

# UNIVERSITY *of* ALASKA

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## Staff Alliance

### Draft Agenda

Tuesday, February 8, 2011

10:00pm – noon by audio conference

Fairbanks site: Butrovich Room 204

Bridge # 1-800-893-8850, pin # 4236369

1. Call to Order and Roll Call

Maria Russell, Chair, Staff Alliance 2010-2011 and President, UAF Staff Council  
Russell Pressley, Vice Chair, Staff Alliance 2010-2011 and President, UAA APT Council  
Megan Carlson, President, UAA Classified Council  
Margo Griffith, Vice President, UAF Staff Council  
Mary McRae Miller, President, UAS Staff Council  
Gwenna Richardson, Vice President, UAS Staff Council  
Lisa Sporleder, President, Statewide Administration Assembly  
Dana Platta, Vice President, Statewide Administration Assembly

2. Adopt Agenda

3. Approve minutes

3.1 December 14, 2010

Attachment 3.1

3.2 January 18, 2011

Attachment 3.2

4. Chair's Report

4.1 Spring Retreat

4.2 Board of Regents Meeting <http://www.alaska.edu/bor/agendas>

5. Guest and Public Comments

6. President Gamble (approximately 11:00am)

6.1 Strategic Plan Process

6.2 Fisher Plan

Attachment 6.2

6.3 Staff Make Students Count Awards

Attachment 6.3

7. Legislative Update/Advocacy, W. Redman/M. Rizk

Attachment 7.0

8. Human Resources Reports, Review

8.1 Nondiscrimination Policy

Attachment 8.1

8.2 Dependent Audit Update, Mike Humphrey

Attachment 8.2

- 8.3 Health Care Plan Changes, Beth Behner
- 8.4 Web Time Reporting, Vickie Gilligan Attachment 8.4
- 8.5 Union Update Attachment 8.5
- 8.6 Other Human Resources Reports, Issues
  
- 9. External Administration Committee/Council Reports
  - 9.1 Human Resources Council  
*Margo Griffith; Alternates Lisa Sporleder, Maria Russell*
  - 9.2 Business Council Attachment 9.2  
*Lisa Sporleder; Alternates Dana Platta, Maria Russell*
  - 9.3 Student Services Council  
*Russell Pressley; Alternate Gwenna Richardson*
  - 9.4 IT Executive Council - ITEC Attachment 9.4  
*Dana Platta; Alternates Margo Griffith, Gwenna Richardson*
  - 9.5 Joint Health Care Committee and Wellness Program  
*Gwenna Richardson; 1<sup>st</sup> alternate Lisa Sporleder, 2<sup>nd</sup> alternate Megan Carlson*
  - 9.6 Staff Health Care Committee Attachment 9.6  
*Megan Carlson*
  - 9.7 Retirement committee  
*Russell Pressley; Alternate Dana Platta*
  - 9.8 Tuition Task Force Attachment 9.8  
*Gwenna Richardson*
  - 9.9 Other External Committees/Reports/Assignments
  
- 10. Staff Alliance Working Groups, Reports
  - 10.1 Staff Alliance Performance Evaluation Working Group Attachment 10.1
  - 10.2 Staff Alliance Compensation Working Group; Next Steps
  - 10.3 Integrated Advocacy Committee, *Megan Carlson, Mary McRae Miller, Co-Leads*
  
- 11. Staff Governance Reports:
  - 11.1 UAS Staff Council: *Mary McRae Miller and Gwenna Richardson*
  - 11.2 UAA Classified Council, APT Council: *Megan Carlson and Russell Pressley*
  - 11.3 UAF Staff Council: *Maria Russell and Margo Griffith*
  - 11.4 Statewide Administration Assembly: *Lisa Sporleder and Dana Platta*
  
- 12. Other Items of Concern
  
- 13. Agenda Items for Next Meeting March, 2011
  
- 14. Comments
  
- 15. Adjourn

# U N I V E R S I T Y *of* A L A S K A

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## Staff Alliance

### Draft Minutes

Tuesday, December 14, 2010

3:00pm – 5:00pm by audio conference

Fairbanks site: Butrovich Room 208A1

Bridge # 1-800-893-8850, pin # 4236369

1. Call to Order and Roll Call

Members:

Maria Russell, Chair, Staff Alliance 2010-2011 and President, UAS Staff Council

Russell Pressley, Vice Chair, Staff Alliance 2010-2011 and President, UAA APT Council

Megan Carlson, President, UAA Classified Council

Margo Griffith, Vice President, UAF Staff Council

Gwenna Richardson, Vice President, UAS Staff Council

Lisa Sporleder, President, Statewide Administration Assembly

Dana Platta, Vice President, Statewide Administration Assembly

Staff:

Kim Fackler, Admin Coordinator, System Governance

Pat Ivey, Executive Officer, System Governance

Joe Trubacz, Chief Financial Officer, Vice President for Finance and Administration

Russell O'Hare, Chief Records Officer

Kerry Digou, Chief Security Officer

Nathan Siefus, Security Officer

Beth Behner, Chief Human Resources Officer

2. Adopt Agenda

MOTION: passed

“The Staff Alliance moves to adopt the agenda for the December 14, 2010 meeting. This action is effective December 14, 2010.”

3. Approve November 16, 2010 minutes

MOTION: passed

“The Staff Alliance moves to approve the minutes of the November 16, 2010 meeting as amended. This action is effective December 14, 2010.”

## 4. Chair's Report

## 4.1 Report on Board of Regents meeting December 9 and 10, 2010

Thanked the outgoing regents and shared concerns about the planned increases linked to the CPI. The regents did approve a 7 percent tuition increase for undergraduate tuition and 3 percent increase to graduate tuition. Employee tuition waivers were not discussed in public session.

This was the last Board meeting for Board members Eric Drygas and Cynthia Henry. Fuller Cowell is the new Board chair and Pat Jacobsen is vice chair.

## 5. Guest and Public Comments

## 5.1 Copier/scanner security

Present *Joe Trubacz, Vice President for Finance and Administration and ITEC*

Copiers have become computers with hard drives that store data and documents that can be hacked into. UA is developing policy that includes procedures relating to the life cycle of the machine, the type and contract language, who owns the hard drives at the end of the machine life cycle, the contractor or the university. UA believes that UA should own it. All hard drives should be removed from copiers before machines are disposed of. Memos have been sent to chancellors and other administrators regarding this. UA owned machines are now wiped clean by IT. Apparently we can now purchase and keep the hard drives on leased machines.

Recommended contract language includes:

- Identification of the machine functionality and protection of data
- Vendor must demonstrate data wiping capability
- Service provider must demonstrate how to remove the hard drive
- Secured disk upgrade warranty
- 

University responsibilities include:

- Employees must be trained on how to use the machine and turn off the data retention function on the machines
- Add a label to the machines notifying employees that the machine has persistent memory and may retain the information being copied
- Assure that all copier hard drives are wiped before copier disposal.

Some functionality will be removed if the hard drives are removed, i.e., ability to queue jobs, scanning documents etc., so the decision to remove the hard drive cannot be arbitrary. The university is responsible for securing the data. The FDC has just come out with a guide to businesses that includes the caveat that if businesses are doing credit checks or copying privileged information, it is the business's responsibility to maintain and safely dispose of the information.

Additional information will be forthcoming shortly after the first of the year. A draft policy should be forthcoming by the end of January.

5.2 Other Guest or Public Comments

6. Human Resources Reports, Review

6.1 Non Retention Update

Human Resources has been unable to verify layoff numbers. The ARSC layoff information is correct. News came out in the press prematurely before notices could be given. UA was bound to give a six month layoff notice period even though funds are available through may. Approximately 40 staff are involved, and President Gamble waived the regulations in this instance so all staff including both classified and APT were given six months notice.

Regarding reporting, there are different processes and burdens of proof for non retention as opposed to termination for cause, and sometimes a termination involves both processes. When that occurs, the report lists the event only once for the higher action (termination for cause) regardless of the ultimate outcome (non retention).

6.2 ARSC Layoffs

Human resources is looking for positions for those ARSC employees who are being laid off. These employees are on a UAF priority rehire list; they don't have to go through the UAKjobs process.

6.3 Education Benefits Issues

Regarding education benefits, the value of employee, spouses and dependent tuition waivers equals approximately \$4 million per year. This is part of the total compensation packet. We are looking at moderate changes and have given proposals to the unions containing a waiting period of six months and reimbursing the university for failing grades. Tuition is not the only factor in taking classes. Fees must be paid by the employee. If an incomplete resulted in a failed grade, the employee would reimburse the university. There is no interest in penalizing anyone for auditing courses. Apparently UAF and UAA give a failing grade for incompletes not completed within one year but at UAS, the incomplete becomes part of the permanent record without penalty. The Faculty Alliance is looking at this issue.

6.4 Geographic Differential

The university geographic differential rates differ from the state rates. To align the rates, some areas would benefit and others would be adversely impacted. This has been discussed in the staff compensation working group and by faculty. The item was remanded to the staff compensation committee.

## 6.5 Unionization

ASEA has not petitioned to organize yet but will. There is a video conference on January 22. Since the original petition was withdrawn, ASEA has to start over. As a result of arbitration, ASEA is not allowed to begin unionization efforts before they can start in again. Now that ASEA is rejoining the unionization effort, is there any interested in obtaining the answers to questions posed at the SAA brown bag luncheon. It is either up to SAA or Staff Alliance to get the questions answered; however, if they choose not to answer, we can say that the union chose not to answer.

## 6.6 Other Human Resources Issues

Soft closures: UAA and UAF had soft closures due to weather but treated employees differently. UAA employees were allowed to take administrative leave during a recent full campus emergency closure but UAF staff were only allowed leave without pay or come in to work. In 2003, a UAF policy was on the books that if there was a forced closure, staff were allowed administrative leave. The other day classes were cancelled but the campus was not closed.

Discussions about pay should be taken up with the chancellor.

## 7. Strategic Planning

### 7.1 Fisher Review Status

President Gamble addressed the issue at the UAF Faculty Senate meeting saying that after a bit more review by executives, he expects to release the report publicly.

### 7.2 Other Strategic Planning Issues

There were no additional strategic planning issues discussed.

## 8. External Administration Committee/Council Reports

### 8.1 Human Resources Council

*Margo Griffith; Alternates Lisa Sporleder, Maria Russell*

The HRC is meeting Thursday.

### 8.2 Business Council

*Lisa Sporleder; Alternates Dana Platta, Maria Russell*

The Business Council meets tomorrow morning. The agenda comes out this afternoon.

8.3 Student Services Council  
*Russell Pressley; Alternate Gwenna Richardson*

There was nothing to report.

8.4 IT Executive Council - ITEC  
*Dana Platta; Alternates Margo Griffith, Gwenna Richardson*

No report was given. Dana Platta took notes but is traveling so will be asked to report

8.5 Joint Health Care Committee and Wellness Program  
*Gwenna Richardson; 1<sup>st</sup> alternate Lisa Sporleder, 2<sup>nd</sup> alternate Megan Carlson*

Met with Premera in Seattle and received knowledge management information which is confidential information we cannot share.

The updated Lockton information was sent out by Mike Humphrey yesterday afternoon to the JHCC showing the approximate costs to employees.

Several sets of minutes from October November and December minutes were apparently sent by Gwenna Richardson to the Alliance yesterday but not received so will be resent directly to the system governance office for distribution.

The health care cost outlook is dismal. There is agreement on most points. Both groups agreed is the 8-tier structure for contributions but this cannot be done now due to logistics that have to be worked out first. At a savings of only \$75,000 to shift to the 8-tier structure, including IT time and communications, the change would not save money now but is still being pursued.

Other recommendations included:

- Move Nexium to Tier 3 drug instead of removing it
- Spousal surcharge for working spouses who have other coverage
- Exemption of spousal surcharge for retirees
- Dependent audits beginning in January
- Reduction of generic copay for certain maintenance drugs for chronic conditions.
- Increase the differential between preferred brand names and non-preferred drugs.
- Change “medical tourism” to “surgical travel benefits”
- Mail order will eventually become mandatory (except for perishable drugs) after second refill or the copay will double
- Increasing copays for part time permanent employees who receive full time healthcare benefits even though the departmental staff benefit rate is calculated at a percentage of hours worked.

8.6 Staff Health Care Committee

Megan Carlson will send out the Staff Alliance the most recent copy of the SHCC recommendations when they are finalized later this week. Communications are very important in the coming weeks regarding the changes.

8.7 Retirement committee

*Russell Pressley; Alternate Dana Plata*

There was nothing to report.

8.8 Tuition Task Force

*Gwenna Richardson*

There was no meeting this month.

8.9 Other External Committees/Reports/Assignments

9. Staff Alliance Working Groups, Reports

9.1 Staff Alliance Performance Evaluation Working Group

The group met this morning to review the most recent performance evaluation draft form. It goes to the HRC on Thursday.

9.2 Staff Alliance Compensation Working Group; Next Steps

The group has not met. A folder is being set up on Google docs to share information.

10. Staff Governance Reports:

10.1 UAS Staff Council: *Mary McRae Miller and Gwenna Richardson*

The Council retreat in Sitka went well. Thanks to UAF and SAA newsletters, UAS is going to adopt newsletter for staff. Cynthia Rogers is going to help with this.

10.2 UAA Classified Council, APT Council: *Megan Carlson and Russell Pressley*

APT Council met and talked about the budget. As a group we have to support the official budget request.

Classified Council talked about healthcare, the chancellor search and is conducting a survey on how important it is to have a search. Also formalizing joint meetings with



the APT Council twice a year and service on a committee once a year in the constitution.

10.3 UAF Staff Council: *Maria Russell and Margo Griffith*

Staff Council has not met since last Alliance meeting.

10.4 Statewide Administration Assembly: *Lisa Sporleder and Dana Platta*

SAA met and discussed

- Tobacco surcharge – not wanted
- Cost of living – inflation protection. SAA president was directed to share SAA thoughts with the Board of Regents.
- Lockton Report
- Potlucks, food drive and employee awards

11. Other Items of Concern

11.1 Staff Make Students Count Awards

It is expected that the award will continue. No notices can go out until the president approves the guidelines. Timelines will be similar to last year.

12 Agenda Items for Next Meeting Tuesday, January 18, 2011 10:00am-12:00pm

- \* Advocacy
- \* Juneau retreat
- \* Academic Master Plan
- \* Fisher Report

13. Comments

There were no additional comments.

14. Adjourn

The meeting was adjourned at 12:04pm.

# UNIVERSITY *of* ALASKA

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## Staff Alliance

### Draft Minutes

Tuesday, January 18, 2011

10:00pm – noon by audio conference

Fairbanks site: Butrovich Room 204

Bridge # 1-800-893-8850, pin # 4236369

1. Call to Order and Roll Call

Maria Russell, Chair, Staff Alliance 2010-2011 and President, UAF Staff Council

Margo Griffith, Vice President, UAF Staff Council

Megan Carlson, President, UAA Classified Council (joined halfway through the meeting)

Mary McRae Miller, President, UAS Staff Council

Gwenna Richardson, Vice President, UAS Staff Council

Lisa Sporleder, President, Statewide Administration Assembly

Dana Platta, Vice President, Statewide Administration Assembly

Staff

Kim Fackler, Admin Coordinator, System Governance

Beth Behner, Chief Human Resources Officer

Anne Sakumoto, Director, Staff Training

2. Adopt Agenda

MOTION: passed as amended

“The Staff Alliance moves to adopt the agenda for the January 18, 2011 meeting as amended. This action is effective January 18, 2011.”

3. Approve December 14, 2010 minutes

Approval of the minutes was postponed until the February meeting.

4. Chair’s Report

The chair updated Megan Carlson on the meeting details prior to her arrival. The other issues are discussed below.

5. Guest and Public Comments

5.1 Copier/scanner security

In the state contract for copier leases, there is a clause allowing the university to by back copier hard drives. That apparently had not been known or publicized until Russ O'Hare found that out. A policy is being drafted but it takes a long time.

5.2 Other Guest or Public Comments

There were no additional guest or public comments.

6. Human Resources Reports, Review

6.1 Unionization

There was supposed to be a unionization question and answer session on January 20 or 21 but nothing has been heard since. The university has received a request for another employee roster, but before responding, has communicated that information to employees.

The HR website will be refreshed to include a section on the new election drive.

Old signature cards will not count in the new union drive. Apparently the investigation over the last union drive is still ongoing. HR is meeting this afternoon with the university's public relations officers and updating them. Apparently union organizers for this drive will mainly be local. Additionally, there may also be a union drive for APT employees who are not confidential employees or supervisors. Apparently APEA cannot mount a union campaign until April or May.

Employees who do not wish to be contacted at home may change their address in Banner to a post office box.

6.2 Non-Retention

ARSC employees on a layoff list may be considered for direct appointment but would not circumvent the UAK jobs process. It would be a certain type of recruitment a non competitive hire that would still go through the HR office and the information would be input into and retained in UAK jobs. A memo from HR would approve their direct appointment.

There is no pressure to hire from the layoff list. The university does not have any obligation to direct appoint people laid off from term funded positions.

6.3 Governance Confidentiality

A governance representative was asked by an employee stating that another employee was being treated abusively.

If supervisor in the workplace becomes aware that that a subordinate is being harassed by another co worker and reports this to the supervisor, then the supervisor is obligated to advise HR who would then investigate.

Employees might approach a governance representative for information but governance representatives are not under obligation to report it to HR because the liability obligations are different. A governance person can, however, can advise HR about the behavior of the perpetrator without mentioning the employee's name; however, governance representatives should use their own discretion.

6.4 Employee Training Ann Sakumoto

On March 3 and 4, United Academics is bringing up Neal Howe to talk about Millennial Go to College: Strategies for a new generation on Campus. There is an event scheduled for Anchorage and another for Fairbanks campus. Additional details will be furnished this week.

6.5 Web Time Entry, Vickie Gilligan

This item was moved to the February meeting

7. Strategic Planning

7.1 The Academic Master Plan

The AMP is in development and expected to go the Board of Regents in February.

7.2 Advocacy

The Staff Alliance retreat is scheduled for March 28 and 29 in Juneau. Funds will be found for this. UAA would like to send their own advocates down at the same time as the Staff Alliance has their retreat.

The Integrated Advocacy Committee under Megan Carlson will start meeting soon. The committee is open to faculty, staff, students and alumni and anyone can join.

7.3 Strategic Plan

The Alliance requests staff participation in the development of a strategic plan. A draft motion was prepared and voted on under item 11.4.

8. External Administration Committee/Council Reports

8.1 Human Resources Council

*Margo Griffith; Alternates Lisa Sporleder, Maria Russell*

The HRC met December 16. There is a site called “Ask President Gamble” where people can ask the president questions and receive answers. The site is [www.alaska.edu/pres/ask-gamble](http://www.alaska.edu/pres/ask-gamble). President Gamble said that all policy decisions will be vetted through all governance groups.

He talked about the feel of the of the health care benefits changes. The dependent audit will start in January and end by July 1. The university believes that approximately 5-10 percent of dependents should not be on the list which would save approximately \$500,000. If dependent charges are changed this would require additional programming so will not be implemented in FY13.

HRC also discussed the emergency closure policy, non retention and layoffs, changing the HR web site, tuition waiver forms, and performance evaluation form.

## 8.2 Business Council

*Lisa Sporleder; Alternates Dana Platta, Maria Russell*

The Business Council is being refocused. The SALT group is doing a lot of the business and the Business Council is being refocused so that agenda items can be brought by managers and directors and not just by vice chancellors.

Union negotiations beginning to have impact on operations because two of the key staff were involved. So much was going taken up with negotiations that work wasn't getting done. Tentative agreement for adjunct faculty give them 1.5 percent in year 1 1.7 percent for years 2 and 3 and also included bonuses outside the scope of the general increases.

The Business Council is working on a systemwide approach to emergency closures, discussed outsourcing Banner customizations and in cost negotiations with software vendors for the disaster recovery site in Pillsbury Oregon that would be a mirror site to back up data as a fall back system in case of a disaster here.

ITEC meetings can be watched on the web and are indexed by agenda item. The question is how much transparency is useful and how much is a waste of bandwidth.

No minutes are kept for the Business Council.

## 8.3 Student Services Council

*Russell Pressley; Alternate Gwenna Richardson*

There has not been a meeting. Kim will follow up to make sure the email notices are going out to the Staff Alliance members.

## 8.4 IT Executive Council - ITEC

*Dana Platta; Alternates Margo Griffith, Gwenna Richardson*

There was no meeting in December. ITEC is meeting tomorrow.

- 8.5 Joint Health Care Committee and Wellness Program  
*Gwenna Richardson; 1<sup>st</sup> alternate Lisa Sporleder, 2<sup>nd</sup> alternate Megan Carlson*

JHCC met January 3 regarding changes to the health care plan. JHCC voted to eliminate Nexium and all prescription PPI's from plan so limited to just over the counter. Majority of the JHCC recommendations are different from SHCC requested. JHCC met again on January 6 on four scenarios were presented by Lockton, and two more were presented on site. JHCC could not decide on anything, so adjourned. The union side was against staff recommendations. It came down to two scenarios, raise the deductibles and out of pocket, or raise the biweekly contributions. The unions were for raising the biweekly contribution and staff were for raising deductibles and out of pocket.

Beth Behner has had a meeting with the President but no word yet on his response.

- 8.6 Staff Health Care Committee  
*Megan Carlson*

The system governance office posted SHCC recommendations on the Staff Alliance web site.

- 8.7 Retirement committee  
*Russell Pressley; Alternate Dana Plata*

The committee has not met.

- 8.8 Tuition Task Force  
*Gwenna Richardson*

The task force schedule will be received in February.

- 8.9 Other External Committees/Reports/Assignments

There were no additional reports.

9. Staff Alliance Working Groups, Reports

- 9.1 Staff Alliance Performance Evaluation Working Group

The performance evaluation form is in good shape. Maria will check with Chris Racine about status of most recent updates and get the final draft out to the Staff Alliance members to send to their councils.

- 9.2 Staff Alliance Compensation Working Group; Next Steps  
Maria Russell intends to schedule the first meeting the middle of next week.

10. Staff Governance Reports:

10.1 UAS Staff Council: *Mary McRae Miller and Gwenna Richardson*

The Staff Council may change its officer structure to include official positions for the past presidents, is looking at developing a staff training schedule for 2011-2012.

10.2 UAA Classified Council, APT Council: *Megan Carlson and Russell Pressley*

There have been no formal meetings of the Classified Council or the APT Council but did put together a formal resolution regarding the chancellor search.

10.3 UAF Staff Council: *Maria Russell and Margo Griffith*

The UAF Staff Council passed motion about emergency closure encouraging uniformity across the system and requesting that employees be paid administrative leave for the Tuesday closure. The 2003 policy still on the marketing web site. Regular staff get paid regular time during emergency closures. Staff Appreciation day will be in May. Next meeting is on Thursday on the performance evaluation form.

10.4 Statewide Administration Assembly: *Lisa Sporleder and Dana Platta*

Wrap up on community outreach: food drive. Fairbanks employees donated 435 lb of food and 57 mugs to the Food Bank and in Anchorage, three boxes of were donated to Bean's Café. SAA is gearing up for employee, longevity, outstanding awards and gearing up for elections.

11. Other Items of Concern

11.1 Staff Make Students Count Awards

Kim will seek clarification on whether or not the process is open for nominations.

11.2 Advocacy

Megan will co-lead the Integrated Advocacy Committee. Mary McRae Miller offered to help.

11.3 Academic Master Plan.

The deadline for feedback was Jan 15, 2011. It is generally seen as a huge improvement over the original.

11.4 Strategic Planning

MOTION: passed unanimously

“As the process of developing and approving the Academic Master Plan nears completion, the Staff Alliance recognizes that the next step in planning is the development of a University of Alaska Strategic Plan. In the spirit of shared governance and involving appropriate stakeholders, the Staff Alliance recommends that staff governance representation be included in the development of this important guidance document. This action is effective January 18, 2011.”

The motion will be printed on letterhead and sent to President Gamble and the Board of Regents.

11.5 Report to the Board of Regents

The chair prepares a report for each Board of Regents meeting. The report for the February Board of Regents meeting will contain reports from each of the staff councils.

12 Agenda Items for Next Meeting Tuesday, February 8, 2011 10:00am-12:00pm

Agenda items may include, but may not be limited to:

- Advocacy trip
- Strategic Plan and Fisher Report and invite President Gamble
- Final Health Care Benefits Changes
- Performance Evaluation
- Web Time Reporting

13. Comments

Gwenna Richardson cannot attend the February meeting but Mary McRae Miller will be in attendance.

Mary McRae Miller noted that the US Arctic Research Commission published good information on its website. See US Arctic Research Commission Arctic Update <http://www.arctic.gov/>.

14. Adjourn

The meeting was adjourned at 11:58 pm.



Patrick Gamble, President  
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 Fax: (907) 450-8012  
 Email: ua.president@alaska.edu



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 Fairbanks, AK 99775-5000

UNIVERSITY  
*of* ALASKA  
 Many Traditions One Alaska

MEMORANDUM

DATE: January 20, 2011  
 TO: University of Alaska Community  
 FROM: Pat Gamble, President *PK Gamble*  
 SUBJECT: The Fisher Report

Early in my appointment to the President's Office, thanks to the professional interest and strong support by the Rasmuson Foundation, I commissioned an external institutional review of the University of Alaska (UA) system. Today I am releasing the Fisher Report for general distribution. It is not a quick read, nor is it a blueprint to be followed dogmatically. Dr. Fisher is a university president emeritus and a noted author on the subject of university leadership. He and his team of experts have given us not only the benefit of years of experience, but the benefit of their extensive institutional research as well. This is not a report card. In most subject areas the report suggests where we fit in relation to other peer or near peer universities for illustration purposes. Where we markedly differ, it asks "why." Dr. Fisher's intention is not to be prescriptive. The report does not contain a checklist. The Fisher report does not, however, shy away from issuing a prescription where the symptoms are compelling.

The Fisher Report presents us with a timely opportunity to get our thinking better organized before we begin work on updating the UA system strategic plan. It includes observations and suggestions that, when combined with other analyses such as the 2008 MacTaggart/Rogers study of the UA System, allows us to establish trends, reinforce or dispel previous conclusions, and set the stage for new directions. Let the reader beware. Some will surely identify faults...perhaps an assertion that is obviously not too applicable here in Alaska, and so on. But do not make the mistake of letting a few off-target fragments obscure the credibility and value inherent throughout the whole report.

Dr. Fisher touches on a wide array of programs and issues in varying degrees of detail, both positive and negative. It is my intention to engage our leadership and governance talent all across UA to identify and address the report's fundamental themes. We will methodically evaluate these themes and link our subsequent actions to desired outcomes through good planning. In other words, our responses will not be designed to address each critique per se, many of which are simply illustrative or symptomatic data points. We will want to break out high order strengths, challenges and problems. Dr. Fisher's report will enable us to identify more clearly actions that could lead to the desired effects we seek from following our strategic plan. There is a great deal of complexity that characterizes much of what Dr. Fisher's team points out and not much to be had in the "low hanging fruit" category...quick reactions just waiting for a snap judgment/decision. This will make our work more challenging, but also more valuable as we pursue affordable ways to build value for our students, credibility with our communities, and the highest return we can on Alaska's investment in our university.

I encourage readers to jot down notes and send them to me at ua.president@alaska.edu. Better yet, join us in the series of public meetings we will announce in conjunction with our strategic planning process. More information on that will follow in the coming weeks and months. Now, please enjoy a good think piece.

You can find the report at <http://www.alaska.edu/files/pres/FinalFisherReport.pdf/>.

UNIVERSITY OF ALASKA

REVIEW

JANUARY 2011

**James L. Fisher, Ltd**

Gordon K. Davies, former Director, State Council of Higher Education for Virginia and  
Former President, Kentucky Council on Postsecondary Education

James V. Koch, Board of Visitors Professor of Economics and  
President Emeritus, Old Dominion University

Scott D. Miller, President, Bethany College

James T. Rogers, former Executive Director, Commission on Colleges of the Southern  
Association of Colleges and Schools (SACS) and former President, Brenau University

James L. Fisher, Chair, Review Team

**James L. Fisher, Ltd**

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## I. INTRODUCTION

On September 6 – 10, 2010, a team of five higher education professionals reviewed the general condition of the University of Alaska (UA) (Appendix A). The Review included assessing materials and conducting interviews from August 5 through November 30, 2010.

The purpose of the Review was: 1) To assist the Board of Regents in assessing the condition of the University System; 2) To advise on the attitudes of University and System constituencies; 3) To candidly identify and address issues and opportunities affecting the University System; 4) To recommend a tentative agenda for the future which could be used in strategic planning; and 5) To recommend more efficient and effective governance premises.

The Review considered the following in terms of strengths, limitations, and/or aspirations:

- General
- Academic programs
- Faculty
- Students
- Intercollegiate athletics
- Administration
- Technology
- Budget and finance
- Fund-raising
- Public relations
- Senior Officers
- Governance
- Other issues and conditions presented during the course of this Review.

Before beginning interviews, team members read and evaluated materials assembled by UA staff and position papers prepared by officers of the University. Individual and group interviews included approximately 250 persons including faculty, students, staff, alumni, elected/appointed officials, area residents, local business persons, members of the Board of Regents, potential benefactors, persons selected because of special knowledge and randomly selected persons (Appendix B). Interviewees were selected based on position, stratified random

sample, and random sample. All interviews followed a general format that included 19 separate areas (Appendix C).

Interviewers were to ask about, but not press, each of the areas and all interviewed were advised that their opinions might be used in the final report but *without* attribution.

Readers should bear in mind that although much of the Review can be documented, much of it is based on the opinions of those persons interviewed. Wherever the opinions of the Review team are expressed, it shall be obvious.

**This Review is the exclusive work of James L. Fisher, Ltd and should not be attributed to individual members of the Review team.**

## II. OVERVIEW

Delivering higher education in Alaska is a daunting challenge, given the small population to be served and the vast size of the state. Small colleges that are responsible for serving resident populations of 8,000 or so who live in regions the size of Ohio or Indiana, most of which are without roads, have a extraordinary responsibilities. Administering universities that are responsible for several of these small colleges is challenging as well.

“Planning the Future: Streamlining Statewide Services in the University of Alaska System” (February 2008), a report written by Terry MacTaggart and Brian Rogers, made a number of thoughtful recommendations about the UA System which should be considered. This report has become known as “the MacTaggart report,” after its primary author.

The University of Alaska, formally established in 1935, has thrived despite an imposing host of financial, geographic and environmental challenges. The University's three major campuses in Fairbanks, Anchorage and Juneau now enroll approximately 33,000 headcount students and the institution can justifiably claim to serve the most remote areas of the vast State of Alaska.

The earliest vintages of the University of Alaska involved a federal agricultural experiment station in Fairbanks. In 1915, the U.S. Congress approved funds to establish an institution of higher education in the Territory of Alaska and transferred land from the agricultural station for the purpose. The new institution was established as the Alaska Agricultural College and School of Mines in 1922 and generated its first graduate in 1923.

In 1931, the federal agricultural station was transferred to the college and in 1935 the name was changed to the University of Alaska. Over time, many other campuses of the University have been opened. Today, there are three major senior campuses --- the University of Alaska Fairbanks (UAF), the University of Alaska Anchorage (UAA) and the University of Alaska Southeast (UAS) in Juneau that serve as higher education hubs. Thirteen other campuses exist that are parts of UAF, UAA and UAS.

The University of Alaska has grown in nearly every respect over the past several decades. Whether the metric is the number of students served, the number of campuses and sites, the

number of academic programs offered, the volume of funded research activity, the institutions' trajectory nearly always has been uniformly upward. *"The University's progress has been nothing short of amazing,"* averred an elected official who spoke for many Alaskans. This view was supported by a national higher education official: *"This is a university that has exceeded most people's expectations in recent years and has done so even when economic conditions have been bad."*

The social and economic impact of the University of Alaska upon its state is immense. Students and citizens alike use phrases such as *"life-changing experience," "beacon of hope," "cultural asset," "the only library within one hundred miles," "a real unifying influence in our town,"* and *"economic engine"* to describe the influence of the University on their communities.

The University is engaged in a myriad of different service programs throughout the state that impact Alaskans in their home communities. The innovative UA Teacher Education Mentor Project provides a superb illustration. Alaska long has been challenged to retain teachers in its K-12 schools; in the past, many new teachers have departed for "the lower 48" states, or left the profession. The Mentor Program pairs new teachers with experienced mentor teachers and has improved retention in both rural and urban locales. It is not surprising, therefore, that one official told us that the University of Alaska was *the* most important institution in the state, bar none. This is high praise, but consistent with the February 2008 judgment of consultants Terence MacTaggart and Brian Rogers that *"the University of Alaska System has developed into a remarkably high performing organization."*

The State of Alaska is the least densely populated state in the United States and the University of Alaska has made heroic efforts to serve the state's far-flung 700,000 residents. In addition to its three major senior campuses, the University supports twelve diverse community units situated in both rural and urban locations. Some of these branch enterprises enroll more than 3,000 students, while others are quite small (Kuskokwim enrolled only 335 students in Fall 2009). One of the more differentiated units is the UAF Center for Distance Education, a distance learning program that offers more than 100 courses per term through a variety of delivery methods.

Student enrollment at the various units of the University of Alaska has grown significantly in recent years and now approximates 33,000, not the least because the University has established campuses and centers across the state. Between Fall 2008 and Fall 2009, for example, credit hour generation in the UA System grew almost six percent.

The University's programs are on the whole well regarded within the state. *"Without UA, I'd be sitting at home trying to squeeze out an existence,"* commented a student from Alaska's interior who is well on her way to earning an engineering degree. The University's distance learning programs in particular have done much to overcome the geographic isolation experienced by some residents. An UAF administrator somewhat grandly opined, *"We provide opportunities and mobility to thousands of students who otherwise might never achieve their promise."* There is considerable truth in this vision; the University of Alaska provides what another student referred to as *"corridors of opportunity."*

One student appeared to speak for many when he stated, *"I love Alaska; I want to stay here and raise a family. But, I can't stay here if I can't get educated, develop my knowledge, and earn a good living."* This observation underpins an important challenge that UA has accepted--reducing the "brain drain" that sometimes has caused talented individuals to leave the state even though they would prefer to stay.

Love for Alaska generally is a positive and redounds to the benefit of the state and the University. However, as is often true in geographically isolated locales, it can lead to certain degree of parochialism. More than a few Alaskans suggest by words and actions that *"you have to be an Alaskan to understand."* Interestingly, we have worked in virtually every state in the Union and have invariably heard this opinion. To be sure, in many ways, Alaska is unique, but too much provincial thinking introduces resistance to new people, innovative ideas, and entrepreneurial thinking. It can lead to preferential hiring and to staffs composed largely of individuals who have never lived or worked anywhere else.



