

## *The Public's University: Optimizing Impact for the Public Good*

### **FY 2018 Accomplishments Tim Killeen May 2017 through May 31, 2018**

#### **Brief Summary**

It has been my great privilege to serve through a third full year as the University of Illinois System's 20<sup>th</sup> President. Roberta and I both feel extremely honored to be part of the community of students, faculty, staff, alumni and community members making up this magnificent university system. I want to start this short personal summary of my efforts and accomplishments by reiterating the comment I made during my first day on the job: I dedicated my presidency then to the students: those present today at our institutions and those to come. This has been and will remain my "guidestar" for current and future contributions.

I wish to thank the members of the Board for all the confidence and support shown to me over the past months. I believe the university system has made significant progress on many fronts during this past period of performance.

The year has brought forward a number of important challenges and opportunities. The end of the historic budget impasse that severely limited state funding for more than two years has returned the university to a more normal fiscal path. I believe we can take significant credit in both managing through the impasse and bringing it to an end through sustained and effective advocacy. We are now moving forward assertively on many fronts. The Strategic Framework, approved on May 20, 2016 (now over two years ago) has been a critically important guiding document for all activities during the past year. The fundamental change to move from the model of a single university with three campuses to a *system with three universities* has been very successful. It has led to actions to build stable and aspirational leadership and more fully empower our three distinctive universities, as well as the system itself.

Within this new model, we now have a set of forceful and interlinked multi-year plans – for advocacy; for strategic enrollment; for improving the statutory relationship with the State of Illinois; for cost and affordability pathways; for innovation and economic development; for alumni engagement; for research, scholarship and public-private partnerships; and for the major new philanthropic fund-raising campaign launched in October, 2017. We have a new master plan for the Urbana-Champaign University (UIUC) and are working on a Board-commissioned capital plan for the next 5 years. In all these areas and under my leadership, work over the past year has generated significant forward momentum across our system. I have reported on this progress in my regular updates to the Board of Trustees.

We have emerged from this difficult budgetary period strong fiscally and with our excellence and integrity intact, thanks to the commitment of a talented and loyal team of supporters – the board, faculty and staff, students, alumni and friends. I have seen their passion, creativity and dedication first-hand. I have worked to assemble a world-class leadership team, including the three permanent Chancellors and a talented senior leadership team at the System level. The recruitments of Dr. Robert Jones, as UIUC Chancellor; Dr. Barb Wilson, as Executive Vice President and Vice President for Academic Affairs; Dr. Avijit Ghosh, as Chief Financial Officer, Ms. Laura Clower, as Chief of Staff, and Dr. Ed Seidel, as Vice President for Innovation and Economic Development, have all been successful recent milestones and have led to what I believe is a talented, stable, collaborative, and principled leadership team.

We can be proud of many specific accomplishments this year. The University has reached historic high levels of student enrollment and graduation rates. A new report we commissioned on the economic

standing of the university system has documented a \$17.5B annual impact on the state of Illinois (up from \$13.9B just two years ago!). We have initiated a faculty recruitment effort with significant early success. We have achieved growing levels of participation of both Illinois natives and underrepresented minorities, though significant work remains to be done with respect to African-American participation.

Our philanthropic giving is at an all-time high (>\$490M in the recent fiscal year), and significant facility improvements have been made or are underway, with more than \$1B in investments over the past five years. A new professional and multi-faceted marketing initiative – entitled: “altogether extraordinary” was initiated this year, leading to a sixteen-fold increase in the number of visits to key system web sites!

We have designed, articulated, and successfully advocated for the transformative new Discovery Partners Institute and the associated Illinois Innovation Network (DPI/IIN), gaining \$500M in newly appropriated state funding for the initiative.

We have frozen tuition for the fourth year in a row, continuing to help make the University of Illinois system more competitive on cost, as well as on excellence. Our hospital is well into the black and our research spending impact is estimated to be \$1.2B per year. We have created and are advocating for a pathfinding piece of legislation (IPAC) which would stabilize and improve the relationship with the State of Illinois and provide a platform for delivery of critical, documented outcomes (retention, tuition, graduation rates, etc.). We are adding to that keystone legislative initiative other components: procurement relief, bridge funding, tax zone legislation, etc. We also have historic high levels of participation in innovation and economic development (start-ups, disclosures, patents, license revenue, growth of the Champaign-Urbana Research Park, the Innovation Center at UIC and the Innovate Springfield business accelerator at UIS, etc.).

We have found creative ways to improve and update our facilities (e.g., UIS Student Union, UIUC Siebel Center for Design, Bruce D. Nesbitt African American Cultural Center, the new UIC residence hall and academic complex, and the UIC Modular Engineering Building, etc.). And we have cemented new strategic partnerships with industrial companies (through a vibrant CEO Round Table that I created) and with international partners, including Israel and Mexico. The following paragraphs provide more specific (selective) details on these and other accomplishments and are presented in synopsis form according to the outline of our Strategic Framework. As a reminder, the mantra of the Strategic Framework is to be the *“Public’s University: Optimizing Impact for the Public Good.”*

## I. An Institution of and for Our Students

### *I.1 Reimagined teaching and learning*

#### Curricular developments

The University system continues to be extremely innovative and dynamic in upgrading our curricular offerings, utilizing technology-infused and hybrid models of delivery as appropriate. The office of the Executive Vice President manages and oversees this process effectively and the trustees have been briefed on processes as well as outcomes. Faculty have created over 70 new program options (new units, degrees, concentrations, minors, certificates and CIP codes) that have all been approved by the Board of Trustees and the Illinois Board of Higher Education during the past year. In addition, eight programs have been eliminated, in part due to relatively low enrollments. Examples of new, innovative course offerings include the new nursing and sports management courses at UIS, the “CS+X” series of course offerings at UIUC that brings computer science into a very broad spectrum of distinct fields (a specific example of which has been the doubling of undergraduate enrollment in UIUC linguistics associated with the CS+X), the brand new medical curricula at both UIUC and UIC, and the new iMBA program that has grown very rapidly in popularity - to more than 2,000 students - with fully online global classrooms and team projects. UIC has also established a new center for urban education leadership, designed to help urban school principals to be impactful and influential leaders.

