

**ALASKA STATE LEGISLATURE
HOUSE EDUCATION STANDING COMMITTEE**

March 25, 2015

8:03 a.m.

MEMBERS PRESENT

Representative Wes Keller, Chair
Representative Liz Vazquez, Vice Chair
Representative Paul Seaton
Representative David Talerico
Representative Harriet Drummond
Representative Jonathan Kreiss-Tomkins

MEMBERS ABSENT

Representative Jim Colver

COMMITTEE CALENDAR

CONFIRMATION HEARING(S):

University of Alaska Board of Regents (BOR)

Sheri Buretta, Chugach
John Davies, Fairbanks
Lisa Parker, Soldotna
Andrew Teuber, Kodiak

- CONFIRMATION(S) ADVANCED

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

SHERI BURETTA, Appointee
University of Alaska Board of Regents (BOR)
Chugach, Alaska

POSITION STATEMENT: Testified as appointee to the University of Alaska Board of Regents (BOR).

JOHN DAVIES, Appointee
University of Alaska Board of Regents (BOR)
Fairbanks, Alaska

POSITION STATEMENT: Testified as appointee to the University of Alaska Board of Regents (BOR).

LISA PARKER, Appointee
University of Alaska Board of Regents (BOR)
Soldotna, Alaska

POSITION STATEMENT: Testified as appointee to the University of Alaska Board of Regents (BOR).

ANDREW TEUBER, Appointee
University of Alaska Board of Regents (BOR)
Kodiak, Alaska

POSITION STATEMENT: Testified as appointee to the University of Alaska Board of Regents (BOR).

ACTION NARRATIVE

[8:03:47 AM](#)

CHAIR WES KELLER called the House Education Standing Committee meeting to order at 8:03 a.m. Representatives Keller, Talerico, Seaton, and Vazquez were present at the call to order. Representatives Drummond and Kreiss-Tomkins arrived as the meeting was in progress.

CONFIRMATIONS: UNIVERSITY OF ALASKA BOARD OF REGENTS (BOR)

[8:03:59 AM](#)

CHAIR KELLER announced that the only order of business would be confirmations to the University of Alaska Board of Regents (BOR).

[8:04:58 AM](#)

SHERI BURETTA, Appointee, related that her family roots are in Tatitlek, and she grew up with time shared between there, Valdez, and Anchorage; graduating from East High School and continuing on to Anchorage Community College. In her position as Chairman of the Board for Chugach Alaska Corporation, she said she has been seated on the Alaska Federation of Natives (AFN) Board, served on the Prince William Sound (PWS) Regional Citizens Advisory Council (RCAC), as well as chairing the Alaska Native Claims Settlement Act (ANCSA) Regional Association. These experiences have solidified, in her mind, the importance of the University of Alaska System to people throughout the state, and she related her efforts in ensuring that the university offers Alaska Native history courses. She compared

the Chugach Corporation size and financial challenges with those of the university. The corporation is roughly the same size as the UA system and emerged from bankruptcy, thus providing her a firsthand, recent experience with reductions, downsizing, and implementing efficiencies. The timing, she stressed, is right for her to bring these understandings to the BOR, along with her knowledge of the educational needs of rural Alaskans and the Native community.

[8:08:23 AM](#)

REPRESENTATIVE SEATON noted that she has been the director for the Foraker Group, and the PWS RCAC and asked if either those experiences will be valuable as a regent.

MS. BURETTA responded that the understandings and perspectives she gained will be useful as a regent, noting the collaboration necessary to form working partnerships between agencies.

[8:10:16 AM](#)

REPRESENTATIVE VAZQUEZ asked the amount of the largest financial budget she has been responsible for in her career.

MS. BURETTA answered \$1.1 billion, which was reduced to \$600 million, an experience which, although challenging, provided learning opportunities.

REPRESENTATIVE VAZQUEZ said there is a need to prioritize the UA program offerings, and asked for comment.

MS. BURETTA held up a publication Shaping Alaska's Future, produced by the University of Alaska Offices of Academic Affairs and Public Affairs, May 2014, that she has been reviewing to gain an understanding of the situation and said community input will be important. To a follow-up question regarding geographic balance, she opined that the university system is diverse and far reaching. The needs of communities will need to be considered as efficiencies are sought.

REPRESENTATIVE VAZQUEZ reviewed the contents of the committee packet and noted the lack of a biography.

MS. BURETTA agreed to provide a resume.

