

**ALASKA STATE LEGISLATURE
JOINT MEETING
HOUSE EDUCATION STANDING COMMITTEE
HOUSE UNIVERSITY OF ALASKA FINANCE SUBCOMMITTEE**

January 22, 2016

8:00 a.m.

MEMBERS PRESENT

HOUSE EDUCATION STANDING COMMITTEE

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

HOUSE UNIVERSITY OF ALASKA FINANCE SUBCOMMITTEE

Representative Tammy Wilson, Chair
Representative Paul Seaton
Representative Andy Josephson
Representative Adam Wool

MEMBERS ABSENT

HOUSE EDUCATION STANDING COMMITTEE

Representative Liz Vazquez, Vice Chair
Representative Jim Colver

HOUSE UNIVERSITY OF ALASKA FINANCE SUBCOMMITTEE

Representative Liz Vazquez, Vice Chair
Representative Jim Colver

OTHER MEMBERS PRESENT

Representative Lora Reinbold

COMMITTEE CALENDAR

PRESENTATION: UNIVERSITY OF ALASKA CONSOLIDATION PROPOSAL

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

REPRESENTATIVE TAMMY WILSON
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Presented: "University of Alaska Consolidation Proposal," and responded to questions, on behalf of the House University of Alaska Finance Subcommittee, which she chairs.

MATT GRUENING, Staff
Representative Tammy Wilson
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Assisted in delivering the presentation, "University of Alaska Consolidation Proposal," and responded to questions.

ACTION NARRATIVE

[8:00:55 AM](#)

CHAIR WES KELLER called the joint meeting of the House Education Standing Committee and the House University of Alaska Finance Subcommittee meeting to order at 7:55 a.m. Present at the call to order from the House Education Standing Committee were Representatives Seaton, Drummond, Kreiss-Tomkins, Talerico. Present from the House University of Alaska Finance Subcommittee were Representatives Wool, Josephson, and Wilson.

PRESENTATION: UNIVERSITY OF ALASKA CONSOLIDATION PROPOSAL

[8:00:58 AM](#)

CHAIR KELLER announced that the only order of business would be a presentation on the University of Alaska Consolidation Proposal, presented by the House University of Alaska Finance Subcommittee.

[8:02:28 AM](#)

REPRESENTATIVE TAMMY WILSON, Alaska State Legislature, directed attention to the committee handout entitled, "University of Alaska Consolidation Proposal, Three Universities Made into One." She explained that the model being presented has been

adopted from a plan implemented by the State of Georgia, and lends a comparable framework based on a similar population. Although the University of Alaska System considers itself to be one institution, it is comprised of three major campuses, with services extended to 12 ancillary facilities. The thought is to create a single campus infrastructure with a centralized administration, as well as providing course offerings utilizing one catalogue; thus ensuring economic efficiencies and minimizing duplications of classes. A primary complaint, reported by her constituency, continues to revolve around the inability to transfer credits from one campus hub to another. Laying the credit issue to rest would be among the benefits garnered from a streamlined, consolidated effort, she predicted.

[8:03:57 AM](#)

REPRESENTATIVE WILSON paraphrased from a written statement, which read as follows [original punctuation provided]:

The following presentation outlines our proposal for streamlining and consolidating the University's overall structure, including services, coursework, positions, and many other aspects, while at the same time providing a better educational experience for Alaskans who are seeking to obtain certificates, training, or degrees; lastly, but certainly not least, we outline how this process would result in a large amount of tangible/quantifiable, as well as potential savings for the State of Alaska.

Simply making cuts will not eliminate our deficit, which leaves us with two choices: wait and pray that oil prices will soar to \$113 per bbl. (the point at which David Teal informed us that the state would begin to start to balance the budget) or continue to make cuts and budget responsibly in combination with changing the current structure of the University; if oil prices do return to levels above \$113 per bbl., responsible budget cuts and consolidation in unison will leave the state on a much better footing to better educate Alaskans, as well as achieve a sustainable, balanced budget now and in the future.

