

State of Alaska FY2002 Governor's Operating Budget

University of Alaska

Commissioner: Mark Hamilton, President

Tel: (907) 474-7448 **Fax:** (907) 474-6342 **E-mail:** sypres@alaska.edu

Administrative Services Director: Pat Pitney, Dir. of Bud.&Inst. Res.

Tel: (907) 474-7958 **Fax:** (907) 474-7127 **E-mail:** snpkp@orca.alaska.edu

Department Mission

The University of Alaska inspires learning, and advances and disseminates knowledge through teaching, research, and public service, emphasizing the North and its diverse peoples.
(Board of Regents approved mission statement)

Department Goals and Strategies

The University of Alaska is the engine of the state's economic development and diversification. To prepare UA to fully realize this potential on behalf of the state, UA is requesting a general fund increment of \$16.9 million. The principles underlying UA's budget requests have been and will continue to be responsiveness to state needs and accountability to the state for prudent management of its investment.

UA's budget request is focused on recruiting and retaining Alaska students, offering academic programs directed at training Alaskans to fill the jobs in highest demand today and in the future, and building the technological capacity of the state. The state's commitment to an increasing investment in UA is essential to preparing Alaska for sustainable economic success. In following the principle of exceptional stewardship of state resources, UA requests additional state funding for FY02 in the following areas:

- Maintaining a Solid Foundation \$9.2 million
- Attracting and Retaining Alaska's Students \$1.0 million
- Meeting Alaska Employment Needs \$4.2 million
- Preparing for Alaska's Economic Success \$2.5 million

As a result of the University leveraging the state investment in these areas, the university expects total non-general fund increases of \$35.5 million from private partners, federal agencies, and students.

Alaska's economic success is predicated on the availability of natural resources, skilled workers, and technology. But, over the last ten years, Alaska has been the only state in the nation that has experienced a decrease in gross state product. Alaska didn't enjoy economic growth primarily due to dependence on only one element - the export of natural resources. Learning from the past, rather than getting only short-term benefits from the next period of economic prosperity, Alaska can invest now to build the technological capacity and prepare Alaskans to hold the "legacy jobs" and related value added industries for the long term - or wait another 30 years for the next opportunity.

Additional funding in FY02 enables UA to continue preparing Alaskans to take advantage of the next period of significant economic prosperity. Similar funding increments over the next five years are essential to realize the goal of sustainable economic success. Fueled by investments in the last two years, UA's state funding has increased 10% over the last ten years compared to 44% nationally and 57% in oil dependent states. The state's FY00 and FY01 investment combined with increments in FY02 through FY07 will situate Alaska's investment in higher education at the level other states recognize as necessary to develop a sustainable economy.

The recent increased investment in the University's operating budget has enabled the University to maintain a solid foundation of programs and services, and to build programs responsive to Alaska's existing workforce needs in nursing, teacher education, process technology, early childhood development, social work, and industry workforce training. The state's investment also enabled the University of Alaska to expand existing programs and start new programs essential to future economic development in global logistics, fisheries, data analysis, and applied research.

- The global transportation logistics program started with investments from UA, the State, Municipality of Anchorage, FedEx, Lynden, Tote and other companies.

- The process technology program started within a year of inception through investment from UA, Alaska Process Industry Careers Consortium and the State.
- The Experimental Program to Stimulate Competitive Research (EPSCoR) program is fueling applied research relevant to Alaska's future with investments from UA, the National Science Foundation, the Department of Defense, the State and the Alaska Science and Technology Foundation. The University expects to receive at least \$3 Million a year over the next three years. This ability to help the state and obtain outside funding could not have occurred without the foresight of those who chose to invest in the University over the last two years.

The University's ability to leverage the state investment in these programs demonstrates the strength of partnerships among higher education, government and industry. UA is implementing these partnership programs with the highest level of accountability to the citizens of Alaska. Every program is being monitored through regular reporting schedules to identify outcomes. Many programs are two to four year programs yielding first program graduates in Spring 2002 and beyond. In the mean time, faculty hires, staffing, course development and program enrollments are being monitored to assure program outcomes are achieved.

The investment in the University benefits all of Alaska. By focusing on attracting and retaining Alaska's students in programs directed at state needs:

- industry benefits from a stable qualified workforce,
- Alaska's citizens benefit by getting the "good" jobs, and
- the state benefits by reducing dependence on workers from outside who depend on services without providing their share of support.

Key Department Issues for FY2001 – 2002

Key issues facing the University of Alaska as the state's engine of economic development and diversification include:

Leadership and Partnerships:

- The university must take a leadership role within the state to define and address the human resource and technology requirements to enable Alaska to take full advantage of economic opportunity. Industry, state government, and the University must work in close partnership to create the policies and environment within Alaska for sustained economic success.

