

# **State of Alaska FY2024 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 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.)

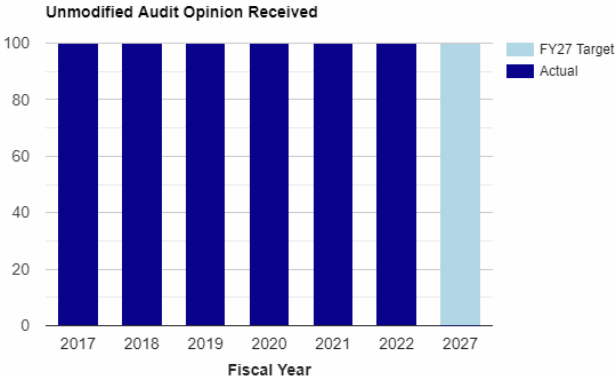
Core Services

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

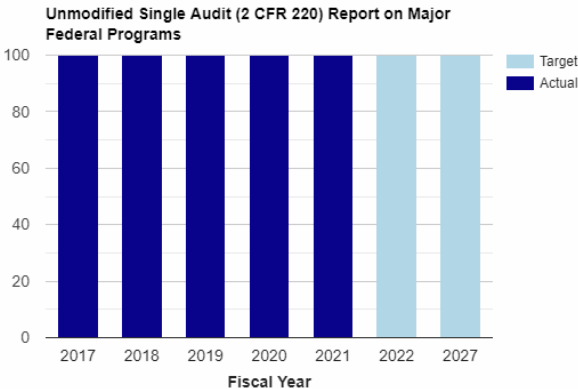
Measures by Core Service

(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 2022**

### 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.

### Enrollment/Student Access

- Continued support for the Alaska College of Education Consortium (AKCOE). AKCOE was established to coordinate academic programs for teacher preparation.
- Worked with the universities to develop a process for creating differentiated tuition that: takes into consideration each university's mission, student population, and institutional peers and creates more opportunities for student aid to facilitate recruitment and retention.
- Collaborating with Alaska's high schools to deliver dual enrollment credits, providing students with the opportunity to finish college and enter the workforce sooner.
- Established or expanded partnerships with federal, state, and local partners related to cybersecurity. Engaged with key academic staff and programs to facilitate an improved pipeline and educational opportunities for students focused on earning academic credentials in cybersecurity, risk, and compliance areas.
- Added 112 university programs, for a total of 317 to the State Department of Labor and Workforce Development Eligible Training Provider List. Thereby increasing access to Workforce Innovation and Opportunity Act funding for current and future students experiencing barriers to degree completion and employment.

### Workforce Development

- Securing federal and state funding to expand health workforce activities at the University of Alaska Anchorage and Fairbanks.
- Collaborated with the Southeast Conference on an Economic Development Administration Build Back Better proposal that resulted in a nearly \$50 million award to grow the mariculture industry and includes \$10 million for workforce development to be implemented by university programs.
- Partnered to establish the Alaska Maritime Education Consortium between Alaska Vocational Technical Center (AVTEC) and university maritime programs which resulted in being recognized by the State Department of Transportation Marine Administration as a 2021 Center of Excellence for Domestic Maritime Workforce Training and Education.
- Implement a \$2 million state appropriation for university and AVTEC programs to develop a talent pipeline for the maritime workforce, one of the state's largest industry sectors.

### Technology

- 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 a greater focus on information technology security projects.
- Conducted multiple request for proposals (RFP) and selected and onboarded ten major cybersecurity/compliance tools including a security information and event management (SIEM) solution; endpoint detection and response (EDR); vulnerability management; data identification/protection; network traffic analysis password management; privileged access management; secure file transfer; cloud security; and email security tools. These tools are

intended to meet current regulatory or contractual requirements and to more proactively position the University of Alaska System for evolving threats and regulatory requirements in the future.

- Expanded multi-factor authentication (MFA) deployment from less than 500 to 7,500 employees. MFA is a critical capability to help protect accounts and data from unauthorized access.
- 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.

