

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

**FY 2019 Accomplishments**

**Tim Killeen**

**Brief Summary**

It has been my great privilege to serve through a fourth year as the University of Illinois System's 20<sup>th</sup> president. Roberta and I both feel extremely fortunate and honored to be part of the community of students, faculty, staff, alumni and community members that make up this magnificent university system.

I want to start my brief introduction of this annual report by reiterating the comment I made when my appointment was announced and again 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 lodestar, guiding my efforts to reach the ambitious goals of our Strategic Framework.

I also want to thank the members of the Board of Trustees for all the confidence and support shown to me over the past 12 months. Together, I believe we have helped the university system make tremendous progress on many fronts.

The restoration of normal state budgeting and appropriation practices, after more than two years of budget impasse, has allowed the university system to flourish. We not only weathered the impasse; we came out stronger and more effective. As described in my goals for FY2019, a priority for me has been the strengthening of our communication and advocacy strategies, which has paid dividends beyond managing the budget crisis. For example, we now have a robust *U of I Caucus*, with 65 members. It is bipartisan, bicameral and growing, with the addition of new legislative members and those with ties to the John Marshall Law School. We have successfully advocated for increased funding for higher education, resulting in a 5% increase in state operating funds for FY2020, our largest increase in nearly 20 years. We also received substantial capital funding for the first time in a decade. Table 1 summarizes our state appropriation and capital funding. My contributions to the advocacy that helped secure this historic result included 77 personal visits (details available on request) to advocate for the U of I System in Springfield and Chicago, as well as innumerable radio interviews, newspaper articles, phone calls, speeches, testimonies, etc. I believe the positive outcome in this year's budget process resulted, in significant part, from our sustained and visible leadership effort. I know of no other university system in the nation with this level of increased support, so I cite it here as a highlight.

<b>Table 1. University of Illinois System FY2020 State Appropriation</b>				
<b>Signed into law by Governor J.B. Pritzker 6/5/19</b>				
	UIUC	UIC	UIS	U of I System
<b>Operating</b>	Detailed, normative, and specified distributions			\$622,015,000
<b>Line items</b>				\$6,716,000
<b>Capital reapprops.</b>				
DPI/IIN				\$500,000,000
Other (inc ACBT)				\$129,000,000
<b>New Capital</b>	\$200,000,000	\$98,000,000	\$35,000,000	\$333,000,000
<b>Repair/Renovation</b>	\$195,200,700	\$146,433,000	\$11,632,500	\$353,266,200
<b>Grand Total</b>				\$1,944,000,000

We have also continued to move forward aggressively on many other fronts. The Strategic Framework, approved by the Board in 2016, continues to serve as the roadmap for the system and its universities. As our identity as a system comprised of three universities has matured and evolved, we have embraced the strength and scale inherent in that identity. Powered by stable and aspirational leadership, each of our universities is thriving and positioning the system to be even more impactful in the future. As described below, most, if not all, of our most important metrics are trending up significantly: faculty recruitment; enrollment; access, affordability and completion agendas; diversity; philanthropy; research; and legislative and innovation agendas. I can make a case that the U of I System is currently the most dynamic public university in the country.

We have leveraged the system model to develop and deploy an array of impactful and interlinked multi-year plans – for strategic enrollment; for faculty recruitment and retention; for construction and facilities; for redefining the statutory relationship with the state of Illinois; for affordability pathways; for innovation and economic development; for alumni engagement; for research, scholarship and public-private partnerships; for improving our fiscal planning and reporting activities; and for driving the philanthropic fund-raising campaigns launched in October 2017.

The annual budget planning process for the system – designed and initiated by me and VP-CFO Avijit Ghosh, and launched in FY2019 – saw its second year of successful implementation during the planning cycle for FY2020. In addition, a Board-commissioned capital plan for the next five years has been developed and is now well underway as described below.

The leadership team I have worked to assemble over the last several years is world-class and I know that many universities are actively trying to recruit our leaders (a badge of honor in my estimation). The team is collaborative, diverse, principled and talented. It is comprised of our chancellors, Michael Amiridis, Robert Jones and Susan Koch; Executive Vice President and Vice President for Academic Affairs Barb Wilson; Vice President and Chief Financial Officer Avijit Ghosh; Vice President for Innovation and Economic Development Ed Seidel; and Chief of Staff Laura Clower. In addition, Bill Sanders was brought on board this fiscal year as the interim director of the Discovery Partners Institute and has hit the ground running. Each of these leaders is deeply invested in the success of our universities individually and in the system as a whole.

We can be proud of many specific accomplishments this year. The university system has reached historic high levels of student enrollment, as well as retention and graduation rates. We continue to increase enrollment of both Illinois residents and underrepresented minorities, though more work remains to be done with respect to African-American participation. We are also working to grow and diversify our international enrollment.

A new economic impact report I commissioned found that the U of I System pumps \$17.5 billion into the state's economy annually, up from \$13.9 billion just three years ago.

The Distinguished Faculty Recruitment Program initiated last year continues to be highly successful this fiscal year. In the second year of our three-year program, we have received a total of 22 applications,

approved 19 of them, and have already welcomed 16 new distinguished faculty across our system. These senior and established scholars have brought approximately \$30 million in active research, demonstrating a significant immediate return on our investment and showing the world that we are and will remain a top destination for talent. We have marketed the success of this program widely, including in full-page advertisements in the *Chronicle of Higher Education* and *Inside Higher Education*. EVP Barb Wilson has emphasized the need for diversity in her conversations with provosts, and we expect more applications in the coming year for women faculty and faculty of color.

I have worked extensively on fundraising and philanthropic giving is at an all-time high -- \$498 million in FY2018, associated with the launch of our fundraising campaigns, and is already at \$390 million for FY2019 as of May 2019. I have been heavily involved in our philanthropic work (78 work days through April, 2019), including the very recent Grainger naming gift for the Urbana College of Engineering. Overall, we have reached 70% of the total \$3.1 billion goal for the campaigns, which run until 2023.

Significant facility improvements have been made or are underway, with more than \$1.2 billion in investments over the past five years and many more planned in the near future, as detailed in Table 3 below.

The multi-faceted marketing initiative “*Altogether Extraordinary*” initiated in FY2018 has continued to gain momentum and presence. It has been deployed in airports, on billboards, on social media, through targeted digital ads, and in direct advertising in various publications such as *Crain’s* and the *Chronicle of Higher Education*. We have observed a significant rise in social media following and activity associated with our marketing campaign and have recruited senior marketing leaders for each of our three universities this year. Significant new efforts in individual university marketing will commence in FY2020.

We continued to make substantial progress in designing, launching, and implementing the Discovery Partners Institute (DPI) and Illinois Innovation Network (IIN). Partnerships have grown internationally and statewide, with several recent announcements of academic, civic and corporate partners drawing highly favorable response and media coverage. The re-appropriation of the \$500 million in state capital funding, notwithstanding a change in the Governor’s Mansion, testifies to the broad support we have engendered for our economic impact agenda across party lines and across the state. On behalf of our DPI initiative, during the fiscal year, I led the development of new international partnerships in Israel, India and the UK.

With Board approval, we have frozen in-state tuition for the fifth year in a row, continuing our efforts to make the U of I System more competitive on cost, as well as in excellence.

Our healthcare operation is now well into the black, seeing ever increasing patient visits in excess of 700,000 annually, and our research spending hovers around \$1 billion a year from all sources, including a major NSF grant of \$120 million to Urbana-Champaign for national computing leadership activities.

We have created and are advocating for legislation that offers the possibility to leverage the public higher education institutions in Illinois to lift prosperity in communities all across the state – PROSPER Illinois.

We are committed to professional development and succession planning. We continue to invest in the most promising leaders from within our university ranks through the Presidential Executive Leadership Program (PELP), aimed at senior level leaders from each university, and the newly created Academic Professional Leadership Program (APLP), aimed at mid-career and emerging leaders.

We have shown a strong commitment to arts and humanities at each of our universities through the newly launched Presidential Initiative to Celebrate the Humanities and Arts, with nearly \$2 million in funding awarded this year.

In the following paragraphs, I provide details about selected accomplishments, framed around several specific areas the Board indicated interest in, as well as the outline of our Strategic Framework.

Table 2, below, provides a high-level summary of a selected set of year-to-year key performance metrics.

[Table 2 Selected Year-to-Year Key Performance Metrics](#)

MEASURE	PREVIOUS YEAR	MOST CURRENT YEAR AVAILABLE
<b>US NEWS RANKING</b>	<b>2018</b>	<b>2019</b>
UIUC	52	46
UIC	145	129
UIS (Regional)	64	50
<b>ENROLLMENTS</b>	<b>2017</b>	<b>2018</b>
UIUC	48,216	49,702
UIC	30,539	31,683
UIS	4,956	4,575
<b>TOTAL Enrollments</b>	<b>83,711</b>	<b>85,960</b>
<b>DEGREES AWARDED</b>	<b>2017 AY</b>	<b>2018 AY</b>
UIUC	12,557	13,038
UIC	7,478	7,557
UIS	1,898	1,547
<b>TOTAL Degrees Awarded</b>	<b>21,933</b>	<b>22,142</b>
<b>TENURE TRACK FACULTY</b>	<b>2018 AY</b>	<b>2019 AY</b>
UIUC	1842	1851
UIC	1237	1260
UIS	168	164
<b>TOTAL Tenure Track Faculty</b>	<b>3,248</b>	<b>3,277</b>
<b>SPONSORED PROJECT EXPENDITURES</b>	<b>2017</b>	<b>2018</b>
UIUC	590M	585M
UIC	358M	357M
UIS	12M	22M
<b>TOTAL Research Expenditures</b>	<b>964M</b>	<b>957M</b>

<b>INVENTION DISCLOSURES</b>	<b>2016</b>	<b>2017</b>
UIUC	239	242
UIC	138	148
<b>TOTAL Invention Disclosures</b>	<b>377</b>	<b>390</b>
<b>PHILANTHROPY</b>	<b>2017 FY</b>	<b>2018 FY</b>
<b>TOTAL New Business</b>	<b>286,300,000</b>	<b>498,500,000</b>
<b>CASH</b>	<b>2018 FY</b>	<b>2019 FY</b>
<b>MOODY's BOND RATING (system)</b>	<b>A1 (at watch)</b>	<b>A1 (stable)</b>
<b>DAYS CASH IN HAND (System)</b>	<b>169</b>	<b>211</b>
<b>TOTAL SYSTEM RATIO (CASH/Ops %)</b>	<b>9.49</b>	<b>15.48</b>
<b>REVENUES</b>	<b>2018 FY</b>	<b>2019 FY</b>
<b>TUITION and FEES (System)</b>	<b>1,167,900,000</b>	<b>1,193,000,000</b>
<b>STATE APPROPRIATION (System)</b>	<b>355,800,000</b>	<b>888,900,000</b>
<b>TOTAL SYSTEM REVENUE BUDGET</b>	<b>\$6,531,000,000</b>	<b>\$6,829,297,000</b>

What follows now is a more detailed review with a summary of accomplishments in specific areas that the Board requested via a memo to me earlier this year from Trustee McMillan. The italicized headers come from Trustee McMillan's memo.

**More Detailed Reports on Specific Identified Areas of Board Interest**

1. *Five-year long-term planning activities that the Board has initiated for the entire system, across the three universities, in these key areas: capital planning, budgeting, enrollment management, and faculty hiring.*

- a. Capital Planning

The five-year capital planning process that was instituted at the Board's direction in the second half of FY2018 continues to be refined, particularly given the importance and significance of our successful FY2020 appropriation. The initial version of the plan (to be updated this July 2019) was presented to the Board in July 2018 and the presentation can be found at: <http://www.trustees.uillinois.edu/trustees/agenda/July-19-2018/p-jul-Financial-Report.pdf>.

The detailed planning process led, for the first time, to a master list of needed capital projects for the next 10 years across the three universities. The list of projects is consistent with each university's master plan and takes into account patterns of growth in enrollment and research. Two of our three universities have recently published new master plans and the third (UIS) has a process underway to develop its version. The list of capital projects includes deferred maintenance and renovation projects as well as new facilities, and covers all types of needs including classroom and teaching space, research facilities, hospital and clinics, auxiliary facilities, and athletic venues.

The capital planning process deeply engaged university leaders and stakeholders and stratified the projects by need and purpose. The project list for FY2019-FY2023 includes preliminary estimates of cost. The priorities established in the plan served as the basis for the system’s successful request to the state for FY2020 capital funding, and the top priority for each university was funded in the final bill passed by both houses at our urging and signed by the governor. I was deeply involved in the development of the statewide plan for higher education and even contributed to legislative language through our Office of Government Relations (OGR). This capital bill provides more than \$685 million for the U of I System, sufficient to make significant headway on our long-term facilities plan.

In FY2019, the university system also instituted a more systematic process for approval of capital projects to ensure proper project planning prior to launching new projects. In parallel, we have commissioned and received an Ernst and Young in-depth review of our capital delivery process, to be presented to the Board in July 2019. We have pioneered and plan to utilize more private-public partnerships (P3s) in our future capital delivery. Currently, we have more than \$560 million of capital projects under development, and nearly \$400 million in additional projects are in detailed planning and Board approval stages.

Table 3 provides a summary of our exciting and high-priority ongoing capital projects.

