

# University of Alaska Anchorage

FY17 Budget Request Review  
21 August 2015



# UAA Agenda

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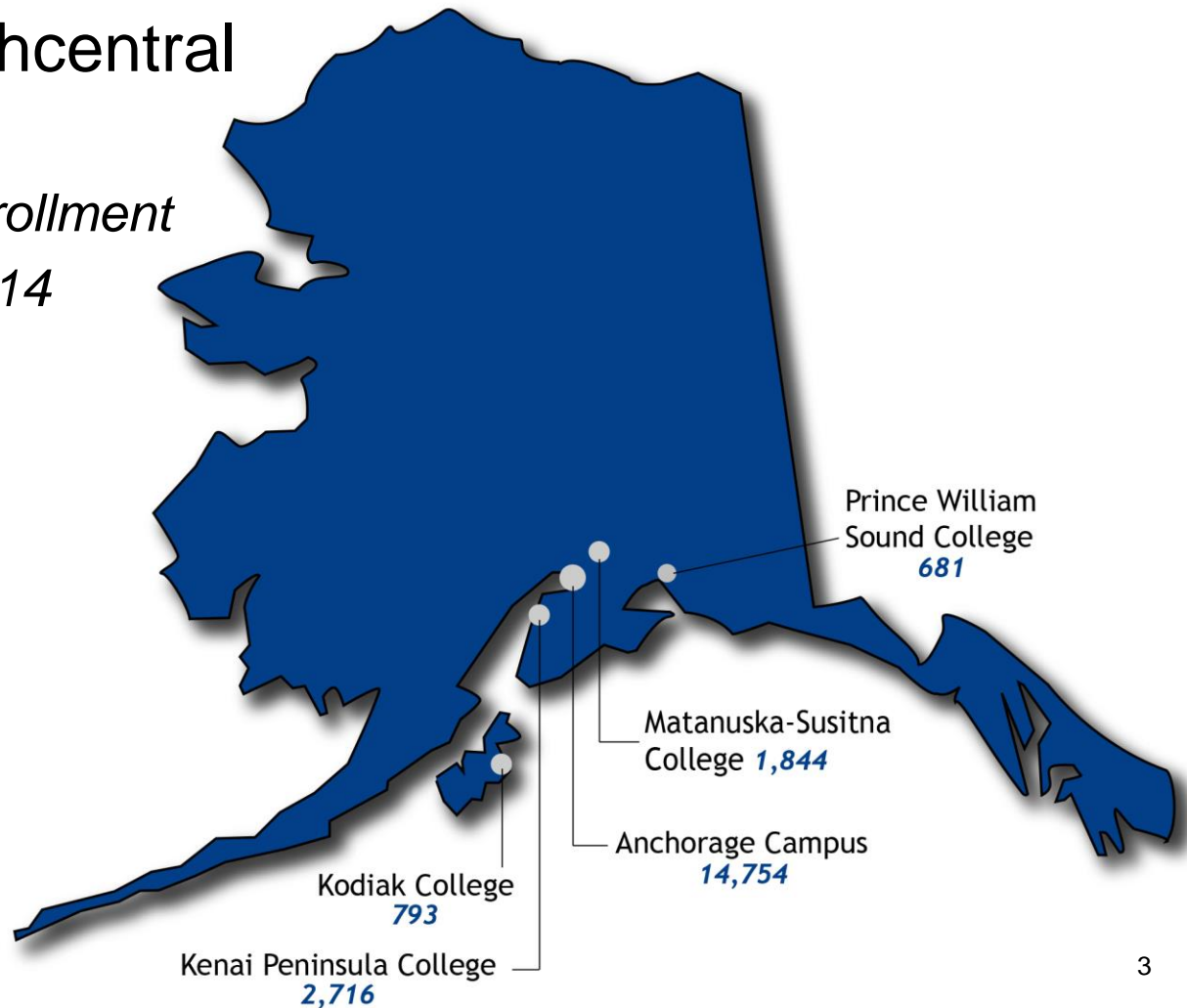
- UAA Year in Review: FY15
- FY15 and 16: Actions Taken to Perform Mission with less GF
- FY17 Projections
- A Better Way to the Future
- The Path Forward
- FY17 Operating Budget Request
- FY17 Capital Budget Request
- Concluding Remarks



