

University of Alaska
Approved FY10 Operating Budget Development
Guidelines and Process

Guidelines

The Operating Budget Request Guidelines incorporating a longer term 3 to 5 year budget planning horizon will be used to align the University of Alaska's Budget Request with existing resources to maximize progress toward the Board of Regents' strategic plan goals, while simultaneously maintaining administrative and program efficiencies.

The State is setting its course for the next thirty years. A strong University System is a key element for the State's success. Through preparing the workforce, providing expertise and leadership in a variety of fields, and serving as the driving force for research in Alaska, the University of Alaska (UA) contributes significantly to the State's economic success and its citizen's quality of life.

UA is committed to meeting State workforce needs by delivering programs responding to employment growth expected over the next five years as well as setting a foundation for the future. UA's competitive research capacity is remarkably situated to address State, Arctic, and global solutions, particularly in climate change mitigation and adaptation, and energy. Research will continue gaining prominence through International Polar Year (IPY) activities.

The UA Operating Budget Request will include compensation and other fixed cost increases for maintaining existing programs and services, as well as program growth requests will be driven by the program enhancement priorities with continued emphasis on three themes:

- Preparing Alaskans for the State's High Demand Jobs
- Enhancing Competitive Research and taking advantage of UA's position in the International Polar Year (IPY) and benefits of research as an industry in Alaska
- Enhancing Student Success and College Readiness with an emphasis on increasing student enrollment

In addition, within each of these three themes there will be greater attention on strategies to align public service and outreach efforts.

To ensure UA's resources are used most effectively to meet State needs, greater emphasis is being placed on systemwide planning efforts similar to the collaborative planning processes in place for health and engineering. Through this participatory process, each MAU will be represented in the budget process to accomplish its underlying mission and strengthen the MAU and campus compelling strategic advantages.

Proposed systemwide planning groups include:

Preparing Alaskans for Jobs:

- Health
- Engineering and Construction
- Career and Vocational Tech. Workforce (other, OEC, CT and Associate regional needs)
- Teacher Education

Alaska Relevant Research (inclusive research planning group)

- Climate, Energy, Engineering, Natural Resources, Biomedical/Health Enhancing Student Success and College Readiness

Below are proposed funding level ranges by priority area:

Planning Groups	FY10 Request Range	FY11 – FY13 Range Cumulative
Health	\$2-\$3 million	\$6-\$8 million
Engineering and Construction	\$1-\$2 million	\$3-\$4 million
Career and Tech. Workforce (other)	\$0.5-\$1.5 million	\$3-\$4 million
Teacher Education	\$0.1-\$0.7 million	TBD
Student Success	\$1-\$3 million	TBD
Research	\$2-\$5 million	\$10-15 million
Outreach, Engagement, Cooperative Extension, K-12 linkage	To be aligned and incorporated with groups above (see page 5 and 6)	
MAU Specific Strategic Priorities	\$1-\$2 million	\$3-\$5 million

Factors to be considered in final request include demonstrated efficiency and effectiveness of existing programs, ability to successfully execute program request, strategic linkage to and impact on meeting performance goals, and responsibility for executing systemwide priorities.

Additionally, the following mechanisms will be used throughout the year to maintain UA’s high standard of accountability and transparency:

- Performance assessment and performance measure tracking
- Annual operating and management reviews
- Systemwide academic program planning and monitoring
- Administrative process improvement project tracking
- Systemwide internal and external reviews

Process Considerations

Integration of Performance Assessment/Performance-based budgeting (PBB): Each MAU will control the distribution of its performance funding pool, to be used in support of performance-related strategies. One percent of general funds are the expected funding pool size, although annual circumstances will dictate exact amount, which will be determined and reported by the MAU. These performance funds can be allocated to appropriate strategic investments and be reported as part of the overall performance and accountability process. In the event that program requests are not legislatively funded, it is expected that reallocated performance funds will be considered as a source toward those stated budget priorities.

In conjunction with UA's existing system performance measure, MAU's are encouraged to add strategy-specific measures gauging effectiveness of major initiatives to achieve long term goals – for example UAA desires instructional and service grant activity in addition to external research and UAF asked for metrics for enrollment and retention on distinct student cohorts. Starting with the FY10 budget and planning process, MAU reporting requirements will transition to the State's performance reporting format. Additional elements previously required in performance reports will be incorporated into bi-annual MAU reviews (Fall-Financial Review, Spring-Operating Review).

Expected Outcomes: To more clearly articulate anticipated outcomes into the planning process, each planning group will create a 1 to 3 page summary. The summary document, similar to the one produced for the health planning group last summer, will be developed by the appropriate planning group facilitator and lead, with review by the President's Cabinet. There will be various levels of detail depending on the maturity of the discipline planning to-date, and in addition to addressing planned outcomes it will include basic statistics such as current funding level, efficiency ratios, and past investments.