[8:13:43 AM](#)

CHAIR KELLER returned to the need for program prioritization, as requested by the legislature, and asked for comment.

MS. BURETTA agreed that program offerings should be scrutinized, and elaborated that the process of growing and adding options is inherently easier than making cutbacks.

CHAIR KELLER expressed appreciation for her understanding of how to address budget reductions, and asked if she could offer any considerations that have not been suggested thus far.

MS. BURETTA said it is important to adopt a vision for doing more with less, and integrating that culture into a fearless approach to maintain a strong organization.

CHAIR KELLER inquired about her early life and whether she attended school in Tatitlek.

MS. BURETTA answered that she attended school in Anchorage.

[8:19:45 AM](#)

REPRESENTATIVE DRUMMOND expressed concern for the legislatures approach: targeting specific areas of the UA budget for cutbacks. She asked if a line item approach is viable, and how the regents will handle the mandate.

MS. BURETTA expressed her understanding that the university receives an allocated amount for appropriate disbursement by the university system. She said line item legislation is not appropriate, but suggestions for incorporation would be helpful.

[8:22:11 AM](#)

JOHN DAVIES, Appointee, said that his association with the university is long standing. He recounted his arrival in Alaska as a graduate student at the University of Alaska Fairbanks (UAF) Geophysical Institute. He also served in the Alaska House of Representatives for ten years and sat on the finance subcommittee for the university. Although wearing various hats, he recounted that his entire career has in some way been in association with the UA. He said he has seen the university from many perspectives and has a history and understanding of how the system works. It is a valuable institution for the citizens of Alaska, and represents a huge economic engine for the state, including the generation of funds for research grants. In the budget cutting process, it is important to

maintain a strong university. Downsizing will occur, but, at the same time, a commitment to quality and student services must be maintained, as well as a sustained focus on the economics of Alaska, which he said the university can help to ameliorate. Certainly programs will be prioritized, and efficiencies will be identified. There are many ways to economically improve how education is delivered and find ways to do more with less. Although it will be a difficult challenge, he said it is also an exciting time to serve and help make productive decisions.

[8:27:16 AM](#)

REPRESENTATIVE DRUMMOND referred to his ten years on the university budget subcommittee and asked whether budget cuts were necessary at that time.

MR. DAVIES recalled a time of growth that evolved into a six year period focused on maintaining a flat budget.

[8:28:47 AM](#)

CHAIR KELLER noted that from 2009 to current, annual increases have occurred. The regents will be selecting a new university president, and he asked what qualities will be sought in that individual.

MR. DAVIES responded that a search committee is currently receiving the nominations. The BOR will not be involved until the committee submits the final four names, in April. He said the criteria used by the search committee is not familiar to him, but he expects a focus will be brought to academia characteristics and managerial experience.

CHAIR KELLER noted the opportunity for influence that four new regents may be able to bring to the board.

CHAIR KELLER asked about the pay structure for the high level administrators of the university, pointing out that these appear to be excessive. Considering the cutbacks that are required, he asked for comment regarding evaluation of salaries.

MR. DAVIES answered that methods for reducing salary impacts could be accomplished via pay cuts, staff reduction, or furloughs. The regents will be considering organic approaches to realize cost savings; however, the university works in a competitive environment and it is important to be able to offer salaries that will attract qualified candidates worldwide. He

explained that a furlough is helpful in retaining professors with expertise, as it does not eliminate staff but rather reduces the paid number of work days; perhaps ten days per year.

CHAIR KELLER stressed that the highest salaries are not the professors and academic staff. He asked if the search for a new president would focus on academia or managerial experience.

MR. DAVIES reiterated that he is not privy to the criteria the selection committee is implementing in searching for a new president.

CHAIR KELLER asked whether receipt of a plethora of applications is the normal response for administrative positions.

MR. DAVIES offered his impression that a handful of strong candidates generally emerge.

CHAIR KELLER suggested that a strong response implies that Alaska is a unique enough locale to draw interest. He said a pay rate of \$200,000 per year, with a full benefits package that includes housing and a vehicle appears to be excessive.

MR. DAVIES agreed that it is reasonable to expect a pushback on these expenses, however, in the competitive college administrative arena, the pay scale and benefits, as offered, are below average. He agreed that there is a certain cachet to the Alaska locale.

[8:40:19 AM](#)

REPRESENTATIVE VAZQUEZ asked him to expand on the managerial experience, mentioned earlier as a criteria for selecting the new president.

