to define engagement—university outreach, public service, community service, public scholarship, professional outreach, and outreach scholarship. In 2000, the Kellogg Commission on the Future of State and Land-Grant Universities called upon public universities to *transform their thinking about service so that engagement becomes a priority on every campus, a central part of institutional mission.* The Commission defined engagement:

> *By engagement, we refer to institutions that have redesigned their teaching, research, and extension and service functions to become even more sympathetically and productively involved with their communities, however community may be defined.*

Since the Commission report, other higher education organizations have expanded efforts to define and benchmark engagement, including:

■ The Committee on Institutional Cooperation: Committee on Engagement (CIC), an academic consortium of 12 major teaching and research universities in the Midwest.

■ The National Association of State Universities and Land-Grant Colleges Council on Extension, Continuing Education, and Public Service (CECEPS) Benchmarking Task Force.

■ The Higher Learning Commission of the North Central Association of Colleges and Universities (North Central), one of six regional institutional accrediting associations in the United States.

■ The Carnegie Foundation, which is piloting a project to develop an elective institutional classification for community engagement.

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[1] Methods of Assessing the Quality of Public Service and Outreach in Institutions of Higher Education: What's the State of the Art? W.K. Kellogg Foundation, April, 1999. November 2005. http://www.wkkf.org/pubs/YouthED/Pub577.pdf

Timeline: Recent Efforts to Define and Benchmark Engagement

Kellogg Foundation establishes the Commission on the Future of State and Land-Grant Universities

CIC appoints a Committee on Engagement to define engagement and identify benchmarks

CIC joins CECEPS to generate benchmarks for engagement

CIC/CECEPS report: Resource Guide and Recommendations for Defining and Benchmarking Engagement

1996   1999   2000   2001   2002   2003   2004   2005

Kellogg Commission reports:
- Methods of Assessing the Quality of Public Service and Outreach in Institutions of Higher Education: What's the State of the Art?
- The Engaged Institution: Profiles and Data
- Returning to Our Roots: The Engaged Institution

North Central Association Higher Learning Commission revises accreditation criteria to include definitions and operational measures of engagement

Carnegie Foundation selects 14 campuses to participate in a pilot project to develop a classification focused on community engagement

Examples of engagement activities include:

- Continuing education and lifelong learning
- Access to library and educational facilities
- Access to the Arts
- Direct services through a university clinic, hospital, or lab
- Applied research focused on responding to public problems
- Teaching in the form of clinical education, service internships, or practica
- Extension education
- Economic and community development
- Technology transfer

Given the recent flurry of activity aimed at defining exactly what institutions mean by the term "engagement," it is not surprising that nationally accepted measures for evaluating engagement outcomes and their impact also are not yet defined. Measures of engagement proposed by North Central and by CIC ("Resource Guide and Recommendations for Defining and Benchmarking Engagement," February 2005), included *evidence of* institutional commitment; faculty, staff, and student involvement; efforts to assess the impact and outcomes of engagement; resource opportunities generated through engagement; and others. However, the key to using and applying the list above is the interpretation of the word "evidence." Repeated use of this word indicates both North Central and CIC are struggling to define specific measures of engagement.

A cursory review of the information available on the meaning and measurement of engagement in comparison to ongoing activities at the University of Kentucky reveals clearly that UK's faculty, staff, and students are very involved in engagement work. As a land-grant institution with a comprehensive medical center, and numerous outreach initiatives that support P–12 education, arts

and cultural programming, business and economic development, and entrepreneurship, among others, UK is well-positioned to *become even more sympathetically and productively involved* in solving Kentucky's most persistent problems and heightening the presence and value of activities such as the Arts that enhance the overall quality of life.

For example, the Commonwealth Collaboratives is an initiative to turn UK's research resources toward addressing and solving the "Kentucky Uglies," President Lee Todd's term for long-entrenched problems that are holding back the state's economic and cultural progress. The Commonwealth Collaboratives—projects that address specific issues—are taking aim at improving Kentucky's schools, business climate, environment, health care, and lifestyles. These projects bind UK's researchers, P-12 educators, independent health care providers, entrepreneurs, industries, local government officials, and private citizens in partnerships designed to implement effective solutions to regional and statewide problems. Further, UK's researchers must provide annual reports describing their progress through measures that demonstrate the actual impact of the projects on their target populations.

To be successful in attaining national prominence, UK must meet the challenge of providing evidence of engagement. A first step is to define local measures to assess progress and impact:

- Build a database of engagement and outreach activities to facilitate tracking and reporting on engagement outcomes

- Assess outcomes of projects supported by the Commonwealth Collaboratives

- Document the impact and benefits of clinical services

- Assess Extension's performance on priority indicators

- Conduct periodic analysis of the economic impact of UK's research and development activities

- Assess access to and value of the Arts

The University's next strategic plan should include measures of statewide engagement.

Strategies for Attaining National Prominence

Throughout the development of the ranking model and subsequent consideration of possible strategic directions to help UK move forward, discussion was grounded in a strong philosophy that UK cannot succeed unless it improves the lives of Kentuckians. The importance of engagement as a conceptual framework in which the University must operate was paramount. To that end, in making decisions regarding strategies for attaining national prominence, UK considered carefully the educational and economic needs of Kentucky as reflected in the 2005–2010 Public Agenda of the Council on Postsecondary Education—*Five Questions, One Mission: Better Lives for Kentucky's People*—and associated facts:

1. Are more Kentuckians ready for postsecondary education?

For every 100 ninth graders in Kentucky, only 15 will graduate with an associate or a baccalaureate degree within the standard time frames (within three years after graduating from high school for an associate degree or within six years after graduating from high school for a baccalaureate degree). From 1995–2000, 11,351 people with less than a high school diploma between the ages of 22–29 moved to Kentucky while 5,087 left the state, resulting in a net gain of nearly 6,264 undereducated young adults.

2. Is Kentucky education affordable for its citizens?

A recent affordability study found that Kentucky's public higher education institutions were within a reasonable range of affordability for most students. Average tuition and fees at Kentucky institutions in 2004–05 was 15 percent below the national average; however, Kentucky's national affordability rank slipped from 8th to 14th between 2002 and 2004.

3. Do more Kentuckians have certificates or degrees?

In 2004 Kentucky ranked 47th in the nation in the percent of the adult population with a four-year degree or higher. To reach the national average by 2020 Kentucky must more than double the number of college-educated adults within its borders.

4. Are college graduates prepared for life and work in Kentucky?

According to The National Center for Public Policy and Higher Education's *Measuring Up 2004*, four-year college undergraduates in Kentucky score below the national average on assessments of writing, critical thinking, and problem-solving skills; and not enough Kentuckians score well on examinations needed for admission to graduate school.

5. Are Kentucky's people, communities, and economy benefiting?

Although Kentucky has taken steps to improve its economic competitiveness, its ratings on the Corporation for Enterprise Development's (CFED) report card have not changed much in 15 years—earning a *D* in economic performance, a *D* in development capacity, an *F* in financial resources, and a *C* in business vitality in 2004. Federal research and development dollars per capita increased 92 percent in Kentucky from 1996 to

2002; however, Kentucky only moved from 45th to 42nd in the nation.

THE FIVE QUESTIONS ABOVE and the "cold, hard facts" presented in relation to them pose significant concerns among state policymakers and within the UK community. It is clear that Kentucky must increase the number of educated citizens within its borders; plan strategically over the long-term for financial investments in education; enroll and graduate more students; improve student learning; and greatly accelerate research and service activities that help build strong economies and communities.

According to the Council on Postsecondary Education (CPE), an increase of 211,000 baccalaureate degree holders is needed to eliminate the gap between Kentucky and the national average in baccalaureate degree attainment by 2020. In implementing the 2005–2010 Public Agenda, the CPE developed a student flow model to assist in planning for postsecondary education enrollment growth and improved baccalaureate degree production at institutions throughout Kentucky. The student flow model is a four-step model that incorporates assumptions regarding increases in:

1. participation and quality in Kentucky's postsecondary education institutions;

2. the number of GED completers and their college-going rate;

3. enrollment in KCTCS and the number of transfers to four-year institutions; and

4. high school graduation rates.

A fifth component of the CPE planning model proposes significant migration of baccalaureate degree holders into Kentucky to fill jobs created through economic development.

Using the student flow model and a set of basic assumptions, the CPE calculated the enrollment increases and baccalaureate degree productivity needed for each public and independant four-year institution in Kentucky if the state is to achieve the national average in baccalaureate degree attainment by 2020. Draft predictions were made available in November 2005 to facilitate goal-setting activities among the public institutions; consequently, the predictions for UK were not available during development of the Business Plan. Table 4 shows the predicted enrollment and degree production needed at UK by 2020 according to the CPE model. Results of the modeling process also predict that UK's percent of the total enrollment and baccalaureate degrees awarded annually in the state would decline between 2004 and 2020. CPE's preliminary calculations show that UK would need to enroll an additional 10,160 undergraduate students by 2020. The information in Table 4 is presented to provide additional context for considering the vision, scale, and reasonableness of UK's Business Plan.

Table 4: CPE Student Flow Model Results for Increasing Undergraduate Enrollment (Headcount) and Baccalaureate Degree Productivity.
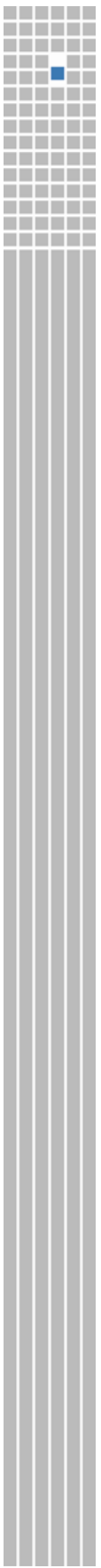
Institution	Proposed 2020 Targets		Percent of Total for Kentucky 2004		Percent of Total for Kentucky 2020	
	Headcount	Degrees	Headcount	Degrees	Headcount	Degrees
UK	28,652	5,779	15.3%	19.6%	14.2%	17.4%

In response to statewide needs, UK discussed various scenarios, including improving the quality of education while maintaining current enrollment levels; increasing the number of students enrolled while maintaining current levels of student learning; or increasing both the quality of education and the number of students enrolled. In considering the Commonwealth's critical needs and the mandate to achieve national prominence, UK's moral responsibility is to do both. UK must enroll more students, provide to them a better educational experience, and, thus, graduate more students who value life-long learning, the Arts, diversity, and engagement.