The System now offers over 150 degree programs that are on line, making us a national powerhouse in distance education. Significant continuing emphasis will be placed on curricular renewal using hybrid models with significant technology infusion and increasing our focus on non-traditional and transfer students.

A major development this year has been progress towards the merger of the John Marshall School of Law and UIC. This will expand UIC’s degree offerings and opens to the door to several exciting new hybrid offerings, including the incorporation of legal education into UIC’s health sciences, engineering and social work degrees.

We have a growing and strong emphasis on transfer student populations. UIC, for example, recently consummated a strategic partnership with the City Colleges of Chicago that has led to significant gains in transfer students who are guaranteed admission based on their scholastic record. Other pathways programs are operating with many community colleges, opening up access. We plan to do more of this, expanding recruitment and pathways programs across the 46 Illinois Community Colleges. We very carefully track graduation rates for transfer students and are pleased to report that they compare well – and in some cases exceed - those associated with the more traditional students.

With the recent funding appropriation for the DPI/IIN, a major breakthrough in 2018 - faculty teams are working towards innovative curricular offerings for DPI-related students. The first classes related to this will be underway in the fall of 2018.

Finally, after much effort and planning, the Carle Illinois medical school opened its doors to the first class of 32 extremely talented students selected from a base of more than 1,000 applicants.

## ***1.2 Diversity and Inclusion***

### University of Illinois System Guiding Principles

In July 2017, I convened more than 100 people, including trustees, students, faculty, staff, top leaders of our universities, and system officers for a day of discussion on three issues in particular: *free speech on campus*, *globalization and immigration*, and *civic engagement*. These are not the only important issues facing our system, but principled approaches to them are interrelated and undeniably essential to our operations and our future. Following substantive discussions, three working groups took what they learned from that day, and drafted broad-based guiding principles on the topics. Dozens more – faculty, students, trustees, and staff – reviewed these drafts and provided valuable input.

The finalized and published principles are rooted in current practices and provide touchstones to guide our future, not detailed policies to address every possible scenario we might face. They also are living documents that will be adjusted as needed to accommodate change, or to incorporate new issues involving other core values that guide us.

I am proud of what this inclusive process says about the strength and cohesiveness of the University of Illinois System. While they reflect contemporary concerns, these principles are very much in keeping with the original – and fundamental – ideals of the land-grant institution: advancing society through education and knowledge and contributing to the public good.

### Inclusion, Diversity, and Equity Alliance (IDEA)

In March, 2018, I charged Chancellor Robert Jones to establish a system-wide body for the purpose of providing guidance and leadership to the universities and System to achieve our goal of making our campuses more diverse and hospitable. The role of the Alliance is not to duplicate the many efforts our universities are already pursuing, but to bring a coherent vision and energy to our efforts, across the system.

With representation from each of the three universities and the System Offices, the scope of the charge encompassed the following goals:

- To identify the optimal approaches found at our (and other) universities for enhancing inclusion, diversity and equity, as well as help us identify ways to measure the success of our efforts;
- To identify and/or develop methods and tools that enable the universities and the system to communicate essential information related to all areas of inclusion, diversity and equity to various audiences and constituencies;

- To explore and think critically about ways our inclusion, diversity and equity efforts can be leveraged to create and benefit from synergies within and between our institutions in the form of collaborations concerning recruitment and retention of students, faculty and staff;
- To identify ways to promote and facilitate diversity in our contracting and procurement efforts;
- To develop a plan for establishing an intellectual hub for discourse and research around issues of inclusion, diversity and equity that can inform the efforts of the universities and the system in these areas; and
- To improve opportunities for under-represented minority contractors to successfully bid on U of I projects.

I believe that this Alliance will serve as an opportunity for us to come together to develop innovative efforts and identify how we might collaborate to explore accountability measures beyond traditional measures. This will also be an opportunity for each institution to highlight their best practices, successes, etc. that are making a positive difference, as well as identifying gaps that may exist in our collective efforts.

#### Diverse and Inclusive Undergraduate Enrollment

Growth across the U of I System includes a 2.4 percent increase among in-state undergraduates, from 43,619 to 44,655. Illinois students comprise about 80 percent of undergraduates enrolled this fall.

The System saw gains in enrollment of African-American and Latino undergraduates for the sixth straight year. Enrollment of African-American undergraduates increased 1.1 percent, from 3,857 to 3,898, while undergraduate Latino enrollment was up 12.5 percent, from 9,201 to 10,347. Combined, African-American and Latino enrollment comprises nearly 25 percent of the System's undergraduate enrollment. More students each year also are identifying themselves as multi-race and this category too is showing growth, from 1,619 to 1,678 across the U of I System.

In Urbana-Champaign, African-American undergraduate enrollment increased 0.6 percent, from 1,961 to 1,973, and Latino enrollment rose 8.5 percent, from 3,457 to 3,751.