# UAA Year in Review: FY15

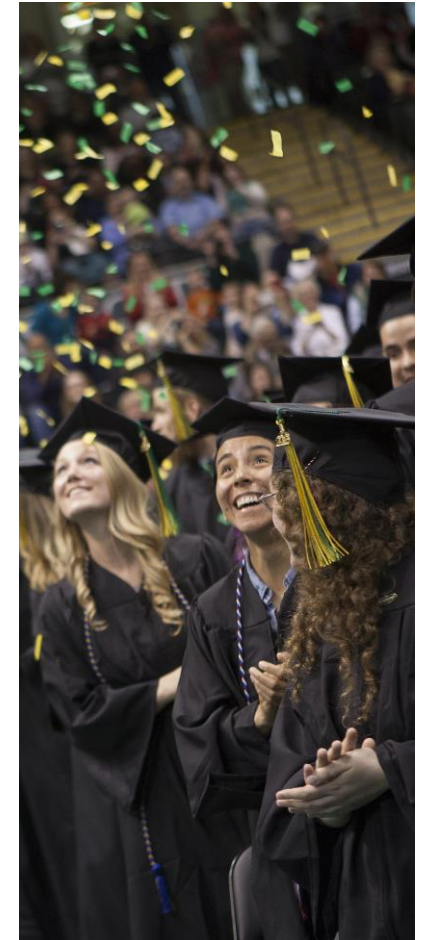
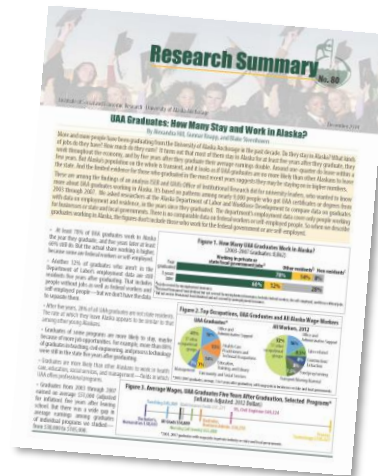
Serving Southcentral  
Alaska:

*UAA Student Enrollment*  
**18,649** in Fall 2014



# UAA Year in Review: FY15

- **2,561 Degrees Awarded**
  - *1,800 in High-Demand Job Areas*
- **78%** of UAA graduates work in Alaska the year they graduate.
- **60%** are still working in Alaska after 5 years.
- **80%** of graduates in teaching, civil engineering and process tech were still working in Alaska 5 years after graduation.



# UAA Year in Review: FY15

Commencements return to two campuses.  
New facilities make it possible.

- Anchorage hosts on-campus fall and spring commencements in the new Alaska Airlines Center.
- Mat-Su hosts on-campus commencement at the new Glenn Massay Theater.



# UAA Year in Review: FY15

## ■ Highlights

- *U.S. News & World Report* ranked UAA in the top 20 percent of schools in its 2015 list of the best online programs for master's degrees in education.
- School of Nursing was ranked #3 on nursejournal.org's list of *America's Best Nursing Schools in the West*.
- College of Business and Public Policy's experimental economics program has been ranked in the top 10 percent of programs of its kind worldwide by RePEc (Research Papers in Economics).
- UAA once again earned the Community Engagement classification from the *Carnegie Foundation for the Advancement of Teaching*, one of a select number of colleges and universities to receive this recognition.
- ANSEP received high marks from external evaluation by Urban Institute.



# UAA Year in Review: FY15

## ■ Highlights of Collaboration

- The Arctic Domain Awareness Center (ADAC), funded by the Department of Homeland Security, is a UAA-led consortium of 16 partners of universities, including UAF, industry and research centers in the U.S. and Canada.
- UAA Consortium Library maintains external strategic partnerships with the other UA libraries, APU, ARLIS, AMIPA, the Alaska Library Network and the Alaska State Library.
- College of Engineering - In AY15 a synchronous distance course was set up at both UAF and UAA.
- Alaska Native Studies Council - Alaska Native faculty and staff from UAA, UAF and UAS teleconference regularly to strategize ways to improve Alaska Native student success.
- Student Affairs partnered with UAF Student and University Advancement to implement a Client Relationship Management (CRM) tool.



