

## **Introduction**

It is the question that informs, pushes, challenges, and drives everything that we do:

What is possible?

Today, answering the call as we have before, the University of Kentucky is pioneering new ways to carry out its mission to our students, faculty, staff, alumni, and the people of the Commonwealth we serve.

For more than eight years, Mary Lynne and I have had the pleasure of being part of this extraordinary UK family. Enveloped in that sense of promise and potential, achieved through a shared determination and common compassion, our UK family has moved the needle dramatically in answering what is wildly possible – for students and families, for patients and communities, and for the Commonwealth we serve as the University *for* Kentucky.

It is against that backdrop and in that spirit of seeking to define what is possible that I provide you with details about the work that occurred this past year.

It is the work – the intellectual capacity, creativity, and commitment – of the people who make this place such a special community.

I am deeply proud to represent them.

## **Progress Toward our Strategic Plan Goals**

At the October 2018 Board of Trustees Retreat, we reported preliminary data on our progress toward the key goals of our Strategic Plan, which include our efforts to:

- Improve undergraduate student success and engagement;
- Strengthen our graduate programs;
- Enhance the diversity and inclusivity of our campus;
- Expand our research, scholarly, and creative enterprise; and
- Leverage our expertise to advance the public good.

**Strategic Objective One:** Be the University of choice for aspiring undergraduate students within the Commonwealth and beyond, who are seeking a transformational education that promotes self-discovery, experiential learning, and life-long achievement.

Metric	Baseline	AY 2015- 16	AY 2016-17	AY 2017- 18	AY 2018- 19	AY 2019- 20*	2020 Goal
<b>Retention Rates</b>							
First-Year	82.2%	82.7%	81.7%	83.3%	84.5%	85.3%	90.0%
Second-Year	74.9%	74.9%	74.1%	74.3%	74.6%	75.8%	85.5%
Third-Year	69.7%	70.1%	69.1%	68.4%	68.3%	69.1%	82.0%
<b>Graduation Rates</b>							
Four-Year Graduation Rate	38.5%	40.4%	44.2%	44.8%	47.1%	49.7%	53.0%
Six-Year Graduation Rate	60.2%	61.3%	63.6%	64.6%	65.8%	66.0%	70.0%
<b>Six-Year Graduation Rate Gaps</b>							
Underrepresented Minorities	16.7%	23.5%	13.0%	15.2%	14.2%	12.2%	9.8%
First-Generation	7.8%	14.1%	16.7%	18.2%	16.7%	16.0%	8.0%
Pell Recipients	15.0%	19.1%	16.2%	19.6%	17.1%	15.8%	8.0%
*AY 2019-20 is preliminary							

### *Retention and Graduation*

Our graduation and retention rates are at record levels, and we capped the 2018-19 academic year with historically high participation in our May Commencement activities. Together, these numbers put us on the path to confer a record number of degrees in a single academic year, contributing to the state’s ambitious attainment goals and economic pursuits.

The value of a University of Kentucky degree was further exemplified by our largest-ever first-year enrollment for the 2019-20 academic year. Additionally, more students, both first-year and returning, applied to live in our on-campus housing, which helps drive higher grade point averages and greater academic success. Enrollment and retention rates, combined with students generally submitting housing applications later in the admissions cycle, resulted in a temporary housing capacity issue. However, with student success as our core value, our residence life and housing staff developed solutions in partnership with resident advisors. This collaborative work allowed us to honor our obligations and ensure that each UK student who applied to live on campus received a room assignment.

Our record first-year enrollment occurs against a backdrop of declining high school graduation numbers across the Commonwealth. According to the Western Interstate Commission on Higher Education, public and private high school graduates in Kentucky peaked in 2013 at approximately 47,000 and then began to decrease. While these numbers rebounded slightly in 2018 and 2019 (though not back to 2013 levels), the number is expected to begin decreasing again through 2023. As our enrollment continues to rise, these data underscore our role as the state’s flagship institution, with our doors open widest to students from Kentucky.

