

Colleagues:

This week at our Board of Trustees meeting, a review of our prior years' performance reaffirmed that the University of Louisville continues on its amazing trajectory. We have enclosed a summary of the Board's evaluation which shows our progress in:

- a. Educating more students;
- b. Improving our six-year graduation rate;
- c. Growing our research activities with a focus on the societal and health care needs of our state;
- d. Graduating more Ph.D. and professionally trained alumni;
- e. Being an economic driver for our community;
- f. And achieving an all-time record in fundraising.

We are proud of this rapid growth during a time of continued budget cuts. We also recognize that rapid growth brings challenges.

The University of Louisville is an institution with:

- a. 22,000 students;
- b. More than 6,000 employees;
- c. A diverse group of 320 student clubs and associations;
- d. 24 hours a day, 7 days a week operations;
- e. A complex organization carrying out many business functions, eg. housing, food services, etc.;
- f. A Carnegie Research classification - funded research by industry and government;
- g. A comprehensive medical center providing extensive clinical activities;
- h. And, of course a nationally recognized athletic program.

We believe that 99.9% of our employees are dedicated, honest, hard-working people who come to work every day with the goal of doing the best they can to make the University of Louisville a "premier" academic institution committed to the betterment of our community and state.

As with any organization, there are a few employees who are dishonest. We have a hotline to allow employees to report irregularities; we have strong internal controls to protect the institution; and we have an outstanding public safety department with an investigative arm. When we discover someone has violated our trust, the “public” trust, we immediately disclose the information to the appropriate authorities and we prosecute those who have committed crimes. These people pay the penalty.

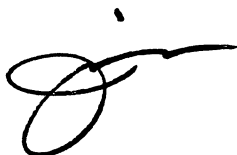
In September 2013 I asked the Board of Trustees to employ an outside accounting firm to help us with a comprehensive review of our financial, banking, organizational, and payroll activities to help us do the best we can to continue to make it increasingly difficult for people to steal from the university or any of its entities. In addition, Dr. David Dunn, Executive Vice President for Health Affairs at the University of Louisville, had previously asked a firm that was already reviewing the finances of our clinical activities to participate in this special examination.

The review by these two firms was completed and presented to the University of Louisville Board of Trustees Audit Committee on July 2, 2014. A number of recommendations were made, including organizational changes, suggestions involving banking services, payroll services, and other financial functions. We indicated to the Board at the Audit Committee meeting that we concurred with the recommendations and that a number of changes had already been implemented, or were in the process of being implemented.

We deeply regret there are those who have been able to violate the public trust. We commit to you that we will continue to work as hard as we can to prevent such occurrences in the future. I have provided for your review the report of Strothman and Company to give you their recommendations and our response.

Thank you for your ongoing support of the University of Louisville.

Sincerely,

A handwritten signature in black ink, appearing to be 'James R. Ramsey', with a stylized flourish at the end.

James R. Ramsey
President








Office of the President: The 2020 Plan: Making it Happen (2013-14 Progress)

Mission Statement: The University of Louisville shall be a premier, nationally-recognized metropolitan research university with a commitment to the liberal arts and sciences and to the intellectual, cultural, and economic development of our diverse communities and citizens.

Three levels of performance measures are defined as

Good: "increase over previous year"; Better: "increase over previous year and meet annual university goal" and Best: "increase over previous year and exceed annual university goal".

Overarching Institutional Goals for the 2020 Plan							
Goal No.	Description of Goal Proposal	1998 Actual	2020 Plan Baseline (2008)	2013 Actual	2014 Goals	2014 Progress (through 6.30.14)	2020 Goals
	Educational Excellence						
1.1	Increase number of baccalaureate degrees awarded annually	1,734	2,298	2,731 (Best)	2,769	2,798 ² (Best)	3,197
1.2	Increase the baccalaureate graduation rate	30.1%	45.7%	52.1% (Best)	52.8%	53.5% (Best)	60.5%
1.3	Increase doctorate degrees awarded annually	76	151	140 (Did not meet)	140	162 ² (Best)	272
1.5	Enhance national recognition	NA	NA	Good ¹	Progress	Did not Achieve ¹	Progress
	Research, Scholarship, and Creative Activity						
2.1a	Increase total grant and contract expenditures ⁴	\$39.1M	\$148.9M	\$186.2M (Best)	\$161M	\$169.1M ² through 6.13.14 (Best)	\$310.3M
2.2	National Cancer Center (NCI) designation	Progress	Not Achieved	Good	30 NCI grants	23 ² (Did not Achieve)	Achieved
2.3	Increase national faculty recognition/awards	NA	NA	Best ²	Progress	Best ¹	Achieved
	Community Engagement						
3.1	Increase collaborative partnerships with the community	NA	NA	Best	Progress	Best ¹	Achieved
3.2	Increase economic development/entrepreneurial activities	Progress	Progress	Good ²	Progress	Good ¹	Achieved
	Diversity, Opportunity, and Social Justice						
4.1	Achieve Kentucky Diversity Plan Goals	5 for 8	7 for 8	8 for 8 (Best)	8 for 8	Reporting suspended by CPE (2013-14)	8 for 8 ³
4.2	Achieve annual goals specified in the University Diversity Plan	NA	85%	95% (Best)	95%	95% (Achieved)	95% ³
	Creative and Responsible Stewardship						
5.1b	Annual philanthropy (development dollars) received	\$42.5M	\$85M	\$162.1M (Best)	\$175M	\$234.4M ² (Best)	\$150M
5.1c	Percentage of alumni giving to annual fund	NA ⁵	11.0%	14.4% (Good)	15.0%	14.5% ² (Good)	20.0%
5.6	Increase institutional survey average score on The Chronicle's annual 'Great Colleges to Work For' survey	NA	68%	Re-survey Spring 2014	67%	Results available August 2014	75%

¹ Progress for overarching goal will be measured based upon the progress of the subgoals (i.e. progress on X of 4 subgoals). Please refer to data definitions/gt

² Preliminary data

³ Goal under review for realignment with CPE statewide diversity plan

⁴ Total grant and contract expenditures as reported to the NSF/SRS Survey of R&D expenditures at universities and colleges (includes institutional support)

⁵ 1998 'percentage of alumni giving' uses a different methodology/data definition and is not comparable to data reported under the 2020 plan.