At Chicago, enrollment of African-American undergraduates increased 4.5 percent, from 1,468 to 1,534, and Latino enrollment was up 15 percent, from 5,508 to 6,336.

At UIS, African-American undergraduate enrollment decreased 8.6 percent, from 428 to 391, and Latino enrollment rose 10.2 percent, from 236 to 260.

#### Supplier Diversity Fair

The University of Illinois at Urbana-Champaign hosted a first-ever outreach event in May to expand business opportunities on the state's largest campus for firms owned by minorities, women, veterans and people with disabilities. The inaugural Diverse Business Opportunity Fair

invited companies to connect with staff from more than 30 campus units and explore opportunities in all areas of university spending, from construction and food services to office and athletic supplies. The May 18 business fair in Urbana-Champaign was the first to showcase opportunities on one of our campuses, and, based on this success, similar events are planned at the system's universities in Chicago and Springfield.

### ***1.3 Global Perspectives***

With my support, the U of I Foundation has established a legal entity in London, England, to facilitate tax advantages for foreign alumni giving. This has already led to the first multi-million dollar gift to the Urbana university.

I personally led a system-wide delegation to Israel together with Governor Rauner in November, 2017 and successfully signed 5 formal agreements with important new partner institutions. Since that visit, both Tel Aviv and Hebrew universities have signed on to be formal DPI partners. Both these universities (as well as ourselves and other DPI partners) are ranked by Reuters to be in the top 100 innovative universities worldwide. The DPI initiative is enabling us to build a very strong set of international alliances. We are also working intensively with three Mexican universities, and university partners in Ireland, Germany, Jordan, Singapore, China, Taiwan, the United Kingdom, South Korea, and many other countries. I have personally been involved in these outreach efforts to build our global partnership network. I meet regularly with the relevant consul generals on these topics.

I have initiated a new and ongoing system-wide effort to coordinate student study abroad programs, with an emphasis on safety, using our enterprise risk management council mechanisms. An initial presentation to the Trustees by the Enterprise Risk management team elicited support and more ideas for future improvements.

I am planning a trip to India in the near future to build additional partnerships. I anticipate one to two well-orchestrated major trips of this type per year into the future and will seek Trustee participation as appropriate.

### ***1.4 Experiential learning***

The DPI/IIN project will enable a whole new raft of internship and experiential learning opportunities. The role of my (now well established) CEO Round Table initiative has been helpful in cementing partnerships with industry.

We have been upgrading our web presence to facilitate databases of student opportunities as described in the Strategic Framework and this will be a continuing emphasis going forward, under the direction of Executive Vice President Wilson. A major emphasis this year has been to work to stem the outmigration of talented high schoolers and graduates from the State and we have documented both difficulties and opportunities in this regard. Our new marketing initiative and our whole legislative agenda will be helpful in this regard. Examples of the latter include the

Aim High legislation and the 4-year MAP commitment signed into law this year by the Governor at our urging and with our direct participation in the drafting of the bills.

### *1.5 Beyond the Academic Sphere*

#### New and Enhanced Physical Infrastructure

The University of Illinois System will receive its first state capital funding in nine years under a fiscal year 2019 budget approved today by Illinois legislators and the governor. I led the effort to advocate for this at the State level through our office of government relations and am extremely pleased with the historic breakthrough funding appropriated. The budget for the fiscal year that begins July 1 will provide about \$145.2 million for capital projects across the U of I System, including \$116 million in funding for projects that had been delayed from prior appropriations such as the Advanced Chemical Technology Building in Chicago, the Public Safety Building in Springfield and the Integrated Bioresearch Laboratory in Urbana-Champaign.

The System additionally will be proceeding with eight building projects at the University of Illinois at Urbana-Champaign and two at the University of Illinois at Chicago that will all be financed without state-appropriated capital funding.

Projects in Urbana-Champaign include the \$48 million Siebel Center for Design. Ground was broken in April for the student-focused learning and innovation hub, funded through a \$25 million lead gift from the Thomas and Stacey Siebel Foundation. I was personally involved in the solicitation and securing this exciting donation. Thomas Siebel, founder and CEO of C3IoT, is an alumnus and founder of Siebel Systems, a global software company that later merged with Oracle Corp.

Other Urbana-Champaign projects include a \$10.3 million renovation and addition to expand small animal surgery at the Veterinary Teaching Hospital; a \$7.8 million upgrade of engineering research facilities at Talbot Laboratory Building; a \$6 million replacement of track and field facilities, funded through a lead gift from the Demirjian family of Decatur; and \$55.5 million in renovations to Townsend and Wardall residence halls.

In Chicago, an \$11 million project was initiated that will relocate and expand the Graham Clinical Performance Center, which provides simulation training for medical students. Also increased funding for \$16.6 million to build new research facilities at the Medical Sciences Building and adjacent College of Medicine West Tower has been secured. Overall, these and other capital investments are collectively modernizing and improving our facilities – much needed!

## ***1.6 Promote Engagement***

### Salute to Illinois Scholars

The University of Illinois System hosted a first-ever recruitment event in southern Illinois. The inaugural Salute to Illinois Scholars took place in Mount Vernon on Tuesday, September 12th and was attended by more than 350 college-ready students and their parents. We invited Southern Illinois University and Eastern Illinois University to partner in the event so students were able to learn about six public universities in Illinois during the program (UIUC, UIC, UIS, SIU Carbondale, SIU Edwardsville, and Eastern). The families were invited to a lunch and panel discussion after the college fair, where President Killeen, President Randy Dunn (SIU System) and President David Glassman (Eastern) interviewed six current students about their experiences at each university. The inaugural Salute to Illinois Scholars college fair and luncheon connected students with more than 100 admissions and academic staff from the various universities.

