

Executive Summary

“...[The regents shall] make a report annually, to the Legislature...exhibiting the state and progress of the University...and such other information as they may deem proper, or may from time to time be required of them.”

– University charter, 1851 Territorial Laws, Chapter 3, Section 16

Since the University of Minnesota’s inception 154 years ago, citizens, the state legislature, the federal government, the Board of Regents, alumni, students, parents, employers, and many others have held the University accountable for fulfilling its fundamental land-grant mission of teaching, research, and public engagement.

Over the years, the ways in which the University has demonstrated its accountability and its progress in meeting mission-related goals have been many – legislative reports and testimony, financial reports, accreditation reviews, and collegiate and unit annual reports to their constituencies.

Origins of the Report

In 2000, the Regents asked University administration to review three institutional reports – the institutional measures, the unit compact plans, and the annual academic plan and report – to determine the feasibility of providing a single, consolidated report each year rather than three individual reports.

In November 2000, the Board approved the creation of the *University Plan, Performance, and Accountability Report*. In its resolution, the Board noted that it “...holds itself accountable to the public for accomplishing the mission of the University” and that the report was to become the principal annual documentation of that accountability.

The first report was published in 2001. The 2004-05 edition of the *University Plan, Performance, and Accountability Report* is the fourth produced for the Board of Regents. Starting with last year’s edition, the report also serves as the University of Minnesota’s principal annual report to the State, as mandated by the 2003 Legislature.

Organization of the Report

The 2004-05 report provides an overview of the University of Minnesota and its academic priorities (Section 1), accountability measures for each campus (Sections 2-6), as well as University-wide measures related to public engagement (Section 7), efficiency and effectiveness (Section 8), and finances (Section 9).

University Performance Measures

The Executive Summary represents the University’s continuing efforts to provide a concise assessment of University performance, as requested by the Board of Regents. The assessment on the following pages includes multi-year comparisons, an analysis of the findings, and conclusions based on the findings. For each measure, the location in the report where a full discussion may be found is referenced.

Most rankings are derived from the University of Florida’s 2004 edition of *The Top American*

Research Universities. The University of Minnesota’s performance is measured relative to the average of the top-10 public and private research universities in the country and the average of the top-10 public universities only.

The reader is encouraged to not place undue emphasis on comparing individual institutions or on year-to-year shifts in rank or percentage change. Universities have their own distinct missions, histories, size, areas of excellence and emphasis, strategic objectives, breadth of

offerings, state mandates, quality of students and faculty, and myriad other factors that make each institution unique and distinct.

However, it is instructive to analyze longer-term trends and observe how the University is performing relative to the top universities as a group. From this analysis and observation it is possible to identify areas where University performance can be strengthened or improved. Driving continuous improvement is the ultimate goal of this accountability report.

Overall Performance in Top American Research Universities Rankings (Pages 12-13)	This Year Last Year 5 Years Ago	Public/Private Rank	Public Only Rank
		17 th	6 th
11 th -16 th tie	2 nd -6 th tie		
8 th -11 th tie	2 nd -4 th tie		

NOTE: Just prior to this accountability report going to press, it was discovered during final data verification that the reporting of endowment assets in the University of Florida’s annual study was incorrect. The total for the University of Minnesota should have included endowment assets of the University of Minnesota, the University of Minnesota Foundation, and the Minnesota Medical Foundation. Unfortunately, the Minnesota Medical Foundation’s FY 2003 endowment assets of \$177 million were not included.

This omission affected not only the University of Minnesota’s endowment assets ranking but also its overall ranking among the top American public and private universities. Inclusion of the \$177 million would rank the University of Minnesota at 25th nationally. Efforts are under way to correct these reporting errors in future University of Florida reports.

Analysis: According to the University of Florida report, the University dropped from the 5th tier in 2003 to the 7th tier in 2004 among public and private research universities and from the 2nd tier to the 4th tier among public research universities only. The decline in rank was due to the University’s drop from 24th place in 2003 to 26th place in 2004 among all universities in the measure of endowment assets.