MR. DAVIES responded that it should be someone who has experience running a large organization, delegating responsibility to key staff, and upholding policy. Additionally, a strong candidate would be someone who has had direct university experience, with a background in academia, versus a business executive. To a follow-up question, he said these qualities are crucial, as the president is accountable for the operations of the statewide, university system; the president is where the buck stops.

REPRESENTATIVE VAZQUEZ inquired about duplication in the UA system.

MR. DAVIES suggested that eradication of unnecessary duplication is one of the easier decisions to make. Complications arise regarding where to locate programs, and arguments can be made for where specific focus programs should be offered.

REPRESENTATIVE VAZQUEZ asked about geographic balance on the board of regents as well as with campus sites.

MR. DAVIES noted that the sheer size of the state is one of its unique aspects, as well as the rural diversity. It is important to provide a high quality education to as many Alaskans as possible.

REPRESENTATIVE VAZQUEZ asked the amount of the largest financial budget for which he has been responsible.

MR. DAVIES recalled serving as a member of the finance subcommittee for the State of Alaska, and said today the Fairbank's municipal budget he administers is hundreds of millions of dollars.

REPRESENTATIVE VAZQUEZ referred to reports that indicate 51 percent of entering freshman require remedial services, and asked for comment.

MR. DAVIES said efforts are being made at the high school level to help students understand the requirements for college, and university training courses are preparing teachers to better guide students towards college readiness. He pointed out that many students who enter may only be interested in very specific opportunities outside of a four year program; a track that may have very different requirements.

REPRESENTATIVE VAZQUEZ opined that the remedial classes are for basic skills, such as reading, and expressed her dismay at the high percentage of freshman that lack preparedness.

MR. DAVIES concurred.

[8:50:42 AM](#)

REPRESENTATIVE SEATON pointed out that Alaska does not have a community college system, having curtailed the programs 15 years ago. Community colleges are often the facilities where students are able to prepare for university work or focus on technical skills. Lacking that opportunity, the university receives all

students, and this skews the statistics. He underscored that there are not two postsecondary systems.

MR. DAVIES agreed with the member's comment and said that when the system was combined, it provided an administrative efficiency, but the needs for the function of a community college is still an important mission for the university system.

CHAIR KELLER added that the legislature is faced with a big challenge at this time and the committee depends on the BOR for information that will guide members to make informed, appropriate, and fiscally responsible decisions.

[8:54:04 AM](#)

LISA PARKER, Appointee, paraphrased from a prepared statement, which read as follows [original punctuation and spelling provided]:

A lifelong Alaskan, I have spent my career engaged in public involvement and resource development. My public involvement goes back to first running and getting elected to public office at the age of 19 to the anchorage charter commission which wrote the charter unifying the greater anchorage area borough and the city of anchorage. I have also been elected to Soldotna city council and been engaged with many nonprofits both as a board member and raising funds for specific projects including the Kenai Peninsula Food Bank, Covenant House and Alaska Resource Education to name a few.

My professional career includes working for Cominco Alaska during the planning, development and initial operations of the Red Dog mine. I served as planning director for the Kenai Peninsula Borough and external affairs manager for Agrium's Kenai nitrogen operations. I also helped organize the first non-persistent oil spill cooperative, Alaska Chadux Cooperation. Today I am employed by Apache Alaska Corporation.

Educationally, I went to public schools in Anchorage, graduating from Service High School I attended the American University in Washington, D.C., where I received a bachelor's degree in political science graduating cum laude. Additionally, I have a

certificate in corporate responsibility from Boston College and am a Harry S. Truman scholar.

My involvement with the University of Alaska began as a student at Anchorage Community College in the mid 1970's. Since then I have served six years on the Kenai Peninsula College Council and eight years on the Mining Petroleum Training Services board.

With that brief background let me turn to the question of why. Why am I interested in serving as a University of Alaska Board of Regent?

As noted in my letter of application - I want to work to continue to develop a university that attracts the best. With my background, knowledge, experience and understanding of Alaska I provide a perspective which will be beneficial during the critical years ahead. I believe the university can be a key to help Alaska during these challenging times as we "shape Alaska's future."

[8:57:09 AM](#)

REPRESENTATIVE SEATON related that an amendment was adopted, in the university finance subcommittee to prioritize the reduction of mid-level positions.

MS. PARKER opined that the entire system will undergo scrutiny, but singling out one are for reductions would not be in helpful for maintaining a strong system. She commended the language included in the budget, as passed by the house, directing state agencies to consider the university as a primary resource.