**Table 3. Funded Capital Projects in Process or in Approval Cycle**

Current Capital Projects			
DESIGN	UIUC	UIC	UIS
ALTGELD HALL RENOVATION AND ILLINI HALL REPLACEMENT	\$100,000,000		
AMBULATORY SURGERY CENTER		\$120,000,000	
CAMPUS INSTRUCTIONAL FACILITY	\$66,000,000		
DAVENPORT HALL - WEST RENOVATION	\$6,100,000		
DIA - TRACK AND FIELD REPLACEMENT	\$6,000,000		
<b>DESIGN Total</b>	<b>\$178,100,000</b>	<b>\$120,000,000</b>	
BID/AWARD			
DIA - SOCCER/TRACK COMPLEX	\$20,950,000		
ILLINOIS STREET RESIDENCE - TOWNSEND AND WARDALL HALLS RENOVAT	\$59,500,000		
REROOFING - SSB		\$6,290,000	
<b>BID/AWARD Total</b>	<b>\$80,450,000</b>	<b>\$6,290,000</b>	
CONSTRUCTION			
ACADEMIC AND RESIDENTIAL COMPLEX		\$120,000,000	
ACES FEED MILL REPLACEMENT	\$20,000,000		
ENGINEERING INNOVATION BUILDING		\$43,000,000	
LABORATORY FACILITIES - EPC PROJECT #005	\$32,500,000		
LOWER LEVEL SIMULATION LAB - CON		\$5,570,700	
<b>CONSTRUCTION Total</b>	<b>\$52,500,000</b>	<b>\$168,570,700</b>	
<b>TOTAL IN PROGRESS</b>	<b>\$311,050,000</b>	<b>\$294,860,700</b>	-
UPCOMING PROJECTS			
ADVANCED CHEMICAL TECHNOLOGIES BUILDING		\$104,000,000	
ATHLETICS FIELD HOUSE			\$ 25,795,800
CHILDHOOD DEVELOPMENT CENTER			\$ 5,130,067
COMPUTER DESIGN RESEARCH & LEARNING CENTER		\$98,000,000	
CONFERENCE CENTER EXPANSION	\$21,000,000		
DIA HOCKEY	\$95,000,000		
ILLINOIS FIELD - BASEBALL TRAINING CENTER	\$8,500,000		
LIBRARY LEARNING STUDENT SUCCESS CENTER			\$ 35,000,000
PUBLIC SAFETY BUILDING			\$ 5,510,000
<b>UPCOMING PROJECTS Total</b>	<b>\$124,500,000</b>	<b>\$202,000,000</b>	<b>\$71,435,867</b>
<b>GRAND TOTAL</b>	<b>\$435,550,000</b>	<b>\$496,860,700</b>	<b>\$71,435,867</b>
<b>SYSTEM WIDE TOTAL</b>			<b>\$ 1,003,846,567</b>

b. Budgeting

In conjunction with the three universities, multi-year budget scenarios are currently being developed for all institutional funds. This exercise is expected to be completed and presented to the Board in calendar year 2019. Detailed financial summaries by colleges and units have been prepared and plans for updated dashboards and key performance indicator summary sheets are well underway in response to Board member requests.

These budget scenarios project revenue changes (tuition, state appropriations, health revenues, etc.) under different assumptions regarding tuition and fee rates and appropriations. In parallel, annual resource needs for faculty hiring, salary programs, deferred maintenance investments, capital and debt servicing, are all projected in order to estimate and plan for needed expenses. The model also includes certain mandatory cost increases, such as those resulting from the pending increases in the minimum wage and various bargaining unit agreements. We are pleased with the recent improvement in our bond rating (Moody's A1, moved to "stable") and anticipate there will be further upgrades coming shortly as the state budget situation further improves.

We recognize the vulnerability of the U of I System to imposed pension cost shifts, and are advocating strongly for a sufficiently long transition period (several decades) should such a transition occur in state law. As we understand, imposed cost shifts are not planned by the current state administration, but we will continue to refine contingency plans in the next year and are, in fact, supportive of long-term adjustments that would serve to improve our competitive position for faculty recruitment. We will continue to pay close attention to this issue, which I consider to be an "enterprise risk".

In addition, in the spring of 2018, at my direction, the system undertook a new Annual Budget Planning (ABR) process for all system offices, which has proven to be very successful in creating a new framework and process for system units to evaluate and present their spending plans and resource needs and requests. System units operated in FY2019 according to these written and approved plans. The process was adjusted in minor ways based on lessons learned in the first year of its use, and the second annual planning cycle (for FY2020) was successfully completed in the spring of 2019. This ABR process creates clear summaries of function, value, and cost for each system function to be made available to the universities, improving trust across the entire organization. I see this as a major accomplishment of FY2019 since previous budgeting processes were seen as opaque to key constituencies. Beyond the great value of transparency, the ABR also has property of allowing our managers *to manage* their budgets in a more strategic fashion and connect all line-item efforts explicitly to institutional priorities flowing from the strategic framework. The managers are also able to present accomplishments and plans annually to the senior leadership and peers. I had originally intended to initiate this in 2016, but decided (in retrospect, I believe, wisely) to wait until the end of the budget impasse. We now have it in place as a permanent budgeting mechanism.

c. Enrollment Management

There are continued efforts to keep the system on track to meet 2021 detailed strategic enrollment goals unanimously approved by the Board in FY2015. I am delighted to report that we are almost exactly tracking with the detailed enrollment plan adopted a few years ago, with specific planned augmentations in on-line enrollments. The Enrollment Management Planning Council (EMPC) continues to meet regularly to discuss enrollment goals and strategies. The system is currently on track to meet the goals set for 2021. Progress to date includes: system enrollment having grown more than 9% over the last five years, from 78,540 in 2014 to 85,960 in 2018. The U of I System now accounts for more than 50% of all students enrolled in public higher education in Illinois. With other public universities in Illinois seeing enrollment declines, our growth has contributed enormously – and highly visibly - to retention of talent in our state. On average, all three universities enroll more state residents than their Board-approved dashboard peers, giving us an important advantage with legislative decision makers. We are anticipating another year of growth (probably near 3%, system-wide), notably in online courses where we are burnishing our international leadership position.

d. Faculty Hiring

In conjunction with the universities, a five-year faculty *needs assessment* was completed in FY2019 and presented recently to the Board. The plan was built from the “bottom up,” with each college at the three universities identifying their needs based on enrollment trends and projected goals. The plan documents the need for: 1) replacement faculty (based on detailed projections of potential retirements and resignations) and 2) additional new faculty needed in light of growing enrollment (based on the five-year enrollment targets). According to the plan, more than 900 faculty would be hired across the system in the next five years, about half of which are projected to be new faculty positions. Ensuring the highest possible caliber of this new faculty cohort is a major overriding priority going forward!

As described earlier, we are entering the second year of our three-year, \$60 million Presidential Distinguished Faculty Hiring program. The quality of the 16 recruits to date has been extremely high and I intend to provide opportunities for the Board to meet with our newest hires as they join us. The pace of hiring in this program is close to one senior recruitment per month and, as the word gets out, this program will burnish our reputation as well as quickly expand our research portfolio. The “batting average” of acceptances of the offers made in this program is nothing short of astonishing – 16 acceptances out of 19 offers! I have never seen such success in academic recruitment at the senior level. I note that these distinguished faculty are both well established and highly marketable. I intend to seek state funding (perhaps in the form of Governor’s Chairs) in the coming year to augment this successful program.

2. ***Specific accomplishments deriving from the system’s innovation agenda, to cover such topics as the DPI/IIN, the Prosper Illinois legislative initiative, venture funding, and expanding connections and partnerships with business and industry.***

a. DPI/IIN

The DPI/IIN system-wide initiative is moving forward assertively under my leadership after a year of significant progress. DPI has been re-appropriated in the bipartisan FY2020 state budget, under new Governor Pritzker, at the full level of \$500 million, demonstrating continued strong state support. This is a significant accomplishment given the change in administration.

The funding path will now be through the state's Capital Development Board (CDB), a change which, I believe, will greatly expedite funding release. In addition to the \$500 million in capital funding from the state budget, we have already raised over \$400 million in committed "non-state" matching funding. The matching funding comes from an array of sources, including institutional funds from our own universities and our multiple university partners, as well as various philanthropic, civic, and corporate sources. A significant goal in the coming year will be to expand the corporate partnerships and more fully design and begin the initial implementation of the DPI/IIN. The U of I Foundation is in the final process of hiring two dedicated full-time staff members for DPI which, I anticipate, will lead to an acceleration of the fundraising progress. In addition, we have augmented the DPI administration with an additional 3 full-time staff. Also, the University Senates Conference has recommended official establishment of DPI as a temporary U of I "institute" – an important formality that signifies the necessary broad faculty support and engagement. I will prepare a Board resolution to this end for the upcoming July 2019 meeting.

Specific highlights regarding DPI include my recruitment of Bill Sanders as interim director in the summer of 2018. With Dr. Sanders focused full-time on DPI, much of the vision for the institute started to really fill out in FY2019. DPI currently occupies 20,000 sq. ft. of space at 200 S. Wacker Drive in downtown Chicago. This well-equipped temporary home for DPI has offices and classrooms and is definitely energizing progress. Various significant convenings have and are occurring and classes are already being taught there. Classes associated with the UIUC College of Engineering *City Scholars* programs are being delivered, as well courses in entrepreneurship taught by faculty from across the system and from our partner, Tel Aviv University.

During the past year, DPI has created and staffed eight working groups (consisting of 120 faculty and staff) including four main focus areas: 1) computing and data; 2) environment and water; 3) food and agriculture; and 4) health and wellness; combined with the cross cutting themes of: 1) culture and society; 2) entrepreneurship; 3) technology transfer; and 4) public policy. Each group has recently delivered reports that identify the key grand challenges and the critical needs and problems of community and corporate partners that can be addressed within DPI and the areas of focus. In addition to establishing the working groups, DPI set up "expert groups" available for any faculty member to participate in. So far, 1,000 faculty and staff have signed up across the eight thematic areas encompassed within DPI.

Other significant developments include a seed-grant program and continued expansion of activities hosted or supported through DPI. The call for proposals in the seed-grant program was very successful, attracting 46 submissions from 10 colleges, three institutes and one library across the U of I System's three universities. Nine projects were selected for funding in this first round of seed-money grants. In terms of programming and activities, DPI took steps to: 1) activate the Center for Urban Resilience and Environmental Sustainability (CURES); 2) established a summer school in Quantum Computing; 3) built an experiential learning infrastructure for the Food Innovation Center at the DPI facility; and 4) continued support for the City Scholars Program. The City Scholars Program, launched in 2018 by Urbana-Champaign's Grainger College of Engineering, connects Chicago tech companies with our talented computer science and engineering students. City Scholars live and work in Chicago while continuing to take courses taught at the DPI facility. Since its launch in spring 2018, City Scholars has placed 115 semester-long student internships and provided 40 engineering courses to Chicago-based students, including 23 in person at DPI. To date, 69% of students who are offered a position with City Scholar partners accept the offer and remain in Chicago, an example of how DPI can help retain top talent in Illinois.

Beyond the buildout of the working groups and the programming at DPI, there is continued growth in international and corporate partnering and engagement. For example, I led a delegation of senior faculty to India in December 2019, with Trustee Cepeda. During that trip we signed eight MOUs, including with the Indian Institute of Science, the No. 1 college of engineering in India, and the Indian Institute of Technology, Delhi, as well as a number of other public and private universities. We also met with the head of the Indian government's Department of Science and Technology, exploring opportunities for PhD students from India to study at our universities and for Indian startups interested in U.S. markets to connect with the DPI ecosystem. Multiple follow-up discussions among our universities' faculty and the Indian universities' faculty have followed, looking to establish new research partnerships and identify opportunities for our students to study abroad. Parenthetically, I believe these connections in India to be of importance in our drive to diversify the international student body across the U of I system.

In addition to the India visit, there have been trips to the UK, which included visits with the City University of London and Trinity College, Dublin, two universities that had not previously engaged with the system. There were also two highly successful events in Chicago during FY2019 in follow up to the very successful visit made to Israel in 2017. In particular, we hosted the presidents of both Tel Aviv University and Hebrew University of Jerusalem and signed MOUs at both events, which were attended by elected officials and community leaders. I also gave a well-attended speech at the Standard Club in Chicago on our growing connections to Israel via DI and am working closely with various Chicago-based Consul Generals to build up the international linkages.

The Illinois Innovation Network (IIN) component of the initiative launched formally in August 2018 with its first hubs at the three U of I System institutions and a fourth at the DPI site in Chicago. Northern Illinois University joined IIN in September, and Peoria, which is

home one of UIC's regional medical centers, joined in December. Chicago State University, Eastern Illinois University, Governors State University, Illinois State University, Northeastern Illinois University, Rockford (another UIC regional medical campus), Southern Illinois University Carbondale, Southern Illinois University Edwardsville and Western Illinois University officially joined the network in May 2019, bringing the total number of hubs to 15, including *all* of Illinois' public universities, and spanning the entire state.

IIN hubs will harness the intellectual strengths of Illinois' public universities and their communities, working in collaboration with DPI to foster research innovation that drives progress and economic growth in tailored, regionally-appropriate ways. DPI, itself will ultimately be home to thousands of students and over 100 researchers. DPI will work with academic, business and tech partners around the world, on breakthrough discoveries to spark innovation, economic growth and prosperity. In addition, IIN hubs will be able to participate in DPI programming and collaborations, while DPI researchers and students will be able to partner with the hubs for educational, research and outreach activities.