### Legislative Engagement

As a part of our continued efforts to engage more actively with our legislators in Springfield, our Government Relations team has worked tirelessly to increase the level of engagement from the U of I Caucus and other legislative caucuses in support of the System. These efforts include having:

- Met with legislative leaders, members of the appropriations and higher education committee in district and the Capitol;
- Secured operational and capital funding from the State, as well as significant regulatory relief;
- Hosted two U of I Caucus events;
- Met regularly with Illinois legislative Chief of Staffs and other senior legislative staff;
- Testified at multiple appropriation hearings in the Capitol;
- Hosted reception honoring members of the Latino Caucus;
- Worked with Black Caucus to pass Underrepresented Students Bridge Program bill;
- Coordinated successful passage of budget with more support for higher education; and
- Met with Black Caucus leadership.
- Further developed the Illinois Performance and Accountability (IPAC) Framework legislative bill, now with more than 25 bipartisan co-sponsors in both House and Senate.
- Developed the draft “Grow Illinois” bill and secured major sponsorship of this pathfinding piece of legislation by the chair of the Senate Appropriations Committee.
- Secured important legislative relief legislation and blocked many well-intentioned, but fundamentally negative legislative bills.
- Advocated for, helped to write and secure, several important Higher Education bills: Aim High (providing merit based support for middle class families); 4-year MAP (guaranteeing continuous support for full four years for students in good academic standing); DPI/IIN capital funding; regular Capital funding; significant procurement relief).

We are seeing the benefits of this continued engagement with our state leaders. The passage of the first fully funded budget in several years, including increased support for the System, is



testament to the successful relationships we have established in Springfield, Chicago, and around the state. The important role of the Board in statewide advocacy cannot be over-emphasized and I am exceedingly grateful for the Board's direct involvement and support.

We have also been heavily involved in federal legislative activities, helping, for example, to successfully advocate for major augmentations of NIH and sustaining federal support for the Arts and Humanities.

### Advancement Activities

Under my direction, the system synchronized and successfully launched the \$3.1B fundraising campaign "Altogether Extraordinary." System-wide giving has increased substantially and we are now more than half way to our historic goal.

In an effort to fundraise and promote the University of Illinois System, I personally dedicated 85 work days to-date towards the cultivation of community partners and philanthropic donors to the University System, including:

- 22 Individual meetings/meals with donors, prospective donors, alumni and advocates
- 28 Development Activities
  - 6 Small (Less than 25 guests)
  - 2 Medium (25-100 guests)
  - 20 Large (more than 100 guests)
- 9 Alumni Relations Activities
  - 1 Small (Less than 25 guests)
  - 3 Medium (25-100 guests)
  - 5 Large (more than 100 guests)
- 15 Athletic Events with guests
- 4 Community Engagement Activities
- 5 UIF and UIAA Board Meetings

I was personally involved in the development of the large naming gift for the Urbana Business School and was told by Larry Gies, the primary donor, that he appreciated the forward momentum established under my leadership - and that this helped him to believe that now was the right time for his and his wife's major, transformative gift. As we have moved into the public phases of each of our university's individual fundraising campaigns, I participated in all three philanthropic campaign launch events, included in above summary.

*Philanthropic giving for the last fiscal year was at an all-time high and the University System endowment (and the return on that endowment) is also at an all-time high.*

- UIS *Reaching Stellar*, October 10, 2017
- UIUC *With Illinois*, October 13, 2017
- UIC *IGNITE*, October 28, 2017

## II. Research and Scholarship with Global Impact

### *II.1 Innovation, Collaboration, Entrepreneurship*

#### University of Illinois System Distinguished Faculty Recruitment Program

In May, I announced the University of Illinois System Distinguished Faculty Recruitment Program. It will provide non-recurring matching funds from the President's Office (a total of \$30 million over a 3-year period, or \$10 per year) to attract 10-15 highly distinguished, superstar or rising-star tenured faculty each year across the System. The universities are expected to match the program funds for each hire. The funds will be used for start-up costs to support the research and teaching of the distinguished faculty, such as the purchase of new equipment, renovation of space, and graduate student support. The first 7 hires were recently announced, including nationally renowned experts in electronics innovation, stem cell and regenerative medicine, pain management and palliative care, cancer research and treatment, public budgeting and financing, program and policy evaluation, and the history of science. A second wave of stellar recruits are in the works.

#### Reimagining Student-focused Teaching and Learning through International Collaborations

Major new partnerships have been established with well-regarded research-intensive universities in Israel, involving curricular activities in entrepreneurship.

Working with Presidential Fellow Professor Adriana Crocker, we worked with faculty at the University of Colima (UCOL) to re-energize and expand the partnership already in place between UIS and UCOL. These efforts included visiting UCOL and discussing possible connections to the efforts around the Discovery Partners Institute in Chicago. We also explored possible internships for UCOL students at government offices in Springfield and student exchanges more broadly. Faculty exchanges and teaching and research collaborations were also discussed.

Efforts have also been underway with the University of La Plata (UNLP) in Argentina on a Memorandum of Understanding with UIS. This large public university (the second largest in Argentina) has also several commonalities with UIS, including the fact that it is located in the capital of the Province of Buenos Aires. We are planning on developing a similar partnership to that devised with UCOL.

