

State of Alaska FY2023 Governor's Operating Budget

University of Alaska UA System Office Results Delivery Unit Budget Summary

UA System Office Results Delivery Unit

Contribution to Department's Mission

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

University Structure

The University of Alaska is composed of four major units: the system office and three separately accredited institutions, University of Alaska Anchorage (UAA), University of Alaska Fairbanks (UAF), and University of Alaska Southeast (UAS).

The chancellor of each institution reports to the president of the university system, who in turn reports to the Board of Regents. The Board has ten members with eight-year appointments and a student regent with a two-year appointment; all members are appointed by the governor and confirmed by the legislature.

System administrators reporting to the president include the university's executives in the areas of finance and administration, university relations, academic affairs and research, information technology, human relations and legal counsel.

University of Alaska Mission Statement
Board of Regents' Policy 01.01.010
Adopted 10-06-00

Results

(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)

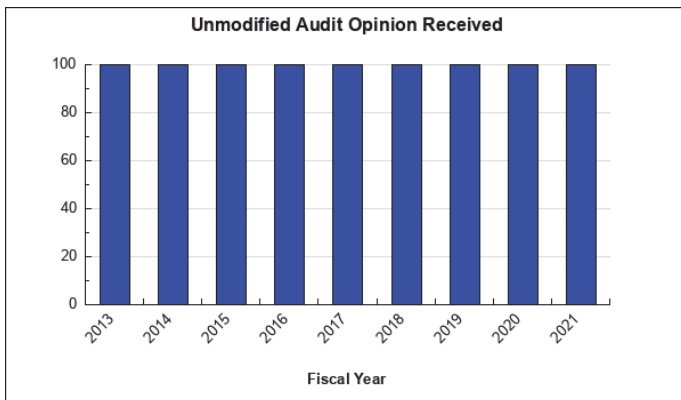
Core Services

- Achieve clean financial statement audit opinions
- Achieve clean audit reports over federal financial assistance compliance and related internal controls

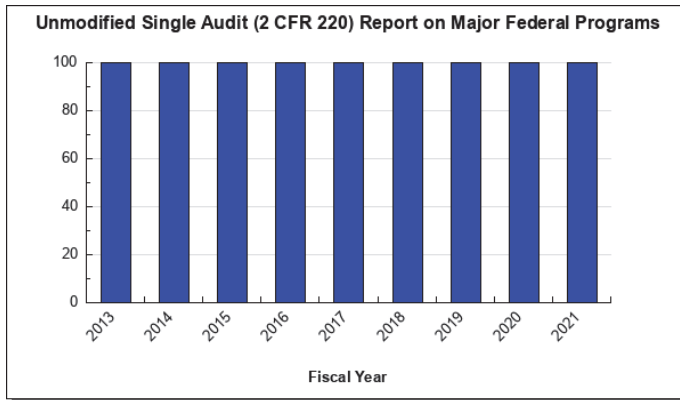
Measures by Core Service

(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)

1. Achieve clean financial statement audit opinions



2. Achieve clean audit reports over federal financial assistance compliance and related internal controls



Major RDU Accomplishments in 2021

Statewide Services completed several projects designed to reduce cost and increase efficacy across the UA System, and continued to provide intermediary support toward the achievement of both institutional and state goals. Significant accomplishments realized by Statewide Services targeted investments and continued support of institutional services include:

Consistent with the agreement between the Governor and the Board of Regents, the University's ability to make progress on the Board's goals and objectives will require investment in more agile, student-centric, and cost-effective systems and supporting organizations. The University of Alaska is under increasing pressure to compete for students and ensure stakeholders that outcomes are worthy of their investments. In addition, 21st-century students demand self-service models and technologies to navigate their university experience with ease. Furthermore, data strategies and analytical capabilities can create new perspectives and insights on improving student and institutional outcomes.

