

# Annual Report to the Board of Trustees on the State of the University

**John L. Anderson, President**

October 25, 2012

2012





# Summary

Over the past year the university has achieved most of its goals and is working to set its sights higher. The FY12 budget targets were met including continued overall net tuition and enrollment growth, recruitment of new faculty in alignment with strategic objectives, the funding of a merit pool salary increase for faculty and staff, and the partial funding of depreciation (\$4 million) for capital (facilities) renewal. This was achieved even though the endowment distribution decreased (according to the board-approved formula) by 18 percent and, for the first time in more than a decade, the excess endowment draw to fund operations was eliminated. The university's financial strength ratio, as calculated by the U.S. Department of Education to establish eligibility for federal student loan programs, increased sufficiently to release a letter of credit that partially secured those loan programs, freeing up about \$6 million in working capital.

Enrollments remained strong with 807 new undergraduate and 1,847 new graduate students. In fall 2012 there are 2,610 full-time undergraduate students, the largest full-time enrollment since 1983. We have entered a new era when about a third of the incoming undergraduate students are transfer students; however, many of these transfers enroll in first-year courses, and nearly all spend at least three years at IIT. Graduate enrollment dropped slightly but is still very healthy, and our international student enrollment remains robust with 1,158 new overseas students (65 percent of our new entering graduate students). First-to-second-year retention for undergraduates again exceeded 90 percent, and the first-to-third year-retention was 84 percent—best in our history. Most encouraging is the positive student morale and active leadership by student government. The university continues to benefit from contributions from outstanding student leaders, which is due in part to our unique Leadership Academy.

With the exception of its part-time programs, Stuart School of Business moved to Main Campus; this move has already resulted in more interdisciplinary initiatives between Stuart School of Business and other units on campus. A world-renowned architect was hired to be dean of our College of Architecture, 43 new faculty (17 on the tenure track) were hired, and three endowed professorships were appointed to faculty members hired from outside the university. An internationally preeminent center (Robert W. Galvin Center for Electricity

Innovation) was established, and research expenditures exceeded \$42 million as federal stimulus money dried up. Two new vice presidents were appointed to replace colleagues who retired.

New academic programs include the Entrepreneurship Academy, with the Knapp Entrepreneurship Center as the foundation, along with a robust curricular offering by Stuart School of Business; full adoption of IPRO 2.0, which has standardized the teaching of the two IPRO courses with more emphasis on teaming and communication skills; more than 20 co-terminal degrees were initiated; Armour College of Engineering reorganized its undergraduate curriculum; and the Board of Trustees approved the formation of the new Lewis College of Human Sciences and the College of Science.

Major investments in the physical plant include renovations of the 18th and 13th floors of the Tower to accept the transition of Stuart School of Business to Main Campus; completion of the 16th floor of the Tower for the Robert W. Galvin Center for Electricity Innovation; and investment in the smart microgrid infrastructure of the university, the campus wireless network, and student housing.

Alumni engagement continued to grow substantially, as evidenced by the number of alumni events held and the attendance at these events. We also saw a substantial increase in major donations from alumni who were previously non-donors or who donated at a very small level. The fundraising campaign, which was formally begun with the private phase on June 1, 2010, did well but did not quite reach its two-year goal. We are on track to reach the appropriate level of fundraising progress to make the public announcement in February 2013.

The visibility of the university has been increased through efforts by both our Marketing and Communications staff and our External/Community Affairs staff. Our marketing and communications activities have been consolidated and better coordinated throughout the university, and our Admission offices now use our M&C staff for their advertising and outreach rather than outsourcing it. There were several high-profile appearances by elected officials on campus—Mayor Emanuel gave two press conferences, and Governor Quinn gave

one. On the academic side, highly recognized speakers were brought to campus, including the president of Lehigh University, two U.S. Supreme Court justices, and members of the National Academy of Engineering and Science. The president of IIT chaired the nominating committee of the National Academy of Engineering, which among other tasks selected the next president of NAE.

