

May 24, 2011

**TO:** The University Community

**FROM:** Philip E. Austin



When I returned to the University administration as Interim President about a year ago I wrote these words to the University community: “While we all eagerly await the appointment of a new president, we cannot afford to sit idly until the position is filled. There is more than enough to do during the summer and into the next academic year to occupy us fully and productively.” My predictions may not always be 100% accurate, but I must say that I was right on target with that one. This has been a challenging, productive, and generally promising year. As I prepare to leave this office once again, I want to take this opportunity to offer an overview of issues in a few areas of particular importance, and to offer some general thoughts on our institution.

Let me say at the outset that while I did not seek this assignment, I have valued it deeply. The chance to renew old friendships and develop new ones, observe at close hand the excellent work going on in so many fields, and help guide UConn through some unusual challenges has been invaluable and rewarding. Above all, I am delighted that I will have the opportunity to welcome an outstanding new President who is superbly prepared to build on a very strong foundation in bringing the University to a new level of excellence.

What follows is not an exhaustive list of topics of concern, but rather a few matters that have been of special significance over the past year and are likely to continue to be important to the University in the year to come.

#### The UConn Health Center: A New Vision

On May 17 Governor Malloy came to the University of Connecticut Health Center and presented a bold new initiative designed to enhance our State’s capacity to serve as a national center for bioscience research and development. Our Health Center is central to that plan, and the Governor’s \$864 million proposal creates breathtaking opportunities for us to be of service to our State.

The UConn Health Center is, of course, a vital and intrinsic part of the University as a whole, but it is much more than that. It is a critical economic and public health asset to the State of Connecticut—and, as the Governor noted, it has the capacity to become a resource of even greater value in years to come. Throughout the past decade, in collaboration with our State’s elected leaders and with the health care community in our region and beyond, we have endeavored to determine how best to move from where we are to where we want and need to be: specifically, how to assure the financial stability and ongoing excellence of John Dempsey Hospital, work with our partners in the region to meet consumers’ needs, and, importantly, how to help bring Connecticut to the forefront in bioscience and other economically vital areas. We understand the goals. What we have long needed is an ambitious, viable strategy to achieve them.

No one understands these objectives better than our Governor. Even before his inauguration he said publicly, “A renovated, expanded UConn Health Center is something I think is critical to the economic revival of Connecticut, and it would clearly benefit the State from a public health standpoint and from an education standpoint. It’s the type of investment we need to fight for.” Since then, he and the members of his administration have been exceptionally generous with the time and attention they have devoted to this issue, asking penetrating questions but making the Governor’s ongoing commitment to the Health Center’s potential contribution clear.

The Governor’s proposal springs from that commitment. Recognizing our capacity to serve as a generator of economic growth in general and excellent, high-paying jobs in particular—primarily in the bioscience field—the Governor’s proposal calls for an investment in expanding our capacity for path-breaking research, much of which is expected to generate commercial application in our State; increasing our ability to deliver health services in a state-of-the-art patient tower and ambulatory care center; and enlarging our ability to educate physicians and dentists to meet Connecticut’s needs. The total plan will be funded through a mix of State bonding, private financing, and Health Center resources.

The plan builds on, but is a dramatic departure from, proposals developed over the past several years under the leadership of the University Board of Trustees and the Health Center Board of Directors. Our primary concern in developing the earlier initiatives was, understandably, to assure the ongoing strength of the Health Center as a key part of our University. Governor Malloy’s plan accepts that goal—and, indeed, provides means to support it—but views what we offer in the larger context of Connecticut’s long-term economic and public health agenda. As the Governor has said on many occasions, even as the State confronts immediate fiscal challenges, it is vital that we develop and implement a long-term agenda that reverses a climate of economic stagnation. UConn stands ready to serve as a primary instrument in moving Connecticut ahead.