Each IIN hub has submitted a project proposal for a modest component of the \$500 million capital appropriation from the state and each hub has developed their initial individualized hub concepts and thematic areas. An IIN council has been established under the leadership of Vice-President Ed Seidel, and is composed of two representatives from each hub. The council meets monthly and is currently focused on hub governance, identifying initial activities and collaborations and launching the initial set of working committees. Needless to say, the building of a statewide institutional network under the leadership of the University of Illinois System has increased our political leverage in Springfield.

Examples of early IIN activities and collaborations include: 1) Illinois Innovation Network Undergraduate Research Day in Springfield, showcasing research completed by undergraduates across public universities of the Illinois Innovation Network (The event this year included students from the University of Illinois System and Northern Illinois University. Next year, the event will include students from all of the hubs.); and 2) UIUC submitted an NSF proposal that includes several IIN hubs, seeking a grant to support increased bandwidth to help build and sustain state-of-the-art instruction, research, and collaboration across the state. Examples of proposed future activities include conferences, workshops, research symposiums, collaborative courses and student boot camps.

The initial set of IIN working committees will focus on education and workforce development, funding and policy, research collaborations, community college engagement and entrepreneurship and corporate engagement and will be launched in fall 2019.

b. PROSPER Illinois

The PROSPER Illinois legislation that we have drafted under my supervision has been endorsed by every university in the state as well as several large business groups, including the Illinois Manufacturers Association (IMA) and the Illinois Chamber of Commerce. The Office

of Government Relations (OGR) is working with legislators and other stakeholders in connection with the Illinois Innovation Network (IIN) to build a statewide coalition to support the IIN throughout each community. In FY2020, OGR will be working with the governor's policy office and other relevant agencies to position PROSPER Illinois as a tool to boost economic development by attracting new businesses and corporate collaboration with institutions of higher education. We are planning to introduce this bill for a vote this calendar year, under the chief sponsorship of Sen. Andy Manar, chair of the state Senate Appropriations Committee.

c. Venture Funding

The venture landscape and its impact on the U of I System grew in FY2019, attracting premier venture capital, with increased investment coming from Deerfield Management, Third Rock Venture and IllinoisVENTURES, in particular. UIC and Deerfield Management announced the establishment of West Loop Innovations LLC, a company intended to help accelerate the commercialization of therapeutics developed at UIC. Deerfield will provide up to \$65 million in translational research funding and commercialization expertise to advance promising UIC discoveries. Additionally, Deerfield Management and IllinoisVENTURES made a direct investment in UIUC startup, Sfunga Therapeutics, to support the development of next-generation antifungal therapeutics.

Leading into the fiscal year, Third Rock Ventures and other venture investment groups, including IllinoisVENTURES, invested \$56 million in a Series B financing round for Revolution Medicines, an Urbana-Champaign startup that develops novel cancer therapeutics. The funding round was led by NexTech Invest, a top European firm focusing in the oncology space, along with the Column Group and Bessemer Venture Partners. In addition, IllinoisVENTURES made 14 investments in both initial and follow-on funding in university faculty, student and alumni startups. These investments were made alongside top-tier venture groups including True Ventures, Cue Ball, Greycroft, Venrock, Eclipse, Canto, Congruent Ventures, Acadia Woods, Samsung Ventures, Shell Ventures, In-Q-Tel, Pritzker Ventures and Baird Ventures.

Plans are maturing for the launch of an IllinoisVENTURES Fund IV at \$50 million, with the intention to double these funds through U of I system-led partnerships for a total of \$100 million. The IllinoisVENTURES Board of Managers is scheduled to discuss Fund IV in October 2019.

We are also directly partnering with a top venture firm in India, Axilor, and the venture arm of Tel Aviv University, Yesim. In both cases, there is very significant potential that we will seek to unlock in the coming year.

d. Expanded Connections with Corporations

I, and others in the system leadership team, continue to engage with members of the CEO Roundtable that I established several years ago. In particular, DPI Interim Director Bill Sanders and Chief of Staff Laura Clower have met with many of the leadership groups at CEO Roundtable member companies to begin discussions regarding corporate partnerships in the DPI and plan for the next phase of the Roundtable. These engagements will continue through FY2020, as well.

Companies continue to express a strong interest in collaborating with DPI and IIN, both for applied research and student engagement and recruitment. This year, we appointed Pradeep Khanna as Interim Associate Vice-President for Corporate and International Engagement. Pradeep has initiated a formal corporate outreach program on behalf of the system and DPI. Companies are clearly keen to explore new models of engagement through DPI, including establishing joint research facilities and joint appointments for scientists. Companies are also excited about the opportunity for working with faculty and students from international universities at DPI.

I have personally met with high-level leaders of various corporations this year to discuss affiliations and collaborations, including but not limited to: Accenture, Boston Consulting, InfoSys, Microsoft, OSF, Northern Trust, Caterpillar and Google.

**3. *Progress made in our advocacy agenda for the U of I System, including marketing, alumni engagement and support, state and federal government relations, and leadership among the public universities pertaining to higher education in the state.***

a. Marketing

In the past year, together with the U of I Foundation, the system has successfully implemented a large advertising campaign across the state for the first time in nearly two decades. Primary audiences included all Illinois citizens, university staff and students, in-state decision influencers and legislators, donors, alumni, community and opinion leaders, etc. The cost of this first-year system-wide effort was approximately \$1 million for advertising and \$500,000 for the creative materials. The program included newspaper and journal full-page advertisements, billboards, wallscapes, social media (Facebook, Instagram, etc.), geofences, National Public Radio spots, and airport displays. A second year is currently under design with similar investment strategy, with augmentations on the horizon, based on the evaluation of the first- and second-year outcomes (see Board Dispatch materials of May 17, 2019).

The very encouraging results of this first round of activity have been studied through the monitoring of key performance indicators, such as click-through rates, traffic to website, video views, social media followers and engagement. We also performed a brand awareness survey (awareness and recall). In all regards, I consider this initiative a success, with estimates of total “new” impressions standing at 127.8 million, a 13.5% increase in system web sessions, a 61% increase in social media followers, and a 678% increase in social media engagement. It is also

clear that our geofencing works well, with the highest performers being the large sporting and music events. Importantly, results of the brand awareness survey showed that positive perceptions of U of I System's role in economic growth impact have increased to 64% from 55% in 2016.



For the upcoming year, we are planning a redesigned U of I System home page (<https://www.uillinois.edu/>), featuring a large-scale carousel of images and up-to-date news stories.

In FY2019, we conducted the detailed analysis and planning for a new campus-to-campus daily bus service. A total of 4 custom buses are being built by the system to provide comfortable and safe door-to-door transportation (Wi-Fi- and ADA enabled) for faculty, staff and students moving between UIUC, UIC and DPI on work-related trips. Beginning in October 2019, these new intercampus shuttle service buses will feature advertising “wraps” that carry forward the branding and messaging images developed over the last two years.

In all this work, System University Relations staff are working proactively to promote the system, to gain and sustain public support, and to manage media interactions to present the system's actions in a positive way. I am especially pleased to report that each of our three universities has recently hired a principal marketing individual (different titles) and I am confident that the impact of these new investments will be evident soon.

b. Alumni Engagement and Support

As part of the realignment process initiated several years ago, the U of I Alumni Association was reorganized, including being renamed as the U of I Alumni Alliance (UIAA), and each of our three universities has since established its own university-specific alumni advisory board to guide university-based alumni engagement strategy. UIAA continues to evolve and its Board of Directors initiated a strategic planning process designed to answer the question, “Where do we take the UIAA next?” To lead the strategic planning process, the board

convened a Strategic Planning Task Force comprised of diverse representatives from the UIAA Board of Directors and from each of the three universities.

Even as it is evolving, UIAA has undertaken efforts to engage more meaningfully and fully with alumni. The Richmond Family Welcome Gallery at the Alice Campbell Alumni Center opened during Urbana’s Homecoming Week 2018. This interactive exhibit space, which received third place at the 15<sup>th</sup> Annual Digital Signage Expo APEX Awards, highlights key aspects of our history in an engaging and dynamic manner. Since the Welcome Gallery opened in October 2018, more than 39,000 visitors have explored the space, including thousands of prospective students and families participating in the campus visit program offered by the Urbana Office of Undergraduate Admissions.

Throughout FY2019, UIAA worked to make each of the three university magazines available in a digital format. As of June 2019, two issues (Winter ’18 and Spring ’19) of *UIS Today*, three issues of *UIC Magazine* (Spring ’18, Fall ’18, and Spring ’19), and five issues (Summer ’18, Fall ’18, Winter ’19, Spring ’19, and Summer ’19) of *Illinois Alumni* are available digitally. Offering digital versions of the magazines allows UIAA and the universities to expand their readership and circulation. The UIAA affinity programs also continue to thrive. The EXPLORERS travel program has seen 778 travelers to date in FY2019, up from 642 travelers last fiscal year. As of March 2019, the University of Illinois Community Credit Union credit card program has 15,542 credit cards in circulation. Finally, the Liberty Mutual and Mercer Insurance partnership has over 12,500 active accounts.

c. State and Federal Government Relations

The Office of Government Relations (OGR), leads the system’s advocacy efforts with both state and federal legislators, agencies and executive offices. Staff within OGR are extremely active and have been very successful in helping to raise the profile of the system and its universities, as well as in aggressive pursuit of our legislative and policy agendas. I interact with OGR on an almost daily basis, setting the strategy. Staff from OGR, VPAA and from all three universities worked collaboratively with legislators and the governor’s staff to impact more than 20 bills this year, ranging from protection of employee benefits, to improvement of procurement processes, to ensuring student access and other legislative agenda priorities. In addition, several system offices collaborated on data gathering and communication efforts that included responding to specific legislative inquires as well as developing and distributing a number of communication pieces focused on diversity and other key issues to support communication and interactions with legislators the governor and other key public officials.

<b>Table 4. Selected Highlights of 20 Advocacy Visits by President Killeen to Springfield, FY 2019</b>	
5/15/19	Deputy Governor Ruiz
5/2/19	Appropriation Hearing
5/2/19	Meeting with Senator Plummer
4/4/19	Senator Lightford
4/3/19	Lobby Day
4/3/19	Illinois Public Higher Education Reception (hosted)
3/27/19	U of I Caucus Dinner

3/27/19	Multiple legislators
3/26/19	Republican House Leader Durkin
3/6/19	U of I Caucus
3/6/19	Deputy Governor Ruiz and staff/6/19
3/6/19	Senator Manar and staff on Appropriations.
3/5/19	8 Individual Senator/Representative Meetings
2/28/19	Appropriations meetings
2/20/19	Governor budget address
1/7/19	Senator Manar (appropriations chair)
1/9/19	House of Rep/General Assembly Inauguration
11/28/18	U of I Caucus Breakfast
7/18/18	Senators Rose and Bennett and Rep. Ammons
8/8/18	Senate Higher Education Testimony (DPI)
<b>Table 2. (cont.) Selected Highlights of 57 Visits to Chicago, FY 2019</b>	
5/30/19	Former Governor Rauner
5/3/19	Lt. Governor Stratton Roundtable
4/25/19	Governor Pritzker
12/20/18	Governor-elect Pritzker and Ruiz
8/30/18	Governor candidate Pritzker
3/21/19	Congressman Garcia
2/1/19	Congressman Davis
11/1/18	Representative Welch
10/26/18	Mayor Emanuel
10/4/18	Mayor Emanuel
9/14/18	Senator Sandoval
8/30/18	Rep. Rodney Davis
8/17/18	Rep. Danny Davis
8/17/18	Deputy Governor Leslie Munger

More specifically, one of the key roles OGR plays is helping the system successfully present and lobby for our yearly state operating and capital appropriation needs. This year, as in years past, Jennifer Creasey and her staff have spent countless hours communicating the benefits of supporting higher education in Illinois, and specifically of supporting the U of I System, laying the groundwork for our favorable budget and capital bill outcomes. In addition, our state OGR staff has done extensive work to educate legislators and promote the benefits of our proposed PROSPER Illinois legislation, touched upon elsewhere in this report, all the while working to fend off unhelpful and potentially damaging legislative proposals that could negatively impact the system.

A key event in which OGR played an essential role was the September 2018 speech by former President Barack Obama that drew world attention to the U of I System. OGR staff worked closely with the staff of the Institute of Government and Public Affairs (IGPA), the Office of University Relations (OUR) and various UIUC personnel to organize this event. During his visit and at my invitation, President Obama received the Paul H. Douglas Award for Ethics in Government, presented annually by IGPA, and spoke to students from across the U of I System at Foellinger Auditorium in Urbana-Champaign, in a speech that was simultaneously webcast.

System leaders and OGR staff attended numerous events with legislators and representatives from the Governor's Office, such as the event announcing the additional hubs in the IIN, held at the Innovate Springfield facility, and the signing ceremonies when Tel Aviv University and Hebrew University joined as partners in the DPI.

One recent change to OGR is the relocation of the Illinois Connection program, which joined OGR after being housed within UIAA. This restructuring will provide greater access, control and more robust deployment of alumni supporters in connection with our advocacy goals. Illinois Connection is a key mechanism used to pursue the advocacy agenda of the system, engaging alumni across the state and in Washington, D.C. with the system's legislative goals. For example, Illinois Connection holds numerous alumni advocacy engagement events throughout the year, including the annual U of I System Day at the Capitol, annual alumni-in-government events in Springfield and Chicago, and in-district alumni receptions throughout Illinois where federal and state elected officials are invited to address and take questions from our alumni that are their constituents. In particular, Illinois Connection hosted meetings from October 2018 to mid-March 2019 with all of the new members of the Illinois General Assembly to introduce them to the U of I System's legislative agenda, begin building relationships with the members, and answer any questions they may have had.