Conclusion: The University should undertake a careful review of all University of Florida measures to identify areas for improvement.

Doctoral Degrees Conferred (Pages 13-14)		Public/Private Rank	Public Only Rank
		This Year	11 th
	Last Year	9 th	9 th
	5 Years Ago	5 th	4 th
<p>Analysis: The number of doctoral degrees conferred has been declining nationally, but the University's rate of decrease has been greater than either the top-10 public/private universities or the public universities only – by a margin of 14 to 15 percent over the past five years. This rate of decrease has led to the University's decline in the rankings.</p>			
<p>Conclusion: The University is participating in a national study by the Council of Graduate Schools to identify factors leading to this decline. In addition, the University should undertake additional research of its own on such factors as time-to-degree, financial issues, graduate student advising, and housing.</p>			
Total Research Expenditures (Pages 35-36)		Public/Private Rank	Public Only Rank
		This Year	11 th
	Last Year	10 th	7 th
	5 Years Ago	13 th	9 th
<p>Analysis: The University's slight improvement in the rankings masks a more serious longer-term trend. Over the past decade, when the percentage increase in total research expenditures is calculated in constant 1983 dollars, the University was outperformed by all but one of the institutions in this year's two top-10 lists.</p>			
<p>Conclusion: The University should undertake a thorough analysis of these findings to determine what steps need to be taken to improve this indicator and the University's performance relative to its peers.</p>			
Federal Research Expenditures (Pages 36-37)		Public/Private Rank	Public Only Rank
		This Year	15 th
	Last Year	15 th	8 th
	5 Years Ago	14 th	7 th
<p>Analysis: Similar to the total research expenditures measure, the University's stable ranking in federal research expenditures masks a more serious longer-term trend. Over the past decade, when the percentage increase in federal research expenditures is calculated in constant 1983 dollars, the University was outperformed by all but four of the institutions in this year's two top-10 lists.</p>			
<p>Conclusion: The University should undertake a thorough analysis of these findings to determine what steps need to be taken to increase federal research expenditures and the University's performance relative to its peers.</p>			

Average Licensing Income (Pages 138-139)	This Year Last Year 5 Years Ago	Public/Private Rank	Public Only Rank
		5 th	3 rd
12 th	6 th		
23 rd	9 th		
<p>Analysis: Year-to-year shifts in licensing income can vary significantly depending upon a number of factors such as new patents and licensing agreements coming on line. However, over time, the University has outperformed the average of the top-10 institutions in both rankings.</p>			
<p>Conclusion: Results from the University's newly launched Office of Business Development should be monitored closely to ensure the continued growth of this important technology commercialization measure.</p>			
National Academy Members (Pages 14-15)	This Year Last Year 5 Years Ago	Public/Private Rank	Public Only Rank
		25 th	11 th
23 rd	11 th		
23 rd	10 th		
<p>Analysis: The number of University faculty who have been selected for membership in the prestigious National Academy of Sciences, National Academy of Engineering, or the Institute of Medicine has increased only marginally over the past few years while other institutions have performed better on this measure, leading to a slight decline in the University's ranking.</p>			
<p>Conclusion: The University has many deserving faculty in a range of disciplines whose qualifications and contributions to their fields may not have been adequately brought forward. A University-wide committee and committees within each college are being formed to identify, support, and nominate these faculty members.</p>			
Faculty Awards (Pages 16-17)	This Year Last Year 5 Years Ago	Public/Private Rank	Public Only Rank
		43 rd	19 th
31 st	18 th		
19 th	9 th		
<p>Analysis: A 50 percent decline in the number of these prestigious national and international awards to faculty in the arts, humanities, science, engineering, and health over the past five years has resulted in the University's precipitous decline in the rankings.</p>			
<p>Conclusion: The Provost has formed a task force to review these findings in depth, make recommendations for increasing the number of nominations for such awards, and to carefully monitor progress.</p>			

