2016-17 Accomplishments
President Eric W. Kaler

Introduction

I am pleased to share with the Board of Regents a summary of key accomplishments for fiscal year 2016-17. This report flows from the annual priorities that the Board set and from the Work Plan I shared with the Board in September 2016.

These accomplishments reflect initiatives we advanced over the past 12 months. However, little can be accomplished without the hard work of a very talented and dedicated team, which I am fortunate to lead.

Executive summary

As is the nature of our diverse, complex and unpredictable organization, this year had its challenges. Among them:

- We experienced extraordinary transition in the University’s senior leadership team
- We faced a new political environment at the Minnesota Legislature
- We worked hard to navigate a high-profile sexual misconduct incident in Gopher athletics, and reacted firmly
- We addressed challenges around disappointing and, sometimes, hateful acts of vandalism while balancing our commitment to free speech as the nation’s political divide visited our campus
- We confronted leadership changes in Fairview Health Services that created hurdles to our integration efforts

These matters, among others, required enormous amounts of time and decisions on my part, and on the part of many stakeholders in the University community, including the Board of Regents.

Fortunately, our challenges were balanced by a collection of accomplishments. For example:

- Record-breaking demand for admission to our Twin Cities campus
• Increased diversity and academic excellence in our student body and increased four- and five-year graduation rates on our Twin Cities campus
• A series of widely-reported and groundbreaking discoveries and inventions that confirmed the world-class caliber of our faculty
• The continued successes of our technology transfer enterprise
• A vigorous and successful public relations and advocacy campaign to emphasize the University’s state-wide impact
• The hiring and successful onboarding of several new senior leaders, including a general counsel, a senior vice president for finance and operations, a vice president for government and university relations, and chancellors for our Crookston and Morris campuses
• Consistent recognition of our outstanding faculty by prestigious academies
• Re-accreditation, with distinction, by the Association for the Accreditation of Human Research Protection Programs
• A robust development of a System-Wide Strategic Plan
• Improvements in addressing the mental health needs of our students
• Incremental improvement to budget stability at the University of Minnesota Duluth through targeted reallocations and increased enrollment
• Dedicated efforts to improve our campus climate
• Responsive action to train and educate faculty, staff and students around sexual misconduct
• Maintained our position — as confirmed by the Center for Measuring University Performance (CMUP) — as a Top Ten public research university.

The Board will receive a full report on the University of Minnesota Progress Card during the July meeting, but it is worth noting in this list of accomplishments that we met or exceeded many of the strategic goals outlined in the card, including new IP agreements, awards ranking, graduation rates, ACT scores, public service expenditures, NSF research expenditures and our AHC enrollment goal, all of which are mentioned in this report.

Full report

The 2016-17 overarching goals, established by the Board and included in my Work Plan, were to:

✓ Build a compelling case and articulate how the University will serve the State of Minnesota and fulfill our land-grant mission in the 21st Century
✓ Strengthen the University’s reputation, academic quality, and student experience
✓ Improve the stature and reputation of our Academic Health Center
✓ Examine options to further Operational Excellence and create a long-range plan to secure the University’s financial future.
**Priority 1: Build a compelling case and articulate how the University will serve the State of Minnesota and fulfill our land-grant mission in the 21st Century.**

**Advance the Twin Cities Strategic Plan:** During the academic year 2016-17, the Twin Cities Strategic Plan — “Driving Tomorrow” — boldly advanced.

The Grand Challenge Curriculum (GCC) continued to attract some of the very best students and faculty to engage in a growing number of exciting interdisciplinary courses. We offered four classes in the fall of 2016, and eight in the spring of 2017, with seven more courses planned for this coming fall 2017 semester.

The Grand Challenges Research Initiative strongly advanced and, so much so, that the University has been recognized nationally for its pioneering work addressing complex and vexing issues. The Association of Public & Land-Grant Universities (APLU) is featuring our Grand Challenges work in its new report, “The Challenge of Change: Harnessing University Engagement, Learning, and Discovery to Achieve Food and Nutrition Security.” Executive Vice President and Provost Karen Hanson will highlight our accomplishments in a speech to APLU leaders on May 16.