There is general agreement that the University has become a major engine for economic development in Alaska. By itself, it employs more than 7,000 people and has an annual economic impact exceeding \$1.0 billion. *"The University graduates good people that I frequently hire,"* complimented an Anchorage business CEO. *"I only wish we could keep more UA grads here and convince more high schoolers to stay here for college,"* lamented another business leader. *"Yes, we are making progress, but I sent my kids to Washington."* *"Retaining smart people will become more and more essential as the oil industry gradually becomes less important,"* predicted an elected official. *"The University is our best bet to do so,"* he added.

The University of Alaska is a land grant institution that provides expertise in support of state initiatives in agriculture, natural resource extraction, and business and entrepreneurial ventures. *"They are rather good at incubating ideas and helping to start firms,"* praised an economic development official, *"but we need even more of that in the future."* Related to this, a state government official noted that more than 75 percent of Alaska's tax revenues come from petroleum-related ventures. *"We're not going to go out of the oil business soon, but we know this eventually is going to change,"* he predicted, *"and the University is admirably situated to help us cope with that situation when it occurs."*

Funded research generated by faculty members has been impressive but has not been matched by sources in private fund raising. The percentage of alumni who contribute is remarkably low. Clearly, this must change.

The University, particularly UAF, is beset by serious deferred maintenance problems that currently are estimated to be \$800 million. These include an approximate \$150-180 million challenge to refurbish and replace an electrical power plant and distribution system at UAF, where buildings average 35 years old. In any case, the plant does not produce sufficient electricity for the needs of the campus and it must purchase expensive electricity locally. While the Board of Regents requires each MAU (major administrative unit) to devote 1.5 percent of the value of its buildings to deferred maintenance types of expenditures, this is not nearly sufficient and needs to be addressed if the system is to fulfill its promise.

## **FIVE SIGNIFICANT FUTURE CHALLENGES AND QUESTIONS**

While the University of Alaska faces numerous future challenges, five are particularly significant in terms of shaping the future University of Alaska.

- First, how much should the UAA campus be developed in size and programs and to what extent might (should) this occur at the expense of UAF?
- Second, how can the University of Alaska further improve its performance in critical areas such as student retention, student graduation, and externally recognized academic quality?
- Third, how can the University of Alaska prepare for a future that plausibly could involve diminished oil tax revenues, increased emphasis upon non-petroleum sources of economic activity, and gradually rising average annual temperatures?
- Fourth, how can the University of Alaska be organized in order to reduce its costs and increase its performance?
- Fifth, the new President, Patrick Gamble, is highly regarded in all quarters: a tested leader whose accomplishments have been extraordinary. President Gamble must develop and endorse a model which sharpens the mission(s), generates support, and reduces costs.

### **The UAF/UAA Question**

The ten ton gorilla lounging in the corner of any room where the mission of the University of Alaska is discussed is the respective roles of the system's two largest senior campuses, UAF and UAA. One can attempt to ignore or even pacify the gorilla (which on occasion some University of Alaska central administrators do), but it isn't going to go away.

While UAF is the system flagship, it is UAA that enrolls the most students (20,368 in Fall 2009 as opposed to UAF's 10,446). These enrollments reflect the reality that the population of Anchorage metropolitan statistical area is about 375,000 (slightly more than one-half of the state's total population), while the population of Fairbanks metropolitan area approximates 100,000. Anchorage's significant growth in recent decades has resulted in the rapid expansion of UAA. Further, UAA is "*a dramatically better institution today than it was ten years ago,*" according to an external higher education authority.

Persons interviewed including faculty, staff, Regents, and others indicated that high levels of competition have developed between UAA and UAF. "Mission differentiation" has become an increasingly contentious issue. Predictably, this has produced a degree of tension between the UAF and UAA. UAF jealously guards its flagship status and the State of Alaska currently would be stretched financially to support two major doctoral research institutions of higher education. Further, most of the State's research infrastructure is located in Fairbanks and it would be quite expensive to replicate it elsewhere. Nevertheless, UAA and many Alaskans in the Anchorage region argue that University of Alaska programs ultimately must be located "*where the people are.*" Hence, they assert that UAA's programs must be built up and supported generously. "*This is a painful, but inevitable process,*" commented a prominent Anchorage official, "*and future programs should be put here rather than there so that we don't make an historical circumstance worse. What made sense 100 years ago doesn't necessarily make sense now.*"

The perception that the University's programs are poorly distributed geographically is accentuated (at least in the eyes of some) by the location of most of the University of Alaska System offices in Fairbanks rather than Anchorage, or elsewhere in the state. While systems personnel generally receive high grades for intelligence and effort, predictably they and the Board of Regents often receive some criticism for being "*out of touch*" (the observation of a significant number of campus administrators and faculty). The McDowell Group put it this way in 2009 after discussions with the University of Alaska Business Council (an informal organization of non-academic administrators in the UA System): "*The campuses and statewide*

*offices of UA are, on occasion, in conflict, competitive, and may lack understanding of each other."*

Even so, were the University of Alaska to decide to move significant resources and programs from Fairbanks to Anchorage, it would immediately elicit many of the same *"out of touch"* complaints from Alaskans who reside elsewhere in the state. In the eyes of some Alaskans, entirely too much time, attention and authority already is given to Anchorage *when "it is the rest of the state that represents the real Alaska."*

Thus it seems to have always been so in states where the flagship state university is not located in the state's dominant urban area. The Chicago metropolitan region contains about two-thirds of the population of the State of Illinois, but the flagship campus of the University of Illinois is located in Champaign-Urbana, some 120 miles south of Chicago. Both the University of Florida and Florida State University are far removed from that state's population centers. Analogous situations exist in Alabama, Georgia, Indiana, Michigan, Mississippi, Missouri, Oklahoma, and Oregon---to name a few. Hence, Alaska's situation is hardly unusual.

Typically, these states have resolved their situations by maintaining the research campus in its more rural location (often accompanied by big-time intercollegiate athletic teams), but simultaneously developing significant public university campuses in the dominant urban areas. Ultimately, some variant of this model may provide the path that Alaska walks as well.

However, there are three factors that could mitigate against this solution. First, arguably the state is not well enough heeled financially that it will be able to develop two doctoral research institutions of higher education. The State of Alaska would have to increase its support of higher education significantly if it were to seek to develop a second full-blown research university. **(1) UAA's current strategic plan, which needs refinement, indicates that the institution will "reinforce and rapidly expand our research mission" and that it will "build selected research-centered graduate programs." It is not clear precisely what these statements mean. They could mask wholesale changes, or instead reflect only marginal changes in the current situation. These goals need to be clarified. As a well-placed**

**individual wryly commented, “*Sometimes institutions don’t accurately interpret their missions.*” In addition, the plan should become more pointed, i.e., timelines, costs, source of funds and accountable officers, et al.**

Second, neither UAF nor UAA currently emerge as highly ranked academic institutions in national higher education surveys. While the shortcomings of institutional ratings systems (such as that published by *U.S. News and World Report*) are well known, the absence of UAF and UAA in the higher reaches of such rankings suggests that there is much work to be done. At the very least, the University needs to publicize its efforts and achievements more effectively. Pragmatically, it might not be wise to spread scarce doctoral research resources thinly across two campuses if the University wishes to enhance its reputation for quality. Further, UAF enrolled only 333 doctoral students in eighteen doctoral programs in Fall 2009. Many of its doctoral programs are quite small by national standards, especially if one compares them to highly regarded programs. The implication is that it would be unwise to develop competitive doctoral programs at the two institutions even if UAA continues to grow. Distinctive, one-campus only doctoral programs might be a different matter if resources are available.

Third, roughly comparable institutions of higher education that fare better than the University of Alaska in higher education rankings typically benefit from what sometimes is termed as a “halo effect.” These institutions usually have made conscious decisions to develop and invest intensively in five to ten academic programs that have succeeded in attaining legitimate national disciplinary recognition and rankings. The favorable publicity attached to these programs has cast the proverbial halo over the entire institution---the end result being that the reputations of these institutions for general academic excellence have improved. At the end of the day, such an institutional strategy represents a straightforward application of the economic principle of specialization and has particular relevance for institutions hobbled by scarce resources.

While the University of Alaska may be pursuing a variant of the halo strategy with respect to arctic and climate studies at UAF, it does not appear to be doing so in most conventional arts and sciences academic disciplines and its professional schools. As a

consequence, the University is substantially an unknown quantity in many academic disciplines and professional schools.

We don't argue that national recognition always reflects actual programmatic quality. Nevertheless, the moral to the story is that the dissipation of resources and a failure to pursue targeted investments in specific disciplines on a single campus seldom are the recipe for recognition and reputational success. To be sure, after reflection, the University might choose to disregard these dynamics. Yet, if it does so, it should not complain when many of its academic programs (and its doctoral research campus) often are not accorded recognition and consequently receive low rankings in national surveys. Mediocrity likely will be the result.

It appears that the further programmatic development of UAA is inevitable and certainly in the long run this is a good thing for the state's largest metropolitan region. However, not all paths to additional programmatic development for UAA are equally sound from the standpoint of the State of Alaska. **(2) We recommend that the UA System: (A) respect the lessons of specialization in graduate work and research and identify a limited number of academic disciplines that will receive special resources and commitment, whether at UAF or UAA; (B) continue to focus UAF on its traditional strengths in the sciences and engineering; (C) focus advanced graduate work and research at UAA on the social and behavioral sciences and education and avoid replicating UAF's primary areas of expertise; (D) locate any future law school—the state does not have one currently---at UAA; and, (E) support and expand WWAMI –type programs (WWAMI is a collaborative medical school among universities in five northwestern states (Washington, Wyoming, Alaska, Montana, and Idaho) and the University of Washington School of Medicine) in expensive disciplines and courses of study.**

### **Improving Performance**

In a section below, we note in greater detail the less than satisfactory performance of the University of Alaska on several critical measures of performance and output, including the

University's freshmen retention rate and its six-year undergraduate graduation rate. The performances of UAF and UAS are below national standards on these metrics and hence beg for additional attention. UAA's graduation rate is disappointingly low. Interestingly, the University System's retention and graduation rates performances have improved over the past decade, yet generally still lag comparable institutions by surprisingly large amounts.

It isn't that UA isn't aware of the problem and it isn't that it hasn't made good faith attempts to address its shortcomings in a variety of ways. Rather, the difficulty is that it has not undertaken sufficient rigorous, statistically controlled analyses of the determinants of retention and graduation rates. Surveys of students provide useful background information, but they are not a substitute for rigorous analysis of actual data because what students say and how they actually behave often differs. We describe some of the parameters that might guide such an analysis the section below.

Currently, the University is more dependent upon subjective notions about retention and graduation rate determinants than it should be. One senior administrator opined, *"We haven't been shooting in the dark on retention. It might be more accurate to say that we have been shooting in twilight. We're not certain we're on the right track."* We agree. While all decisions of campuses should not be determined by data, it is better for decision makers to have reliable data generated by rigorous analysis than not to have such arrows in one's quiver.

**(3) Despite improvements, reality is that large numbers of students begin studies at the University, but then disappear. (We note here that the high school dropout rate is also unusually high.) There may be valid reasons why UA lags national standards; if not, then the numbers we observe reflect a waste both of human and financial resources. Whichever is the case, the University needs to determine why its performance lags national norms and then, as necessary, outline how it intends to improve the situation.**

The University generally has performed well in other areas, for example, in terms of generating additional graduates who will fill high demand jobs. It also has done a good job controlling its costs. Illustrations include its work to constrain energy expenditures, its decision

to eschew the usual employee cost differential that state employees based in Fairbanks ordinarily receive, and its decision to reimburse those of its employees who travel with a lower per diem than other state employees. Legislators should not ignore these efforts when they are making budgetary allocations.

On the other side of the ledger, UA has been less active in controlling often expensive programmatic expansion and somewhat reluctant to eliminate low enrollment academic programs. For example, in 2009, UAF granted only 37 doctoral degrees spread over 18 doctoral programs and, as already noted, total doctoral student enrollment in Fall 2009 was only 333. These data suggest that some of these doctoral programs enroll suboptimal numbers of students, one result being high costs (though such costs can be offset by external funding). **(4) Elsewhere in this report, we argue that the University of Alaska might be well advised to focus its scarce dollars on a smaller number of programs, especially at the graduate level, many of which can legitimately aspire to national rankings. It is not clear to us that some of the doctoral programs at UAF would survive if such criteria were applied. We recommend that the President and the Board take a long look at this situation and reexamine the viability of programs including enrollment, retention, research productivity and graduation.**

Despite these caveats, if we take a more global view of the University's situation, it is fair to say that its overall performance and efficiency have been remarkable. Over the past two decades, UA's state appropriation increases have fallen well below the increase in the national consumer price index (CPI) and even further behind the growth of the higher education price index (HEPI). Nevertheless, it has continued to perform well and to find ways to do more with less. Our observations and suggestions for changes and improvements should not obscure this conclusion.

### **The Tangle of Oil, Conservation and Budgetary Constraints**

The 1968 discovery of oil at Prudhoe Bay and the 1977 completion of the Trans-Alaska Pipeline led to a well-known oil boom that produced jobs, excitement and many new residents in



Alaska. In fact, the population of the state has increased more than 130 percent since 1970 and about 11 percent in the past decade. These developments hold both academic and financial implications for the University. Population growth generated by the oil boom brought with it new opportunities for higher education in Alaska. Enrollment surged and UA budgets increased, though closer inspection reveals that University budgets waxed and waned with oil prices because more than 75 percent of state revenues are related to petroleum. Thus, it makes a big difference to Alaska and to UA if the international price of oil is \$100 per barrel as opposed to \$40 per barrel.

Hence, the University clearly has a financial interest in high oil production (though it is wise to note that oil production in Alaska peaked in 1988 and since has declined by about two-thirds). Even so, while high prices prime the University's budget, as an academic institution, it also is legitimately interested in researching the wise use of Alaska's resources and exploring how to preserve its pristine environment.

Almost needless to say, tradeoffs often arise between resource extraction and conservation. As a consequence, the University often finds itself in the middle of conflicts between those who wish to utilize and exploit the state's natural resources and those who wish to preserve and protect them. This is hardly an unusual circumstance in the Western United States, but these tensions can be especially bitter in Alaska and the state's battles on this turf frequently attract the attention and participation of outsiders. An example in point is the controversies that have surrounded the positions taken by a UAF professor concerning offshore oil development. University of Alaska officials must be adept to avoid political damage in such situations.

**(5) This is a difficult and often treacherous milieu. Nevertheless, we recommend that the University as an institution seek to avoid adopting official policy stances in such controversies, but instead: (A) insist on scholarly integrity and do its very best to avoid shoddy scholarship that will draw legitimate criticism; (B) seek to apply the University's considerable expertise to the analysis of similar problems; (C) via its faculty, offer prospective solutions, but not endorse those solutions; and, (D) actively sponsor discussions of relevant issues and ensure that the University remains a free and open marketplace for**

**ideas. On occasion, it may be necessary to defend academic freedom and free inquiry when interested parties are not pleased with the results of University research, or with the expression of particular points of view. However, untrammelled scholarly inquiry and research are foundation stones of any respectable academic community and the University of Alaska should not equivocate in such situations.**

Whatever the consequences that oil extraction and conservation activities might have for academic matters, the implications of declining oil extraction for the University's budget are profound. Declining oil production might well lead to reduced state financial support for the University. Yes, the State of Alaska's Permanent Fund (the equivalent of sovereign wealth fund) will buffer possible future declines in state tax revenues. Even so, more than three-quarters of state revenue is derived from oil-related activities. **(6) Therefore, it is prudent for the University of Alaska to plan for the possibility that: (A) its general fund support from the State of Alaska might not keep up with price inflation; and, (B) its share of the state's budget might decline. The University should explore what the University would be like if ten years from today, the "real" (after inflation) value of its state appropriation has not risen, or even declined. What activities must the University improve or discard to operate efficiently in such a world? What things must it begin to do if this will be the state of affairs in 2020? What would this imply for tuition and fees? The number of questions that must be answered is almost endless.**

### **System Organization**

The manner in which a university is structured and organized seldom is the major influence on its performance. The quality of the institution's faculty, staff and students, and the quantity and quality of the resources they have available usually are much more important determinants of performance. Nevertheless, structural organization can make a difference, particularly if it has an impact on operating costs, how decisions are made, and how communication occurs.

**(7) Hence, we must recognize that a reorganization of the University of Alaska is not a cure all for whatever ails it. Even so, it is apparent that some improvements can be made. These fall into two main categories. First, as it stands, the University of Alaska is overly centralized and devotes too many resources to a command and control regulator model that should instead place more emphasis upon incentives, distinctiveness and entrepreneurial activities. Increasingly, under the authority of the President, UA Systems administrators should act as staff to the Board and provide recommendations rather than wielding final administrative authority. Second, the University's attempt to seamlessly integrate all post-secondary education into the same administrative structure sounds better than it actually works. UA's vocational, technical and community college activities must be accorded greater prominence and not viewed as "*four-year lite*" (the observation of a sometimes frustrated individual associated with workforce development).**

President Gamble and the Board of Regents need to find ways to deal with the two problems just identified. We believe that the University's claim on the state's financial resources will be stronger and general support for its activities if it addresses these two structural concerns candidly and directly. We discuss organization of the UA System in a following section.

### III. ACADEMIC PROGRAMS

The University of Alaska System is highly differentiated and geographically distributed across thousands of miles. The University of Alaska Fairbanks (UAF), the flagship campus of UA, is a doctoral research institution and is a land-grant, sea-grant and space-grant institution. It is a high-performing enterprise from the standpoint of research; though it enrolls only about 5,500 students, UAF generates about \$110 million of extramurally funded research each year and about \$150 million of total outside funding activity overall. According to the *Chronicle of Higher Education*, in 2009, UAF ranked 99<sup>th</sup> nationally in terms of federally funded research and development expenditures (a different metric than research only).

UAF hosts several major research units: the Agricultural and Forestry Experiment Station; the Geophysical Institute, which operates the Poker Flat Research Range; the International Arctic Research Center; the Arctic Region Supercomputing Center; the Institute of Arctic Biology; the Institute of Marine Science; and, the Institute of Northern Engineering. UAF's location 200 miles south of the Arctic Circle provides it with a comparative advantage for Arctic and climate research. The consensus is that UAF's most prestigious academic programs are those in Arctic biology, cold climate engineering, geology and geophysics, Alaska Native languages and cultures, fisheries and marine science.

The UAF MAU enrolled 10,446 headcount students in Fall 2009, though 4,917 of these were on "community" campuses rather than the Fairbanks University campus. Community campuses within the UAF MAU are located in Nome, Kotzebue, Bethel, Dillingham, and a half-dozen smaller communities throughout Northern Alaska and the Aleutian Chain.

UAF only recently has begun to implement meaningful freshmen admission standards. Students either must present a 3.0 high school GPA, or as low as a 2.5 high GPA, if they also have an ACT score of at least 18.

The University of Alaska Anchorage (UAA) offers twenty-six Master's degree programs along with a number of Graduate Certificate programs. UAA also offers

cooperative/collaborative doctoral programs with UAF in clinical/community psychology; medical education program with the University of Washington Medical School; and other collaborative master's programs with Creighton University and East Carolina University. It has provided leadership in Alaska for its nursing and health science programs, including the delivery of associate degree nursing programs, in collaboration with other UA campuses, to ten communities throughout Alaska.

UAA is not classified as a research institution by national bodies, though in 2009 it recorded approximately \$10 million annually in external research funding. UAA's strategic plan identifies the expansion of research and graduate programs as major campus goals. UAA serves many mature students and many who commute; approximately 60 percent of its student body is part-time, though this appears to be falling. The UAA MAU enrolled 20,368 headcount students in Fall 2009, with 4,706 of these students enrolling at "community" campuses connected to UAA. UAA community campuses are located in Kenai, Kodiak, Palmer and Valdez. The University describes itself as an open access institution.

The University of Alaska Southeast (UAS) is located in Juneau with campuses in Sitka and Ketchikan and serves the needs of Southeast Alaska, energizing the surrounding economic base (which has not prospered in recent years because of timber and logging contractions). UAS's coastal location, including proximity to the Tongass National Forest, provides rich opportunities for teaching and research in programs such as marine and environmental science, marine transportation and outdoor leadership. UAS offers a wide variety of associate and baccalaureate degree programs and about one dozen master's degree programs in education and public administration. UAS aspires to state leadership in the education of individuals in areas such as educational technology, early childhood education, elementary and secondary teaching, special education and educational administration. Currently, UAS produces approximately one-third of all new teachers in the state. The UAS MAU enrolled 3,834 headcount students in Fall 2009, of which 1,023 were at "community" campuses. UAS describes itself as an open enrollment institution.

One success story that needs to be noted is the improved performance of the University in the area of career, occupational and technical education. UA offers many certificate and associate degree programs that prepare students for work in a wide variety of fields including automotive electronics, logistics, pharmacy technology and paralegal studies at the certificate/endorsement level, and architectural and engineering technology, dental assisting, fire and emergency technology, nursing, and welding at the associate degree level. Over 4,600 UA students are enrolled in workforce-related programs. UA offers almost 90 certificate programs (one-year and two-year) and 75 associate degree programs that fall within this rubric. Graduates of these programs have been able to find jobs even in tougher economic times because employers view them as well trained and responsive to their needs. An admiring employer who hires UA graduates coming out of these programs remarked, *"This is where the rubber meets the road for me. The University is producing people who can work for me and begin to be productive immediately."*

Improved performance, however, is not the same as optimal performance. Workforce leaders within the state still see considerable room for improvement. They assert that except for the nursing and process technology programs, most other workforce-related programs are *"uncoordinated across the state and often inconsistent with each other."* They express surprise that one campus will not transfer in a course from another campus. *"They apply four-year thinking to two-year problems too often."* As a consequence, *"it is difficult to gain traction with UA on some of these things"* because this isn't their highest priority, or they don't understand. They also criticize UA for insisting on what they perceive to be excessively high overhead cost recovery rates that discourage joint projects. Many workforce-related professionals within the state would prefer that the University System separately identify and administer workforce-related programs and some prefer a return to the former system of community colleges.

Another programmatic task that must be addressed relates to the distribution of academic programs across the system. Though the philosophy of some members of the Board of Regents is to *"place programs on the campus where they fit the best,"* and the total breadth of academic programs in Alaska is not especially large in the context of other states, there nonetheless is some evidence that the system supports an excessive number of programs in its diverse locations.

Consider teacher education. UAS generates about one-half of the new K-12 teachers in the state and UAA contributes a significant number as well. UAF's teacher education program is the smallest of the three UA programs, though it enrolls 500 students including a significant number of Native Alaskan students, some of whom say they feel comfortable at UAF. Does UA really need to maintain three free-standing teacher education programs? Why should not UAS or UAA be responsible for any teacher education offerings at UAF and then supplement those offerings with NCATE-accredited distance learning courses coming from Western Governors University (WGU)?

**(8) Our point is not to concentrate all program-reduction attention on teacher education; instead, why maintain three free-standing teacher education programs, three free-standing MBA degrees, three free-standing environmental studies programs, et al? UA often talks about being "one university," but shrinks from situations where one MAU will supply faculty and courses to another MAU, or one MAU will perform all of a certain type of administrative task for other MAUs. We believe it is time for the UA System to move off the mark on these issues and recommend that the President take steps to see that it occurs.**

### **General/Liberal Education**

The baccalaureate degree requirements for University of Alaska students include conventional course requirements in areas such communications, the humanities and social sciences, mathematics, and the natural sciences. These requirements total 38-39 semester hours UAF, but smaller numbers of hours at UAA and UAS. Curiously, the general/liberal education programs are not identical on each campus despite the oft-cited statement that UA is "one university."

UAF has a "core curriculum" of general education courses with some specifically required courses and several sets of courses from which students can make limited choices. General/liberal requirements at UA and UAS reflect a "cafeteria" approach that allows students to elect many different courses within categories. **(9) The problem with this approach is less**

**the courses required and more the comparative absence of empirical evidence that the programs "work." Have students learned when they finish these programs and is there a measurable "value added?" Have their attitudes changed? Do they become more or less tolerant of the views of others? Are they better able to integrate and synthesize information? How do they compare to other students nationally? How do graduates from UAF, UAA and UAS compare, since they do not complete the same general/liberal education sequences? Does the "capstone" course at UAA designed to integrate knowledge make a perceptible difference? These are important questions and we strongly recommend that the University employ rigorous means to seek their answers.**

The preceding recommendation (and analogous ones in this report that call for badly needed institutional research) reflect the fact that institutional research operations, both on campus and at the system level, have been oriented primarily toward information collection and distribution rather than hard analysis. As one institutional research professional put it, "*We've been data monkeys*" and only recently have become more analytical. Of course, substantially they have done the work they have been requested to do. The result, however, is a dearth of rigorous analytical evidence on many of the crucial questions in front of the MAUs and the UA System. **(10) We recommend that the President refashion the entire institutional research function with the UA System. If necessary, different individuals must be hired who are capable of performing sophisticated multivariate analyses and that have mastered applicable operations research techniques such as linear programming, queuing and simulations. Most of the heavy lifting in terms of institutional research should occur on the MAU campuses and experts on these campuses can be allocated specific tasks as well by the President. Relatively few central system personnel will be needed and these should focus on recording and classifying data and completing necessary reports.**

We have caveats with respect to the content of the UAF liberal education program that for the most part also apply to UAA and UAS:

**(11) It appears possible for a UAA student to avoid taking a laboratory science. UAF requires two laboratory science courses of every baccalaureate student, and UAS**



requires one course (although the UAS Catalog does not make this point clear for students). For several reasons, a laboratory science experience is an essential part of a respectable liberal undergraduate education. We recommend that UA require such on every campus.

(12) There is no writing competency exit examination. Given that high proportions of UA students transfer into the campuses where they seek to graduate, and many are mature and hence completed writing courses many years previous, it is important that they demonstrate their ability to write clearly and cogently. We recommend that UA take steps to implement such an examination. We can guarantee that citizens and employers will approve.

(13) We are uncertain what "academic" writing is (F211, F213). Such labels suggest these writing courses somehow are not aimed at preparing students for effective writing in other situations, e.g., in business, or everyday life. We recommend different titles.

(14) We recommend that UA institute a computer literacy requirement for all baccalaureate degree candidates. The vast majority of students will come to the University with computer and Internet skills, but will not necessarily be familiar with certain software programs and/or search techniques. Computer and Internet literacy has become a prerequisite for the exercise of intelligent and full citizenship and UA should ensure that its graduates have demonstrated such literacy. We note that computer/Internet literacy and library literacy are not identical.

(15) We recommend that every baccalaureate degree recipient be required to demonstrate competency in a non-English language or culture. UA students will graduate into a world that is increasingly international. The first language of more than one-quarter of all new elementary school students in California is Spanish. In Alaska, approximately fifteen percent of the population speaks a language other than English at the dinner table.

**Further, language is the repository of a culture; it is essential that UA students come to grips with other cultures, preferably by means of their languages. Both the understanding of UA students and their employability will increase if they acquire facility with a non-English language at the second-year collegiate level. We recommend that UA introduce such a requirement.**

**(16) UAS's general/liberal education program appears to be substantially smaller in requirements than UAF. The differences between the three campuses are large enough that it is not clear that one could justifiably say the programs are interchangeable. This is odd given the "one university" slogan that UA frequently promotes. Since UA doesn't have rigorous empirical evidence available that speaks to what actually works and does not work in its general/liberal education programs, it is impossible to say whether these differences are helpful or harmful for students. We recommend that UA examine the differences in programs and rigorously determine if they do make a difference in the System's ultimate product, its graduates. To ignore the differences in the programs is to suggest that it really doesn't make any difference what courses students take. One university should have one set of general education requirements.**

### **Research**

Research expenditures at UAF have increased substantially, from \$56.4 million in FY97 to \$107 million in FY09. While commendable, the \$107 million number does not place UAF in the Top 100 institutions nationally, according to the *Chronicle of Higher Education*. However, in 2009, the *Chronicle of Higher Education* did rank UAF 99<sup>th</sup> nationally in terms of research and development expenditures (a different metric).

The University of Alaska has skillfully leveraged its academic strengths and location to garner federal funds to support its work in Arctic and cold weather research, include Arctic biology. It also has forged ahead in a variety of other areas, including the biomedical sciences, where it has garnered more than \$81 million in federal funding since 2000.

Over time, the University also has attracted significant earmarked federal appropriations to support its research work and academic programs. Whether or not one believes earmarked appropriations are good national social and economic policy, they undeniably exist and the University of Alaska typically has done well in the scrum for such funds. Good ideas, time, cultivation, effort and perseverance are essential if one is to succeed in this process. That said, the absence of Senator Ted Stevens and changes in congressional leadership likely will reduce opportunities for earmarks in general. The University has deliberately moved away from earmarks for their on-going programs over the past decade and relies almost exclusively on competitive federal research grants. The one significant exception to this is continued funding for aspects of the super computer program.

Some of the promising avenues for future research endeavors in the UA System include biomedical research, energy-related studies and climate change. **(17) We recommend that the State of Alaska make targeted investments in these areas, as they bode not only address the specific needs of Alaska, but also to attract considerable outside funding. It is plausible for the State to make such investments on an incremental, “show us what you can do” basis.**

**(18) Incentives count where research is concerned and we recommend that the University reexamine how it utilizes and distributes the indirect cost overhead recovery funds that accompany many grants that it receives. We don't have a formula to offer that magically and optimally distributes these funds amongst researchers, departments, colleges and the University. Nevertheless, the comments of some faculty suggest that increasing the distribution of funds to the actual researchers who generated the funds might induce more grant activity over time. These funds also could be used to nudge institutions (e.g., UAA) in programmatic and research directions consistent with the UA System's overall strategic plan.**

### **The WWAMI Model**

As mentioned above, WWAMI is a collaborative medical school among universities in five northwestern states (Washington, Wyoming, Alaska, Montana, and Idaho) and the University of Washington School of Medicine.

The Alaska WWAMI Program began at UAF in 1971 and for Alaskans now is located at UAA. WWAMI admits 20 Alaskans annually and these students complete their first year of medical school at UAA. Students from all five WWAMI states attend second-year courses at the University of Washington School of Medicine in Seattle. The third and fourth years of the medical school curriculum are comprised of "clerkships"---rotations in the various medical specialty areas that may be taken in any of the five WWAMI states. Students who choose the "Alaska Track" potentially can complete most of these clerkships in Alaska.

The WWAMI approach to producing physicians for the State of Alaska is dramatically less expensive than would be the development of a medical school within the state. A WWAMI-like program also exists to generate physicians' assistants. **(19) We recommend that the Board of Regents study extending the WWAMI model to other academic areas, especially high cost, low enrollment programs within particular academic specialties or professional schools. "Buying" spots in reputable graduate programs in others state might save Alaska the expense of operating and equipping small, high-cost graduate training. Veterinary medicine, dentistry, architecture and law could be candidates for WWAMI-like programs, but only if documentable shortages exist that have inflated wage rates. It would make little sense to initiate a WWAMI-like program if Alaska already is able to obtain the individuals it reasonably needs in a particular occupation or specialty.** Reality is that the University cannot be all things to all people and must make choices. If it can find ways to cooperate with other similarly situated Western states, save money and serve the citizens of Alaska, then it should do so.

#### IV. TECHNOLOGY

The University of Alaska System spends a great deal of money on technology and technology-related items. In FY 2009, the System spent \$78.4 million on items labeled as technology; this was eleven percent of the System's total expenditures and represented a 93 percent increase since FY 1999. Technology expenditures per student FTE were \$4,453 in FY 2009; on a per FTE faculty member basis, these expenditures amounted to \$13,946.

Technology is critical to the operation and efficient performance of the University of Alaska, both inside campuses and between and among the campuses. The huge distances between its campuses require the use of technology if higher education is to be delivered capably. For example, it is 825 miles from Juneau to Fairbanks, 1,100 miles from Juneau to Nome, 1,150 miles from Juneau to Kotzebue, 1,275 miles from Juneau to Unalaska, and 1,700 miles from Juneau to Adak in the Aleutian Islands. All these distances are "as the crow flies." Each pair would involve longer distances if it were possible to drive between them.

It is wise to place these distances in perspective. It is only 711 miles from New York City to Chicago. The University of Alaska deals on a daily basis with distances that easily exceed this. Therefore, the productive use of technology is absolutely essential if the University is going to succeed in delivering higher education across its vast state. UA's College of Rural and Community Development, based at UAF, is primarily responsible for distance learning for UAF. In Fall 2009, Rural College enrolled almost 2,600 students, including 121 at the graduate level. For the most part, these students are place bound, tend to be women (65 percent), and frequently are Native Americans (23 percent). For many of them, distance learning is the only way they can access higher education.

It is important that the System ensure there is no unnecessary duplication or confusion in distance learning. Faculty and students reported courses from separate campuses with the same titles and numbers are often different and transfers can be exceedingly complicated.

The UAF College of Rural & Community Development (CRCDD) reports that it delivers distance education to 160 communities statewide by means of both synchronous and asynchronous delivery plus a variety of other modalities such as audio conferencing, CDs, DVDs and the like. CRCDD relies heavily on software packages such as Blackboard and utilizes E-Live to supplement CDs. This can be expensive and clearly is subject to economies of scale. For that reason, **(20) we recommend that UA explore the possibility of sharing distance learning courses with institutions in other states and that it give additional consideration to how it might economize by sharing resources with the Western Governor’s University (WGU). WGU offers NCATE-accredited teacher education programs, CCNE-accredited nursing programs through the master’s degree, and a raft of business programs through the MBA, all via distance learning. The University of Alaska should not casually cast these programs or their courses aside.**

Both in distance learning and on-campus, the University faces predictable challenges relating to the quality of broadband connections to the Internet, high-speed computing and modeling capacity, switches, multi-media classrooms, the number of work stations, the availability of up-to-date software, the ability to service and repair equipment, and the ever present need to train faculty, students and staff in the most productive use of what is available. Nevertheless, distance learning students with the UA System in general have very good things to say about the quality and service they are receiving. They note that UA has become more proficient at distance learning in the past few years (presumably because of Title III funding, though that could disappear). *“They are real problem-solvers,”* commented one distance learning student who noted a half dozen instances in the last year where a UA staffer had *“found a way to get it done.”*

Of course, many technology challenges have little to do with distance learning. For example, there are comparatively few “smart” classrooms on the UAF campus (at least compared to the UAA campus, where facilities generally are newer). **(21) Many UAF classrooms do not contain the basic smart classroom essentials---a PC, Internet access, a projector and a large screen. Smart boards are somewhat unusual. We believe that special assessments in the**

**form of increasing the student per credit technology fee should be considered to begin to remedy this situation.**

One aspect of statewide university technology that generates mixed reviews is the Banner student information and records system. The Banner system is touted as fusing administrative and academic functions that make it easy to manage data and give students, staff and faculty secure, 24x7, on-line access to the diverse information it collects and maintains. Many around the UA System do not believe Banner carries through on these promises (“*It has given us fits.*”), though predictably misuse and a lack of training sometimes appear to be present. **(22) A system-wide harmonious student records system is an example of where a statewide approach makes sense. We recommend that the President examine why this particular version meets with so much criticism. Do any legitimate problems that exist reside in the software, how it is managed, how it is used, lack of training, or...?**

While we believe a variety of UA System activities usefully could be devolved to the MAUs, it is eminently sensible for the University to centralize and standardize many technology-related decisions and purchases. Distance learning, for example, would fail almost immediately if there were not standardization in equipment, software and protocols. Similarly, it would be entirely uneconomic for the University to duplicate certain items of hardware in multiple locations. On the other hand, tasks such as equipment repair and training often can only be carried out locally and a distributed or decentralized approach to such matters is required. We give high marks to the University for its understanding and implementation of these sometimes controversial issues.