In 2019, Illinois Connection has grown to over 21,000 members, and has achieved the following over the last year: 1) sent over 65,000 emails to the General Assembly about the importance of higher education to the state of Illinois; 2) hosted 10 U of I Caucus events in the state capitol; 3) hosted four alumni and student lobby days in the capitol; 5) hosted alumni in government events in Chicago and Springfield; 6) hosted four engagement events with the Illinois Legislative Black Caucus and the Latino Caucus; 7) hosted five large, in-district legislative receptions, with area legislators, local leadership, and alumni community leaders; 8) hosted 50 smaller in-district meetings across the state; 9) hosted numerous tours of our university campuses with state and federal legislators; and 10) grew the Student Advocacy Coalition, our student organization, at all three universities.

Illinois Connection staff also works with other state OGR staff to keep the U of I Caucus listing up to date, making sure to connect with alumni legislators and encourage them to work as champions for the system. Planned activities around this effort include the annual Illini game watch in Springfield and an annual caucus dinner that I host, as well as numerous other events caucus members are invited to attend.

During FY2019, we launched the U of I system *Council on Government and External Relations* (COGER), a system-wide council composed of key leaders from system and university offices on all three campuses, dedicated to coordinating and fully leveraging all the outward-facing communication and advocacy functions throughout the organization. COGER meets regularly, shares information, works to maintain coherent and coordinated advocacy and communications, and provides a mechanism to leverage and deploy people and other resources in a strategic way to maximize the impact of our advocacy and communications efforts across the system and all three universities.

Another important effort by OGR that also came to fruition in FY2019 was the drafting and implementation of Advocacy Guidelines that provide guidance to all employees, across the system and at all three universities, in connection with interactions with public officials. These guidelines help employees identify when they need to contact OGR, as well as who to contact depending on the issue, when and where to report federal lobbying activities, and how to locate members of COGER, among other helpful information.

Our federal relations staff within OGR were also busy and effective this year. I have regular meetings with the OGR federal staff members, wherein they provide updates on federal legislative and regulatory actions and help me plan activities in Washington that will benefit the system and its universities. These activities keep the system abreast of opportunities in the federal space (e.g., research funding priorities) as well as concerns and challenges (e.g., immigration and taxation issues). Raising the profile of our system and its universities is also another priority that is a key focus of federal relations staff.

One example of how the profile of the system has been raised and our influence advanced is the recurring yearly breakfast the system has organized in Washington, D.C. with different federal agency leaders and members of the Illinois congressional delegation. This breakfast provides an opportunity to highlight our strong relationships with federal agencies and to enhance relationships with the delegation. The latest installment in this effort took place in March 2019, when the U of I System convened a breakfast attended by four U.S. representatives that featured the deputy undersecretary for research, education, and economics at the U.S. Department of Agriculture (USDA), and the leadership team from Urbana's College of Agricultural, Consumer, and Environmental Sciences.

Through the federal relations staff of OGR, we have also coordinated many individual agency visits this year and sessions with various think tanks and professional organizations in Washington D.C., designed to increase the visibility of the U of I System nationally. For example, I visited many of the individual Illinois delegation members in their DC offices, and have made DC visits with senior leadership of the following entities: Microsoft, Accenture, National Chamber of Commerce, Brookings Institute, Revolution Foundation, Council on Competitiveness, Information Technology and Innovation Foundation, National Venture Capital Association, New America Foundation, Aspen Institute, and President Trump's Chief Science Advisor (and UIUC alumnus), Kelvin Droegemeir.

d. Public Higher Education Leadership

The U of I System continued to be highly active in the area of public higher education leadership throughout FY2019, including collaborating with our sister public higher education institutions in various ways, such as the weekly President calls in which I participate. We also drafted and submitted many multi-institutional letters and advocacy statements on behalf of all of public higher education.

One key example of leadership in this area are the system's efforts to work with other Illinois public universities in recruiting Illinois high school students. The system organized two state-wide recruiting events, inviting participation by other public state universities, in order to educate Illinois high school juniors and seniors, along with their families, about the options for public higher education in Illinois and to encourage these students to stay in Illinois for college. In addition, system leaders participated in events, press conferences, and other meetings with legislators, the Governor, and other key state officials to advocate for public higher education, the U of I System and its universities. This included participation in the University of Illinois System Day at the Capitol, which attracted more than 150 alumni and students who met with legislators to discuss the accomplishments and needs of the system and its universities.

Illustrating the system's leadership on topics of concern to all of public higher education are both our task force on sexual misconduct (described elsewhere in this report) and our task force regarding free speech and controversial speakers. This latter task force, being led by Executive Vice President Barb Wilson, has undertaken an effort to draft a system policy consistent with our Guiding Principle related to Freedom of Speech on Campus, previously developed by the system in 2018. The area of free speech, particularly the topic of controversial speakers appearing on college campuses, continues to be a significant topic of national attention, including the issuance of an Executive Order by President Trump. I have commissioned a second Task Force to develop system-wide guidelines on processes involving controversial speaker invitations, adhering to the First Amendment.

OGR has continued its focus on strengthening our statewide coalitions. The nine public university presidents initially came together during the budget impasse at our invitation. Their connections have endured, through regular meetings and group visits with our state's leadership. The alumni associations of our public universities continued to work together to champion higher education. Their efforts included mobilizing alumni to join together and increase the voice for higher education in the capitol, and hosting a variety of events to promote the need for funding higher education. Those collaborations have helped move the needle on funding for higher education.

Lastly, this year, we brought together an informal coalition of public universities, private universities, community colleges, labor organizations, and business advocates through the Illinois Coalition to Invest in Higher Education. This third-party validation is important, and we were successful in bringing (sometimes unlikely) partners together for regional press events, petitions, and statehouse rallies. We are continuing to encourage and increase the opportunities for business and labor leaders to speak on behalf of higher education.

In 2018 and 2019, Illinois Connection created and organized the *Alumni Association Advocacy Consortium of Illinois Public Universities*. The consortium consists of all of the alumni association executives from Illinois' public universities, with a goal to speak with a unified, powerful and educated voice to keep the need for a strong higher education system in our state at the top of elected officials' minds as they consider appropriations and other

legislative actions. The consortium hosts the well-attended Public Higher Education Reception in Springfield.

**4. *Progress made in our policy goals for the U of I System, including minority contracting goals, hostile environment and harassment issues, and student travel abroad.***

a. Minority Contracting Goals Progress

Increasing the participation of diverse vendors in the system's procurement activities has been a major emphasis in FY2019. The system's procurement diversity office has increased its outreach to minority and BEP vendors to encourage their participation in university projects. Similarly, all three university purchasing offices are helping university units facilitate the participation of diverse vendors, especially when they serve as subcontractors. The system is also encouraging the use of sheltered markets for services including minority vendors. Each university purchasing office will be establishing annual goals for increased BEP and minority vendor participation and implementing plans to achieve those goals.

Concurrently, the U of I System is leading a consortium of all public universities to advocate for changes to regulation that would facilitate greater participation of minority vendors. It is spearheading a task force that includes members from all other public universities in the state and leading legislative advocacy to institute selected regulatory reform to facilitate greater participation of minority vendors.

The system continues to make progress toward its minority contracting goals. MAFBE spending has increased more than 25% from FY2014 (\$57 million) to FY2018 (\$72 million). Our system universities are responsible for 90% of MAFBE spending for higher education in Illinois. The system represents the third largest MAFBE spender in the state, behind Department of Transportation and Department of Healthcare and Family Services.

I recently and spoke at the bi-annual symposium for minority-owned businesses in Chicago. The purpose of our well-attended regular symposium is to educate minority and female-owned businesses on opportunities at the U of I system and to help them with issues of qualification and process.

b. Efforts to Address Hostile Environment and Harassment Issues

In light of the focus on issues related to sexual misconduct locally and nationally, during FY2019 I asked EVP Barb Wilson to chair a task force, in conjunction with our Enterprise Risk Management (ERM) operation, on Sexual Misconduct and Prevention. Dr. Wilson solicited nominations from the chancellors for university representatives to serve on this system-wide task force. The task force has engaged in extensive work since its initial meeting in fall 2018, including, among other actions: 1) assembled a membership for the task force that includes faculty and administrative leaders with relevant expertise, as well as student and employee affairs personnel and undergraduate and graduate student

representation; 2) began reviewing all policies, training and education, and response procedures that currently occur at our three universities, as well as benchmarking approaches to best practices in higher education and reviewing empirical research on what approaches are most effective; 3) in collaboration with the Office of University Counsel, retained expert legal counsel to assist in making assessments of our universities' current policies and practices as well as evaluate and recommend any changes or additions meriting consideration; and 4) produced a first draft of a preliminary report in mid-May 2019. It is anticipated that recommendations from the task force's work will be made to the System Enterprise Risk Management Council (SERMC) in fall 2019.

c. Student Travel Abroad

In January 2018, the system's ERM process identified international travel safety as a significant risk that required additional mitigation. The Senior International Officers (SIOs) and faculty representatives at each university worked with ERM to identify specific risk areas, performed peer benchmarking, and developed policy recommendations to mitigate those risks as well as an implementation plan for each university.

The SIOs and ERM staff prepared a presentation on their findings for the July 2018 board meeting, and the board requested that they work together to develop a system-wide policy to address international travel safety. With assistance from EVP Wilson's office and ERM, the SIOs prepared a proposed system-wide policy based on the SERMC-approved recommendations. EVP Wilson presented the policy at the March 2019 Board of Trustees GPE committee meeting and the Board approved the policy that same month.

The purpose of the system-wide policy is to promote the safety and security of system members who are traveling outside the United States for system-related and approved activities, including but not limited to working, studying and volunteering.

**5. *Progress made in our new colleges: the Carle-Illinois School of Medicine and the UIC John Marshall Law School.***

a. Carle Illinois College of Medicine

Carle Illinois College of Medicine (CI MED) entered into a new phase in academic year 2018-19 with the matriculation of the first class of students on July 2, 2018. The students are performing well in comparison to national benchmarks. CI MED has now nearly completed the successful recruitment of its second class, which required attendance at national conferences, visits to target schools, e-mail campaigns (to pre-health advisors and potential applicants), webinar series, showcase events, and a second look event for admitted students. CI MED's communication and marketing team contributed significantly to these recruitment efforts, which yielded over 2,300 verified primary applications (compared to just over 1,000 for the previous recruitment cycle). The delivery of the world's first engineering-focused medical curriculum was exciting, and a continual improvement process with ample feedback from students, faculty

and staff has been followed by College leadership. The Illinois Program for Research in the Humanities (IPRH) Medical Humanities Group and the CI MED received a \$100,000 grant from the President's Initiative to Celebrate the Impact of the Arts and Humanities. The title of the project is "The Art of Medicine: A Public Square on Health and Medicine for the Illinois System." The proposal specifically addresses the training of medical students at CI MED. The overall goal of the training is to create an understanding that machines and technology are tools to give medical students and physicians more time to treat the whole person. This approach is referred to as "High-Tech and High-Touch."

CI MED also recently launched the "Health Maker Lab." This exciting initiative aims to democratize health innovation and broadly makes the case that at Illinois "we are best in the world at making things." The College helped build a robust network of synergistic partner-maker labs from across the Urbana campus that collectively provide the capacity for prototype fabrication by non-specialists across scales, "from molecules to buildings." This powerful network of maker labs is now available to all of CI MED's medical students to empower and enable them to achieve a major impact with their Capstone Projects.

The first "trial run" Make-a-Thon competition was launched on December 1, 2018, which was a great success. This was followed by the inaugural annual Health Maker Lab Make-a-Thon competition in early February with proposals due March 11 and the final competition on April 13, 2019. This year's competition was open to everyone in Urbana-Champaign, including not only those associated with the university and Carle, but also the community at large to provide a wide range of "citizen scientists." The ambitious goal is to now expand this competition in the next few years into a transformative platform for democratizing health innovation around the globe.

Ms. Jessica Breitbarth, a seasoned healthcare advancement officer, was recruited from Seattle Children's Hospital to be associate dean of advancement. She is developing a strategic plan and instituting processes for solicitations, follow-up with past, current, and future donors, and stewardship. In the past academic year, CI MED has secured commitments of \$3.4 million. CI MED has started to invest in pipeline programs to attract underrepresented minority students in the past academic year, and they plan to continue and expand on these efforts in the coming years. The next step in the accreditation process is to seek Provisional Accreditation. CI MED will submit written documents, including a Data Collection Instrument (DCI) and an Independent Student Analysis (ISA), to LCME by November 1, 2019. These will be reviewed by an LCME-assigned review team. At the February 1, 2020, LCME meeting, the decision will be made regarding whether a site visit will be required. If required, the site visit will occur in May 2020, and the accreditation decision will be made at the October 2020 LCME meeting. The College is well on its way in preparing the DCI and ISA documents and does not foresee any problems in the accreditation process.

b. UIC John Marshall Law School

There has been great progress this year toward the acquisition of the John Marshall Law School (JMLS) by the University of Illinois at Chicago (UIC) since the Board of Trustees approved the transaction in July 2018. The acquisition has been fully negotiated and the transaction is on schedule to close on August 16, 2019, with the first UIC law students matriculating later that month.