In Phase 1 of the Grand Challenges Research initiative last fall, research grants totaling $3.6 million were awarded to 29 interdisciplinary teams involving 220 faculty members from 16 colleges and schools across the Twin Cities campus. The two-year grants seeded ambitious interdisciplinary collaborations addressing critical challenges facing Minnesota and the world – in alignment with Driving Tomorrow.

Grand Challenges Research Phase 2, currently underway, focuses on distinguishing University scholars as leaders in addressing two of our five Grand Challenges: Assuring Clean Water and Sustainable Ecosystems, and Fostering Just and Equitable Communities. Opportunities in subsequent years will focus on the other three Grand Challenges: Feeding the World Sustainably, Advancing Health Through Tailored Solutions, and Enhancing Individual and Community Capacity for a Changing World.

Another key element of our Twin Cities Strategic Plan — one that also positively affects our system campuses — is our activity to attract and retain field-shaping faculty.

In the current academic year, nine McKnight Land Grants and six Distinguished McKnight Professorships were awarded. These awards reward and retain our top research faculty at points in their research careers when they might receive and consider an external offer. The awards provide both funding and time to pursue research judged as exceptionally promising by committees made up of previous recipients.
Faculty and Academic Affairs has also been involved in 17 external hires to tenured positions. These individuals are leaders in their fields and are typically already tenured at the institutions from which we attract them.

**Advance a System-Wide Strategic Plan:** Thanks to UMR Chancellor Lehmkuhle and Vice Provost Ropers-Huilman, we made great progress on a System-Wide Strategic Plan. We engaged hundreds of faculty, staff and students across the system — and external stakeholders — to get our arms around the power of our five campuses and their distinctiveness.

They propose a plan that recognizes the many assets and challenges we face as a system, and that suggests the contours of a path we can walk together, even as we can’t see all the future challenges we will face.

The Strategic Planning Group will come to the Board in May with a set of “strategic intentions” for the Board’s review, with action to follow in June. Previous updates were provided to the Board in June, July and October, 2016, and a full Board Work Session in December 2016.

**Maintain a world-class research enterprise:** In a competitive climate marked by a reduction in federal funding for research, our research enterprise continues to thrive. We are among the Top Ten public institutions nationally for research expenditures, with $788 million in FY 16. And we were again ranked among the Top Ten public research universities nationally in nine measures tracked by the Center for Measuring University Performance at Arizona State University.

Minnesota’s Discovery, Research and InnoVation Economy — or MnDRIVE — continues to fuel research to improve the quality of life in our state. Because of its overwhelming success, we continue to seek new investments in MnDRIVE from the Legislature.

Since its inception in 2013, MnDRIVE funding has supported 475 projects, submitted 201 disclosures for inventions and intellectual property, and helped to create 593 University jobs, including positions for 185 top-notch graduate students and 65 post-doctoral fellows and clinicians.

The state’s $71.3 million investment has leveraged an additional and spectacular $226 million in private, federal and state funding, including partnerships with, among others, Xcel Energy, Medtronic, Pepsico, NASA, and the Minnesota Department of Agriculture. That’s an ROI — return on innovation — of more than 300 percent.

Meanwhile, over the past year, our Office for Technology Commercialization launched a record 17 startup companies from University-related research. Two startups in 2016 — Innnotronics and Minnepura Technologies — were named among the 35 best university startups in the nation by the National Council of
Entrepreneurial Tech Transfer (NCET2), an association of university startup officers. Then, in 2017, two additional startups — Photonic Pharma and ThermChem — were among NCET2’s 40 Best University Startups.

Our Minnesota Innovation Partnerships (MN-IP) program, which makes it easier for our faculty inventors to move their intellectual property to the marketplace, continues apace. This fiscal year we’ve executed 52 new agreements with 37 different companies, making for a total of 313 agreements with 173 different companies since MN-IP’s inception in 2012. We are a national leader now in breaking down IP barriers for our faculty researchers.

**Public engagement:** Our Office of University Economic Development (UED) continued to influence our outreach, relationship building and state-wide presence. UED aids Minnesota’s workforce development needs, matching industry with our students and recent graduates, and it has ramped up its activity — particularly in Greater Minnesota — over the past three years.