The relevant question for the University is not whether it needs to utilize technology. It must do so. Nor is the salient question whether centralization in some technology areas and decentralization in other technology areas is required; it is. Rather, the most important questions at this point are these:

- Broadly speaking, does the University's use of technology work? Do students learn more or less when they do use technology? Do students who have a

- a choice prefer to utilize technology? What measures of later student success (e.g., retention rates, graduation rates, pre-testing and post-testing results, GRE test scores, job placement, etc.) exist that provide evidence on these points?
- What rigorous evidence is there that the ways in which students use technology and how much they use technology make a difference in their performances? E.g., if students utilize a Blackboard chat room, do they score higher or lower on examinations, once one has controlled for relevant demographic variables?
  - What evidence is there that faculty training results in additional use of technology in their teaching, increased student learning, etc.? One UA official estimated to us that while *“80 to 90 percent of faculty have been trained to use Blackboard, only 15 percent actually do.”* Perhaps, but data supplied to us indicated that 41 percent of all sections taught at UAA involve Blackboard use. Do students learn more or less in such courses? Are they more or less satisfied and are they retained and graduated at higher rates?
  - How does the University decide the amount of resources it devotes to various technology-related tasks? Is there empirical evidence to support the current distribution of expenditures among tasks such as Internet connectivity, work stations, faculty training, etc.? E.g., in FY10, the System will spend \$7.48 million on non-personnel services in the area of "central technology." This is up from \$5.78 million in FY 00. Is there a metric by which such allocations are decided, or instead is it a more subjective, seat of the pants variety of decision-making?
  - The University's goal of eliminating much of its current paper flow and substituting on-line methods (electronic timesheets, purchases, applications, etc.) is admirable. Can it be demonstrated that such an evolution actually will save money after all overhead and maintenance costs are taken into account?



(23) It would take effort for one not to be impressed by the University of Alaska's massive use of technology. We recommend, however, that both the System and individual campuses spend more time evaluating what they are doing with that technology. Strong emphasis should be placed on generating rigorous empirical evidence concerning the University's use of technology and its effect upon learning and subsequent student outcomes such as retention, graduation, and job placement. The questions noted above might serve as a starting point. It is apparent that the University of Alaska already has done some of the analysis called for here; it simply hasn't done enough to justify what now is approaching a \$100 million per year expenditure.

(24) Some of the funding for UA's technology efforts is supported by a \$5.00 per credit hour student fee (maximum = \$60 per semester). We believe there is a strong argument for increasing the size of this user fee, provided the proceeds are used directly to support and assist students. Additional "smart" classrooms (noted above) provide such an example, as would additional work stations. We also recommend, however, that UA administrators utilize student advisory committees to assist them in ascertaining how things are working and what things need to be done.

(25) Finally, while UA's technology intensive distance learning efforts are much appreciated by students, it is fair to note that some knowledgeable outsiders believe that UA is not at the forefront of distance education today. *"There are some outdated in their approaches and high cost in their operations,"* said one, who believes the President should bring in one or more acknowledged experts at institutions that either are on the cusp of new developments, or which currently operate highly successful, profitable programs. We concur.

## V. FACULTY

The University of Alaska's 2,383 faculty (1,361 FTE) in general are well qualified and dedicated. Many are part of a self-selected group. Either they originally were Alaska residents, or they are individuals who have selected Alaska because of the attractiveness of its distinctive life style and environment to them. A representative UAA faculty member put it this way: *"I'm here because I want to be here. This is an astonishingly beautiful place to live and in my department , we are right on the cusp of new developments."*

Many UA students give high marks to their faculty for their teaching effectiveness and their willingness to spend extra time with them. *"My faculty and my advisor always make time for me and don't stop until they've taken care of my problems,"* remarked a senior engineering major. Students also are pleased that UA faculty often structure their courses to include practical out-of-class learning experiences and internships. *"I talk to students who attend other universities and here we have lots more opportunities to apply what we are seeing in classrooms than they do,"* commented a political science major.

There is great variation among UA faculty as individuals and across campuses in terms of their devotion to externally refereed scholarly productivity and performances. Not surprisingly, UAF faculty in the sciences and engineering lead the way in terms of their scholarship and grantsmanship, but more than a few faculty in other disciplines and on other campuses publish books with reputable presses, author articles in well-regarded journals, perform artistically, and compete successfully for extramural funding. Nevertheless, taken overall as a group across all sixteen sites, UA faculty are not exceptionally active as scholars. Substantial proportions of them regard high quality teaching as their primary responsibility.

It's fair to say that many faculty, though certainly not all, are reasonably well satisfied with their situation. *"Given the recession and everything else going on, we're not doing too badly,"* averred a faculty member. True, they harbor a variety of gripes and complaints about salaries, research support, teaching loads, office space, computer support, travel money, parking, etc. Further, faculty on some campuses believe they are *"being stifled"* by a variety of forces

located somewhere else, usually either in Fairbanks or Juneau. Still, most believe that *"we are doing something important here and making a real difference."* Most believe the University has been led very capably over the past decade by now departed President Mark Hamilton and are very pleased with the appointment of new President Patrick Gamble.

The notion that the University of Alaska favors UAF over other campuses does occupy the minds of some faculty and legislators. The *Anchorage Daily News* (30 January 2010) reported the perception of a legislator that the Board of Regents favors UAF over other campuses. It appears that more than a few faculty not located at UAF believe some variant of this and several noted to us that fewer than 6,000 students actually attend classes on the UAF campus proper. One noted that the student/faculty ratio is 12:1 at UAF, but 19:1 at UAA (numbers also reported in *U.S. News and World Report*). The Board of Regents responded by noting that UAA (in particular) has received the lion's share of new construction projects and that its budget has increased at a more rapid rate than that of UAF.

Whether or not the perception that UAF receives favored treatment holds any water depends upon each institution's mission and subsequent resource allocation. If UAF's mission differs from that of UAA and UAS, then its funding probably should differ as well. The relevant question, of course, is how much.

**(26) In any case, a partial solution to the tension on this issue is to have the Board of Regents adopt refined, distinct institutional mission statements---a step we recommend. We note that as a doctoral, research institution, UAF must be accorded distinctive treatment, or it will fail. However, it is obvious that the majority of the state's population and resources are located in the Anchorage metropolitan area . Hence, the real questions are: (1) how many doctoral programs should be supported at UAF? and, (2) over time, should some free-standing, distinctive doctoral programs be developed at UAA along with a variety of other graduate and research offerings?**

Not surprisingly, most UAA faculty favor doctoral status for their institution. *"We're bigger and better than UAF in many departments,"* asserted a UAA faculty member. The

implication is that the state's future allocations of resources and programmatic authority should reflect this.

### **Training and Supervision of Part-Time and Distant Faculty**

Approximately 50 percent of UA faculty system-wide are part-time or adjunct and on some campuses, this percentage exceeds 60 percent. Hundreds of UA faculty teach in locations remote from UAF, UAA and UAS. *"The salient issue,"* observed an administrator, *"is how well supervised and trained these part-time remote faculty are."* The honest answer appears to be--- it depends. Some academic departments, college and schools work hard to include part-time and adjunct faculty in their activities and provide them with training and support. Further, they monitor their teaching activities with periodic peer visitations. One academic unit has developed its own training module that covers essential orientation topics. In other situations, however, *"almost nothing at all is being done,"* according to a dean.

The University of Alaska provides heroic service to the state by means of its 16 campuses. **(27) Nevertheless, the extent to which training, course materials, supervision and evaluation are consistent across the campuses, and sometimes even inside campuses, is in doubt. This is an issue that UA must address, as it speaks to academic quality and maintenance of standards. It is possible that resolution of some of these matters might involve collective bargaining issues, but they do need to be addressed.**

### **Collective Bargaining**

Some of the quirks of the faculty salary structure among the campuses may be a function of the three collective bargaining agreements the Board of Regents has negotiated with faculty unions---the UNAC (a joint AAUP/AFT operation), the UAFT and the UNAD (which represents adjunct faculty). The UNAC bargaining unit does not represent community college faculty, vocational-technical faculty, and faculty at rural community campuses, who are represented by the UAFT.

The UAFT bargaining unit is a somewhat unusual arrangement and apparently was designed “to take care of” community college and vocational-technical college faculty when those individuals were merged into the greater, more expansive University of Alaska. Bipartite faculty in the UAFT are those who pursue duties constituting four parts teaching and one part service, while tripartite faculty pursue duties involving four parts teaching and one part research. Much more unusual, however, is the notion of the “bipartite” and “tripartite” faculty members in the UNAC bargaining unit. The UNAC bipartite faculty may have duties composed of research and service, or of teaching and service in any proportion. Tripartite faculty in UNAC have workloads comprised of research, teaching and service with workloads ranging from 5 to 90 percent in any one category. The current collective bargaining agreement (CBA) for UNAC faculty expires on 31 December 2010, while the UAFT CBA expires on 30 June.

**(28) The UAFT agreement recognizes that community college, community campus and vocational-technical college faculty are different individuals with different responsibilities. We agree and note that the differing missions and scope of these units is one of the reasons why it would be wise to differentiate further the four-year institutions (UAF, UAA and UAS) from the UAFT-oriented units, and administer them and record their results separately.** Elsewhere, we report comments of work force development leaders that all things considered, they would prefer a different administrative arrangement that would better recognize the distinctive nature of the community college/work force mission. We believe their concerns are valid. **(29) Further, we cannot help but note that UAF, UAA and UAS would not be savaged so much in national rating systems if their retention and graduation numbers did not include students from the community campuses who have not already earned an associate degree. We regard this as a win-win proposition for all concerned and recommend that the President move in this direction.**

The CBAs cover the usual topics---faculty status and evaluation, reductions in force, disciplinary actions, workloads, compensation, etc. In the fashion of most other CBAs, the UNAC agreement constrains the ability of the Board, the President and the Chancellors to take certain actions and requires them to take other actions. For example, faculty are responsible for 30 "work load units" per academic year; these units are derived from faculty members' teaching,

research and service activities. Unusual for a CBA, however, is the fact that the precise number of work load units associated with instances of each of these activities is not specified.

Minimum faculty salaries by rank are specified in the UNAC CBA (for example, \$55,000 annually for a full professor). The emphasis is upon "*across the board*" salary increments (3.4 percent in FY 10 and 3.5 percent in FY 11). Allowance is made for market salary adjustments, but the size of these is limited to 5.48 percent of the total base payroll of CBA unit members as of 15 November 2007. Market salary adjustments and initial salaries are supposed to pay heed to the 2008 Oklahoma State University (OSU) national faculty salary survey. This turns out to be highly beneficial to faculty at UAA and UAS because the OSU study numbers tend to pump salaries in those locations, but disadvantageous for UAF because the OSU study results in salary quotations for UAF faculty that often are below national averages for doctoral research institutions. Reliance upon the Oklahoma State study also has resulted in seemingly overly generous or even unmerited raises for some faculty whose less than scintillating performances are the reason their salaries fall below the Oklahoma State standards. The result is a distorted salary structure that is a merit-killer.

In any case, the most important salary decision ever made in the life of any University of Alaska faculty members usually is the determination of his/her initial salary. Virtually everything else is built on that initial contractual salary number. If you start behind, then you tend to stay behind. If you start ahead, then you tend to stay ahead. AAUP data reveal that UAF, UAA and UAS faculty tend to start their professorial lives with approximately the same salaries. This situation does not change as these faculty accumulate seniority and are promoted in rank. This is despite the fact that their duties often are very different and they are hired in different salary markets.

The problem, then, is that the UAF, UAA and UAS units are all being treated as if they are operating in the same salary markets and are hiring the same kinds of faculty. However, this is not so. **(30) We recommend that the President give very strong consideration to negotiating changes in the CBA that will provide more faculty salary flexibility among the**

**institutions and that UAF be accorded a different set of peer institutions that more closely fits its doctoral research role.**

Merit salary increases also are possible in the UNAC CBA, but may not exceed 1.0 percent of the faculty salary base on 1 July of each year, though another, smaller class of "limited" merit bonuses not to exceed \$500 may be dispensed on a one-time only basis. Promotion in rank confers a 10.0 percent raise.

All faculty employed since 2006 have been enrolled in a defined contribution pension program in which faculty contribute 8.0 percent of their salaries (pre-tax) and the state contributes 5.0 percent. State contributions are totally vested for faculty members after five years of service. The defined contribution arrangement likely will prove to be beneficial both to faculty and the state in future years and we commend the University and UNAC for moving in this direction.

Allowance also is made in the UNAC CBA for "geographic" salary differentials. Thus, relative to Anchorage, the salary differential in Barrow/Kotzebue is 42 percent. Presumably this differential reflects a variety of factors including cost of living, weather, etc., though as we note below, some of these differentials do not appear to be supported by BLS data. In addition, the University contributes a minimum of 83 to 85 percent of the net cost of a health insurance plan. An attractive tuition waiver for faculty, spouses and dependent children also exists.

The University of Alaska UNAC CBA is unusual in that it is beneficial to faculty (most faculty nationally would endure great pain to receive similar salary increases and such broad tuition waivers) and to the Board of Regents and the general citizenry. This CBA is less prescriptive than many. This is desirable because very few institutions that have highly prescriptive CBAs are prestigious or highly ranked. Highly prescriptive, confining CBAs *"tend to make it very difficult for institutions to move up the ladder"* (the observation of a national higher education leader). The CBA also includes valuable provisions for market and merit pay increments, even if such dispensations are relatively small. Finally, from the standpoint of the

State of Alaska, the switch in 2006 from a defined benefit pension program to a defined contribution program likely will avert major financial problems for the state in the future.

**(31) We have two recommendations with respect to the UNAC CBA. First, the President should work to increase the share of the total salary pie devoted to market and merit raises. If the State and the University truly believe in excellence, then they should reward it.** It is inconsistent with a commitment to excellence and damaging to morale as well to assign the same raise to a faculty member who is a superb teacher and productive scholar and to one who is mediocre in both pursuits. Plainly speaking, the University of Alaska is unlikely to move up in national rankings, or achieve its potential, if assigns salary increases on an across the board basis. Such a practice is equivalent to assigning all students a C grade, regardless of performance.

**(32) Second, the President should end the situation where one external salary survey (the Oklahoma State University study) applies equally to all three MAUs. As we detail below, this has worked distinctly to the disadvantage of UAF, which realistically has a very different set of peer institutions than UAA and UAS. Further, it also sometimes has resulted in a strange pattern of faculty raises that one administrator has labeled “anti-merit.”**

### **Faculty Salaries and the Cost of Living**

Faculty salaries always are a sensitive topic on college campuses and the University of Alaska is no exception. The Collective Bargaining Agreement (CBA) with the There are at least four significant assertions made by various groups of UA faculty about the UA salary structure:

- UA faculty are not well paid by national standards.
- The cost of living is higher in Alaska and faculty salaries don't reflect this sufficiently.



- UA Fairbanks faculty are not well paid by national doctoral research university standards.
- The salary gap between UA Fairbanks and UA Anchorage faculty is larger than it should be.

Each of these assertions can be examined by means of American Association of University Professors (AAUP) salary data and Bureau of Labor Statistics (BLS) cost-of-living data.

Are UA faculty underpaid relative to national salary norms? The table below reports AAUP salary data for the 2009-2010 academic year.

**AAUP FACULTY SALARY DATA, 2009-2010, BY RANK**

	<b><u>(000s)</u></b>			
	<b>Professor</b>	<b>Associate Professor</b>	<b>Assistant Professor</b>	<b>Instructor</b>
<b>UA Fairbanks</b>	\$97.8	\$72.7	\$61.7	\$48.2
Public Doctoral	\$116.8	\$80.5	\$68.7	\$45.8
U of Idaho	\$90.5	\$70.2	\$58.7	\$47.7
Montana State U	\$82.9	\$63.5	\$58.3	\$42.7
Washington State U	\$101.5	\$75.2	\$68.3	\$44.5
<b>UA Anchorage</b>	\$93.7	\$74.9	\$62.4	\$47.0
Public Master's	\$89.6	\$71.1	\$60.0	\$48.3
Western Washington U	\$81.1	\$65.6	\$55.7	\$49.4
Montana State Billings	\$66.0	\$58.3	\$52.6	\$35.4
<b>UA Southeast</b>	\$95.4	\$67.8	\$58.5	-----
Public Master's	\$89.6	\$71.1	\$60.0	\$48.3
Western Washington U	\$81.1	\$65.6	\$55.7	\$49.4
Montana State Billings	\$66.0	\$58.3	\$52.6	\$35.4

Lewis & Clark C	\$58.1	\$48.3	\$42.1	-----
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The assertion that UA faculty in general are not well paid by national standards is only partially correct. It is true at UAF lags national averages for doctoral research institutions, which pay far higher salaries than does UAF. On the other hand, when UAA and UAS are compared to predominantly master's degree institutions nationally, faculty salaries on both campuses exceed national averages in most ranks.

Of course, whether an institution's compensation package ultimately is competitive, however, depends upon a host of factors, salary being only one. Cost of living, teaching loads, facilities, grant funding, location, etc., all make a difference. UA institutions are distinctive in many ways and therefore one must be careful in drawing conclusions about faculty salaries.

What difference does the cost of living make in these deliberations? Not as much as some believe. Consider the following Consumer Price Index (CPI) data for the first half of 2010, with the 1967 CPI = 100:

Anchorage	194.83
Honolulu	233.82
Portland-Salem	217.51
San Diego	244.24
U.S. City Average	218.01
West Region Average	221.33

Data for Fairbanks and Juneau were not supplied by BLS for the same time period, but other BLS data sources suggest that costs in Fairbanks are about the same as Anchorage, while Juneau is a bit more expensive than Anchorage.

All things considered, it is difficult to make the case that cost of living differentials require higher than national average salaries at the University of Alaska unless one is located in a rural situation. UAA faculty appear to be especially well compensated when cost of living differentials are taken into account. It also appears (from the comments of faculty and

administrators) that UAS ends up paying some faculty more than it would have to pay to attract them because of the CBA's reliance upon the Oklahoma State University salary study.

We recognize that the U.S. Government frequently grants special cost of living allowances to its employees in Alaska; however, it is not clear that this is merited in locations such as Fairbanks and Anchorage. And, if merited in Juneau, such adjustments would be no more than five percent.

Interestingly, several economists argue that the introduction of big-box stores in Anchorage, Fairbanks and Juneau appears to have made a perceptible difference in prices in these locations in recent years. They believe this is partially responsible for more moderate cost of living increases in Alaska in recent years.

**(33) Regardless, we recommend that the President commission a new faculty salary study that compares UAF, UAA and UAS faculty salaries to those at carefully selected peer group institutions for each MAU. UAF, UAA and UAS each should have the opportunity to participate in a new and updated selection of peer group institutions, which should reflect comparable size, missions, programs, research output, etc. The goal should be to substitute MAU-specific peer groups for the Oklahoma State University salary study and to amend the CBA as necessary. Such a new analysis should take into account of cost of living differentials and attention also should be given to differing supply/demand conditions, academic discipline, level of programs, and external market factors. Coincidentally, such a study also will present an opportunity to examine if the University has any protected class salary problems relating to gender or ethnic origin. If, after adjusting for relevant other factors, such an analysis leads to the conclusion that salary adjustments need to be made for either individuals or groups, then the President should recommend a plan to the Regents to do so and make it a priority in collective bargaining.**

## VI. STUDENTS

The more than 33,000 University of Alaska students are diverse in a variety of ways. Approximately 60 percent are women and 15 percent are Alaska Natives/American Indians. Hispanics and Asians account for about eight percent of headcount enrollment and African-Americans about three percent. Some 52 percent are older than 25 and average student age is 30. Approximately ten percent of UA students come from outside Alaska. Eight percent are pursuing a graduate degree. Fully 30 percent are taking only one course per term and 45 percent are taking only two courses. Only about 35 percent of UA's 33,000+ students actually are full-time. At UAA, 80 percent hold a job and the median age is 25. Approximately 20 percent of UA credit hours are generated by students who intend to earn a certificate or associate degree. The typical UA undergraduate student is a first generation student and more than 49 percent of them receive need-based financial aid.

The typical UA undergraduate is pleased with the education he/she is receiving and grateful that the University introduces them *"to ideas and approaches that I had never thought about before"* (the comment of an undergraduate business student). Students perceive accurately that the University opens the doors of opportunity to tens of thousands of Alaskans

The typical UA student tends to view his/her education pragmatically. He/she wants to learn and to be stretched and challenged, but upon graduation clearly wants to be able to compete successfully for a good job related to what they have been studying. They see their University of Alaska education as mobility mechanism *"that will enable me not to have to struggle the way my parents did and to be able to choose where I want to live"* (this was the observation of a health sciences undergraduate). A healthy majority of UA students seek to remain in Alaska and between 80 and 90 percent usually do so immediately after they graduate.

One of former President Mark Hamilton's more popular and productive innovations was the UA Scholars Program, which continues to flourish. The UA Scholars Program provides a four-year scholarship providing partial payment of tuition and fees at any UA campus. There were 1,913 UA Scholars in the UA System in Fall 2009. It is credited with generating

significant increases in the proportion of highly talented Alaska high school graduates who chose to remain in the state for their higher education. In 1999, 33 percent of high school graduates eligible to become a UA Scholar enrolled at an institution in Alaska; by 2009, this had risen to 43 percent. More than 83 percent of UA Scholars are retained in Alaska between their freshmen and sophomore years; the UA System average is 76 percent for those students who are seeking baccalaureate degrees. While UAA enrolls the most UA Scholars, UAF enrolls the highest percentage of UA Scholars within its student body. More than 66 percent of UA Scholars are women.

Historically, Alaska has been challenged by "brain drain." Many of its young people, including some of its highest academic achievers, have departed the state after high school graduation and have not returned. The Alaska Scholars Program addresses this problem. **(34) We strongly commend the Alaska Scholars program, but nevertheless recommend that the President probe its effectiveness along with the University's other financial aid programs. To wit, precisely how successful are all of the University's scholarship programs in terms of retaining and graduating awardees and how many awardees subsequently remain in the state if they graduate? Are there notable difference between and among the academic disciplines in terms of Alaska Scholars attractiveness and success? Would it make more sense to offer more (fewer) scholarships with higher (lower) stipends? Should an attempt be made to endow the well-regarded UA Scholars Program?**

**(35) We pose these questions in the context of what we believe should be a general examination of how the University utilizes its scarce scholarship funds. Ideally, the University will expend its limited scholarship funds strategically in order to attain specific goals. Software now exists that permits institutions to vary their scholarship and financial aid offers in order to reach certain goals, e.g., maximization of enrollment, or other magnitudes such as SAT scores, retention, graduation, etc. We recommend that UA explore such software. This would permit intelligent strategic decision-making with respect to enrollment.**

University of Alaska students typically are pleased with the quality of the education they are receiving. *"I have lots of great professors,"* enthused one representative undergraduate business student, while a representative undergraduate social sciences major reported that she is *"positively thrilled at the opportunities I have had to do field research and apply what I have been learning."*

There is great appreciation among UA students for what one graduate student termed *"the distributed nature of the University."* By that he meant the many branches around the state that the University maintains and the availability of its distance learning operation.

There is less praise from students for the University's delivery of every day services such as food, parking and financial aid. **(36) "Bureaucratic" is an adjective often utilized by UA students to describe their interactions with the University. Many would like more variety and improved quality in the food selections they may choose from; more and less expensive parking; and, more responsive financial aid service from individuals "who sometimes regard us as adversaries."** These are items that UA should work on, though in truth these complaints differ little in tenor and amount from those one hears on nearly any state university campus. **If there is a difference here, it is that the University's retention and graduation rates are sufficiently low (see below) that the University really does need to determine why so many of its students drop out.** Perhaps the delivery of student services has something to do with this.

When queried about parking, urban campus students generally indicated that they would be willing to pay higher fees for parking if *"the money actually goes to parking that we can see."* More than a few students harbor the (false) opinion that parking dollars are being diverted to other uses. **(37) In general, students typically spoke in favor of strictly designated fees, whether for additional computer work stations, more Internet bandwidth, additional on-campus entertainment, or intercollegiate athletics. We recommend that the President explore such possibilities with student leaders and determine what, if any, designated fees students might favor in order to improve the quality of their lives at the University.**

### **Student Retention and Graduation Rates**

According to the data the University of Alaska provided *U.S. News and World Report*, the freshmen retention rates and six-year after matriculation undergraduate graduation rates were as follows in 2008-2009:

	<b><u>Freshmen Retention Rate</u></b>	<b><u>Six-Year Graduation Rate</u></b>
<b>UAF</b>	<b>74.8%</b>	<b>33.0%</b>
<b>UAA</b>	<b>71.0%</b>	<b>24.5%</b>
<b>UAS</b>	<b>55.0%</b>	<b>14.3%</b>
<b>UCLA</b>	<b>97.0%</b>	<b>89.0%</b>
<b>U Minnesota</b>	<b>88.0%</b>	<b>68.0%</b>
<b>Wash State U</b>	<b>83.0%</b>	<b>69.0%</b>
<b>Col State U</b>	<b>82.2%</b>	<b>64.0%</b>
<b>Oregon State U</b>	<b>81.5%</b>	<b>60.0%</b>
<b>U Wyoming</b>	<b>73.5%</b>	<b>55.0%</b>
<b>U Hawaii</b>	<b>77.8%</b>	<b>48.0%</b>
<b>Cal State U Chico</b>	<b>80.8%</b>	<b>53.0%</b>
<b>Cent Wash U</b>	<b>77.2%</b>	<b>54.0%</b>
<b>E Wash U</b>	<b>73.8%</b>	<b>47.8%</b>
<b>Weber State U</b>	<b>71.2%</b>	<b>41.5%</b>
<b>So Utah U</b>	<b>63.5%</b>	<b>40.8%</b>
<b>So Oregon U</b>	<b>66.0%</b>	<b>36.3%</b>
<b>Mont St U Billings</b>	<b>59.5%</b>	<b>29.3%</b>

It will suffice to note that UAF's success rates, especially its graduation rate, are well below national averages for doctoral research institutions. To the extent that UAF wishes to be considered in the same breath as other public flagship state universities, these data do not support such claims. Indeed, *U.S. News* classifies 258 institutions of higher education as "national universities" and it ranks UAF 258 of 258 on that list. UAA and UAS fare somewhat more favorably in the rankings, but against a much less demanding peer group. *"There is no question but that we look bad on many of these measures,"* confessed a UA administrator.

**(38) A host of factors can be deduced to account for the disappointing retention and graduation performance of University of Alaska students. The most important appears to be the fact that all three major MAU campuses also function as community colleges and technical institutes. As such, they enroll a wide variety of students who variously have no intent of obtaining a degree, or already know they will move, or are under prepared. Distinctive history and culture, financial pressures and the state's weather possibly all may play a role. It is clear that one reason some students depart from UA is the comparative absence of campus-based, need-based student financial aid.**

**(39) At the end of the day, it is apparent that UAF, UAA and UAS in many ways are not comparable to many of the state universities to which they are compared. Nevertheless, it is incumbent on the University to do more than it has to find out why the University falls short in this arena and take remedial steps.**

Since UAA and UAS are classified by *U.S. News* as comprehensive, master's degree institutions, their retention rates are in the ballpark with respect to national averages. However, both have graduation rates among the lowest in the nation, providing one eliminates historically black public institutions from the comparison.

If only 15.3 percent of UAS freshmen graduate after six years, then why is this so? Is it because these students are highly mobile and transfer elsewhere, or they did not intend to graduate in the first place, or they are receiving deficient instruction, services and financial aid, or...? How effective actually are the ubiquitous student support services, advising, tutoring, learning communities, Smart Start Program, etc., that focus on assisting students? **(40) We strongly recommend that the President of the University of Alaska make the improvement of student retention and graduation one of his very highest priorities in the next few years. The focus should be upon discerning facts, causes and remedies. To ignore this problem is to waste the resources both of students and the State of Alaska.**



## VII. BUDGET, FINANCE AND AUXILIARY SERVICES

Comparatively speaking, the University of Alaska depends more upon state appropriations and less upon student tuition than many other public universities today. While the current level of state appropriations is adequate though not generous, the reliability of those state appropriations often times has been in question. Rising and falling oil prices have introduced *"feast and famine budgets,"* according to one administrator.

One of the most distinctive aspects of public finance in Alaska is the Alaska Permanent Fund, which is a legislatively controlled sovereign wealth fund established in 1976 to manage "surplus" state petroleum revenues. Income into the Permanent Fund comes from a portion of the oil and gas leases, bonuses and royalties as well as from all other non-renewable mineral development. The value of the fund grew as high as \$40 billion in 2007. Its current market value is about \$34 billion. The fund invests in equities, bonds, commodities and real estate. Historically, the Fund has earned approximately ten percent annually on its investments and typically spends no more than five percent of its corpus.

Starting in 1982, dividends from the fund's annual growth have been paid out each year to eligible Alaskans, ranging from \$331.29 in 1984 to \$3,269 in 2008 (which included a one-time \$1,200 "Resource Rebate"). The 2009 payment was \$1,305 per person. To qualify for the Alaska State Permanent Fund one must have lived in the state for a minimum of 12 months, and maintain constant residency. Alaska's citizens have come to expect such payments, almost in the fashion of annual Christmas presents. Thus, Alaska has neither a state sales tax nor a state income tax.

Of what relevance is all of this to the University of Alaska? First, petroleum-related production peaked in 1988 and by 2010 had declined to only about one-third of their 1988 level. State revenues were protected as the price and new state taxes kept revenues high as production declined. But, as production continues to decline, even accounting for new fields coming on line and prices remaining relatively high, state budgets will tighten and the University of Alaska could be in for tough budgetary times, independent of the national recession.

Second, since oil prices are rather volatile, the University's potential state funding sources are similarly volatile. The University can, and has, ameliorated this problem by increasing its non-state support (for example, from tuition, auxiliary services, research grants, etc.). Plausibly, it will need to do this even more often in the future in order to counter the vicissitudes of state appropriations.

Third, when the day finally arrives when the State of Alaska must consider substituting other tax revenues sources (such as sales or income taxes) for oil revenues, *"There will be a huge, bloody political battle that will go on for decades,"* predicted an elected official. **(41) Alaskans now are among the most lightly taxed citizens in the country and changing this circumstance will neither occur quickly, nor without substantial political carnage. While such discussions occur, however, state financial support for the University of Alaska could dwindle. The University should anticipate such circumstances and begin to model less generous budgets. Unfortunately, we observe the strategic plans of UAF, UAA and UAS largely do not appear to reflect such possibilities and appear to assume, or at least hope for, worlds worthy of Dr. Pangloss.**

The \$5.5 million "call back" and internal reallocation recently carried out by UAF provides at least a template for more realistic considerations. At some point in the future, however, **(42) repetitive financial cuts at the margin on all programs spread mediocrity. In the long-term, we believe it would be far better that the University completely eliminate whole programs and departments in order to sustain its support for its most vital and highest quality programs.**

### **Debt**

Both the University of Alaska as a whole and its individual units have acted very conservatively in terms of assuming debt. In FY 10, total debt UA debt was \$128 million and the accompanying annual debt service was \$13.775 million---only 1.8 percent of UA's total operating revenues for FY 10. This places the UA system well below the 7.0 percent standard that many public institution boards apply to their units. It underlines that the UA System possesses a great capacity to assume additional debt. **(43) We point this out because UA is not**

**without needs and might well find it attractive to float bonds for student housing or other revenue-generating activities in the future. Suffice it to say that the UA System has the ability to do so though this would require some reallocations.**

### **Financial Carry Forward**

One of the marks of a solid, well-run organization is its ability on a consistent basis to carry forward discretionary, unspent funds into its new fiscal year. These funds provide a cushion against unexpected adverse developments and also can be used to deal with attractive, new opportunities. In the case of UA, the oral tradition among some faculty and staff is that it carries forward huge amounts of funds---literally, that it owns an impressively large savings account that could be spent upon deserving departmental and office priorities.

Whatever may have been true in the past, this is not correct today. As the data below reveal, UA overall and each individual UA unit carried funds forward for FY 10, but not excessively large amounts. These levels of carry forward cash are both prudent and appropriate.

UA Overall	3.1% of operating revenues	\$23.2 million
UFA	2.4% of operating revenues	\$9.5 million
UAA	3.6% of operating revenues	\$9.7 million
UAS	3.7% of operating revenues	\$1.7 million
USW	4.6% of operating revenues	\$2.2 million

### **Efficiency of Operation**

In contrast to many other campuses in “the lower 48,” UA campuses in general receive favorable marks for the efficiency of their physical and financial operations. *“There is pride of place here,”* remarked a dean who complimented UA campuses for maintaining attractive grounds, keeping buildings clean, and repairing minor items. Further, there is general agreement that UA campuses typically manage their money well. They consistently receive quite favorable audit reports and one faculty member quoted only a bit inaccurately the Chicago Bears’ venerated George Halas, once accused by Mike Ditka of *“making nickels squeal,”* in pointing

out that UA financial leaders were able to stretch their budgetary funds and use them extremely well.

A variety of university offices, including information technology efforts on each campus, typically receive high marks for service and efficiency. *“They’re quick to the mark most of the time,”* praised a faculty member, *“and they know what they are doing.”* On the other hand, at this point in their evolution, both the University’s fund-raising and alumni arms often are seen as inefficient, not able to generate needed data, and *“bumbling around too often.”* The Banner records system also is viewed by many as an impediment rather than a help.

Nevertheless, the major place where the UA System encounters considerable static concerning its efficiency is with respect to perceived overlap in functions and authority between the individual UA campuses and the UA Central System. It would be fair to say that many faculty and administrators simply are unconvinced that additional system administration improves their circumstances. *“We could do many things more efficiently on campus,”* asserted an administrator, who spoke for many. They have in mind many IT and human relations functions, foundation activity, institutional research, academic evaluations, and even collective bargaining. **(44) President Gamble and the Regents should bear this in mind as they consider reorganization.** System administrators portray the classic *“We’re from the government and we’re here to help you,”* attitude, commented a sarcastic administrator. *“Sometimes they just come looking for work and problems,”* commented a faculty member.

We deal with recommended reorganizations of the UA System in another section. **It is sufficient here to note that the major place in the UA System where commentators see inefficiency is in the UA System Central Office.** Whether or not fair, this is a widely held view.