#### DPI Expands Across Illinois: Illinois Innovation Network (IIN)

I have successfully recruited an Interim Director for the recently approved Discovery Partners Institute (DPI). The broader Illinois Innovation Network (IIN) is moving forward with announcements on hubs in Champaign-Urbana, Springfield, Chicago, DeKalb and others are in the works. We have initiated two independent outsourced econometric studies of predicted statewide impact of this initiative and this will be presented to the Trustees in the Fall, 2018. IIN is designed as a set of connected hubs located in communities throughout Illinois. Each hub will

have a university partner as its centerpiece that fosters involvement of faculty and students in innovation. With the combination of the DPI and IIN, we will promote collaborative problem solving, foster workforce of the future, and launch next-generation companies, all toward catalyzing economic growth throughout the state. Four thematic areas will anchor these efforts: Food and Agriculture, Health & Wellness, Computing and Big Data, and Environment & Water.

## *II.2 Sociotechnical Problems*

### U of I System Center for Urban Sustainability

Working with Presidential Fellow Professor Don Wuebbles, we have made much progress toward development of a new center for urban sustainability across the University of Illinois system. This center is called the Illinois Center for Urban Resilience and Environmental Sustainability (Illinois CURES). We are currently extensively revising and adding to the prospectus for Illinois CURES towards more fully planning what the center will look like. We have held a 2 day planning workshop with 60-70 faculty participants from the entire system. Further workshops are also being discussed.

### U of I Research Park Strategic Planning

The Research Park at Urbana-Champaign has been extremely successful over the past 18 years. It has grown into an important part of the UIUC campus. The UIRP has a long history of governance of the Research Park at Urbana-Champaign, which operates through the LLC. The LLC has also historically partnered with the Illinois Medical District to advance technology commercialization, new business development, and related activities in Chicago. The role of the LLC in oversight of the existing Research Park and its ability to impact other locations statewide is being examined in a strategic planning activity sponsored by Vice President Seidel.

A strategic planning retreat was held with the UIRP Board of Managers in July 2017 to receive their vision and input. An external consulting firm, HR&A Advisors, was hired to meet with stakeholders across the U of I System over the course of a four-day visit in January that included stops in Urbana, Peoria, and Chicago. Based on these discussions, HR&A provided recommendations and insights on the governance structure and geographic scope of the LLC moving forward. A working group is currently considering how to best serve the existing Research Park at Urbana-Champaign and the University's economic development aims through the LLC. Recommendations from the working group on the ideal governance structure and scope of activities of the LLC are expected by the end of the fiscal year.

The Discovery Partners Institute (DPI) and Illinois Innovation Network (IIN) will build on the achievements of the Research Park. It is critical that the Research Park has sufficient resources to continue to grow and it will be the beneficiary of early DPI/IIN funding.

### Continued Innovation Growth and Expansion of Tech Transfer

The U of I System supports research and innovation activities that elevate ideas into sustainable businesses and global solutions. The Offices of Technology Management (OTM),

Illinois VENTURES, EnterpriseWorks, and the Research Park, together, form an innovation pipeline and ecosystem that brings together research activities, technology commercialization, entrepreneurial education, and infrastructure to effectively move ideas and innovation from the laboratory into the hands of everyday users.

There are 537 active licenses for U of I technologies, including 97 active start-ups licensing U of I technologies and 66 of these are located in Illinois, creating jobs and driving economic development. The number of licenses and options increased by 3.0% in FY17, and the number of U.S. patents issued increased by 2.9%.

The U of I System continues to support technology transfer across the state. The OTM at Urbana-Champaign continues to provide technology transfer services to Illinois State University and is discussing similar arrangements with the Illinois Mathematics and Science Academy (IMSA) and OSF HealthCare.

This year, occupancy of the Research Park at Urbana-Champaign reached an all-time high at a staggering 97 percent. With the welcoming of more agricultural, financial services, and global companies, collaboration between innovative businesses, students, and faculty has never been greater. Currently, 115+ companies are located in the Research Park, including a mix of Fortune 500, publicly traded firms, and startup companies. These companies employed over 2,000 employees in FY17, a 17% increase from the previous year.

There were 82 new start-ups at Urbana-Champaign in 2017 that benefited from strong entrepreneurship programs, including proof of concept funds, student business competitions, accelerator programs, NSF I-Corps, I-Start entrepreneur assistance program, and resources provided by the EnterpriseWorks incubator. EnterpriseWorks has launched more than 250 startup companies since opening in 2003. Incubated clients have raised more than \$920 million in venture capital funding – more than any other incubator in Illinois – and were awarded 30% of the total federal small business research grants (SBIR/STTR) in Illinois.

The University of Illinois, through EnterpriseWorks, is assisting entrepreneurs across downstate Illinois, promoting economic development by providing entrepreneurial technical assistance services. EnterpriseWorks launched the Illinois Higher Education Incubator Network to leverage entrepreneurship resources across universities supported by almost \$820,000 in grant funding from the U.S. Economic Development Administration (EDA).

### ***II.3 Humanities and Arts***

#### **Showcasing the Centrality of the Humanities and Arts to the Academic Mission**

I announced, at the July 2018 Board meeting, a new system-wide competition for the Arts and Humanities at the University of Illinois System. This initiative will invest \$1M per year for two years in competitively-selected faculty-led initiatives designed to celebrate the role of the Arts and Humanities at our institution through lasting ways.

Working with Presidential Fellow Professor Antoinette Burton, I have focused closely on bringing the accomplishments, values and needs of faculty in the humanities and arts to the forefront in a variety of ways over the past two years including strategizing about how to be as inclusive of work in the humanities and arts as possible in new endeavors.