#### Effective and Efficient Use of Resources

- Implementing an electronic learning management and performance evaluation system to ensure all employees complete required training and are provided with an annual performance review.
- Enhanced compliance and reporting obligations for the Affordable Care Act (ACA).
- Upgraded the administration of Family Medical Leave (FML) and Americans with Disabilities Act (ADA).
- Upgraded and automated employee payroll functions.
- Increased student pay structures to reflect current compensation trends.
- Completed initial Human Resources (HR) requirements for Banner to cloud migration.
- Increased automation of employee records management systems.
- Upgraded and deployed a new HR customer service and knowledge tracking system.
- Transitioned all non-priority notices required by regulatory agencies to electronic distribution.
- Conducted a multi-year request for proposals (RFP) for telecommunications services covering the UA system across the state resulting in significant savings and efficiencies - highlights of the award include.
  - Increase in WAN (Wide Area Network) to community campuses reflecting capabilities increase that is up to two hundred percent of current service levels.
  - Increase in both Commodity Internet and intra-state WAN services reflecting a capability increase that is two hundred percent of current service levels.
  - Increase inter-state WAN services reflecting a capability increase that is four hundred percent of current service levels, directly benefiting high-performance computing and potential research grant opportunities.
  - Increase in MAN (Metro Area Network) services reflecting a capability increase that is from one thousand to five thousand percent of current service levels depending on location.

#### Financial

- Received clean audit reports for Federal Financial assistance and related internal controls, and clean financial statement audit opinion.
- Increasing operational efficiencies through the utilization of technology and employee development.
- Conducting a leadership development needs assessment that will result in system-wide training to address Alaska's changing workforce needs by developing employee "soft skills", leadership and management best practices, and succession planning.
- Completed Research Vessel (R/V) Sikuliaq major systems refit to replace network routing and switching platforms to modern state-of-the-art information technology infrastructure.
- Drove broadband engagement at the state, federal, and tribal levels as well as with the Alaskan telecommunications industry to ensure the University is well positioned as a Community Anchor Institution with respect to upcoming funding opportunities for community campus connectivity, workforce development, and economic development.
- Drove engagement and application for the federal Connecting Minority Communities Pilot Program grant to provide improved broadband, critical equipment replacement, and staffing support for community campus locations.
- Worked with Alaska's Members of Congress on efforts that resulted in:

- Seventeen federal appropriation requests being included in legislation that could provide \$57.7 million to UA and other partners; and
- Federal language authorizing legislation that will make UA more competitive in competing for funding at federal agencies such as the National Science Foundation (NSF), Department of Education (DOE), and the National Institute of Standards and Technology (NIST).
- Stabilizing the Alaska Performance Scholarship, Alaska Education Grants Program, and Washington, Wyoming, Alaska, Montana, and Idaho (WWAMI) Regional Medical Education Program funding by securing legislation separating the Higher Education Investment Fund from state general funds.

## **Key RDU Challenges**

### Enrollment

- 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 2022, 39 percent of Alaskans have at least an associate degree, an improvement over 2018, but still below the national average of 43.8 percent. Overall, in 2022, 55 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.

### Effective and Efficient Use of Resources

- Coordinating disaster preparedness and business continuity planning for the entire UA system, and, working with State and federal agencies, consumes significant resources, and often the need for funding comes in waves.
- 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. It is crucial that the university is prepared to respond to an array of potential disasters (i.e. earthquakes, wind-storms, data loss, active-shooter/violent intruders, cyber-attacks, etc.) for the safety of students, faculty, and staff; and to mitigate operational disruptions.
- Working on behalf of the university to meet state and federal regulatory compliance is a paramount core service that Statewide Services provide, as a result:
  - Allocating and managing time to coordinate and facilitate comprehensive, system-wide projects, such as the upgrade to the university'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.

### Financial

- The rising cost of property insurance. Insurance premiums have increased in both 2021/22 and 2022/23 resulting in significant increases. UA continues to explore other options.

## **Significant Changes in Results to be Delivered in FY2024**

Enrollment/Student Access

- Continue broad and purposeful outreach on the value and importance of UA to external stakeholders and community organizations, and to local, state, and federal policymakers.
- Advocate for the Alaska Performance Scholarship (APS) and Alaska Education Grant (AEG) awards to be communicated to the recipients in a timely manner preparing for the upcoming academic year.
- Expand awareness of vocational education and certificate programs available as part of workforce development initiatives.
- Explore state involvement in reducing broadband costs.
- Examine higher education loan repayment programs incentivized by choosing to become part of the Alaska workforce.
- Increased coordination and collaboration of academic units to provide opportunities for students to enroll in programs across the state.
- Continue the expansion of online courses and programs.