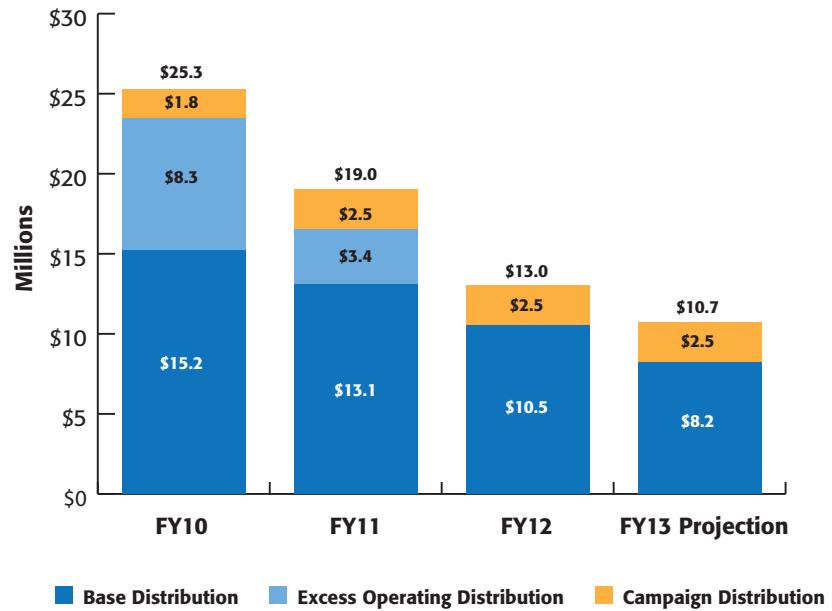
The figures and charts attached to this report provide more quantitative details of progress.

## GOALS for FY13

- Meet the FY13 operating budget target and develop an FY14 budget that continues to improve and align operations with strategic objectives and incrementally grows the partial funding of depreciation.
- Further strengthen our liquidity and continue to preserve and build unrestricted net assets.
- Increase the visibility of IIT through marketing with measurable results.
- Make significant progress in fundraising for the Innovation Center, and meet campaign goals.
- Increase enrollment of full-time undergraduate students to 2,750 in fall 2013 and maintain graduate/professional enrollment.
- Continue to hire excellent faculty.
- Further integrate our educational programs in leadership, entrepreneurship, and IPRO.

