

UNIVERSITY of LOUISVILLE

2013 ANNUAL REPORT TO THE COMMONWEALTH



Fulfilling our promise

The University of Louisville is asked to fill many roles in our city, region and state. It is more than a center of learning. It's an economic engine; a springboard to our students' success; an incubator of innovation; a wellspring of heal-

ing. And, despite the many challenges that could threaten those roles, UofL is fulfilling each and every one of them.

This year saw an improved graduation rate, a record fundraising year and a campus population that surpassed our diversity and community goals. UofL's hardworking, energetic faculty and staff make these tough goals seem easy to reach and they're being asked to reach even higher in the current school year. Leading this effort is our Board of Trustees, a group of extraordinary leaders who are engaged in the life and success of the University of Louisville.

Moving forward, UofL has undertaken the "21st Century University Initiative." This campus-wide effort has created a way for us to take a hard look at ourselves to determine how we continue our amazing trajectory amid great challenges.

As always, I am proud to say that the University of Louisville has accomplished — and continues to achieve — the mandate set for it by the General Assembly in 1997. And, I am eager for you to read about just a few of the exceptional milestones from this last year.

Dr. James R. Ramsey, President

UofL's Trajectory

	1998 REPORTING YEAR	2013 REPORTING YEAR*
Average ACT score of all entering students (fall semester)	21.4	25.2
6-year graduation rate	30.1%	53.5%
Baccalaureate degrees awarded	1,734	2,731
Number of students living on campus (fall semester)	1,725	4,924 ¹
Doctoral degrees awarded	76	140
Startup companies (cumulative)	1	59
Patents (cumulative) Applications filed	151	1,499
Formal patents issued	55	260
License option agreements (cumulative)	17	188
Research expenditures	\$39.1M	\$186.2M
Endowed chairs and professorships	35	153
Annual Philanthropy Received	\$42.5M	\$162.1M

*2013 data are considered preliminary pending final audit and reconciliation.

¹No longer includes University Park Apartments which were sold by UofL Foundation; West Hall no longer used as a resident facility beginning 2013.

Academics



Percentage point increase in graduation rate since 1998.

Fulbright Scholar winners since 2003, more than all other Kentucky universities combined, and on par with other prestigious universities such as Vanderbilt, Duke and MIT.



Average ACT score for first-year students.

#9

UofL entrepreneurship programs rank No.9 in the U.S.

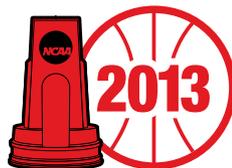
Source: Eduniversal (2012-13)

Athletics



UofL heads to the Atlantic Coast Conference in 2014; the right move at the right time.

Men's basketball wins 3rd national title, Women's basketball plays in national title game; Coach Rick Pitino voted into the Hall of Fame.



Capital Improvements



More than \$1.7 billion of capital improvements since 2003.

The new 128,000-square-foot Student Recreation Center opening this month.



Research

Bucks for Brains

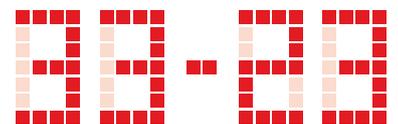


UofL Diabetes and Obesity Center, led by Aruni Bhatnagar, MD, received an \$11.25 million grant from the National Institute of General Medical Sciences to continue finding new and effective means to prevent and treat diabetes and obesity.

Susan Harkema, PhD, professor of neurological surgery, received \$6.3 million from the Helmsley Charitable Trust for developing the next generation of technology to help paralyzed people regain movement in their limbs.



UofL pulls off biggest upset in BCS history, beating the Florida Gators 33-23 in the Allstate Sugar Bowl.



CWS Cards baseball returns to the College World Series for the first time since 2007.



UofL Foundation: Fulfilling the promise through development

In the last year, economic development spurred in part by the University of Louisville Foundation has transformed the cityscape, bringing outstanding development to the Louisville area. This includes new businesses, new jobs and the potential for billions in revenue. Here's an update on the most recent developments:



700 North Hurstbourne

UofL's ShelbyHurst Campus, in Louisville's east end, took another big step in development with the groundbreaking for 700 North Hurstbourne. The 125,000-sq.-ft., four-story structure will follow the success of the first building, 600 North Hurstbourne, that opened in 2012 and is fully occupied. Once completely developed, the ShelbyHurst Office and Research Park is expected to have more than 1.5 million square feet of space in multiple buildings. UofL expects 700 North Hurstbourne to open in May of 2014.



The Nucleus Innovation Park: Market Street

Located in the heart of downtown Louisville, adjacent to the city's burgeoning medical community, the 200,000-square-foot, eight-story building is the first in a soon-to-be four-building complex consisting of shared green spaces, parking garages and easy access to downtown quality of life. Opening in late October, this exciting new development will be a catalyst for economic development and innovation throughout the region.