- Continuous improvement of institutional cybersecurity capabilities; building faculty, staff, and student awareness of cybercrime and regulatory responsibilities; and providing support for federal and state compliance:
 - Continuing the Office of Information Technology (OIT), Security and Telecommunications' ability to safeguard system-wide infrastructure and the digital computing experience for students, faculty, and staff, through greater focus on IT security projects;
 - Continuing support of initiatives that educate and heighten faculty, staff, and student workers' awareness of regulatory compliance, such as the Family Educational Rights and Privacy Act (FERPA); Gramm-Leach-Bliley Act (GLBA); Health Insurance Portability and Accountability Act (HIPAA); Payment Card Industry Data Security Standard (PCI DSS); and General Data Protection Regulation (GDPR), and the designation of a Data Privacy and Compliance Officer to oversee these efforts;
 - Implementing an electronic learning management and performance evaluation system to ensure all employees complete required training and are provided with an annual performance review;
 - Received clean audit reports for Federal Financial assistance and related internal controls, and clean financial statement audit opinion;
- Expanding student access:
 - In order to support more Alaskans pursuing higher education, UA implemented a new access portal (UA Gateway) which will, for the first time ever, let students see courses and programs across the UA system in a single collaborative list which can be filtered and sorted to meet the student needs.
 - Technology-enabled learning spaces through:
 - The collaboration of multiple OIT units, who combine their expertise to create 26 of these spaces in the new UAF Engineering, Learning, and Innovation Facility;
 - The development of collaborative computing spaces in the UAF student library and main UAF underclassmen dorm;
 - Educational experiences and workforce development:

- Collaborating with Alaska’s high schools to deliver dual enrollment credits, providing students with the opportunity to finish college and enter the workforce sooner;
- Increasing affordability of higher education for Alaskans through the implementation of the Occupational Endorsement Certificate tuition discount;
- Establishing a system-wide Student Success Collaboration, to support the campuses in their efforts to increase student enrollment and success;
- Facilitating several cost optimization and revenue generation projects such as:
 - Implemented a process known as “tail-end hop-off” in which a phone call traverses the computer network to another city, and then hops off that computer network to a local organization. The call acts as if it were placed locally, thus reducing long distance phone charges;
 - Consolidating redundant university directory systems, eliminating complexity, and improving directory services for students, faculty and staff;
 - Implementing a new travel system that utilizes the State of Alaska’s negotiated discounts and provides process efficiencies for UA;
 - Successfully advocated for the extension of the Alaska Education Tax Credit (ETC), preserving an important funding source and industry partnership program;
 - Launched the first ever system-wide fundraising campaign. Fundraising is one of the smartest investments;
- Increasing operational efficiencies through the utilization of technology and employee development:
 - Reducing travel through greater utilization of OIT Conferencing Services by providing 13,118 hours of video conferencing across the UA system, resulting in significant savings in travel costs, while preserving the ability to collaborate across UA campuses;
 - Completed an industry-standard benchmarking and IT Score assessment of OIT in the areas of Information Security, Infrastructure & Operations, Applications, and Program & Portfolio Management;
 - Conducting a leadership development needs assessment that will result in system-wide training to address Alaska’s changing workforce need by developing employee “soft skills”, leadership and management best practices, and succession planning;
- The UA data center in Fairbanks instituted an on-premise backup power generating capability to help ensure business continuity and mitigate risk;
- Remote Work project implementation; establishing regulations, new website, supervisor tools;
- Implementation of Families First Coronavirus Response Act (FFCRA) components impacting pay, sick leave and Family Medical Leave Act (FMLA);
- Student classification and compensation assessment and updates;
- Alignment of FR/FN (FR: Faculty Non-Union = 12 months and FN: Faculty Non-Union <12 months) employee classification to reflect current definitions;
- Implemented training opportunities for supervisors related to management skills, performance management, and team-building, and also professional development for staff;
- Implemented new Patient Advocacy and Benefits Transparency vendor with a 40% cost savings and increased employee engagement in services;
- Elimination of all non-priority notices required by regulatory agencies transitioned to electronic distribution with a savings of \$20K.
- The UA data center in Fairbanks instituted an on-premise backup power generating capability ensure business continuity and mitigate risk;
- Academics, Students and Research
 - University Structure
 - Established the Alaska College of Education Consortium
 - Tuition and Student recruitment
 - Developed a process for creating differentiated tuition
 - Takes into consideration each university’s mission, student population, institutional peers, etc.
 - Creates more opportunities for student aid to facilitate recruitment and retention

Key RDU Challenges

- Coordinating disaster preparedness and business continuity planning for the entire UA system, and, at times, working with local and federal agencies, consumes significant resources, and often the need for funding comes in waves, as cost and time-spent can spike when conducting extensive studies or simulations. Due to this, setting a timeline for disaster preparedness and business continuity planning projects can be challenging, particularly when the project is phased over multiple years and funding is dependent on annual appropriations. Although the

benefits of these projects generally go unrealized, it is crucial that UA is prepared to respond to an array of potential disasters (i.e. earthquakes, data loss, active-shooter, etc.) for the safety of students, faculty, and staff; and to mitigate operational disruptions.

