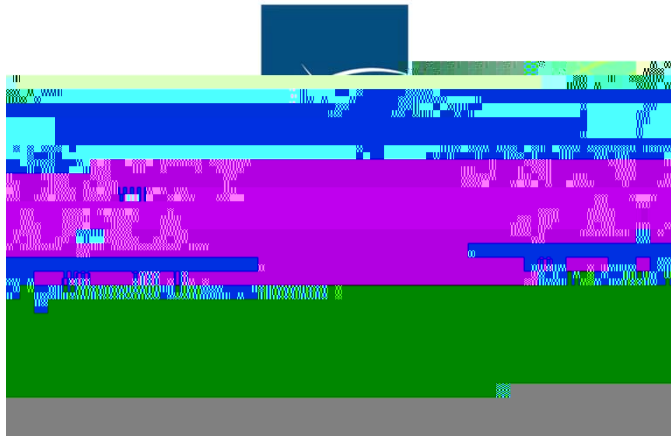


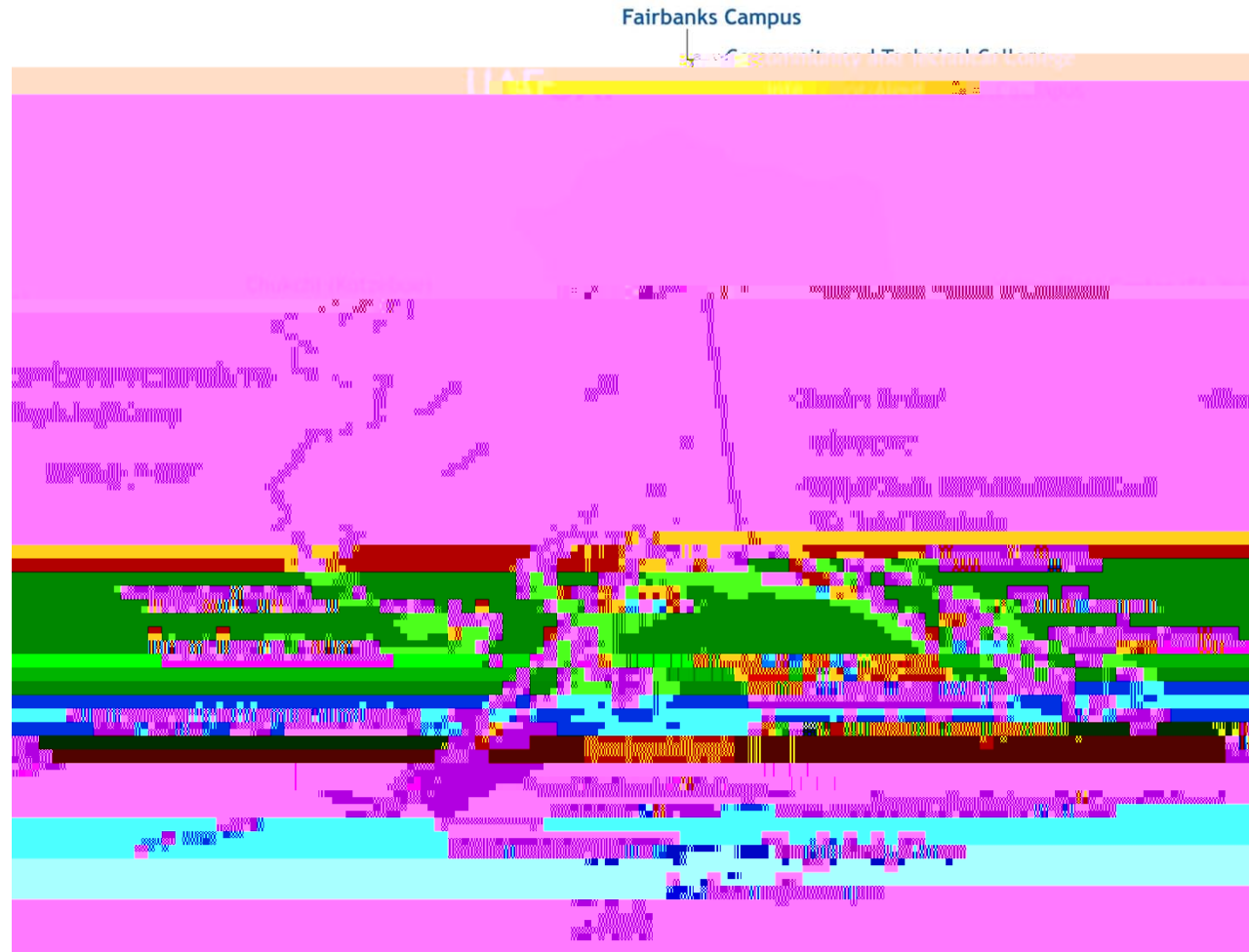


FY16 Budget Overview

House Finance Committee
January 29, 2015



Serving All Alaskans



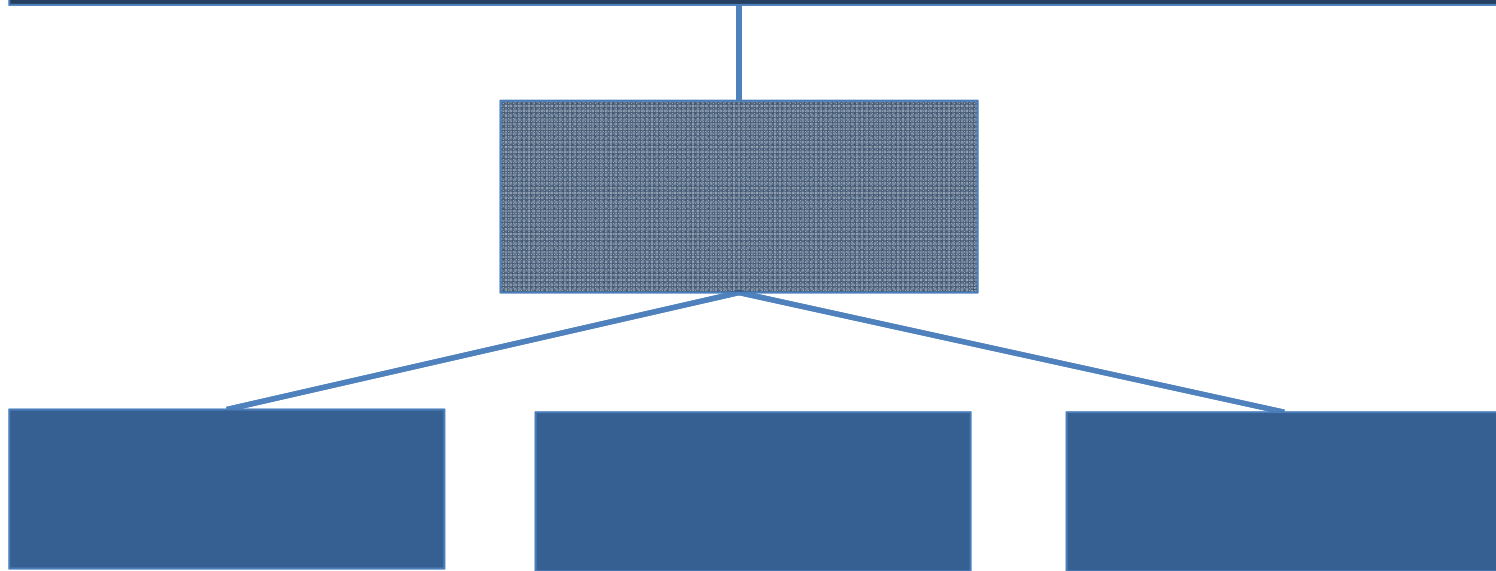
3 universities; 12 community campuses;
numerous outreach centers



Top Level Organizational Chart

Board of Regents

Jyotsna Heckman, Chair; Mike Powers, Vice Chair; Kenneth Fisher, Secretary; Gloria O'Neill, Treasurer; Dale Anderson; Sheri Buretta ;



Shaping Alaska's Future

It's our map for navigating the challenging terrain ahead. It will guide decisions about people, programs and resources at UA for years to come.