In addition, each Chancellor will submit a 1 to 3 page summary for the MAU which will also be reviewed at the President's Cabinet. The MAU summary of expected outcomes will recognize MAU priorities and compelling advantages, particularly those that align most directly to SW planning group areas, the system performance goals, the BOR strategic plan goals, and will help align the internal MAU budget process with the systemwide process. The MAU summary will also include the role of each campus in addressing the anticipated outcomes of the SW planning groups.

Each planning group will have a statewide person assigned to it as a facilitator, an MAU-based lead or co-leads, campus/program representatives, and service/outreach representatives (see the planning group roles and responsibilities with draft recommendations for leads and SW facilitators, with campus/program representative TBD pages 5 and 6).

Full Cost/Fixed Costs/Administrative Requests: Full Cost/Fixed Costs/Administrative Requests will be developed using systemwide standards. Meetings of Vice Chancellors and key budget and SW personnel are occurring in March to review current practices. Information Technology (IT) and business process improvement initiatives will be vetted through the Administrative Process Executive Group (APEG), Information Technology Council (ITC), and Business Council (BC) respectively. No request range will be set on these requests, however, it is important to know that few administrative increases are funded and the need to reallocate to address these improvements is predictable.

Process: The web-based budget request submission process used last year will be used again this year. Each MAU must submit all requests related to their campuses including those that are part of a SW Planning Group. In the event that the request involves more than one MAU, each MAU should submit an identical request. The process will be iterative.

Timeline:

- March 7: Instructions to SW Planning Groups and Chancellors providing outline for one-page outcomes summary
- April 11: Planning Group leads submit Draft expected outcomes summary to SW (1-3 pages)
- April 16: Chancellors submit Draft summary of MAU expected outcomes (1-3 pages) for review at the President's Cabinet Meeting April 16.
- April 17: BOR approval of the FY10 budget guidelines with 3-5 year outlook
- April 25: Planning Group leads submit final summary to SW
- Late April: Chancellors submit final summary for MAU in conjunction with Operating Review
- Late April: MAU Operating Reviews: FY08 Status Review: FY09 Expectations: FY10 -13 Plans
- May-July: Planning Group Meetings and MAU Budget Development
- August 1: Submit FY10 Budget Request and FY11-13 Planning Horizon considerations
- August 5th Face to Face MAU Budget Request Briefing
- August 11th BC, SAC, RAC, SSC, ITC, FAC review of priorities

FY10 Budget and Planning Guidelines Planning Groups Roles and Responsibilities:

Planning Group MAU-based Lead/Co-Lead:

Role: Serves as the chair of the planning group.

Responsibilities:

- Acts as the primary spokes person for the planning group.
- Communicates progress and issues of the planning group at various budget and planning meetings.
- Communicates progress and issues of the planning group at President Cabinet meetings.
- Contributes to and assures criteria are established for the prioritizing program requests.
- Assures the various campus issues are addressed in the planning process.

Statewide Facilitator:

Role: Supports and coordinates planning group meetings, and serves as primary liaison between the planning group and the President, Planning and Budget Office, and SW executive staff.

Responsibilities:

- Provides support to the MAU-based lead for planning group activities.
- Assures planning group is aware of deadlines and process requirements.
- Assures the various campus issues are addressed in the planning process.
- Provides assessment of program requests within the established criteria.
- Provides input, feedback, and perspective regarding criteria, program alignment, and system overview.
- Communicate progress and issues of the planning group at various to and the President, Planning and Budget Office, and SW executive staff.

Campus-based Planning Group Representatives:

Role: Represent campus program needs and provide program specific expertise.

Responsibilities:

- Submit campus program/budget request proposal for planning group consideration.
- Inform campus leadership and budget personnel of all MAU program requests forwarded to the planning group.
- Provide expertise, advice, and information required for planning group activities.
- Keep campus leadership and budget personnel aware of how all MAU program requests are being considered/ranked by the planning group so that those likely ranking high are being considered in the campus/MAU budget request.

Public Service/Outreach/Engagement Representatives:

Role: Assure formal public service and outreach offices emphasize and are aligned with program priorities.

Responsibilities: Provide input and recommendation to strengthen outreach and service activities in support of the overall program group goals. May prompt related budget requests to be considered by the planning group.

Participation: It is expected that Cooperative Extension, UAA Engagement, and KUAC personnel will participate in each of the planning groups. In addition, all group members should advance appropriate service/outreach activities in conjunction with program proposals.

