



UNIVERSITY



Proposed FY16 Operating Budget

Board of Regents
November 5-6, 2014
Fairbanks Alaska

Prepared by Statewide Planning & Budget
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University of Alaska
Proposed FY16 Operating Budget
Introduction

The proposed FY16 operating budget presentation keys in on discussion by the Board of Regents (BOR) and board comments expressed in September. Enrollment (student credit hours) will be down, largely due to declines in Alaska's high school graduates and part-time students. We forecast no additional significant short-term offsetting revenue source

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University of Alaska
FY16 Operating Budget Request Items

Compensation Increases

(GF: \$9,318.8, NGF: \$9,318.8, Total: \$18,637.6)

The compensation estimate includes the FY16 contract renewal amount for Local 6070, United Academics Faculty (UNAF), UA Adjuncts (UNAD), and Fairbanks Firefighters Union (FFU). Upon the recommendation and support of the Chancellors, President Garbett is recommending to the Board of Regents a raise for the UA staff of 3.1% for FY16.

Also included in the request is a minimal grid increase for temporary employees as well as a pay increase for student employees. Both categories received no increases in 2015.

The UA Federation of Teachers (UAFT) contract expires on December 31, 2014. Bargaining is ongoing, but no request will be displayed in the budget until a collective bargaining agreement has been negotiated, approved, and ratified.

Utility Cost Increases

(GF: Trigger, NGF: \$1,600.0, Total: Trigger + \$1,600.0)

This request covers the projected FY16 utility and fuel oil cost increases, estimated at 5% increase over FY15 and base funding to cover prior year increases. The FY15 and FY16 increases are expected to be partially offset through a utility fuel trigger mechanism and, if necessary, a request for supplemental funding will be considered.

Facilities Maintenance and Repair

(GF: \$2,028.5, NGF: \$2,028.5, Total: \$4,057.0)

UA's annual maintenance and repair is calculated as a percentage of building value, plus a component that accrues directly with building age. Each university annually dedicates a portion of its operation budget to facilities maintenance, often referred to as M&R. As the deferred maintenance and renewal/repurposing backlog continues to grow, the amount of funding necessary to maintain buildings will increase and more M&R has to be used unprogrammatically to address unforeseen deferred maintenance costs that cannot be deferred any longer without risking safety or localized mission failure. This request also transitions the one-time funding (\$1,081.5) received in FY15 to base funding.

FY16 Operating Budget Requests (continued)

- o UAA Engineering Building Parking Garage
(GF: \$0.0, NGF: \$902.0, Total: \$902.0)

The facility is scheduled to be operational as of 2015. This request covers the additional operating and maintenance costs associated with this 204,000 gross square foot facility.

- o UAF Alaska Satellite Facility (ASF) - O&M Requirement (Richardson, Seward Ship Office & CTC Hangar)
(GF: \$0.0, NGF: \$750.0, Total: \$750.0)

The following UAF satellite facilities have the potential to generate new revenue: Richardson, Seward Ship Office and CTC Hangar. If new revenue is realized it will be directed to support

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FY16 Operating Budget Request

FY16 Operating Budget Request Items (continued)

Budget Adjustments

(GF: \$758.1, NGF: \$2,806.9, Total: \$13,565.0)

o Technical Vocational Education Program Funding (TVEP)

(GF: \$403.1, NGF: \$0.0, Total: \$403.1)

This funding, commonly referred to as workforce development, is focused on priority workforce development areas established by the Alaska Workforce Investment Board (AWIB) 15 legislation extended the unemployment contributions for the Alaska technical and vocational education program. This amount represents the state's projected increase for FY16.

o Mental Health Trust Authority (MHT/MHTAAR)

(GF: \$355.0, NGF: \$1,806.9, Total: \$2,161.9)

This funding is a net increase of \$296.9 over FY15 and will be directed toward University of Alaska (of)-butions Tj o-0.(s)-1(i)-2(t) T t