Belnap Engineering and Applied Sciences Park



Plans are underway for the 33-acre Belnap Engineering and Applied Sciences Park, the centerpiece of a Signature Tax Increment Financing (TIF) district designed to stimulate growth in an area around UofL's Belnap Campus. The TIF district covers more than 900 acres stretching from Belnap Campus south to the Watterson Expressway. The Kentucky Economic Development Finance Authority recently gave preliminary approval for the TIF, paving the way for what could be an estimated \$1 billion in revenue for UofL over 30 years. The historic TIF project will ultimately leverage the academic and research functions of the University of Louisville into an exceptional economic engine that will result in an influx of high-wage jobs, growing revenue for the region and state. An Institute for Product Realization and Innovation is planned which would link UofL researchers with private businesses to come up with new products or systems and test them in the marketplace. Advanced manufacturing, logistics, analytics and computing will be the areas of focus. These collaborative efforts will create a research and economic hub that will transform the south and south-central areas of Louisville.

\$1.7 billion

Annual economic impact on the Commonwealth of Kentucky

\$132.9 million

Annually in state and local taxes

20K+

Jobs through direct & indirect employment

For every **\$1** in state money, **\$3** is returned to the state economy

Source: Meench & Shanker, LLC

Partners for the future

At the end of 2012, University Medical Center and the University of Louisville announced a partnership among University Hospital, the James Graham Brown Cancer Center and KentuckyOne Health. The partnership includes \$543.5 million of investment during the first five years, expanding to \$1.394 billion over 20 years, including \$75 million annually for academic and program investments.

A critical component to becoming a premier metropolitan research university is having a thriving and vibrant academic health center. Today we have made a tremendous stride in achieving our goal. This is a partnership that works.

– UofL PRESIDENT JAMES RAMSEY



5-YEAR

plan to create statewide cancer, trauma, cardiovascular and physical rehabilitation service lines. **Solidifies** Louisville as a national destination for transplants and ventricular assist devices (VADs).



\$95 MILLION

dedicated to health science academic programs. Continues a 60-plus year tradition of **educating** health care professionals. **Enhances** downtown Louisville as academic destination.



\$3 MILLION

KentuckyOne to provide \$3 million annually dedicated to research. **Translates** research into tomorrow's treatments and cures. Expands research efforts **throughout the state**.

Forward thinking: The 21st Century University

UofL has embarked on the "21st Century University Initiative," designed to take a deep look at the institution and become more strategic, efficient and dynamic as we educate the next generation of students. Led by Provost Shirley Willihnganz, more than 300 faculty, staff, students, alumni and friends spent countless hours this spring examining and making recommendations for change in four distinct areas, which were formed after reviewing more than 8,000 comments from employees, students and the community. The initiative continues this fall, when the committees seek more campus input before refining their recommendations for final approval by the Board of Trustees in early 2014. **The key areas are:**

Academic and Research Priorities

- Identifying strategies and investigating opportunities needed to enhance UofL's academic/research reputation
- Investing in proven fields/programs
- Embracing other fields of study that are in demand
- Fostering growth in multidisciplinary collaborative areas, focusing on teaching, research and scholarship, in an effort to be best in class, both nationally and internationally

Technology, Demographics, Engagement, International

- Exploring how to expand asynchronous education delivery models
- Creating a strategy for targeted enrollment growth
- Supporting a commitment to community engagement and a diverse student body

Financial Health

- Examining the correct budget model for UofL
- Exploring how UofL can leverage its physical assets and purchasing power to ensure growth and continued financial stability
- Expand current efforts to better manage costs, strategically allocate resources and generate additional revenue

Culture of Excellence

- Continuing our efforts to implement our vision of a 'Culture of Excellence'
- Supporting internal initiatives as a way to help create and nurture a culture of continuous improvement

The report, endorsed by the Board of Trustees, can be viewed online at www.louisville.edu/21stcentury/committees/reports. Open forums will be held in the fall to discuss the proposals, with recommendations scheduled to be presented to the Board of Trustees by first quarter 2014.



CHARTING OUR COURSE

The Campaign for Kentucky's Premier Metropolitan Research University



Record-breaking year

The University of Louisville's Charting Our Course comprehensive campaign took a huge step toward its \$1 billion goal by raising more than \$161 million in private support for the 2012-13 fiscal year.

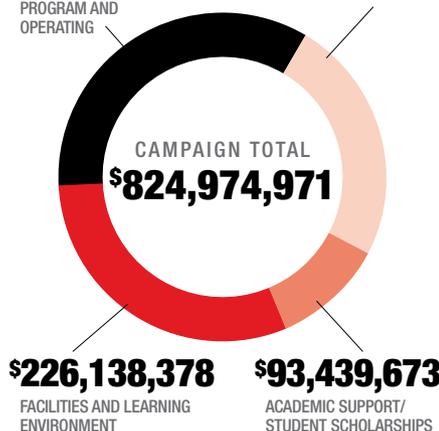
TOTAL RAISED PER CAMPAIGN PRIORITY AREAS*

\$293,581,723

FUND FOR UOFL, ANNUAL PROGRAM AND OPERATING

\$211,815,197

RESEARCH & FACULTY EXCELLENCE



NUMBER OF DONORS

72,772



NUMBER OF MILLION-DOLLAR DONORS

130



20 ENDOWED CHAIRS AT

\$21,485,242



156 ENDOWED SCHOLARSHIPS AT

\$34,829,129

*THROUGH JUNE 2013