Last fall, the new UIC John Marshall Law School received accreditation from the American Bar Association and the acquisition was approved by the Illinois Board of Higher Education, and the Association of American Law Schools has approved the new law school for continuing membership. The Higher Learning Commission (HLC), which is the regional accreditor for both JMLS and UIC, conducted its site visit in February 2019 and produced a very positive report. Approval of the acquisition is scheduled for the HLC's June 2019 board meeting and we fully expect approval, which will complete all of the required accreditations and approvals.

The JD degree, as a new degree being offered by UIC, has been approved by the UIC Faculty Senate, the Board of Trustees, and the IBHE. We expect the LLM and the MJ (Masters of Jurisprudence) degrees to be approved at the next IBHE meeting in June. Additionally, the Board of Trustees in May 2019 approved the hiring of the JMLS dean and the JMLS faculty.

Implementation of the many aspects of the acquisition are also on schedule. Twelve, joint UIC-JMLS committees were formed in August 2018 to implement the acquisition as it relates to the following areas: Systems Integration; Fiscals & Contract Administration; Facilities & Branding; Accreditation; Policy & Compliance; Employee Integration; Library Integration; Academic Integration; Sponsored Research; Communications; Alumni & Development; and Student Life & Diversity. These committees have been meeting regularly since last August and are overseen by, and reporting weekly to, a full-time project manager working out of the office of the UIC provost.

Two points of interest. First, applications to the law school and the current median LSAT score of the incoming class have increased compared to same time last year. Second, the JMLS Board of Trustees has agreed to transfer virtually all of the JMLS real estate to the UI Foundation at the time of closing in August 2019, rather than leasing it to the Foundation for a period of 5 years before the actual transfer. This simplifies the transaction and is very favorable to the University.

Appendix A, provided below, summarizes progress in a format organized according to the Pillars of the Board-approved *Strategic Framework*. I appreciate that there is redundancy with respect to the above information directly sought by the Board.

## Appendix A. Report on Strategic Framework Goals

### **I. An Institution of and for Our Students**

#### ***1.1 Reimagined teaching and learning***

##### New Law School

The acquisition of the John Marshall School of Law by UIC is almost finalized and students will begin studies this fall at what will be the only public law school in the city of Chicago. The addition of a law school will expand UIC's degree offerings and open the door to several exciting new hybrid offerings, including the incorporation of legal education into UIC's health sciences, engineering and social work degrees.

##### Carle Illinois College of Medicine

As noted earlier, the first cohort of Carle Illinois College of Medicine (CI MED) students have completed their first year of studies and the recruitment of the second class is nearly complete. Applications for the second class were more than double those for the first year, at 2,300 applicants. Of particular note, the Illinois Program for Research in the Humanities (IPRH) Medical Humanities Group and CI MED received a \$100,000 grant from the Initiative to Celebrate the Impact of the Arts and Humanities, a program I initiated to great success this year, as noted previously. The project IPRH and CI MED are pursuing is titled "The Art of Medicine: A Public Square on Health and Medicine for the Illinois System" and is intended to address the training of medical students at CI MED.

##### Transfer Student Recruitment and Support

The U of I System plays a significant role in making Illinois the No. 1 state in the nation in transfer student completion. We work hard to make sure transfer students get credit for as much prior college work as possible, and 83% of credits earned by transfer students are accepted by our three universities. And we continue the work detailed last year of building relationships with community colleges. I have made numerous personal visits, along with EVP Barb Wilson, and had energizing conversations with community college presidents, letting them know that providing a welcoming and robust transfer environment for their students is a top priority for the U of I System.

In addition, we worked with Parkland College to establish a summit of transfer coordinators and advisors from regional two- and four-year institutions. The event was organized to support keeping as many college students in the state of Illinois as possible and to maximize the likelihood that all students seeking a four-year degree find a path that works for them to a school that fits their needs. We also carefully track graduation rates at our universities for transfer students and are pleased to report that they compare well – and in some cases exceed – the rates of traditional students.

## ***I.2 Diversity and Inclusion***

### Diverse and Inclusive Undergraduate Enrollment

Underrepresented undergraduate enrollment has increased 38% over the last five years, from 12,443 in 2014 to 17,181 in 2018. All three universities enroll a higher percentage of underrepresented undergraduate students than their peers.

Growth across the U of I System in 2018 included a 2.5 percent increase among in-state undergraduates, from 44,907 to 46,039. Illinois students comprise about 80 percent of undergraduates enrolled last fall.

The system saw gains in enrollment of African-American and Latino undergraduates for the seventh straight year. Enrollment of African-American undergraduates increased 3.8 percent, from 3,900 to 4,047, while undergraduate Latino enrollment was up 8.4 percent, from 10,359 to 11,231. Combined, African-American and Latino enrollment comprises nearly 27 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 1,691 to 1,828 across the U of I System.

In Urbana-Champaign, African-American undergraduate enrollment increased 1.8 percent, from 1,975 to 2,011, and Latino enrollment rose 6.6 percent, from 3,763 to 4,011. Next fall, the university expects an incoming freshmen class of over 550 African Americans, a double-digit increase over last year that we believe stems, in part, from the new *Illinois Commitment* program.

At Chicago, enrollment of African-American undergraduates increased 6.1 percent, from 1,534 to 1,628, and Latino enrollment was up 10 percent, from 6,336 to 6,967.

At UIS, African-American undergraduate enrollment increased 4.3 percent, from 391 to 408, and Latino enrollment declined 2.7 percent, from 260 to 253.

### Student Recruitment

We also supported underrepresented student recruitment through the Salute to Academic Achievement event. Approximately 350 prospective students and 425 parents/family members attended the event in Chicago with our three universities. In addition, our Salute to Illinois Scholars program has expanded from one region to two, adding an event in northern Illinois, and now features other public universities with whom we've partnered to expand the reach and impact of this program. Approximately 400 students and 450 parents/families attended the two events. Early data suggests that both applications and yield among underrepresented minority students have increased during the time we have expanded these programs.

### Box Blind Admissions

A new policy was developed and will be implemented in the upcoming admission cycle that will remove criminal history questions from undergraduate admissions applications, thus removing any "chilling

effect” such questions might have that could discourage students from applying. This change makes our universities’ admission decisions “box blind,” and by asking criminal history questions as part of the intent to enroll process, we still preserve our ability to conduct appropriate due diligence to protect campus safety.

#### Underrepresented Faculty Recruitment Program

The system provides up to \$10,000 in research funding that can be used to enhance an offer of employment for an underrepresented faculty candidate. Funds are matched by both the unit and the provost’s office in years two and three for a total of up to \$30,000. In 2018-19, we approved 32 requests, including 21 for Chicago and 11 for Urbana.

#### Lieutenant Governor Roundtables

In the spring of 2019, the system hosted two separate roundtable discussions with Lieutenant Governor Julianna Stratton, one in Urbana-Champaign and one at UIC. At these programs, our universities had the opportunity to highlight their many efforts to recruit, retain, support and graduate underrepresented students. These programs also allowed Lt. Gov. Stratton, an Urbana alumna, to engage in extensive conversations with participants to hear first-hand what their experiences have been, to learn what additional efforts they would like to see, and to discuss how the state can further efforts to promote accessibility for all underrepresented students. Almost 70 students, faculty and staff attended the session in Urbana, and more than 80 attended in Chicago.

#### Supplier Diversity Fair

As I reported last year, Urbana-Champaign hosted a first-ever outreach event in May 2018 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. We had more than 200 attendees and 42 exhibitors, with a mixture of university units, departments, state agencies, assistance organizations and contractors attending. The next diversity fair will be held on August 28, 2019, and I am scheduled to attend and speak at an evening reception.

### ***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. I visited and spoke to the growing alumni community in London on April 28-30, 2019, attended several sessions with individuals and attended the Board meeting of the new legal entity (University of Illinois Foundation – United Kingdom). Gifts received through this mechanism can access tax advantages in many European countries, not just the U.K. This initiative has already led to the first multi-million-dollar gift to the Urbana university.

I personally led a system-wide delegation to India in December 2018, with Trustee Cepeda and a large faculty delegation, as more fully discussed below, and followed up on the extremely successful trip to Israel with Governor Rauner in November 2017 with signing ceremonies in Chicago of MOUs with the presidents of Tel Aviv University and Hebrew University in December 2018 and January 2019, respectively. We continue to work extensively 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.

During FY2018, I led 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. After an initial presentation to the Trustees by the Enterprise Risk Management team elicited support and more ideas for future improvements, we undertook development of system level policy guidance to help the three universities take steps better address risk issues and safety concerns in connection with student travel abroad.

I am planning another trip to India in fall 2019 and trips to Taiwan and Brazil during FY20 are in the planning stages. I anticipate continuing to undertake one to two well-orchestrated major trips of this type each year into the future and will seek Trustee participation as appropriate.

#### ***1.4 Experiential Learning and Career Guidance***

##### Experiential Learning at the DPI

As DPI and IIN continue to mature and expand, we anticipate an ever-increasing array of experiential learning experiences will develop for our students. One example that has already proven to be very successful is the City Scholars program, offered at the DPI Wacker Drive location by Urbana's Grainger College of Engineering in collaboration with Chicago tech companies. Through close partnership with Chicago industry leaders, students develop skills for practical application and contextualize their classroom lessons with experiential learning. Students participating in the City Scholars program live in Chicago in the fall or spring semester, work 20 hours each week at a Chicago tech company, and remain full-time students through courses taught at the DPI. Since the program launched in spring 2018, City Scholars has placed 115 semester-long student internships and provided 40 engineering courses to Chicago-based students, including 23 in person at DPI. To date, 69% of students who are offered a future position (internship or full time) with a City Scholars partner accept it and return to Chicago.

In addition, DPI's Education and Workforce Development working group has articulated a vision to advance and broaden the quality, size and diversity of the Illinois workforce. The program will promote clear pathways, from education to the workplace, seeking greater alignment across high schools, community colleges, and universities and promoting career and technical education that is responsive to changing demands of work environments, and promoting opportunities for lifelong learning.

### IGPA NEW Leadership Program

The Institute for Government and Public Affairs (IGPA) is currently working to re-establish the NEW Leadership Program, a non-partisan, week-long residential program for college female juniors and seniors to increase the representation of women in all elements of public life, including public office. The program not only brings the benefit of experiential learning to the teaching of leadership skills to our undergraduate students, but also represents a strong ongoing partnership with the Conference of Women Legislators in the Illinois General Assembly.

### ***1.5 Beyond the Academic Sphere***

#### New and Enhanced Physical Infrastructure

As detailed above, the University of Illinois System is slated to receive substantial capital funding under a fiscal year 2020 budget approved by Illinois legislators and signed by the governor. I led the effort to advocate for this important support for enhancing and sustaining our facilities in conjunction with our office of government relations and I am extremely pleased with the historic breakthrough on funding appropriated. The capital bill for the fiscal year that begins July 1 will provide about \$686 million for construction. The budget provides funding not only for projects across the U of I System, including major support for projects delayed from prior appropriations, but also funding for each university's identified priority needs for new construction and renovation.

The System additionally will be proceeding with a number of other construction and renovation projects, some initiated already and others to commence during the coming fiscal year. More information about select current and planned projects can be found in Table 3, above.

### ***1.6 Promote Engagement***

#### Legislative Engagement

As a part of our continued efforts to engage more actively with our legislators in Springfield, our Office of Governmental Relations (OGR) team has worked tirelessly to increase the level of engagement by the U of I Caucus and other legislative caucuses in support of the system. The U of I Caucus has been expanded to 65 members and OGR works closely with them, allowing us to connect with a number of diverse communities across the state. We also have strong connections to the Illinois federal delegation in Washington and our continuing engagement with both our state and federal legislators builds support for the system and its universities.

OGR also sends a monthly e-newsletter to 275 congressional staff as well as state legislators and their staff to provide regular updates on system activities and achievements. Along with system and university highlights, the newsletters also feature an "Innovation Spotlight" section, which includes a summary of government-funded research at one of the three universities. OGR reports receiving very positive feedback from recipients. Each month, this newsletter averages 133 unique opens and 30 link clicks, an indication of the perceived value and relevance of the information provided.

In April 2018, OGR combined its federal and state Facebook and Twitter accounts to better coordinate reach to constituents and to provide more content. Since July 2018, the combined Facebook page receives an average of 2,323 impressions a month.

Illinois Connection remains an important component for legislative outreach for the system and its universities. The fundamental mission of Illinois Connection is to further federal and state support for our universities and for higher education in general. Currently, membership is at an all-time high with over 21,000 advocates.

The U of I Alumni Alliance Advocacy Committee is a standing committee of alumni well-versed in the political arena that reports to the Alliance UIAA Board of Directors. It provides input and guidance for the Illinois Connection advocacy program, among other activities. Advocacy staff organize and staff the committee's three meeting per year.

While the advocacy provided by OGR covers many topics in both the state and federal legislative and executive spaces, some examples of ongoing or recent efforts include: 1) successfully presenting and advocating for an increase in state appropriations for system operations; 2) successfully presenting and advocating for capital funding from the state; 3) facilitating briefings for leaders from all three universities and the system on current federal concerns and dynamics in connection with research relationships with Chinese companies; and 4) tracking legislation and assessing proposed bills for either harm or benefit to the universities and the system and organizing advocacy efforts to oppose or support such proposals as appropriate.