Post-Doctoral Appointees (Pages 17-18)	This Year Last Year 5 Years Ago	Public/Private Rank	Public Only Rank
		13 th	5 th
		16 th	7 th
		15 th	8 th
<p>Analysis: In the past year, the University has outperformed the top-10 public and private universities and the top-10 public universities by 13 to 15 percent, leading to a higher ranking among both groups.</p>			
<p>Conclusion: The University should identify the academic units that are contributing most to this performance trend in order to establish best practices and to share these practices with other units.</p>			
Endowment Assets (Pages 169-170)	This Year Last Year 5 Years Ago	Public/Private Rank	Public Only Rank
		26 th	6 th
		24 th	5 th
		23 rd	4 th
<p><i>NOTE: Just prior to this accountability report going to press, it was discovered during final data verification that the reporting of endowment assets in the University of Florida's annual study was incorrect. The total for the University of Minnesota should have included endowment assets of the University of Minnesota, the University of Minnesota Foundation, and the Minnesota Medical Foundation. Unfortunately, the Minnesota Medical Foundation's FY 2003 endowment assets of \$177 million were not included.</i></p> <p><i>This omission affected not only the University of Minnesota's endowment assets ranking but also its overall ranking among the top American public and private universities. Inclusion of the \$177 million would rank the University of Minnesota at 25th nationally. Efforts are under way to correct these reporting errors in future University of Florida reports.</i></p> <p>Analysis: This measure includes the market value of the endowment assets of the University of Minnesota, the University of Minnesota Foundation, and the Minnesota Medical Foundation. The two-position decline in this year's ranking caused the University to drop in the University of Florida's overall ranking of top research universities. Also, an initial analysis indicates that the investment performance of the University of Minnesota's consolidated endowment fund (CEF) contributed to these results.</p>			
<p>Conclusion: The recent revision of asset allocation guidelines by the Board of Regents and a new emphasis on alternative investment classes already have led to better performance and should result in higher rankings over time. However, this measure warrants further analysis and monitoring.</p>			

Annual Giving (Pages 172-173)	Public/Private Rank	Public Only Rank
	This Year	15 th
	Last Year	7 th
5 Years Ago	14 th	4 th
5 Years Ago	18 th	6 th

Analysis: The slight reduction in the University’s rank was not unexpected and is a direct – and common – result of the end of a highly successful capital campaign. (The University completed its \$1.66 billion Campaign Minnesota drive in June 2003 – one of the most successful campaigns ever in American higher education.)

Conclusion: Continuing efforts should be made to increase alumni participation rates in annual giving to the University.

Undergraduate Retention Rates (One-Year Comparison)		1 st Year	2 nd Year	3 rd Year
		Twin Cities (Pages 42-45)	86.3% Up 0.5 points	77.0% Up 1.0 points
Duluth (Pages 86-88)	78.7% Up 2.3 points	66.0% Down 1.6 points	63.7% Down 2.0 points	
Morris (Pages 104-106)	86.7% Up 7.1 points	74.3% Up 4.3 points	68.6% Up 0.3 points	
Crookston (Pages 119-120)	62.4% Down 5.8 points	54.7% Up 4.5 points	45.0% Up 4.9 points	

Twin Cities: All retention rates increased, with third-year rates leading the way. All rates reached their highest levels in the past decade. Rates for students of color were also up significantly over the past year.

Duluth: First-year retention increased over the previous year, while second- and third-year rates decreased. During the decade, all rates were fairly consistent. For students of color, the most significant change was a 10.1 percentage point increase in third-year retention.

Morris: First- and second-year retention rates improved significantly over the previous year while third-year rates were up only slightly. All rates fell during the mid-1990s but are now rebounding. First- and third-year retention rates for students of color showed major gains over the previous year, while second-year rates declined.

Crookston: Second- and third-year retention rates increased by 4 to 5 percentage points over the previous year while the first-year rate fell by almost 6 points. All rates are virtually unchanged from 10 years ago.