## A UConn Technology Park

On April 29, against the backdrop of a hugely impressive engineering student “Senior Design Demonstration Day” display in Gampel Pavilion, Connecticut Senate President Don Williams, joined by State Representative Gregg Haddad and several of their colleagues, announced support for another initiative of tremendous promise: a University of Connecticut Research and Technology Park. The proposal revives and greatly enhances a proposal that was originally put forward a generation ago. For complex reasons that earlier plan did not come to fruition, but in the intervening years, thanks in great measure to UCONN 2000, UConn has moved ahead dramatically as a center of groundbreaking research. A new tech park will help us build on that progress.

Research and Technology parks exist at or adjacent to several major American universities, including Purdue, Virginia Tech, the University of Illinois, the University of Wisconsin, and many others. Essentially they are facilities, or clusters of facilities, that drive technology-based economic development by creating partnerships between research universities and industry, typically supporting the growth of existing companies by offering access to advanced technology, faculty expertise, and potentially engaged students and in many cases by providing incubator space for new companies (something UConn is already doing at other sites). A 2007 study of technology parks in the U.S. and Canada by the Battelle Memorial Institute estimated that the typical tech park generates several hundred jobs.

Senator Williams’ proposal includes \$18 million in funding next year for the design, site development and infrastructure improvements for the technology park site. The ultimate cost of the proposed full project, including design, construction, and specialized equipment of an initial University-industry partnership building in the tech park, is estimated to be approximately \$172.5 million, to be provided through State bonding. The tech park would be located between the northern part of campus and Route 44.

Many steps remain between the initial proposal and its ultimate creation, but the prospects are very promising. A tech park in Storrs, coupled with the facilities and programmatic initiatives that will be part of the Health Center initiative in Farmington, will, if all goes as we hope and expect, lead to a new decade of progress that will complement the achievements that followed from the University’s implementation of UCONN 2000.

## UConn Athletics

For 30,000 students and for hundreds of thousands if not millions of fans across Connecticut and beyond, UConn’s athletics program provided many happy moments over the past year. Our football team played in the Fiesta Bowl, its first-ever appearance in a Bowl Championship Series game. Our men’s basketball team won its third NCAA national championship, which led to a memorable White House visit on May 16, and our

women's basketball team advanced to its 12<sup>th</sup> Final Four. (In another notable milestone, the women's team attracted national attention and a subsequent phone call from President Obama when on December 21 they won their 89<sup>th</sup> consecutive game to set a new national record.) It is notable that this year UConn became the first school in history to play in a BCS football game and advance to the NCAA Final Fours in both men's and women's basketball, all in the same year.

Many other UConn teams also flourished in the past year. Our men's track and field team captured both the Big East indoor and outdoor championships; the baseball team won its first-ever Big East regular season championship; UConn's field hockey, men's soccer and women's soccer all advanced to their respective NCAA tournaments; and individuals from our track and field teams and our women's swimming and diving teams participated in NCAA Championship competition.

At its best, as it so often is here at UConn, intercollegiate athletics boosts national visibility, helps attract donor support, and generates interest in our academic program from potential undergraduate applicants. The University of Connecticut is first, foremost and always focused primarily on teaching, research and service. But athletics helps us immeasurably as we seek to fulfill our academic mission. And UConn athletics makes all of Connecticut feel good in a difficult time.

Like any large, complicated and successful enterprise, our athletics program deals with its share of challenges. This year we faced serious charges related to compliance with NCAA recruitment regulations. I am pleased to say that we provided comprehensive and accurate responses to the charges, admitted our mistakes, and accepted the penalties imposed. We emerged from the process more deeply committed than ever to guaranteeing a program that meets the highest of standards.

We are also committed to assuring that students in all of our sports attain strong records of academic success. UConn has never been a happy home for young athletes who only plan to stay for a year and then move on; that is inconsistent with our identity as a university of academic distinction. We devote significant resources to assuring that our student-athletes meet the criteria inherent in both words in that designation. This year, as in years past, we had much of which to be proud in that regard: 327 of our men and women student-athletes attained a grade point average of 3.0 or better in at least one of the two prior semesters, and 16 attained a perfect 4.0. In addition, eleven of our twenty-four varsity squads had a team GPA of at least 3.0. But we can always do better, and we can and will devote even more attention to assuring that the few areas in which student performance rates are lower than we would like show improvement.