We are seeing the benefits of this continued engagement with our state leaders. The passage last year of the first fully funded budget in several years has been followed by a budget that includes a 5% increase in state funding for higher education, the largest percentage increase in operating appropriations in nearly 20 years. This, along with our successful efforts to obtain capital funding, and a re-appropriation of the \$500 million in capital for the DPI/IIN, are a 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.

#### U of I Alumni Engagement Reorganization

In September 2017, the University of Illinois Alumni Association changed its name to the *University of Illinois Alumni Alliance* as each of our universities made progress on establishing their own, specific alumni associations, positioning the University of Illinois to serve its alumni in the most effective way possible. As UIAA evolves, additional changes are contemplated, the most recent being the move of Illinois Connection, the advocacy arm of the system, from UIAA to OGR. UIAA continues to manage affinity programs and partnerships, including credit card and insurance programs, aids in production of alumni magazines for the three universities, and handles supervision and maintenance of the Alice Campbell Alumni Center in Urbana. UIUC and UIC launched their individual alumni associations in 2017 and UIS launched its association 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, places the University of Illinois on the cutting edge of alumni relations and enables the System to provide its alumni with engagement experiences that are tailored, holistic, meaningful, and easily accessible.

#### Illinois Connection and Alumni Advocacy

The migration of Illinois Connection to the System has already been informally accomplished and will be fully finalized at the start of FY2020. It continues to fulfill an important role in building relationships with alumni, legislators and others in support of the University of Illinois, and in advocacy, with the capacity to activate an extensive network of alumni, students and friends of the University of Illinois in support of legislative action. A detailed description of activities facilitated or sponsored by Illinois Connection in FY2019 appears earlier in this report and I anticipate more fully leveraging the capabilities of the program throughout FY2020 now that the program is under the umbrella of OGR,

#### Advancement Activities

The U of I Foundation's \$3.1 billion fundraising campaigns are well underway and system-wide giving has increased substantially. Already, the campaigns have topped 70% of their historic goal.

In an effort to fundraise and promote the U of I System, I personally dedicated 78 work days during FY2019 (through April 30, 2019) toward the cultivation of community partners and philanthropic donors to the University System, including:

- 24 individual meetings/meals with donors, prospective donors, alumni and advocates
- 32 development activities
  - 11 small (Less than 25 guests)
  - 5 medium (25-100 guests)
  - 16 large (Over100 guests)
- 9 alumni relations activities
  - 1 small (Less than 25 guests)
  - 5 medium (25-100 guests)
  - 3 large (Over 100 guests)
- 15 athletic events with guests
- 9 community engagement activities
  - 1 small (Less than 25 guests)
  - 2 medium (25-100 guests)
  - 6 large (Over100 guests)
- 7 UIF and UIAA Board meetings

I was personally involved in the development of the large naming gift for the Urbana Grainger College of Engineering, and was grateful for the opportunity to attend the luncheon at the Grainger Foundation Offices on May 21, 2019, to honor this gift and Mr. David Grainger for his long-standing generosity and support of the U of I System.

## II. Research and Scholarship with Global Impact

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

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

In May 2017, I announced the U of I System Distinguished Faculty Recruitment Program. It provides non-recurring matching funds from the President's Office (a total of \$30 million over a three-year period, or \$10 million per year) to attract 10 to 15 highly distinguished, star or rising-star tenured professors each year across the system. The universities provide matching funds for each hire. The funds provided by my office are 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. Now in year two of three, we have received a total of 22 applications, approved 19 of them, and welcomed 16 new faculty. These new, world-class faculty help build the global standing of our universities as innovators in education and innovation. They add significant dollars to our research portfolio – the initial class of 14, for example, brought \$28 million in current research funding with them – and hail from renowned institutions such as Harvard, Duke, Washington University, Texas and the Max Planck Institute in Germany, among others.

#### Ever-Expanding International Collaborations

Major new partnerships have been established with well-regarded research-intensive universities in Israel in follow up to the delegation visit I led with Governor Rauner to Israel in FY2018. During FY2019, we built upon the relationships initiated during our visit to Israel, including hosting the presidents of Tel Aviv University and Hebrew University of Jerusalem in separate visits to Chicago in December 2018 and January 2019. Each of these visits culminated in a public event, attended by elected officials and Chicago community leaders, and each featured the execution of an agreement establishing new research collaborations and a commitment to develop joint education programs in entrepreneurship and innovation through DPI.

In December 2018, I led a delegation of senior faculty to India. During the visit, eight MOUs were executed, including with the No. 1 public university in India, the Indian Institute of Science; the No. 1 college of engineering, the Indian Institute of Technology; and the No. 1 private university in India, BITS, Pilani. I also met with the head of the Department of Science and Technology for the government of India and discussed opportunities for PhD students from India to study at our universities and for Indian startups interested in U.S. markets to connect with the DPI ecosystem. In addition, I visited with the leading Indian accelerator, Axilor, in Bangalore and the large incubator in Trivandrum, Kerala. The visit led to multiple follow-up discussions among our faculty and faculty at Indian universities to establish new research partnerships. New opportunities for our students to visit Indian universities to experience the local culture or to study abroad have also been identified. Finally, on this trip I also visited Infosys, one of the largest software services companies in India. As a result of that visit, the company is expanding its student recruitment and engagement efforts at UIC and Urbana-Champaign. Other efforts in the UK include laying the groundwork for deeper engagement with the City University of London and Trinity College, Dublin. Senior system-level leaders have followed up my work with the rectors of these two

institutions by visiting both universities and engaging in detailed discussions on research collaborations and joint educational programs. Prior to this, neither of these two prominent European universities had any engagement with the system.

I continued to work proactively with the consular corps in Chicago for various countries and have secured their support for our efforts to engage international universities with DPI and our universities.

### Discovery Partners Institute (DPI) Provides the Platform and Experiences that Fuel Collaboration

Under the leadership of Interim Director Bill Sanders, DPI hosted working group workshops last year at Urbana, UIC, and UIS in which key topics that are shaping DPI's academic and research agenda were discussed and fleshed out. Approximately 800 faculty and staff participated in the workshops, and through them the DPI working groups gathered ideas, suggestions and recommendations from across the system.

In addition, DPI provides space on Wacker Drive in downtown Chicago for engagement across all facets of our universities with companies, community agencies, governmental and non-governmental agencies, foundations, and philanthropic organizations.

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

The Illinois Innovation Network (IIN) continues to move forward, building on the momentum started last year with the establishment of 15 hubs at all of our public universities and in Peoria and Rockford.

The combination of DPI and IIN allows us to promote collaborative problem-solving, to foster workforce growth and development to meet the needs and challenges of the future, and to build an entrepreneurial ecosystem from which students and faculty can launch next-generation companies, all while catalyzing economic growth throughout the state.

## ***II.2 Sociotechnical Problems***

### DPI Takes on the Grand Challenges

Over the last year, DPI created and staffed eight working groups, comprised of 120 faculty and staff, in the four broad thematic areas of computing and data, environment and water, food and agriculture, and health and wellness; as well as the four cross-cutting themes of culture and society, education and workforce development, entrepreneurship and technology transfer, and public policy. Each group delivered reports identifying the key grand challenges and the critical needs and problems of potential community and corporate partners that could be addressed within DPI and the areas of focus. In addition to the working groups, "expert groups" were established to allow more people to sign up to participate. As a result, DPI now has over 1,000 people who have signed up to be experts across these eight areas.

There have been two rounds of seed funding announced in connection with DPI. UIC announced 10 research and academic projects, out of 88 proposals received, to receive funding through UIC's DPI

Cycle 1 Seed Funding Program. The successful proposals represented 20 faculty from five of UIC's colleges, including four cross-college collaborations. In addition, DPI announced nine research and academic projects to receive funding from the first round of DPI-sponsored seed-funding awards. The projects were selected from 46 submissions and represented 10 colleges, three institutes and one library from across the system's three universities

Several specific projects were either continued from last year or were started this year, including: 1) providing a home for the Center for Urban Resilience and Environmental Sustainability (CURES), that I reported on last year; 2) establishing a summer school in Quantum Computing; and 3) building an experiential learning infrastructure for the Food Innovation Center at the DPI.

Finally, we became a core member of the Chicago Quantum Exchange along with the University of Chicago, Argonne National Laboratory, and Fermi National Accelerator Laboratory.

#### AITS Develops Smartphone Software Applications

This past year, Administrative Information Technology Services (AITS) developed an Android app for nutritional scientists and the Mexican government to detect iron levels in food supplies. They also developed an Android and iOS app that Illinois Water Survey hydrologists and scientists across the United States can use to assess potable group water supplies in underserved areas.

#### U of I Research Park Strategic Planning

With concurrence of the Board of Trustees, oversight and management of the Research Park in Champaign has been successfully transferred to the Urbana-Champaign administration. I believe that this step will accelerate the doubling path for the Research Park that we envision over the next several years. Work has already commenced on the needed relocation of the ACES Feed Mill and \$15M in funding from DPI will be provided to develop the IIN hub at Research Park. A new strategic plan for the Research Park was developed in FY2019 under the leadership of VPEDI Ed Seidel and work is underway to formally incorporate the Research Park into Urbana's Master Plan.

#### 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), IllinoisVENTURES, 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 more than 90 active start-ups licensing U of I System innovations and 64 of these are located in Illinois, creating jobs and driving economic development for the state. There are now more than 120 companies (including a mix of Fortune 500, publicly traded firms and start-up companies) located in the Research Park. The park's tenants have 2,100 employees, including 800 students in year-round internships. In 2018, the Research Park hosted 217 free events, which attracted 6,392 participants.

EnterpriseWorks launched the Illinois Higher Education Incubator Network to leverage resources across universities with entrepreneurship resources supported by almost \$820,000 in grant funding from the U.S. Economic Development Administration (EDA). And U of I OTMs participated in the inaugural Illinois IGNITE 2018, an event showcasing technologies and start-ups emerging from prominent research universities in Illinois. The event featured breakthroughs in oncology, neuroscience, artificial intelligence, security, robotics and advanced materials. There were over 200 attendees, 36 faculty presentations, and 20 start-up and partnering meetings.

The UIC Chancellor’s Innovation Fund has funded 59 UIC faculty projects, providing more than \$3.7 million to support research commercialization. In the last year royalties from university innovations totaled over \$32 million; our universities received 332 technology disclosures and 91 U.S. patents; we executed 113 licenses and options; and the U of I System ranked 24th on the National Academy of Inventor’s list of Top 100 Worldwide Universities Granted U.S. Utility Patent.

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

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

At the July 2018 Board meeting, I announced a new system-wide competition for the Arts and Humanities across the U of I System. The initial plan was to invest \$1 million 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. The program was more successful than we could have imagined. The initiative attracted more than 50 proposals from the three universities and the selection process proved especially challenging given the high quality of the proposals and the importance of the work proposed. After consulting with my leadership team, I decided to award the full \$2 million allotted for this inaugural round, funding 14 of the proposals, with an eye to perhaps repeating the initiative two years from now. The response I and other leadership team members have received from our arts and humanities faculty colleagues has been hugely positive and the program has garnered attention beyond our own system and been noted by other universities and their faculties as innovative and significant.

Another project undertaken this year includes introduction of the Public Voices Fellowship, intended to train faculty in sharing research with the public. This new program will begin with its initial cohort in fall 2019, providing 20 faculty members from the three universities with training and mentoring to share their research with the general public. The Public Voices Fellowship is part of a prestigious national initiative. The internationally acclaimed curriculum and method explores leadership, power, and action in an unfair world. Using time-tested methods of transformational learning, fellows explore how credibility works, how ideas spread, when and why minds change, and how ideas play out over time and space. Fellows in the program engage in intense, results-oriented thinking and activities around their own knowledge and impact. The program provides the inside information, high-level support and media connections to allow faculty to become influential on a large scale. Other participating institutions include Yale, Dartmouth, Northwestern, The Ford Foundation, and more. Fellows completing the one-year fellowship will join a national network of peers, allowing for knowledge-sharing and innovation across institutions.

Our University Press also had an active year, publishing 10 books with connections to our universities and/or the system. The Press hosted its inaugural Publishing Symposium with nearly 100 attendees, as well as more than 30 other presentations and workshops on publishing practices. The Press just celebrated its 100<sup>th</sup> anniversary in 2018.

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

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

We continue to engage with the core companies that are members of my CEO Roundtable, which includes Caterpillar, Northern Trust, State Farm, Carle Foundation Hospital, Order of St Francis Health Care (OSF), Health Care Services Corporation, Aptinyx, and others. Many of these relationships led first to bilateral engagements between the individual companies and the system, laying the groundwork for deeper and broader engagement that is the hallmark of the DPI/IIN model.

The Caterpillar relationship has continued to be highly productive in enhancing the company's relationship with the entire system and has improved synergy across the many projects that take place. The expanded (corporate-funded) relationship with UIC's Innovation Center and the Supply Chain program with Urbana's College of Business have been extremely successful.

OSF also continues to expand its relationship with both UIC and Urbana. At UIC, OSF has launched a new interdisciplinary course and lab at the Innovation Center while the Jump Arches program at Urbana continues to produce exciting new results. Conversations continue with OSF regarding the planned Peoria Innovation Hub (part of IIN) as well expanding engagement to encompass DPI.