Urgency:

- Preparing for success requires developing responsive instructional and research programs, recruiting faculty and students, and building the necessary information technology and facilities infrastructure. Economic opportunity is coming to Alaska. The University needs the state's support to build its capacity to prepare Alaskans to take full advantage of this opportunity.
- In order to prepare for and meet the educational requirements for economic development, the University and the state need to start now. It takes five years to graduate an engineer. On the fastest track, it takes four years from funding to final construction to build the facilities necessary for emerging programs.

Aligning University Programs to Meet State Needs:

- UA is focused on programs for occupations with high worker demand including teacher education, nursing, allied health, information technology and other technical career training. The university will continue to work with industry consortia to create programs that are responsive to current worker shortages. The University is being efficient by prioritizing investments in programs meeting the highest demand.
- Meeting Alaska's teacher demand is a very high priority for the University and the state. Although UA's program expansion in teacher education is moving forward, the solution for meeting the state's teacher demand does not rest solely with university programs. Because many other states are also experiencing teacher shortages, Alaska must compete to keep teachers in state. State policy and incentives may be a necessary part of this

solution. Discussions between the University, school districts and the Department of Education and Early Development must continue to fully implement solutions to meet the state's need for qualified teachers.

- UA is also focused on enhancing programs necessary for worker training in occupations related to the state's large-scale projects likely to develop in the near future. These programs include engineering for a pending gas line, finance and e-commerce for an emerging investment management industry, natural resources and fisheries management and data analysis.

Demonstrating Responsible Stewardship of Public Resources:

- The University is demonstrating the highest level of accountability for funding provided by the state. All initiative programs funded with the state's investment in FY01 are being closely monitored. Status reports for all programs are required every two months. The status of faculty and staff hires, program offerings and funding are included. The heightened level of accountability provides public confidence in the university stewardship of resources.
- In addition to monitoring new and expanded programs the University is tracking its progress on several performance measures implemented jointly with the legislature.

Major Department Accomplishments in 2000

The additional funding provided by the state has enabled the University to take significant steps toward its goal of being the state's engine of economic development.

- A student enrollment increase this fall was fueled by an eleven percent increase in first-time full-time baccalaureate degree seeking freshmen enrollment. First year retention also increased seven percentage points.
- The UA Scholars Program continues to be a success. A total of 566 UA Scholars are enrolled at the University of Alaska. Biology is the most popular four-year degree program for UA scholars.
- UA's nursing program expansion in Fairbanks and Kodiak has full cohorts of students pursuing their associate nursing degree. In Fairbanks, 24 students are enrolled and 8 students are enrolled in Kodiak. In Anchorage the number of nursing students has also significantly increased. Preliminary figures indicate a 25% increase from Fall '99 to Fall '00.
- The process technology program delivered in Anchorage, Fairbanks, and Kenai established in partnership with the Alaska Process Industry Careers Consortium has 160 students. Industry has provided scholarship and employment opportunities for process technology students.
- The knowledge worker program in Juneau, started in conjunction with the Alaska High-Tech Business Council, has its first class of 20 students. The program is an intensive one-year training program focusing on technical and core skills. This program started within a year of initial discussions with Alaska Human Resource Investment Council and the High-Tech Business Council.
- National Science Foundation funding for the Experimental Program to Stimulate Competitive Research (EPSCoR) has been announced. The funding is three million dollars per year for three years. The Alaska Science and Technology Foundation also committed \$500,000 each year to EPSCoR related projects. The EPSCoR program is designed to create capacity for research in areas that can be applied to state economic development. With the success of the NSF EPSCoR awards, UA is working toward FY02 Department of Defense, National Institutes of Health and Department of Energy EPSCoR awards.
- The University instituted a system-wide early childhood education program that meets the federal Head Start mandate for associate degree training. The early childhood education program is available via distance delivery as well as on-site in several locations throughout the state.

Key Performance Measures for FY2002

Measure: Over the next three years, increase enrollments by 5%.
(Not yet addressed by Legislature.)

Current Status:

Preliminary Fall 2000 enrollment figures indicate an increase of 1% over Fall 1999.
Headcount Fall Semester 1999: 30,249
(Fall 1999 reflects the current status, as Fall 2000 data will not be available until Jan. 2001)

Benchmark:

Headcount Fall Semester 1997: 31,184
Headcount Fall Semester 1998: 31,106

Background and Strategies:

The University as the provider of community college and university higher education mission for the state serves both traditional and non-traditional aged students. Traditional students make up 35% of student headcount and are focused more on baccalaureate programs. Non-traditional aged students make up 65% of UA's student headcount and are more focused on graduate instruction, associate degrees and other professional development.