### *High-quality, Affordable College Experience*

In fall 2016, one-fourth of our resident, full-time, and undergraduate students who filed a Free Application for Federal Student Aid (FAFSA) came from families with a median family income of \$19,781. These students paid an average of \$465 out-of-pocket for tuition and mandatory fees. By fall 2018, students from this lowest quartile of family income did not pay anything out-of-pocket for tuition and mandatory fees and, in fact, received a \$184 credit to use for other costs. By increasing institutional aid over the past few years, the average net price for resident, full-time undergraduates decreased for all income quartiles in fall 2018. For the 2019-20 academic year, we eliminated the tuition differential between upper-division and lower-division undergraduate students, which lowers tuition by \$30 per semester for approximately 35 percent (more than 7,700) of our students. Tuition increased by 2.4 percent for other undergraduates from Kentucky which, combined with the increase this past year of 2.5 percent, represents the lowest successive increases in more than 30 years. We are mindful of the need to ensure a University of Kentucky education remains accessible. In addition, we have established an undergraduate online learning rate for UK's expanded programs in this growing area.

Building upon our commitment to access and affordability, we invested nearly \$128 million in financial aid for the 2018-19 academic year – more than tripling the amount of aid students do not have to repay since Fiscal Year (FY) 2009-2010. In fall 2018, nearly 85 percent of Kentucky undergraduates received financial aid or scholarships. For these students, out-of-pocket expenses for tuition and mandatory fees in fall 2018 decreased by approximately \$150 per semester, compared to the previous year.

Four years ago, we adopted bold goals with corresponding stretch metrics. Our progress has outpaced those typically seen in higher education. Still, the numbers show that our increasing investments in the UK LEADS scholarship program to reduce unmet financial need is important in closing attainment gaps.

### *Meeting the State's Higher Education Goals*

Several of the goals included in Strategic Objectives One and Three are manifest in the state's performance funding model. The model represents Kentucky's focus on undergraduate student success as a driver of workforce and economic development. While our Strategic Plan speaks to our broader goals and mission as a flagship and land grant research university, our success in achieving our Strategic Plan objectives yields positive performance in the state's funding model.

**Council on Postsecondary Education Performance Funding Model  
Metrics Where Rates of Growth Exceeded Sector Average  
Between Fiscal Years 2018-19 and 2019-20**

<b>Performance Metric</b>	<b>Definition</b>	<b>UK</b>	<b>UofL</b>	<b>EKU</b>	<b>KY State</b>	<b>Morehead State</b>	<b>Murray State</b>	<b>NKU</b>	<b>WKU</b>
<b>Student Success Outcomes (70% of the model)</b>									
Bachelor's Degrees	Bachelor's degrees conferred by the institution	X				X	X		X
STEM+H Bachelor's Degrees	STEM+H bachelor's degrees conferred by the institution	X	X	X		X			
Underrepresented Minority (URM) Bachelor's Degrees	Bachelor's degrees earned by URM minority students	X		X			X	X	
Low Income Bachelor's Degrees	Bachelor's degrees earned by Pell recipient students	X				X			
Student Progress @ 30 Hours	Students who reached or surpassed 30 credit hours during the year		X	X			X		
Student Progress @ 60 Hours	Students who reached or surpassed 60 credit hours during the year	X		X					
Student Progress @ 90 Hours	Students who reached or surpassed 90 credit hours during the year	X							X
Earned Credit Hours	Credit hours earned by students, weighted by residency, major, and course level	X	X						X
<b>Operational Support Activity (30% of the model)</b>									
Instructional Square Feet (sqft)	Sqft for student learning and support								X
Direct Cost of Instruction	Instruction and student services expenditures							X	
Full-time Equivalent (FTE) Students	FTE student enrollment in the fall		X	X					
<b>Metrics Above Sector Average</b>		<b>10</b>	<b>4</b>	<b>5</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>4</b>

The University of Kentucky continued to perform well in the third year of the Commonwealth's performance funding formula for higher education. UK outperformed its sister institutions in the state, achieving 10 of 11 goals outlined in the model. As a result, the University will receive nearly \$14.5 million in state appropriations distributed through the model in the second year of the biennium.

The University has continually maintained its support for the model, which was developed over several years and represents a consensus among university presidents and the stakeholders

identified by the Governor and General Assembly. The model’s ability to endure, outlining a set of shared expectations for Kentucky’s public higher education community, allows us to better plan for our financial future.

