

BOV Lunch with the Chancellor
Varsity Hall – Union South
Thurs Oct 18, 2018
noon

We're just past mid-terms here at UW. We had more than 3,000 parents and family members in town last Saturday for Parents' Weekend. Badger hockey opened last Saturday as well...both men and women...and football has a homecoming game on Saturday against Illinois. The leaves are peaking in Madison and it's the usual busy fall semester.

Over the summer, as many of you know, we welcomed back two major units that were split off from UW-Madison more than 50 years ago: Cooperative Extension and Wisconsin Public Radio and Television.

The members of their advisory boards are joining us today for the first time and I want to say a special welcome to:

- The Cooperative Extension Board of Visitors
- And the boards of directors of:
 - Friends of Wisconsin Public Television
 - And the Wisconsin Public Radio Association

Welcome back to UW-Madison!

Thanks to all of you, for being here today and all that you do for this university. And let me again congratulate our Distinguished Alumni Award

winners. It's an impressive group!

An anniversary you should all know about: 2019 marks the 150th year since women first earned undergraduate degrees at the University. We'll be celebrating that in a number of ways over the year so if you see a few '150s' around campus, you'll know why.

I. Introduction

Two years ago, I gave you all a quiz at the beginning of my remarks to test your Badger knowledge. People seemed to like that so much that we did it again last year. By popular demand, here is this year's quiz to test your Badger loyalty.

Please grab a piece of paper and a pencil from the middle of your table. You'll have 5 questions to answer. Ready?

II. Good News from Campus

A couple of weeks ago we received the latest data on our educational outcomes from last year.

I am delighted to tell you that they look great.

- More than 95% of our freshmen return to us for sophomore year – that is one of the best retention rates in the country among public universities.
- Time to graduation has fallen again, and has been falling steadily for a number of years. It now averages 4 years and 4 days.
- And over half of our students graduate with zero student-loan debt. Let me repeat that, because people usually don't believe it – over half of our students graduate with no student debt.

These numbers would be impressive in *any* year ... but they're even more impressive *this* year, because we *also* awarded the highest number of degrees in our history. And, by the way, more than half of our degrees last year were in STEM and health-care fields.

So we're improving our quality while increasing our numbers at the same time. That's a reflection of the investments we're making in great teaching ... better academic and career advising ... and outstanding out-of-classroom experiences.

So it's no surprise that we continue to be a 'hot school' nationally.

- We just welcomed the largest and most diverse freshman class in our history – 6,800 students selected from a record-setting 43,000 applicants.

- Applications were up 20% this year.

- Our new students come from 43 countries outside the U.S. ... 47 U.S. states (*missing Mississippi, West Virginia, Wyoming*) ... and 71 Wisconsin counties (*missing Iron*).

- I also have great news to share about our research enterprise. After falling for 3 years in a row, our federal research dollars have increased by 11% in the past 2 years. That's not by chance...we've been working hard to put our research funding on a strong growth path.
 - Our faculty have brought in some record-setting research grants.

 - And our research was featured more than 100 times last year in major national news outlets including the *Washington Post*, the *New York Times*, and the *Wall Street Journal*.

- Finally, no highlights list would be complete without a mention of Badger athletics.
 - The NCAA has announced that five UW teams posted academic results in the top 10% of their sport last year, earning NCAA Public Recognition Awards. Those teams are Wisconsin football, men's soccer, men's tennis, women's golf, and women's hockey.

- Our football team has joined a small group of elite schools – Duke, Northwestern, and Stanford – as the only Division One football programs to earn these academic awards for 5 years in a row.
- I am very proud of our commitment to ensuring that our student athletes are successful both on and off the field.

In short, we continue to be an excellent educational institution.

III. A New Chapter

Most of the first four years that I was at UW was spent dealing with budget cuts. State cuts, combined with a tuition freeze, put us \$87 million in the hole. We dealt with that, but you don't stay competitive for very long if you focus *only* on what to cut rather than where to grow.

It's clear that if we want investment revenue at UW, we have to generate it ourselves. So I told our deans and department chairs that they had to start thinking like entrepreneurs (and I tried to be clear that I meant the kind of entrepreneur that makes money).