The University is increasing the student population through expanding degree programs offerings in areas targeted as most important to the economy of the state, including, information technology, nursing, education, finance, e-commerce and wildlife. Currently, UA offers less than half of the degree programs as other less populated western states. Having the appropriate breadth of relevant degree programs in the state is key to increasing the student headcount. A second area UA is pursuing to increase the number of students is enhanced student services in recruitment, retention, financial aid, advising and standard electronic student services.

Measure: The number and percentage of recent Alaska high school graduates who attend the University of Alaska.

(Developed jointly with Legislature in FY2001.)

Current Status:

Goal: Within 3 years capture 26% of Alaska's high school graduates.

2000 - 6,668 AK HS Grads - 1,498 UA First Time Fr. - 22% UA Full Time Freshmen

Benchmark:

Using the projection of 7,134 high school graduates (WICHE), the 26% goal would equate to 1,854 high school graduates attending UA. The national average of high school graduates who attend in state public institutions is 45%. The 45% figure is the result of 67% of high school graduates nationally attend college shortly after high school graduation. Of those that attend college, 68% attend an in-state public institution. In seven years, the University of Alaska expects to reach the national average of 45%.

Background and Strategies:

Recruitment efforts are important to increasing the number of full-time freshmen. A major part of recruitment is the breadth of programs available, the faculty quality and services provided. UA is pursuing program expansions, faculty recruitments, enhance student service and student recruitment effort to attract this sector of traditional aged students to curb Alaska's brain drain. One specific program that UA has begun is the UA scholars program that provides a tuition scholarship to the top 10% of each high school's graduates. State policy could have significant effect on this measure. Currently, Alaska is the only state that does not provide need or merit based student aid. Provide need or merit based aid for in-state attendance would also help to keep Alaskan's in-state. The list below shows the percent of Alaska High School graduates who attended UA.

Strategy: Increase recruitment and retention efforts.

1996 - 6,018 AK HS Grads - 1,054 UA First Time Fr.- 18% UA Full Time Freshmen
1997 - 6,175 AK HS Grads - 1,097 UA First Time Fr.- 18% UA Full Time Freshmen
1998 - 6,496 AK HS Grads - 1,360 UA First Time Fr.- 21% UA Full Time Freshmen

1999 - 6,826 AK HS Grads - 1,486 UA First Time Fr.- 22% UA Full Time Freshmen

Measure: The number and percentage of total Alaska high school graduates who attend the University of Alaska as UA Scholars.

(Developed jointly with Legislature in FY2001.)

Current Status:

Goal: Increase percentage of eligible UA Scholars who choose to attend UA to 50% within 3 years.

In Fall 2000, of the 875 UA scholars eligible, 343 attended or 39%.

Benchmark:

In Fall 1999, of the 811 UA Scholars eligible, 270 attended or 33%

Background and Strategies:

This program is designed specifically to increase the number and percent of Alaska High School graduates attending in state. The UA Scholars Program offers an \$11,000 scholarship to the top 10 percent of the graduates from qualified Alaska high schools each year. Students are designated by their high school based on their academic standing at the end of their junior year.

To use the Award, the Scholar must enroll at a UA campus within 16 months of high school graduation. This means the Scholar may take time off after graduation to work, travel, or even try a school outside before enrolling at the University of Alaska. Once enrolled, the Scholar will receive \$1375 per semester for eight semesters provided that the Scholar remains in good standing.

Measure: The number and percentage of total Alaska high school graduates who stay in Alaska one year, five years, and 10 years after graduation.

(Developed jointly with Legislature in FY2001.)

Current Status:

Goal: Continue retention of UA baccalaureate degree graduates in Alaska at 79% residency for one year after graduation and 69% residency five years after graduation.

For UA baccalaureate graduates from 1990 to 1998 the average residency one year after graduation is 79% and 69% residency five years after graduation.

Background and Strategies:

The university, with the assistance of Alaska Department of Labor, is currently tracking the residency and employment of UA baccalaureate graduates starting with the 1990 graduates. The first study was done in fiscal year 2000 and includes information as far back as 1993. The residency 10 years after graduation will be available in two years. This study will be conducted every other year, therefore updated results will be available in spring 2002. The first follow-up on graduates included all baccalaureate degree graduates and did not distinguish between those that were Alaska High School graduates and others. This parameter will be added in the next study.

Measure: The number of students graduating with degrees in teacher education, health careers, process technology, transportation and logistics, information technology and other high-demand job areas

(Developed jointly with Legislature in FY2001.)