[8:04:44 AM](#)

REPRESENTATIVE WILSON described the University of Alaska System as being comprised of four main units: the system office and

three separately accredited institutions. The three university centers act as umbrellas for numerous outreach centers and twelve community campuses across Alaska: UA Anchorage (UAA) campuses serve Anchorage, Kenai Peninsula, Kodiak, Matanuska-Susitna, and Prince William Sound; UA Southeast (UAS) campuses include Juneau, Ketchikan, and Sitka; UA Fairbanks (UAF) campuses include Fairbanks, Bristol Bay, Interior-Aleutians, Kuskokwim, Northwest, and Community and Technical. Additionally, UAF has extended sites overseen by the College of Rural and Community Development. Elaborating on the opportunities of consolidation she said that it creates unified pathways to obtaining degrees and certificates, providing a clear and concise direction. Standardized programs and courses help students gain the flexibility to transfer to any campus without loss of credits. The effort will serve to strengthen and unify academic departments, providing program opportunities across Alaska while increasing department efficiency and student services. Finally, it will create a modern university that balances access, research and public service, as it relates to the mission statement.

[8:06:47 AM](#)

REPRESENTATIVE WILSON explained how consolidation might be accomplished, using the framework of the Georgia model, with the goal of increasing the system's overall effectiveness to create more educated Alaskans. The process must be transparent and directly involve all shareholders, involving each campus across Alaska. She stressed that the more diverse and broad the participation level the better the outcome might be.

[8:07:30 AM](#)

REPRESENTATIVE JOSEPHSON questioned the timeline and whether the current budget could be impacted.

REPRESENTATIVE WILSON responded that the entire process may take up to a year to process and put in place, but some efficiencies might be identified and implemented sooner, resulting in the realization of an immediate benefit. The House University Finance Subcommittee is working to identify and eliminate existing duplication, which will have a timely effect, she conjectured.

CHAIR KELLER interjected that the nature of the current budget situation is based on non-existent revenue streams. He praised

the subcommittee's initiative, and suggested that this type of action may be inspiring to other committees.

8:09:26 AM

REPRESENTATIVE WILSON underscored the need for the process to include a broad selection of college staff representatives, community members, as well as past and current students. Referring to the handout, she read the five guiding principles of consolidation, which are to, 1) increase opportunities to raise education-attainment levels; 2) avoid duplication of academic programs while optimizing access to instruction; 3) create potential for economies of scale and scope; 4) enhance economic development across Alaska; and 5) streamline administrative services while improving service levels and quality. Opportunities to raise education-attainment levels are increased by standardizing programs and courses, creating clear, concise degree pathways, and enhancing E-learning programs, she relayed. Additionally, it is important to build on existing collaborations, which would strengthen and unify academic departments to provide program opportunities while increasing efficiency and student services. Representative Wilson added that the main thrust, for the university system, should be to train students to meet job demands within the state. Certain Alaskan based industry, such as mining and oil, continue to import workers due to the lack of trained Alaskans to fill positions.

8:10:52 AM

REPRESENTATIVE SEATON asked for clarification regarding the creation of clear, concise degree pathways and whether such action would eliminate specific programs, or identify some for expansion, to bring them all into alignment. He offered the example of the teacher education at UAS, which differs significantly from UAA and UAF counterparts.

REPRESENTATIVE WILSON responded that teacher training is a good example of training that exists at the three major campuses. She suggested that trying to maintain a high level of expertise on each campus, for the same degree, waters down the universities ability to provide the highest level of expertise. However, the program could be strengthened by uniting forces and bringing uniformity. She said that some programs may be eliminated, depending on course profiles of success; as measured via graduation rates, job placement, and other criteria. Having a uniform catalogue is an important first step which would allow

a student to begin studies in one locale, but perhaps finish on another campus depending on the degree they decide to pursue. Transferable credit hours are an important factor, she stressed.

REPRESENTATIVE SEATON recognized that each campus provides different approaches for attaining a degree, such as teaching, and expressed concern that students may lose options currently offered by the primary campuses.