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

### ***III.1 Develop and Invest in Human Capital***

#### **PELP**

The President's Executive Leadership Program (PELP) continues to provide a platform to identify and further expand the pool and knowledge base of senior level leaders across our three universities. This year we again selected 20 senior level administrators and faculty from the three universities to participate in the fourth iteration of the year-long PELP program. The PELP Fellows attend four seminars, one at each university and a fourth in DC, to discuss high-level higher education issues and to learn about the three universities. Over the last four sessions, several collaborations have developed as a result of the participants in the program working with each other or with presenters from the seminars. In addition to growing internal leadership depth, the PELP program gives each university's leaders valuable insight into the other universities, creating greater cohesiveness within and across our three universities, building into the system as a whole resilience and capacity at the senior leadership levels.

## APLP

This year we introduced the Academic Professional Leadership Program (APLP) to develop mid-level managers at each of our universities. During this inaugural year, we selected a group of 20 mid-level leaders (from more than 80 applications) from across the three universities and the system and provided an intense and robust professional development program. Each university hosted the group over the course of the year, with each three-day program providing opportunities to learn about that host university, as well engaging the group in skill-building exercises. The extremely positive response to this initial endeavor has prompted us to continue the program for next year and we anticipate it may become a permanent offering.

## Know Your U Program

We have developed the Know Your U program, a system-wide effort that will launch in FY2020 to provide our dedicated employees with structured opportunities to learn more about the excellent universities they work so hard to support. Know Your U will provide eligible staff up to eight hours per academic year, during the normal workday, to explore initiatives, research, academic programs, history, and infrastructure at our universities. The program will be introduced in fall 2019.

## *III.2 Engine for Economic Development*

### State-wide and Regional Economic Development—DPI/IIN

Last year, I reported on the multiple meetings I led in conjunction with other university leaders and public and private sector stakeholders in Springfield, Peoria, Rockford, DeKalb, Carbondale, and the Quad Cities. These engagements continued through FY2019, in these and other areas of the state, with the U of I System playing an important role as a convener, bringing together a diverse set of stakeholders to discuss economic development, including the specific needs of each region. These regions undertook the work of defining their strengths and needs, collaborating with U of I System leaders to discuss how our IIN concept can be leveraged to maximize existing resources, to redress gaps and help communities realize their own goals.

As a result of these deep engagements across the state, IIN now has 15 hubs, including the DPI, located across the state. Each of these universities has its own hub affiliated with it: 1) Chicago State; 2) Eastern Illinois University; 3) Governors State University; 4) Illinois State; 5) Northeastern Illinois University; 6) Northern Illinois University; 7) Southern Illinois University Carbondale; 8) Southern Illinois University Edwardsville; and 9) Western Illinois University; in addition to hubs at 10) UIC; 11) UIS (Innovate Springfield—launched as our first hub); 12) UIUC; 13) UIC Health Sciences Campus-Rockford; and 14) Peoria Innovation Hub, which encompasses the UIC Regional College of Medicine in Peoria in addition to Bradley University.

The concepts put forward by the burgeoning network of hubs cover a wide range of economic endeavors and societal challenges. Chicago State, for example, intends to create the Center for Solutions of Urban Populations, an incubator for pioneering ideas and transformative change, seeking to address issues such

as health and healthcare disparities, violence reduction and conflict resolution, pathways for success for challenged youth and ex-offenders, urban farming, entrepreneurship training in an urban setting, effective law enforcement practices in an urban setting, and food delivery and consumption in challenged neighborhoods. Southern Illinois University Carbondale will establish the Illinois Food, Entrepreneurship, Research, and Manufacturing (iFERM) hub to solve food/nutrition, agriculture, and health challenges through transdisciplinary research, innovation and education. The Peoria Innovation Hub's focus will be on finding solutions to improve the wellness of underserved populations as well advance systems that relate to food, farming and transportation – specifically autonomous mobility. Northern Illinois University's hub, the Northern Illinois Center for Community Sustainability, will work to discover innovative ways to improve food systems and water resource management in the face of shrinking natural resources, changing climate and increasing urbanization. The center will support interdisciplinary research, policy development, and public-private partnerships to produce discoveries in the areas of food and agriculture, and environment and water.

The hubs at our three universities are just as exciting than those detailed above. UIC's hub will focus its IIN engagement around computing, drug discovery and entrepreneurship. The computing theme will be represented by the expansion of UIC's research and education programs in computer and data science through the construction of a 145,000-square-foot Computing, Design, Research and Learning Center. UIC will also expand its capacity in the discovery of novel therapeutics through a 110,000-square-foot Drug Discovery and Innovation Pavilion, becoming UIC's first facility to bring together researchers, students and industry partners in the drug discovery space. UIC will further increase its entrepreneurship programming through the expansion of its already tremendously successful Innovation Center, providing for more collaboration with industry partners and additional incubator space for new companies. UIS will construct a new facility to accommodate and encourage further growth in its Innovate Springfield social innovation and business incubator, allowing Innovate Springfield to support more start-ups and entrepreneurs, and provide greater opportunities for innovation that promotes the public good. Their goal is ambitious – to increase high-impact, evidence-based social programs and services. Urbana will create a new data science center on the site of the current Illini Hall to expand its capabilities in data science, statistics and machine learning. A biomedical translational facility will also be constructed, to bring together under one roof researchers, students and industry partners, as they work to create new medical breakthroughs and devices. In addition, University of Illinois Research Park will grow to accommodate the demand for its research and corporate development programs.

Finally, but not least of all, great strides have occurred in the past fiscal year on the largest hub of the IIN – DPI. With its four great thematic areas and its four cross-cutting dynamics, DPI is well-positioned to not only take on great challenges, but also to serve as a cohering force for all the hubs. DPI and IIN will combine to build not merely wealth, but prosperity for all of Illinois through discovery of new technologies and products, launch of new companies, and production of highly skilled alumni ready to contribute immediately to today's economy. The state's re-appropriation of \$500 million in capital funding for DPI/IIN in May of this fiscal year signals both confidence and broad support for the U of I System, and its commitment and capacity to make a game-changing impact on the economic well-being of the entire state.

### ***III. 3 Leadership in Healthcare***

#### Innovation and Expansion in Care Delivery Models

Having put our healthcare system on a strong and positive financial footing over recent years, FY2019 saw many exciting developments for UI Health and its related entities. The Mile Square Health Center opened and dedicated a school-based health center at the John B. Drake Elementary School in Chicago's historic Bronzeville neighborhood. One of four school-based health centers in the Mile Square Health Center network, this location was named after Cynthia "Cee" Barnes-Boyd, the former executive director of the Office of Community Engagement and Neighborhood Health Partnerships, who passed away suddenly in 2017. NBC5 provided afternoon coverage of the ribbon-cutting event which was attended by students, community members and family of Dr. Barnes-Boyd. Those in attendance included CDPH Commissioner Julie Morita, 3rd Ward Chicago Alderman Pat Dowell, and CPS' Manager of Student Health & Wellness Ken Papineau.

UI Health's Better Health Through Housing project was recognized in *Journal of the American Medical Association (JAMA)* for its expansion efforts. The three-year old project was established in the hospital emergency department to provide housing solutions to patients who are chronically homeless. JAMA covered the impact of the program, how it is pursuing expansion, and how it may serve as a model program for other health systems. The program was also recently featured on Boston's Public Radio Station 90.9 WBUR as part of their homelessness reduction series.

Additional clinical services to prevent and treat wounds, abscesses and infections will be provided by physicians, nurses and students from the Colleges of Medicine and Nursing at UIC's west-side field office of the Community Outreach Intervention Project (COIP). A program of the School of Public Health, COIP offers clean needles to injection drug users, performs testing for Hepatitis C and HIV, and offers overdose education at multiple sites across Chicago. The expanded services are part of a comprehensive bio-behavioral approach to reduce risk and infections.

The Vice Chancellor for Health Affairs established an Opioid Task Force at UIC, which brings experts together on this issue – both from a policy, clinical and research perspective – to engage in discussions regarding how UI Health can contribute to solutions to this nationwide problem. The task force will collaborate with national, state and local agencies, elected officials and other leaders to provide expertise, resources and innovative solutions to the problem.

The School of Public Health launched the UIC Mining Education and Research (MinER) Center with the goal of helping to reduce the risk for mining-related health problems as well as treating the mining workforce. The director of the UIC Mining Education and Research Center, Dr. Robert Cohen, was featured in a recent NPR article that discusses the Black Lung epidemic among coal miners and how federal regulators could have addressed this occupational safety hazard.

Finally, UIC will launch a new effort to reduce the health disparities experienced by women and babies living in historically underserved and marginalized communities, thanks to a \$4.7 million Healthy Start grant from the Health Resources and Services Administration, or HRSA. Efforts will include leveraging

community health workers, social workers and doulas in the Chicago neighborhoods of Auburn-Gresham, Englewood and South Shore to improve health outcomes for pregnant women participating in the program and their children. The program is also unique because it will offer services to women's partners as well. Leading the project is UIC's Angela Ellison, senior director of the Office of Community Engagement and Neighborhood Health Partnerships (OCEAN-HP).

Key Performance Indicators for the University of Illinois Hospital and Clinics

By and large, the trends for our healthcare operations are showing progress. Patient safety events, the sepsis mortality index, the incidence of post-operative blood clots, and the 30-day readmission rate have all seen desirable declines. At the same time, we've experienced increases in compliance with patient identification requirements, surgery volumes, ICU physician staffing coverage and net patient revenue. We continue to survey for engagement metrics and to work on increasing our cash on hand and cash- to-debt ratio.

<b>FY19 Key Results Area (KRA) Dashboard</b>					
Vision: To be the preeminent healthcare provider known for improving the health and wellness of our communities, providing exemplary care for our patients, and advancing the knowledge to do so.					
Key Performance Indicator	Unit	Desired Trend	Baseline	Most Recent Data	Time Frame
<b>KRA: Safety</b>					
<b>Patient Safety Events</b>	Number of Quarterly Events	↓	58.30	55.25	Jan-18 through Dec-18
<b>Employee Safety Events</b>	Number of Quarterly Events	↓	51.50	50.75	Jan-18 through Dec-18
<b>Two Patient Identifiers</b>	Compliance Rate (%)	↑	96.65%	98.0%	Mar-19
<b>KRA: Quality</b>					
<b>Sepsis Mortality Index</b>	Mortality Index (Observed/Expected)	↓	1.49	1.69	Jan-18 through Dec-18
<b>Post-Operative Blood Clots</b>	Rate per 1000 Surgical Patients age > 18	↓	13.60	8.36	Jan-18 through Dec-18
<b>30-Day Readmission Rate</b>	Rate (%)	↓	17.30%	20.00%	Feb-18 through Feb-19
<b>Minimum Surgery Volumes</b>	% of Surgery Types > Min Volume Requirement	↑	37.50%	12.50%	May-18 through Apr-19
<b>ICU Physician Staffing</b>	% of Adult & Peds ICUs w/ full Critical Care Certified coverage	↑	40.00%	50.0%	Feb-19
<b>KRA: Service</b>					
<b>Inpatient HCAHPS</b>	PG Question on Hospital Rating- Percentile Rank	↑	11	20	Jul-18 through Apr-19
<b>Outpatient CGCAHPS</b>	PG Question on Rec. Provider Office- Percentile Rank	↑	9	11	Jul-18 through Apr-19
<b>Practitioner Engagement</b>	Practitioner Engagement Score (out of 5)	↑	3.65		
<b>Employee Engagement</b>	Employee Engagement Indicator Score (out of 5)	↑	3.93	Next surveys to be conducted in May/June 2019	
<b>KRA: Access</b>					
<b>Length of Stay</b>	Days	↓	6.1	5.96	Jul-18 through Mar-19
<b>No Show Rate</b>	% of Clinic "No Shows"	↓	19.50%	19.8%	Apr-19
<b>ED Throughput</b>	Minutes	↓	468	535	Apr-19
<b>KRA: Financial Performance</b>					
<b>Net Patient Revenue (YTD)</b>	\$ 000's	↑	\$485,649	\$549,953	Jul-18 through Mar-19
<b>Operating Cost per CMAD</b>	Operating Costs / Case Mix Adjusted Discharges	↓	\$10,096	\$10,709	Mar-19
<b>KRA: Capital Capacity</b>					
<b>Days Cash on Hand</b>	Number of Days of Cash to meet average daily cash obligations	↑	115.0	144.0	Mar-19
<b>Cash to Debt</b>	Unrestricted Cash Available to Cover Outstanding Long Term Debt	↑	206.7%	279.0%	Mar-19
<b>Average Age of Plant</b>	Average Age of all Capital Assets	↓	14.3	12.8	19-Mar
<b>Operating Margin</b>	Operating profitability as a percentage of Operating Revenue*	↑	5.6%	0.2%	YTD Mar-19
* Anticipated Shortfall in FY19 & FY20					
May 16th, 2019					

**III.4 Improve College Readiness and Outcomes and Make 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. As noted earlier, we added a second Salute to Illinois Scholars (SIS) recruiting fair event in FY2019. We now collaborate with SIU-E,

SIU-C, EIU, and host the SIS –South event and collaborate with WIU, NIU, and GSU for the SIS-North event.

Our partnerships with multiple community colleges has continued to expand, with the goal of supporting access to higher education for all and to facilitate the transfer student process between community colleges and our universities. We continue to build out multiple “Pathways Programs” (including all the City Colleges of Chicago as noted in last year’s report) and continue our work on expanding the number of “two-plus-two” programs. EVP Barb Wilson and I have had numerous personal visits with community college presidents during FY2019 and have more planned throughout FY2020. We have also continued to engage 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 serve as the state’s host of My Credits Transfer and Transferology. We input all transfer articulations received from 79 Illinois institutions that participate in the network. Illinois users last year numbered 353,612, out of 1.4 million 4M users nationally. Urbana and UIC continue to be the largest users of the network nationally.