STRATEGY OF GROWTH. The key to success in a knowledge economy is creating and sustaining the intellectual capital vital to the recruitment of existing businesses and the creation of new ones. Three-quarters of economic growth in the U.S. today is the result of technological advance and nearly all of that advance is the result of university-based research. Businesses will continue to locate in close proximity to research universities with substantial intellectual and laboratory assets and the capacity to produce on a sizeable scale workers prepared to constantly shape and adapt to the rapid evolution of technology and information translation.

Figure 4: Full-Time Equivalent (FTE) Enrollment and *U.S. News & World Report* Peer Assessment Ratings

$$r^2 = 0.39$$

Statistic for indicating strength of a linear relationship between two variables where:
+1 indicates a strong positive correlation,
0 indicates no correlation, and
-1 indicates a strong negative correlation.
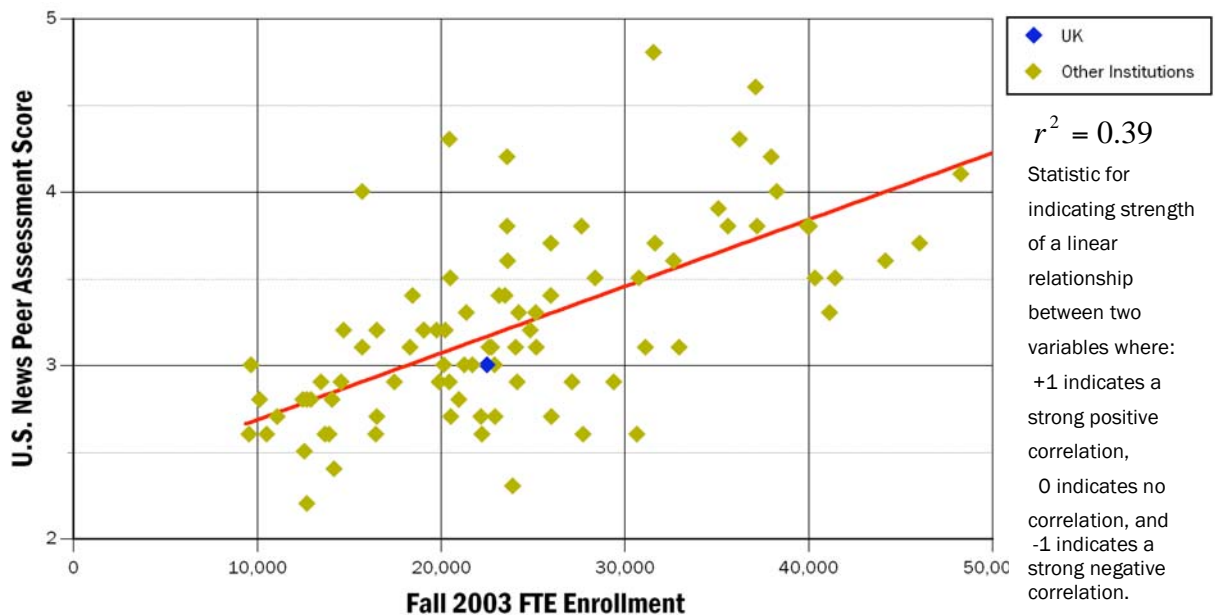
The University of Kentucky will be the inevitable centerpiece of any serious effort in Kentucky to create the critical mass of human capital and the synergy of knowledge and infrastructure increasingly attractive to 21st Century business and industry. To do that, UK must do two things. First, it must build a student body, more diverse in character, larger in size, and more anxious to seek constant advance across all fields of human knowledge, especially in those essential to economic success: science, technology, engineering, and math. UK must inspire, recruit, and retain thousands of Kentuckians willing to take on the challenges and opportunities of the knowledge economy with the aim of making their home state a leader in new business creation and a magnet for cutting edge industries. UK also must draw students from across the United States and the globe anxious to share in building a state economy that successfully competes in the 21st Century.

Second, UK must recruit and retain a faculty and support staff that is attractive to these prospective students, valued for their expertise by existing businesses, and willing to risk greatly and act boldly to discover new products and new processes, build companies, and create jobs.

Kentucky's progress in this new century will be the result of the vision, expertise, and initiative of her flagship faculty.

UK has a moral obligation to the citizens of Kentucky to grow as a university—not just enroll more students and hire more faculty for the economic gains that result from such strategies.

But UK also must harness the energy and talent of its expanding campus in the effort to attack the broad spectrum of persistent social and health problems that Kentucky has historically confronted.

UK's teaching, research, and service missions must always tack to the guiding principle that knowledge must be advanced so that Kentucky's citizens benefit, their health improves, and their quality of life prospers.

An analysis of the relationship between a university's size and its productivity, reputation, and rankings provides compelling evidence that size matters and should be a key planning priority for UK.

Figure 4 shows the strong correlation between reputation (as measured by the USN&WR peer assessment survey) and the number of full-time equivalent students enrolled.

Figure 5 depicts the Fall 2004 enrollment (headcount) of UK and its 87 competitors ordered by rank according to their composite score.

In the Top 20 only three institutions—Georgia Tech, the University of California-San Diego, and the University of Virginia—have fewer students than UK.

Figure 5: Headcount Enrollment of UK and 87 other Public Research Universities
Rank Ordered by Composite Score

2004 Headcount Enrollment

Top 20

UK's Enrollment

| | 0 | 15,000 | 30,000 | 45,000 |

University of California - Los Angeles [35,966] 1.
University of Washington [39,199] 2.
University of Michigan [39,533] 3.
University of California - Berkeley [32,803] 4.
University of Wisconsin [40,455] 5.
University of California - San Diego [24,663] 6.
University of Illinois - Urbana-Champaign [40,687] 7.
University of Minnesota [50,954] 8.
University of North Carolina - Chapel Hill [26,878] 9.
Pennsylvania State University [41,289] 10.
University of Florida [47,993] 11.
University of California - Davis [29,210] 12.
Ohio State University [50,995] 13.
University of Pittsburgh [26,731] 14.
University of Virginia [23,341] 15.
University of Texas - Austin [50,377] 16.
University of Maryland - College Park [34,933] 17.
Texas A&M University [44,435] 18.
University of Colorado [32,362] 19.
Georgia Institute of Technology [16,841] 20.
University of Arizona [36,932] 21.
Rutgers [34,696] 22.
University of Iowa [28,442] 23.
Michigan State University [44,836] 24.
Purdue University [40,108] 25.
North Carolina State University [29,957] 26.
University of Georgia [33,405] 27.
SUNY - at Buffalo [27,276] 28.
University of California - Irvine [24,344] 29.
SUNY - Stony Brook [21,685] 30.
University of Utah [28,933] 31.
Virginia Polytechnic Institute and State University [27,619] 32.
University of California - Santa Barbara [21,026] 33.
Indiana University [37,821] 34.
UNIVERSITY OF KENTUCKY [25,686] 35.
University of Illinois - Chicago [24,865] 36.
Iowa State University [26,380] 37.
University of Missouri - Columbia [27,003] 38.
University of Delaware [21,238] 39.
University of Cincinnati [27,178] 40.
University of Tennessee [27,792] 41.
University of Hawaii [20,549] 42.
University of Massachusetts [24,646] 43.
University of Connecticut [22,694] 44.
Colorado State University [27,973] 45.
Washington State University [23,241] 46.
Clemson University [17,110] 47.
Arizona State University [49,171] 48.
University of South Carolina [25,596] 49.
Louisiana State University [32,241] 50.
Florida State University [38,431] 51.
University of Nebraska [21,792] 52.
University of Alabama - Birmingham [16,693] 53.
University of California - Riverside [17,104] 54.
University of South Florida [42,238] 55.
University of Vermont [10,940] 56.
University of New Hampshire [14,370] 57.
University of Kansas [26,980] 58.
Virginia Commonwealth University [28,303] 59.
Oregon State University [19,153] 60.
University of California - Santa Cruz [15,036] 61.
Wayne State University [32,386] 62.
Auburn University [22,928] 63.
Temple University [33,551] 64.
University of Alabama - Tuscaloosa [20,929] 65.
University of Oklahoma [27,483] 66.
Mississippi State University [15,934] 67.
University of Maryland - Baltimore County [11,852] 68.
University of Arkansas [17,269] 69.
University of Oregon [20,296] 70.
Oklahoma State University [23,819] 71.
Kansas State University [23,151] 72.
SUNY - at Albany [16,293] 73.
Texas Tech University [28,325] 74.
University of New Mexico [26,242] 75.
University of Maine [11,358] 76.
University of Nevada - Reno [15,950] 77.
Utah State University [16,130] 78.
Florida International University [34,865] 79.
University of Wyoming [13,207] 80.
University of Rhode Island [14,749] 81.
University of Idaho [12,824] 82.
University of Houston [35,180] 83.
University of Louisville [20,729] 84.
West Virginia University [25,255] 85.
University of Mississippi [14,497] 86.
New Mexico State University [16,428] 87.
University of Southern Mississippi [15,253] 88.

| | 0 | 15,000 | 30,000 | 45,000 |

UK's Enrollment

And finally, in Figure 6, the distribution of composite ranking scores for the top 40 shows that the more highly ranked institutions have comparatively larger enrollments (as indicated by the larger bubbles). Immediately above UK are six competitors that are similar to UK in number of students in addition to Indiana University, which is much larger. UK's short-term goal is to surpass these seven competitors, and move from its present 35th rank to 28th—or approximately half-way toward reaching the goal of attaining Top 20 status by 2012. Planned growth in a thoughtful, strategic manner will help propel UK into the top 30 institutions within a relatively short timeframe.