# UAA Year in Review: FY15

## ■ Highlights of UA System Collaboration

- Institute for Circumpolar Health Studies contributed to renewal of the Alaska INBRE program funded by the National Institutes of Health (NIH) National Institute of General Medical Sciences (NIGMS).
- The **UA English Alignment** and **Math Alignment** committees comprised of faculty from UAF, UAA and UAS and chaired by UAA faculty (Dan Kline for English and Mark Fitch for Math) brought coherence and alignment to two important components of the general education curriculum across the UA system in less than a year's time.
- UAA, UAF and UAS administrative leadership, in concert with OIT, have created a team that is working together with Ellucian to assess the governance and control of IT enterprise systems at UA.
- The special education programs across UAA, UAS and UAF meet once a year at the Alaska State Special Education Conference (ASSEC) to discuss our continued collaboration, which has taken place since 2008.

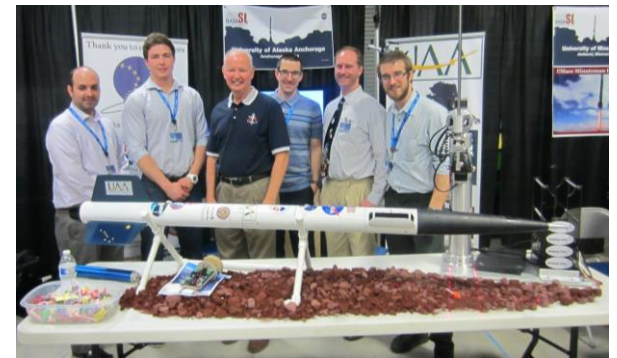




# UAA Year in Review: FY15

## Student Excellence & Achievement

- Oliver Petraitis is the 11<sup>th</sup> UAA student in the last decade to receive a *Fulbright Scholarship*.
- A team of three UAA graduate students placed first out of 608 college teams in *The Global Capstone Business Competition*.
- In its first year competing in the *NASA Student Launch Challenge*, UAA won the university-level Rocket Fair Award out of 32 university teams.
- 91% of KPC paramedic graduates pass the *National Registry Test* on first attempt: national average is 64%; 95% job placement rate.



# UAA Year in Review: FY15

## Student Excellence & Achievement

- *Seawolf Debate* was ranked 6th in the U.S. and 17th in the world in university debating.
- *UAA Athletics* ranked in top 10% in Division 2 schools.
- *The Northern Light*, UAA's student newspaper, won first-place honors for *Best Media Website* and *Best Page Layout* at the annual Alaska Press Club Awards.



# UAA Year in Review: FY15

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## Faculty Excellence

- **Zeynep Kilic**, Ph.D., was selected as a *Fulbright Scholar* for 2015–16.
- **Natasa Masanovic**, Department of Languages, was honored as a 2014 *YWCA/BP Woman of Achievement* for mentoring students, many of whom have become Fulbright Scholars.
- **Dianne Tarrant**, School of Nursing, received the *American Academy of Nurse Practitioners (AANP) Advocacy Award* for her work on issues concerning nurse practitioners in Alaska.