*Strategic Objective Two: Strengthen the quality and distinctiveness of our graduate programs to transform our students into accomplished scholars and professionals who contribute to the Commonwealth, the nation, and the world through their research and discovery, creative endeavors, teaching, and service.*

Metric	Baseline	AY 2015-16	AY 2016-17	AY 2017-18	AY 2018-19	AY 2019-20*	2020 Goal
<b>Doctoral Program Selectivity</b>							
Percentage of doctoral applicants who receive offers of admission	25.0%	32.4%	29.4%	30.5%	29.9%	32.8%	22.0%
<b>Graduate Degrees Awarded</b>							
Master’s, Education Specialist, and Doctoral degrees awarded	1,591	1,555	1,548	1,507	1,586	1,590	1,639
<b>Diversity of Graduate Student Enrollment</b>							
African American/Black	4.5%	4.6%	4.7%	4.5%	4.6%	5.2%	7.7%
Hispanic/Latino	2.6%	2.4%	2.5%	2.9%	3.3%	3.9%	2.7%

\*AY 2019-20 is preliminary

We recognize that the scope of professional opportunities for our graduate students is changing in fundamental ways. So, too, is our approach to graduate education. Thus, we continue to closely examine our course offerings, as well as graduate students’ teaching and research responsibilities throughout their degree programs. In addition, we are targeting financial support for graduate education in ways that will increase selectivity and expand and enhance programs that leverage UK’s existing and emerging areas of strength in research and creative work.

We continue to see improvements in the number of graduate degrees awarded—in the number of professionals who leave our campus with advanced credentials, prepared to lead lives of meaning and purpose. Moreover, preliminary data suggests that the total enrollment of graduate students at the University of Kentucky continues to rise, with a preliminary three percent increase for the 2019-20 academic year over the 2018-19 academic year.

We also saw notable increases in the enrollment of Black/African American and Hispanic/Latino graduate students. While we have more progress to achieve in this area, these numbers reflect efforts across campus to recruit and foster a more open, inclusive, and accepting community—one where every person feels a strong sense of belonging.

**Strategic Objective Three:** Enhance the diversity and inclusivity of our University community through recruitment, promotion, and retention of an increasingly diverse population of faculty, administrators, staff, and students, and by implementing initiatives that provide rich diversity-related experiences for all to help ensure their success in an interconnected world.

Metric	Baseline	AY 2015- 16	AY 2016- 17	AY 2017- 18	AY 2018- 19	AY 2019- 20*	2020 Goal	
<b>Enrollment of Underrepresented Minorities</b>								
Undergraduate	14.7%	15.3%	16.1%	16.6%	16.5%	16.6%	16.2%	
Graduate	8.4%	8.9%	10.5%	9.4%	10.2%	11.2%	11.8%	
<b>Graduation Rate for Underrepresented Minorities</b>								
Bachelor's	45.2%	40.7%	52.4%	51.9%	54.2%	55.8%	60.2%	
Master's	70.9%	64.9%	61.8%	67.4%	67.0%	n/a	78.0%	
Doctoral	45.5%	47.1%	38.5%	63.6%	53.8%	n/a	68.0%	
<b>Employment of Faculty</b>								
Women	37.1%	38.0%	38.9%	39.1%	40.1%	Data available after Nov 2019	48.2%	
African American/Black	3.4%	3.5%	3.6%	3.7%	3.7%		6.9%	
Hispanic/Latino	3.0%	3.1%	3.2%	3.5%	3.5%		4.2%	
<b>Employment of Executives</b>								
Women	48.9%	46.8%	47.4%	47.8%	47.6%		50.0%	
African American/Black	3.5%	4.0%	4.6%	4.5%	4.8%	7.9%		
Hispanic/Latino	0.5%	0.7%	0.5%	0.5%	0.6%	6.1%		
<b>Employment of Professional Staff</b>								
African American/Black	4.3%	4.6%	4.3%	4.6%	4.7%		5.1%	
Hispanic/Latino	1.1%	1.2%	1.1%	1.0%	1.1%		1.5%	

\*AY 2019-20 is preliminary

Enrollment of underrepresented minorities increased in the past year for both undergraduate and graduate students. Among our undergraduate students, we are proud to report that our enrollment numbers have exceeded the Strategic Plan target since the 2017-18 academic year.