### **Public/Private Partnerships**

Several campuses expressed to us their need for additional student housing, but simultaneously bemoaned their inability to afford such. UAA and UAF appear to have explored

the possibility of public/private partnerships whereby a private entrepreneur might provide the capital for and construct such housing, and then operate that housing. Those initial efforts were done some years ago and might provide different results if done today. After some period of time, perhaps 30 years, in a lease to own arrangement, UA would own the property.

In such circumstances, the rental charge students pay ordinarily is higher than normal, though the amenities in such residence halls usually are higher as well. Experience on other campuses is that a student clientele usually exists that is attracted such situations and will pay premium rents for somewhat upscale living quarters. To be sure, this model might not fit many Alaska campus situations, but it should not be rejected out of hand because experience in “the lower 48” indicates that it often is viable.

When asked why strategies such as these have not been pursued previously, most informed individuals cited “*a culture of risk aversion,*” “*laws and regulations*” (though no one seemed to be able to say what they were), and an egalitarian “*That’s not the Alaska way.*” Other than laws and regulations, we do not believe these constitute valid reasons. **(45) We recommend that the President charge appropriate staff with the investigation of public/private partnership possibilities with respect to housing, but also with respect to a variety of other activities that might be carried out jointly (including partially privatized services, joint research and development projects, real estate developments, etc.). The President and the Board ultimately might opt not to do any of these things, but nevertheless should make themselves aware of the potential benefits and costs before it makes its choices.**

## VIII. INTERCOLLEGIATE ATHLETICS

Most UAF and UAA intercollegiate athletic teams compete at the NCAA Division II level and those teams belong to the Great Northwest Athletic Conference. UAA's women's basketball team has reached the national Division II semi-finals several times and built several long home winning streaks. UAF teams have won nine national rifle championships. Both institutions' ice hockey teams (men) compete at the "big-time" level in ice hockey and televise many of their road contests. UAA attracts national attention each winter with its Great Alaska Shootout men's basketball tournament that historically has attracted many of the nation's most powerful teams.

UAF is a member of the Central College Hockey Association (CCHA), which includes institutions such as Michigan State, Ohio State and Notre Dame, while UAA competes in the Western Collegiate Hockey Association (WCHA), which includes institutions such as Denver, Minnesota, North Dakota and Wisconsin. It seems possible that some type of merger between the CCHA and WCHA might be in the offing because of financial stresses being experienced by some members.

**(46) UAS does not compete in intercollegiate athletics, a circumstance we do not believe should change. While intercollegiate athletic teams might improve UAS's identity, community support and student recruitment, they usually bring with them a variety of problems and expenses. Their operating costs would be high and initiating teams would require major investments and general fund tax subsidies for facilities, staff and travel. This seems an ill-advised course to follow at this stage in UAS's development.**

The major challenges confronting the existing UAF and UAA intercollegiate athletic programs are functions of distance and weather. UAF and UAA teams must travel long distances to compete against the other teams in their leagues and this is expensive. In addition, the weather introduces a degree of uncertainty to road trips that sometimes disrupts the best devised plans. Indeed, UAF and UAA teams spend 25 to 40 percent of their annual budgets on travel, whereas a typical team in "the lower 48" spends no more than 15 percent on travel. This

makes intercollegiate athletics at UAF and UAA distinctive and huge money losers on a cash basis. The UAF athletic program received a state general fund subsidy of about \$3.2 million this year and UAA about \$3.8 million. The opportunity cost (alternative use) for these funds is high. It should be noted, however, that both UAF and UAA cleverly utilize the Western University Exchange (WUE) program to reduce the cost of recruiting selected out-of-state athletes, who often constitute as much as two-thirds of a competitive squad.

One of the most interesting and pleasing aspects of UAF and UAA intercollegiate athletics is the fine academic performances of UAF and UAA athletes, who earn higher grades, drop out less often, and graduate more often than conventional students on each campus.

**(47) At the end of the day, however, we recommend that the respective campus chancellors keep a close eye both on programmatic expenses in intercollegiate athletics and the amount of time student athletes are unable to attend scheduled classes because of their lengthy road trips. Intercollegiate athletics have gotten more presidents and chancellors into trouble than virtually anything other than presidential houses. Vigilance, good hiring and observable interest in each university's teams will go a long way toward avoiding scandals.**

## IX. ADMINISTRATION

There are two fundamental topics of interest here. First, what administrative activities should be centralized? Second, how should the Alaska higher education system be organized?

### Centralization/Decentralization

One of several important governance questions that surround the University of Alaska is highly practical---what activities and decisions should be centralized and which of these should be decentralized and largely performed on local campuses? These considerations are complicated by the fact that the University of Alaska System in effect is a collection of three MAU sub-systems (UAF, UAA, UAS) that undertake a variety of activities for the institutions under their sway.

Certain activities clearly are system-wide in character and should be centralized. Determination of the missions of the individual campuses clearly falls within this category. The Board of Regents must not allow institutions to determine their own missions, whether formally or by default. We already have recommended that the missions of UAF, UAA and UAS be refined and that in particular address what will hold true in the future.

**(48) While the recipe might differ in other states, there are sound reasons in the case of Alaska to centralize programmatic approvals, technology standards and related major technology resource decisions (such as the adoption of common student, employee and financial records systems), the allocation of capital and buildings, the assessment and formulation of budget requests, the overall allocation of maintenance reserve funds, negotiation of collective bargaining agreements (though we see no reason why each MAU might not have its own CBA and be heavily involved in that negotiation) and fringe benefit programs.**

**(49) On the other hand, there is no persuasive reason why individual professorial and employee evaluations, nearly all hiring, college and departmental budgets, faculty promotion and tenure, disciplinary specific curricular decisions, the provision of student**



services, alumni activities, fund raising and most institutional research should be centralized. Individual campuses are much closer to the action.

(50) Note that much greater individual campus autonomy often is sensible in states that boast much larger financial and population bases and multiple large metropolitan areas. In such circumstances, competition among institutions and the development of distinctive, specialized campuses often is highly desirable. Plainly speaking, we do not believe the State of Alaska has sufficient population and resources to permit such unrestrained competition.

(51) The command and control regulatory model that the UA System has is perceived to have adopted over the past decade is in need of clarification and modification. *“The statewide people act like they’re listening, but in reality they’ve already made up their minds and they’re simply trying to look reasonable”* (the telling comment of an administrator whose sentiment was oft repeated). Rather than issue *obiter dicta* from Fairbanks, the UA System administration henceforth should emphasize well-designed incentives (often financial, though sometimes in the form of privileges relating to processes and local decision-making) to its institutions. The institutions will respond if the incentives are intelligently designed, clear and the process is not polluted. They need not be dragooned into certain behaviors. Indeed, they will increase their entrepreneurial behavior if incentives exist for them to do so. We note in passing that entrepreneurial behavior sometimes has been in short supply in the Alaska system of higher education. In any case, institutions predictably react negatively to, and even actively subvert, fiat that seem not to recognize their individual circumstances.

(52) Increasingly, UA Systems executive staff, under the authority of the President, should act as staff to the Board and provide them with analysis and recommendations rather than wielding final administrative authority. If all parties behave intelligently, mutual respect will follow. We note here that central board staff often have earned the respect in similar situations in other states.

**(53) One of the more productive functions that the refashioned central staff might accomplish is to encourage the development of joint and cooperative academic programs within the system. The clinical/community psychology doctoral program provides a template for such programs. Courses, faculty and support are shared and students have the ability to benefit from a much larger portfolio of resources and specialties. With appropriate incentives, we are convinced that a variety of other programs could be mounted in the same fashion. We also note in passing that this constitutes a very nice way to provide UAA with additional advanced graduate responsibilities without granting it free-standing doctoral program authority and the concomitant additional costs that inevitably would accompany such a development.**

**(54) The model we have outlined here assumes that the size of the current UA central staff may be reduced, perhaps in the target range of 60 to 80 positions (down from an estimated 200 today). Note that Virginia, which has a highly regarded public system of higher education, maintains a State Commission for Higher Education with a staff approximating 40. The Virginia system, of course, is less bureaucratic and more entrepreneurially oriented than the UA System. We recommend that the Board allocate some of these savings to the MAUs, some to the support of community college/vocational/technical education, and that some be retained to help provide incentives to encourage desired future behavior.**

### **A New Organization**

The University's attempt over the past few decades to seamlessly integrate all post-secondary education into the same administrative structure always has sounded better than it actually has worked. **(55) Recognizing this, the major change we have to recommend is to accord UA's vocational, technical and community college activities much greater prominence and not viewed as "four-year lite" (the observation of a sometimes frustrated individual associated with workforce development).**

There are two major reasons to do so. One is that the community college/vocational/technical/work force needs of Alaska are not being served as well as they could be. The other is that inclusion of the performance measures of these units in national higher education statistics and ranking systems has seriously disadvantaged UA.

We do not propose to recreate the former community college system. Instead, we recommend that each MAU separately address and administer the community colleges, community campuses, and vocational/technical units with individuals attuned to those tasks. For example, at each MAU, there might be a Vice Chancellor for Community Campuses (or however titled).

Each MAU should take pains to see that the same rules and criteria for performance success and failure should not always apply to these units in the same fashion as they apply to the senior colleges. For example, **(56) we do not believe tuition and fees at the community colleges/community campuses/vocational/technical units should be identical to that at the senior campuses. Indeed, they should be lower.**

**Further, the statistical results associated with the community colleges/community campuses/vocational/technical units should be reported independently of the senior colleges. This will cure a variety of external visibility and ranking problems.**

**In addition, in the state's two largest metropolitan areas, formal, named community colleges should be created. In the case of Fairbanks, the Tanana Valley campus already serves some of these purposes. These campuses should permit UAF and UAA to begin slowly to increase their admissions standards and to focus student services. Note that the creation of these community college units definitely does not imply the construction of new campuses.**

It is clear that many MAU resources and functions should continue to be provided and shared with these differentiated entities. The point is not to divorce the non-senior units from the senior units, but instead to give them additional attention. Work force leaders in the state will

approve and providing appropriate MAU support still is supplied on matters of concern such as technology, the community colleges/community campuses/vocational/technical units will as well. The State of Alaska should reference the State of Hawai'i in terms of how a community college can be incorporated and administered inside a state university system, sharing some resources, but focusing on different tasks.

## X. INSTITUTIONAL ADVANCEMENT

Competition for public and private funds across all states has become intense during the past decade. State colleges and universities have increasingly recognized that the cost of education has made it impossible to compete, thrive, and maintain without a combination of ongoing private gift support and substantial endowment income.

Today, the University of Alaska System is adjusting to 50 years of roller-coaster funding with “boom years” filled with impressive funding for lavish buildings and large federal allocations and flat years in which some staffers state they grappled for office supplies. Administrators admit that the effects of the recession have been deferred in Alaska due to a large reserve fund. However, most observers agree that absent a spike in fuel prices, this fund could be depleted rapidly. State appropriations have been adequate; the reserve has enabled the University to adequately meet obligations. Supplemental sources of funding, long neglected, must be nourished to meet the long-term goals of the University.

Today’s higher education environment requires significant participation by private funding sources. The University of Alaska will continually need to secure private dollars that state funds and tuition simply cannot provide.

The condition of institutional advancement—the management of private giving—at the University of Alaska is mediocre at best. Despite some large gifts (mostly of a corporate variety), UA does not have a history of a well-organized contemporary approach that is standard for a comparable system. While we found individuals in the advancement offices to be committed, the credentials and organization are limited. Throughout its history, a number of attempts have been made to organize the institutional advancement function. “*We do a lot of starting and stopping,*” stated a long-time staffer. As a result, the fundraising function has continued to exhibit inconsistent productivity.

On the plus-side, funded research is impressive, particularly at the System's flagship institution. UAF is responsible for the lion's share of the funded research, though UAA has begun to compete in this arena more successfully. UAF reports more than \$110 million in externally funded research activity (quite impressive for an institution its size) and UAA about

\$10 million. The State of Alaska is a splendid laboratory for a myriad of different types of environmental, resource extraction and conservation research and clearly is the nation's preferred location for cold weather science and studies. UAF, according to one knowledgeable observer, “*dominates the American Geophysical Union*” because of the quantity and quality of its geophysical research.

Obviously, the University’s success in procuring external research funding has not been matched by success in private fund raising. While UA has received generous gifts from corporate donors, it has yet to convince most of its own alumni to contribute. The giving rates of alumni to UAF’s, UAA’s and UAS’s annual funds ranges between one and six percent; embarrassingly low (more later). We spoke with alumni throughout the System, and virtually all were very proud of their institutions and their degrees. “*There simply is not a culture of private giving in Alaska,*” commented one individual who spoke for many. This has been accentuated by underdeveloped fund raising organizations and the failure to make fund raising a priority. “*We’ve always depended upon Ted Stevens and the oil companies to take care of us,*” pithily observed an alumnus. Clearly, this must change.

**(57) The lesson of “best practice advancement” across all institutional types is three-fold. Members of governing boards must assume responsibility for the advancement effort; it cannot be completely delegated to presidents, no matter how pivotal a role they must play. Second, the governing board, the president, and the professional(s) in charge of the basic functions of advancement—namely alumni relations, communications (incorporating university and government relations), and fund- raising—must work as an integrated team. Every function (alumni, public relations, et. al.) must be related in terms of attracting resources (dollars). Finally, the professionals in charge of these three principal advancement functions must be forward-thinking and broadly competent professionals who enjoy the respect of the academic community they exist to serve. The absence of any one of these characteristics will seriously weaken any institutional advancement program.** The University of Alaska, unfortunately, is significantly deficient in most of these areas.

Although created in 1974, the Foundation has not developed a design for private support. The excellent address to the Regents by the current Foundation Board Chair (June 3-4, 2010) points out problems and a proposed solution. Curt Simic, of Indiana University, has been engaged as consultant; he is one of the most respected foundation administrators in the country.

The question from each of the Review team members is: Why did the Foundation wait so long? There is an impressive Foundation staff, and from 1974 to 2010 is a long time. Throughout this period the Council for Support and Advancement of Education (CASE) and others offered meetings, publications and consultancies on fund raising. We also note here that *CASE Currents* listed two conferences held (one in Anchorage and one in Fairbanks) in May 2010 on development for academic officers.

A reconstituted and energized Foundation Board of Directors thoroughly educated in its responsibilities, in agreement on the strategic direction for the institution, and committed to its president will ensure an advancement program that can tap its vast potential. **(58) New Foundation Board of Directors members should be recruited and trained to take responsibility for the fundraising performance of the University.** It is Board members who must open doors. Selection of these volunteer leaders must be done carefully and be well-thought out.

For the year ended June 30, 2010, total private contributions to the University of Alaska Foundation were \$16,830,191. Of this total, \$13,984,129 came from corporations. A miniscule \$495,339 came from alumni with a high of \$285,766 at UAF and a low of \$5,935 at UAS. The team was unable to determine a “real” alumni participation rate because the calculation method differed among the three main campuses. The market value of the endowment was a respectable \$216,424,300 at fiscal year end.

President Gamble has the discipline, energy, and charisma to inspire private support. *“Although he came from the business sector, his experiences with other institutions have provided a perspective that is just what the doctor ordered,”* a staffer noted. It is imperative for the system to capitalize upon his fresh perspective and enthusiasm toward resource acquisition.

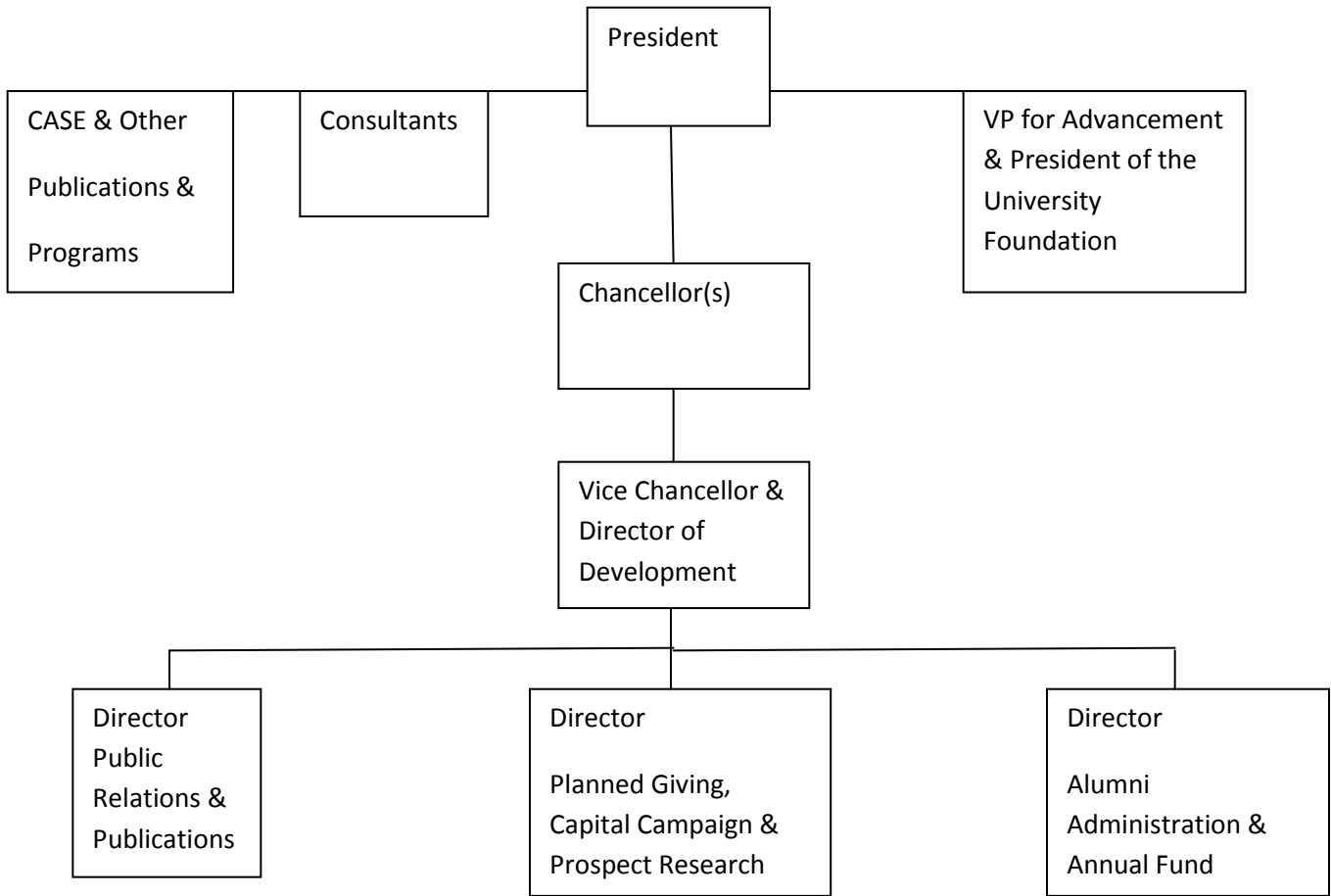
What is not yet in place, however, is either the organization that would lead to success, or a commitment by the University of Alaska Foundation Board of Directors to become actively involved in the fundraising process. It is an environment that lacks focus and emphasis. Bluntly put, as indicated in the remarks of the current Foundation Chair, they need to subscribe to the old axiom “give, get or get off.”

In interviews with groups and individuals, we were repeatedly told that advancement has not been a high priority for the Board of Regents, Foundation Board, President, or campus Chancellors. “*Nobody questions that staff are well intentioned, very nice people,*” one supporter said. “*They (the University) just lack the trained horses—from the top down—to run the race.*”

**(59) We suggest a reorganization along the following lines: the office of the President should be the prime agent for corporate research working in close conjunction with the several campuses but virtually all other fund raising activities should be housed in the separate campuses. Typically, alumni and others do not give to systems; indeed, the UA System office is not accredited. Their prime loyalty and sense of obligation is to their individual alma maters, but we note here that whatever, thoughtful consideration should be given to Curt Simic’s recommendations.**



**The Most Efficient and Effective Design for a Fund-Raising Program:**



- CHARACTERISTICS OF OVERPRODUCTIVE FUND-RAISING PROGRAMS**
1. Pay unusual attention to major gifts & planned giving
  2. Separate corporate/foundation emphases
  3. Telethons
  4. Giving clubs & recognition programs
  5. High number of names on mailing list
  6. High number of solicitation calls
  7. Use of technology

**(60) The key to private support is relatively simple: do it “right” and support will be forthcoming, and it has not been done “right” in Alaska. The national average for alumni giving is over 17 percent, and some institutions go as high as 60 to 70 percent. The alumni giving percentage is the prime denominator for effective planned giving, capital campaigns and even corporate support. The President and the three Chancellors must each take thoughtful note of this. There are countless publications and conferences available, and Alaska, with its extraordinary academic culture, will be an ideal place to raise support for public higher education. There is only one private institution, Alaska Pacific, and it is relatively small but has a president who appears to appreciate the methodology of fund raising.**

If properly administered and directed, fundraising costs should be below 20 percent, and over a five year period, should tend toward 15 percent or lower. It is indeed the case that, “It takes money to raise money.” **(61) We recommend staffing the program as necessary and then carefully monitoring the costs. As a guideline, every new dollar spent should generate additional revenues of \$6 to \$8 over time.**

In light of past accomplishments, assets, and the alumni base, we believe a capital campaign should be considered. **(62) We recommend the employment of an appropriate firm to conduct a feasibility study for a capital campaign. Such a study, independently and anonymously conducted, will test the University’s case for private support and help to determine the level of interest by current and prospective donors in providing funding through a comprehensive campaign.** A campaign will bring appropriate focus to the importance of fundraising, and we believe there are tremendous untapped resources. Over time, the impact will be dramatic. **(63) An immediate major gifts and planned giving effort, coupled with the implementation of new processes, should lead to a prompt and positive impact on the “bottom line,” engaging alumni and friends in the future of the University while setting the stage for successive campaigns.**

The Chancellors, in coordination with staff or key volunteers, are crucial to soliciting these gifts and providing careful stewardship and attention to this group of donors. Planned gifts

provide examples for others to follow, and the Chancellors, with appropriate help from the President, must be in the forefront of this fund raising activity.

Obviously the significant involvement of major constituencies is crucial to the success of any institution's development program. Students, parents, faculty, alumni, business and government leaders - - all have important roles to play. Key among the leadership groups will be governing boards. For example, a feasibility study determines the direction and board members must be involved as well as other major supporters. Although not all board members are outstanding solicitors, most possess other assets in fulfilling their board responsibilities. In Alaska, Board members can introduce, host, open doors, and endorse the development activities, thus lending the Chancellors and the President critical support in solicitation strategy and implementation.

In this course, outside consulting is an imperative. Noted below are the names of several experienced fund raising consultant firms:

- The Sheridan Group (240-463-1708)
- Barnes & Roche, Inc. (610-527-3244)
- Gonser Gerber Tinker Stuhr (630-505-1433)
- Grenzebach Glier & Associates, Inc. (312-372-4040)
- Ketchum, Inc. (646-935-3900)
- Washburn & McGoldrick, Inc. (518-783-1949)

In a survey of former college presidents, invariably, they indicated that they wished they had more rigorously evaluated every advancement activity (alumni, public relations, publications, et. al.) using development (fund raising) as a model. They also indicated that they had, or wished they had, a development officer in charge of the entire advancement division. For obvious reasons, development officers are by nature inclined to accept performance indices relating to the amount of money raised.

### **Alumni**

The University of Alaska has an estimated 62,000 living alumni. Approximately 80 percent reside in Alaska. Among the more distinguished alumni are:

- Tom Albanese, CEO, Rio Tinto
- Mark Myers, former Director of US Geological Survey
- Syun-Ichi Akasofu, geophysicist and founding director of the International Arctic Research Center
- T. Neil Davis, geophysicist and author
- Curtis Fraser, hockey player
- Otto W. Geist, explorer and naturalist
- Jay S. Hammond, former Governor of Alaska
- Jordan Hendry, hockey player
- Margaret Murie, naturalist and author

UAF, UAA and UAS each maintain their own alumni association; this is a good start. To their credit, the alumni organizations attached to each campus carry out a variety of typical alumni activities including sponsored events, mailings and Internet contacts. What seems to be lacking, however, is a well-defined sense of their mission and purpose---an understanding on their parts of why they are doing what they are doing. The blunt truth is that there is no reason for institutions to sponsor alumni organizations and activities unless those organizations and activities further the educational mission of those institutions. That is, unless there is a positive connection between alumni events and outcomes that an institution desires---notably, enhanced fund raising but also improved admissions, enhanced fund raising, better placement of students, increased political influence, etc.---there is no reason for colleges and universities to sponsor alumni activities. Universities are not social clubs.

As noted above, the annual fund is the cornerstone of successful fund raising programs but today planned giving is at the apex of the development process. Wills, trusts, and pooled income funds preserve institutional quality by establishing endowed scholarships, chairs and professorships.

What is missing at the University of Alaska is the realization that every alumni event and every alumni activity must be directed at improving the University position. It is not sufficient

for alumni associations to assert that alumni like the social events that they sponsor, or that these events keep alumni in touch with the University. What is required is for alumni organizations to plan and carry out events that demonstrably meet the goals of the university. Thus, the associations need to know precisely who attends their events and what, if anything, these people do for the University. Alumni organizations need to know who reads the materials they send, whether via mail or Internet. They need to know how their social networking sites translate to furthering the University's goals.

**(64) What is required, then, is a much more analytical, even hard-hearted evaluation of alumni activities and personnel. The bottom line is that either the events and the personnel demonstrably improve the University of Alaska's position, or they should be modified or abandoned. We recommend that each campus analyze its alumni events and personnel to determine the extent to which there is evidence that they actually further UA objectives, particularly alumni and fund raising. As noted below, as is often the case in “the lower 48,” we recommend that each of the campus alumni officers be primarily responsible for the annual fund.** There is little question that alumni programs can be highly positive tools for institutions of higher education, but one should not automatically assume that this is true. There is often no bridge between friend raising and fund raising; putting the annual fund under an alumni director ensures a marriage between friend raising and fund raising. (The most recent issue of *CASE Currents* in October 2010 includes an article on the integration of alumni relations and development.)

As mentioned above, alumni generally voice strong support for the University of Alaska and indicate appreciation for the quality of the education that received there. However, typically this has not translated into financial support. Data supplied by the University reveal the following:

UAF	3.9% of alumni with addresses made a gift in FY 10
UAA	5.9% of alumni with addresses made a gift in FY 10
UAS	1.3% of alumni with addresses made a gift in FY 10

These figures clearly indicate that there has been no focus in alumni activities upon fund-raising.

### **Analysis of Web Content and Publications**

In the past two years, news developments surrounding former Alaska Governor Sarah Palin and more recently, the Alaska Republican primary and a tragic private plane crash that took the life of Senator Ted Stevens have greatly expanded national and international exposure of the State of Alaska, making it much more visible to Americans in “the lower 48.” Good or bad, this enhanced coverage spotlighting Alaska provides an unparalleled opportunity for the University of Alaska System and its member institutions to showcase their strengths to potential students, employers, donors, the national media and other constituencies.

Specifically, the System can use this enhanced, enlarged focus on the State to tell its story and to sell the unique combination of vast natural resources, abundant recreational opportunities, diversified economic strength and multicultural heritage to current and potential stakeholders.

A review of the website and publications indicates that the University of Alaska System both recognizes this opportunity and has already begun to embrace it in a thoughtful, focused and systematic way. In particular, the tagline “Many Traditions One Alaska” and contemporary logo are used consistently and effectively across multiple platforms. In addition, with respect to graphic identity, a “family look” is apparent in both the website and major current publications.

Clear, consistent and compelling messages embracing the above opportunities and also targeting taxpayers and state legislators are evident on both the website and in newer publications. The importance of distance learning and workforce development in a far-flung, rural environment is also addressed strategically.

**(65) Additional opportunities remain in creating focus, use of graphics and photography and in targeting future students and families as well as in cross-marketing, using print publications to drive audiences to the excellent website, among others.**

### **System Website**

The geographical size of Alaska and remoteness of some constituents makes a clear and compelling website paramount. A review of the homepage as well as interior pages, links to campuses within the system and to key departments and services demonstrates that the System as well as component units have devoted considerable thought and resources to development of a website that is both graphically attractive and highly navigable. The site is clean, clear, student friendly, creative and “fun.” The innovative use of contemporary graphics on the homepage is likely to attract potential students and others, while the use of scrolling current news headlines enhances the likelihood of return visits to the site.

While the homepage does contain a lot of information, it is extraordinarily well-organized and does not present a cluttered appearance. A browser can quickly and easily navigate to sites of interest, including links to distance learning, giving and others.

President Gamble’s page, easily accessible from the homepage, is well-done, the thumbnail photo is a good idea, and the site contains helpful cross-links to other sites.

Use of the UA system logo and tagline are consistently repeated and positioned throughout the site on all key pages, though we noted that it is not displayed on the homepages of the member institutions. A standardized, attractive template and palette of colors is apparent throughout the site, with quick links to individual campus sites. Homepages of the latter are also attractively and consistently designed, with good use of the respective institutional logos.

**(66) Opportunities to strengthen the System website include stronger use of photography for impact (a need in many publications, as well), a direct link to admissions information for prospective students and families (although it is likely that many would go first to the individual campus sites, which do provide such links) and more interactive features to encourage repeat visits. Many photos on the home page are run too small for maximum impact, and this is also true in many publications. Best practice is fewer photos run larger. Quality of some photos is also mediocre, with too many posed shots of people and not enough showing genuine interaction.**

Overall, though, the System and its constituent units can take pride in effective, navigable websites with very fast links.

## **Messaging**

Communications targeting non-students or prospective students and families (these will be addressed later under “admissions publications”) are effective in identifying and consistently reinforcing key messages and themes to major stakeholders. These include the following:

- The UA System is a good steward of resources and taxpayer dollars; (legislators, taxpayers, donors);
- The System and campuses deliver a high-quality product cost-effectively in a way (in-person, distance, throughout the state) that potential consumers and employers can utilize;
- The System and its campuses represent a collaborative partner with state employers, business and industry in workforce training and development and especially, in technical education delivered through community colleges;
- The System is progressive and forward-thinking;
- The System and its campuses represent a major resource for the state in health care delivery and other key areas;
- The System and its campuses are a major employer, with a significant economic impact upon the state and communities in which it is located;
- The System acknowledges the multicultural heritage and identity of Alaska and its people as well as the opportunities presented to it by its enormous natural resources and “green” possibilities

## **Graphic Identity and Use of Tagline in Branding**

Use of the very good System tagline, “Many Traditions One Alaska” and attractive, contemporary logos are repeated consistently and effectively throughout the website and publications. Logos of individual campuses appear, appropriately, in subordinate positions as design elements. Newer pieces, “University of Alaska at a Glance,”

“Facts, not Fiction,” “Training Tomorrow’s Workforce Today” and the piece featuring regents’ photos on the back reflect an emphasis on creating a “family look” in design and color



palette. Some older publications do not reflect such design elements, but it is likely that many of these will be phased out and replaced with additional web content.

**(67) Publications appearing to target potential students and families feature a secondary tagline, “Learn, engage, change” (University of Alaska Southeast). This, plus a more consistent brand and family look, might be encouraged throughout publications of constituent campuses. For out of state students, who represent a strong source of higher tuition revenue, the advantages of studying in a diverse, outdoors-oriented Pacific Rim environment could appeal to students in many disciplines.**

### **Major System Publications**

**(68) Photography is an area that needs to be addressed throughout. As noted, many photos are run too small for impact. Too many are obviously posed, showing either no or little interaction, with subjects staring directly into the camera. In others, such as the front page of the Winter 2009 System newsletter, shots of equipment appear with no people for context. Some photos could benefit from tighter cropping. An upgrade in this area would benefit the entire publications and web areas.**

### **System Newsletter**

**(69) In addition to enhanced photography, as noted above, high-priority needs for this publication are reduced word counts to avoid a cluttered look and to enhance readability and a less static, more contemporary design.**

**(70) On the front page, for example, the “Inside This Issue” sidebar is much too copy-heavy, discouraging readers from venturing inside. Simple bullets without text would be more effective. Inside features such as “Partnering with business and industry” (pages 2-3, Winter 2009 edition) similarly contain too much “gray.” Use of bolding, subheads and larger boxes/screens would make this spread more reader-friendly. Photos without people are uninviting and lack context, and cutlines are too small to read. Call-outs should be run larger with enhanced spacing and leading. Photos bled off the edges of the page would create a less “boxy” look while allowing for greater impact. The use of phone numbers,**

**websites and e-mail addresses to drive readers to the relevant site at the bottom of the page is effective, but could be run one or two points larger.**

**(71) Even given budgetary constraints requiring two-color, the second color could be used more effectively in boxes, graduated screens, sidebars and spot color. If budget permits one color signature inside, it would enhance the graphic appearance. More illustration and graphics, in addition to photos, would enhance readability and break up copy.**

Content seems appropriate to key constituencies, including employers, legislators and community partners.

If and when this publication is delivered online, a recommendation to encourage readership would be to offer a few pieces in the e-version not available in the print publication, driving audiences to the website.

### **Other Publications**

#### **Generic 4-Panel Color Publication**

Primary target audiences for this piece appear to be legislators, taxpayers, donors, employers and the business community and perhaps secondarily, families, students and referral sources.

The piece is attractive and well-designed. Content is appropriate for a generic audience, covering all the bases. The cover is clean and inviting. Use of screens and second color to break up copy is well-executed, although best practice in use of reverse lettering over the dark blue panels would be to run text larger, to screen down the color, or both, for enhanced readability. Heads and subheads are well-displayed. Care has been taken in selection and cropping of photos. The panel displaying the state map with location of campuses and brief blurbs about each campus are effective factoids for potential students. Use of individual campus logos—all very attractive graphically—is well-placed subordinate to the System logo on the front page.

**(72) The entire piece, however, appears cluttered, with too much copy and some point sizes too small to read easily. Either a panel needs to be added, or copy needs to be cut in length.**

### **Facts, Not Fiction**

This piece is extraordinarily effective graphically, with an attractive color palette and excellent content. If it is not presented online, it should be, perhaps as rotating images on the front page.

**(73) Other uses for the “Did You Knows?” could be explored—perhaps as tent cards at System-sponsored events, on the back of business cards, as sidebars in the newsletter, etc.**

### **University of Alaska at a Glance**

Evidently designed as a companion piece to “Facts, Not Fiction,” the color palette and design of this piece are also attractive and readable. The audience for this publication is unclear. The front panel appears to be designed as a generic stand-alone piece, but the back panel seems to target legislators, donors and taxpayers. The two don’t seem to go together. **(74) Again, some of this information – “successes in efficiency” could be presented on a rotating basis on the homepage. Copy on the back panel is crowded, and the graphic, “State Appropriation Comparison” run too small to be easily read.**

### **“Training Tomorrow’s Workforce Today”**

This piece, too, appears to be designed as a companion piece to “The University of Alaska at a Glance” and “Facts: Not Fiction,” targeting employers, business, industry and educators while showcasing the vital role of community campuses around the state as workforce training centers. It is attractive graphically and contains a large volume of information well-organized and well-presented. The “Partnering for Success” spread could be reprinted as a separate pamphlet for distribution to appropriate audiences and also placed online.