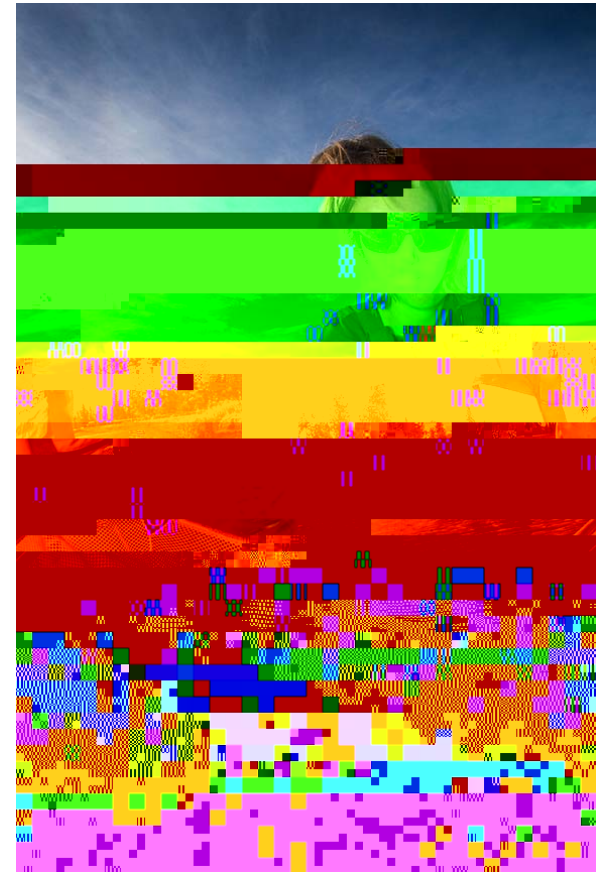


Shaping Alaska's Future

A strong university system is essential to a healthy and growing economy and way of life.

That strength is measured by:

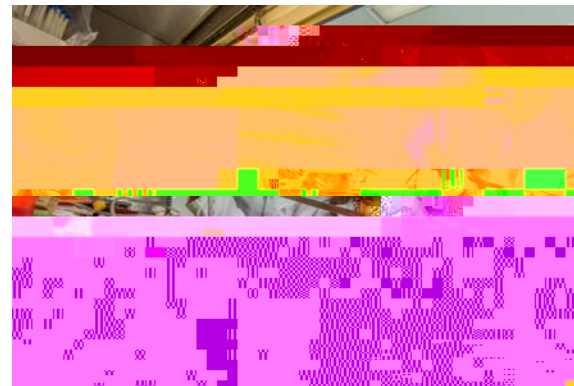
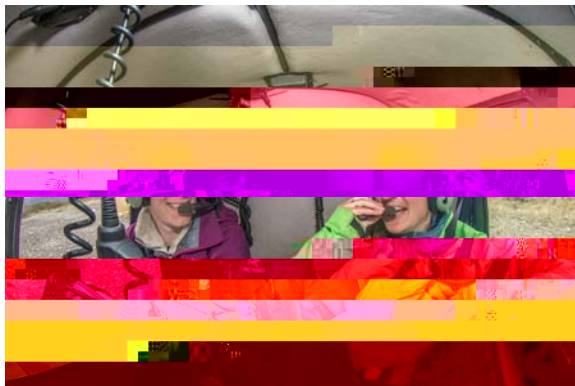
- The number and quality of our graduates at every level
- Our results in meeting the workforce and research needs of Alaska
- Our partnership with others in tackling the state's challenges and opportunities



FY16 Budget

Focused on a core, continuing to deliver best ever results, building a reputation for excellence.

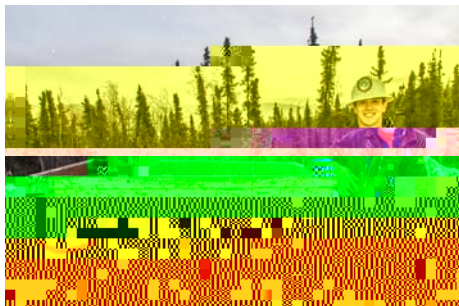
- Student experience, retention, and success
- Data-driven decision making, program and training prioritization, meeting Alaska's business requirements
- Research and partnerships to enhance Alaska's communities and economic growth



Core Services and the FY16 Budget

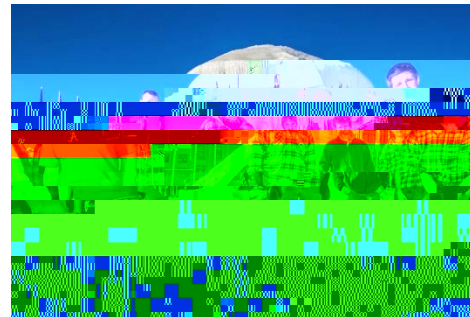
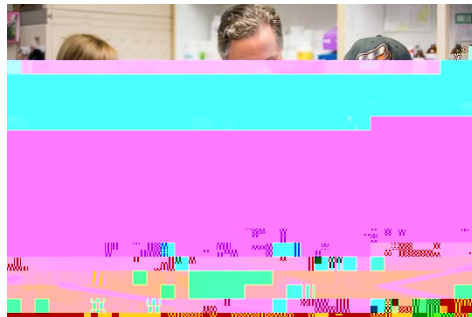
Our core programs, those where the university is strongest, must continue on to meet state and student needs until the pressure eases.