Additionally, more Black/African American students are earning their bachelor's degrees at UK than any other university in Kentucky. The number of degrees awarded to this student population has increased from 196 in 2011-12 to 312 in 2017-18. We will continue building upon this momentum, recognizing that nurturing a diverse community where all people feel a sense of belonging is central to everything we do.

**Strategic Objective Four:** *Expand our scholarship, creative endeavors, and research across the full range of disciplines to focus on the most important challenges of the Commonwealth, our nation, and the world.*

Metric	Baseline	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	2020 Goal
<b>Total R&amp;D Expenditures</b>						
Higher Education R&D Survey: Total Research Expenditures	\$328.2 M	\$331.7 M	\$349.7 M	\$378.4 M	\$393.0 M*	\$364 M
Higher Education R&D Survey: Federal Research Expenditures	\$142.3 M	\$146.5 M	\$154.6 M	\$171.3 M	\$171.7 M*	\$159 M
<b>Research Impact</b>						
Proportion of publications cited in the top 50% of discipline	51.1%	n/a	51.1%	52.0%	52.1%	n/a
<b>Space</b>						
R&D Expenditures \$/square foot	\$197	n/a	\$197	\$209	\$209	\$300
<b>Licenses</b>						
Exclusive Licenses	100	101	105	106	130	177
License Income	\$3.3 M	\$1.0 M	\$6.5 M	\$2.4 M	\$2.4 M	\$3.5 M
*FY 2017-18 is preliminary						

Our faculty and staff are earning more external research support than at any time in our history, surpassing \$385 million in grants and contracts that support their innovative work in answering the most vexing questions of our day.

Our Center on Drug and Alcohol Research led a group of 20 faculty across six colleges to earn the University's largest single grant in its history: \$87 million to reduce opioid overdose deaths by 40 percent in 16 Kentucky counties. Kentuckians know the insidiousness of this disease better than most. The opioid epidemic does not discriminate by zip code, race, income, or any other demographic characteristic. It is not a character or moral failing, but an illness. It is unforgiving. It touches us all. But there is hope. There is us. That is why we believe aggressive, ambitious change is possible. That is why we believe we can — and must — lead the way.

*Strategic Objective Five: Leverage leading-edge technology, scholarship, and research in innovative ways to advance the public good and foster the development of citizen-scholars.*

Metric	Baseline	2015-16	2016-17	2017-18	2018-19	2020 Goal
<b>Unified reporting structure for tracking engagement and outreach</b>						
Reporting structures disbursed among colleges and units	25+	3	3	3	3	1
<b>Faculty and staff developing expertise to deliver quality community engagement and outreach</b>						
Faculty teaching community-based courses	14.3%	15.3%	17.4%		Data available after Nov 2019	25.8%
Staff teaching	1.4%	1.5%	1.4%			3.3%
<b>Opportunities for students to participate in a community engagement experience</b>						
Community engagement courses	329	331	337	329	329	429
<b>Partnerships between University and community stakeholders</b>						
Identified partnerships	100	7,082	<i>Under development</i>			
Calendar years 2017-18 and 2018-19 are preliminary						

This fall, under the Smart Campus Initiative, the University of Kentucky launched a new and dynamic strategy for student success - the iPad initiative. All first-year, first-time students received an iPad Air, Apple Keyboard, and Apple Pencil. The initiative is a catalyst to empower our students to connect to one another, to create something new, and to collaborate in ways never considered. We are asking ourselves: How can we change the way stories are told? How can we consider today's questions? How can we solve tomorrow's problems?

And because every first-year, first-time student will receive the iPad Air, keyboard, and pencil, the landscape of technology for incoming students will provide a more level technological landscape. Whether it is to download a textbook, take class notes digitally, design a video for a class project, develop an APP for a non-profit organization, or create a digital résumé career portfolio, every first-year student will be given a powerful tool to aid in their future success. In essence, they too will be able to ask, "What is possible?"

## **The Year Ahead**

What more is possible?