Figure 6: Composite Score Ranking Where Size of Bubble Represents Full-Time Equivalent Enrollment (FTE)
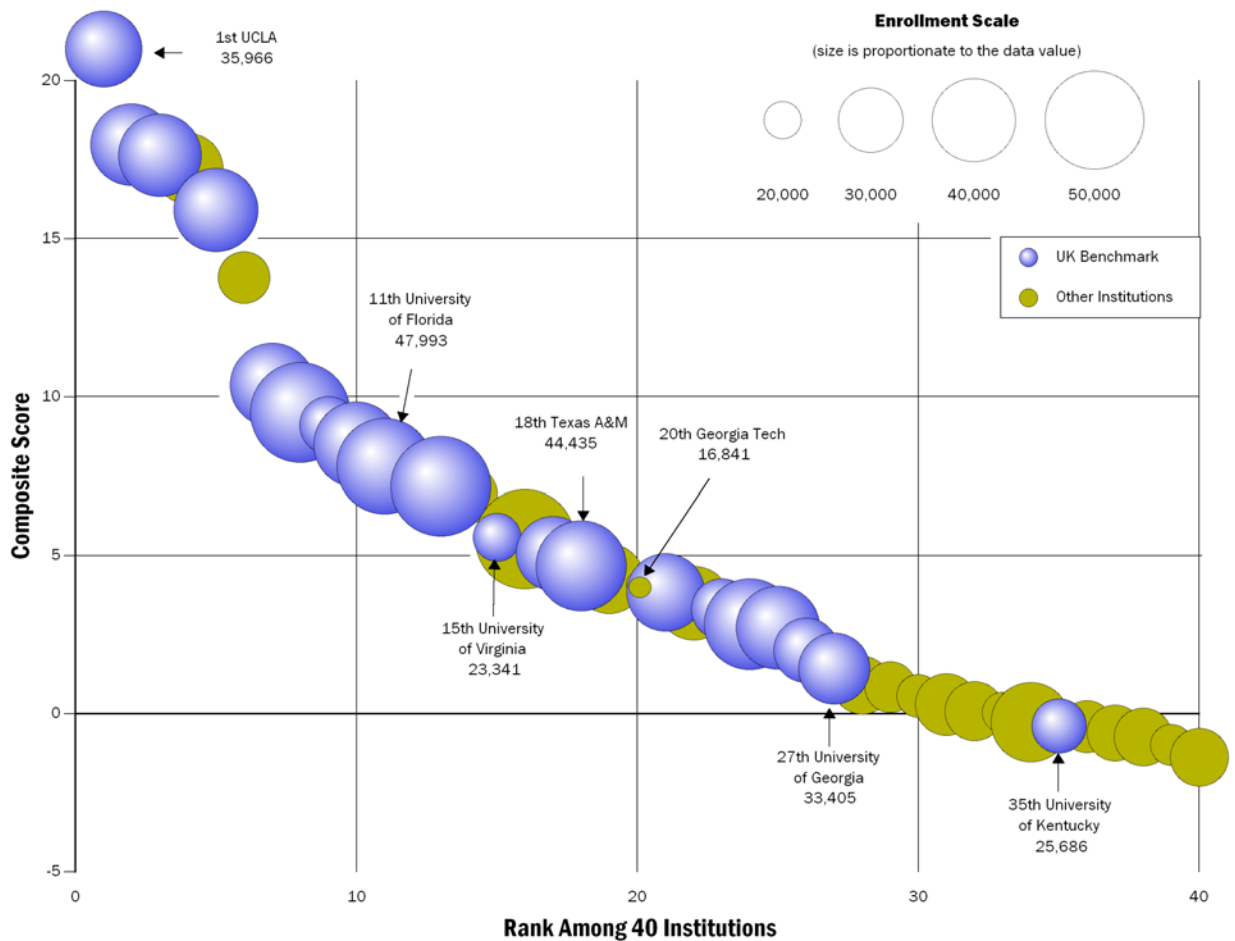
STRATEGY OF QUALITY. While a strategy of growth will help UK increase its capacity to have an impact on the lives of Kentuckians, a strategy of quality demands equal consideration. Kentuckians deserve and need no less than a top ranked public research university that strives continually to improve the quality and productivity of its considerable and diverse mission activities that are supported by public funds. Improved quality related to instruction, research and creativity, service, academic support,

and administration translates into greater efficiencies, additional resources, and desired outcomes. Quality is prevalent throughout the specific strategies described below.

After taking into consideration all sources of information and feedback and conducting additional analyses, UK identified specific strategies designed to promote growth and quality. To reach national prominence by 2020—as measured by a Top 20 ranking in the composite score model—UK must invest more in undergraduate education, graduate education, faculty resources, and research activities, and become more efficient.

Undergraduate Education

■ Improve the quality and diversity of the undergraduate population by enhancing recruitment efforts and scholarship programs while increasing the average converted SAT score of entering freshmen from 1128 to at least 1193 by 2020.

■ Improve programs and services that have an impact on the undergraduate experience and improve retention and graduation rates: recruitment and admissions, advising, the University Studies Program (the general education component of the bachelor's degree), student services, and student life activities.

Activities aimed at recruiting and enrolling a high-quality, diverse student population must be of a caliber that attracts and persuades highly accomplished high school graduates in Kentucky and beyond its borders. Examples of needed improvements include user-friendly, web-based student services; far-reaching, creative web-based recruiting strategies; and efficient, timely scholarship strategies for need- and merit-based aid.

Activities aimed at retaining and graduating a high-quality, diverse student population must meet a broad range of intellectual and creative interests, including enhanced academic offerings, learning communities, arts and cultural events, and opportunities for engagement.

■ Contract with an external consulting firm to conduct a comprehensive recruitment analysis. This analysis will assist UK in formulating recruitment and marketing strategies designed to meet enrollment objectives related to quality, diversity, and size and improving retention and graduation rates.

■ Add 500 regular, tenure-track faculty in the undergraduate colleges to support an undergraduate enrollment increase of 6,200 highly qualified students by 2020. This recommended increase in faculty is based on the number needed to reduce the current student-to-faculty ratio from 17.8:1 to 16.4:1 by 2020. The number of new students recommended was proposed by the *Top 20 Task Force* in 2002. In addition, analyses of recent trends in UK's applicant pool suggest that UK has the potential to increase enrollment of highly qualified students, especially among nonresidents.

■ Provide additional support space, classroom and class lab space, and recreational facilities and construct new and renovate existing residence halls that ultimately will accommodate 30 percent of undergraduate students by 2020.

Graduate Education

■ With additional faculty to support undergraduate education and increase research productivity, add 750 new graduate/first professional students by 2020.

■ Improve the financial support to graduate students, especially in areas outside the sciences, by providing full funding to waive tuition and increasing and maintaining stipends at a nationally competitive amount for all current and new graduate assistants.

■ By 2020, increase postdoctoral appointments by 375 to support increasing research productivity.

Faculty Recognition

Offer the strongest support possible in salaries, benefits, technology, facilities, and other programs and services. UK must provide competitive starting salaries and increase the average instructional faculty salary to the benchmark median by 2012 to attract and retain a diverse, highly productive, and achievement oriented faculty.

Research Productivity

■ Add 125 full-time regular or research faculty in the graduate/first professional colleges to enhance graduate education and research productivity. This recommended increase is based on the number needed in addition to the 500 new faculty in the undergraduate colleges to increase research expenditures to $476 million by 2012 and $768 million by 2020. (See Appendix 6-8)

■ Based on current CPE guidelines for research space, construct new research facilities totaling 710,000 assignable square feet by 2012 and 1,070,000 assignable square feet by 2020.

Top 20 Growth Targets

In summary, to meet the needs of the Commonwealth and position itself to achieve Top 20 status by 2020, UK must meet the growth targets presented in Table 5.

Table 5: 2020 Growth Targets for Enrollment, Number of Faculty and Total Research Expenditures and Expected Outcomes

Growth Area	UK 2004	2012 Goal	2020 Goal	Variance '04–'12	'04–'20
Undergraduate Enrollments	18,492	20,374	24,692	1,882	6,200
Graduate and First Professional	7,252	7,642	8,002	390	750
Postdoctoral Appointments	295	438	670	143	375
Faculty	1,920	2,133	2,545	213	625
Bachelors Degrees Awarded	3,285	4,800	6,350	1,515	3,065
Doctorates Granted	276	350	465	74	189
Total Research Expenditures	$298	$476	$768	$178	$470

Staff Support. Additional funds provided in the Plan may be used to create new staff positions to support the increased enrollments and faculty, as needs are identified. However, specific targets for additional staff are not included in the Plan. The implementation of SAP, an enterprise resources planning system, provides the opportunity to redesign core business processes and generate efficiencies. The Plan assumes that some staff positions may be realigned to provide the direct support needed as a result of increased enrollments and faculty growth.

Improve Operational Efficiencies

UK must consider implementing incentives for exceptional performance at the academic unit level. The criteria and guidelines universities use to allocate resources to academic and administrative functions can have a decisive effect on overall academic quality and performance.

In recent years one resource allocation model – Responsibility Center Management (RCM) – has attracted wide attention. In essence, RCM is a tool for decentralized, incentive-based budgeting that builds market forces into the decision-making process. In the typical application of RCM, direct and indirect revenues and expenses are allocated to the academic programs within the university, giving deans the responsibility, incentive, and authority to manage resources wisely. RCM does not cut costs or increase productivity; rather, it provides a framework and incentives for increasing efficiency through better understanding of the university's cost and revenue structure. RCM enables academic decision-makers to understand the dynamics of the university's cost structure and revenue base, thereby facilitating realistic planning and sound decision-making. It is this transparency that produces a clear understanding of the distribution of resources within the university.