# UAA Year in Review: FY15

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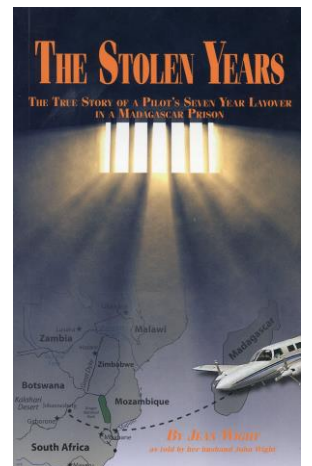
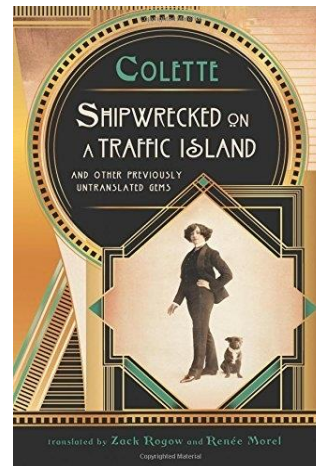
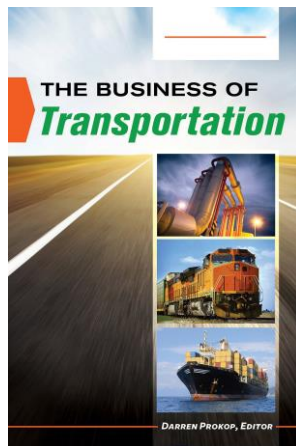
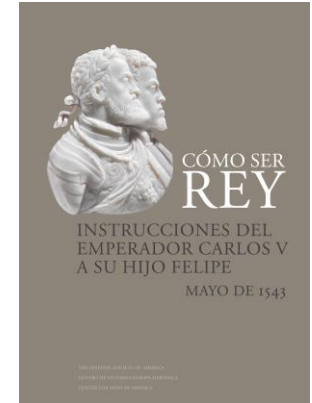
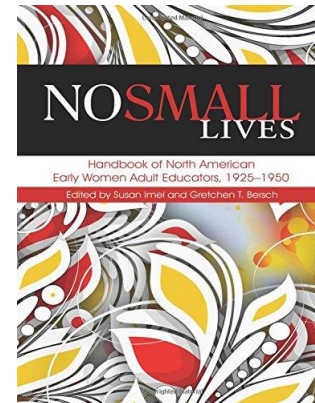
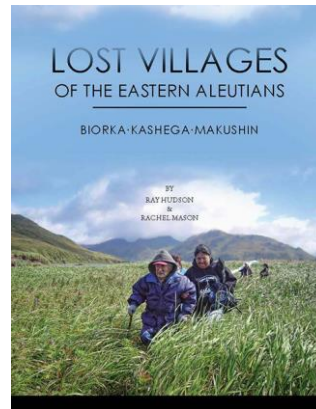
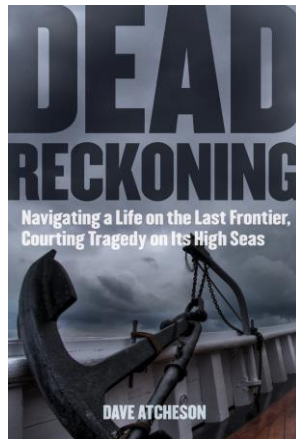
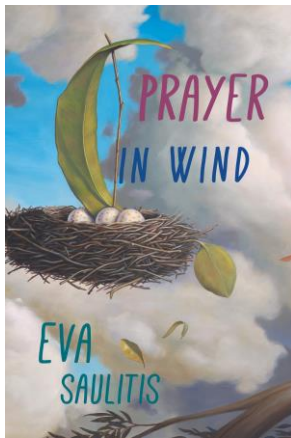
## Faculty Excellence

- Professor Emeritus **Garry Kaulitz** has been named the *2015 Rasmuson Foundation Distinguished Artist*, the 12th Alaskan to receive this award.
- **Don Rearden's** novel *The Raven's Gift* was selected for the Anchorage Public Library's 2015 Anchorage Reads.
- In December 2015, UAA honored Nobel Laureate **Vernon Smith**, founder of UAA's Experimental Economics Lab, with the UA System's first-ever dual Honorary Degree and Meritorious Service Award.



# UAA Year in Review: FY15

## Books published by UAA Faculty in FY15



# UAA Year in Review FY15

## Research Tech Transfer

- First student patent awarded to **Alexandra West** for a fish carcass disposal system.
- **Anthony Paris**, Associate Professor of Engineering, was granted a patent for “Bending Instrument and Methods of Using Same.”
- UAA startup **Cogniceutic Solutions, LLC** is testing a nutritional therapy that will dramatically improve memory and reduce cognitive deficits of aging-associated dementia and neuro-degenerative diseases associated with aging.



# UAA Year in Review FY15

## Community Engagement

- For the fifth year in a row UAA was named to the President's Higher Education Community Service Honor Roll.
- The Institute for Social and Economic Research (ISER) provided analysis and sponsored public forums related to Alaska's budget crisis in spring 2015.
- 100 UAA geography and civic engagement students helped elementary, middle and high school ASD students through an English Language Learner service-learning project pairing them as tutor/mentors.