- Workforce Development
- Research and Development
- Cultural Scholarship and Preservation
- Community and Industry Partnerships



Achieving New Results

- UA percentage of total degrees that are STEM, 6th in the U.S for public institutions.
- UAA 2015 list of the best online programs for master's degrees in education.
- UAA ranked by US News and World Report in the top 5% out of 1421 institutions in the Western Region.
- UAA Experimental Economics ranked 10th in the nation.
- UAS 2015 list Best Online Teaching Degrees.
- UAF Homeland Security and Emergency Management (HSEM) program, ranked as 2nd in the US for affordability of program and 5th in the US for quality of program.
- UAF research publications and citations on Arctic research top not only the nation, but are also #1 in the world!



How to Strengthen the Core?

Address the higher education paradigm shift:

- keep building value and accountability
- a balance of tuition and fees
- compete, stay relevant, embrace institutional excellence, service

Establish partnerships:

- the State of Alaska, federal government, commercial businesses
- K-12 schools; other universities
- private industry

Build a reputation for excellence that will continue to attract students, excellent faculty, research dollars, and that give us a place at the table.



“Niches” – The Focal Points

- Research for Alaska’s needs
- FSMI – Alaska’s largest workforce
- Arctic Policy
- Aerospace
- Health Sciences
- Geo Sciences
- Land Grant Exploitation



The Model: Eliminate Cost+ Generate Revenue

- Prioritize and reallocate resources
- Space utilization: reduce leased space, consolidate
- Long-term facility management plan... Sightlines, university building fund, Land Grant Equivalency initiative
- Control energy expense



Challenges

- Readiness for college and/or workforce
- The “core”
- Communicating a positive message of quality and excellence while rightsizing staff and faculty, programs and departments, to meet a state budget reduction plan
- Addressing aging infrastructure
- Meeting the needs of public and private partners
- Preserving the ability to invest for future returns in the “cut ... cut ... cut ...” environment



FY16 Operating Budget Challenges

Compounding effect of increased costs and funding reductions

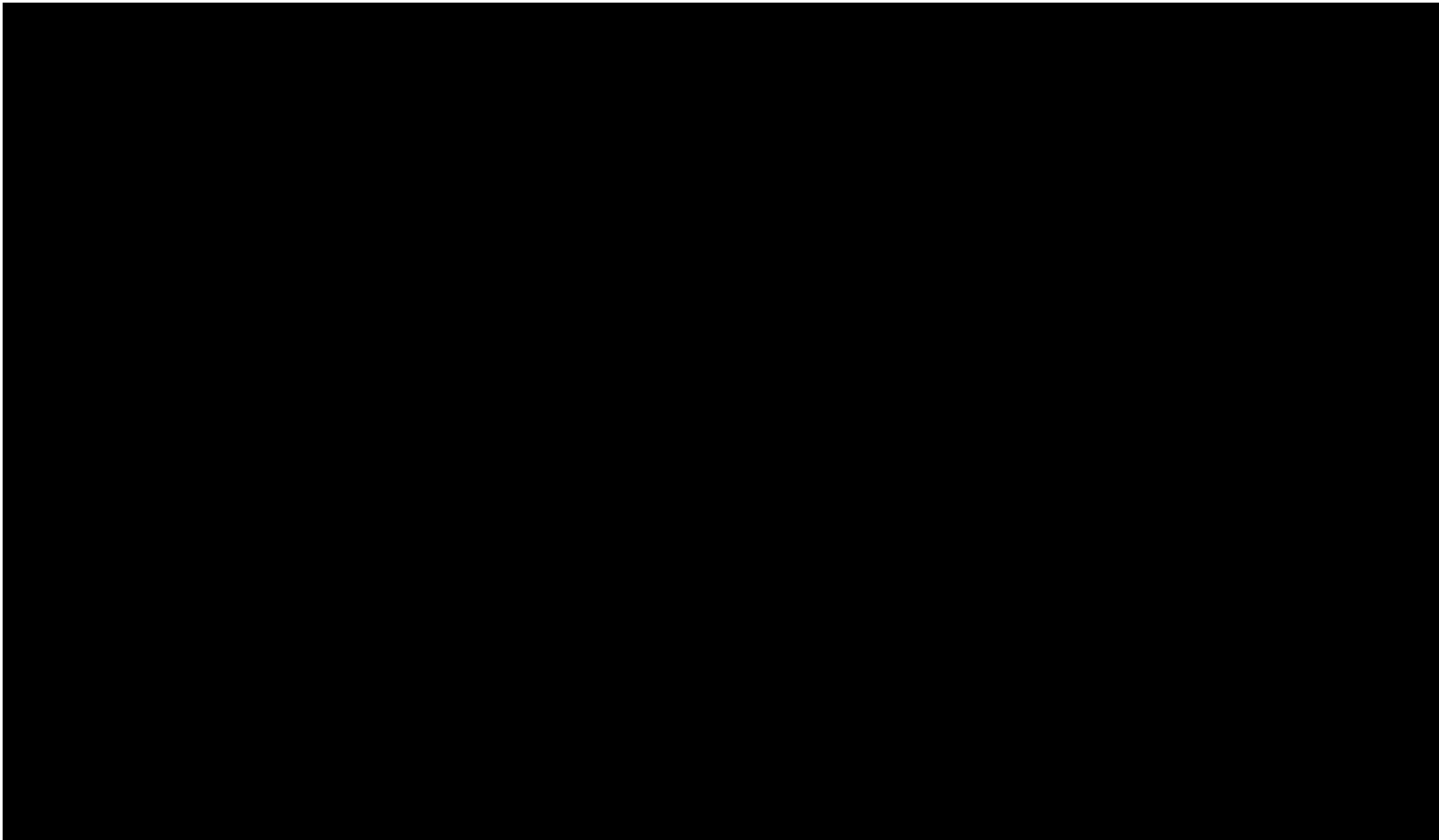
-25% Baseline Impact Illustration Over 3 Years (in millions of \$)