STUDENT ADVISING AND COMPLETION			
UAA Rural Student Transition Specialist (RSTS)	73.0		73.0
UAA Center for Alaska Native Education Research	100.0		100.0
UAF Comprehensive Rural Student Advising (BBC & KUS) ... Program Completion *	278.0		278.0
UAS Coordinator for Student First Year Experience Retention *	136.8		136.8
UA Degree Completion Initiative	250.0	25.0	275.0
Student Advising and Completion Subtotal	837.8	25.0	862.8
TEACHER EDUCATION			
UAA Teacher Recruitment, Preparation and Mentoring	903.2	90.3	993.5
UAF Teacher Recruitment, Preparation and Mentoring	224.4	22.4	246.8
UAS Teacher Recruitment, Preparation and Mentoring	204.1	20.4	224.5
SW Teacher Recruitment, Preparation and Mentoring	1,450.1	145.0	1,595.1
Teacher Education Subtotal	2,781.8	278.1	3,059.9
HEALTH EDUCATION			
UAA Alaska Health Education Center (AHEC) System: Health Workforce Pipeline	330.0		330.0
UAF Complete the Establishment of the Collaborative 2+2 Alaska Veterinary Medicine Program with Colorado State University	200.0	241.0	441.0
UAF Build Alaska's Undergraduate & Clinical Ph.D. Psychology Program	200.0	100.0	300.0
Health Education Subtotal	730.0	341.0	1,071.0
FISHERIES, SEAFOOD AND MARITIME INITIATIVE (FSMI)			
UAF Understanding Ocean Acidification Impact on Alaska Fisheries	227.0	65.0	292.0
UAA Vessel and Maritime Industries Workforce Coordinator (KOC)	103.0	20.0	123.0
UAS Joint Fisheries Degree UAS with UAF	77.0	19.3	96.3
UAF Meet Alaska Commercial Seafood Processing Training Demand	113.0	135.0	248.0
Fisheries, Seafood and Maritime Initiative (FSMI) Subtotal	520.0	239.3	759.3
ECONOMIC DEVELOPMENT AGENDA			
UAA "Innovation To Commercialization" Prototype Development	100.0		100.0
UAF Support Core Infrastructure for Continuing the Unmanned Aircraft Systems (UAS) FAA Test Project	570.0	1,000.0	1,570.0
UAF Meet Chemical Engineering Degree Commercial Demand Sea7c>>BDC3rt			

FY16 Operating Budget Program Descriptions

Student Advising and Completion

(GF: \$837.8, NGF: \$25.0, Total: \$862.8)

- o UAA Rural Student Transition Specialist (RSTS)

(GF: \$73.0, NGF: \$0.0, Total: \$73.0)

The first-to-second year retention rate among UAA's Alaska Native students (49% in FY12) is 20% lower than the institution's overall (68% in FY12) first-year degree-seeking student retention rate.

Starting in fall 2012, UAA piloted a new rural student transition program through a generous donation from the Eyak Corporation; to ensure prospective rural college bound students were positively connected to UAA's enrollment and advising services beginning in their junior year of high school. The RSTS works as a ~~step~~ liaison with these students from first point of interest through to their second year of college. The RSTS establishes and sustains ~~community-~~community-relationships with rural Alaska school districts, school counselors and high school students to support the recruitment and initial transition into college. The RSTS provides individual support to students in areas of transition including housing, financial aid, academic advising, registration, orientation, and ~~peer-to-peer~~ campus connectedness.

The RSTS program was successful within the first year of the program. The first cohort of program participants (fall 2012) had a retention rate of 57% from fall 2012 to fall 2013, 8% higher than their Alaska Native ~~non~~program participant peers. The primary objective for the RSTS program is for the RSTS liaison to proactively guide participants into their second year of college by creating and sustaining meaningful connections between the student and support services at UAA.

The RSTS contributes to UA Shaping Alaska's Future Theme 1 (Student Achievement and Attainment) by increasing retention rates and college access to Alaska Native and rural students.

- o UAA Center for Alaska Native Education Research

(GF: \$100.0, NGF: \$0.0, Total: \$100.0)

This Center is dedicated to the belief that a better future for Alaska Native peoples requires a transformation of current educational systems. Alaska Native cultures, societies, organizations and

FY16 Operating Budget Program Descriptions

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or School of Nursing since the goal is to build and sustain a primary care workforce. Alaska AHEC is affiliated with the WWAMI School of Medicine and the UAA School of Nursing.