UK's acquisition and installation of SAP's enterprise-wide technology has laid the foundation for a university-wide redesign of core business processes—finance, human resources, student services, procurement, and facilities management. By redesigning and streamlining its business processes, UK can improve service to the university community while reducing operating costs. Redesigned business processes, when properly conceived, enhance not only the quantity and quality of outputs – they also enhance the nature of work by empowering administrative employees to exercise judgment and initiative in problem-solving. Front-line service providers are transformed from nay-saying regulators to pro-active facilitators. The service model of customers in newly redesigned processes usually gravitates toward self-service. The paradox of self-service is that customers experience self-service as more satisfying and convenient than traditional models of customer service. To realize these benefits, UK must set targets for service improvement and operating savings across core business processes. The transition to an enterprise resource planning model, such as SAP, can yield significant savings for reinvestment in higher-priority programs—but only if the University pursues a disciplined effort to capture the cost reductions resulting from the streamlined business processes. An institution the size of the University of Kentucky should be able to capture at least 10 percent of central and college administrative costs by implementing a new enterprise system.

UK should investigate cost-saving opportunities through outsourcing (i.e., contracting with external vendors to provide improved services at lower costs). Although higher education was among the last industries to embrace outsourcing, today a wide range of major business and administrative services in higher education are delivered through outsourcing. According to a recent survey by UNICCO (an integrated facilities services company), only nine of 152 schools that responded were delivering all administrative services on a self-operating basis. The rationale for outsourcing rather than self-operating services is straightforward: the core competence of colleges and universities is research and education. Firms that provide outsourcing services typically specialize in the services they provide and typically provide service equal in quality to "in-sourced" services at a lower total cost.

UK should allocate special funding for strategies to support staff. Improving rewards, the campus environment, and the extent to which staff maintain a positive balance between work and life will promote higher levels of workplace satisfaction and productivity. Strategies should be determined based on evidence of areas of greatest need as a result of the Work-Life Survey and additional analyses to be conducted by the Office of Human Resources.

Establish a Long-Term Tuition Strategy

A long-range plan for setting tuition rates will allow parents, students, and other constituent's time to plan for the estimated total cost of education. UK's tuition plan must strike a balance between maintaining affordability for students and maximizing

revenues available to support Top 20 investments. The tuition plan should take into account:

- Projected state appropriations;

- New enrollment;

- Increase in nonresident undergraduates from 21 to 25 percent of the total undergraduate population; and,

- An increase in the tuition discount rate to provide adequate financial aid for lower socio-economic students.

The level of state support is a critical variable in this equation. In determining net funding needs, the Financial Plan is based on the assumption that tuition and fees will increase at a minimum of four percent annually for all categories of students – undergraduate and graduate/first professional, resident and nonresident. A sliding scale of tuition rate increases and corresponding increases in state appropriations to meet funding needs is included in the Financial Plan.

Scholarship funding for undergraduates must increase in order to meet the needs of low income students; enhance student diversity; and enroll the most highly qualified students.

The Plan includes increasing the undergraduate financial aid discount rate (unrestricted institutional aid as a percent of tuition) from 16.8 percent to about 20 percent by 2012. UK should determine the needed tuition discount rate more precisely based on a comprehensive study of current financial aid policies and practices. This study should be part of the comprehensive analysis of recruitment and marketing strategies described above.

The comprehensive financial aid study should recommend ways to re-structure scholarship and financial aid policies, procedures, and programs to assure that undergraduate financial aid policies are equitable and effective.

The delivery and financing of alternative instructional programs such as Evening/Weekend and Summer School should be restructured to better meet the needs of students and maximize revenues.

Top 20 Award Program

The Top 20 Steering Committee recognizes that a comprehensive, university-wide effort is needed to achieve the Top 20 goals. The Committee also recognizes that the measures included in the composite score model may not apply directly to some academic units and in most cases not at all to academic support and administrative units. Nonetheless, exemplary performance that garners national recognition constitutes an essential ingredient for UK to earn a reputation as a nationally prominent public research university. Therefore, UK should implement a Top 20 recognition award program for units that establish Top 20 goals as part of their strategic plans, achieve those goals, and gain national recognition. The Top 20 Performance Award should be an annual award with an appropriate considerable monetary reward for the unit or units

that perform at such a level, based on a process and criteria to be determined by the University.

FINANCIAL PLAN

The University of Kentucky is a statewide organization with an annual operating budget approaching $2 billion and over 11,000 employees, making it one of the largest enterprises and employers in the Commonwealth of Kentucky. Long-range planning for acquiring financial resources to support successful attainment of its multiple missions must become an ongoing endeavor. To move toward Top 20 status relying on inconsistent and unpredictable state appropriations, and the related volatility of tuition revenue would be short-sighted and irresponsible. To consider state appropriations and tuition and fees as the only flexible sources of revenue for supporting growth and program improvements also would be short-sighted and irresponsible.

An organization the size and scope of UK must identify, acquire, and utilize multiple sources of revenue to turn dreams into reality. Therefore, a primary purpose of the Top 20 Business Plan is to articulate a long range financial plan that clearly and explicitly funds the strategic initiatives necessary to achieve a level of performance characteristic of a Top 20 public research university. Following identification of strategies necessary to eliminate performance gaps and achieve Top 20 status, the Business Plan focuses on the financial investments needed to implement the strategies and ensure success. This section describes the investments needed and multiple scenarios for funding them.

Needed Investments

Decisions related to needed investments followed directly from identifying the strategies necessary to improve performance—and the lives of Kentuckians.

■ If research productivity is to be increased, then investments in start-up packages, equipment, research space, and administrative support will be needed.

■ If more students are to be educated, then investments in recruitment and admissions, financial aid, advising, academic programs, student services, student life activities, recreational facilities, residence halls, and classrooms and class labs must be made.

■ If more faculty are needed, then investments in salaries, benefits, equipment, offices, academic support, and operating budgets must be made.

Overall, the specific investments needed to support implementation of the Top 20 strategies fall into six broad categories: Faculty, Academic Support, Undergraduate Education, Student Aid, Support Services, and Facilities. A self-supporting hospital category was added to complete a comprehensive, long-range financial picture that takes into account all General Fund sources of revenue and expenditures in support of UK's mission.

As previously discussed, UK is currently ranked 35th based on the selected nine variables making up the four domains of quality—Undergraduate Education, Graduate Education, Faculty

Recognition, and Research Productivity. To align achievement of Top 20 status by 2020 to the next 14 years, intermediary goals were set for 2012. The overall objective is for UK to move from 35th to at least 28th by 2012 and then to at least 20th by 2020. Therefore, various parts of the Financial Plan will present information as of the 2012 fiscal year as well as 2020.

For each of the above six categories, a financial model was developed to predict the required cumulative investments for each year starting with the fiscal year ending June 30, 2007 and going through the fiscal year ending June 30, 2020. The University's General Fund operating budget for fiscal year 2006 provided the baseline for the modeling process. Data-driven assumptions derived from interviews with campus leaders and from analysis of existing institutional and external data were built into the models as appropriate, including estimated inflationary increases. Each of these categories is described below and shown in Table 6 along with the predicted total amount of new operating expenditures needed by 2012 and by 2020. See Appendix G for detailed tables depicting the results of the financial modeling process.

A total of $1.097 billion needs to be added to UK's annual budget by 2020 (Table 6.) While faculty are identified in a separate category below, all other personnel including staff and student workers are included in the Academic Support, Undergraduate Education, Support Services, and Facilities categories.

FACULTY: The annual cost of the 625 additional faculty required to improve UK's student-to-faculty ratio and research productivity and raise UK's faculty salaries to a competitive level will be $313 million in 2020.

ACADEMIC SUPPORT: The annual cost to support additional faculty with start-up funds, library materials, and academic support staff will be $174 million in 2020. This includes an annual 3 percent salary increase for staff and an annual $5 million Staff Enhancement Fund.

UNDERGRADUATE EDUCATION: The cost of support for enrollment growth and improving the student experience—especially as it contributes to increases in student retention and graduation rates—as well as inflationary increases will add $36 million to the base budget by 2020.

STUDENT AID: The cost of increasing undergraduate financial aid and providing nationally competitive funding for doctoral fellowships will be $85 million in 2020. This amount includes increasing the tuition discount rate for current and new undergraduate students to 20 percent by 2012.

SUPPORT SERVICES: Student and faculty growth and increased research activity will require investments in technology and additional support staff. UK also must plan for its continued investment in the Integrated Resources Information System (IRIS) and accelerating utility costs. UK will require an additional $115 million for support services by 2020.

FACILITIES: The cost of providing adequate facilities including debt service, maintenance and operations for new buildings, and capital renewal of existing facilities will add $70 million to UK's base budget by 2012 and $132 million by 2020. These amounts include $49 million for debt service for new educational and

general facilities by 2012 and $88 million by 2020. Based on the Council on Postsecondary Education's current guidelines, UK will need an estimated additional 1.8 million square feet by 2020 (excluding projected hospital facility needs). An additional 1,860 beds also will be needed to provide on-campus housing for 30 percent of undergraduate students. And most of the current student housing facilities must be renovated. The total cost to build new facilities and renovate the existing residence halls is estimated at $1.7 billion.

These projects should be funded with $1.2 million of state bonds and $452 million of agency bonds.

Sources of Funds

The University of Kentucky does not expect all additional support for Top 20 investments to come from the state. UK will contribute its share from tuition and fees, investments, gifts, indirect cost recovery, and internal reallocations. And UK will continue to operate a vital and thriving clinical enterprise. Revenue projections are depicted in Table 7. State appropriations are projected to remain flat in this model in order to determine the funding gap between the resources needed and the projected source of funds.