Current Status:

Goal: Using FY00 as the base, increase graduates by 5% over the next two years and 10% over the next 4 years in the job areas specified.

Benchmark:

FY2000 - 1,485 University of Alaska degrees were conferred for high demand job areas as defined by the Alaska Department of Labor.

Background and Strategies:

An increase in the number of graduates has a time lag as the programs require from two to four years to complete. For this goal to be realized, enrollment in the specified programs must increase over the next two years such that the increase can be measured upon graduation either two or four years later. The table below shows a breakout of the degrees awarded in ADOL high demand and specified occupational areas.

Degrees Conferred in High Job Growth Areas		Fiscal Year		
Major	Degree Level	1998	1999	2000
Air Transportation	Assoc/Cert	48	44	46
Business Services	Assoc/Cert	139	147	107
Engineering&Managmt	Assoc/Cert	29	42	10
	Baccalaureate	93	137	208
	Masters	47	45	40
Finance,Ins & Real Est.	Baccalaureate	148	131	103
	Masters	39	52	37
Health	Assoc/Cert	221	187	198
	Baccalaureate	124	122	123
	Masters	62	55	44
Information Technology	Assoc/Cert	44	18	92
	Baccalaureate	17	11	25
	Masters	10	2	5
Natural Resources	Assoc/Cert	1	4	1
	Baccalaureate	57	56	48
	Masters	31	22	37
Petroleum Technology (is transitioning to process tech)	Assoc/Cert	13	9	9
Teacher Education	Assoc/Cert	23	24	22
	Baccalaureate	231	199	158
	Masters	106	160	172

Measure: The number of University of Alaska graduates, by community of origin and by community of current employment, who are new teachers.

(Revised from Legislature's FY2001 version.)

Current Status:

Goal: Maintain current employment rate over the next four years and then increase the percentage of UA graduates filling teaching vacancies each year in the state by 5% per year. By 2010, place over 50% of the teachers needed each year in Alaska.

Benchmark:

In 1999, UA new graduates and alumni filled 32% of total vacancies.

Background and Strategies:

Region	Total Vacancies	% New UA	% UA Alum	Total %
Interior	227	7%	23%	30%
Northwest	172	6%	15%	21%
SouthCentral	592	16%	22%	38%
SouthEast	170	11%	26%	37%
SouthWest	255	10%	15%	25%
Totals	1,416	12%	20%	32%

An assessment of teacher demand by community is being conducted. From this study, more information will be available regarding the demand and placement of graduates. However, given the number of vacancies that do exist in

Alaska, UA is aggressively pursuing programs and policy solutions to increase the number of UA graduates available to fill the vacancies. Additional information will be collected in the future to determine community of origin of those graduates filling vacancies.

Measure: The number of University of Alaska graduates, by community of origin and by community of current employment, who are new principals or new superintendents.

(Developed jointly with Legislature in FY2001.)

Current Status:

Goal: In the next three years place over 50% of the administrative (principal and superintendents) vacancies in Alaska school districts.

Benchmark:

Using Alaska Teacher Placement (ATP) statistics 38% of the 1999 administrative (principal and superintendent) vacancies were filled with UA graduates and alumni.

Background and Strategies:

An assessment of need is presently being conducted, so specific strategies can be developed to address this critical need in various parts of the state. At present the community of origin is not available.

Measure: The number and percentage of total credit hours and courses offered by distance delivery.

(Developed jointly with Legislature in FY2001.)

Current Status:

Goal: Increase the number of credit hours and courses offered by distance delivery by 10% over the next three years.

Fall 99

# of Distance Ed Courses Offered Systemwide:	361
% of Total Courses Offered Systemwide:	9.0%
Distance Ed Student Credit Hours Systemwide:	12,618
% of Total Student Credit Hours:	5.8%

(Fall 1999 figures reflect the most current status, as Fall 2000 figures will not be available until January 2001.)

Benchmark:

Fall 98

# of Distance Ed Courses Offered Systemwide:	302
% of Total Courses Offered Systemwide:	6.9%
Distance Ed Student Credit Hours Systemwide:	9,890
% of Total Student Credit Hours:	4.5%

Fall 97

# of Distance Ed Courses Offered Systemwide:	264
% of Total Courses Offered Systemwide:	6.5%
Distance Ed Student Credit Hours Systemwide:	9,536
% of Total Student Credit Hours:	4.3%

Background and Strategies:

Distance education is defined as any academic course wherein the instructor can provide education to students in different physical locations. Distance education at the University of Alaska is comprised of three parts:

1. Telecourses at UAA
2. Correspondence by mail at UAF
3. Distance Delivery by videoconference (satellite telecast), audioconference, Internet, CD-ROM, and/or video/audio tape at UAF and UAS.