[8:59:07 AM](#)

CHAIR KELLER returned to the selection process for the university president, to ask what criteria she favors in an applicant.

MS. PARKER remarked that the search committee has established the presidential search criteria and the regents will receive a short list. Each applicants academic, management, and budget background will be important, and she noted that one question she plans to ask is why they would like to come here at a time of scaling back and refining of the system.

9:01:22 AM

REPRESENTATIVE DRUMMOND commented on the regent's experience that brings a balance of industrial and planning experience to the BOR, which she predicts will be critical in the coming years.

9:01:58 AM

ANDREW TEUBER, Appointee, provided a brief biography of being a lifelong Alaskan and stated his interest in serving on the BOR. Besides being the owner/operator of a helicopter air taxi service, he also serves as the chairman and president of the Alaska Native Tribal Health Consortium (ANTHC), and is the chief executive officer of the Kodiak Area Native Association (KANA). He said he expressed his interest in serving to the governor based on a personal belief that education is a great equalizer and the pathway for improving the lives of Alaskans, particularly those living in rural locales with minimal economic means. In anticipation of committee questions, he opined that cost savings may occur by streamlining state services and predicted that through the consensus process agreements will be achieved and workable outcomes will result.

9:05:25 AM

CHAIR KELLER directed attention to the candidate's information contained on the committee handout page titled, "UA Board of Regents, General Information," and the second category labeled, "Conflict of Interest," to paraphrase the question, which read as follows:

Could you or any member of your family be affected financially by decisions to be made by the board or commission for which you are applying? [And] Please explain the potential financial benefit."

CHAIR KELLER noted that the appointee answered the question, "Yes," and the requested follow-up explanation as, "No; N/A." He noted that this may be a consistent flaw with the form, and asked for comment.

MR. TEUBER responded that neither he nor his family will receive benefit from his appointment, although, during his eight year term, he will have children aging into the postsecondary education realm.

CHAIR KELLER commented on the small business background that the appointee will bring to the BOR; a unique perspective.

9:07:53 AM

REPRESENTATIVE SEATON said the appointee's extensive resume is detailed and answers a number of questions. He commented that the appointees work with the ANTHC will bring a broad statewide perspective which should prove to be a valuable asset to the board.

9:08:39 AM

REPRESENTATIVE DRUMMOND noted that the ANTHC is the second largest health employer in the state and predicted that his experience with the agency is critical at a time when health care is possibly the fastest growing job field. She asked him to elaborate on his experience as an employer who hires university graduates into the health care profession and the output of candidates that the system has produced.

MR. TEUBER responded that the Alaskan health care workforce, serving both Native and non-Native residents, is a critical issue. Attention is being given to the Washington, Wyoming, Alaska, Montana, Idaho Medical Education (WWAMI) and the Nursing Allied Health programs, and, he said, these types of partnerships are essential to cultivate in order to meet workforce needs in other fields, as well. He said that ensuring access to health care is one of his chief priorities.

REPRESENTATIVE DRUMMOND pointed out that the House has proposed legislative intent to curtail the WWAMI program in the coming years. She asked for his comments on the value of the program to ANTHC and the state as a whole. The WWAMI program is funded through EED, not the UA system, and she asked for clarity on how the program works.

MR. TEUBER said WWAMI is a novel program, to which he is firmly committed. He appealed to the legislature to ensure that the program be continued. The opportunity and benefit of having Alaskans serving Alaskans is immeasurable. He finished, stating that it would be a responsible move for the legislature to indicate a willingness to evaluate all options for maintaining WWAMI, as the state's economy is dependent on the health of its workforce.

REPRESENTATIVE DRUMMOND commented that the intended action does not appear to represent a cost savings in the coming years.

[9:15:03 AM](#)

CHAIR KELLER implored the regents to keep the channels of communication open and clear with the legislature.

[9:15:45 AM](#)

REPRESENTATIVE TALERICO moved to forward the names of the appointees to the University of Alaska Board of Regents, to the joint session of the House and Senate for consideration.

CHAIR KELLER announced that without objection the names will be advanced. He then reminded members that signing the reports regarding appointments to boards and commissions in no way reflects individual members' approval or disapproval of the appointees, and that the nominations are merely forwarded to the full legislature for confirmation or rejection.

[9:16:13 AM](#)

CHAIR KELLER announced the next meeting and thanked the day's participants.

ADJOURNMENT

There being no further business before the committee, the House Education Standing Committee meeting was adjourned at 9:16 a.m.