Those efforts led to a system-wide faculty retreat at the UIC Innovation Center where Urbana humanities and arts faculty were able to connect with faculty in more STEM-focused areas and an “arts happening” at UIC which included some collaboration and participation from Urbana-Champaign faculty. Most recently, we moved forward an idea for a System-wide Public Voices Fellowship program that would help faculty on all three campuses develop skills for translating and communicating their expertise to a greater diversity of publics than they normally reach -- thereby enhancing the reputation of Illinois as a site of vibrant, world-changing research and learning.

## ***II.4 Research and Development***

### **Strategic Public-Private Partnerships**

I held a number of meetings of my CEO Roundtable, engaging CEOs of Illinois companies including Caterpillar, Northern Trust, State Farm, Carle Foundation Hospital, Order of St Francis Health Care (OSF), Health Care Services Corporation, Aptinyx, and others. The University of Illinois System engaged in ongoing strategic relationships with both Caterpillar and OSF. OSF formally announced their partnership in the DPI/IIN project.

The Caterpillar relationship has been highly productive in enhancing the company’s relationship with the entire University System and has improved synergy across the many projects that take place. It has also led to an expanded (corporate-funded) relationship with UIC’s Innovation Center and the Supply Chain program with the UIUC College of Business. OSF also continues to expand its relationship with both UIC and UIUC. At UIC, OSF has launched a new interdisciplinary course and lab at the Innovation Center while at UIUC the Jump Arches program continues to produce exciting new results. Results are ongoing between OSF and both UIUC and UIC about further new opportunities.

### III. A Healthy Future for *Illinois* and the Midwest

#### *III.1 Engine for Economic Development*

##### State-wide and Regional Economic Development

In the past year, I led University leadership in multiple meetings with public and private sector stakeholders in Springfield, Peoria, Rockford, DeKalb, Carbondale, and the Quad Cities. While each of the regions mentioned are very different and have their own economic development needs, in all instances the U of I System has played an important role as a convener, bringing together a diverse set of stakeholders to discuss economic development. As these regions define their strengths and weaknesses, the U of I System is able to add resources that fill gaps and help communities realize their own goals. As we move forward with plans for the *Illinois Innovation Network*, we expect that each of these communities will play host to a hub in that network. The *Discovery Partners Institute* is a new institute to be located in Chicago that will also be a hub in the Illinois Innovation Network. This new institute will leverage the strengths of the System's three universities, plus other university and corporate partners, to drive innovation and economic development in Chicago, Illinois, and beyond. While development of the Discovery Partners Institute is ongoing, it recently received \$500 million in capital funding from the State of Illinois that will help facilitate construction of new facilities. Recruitment of academic and corporate partners is ongoing and will continue through next year.

We also partnered with Senator Andy Manar on Grow Illinois, new legislation to encourage businesses to move back to Illinois.

##### U of I Hospital CEO Search

The UIC Vice Chancellor for Health Affairs, in consultation with the Chancellor, successfully completed a national search for the Chief Executive Officer of the University of Illinois. Michael Zenn, MBA, was appointed to the position, effective February 1, 2018. Michael served in various positions in hospital operational and financial management for more than 30 years. He was the Chief Financial Officer of the University of Illinois Hospital and Clinics since 2015. During his tenure at the University of Illinois Hospital and Clinics, Michael has had proven success managing the enterprise's finances and initiatives. He led efforts to significantly improve our revenue cycle, restructure our capital planning process and develop our five-year capital plan, and has sponsored our very critical Integrated Information Infrastructure project to select and implement a new information technology platform. We are pleased that he has accepted this position and look forward to working with him and the UIC leadership on ensuring that we continue our history of excellence in healthcare delivery on Chicago's west side.

##### Sustainable Investment in Hospital Infrastructure

The University of Illinois Hospital and Clinics has shown continued improvement in financial performance with increasing margins and days cash on hand. In consultation with the UIC Chancellor and VCHA, the CEO helped guide the new electronic health record (EHR) project (3i

project) through the Board of Trustees. In addition, an in-depth review of Hospital and Clinics finances is completed every board meeting and a five-year capital plan was developed for the Hospital and Clinics. Recently, as recommended by the Board of Trustees, the Hospital and Clinics has initiated a strategic planning process.

#### Hospital Advisory Board and Advocacy

In consultation with the UIC Chancellor, the Vice Chancellor for Health Affairs (VCHA) and the Chief Executive Officer (CEO) of the University of Illinois Hospital and Clinics established the University of Illinois Hospital and Clinics Advisory Council. The purpose of the Council is to provide advice to the VCHA and the CEO on matters related to the University of Illinois Hospital and Clinics. The Council is made up of individuals with extensive experience and deep knowledge of healthcare and academic medical centers. The Council met twice in FY18, including attendance by the chair of the Board of Trustees University Healthcare System committee, me, and Chancellor Amiridis; the meetings have proven to be highly beneficial in guiding the development of the long-term strategic plan for our healthcare system as well as in improving patient care and operational performance.

In addition to the council meetings, VCHA Barish has met regularly with me and is also now occasionally included in the 3+2 scheduled meetings with VPAA Wilson.

### *III.C Connections with Other Educational Institutions*

#### P-20 Education Pipeline and Other Institutional Collaborations

We continue to expand our collaborative efforts with other state universities in combating outmigration by hosting events aimed at recruiting Illinois students for Illinois institutions. We have added a second Salute to Illinois Scholars (SIS) recruiting fair event. We now collaborate with SIU-E, SIU-C, EIU, and host the SIS –South event (this year based in Effingham) and collaborate with WIU, NIU, and GSU for the SIS-North event (this year based in Rockford.) Our traditional Salute to Academic Scholars event attracts approximately 800 students from Chicago area high schools.