At UAF distance education is administered by the Center for Distance Education and Independent Learning. At UAA it is administered by the Center for Distributed Learning. At UAS distance education is fully integrated into the university such that every department is part of UAS distance education.

Measure: The cost per credit hour delivered by distance delivery.

(Developed jointly with Legislature in FY2001.)

Current Status:

The University of Alaska is currently working on defining the "total cost" of distance delivery and examining ways to measure our progress in this area.

Benchmark:

UA is currently investigating benchmarks and developing baseline data.

Background and Strategies:

Distance education is a rapidly growing sector in higher education. It allows a university to offer coursework beyond its campus to virtually anyone on the planet. Here in Alaska, distance education is especially useful as we try to make higher education available across our vast regional expanses.

The University of Alaska is assessing the cost of its distance education program. Several universities across the nation are currently trying to assess their cost of distance education but are finding that cost assessment is difficult to analyze.

In assessing the cost of distance education, the University of Alaska has employed a cost analysis model developed by Western Cooperative for Educational Telecommunications (WCET) and National Center for Education Management Systems (NCHEMS). The university's goal is to report a cost per credit hour figures for the 1999-2000 academic year. Cost per credit hour is a two part equation: total cost divided by total credits offered. Total credits data has been gathered, while total cost information is still be collected. The University of Alaska and all other universities nationally are challenged to identify total cost of distance education given the integrated nature of distance education within the other aspects of instructional delivery.

Measure: The pre-training wage as compared to the post-training wage for voc-ed graduates.

(Developed jointly with Legislature in FY2001.)

Current Status:

Goal: Maintain average salary increases of 15% for vocational education students after training.

For students who took vocational classes in 1998:

Wages increased by 15% after attendance over pre-training earnings:

\$6,244 per quarter vs. \$5,432 per quarter.

(Employment and wage information for 1999 students will be available in January 2001.)

Benchmark:

The university participates in an annual statewide vocational education outcome study by the Alaska Department of Labor published in January of each year. The survey began in 1998. For a complete copy of the survey see: <http://www.alaska.edu/oir/voced.html>

Background and Strategies:

In cooperation with Alaska Human Resource Investment Council (AHRIC) and Alaska Department of Labor (ADOL), the university surveyed all students who took at least one vocational education class in 1998 and who did not return in 1999. The first survey was published in 1999. The latest survey was published in January 2000 and is the first to contain pre and post training earnings information. For a complete copy of the survey see: <http://www.alaska.edu/oir/voced.html>

Measure: The amount of research grants in arctic biology, climate change, resource development, fisheries and ocean science, logistics, geosciences, and atmospheric sciences.

(Developed jointly with Legislature in FY2001.)

Current Status:

Goal: Increase research grant funding brought in to the university in areas important to Alaska.

The University is actively developing baseline data for this performance measure.

Benchmark:

Annual Average of a Subset of UA Grant Activity from FY99-FY00.

Grant Category	Number of Grants	Grant Amount(Thous \$)
Arctic Biology	38	\$ 5,131.7
Climate Change	47	\$ 13,060.9
Resource Development	19	\$ 1,338.2
Fish & Ocean Science	40	\$ 8,431.3
Geosciences	90	\$ 10,751.0
Atmospheric Sciences	16	\$ 2,077.5

Background and Strategies:

UA conducts research in several areas important to the state. In Alaska, unlike other states, the University carries out the bulk of Research and Development (R&D) activity. In other states, industry carries out 71% of the R&D effort while universities do 13%. In Alaska, however, 52% of the state's R&D effort is carried out by UA. However, Alaska conducts very little R&D. Only 0.5% of Alaska gross state product is invested in research compared to 2.5% for other states. Two reasons that may explain why Alaska is dependent on UA to support R&D are the lack of a mature manufacturing industry base and some industry R&D efforts are largely conducted out-of-state (oil and tourism, for example). Regardless of the reason, Alaska must invest mightily in R&D for future economic development and UA is the engine to fuel state R&D. Fortunately, UA leverages every \$1 of state funded research with \$4 of external funding. This is a significant return of state investment for research and provides a much greater R&D impact for the state.

Measure: The number of graduate students whose education is funded by research grants.

(Developed jointly with Legislature in FY2001.)

Current Status:

Goal: Increase the number of grant funded graduate students by 10% over the next two years.

183 graduate students were employed in fall 2000.