Undergraduate Graduation Rates (One-Year Comparison and 2012 Goal)		4-Year		5-Year		6-Year	
		Actual	2012 Goal	Actual	2012 Goal	Actual	2012 Goal
		Twin Cities (Pages 45-47)	32.3% Up 0.2 points	50%	56.0% Up 5.6 points	70%	56.9% Up 1.8 points
Duluth (Pages 86-88)	25.9% Up 3.4 points	30%	47.4% Up 2.4 points	53%	51.0% Down 1.8 points	58%	
Morris (Pages 104-106)	40.9% Up 0.7 points	52%	55.8% Up 2.2 points	66%	57.1% Down 3.2 points	68%	
Crookston (Pages 119-120)	20.1% Up 0.4 points	36%	33.5% Down 0.4 points	45%	37.4% Down 2.2 points	49%	

Twin Cities: Current results continue the steady improvement in graduation rates; over the past decade improvements have ranged from nearly 12 to over 19 percentage points. Rates for students of color have improved significantly, particularly four- and five-year rates.

Duluth: Four- and five-year graduation rates made notable one-year gains while the six-year rate was down slightly. Graduation rates for all students matriculating over the past decade have been fairly constant, while those for students of color rose significantly.

Morris: Morris has the highest four-year graduation rate of any University campus and is virtually even with the Twin Cities campus in five- and six-year rates; the four-year rate for students of color is up nearly 10 percentage points over the previous year. Over the past eight years, however, graduation rates for all students have generally trended downward.

Crookston: Four- and five-year graduation rates held steady over the previous year while six-year rates fell slightly. Over the past eight years, all rates have risen slightly.

Infrastructure Sustainability and Stewardship

(Pages 71-74)

Analysis: With the Board of Regents adoption of a new sustainability and energy efficiency policy, the University has embarked on a series of initiatives to integrate environmental, social, and economic goals through design, planning, and operational organization to meet current needs without compromising the ability of future generations to meet their own needs. Appropriate performance measures are being developed in order to achieve continuous improvement in the use and maintenance of facilities, energy use, transportation, and other key infrastructure areas.

Energy use is already carefully tracked against past performance. The Facilities Condition Needs Index also offers a promising metric for identifying and prioritizing maintenance needs and comparing the University's performance with peer institutions.

Conclusion: Continued development of a range of sustainability and stewardship performance measures will enable the University to increase the efficient and effective use of its physical resources.

Citizen Satisfaction

(Pages 145-148)

Satisfaction: A December 2004 statewide survey showed about half of respondents were "very" or "somewhat satisfied" with the University. Satisfaction in all areas of the survey was generally higher in 2004 than in 2003. Satisfaction with the University's management of financial resources rose by 11 percentage points and satisfaction with keeping tuition affordable rose 13 percentage points.

Importance: Respondents ranked providing high-quality undergraduate and graduate/professional education as the two highest factors of importance to the state, while providing public services, attracting employers, and being ranked a top university nationally ranked among the lowest in importance.

Funding: A majority of respondents (51 percent) supported more state funding of public higher education while only 6 percent thought there should be less spending.

Admissions: By a margin of more than 3 to 1, respondents thought the University should be open to any resident who meets minimum standards rather than admitting only top students.

Conclusion: These and other findings – first available only in January 2005 – should be analyzed carefully, as they have been in previous years, for meaningful trends and understanding.

University Faculty and Staff Satisfaction

(Pages 66-67)

An April 2004 survey of over 6,000 faculty and staff examined experiences and attitudes about: job satisfaction, pay and benefits, supervisor and departmental support, university climate, retention and considerations in leaving, and life outside of work. For complete results see: www.umn.edu/ohr/pulse

Faculty: Most favorable results – job satisfaction, satisfaction with University as employer, satisfaction with co-workers, satisfaction with immediate administrator, intentions to remain at the University, and general well-being outside of work. Less favorable results – pay satisfaction, work-family conflict, support from departmental chair or responsible administrator.

Staff: Most favorable results – job satisfaction, satisfaction with University as employer, satisfaction with co-workers and supervisors, intentions to remain at the University, and general well-being outside of work. Less favorable results – satisfaction with promotion, pay satisfaction, supervisor support for career development, and perceptions of job security.

Conclusion: These and other findings – first available only in January 2005 – should be analyzed carefully for meaningful trends and understanding, with results communicated broadly.

Executive Summary