REPRESENTATIVE WILSON pointed out that depending on the funding and success levels, competition for one campus to offer a better program in the same course work, could be eliminated. Additionally, course needs would still be met but the duplication of administration could be eliminated.

[8:15:52 AM](#)

CHAIR KELLER established that the conference of university officials, currently being held, are aware of the subcommittee's actions, and have received a copy of the proposal under discussion.

[8:17:43 AM](#)

REPRESENTATIVE JOSEPHSON applauded the idea of treating the university system as one institution, in terms of credit portability. He pointed out that a key issue could be the public's perception for this approach.

REPRESENTATIVE WILSON answered that the public has not yet been polled. The regent's may choose to form a committee to address various aspects of the proposal: cost, viability, geography and other considerations. The approach does mean that student's may need to move away from home to attend a campus for a specific degree, versus attending locally. The e-learning courses could be accommodated in existing, local school buildings rather than dedicated university facilities.

REPRESENTATIVE JOSEPHSON said it is fairly common for an 18 year old to relocate for college, but for others it may prove more difficult. He provided a scenario of mature, established, working parents, who reside in an area such as Ketchikan, and the father decides to pursue his passion for teaching. He asked if such a scenario been considered, where a possibly great teacher might be discouraged from entering the field, due to lack of local opportunity.

REPRESENTATIVE WILSON pointed out how, in many locations, throughout the state, para-professionals are assisting/teaching in classrooms. The work experience, brought to the classroom, is valuable. Professional experience is substituted for some course work, with the possibility of gaining classroom techniques via e-learning. Thus, non-traditional methods are already in use and could be expanded upon, which may satisfy a situation as described by Representative Josephson.

[8:22:15 AM](#)

MATT GRUENING, Staff, Representative Tammy Wilson, Alaska State Legislature, directed attention to the committee packet, Figure 2, titled Proportion of Student Credit Hours by Method FY14-FY15, to compare two years of data regarding traditional and on-line studies. He paraphrased from a written statement, which read as follows [original punctuation provided]:

The point of this chart is that there are campuses that appear to be regressing in the utilization of e-learning; although, some of the drops could be explained as a result of the type of enrollment in a particular year, the trend for e-learning should be moving the other direction in an effort to save on overall operational costs.

[8:23:32 AM](#)

CHAIR KELLER noted the increase in e-learning in the Mat-Su, and the overwhelming trend for e-learning at the Chukchi facility, and asked for further details.

MR. GRUENING pointed out that, due to the low number of students enrolled at Chukchi the statistics may appear overtly dramatic despite little change in status. He said the goal would be to see an e-learning increase on all campuses.

REPRESENTATIVE WILSON added that, particularly with e-learning options, facilities outside of the state are competing to enroll Alaskan students.

[8:25:10 AM](#)

REPRESENTATIVE SEATON referred to Figure 2, and pointed out the omission of UAS data. Mr. Gruening agreed to provide the statistics.

[8:25:33 AM](#)

REPRESENTATIVE WOOL noted the Interior Alaska statistics, and asked if that represents a campus. Mr. Gruening agreed to provide further information. Further, Representative Wool clarified that the graphic does not include participation numbers, only the method used to course.

MR. GRUENING confirmed that Figure 2 is to provide trend information for e-learning.

REPRESENTATIVE WOOL asked whether such information might help to minimize redundancies on the ancillary campuses.

REPRESENTATIVE WILSON responded that, in an effort to create one system, population participation will be a guide. In areas that have a need for engineers, an engineering campus may still be maintained. University focus groups have already eliminated some programs. However, some small campuses may need to be closed if the usage is primarily e-learning.

[8:31:05 AM](#)

REPRESENTATIVE SEATON identified that the policy question is based on the assumption to further the use of e-learning and that the shift towards that method should be continued and bolstered, as an effective learning forum for Alaska. He stated reservations for the dynamics of e-learning, as a primary method to earn a full, two or four year degree. A short term certificate, he opined, could be effectively handled via e-learning, particularly in situations requiring credits to renew licensure, or for refresher courses. He requested that a distinction be clearly drawn between the traditional and e-learning applications and the appropriate use of each method, as the consolidation consideration unfolds.