Benchmark:

Based on the University's federal reporting date, 164 graduate students were employed on grant-funded research in the fall 1998, 192 in fall 1999 and 183 in fall 2000. Using the last three-year average (180), a 10 percent increase would result in 200 graduate students employed with research funding in fall 2002.

Measure: The occurrences of applied research benefiting the state's economy.

(Developed jointly with Legislature in FY2001.)

Current Status:

Goal: Increase the number of research projects specifically benefiting the economy of Alaska.

On track, developing baseline data.

Background and Strategies:

This performance measure is challenging to quantify but of critical importance to the university and to the economic development and diversification of the state. The demonstration of progress on this performance measure will likely be in the form of listing specific projects with its specific projects and related contribution to the state.

For example, Gas-to-liquids (GTL) research is being touted by the oil industry as a value added process for North Slope natural gas. The Fairbanks Energy Center is working on more efficient and feasible means of providing energy to cold regions. UA's Fisheries Industry Technology Center is developing a pin bone removal device which will dramatically expand the market for pacific salmon.

Additionally, the state's funding match and the National Science Foundation award to UA for the Experimental Program to Stimulate Competitive Research (EPSCoR) will enhanced UA's capacity in areas of applied research focused on Alaska's needs.

Measure: The quality of research as measured by annual citation and significant publications in referred journals.

(Developed jointly with Legislature in FY2001.)

Current Status:

Goal: Maintain the number and quality of publications by UA faculty.

The University is actively developing baseline data for this performance measure.

Background and Strategies:

This performance measure will be tied to the development of the Community of Science database. This database holds information regarding faculty in over 400 U.S. College and Universities. Faculty by institution with faculty specializations, major project awards and journal publications is contained within the Community of Science Database. This measure is also difficult to track but serves as an indicator of UA research and involvement in the international science community. Below is an example of preliminary information collected on FY00 faculty publications.

	Category	# of Publications
UAF	Arctic Biology	33
UAF	Climate Change	29
UAF	Resource Development	9
UAF	Fish & Ocean Science	50
UAF	Geosciences	97
UAF	Atmospheric Sciences	19

(# of publications = the average of 97/98 and 98/99)

Measure: The retention rate of full-time students in degree programs.

(Developed jointly with Legislature in FY2001.)

Current Status:

Goal: Over three years, increase retention rate for baccalaureate degree seeking first-time freshmen to 71%.

Retention rate of first-time full-time baccalaureate degree seeking freshmen:

Year	Headcount	Retention to 2nd year
1999	1,008	67.6%

Benchmark:

The University participates in the Consortium for Student Retention Data Exchange (CSRDE) national survey. The most recent CSRDE survey published in May, 2000, reports that of the 71 institutions described as "less-selective" (indicating open admissions and high part-time enrollment) the average retention rate from the first to the second year for full-time, baccalaureate-degree-seeking first-time freshman, for 1992 to 1998 is 71%.

Background and Strategies:

Retention rate of first-time full-time baccalaureate degree seeking freshmen:

Year	Headcount	Retention to 2nd year
1993	845	63.7%
1994	903	59.2%
1995	827	64.0%
1996	913	67.6%
1997	802	65.7%
1998	998	63.1%

Measure: The graduation rate of full-time students in degree programs.*(Developed jointly with Legislature in FY2001.)***Current Status:**

Goal: Starting with the 1999-2000 first-time freshmen class, increase six-year graduation rates for baccalaureate degree seeking first-time freshmen.

The University is actively pursuing benchmark data for this performance measure.

Benchmark:

The latest information available for six year graduation rates are for the class of 1993 showing 26% of the first time freshmen graduated within six-years.

Background and Strategies:

Retention rates play a major role in UA graduation rates and UA is monitoring retention closely. As UA pursues retention improvements, a graduation rate benchmark will be established. The programs UA has put in place in FY00 and FY01 will affect the six-year graduation rate for the fall 1999 first-time freshmen. The result of these improvements on the Fall 1999 class will be available in Summer 2006. UA will continue to monitor the six-year graduation rate for all in-coming classes of first-time freshmen.

Measure: The comparative scores of students who take professional examinations.*(Developed jointly with Legislature in FY2001.)***Current Status:**

Goal: Meet or exceed the national average on scoring or pass rates for students who take professional exams.

The university is in the process of identifying and collecting the scores and pass rates of students on the professional exams administered within baccalaureate programs.

Background and Strategies:

The university is in the process of identifying and collecting the scores and pass rates of students on the professional exams administered within baccalaureate programs. Below is a small sample of the four-year program exam scores relative to national ratings. There will not be a single measure, but rather a listing of programs that administer professional exams and the resultant scores or pass rates as appropriate.