# Figures

**Figure 1.** Total endowment distributions by year.

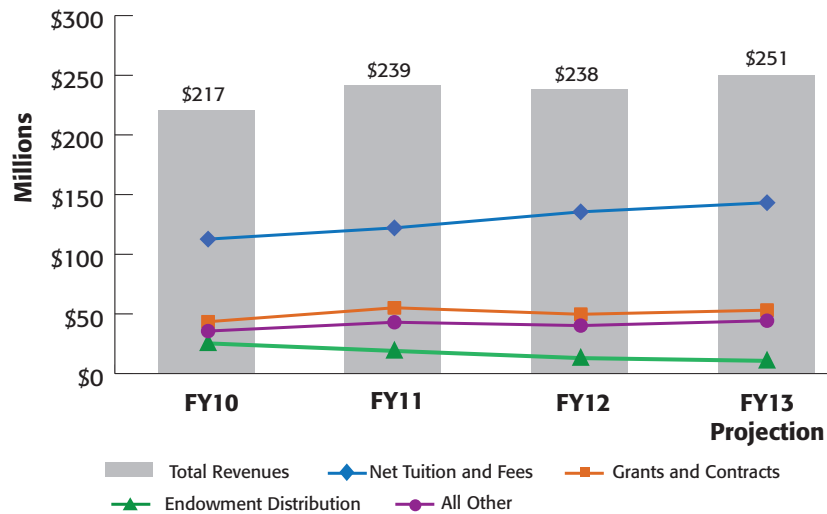


2012

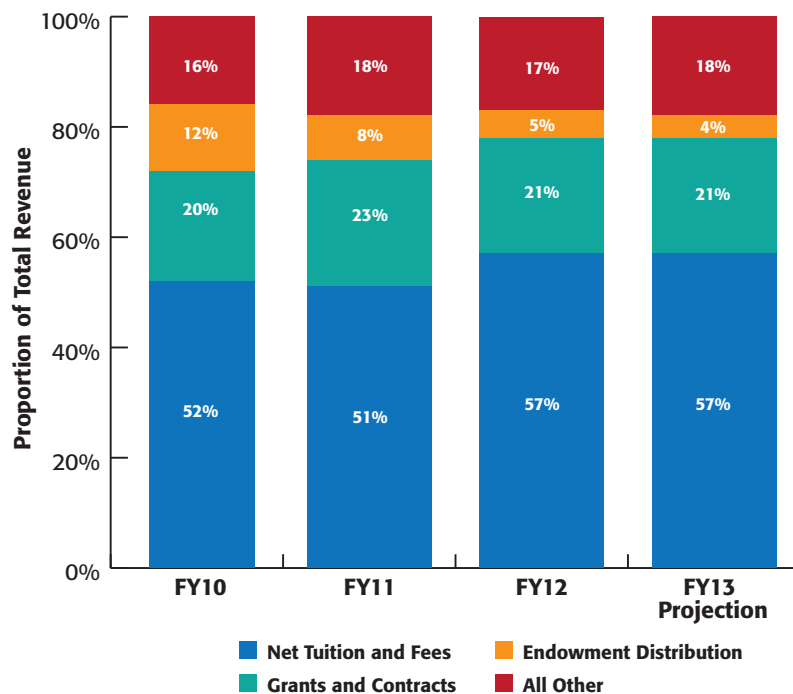
# Figures

2012

**Figure 2.** Total revenue (in \$) with detail by major source.



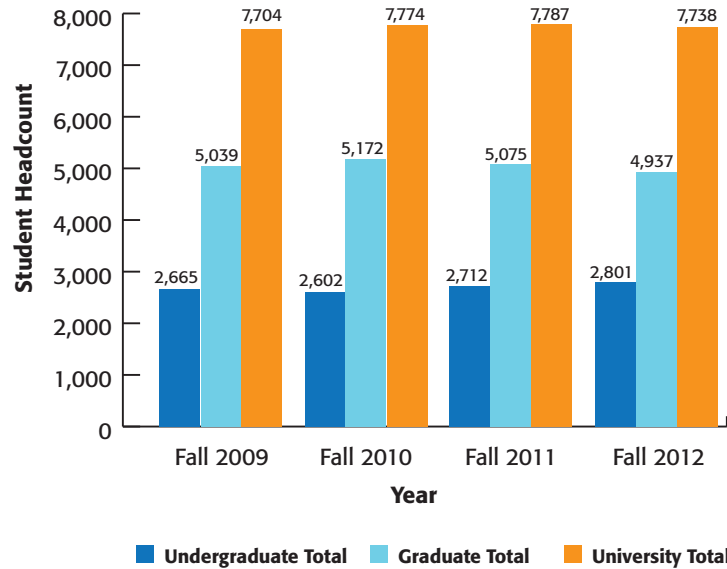
**Figure 3.** Contributions to revenue (%) from various sources.



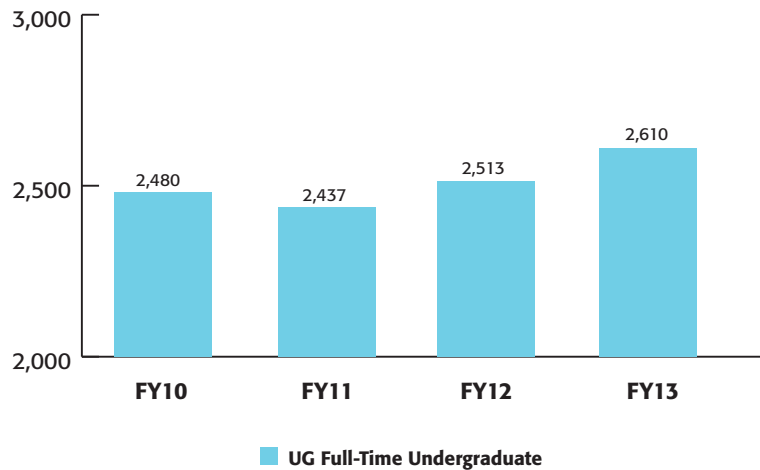
# Figures

2012

**Figure 4.** Total fall undergraduate and graduate enrollment.



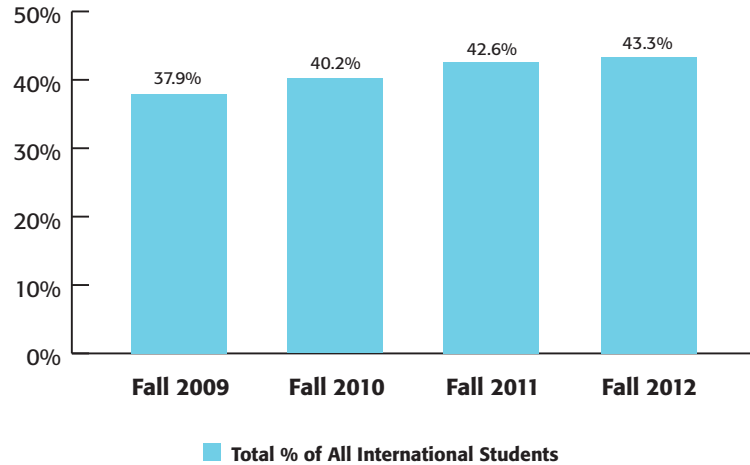
**Figure 5.** Full-time undergraduate enrollment.