These projections indicate that UK can fund *40 percent* of the investments required to reach Top 20 status by 2020.

TUITION AND MANDATORY FEES: Enrollment growth and a four percent annual increase in tuition and fees will generate an additional $238 million by 2020.

PHILANTHROPY: A significant effort to increase annual giving should generate an additional $19 million.

RESEARCH RECOVERY: The growth in federal and non-federal research will increase indirect cost recovery by $54 million annually by 2020.

INTERNAL REALLOCATION: Cost reductions and efficiencies realized from strategies such as business process redesign, incentive-based budgeting, and outsourcing will produce $16 million in annual savings by 2020.

OTHER: Other sources, including investments and transfers from affiliated and non-affiliated foundations, will add up to $106 million by 2020.

HOSPITAL: Hospital revenues are projected to increase by $242 million by 2020.

UK's financial model for needed investments and projected revenues (assuming no increase in state appropriations) forecasts a $421 million funding gap by 2020 (see Table 8).

Tables 6, 7 & 8: The Financial Summary and Funding Gap

*may not total due to rounding

Table 6: Cumulative New Annual Investments Needed to Achieve Top 20 Goals (in millions)

Investment	Description	General Fund Expense Budget			Variance	
		2006	2012	2020	'06-'12	'06-'20
Faculty	Additional faculty and competitive compensation	$248	$388	$560	$140	$313
Academic Support	Faculty start-up funds, library materials, academic support staff, support for new graduate students	$288	$363	$462	$74	$174
Undergraduate Education	Academic advising, student services, support staff, support for new undergraduate students	$35	$48	$71	$12	$36
Student Aid	Graduate fellowships and undergraduate financial aid	$45	$80	$130	$35	$85
Support Services	Administration, technology, maintenance and operations of existing facilities	$93	$132	$208	$41	$114
Facilities	Debt service and maintenance and operations of new facilities, and capital renewal of existing facilities	$0	$70	$132	$70	$132
Hospital		$467	$576	$710	$109	$243
	Total General Fund Expense Budget	$1,176	$1,657	$2,273	$481	$1,097

Table 7: Cumulative Revenue Sources and Projections to 2012 and 2020 (in millions)

Source	Description	General Fund Revenue Budget			Variance	
		2006	2012	2020	'06-'12	'06-'20
State Appropriation	Assumes no increase in state appropriation	$314	$314	$314	$0	$0
Tuition and Fees	Assumes a 4% increase in tuition and fees	$194	$271	$432	$78	$238
Investments	Assumes a 3% increase and addition endowment return available for the Business Plan	$8	$12	$22	$5	$15
Philanthropy	Assumes aggressive efforts to raise money for the Top 20 targets	$1	$8	$21	$7	$19
Contracts with KMSF, inc.	Transfer of funds from a non-affiliated corporation for doctors' salaries	$90	$113	$141	$22	$50
Research Recovery	F&A reimbursement expected to grow with direct research	$17	$32	$71	$15	$54
Internal Reallocation	Expected savings of 10% of base Support Services Expenditures	--	$12	$16	$12	$16
Other	Sales & services of educational activities, budgeted carry forwards, county appropriations, etc.	$86	$101	$127	$15	$41
Hospital	Revenue increases at rate of expenses	$466	$575	$709	$109	$242
	Total General Fund Revenue Budget	$1,176	$1,439	$1,852	$263	$676

Table 8: Predicted Funding Gaps as of 2012 and 2020 (in millions)

	2012	2020
Investments Needed	$481	$1,097
Projected Revenues	$263	$676
Predicted Funding Gaps	**$218**	**$421**

Funding the Gap

The critical issue facing UK and the Commonwealth is how to apportion fiscal responsibility for eliminating the $421 million gap by 2020. **The greater the extent to which the state supports UK, the less tuition and fees must be increased.**
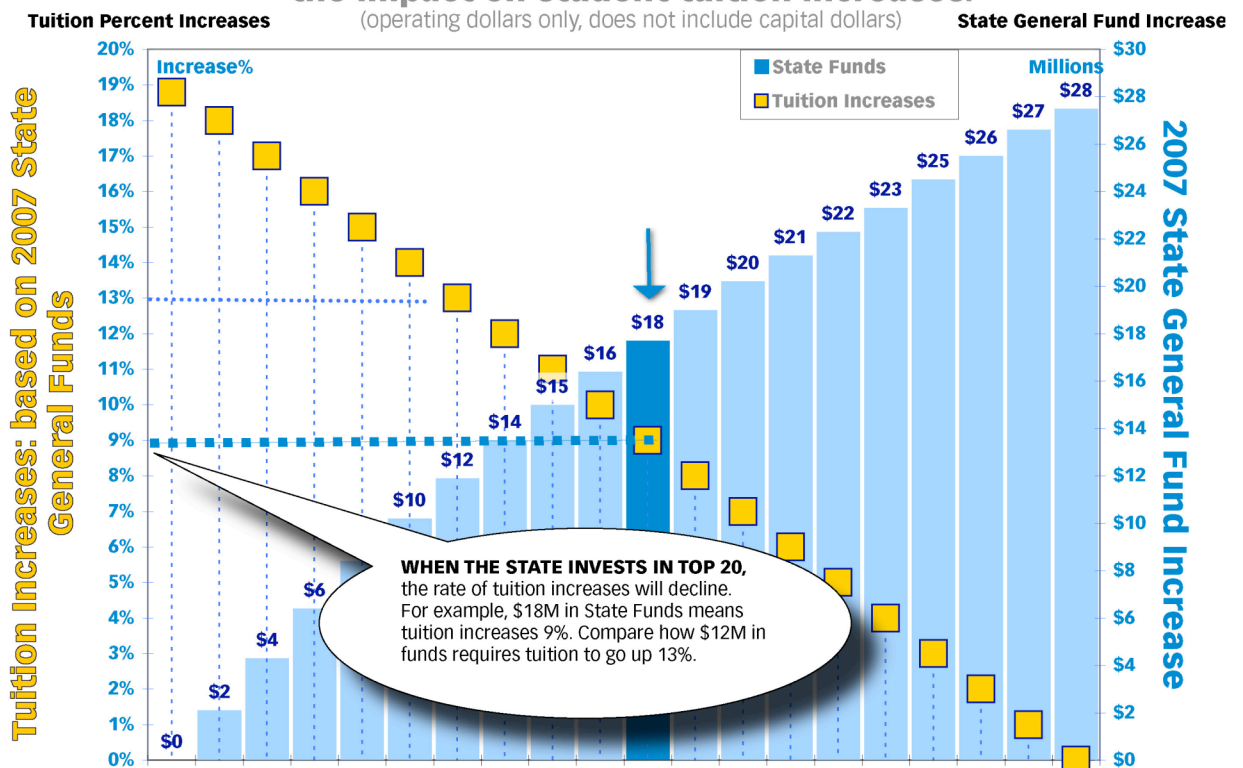
There is no question that moving Kentucky's flagship university into the ranks of the Top 20 public research universities will require greater state support for facilities and operating investments. UK will need $49 million of state General Funds for debt service to build new instructional and research facilities by 2012 and $88 million by 2020. In addition, the gap in operating funds for the needed Top 20 investments will be $169 million in 2012 and $333 million by 2020.

The state and UK must determine the optimal combination of state appropriations and tuition revenue to cover the gap in operating funds. Table 9 shows the multiple scenarios of increasing tuition and fees and state appropriations for fiscal year 2007 that would close the funding gap. For example, if state appropriations increased by $17.7 million (5.8 percent), resident tuition and fee rates would need to increase by 9.0 percent, to fund the predicted $34.3 million gap.

Table 9. Schedule of Tuition Increases Relative to State Appropriations Needed (excluding debt service) to Fund Investments in Top 20 Strategies

When tuition and fee rates increase more than four percent, nonresident students would be charged four percent plus half the

A look at the relationship: Increasing 2007 state dollars and the impact on student tuition increases.

(operating dollars only, does not include capital dollars)

Tuition Percent Increases — Tuition Increases: based on 2007 State General Funds

State General Fund Increase — 2007 State General Fund Increase

Increase%

| State Funds |
| Tuition Increases |

Millions

WHEN THE STATE INVESTS IN TOP 20, the rate of tuition increases will decline. For example, $18M in State Funds means tuition increases 9%. Compare how $12M in funds requires tuition to go up 13%.

increase above four percent (e.g., if resident tuition and fees increase 9 percent, nonresident rates would increase 6.5 percent).

Figure 7 shows the annual increase in state appropriations required through 2020 (5.76 percent annually through 2012 and 3.5 percent thereafter) if tuition and fees for resident students increase by nine percent annually through 2012 and four percent thereafter.