The AHEC performs three major functions: 1. Fills the health workforce pipeline with Alaskan high school students, 2. Manages rural clinical rotations for health programs students, and 3. Provides continuing education to current health workers for licensure maintenance. While the federal Health Resources and Services Administration establishes AHEC programs in each state; they do not sustain them. Without state funding in FY2016, Alaska AHEC is at risk of losing its rural Centers, where critical provider shortages persist: 19% for physician assistants; 10% in nursing, and 14% for physicians, respectively (2012, ACRH). Alaska AHEC exists to meet this very need and to improve provider retention rates by growing our own workforce. AHEC funding through the University of Alaska is the only means to address these needs.

- o UAF Complete the Establishment of the Collaborative 2+2 Alaska Veterinary Medicine Program with Colorado State University (GF: ~~\$200.0~~, NGF: \$241.0, Total: ~~\$441.0~~)

Throughout the state, there is demand for veterinarians who understand the unique needs of Alaska's pets and farm and work animals. In addition, Alaska's young people are eager to pursue a career in veterinary medicine but face challenges because veterinary programs in the Lower 48 usually have a strong preference for in-state students. To address that need, UAF formed a partnership with Colorado State University (CSU) that will allow students to complete their undergraduate veterinary education plus the first two years of their professional program at UAF. Students will complete their final two years at the veterinary teaching hospital at CSU. The Legislature provided some initial funding to hire program administrators to design the program in FY14. This request is for the remaining funding needed for faculty to teach courses scheduled to begin in fall of 2015. This program will address both Alaskan workforce needs and a specialized education that will appeal to many of Alaska's students.

- o UAF Build Alaska's Undergraduate & Clinical Ph.D. Psychology Program (GF: \$200.0, NGF: \$100.0, Total: \$300.0)

This request supports undergraduate programs in psychology; graduates from these programs often find work in community health and social services programs in Alaska. This request also supports the UAF clinical training component of the UAA-UAF Joint Ph.D. program in Community Clinical Psychology; high-quality clinical training is needed for the Ph.D. program to retain accreditation (American Psychological Association) and for graduates to become licensed for clinical practice. The Ph.D. program emphasizes training for individuals to work with rural and indigenous populations and communities; clinical psychologists are in short supply in Alaska, particularly outside urban areas.

Fisheries, Seafood and Maritime Initiative (FSMI) (GF: \$520.0, NGF: ~~\$239.3~~, Total: \$759.3)

- o UAF Understanding Ocean Acidification Impact on Alaska Fisheries (GF: \$227.0, NGF: \$65.0, Total: ~~\$292.0~~)

This is an ongoing extension of the ocean acidification capital research funding received in FY13 for assessi

FY16 Operating Budget Program Descriptions

funding for a tenure-track faculty that would add expertise to situate UAF as a recognized leader in ocean acidification research and education with the potential to attract bright students and researchers. This position will contribute to the existing academic programs and research in oceanography, marine biology, and fisheries.

- o UAA Vessel and Maritime Industries Workforce Coordinator Kodiak College
(GF: \$103.0, NGF: \$20.0, Total: \$123.0)

The Alaska Maritime Workforce Development Plan, 2014, notes that “Vessel maintenance and repair service providers were identified by seafood harvesters as one of the primary needs to support the continued wellbeing of the commercial fishing industry.” It was also highlighted by Maritime sectors of Alaska’s economy and notes that over 8,000 vessels are registered in Alaska. Yet many Alaska ports lack highly trained vessel repair technicians, leading to increased downtime for seafood harvesters and other mariners resulting in lost income. Kodiak College, in response to the Maritime Plan and in support of the UA’s Shaping Alaska’s Future, through Productive Partnerships with Public Entities and Private Industry.

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- x Alaska Seafood Processing Leadership Institute
The Alaska Seafood Processing Leadership Institute (ASPLI) provides technical training, leadership training and understanding of Alaska seafood in the global marketplace for the next

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