**Priority 2: Strengthen the University’s reputation, academic quality, and student experience**

**Reputation:** Even as we faced challenges, our advocacy work and the good news — especially around research — about the University, had a measurable impact on the way we are viewed by Minnesota citizens.

According to our annual Public Perception and Attitude Survey, favorability toward the University increased in 2016, returning to 2013 levels. Feelings of connection to the U increased and almost two-thirds of Minnesotans agree that the University is headed in a positive direction, with 82 percent of our alumni feeling favorably about the U.

By far, media stories about our groundbreaking research had a large and positive influence on Minnesotans.

**Advance and advocate for the 2017 legislative request:** Since the November 2016 election and the formation of a new Legislature in St. Paul, I have worked tirelessly to develop strong relationships with House and Senate leaders and to maintain our strong relationship with Governor Dayton. Numerous other senior leaders and staff have also spent countless hours with our lawmakers.

The recruitment and hiring of Matt Kramer, our new Vice President for University and Government Relations, is intended to strengthen our presence at the Capitol and to lead our legislative and strategic communications efforts.

We implemented numerous new strategies into our grassroots advocacy program and infused new energy into our efforts.
To date, during this legislative session, members of our UMN Advocates network have made nearly 11,000 verified contacts with lawmakers through emails, meetings, phone calls, letters and social media. And our network has grown by more than 16 percent, with 19,000 now on our Advocates email list.

Our Legislative Kickoff Breakfast attendance was up 25 percent to 400. We’ve actively cultivated relationships with the 50 University alumni who are legislators. We’ve ramped up relationships with alumni staff and interns at the Capitol. We brought more than 200 University advocates to the Capitol for Support the U day. We engaged nearly 400 alumni and community members to our Minnesota Sparks events across the state, in Red Wing, Brainerd, Mountain Iron, Fergus Falls, Marshall, St. Cloud, and Willmar.

Plus, we’ve aggressively submitted and placed Letters to the Editor about our statewide impact in 15 different print and web outlets across Minnesota.

Sexual misconduct: In response to a high-profile incident in Gopher athletics, I convened an ad hoc working group that undertook an assessment of our education around, and response to, sexual assault. While triggered by the football incident, the group’s recommendations — which I accepted — will affect our entire Twin Cities campus community. I have directed our Chancellors to come forward with similar programs that are appropriate to the needs of their campuses.

The Twin Cities recommendations are: (1) to develop and require training around sexual misconduct issues for all faculty and staff; (2) to enhance student education and engagement, especially beyond the first year; (3) to create a sustainable public health/public awareness campaign; (4) to establish a President’s Committee to Prevent Sexual Misconduct; and (5) to develop metrics for evaluating our sexual assault and misconduct prevention, education, advocacy and awareness activities on campus. I have asked School of Public Health Dean John Finnegan to chair an advisory committee to help oversee the implementation of these recommendations.

We are calling this critical and highly collaborative work the President’s Initiative to Prevent Sexual Misconduct. It’s essential that we collaborate with our faculty and entire campus community in order to make lasting change. This is a problem of national magnitude, and we must work together to address it.

Campus climate: In response to a series of anti-Semitic and anti-Muslim incidents — and to concerns that political discourse was being stifled on campus — our Office of Student Affairs and my office worked closely with student groups to advance the conversation around targeted hate. But I also emphasized our core value of freedom of speech. Senior leaders and I offered several messages to condemn hateful words or vandalism, and we ramped up the activities of our Campus Climate Work Group.
As international and undocumented students experienced uncertainty amid new federal immigration policies, we formed the Immigration Response Team, a collaborative resource-and-referral center housed in the Global Programs and Strategy Alliance.

The Immigration Response Team (IRT) has made great progress in a short time frame, and it now has its own website, office space, and two staff on board allocated from other units. More than 750 faculty, staff and students have signed up for the IRT’s mailing list and, within a month of its establishment, 11 requests were received to make presentations to campus groups.