Examination Type	UA Score	National Score
ACAT-Social Work 2000 (UAA)	68.00% (average)	50.00% (average)
CPA-November 1999 (1st time) (UAA)	23.10% (passing)	13.70% (passing)
ETS Major Field Test -Sociology 1999-2000	94.00% (average)	50.00% (average)
Fundamentals of Engineering -Civil Engineering April '99 (UAA)	85.71% (passing)	65.55% (passing)
Fundamentals of Engineering -Civil Engineering October '99 (UAA)	100.00% (passing)	78.00% (passing)

Status of FY2001 Performance Measures

<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
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	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> • Over the next three years, increase enrollments by 5%. • The number and percentage of recent Alaska high school graduates who attend the University of Alaska. • The number and percentage of total Alaska high school graduates who attend the University of Alaska as UA Scholars. • The number and percentage of total Alaska high school graduates who stay in Alaska one year, five years, and 10 years after graduation. • The number of students graduating with degrees in teacher education, health careers, process technology, transportation and logistics, information technology and other high-demand job areas • The number of University of Alaska graduates, by community of origin and by community of current employment, who are new teachers. • The number of University of Alaska graduates, by community of origin and by community of current employment, who are new principals or new superintendents. • The number and percentage of total credit hours and courses offered by distance delivery. • The cost per credit hour delivered by distance delivery. • The pre-training wage as compared to the post-training wage for voc-ed graduates. • The amount of research grants in arctic biology, climate change, resource development, fisheries and ocean science, logistics, geosciences, and atmospheric. • The number of graduate students whose education is funded by research grants. • The occurrences of applied research benefiting the state's economy. • The quality of research as measured by annual citation and significant publications in refereed journals. • The retention rate of full-time students in degree programs. • The graduation rate of full-time students in degree programs. • The comparative scores of students who take professional examinations. 		X			
		X			
		X			
		X			
		X			
			X		
			X		
		X			
		X			
			X		
			X		
		X			
			X		
		X			

Department Budget Summary by BRU

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures												
None.												
Non-Formula Expenditures												
University of Alaska Systemwide	1,607.1	0.0	0.0	1,607.1	125.0	0.0	1,000.0	1,125.0	16,853.9	20,945.9	5,980.1	43,779.9
Statewide Programs & Services	11,896.6	0.0	15,344.8	27,241.4	13,891.7	2,005.6	28,355.7	44,253.0	14,570.5	2,005.6	25,990.9	42,567.0
Univ of Alaska Anchorage	62,052.5	13,167.5	62,849.4	138,069.4	66,046.5	15,145.9	79,247.9	160,440.3	66,666.3	15,145.9	78,928.1	160,740.3
Univ of Alaska Fairbanks	84,328.0	42,379.5	98,132.5	224,840.0	88,683.0	54,119.7	133,756.9	276,559.6	89,214.6	54,119.7	132,955.3	276,289.6
Univ of Alaska Southeast	14,067.0	792.0	10,569.5	25,428.5	15,390.7	1,898.9	15,089.1	32,378.7	15,685.5	1,898.9	14,794.3	32,378.7
Totals	173,951.2	56,339.0	186,896.2	417,186.4	184,136.9	73,170.1	257,449.6	514,756.6	202,990.8	94,116.0	258,648.7	555,755.5

Funding Source Summary

All dollars in thousands

Funding Sources	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
1001 Constitutional Budget Reserve Fund	1,607.1		
1002 Federal Receipts	56,339.0	73,170.1	94,116.0
1003 General Fund Match	2,777.3	2,777.3	2,777.3
1004 General Fund Receipts	169,366.0	181,158.8	200,012.7
1007 Inter-Agency Receipts	30,659.4	34,564.9	43,476.7
1010 University of Alaska Interest Income	3,034.8	3,833.7	3,928.3
1015 U/A Dormitory/Food/Auxiliary Service	28,805.1	37,555.1	35,334.4
1025 Science & Technology Endowment Income	2,630.0	3,630.0	2,630.0
1037 General Fund / Mental Health	200.8	200.8	200.8
1038 U/A Student Tuition/Fees/Services	48,577.3	59,043.9	55,041.1
1039 U/A Indirect Cost Recovery	16,096.7	22,382.2	22,937.7
1048 University Restricted Receipts	55,403.0	88,980.5	91,624.2
1061 Capital Improvement Project Receipts	1,689.9	3,576.3	3,576.3
1092 Mental Health Trust Authority Authorized Receipts		102.0	100.0
1150 ACPE Dividend		2,000.0	
1151 Technical Vocational Education Program Account		1,781.0	
Totals	417,186.4	514,756.6	555,755.5