[8:33:14 AM](#)

CHAIR KELLER pointed out that the university is working on these issues and that the committee may take a lead from the Board of Regents. The university has led the way on many of the early e-learning applications, pioneered in the 1980's.

MR. GRUENING offered that e-learning is a necessary component of consolidation, in a cost effective move to minimize administration and building costs.

CHAIR KELLER pointed out that the legislature allocates via a block appropriation. Funding distribution by line item is handled at the university level. He said it is important for the committee to communicate concerns, issues, and recommendations, for the regents to consider when establishing each campus' budget and offerings.

[8:35:48 AM](#)

REPRESENTATIVE WILSON added that student preference is also considered. Recent enhancements to e-learning have improved on-line ability for interaction; effectively enhancing the interface to reflect a classroom experience.

[8:37:46 AM](#)

REPRESENTATIVE WILSON stressed the importance to identify duplication of academic programs while optimizing access to instruction. In addition to the University of Alaska System offerings, other facilities, such as the Alaska Native Science and Engineering Program (ANSEP), and other private institutions, also exist. She drew attention to the next eleven pages of the handout, pages 9-20, with a partial listing of course offerings, by campus, to illustrate some of the possible duplication under scrutiny.

[8:39:04 AM](#)

REPRESENTATIVE JOSEPHSON asked whether a state institution might be closed because a private facility was in proximity, despite the possibility of a higher tuition in the private school.

REPRESENTATIVE WILSON underscored the need for review and analysis of course offerings and locations. The question of whether private industry offerings might supplant what the state is currently listing, in the course catalogue, needs to be asked, she opined. In situations where the state appears to be competing with private sector entities, it may be prudent to not spread the state resources thin to cover the same field of study offered by a private facility. She expounded on the need to identify what are necessary offerings in order to fulfill state hiring needs.

REPRESENTATIVE JOSEPHSON pointed out the complication behind some fields of study, such as nursing, where a variety of advanced certificate levels may be attained. He questioned how

these areas of study, with complicated splinter degrees, might be handled.

REPRESENTATIVE WILSON opined that a fluid, informed, campus should be prepared to fill the ever changing placement demands and make course offering adjustments as necessary.

REPRESENTATIVE JOSEPHSON returned to the nursing class example and said the degree requirements are specific and complicated. He asked if the degree/course offerings would be minimized.

REPRESENTATIVE WILSON responded that health professionals will provide information on the expected hiring needs, and courses may be trimmed where the demand is low.

[8:45:02 AM](#)

REPRESENTATIVE WOOL noted that many of the programs listed appear not to be redundant but rather vary by length. He suggested that it allows for degree attachments, similar to additional toppings on a pizza, versus a separate field of study; however, as listed, there is an appearance of redundancy.

REPRESENTATIVE WILSON explained the scope of the proposal, and that what is listed is a small sample of the university catalogue.

[8:46:48 AM](#)

REPRESENTATIVE DRUMMOND praised the Alaska Vocational Technical Center (AVTEC) program, and said the facility has is able to place 100 percent of its graduates. She noted that the field of nursing has greatly expanded, and is an active hiring sector in the state; with an unfilled need. Further, 80 percent of Alaska's teachers are still brought in from out of state and retention continues to be a challenge. She that the model being implemented, was adopted from the State of Georgia.

REPRESENTATIVE WILSON reiterated the need to identify deficits in the work force and for the university to be able to respond with appropriate training opportunities. The finance subcommittee, which she chairs, is working towards gaining an understanding of where overlaps in programs are occurring within the University of Alaska System, as well as with other facilities, such as AVTEC. Concentration of effort is expected to provide better services for students, as well as economic efficiencies. Any policy change would be initiated by the

standing committee, and the subcommittee will determine the financial ramifications, she said, and then invited all members to attend the round table discussions being scheduled.

REPRESENTATIVE DRUMMOND asked whether quantitative evidence is available to support how consolidation reforms affect student retention and completion of programs.