	Parnell	Parnell (WIP)	Estimate \$r Impact		
	FY15	FY16	FY16	FY17	FY18
GF Baseline Begin	371.3	370.6	373.3	361.2	324.8
GF Reduction %	-4.6%	-1.6%	-3.2%	-10.1%	-11.2%
GF Reduction \$	-17.0	-6.1	-12.1	-36.4	-36.3
GF Increment \$*	16.3	8.8	0.0	0.0	0.0
GF Baseline End	370.6	373.3	361.2	324.8	288.5
Fixed Cost	-11.4		-24.7	-11.0	-10.0
Effective GF Baseline	359.2		336.5	313.8	278.5
GF Reduction \$	-17.0		-18.2	-36.4	-36.3
Fixed Cost "must pays"	-11.4		-24.7	-11.0	-10.0
UA System Bogey	-28.4		-42.9	-47.4	-46.3

Baseline Reduced (3 years) -\$90.9 million

Grand Total -\$136.6 million

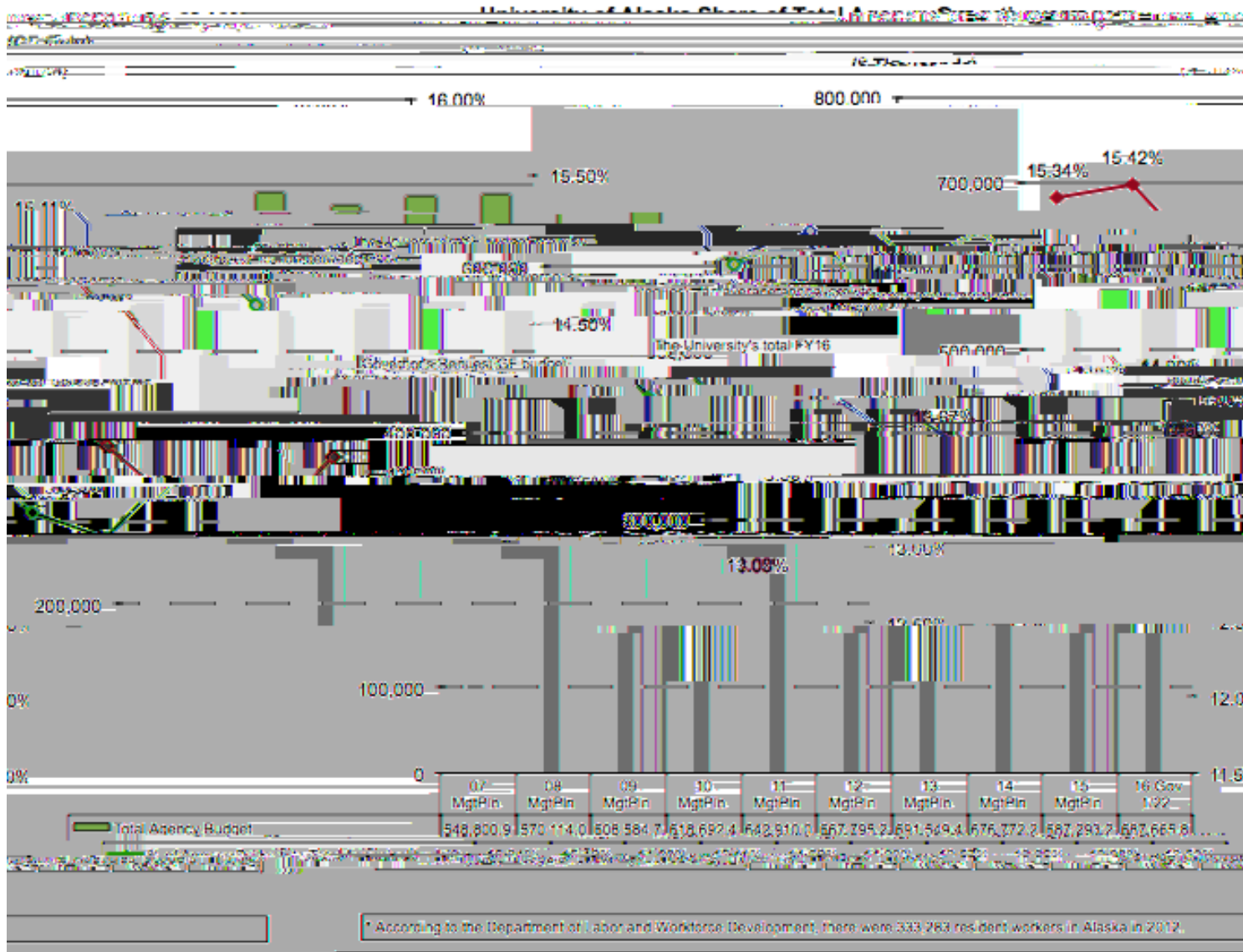
* Excludes \$0.3 million technical adjustment