Overall, the record for UConn athletics on and off the field is exceptionally positive. The investments made in our athletics program—none of which, it should be noted, represent a diversion from academic programs—have yielded returns for all of us that are almost beyond measure.

## Meeting Standards for Compliance

More than most institutions in American society, colleges and universities face a wide array of externally imposed legal, ethical and academic requirements. For the most part this is as it should be. At UConn and other major public universities we are responsible for the well-being of thousands of young people, we conduct research that has a significant potential impact on the environment, we receive and distribute large sums of money—and that list goes on. Throughout my years here one of my primary goals has been to assure compliance with all legitimate requirements of government, accrediting bodies, and others. That commitment is widely shared across the University community. This is one of those areas where success is taken for granted (ignoring the enormous effort full compliance requires) but shortfalls make big news.

But sometimes the best news is, in fact, no news. In a sense, this was the case when the U.S. Environmental Protection Agency sent us a letter on December 16 that stated, in appropriately official wording, the following: “Enclosed is the compliance agreement review report from the on-site audit review performed by an EPA Suspension and Debarment Team July 29, 2010. The team found that you had satisfactorily complied with the requirements of the agreement. Therefore we are transmitting this report without any further recommendations for action by you.”

I suspect that only those close to the world of audit and compliance know what a tremendous achievement this letter represents or how rare a report of this nature “without any further recommendations” can be. But I can say without qualification that it represents a major achievement for the University for which literally hundreds of people, notably including our research faculty and staff and our compliance personnel, should take great credit.

Let me provide some background. Eight years ago allegations came to light regarding a limited number of employees at two of the University’s research centers. We took these charges very seriously, initiated four separate independent audits, and empanelled a committee of distinguished research faculty to make recommendations on further findings. We soon instituted changes in staffing, procedure and oversight, and reorganized both centers.

In 2006 UConn entered into a Compliance Agreement with the EPA pertaining to the settlement of these issues that called upon us to develop clear, written policies to assure compliance with all laws and regulations related to federal grants; to communicate the policies to all relevant faculty and staff; to maintain a position of Chief Compliance Officer; to implement a range of comprehensive internal and external audits; to create confidential disclosure (“whistleblower”) mechanisms; and to resolve payment issues. In addition, we pledged to institute required annual training in compliance for University faculty and staff. I was pleased to authorize this agreement because the provisions made complete sense in an institution raising its research profile and committed to the highest ethical standards.

I recognize that some of the provisions, notably including the annual training requirement, imposed some inconvenience on a busy research community. We continue to seek ways to limit the incursions on faculty members' time, including combining training in related areas with research compliance sessions and making on-line sessions available. Still, the information transmitted is valuable and important and the benefits to faculty and to the University itself far outweigh the costs.

In all key areas of the compliance agreement, the University has met or exceeded all its commitments. The result was the review noted above and the wholly positive report five months later. I want to take this opportunity to thank all those involved in research administration and audit and compliance for their excellent work in this area. I also want to thank our community of faculty and staff researchers, who have given so generously of their time and effort to help the University fulfill its responsibilities. We have set a good foundation for the future.

### The University Budget

The day my appointment as Interim President was announced last June I attended the meeting of the Board of Trustees at which the Board gave final approval to the FY 2011 budget. To my surprise, Board Chairman Larry McHugh asked me to comment. Having reviewed the budget only a few hours before, I, perhaps too glibly, said the first words that came into my mind: "The budget situation is terrible. We will survive."

As all of us know, the current budget situation is even more difficult than was the case in June 2010. We will survive this, as we did the budget crises of the 1980s, the early 1990s, and the early 2000s. But it will not be easy.

Over the past many months Provost Peter Nicholls, Vice President for Health Affairs Cato Laurencin, Vice President and CFO Rich Gray and many others have worked diligently to keep the University community informed on the budget situation and knowledgeable about the choices before us. This has been challenging, since much has depended on decisions made in Hartford and elsewhere. The budget approved by the General Assembly earlier this month sets a framework. But many decisions that will affect the University's ultimate allocation of funds remain to be made. We will continue to communicate with the University community regarding specific details as we move toward the start of the new fiscal year on July 1.