# UAA Year in Review FY15

## Community Engagement

- Seawolf athletes contributed 1,600 hours in service to the community.
- The new Alaska Airlines Center hosted more than 180 events and more than 138,000 people.
- MSC's new Glenn Massay Theater is becoming the cultural hub of the Valley, providing a forum for classes, lectures, entertainment and film festivals.
- UAA Bookstore hosted nearly 100 events featuring UAA faculty, local authors, and visiting dignitaries who presented a broad range of programs.

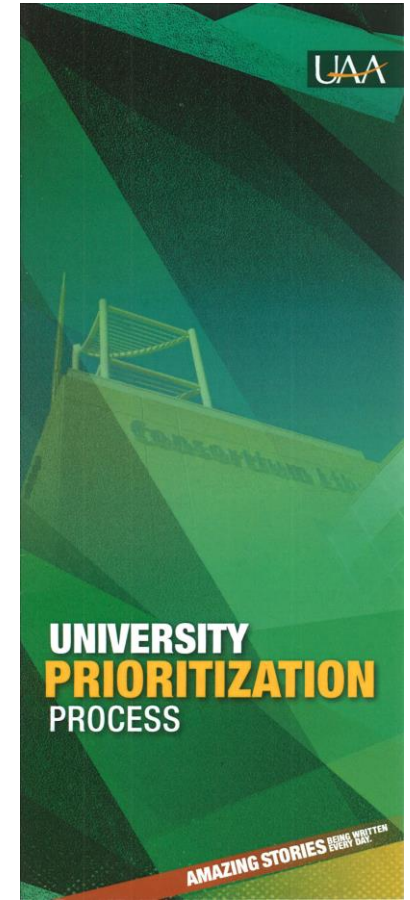




# UAA Year in Review: FY15

## ■ Prioritization Results

- UAA completed the comprehensive review and evaluation of 313 academic programs and 178 support functions.
- Findings released in 2015 informed FY16 budget actions and are guiding FY17 budget development.



# UAA Year in Review: FY15

- **Prioritization Results:**
- **Academic Programs – Recommended deletion of:**
  - 24 certificate programs
  - 17 minors
  - One associate degree program (AAS in Computer Information and Office Systems)
  - One baccalaureate program (BA in Dual Languages)
  - Four master's-level programs
- **Support Functions**
  - Recommended alignment or improved service for 29 functions
- **Process Improvement**
  - Central and distributed IT function alignment
  - Integrated the career services center with the academic advising center



# UAA Year in Review : FY15 Capital

- KPC housing complete-\$17.8M
  - Follow-on activities still in progress
- KPC career tech facility-complete-\$15.3M
  - Backfill activities still in progress
- AAC complete-\$110.6M
- Engineering under construction-\$123.2M
  - New EIB - \$75.1M open for fall 2015 classes
  - Parking Garage - \$23M in progress fall 2016
  - Eng Bldg Renewal - \$25.1M in progress fall 2016



# UAA Year in Review: FY15 Renewal Projects

- Whole building renewal of Beatrice McDonald Building complete - \$14.3M
- East Campus storm drain repair & lining in progress - \$2.0M
- Roof system replacements
  - (ADT, KPC Goodrich) in progress - \$2.0M
- WFSC – short-term renewal in progress - \$10M
- 1901 Bragaw and Diplomacy space improvements complete - \$4.3M



# University of Alaska Anchorage

FY15 and 16 Actions Taken to Perform  
Mission in Face of GF Reductions



# FY15 Decrement and Actions taken

- In **FY15**, UAA's main campus GF budget reduction was 5% or \$6.2M
  - Including fixed-cost increases, the overall Anchorage campus shortfall was \$7.5M.
- A 7% decrement was evenly distributed to all budget units to balance the budget. The size of decrements distributed to departments ranged from \$90K in the Chancellor's office to \$2.1M for Administrative Services.
- The cut was distributed **temporarily** in **FY15** as the Anchorage campus was in the middle of the Prioritization process. Organizations were encouraged to minimize expenses, leave vacancies open, find efficiencies and maximize their carryforward to help get them through **FY15**.
- The four UAA community campuses managed the permanent 5% State budget cut individually.