We have elevated our success to new heights over the last academic year, but more work remains. There is more to do and more to achieve on behalf of those we serve. Because of the relentless will and dedicated compassion of the UK family, I am confident that we will continue to see steady progress toward our ambitious goals.

During the next year, I will focus on the key priorities we have identified together, that will propel the University *for* Kentucky forward:

- Ensuring that our campus is one that welcomes, respects, embraces, and engages all people—regardless of belief, ethnicity, ability, orientation, geography, perspective, or socioeconomic status. Not only will they be welcomed, but their distinctiveness – and sense of belonging – must be celebrated as defining characteristics of our community.
- Providing a safe and welcoming campus community that supports success inside and outside of the classroom. A broad and comprehensive approach to well-being will position us to foster success.
- Rallying the Big Blue Nation to support a bold campaign that will transform our campus and its people. Our comprehensive fundraising campaign, *Kentucky Can: The 21<sup>st</sup> Century Campaign*, has already raised \$1.255 billion of our \$2.1 billion fundraising goal to support faculty and student success, modern research, a continued investment in our campus, and position UK to lead in a new century of promise.
- Supporting our faculty scholars, researchers, and clinicians leading the way to combat the scourge of opioid addiction and opioid-related overdoses and deaths. The \$87 million HEAL grant is a high-water mark for our research enterprise and will provide research-driven solutions to this complex challenge.

I am convinced that we have the necessary talent, determined sense of purpose, and abiding compassion to achieve more for those we teach, serve, and heal.

## **The University Community**

When we went through the rigorous and inclusive process to identify our brand promise, this community emphasized an enduring sense of compassion that allowed its people the opportunity to succeed. It is the idea that the University of Kentucky is a distinctive community among universities across the country—a place where students, faculty, and staff are challenged, but in an intensely supportive and compassionate environment. This work requires constant focus, and our efforts are yielding recognition.

Our community was recognized as:

- A “Great College to Work For” by the Chronicle of Higher Education;
- A “Diversity Champion” by INSIGHT Into Diversity magazine for the second year in a row;
- A “Best Employer for Diversity” by Forbes;
- A top school for LGBTQ\* students by the Campus Pride Index; and
- Among "America's Best Employers" by Forbes.

Recognition acknowledges important progress, but we are not engaged in this important work for accolades. We are taking intentional and thoughtful steps toward a more inclusive campus because a diverse community where people feel valued undergirds everything we do.

This year, we are recognizing 70 years of integration with colloquia, coursework, and campus events that acknowledge the part of our past where we fell painfully short of our responsibility to teach and serve all people. In our most recent operating and capital budget, we allocated nearly \$2 million to invest in new diversity faculty hires. We are reviewing the role of our diversity officers in each of our colleges, and we are ensuring that our hiring committees are representative of a multitude of perspectives and backgrounds. This activity builds on past work, and further lays a foundation for future progress.

### **A Shared Commitment to Well-being and Success**

Our commitment to a diverse and inclusive community is resolute, but we must also ensure that the campus family feels supported as they live, learn, and discover. In the tragic wake of our shared losses in the last academic year, we talked with you about our responsibility to make sure the resources are in place to address the anxiety, sadness, and fear many face. We established the Mental Health Task Force, charged with evaluating and making recommendations regarding the scope and trends in mental health issues among our campus family. The Task Force is composed of faculty and staff with specific and deep expertise in mental health and issues of well-being. It was charged with:

- Understanding the current state of mental health issues among UK students and defining the resources on our campus that are necessary to better support and refer students to the appropriate services;
- Examining the best practices for monitoring mental health on college campuses; identifying state-of-the-art programs to promote and support positive student mental health; and instituting a monitoring tool;
- Identifying the optimal framework for improved campus-wide mental health literacy that supports student engagement and retention;
- Creating an inventory of mental health services on campus, optimizing their coordination across units, and improving student awareness of the services;
- Performing a gap analysis of current mental health services available on campus based on best practices, knowledge from campus experts, and input from stakeholders;
- Identifying a desired future state of services;
- Considering LEAN design of mental health services to enable adequate and efficient delivery of care; and

- Defining short-term and long-term priorities and goals for UK to improve the identification of mental health issues and the delivery of mental health services for our diverse student body.