**(75) The same comments made above about point size of the font, reduced word counts and use of colored screens behind copy to break up “gray” apply to his publication.**

**Copy reversed over some sidebars with colored screens is difficult to read because of small type and lack of contrast. While the color palette and use of second, third and fourth colors are effectively graphically, design must always support content and messages.**

**(76) In addition, while some photos are excellent, well-composed and well-cropped, most are run too small to be effective. Use of bullets to summarize key messages is effective, particularly on the back cover, a space often wasted in publications.**

**(77) In this and other publications, thought should be given to using them as vehicles to driving audiences to the excellent System website, permitting reduced word counts with additional information available online.**

### **Alaska Career and Technical Education Plan**

This report is presented attractively and concisely with consistent messaging; although it contains a great deal of information, use of white space, leading and subheads break up copy for greater readability. The high-quality, coated stock and use of 4-color convey a quality image. Content reinforces messages of quality, innovation, strategic planning and accountability found in other System publications for key constituencies. This is a serious, thoughtful, impressive piece.

Other publications (i.e., “Health Programs,” “Finance & Performance Summary”) appear to duplicate information found in other publications and might best be replaced with online content and/or integrated into other publications.

### **Individual Campus/Admissions Publications**

It is critical to an effective branding campaign for the System as a whole that individual campus components, while differentiating their offerings and modes of delivery, display consistent messaging and graphics with publications/web content of the System as a whole. This is executed unevenly in regard to individual campus publications.

**(78) Most publications reviewed are those of the University of Alaska Southeast. Key messages and graphic identity need to be better integrated with those of the System to**

**cross-market the brand. This appears to have been done effectively with campus and the System websites, but individual campus publications need to be taken to the next level.**

**(79) In regard to family look and graphic identity, the UA System logo should appear in a position subordinate to that of the individual campus identity; color palette and design template need to complement that of other campus and System publications.**

**(80) With regard to messaging and targeting of key audiences, the Alaska Southeast pieces are unfocused and do not seem to target out-of-state students who might enroll because of unparalleled opportunities to live and study in a vast wilderness area that offers opportunities for recreation and fitness not easily found in “the lower 48.”**

While it is unclear the extent to which the UA System seeks to attract out-of-state students who could generate additional revenue in the form of higher tuition, this audience—especially students in California and the Pacific Northwest—clearly presents a major opportunity for constituent campuses. (The other significant growth opportunity lies in the expansion of distance learning programs and technical/vocational training; existing publications and a dedicated web location seem to adequately address this need.)

With respect to recruiting, program niches capitalizing on Alaska’s huge natural resources and environmental concerns could target students interested in “green” careers such as environmental science, sustainable engineering and architecture and others.

**(81) Recruiting publications targeting potential students, families and referral sources need to showcase academic programs building on Alaska’s unique strengths and capabilities, creating interest and excitement among out-of-state students. In addition, outcomes should be more strongly emphasized: what can a student gain from a UA education that he or she might not obtain from an out-of-state institution? System campuses might consider adding a dedicated “outcomes” page to their websites, with a link from the System site.**

**(82) Finally, the System might consider investing in a comprehensive publications audit (CASE and others will undertake these free of charge) and also reviewing CASE and other award winners in the “admissions” area to enhance its offerings.**

**Summary**

The scenic beauty, abundant outdoor activities, fitness-oriented lifestyle offering synergy with “green” academic niches and careers and multicultural nature of Alaska, coupled with enhanced national exposure, offer the University of Alaska System a window of opportunity to upgrade and enhance its web presence and publications to fully capitalize on these strengths and developments.

While the existing website is strong and well-integrated with that of constituent campuses, more thought and focus need to be placed on the plethora of publications. Many could likely be eliminated and incorporated into existing web content. Others, especially in the recruiting area, need to be honed with a tighter, more compelling and focused message on the advantages of living and studying in Alaska. Integrated branding and messaging throughout the System and campus publications would strengthen an already strong external and internal communications program.

## **XI. PLANNING: STRATEGIC AND PHYSICAL**

### **Strategic**

The existing strategic plans of the UA System, UAF, UAA and UAS are notable for presenting lofty ambitions. The plans represent classic “wish” documents that for the most part portray what the System and campuses would like to do and become. As such, they often challenge reality. Further, the individual campus strategic plans sometimes stretch the missions of those institutions.

Strategic plans can and should depict aspirations, but the most useful strategic plans ultimately are realistic. They detail the costs of objectives, the sources of funds, who will be responsible for implementation, time lines for implementation, metrics for evaluation, who will evaluate, and when the evaluation will occur. The UA strategic plans often omit one or more of these of critical considerations. Consequently, they are valuable primarily in expressing the aspirations of the System and the campuses. **(83) We recommend that the System and the individual campuses generate new strategic plans that accurately reflect their respective missions, are realistic in terms of their financial implications, and clearly indicate funds sources, responsibility for implementation, and time lines for implementation and assessment.**

As these new strategic plans are generated, all should understand that most strategic plans are out of date the day they are approved because of the dynamic nature of the world in which higher education operates. Because this is so, strategic plans should not be regarded as straitjackets; even the best ones nearly always are in need of updating.

The most valuable outcome of strategic planning often is the analysis and conversations that emanate from them. Well orchestrated strategic planning processes bring together all critical campus constituencies. Both participants and observers gain improved understanding of their institutions’ strengths and weaknesses as well as the critical variables in their environments. Good strategic plans result in broad participation, enhanced realism, and critical buy-in

concerning institutional futures. These are valuable results that are somewhat independent of the content of the plans.

**(84) In our view, however, before additional strategic planning occurs, it is essential that action be taken to clarify the missions of the respective institutions and that it deal explicitly with the future roles of UAF and UAA.** This may well be contentious, but is necessary if the UA System is to maximize its impact and serve the citizens of the State of Alaska in the best possible fashion. Anticipated future financial constraints serve to underline the importance of mission discussions.

### **Physical Planning**

The Board and the UA System Office have done a commendable job in planning and implementing the physical expansion of the 16-campus system. Simultaneously, they have expanded the system into many remote areas of the state, fueled the growth of the UAA campus with a steady stream of new buildings, given reality to the UAS campus, and have provided support for critical research initiatives on the UAF campus.

Well done. However, while most of these needs will continue in the future, the financial capabilities of the system may require a different tenor of decisions. It seems likely that new building construction will decelerate; that distance learning will assume increased importance; and, that maintaining UA's current physical plant will become an even more pressing consideration.

With regard to deferred maintenance, UA reports that it now has \$800 million in deferred maintenance projects. This translates to an imposing \$43,000 per FTE student and \$587,000 per FTE faculty member. It cannot be long before an increasing number of UA facilities are partially or totally unusable because of leaky roofs, inoperative HVAC systems, etc. **(85) We recommend that the President and the Board of Regents meet with the Governor, legislative leaders and citizens throughout the state to outline the full implications of the deferred maintenance challenge and to propose solutions. It is the obligation of the state to**



**maintain its physical assets; that is clear. However, the state's willingness to invest in that obligation might increase if the UA System were to propose some substitutions of refurbished, energy efficient buildings for new construction, greater use of technology and distance learning to serve additional students, and a significant reduction in the size of the UA System office. The possibility of earmarked student fees for maintenance of classroom buildings also should be explored, provided the state at least matches student contributions.** Proposals of this ilk may antagonize some parties. Nevertheless, action is needed and both the size of the deferred maintenance problem and the likelihood that the state's financial position will deteriorate in the next few years require innovative solutions and compromise.

**APPENDIX A**  
**James L. Fisher**  
**Review Team Chair**

A registered psychologist with a Ph.D. from Northwestern University, James L. Fisher is President Emeritus of the Council for Advancement & Support of Education (CASE) and President Emeritus of Towson University. He has taught at Northwestern, Illinois State, Johns Hopkins, Harvard, and the University of Georgia. He coined the term institutional review and has conducted hundreds of institutional and governance reviews for public and private institutions and systems. He also conducts presidential searches, presidential evaluations and contracts and serves as counsel to presidents and boards.

He has written scores of professional articles and has also been published in such popular media as *The New York Times*, *The Washington Times*, *The Baltimore Sun*, and *the Palm Beach Post*. The author or editor of eleven books, his book, *The Board and the President*, "clearly established him as the nation's leading authority on the college presidency," wrote Michael Worth of George Washington University reviewing in *Currents*. His *The Power of the Presidency* was reviewed in *Change* magazine as "... the most important book ever written on the college presidency" and was nominated for the non-fiction Pulitzer Prize. His book, *Presidential Leadership: Making a Difference*, has been reviewed as "...a major, impressive, immensely instructive book, ...a virtual Dr. Spock for aspiring or new college presidents, and ...a must read for all trustees." *The Entrepreneurial College President* (2004) is "...a Bible for those who are presidents..." and "...those engaged in research..." *The Journal of Higher Education* and *Interactive Reviews*. His newest book on corporate CEOs, *Born, Not Made: The Entrepreneurial Personality*, was recently published.

Dr. Fisher has been a trustee at ten private colleges and universities and two preparatory schools. A former Marine, he presently serves as a board member of the Marine Corps University, Marine Military Academy, Millikin University, and Florida Institute of Technology. He has received awards for teaching, writing, citizenship and leadership and has been awarded twelve honorary degrees. At Illinois State, The Outstanding Thesis Award was named by the faculty, The James L. Fisher Thesis Award. The faculty at Towson University recommended that the new psychology building be named after him, and the CASE Distinguished Service to Education Award bears his name.

## **Gordon K. Davies**

### **Biography**

Gordon Davies served as the Director of the State Council of Higher Education for Virginia from 1977 until 1997, and as President of the Kentucky Council on Postsecondary Education from 1998 until 2002. He has taught at Yale University, Richard Stockton State College, the Teachers College of Columbia University, and Birzeit University in Palestine. He was a founding dean of Richard Stockton State College in New Jersey. Born in New York City, he is a Navy veteran and worked for several years in computer sales for the IBM Corporation. His earned degrees are from Yale University in English (BA) and the Philosophy of Religion (MA, PhD).

He currently serves as a senior adviser to a Lumina Foundation project, Making Opportunities Affordable, and to the Miller Center of Public Affairs at the University of Virginia. From 2002 through 2006, he directed a project to improve state higher education policy making. Funding for the project was provided by The Pew Charitable Trusts.

In 2007, he served on a panel appointed by Virginia Governor, Tim Kaine, to investigate shootings at Virginia Tech that left 33 people dead and 17 wounded on April 16, 2007.

During the academic year 2009-10 he taught at Birzeit University.

## **James V. Koch**

### **Biography**

James V. Koch is Board of Visitors Professor of Economics and President Emeritus at Old Dominion University, Norfolk, VA. Dr. Koch served as President of Old Dominion from 1990-2001. Prior to that, he was President of the University of Montana, 1986-1990. An Exxon Foundation study of American college presidents selected him as one of the 100 most effective college presidents in the United States. During his tenure at Old Dominion, the University recorded its first Rhodes Scholar, developed the largest televised, interactive distance learning system in the United States, and initiated more than \$300 million in new construction.

Dr. Koch is an economist who has published nine books and 90 refereed journal articles in the field. His *Industrial Organization and Prices* was the leading text in this specialty for several years. The focus of his current research is the economics of e-commerce. He has taught at institutions ranging from Illinois State University to Brown University, the University of Hawaii, and the Royal Melbourne Institute of Technology. He has been individually or collectively involved in the assessment of more than 30 presidents and institutions of higher education.

Dr. Koch earned his Ph.D. degree in Economics from Northwestern University. He has received three honorary doctoral degrees from universities in Japan and Korea and has received a host of honors from organizations such as the Urban League, the National Association for the Advancement of Colored People, and several regional economic development agencies.

## **Scott D. Miller**

### **Biography**

Scott D. Miller is President of Bethany College in West Virginia and M.M. Cochran Professor of Leadership Studies. Respected as one of the most entrepreneurial higher education executives in America, Dr. Miller is in his twentieth year as a college president.

Dr. Miller came to Bethany with the same innovative spirit that enabled him to transform Wesley College in Delaware during his 10-and-a-half-year tenure as President of the College and Du Pont Professor of Leadership Studies. Dr. Miller launched a comprehensive 10-year master plan "Wesley College: From Here to 2010," resulting in the construction of \$40 million worth of campus facilities including an Academic Village (student residences), an honors house, new athletic complex, tripling of enrollment, creation of a satellite campus in northern Delaware, acquisition of the historic Schwartz Center for the Performing Arts, and the addition of several new graduate, undergraduate, and non-traditional academic programs. The "Campaign for Wesley" raised more than \$67 million. He was named President-emeritus in 2007, and the Wesley National Alumni Association initiated the Dr. Scott D. Miller Leadership Scholarships. The entire sports complex was named the Scott D. Miller Stadium.

Prior to Wesley, he served for seven years (1991-97) as president of Lincoln Memorial University in Tennessee, where he was executive vice president (1988-91) and vice president for development (1984-88). He also served as Director of College Relations and Alumni Affairs at Rio Grande College (now University) in Ohio. Known as an accomplished fundraiser, Dr. Miller has raised more than \$140 million in his years as a college president.

During his career, he has earned a number of professional accolades including three Council for Advancement and Support of Education (CASE) "Circle of Excellence Awards." He was one of 17 presidents profiled in a Kauffman Foundation-funded book, "The Entrepreneurial College President." He was featured as one of six transformational case studies profiled in "Weathering Turbulent Times"; as one of four transformational case studies profiled in "The Small College Guide to Financial Health"; and was noted in "Born, Not Made: The Entrepreneurial Personality."

Dr. Miller is a regular columnist for "College Planning and Management" and "The State Journal." He is the author of a widely distributed e-newsletter, "The President's Letter," which is received by more than 12,000 subscribers. He is the co-executive editor of "Presidential Perspectives," an on-line presidential thought series that has resulted in four books, and he recently co-published a second volume of "President to President: Views on Technology in Higher Education."

He has written more than one hundred articles and written or edited eight books, most with his long-time co-author, Dr. Marylouise Fennell, a former college president and current senior counsel for the Washington, DC-based Council of Independent Colleges, of which Dr. Miller is a former board member and officer. He continues to chair the acclaimed CIC New Presidents Program.

Dr. Miller earned an M.A. from the University of Dayton, an Ed.S. from Vanderbilt University, and a Ph.D. in higher education administration from The Union Institute & University. His doctoral dissertation was a landmark study of resource development effectiveness at the 38 institutions with membership in the Appalachian College Association.

## **James T. Rogers**

### **Biography**

As chief executive officer of the Commission on Colleges of the Southern Association of Colleges and Schools, James Travis Rogers provided leadership toward improving the quality of education throughout the South. His work involved accreditation of degree-granting postsecondary institutions in an 11 - state region. A former Navy pilot and college president, he is also known for the leadership he has provided countless professional and civic organizations.

Dr. Rogers was named in 1985 to his position as Executive Director of the Commission on Colleges of the Southern Association of Colleges and Schools after a fifteen-year career as President of Brenau College (now called Brenau University in Gainesville, Georgia). Prior to becoming the President of Brenau, he held various teaching and administrative positions, including that of Director of Student Personnel at Pensacola Junior College and Dean of Student Affairs at Armstrong State College (now called Armstrong Atlantic State University) in Savannah.

A native of Cleveland, Mississippi, he graduated from high school and went on to Delta State University in his hometown to earn a B.S degree in biology. From 1956 to 1960, he served in the U.S. Navy as a pilot and flight instructor, attaining the rank of lieutenant commander. After his naval service, Rogers returned to graduate school at Florida State University where he received a doctorate in administration and higher education. At FSU he was elected into a number of honor societies including Phi Kappa Phi and Phi Delta Kappa, and held a Kellogg Graduate Fellowship.

Rogers has written for various publications and has spoken at college commencements, high school graduations, honors day convocations, and association functions. Topics have encompassed a broad range including management theory, leadership, academic issues, student activism, and institutional effectiveness.

**APPENDIX B**Interviewees:

Don Bantz, APU President  
 Brian Barnes, Dir Institute Arctic Biology  
 Carla Beam, Benefactor  
 Joe Beedle, President, Northrim bank  
 Beth Behner, SW Chief Human Resource Officer  
 Todd Bergman, Alaska Process Industries Business/Ed Compact  
 John Blake, UAF AVC Research  
 Barbara Bolson, Dir Kodiak Campus  
 Rod Boyce, Managing Editor, *Fairbanks News Miner*  
 Bert Boyer, Dir CANHR  
 Tim Brady, UA Regent  
 Miles Brooks, UAA Student Body President  
 Roger Brunner, SW General Counsel  
 Abul Bult-Ito, UAF Professor  
 Keni Campbell, UAS Alum  
 Megan Carlson, Academic Project Specialist  
 Nicole Carvajal, UAF Student Body President  
 Rick Caulfield, UAS Provost  
 Tami Choquette, UA Foundation  
 Steve Cobb, UAA Athletics Dir  
 Talis Colberg, Dir MatSu Campus  
 Fuller Cowell, UA Regent  
 Lori Davey, UAA Alum  
 John Dede, UAA AsAVO Institutional Effectiveness  
 John Dehn, UAF Faculty Senate President  
 Doug Desorcie, President, PWSCC  
 Pat Dougherty, Managing Editor, *Anchorage Daily News*  
 Mike Driscoll, UAA Provost  
 Emily Drygas, UAF Dir Development  
 Erick Drygas, UA Regent  
 Larry Duffy, Int Dean, Graduate School  
 Josh Edge, Managing Editor, UAA *Northern Lights*  
 Senator Dennis Egan, Juneau  
 Mike Felix, President, UA Foundation  
 Ken Fisher, UA Regent  
 Larry Foster, UAA Professor  
 Shannon Foster, Registrar, PWSCC  
 Patrick Gamble, President  
 Keith Gerken, UAS, Dir Facilities Services

Wendy Gierard, UAS Dir, Ketchikan  
 Jamie Ginn, UAS Student Government  
 Carol Griffin, UAS Vice Chancellor Admin Services  
 Nancy Hall, Facility scheduling  
 Jan Harris, UAA/SW Health Planning  
 Pauline Harvey, Dir UAF Chukchi  
 Lee Haugen, Dir UAF NW  
 Joe Hayes, UAF Alum  
 Kim Heidemann, Mathematical Sciences  
 Susan Henrichs, UAF Provost  
 Cynthia Henry, Chair, UA Regents  
 Larry Hinzman, Dir IARC  
 Mary Hughes, UA Regent  
 Pat Jacobson, UA Regent  
 Carla Johnson, Dir UAF Int Aleut  
 Lynne Johnson, UAS Dir Development, Alum  
 Millie Johnson, Alaska Process Industries Business/Ed Compact  
 Jeff Johnston, UAS Dir, Sitka  
 Bernice Joseph, Vice Chancellor, Rural/Community & Native Educ  
 Dan Julius, UAA VP Academic Affairs  
 Diane Kaplan, Benefactor  
 Forrest Karr, UAF Athletics Dir  
 Pete Kelly, Former Dir, UA State Relations; Special Asst to Gov Parnell  
 Cari Ann Ketterling, Alaska Process Industries Business/Ed Compact  
 Janie Leask, President, First Alaskans Native Non-Profit  
 Christine Lidren, Governance office  
 Grace Lumba, UAS Student Government  
 Richard Mandsager, CEO, Providence Hospital  
 Carl Marrs, UA Regent  
 Bob Martin, UA Regent  
 Julia Martinez, UAA Alum  
 Steve McDonald, KTUU TV  
 Sean McGee, UAF Chief of Police  
 Deb McLean, Dir UAF BrisBay  
 Craig Mead, Registrar's office  
 Jo Michalski, Benefactor  
 Tom Miller, AVP Accred & UG Programs  
 Steve Murphy, President, ABR, Inc. Environ Research & Services  
 Joe Nelson, UAS Dean, Enrollment Mgmt  
 Bonnie Nygard, UAA AVP Workforce Dev  
 Saichi Oba, SW, Vice Chancellor Student Affairs  
 Megan Olson, UAA, Vice Chancellor, Advancement  
 Sarah Pace, Registrar's office  
 Ann Parrish, Benefactor  
 Mary Pete, Dir UAF Kusko  
 John Petraitis, UAA Faculty Senate President



Gail Phillips, UAF Alum  
Jeannie Phillips, Exe Officer, UA Regents  
Norm Phillips, CEO, DOYON Native Corp  
Pete Pinney, Dir UAF TVC  
Pat Pitney, UAF Vice Chancellor Admin Services  
Jake Poole, UAF, Vice Chancellor, Advancement  
John Pugh, UAS Chancellor  
Ed Rasmuson, Rasmuson Foundation  
Wendy Redman, EVP, UA System  
Dave Rees, Alaska Process Industries Business/Ed Compact  
Gary Rice, UAA AVP Institutional Research  
Gwenna Richardson, UAS Staff Council  
Kate Ripley, Dir Public Affairs  
Michelle Rizk, SW AVP Budget  
Brian Rogers, UAF Chancellor  
Beth Rose, UAA AVC Development  
Marie Russell, Chair, UAF Staff Council  
Mary Rutherford, SW AVP Development  
Helvi Sandvik, President, NANA Development Corp  
Karen Schmitt, UAA Dean, CTC  
Bruce Schultz, UAA Vice Chancellor Student Affairs  
Andrew Sheeler, Editor, UAF *SunStar*  
Steve Smith, SW CTO  
Bill Spindle, UAA Vice Chancellor Admin Services  
Lisa Sporleder, Chair, UA SW Staff Council  
Senator Gary Stevens, Kodiak  
Sherry Tamone, UAS Faculty Senate President  
Dana Thomas, V Prov & Accreditation  
Senator Joe Thomas, Fairbanks; former UA Regent  
Joe Trubacz, SW VP Finance/CFO  
Chris Turlletes, UAA AVC Facilities  
Gary Turner, Dir Kenai Campus  
Fran Ulmer, UAA Chancellor  
Kevin Vanderwall, UAA Student Body VP  
Fred Villa, SW AVP Workforce  
Bob White, UAA Assoc Vice Chancellor Research  
Gwen White, SW AVP Institutional Research  
Rich Whitney, UAA CIO  
Kirk Wickersham, UA Regent  
Linda Zanazzo, UAF, Dir Facilities Services

**PLUS:** Separate groups of UAF Graduate Faculty; UAF Faculty Senate; UAF Rural Students; UAA Faculty Senate; UAA Deans; UAA APT Advisory Council; SW Coalition of Students; SW Deans; SW Faculty Alliance; UAS Student Government; Community College Students; Community College Faculty; and Thirty Anonymous Students, Staff and Faculty

**APPENDIX C**  
**CONFIDENTIAL**

UNIVERSITY OF ALASKA STATE-WIDE SYSTEM  
REVIEW INTERVIEW FORM

\_\_\_\_\_  
Name Title Date

We have been asked to review the condition of the University of Alaska System. Please respond in terms of your impression of the following. Your answers will be kept in **confidence**.

1. GENERAL CONDITION OF THE SYSTEM AND YOUR INSTITUTION (STRENGTHS, LIMITATIONS)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. ACADEMIC PROGRAMS (UNDERGRADUATE/GRADUATE)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. TECHNOLOGY

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\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

4. FACULTY (QUALITY, MORALE, WORKLOAD, COMPENSATION, ET AL)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5. STUDENTS (FACULTY ADVISING, STUDENT SERVICES, CREDENTIALS, MORALE, AWARENESS, RACIAL, ET AL)

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\_\_\_\_\_  
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6. ADMISSIONS, RETENTION, FINANCIAL AID, ET AL

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7. INTERCOLLEGIATE ATHLETICS

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8. ADMINISTRATION (SYSTEM AND CAMPUS)

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9. SENIOR OFFICERS

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10. BUDGET AND FINANCE (FACILITIES, ET AL)

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11. FUND-RAISING AND DEVELOPMENT

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12. PUBLIC RELATIONS

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13. ALUMNI AFFAIRS

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14. SYSTEM AND CAMPUS GOVERNANCE

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15. BOARD OF REGENTS AND SYSTEM OFFICERS

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16. LEADERSHIP

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17. NEXT STEPS

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18. COMPARATIVE CONDITION OF THE UNIVERSITIES AND COMMUNITY COLLEGE,  
DOCUMENTATION IF ANY

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19. ADDITIONAL COMMENTS AND OBSERVATIONS

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## **APPENDIX D**

### Materials Used in the Review:

“Fisher Template” for: Anchorage, Bristol Bay, Chukchi, Fairbanks, Interior-Aleutians, Juneau, Kenai, Ketchikan, Kodiak, Kuskokwim, Mat-Su, Northwest, PWSCC, Rural College, Sitka, SW, UAA, UAF, UAF CTC, UAS

Position papers prepared by officers of the University of Alaska

Website information: Faculty Alliance, Staff Alliance, System Governance Council, Statewide Administration Assembly

Organization Charts for the UA Foundation, UA System, and campuses

University of Alaska Anchorage: Campus Profile Kodiak, Anchorage, Kenai, Matsu, PWSCC;

Chancellor’s Report (May 2010); MAU Profile UAA; Mission Statement;

Strategic Plan; PWSCC Accreditation Report (Aug 31, 2009, Oct 1-2, 2009)

University of Alaska Fairbanks: Brochures; News clippings; Campus Profile

Bristol Bay, Chukchi, Fairbanks, Interior Aleutians, Kuskokwim, Northwest,

Rural College, TVC; Chancellor’s Report (June 2010); Directory; Frontiers,

Research at America’s Arctic University (Summer 2010); FY 11 Budget; MAU

Profile UAF; Mission Statement; Strategic Plan

University of Alaska Southeast: Campus Profile Juneau, Ketchikan, Sitka;

Chancellor’s Report (Feb 2010); Directory; MAU Profile Juneau; Mission Statement;

Strategic Plan

University of Alaska System: Academic Master Plan; Board of Regents’ Recap

(Feb – Jun 2010), biographies, Policy and Reg; Brochures; DE Audit

Finding Response Report; DE Report – Div of Leg Audit; DE Report –

President’s response; Dexter Report – Statewide IT Automation Review;

Directory; Financial Statements; Foundation Annual Report; Governor’s

Performance Scholarship Overview & FAQs; IT Executive Council Report;  
IT Program Management Report; MacTaggart Report and follow-up; McDowell  
Report – The Economic Impact of UA (2007 update and Revised draft);  
McDowell Report – UA Community Campus Impact Study; McDowell  
Report – University of Alaska High School Graduate Survey (2006 and 2008  
Final Report); McDowell Report – Record of Proceedings: Administrative  
Influence Workshop (SALT/BC); McDowell Report – Contributions of UAF  
Life Sciences Research to the State of Alaska; News clippings; President’s  
Report; Redbook; SB221 Act Information; Transfer Credit at UA Report  
to Board of Regents; UA at Work; UA Comparison of OIT Expenditures;  
UA Research: An Economic Enterprise; UA Foundation monthly Development  
Flash Report (6/1-6/30/10)

# 2011

## Staff Make Students Count Award

### ***FACT SHEET***

***What is the purpose of this award?***

To recognize staff who have provided outstanding service to students anywhere in the UA system.. Each recipient receives an award plaque, \$1,000 and two domestic airline vouchers. All nominees receive a certificate of nomination. The university president will present the awards at a Board of Regents meeting.

***Who is eligible and how do I apply?***

All regular full-time permanent and part-time permanent exempt and non-exempt staff employed by the University of Alaska are eligible to apply. Service to students may include service as part of the job or as volunteer service, either directly or indirectly to current or prospective students. Please complete the nomination form and submit it with a letter of nomination containing an explanation of the service provided to students and three letters of endorsement from those knowledgeable of the contribution made by the applicant/nominee.

***How many awards will there be?***

Up to four individuals can be awarded; one each for the University of Alaska Fairbanks, the University of Alaska Anchorage, the University of Alaska Southeast, and Statewide Programs and Services, provided there are nominations from each one, and the nominations meet the criteria and deadlines.

***Applications for award must include:***

- \* Letter of nomination and rationale for nomination
- \* Completed nomination form.
- \* At least three letters of endorsement from those knowledgeable of the contribution made by the applicant/nominee.
- \* Letters from students are encouraged.

***Where can we get the nomination form and where do we submit it?***

Copies will be sent to all units through the local staff governance office. The form is also located on line at <http://gov.alaska.edu/staff/studentscount/2011/nomform.pdf>. Nomination packets, once submitted, are the sole basis for award consideration.

Forms must be submitted to the local staff governance office at each MAU as listed on the nomination form.

***Timelines:***

- |                    |  |
|--------------------|--|
| March 15, 2011     | Deadline for submitting nominations to local governance groups.  |
| March 16 – April 1 | Local staff governance groups meet with student leaders and together, make recommendations and send all nominations to System Governance Office. |
| April 8            | Recommendations are forwarded by System Governance Office to the UA President.   |
| April 16           | President receives recommendations   |
| May 6              | President sends notice to award recipient(s).  |
| TBA                | President presents awards to recipient(s) at a Board of Regents' meeting.  |



***Nominate today!***



# 2011 Awards Nomination Form

This is the 13th annual UA President's "**Staff Make Students Count**" awards for outstanding service to University of Alaska students.

The purpose of this award is to recognize staff who have provided outstanding service to students anywhere in the UA system.

Service to students may include service as part of the job or as volunteer service, either directly or indirectly to current or prospective students. Letters from students are encouraged.

All regular full-time permanent and part-time permanent exempt and non-exempt staff employed by the University of Alaska are eligible to be nominated. Nomination packets, once submitted, are the sole basis for award consideration.

Award recipients receive an award plaque presented at a Board of Regents' meeting, \$1,000 and two domestic airline vouchers. All nominees receive a certificate of nomination.

The UA President will present the awards at a Board of Regents' meeting.

## Deadline for submitting nominations: March 15, 2011

**UAA nominations** should be sent to  
"Staff Make Students Count Awards"  
UAA Governance Office  
3211 Providence Drive, ADM 214  
Anchorage, AK 99508

**UAF nominations** should be sent to  
"Staff Make Students Count Awards"  
UAF Governance Office  
312H Signers' Hall, P.O. Box 757780  
Fairbanks, AK 99775

**UAS nominations** should be sent to  
"Staff Make Students Count Awards"  
UAS Staff Council  
Attention: Mary McRae Miller  
11120 Glacier Highway  
Juneau, AK 99801

**Statewide Administration  
nominations** should be sent to  
"Staff Make Students Count Awards"  
Statewide Administration Assembly  
P.O. Box 757780  
Fairbanks, AK 99775

*Please complete this form and submit it together with a letter of nomination containing a description of the service provided to students, and at least three letters of endorsement from those knowledgeable of the contribution made by the nominee.*

**NAME OF NOMINEE:** \_\_\_\_\_

**POSITION:** \_\_\_\_\_

**ADDRESS:** \_\_\_\_\_

\_\_\_\_\_

**TELEPHONE:** \_\_\_\_\_ **FAX:** \_\_\_\_\_

**E-MAIL:** \_\_\_\_\_



# UA Operating Budget

## FY12 Operating Budget supports improved graduation rates, college and workforce readiness

### Overview

UA's "no frills" budget focuses on improving college and workforce education readiness, by emphasizing lead-in programs in Science, Technology, Engineering & Math (STEM) that are complimentary to the Alaska Performance Scholarship.

The goal of "getting more students to graduate faster" will result in a significant and measurable return on the State of Alaska's investment dollar, i.e., a lower cost per graduate and lower student debt load.

### Why Support UA's Budget Request?

UA's performance bears up to scrutiny. High-demand degrees in job areas targeted by the State Department of Labor and Workforce Development are up 10.6 percent in FY10 over FY09, with 2,723 certificates and degrees awarded in this single category alone.

First-time, full-time undergraduate retention is at an all-time high of just over 68 percent, up 1.3 percent over FY09. There's room for improvement, but the trend is in the right direction.

Student credit hours are up 6.6 percent, with 603,408 credit hours delivered in classrooms and laboratories all across Alaska. Non-credit instructional units are up 7 percent, with 16,049 units reported in FY10.

Grant-funded research expenditures are up 9 percent, or \$131 million in FY10.

For the first time in history, UA enrollment surpassed 34,000 students (fall 2010).

UA revenues are paying a larger share of costs today than in the past, up 7 percent, or \$410 million, in FY10.

### UA's Challenge

Fixed-costs increases, particularly in employee health-care, are climbing at rates that swallow cost savings found elsewhere. UA is working aggressively to cope with this issue. Left unchecked, UA's health-care plan costs would double in seven years. UA is committed to reigning in the costs of its employee health plan while still offering a competitive benefits package.

*For more information, contact Executive Vice President Wendy Redman at 907/463-3086 (Juneau) or 907/450-8014 (Fairbanks)*

Visit UA's state relations website at [www.alaska.edu/state/](http://www.alaska.edu/state/).



## FY12

State GF	\$351 M
UA Receipts	\$534 M
Total	\$885 M

Board of Regents' request is 2.9 percent over FY11 state GF

Governor's request is 1.8 percent over FY11 levels

UA needs \$2.3 M in high priority programs in health/biomedical, teacher education and programs supporting student success



UNIVERSITY  
of ALASKA  
*Many Traditions One Alaska*

# UA Capital Budget

## Maintaining existing facilities and conducting research important to Alaskans

### Overview

UA's top priority is \$37.5 million in **deferred maintenance** at campuses across the state. This priority aligns with Gov. Sean Parnell's five-year plan to catch up on major maintenance of public buildings.

UA owns nearly 400 buildings worth over \$2 billion -- a total of 6.7 million square feet. Maintaining these facilities in good condition to meet the educational needs of students is **Priority No. 1**.

### Prevention

In addition to the \$37.5 million, the UA Board of Regents seeks another \$25 million in annual maintenance money **to keep campus buildings fully functional** for students and to **avoid more costly repairs**.

### Research for Alaska

UA is seeking \$12 million in **state-sponsored research projects** specific to Alaska, including:

- \$1.6 million, food security
- \$1.24 million, Alaska Research Center for Snow, Ice & Permafrost Hazards
- \$1.24 million, ocean acidification
- \$2 million, mineral resource mapping
- \$6 million, satellite receiving station-mapping/monitoring

Despite its small size, UA competes well nationally for research grants. Every \$1 of state GF invested in UA research leverages nearly \$6 in return.

**UA is a major player in Alaska's R & D**, generating a \$92 million annual payroll for private- and public-sector workers each year.

*For more information, contact Executive Vice President Wendy Redman at 907/463-3086 (Juneau) or 907/450-8014 (Fairbanks).*

*Visit UA's state relations website at [www.alaska.edu/state/](http://www.alaska.edu/state/).*



## FY12

**Total state request:  
\$82.5 million**

- Deferred Maintenance, \$37.5 M
  - R & R, \$25 M
- Research Capital, \$12 M



**UNIVERSITY  
of ALASKA**  
*Many Traditions One Alaska*

# UA Deferred Maintenance

## Taking care of UA's facilities – it's the right thing to do

**Routine Maintenance and Repair (M&R):** Each year, UA sets aside \$30 million in operating money for preventative and routine maintenance known as M&R. Examples of M&R include painting, carpet repair, roof repairs, pavement crack sealing, leaking pipe repair, boiler repair, etc.