Figure 7: Annual State Appropriation Increases Needed (excluding debt service) if Tuition and Fees Increase an Average of Nine Percent Through 2012 and Four Percent Through 2020

Needed State Appropriations: base+Increases
Assumes tuition rises 9% annually through 2012; and 4% thereafter

YEAR:	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Increase	18.6	17.7	18.7	19.8	20.9	22.1	23.4	15.2	15.7	16.2	16.8	17.4	18.0	18.6	19.3
Base	287.7	306.3	324.0	342.8	362.6	383.5	405.6	429.0	444.1	459.8	476.1	492.9	510.3	528.3	546.9
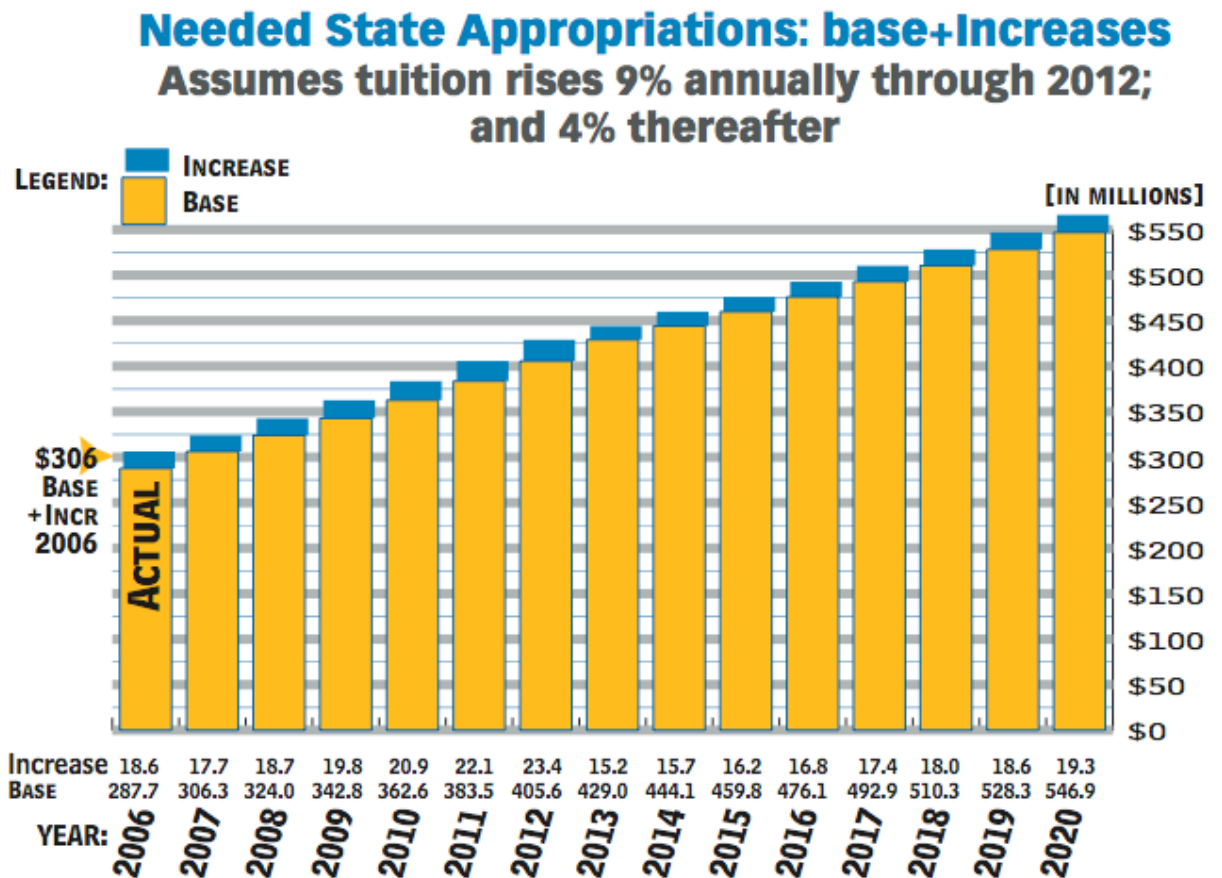
Facilities Financing Needs

UK will need a significant infusion of resources to finance its Top 20 capital needs, as shown in Table 10. The estimated cost of new research space is $846 million; classroom and related space to support growth will require $367 million; and residence halls to accommodate 30 percent of undergraduates will require $452 million. In addition to the $1.7 billion needed for new academic, research, and residence hall space, UK projects another $450 million for hospital improvements and expansion. The total estimated cost of new facilities by 2020 is $2.1 billion, including the hospital.

Table 10: New Space Needed by Type and Assignable Square Feet, Excluding the University Hospital

Type of Space	Assignable Square Feet (in thousands)		
	Existing as of 2005	New Space by 2020	Cost ($Ms)
Classrooms and Teaching Labs	554	245	$153
Research	885	1,070	$846
Recreation	113	209	$81
Support	2,328	268	$133
Sub-Total	3,880	1,792	$1,213
Residence Halls			
New		1,860 beds	$174
Renovated	6,000 beds		$278
Total			**$1,665**

Although gifts and designated hospital reserves will provide part of the capital financing, the majority of projects will be debt-financed. As shown in Table 11, UK will need to issue approximately $700 million in agency revenue bonds (for residence halls and hospital projects) and the State will have to issue $1.2 billion in state bonds over the next 14 years.

Table 11. Funding Source and Amount for Facilities Financing Needs

Funding Source	Amount
Gifts	$39 m.
Reserves	$200 m.
Debt	
Revenue Bonds	$702 m.
State Bonds	$1,175 m.
Total	**$2,116 m.**

Total State Support Needed for Top 20 Mandate

The development of this Plan brings into stark reality the importance of predictable, steadily increasing state appropriations for UK to improve the lives of Kentuckians. Without intervention, the "Kentucky Uglies" will only worsen—per capita income will lag further behind the national average and the number of under-educated adults and children living in poverty will increase. The Commonwealth must make consistent, moderately increasing investments in UK to reverse these trends.

The members of the Kentucky General Assembly and the Governor understand the importance to Kentucky of UK's Top 20 mandate. These policymakers invested over $18 million of new state General Funds in UK for the current fiscal year. UK can implement the Plan if the Commonwealth provides similar annual increases.

In addition to the sustained, moderate, annual increases in state appropriations, UK needs state bonds for educational and research facilities. The other crucial component of this serious effort at achieving Top 20 status is institutional flexibility to make decisions and focus resources as needs arise. Less than 20 percent of UK's budget is funded through state appropriations. The balance of the budget comes from a multitude of sources – research grants and contracts, private gifts, hospital revenues, and others. This complicated set of sources necessitates increased institutional flexibility.

Ambitions in the Plan for substantial enrollment growth will require investment in auxiliary enterprises that serve the needs of students and insure their success. Over the next 14 years, new residence halls will be constructed and current ones will be renovated; dining halls will be expanded; and facilities for student support services will be enhanced. UK must have the flexibility to issue bonds to serve these needs when adequate revenue streams are confirmed. The Top 20 Compact's success hinges on the state's confidence in UK's ability to make appropriate decisions on bond issuances for self-financing projects.

The ability to issue bonds is emblematic of the flexibility UK needs to manage its resources. Thresholds for institution-level decisions about renovations, equipment and technology need to be increased, freeing the University to move quickly to meet immediate needs.

Finally, institutional control of the management of investments will give UK the opportunity to generate higher short-term yields. These increasing funds are an essential source of revenue to fund Top 20 initiatives.

The Top 20 Compact only works if UK and the state can agree to a relationship that gives the University greater flexibility in decision-making. In return, UK pledges to continue its capable stewardship of all resources as it makes progress toward Top 20, yielding benefits to the state that come with that status. The overall needed investments are not exorbitant.

Top 20 status is within reach.

The 2006–08 Budget Request

OPERATING FUNDS. In the funding scenario presented below, UK would be able to make the initial investments outlined in the Plan for 2006-08 if state appropriations for operations increased by 5.8 percent annually and tuition and fees increased 9 percent. CPE recommended a $13.7 million increase in base state appropriation for UK in 2006–07 and an additional $13.6 million in 2007–08, $4 million and $5.1 million less than the need calculated by the Business Plan, respectively.

CAPITAL. In addition to the investments in operating costs, the University is in critical need for physical space for research, instruction, the University Hospital, and residence halls and dining facilities. For 2006-08, the Plan includes the capital projects recommended by CPE. These projects are listed below in Table 12.

Table 12: Summary of 2006–08 Operating and Capital Needs

	Actual 2005–06		2006–07		2007–08	
Tuition and Mandatory Fees	$16.4	12.5%	$16.6	9.0%	$18.8	9.0%
State Appropriations Available for Business Plan	$16.1	5.6%	$17.7	5.8%	$18.7	5.8%
Total Operating Funds Needed	$32.5		$34.3		$37.5	
Capital: State Funded						
State Bonds Recommended by CPE:						
Biological/Pharmaceutical Complex, Phase II			$79.9			
Gatton Building Complex, Phase I			$40.5			
Bio-Medical Research Building, Design			$7.6			
			$128.0			
Capital: University Funded						
Agency Bonds Recommended by CPE						
Patient Care Facility			$150.0			
Residence Halls and Dining Renovations			$16.3			
			$166.3			

Conclusion

The University of Kentucky's Top 20 Business Plan is a serious, determined, and visionary financial roadmap for achieving status as a Top 20 public research university by 2020. This Plan establishes the fiscal and capital framework for accomplishing the Top 20 Compact that UK and the people of the Commonwealth created in 1997. It is based on extensive analysis and the identification of clear, explicit goals and expectations for what it means to be a Top 20 public research university and what investments will be required to achieve them.

In fulfilling the terms of this Compact, UK will:

- Increase its enrollment by 7,000 students

- Improve the quality of undergraduate and graduate education

- Increase the graduation rate by 12 percentage points

- Increase research expenditures to over $700 million

- Increase by 625 the number of faculty dedicated to teaching students and doing research and public service that attack the persistent health and economic problems Kentucky faces

- Increase engagement of the UK community in improving Kentucky's schools, communities, farms, and businesses

- Increase substantially the number of inventions, patents, and start-up businesses

Kentucky will:

- Increase UK's base appropriations on a schedule characterized by consistency and shared responsibility

- Provide more capital construction support for research and educational facilities

- Grant UK authority to issue debt to support thoughtful, planned growth

- Give UK greater flexibility in the financial management of the institution

What it will mean for Kentucky:

- Increased educational attainment

- Increased wages and broader benefits

- Better health

- More locally-owned businesses

- Improved economic vitality

- Heightened presence and value of the Arts

UK 2009-14 Strategic Plan

Preamble

Strategic plans are opportunities for renewal and change.