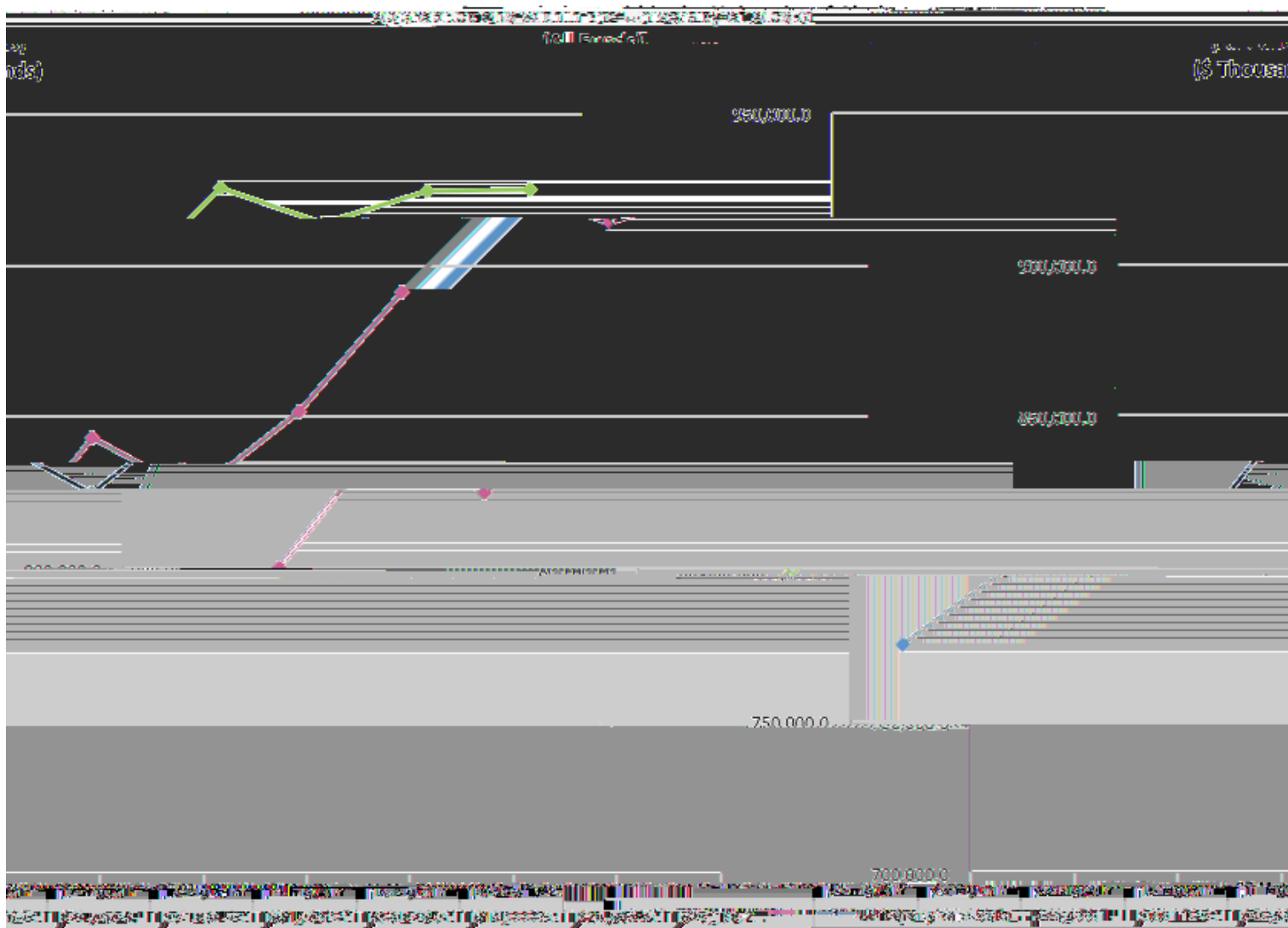




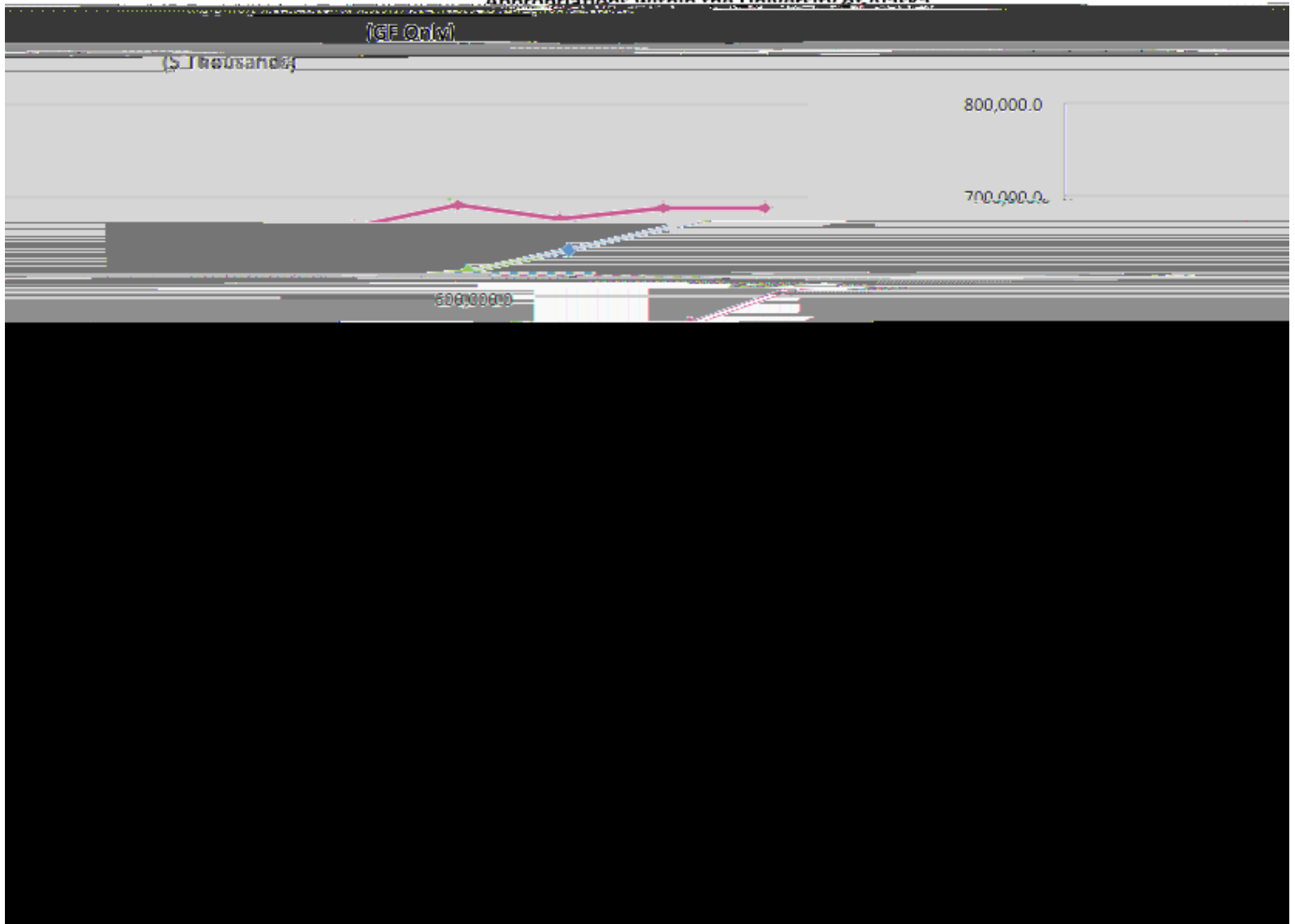
Graphs from the Legislative Finance Division