Effective and Efficient Use of Resources

- Continue to build partnerships and coalitions with other organizations with common or shared interests.
- Continuing improvements in UA's information security posture, including upgrading legacy systems to improve foundational employee data security.
- Continuing to leverage the long-run total cost-of-ownership proposition of cloud computing.
- Continual lean process improvement in administrative functions.
- Revisions to the Alaska Science and Technology Plan to guide research activities in the state.
- Integration of UA HR information systems to ensure compliance with state and federal employment regulations.
- Incentivize organization tax reduction through donations.
- Create a total rewards framework that enables current and prospective employees to understand the total UA value proposition beyond salary.
- Enhance key strategic Human Resources (HR) functions including employee engagement, technology modernization, process improvement, and talent acquisition to address the challenge of today's labor market.
- Improving current processes to reduce the amount of time, work, and resources required to complete primary business functions using antiquated tools heavily reliant on human intervention.

| Contact Information  |
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**UA System Office  
RDU Financial Summary by Component**

*All dollars shown in thousands*

|                                      | FY2022 Actuals   |                 |                  |                 | FY2023 Management Plan |                 |                  |                 | FY2024 Governor  |                 |                  |                 |
|--------------------------------------|------------------|-----------------|------------------|-----------------|------------------------|-----------------|------------------|-----------------|------------------|-----------------|------------------|-----------------|
|                                      | UGF+DGF<br>Funds | Other<br>Funds  | Federal<br>Funds | Total<br>Funds  | UGF+DGF<br>Funds       | Other<br>Funds  | Federal<br>Funds | Total<br>Funds  | UGF+DGF<br>Funds | Other<br>Funds  | Federal<br>Funds | Total<br>Funds  |
| <b>Formula Expenditures</b><br>None. |                  |                 |                  |                 |                        |                 |                  |                 |                  |                 |                  |                 |
| <b>Non-Formula Expenditures</b>      |                  |                 |                  |                 |                        |                 |                  |                 |                  |                 |                  |                 |
| Systemwide Services                  | 14,755.8         | 18,842.4        | 0.0              | 33,598.2        | 22,536.0               | 10,151.1        | 300.0            | 32,987.1        | 23,249.5         | 10,151.1        | 300.0            | 33,700.6        |
| Office of Information Technology     | 11,957.9         | 2,791.9         | 0.0              | 14,749.8        | 14,600.8               | 3,578.8         | 0.0              | 18,179.6        | 14,881.3         | 3,578.8         | 0.0              | 18,460.1        |
| <b>Totals</b>                        | <b>26,713.7</b>  | <b>21,634.3</b> | <b>0.0</b>       | <b>48,348.0</b> | <b>37,136.8</b>        | <b>13,729.9</b> | <b>300.0</b>     | <b>51,166.7</b> | <b>38,130.8</b>  | <b>13,729.9</b> | <b>300.0</b>     | <b>52,160.7</b> |

**UA System Office**  
**Summary of RDU Budget Changes by Component**  
**From FY2023 Management Plan to FY2024 Governor**

*All dollars shown in thousands*

|   | <u>Unrestricted<br/>Gen (UGF)</u> | <u>Designated<br/>Gen (DGF)</u> | <u>Other Funds</u> | <u>Federal<br/>Funds</u> | <u>Total Funds</u> |
|---|-----------------------------------|---------------------------------|--------------------|--------------------------|--------------------|
| <b>FY2023 Management Plan</b>                                       | <b>15,948.5</b>                   | <b>21,188.3</b>                 | <b>13,729.9</b>    | <b>300.0</b>             | <b>51,166.7</b>    |
| <b>Adjustments which<br/>continue current level of<br/>service:</b> |                                   |                                 |                    |                          |                    |
| -Systemwide Services  | 705.9                             | 7.6                             | 0.0                | 0.0                      | 713.5              |
| -Office of Information<br>Technology                                | 280.5                             | 0.0                             | 0.0                | 0.0                      | 280.5              |
| <b>FY2024 Governor</b>  | <b>16,934.9</b>                   | <b>21,195.9</b>                 | <b>13,729.9</b>    | <b>300.0</b>             | <b>52,160.7</b>    |