- The Board of Regents and President have ensured that UA stays current with M&R expenditures, in part by separating operations and utility budget categories from maintenance. As costs for utilities and operations (such as janitorial and snow removal) rise, this separation ensures the increase is not funded at the expense of maintenance.

**Renewal and Repurposing (R&R):** Funding applied to UA's R&R is only available when the Legislature specifically appropriates money for it in the capital budget. R&R is best described as regularly scheduled major maintenance and major interior renovations required to extend a building's useful life. Examples of R&R work includes roof and flooring replacement, switching out mechanical and electrical equipment such as boilers, replacing lab fixtures, and bringing fire and sprinkler systems up to code.

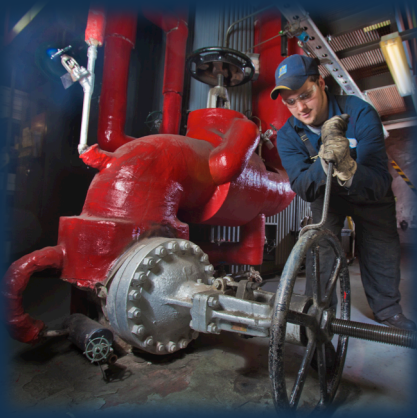
- UA distributes R&R funding via a formula based on a facility's age and size.
- More than half of UA's buildings are 30 years +, and many of the utility systems and roads need significant annual investment.
- When R&R isn't funded, it results in a project backlog. This is known as **deferred maintenance**.
- UA's FY12 request for annual capital reinvestment funding (Annual R&R) is \$25 million.

### Deferred Maintenance

- Results when consistent annual capital reinvestment (R&R) hasn't occurred due to lack of funding.
- UA's accumulated backlog of unfunded R&R projects, i.e. deferred maintenance, now exceeds more than \$750 million—an alarming figure.
- UA's FY12 deferred maintenance request is \$37.5 million. This request aligns with Gov. Sean Parnell's five-year plan to catch up on backlogged maintenance across the state.

*For more information, contact Executive Vice President Wendy Redman at 907/463-3086 (Juneau) or 907/450-8014 (Fairbanks).*

*Visit UA's state relations website at [www.alaska.edu/state/](http://www.alaska.edu/state/).*



## FY12

**Def. Maintenance  
request: \$37.5 million**

UA owns 400 buildings totaling 6.7 million square feet

Total value of UA buildings is more than \$2 billion, plus \$180 million in roads, sidewalks and utility plants



UNIVERSITY  
of ALASKA  
*Many Traditions One Alaska*

**REGENTS' POLICY**  
**PART IV – HUMAN RESOURCES**  
**Chapter 04.01 - Uniform Personnel System**

**P04.01.020. Nondiscrimination Statement.**

In accordance with federal and state law, illegal discrimination in employment against any individual because of race, color, religion, national origin, age, sex, veteran status, physical or mental disability, marital status or changes in marital status, pregnancy or parenthood is prohibited. Decisions affecting an individual's employment will be based on the individual's qualifications, abilities and performance, as appropriate.

**From:** [Michael Humphrey](#)  
**Cc:** [UAF All](#); [UAA All](#); [UAS All](#); [sdbutro@alaska.edu](mailto:sdbutro@alaska.edu)  
**Subject:** Dependent Audit  
**Date:** Monday, January 31, 2011 9:09:22 AM

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To all UA Faculty and Staff

As part of University of Alaska's ongoing efforts to control the cost of our health plan, we want to ensure that only eligible dependents are enrolled. ConSova is contacting every employee who has one or more dependents enrolled in a UA's health plan and is asking for verification of their eligibility.

It is important that you review the information ConSova is sending you. **It is critical you respond to the verification audit by the February 28 deadline whether or not you have all required documentation.**

If you have questions after reviewing the information ConSova sent you, call ConSova at 1-866-430-1267.

Thank you for your cooperation during this important project.

### **Frequently Asked Questions**

#### **Who is ConSova?**

ConSova is a Human Resources firm that specializes in the dependent eligibility verification process and has conducted many dependent audits for Fortune 500 companies and governmental organizations.

#### **Can I black out my financial information and Social Security number on these documents?**

You may cross out all financial information and the first five digits of your Social Security number on any documents you provide. The last four digits of you SSN are required for accurate data match.

#### **What guarantee do we have that our personal documents will be kept secure?**

ConSova considers security and confidentiality a very serious matter. They employ state-of-the-art encryption technology to safeguard sensitive data. All documentation received is scanned and maintained on encrypted drives. In the event a ConSova system is stolen, the data is encrypted and will not be accessible to anyone. The server that maintains Dependent Eligibility Verification systems and scanned images is only accessible on ConSova's Local Area Network located in Lakewood, Colorado. This Local Area Network is a closed system and not accessible via Virtual Private Network or any other interactive connection.

ConSova Associates have audited over 1.5 million dependents in the past seven years, and they have never been accused or alleged to have not protected the private personal information of its clients' employees.

University of Alaska realizes and understands that employees may have concerns about releasing this information to a third party. We assure you that every precaution has been taken to ensure your information is kept confidential. This is no different than what our other service providers must prove (Premera, Caremark, VSP). You can help protect your own privacy by following the instructions included with the letter you will receive from ConSova.

**Will the submitted documents be retained by ConSova? If so, for how long?**

Documentation received from University of Alaska employees will be batched and maintained in a secure location monitored only by ConSova employees. ConSova will destroy all documentation and wipe all hard drives containing protected health information 30 days after the dependent verification is completed.

**Can my local Human Resources Department review my documents to determine eligibility of my dependents instead of ConSova?**

No. The University of Alaska will not review any documentation for the verification process. All documents must be provided to ConSova for review.

**If I am unable to supply documentation by the deadline for my eligible dependent, will University of Alaska terminate my dependent from the plan?**

The University of Alaska will terminate a dependent due to the inability to provide documentation that verifies eligibility. However, if you are in contact with ConSova during the verification process and ConSova is aware of an issue you may be experiencing in gathering the appropriate documents, then your dependent will not be automatically terminated if you do not meet the deadline. ConSova is willing to assist you through this process, including helping you contact agencies to locate the documents you need.

**Where should I go if I have questions?**

The general information documents that have been sent out will be posted online at [www.consova.com/universityofalaska](http://www.consova.com/universityofalaska). It may help you to review them. If after reviewing you still don't find the answer to your question, call 1-866-430-1267.

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Mike Humphrey  
Director of Benefits  
University of Alaska  
PO Box 755610  
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☎ (office): 907.450.8226

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✉ (email): [mike.humphrey@alaska.edu](mailto:mike.humphrey@alaska.edu)

<http://www.alaska.edu/benefits/>

Nothing will ever be attempted if all possible objections must first be overcome.  
**Samuel Johnson**

Patrick Gamble, President  
Phone: (907) 450-8000  
Fax: (907) 450-8012  
Email: ua.president@alaska.edu



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UNIVERSITY  
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January 31, 2011

Dear UA Faculty and Staff:

The University of Alaska for years has offered a generous health plan to all benefits-eligible employees, their spouses and dependents. With health care costs in Alaska triple the national average, usage at a high level and plan costs estimated to continue increasing at 10 percent each year, we face a real dilemma. UA's current health plan is no longer sustainable and doing nothing is not an option.

If UA's health plan remains as-is, costs are expected to double in seven years, from the current \$65 million a year to an estimated \$131 million a year by 2017. That would be \$30,000 in total health care costs **per employee** in 2017.

The cost increases facing the university and its employees are not unique to UA. Employers across the country are facing sky-high increases in health plan costs. Some of the increases are due to the availability and use of new cutting-edge medical tests and treatments, advancements in pharmaceuticals and an aging population with an unusually high rate of chronic health conditions (heart disease, diabetes, etc.). Part of the increase is due to national health care reform phasing in, which creates new obligations on UA as an employer.

We've had two employee groups actively engaged in discussing alternatives—the Staff Health Care Committee, made up of non-unionized staff members, and the Joint Health Care Committee, made up of unionized faculty and staff as well as management and governance representatives from across the UA System.

Some of the ideas they have discussed included eliminating expensive features of the deluxe plan, increasing deductibles and out-of-pocket maximums and changing the pharmacy program to further encourage the use of generic medications and mail-order. Let me assure you, both committees aggressively debated all ideas. On some ideas they were able to come to consensus and for others they were not. But again, doing nothing is not an option.

Shortly, the university will begin a broader communications and outreach effort so all faculty and staff are informed of upcoming plan changes. Most will become effective for FY12, or after July 1, but there are some like a dependent audit that will be occurring sooner than that. You'll receive information from our Statewide Benefits office at your home and through your UA email. The benefits office will post updates on the Statewide Benefits website ([www.alaska.edu/benefits](http://www.alaska.edu/benefits)) and will hold meetings across the university so that all employees can receive information on this important topic. They are also exploring a telephone hotline for your questions.

There is no good news here. Many of you probably hoped we could leave the health plan unchanged. We cannot.

Thank you for your understanding and patience. Please watch for more information from Statewide Benefits in the near future.

Sincerely,


A handwritten signature in black ink that reads "TK Gamble".

Patrick K. Gamble  
President



DATE: January 21, 2011

TO: Patrick K. Gamble, UA President

FROM:  Beth E. Behner, Chief Human Resources Officer

SUBJECT: Recommended Changes to UA's Health Care Plan for FY12

The University's System HR office has worked extensively with the University's Joint Health Care Committee (JHCC) and the Staff Health Care Committee (SHCC) over the course of the last year to review possible changes to the University's health care plan. In August, 2010, the University hired a new consultant, Lockton, whose representatives have been invaluable in helping us analyze and consider a range of options. Presentations of our analysis of the University's growing health care costs and possible ways to address it have been shared with the health care committees, UA's Human Resources Council, UA's Business Council, Governance groups throughout the system, UA's executives and UA's Board of Regents, with input received and considered from each meeting. For FY10, UA's actual health care costs were \$65M. The bottom line is that if plan changes do not occur, the University's health care costs are projected to increase by \$6.5M for FY11 and another \$7.2M for FY12. By FY17, a status quo health care plan would cost UA \$72.5M more than it currently does, which means UA would experience a doubling of its health care costs over seven years. Documents and briefing summaries concerning plan costs and plan design options are maintained on UA's SWHR Benefits website, for easy access by employees concerning information gathered and the status of issues under consideration. The review process by UA's health care committees has now concluded.

Under the terms of the collective bargaining agreements (CBAs) between the University and its represented benefits-eligible employees, the JHCC makes recommendations based on a consensus approach or a formal vote if consensus is not possible. Although representatives of the Staff Health Care Committee are not in a union, the University operates in a collaborative fashion with them to review health care plan issues and consider the staff committee's recommendations. At the conclusion of the input and consideration process, recommendations from both committees were forwarded to me as the University's Chief Human Resources Officer (CHRO). The language in the CBAs calls upon the University to accept the JHCC's recommendations unless the CHRO determines that the best interests of the University and the health care plan would not be served in accepting the recommendation(s). In this memo, I have described whether my recommendation on behalf of UA's administration is aligned with the JHCC and the SHCC recommendations or if it differs, as well as the rationale for reaching any decision which differs from the recommendation or input from the JHCC and the SHCC.



The University health care committees have been informed that because of the significant level of plan design changes under discussion, I planned to consult with you before final decisions are made. In this memo I am presenting for your consideration, 3 health care plan changes and 4 pharmacy changes to be implemented in FY12, for a total projected cost savings to the health care plan of \$7,815,500. Some plan changes for FY12 have associated features that will be implemented or continued during FY13. Beginning on page eight of the memo, I have addressed other plan changes that I am not recommending at this time, or that are recommended for further review or for future implementation.

Please let me know if you endorse these recommendations. I will then proceed accordingly to communicate the decisions to UA's health care committees and begin working toward implementation.

### **Medical Plan Change Recommendations for FY12**

1. Eliminate costly features of the current deluxe plan. Maintain three health care plans (Low, Medium and High), from which employees may choose. Increase deductible and out-of-pocket maximum levels for all plans. Because of the significant savings to the University from implementing these changes, the total amount of employee recovery needed will not change from FY11 to FY12. Therefore, UA will not seek an increase in total employee contributions, although the University will consult with its health care committees prior to establishing employee charges for the health plan tiers. The University does not plan to make any additional deductible or out-of-pocket maximum levels for UA health care plans through FY13, although other health care or pharmacy plan changes may be determined necessary.

Explanation: See attached chart of proposed tiers, with modified deductible and out of pocket (OOP) maximum levels.

Input by the Joint Health Care Committee and Staff Health Care Committee: The JHCC did not have enough votes to reach a formal recommendation for any of the 7 specific plan scenarios formally considered. However, union representatives on JHCC were generally not in favor of the plan changes I have recommended. They expressed concerns that too many costs would be shifted to employees through the proposed increases to deductibles and out-of-pocket maximums. The SHCC's preferred scenario was one which made less significant changes to the deductible and out of pocket maximum levels, for a projected savings level of \$3.9M.

Rationale for CHRO's Recommendation: The current deluxe plan does not steer plan members to network doctors and hospitals by requiring a higher coinsurance on non-network providers. This results in much higher plan costs since non-network providers charge the plan more for their services.

Deductibles and out of pocket maximums need to be increased across the board as they have not kept pace with years of medical inflation. For example, the \$100 individual deductible contained in the university's deluxe plan has been in effect at least since the early 1970s. Higher deductibles and out-of-pocket maximums for all three plans will increase consumerism because members will spend money out of pocket first and will not qualify as quickly for 100% coverage by the health care plan.

As a part of the recommendation for the plan changes listed on the attached spreadsheet, the University would implement a health savings account (HSA) or a health reimbursement account (HRA) in combination with a qualifying high deductible plan for the Low Tier in FY13. This would be a further step in incenting plan members to make careful use of the health care plan. With the implementation of an account based plan, the University would provide "seed money," to cover some first dollar costs. The deductibles and out-of-pocket maximum amounts for the Low Tier would be increased by the amount determined appropriate for the seed money. The university's contribution to employees of the seed money will remain in members' accounts (HSAs or HRAs) until such time as the money is used on a first dollar basis to satisfy their deductibles, coinsurance and co-pays. Members may carry unused HSA or HRA funds over from year to year while employed. Only with an HSA would an employee be able to retain account funds after leaving UA employment. The Low Tier plan proposed for FY12 will qualify for and be easily transitioned to the implementation of a HSA or HRA account-based health care plan.

My decision to make the present recommendation for the described changes in the absence of full support or consensus by UA's health care committees is based on the following reasons:

- A. This plan change will more immediately shift behavior and increase careful utilization by health care plan users.
- B. This plan change allows stability through the intention to have the major health care plan features (deductibles and out of pocket maximums) in place for at least two years. If we made more modest plan changes now, we would likely have to increase deductibles and out-of-pocket maximums again in FY13.

- C. This plan change permits us not to have to increase the total amount of employee contributions for health care in FY12. A less significant change in the plan's deductibles and out-of-pocket maximums would have required the University to increase all employee charges for FY12. This would have resulted in less take-home pay for all employees, whether or not they have used any medical or pharmacy services. The recommended plan bases increased costs to employees on the level of their actual plan use, rather than applying increased costs to all employees.
- D. This plan change creates a Low Tier plan that is ready to be accompanied by an HSA or HRA for FY13. This will enable the university and its health care committees to educate employees on the features of account based plans, which some employees will find very attractive.
- E. This plan will prepare the university for future health care reform changes that go into effect in 2014 and 2018. On the latter date, the "Cadillac tax" will go into effect (a tax of 40% for benefit values over the set limits of \$10,200 for a single employee and \$27,500 for a family.)

Estimated savings to the health plan budget -- \$6,500,000

2. Institute a Tobacco Surcharge for employees if they or their covered spouse/dependents use any tobacco products. A charge of \$50 per month would be deducted from the employee's pay.

Explanation: Upon enrollment in the health care plan, employees would be presumed to be tobacco users subject to the charge unless they submit a signed form stating that they and their dependents do not use tobacco.

Input by the Joint Health Care Committee and Staff Health Care Committee: Both the JHCC and the SHCC viewed this proposal favorably.

Rationale for CHRO's Recommendation: A monthly charge of \$50 is an amount sufficient to incent people to reconsider their use of tobacco. Tobacco users cost the plan substantially more than non-users because of the adverse health effects of tobacco use over time. Depending upon where you live in the U.S., a habit of one pack per day can cost up to \$1,800 in increased health care per year. In announcing this new surcharge, the university will inform current tobacco users that they may avoid this surcharge by participating in a smoking cessation program, which will be offered on a no-cost basis by the university. Following the implementation of the surcharge in July, 2011, members who use tobacco will only qualify for removal of the surcharge if they and their

dependents have been tobacco free for 12 months or have satisfactorily entered a tobacco cessation program and not resumed tobacco use.

Estimated savings to the health plan budget -- \$504,000

3. Conduct a dependent audit.

Explanation: Until this current fiscal year, the university did not require documentation from new employees to verify the eligibility of spouses or dependents whom the employee wished to enroll in UA's health care plan.

In July 2010, UA changed its health care plan, instituting a program to check dependents' eligibility documents, e.g. birth certificates and marriage certificates. This review process is currently done by the MAU HR offices. Checking occurs for new hires only, or when current employees request to add a spouse/dependent. A dependent audit, conducted by an external vendor who is a specialist in this type of verification, will be employed to ascertain the eligibility of every dependent listed on UA's health care plan.

Input by the Joint Health Care Committee and Staff Health Care Committee: Both the JHCC and the SHCC viewed this proposal favorably.

Rationale for CHRO's Recommendation: The cost of covering ineligible dependents on our plan is an expense that must be avoided. As health care costs have increased, it is to be expected that some employees would attempt to list individuals on the plan even though they are not eligible under the terms of UA's plan.

Reviewing eligibility of adult children of dependents is another task that will be done as a part of the dependent audit. The university has carefully scrutinized eligibility when covered children reach the age when they are no longer eligible for health care coverage. Under the terms of the current plan, enrolled children will not be eligible for health care at age 19 unless they provide proof of enrollment as full-time students. Children of UA employees currently are no longer eligible for coverage whatsoever once they reach the age of 24. However, on July 1, 2011, federal law will require the coverage of employees' dependents until they reach the age of 26. Those children currently not covered by UA's plan due to age or lack of full-time student enrollment status will be entitled to return to coverage until they are 26 years old. A dependent audit will help the university with the extensive process of reviewing eligibility of the new category of dependents who have never been on our plan or who have left it and are requesting to be returned to coverage under the federally mandated plan changes.

Estimated savings to the health plan budget -- \$500,000, over and above the cost of the audit's cost of between \$65,000 and \$75,000. In the contract with the vendor, there is a vendor guarantee that if UA does not have a 4% drop of ineligible dependents, they will reduce their fee proportionately for every tenth of a percentage point below 4%. Thus, if UA were to only achieve a 3% ineligible drop rate, a 25% reduction in the fee would occur and UA would receive back approximately \$17,000 in fees.

### **Pharmacy Plan Change Recommendations for FY12:**

1. Move certain prescription products to the Tier III copay from Tier II, and require preauthorization before prescriptions for these drugs can be filled.

Explanation: Nexium, Dexilant, Proton Pump Inhibitors and Non-Sedating Antihistamine (NSA) drugs are available in chemically equivalent over the counter form.

Input by the Joint Health Care Committee and Staff Health Care Committee: Both committees considered whether to remove these drugs from the plan altogether, which would have caused members to either have to use OTC products or pay the full costs for the prescription drugs. While it would save more money for the plan not to cover these medications at all, there are some patients who cannot use the OTC products. The JHCC recommended removing them from plan coverage, while the SHCC voted to move these prescriptions to Tier III.

Rationale for CHRO's Recommendation: Moving these drugs to Tier III and requiring preauthorization requires members to use generic products unless the patient receives approval for the brand name drug based on a doctor's certification. Even if that occurs, a higher price will be paid by the user as the drugs will be in Tier III.

Estimated savings to the health plan budget -- \$23,700 just to move Nexium from Tier II to Tier III. We have not requested the savings for other drugs from Caremark.

2. Eliminate generic retail and mail-order co-pays for certain generic maintenance drugs, i.e. those used for treatment of patients with chronic problems due to cholesterol, cardiovascular disease, diabetes, chronic obstructive pulmonary disease (COPD) and asthma.

Explanation: Patients with these chronic diseases cost the health plan a substantial amount of money on the medical side. The eligibility for free generic drugs is contingent on the patient's participation in the disease management program.

Input by the Joint Health Care Committee and Staff Health Care Committee: Both the JHCC and the SHCC viewed this proposal favorably.

Rationale for CHRO's Recommendation: Providing maintenance drugs at no cost to the member to incent continued and consistent use is good for the patients and saves medical costs from complications and exacerbated conditions.

Estimated increase to the health plan budget -- \$2,600.

3. Increase differential between preferred brand name and non-preferred brand name drugs by increasing the copay from \$40 to \$50.

Explanation: Under this recommendation, retail copay costs for prescriptions would then be \$5 for Tier I (generic), \$25 for Tier II (preferred brand) and \$50 for Tier III (non-preferred brand), with mail-order being two times the retail copay. The goal is to shift use to lower cost generics or preferred brand name drugs, which are less expensive for the plan.

Input by the Joint Health Care Committee and Staff Health Care Committee: Both the JHCC and the SHCC viewed this proposal favorably.

Rationale for CHRO's Recommendation: This change saves the plan money while not presenting a significant disadvantage to pharmacy users, most of whom can successfully substitute generic or preferred brand prescriptions for non-preferred brand prescriptions.

Estimated savings to the health plan budget -- \$140,000

4. Incent mail order filling of prescriptions for maintenance medications

Explanation: Plan would be modified to increase copays for retail prescriptions to double the rate of the regular retail co-pay if the plan member does not use mail order starting on the third refill. The exclusion to this plan provision would be for medications that could freeze during shipment.

Input by the Joint Health Care Committee and Staff Health Care Committee: Both the JHCC and the SHCC viewed this proposal favorably.

Rationale for CHRO's Decisions: Mail order is much less expensive for the University, but many members do not use it because they believe it is more convenient to go to local pharmacies. Higher financial costs will change members' behavior.

Estimated savings to the health plan budget -- \$150,400

In summary, I recommend that these changes be put into place as a package of health care and pharmacy plan changes for FY12. Communications to employees will begin immediately. The primary plan change, of creating new Low, Medium and High Plans, will be available for employees' selection during open enrollment, which begins in mid-April. Other components of the plan changes, which do not affect employees' plan selections, would be rolled out sooner. For example, the Dependent Audit will be initiated immediately, and smoking cessation offerings would begin as soon as they can be arranged.

The health care committees also considered many other suggestions designed to achieve cost savings to UA's health care plan. The remainder of this memo provides information concerning those issues, the feedback received from the committees and the current status of Statewide Human Resources' recommendations on each.

### **Medical Plan Changes Under Consideration for FY13 or After**

1. Institute a Spousal Surcharge. This would deduct a certain dollar amount, e.g. \$50 monthly, from the pay of any benefits-eligible employee who has enrolled his/her spouse in UA's health care plan. The surcharge would only apply if the spouse is eligible and has access health care benefits through their own employer.

Explanation: The university wants to be an employer of choice without being an insurer of choice. UA should not have a plan that is so reasonably priced for dependent coverage that spouses decline the coverage offered by their own employer and choose to be covered by the UA plan. The university's charging structure to date has not provided a disincentive for members to enroll their spouses under UA's plan rather than their own.

Input by the Joint Health Care Committee and Staff Health Care Committee: Both JHCC and the SHCC were opposed to this change at this time. SHCC wanted to UA to see if

the plan changes in FY12 will reduce the number of spouses enrolled on the plan and if not, a spousal surcharge could be added in FY13.

CHRO's Recommendation and Rationale: A spousal surcharge was not recommended for FY12 as the significant increases in family deductibles will tend to operate as a deterrent to enrolling spouses if they have equivalent coverage elsewhere. However, this type of surcharge will remain under evaluation as we review how many spouses are enrolled on UA's plan. Data on other coverage will be gathered by the vendors conducting the dependent audit, which will help us further evaluate this type of surcharge.

2. Create new tiers for dependent charges, so that covered members will pay more for larger families than is currently the case.

Explanation: Currently, the University has 4 dependent charging tiers: Employee only, Employee plus spouse, Employee plus child(ren) and Employee plus family. While the current structure does address the increased costs of adding dependents, if we added more tiers, it would allow better control of the increased cost to the plan when large families are covered.

Input by the Joint Health Care Committee and Staff Health Care Committee: Both the JHCC and the SHCC recommended more research on the methodology for setting employee rates and further analysis of types of claims dependents are having. If the research supports a change, it could be implemented in FY13.

CHRO's Recommendation and Rationale: Continue to evaluate this as Lockton gathers more information and analysis regarding the costs to the plan caused by dependent usage.

3. Charge part-time employees an increased employee charge for health care coverage.

Explanation: Currently, part-time employees are eligible for health care if they are in a benefits-eligible position and work over 20 hours per week. Many employers do not offer health care coverage to employees at this low a level of hours worked, or the employers may charge the part-time employee a higher cost for coverage than full-time employees pay. Some employees work part time due to their own preference, or in order to obtain health care benefits. If there is no business need to hire part-time employees, the university incurs greater costs when it hires 2 part-time employees with two benefits packages rather than 1 full-time employee with one benefit package.



Input by the Joint Health Care Committee and Staff Health Care Committee:

Both the JHCC and SHCC recommended more research into the claims costs for part-time employees. If the research supports a change, it could be implemented in FY13.

CHRO's Recommendation and Rationale: CHRO recommends reviewing this issue further. Currently, the university employs about 300 part-time, benefits eligible employees, but it is not known how many of these employees are part time due to the university's needs and how many have requested to be part time. The university contributes the same amount for health care for part time, so the benefits costs are higher relative to the salary costs than is the case for a full-time employee. However, it is not known whether part-time employees cost more in terms of health care plan utilization. Rather than a part-time surcharge for benefits, the university may want to limit health care coverage to those employees working 30 or more hours per week. Effective January 1, 2014, Federal law will require employers to provide health care coverage to employees on a full-time basis if they work a minimum of 30 hours per week. Increasing the hours needed for health care eligibility would require a modification to University Regulation 04.06.149, "Benefits for Extended Full Time and Part-Time Temporary Employees," as well as changes to health care plan documents.

4. Exclude high risk activities from coverage under UA's health care plan.

Explanation: Activities such as sky diving, bungee jumping, operating a motorcycle or plane, scuba diving, hang gliding, rock climbing, parachuting and parasailing could be excluded from coverage.

Input by the Joint Health Care Committee and Staff Health Care Committee: The JHCC and the SHCC questioned how this could be administered and what activities should be included as "high risk."

CHRO's Recommendation and Rationale: Review this issue later, after additional information is gathered. Eliminating high risk activities would mean that employees would bear the entire costs of medical care if accidents occurred while engaging in such activities. Such exclusion would be highly controversial and unwelcome to employees who are active and adventurous.

5. Tie employee charges to completion of wellness/fitness activities and outcomes.

Explanation: This approach would base employee deductions on documented statistics and measures of involvement in activities that promote health and wellness and therefore are predicted to reduce the individual's risk to UA's health care plan. Through lower employee charges, an incentive would exist to encourage employees to obtain an annual physical, complete an annual health risk assessment, obtain and monitor biometrics and BMI, as well as to participate in defined activities to improve fitness, good nutrition, a healthy weight and positive lifestyle choices.

Input by the Joint Health Care Committee and Staff Health Care Committee: JHCC and SHCC need to be involved in the development of wellness activities that would lead to the lower employee charge.

CHRO's Recommendation and Rationale: There is widespread support for tying employee charges to documented wellness activities, so that employees who are trying to avert their own health complications and chronic conditions are charged less than those who are not making such an investment of their time and effort. Using measured activities and outcomes as a basis for employee charges is more effective than rewarding activities without subsequently reviewing whether or not they have resulted in a reduction of risk factors. Lockton has the ability to analyze the utilization of UA's plan, which will help us in structuring an incentive structure likely to yield positive plan results. However, more time is needed to work with Lockton, UA health care committees and employee groups to consider the type of incentive structure to devise that will be well received by employees and make a difference to plan use. A differential charging structure based on a number of participation levels would require Banner system changes, as modifications in the employee charge structure must be programmed into the payroll system.

6. Implement a Surgical Travel health care plan feature.

Explanation: Research into the costs for particular medical procedures performed in Alaska compared with the costs for the same procedures performed in the Northwest shows that there is a substantially higher medical cost for some medical procedures obtained in Alaska. The university's medical plan could offer members who need certain kinds of surgeries additional financial support to help defray travel and related costs if they decide to have the surgery in designated treatment centers in the Northwest.

Input by the Joint Health Care Committee and Staff Health Care Committee: Both the JHCC and the SHCC viewed this proposal favorably.

CHRO's Recommendation and Rationale: This idea should receive further review as to the level of support that would serve patients' interests and needs, while still representing a significant cost saving to the university. This should be considered only for those members/covered dependents who prefer to travel to obtain surgeries. A pilot project with eligibility limited to certain surgical procedures would be a sensible way to test this option.

7. Establish an onsite medical clinic in Fairbanks or Anchorage.

Explanation: A medical clinic, staffed with UA-employed MDs or physician assistants and staff, could be located on or close to UAF or UAA to serve university employees and their dependents. This would present a major investment, due to the need for a facility and staff for such a clinic. However, universities and other organizations that have opened their own clinics are better able to control medical costs, while offering services conveniently close to the workplace.

Input by the Joint Health Care Committee and Staff Health Care Committee: Both the JHCC and the SHCC viewed this proposal favorably.

CHRO's Recommendation and Rationale: This is an idea for consideration in the future with the likely pilot project being UAA's physician assistant program.

8. Eliminate the current award of \$100 per year for each covered employee and spouse who completes a personal wellness profile (PWP or health risk assessment).

Explanation: The university has provided this amount every year for participating employees and spouses since 2004, when a provision was first negotiated into CBA articles regarding this payment. Completion of a personal wellness profile (PWP) provides the individual with feedback on their state of health as well as making recommendations for steps that can be taken to improve their health risk levels, addressing issues such as the level of physical fitness, mental health, diet, alcohol consumption and stress. However, the biometrics reported in the health risk assessments are all self reported and there is no linkage between the PWP contents with any referral to medical providers, disease management services or the employee assistance program.

Input by the Joint Health Care Committee and Staff Health Care Committee: The JHCC and the SHCC were both in favor of eliminating the \$100 award for the simple task of

completing the PWP, believing that such an incentive could more beneficially be used to reward activities that have a greater impact on employee behavior.

CHRO's Recommendation and Rationale: CHRO agrees with this assessment and is in favor of biometrics being measured and entered into a data base that can be forwarded for review by UA's disease management program to assure appropriate follow up and attempted intervention. However, the provision for the \$100 award to employees and spouses is currently referenced in collective bargaining agreements, and hence must be changed through negotiations or via a memorandum of understanding with the unions.

9. Require employee participants to complete 5 out of 6 sessions when they enroll in the university's Individual Health Plan (IHP) coaching program, or pay a penalty.

Explanation: Currently, about 20% of participants drop out of the IHP program after enrolling. They take up space that others could utilize, which results in an inefficient use of WIN for Alaska's staff and increased costs to UA.

Input by the Joint Health Care Committee and Staff Health Care Committee: The JHCC and SHCC recommended that rather than a penalty for non-completion, we consider a reward or incentive for successful completion of all 6 IHP sessions.

CHRO's Recommendation and Rationale: CHRO agrees with the committees' recommendation and will continue to review this issue, recognizing that the value of the IHP offering itself is very valuable to each individual who is able to participate in the sessions.

10. Require employees to participate in obtaining and logging biometric information upon enrollment into IHP sessions, as well as at the end.

Explanation: Currently, IHP enrollees may choose to have biometric screening, but it is voluntary. Further, even if the biometric numbers are logged into the employee's own wellness page, the information is not entered into a database so that aggregate statistics can be reviewed or personal information forwarded to UA's disease management program for follow up. The recommendation would change this, making it mandatory to have biometric information gathered and shared in a confidential manner with UA's disease management providers.

Input by the Joint Health Care Committee and Staff Health Care Committee: The JHCC and the SHCC members recognized the value of requiring biometrics for appropriate individual follow up/intervention.

CHRO's Recommendation and Rationale: CHRO supports mandatory gathering, logging and reporting of IHP participants' biometric information to UA's disease management vendor.

A review by Lockton of the aggregate biometric information of IHP participants could also allow UA to more reliably determine whether the IHP program is providing the university an appropriate return on investment. IHPs are personalized coaching services that can directly help individuals to make health and lifestyle changes, but they are expensive to deliver because of the one on one sessions offered. Individuals who are realizing the benefit of the personalized coaching should be willing to participate in the review of its effectiveness.

Attachment: FY12 and FY13 Health and Pharmacy Plan changes recommended by CHRO

Increase deductibles and out of pocket maximum (OOP) amounts for all plan tiers. For FY12, there is insufficient time to implement either a Health Savings Account (HSA) or health reimbursement account (HRA). However, the proposed tiers contain a Low plan for FY12 that contains the features needed to transition into adding an HSA or HRA in FY13. The Low Plan meets current High Deductible Health Plan (HDHP) statutory requirements (see below). At the time of implementation of the HSA or HRA, we would increase the deductible and OOP maximums in FY13 to account for seed money contributed by UA.

The old Deluxe Plan has been eliminated; the network steerage of the new High Plan will be consistent with that of the current Standard and Economy Plan. The High Plan will offer coverage for orthodontia equivalent to the coverage provided by the current Deluxe Plan.

	Current Plan Tiers in UA Choice		
	Economy	Standard	Deluxe
Individual deductible	\$500	\$250	\$100
Family Deductible	\$1,500	\$600	\$300
OOP Max (Individual)	\$3,000	\$750	\$500
OOP Max (Family)	\$6,000	\$1,500	\$1,000
Coinsurance	20%	20%	20%
Physician Visit	Deductible/ Coinsurance	Deductible/ Coinsurance	Deductible/ Coinsurance
Pharmacy Copay			
Tier 1	\$5	\$5	\$5
Tier 2	\$25	\$25	\$25
Tier 3	\$40	\$40	\$40

	Plan Tiers Proposed to be in effect FY12-		
	Low	Middle	High
Individual deductible	\$1,250	\$750	\$500
Family Deductible	\$3,000	\$2,250	\$1,500
OOP Max (Individual)	\$3,750	\$3,500	\$3,000
OOP Max (Family)	\$8,000	\$7,000	\$6,000
Coinsurance	20%	20%	20%
Physician Visit	Deductible/ Coinsurance	Deductible/ Coinsurance	Deductible/ Coinsurance
Pharmacy Copay			
Tier 1	\$5	\$5	\$5
Tier 2	\$25	\$25	\$25
Tier 3	\$50	\$50	\$50

Statutory Req'ts- HDHP
\$1,200 (minimum)
\$2,400 (minimum)
\$5,950 (maximum)
\$11,900 (maximum)

Cost Savings to the health plan budget, projected by Lockton: \$6.5 M

**From:** [Michael Humphrey](#)  
**Cc:** [UAF All](#); [UAA All](#); [UAS All](#); [sdbutro@alaska.edu](mailto:sdbutro@alaska.edu)  
**Subject:** Dependent Audit  
**Date:** Monday, January 31, 2011 9:09:22 AM

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To all UA Faculty and Staff

As part of University of Alaska's ongoing efforts to control the cost of our health plan, we want to ensure that only eligible dependents are enrolled. ConSova is contacting every employee who has one or more dependents enrolled in a UA's health plan and is asking for verification of their eligibility.