We have been implementing a series of strategies to grow revenue, based on our own efforts. For instance, we're expanding the summer term and creating new degree programs for working professionals. The current fundraising campaign is part of this effort, as is our work to right-size tuition for out-of-state and professional-school students.

These efforts are now paying off. And we have no state budget cuts in this biennium. In fact, there's a small increase in revenue from the state. The result is that we have new revenue which we are using to make some much-needed new investments.

Let me tell you what we're doing in 2 key areas.

First, we're investing in our students.

I told you earlier that we've just enrolled the largest freshman class in our history. We take more incoming freshmen every year than Harvard, Chicago, Yale and Princeton combined.

But we know creating access is a whole lot more complicated than just accepting students. We have to make it possible for those students to come here, and we haven't always done a great job of that.

So we've launched two new programs to create affordable pathways to a UW-Madison degree for Wisconsin students.

You might have heard about these.

Badger Promise started last year and it's serving about 150 students this year. It provides tuition funding to first-generation students who transfer into UW.

Bucky's Tuition Promise started this fall. It provides four years of free tuition to any student whose family income is below \$56,000...the median income in Wisconsin. Bucky's Tuition Promise is already covering about 17% of our freshman class.

One reason we can offer these programs is that we've *more than tripled* the number of our own dollars we're making available for grants and scholarships – from \$17 million in 2008 to \$62 million this year. Much of this comes from our campaign efforts.

In just the past 5 years our alumni have created **3,400** new scholarships for all groups of students across the campus.

That's the impact of the All Ways Forward campaign, and it wouldn't be happening without you. Thank you!

Second, we're investing in our Faculty

The reputation and the quality of a university rests on its faculty.

Many departments are smaller now than they were a decade ago, due to reduced budgets. But as I've told you, our student body has not shrunk. We have a number of departments such as Computer Science where the growth in faculty hasn't begun to keep up with the growth in majors.

So we're going to need to make some significant investments in faculty if

we're going to be a top university.

We've made three important steps in the right direction this year.

- First, we hired 112 new faculty this year... the largest number we've hired in 6 years. And thanks to the investment revenue we've been able to generate, we've made money available to our schools and colleges to hire additional faculty in high-demand areas.
- Second, we launched a new program this fall to recruit faculty from historically underrepresented groups. It's called TOP, for targets-of-opportunity. It's going to give departments new tools to go after the people they'd like to recruit who represent groups that aren't well-represented within their discipline.

We're also working to leverage one of our biggest advantages at this university: A tradition of collaboration and interdisciplinary research.

Cluster Hires

To address the big scientific and social questions facing our society, we need teams of people with multiple skills and multiple perspectives. So we've restarted our Cluster Hire Program.

A cluster is a joint hire of 3-4 faculty who work on similar scientific issues but from different academic disciplines. The idea is to build research strength in areas where we can make a profound difference.

Over five years, we want to hire 70-75 new faculty as part of these new clusters, each focused on building depth in important areas of research and teaching.

The investments we're making are designed to make UW an even better place for a student or a faculty or staff member.

As any business person knows, investments are much more effective when they build on areas of strength. And we have a LOT of strengths around UW.

Our students testify to our quality.

Hannah Lider

One of our Fulbright scholars who graduated last May tells the story of how reluctant she was to come here. She grew up in Appleton. Her mom's a hairdresser and her dad works in a factory. She was the first in her family to go to college and she wanted to go out of state, but the family couldn't afford it.

She says the thing that surprised her most about UW is how very small it actually felt, and how she could get to know her professors, and how – every time she needed help, she found it.

And that's no accident. We've been very intentional about building programs that allow our students to grow and thrive here without getting overwhelmed.

Our faculty testify to our quality as well.

Mikhail Kats

One of our newer faculty members in engineering is a great example. Mikhail Kats came to us from Harvard. He was recently named to the Forbes '30 under 30' list of rock-star young scientists.

We asked him what it was that attracted him to UW-Madison ... and believe it or not, it was *not* our gorgeous weather.

It was two things, and we hear this again and again:

First, the presence of big, expansive research projects that take decades to build ... that attract world-renowned scholars ... and that simply *don't* exist at most universities.