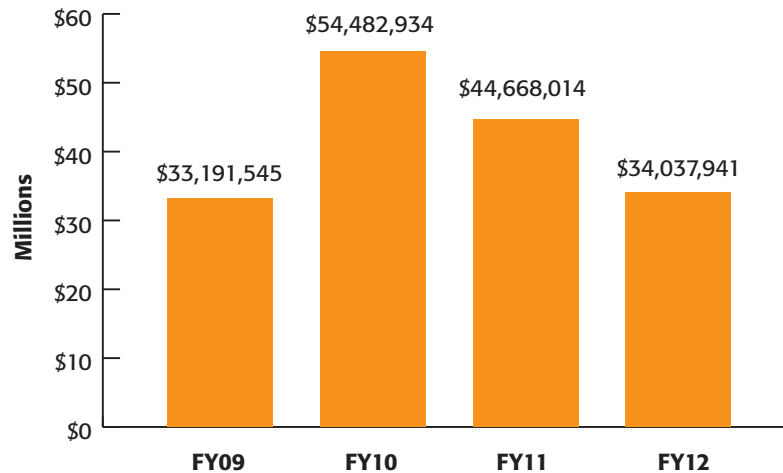


# Figures

**Figure 6.** International students (%) in undergraduate and graduate enrollment.



**Figure 7.** Research awards (in \$). IITRI not included.



# Figures

## Figure 8. **FACULTY ACCOLADES 2011–2012**

- Pavel Snopok, Physics, received a Department of Energy “Early Career Award.”
- Shawn Shadden, Mechanical, Aerospace, and Materials Engineering, received a National Science Foundation “Young Investigator Award.”
- Darsh Wasan was named a Fellow of the American Chemical Society.
- John Ronan, Architecture, won the AIA Institute Honor Award for the Poetry Foundation building in Chicago.
- Dirk Denison, Architecture, won an AIA Housing Award for design of a Carmel Residence.
- Xian-He Sun, Computer Science, named an IEEE Fellow.
- Alan Cramb, Provost, gave the J. K. Brimacombe Memorial Lecture.
- John Anderson, President, received the National Engineering Award from the American Association of Engineering Societies.

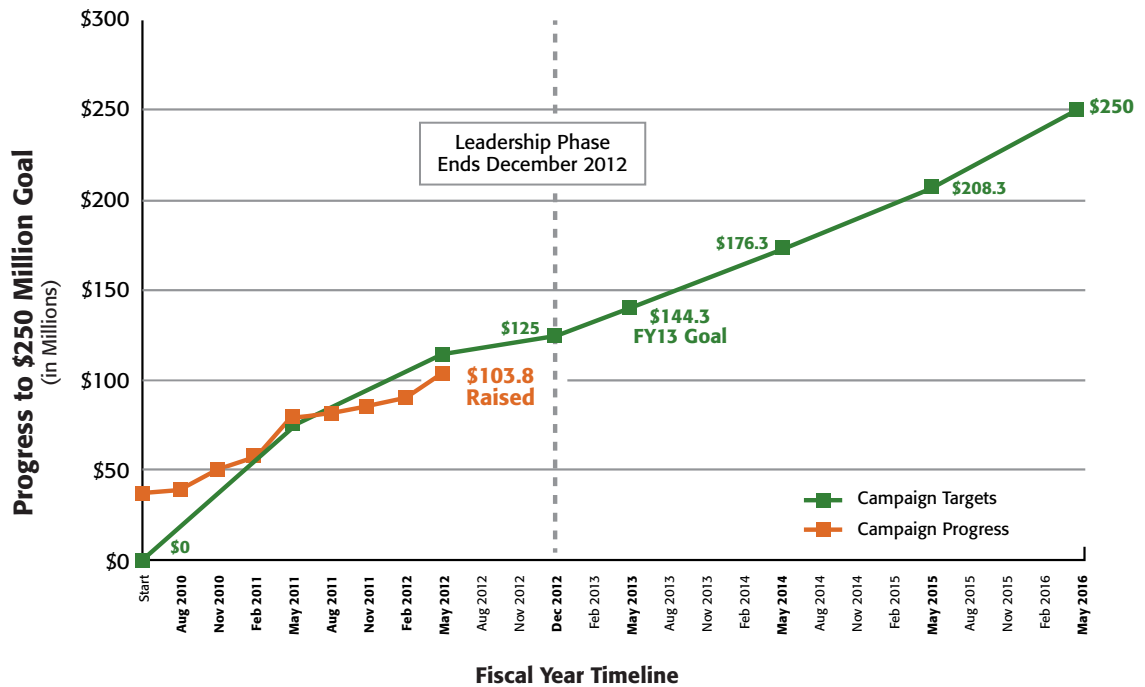
## Figure 9. **MAJOR EDUCATIONAL INITIATIVES 2011–2012**