It is important that you review the information ConSova is sending you. **It is critical you respond to the verification audit by the February 28 deadline whether or not you have all required documentation.**

If you have questions after reviewing the information ConSova sent you, call ConSova at 1-866-430-1267.

Thank you for your cooperation during this important project.

### **Frequently Asked Questions**

#### **Who is ConSova?**

ConSova is a Human Resources firm that specializes in the dependent eligibility verification process and has conducted many dependent audits for Fortune 500 companies and governmental organizations.

#### **Can I black out my financial information and Social Security number on these documents?**

You may cross out all financial information and the first five digits of your Social Security number on any documents you provide. The last four digits of you SSN are required for accurate data match.

#### **What guarantee do we have that our personal documents will be kept secure?**

ConSova considers security and confidentiality a very serious matter. They employ state-of-the-art encryption technology to safeguard sensitive data. All documentation received is scanned and maintained on encrypted drives. In the event a ConSova system is stolen, the data is encrypted and will not be accessible to anyone. The server that maintains Dependent Eligibility Verification systems and scanned images is only accessible on ConSova's Local Area Network located in Lakewood, Colorado. This Local Area Network is a closed system and not accessible via Virtual Private Network or any other interactive connection.

ConSova Associates have audited over 1.5 million dependents in the past seven years, and they have never been accused or alleged to have not protected the private personal information of its clients' employees.

University of Alaska realizes and understands that employees may have concerns about releasing this information to a third party. We assure you that every precaution has been taken to ensure your information is kept confidential. This is no different than what our other service providers must prove (Premera, Caremark, VSP). You can help protect your own privacy by following the instructions included with the letter you will receive from ConSova.

**Will the submitted documents be retained by ConSova? If so, for how long?**

Documentation received from University of Alaska employees will be batched and maintained in a secure location monitored only by ConSova employees. ConSova will destroy all documentation and wipe all hard drives containing protected health information 30 days after the dependent verification is completed.

**Can my local Human Resources Department review my documents to determine eligibility of my dependents instead of ConSova?**

No. The University of Alaska will not review any documentation for the verification process. All documents must be provided to ConSova for review.

**If I am unable to supply documentation by the deadline for my eligible dependent, will University of Alaska terminate my dependent from the plan?**

The University of Alaska will terminate a dependent due to the inability to provide documentation that verifies eligibility. However, if you are in contact with ConSova during the verification process and ConSova is aware of an issue you may be experiencing in gathering the appropriate documents, then your dependent will not be automatically terminated if you do not meet the deadline. ConSova is willing to assist you through this process, including helping you contact agencies to locate the documents you need.

**Where should I go if I have questions?**

The general information documents that have been sent out will be posted online at [www.consova.com/universityofalaska](http://www.consova.com/universityofalaska). It may help you to review them. If after reviewing you still don't find the answer to your question, call 1-866-430-1267.

\*\*\*\*\*

Mike Humphrey  
Director of Benefits  
University of Alaska  
PO Box 755610  
Fairbanks, AK 99775-5140

☎ (office): 907.450.8226

☎ (Fax): : 907.450.8201

✉ (email): [mike.humphrey@alaska.edu](mailto:mike.humphrey@alaska.edu)

<http://www.alaska.edu/benefits/>

Nothing will ever be attempted if all possible objections must first be overcome.  
**Samuel Johnson**



Employee Main Menu - Windows Internet Explorer

https://bweb4lrgp.alaska.edu/banlrgp/owa/twbkwbis.P\_GenMenu?name=pmenu.P\_MainMnu

File Edit View Favorites Tools Help

Employee Main Menu

UAOnline - LRGP

Personal Information Student Services & Account Information Financial Aid **Employee** WebTailor Administration Finance

RETURN TO MENU SITE MAP HELP EXIT

## Employee Services

---

**ATTENTION UA EMPLOYEES**

**2010 W-2 Wage and Tax Statement**

The 2010 IRS compliant W-2 Tax statement is now available from the "Tax Forms" menu below.

**2011 W-4 Federal Withholding Information**

The information you provide on your W-4 form determines the amount of Federal income tax withheld from your pay. **You are required to complete a new W-4 for 2011 if:**

- you claimed **"Exempt"** status on your 2010 W-4\*\*\*
- your exemption allowances have changed since you filed your last W-4

\*\*\*If a 2011 W-4 form claiming "Exempt" is not submitted by February 15, 2011, the Federal filing status will default to "Single, with zero withholding allowances."

If any of the above conditions apply to you, please file an amended W-4 form with your campus Human Resources office by **December 3, 2010**, if you want the changes to be in effect for the first payday of 2011. For more information, contact your [campus Human Resources office](#) or refer to the [W-4 Information page](#).

**2011 W-5 Earned Income Credit Advanced Payment Certificate**

Starting in calendar year 2011, the Earned Income Credit Advanced Payment program is no longer available. The Earned Income Credit can only be claimed on your individual tax return. Please contact your individual income tax preparer for more information.

[Time Sheet](#)

[Benefits and Deductions](#)  
View your retirement plans, health insurance information, flex spending accounts, miscellaneous deductions, and open enrollment information.

[Pay Information](#)  
View your Direct Deposit breakdown; View your Earnings and Deductions History; View your Pay Stubs.

[Tax Forms](#)  
View W-4 information, W-2 Form, and [Contact Information](#) for tax forms.

[Current and Past Jobs](#)

[Time Off Current Balances and History](#)  
View your Leave Usage and Balances or [Annual Leave Cash-In Program](#) details.

[Employee E-Learning](#)

RELEASE: 8.4.1

Trusted sites 100%

Figure 1 – UAOnline Employee Menu With Time Sheet Link Added

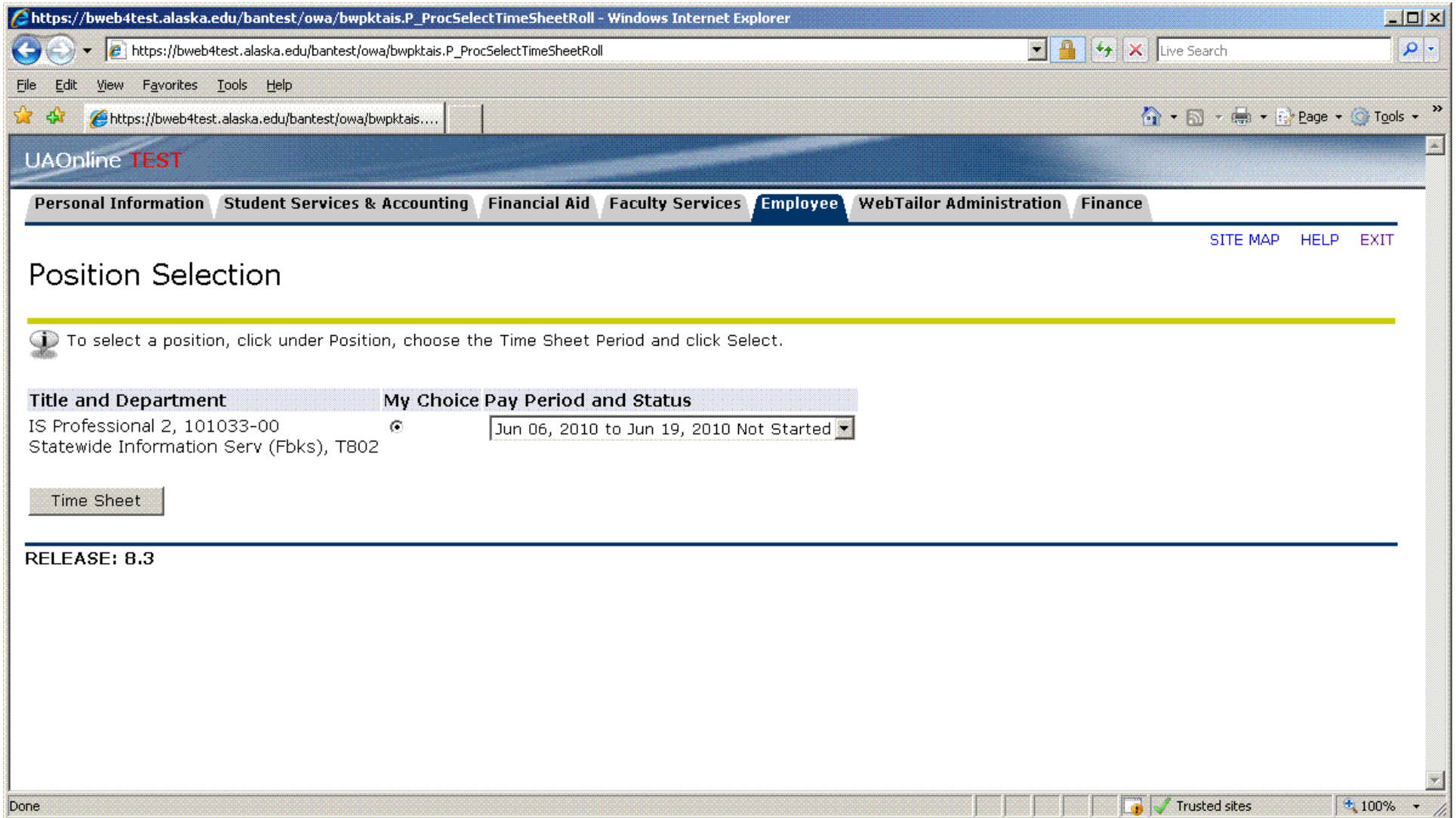


Figure 2 – Choosing Which Time Sheet to Access

Time Sheet for Andrew Scott Johnston - Windows Internet Explorer

https://bweb4test.alaska.edu/bantest/owa/bwpk2wte.P\_TimeSheetMockup

File Edit View Favorites Tools Help

Time Sheet for Andrew Scott Johnston

UAOnline TEST

Personal Information Student Services & Accounting Financial Aid Faculty Services **Employee** WebTailor Administration Finance

RETURN TO MENU SITE MAP HELP EXIT

## Time Sheet for Andrew Scott Johnston

Information, instructions and links to additional resources go here.

**Time Sheet**

**Title and Number:** IS Professional 2 -- 101033-00      **Time Sheet Period:** Jun 06, 2010 to Jun 19, 2010 (R13)  
**Employee Class:** NR -- NonExempt Staff - Regular      **Estimated Check Issue Date:** Jul 02, 2010  
**Department and Number:** Statewide Information Serv (Fbks) -- T802      **Submit By Date:** Dec 31, 2010 by 08:00 P.M.

[View Default Labor Distribution](#)

Earnings Code	Total	Fund Name	Fund	Orgn	6 Sun	7 Mon	8 Tue	9 Wed	10 Thu	11 Fri	12 Sat	13 Sun	14 Mon	15 Tue	16 Wed	17 Thu	18 Fri	19 Sat
Regular Pay (010)		SW General Funds	101010	89017														
<b>Total:</b>																		

Position Selection Restart Comments Save Submit for Approval

Submitted for Approval By:  
 Approved By:  
 Waiting for Approval From:

[ [Leave Balances](#) | [Job History](#) ]

RELEASE: 8.3

Done Trusted sites 100%

Figure 3 – A Newly Started Non-Exempt Time Sheet

Time Sheet for Andrew Scott Johnston - Windows Internet Explorer

https://bweb4test.alaska.edu/bantest/owa/bwpl2wte.P\_TimeSheetInProgress

UAOnline TEST

Personal Information Student Services & Accounting Financial Aid Faculty Services **Employee** WebTailor Administration Finance

RETURN TO MENU SITE MAP HELP EXIT

### Time Sheet for Andrew Scott Johnston

Information, instructions and links to additional resources go here.

- The Organization code 89079 is invalid. Please change.
- Comments exist for this time sheet.
- A pay rate change is effective on Sun, Jun 13.

**Time Sheet**

**Title and Number:** IS Professional 2 -- 101033-00      **Time Sheet Period:** Jun 06, 2010 to Jun 19, 2010 (R13)  
**Employee Class:** NR -- NonExempt Staff - Regular      **Estimated Check Issue Date:** Jul 02, 2010  
**Department and Number:** Statewide Information Serv (Fbks) -- T802      **Submit By Date:** Dec 31, 2010 by 08:00 P.M.

[View Default Labor Distribution](#)

Earnings Code	Total	Fund Name	Fund	Orgn	6 Sun	7 Mon	8 Tue	9 Wed	10 Thu	11 Fri	12 Sat	13 Sun	14 Mon	15 Tue	16 Wed	17 Thu	18 Fri	19 Sat
Regular Pay (010)	64	SW General Funds	101010	89016		8	4	4	8				8	8	8	8	8	
Regular Pay (010)	8	SW General Funds	103010	89079			4	4										
Sick Leave (550)	8									8								
<b>Total:</b>	<b>80</b>					8	8	8	8	8			8	8	8	8	8	

Position Selection Restart Comments Save Submit for Approval

Submitted for Approval By:  
 Approved By:  
 Waiting for Approval From:

[ [Leave Balances](#) | [Job History](#) ]

RELEASE: 8.3

Figure 4 – An In-Progress Non-Exempt Time Sheet

Time Sheet for Andrew Scott Johnston - Windows Internet Explorer

https://bweb4test.alaska.edu/bantest/owa/bwpl2wte.P\_TimeSheetComplete

UAOnline TEST

Personal Information Student Services & Accounting Financial Aid Faculty Services **Employee** WebTailor Administration Finance

RETURN TO MENU SITE MAP HELP EXIT

## Time Sheet for Andrew Scott Johnston

Information, instructions and links to additional resources go here.

**Time Sheet**

**Title and Number:** IS Professional 2 -- 101033-00      **Time Sheet Period:** Jun 06, 2010 to Jun 19, 2010 (R13)  
**Employee Class:** NR -- NonExempt Staff - Regular      **Estimated Check Issue Date:** Jul 02, 2010  
**Department and Number:** Statewide Information Serv (Fbks) -- T802      **Submit By Date:** Dec 31, 2010 by 08:00 P.M.

[View Default Labor Distribution](#)

Earnings Code	Total	Fund Name	Fund	Orgn	6 Sun	7 Mon	8 Tue	9 Wed	10 Thu	11 Fri	12 Sat	13 Sun	14 Mon	15 Tue	16 Wed	17 Thu	18 Fri	19 Sat
Regular Pay (010)	64	SW General Funds	101010	89016		8	4	4	8				8	8	8	8	8	
Regular Pay (010)	8	UAF General Funds	103010	89079			4	4										
Sick Leave (550)	8									8								
<b>Total:</b>	<b>80</b>					<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>		<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	

Position Selection    Comments    Return Time

**Submitted for Approval By:** You on Nov 17, 2010  
**Approved By:**  
**Waiting for Approval From:** Christopher Young (or James Milburn, Dana Platta)

[ [Leave Balances](#) | [Job History](#) ]

RELEASE: 8.3

Figure 5 – A Completed Non-Exempt Time Sheet

Employee Detailed Information - Windows Internet Explorer  
 https://bweb4test.alaska.edu/bantest/owa/bwpk2wte.P\_TimeSheetApprover

UAOnline TEST

Personal Information Student Services & Accounting Financial Aid Faculty Services **Employee** WebTailor Administration Finance

RETURN TO MENU SITE MAP HELP EXIT

## Employee Detailed Information

Information, instructions and links to additional resources go here.

**Employee ID and Name:** 30474910 Andrew Scott Johnston  
**Title:** 101033-00 IS Professional 2  
**Employee Class:** NR -- NonExempt Staff - Regular

**Department and Description:** B TB02 Statewide Information Serv (Fbks)  
**Transaction Status:** Pending

Previous Menu Approve Return For Correction Change Record Delete Add Comment

[Routing Queue](#) | [Account Distribution](#)

### Time Sheet

Earnings Code	Total	Fund Name	Fund	Orgn	6 Sun	7 Mon	8 Tue	9 Wed	10 Thu	11 Fri	12 Sat	13 Sun	14 Mon	15 Tue	16 Wed	17 Thu	18 Fri	19 Sat
Regular Pay (010)	64	SW General Funds	101010	89016		8	4	4	8				8	8	8	8	8	
Regular Pay (010)	8	UAF General Funds	103010	89079			4	4										
Sick Leave (550)	8									8								
<b>Total:</b>	<b>80</b>					<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>			<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	

### Routing Queue

Name	Action and Date
Andrew Scott Johnston	Originated Nov 16, 2010 11:01am
Andrew Scott Johnston	Submitted Nov 18, 2010 09:38am
Christopher David Young	Pending

### Account Distribution Default Data

Pay Period Effective Date	Percent	Index	Fund	Organization	Account	Program	Activity	Location	Project Type	Cost Type
Jun 06, 2010	100		101010	89016	1601	0166GA				

Previous Menu Approve Return For Correction Change Record Delete Add Comment

[Time Sheet](#) | [Routing Queue](#) | [Account Distribution](#)

RELEASE: 8.3

Figure 6 – Approving a Non-Exempt Time Sheet

Time Sheet for Andrew Scott Johnston - Windows Internet Explorer

https://bweb4test.alaska.edu/bantest/owa/bwpk2wte.P\_ExemptTimeSheetMockup

UAOnline TEST

Personal Information Student Services & Accounting Financial Aid Faculty Services **Employee** WebTailor Administration Finance

RETURN TO MENU SITE MAP HELP EXIT

### Time Sheet for Andrew Scott Johnston

Information, instructions and links to additional resources go here.

**Time Sheet**

**Title and Number:** IS Professional 2 -- 101033-00      **Time Sheet Period:** Jun 06, 2010 to Jun 19, 2010 (R13)  
**Employee Class:** EX -- Executive Management      **Estimated Check Issue Date:** Jul 02, 2010  
**Department and Number:** Statewide Information Serv (Fbks) -- T802      **Submit By Date:** Dec 31, 2010 by 08:00 P.M.

**Reportable Leave Usage**

Earnings Code	Total	6 Sun	7 Mon	8 Tue	9 Wed	10 Thu	11 Fri	12 Sat	13 Sun	14 Mon	15 Tue	16 Wed	17 Thu	18 Fri	19 Sat
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Total:</b>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

**Percent of Effort (View Defaults)**

Fund Name	Fund	Orgn	Percent
SW General Funds	<input type="text" value="101010"/>	<input type="text" value="89016"/>	<input type="text" value="50"/>
UAF General Funds	<input type="text" value="103010"/>	<input type="text" value="89079"/>	<input type="text" value="50"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Total:</b>			<input type="text" value="100"/>

Position Selection Restart Comments Save Submit for Approval

Submitted for Approval By:  
 Approved By:  
 Waiting for Approval From:

[ Leave Balances | Job History ]

RELEASE: 8.3

Figure 7 – A Newly Started Exempt Timesheet

Time Sheet for Andrew Scott Johnston - Windows Internet Explorer

https://bweb4test.alaska.edu/bantest/owa/bwpl2wte.P\_ExemptTimeSheetComplete

Time Sheet for Andrew Scott Johnston

UAOnline TEST

Personal Information Student Services & Accounting Financial Aid Faculty Services **Employee** WebTailor Administration Finance

RETURN TO MENU SITE MAP HELP EXIT

## Time Sheet for Andrew Scott Johnston

Information, instructions and links to additional resources go here.

**Time Sheet**

**Title and Number:** IS Professional 2 -- 101033-00      **Time Sheet Period:** Jun 06, 2010 to Jun 19, 2010 (R13)  
**Employee Class:** EX -- Executive Management      **Estimated Check Issue Date:** Jul 02, 2010  
**Department and Number:** Statewide Information Serv (Fbks) -- T802      **Submit By Date:** Dec 31, 2010 by 08:00 P.M.

**Reportable Leave Usage**

Earnings Code	Total	6 Sun	7 Mon	8 Tue	9 Wed	10 Thu	11 Fri	12 Sat	13 Sun	14 Mon	15 Tue	16 Wed	17 Thu	18 Fri	19 Sat
Annual Leave (500)	16												8	8	
<b>Total:</b>	<b>16</b>												<b>8</b>	<b>8</b>	

**Percent of Effort (View Defaults)**

Fund Name	Fund	Orgn	Percent
SW General Funds	101010	89016	75
UAF General Funds	103010	89079	25
		<b>Total:</b>	<b>100</b>

Position Selection    Comments    Return Time

**Submitted for Approval By:** You on Nov 17, 2010  
**Approved By:**  
**Waiting for Approval From:** Christopher Young (or James Milburn, Dana Platta)

[ [Leave Balances](#) | [Job History](#) ]

RELEASE: 8.3

Figure 8 – A Completed Exempt Timesheet



Employee Detailed Information - Windows Internet Explorer  
 https://bweb4test.alaska.edu/bantest/owa/bwpl2wte.P\_ExemptTimeSheetApprover

UAOnline TEST

Personal Information | Student Services & Accounting | Financial Aid | Faculty Services | **Employee** | WebTailor Administration | Finance

RETURN TO MENU | SITE MAP | HELP | EXIT

### Employee Detailed Information

**Employee ID and Name:** 30474910 Andrew Scott Johnston      **Department and Description:** B T802 Statewide Information Serv (Fbks)  
**Title:** 101033-00 IS Professional 2      **Transaction Status:** Pending  
**Employee Class:** EX -- Executive Management

Previous Menu | Approve | Return For Correction | Change Record | Delete | Add Comment

[Comments](#) | [Routing Queue](#) | [Account Distribution](#)

#### Reportable Leave Usage

Earnings Code	Total	6 Sun	7 Mon	8 Tue	9 Wed	10 Thu	11 Fri	12 Sat	13 Sun	14 Mon	15 Tue	16 Wed	17 Thu	18 Fri	19 Sat
Annual Leave (500)	16												8	8	
<b>Total:</b>	<b>16</b>												<b>8</b>	<b>8</b>	

#### Percent of Effort

Fund Name	Fund	Orgn	Percent
SW General Funds	101010	89016	75
UAF General Funds	103010	89079	25
	<b>Total:</b>		<b>100</b>

#### Comments

Date	Made by	Confidential	Comments
Nov 18, 2010 09:35 am	Andrew Scott Johnston	No	Put most of my effort towards SW funds due to registration issues this week. Planning on spending time on UAF projects next week to compensate.

#### Routing Queue

Name	Action and Date
Andrew Scott Johnston	Originated Nov 16, 2010 11:01am
Andrew Scott Johnston	Submitted Nov 18, 2010 09:38am
Christopher David Young	Pending

#### Account Distribution Default Data

Pay Period Effective Date	Percent	Index	Fund	Organization	Account	Program	Activity	Location	Project Type	Cost Type
Jun 06, 2010	50		101010	89016	1601	0166GA				
	50		103010	89079	1601	0166GA				

Previous Menu | Approve | Return For Correction | Change Record | Delete | Add Comment

[Time Sheet](#) | [Comments](#) | [Routing Queue](#) | [Account Distribution](#)

RELEASE: 8.3

Figure 9 – Approving an Exempt Timesheet



## UNION ORGANIZING PROCESS

**ASEA Business Manager stated in a newscast on 1/5/11 that ASEA will begin asking employees to sign interest cards**

### FILING PETITION

- Employees Sign Interest Cards
- Union files a petition defining proposed bargaining unit
- Employer provides roster to agency
- Agency compares roster and interest cards to ensure 30% interest
- Employer posts NOTICE OF PETITION

### ELECTION PROCESS

- Employer and union have pre election conference
- Employer provides updated roster to agency
- Employer posts NOTICE OF ELECTION
- Voting ballots mailed out to employees on updated roster
- Employees must return **voting ballots** to the agency
- Agency counts votes

### RESULTS

- If a majority of the employees WHO VOTE yes in favor of union representation:  
Employer and union begin negotiations.
- If a majority of the employees WHO VOTE no, declining union representation:  
New petition cannot be filed by any union for 12 months

## UA Business Council Agenda

<b>DATE</b>	Tuesday, January 25, 2011	<b>NAME</b>	<b>TITLE</b>	<b>DEPARTMENT</b>
<b>TIME</b>	8:00 a.m. – 10:00 a.m.	Joe Trubacz	BC Chair, VP for Admin. and Financial Svcs./CFO	SW Finance Office
	Fairbanks – SCCR Butro. 204C Anchorage – ADMN. 201 Juneau – Hendrix 101D	Bill Spindle	Vice Chancellor	UAA Administrative Services
<b>AUDIO</b>	(800) 893-8850	Pat Pitney	Vice Chancellor	UAF Administrative Services
	Meeting Passcode: 5560195	Carol Griffin	Vice Chancellor	UAS Administrative Services

CFO: Fisher Report  
Board of Regents Retreat  
Regent Wickersham Finance Reorientation

Financial Systems: Update

Controller: Management Report Questions

Budget/Planning: Update

Facilities: Update

Human Resources: Update

Records Management: Update

CITO: Update

ITEC: Update

Risk Services: Emergency Management Briefing

VCAS, UAA: Update

VCAS, UAF: Update

VCAS, UAS: Update



## Information Technology Executive Council

# January 19, 2011, ITEC Meeting

2:00 pm to 4:00 pm, Alaska time zone

1. Agenda additions or modifications.
2. Public / Visitor Comments.
3. Travel Management (Banner) - Joe Trubacz. Possibly moving back into Phase A, Discovery.
4. Fischer report—ITEC discussion regarding IT recommendations in report.
5. Archival of ITEC meeting content.

For your reference, the current Systemwide IT Dashboard is available at: <http://bit.ly/9Zn27N> (Internet Explorer recommended)

Last updated: 1/11/2011

### Phase C

- ◆ Distance Education—.....(update coming from Mary Gower).
- ◆ Research Administration—"Project has worked through hurdles. " Progress should accelerate (John Blake).
- ◆ Shopping Mall—.....(Joe Trubacz).

### Phase B

- ◆ Sightlines-.....(update coming from Kit Duke).
- ◆ Faculty Grant Effort Reporting-....(Joe Trubacz).
- ◆ PCI Compliance-....(Joe Trubacz).
- ◆ Grant Effort Reporting - Policies and Procedures-.....(Joe Trubacz).
- ◆ E-Timesheet / Grant certification for Staff-.....(Joe Trubacz).
- ◆ UA Username and password in UA Online-....(TBD).

## Video Locations

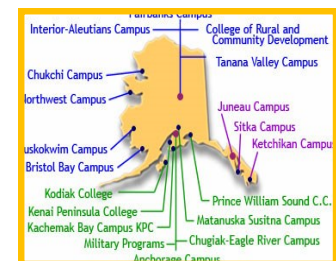


Anchorage—Admin 204

Fairbanks—Admin 204

Juneau—Chancellor's conference room

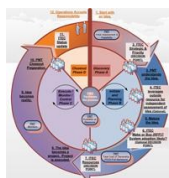
1-800-893-8850, Pin 1613302



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## Staff Alliance Staff Health Care Committee

Date: January 5, 2011

To: Mike Humphrey, UA Benefits Director  
UA Joint Health Care Committee, c/o Professor Richard Seifert, JHCC Chair

Cc: Beth Behner, UA Chief Human Resource Officer  
Staff Health Care Committee Representatives  
Staff Alliance Members  
MAU Staff Councils  
Pat Ivey, UA System Governance Executive Officer

From: Megan Carlson, Staff Health Care Committee Chair

RE: Staff Health Care Committee response to proposed FY12 Health Care Plan Design Changes

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In November and December 2010, the Staff Health Care Committee (SHCC) met numerous times to discuss proposed changes to the UA Health Care Plan to begin in FY12 (starting July 1, 2011). This memo provides a summary of the SHCC's principles and recommendations. Along with the memo, you will find a spreadsheet which summarizes the many options before the committee, the cost savings associated with these options, and the committee's final determination.

### Principles

1. Health care costs are rising, and the SHCC understands and appreciates the challenges associated with controlling these rising costs for both the institution and its employees. At the same time, we take seriously our responsibility to protect the best interests of the thousands of staff we represent.
2. We approached this task with open minds, aiming to identify reasonable compromises within the full suite of options provided by Lockton to help control these costs. It is difficult to find areas to feel good about in the proposed changes, but we feel that these are compromises we can stand behind.
3. As a guiding principle, we aimed to support the proposed changes that would continue to offer options for the staff we represent. This principle can be broadly applied, from not excluding drugs currently covered by the plan to maintaining three levels of the plan in which employees can elect to enroll (in the model of deluxe/standard/economy).
4. We also placed great importance on data and the overall effect of these proposed changes in our decisions. Where data are not available to substantiate a recommendation, the committee is reluctant to support the proposed change. The committee was also concerned about the potential for increases in multiple areas to compound for a greater net effect on employee expenses.
5. The response to recommendations listed below are not provided in a priority order, but should be viewed together as a complete collection of suggestions.

**Plan Recommendations for FY12**

Projected cost savings are listed in bold italics after each item.

1. The committee has serious misgivings about excluding any drug or drug class from the plan. We are particularly concerned with the proposal to remove Nexium and/or all Proton Pump Inhibitors from the plan, since the condition these prescriptions treat can lead to long-term damage if it is not effectively managed. The committee is supportive of the compromise that excludes no medications currently on the plan, but shifts Nexium to the non-preferred brand (highest) copay tier. ***Approximate Savings: \$23,700.***  
  
The committee cannot support any proposal to exclude Proton Pump Inhibitors (including Nexium), or Non-Sedating Antihistamines (such as Allegra) from the plan. We also do not support any proposal to move to reference-based drug pricing, where a maximum amount paid by the plan would be set for each drug class.
2. The committee recognizes the amount of money that can be saved by encouraging employees to shift to generic prescriptions, although the doctor and patient should be the primary individuals making decisions about whether the brand will work as effectively. The committee supports the recommendation to increase the third tier of prescription copays to \$50, which is a lower number than originally proposed (\$60). ***Approximate Savings: \$140,000.***
3. Encouraging better maintenance of chronic conditions is something we can all feel good about. To reduce the likelihood of future major health crises through better maintenance, the committee supports the proposal to make generic copays free for the maintenance of chronic conditions covered by the disease management program. We strongly support adding asthma to the initial list of conditions proposed. ***Approximate Savings: \$44,900.***
4. In the interest of giving staff options, the committee supports the implementation of a copay surcharge for maintenance (monthly) medications that are not filled through the mail order program. This option is preferable to the other scenario presented, where maintenance medications would only be covered by the plan if they were purchased through the mail order program. In addition to the options this approach gives employees, it is also projected to save the plan \$50,000 more than implementing mandatory mail order for maintenance medications would.  
  
This proposal is supported with the following assumptions: (1) the surcharge for maintenance medications would not apply to new prescriptions, beginning only with the third refill, and (2) an exception would be in place for any drugs with the potential for damage by inclement weather, such as insulin. Once implemented, UA should pay careful attention to any problems associated with flights getting into communities like Kodiak. ***Approximate Savings: \$150,400.***
5. The committee supports the implementation of a tobacco surcharge. In the first year of implementation, members should be exempt from the surcharge if they have been tobacco-free for at least six months or are currently participating in a tobacco cessation program. It is imperative that the university provide resources and communication to connect current tobacco users with cessation programs as this surcharge goes into effect. The committee also recommends that this be implemented in a way that can be removed from employee accounts if they stop using tobacco, to give a more direct incentive for change. ***Approximate Savings: \$504,000.***
6. The committee does not support the proposal to exclude certain high risk activities (e.g. sky diving, operating a motorcycle or plane, rock climbing, etc.) from coverage by the health care plan.
7. The committee supports the plan for a dependent audit to ensure that everyone being covered on the UA Health Care Plan is eligible for said coverage. Communication to the university community about the reasons for this audit will be important as it is launched. ***Approximate Savings: \$500,000 (after administrative expenses for the audit).***
8. The committee supports the elimination of the \$100 payment for completion of the Personal Wellness Profile. These funds currently reward a relatively passive activity, and could be better spent encouraging more active engagement, such as tracking biometric data or participating in Individual Health Planning sessions. ***Approximate Savings: \$231,000.***

Also related to the wellness program, the committee does not support penalizing employees who do not complete the Individual Health Planning program. In many cases, employees may have to cease

participation due to an increased workload in their jobs. We should avoid creating disincentives to participation in the IHP program, which threats of penalties for non-completion hold the potential to do.

### **Areas to Research for Consideration beyond FY12**

A number of options were presented that the Staff Health Care Committee feels are worthy of further research to consider implementing in future years. Some of these were related to business reasons (Banner structure, data needed to support the recommendation), and some were related to the cumulative impact on employees of all the changes being proposed (surcharges).

1. Developing criteria to tie employee contributions to completion of wellness activities and outcomes. (The committee is strongly in support of this concept and looks forward to working on the criteria in the coming months.)
2. Implementing additional levels for employee contributions, to include up to 3 individual dependents (rather than only Employee, Employee + Spouse, Employee + Child, and Family levels).
3. Implementing a spousal surcharge for working spouses with the opportunity to have health care coverage through their own employer. (The committee feels there are too many increases being implemented at this time to add this surcharge.)
4. Implementing a surcharge or higher biweekly rate for part-time employees. (The committee feels there are not sufficient data to justify this proposal, and echoes concerns above about adding this to other increases. It also appears this proposal would be likely to affect staff significantly more than faculty, which is concerning since the other recommendations are more clearly linked with usage rather than employment status.)
5. Implementing a surgical travel benefit for certain procedures (e.g. knee replacements), to allow travel benefits to be provided for having these procedures done at a lower cost in facilities with a high success rate.
6. Piloting an onsite medical clinic in Fairbanks or Anchorage.

### **Employee Contribution Options**

Lockton presented an array of options for consideration related to the current levels of coverage employees may select (deluxe, standard, and economy). These possibilities covered a wide range, from making no changes to replacing all the current plans with a high deductible health plan or a bare-bones plan that would be free to employees.