# FY16 Decrement and Actions Taken

- **FY16** State General Fund decrement for UAA was \$6.7M (5%)
- Additional fixed costs: \$8.0M
  - New building operating costs
    - \$1.1M for the Alaska Airlines Center (We received \$1.6M in FY14)
    - \$1.6M for the new Engineering and Industry Bldg
  - Compensation Increases:\$4.8M
  - Utility increases: \$500K
- To offset this GF decrement and fixed-cost increase, we projected an increase in tuition of \$1.7M in FY16.



# FY16 Decrement and Actions Taken

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- Consequently, our budget shortfall for FY16 was \$13M
- To protect academic core, decrement was distributed 1/3 to colleges and 2/3 to administrative units. To lessen the impact, organizations were again encouraged to create efficiencies, consolidations, realignments, minimize expenses and create a carry forward.
- Community campus decrement (5%) (\$1M)





# Actions taken to minimize impact of reductions

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- Reduced adjuncts and increase workload of regular faculty
  - Adjuncts have been reduced from 715 to 665 over the last two years
- Reduce the number of sections and increase section caps



# Actions taken to minimize impact of reductions

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- Improve efficiencies of processes
  - IT, using LEAN principles, eliminated the Network and Systems Ops Center, redistributed personnel and workload to the Call Center
    - Reduced call center response time from 1 hour to 10 min – on average
    - Increased on-the-spot resolution from 35% to 90%



# Actions taken to minimize impact of reductions

- Consolidate and/or reorganize administrative functions
  - Business Services (Auxiliaries)
    - Bookstore, Housing, Dining, Conference Services, Printing, Copying and Surplus
  - Combined with:**
  - Financial Services – AR, AP, Disbursements, Grants and Contracts
    - Result: Reduced management staff, consolidated accounting positions
- Student Affairs: Reorganized to eliminate an AVC position and distributed its functions across other divisions



# Actions taken to minimize impact of reductions

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- Reduced commodities and travel
  - Set travel caps for budget units and reduced unrestricted travel by 32% (\$1.7M)
  - Reduced commodities by \$588,000
- Non-GF revenue improvements
  - As mentioned, tuition increases added \$1.7M
  - \$8.3M private dollars raised to support programs, faculty, and students



# FY16 Impact on Positions and People

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- More than 200 positions impacted- retirements, vacancies, consolidations and efficiencies have contained layoffs to 17
- Personnel measures put in place to assist with budget savings:
  - Reduced position workloads
  - Freeze on all new hires
  - Freeze on employee step increases
  - No salary rate increases and furloughs of 5-10 days to executive officers, senior administrators and non-represented faculty leaders



# FY16 Impact on Positions and People

Budget Unit	Lay-off	Eliminate Retired or Vacant	Reduce Assignment	Total Head-count	Total FTE
Chancellor/University Advancement	2	4	1	7	6.5
Provost & Academic Units	6	56	13	75	64.9
Student Affairs	2	13	74	89	20.9
Administrative Services	6	14	3	23	20
UAA Community Campuses	1	5	3	9	6.8
<b>Total Employees Impacted</b>	<b>17</b>	<b>92</b>	<b>94</b>	<b>203</b>	<b>119.1</b>



# Impact of FY16 Decrement at UAA

## Administrative and Student Affairs Units

- Longer student wait times for transfer credit evaluation, admission decisions, financial aid verification, VA benefits certification. Fewer staff hours for advising and recruitment (Student Affairs)
- Increase in deferred maintenance backlog, decrease in janitorial services and decrease in campus beautification ( Facilities and Campus Services)
- Increased time for hiring proposals and job form processing and decrease in staff development training (Human Resources)



# Impact of FY16 Decrement at UAA

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## **Provost and Academic Units**

- Reduced course offerings and increased enrollment caps
- Reduced academic advising and professional opportunities
- Suspended admission and/or deleted programs
- Fewer INNOVATE awards inhibit growth in external funding
- Fewer library instruction sessions, fewer reference hours, fewer upgrades to the library's website, fewer information-access technologies





# Impact of FY16 Decrement at UAA

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## Community Campuses

- Suspended AAS in Digital Art and AAS in Computer Electronics (KPC)
- Reduced course offerings in the CIOS program (Mat-Su)
- Two-year Veterinary Tech program is on hold (Mat-Su)
- Eliminated contracted custodial work and snow removal; will provide in-house (Kodiak)
- Non-renewal of lease for the Copper Basin Extension Center, will share space with Copper River School District in Glennallen (PWSC)