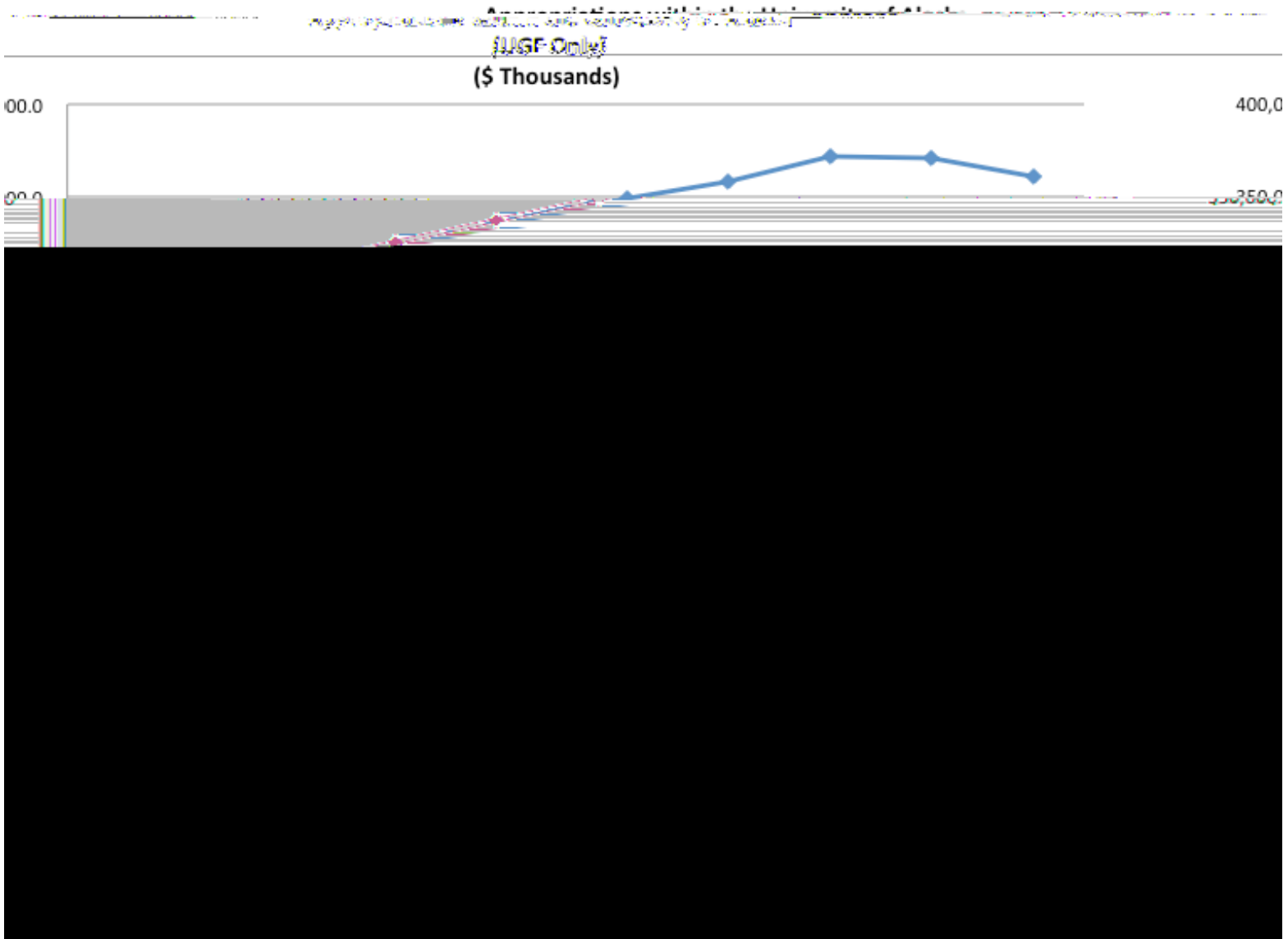






Appropriations within the University of Alaska





FY16 Capital Request

- Deferred maintenance funding