1. The committee recommends Scenario 4, which preserves three plans for employees to choose from and increases deductibles and out of pockets. This scenario introduces a High Deductible Health Plan (HDHP) with Health Reimbursement or Health Savings Account and seed money, which can support greater transparency of medical costs to the members on our plan. It also limits the increases to deductibles and out of pockets in comparison to other options, while doing a reasonable job of cutting the costs to the plan. **Approximate Savings: \$3,911,000.**
2. As a secondary option, the committee supports Scenario 2, which eliminates the deluxe plan and increases the standard and economy deductibles. This scenario is our second choice because it does not project sufficient savings to the plan, and reduces the options available to employees. **Approximate Savings: \$2,131,000.**
3. The committee cannot support the remaining scenarios because they are either too extreme or do not sufficiently address the trends in health care costs we face. They are listed below for reference.
  - a. Making no changes to the plans (Scenario 1),
  - b. Substantially increasing the deductibles and out of pockets and replacing the economy plan with an HDHP (Scenario 3),

- c. Replacing all plans with a single sparse plan for employees that only has biweekly charges for dental and vision (Scenario 5), and
- d. Replacing all plans with a single High Deductible Health Plan (Unnumbered Scenario).

**In total, the SHCC's recommendations represent a potential cost savings of \$5,505,000 to the UA health care plan.** Note that this sum does not include the savings associated with Scenario 2 above, since Scenario 4 is the SHCC's preferred scenario and represents more savings.

### **Communication**

Communication is of the utmost importance in health care every year, but particularly as we look forward to a new fiscal year with a number of major changes. It is appropriate that this communication come from Human Resources, and that the system carefully evaluate adding additional resources to the UA Benefits Office if this is not feasible in their current state. The Staff Health Care Committee, and other members of staff governance, would be happy to provide input on what to include in this communication, and to help disseminate it, but it is important that it comes from the experts in Human Resources.

### **Final Notes of Appreciation**

Over the past few years, the committee has developed a strong working relationship with the Joint Health Care Committee. We would like to thank the Joint Health Care Committee for genuinely welcoming the input of the staff governance voting member and alternates. We look forward to continuing to work with the JHCC in the future.

We would also like to thank the many staff members, particularly those who serve on Staff Alliance and our local staff governance groups, who have provided their thoughts on these proposals and helped us to understand the impact of the decisions we make.

Finally, we would like to thank Mike Humphrey for his tireless work with the Staff Health Care Committee and Joint Health Care Committee. He has always been a reliable source of information as we have mulled the recommendations regarding our health care plan, and we value his receptiveness to our input. We also request that Mr. Humphrey pass on our gratitude to Lockton for providing the data that has helped inform these difficult decisions.

I encourage you to contact me if you have any questions.

Megan Carlson, Staff Health Care Committee Chair  
907-786-1054 or [anmac3@uaa.alaska.edu](mailto:anmac3@uaa.alaska.edu)



Staff Health Care Committee Summary of Proposed Potential Plan Design Changes for FY12				
<i>Note: Excerpts of potential changes broken into recommended, recommended for future discussion, and not recommended follow on separate tables.</i>				
Pharmacy Potential Opportunities				
Description	Amount Saved	Notes	SHCC Initial Recommended Action for FY 12 Plan Modifications	Final SHCC Recommended Action
Remove Nexium from pharmacy plan <i>(See comments for compromise supported)</i>	\$ 23,700	Multiple OTC alternatives. Nexium costs the plan 307K. To stay on it, member would have to pay out of pocket. Cost savings would be \$250K.	Concerns about damage if this is the only effective med--asked for more data on how many are on Nexium as maintenance med after trying other brands	Support compromise to move Nexium to Tier 3 copay, but retain on the plan. Updated project on cost for alternative plan not provided.
Exclude all Proton Pump Inhibitors from pharmacy plan and implement a \$5 copay for OTC PPIs	<del>\$ 328,800</del>	Multiple OTC alternatives. To stay on it, member would have to pay out of pocket.	Not recommended at this time	Not recommended
Exclude all Non-Sedating Antihistamine (NSA) drugs from pharmacy plan and implement a \$5 copay for OTC NSAs	<del>\$ 85,500</del>	Multiple OTC alternatives. Fairly common provision on plans.	Not recommended at this time	Not recommended
Reduced generic copays for certain maintenance drugs (cholesterol, cardiovascular, diabetes, COPD) to increase compliance	\$ 44,900	Retail generic \$2, mail order \$5. Cost savings projected on medical health utilization from better maintenance of conditions.	Great idea to encourage better health and generic use. Pursue expanding to include all Alere conditions (e.g. asthma), possibly look at brand where generic is not yet available.	Recommended making generics free for these chronic conditions and adding asthma. May require participation in disease management program. If not this year, begin work now to implement in following FY.
Increase differential between preferred brand name and non-preferred brand name from \$40 to \$50	\$ 140,000	Retail tiers would be at \$5/\$25/\$60	Recommendation: SHCC recommended Tier III medications at \$50 instead of the proposed \$60. Lockton will give UA a new estimate for savings	Support compromise to increase highest tier to \$50 (originally proposed \$60)
Referenced based drug pricing (maximum plan reimbursements by therapeutic class)	TBD	Base maximum amount on therapeutic class, member pays difference between Drug X and Drug Y within the class. Still a very new system not widely adopted.	Not recommended at this time	Not recommended
Mandatory Mail Order for maintenance meds (those taken monthly)	<del>\$ 100,400</del>	Refills only covered if filled through mail-order; allow 2 refills before mandatory mail order. Members affected: 2503.	Not recommended at this time	Not recommended
Non-mandatory Mail Order for maintenance meds: Double retail copay if member does not use mail order starting on third refill	\$ 150,400	Retail copays would be at \$10/50/80. Members affected: 2503	Recommendation: as long as medications that may freeze can be excluded and employees can get those medication at retail with no penalty	Recommended, with exception for anything that can be damaged by freezing. Keep an eye on impact for places with trouble getting mail in.
<b>Estimated amount saved</b>	<b>\$ 359,000</b>	<i>Does not include Nexium because no new projection has been provided.</i>		

Staff Health Care Committee Summary of Proposed Potential Plan Design Changes for FY12				
Health Care Plan Option Potential Opportunities				
Description	Amount Saved	Notes	SHCC Initial Recommended Action for FY 12 Plan Modifications	Final SHCC Recommended Action
Scenario 1: No changes to plan options (standard, etc.) or deductibles/out of pockets	\$ -			Not recommended
Scenario 2: *Eliminate deluxe plan *Increase standard deductible from 250 to 500 *Increase economy deductible from 500 to 1000	\$ 2,131,000	Revision from original first option (saved only includes this change, not other plan changes)		Second recommendation
Scenario 3 and 3a: *Increase deluxe deductible from 100 to 500 (300 to 1500 for family); out of pocket 500 to 3K (1K to 6K for family) *Increase standard deductible from 250 to 750 (600 to 2250 for family); out of pocket 750 to 3.5K (1.5K to 7K for family) *Replace Economy with High Deductible Health Plan with HRA or HSA and \$250/\$500 seed money (individual/family) deductible 500 to 1500 (1500 to 4500 family); OOP 3K to 4K (6K to 8K family)	\$ - 7,240,000	Savings are equivalent whether HRA or HSA for HDHP level		Not recommended
Scenario 3b: *Increase deluxe deductible from 100 to 500 (300 to 1500 for family); out of pocket 500 to 3K (1K to 6K for family) *Increase standard deductible from 250 to 750 (600 to 2250 for family); out of pocket 750 to 3.5K (1.5K to 7K for family) *Replace Economy with High Deductible Health Plan with HRA or HSA and \$1K/2K seed money (individual/family) deductible 500 to 1500 (1500 to 4500 family); OOP 3K to 4K (6K to 8K family)	\$ - 7,061,000			Not recommended
Scenario 4: *Increase deluxe deductible from 100 to 250 (300 to 750 for family); out of pocket 500 to 1.5K (1K to 3K for family) *Increase standard deductible from 250 to 450 (600 to 1350 for family); out of pocket 750 to 2K (1.5K to 4K for family) *Replace Economy with High Deductible Health Plan with HRA or HSA and \$1K/2K seed money (individual/family) deductible 500 to 2000 (1.5K to 6K family); OOP 3K to 5K (6K to 10K family)	\$ 3,911,000	Savings are equivalent whether HRA or HSA for HDHP level		Top recommendation
Scenario 5: One free plan for employees (biweekly only for dental and vision) replaces all plans *Deductibles at 2.7K and 5.4K for individual/family *OOP at 2.5K and 5K *30% coinsurance for medical and pharmacy (replaces copays)	\$ - 10,186,000			Not recommended
Introduce new Full Replacement High Deductible Health Plan with HRA account for economy plan	<del>\$7M to \$8M</del>	11% savings. Savings due to reduced utilization and movement of population to economy plan. Doing away with UA Choice altogether.	Not recommended at this time	Not recommended
<b>Estimated amount saved</b>	<b>\$ 3,911,000</b>	(Assumes Scenario 4, although Scenario 2 is supported as a secondary option by the SHCC)		

Staff Health Care Committee Summary of Proposed Potential Plan Design Changes for FY12				
Additional Potential Opportunities				
Description	Amount Saved	Notes	SHCC Initial Recommended Action for FY 12 Plan Modifications	Final SHCC Recommended Action
8 levels for employee contributions (replaces 4 levels for employee, employee/spouse, employee/child, and family)	<del>\$ 75,000</del>	Different level for dependents 1-3 for employee & employee plus spouse: EE, EE +1, EE +2, EE +3, EE + SP, EE/SP +1, EE/SP +2, EE/SP +3 New way of distributing costs, unlikely to save money but may control the risk.	Recommended.	Recommended for research into future implementation in FY13. Ask Lockton to run numbers if we went with four, with all these other plan changes, illustrative rates.
Spousal surcharge for covered working spouses who have another option for health care benefits	<del>\$ 714,300</del>	Typical amount is \$50/month. Shifts risk, don't know uptake so hard to project savings.	Not recommended at this time	Reconsider in FY13
Tobacco surcharge	\$ 504,000	Typical amount is \$50/month. Offer smoking cessation program. Short term savings unclear.	Recommendation: implement a smoking surcharge and smoking cessation programs. Interested in a system that would allow for easy removal of the surcharge rather than just at open enrollment.	Recommended, with exception for 6 months tobacco-free in first round (or current participation in cessation program). Cessation program options should be made readily available well before this goes into effect.
Charge Part-Time Employees more for benefits than Full-Time employees	<del>\$ 179,000</del>	Part-timers typically cost more to the plan. Members affected: 299. Would only apply to employees who work 20-29 hours.	Only supportive if the data actually back this up for our employees. Straight \$50 surcharge, or more for dependents?	Reconsider in FY13. (Data should be available before this can be supported.)
Exclude high risk activities	TBD	Sky diving, bungee jumping, operating motorcycle or plane, scuba diving, hang gliding, rock climbing, parachuting, parasailing	Not recommended at this time	Not recommended
Employee contributions tied to completion of wellness activities and outcomes	TBD	Reduce contributions if you do an annual physical, complete HRA, participate in IHP. Could also have different deductibles for wellness plan and not-wellness plan. Short term savings unclear, greater impact on wellness participation and behavior change.	Recommendation: UA needs to move the plan to a behaviorally anchored plan design, i.e., if you do a set number of wellness activities during the plan year (SHCC and UA to develop list), the next plan year your charge for coverage is lower. Would like more information about what could be included.	Move forward with research necessary to launch in FY13
Implement medical tourism (cover travel expenses for patient & another person to have certain procedures done in Puget Sound)	TBD	For each knee replacement done in Seattle and not Fairbanks UA could save \$46K. 43 knee replacements, 29 hip replacements, 26 discectomies in FY10.	Recommendation: This is a project that the University and SHCC should implement as soon as feasible.	Move forward with research necessary to launch in FY13 (or second half of FY12) if start of FY12 is not feasible
Pilot onsite medical clinic in Fairbanks or Anchorage	TBD	Unlikely to be implemented in FY12 due to startup logistics	Recommendation: This is a project that the University and SHCC should continue to explore	Move forward with research necessary to launch in FY13 if FY12 is not feasible
Dependent Audit	\$ 500,000	Other employers have seen 8% to 15% of enrolled dependents removed from their health plan	No recommendation, but discussed plans to implement in FY11.	Recommended, starting in January 2011
Eliminate the \$100 payment for the PWP	\$ 231,000		Did not discuss	Recommended to reallocate toward more active engagement, like entering biometrics or participating in IHPs
Require completion of 5 out of 6 IHP sessions or pay a penalty	TBD	Currently about 20% drop out of the program	Did not discuss	Not recommended
<b>Estimated amount saved</b>	<b>\$ 1,235,000</b>			
<b>Grand total estimate</b>	<b>\$ 5,505,000</b>	<b>Note: This total does not include the Scenario 2 savings because it assumes the savings from Scenario 4 (the SHCC's top recommendation). It also does not include the cost savings from making Nexium a tier 3 prescription, since those projections have not been provided.</b>		

Excerpt: SHCC Summary of Recommended Potential Plan Design Changes for FY12				
Description	Amount Saved	Notes	SHCC Initial Recommended Action for FY 12 Plan Modifications	Final SHCC Recommended Action
Remove Nexium from pharmacy plan <i>(See comments for compromise supported)</i>	\$ 23,700	Multiple OTC alternatives. Nexium costs the plan 307K. To stay on it, member would have to pay out of pocket.	Concerns about damage if this is the only effective med--asked for more data on how many are on Nexium as maintenance med after trying other brands	Support compromise to move Nexium to Tier 3 copay, but retain on the plan. Updated project on cost for alternative plan not provided.
Reduced generic copays for certain maintenance drugs (cholesterol, cardiovascular, diabetes, COPD) to increase compliance	\$ 44,900	Retail generic \$2, mail order \$5. Cost savings projected on medical health utilization from better maintenance of conditions.	Great idea to encourage better health and generic use. Pursue expanding to include all Alere conditions (e.g. asthma), possibly look at brand where generic is not yet available.	Recommended making generics free for these chronic conditions and adding asthma. May require participation in disease management program. If not this year, begin work now to implement in following FY.
Increase differential between preferred brand name and non-preferred brand name from \$40 to \$50	\$ 140,000	Retail tiers would be at \$5/\$25/\$60	Recommendation: SHCC recommended Tier III medications at \$50 instead of the proposed \$60. Lockton will give UA a new estimate for savings	Support compromise to increase highest tier to \$50 (originally proposed \$60)
Non-mandatory Mail Order for maintenance meds: Double retail copay if member does not use mail order starting on third refill	\$ 150,400	Retail copays would be at \$10/50/80. Members affected: 2503	Recommendation: as long as medications that may freeze can be excluded and employees can get those medication at retail with no penalty	Recommended, with exception for anything that can be damaged by freezing. Keep an eye on impact for places with trouble getting mail in.
Scenario 2: *Eliminate deluxe plan *Increase standard deductible from 250 to 500 *Increase economy deductible from 500 to 1000	\$ 2,131,000	Revision from original first option (saved only includes this change, not other plan changes)		Second recommendation
Scenario 4: *Increase deluxe deductible from 100 to 250 (300 to 750 for family); out of pocket 500 to 1.5K (1K to 3K for family) *Increase standard deductible from 250 to 450 (600 to 1350 for family); out of pocket 750 to 2K (1.5K to 4K for family) *Replace Economy with High Deductible Health Plan with HRA or HSA and \$1K/2K seed money (individual/family); deductible 500 to 2000 (1.5K to 6K family); OOP 3K to 5K (6K to 10K family)	\$ 3,911,000	Savings are equivalent whether HRA or HSA for HDHP level		Top recommendation
Tobacco surcharge	\$ 504,000	Typical amount is \$50/month. Offer smoking cessation program. Short term savings unclear.	Recommendation: implement a smoking surcharge and smoking cessation programs. Interested in a system that would allow for easy removal of the surcharge rather than just at open enrollment.	Recommended, with exception for 6 months tobacco-free in first round (or current participation in cessation program). Cessation program options should be made readily available well before this goes into effect.
Dependent Audit	\$ 500,000	Other employers have seen 8% to 15% of enrolled dependents removed from their health plan	No recommendation, but discussed plans to implement in FY11.	Recommended, starting in January 2011
Eliminate the \$100 payment for the PWP	\$ 231,000		Did not discuss	Recommended to reallocate toward more active engagement, like entering biometrics or participating in IHPs
Estimated amount saved	\$ 5,505,000	<i>Note: This total does not include the Scenario 2 savings because it assumes the savings from Scenario 4 (the SHCC's top recommendation). It also does not include the cost savings from making Nexium a tier 3 prescription, since those projections have not been provided.</i>		

### Excerpt: SHCC Summary of Potential Plan Design Changes Recommended for Consideration in Future Years

*Note: These options are recommended for future discussion, but this recommendation of further discussion does not imply support unless it is explicitly listed below.*

Description	Amount Saved	Notes	SHCC Initial Recommended Action for FY 12 Plan Modifications	Final SHCC Recommended Action
8 levels for employee contributions (replaces 4 levels for employee, employee/spouse, employee/child, and family)	<del>\$ 75,000</del>	Different level for dependents 1-3 for employee & employee plus spouse: EE, EE +1, EE +2, EE +3, EE + SP, EE/SP +1, EE/SP +2, EE/SP +3 New way of distributing costs, unlikely to save money but may control the risk.	Recommended.	Recommended for research into future implementation in FY13. Ask Lockton to run numbers if we went with four, with all these other plan changes, illustrative rates.
Spousal surcharge for covered working spouses who have another option for health care benefits	<del>\$ 714,300</del>	Typical amount is \$50/month. Shifts risk, don't know uptake so hard to project savings.	Not recommended at this time	Reconsider in FY13
Charge Part-Time Employees more for benefits than Full-Time employees	<del>\$ 179,000</del>	Part-timers typically cost more to the plan. Members affected: 299. Would only apply to employees who work 20-29 hours.	Only supportive if the data actually back this up for our employees. Straight \$50 surcharge, or more for dependents?	Reconsider in FY13. (Data should be available before this can be supported.)
Employee contributions tied to completion of wellness activities and outcomes	TBD	Reduce contributions if you do an annual physical, complete HRA, participate in IHP. Could also have different deductibles for wellness plan and not-wellness plan. Short term savings unclear, greater impact on wellness participation and behavior change.	Recommendation: UA needs to move the plan to a behaviorally anchored plan design, i.e., if you do a set number of wellness activities during the plan year (SHCC and UA to develop list), the next plan year your charge for coverage is lower. Would like more information about what could be included.	Move forward with research necessary to launch in FY13
Implement medical tourism (cover travel expenses for patient & another person to have certain procedures done in Puget Sound)	TBD	For each knee replacement done in Seattle and not Fairbanks UA could save \$46K. 43 knee replacements, 29 hip replacements, 26 discectomies in FY10.	Recommendation: This is a project that the University and SHCC should implement as soon as feasible.	Move forward with research necessary to launch in FY13 (or second half of FY12) if start of FY12 is not feasible
Pilot onsite medical clinic in Fairbanks or Anchorage	TBD	Unlikely to be implemented in FY12 due to startup logistics	Recommendation: This is a project that the University and SHCC should continue to explore	Move forward with research necessary to launch in FY13 if FY12 is not feasible
<b>Estimated amount saved</b>	<b>\$ 968,300</b>	<b>Total does not include recommendations where no projections is currently available.</b>		

<b>Excerpt: SHCC Summary of Potential Plan Design Changes Not Recommended</b>				
Exclude all Proton Pump Inhibitors from pharmacy plan and implement a \$5 copay for OTC PPIs	<del>\$ 329,800</del>	Multiple OTC alternatives. To stay on it, member would have to pay out of pocket.	Not recommended at this time	Not recommended
Exclude all Non-Sedating Antihistamine (NSA) drugs from pharmacy plan and implement a \$5 copay for OTC NSAs	<del>\$ 85,500</del>	Multiple OTC alternatives. Fairly common provision on plans.	Not recommended at this time	Not recommended
Referenced based drug pricing (maximum plan reimbursements by therapeutic class)	<del>TBD</del>	Base maximum amount on therapeutic class, member pays difference between Drug X and Drug Y within the class. Still a very new system not widely adopted.	Not recommended at this time	Not recommended
Mandatory Mail Order for maintenance meds (those taken monthly)	<del>\$ 100,400</del>	Refills only covered if filled through mail-order; allow 2 refills before mandatory mail order. Members affected: 2503.	Not recommended at this time	Not recommended
Scenario 1: No changes to plan options (standard, etc.) or deductibles/out of pockets	<del>\$</del>			Not recommended
Scenario 3 and 3a: *Increase deluxe deductible from 100 to 500 (300 to 1500 for family); out of pocket 500 to 3K (1K to 6K for family) *Increase standard deductible from 250 to 750 (600 to 2250 for family); out of pocket 750 to 3.5K (1.5K to 7K for family) *Replace Economy with High Deductible Health Plan with HRA or HSA and \$250/\$500 seed money (individual/family); deductible 500 to 1500 (1500 to 4500 family); OOP 3K to 4K (6K to 8K family)	<del>\$ 7,240,000</del>	Savings are equivalent whether HRA or HSA for HDHP level		Not recommended
Scenario 3b: *Increase deluxe deductible from 100 to 500 (300 to 1500 for family); out of pocket 500 to 3K (1K to 6K for family) *Increase standard deductible from 250 to 750 (600 to 2250 for family); out of pocket 750 to 3.5K (1.5K to 7K for family) *Replace Economy with High Deductible Health Plan with HRA or HSA and \$1K/2K seed money (individual/family); deductible 500 to 1500 (1500 to 4500 family); OOP 3K to 4K (6K to 8K family)	<del>\$ 7,061,000</del>			Not recommended
Scenario 5: One free plan for employees (biweekly only for dental and vision) replaces all plans *Deductibles at 2.7K and 5.4K for individual/family *OOP at 2.5K and 5K *30% coinsurance for medical and pharmacy (replaces copays)	<del>\$ 10,186,000</del>			Not recommended
Introduce new Full Replacement High Deductible Health Plan with HRA account for economy plan	<del>\$7M to \$8M</del>	11% savings. Savings due to reduced utilization and movement of population to economy plan. Doing away with UA Choice altogether.	Not recommended at this time	Not recommended
Exclude high risk activities	<del>TBD</del>	Sky diving, bungee jumping, operating motorcycle or plane, scuba diving, hang gliding, rock climbing, parachuting, parasailing	Not recommended at this time	Not recommended
Require completion of 5 out of 6 IHP sessions or pay a penalty	<del>TBD</del>	Currently about 20% drop out of the program	Did not discuss	Not recommended

**Grand total for amount saved not computed, because several of these options could not be combined (e.g. Scenario 1 and Scenario 5).**

From: **Saichi Oba** <[stoba@alaska.edu](mailto:stoba@alaska.edu)>

Date: Fri, Feb 4, 2011 at 09:25

Subject: Advisory Task Force on Affordability, audio, Thursday Feb. 10 at 8:30 am

To: Peter Finn <[finniusmaximus@gmail.com](mailto:finniusmaximus@gmail.com)>, Cathy Cahill <[cfcahill@alaska.edu](mailto:cfcahill@alaska.edu)>, JOAN HARINGS <[anjmh@uaa.alaska.edu](mailto:anjmh@uaa.alaska.edu)>, Gary Turner <[ingjt@uaa.alaska.edu](mailto:ingjt@uaa.alaska.edu)>, Carol Griffin <[carol.griffin@uas.alaska.edu](mailto:carol.griffin@uas.alaska.edu)>, Joe Nelson <[jgnelson@uas.alaska.edu](mailto:jgnelson@uas.alaska.edu)>, Mike Earnest <[wmearnest@alaska.edu](mailto:wmearnest@alaska.edu)>, Michele Stalder <[fnems@uaf.edu](mailto:fnems@uaf.edu)>, Michelle Rizk <[marizk@alaska.edu](mailto:marizk@alaska.edu)>, Saichi Oba <[stoba@alaska.edu](mailto:stoba@alaska.edu)>, James Danielson <[jedanielson@uas.alaska.edu](mailto:jedanielson@uas.alaska.edu)>, Maria Russell <[mtrussell@alaska.edu](mailto:mtrussell@alaska.edu)>

When: Thursday, Feb. 10, 2011

Time: **8:30 am** to 9:00 am

Audio information: 800.893.8850 PIN: 4459 551

Agenda:

1. Meeting Schedule:

~~Jan. 27~~

Feb 10

Feb. 24

Mar. 10\*

Mar 17\*

Mar. 24

Mar 31

\*Spring break - some participants may not be available.

2. Topic:

Consolidated tuition

- What is it?
- What are the pros / cons?
- Lead time for implementation?
- Who and what would this impact?
- Who else to involve in this discussion?

3. Other?

4. Next meeting

## UNIVERSITY OF ALASKA PERFORMANCE EVALUATION FORM

All University of Alaska supervisors are required to complete an annual written performance evaluation per Board of Regents' Policy 04.07.030. In addition, accreditation standards require that "administrators and staff are evaluated regularly with regard to performance of work duties and responsibilities."

### I. EMPLOYEE INFORMATION

Employee Name (Last, First, MI)	Employee ID	Position Title
Department/Campus	Supervisor Name	Review Date
Review Type: Annual Review, Six-Month Review or Other; Identify Time period of performance evaluated: i.e., January 1, 2010 – December 31, 2010.		

### II. PERFORMANCE RATINGS

E	<b>Exceptional:</b> Consistently exceeds performance expectations.
HE	<b>Highly Effective:</b> Consistently meets and at times exceeds performance expectations.
P	<b>Proficient:</b> Consistently meets performance expectations.
NI	<b>Needs Improvement:</b> Inconsistent performance; at times meets expectations and at times falls below expectations
II	<b>Insufficient Information:</b> May be used when employee is too new to evaluate, or if employee has been gone for an extended period of leave rating—examples: "employee too new to rate", "supervisor too new to rate", "job duty recently assigned and too new to rate", etc. Supervisors must explain an N/A rating—examples: "employee too new to rate", "supervisor too new to rate", "job duty recently assigned and too new to rate", etc.
N/A	<b>Not Applicable:</b> May be used when a specific performance factor does not apply to the job.

### III. INSTRUCTIONS

**The employee's position description is the supervisor's reference for rating all of the duties and factors that appear in this document.**

1. Review the performance evaluation format and the instructions below. Compile any department files or other relevant information (i.e., previous evaluations, supervisor file, position description, etc.).
2. When assessing each performance factor, consider only those aspects of the employee's performance in the specific area being evaluated. For example, an employee can earn an "E" rating for "Job Knowledge", and a "NI" rating for attendance. When evaluating attendance, do not consider time away from work that is protected by Federal or State Law (i.e., Family Medical Leave Act or Americans with Disabilities Act, etc.)
3. To assign an "NI" rating in any area, documentation of a previous counseling session between the supervisor and employee must exist to support the rating, or a plan of action that has been discussed with the employee during the evaluation meeting (See Section VII below) must be attached to this evaluation.
4. Meet with employee to discuss evaluation contents and goals for the upcoming year.



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5. Employee may make comments within 30 days from date of evaluation meeting. Comments may be made on the evaluation form and/or on an additional sheet of paper. Employees may request a meeting with the second level supervisor or a Human Resources representative regarding the evaluation contents.
6. Request the employee’s signature to acknowledge that a copy of the completed evaluation has been received by the employee. The signature indicates receipt of a copy, not agreement with contents of the evaluation. If an employee refuses to sign, note the refusal on the form and forward to Human Resources.
7. The supervisor must **forward the original, performance evaluation and all attachments to Human Resources for review and inclusion in the official personnel file.**

**IV. RATE ESSENTIAL FUNCTIONS – COMPLETED FOR ALL EMPLOYEES.**

Position description should be attached OR duties in the position description should be inserted below.

**Essential Functions:** These are the duties articulated in the position description (PD) of the employee during this evaluation period. You may attach a copy of the PD in lieu of inserting essential functions below.

**Comments:** Insert comments that illustrate reasons for the rating; discuss the results that the employee achieved in relation to essential functions. In the box to the right, rate the performance for each major area (E, HE, P, NI, II, N/A). Each rating of “NI” or “E” should be accompanied by comments to document the rationale for this rating. If assigning an “NI” rating, please refer to Instruction #3 on the previous page for further instructions.

<p><b>Essential Function 1: (insert from PD)</b>  <u>Comments:</u></p>	<p><b>Rating:</b> ____</p>
<p><b>Essential Function 2: (insert from PD)</b>  <u>Comments:</u></p>	<p><b>Rating:</b> ____</p>
<p><b>Essential Function 3: (insert from PD)</b>  <u>Comments:</u></p>	<p><b>Rating:</b> ____</p>
<p><b>Essential Function 4: (insert from PD)</b>  <u>Comments:</u></p>	<p><b>Rating:</b> ____</p>
<p><b>Essential Function 5: (insert from PD)</b>  <u>Comments:</u></p>	<p><b>Rating:</b> ____</p>

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<b>Essential Function 6: (insert from PD)</b> <b><u>Comments:</u></b>	<b>Rating: _____</b>
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ATTACH ADDITIONAL SHEETS IF NEEDED.

**POSITION DESCRIPTION REVIEW SECTION - (Please check the appropriate box.)**

- Employee Position description has been reviewed during this evaluation and no changes have been made to the Position description at this time.
- Employee Position description has been reviewed during this evaluation and modifications have been proposed to the position description and entered into UAKJobs. Position description will be processed through the appropriate channels and approvals.

**V. RATE OTHER PERFORMANCE FACTORS – COMPLETED FOR ALL EMPLOYEES**

Every employee should be rated on the performance factors below in addition to rating their specific position description duties in section V above. Please indicate if employee is too new to rate or if supervisor has insufficient information to rate. Any rating of “NI” or “E” should be accompanied by comments to document the rationale for this rating. If assigning an “NI” rating, please refer to Instruction #3 on the previous page.

<b>Job Knowledge:</b> Possesses and applies knowledge of current requirements, methods, techniques and skills. Understands how work relates to and affects internal/external areas. <b><u>Comments:</u></b>	<b>Rating: _____</b>
<b>Planning and Organization:</b> Effectively sets objectives and priorities within area of responsibility; forecasts needs; identifies key tasks and sequential steps; manages time and resources efficiently; effectively handles the requirements of multiple or competing tasks. <b><u>Comments:</u></b>	<b>Rating: _____</b>
<b>Work Quality/Quantity:</b> Produces adequate quantity and quality of work. Timely completion of assignments, ability to follow directions, accuracy, attention to detail, follow-through, and thoroughness; meets commitments and deadlines <b><u>Comments:</u></b>	<b>Rating: _____</b>
<b>Problem Solving:</b> Identifies, evaluates, and researches problems, and recommends solutions. Seeks input or assistance when appropriate. <b><u>Comments:</u></b>	<b>Rating: _____</b>

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<p><b>Communication:</b> Effectively conveys information to others by written and verbal means, practices active listening. Builds effective relationships.</p> <p><b>Comments:</b></p>	<p><b>Rating:</b> ____</p>
<p><b>Decision Making:</b> Consistently uses good judgment in gathering, analyzing and acting on relevant information in a timely manner.</p> <p><b>Comments:</b></p>	<p><b>Rating:</b> ____</p>
<p><b>Attendance:</b> Adheres to work schedule; attendance is punctual and consistent.</p> <p><b>Comments:</b></p>	<p><b>Rating:</b> ____</p>
<p><b>Adaptability:</b> Flexible under changing conditions (new people, ideas, tasks, priorities, etc.). Anticipates and prepares for change.</p> <p><b>Comments:</b></p>	<p><b>Rating:</b> ____</p>
<p><b>Safety and Risk Management:</b> Applies proper analysis and takes action to mitigate or where appropriate eliminate undue risk or contingent liability. Observes safety rules and safe work habits. Identifies safety problems to appropriate staff.</p> <p><b>Comments:</b></p>	<p><b>Rating:</b> ____</p>
<p><b>Initiative:</b> Completes assignments and takes constructive action without prompting. Seeks challenging assignments, self-development, and learning opportunities.</p> <p><b>Comments:</b></p>	<p><b>Rating:</b> ____</p>

**VI. RATE LEADERSHIP/SUPERVISORY PERFORMANCE FACTORS – COMPLETED FOR SUPERVISORY EMPLOYEES ONLY– (Does not include lead positions)**

The factors below should be rated only if the employee holds a supervisory position. Evaluators are encouraged to seek feedback from subordinate employees when rating the below supervisory factors. Delete this section if it does not apply to the employee.

<p><b>Leadership:</b> Directs, motivates and appropriately influences others to achieve the relevant mission; serves as credible role model, displaying and instilling a positive attitude; sets high standards for self, group and others; builds a strong sense of teamwork, purpose and group identity; encourages subordinate input and participation; ability to facilitate necessary change.</p> <p><b>Comments:</b></p>	<p><b>Rating:</b> ____</p>
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<p><b>Employee Management:</b> Effectively delegates work and responsibility to appropriate staff, clearly communicates goals and expectations; ensures staff are kept informed of relevant information, engages in two-way communication; effectively handles personnel issues; recognizes the achievements of others; routinely provides constructive and on-going feedback on job performance; completes annual performance appraisals in a timely manner; applies policies and procedures equitably to staff.</p> <p><u>Comments:</u></p>	<p><b>Rating:</b> ____</p>
<p><b>Training &amp; Development:</b> Identifies training needs, provides educational/training opportunities to ensure employee success; develops capabilities of staff.</p> <p><u>Comments:</u></p>	<p><b>Rating:</b> ____</p>
<p><b>Resource/Budget Management:</b> Ensures that University resources are used consistent with cost versus benefit considerations; seeks, identifies and acts on opportunities for cost efficiency; routinely analyzes work activities for efficiency and effectiveness; achieves desired results within constraints.</p> <p><u>Comments:</u></p>	<p><b>Rating:</b> ____</p>
<p><b>Application of Policy &amp; Procedure:</b> Demonstrates knowledge of relevant policies, regulations and procedures and enforces consistent application within the department; makes effective decisions and exercises discretion consistent with relevant policy, regulation, unit responsibilities and goals.</p> <p><u>Comments:</u></p>	<p><b>Rating:</b> ____</p>
<p><b>University &amp; Community Relations:</b> Effectively coordinates and works cooperatively within the University community and where relevant with external agencies and community organizations.</p> <p><u>Comments:</u></p>	<p><b>Rating:</b> ____</p>

**VII. ACTION PLAN/TRAINING, DEVELOPMENT, IMPROVEMENT GOALS:**

Summarize any specific projects, performance objectives, or training and development plans for the next evaluation period. Although this section must be completed for all NI ratings (see Instructions, Section III, Paragraph 3 above), it should be completed for all employees to plan for training and development in the next evaluation period.

**VIII. SIGNATURES/APPROVALS**

Supervisor Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Employee Review:** The contents of this form have been reviewed with me. I understand whether or not I agree with this evaluation I may enter my opinions here or on an attached sheet of paper delivered to HR within 30 days from the date of my evaluation meeting. I understand that I have the right to discuss this evaluation with a Human Resources representative and/or to discuss this evaluation with the second level supervisor.

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Employee Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Employee Comments: (use back or attach additional sheet(s), if necessary)**

Human Resources Reviewer Name: \_\_\_\_\_ Signature: \_\_\_\_\_ Date: \_\_\_\_\_

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