The University of Kentucky's 2009-2014 Strategic Plan renews this institution's faithfulness to the original ideals that gave rise to America's land-grant universities. Threaded through this document is a ceaseless and undaunted commitment to the individual success of students; to research that both stretches the bounds of knowledge and provides practical solutions; and to the provision of extension services, health care, creative experiences, life-long learning, and countless other efforts to improve the lives of Kentuckians where ever they live and work and raise their families.

Standing at the threshold of a new decade full of change and promise, the University seeks again to translate its traditional mission into sensible answers to new realities. This institution constitutes the leading edge of Kentucky's efforts to improve the conditions of Kentucky's people and build a future that provides economic security and personal fulfillment. This Plan responds to that challenge by setting a path that is marked by ambitious goals across the areas that define the character of this institution and its responsibilities to the state it serves.

In 1997, the Commonwealth placed in statute the recognition that there is a strong symbiotic relationship between a state's condition and its intellectual capital. That capital is most readily available at land-grant, research universities. Strong institutions matter because people in states that are home to leading research universities enjoy higher educational attainment and higher incomes, are less likely to live in poverty, and are more likely to lead healthier lives.

The unique role of this University in the lives of Kentucky's people and the lifeblood of Kentucky's communities summons the institution not to react to an uncertain future, but to master it. This challenge is welcomed with an uncompromising commitment to mission and mandate and firm devotion to improving conditions.

The 2006-2009 Strategic Plan guided the University toward substantial achievement even in difficult moments. But the new challenges of a new decade require not the seductive pride that allows rest from past accomplishment, but a constant energy and fierce determination to achieve even greater excellence.

At the direction of President Lee T. Todd, Jr. and under the leadership of Provost Kumble Subbaswamy, the Deans' Council and the University Committee on Academic Planning and Priorities led the crafting of this Strategic Plan for 2009-14. The five goals of this Strategic Plan identify the principal areas of activity in which the talents and resources of the University will be invested over the next five years. Under each goal are several objectives, strategies, and metrics that make specific the intentions of the University of Kentucky.

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

A university's chief responsibilities are to provide its students with knowledge about the human and natural worlds, train them to organize that knowledge, and teach them to express and apply that knowledge effectively. These pursuits carry with them civic and economic dimensions that are intertwined. Students will be challenged to become active members of their communities, welcoming different points of view and systems of belief while examining and refining their own. They must develop the skills they will need to become productive members of an increasingly educated work force. In a world where jobs and knowledge flow freely across economic sectors and national boundaries, the success of University of Kentucky graduates demands an education that prepares them to participate effectively in an increasingly interdependent global economy and society.

This University is among the handful of American higher education institutions that offer on one campus a full range of academic programs and colleges, including the full spectrum of health science colleges. It must take full advantage of connections across academic programs at all levels of study to encourage international experiences that broaden perspectives, emphasize interdisciplinary and inter-professional training, and inspire student partnerships with faculty to explore knowledge at the fluid borders of academic disciplines. The University must cultivate and celebrate success in the classroom, the laboratory, the performance stage or gallery, the extension office, and the clinic with equal vigor.

Objective 1.1 Enroll more high-ability students from all societal segments.

> Strategy 1.1.1 Implement or enhance academic programs that target high ability students.

> Strategy 1.1.2 Review, revise, and refine University and college-level merit- and need-based financial aid strategies to increase yield and enhance diversity.

> Strategy 1.1.3 Enhance marketing and communication efforts statewide and in strategic out-of-state and international target areas.

Objective 1.2 Improve student success, with particular attention to attrition and time-to-degree.

> Strategy 1.2.1 Increase faculty numbers to improve student to faculty ratio and academic program quality; establish an academic staffing model based on national best practices with an optimal mix of teaching

assistants and full-time faculty, including clinicians and lecturers.

Strategy 1.2.2 Continue and expand current programs aimed at improving undergraduate student success in the first two years (where attrition is highest), and implement a rigorous and on-going assessment of program effectiveness across curricular and co-curricular programs.

Strategy 1.2.3 Expand efforts to monitor student progress toward degree completion and implement a robust set of intervention and support strategies.

Objective 1.3 Ensure that graduates at all levels are able to demonstrate expertise in their disciplines and are prepared to succeed in professional and community settings.

Strategy 1.3.1 Revise and implement a new undergraduate General Education Curriculum that addresses well-articulated learning outcomes.

Strategy 1.3.2 Expand opportunities for interdisciplinary and inter-professional learning and training; create appropriate space and facilities.

Strategy 1.3.3 Expand instructional development opportunities for innovative pedagogies that focus on active learning, effective use of technology, and assessment; implement research-based curricular enhancements to facilitate continuous improvement in student learning.

Strategy 1.3.4 Extend opportunities for high-impact academic and cultural activities for students at all levels; develop cohesion between the curricular, co- curricular, and community service activities, particularly with regard to leadership, internationalization, diversity, and inclusion.

Objective 1.4 Increase the number and quality of graduates at all levels to enhance the reputation of the University and address the critical needs of the Commonwealth and United States.

Strategy 1.4.1 Maximize access to University courses and programs through efficient and innovative use of space and technology.

Strategy 1.4.2 Expand academic and clinical space through relocation of ancillary functions and construction of new academic buildings.

Strategy 1.4.3 Provide training opportunities for graduate and professional students to serve the needs of the Commonwealth and beyond, through research, teaching, and clinical or professional expertise.

Strategy 1.4.4 Develop and implement new programs and strategies to increase student enrollment and diversity, including efforts related to transfer student, non- traditional student, and military veteran enrollment, as appropriate, and pipeline initiatives with middle and high school students and their teachers.

Strategy 1.4.5 Continue to enhance recruitment of majors in the Science, Technology, Engineering, and Mathematics (STEM) disciplines and provide professional development programs for P-12 math and science teachers in order to create more math and science capacity.

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

As Kentucky's land-grant research university, the University of Kentucky pursues with equal vigor the dual purposes of research: the expansion of the body of knowledge and the translation of basic research into practical innovations for the people of Kentucky and those beyond the state's borders. All missions of the University are infused with and benefit from this dedication to the creation and application of new knowledge. While scholarship often has an immediate impact, experience teaches that the benefit of research and creative work is not always instant or predictable. This University must be Kentucky's most celebrated locale where creative work can be pursued purely for the advancement of knowledge and enlightenment. This is the true meaning of intellectual capital.

Research and creative activity in the 21st Century has been re-invented as a thoroughly interdisciplinary and collaborative pursuit, employing theoretical and clinical constructs, analytical tools, and laboratory techniques scarcely imaginable a few decades ago. UK has made significant advances in its research and creative activities in recent years and enthusiastically embraces the challenge of substantially increasing the volume and the quality of those efforts in the next decade.

Objective 2.1 Increase research and scholarly productivity.

 Strategy 2.1.1 Reduce barriers to and facilitate interdisciplinary research and collaborative scholarship, including scholarly projects that encompass national and international partnerships.

 Strategy 2.1.2 Target institutional investment to research areas of current strength and emerging importance (such as energy, environmental sustainability, clinical translational science and life sciences, combating social ills, world studies).

 Strategy 2.1.3 Grow traditional sources of extramural research support and identify and cultivate new sources.

Objective 2.2 Expand research capacity

 Strategy 2.2.1 Aggressively pursue private funding for construction and renovation of research space and seek legislative approval for UK bonding authority.

 Strategy 2.2.2 Add faculty positions in targeted and emerging areas.

 Strategy 2.2.3 Develop and implement effective campus-wide policies for allocation of existing space based on strategic need and scholarly productivity.

Strategy 2.2.4 Make better use of specialized equipment and resources at existing institutional, regional, and national facilities.

Strategy 2.2.5 Ensure that the level of administrative and support services are sufficient to meet the needs of a growing research enterprise.

Strategy 2.2.6 Aggressively pursue the location of a national research center at UK.

Objective 2.3 Enhance the impact and public awareness of the University's research and scholarship on the knowledge-based economy of Kentucky and the nation.

Strategy 2.3.1 Strengthen public relations programming to communicate more effectively the impact of research and scholarly accomplishments.

Strategy 2.3.2 Streamline and improve intellectual property development and technology transfer processes.

Strategy 2.3.3 Develop and institute an "innovation leave" program to facilitate faculty efforts to effectively commercialize their discoveries.

Strategy 2.3.4 Integrate research and teaching more fully by increasing research opportunities for students at all levels.

Strategy 2.3.5 Track over time improvements in the health of Kentuckians, the environment, literacy rates, cultural enrichment, agricultural productivity, and similar metrics.

Strategy 2.3.6 Track and publicize technology transfer and commercialization efforts (e.g. number of start-up companies, number of royalty-bearing licenses, and licensing income).

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

A university is only as strong as the people who populate it and the tools – both physical and professional – they are given to work effectively. The strength of the University of Kentucky and its capacity to achieve the goal of Top 20 status is defined by the faculty and staff who give the institution its personality and its vibrancy.

The University is committed to recruiting and retaining a talented and committed cadre of faculty and staff. Professionals of exceptional ability and the capacity for growth should be the hallmark of every department and every unit, regardless of mission or portfolio.

The University's effort to attract talent will know no boundary, consistently reaching out to every sector of the mosaic that defines humanity. The University will welcome people of talent and commitment regardless of gender or race or background or belief to ensure that the embrace of diversity permeates every classroom, laboratory, and auxiliary facility.

The University is equally committed to providing every opportunity to its populace to make fuller each employee's personal and professional self and their capacity for contribution to the work of the institution. The University is dedicated to creating and sustaining a work environment that positions faculty and staff for success.

And the University will work diligently to provide to faculty, staff, and students the infrastructure necessary for individual and collective advance. Excellence in the provision of information technology, library resources, and facilities is central to University operations, recognizing that human talent flourishes most readily in facilities where the most effective tools exist. Of equal importance is the call to be an exemplar in the application of sustainability principles and practices and establish an institutional culture of sustainability.