The Bias Response and Referral Network, added in 2016, received to more than 100 reports of bias on campus, and developed a network for referral to resources. Special attention was given to ensuring free speech and academic freedom are protected while providing education about the harmful impact of bias and hate on campus.

A ubiquitous campaign, developed by University Relations, called “We all belong here” was launched at the end of the year to reinforce the University’s values of respect and inclusion, a priority of our students, faculty, staff and senior leadership team.

The “big lift” partnership between our Office of Human Resources and our Office for Equity and Diversity — which brought in three targeted hiring recruiters for people of color — continued to see progress in diversity hiring. In its first full year, we’ve seen 24 new hires because of an aggressive effort that increased the diversity of our hiring pools. It’s a good start, with more work to be done.

Implicit bias training, to combat a form of stereotyping that is often unintentional or automatic was first offered in November 2015 to community members serving on Faculty Search Committees. In November 2016, we began offering the training to community members involved in hiring staff. And this year we began offering the training to our admissions officers. Thus far, 1,232 people have attended an implicit bias training workshop.

**Students’ public engagement:** More than half of our Twin Cities campus students performed some sort of volunteer service during the past year in partnership with more than 1,100 agencies and organizations. Across the system, students at the University of Minnesota Morris clocked 30,420 service hours and students at the University of Minnesota Rochester spent 10,000 hours serving their respective communities. Such service learning, our data show, improves GPAs, retention and a higher probability of graduating in four years.

**My student engagement work:** In addition to engaging with students through a variety of day-to-day activities and special events, I continue to hold monthly office hours for students on the Twin Cities campus. I also hold office hours when I visit
system campuses. I hold periodic meetings with the leaders of the undergraduate, professional and graduate student groups on campus, and I continue to meet with the Student Senate during the academic year.

**Strengthening Gopher Athletics:** My commitment within the Big Ten and NCAA increased this past year. I continued to serve as the Chair of the Big Ten Council of Presidents and Chancellors, and I was elevated to the chair of the NCAA’s Division I Board of Directors. I am also a member of the larger NCAA Board of Governors, which includes academic leaders from all NCAA divisions. These leadership roles are very good for the University — as we have campuses in all three NCAA divisions — ensuring our interests are heard and advocated for.

**Priority 3: Improve the stature and reputation of our Academic Health Center**

**Raise the national profile of academic health sciences and guide strategic evolution of the Medical School:** Because of challenges we faced, our goal of full integration with Fairview Health Systems was placed on hold. But the Medical School was recognized as Number One in the nation in producing Family Medicine Physicians, was ranked seventh in primary care, and third in Rural Medicine.

The Medical School is implementing many strategies to increase research funding. Dean Brooks Jackson is in his third year of providing incentive funding to department chairs based on measurable increases in scholarship and research.

A major factor in the national profile is the clinical practice. We continue to work to improve our relationship with Fairview Health Services to expand training and research and to increase academic support for the Medical School. The Medical School and University of Minnesota Physicians are also exploring a partnership with Children’s Minnesota, which would immediately make our children’s service top five in the nation in terms of volume.

We are fully implementing the Medical Discovery Teams. We recruited a leader for the Health Disparities team at our Duluth Medical School campus, and faculty members for the Brain Imaging Team and for the Addiction Team.

We continue to collaborate with Fairview, consistent with the affiliation agreement, and we strive to improve our partnership.

We have grown enrollments in dentistry and pharmacy — two needs of the state’s work force. The Medical School is increasing enrollments starting in the fall from 170 to 200 in the Twin Cities over the next three years and from 60 to 70 in Duluth over that three-year-period, again fulfilling a state health care workforce need.

**Human participant protections:** After an intense period of addressing our human participant protection policies and procedures, we were fully reaccredited with special distinction by the Association for the Accreditation of Human Research
Protection Programs Inc. (AAHRPP). AAHRPP is an independent, nonprofit organization that ensures research institutions meet rigorous standards for quality and protection.

The special distinction that accompanied the reaccreditation commended the University for its new policy on adults with limited or diminished capacity to consent to participating in research.

The reaccreditation process took place contemporaneously with substantial changes to human research policies and practices at the University of Minnesota, changes prompted by complaints about past cases of research participant recruitment and treatment. We have responded, and we have responded in exemplary fashion.