Position Summary

Funding Sources	FY2001 Authorized	FY2002 Governor
Permanent Full Time	3,388	3,511
Permanent Part Time	233	239
Non Permanent	0	0
Totals	3,621	3,750

FY2002 Capital Budget Request

Project Title	General Funds	Federal Funds	Other Funds	Total Funds
Safety and Highest Priority Renewal and Replacement	0	0	4,000,000	4,000,000
Telecommunications Equipment Improvements	1,875,000	0	0	1,875,000
University of Alaska Small Business Development Center	450,000	0	0	450,000
Air Traffic Control Simulator	0	2,500,000	0	2,500,000
Arctic Region Supercomputer Purchase	0	30,000,000	0	30,000,000
Department Total	2,325,000	32,500,000	4,000,000	38,825,000

This is an appropriation level summary only. For allocations and the full project details see the capital budget.

Overview of Departmental Budget Changes

UA's budget request is focused on recruiting and retaining Alaska students, offering academic programs directed at training Alaskans to fill the jobs in highest demand today and in the future, and building the technological capacity of the state. The state's commitment to an increasing investment in UA is essential to preparing Alaska for sustainable economic success. In following the principle of exceptional stewardship of state resources, UA's general fund request is \$205 million resulting in additional state funding for FY02 in the following areas:

- .. Maintaining a Solid Foundation-\$9.2 million
- .. Attracting and Retaining Alaska's Students-\$1.0 million
- .. Meeting Alaska Employment Needs-\$4.2 million
- .. Preparing for Alaska's Economic Success-\$2.5 million

Maintaining a Solid Foundation includes funding for contract and policy mandated salary obligations for UA employees, non-discretionary fixed cost increases composed of facilities maintenance and repair, library and license agreement increases and inflationary cost increases. Also, included in this category is funding focused on distance delivery to ensure academic quality and funding for information technology services including the statewide library database licensing initiative. The last category of requests within Maintaining a Solid Foundation includes services for enhanced accountability and business efficiency.

Attracting and Retaining Alaska's Students includes funding for enhanced services for recruiting, retention, advising, and standard electronic student services. The requests in this category are directly aimed at improving enrollment.

Meeting Alaska's Employment requests are to enable the University to offer the programs necessary to meet current high demand workforce needs. Workforce assessments from the Alaska Department of Labor, Alaska's Human Resource Investment Council, and the Alaska Department of Education, industry consortiums and corporations show highest workforce demands exist for teachers, health care workers (especially nurses), information technology specialists and trained technical workers.

Preparing for Alaska's Economic Success requests are investments in programs that will positively impact Alaska's economic future. The programs requested include finance and e-commerce, natural resources and fisheries, applied research and expanding engineering instruction. The investment in these programs is vital now. Alaska needs Alaskans prepared to build and manage the next major projects (i.e. the gas line, missile defense system, fiber optic systems, rail road etc.), and it takes five years for the first new students to graduate.

Service Changes

The increase in UA's FY01 state funding provided the means to fully implement the program initiative UA started in FY00. These include UA corporate programs, logistics, expansion of the nursing program and applied technology. It also enabled UA to start and enhance programs in teacher education, nursing, vocation education, data retrieval and analysis, process technology and natural resources. These programs contributed to an enrollment increase this fall and will result in a FY01 tuition revenue increase, the first since FY96. The complete list and status of programs implemented as a result of the FY01 state funding are available at www.alaska.edu/swbudget/01initiatives.

By aligning new and expanded programs with state needs, partnerships with state agencies, industry and federal agencies are expanding. Grant funding, scholarship opportunities and endowment increases are expected in FY01 and FY02.

Summary of Department Budget Changes by BRU

From FY2001 Authorized to FY2002 Governor

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	184,136.9	73,170.1	257,449.6	514,756.6
Adjustments which will continue current level of service:				
-University of Alaska Systemwide	4,885.2	234.3	1,519.2	6,638.7
-Statewide Programs & Services	678.8	0.0	-2,364.8	-1,686.0
-Univ of Alaska Anchorage	619.8	0.0	-319.8	300.0
-Univ of Alaska Fairbanks	531.6	0.0	-801.6	-270.0
-Univ of Alaska Southeast	294.8	0.0	-294.8	0.0
Proposed budget decreases:				
-University of Alaska Systemwide	0.0	0.0	-9,640.1	-9,640.1
Proposed budget increases:				
-University of Alaska Systemwide	11,843.7	20,711.6	13,101.0	45,656.3
FY2002 Governor	202,990.8	94,116.0	258,648.7	555,755.5