# University of Alaska Anchorage

FY17 Projections



# FY17 Projections

- Expectation of more general fund cuts from the State
  - UAA's share: \$5.4-9.1M
- Fixed-cost increases are a huge concern
  - Could be as high as \$13M
    - Compensation
      - FY16 base funding
      - FY17 base funding
    - Regulatory/compliance
      - Title IX/Health
    - M&R and Utilities
    - Other fixed costs: Library electronic subscriptions
- Revenue Projections
  - Enrollment: Flat to - 2%
  - Tuition increases add about \$725K per percentage point for UAA



# FY17 Projections

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- Our initial look at another \$15-20M in reductions generates greatly decreased services and class offerings
- Is there a better way to get stronger and leaner at the same time?
- Additionally, we have initiatives to help move us forward:
  - ISER Growth
  - Course Redesign
  - LEAN Support



# University of Alaska Anchorage

A Better Way to the Future



# A Better Way

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- **Fresh and focused look at UAA strengths**
  - Geographic
    - Population and business center of the state
  - Academic Teaching
    - Professional programs
      - Health/Engineering/Business/Education
    - Workforce development
    - Liberal Arts and Sciences



# A Better Way

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- **Fresh and focused look at UAA strengths**
  - Economic Development
    - ISER
    - Business Enterprise Institute
  - Applied Research
    - Seawolf Holdings
    - Arctic Domain Awareness Center



# A Better Way

- **Fresh and focused look at UAA strengths**
  - Community Engagement
    - Alaska Native Communities
      - ANSEP
    - Athletics
      - Strong Seawolf Brand
      - High performing in the classroom and in their sport: student athletics represent UAA around the country
      - Builds effective community connections
  - Alaska Airlines Center
    - Major community attractor to UAA
      - Hosts many non-athletic events





# University of Alaska Anchorage

The Path Forward



# How do we get there?

- **Starts with academics: focused academic planning – we can't do everything**
  - Coherent rationale for difficult resource decisions
  - Proper course design balance between brick and mortar and online
  - More efficient use of assets
    - Faculty productivity
    - Classroom use
      - Implementation of Resource 25 Live (room scheduling software)
  - Growth in tuition
    - Differential – Business and Engineering
    - Focus on high-demand programs



# How do we get there?

- **Continued emphasis on student success**
  - Entry
    - Competency focused
      - Math Emporium
    - Strategic enrollment management
      - In-state
      - International and Lower 48
  - Retention
    - Attention to student needs
      - Advising
  - Graduation and Jobs
    - Clearer pathways
    - Focused relationships with employers



# How do we get there?

- **Stronger communications about UAA to community and potential students**
  - Focused resources on communication channels
  - Continued relationship building with community leaders
  - Grow visibility in Southcentral
  - Seawolf ambassadors
    - Debate team
    - Athletes
    - UA Scholars
    - Researchers
    - Faculty



# How do we get there?

## ■ Efficiencies

- Continued program and function alignment, process improvement, simplification, and effectiveness
- Informed by Prioritization
- LEAN
  - IT – Already used to reorganize work flow
  - Project management consultants will advise on cultural and training needs
  - Travel management – First process to be improved
- Functional Maturity Diagnostics
  - Administrative audits for evaluating and improving service delivery across HR, Procurement and IT
- Continued collaboration with SW, UAF and UAS



# How do we get there?

- **Staff and faculty satisfaction**
  - Employee development (LEAN project)
    - HERS graduates
  - Leadership and supervisor training expertise
- Compliance and Diversity
  - New interim leadership
  - Equity and Compliance Office
    - Title IX
  - Associate Vice Chancellor for Alaska Natives and Diversity



# University of Alaska Anchorage

FY17 Operating Budget Request



# FY17 Operating Request- Fixed Costs

<b>Shaping Alaska's Future</b>	<b>Increment Request Title</b>	<b>GF</b>
Accountability to People of AK	Utility Rate Increases	800.0
Accountability to People of AK	Facility Maintenance and Repair	3,000.0
Accountability to People of AK	Library Electronic Journal Subscriptions*	200.0
Accountability to People of AK	FY16 Compensation (funded as base)	3,710.8
Accountability to People of AK	FY17 Compensation (50% salary and benefits)	2,144.4
Accountability to People of AK	FY17 Staff Benefit Increase (due to change in rate)	2,150.0