- More than 20 co-terminal (bachelor-master) degree programs were initiated in the last year.
- Lewis College of Human Sciences and the College of Science were approved by the Board of Trustees. Lewis College will contain the departments of Humanities, Psychology, and Social Science; the College of Science will house Applied Mathematics, Biology, Chemistry, Computer Science, and Physics. The colleges will accept their first classes in fall 2013.
- Stuart School Business moved to our Main Campus from the Downtown Campus and completely redefined its undergraduate curriculum.
- Armour College of Engineering reorganized its undergraduate programs to emphasize four themes: Water, Health, Energy, and Security.
- The School of Applied Technology added its first two tenured faculty members (Robert Carlson and Robert Brackett) and the graduate programs of the Institute for Food Safety and Health joined this academic unit.

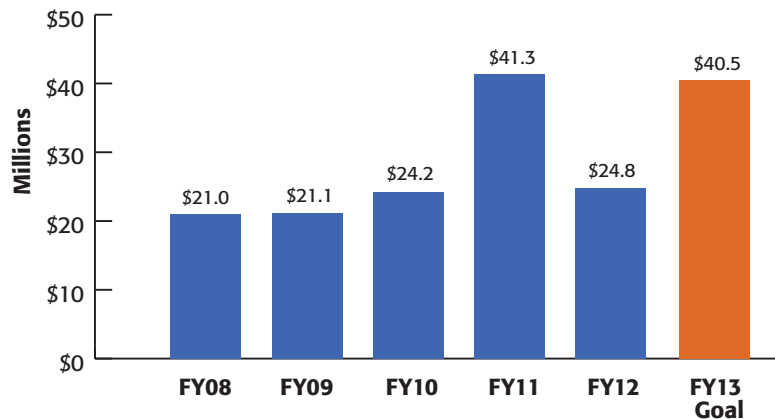
2012

# Figures

**Figure 10.** Timeline for Fueling Innovation: The Campaign for IIT. Orange line shows quarterly campaign progress (new cash gifts and pledges) since the initiation of the campaign's leadership phase in June 2010, including select commitments from lead donors received prior to that date.



**Figure 11.** Annual fundraising progress (new cash gifts and pledges) from FY08–FY12, including FY13 fundraising goal.



2012

# Figures

## Figure 12. **ADVANCEMENT OF IIT VISIBILITY 2011–2012**

- Press Conferences by Governor Quinn (1) and Mayor Emanuel (2).
- President John Anderson was named chair of nominating committee to select the new president of National Academy of Engineering (NAE).
- Notable speakers (through 9/12): Alice Gast, president, Lehigh University; Subra Suresh, director, National Science Foundation; U.S. Supreme Court Justices Stephen Breyer and Antonin Scalia; and Maya Lin, architect of the Vietnam Veterans Memorial.
- IIT mentioned/featured in 339 news stories in 103 local, national, and international media outlets, including: CNN, *Crain's Chicago Business*, *Chicago Tribune*, *Huffington Post*, *Los Angeles Times*, *New York Times*, NPR, *USA Today*, *Wall Street Journal*, and *Washington Post*.
- *Architectural Digest* named IIT one of "The Ten College Campuses with the Best Architecture" (August 2011)—and *U.S. News & World Report* named State Street Village one of the "Coolest Dorms in the Nation" (March 2012).
- A *New York Times* op-ed (February 2012: "Facebook is Using You") and new book (*I Know Who You Are and I Saw What You Did: Social Networks and the Death of Privacy*) by IIT Chicago-Kent Distinguished Professor of Law Lori Andrews received significant national media attention.