- Working on behalf of the UA System to meet state and federal regulatory compliance is a paramount core service that Statewide Services provides, as a result:
 - Allocating and managing time to coordinate and facilitate comprehensive, system-wide projects, such as the upgrade to UA's enterprise resource planning (ERP) software, is a challenge, and can prolong the project timeline;
 - System-wide Human Resources projects identified for automation and process improvement have begun to accumulate due to the need for expanded support; and
 - There is a need to develop innovative solutions for completing more system-wide process improvement and automation projects due to limited staffing and resources.
- The rising cost of property insurance. Over the last several years insurance premiums have increased 109 percent or \$2.5m. UA is exploring other options.
- Alaska has historically had one of the lowest college-going rates in the nation and consistently ranks last or second to last of all 50 states in the percentage of high school graduates going to college immediately after high school. In 2019, 39.6 percent of Alaskans have at least an associate degree, an improvement over 2018, but still below the national average of 43.8 percent. Overall, 49.5 percent of Alaskans have some post-secondary attainment (including short-term credentials) and the state is making progress toward its goal of 65 percent by 2025. This non-college-going state environment makes leading system-wide efforts aimed at increasing student enrollment a challenge;
- HR information systems requirement for reparation and modernization moving forward;
- Understaffing and decrease of applicants for jobs across the university system;
- Negotiating three collective bargaining agreements simultaneously and within a challenging economic environment;

Significant Changes in Results to be Delivered in FY2023

- Continue broad and purposeful outreach on the value and importance of UA to external stakeholders and community organizations, and to local, state, and federal policy makers;
- Continue to build partnerships and coalitions with other organizations with common or shared interests;
- Continuing improvements in UA's information security posture;
- Statewide Services will provide support toward establishing a nationally recognized Maritime Center of Excellence for Alaska, to help provide technical education and training programs that will secure the talent pipeline for the maritime workforce.
- As part of continued work toward ensuring a respectful, positive and productive workplace, following budget cuts and workforce reductions, the university is embarking on an organizational culture assessment and enhancement strategies initiative.
- Continual lean process improvement in administrative functions.
- Continuing to leverage the long-run total cost-of-ownership proposition of cloud computing;
- Continual lean process improvement in administrative functions;
- Increased coordination and collaboration of academic units to provide opportunities for students to enroll in programs across the state;
- Continue the expansion of on-line courses and programs;
- Continue the expansion of differentiated tuition related to university mission and increased student aid to enhance enrollment;
- Successfully negotiate three (3) Collective Bargaining Agreements.
- Implementing Federal Executive Order 14042 COVID-19 tracking vaccination mandate and procedures.
- Continuing implementation on policy, structure, and updating compensation competitiveness.
- Evolution of compensation practices and strategy reflecting newly approved compensation philosophy.

Contact Information

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**UA System Office
RDU Financial Summary by Component**

All dollars shown in thousands

	FY2021 Actuals				FY2022 Management Plan				FY2023 Governor			
	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
Systemwide Services	18,886.7	25,469.1	0.0	44,355.8	19,101.7	10,151.1	300.0	29,552.8	19,101.7	10,151.1	300.0	29,552.8
Office of Information Technology	11,088.2	3,025.1	0.0	14,113.3	11,673.1	3,578.8	0.0	15,251.9	11,673.1	3,578.8	0.0	15,251.9
Totals	29,974.9	28,494.2	0.0	58,469.1	30,774.8	13,729.9	300.0	44,804.7	30,774.8	13,729.9	300.0	44,804.7

UA System Office
Summary of RDU Budget Changes by Component
From FY2022 Management Plan to FY2023 Governor

All dollars shown in thousands

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
FY2022 Management Plan	9,745.0	21,029.8	13,729.9	300.0	44,804.7
FY2023 Governor	9,745.0	21,029.8	13,729.9	300.0	44,804.7

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