Objective 3.1 Recruit faculty and professional staff with high potential for success at a Top 20 level research university.

    Strategy 3.1.1 Ensure starting salaries and start-up support are nationally competitive.

    Strategy 3.1.2 Assist chairs/directors and search committees in attracting the best candidates in the country for success in the recruitment of a high-caliber and diverse faculty and professional staff.

    Strategy 3.1.3 Utilize endowed chairs and professorships strategically to recruit leadership level faculty and professional staff in targeted areas.

Objective 3.2 Enhance the success, retention, and advancement of all cadres of faculty and professional staff engaged in the varied missions of the University.

Strategy 3.2.1 Ensure that faculty and professional staff work allocation and advancement policies and practices, including those pertaining to compensation, are fair, transparent, and clearly communicated, and that they reflect best practices among top public research universities.

Strategy 3.2.2 Support, recognize, reward, and celebrate faculty and professional staff achievement in all areas.

Strategy 3.2.3 Design and implement a research-based program to improve career advancement support and opportunities for faculty and professional staff at all stages of their careers.

Strategy 3.2.4 Identify and develop faculty and professional staff leaders.

Objective 3.3 Create a workplace culture that articulates values and initiatives to engage employees as stakeholders.

Strategy 3.3.1 Reinforce values and practices necessary to foster a culture of respect, learning, innovation, efficiency, and service to support students, colleagues, and customers.

Strategy 3.3.2 Improve performance management to motivate and challenge employees to excel in support of University and department goals; link achievement to recognition, rewards, and compensation; and enhance communication at all levels.

Strategy 3.3.3 Enhance resources to provide opportunities for advancement and development that serve both the individual and the organization.

Strategy 3.3.4 Develop and implement programs to increase leadership capacity, knowledge, skills, and abilities that enhance competence and accountability.

Strategy 3.3.5 Develop and implement work-life practices and policies to promote a healthy, productive, and safe work environment.

Objective 3.4 Continually enhance recruitment, selection, orientation, and retention of top talent.

Strategy 3.4.1 Improve the Office of Human Resources position as a strategic partner for human capital management and business decisions.

Strategy 3.4.2 Enhance the University's "employment brand" and core messaging to complement and reinforce strategic goals, values, and mission.

Strategy 3.4.3 Sustain continuous progress in employment of women and all

minorities at all levels of the University.

Strategy 3.4.4 Strengthen market competitive compensation and benefits to attract, retain, and reward top talent and high performers.

Strategy 3.4.5 Introduce, enhance, and support a comprehensive orientation experience to ensure a successful start for newly hired employees.

Objective 3.5 Strengthen the integration and utilization of innovative, cost-effective information technology solutions to enhance all missions of the University.

Strategy 3.5.1 Establish and improve robust partnerships between Information Technology and campus constituencies.

Strategy 3.5.2 Build a sustainable funding model for developing information technology resources.

Strategy 3.5.3 Leverage the University's Enterprise Resource Planning system (IRIS) to simplify and improve key University business processes and help improve unit productivity and accountability.

Strategy 3.5.4 Provide superior analytic and business intelligence infrastructure and end- user tools that improve decision-making processes.

Objective 3.6 Expand staff resources to support student success and faculty productivity in research and teaching.

Strategy 3.6.1 Add library faculty and staff to support student success through activities such as training in information literacy, extension of library hours of service, and engagement with faculty in incorporating library resources in classroom experiences.

Objective 3.7 Increase building space available to academic programs and for research and support functions.

Strategy 3.7.1 Complete capital projects currently underway (the new Pharmacy Building, including fit-up of the top two floors; the Digital Village II building; and Phase 1A of the new Patient Care Facility).

Strategy 3.7.2 Construct new residence halls through private partnership.

Strategy 3.7.3 Seek funding for the top new construction priorities of the University (Business, Law, and Biomedical/Chemistry Research; library auxiliary storage facility); seek funding for renovation of vacated buildings.

Objective 3.8 Improve the suitability, sustainability, efficiency, accessibility, and quality of existing facilities.

Strategy 3.8.1 Continue classroom and research laboratory renovations and

upgrades and modernization of residence halls.

Strategy 3.8.2 Complete the first phase of building modifications utilizing the Energy Savings Company contract methodology, yielding energy reductions and upgrades of building infrastructures.

Strategy 3.8.3 Develop office space design guidelines and apply them to future University construction projects.

Strategy 3.8.4 Implement a more collaborative process for building class and classroom schedules to improve efficiency of classroom utilization.

Strategy 3.8.5 Upgrade accessibility to campus facilities for those with mobility limitations.

Strategy 3.8.6 Establish programs to further synergies and sustainable practices in the areas of facilities planning and development.

Goal 4:
Promote Diversity and Inclusion

It is a straightforward and important fact of life that diversity is one of the strengths of American society. Participation in diverse families, workplaces, schools, and communities is the norm and not the exception. From such participation emanates a realization of both similar and distinct approaches to dealing with human situations and solving problems and a better understanding of human concerns and interactions. This better understanding leads to more sound decisions about ways to improve the quality of human engagement and what people do and experience. The University of Kentucky will prepare students for meaningful and responsible engagement within and across diverse communities. Through its own example and engagement, the University will improve the climate for diversity throughout Kentucky, a commitment given special importance and emphasis by shared history. The composite effect of work with students in classrooms, residence halls, offices, laboratories, clinics, libraries, and public places should enable them to develop a more enlightened worldview; attain a deeper understanding of and commitment to authentic democratic values and social justice; embrace a greater commitment to service and leadership for the common good; exhibit greater cultural knowledge and competence; and play a personal role in Kentucky's success in the global economy.

Embracing and nurturing diversity is the responsibility of every member of the University community. It must be clear and convincingly evident that diversity is an essential value that informs every area and aspect of the University community. A genuine commitment to diversity as a core value establishes and sustains an inclusive and celebratory view of diversity as a systemic influence on the conduct of students, faculty, and staff and as members of society. As such, the goal of diversity is inherent in all of the University's strategic goals.

Objective 4.1 Promote inclusive excellence across the University.

> Strategy 4.1.1 Establish a common understanding of diversity and inclusion.

> Strategy 4.1.2 Adopt an organizational structure that makes explicit the shared responsibility of the entire community for inclusive excellence.

> Strategy 4.1.3 Develop an evaluation strategy for assessing the University's progress in achieving greater diversity and inclusion in all its endeavors.

Objective 4.2 Promote curricular and co-curricular transformation that recognizes the educational advantages of diversity.

> Strategy 4.2.1 Develop a coherent and focused University- and unit-level implementation strategy for achieving greater diversity and inclusion in curricular and co-curricular activities.

Strategy 4.2.2 Establish clearly defined expectations, incentives, interventions, and accountability measures as key components of the diversity and inclusion strategy.

Objective 4.3 Enhance campus/community collaborations in areas where opportunities exist to build diversity and increase inclusion.

Strategy 4.3.1 Establish a plan for better internal and external communication with respect to the University's diversity efforts.

Strategy 4.3.2 Develop partnerships with local, regional, and statewide organizations that promote inclusion and academic excellence.

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

Outreach has been the historic hallmark of public universities, particularly those with dual roles as flagship and land-grant. The University of Kentucky fully and enthusiastically embraces its outreach responsibilities and its potential for improving lives across Kentucky. As an engaged 21st century postsecondary institution, the University is committed to sharing human, intellectual, and material resources with the larger community for the benefit of both.

The University will conduct outreach and engagement proactively, making the institution a strategic resource of the Commonwealth by strengthening communities; advancing schools; recruiting and creating businesses; fighting disease; and improving and enriching lives. The University will partner respectfully and responsively, ready always to combine community and University expertise in seeking practical solutions. While the primary ground for UK's engagement is Kentucky, the institution's involvement extends to the region, the nation, and the world.

Objective 5.1   Enhance faculty and staff connection with community through engagement, outreach, and service.

  Strategy 5.1.1 Develop a common understanding of engagement and its relationship to teaching, research, and outreach/service.

  Strategy 5.1.2 Evaluate and adopt in promotion and tenure regulations the best practices on assessing engaged scholarship.

  Strategy 5.1.3 Promote faculty and staff involvement in engaged research, application, outreach, and service.

  Strategy 5.1.4 Provide incentives for and recognitions of significant faculty and staff outreach and engagement activity.

Objective 5.2 Enhance community access to University knowledge and expertise.

  Strategy 5.2.1 Develop college, department, and unit mission statements that reflect linkages with their natural community constituencies and counterparts.

  Strategy 5.2.2 Implement a community query and response portal for accessing University expertise.

  Strategy 5.2.3 Create a University-wide marketing strategy to promote public awareness of the community query portal and University engagement, outreach, and community services.

  Strategy 5.2.4   Promote regional outreach and engagement partnerships.

Strategy 5.2.5 Pursue significant research and application that improve the lives of Kentuckians, particularly when such research and application may have broader implications.

Objective 5.3 Enhance external recognition and funding of University engagement, outreach, and service.

Strategy 5.3.1 Increase local, state, federal, and philanthropic support to expand engagement activities.

Strategy 5.3.2 Secure external recognition for engagement, outreach, and service initiatives.

University of Kentucky
Statement of Vision, Mission, and Values

Mission

The University of Kentucky is a public, land grant university dedicated to improving people's lives through excellence in education, research and creative work, service, and health care. As Kentucky's flagship institution, the University plays a critical leadership role by promoting diversity, inclusion, economic development, and human well-being.

Vision

The University of Kentucky will be one of the nation's 20 best public research universities.

Values

The University of Kentucky is guided by its core values:

Integrity
Excellence
Mutual respect and human dignity
Diversity and inclusion
Academic freedom
Personal and institutional responsibility and accountability
Shared governance
A sense of community
Work-life sensitivity
Civic engagement
Social responsibility