2012

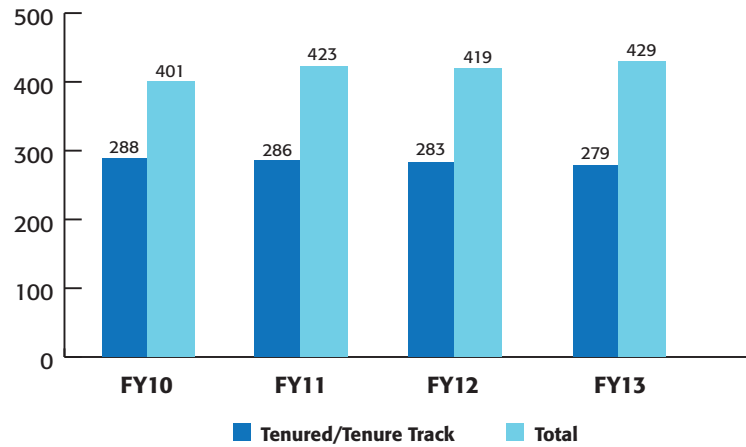
**Illinois Institute  
of Technology**

Office of the President  
10 West 35th Street  
Suite 1900  
Chicago, IL 60616  
[www.iit.edu](http://www.iit.edu)

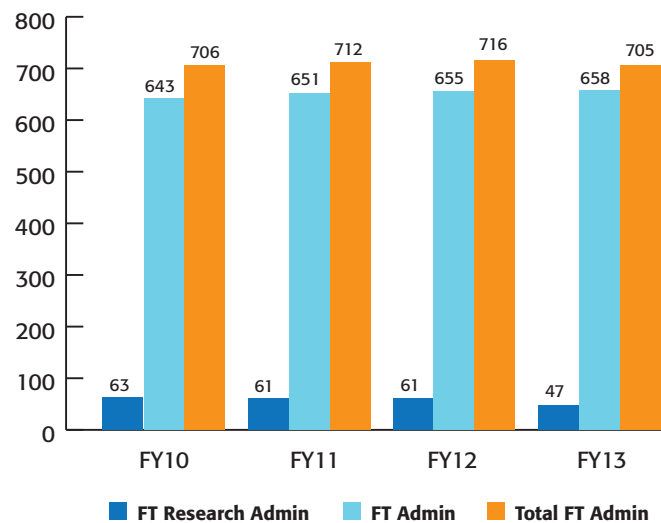
# Figures

2012

**Figure 13.** Full-time faculty.

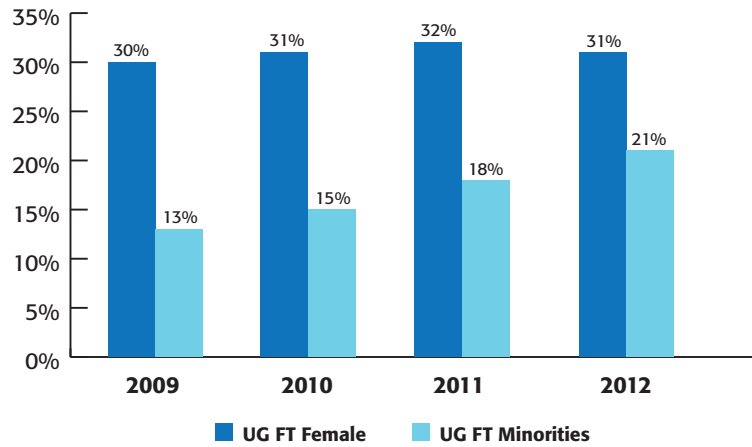


**Figure 14.** Full-time staff. FT administrative staff are funded by general revenues, and FT research administrative staff are funded by direct charges to research grants.



# Figures

**Figure 15.** Fall full-time undergraduate enrollment. Female and minority enrollment.



2012



**Illinois Institute  
of Technology**  
Office of the President  
10 West 35th Street  
Suite 1900  
Chicago, IL 60616  
[www.its.edu](http://www.its.edu)

ILLINOIS INSTITUTE  
OF TECHNOLOGY

The logo of the Illinois Institute of Technology, featuring a red triangle with a grid of white dots inside, pointing downwards.