

UNIVERSITY OF ALASKA

October 16, 2019

TO: Chancellor Caulfield, Chancellor Sandeen & Chancellor White

FROM: Jim Johnsen

COPY: VP Rizk, VP Layer, CFO Dosch

As outlined in the compact signed by the Governor and Chair Davies on behalf of the Board of Regents, UA's expected budget reduction for FY21 is \$25 million. This will bring UA's unrestricted general fund total to \$277 million.

The draft budget request for Board approval on November 8th also includes a \$5 million reallocation for strategic initiatives to support the Board of Regents Goals and Objectives, for a total reduction of \$30 million. I requested your input on options for distributing this reduction to the universities (to be provided by 10/21/19) and I look forward to seeing your plan for allocation of budget reductions within each university by the date provided below (1/6/2020).

The FY21 budget also includes compensation adjustments of approximately \$7 million that will need to be funded through reallocation within each university.

In preparing your allocation plan to meet the FY21 budget reduction, please consider how your plan will support the Board of Regents Goals and Objectives (attached) and how our faculty, staff, and student representatives will participate in your process. Here's an overview of the timeline for preparation, review, and presentation of your FY21 budget allocation plans.

- 10/21/19 Chancellors provide input on method for distribution of FY21 reduction to the universities.
- 10/28/19 Executive Council in person meeting, discussion of FY21 budget request and budget allocation.
- 11/1-1/3/20 FY21 university level budget allocation planning.
- 11/8/19 Board of Regents meeting. Approval of FY21 budget request.
- 1/6/20 Chancellors submit FY21 budget allocation plan to President, discuss at Executive Council meeting.
- 1/6-1/10/20 President consultation/consideration of proposed plans.
- 1/10/20 President's proposed FY21 Budget Allocation Plan posted for BOR.
- 1/17/20 Board of Regents meeting. President and Chancellors present proposed FY21 budget allocation plan for discussion by the Board of Regents.

UNIVERSITY OF ALASKA
Board of Regents
Goals and Objectives

Board of Regents Goals:

1. Contribute to Alaska's economic development
2. Provide Alaska's skilled workforce
3. Grow our world class research
4. Increase degree attainment
5. Operate more cost effectively

Board of Regents Objectives:

1. Students in all parts of the state will be able to access the full array of academic programs offered by System institutions:
 - Some will be online rather than face-to-face
 - The exceptions will be those programs that require considerable hands-on experience with specialized equipment
2. These students will be provided the student support services (concierge services) they need to successfully take advantage of this array of academic services.
3. Programs that require hands-on instruction will be provided in communities throughout the state where:
 - Local employers can demonstrate a demand for program completers
 - There is sufficient student demand to make the program economically viable. In cases where student demand is not sufficient to ensure economic viability, the program may still be offered if local community or employers provide the necessary "bridge" funding
4. The university will be a much more user-friendly institution. While further discussion with stakeholders will be required, these are the minimum characteristics:
 - A single admission form/process for admission to System institutions
 - A single point of contact to arrange for Student Financial Aid
 - No requirement for separate admission to each institution in which a student chooses to enroll
 - Seamless transfer of courses
 - "Guided Pathways" - once a student selects a program of study, they will be presented with a clear sequence of required courses
 - A common General Education core
5. Common course numbering and standard course blocks.
6. Courses in the General Education core will be reengineered as hybrid courses and designed to:
 - Be delivered across the System
 - In ways proven (e.g., by NCAT) to deliver superior learning outcomes at substantially reduced costs
7. Any stakeholder of the University – students, employers, citizens – will have a single point of contact:
 - Front line staff in administration and student services will be generalists.
 - Specialists will serve as trainers of, and consultants to, the generalists.
8. The university will educate individuals who can meet the workforce needs of the state:
 - For job entry positions
 - Public sector – e.g., teachers
 - Private sector – e.g., health care professional, skilled trades, etc.
 - Retraining of incumbent workers
9. The University will continue to do world-class research and develop additional capacity in niche areas important to the future of Alaska.
10. We will serve as an engine of social mobility for historically underserved population. Gaps in participation and completion for these populations will be closed.
11. We will seek excellence in all functions of the University, both academic and administrative.