As the work of the Task Force continues in the year ahead, we will focus on providing the necessary resources and implementing the critical recommendations identified by this group of faculty and staff experts.

### **Kentucky Can: The 21<sup>st</sup> Century Campaign**

Last September, our campus launched a profoundly important comprehensive fundraising campaign, *Kentucky Can: The 21<sup>st</sup> Century Campaign*, to raise \$2.1 billion to support faculty and student success, modern research, and a continued investment in our campus. It is a campaign designed to position UK to lead in a new century of promise.

Our initiative focuses on three areas critical to the University and the future of the Commonwealth:

First, we will invest further in scholarships that cultivate the best and brightest minds on our campus and that equip students to be productive contributors to the Commonwealth. This includes growing our nationally heralded UK LEADS program and other scholarship efforts to ensure affordable access and timely degree completion.

Second, we aim to grow our endowment from \$1.5 billion to more than \$2 billion to attract and retain top faculty, create innovative programs, and address the complex questions of our day. Our dreams and ambitions will require us to recruit and retain leading scholars to further support student success and to work across and among disciplines.

Third, we will continue our efforts to enhance and expand our research enterprise, which empowers the UK family to forge new discoveries and distinguish UK as a destination for world-class outcomes. We believe we can eradicate opioid addiction and abuse in this state. We are committed to reducing cancer rates by half. We believe we can help develop a food supply to feed more people in an environmentally sustainable way.

But those discoveries and interventions take two things – talent and infrastructure. And they both require resources.

We are on our way to reaching this historic milestone. We are more than halfway to our goal, having raised \$1.255 billion thus far. Our success is further propelled by another record year in philanthropy, with more than \$212 million raised in gifts and commitments last academic year. With the support of more than 45,100 donors, this year is the second in a row in which the University has surpassed the \$200 million mark.

To further accelerate our success, I will be traveling the Commonwealth and country sharing the exceptional work of our students, faculty, staff, clinicians, and those who touch the far corners of our state.

## HEAL

Nearly one year ago, at the Board of Trustees retreat, we devoted a day-and-a-half to a close examination of the national opioid epidemic and its particular impact on our state.

You heard from policymakers, law enforcement/corrections leaders, researchers, clinicians, and survivors. It was a detailed and in-depth look at the scourge of opioid abuse.

In April, the Department of Health and Human Services announced a \$350 million investment to defeat the scourge of opioid overdose and death. The National Institutes of Health's HEAL program selected four sites with the goal of reducing opioid overdose deaths by 40 percent over the next three years in communities across the country.

The University of Kentucky was one of four sites selected. A team of 20 researchers from six colleges, working in partnership with more than 200 volunteers and community leaders, will dive deep into the root causes of opioid addiction and death in 16 counties across the Commonwealth that represent more than a third of Kentucky's population.

Since then, countless individuals across Kentucky have begun the difficult and detailed work of implementing the proposal that earned us the \$87 million grant to support this work in Kentucky.

To be sure, there is much work to do: 70,000 people across the United States died from drug overdoses this past year. With our local, state, and federal partners, we will put the full force of our expertise and care behind addressing one of the greatest challenges to our state and its people.

## Conclusion

In my last self-evaluation, I shared our new brand promise: "*achieve more through grace and grit.*" I believe it is the combination of the two – the creative tension that exists between the ideas in those words – that distinguish our University.

The traits of our campus family are uniquely Kentucky and reflect our consistent ability to "punch above our weight," whether it be in the classroom, in the lab, or in the field.

Your resourcefulness, ingenuity, and leadership make possible our progress, as represented by our success in the last year. We conduct our work in the midst of what remains a challenging financial climate for higher education in our state. But this community proves each day that what we do matters – for the future of our students, for those we help and heal, and for all we serve in Kentucky and around the world.

Across campus and the Commonwealth are examples of our work to lower costs and ensure affordable access for students to an outstanding educational experience; answer the complex questions of our day; create new knowledge that shapes our understanding of the world and our place in it; heal our patients and their families in need of sophisticated care close to home; and continue serving people across our state.

It is the mission we have had for Kentucky for more than 150 years.

Indeed, because of this place, each day we discover, reimagine, achieve, and push the limits of what is possible—what is wildly possible.