#### Community College Partnerships

We are increasing and expanding our partnership with multiple community colleges to facilitate the transfer student process. We continue to develop multiple “Pathways Programs” (including all the City Colleges of Chicago,) numerous joint programs, and approximately 65 two-plus-two programs with more likely. Furthermore, we engage directly with community colleges to address community needs, such as the nursing shortage in southern Illinois, by partnering with community colleges on a BSN completion program. We have also offered to host a state-wide discussion on the teacher shortage concern.

We serve as the state's host of My Credits Transfer and Transferology. We input all transfer articulations received from 42 Illinois institutions into Transferology. The Illinois facet of this database was visited 347,652 times. UIUC and UIC are the largest "users" nationally.

*The latest summary from the National Student Clearinghouse Research Center of effectiveness in transfer student completion has Illinois the **number one in the Nation** for successful completion, largely due to the efforts of our universities.*

### Ongoing Engagement with the City Colleges of Chicago and Chicago Public Schools

The UI System is committed to developing programs that will increase the number of students from the Chicago Public Schools who enroll in and graduate from the universities in the System. We currently have 303 engagement activities with CPS. These activities and programs range in scope from early childhood literacy, to summer campus for high school students, to recruitment initiatives and scholarships to research partnerships.

We initiated a new guaranteed admissions and a scholarship partnership with the City Colleges of Chicago. Admission to any U of I System university is guaranteed for a CCC student if they meet the university's admission requirements while 5 new scholarships for CCC (growing to 10) have been developed for CCC students transfers.

### U of I Alumni Engagement Reorganization

On September 8, 2017, the University of Illinois Alumni Association adopted a new set of bylaws and officially changed its name to the *University of Illinois Alumni Alliance*, a move designed to position the University of Illinois to serve its alumni in the most effective way possible. The newly-formed Alliance is governed by its Board of Directors and is charged with providing alumni with System-level services, including but not limited to oversight of alumni legislative advocacy efforts, management of affinity programs and partnerships including credit card and insurance programs, production of alumni magazines for the three Universities, supervision and maintenance of the Alice Campbell Alumni Center in Urbana, and more. Additionally, the Alliance works in conjunction with each of the three universities and their respective alumni engagement organizations. The Urbana-focused Illinois Alumni Association and the UIC Alumni Association were each formed in 2017; the UIS Alumni Association is planned for launch in 2019. As part of their formation, each organization has established an advisory board comprised of alumni from their respective universities and has begun to build a framework to guide University-specific engagement efforts. This unique structure, unlike any other in the nation, will place the University of Illinois on the cutting edge of alumni relations and enable the university to provide its alumni with engagement experiences that are holistic, meaningful, and easily accessible.

### Illinois Connection and Alumni Advocacy

With the new role of the Alumni Alliance and Illinois Connection, considerable work has gone into advocating on behalf of the University to our state leaders which has been extremely successful in improving our relationships as well as enhancing our presence in the State capital.



As part of these efforts, I and my staff have been working continuously to advocate for the University System's priorities: Below are a few such examples.

- Approved four UIAA IL Connection calls to action (Budget, Budget Thank you, Tax Reform, PROSPER).
- Coordinated one large student and alumni Lobby Day, as well as 2 smaller lobby days just with students.
- Coordinated System letter writing campaign from students to legislators.
- Collaborated on district visits across the state.
- Hosted tele-town hall with 20,000 students, alumni, and stakeholders.

## **IV. Tomorrow's University Today**

### ***IV.1 Affordability, Access, and Completion***

#### Strategic Enrollment Growth and Student Success

I am happy to report that System enrollment increased 2.9% to more than 83,300 students in Fall 2017, which is the fifth straight enrollment record. The universities continue to progress toward their enrollment targets set out in their strategic enrollment plans and summarized on the web site.

Undergraduate African-American enrollment increased 1.1% during AY18, and undergraduate Latino enrollment increased 12.5%. Overall, African American and Latino undergraduate enrollment represents nearly 25% of total System enrollment. Students identifying as multi-race also increased in number this academic year.

The System also experienced an increase access for Illinois undergraduate resident students. In-state undergraduate enrollment increased 2.4% to 44,907 in AY18, representing an increase of 5.2% compared to the 2014 baseline of 42,694. Approximately 80% of undergraduates are residents.

We graduated 21,933 students which is an increase of 1.93%.

AY18 was the fourth straight year that undergraduate in-state tuition was frozen.

Institutional aid for students at \$217 million far outstrips federal, state, and other aid at \$166 million.

### ***IV.2 University-State Compact***

Northern Illinois University signed on to the Investment, Performance and Accountability Commitment (IPAC) during Spring 2018. Northern is the first institution to join with the University of Illinois in making a first of its kind compact with the state where the two institutions agree to meet agreed upon performance targets in exchange for stable and predictable funding from the state.

### ***IV.3 Create Technology Platform for Modern University Environment***

#### “Smart State Partnership” with the State of Illinois

The U of I has engaged with the State Department of Innovation and Technology (DoIT) over the past year on a number of proposals to partner on Smart State initiatives. Of those proposals, 12 of 13 have been deferred at the request of the State for budgetary and other reasons. We have completed one project related to planning for a Security Operations Center. The U of I stands

ready to partner on future initiatives and are responsive to any interest by state agencies to leverage our expertise and talent.