REPRESENTATIVE WILSON reported that the Georgia retention numbers exceed Alaska's and said the graduation rates are contained in the committees handout, and will be highlighted further into the presentation.

[8:51:39 AM](#)

REPRESENTATIVE SEATON interjected that program reform is a continuous process. The educational task force, which he sat on six years ago, addressed similar issues. He said it will be interesting to have a report from the university on what degree offerings have changed, since that time. The discussion may seem adversarial, but the questions must be asked and program reform is an ongoing process.

CHAIR KELLER agreed, and said that an evaluation of program needs is important. An increase in the university budget was approved by the Board of Regents, which, given the state budget situation, poses a red flag or disconnect.

[8:53:48 AM](#)

REPRESENTATIVE JOSEPHSON echoed the comments of Representative Seaton, regarding the importance to raise questions. Further, he offered that available talent exists in the professorial ranks. The best colleges may receive as many as 400 applicants for every opening and the applicants are often highly achieved, PhD holding, professors who are competing for a single position. He predicted that Alaska will be able to easily attract excellent professors, as needed.

[8:55:29 AM](#)

REPRESENTATIVE WILSON maintained that every idea would be brought to the table for discussion, and that the thrust is not to chop programs, but to bolster services. She said the interest is to bring greater access to workforce-oriented degrees. The UAF regional campuses, such as Bristol Bay, partners with the UAA School of Nursing to provide residents the

opportunity to attain a degree and become a candidate for local employment. A coordinated approach is also important, she stressed. For example, the university is developing and improving programs in partnership with the Alaskan Fishing, Seafood and Maritime Initiative (FSMI), to build a skilled and qualified maritime workforce.

8:57:26 AM

REPRESENTATIVE WILSON said other guiding principles of consolidation include: increasing economic development across Alaska through enhanced degree programs, community partnerships, and improved student completion; building on existing collaboration between university centers; and streamlining the administrative offices while improving levels and quality of services.

8:57:39 AM

REPRESENTATIVE WILSON reviewed the administrative services, provided at each major campus, and said streamlining these services could provide savings without effecting programs. The consolidated institutions will merge functions and leadership positions to eliminate inefficient and complex reporting relationships. Streamlining provides the potential for improving administrative efficiencies and yielding a net savings, she said. The University of Alaska System has four major campus units, each headed by a chancellor who reports to the president. Each campus possesses multiple levels of administrative services, which include: Vice Presidents, Vice Chancellors, Associate Vice Chancellors, Deans, Associate Deans, Special Assistants, Provosts, Directors, and an Athletics Coach III. Currently, all regional university centers support extended community campus sites across the state. Focusing on the compensation for executive positions, she reported that the average pay for an executive position, in 2014, was \$257,778, while 58 employees make more than \$208,000, equaling \$14.1 million. To put the numbers in perspective, she offered that the Governor of Alaska receives \$145,000. She directed attention to the handout, pages 26-27, listing administrative job class titles and associated cost.

8:59:34 AM

REPRESENTATIVE JOSEPHSON questioned the accuracy of the figure indicating that professors are each paid \$225,258.

REPRESENTATIVE WILSON clarified that the total shown refers to the 12 professor positions included in the top 58 employees compensation report and includes benefit costs.

[9:00:26 AM](#)

REPRESENTATIVE SEATON asked about the current status of the optional retirement plan, which the education task force had identified as a huge expense and recommended for reform.

[9:02:12 AM](#)

REPRESENTATIVE WOOL asked for information relating to the growth of administrative costs in comparison to student body increases and whether the ratio been proportional.

[9:03:15 AM](#)

REPRESENTATIVE WILSON directed attention to page 28, of the handout, showing a potential savings of \$3.4 million, if the 58 executive positions were consolidated to 13. She indicated that the merging of the positions would be a cooperative process, and the end result may not be exactly what is listed in the packet.

[9:04:32 AM](#)

REPRESENTATIVE WILSON turned to a color coded map of the United States, titled, "Higher Education Attainment Levels", to illustrate student retention rates. Alaska is among the lowest ranked states, with 63.3 percent of the first year students leaving to attend other universities after completion of their freshman year. Alaska's retention statistic needs to be improved upon, she opined. She followed this with a chart to indicate eight years of statistics tracking first-time, full-time freshman graduation rates for associate degrees and certificates or occupational endorsements, for each campus, as well as the extended university system.