This much I can say at this writing. Based on what we know and decisions made thus far—including tuition and fee adjustments approved by the Board of Trustees—we will begin the next academic year with fewer resources than was the case at the start of the last year. Yet we will enroll about 150 more students and, happily, employ more faculty.

We can do many things at the University of Connecticut, but we cannot defy the laws of arithmetic. Thus we need to make savings in a wide range of areas. We recently imposed a stringent process for approval of new, non-faculty hires and rehires. We are

reluctantly imposing budget reductions for non-personnel expenditures virtually throughout the University. We of course continue to explore alternative sources of revenue, such as an expanded summer session. And we are working with faculty and staff to find other savings.

With these measures in place we will proceed through the coming year. Moreover, we have set a foundation that will enable us to get through the following year, which is likely to be even more challenging. And I should say that not all the budget news is bleak. The FY 2012-13 Biennial Budget approved by the General Assembly included \$2.5 million in FY '13 to expand the "Eminent Faculty" program at UConn, through which the University recruits faculty who can expand our research capacity in areas important to technology transfer and development—a fine companion piece to the tech park initiative discussed above.

The old aphorism that times of adversity are also times of opportunity may be cold comfort to those within our community who are asked to defer worthy plans, but the statement does contain more than a kernel of truth. This winter the University retained McKinsey and Company, an internationally renowned management consulting firm, to work with us to identify savings in non-academic areas, and that engagement is moving at full speed. Though initially proposed by the Board of Trustees before the current budget challenges came into being, the McKinsey study will be of great value not just in the immediate future, but over the long term. Even in a more positive fiscal climate, every dollar saved in administrative costs can be redirected to our core missions of teaching, research, and student service, and that is a net gain for all of us. Many faculty, administrators, staff, and students have already met with the McKinsey team to discuss ideas, and more meetings will be taking place in the coming months.

### Final Thoughts

About two weeks ago I presided over what will truly be my final Storrs Commencement, presented my last honorary degree here, and heard an inspiring and supportive address by the Governor of Connecticut. This was the Graduate ceremony, at which we conferred more than 1,300 new master's degrees and hooded about 300 new Ph.D's. Undergraduates received their degrees at School-based ceremonies. The Health Center and the Law School held their graduations over subsequent weekends.

As I sat through the Storrs ceremony I reflected not on the day to day problems that usually occupy any president's attention, but on the enormous and almost entirely positive changes that have taken place at UConn over the past several years. Thanks to the State's long-term commitment, our campuses in Storrs and across Connecticut have been almost entirely rebuilt. Our student body has grown from about 22,000 when UCONN 2000 began to be implemented in the mid-1990s to more than 30,000 today. Average SAT scores for Storrs freshmen have climbed from 1113 to 1221 in the same period. We have recruited hundreds of outstanding new professors in that time, most still with us, and despite our perpetual budget constraints we have increased the size of faculty by 18 percent. We have raised a total of \$680 million in philanthropic support

and generated nearly two and a half billion dollars in research and training grants. UConn has climbed in almost every national ranking. Since my first Commencement in 1997 we have graduated about 55,000 undergraduates, 24,000 master's and doctoral students, 3,300 students at the School of Law, and 1,800 physicians and dentists. Most of them are contributing to Connecticut's economy; all of them are contributing to the quality of life and economic growth of our nation and our world.

I claim very little personal credit for most of this. I came in 1996 to find a state willing to invest massively in a university fully poised for dramatic growth in size and academic strength. A superb group of colleagues on the faculty, on the staff, and in the administration worked together to keep the momentum moving, address problems, and capitalize on opportunities. The Board of Trustees provided exceptional leadership. From 1996 to 2007, and again this past year, I was privileged to have a front-row view of all that was achieved.

In just a few weeks Susan Herbst will arrive to assume what I know to be one of the best jobs in American higher education. We are indeed fortunate that UConn was able to recruit a new leader of distinction who has the capacity and the commitment to guide our University to new levels of excellence. I join all of you in wishing her success in the years ahead.

cc Board of Trustees  
Health Center Board of Directors