Planning Group Leads and SW Facilitator

Planning Group MAU-based Lead	Statewide Facilitator	Campus Representatives and Service/Outreach Representatives¹
Health Fran Ulmer, UAA Chancellor	Karen Perdue	Use the group currently in place plus Service and Outreach Reps.
Research (AK Relevant) Climate, Energy, Natural Resources/IPY Steve Jones, UAF Chancellor	Dan Julius	TBD, Climate has a group started - add to that established group
Teacher Education John Pugh, UAS Chancellor	Melissa Hill	TBD – Deans, Teacher Mentoring
Student Success (Co-leads) Mike Driscoll, UAA* Dana Thomas, UAF James Everett, UAS	Dan Julius	Use the group currently in place plus Service and Outreach Reps. *Linda Lazzell will serve as a MAU based co-lead in Mike Driscoll’s absence
Engineering and Construction (Co-Leads) Rob Lang, UAA Doug Goering, UAF	Fred Villa	Use the group currently in place plus Service and Outreach Reps.
Workforce Development (Co –leads) Karen Schmitt, UAS Bernice Joseph, UAF TBD, UAA	Fred Villa	TBD

Additional Notes:

1. Service/Outreach/Engagement Representatives: Alaska Cooperative Extension, KUAC, and UAA Engagement representatives will be invited to participate in all 6 of the planning groups. Small Business Development Center (SBDC), Center for Economic Development and other units focused on external partnerships may also attend. Additionally, campus program representatives and campus leaders are encouraged to define the service activities that will take place when a program is proposed.
2. It is encouraged that each group identify existing external advisory groups that should be informed and/or consulted throughout the process. The broader awareness of existing program performance and the next logical programs step, the stronger our chances are to be successful.
3. Programmatic areas will be incorporated into an overall academic plan for the University of Alaska being led by Dan Julius, VPAA

Planning Groups Expected Outcomes Document Instructions

Guiding Principles

Since this process is running parallel to the MAU budget process it is understood that this document may be revised to incorporate the MAU expected outcomes document. This is a draft document and these are not expected to be static documents but will evolve as more information becomes available. The health, engineering, and student success groups are more mature in the planning process, with health being the most mature. It is anticipated that the structure of the summary document for these groups will be more refined than the other areas, and will help serve as models as the other groups develop.

Areas to address

- Briefly discuss current status of programs in the discipline area
- What are the criteria for evaluating the requests that are forwarded?
 - Below are examples of criteria for review used for the FY09 Health Review:
 - Data driven
 - State need for program or expansion
 - Consistent with the Academic Plan
 - Employer partners/site readiness
 - Sustainability
 - Program readiness
 - What is needed to get students ready—pipeline activities?
 - Induced course load/GER capacity
- Must clearly demonstrate quantitative effect program request will have on relevant common, systemwide performance measures.
- What strategy specific sub-metric(s) will be tracked to measure intermediate progress toward moving systemwide metric goals? For example, a budget request for a new high-demand program might track applications and enrollment in the program as an indicator of eventual increases in high-demand graduates.
- Provide an assessment of State need as specific as possible given the maturity of the planning group area.
 - What is the immediate need?
 - What is the 3-5 year outlook?
- What programmatic areas are most likely to generate the support needed to obtain legislative funding?
- What programs would leverage existing strengths at each of the MAUs?
- What programs would return the most positive results for a reasonable investment?
- Discuss the current service gaps in the program planning group area (i.e. Teacher Education-Special Education)
- What are the future facility requirements including infrastructure and information technology associated with the program?

Timeline

Please submit this document to Statewide Planning and Budget no later than April 11th. This document will be discussed at the April 16th President's Cabinet Meeting with the Chancellors and the Vice Presidents and be distributed as a draft informational item to the Board of Regents in the context of the FY10 Operating Budget Request Guidelines approval at the April 17th Board of Regents meeting.

Chancellor's Expected Outcomes Document Instructions

Guiding Principles

- Since this process is running parallel to the Statewide Planning groups process it is understood that this document may be revised to incorporate the Statewide Planning groups expected outcomes document. These are not expected to be static documents but will evolve as more information becomes available.
- This document demonstrates the alignment of the MAU's key goals to the system priorities.

Areas to address

- MAU priorities and compelling advantages aligned with SW planning group areas (listed below) – incorporate appropriate Outreach, Cooperative Extension, K-12 linkage
 - Health
 - Engineering and Construction
 - Career and Tech. Workforce (other)
 - Teacher Education
 - Student Success
 - Competitive Research
- The BOR strategic plan goals including system performance measures
- Specific MAU strategy measures (i.e. Anchorage requested external sponsored program expenditures in addition to external sponsored research, Fairbanks wanted Bacc. retention rates, and specific external research measures)
- Role of each campus in addressing the anticipated outcomes of the SW planning groups
- MAU 3-5 year outlook
- Future facility requirements including infrastructure and information technology
- Identify planning assumptions, environmental scan, key internal and external conditions

Timeline

Please submit this document to Statewide Planning and Budget no later than April 15th. This document will be discussed at the April 16th President's Cabinet Meeting and be distributed as a draft informational item to the Board of Regents in the context of the FY10 Operating Budget Request Guidelines approval at the April 17th Board of Regents meeting.