[9:05:45 AM](#)

REPRESENTATIVE JOSEPHSON questioned the statistics being presented. He pointed out that certification renewal should not count as a degree, and asked whether that statistic is included in the chart. Additionally, he asked about the accountability status for students who complete their freshman year in Alaska, but finish their degree elsewhere, such as Harvard.

REPRESENTATIVE WILSON directed attention to the footnote, citing the source of the information, and said the chart relates to returning freshman; excluding students who seek endorsements or certificate renewals. She opined that the reported 86 percent of students lost are probably not attending other universities, but fail to re-enroll at an Alaskan campus.

[9:07:04 AM](#)

REPRESENTATIVE SEATON clarified that Alaska's university system encompasses both two and four year programs, which is unique among the majority of states. Most commonly, two separate systems exist, with one providing two year degree programs, and a separate four year university. When comparing Alaska's statistics to those of other states, he cautioned, it is necessary to consider this difference.

[9:09:22 AM](#)

REPRESENTATIVE WILSON provided information covering the four year graduation rate. She suggested the need for a conversation regarding college preparedness. Remediation levels are reportedly high, and the consolidation effort should include discussions focused on ensuring that high school graduates are well prepared for a postsecondary education. Appropriate preparedness would eliminate the need for remediation courses, and possibly increase the retention rate. The biggest reason students drop out, at the first level, is because they don't do very well, she opined. Of primary interest are the students that don't make transfer requests. Why have these student's chosen not to transfer, or return, and what might bring them back to campus.

REPRESENTATIVE JOSEPHSON noted that the chart, handout page 31, indicates that the trend for the UAF campus is going very nicely.

[9:11:29 AM](#)

MR. GRUENING pointed out how the two charts, being discussed, were purposely compiled to indicate the two year versus four year programs, thus providing a point for comparison with national averages, for two year, community colleges and four year universities.

[9:13:21 AM](#)

REPRESENTATIVE WILSON turned to a projection chart to indicate what a retention increase of 10 percent versus 20 percent would have made on the University of Alaska System budget, for the FY13 and FY14 associate and bachelor programs. She paraphrased from a written statement, which read [original punctuation provided]:

We believe that the University Consolidation will result in increased student retention due to many aspects associated with the consolidation itself, not least of which are the clear and consistent course requirements and degree pathways, as well as the ability of a student to transfer between the different campuses without losing valuable credits; remember that losing credits represent a loss of time and money that can frustrate someone who is making a decision regarding whether to continue their higher education in Alaska or seek a degree elsewhere.

[9:14:07 AM](#)

REPRESENTATIVE SEATON clarified the application of the percentages provided, and pointed out that the university does not make money on students. Thus, the 10 and 20 percent totals indicated are not inclusive of related expenses that would be incurred along with the enrollment increase.

[9:18:25 AM](#)

REPRESENTATIVE WILSON said challenges for consolidation exist, based on the historic competition between the campus hubs that have led to distinct university cultures and pride, as well as to a disunion within the University of Alaska System. The regional university centers currently have different branding and marketing strategies. Achieving efficiencies from three university centers and twelve community campuses will present operational challenges, she said.

[9:19:40 AM](#)

REPRESENTATIVE WILSON, turned to the handout, page 34, titled, "2006-2016 Management Plan versus FY17 Governor's Budget," and reviewed budget categories to point out significant increases. In response to a committee member's question, she said the figures were not adjusted to reflect the ten year inflation rate.

REPRESENTATIVE WOOL suggested that adjusting for inflation may see a decrease in certain totals, such as travel.

REPRESENTATIVE WILSON concurred.

[9:21:46 AM](#)

REPRESENTATIVE JOSEPHSON recalled that, in recent years, the state contribution has been reduced significantly, due to the university expanding revenue through a variety of means, such as expansion of grants and additional federal options.