DoIT is actively promoting partnership with the U of I to state agencies when they have the opportunity. NCSA has had several conversations over the past few months with agencies such as the Illinois Department of Transportation and the Illinois Criminal Justice Information Authority, but none of these have moved past the discussion stages. Current interest from the State focuses on evaluating large diverse data sets which would align with NCSA capabilities and expertise.

#### ***IV.4 Operational and Financial Sustainability***

##### Recruit and onboard a new Chief Financial Officer.

I selected Avijit Ghosh as the permanent CFO and Comptroller of the University of Illinois System, he officially started his position on June 1, pending approval by the Board of Trustees at its meeting on July 19, 2018. Ghosh has nearly 30 years of service to the University System and was previously the system's interim CFO, a role he embraced with unparalleled insight, energy, and enthusiasm. He was successful through a careful and thorough search process, that was facilitated by Parker, a national search firm (selected through the RFP process). I made my decision in consultation with my executive team, other leaders within the three universities, input from the search committee, as well as the additional university constituents that met with the finalists.

##### Aligning Strategic and Operational Priorities and Succession Planning

In the current year a systematic budgeting process was instituted for all units within system offices. Each of the 20 reporting units prepared a systematic analysis of their current budget as a backdrop to its FY19 budget request. Each unit also made a budget presentation to a panel comprised of the president, the three vice presidents and a member of the president's management council. The presentations focused on a review of the unit's activities and achievements for the past year, its goals for their future, and its challenges and opportunities. Key initiatives proposed by the units were also reviewed.

The new budget review process will result in a more systematic allocation of resources for FY19; one that is better aligned with operational needs of each unit and the strategic initiatives of the system, such as the distinguished faculty recruitment program.

The Office of the President sponsored the President's Executive Leadership Program, a leadership development program for 16 senior level faculty and administrators from the three universities. Participants attended four seminars, including one at each university and one in Washington, DC, where they discussed broad issues in higher education and heard from multiple speakers. The primary purpose of the program is to prepare participants to take on executive leadership positions at the three universities.

### System Offices Administrative Realignment

The System Offices administrative realignment project was initiated in the fall of 2016 with the goal of gaining efficiencies in the delivery of administrative services and to make those services more effective. The first two phases of the project, completed in June 2017, involved the realignment of nearly 100 FTEs from the system offices to the three universities in areas such as grants and contracts administration, purchasing and business.

Phase 3 of the realignment project was completed by June 30, 2018. In this phase selected information technology support services (viz., Desktop Support, Security and Datacenter) moved from the system to the university technology offices at Chicago and Urbana. The move will result in the transfer of 19 individuals and a recurring budget of \$1.7 million to the universities.

Together, the three phases of the realignment project will result in the transition of 122 positions and \$8.4 million of recurring funds from system offices to corresponding offices at the universities.

Improve the articulation and transparency of the financial decision processes and presentation of the System's financial position. Continue the development of the University website to include enhanced financial reporting components.

Completed hiring of permanent CFO through a national search process with directive to improve transparency of university financial information.

System-level Marketing and Branding. Develop a premier institutional marketing function within the System.

At my direction, the Office for University Relations (OUR) partnered with the University of Illinois Foundation (UIF) to develop a branding/marketing initiative for the System that could be spun off from the marketing of the UIF \$3.1 billion philanthropic campaign and the fall 2017 launches at each of the three universities of their respective campaigns. The theme for the System-wide branding/marketing initiative became: "Three universities. One system. Infinite possibilities. Altogether Extraordinary." In spring 2018, the "Altogether Extraordinary" marketing campaign was launched statewide on a strategic mix of media platforms that included a 2 ½ minute video, NPR radio spots, highway billboards, digital advertising, and social media. The plan will be reviewed after an initial three-month run and will be adjusted as necessary to continue into 2019. This was the first such system-wide initiative by the U of I since a much more modest program in 2001. It is anticipated that in 2018-19 each of the three universities will each engage with OUR and/or launch marketing initiatives of their own. Also, OUR has significantly increased the social media profile of the U of I System and the president.

## V. Professional Development

In furtherance of my own personal and professional development, I attended the Glion Colloquium in Switzerland, June 15-18, 2017. The Colloquium addresses the challenges and responsibilities of the world's research universities. Every two years they provide a forum for research university leaders to join leaders from business and government to consider the role that the world's foremost universities should play in addressing the great challenges and opportunities of our times. As a participant, I prepared a paper and presented it to the Colloquium on the topic of innovation and social equity.

I attended the National Academy of Sciences Annual Meeting, October 7-10 in Washington, DC. The National Academy of Sciences (NAS) is a private, non-profit society of distinguished scholars. Established by an Act of Congress and signed by President Abraham Lincoln in 1863, the NAS is charged with providing independent, objective advice to the nation on matters related to science and technology. Nearly 500 members of the NAS have won Nobel Prizes, and the *Proceedings of the National Academy of Sciences*, founded in 1914, is one of the premier international journals publishing the results of original research.

Additionally, I attended the American Geophysical Union Annual Meeting (AGU) Dec. 10-13, 2017. AGU's mission is to promote discovery in Earth and space science for the benefit of humanity.

I am a member of the American Council of Education's (ACE) Board of Directors and participated in my first meeting this summer. I continue to participate in the Association of Public and Land-Grant Universities (APLU) Council of Presidents.

I also continue to seek the wisdom and guidance of my colleagues and predecessors through individual regular meetings (every other month) with Emeritus Presidents Joe White and Robert Easter.