#### Our Outcomes Exceed Expectations

The latest summary from the National Student Clearinghouse Research Center of effectiveness in transfer student completion rates Illinois as No. 1 **in the nation** for successful completion, largely due to the efforts of our universities. Moreover, across our system we have retention and graduation rates that exceed national averages and our students leave with lower debt than national averages: 88% first-year retention rates for the system vs. 81% national average; 76% six-year graduation rates for the system vs. 61% national average; and \$24,568 average debt at graduation for the system vs. \$28,650 national average.

### *III.5 Civic Engagement*

#### Restructured IGPA

Over the last year we have made enormous progress on the restructuring of the Institute of Government and Public Affairs (IGPA) to better meet state and system needs. The goal of this restructuring has been to better serve legislators and the general public of Illinois as well as the faculty of the three universities. IGPA has partnered with faculty and centers from all three universities to develop a new organizational structure and research agenda. The ultimate goal is to establish IGPA as a go-to source for unbiased public policy research and application on key issues, such as the May 2019 report “Revenue Implications of Alternative Personal Income Tax Structures in Illinois.”

Other recent activities aimed at reimagining IGPA include a retreat, with approximately 70 attendees from the three universities and the system during summer 2018, and development of affinity groups in three strategic areas: Fiscal Health of Illinois; Substance Abuse and Addiction in Urban and Rural Areas; and Improving Education in Illinois.

### Edgar Fellows Program

IGPA again hosted the Edgar Fellows Program, its popular and successful governmental and public leadership development program. The class of 40 Fellows this year included state legislators and staff, as well as local, business, and civic leaders.

## **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 3.2% in FY2019, rising to 85,960 in fall 2018, which is the sixth straight enrollment record. The universities continue to progress toward their enrollment targets set out in their strategic enrollment plans and summarized on the system's web site. System enrollment has grown more than 9% over the last five years, from 78,540 in 2014 to 85,960 in 2018, and representing more than 50% of public higher education enrollment in Illinois.

The system saw gains in enrollment of African-American and Latino undergraduates for the seventh straight year. Enrollment of African-American undergraduates increased 3.8 percent, from 3,900 to 4,047, while undergraduate Latino enrollment was up 8.4 percent, from 10,359 to 11,231. Combined, African-American and Latino enrollment comprises nearly 27 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 1,691 to 1,828 across the U of I System.

The system also experienced an increase in enrollment of Illinois undergraduates. In-state undergraduate enrollment increased from 44,907 in AY2017-18 to 46,039 in AY2018-19, representing an increase of 2.5% in the last year and of 7.8% compared to the 2014 baseline of 42,694. Approximately 80% of undergraduates are residents. All three universities enroll more state residents than their peers do, on average.

We also awarded 22,142 degrees in AY2018-19, up from 21,933 the year before.

We extended the in-state tuition freeze for another year, and next fall will mark the fifth straight year of a tuition freeze for undergraduate resident students. That means an Illinois family graduating a senior in 2023 will have paid the same yearly tuition that an Illinois family paid for a freshman entering in 2014, representing nearly a decade's worth of steady, level tuition costs for our state's families and their students.

Institutional aid we provided for undergraduate students (at more than \$230 million, total) is still growing and we successfully advocated for state increases in both MAP and Aim High programs to supplement student needs-based and merit-based financial aid.

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

Northern Illinois University signed on to the Investment, Performance and Accountability Commitment (IPAC) during spring 2018 and throughout FY2019 we continued to use IPAC as a powerful tool to

communicate with legislators and other public leaders about the importance and impact of full, stable funding of higher education in Illinois. OGR and Illinois Connection discussed this policy proposal in meetings with legislators and at events with legislative leaders, including educating all of the new member meetings held from October 2018 to mid-March 2019. IPAC continues to provide a robust and successful platform for a productive dialogue with legislators and other government and civic leaders. The success of it as a communication tool is evident in the nearly 5% operational funding increase in the recently announced FY2020 budget – the first operating increase for the system in nearly two decades. We will continue to build on this success, and use IPAC as tool to frame conversations about the importance of consistent, predictable funding for the system.

### *IV.3 Advancing Technology for the Modern University*

#### AITS Accomplishments

AITS made a number of advancements and improvements during the last fiscal year, including:

- **Completed Banner 9 Go Live:** Implemented the newest version of Banner, which involved extensive analysis, testing, and training due to significant changes in screens and some functionality.
- **Launched Applicant Tracking System replacement project:** Launched a project to identify a replacement for the 11-year-old applicant tracking system to improve the applicant experience as well as to streamline recruiting and search processes.
- **Simplified research proposal process:** Simplified the research proposal process by providing a robust electronic proposal submission and routing tool. StartmyProposal is currently in use by many faculty, researchers, and students in Urbana and Chicago.
- **Enhanced research web tool:** Continued enhancements to the myResearch portal, a web tool that allows faculty and business managers to view awards, estimated available balances, and detailed account transactions.
- **Addressed needs of students with disabilities:** Provided a method for students with disabilities to request accommodation services. The system, called MyAccessCenter, also saves time for staff and provides features for planning and management.
- **Enhanced safety of university data and assets:** Broadened implementation of DUO two-factor authentication to protect university and stakeholder information and assets. In addition, simplified user interface and reduced the number of two-factor challenges when accessing services to improve usability.
- **Enhanced financial reporting tool:** Enhanced My UI Financials application to include self-supporting funds. This application provides easy, on-demand access to financial reports, allowing for the elimination of dated paper-based distribution processes; 3,014 employees have access to the system.
- **Enhanced system access management:** Implemented identity and access management enhancements to provide “affiliations” features to enable IT pros to easily create NetID’s for university visitors.
- **Maintained system-wide ERP system:** Maintained the system-wide ERP system Banner at the most current version, providing the latest enterprise system functionality and minimizing support costs. Completed a next-generation ERP analysis to develop an ERP roadmap for the next 5-10 years.
- **Prevented downtime for critical systems:** Maintained high availability (99.99% uptime) for our mission critical Banner systems.

### Healthcare for a Modern World

At UIC, the Office of the Vice Chancellor for Health Affairs established its first institute —The Institute for Healthcare Delivery Design. It brings together an interdisciplinary team, composed of experts in design, education and care delivery science, to design healthcare solutions that are introduced at the point of care and extend into people's everyday lives – outside the walls of the healthcare system. In addition, the University of Illinois Hospital and Clinics continue their progress on the 3i project, a more than \$100 million investment in the electronic health record at UI Health that began in 2016. The project, once implemented, will improve patient care, quality, safety and research. The go-live date has been set for May 9, 2020.

The University of Illinois Cancer Center continued progress towards NCI accreditation and anticipates a follow-up visit at NCI in the fall of 2019. NCI designation is an accreditation given to elite U.S. medical institutions that demonstrate they are leaders in addressing the nation's cancer burden through research. In addition, NCI-designated cancer centers receive research infrastructure funding ranging from \$1.4 million to \$6 million per year, plus institutional overhead costs. Moreover, UIC continued progress on the procurement for the Ambulatory Surgery Center and Clinic Expansion building. We recently received 11 significant proposals from local and national developers in response to the RFP. This building will be transformational to patient care at UIC.

UIC also launched a new mobile research clinic to facilitate enrollment in the All of Us Research Program – a landmark National Institutes of Health program that aims to advance individualized prevention, treatment and care for people of all backgrounds. The program seeks to enroll one million participants across the nation. The specialized vehicle will enable researchers to reach communities that have been underrepresented in biomedical research, and that tend to have poor access to healthcare due to geographic barriers or limited transportation options. The Office of the Vice Chancellor for Health Affairs also sponsored the UIC Institute for Healthcare Improvement Open School Chapter to travel to and compete at the CLARION National competition (interprofessional teams present their review of health cases). The team, consisting students from UIC's health sciences colleges, won **first place**.

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

#### Onboard a Permanent Chief Financial Officer

Avijit Ghosh was selected as the permanent CFO and Comptroller of the U of I System at the close of FY2018 and has now completed nearly a full year since approval by the Board of Trustees at its meeting on July 19, 2018. Dr. Ghosh has 30 years of service to the university system in roles ranging from business school dean to vice president for research and has embraced all with unparalleled insight, energy and enthusiasm. Under his able leadership we have made and will continue to make great strides in our planning and budgeting models for the system.

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

In FY2018, a systematic budgeting process was instituted for all units within the system offices. Each of the 20 reporting units prepared a systematic analysis of their current budget as a backdrop to its FY2019 budget request. The process proved very successful and has been repeated in FY2019 for FY2020 budget requests and will be instituted as an annual feature. Each unit makes a budget presentation to a panel comprised of the president, the three vice presidents and other appropriate members of the president's management council. The presentations focus on a review of each unit's activities and achievements for the past year, the goals for the immediate and extended future, and an evaluation of challenges and opportunities. Key initiatives proposed by the units are also reviewed.

This budget review process allows for a more systematic allocation of resources each fiscal year; allowing the system to make allocation that are better aligned with the operational needs of each unit and the strategic initiatives of the system, such as the ongoing distinguished faculty recruitment program, the new program supporting the arts and humanities, and the creation and launch of a system shuttle service, among other initiatives and projects.

As more fully described above, my office continues to sponsor the President's Executive Leadership Program (PELP), as well as the newly launched Academic Professional Leadership Program (APLP), both designed to identify and develop leaders at all levels within the system and across our universities. These programs harness the existing talent we have, promoting development of the skills needed to be high performing leaders, and prepare our people to be the next leaders we need, throughout the universities and across the system.

### Success in Increasing State Support for Higher Education

After decades of falling state support for higher education, the University of Illinois System succeeded in FY2019 in securing the first increase in state operational funding for higher education in nearly two decades. The budget for FY2020 provides the U of I System's largest appropriation increase since fiscal 2001. The increase of \$27.4 million is nearly a 5% increase over FY2019 funding.

In addition, to securing an increase in the operating funding for the system, we successfully advocated for and received reappropriation of specific capital funding to support key construction projects at our universities, as well as reappropriation of \$500M for development of DPI/IIN, originally secured during the Rauner administration.

Highlights of the budget include:

- An appropriation of \$622 million for operations, up 4.6 percent from the current fiscal year. The largest year-to-year increase since fiscal 2001.
- Re-appropriation for bricks-and-mortar projects across the system, including the Advanced Chemical Technology Building at UIC and Public Safety Building at UIS.
- Re-appropriation of \$500M in capital funding for planning and construction of DPI in downtown Chicago as well as the 15 IIN research hubs across the state, including one at each of our universities and satellite campuses.
- Statewide, \$451M for the Monetary Award Program (MAP), up \$50M or 12.5% from the current fiscal year. MAP provides financial aid to support thousands of students across the U of I System.
- An additional \$10M for the second year of a state scholarship program created to encourage in-state students to attend college in Illinois and stem the outmigration of talent to other states. The U of I System and other universities provide matching funds to double the impact of the state's contribution under this program.
- \$686M to fund capital improvements at all three universities. Major projects include renovation of Altgeld Hall for a math, statistics and data science collaboration center in Urbana-Champaign; an initiative involving quantum information sciences and technology that Urbana is developing in partnership with the University of Chicago, Argonne and Fermi Lab; a computer design research and learning center for UIC's College of Engineering; and a new facility at UIS that will replace the existing library, including new spaces for teaching and academic support.

Our success in legislative session in spring 2019 was the byproduct of a true team effort, led by the system's OGR, with the contributions from all the system leadership offices, the chancellors and provosts at all three universities, and innumerable support staff throughout the entire system. We also benefited greatly from the efforts of Illinois Connection, which helped mobilize our alumni and other friends of the system, with more than 3,000 emails being sent during the spring session by people who shared their stories about the impact the U of I System has had in their lives and how it drives the fortunes of our state.

The state's investment will help continue the rise of a premier university system that has seen enrollment grow to record highs for six straight years, transforming the lives of more students and building on the pipeline of talent that is critical to Illinois' future. It will support access and affordability initiatives that include a five-year, in-state tuition freeze, as well as ongoing efforts to recruit and retain world-class faculty, and expand programs and facilities that are cornerstones of our standing as a global leader in education and research discovery.

## **V. Professional Development**

In furtherance of my own personal and professional development, I will attend the Glion Colloquium in Switzerland, June 12-14, 2019. The Colloquium addresses the challenges and responsibilities of the world's top research universities. Every two years Glion provides a forum for an invited set of 20 presidents selected from the world's top 100 universities 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. Each Colloquium leads to an edited book of which I have been a co-author (glion.org). As a participant two years ago, I prepared a paper for the 2017 Colloquium on the topic of innovation and social equity. This time, my paper is based on sustainable fiscal and environmental challenges for major universities.

I attended the National Academy of Engineering Annual Meeting, on the topic of Smart Cities for a Sustainable Globalization. (NAE) is a private, non-profit society of distinguished scholars.

Additionally, I attended the American Geophysical Union Annual Meeting (AGU) Dec. 12-13, 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 second full meeting this summer in Philadelphia on March 3-10, 2019. 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. President Emeritus Stanley Ikenberry has also become a valuable sounding board and resource in the last year.