[9:23:17 AM](#)

REPRESENTATIVE WILSON maintained that, despite state reductions, it is still important to scrutinize the universities administrative and program expenditures. The regents are provided a lump sum state allocation, and it's important to track how it's used, she stressed.

[9:24:54 AM](#)

REPRESENTATIVE DRUMMOND noted that the chart combines the grant and benefits figures, and asked for clarity.

REPRESENTATIVE WILSON deferred.

[9:27:23 AM](#)

REPRESENTATIVE WILSON acknowledged that consolidation is a difficult task, and stressed the need to consider every option for savings while realizing that university and college campuses provide a variety of services within a community. It's not just about education, she said, and reiterated the major points made in the presentation to finish.

[9:27:59 AM](#)

REPRESENTATIVE SEATON reported that he serves on the university budget committee and offered that the layers of administration have been under scrutiny for the past year. He stated support for the considerations presented and said another area not yet mentioned is athletics. The university pays the travel for sports teams to come to Alaska for competitions, which may be an expense to consider and policy to review. He relayed that reports indicate how, of all the football teams across the nation, perhaps five universities make money on their programs.

The majority of schools draw approximately \$1,000 per enrolled student, per year, from tuition and fees to support football teams; despite low attendance at competitions. He recalled attending the University of California at Santa Barbara at a time when a new football stadium has been constructed only to have the student body cast votes to eliminate the program altogether; which, to little dismay, has never been revived.

[9:31:59 AM](#)

REPRESENTATIVE TALERICO expressed interest in scrutinizing the area of sports and seeing the numbers for income versus expenditures.

[9:32:37 AM](#)

REPRESENTATIVE WILSON introduced the final 14 pages of the handout, dedicated to the University of Alaska System Budget Review, and suggested members review it individually. Finally, she invited members to attend the University Finance Subcommittee, which she chairs, to gain a further understanding of the budget review. Drawing attention to pages 43-50, she pointed out the listed degrees a certificates issued by each campus, with the associated costs. The Chukchi Campus only had one degree issued and the cost indicated is inflated due to the minimum number being included in the statistical analysis.

[9:37:39 AM](#)

CHAIR KELLER suggested that it would be helpful to hold a presentation to compare degree costs with that of other state programs, and a university official be invited to address the findings.

REPRESENTATIVE WILSON agreed.

[9:38:40 AM](#)

REPRESENTATIVE WOOL directed attention to pages 47 and 48, to note the number of degrees and certificates awarded by the Anchorage versus Fairbanks facilities, with the associated costs, and questioned the significant variance.

MR. GRUENING offered to provide a breakdown of the totals.

REPRESENTATIVE WILSON interjected that the numbers presented are not discriminatory between degrees and certificates earned.

[9:40:26 AM](#)

REPRESENTATIVE JOSEPHSON returned to page 31 and indicated that there is an influx of tuition and fees from students not completing programs, which effects the total degree cost figure shown on page 47. He pointed out that anyone not finishing a baccalaureate degree, infuses money into the system, thus offsetting some of the cost for administering the degree; a cost of \$56,251.

REPRESENTATIVE WILSON agreed that students who do not complete a degree provide a subsidy to those who go onto finish.

REPRESENTATIVE JOSEPHSON shared that, beginning in 1982, he pursued a bachelor's degree, at the private Whitman College, Walla Walla, Washington. The cost was \$8,900, per [two semester] year, but today, the same degree carries a cost of approximately \$58,000. Our students cannot afford this type of tuition, he opined, and subsidization is necessary to have the university.

REPRESENTATIVE WILSON expressed hope that consolidation will be advantageous and improve student benefits using a smarter approach to the budget.

[9:44:44 AM](#)

CHAIR KELLER thanked the presenters, and stressed that the committee holds the reins for university appropriation, but lacks line item control. He underscored the need to consider all opportunities to ensure fiscal efficiency.

[9:46:45 AM](#)

ADJOURNMENT

There being no further business before the committee, the House Education Standing Committee* meeting was adjourned at 9:46 a.m.