And second, the opportunity to be surrounded by, and collaborate with, first-rate scientists with interests related to his own.

We're also working to grow our industry connections as well as our Federal research dollars. Our partnership with Foxconn is good example.

Foxconn

Many of you saw the announcement in late August that we'll be working with Foxconn on a number of research projects in engineering, health care, and computer and data science.

They're making a gift of \$100 million to UW-Madison – the largest investment a research partner has ever made in our university. The majority of that will go toward a jointly funded building on the Engineering campus. They'll pay around \$75 million and we'll need to raise an additional \$75 million to get the building built.

The remaining \$25 million will go into some combination of support for faculty, students and research in engineering, computer and data science, and human health.

This partnership will open up some wonderful opportunities for our faculty and our students.

Let me give you another example of a very different interdisciplinary project.

Functional Ice Cream

Our Center for Dairy Research is bringing scientists from multiple disciplines together with trainers from the Athletic Department to figure out how to make what they call a 'functional' ice cream – an ice cream that will help athletes recover faster. High protein ... anti-oxidants ... probiotics ... less sugar. *And* it has to taste good.

They've tried a lot of flavors that haven't gone over so well. But now they think they have a winner with a combination of hibiscus and tart cherry ... so keep an eye on our players at the game this weekend. If their performance kicks up after half-time you'll know they got some of this ice cream in the locker room.

I told you about the revenue we're generating that's helping to give us a margin of excellence. But we are still a public university and we need the support of the state to remain a world-class institution.

IV. Budget

Right now, we're spending a lot of time preparing for the new state budget cycle that will officially begin in February when the governor releases his spending plan.

- The UW System submitted a request to the governor last month requesting \$107.5 million more in state funding over the next two years.
 - Most of this will be tied to achieving certain outcomes such as graduation rates, for example.
 - But \$25 million is for Capacity Building Initiatives to get more students into high demand fields

- We submitted proposals for funding for Engineering, Computer Science, Business, and Nursing
- If full \$25 million is approved, our share will be about \$9 million
- Capital Budget
 - The System is also requesting \$1.4 billion for construction projects—mostly renovation and maintenance
 - UW-Madison projects include the badly needed Vet Med renovation and expansion

After the governor introduces his budget in February, the legislature will deliberate through spring/early summer, and send a final version back to governor around July 1.

You will be hearing from us at critical times in this process, and I hope you'll be willing to advocate for UW. Legislators and the Governor hear from university administrators all the time – they need to hear from people like *you* about the important role UW-Madison plays in keeping Wisconsin's businesses and communities strong.

Here's one easy way to help. The Wisconsin Alumni Association is circulating an online petition that they'll deliver to the governor in November asking for continued investment in UW. It will also appear in newspaper ads. Whether

you live in Wisconsin or not, I hope you'll go online and add your signature to demonstrate the breadth of support for the university.

We have handouts that will tell you how to find the petition on the web.

V. Conclusion

Let me leave you with a story.

A couple of weeks ago I spoke at a meeting of business leaders we hosted from across the state and around the Midwest. During my talk, I mentioned that more than half of our undergraduates graduate with *zero* student debt, and that those who *do* take out loans pay them back.

I told the audience that our student default rate is just over 1%, compared to a national average of more than 11%.

The reaction was interesting.

The people who *didn't* go to school here were surprised and impressed.

The people who *did* go to school here weren't surprised at all.

One of our alums who was present runs a multi-national firm based in Chicago. He said:

That's the way Badgers are. That's how I was as a student. They're hard-working, dependable, and they've been trained as problem-solvers.

That's why I've hired so many of them.

That's why my daughters are there now.

And that's why my friends want their kids to go to UW-Madison.

There are lots of reasons why I enjoy being on this campus every day. But I think the best part of my job is the opportunity to see all of these amazing students launched into whole new worlds of learning and opportunity.

Thank you for the work you do to make all of this possible.

You are the best ambassadors for the value of this great university. Thank you for your dedication to UW, for your work on advisory committees across campus, and for the many ways you support this university and our students.

I hope to see you all at the game on Saturday.

On Wisconsin!