\* Includes request from UAS



# FY17 Operating Request- Regulatory Mandates

<b>Shaping Alaska's Future</b>	<b>Increment Request Title</b>	<b>GF</b>
<b>Accountability to People of AK</b>	<b>Title IX Compliance Coordinator*</b>	<b>200.0</b>
<b>Accountability To People of AK</b>	<b>Support Services for Students with Disabilities*</b>	<b>100.0</b>
<b>Accountability To People of AK</b>	<b>Compliance Officer- Health Focus*</b>	<b>150.0</b>



\* Possible joint requests with UAF or UAS

# FY17 Operating Request- Priority Program Enhancement

<b>Shaping Alaska's Future</b>	<b>Increment Request Title</b>	<b>GF</b>
<b>Student Achievement</b>	<b>UAA Course Redesign</b>	<b>150.0</b>
<b>Research and Development</b>	<b>UAA ISER Capacity Increase</b>	<b>250.0</b>
<b>Accountability to People of AK</b>	<b>LEAN Support</b>	<b>100.0</b>



# University of Alaska Anchorage

FY17 Capital Budget Request



# Renewal and Deferred Maintenance



# New Construction



# Planning and Design



# Academic Equipment



# Land Acquisition



# FY17--UAA R&R/Deferred Maintenance

## Anchorage Campus

Campus Building Envelope & Roof System Renewal	\$ 1.00M
Campus Building Interiors & Systems Renewal	\$ 0.50M
Campus Exterior Infrastructure & Signage Renewal	\$ 0.25M
University Lake Annex, UPD Relocation (\$2.50M)	\$ 2.50M
EM1 and EM2 Mechanical (\$5.58M)	\$ 2.50M
Library Old Core Mechanical Upgrades (\$16.3M)	\$ 5.25M

Anchorage Campus Share of \$50M approx. \$12M

**Renewal Projects Support SAF Themes 1d, 4e, and 5c, d, f**



# FY17--UAA R&R/Deferred Maintenance

## Community Campuses

KPC KRC Campus Renewal	\$0.75M
Kodiak College Campus Renewal	\$0.42M
PWSC Campus Renewal	\$0.20M
Mat-Su Campus Renewal	\$0.39M
KPC KBC Campus Renewal	\$0.12M
Mat-Su Parking/Road/Circ Renewal (\$1.7M)	\$0.10M
PWSC Parking & Security Upgrades (\$2.5M)	\$0.16M
Mat-Su Bridge Enclosure (\$1.4M)	\$0.30M
KPC KBC Pioneer Hall Boiler Replacement (\$0.5M)	\$0.07M



UAA Community Campus Share of \$50M approx. \$2.5M

# FY17--UAA Planning and Design Funds

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## **Anchorage**

Native Arts & Cultural Building (Receipt Authority) (FY17) \$ 0.25M

## **Community Campus**

Kodiak Career & Technical Education Center (FY17) \$ 2.30M

**New Construction Projects Support SAF Themes 1d, 3a, 4e, and 5c, d, f**



# FY17--UAA New Construction

- Anchorage Campus - 2 Projects

Emergency infrastructure repair/replacement \$ 2.0M

Master Plan circulation improvements \$ 6.0M

(Mallard Lane, Housing, UAA Drive, Pedestrian Trails)

- Community Campus – 1 Project

SW/ MAPTS Kenai groundwater contamination mitigation \$ 2.0M

**New Construction Projects Support SAF Themes 1d, 3a, 4e, and 5d, f**





# Concluding Remarks

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- UAA remains a vibrant and resilient university.
- Protecting our academic programs is our top priority.
- Student success is at the core of ALL we do and preserving the faculty, staff and services that help ensure success is critical.
- UAA will continue to transform and adapt as is prudent and necessary in these times.
- The confidence our students place in UAA to provide their education and the student life experiences that help prepare them for successful careers and lives in Alaska is a GIFT.
- We take our service to these students and to our State seriously and intend to continue to strive for better ways to provide that service.
- No matter what the budget strife, that is our obligation.