Sophia Vinogradov, M.D., was named the new head of the Department of Psychiatry in late 2016. Psychiatry was the focus of criticism for some practices related to human participants in research, and has been involved in many of the changes from the implementation plan. In her short time on campus, Dr. Vinogradov has had a profound impact on the culture and transparency of our Department of Psychiatry.

**Priority 4: Examine options to further Operational Excellence and create a long-range plan to secure the University’s financial future.**

**Senior leadership changes:** This was a year of change in my senior leadership team and, as the personalities changed, so did the structure of those reporting to me. In a move to make decisions more efficiently and to free up some of my time for other matters, I reduced the number of direct reports to me by three. We also created a cabinet, a smaller group of senior leaders who are direct reports to me, to advise me in a more efficient manner and deal with real-time issues on a weekly basis.

Among the leadership changes in the past 12 months were transitions in the position of President’s Chief of Staff, Chief Financial Officer, Chief Compliance Officer, Vice President for Research, General Counsel, and Chancellors at our Crookston and Morris campuses.

Meanwhile, we revived a position that had been a part of presidents’ leadership teams in the past: Vice President for University and Government Relations. And we created the new position of Senior Vice President for Finance and Operations. That position oversees the leaders of our Budget, Technology, Human Resources and University Services units. We are positioned well to move forward with this excellent leadership team.

**Operational excellence:** We continue to make progress on reducing administrative costs towards the goal of $90 million by fiscal year 2019. The operating budget for FY17 included a plan to further reduce administrative expenditures by $14.7
million, adding to the $53.8 million accomplished in FY14-FY16. So, with the plan reflected in the budget for this year, we will have achieved $68.5 million toward our $90 million goal.

We again decreased expenditures on leadership and oversight relative to expenditures on mission and mission support activities, consistent with the Progress Card goal. We maintained the University's Aa1 credit rating, per Board policy.

We remain steadfast in our commitment to decrease over time the gross square footage of real estate in poor or critical condition.

**Philanthropic campaign planning:** We’ve made significant progress on the quiet phase of our next philanthropic campaign, which is set to launch this fall. I have spent about 20 percent of my time on University of Minnesota Foundation-related work, and that will increase as the campaign launches.

For the second year in a row, we raised more than $300 million, two of the best years in University history. I believe that this forthcoming campaign will build upon the success of the past two years and be one of the most important legacies of this administration. We have the opportunity to secure significant additional resources to advance our mission for generations to come.

**Community leadership:** After being a co-founder of the organization, I am transitioning out of my role as co-chair of Generation Next, which is making a real impact on closing the achievement gap in our state. This work has strengthened connections between the University researchers and experts on these issues and practitioners in our schools, policy makers, and other foundations and non-profits working on these issues. I also serve on the board of directors for Greater MSP, and the Minnesota Business Partnership.

I am also completing my two-year rotation as chair of the Minnesota P-20 Partnership, an organization of the statewide education groups in Minnesota, plus others from government, business, and the private sector working collaboratively to maximize achievements of all students, from pre-K through college.

**Opinion leader engagement:** I continue to cultivate opinion leaders throughout the state, primarily through periodic email updates on University issues and speaking engagements. We have excellent open rates and responses to those email communications. I host many events at Eastcliff, such as breakfasts and dinners with leaders of our agriculture and commodity groups, the Minnesota health care industry, and legislators, discussing our legislative priorities and other key initiatives, and to develop long-term relationships.
Summary

We continue to be Minnesota’s most driven and committed institution for inquiry, for innovation, and for inspiring the state’s best and brightest young people to become the next generation of leaders and doers. We continue to make a lasting difference in the lives of citizens in all 87 counties. With about 300,000 living alumni in Minnesota, 26,000 employees and an average of 65,000 students across our system during the academic year, we are a community of pride and a public good like almost no other in our state.

I am proud of our University, the progress we’ve made, and the way we handled the challenges we faced over the past year. I look forward to continuing to work with you to advance our 21st Century land-grant mission for the betterment of our students, faculty and staff, and for the State of Minnesota.