

Original sponsor: Health, Education
and Social Services Committee

Offered: 6/15/78
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 891 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the University of Alaska; and
7 providing for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. FINDINGS AND PURPOSE. (a) The legislature finds

10 (1) that the accelerated growth of the University of Alaska in
11 recent years has reached the point at which the highly centralized governance
12 and administrative structure of earlier years is no longer adequate;

13 (2) that the traditional Alaskan characteristics of independence,
14 self-reliance and initiative, and the wide variety of needs and interests at
15 the various campuses, make a decentralization of control and operations both
16 desirable and feasible; and

17 (3) that decentralization of the university will also free the
18 Board of Regents to fulfill the governance functions which it alone can
19 perform: the establishment and monitoring of policy and long-range plan-
20 ning.

21 (b) It is the purpose of this Act to ensure that authority and commen-
22 surate responsibility are delegated to the lowest level capable of assuming
23 them, that citizens served by a branch of the University of Alaska have an
24 opportunity to influence decisions which concern them, and that, within
25 funding limitations, all citizens of the state be served.

26 * Sec. 2. AS 14.40 is amended by adding new sections to read:

27 Sec. 14.40.011. UNIVERSITY OF ALASKA. (a) The University of
28 Alaska is established as a statewide system. The purpose of the uni-
29 versity system is to provide teaching, research, and public service

1 postsecondary programs for the entire state.

2 (b) The components of the statewide university system are:

3 (1) the University of Alaska campus at Fairbanks, which is
4 authorized to conduct degree programs on the baccalaureate, master's,
5 and doctoral levels and to offer non-credit and off-campus courses and
6 programs of research and community service, subject to regulations of
7 general applicability to institutions offering baccalaureate and grad-
8 uate degrees which may be adopted by the Board of Regents;

9 (2) the University of Alaska campus at Anchorage, which is
10 authorized to conduct degree programs on the baccalaureate, master's and
11 doctoral levels and to offer non-credit and off-campus courses and pro-
12 grams of research and community service, subject to regulations of
13 general applicability to institutions offering baccalaureate and grad-
14 uate degrees which may be adopted by the Board of Regents;

15 (3) the University of Alaska campus at Juneau, which is
16 authorized to conduct degree programs on the baccalaureate and master's
17 levels designated by the Board of Regents and to offer non-credit and
18 off-campus courses and programs of research and community service,
19 subject to regulations of general applicability to institutions offering
20 baccalaureate and graduate degrees which may be adopted by the Board of
21 Regents; and

22 (4) the community college division, comprised of those com-
23 munity college campuses in existence on the effective date of this Act,
24 which are authorized to conduct lower division programs leading to
25 associate degrees as designated for each community college by the Board
26 of Regents, and to provide non-credit, community service courses, general
27 education and transfer courses and specific certificate programs autho-
28 rized under policies of the Board of Regents; each community college, in
29 cooperation with a university, may sponsor and conduct upper division

1 receive credit through a university.

2 * Sec. 3. AS 14.40 is amended by adding a new section to read:

3 Sec. 14.40.015. NEW CAMPUSES. In addition to the components of the
4 university specified in sec. 11(b) of this chapter, a new campus of the
5 University of Alaska may be established by the Board of Regents after
6 approval by the legislature of a plan which shall contain, as a minimum,

7 (1) a needs assessment;

8 (2) a description of the key elements of the educational pro-
9 grams to be offered; and

10 (3) a budget for the first year of operation of the campus
11 and projected budgets for the second and third years of operation.

12 * Sec. 4. AS 14.40.020 is amended to read:

13 Sec. 14.40.020. SITE OF UNIVERSITY. The University of Alaska is
14 the beneficiary under the provisions of the Act of Congress approved
15 August 30, 1890, designating the Alaska Agricultural College and School
16 of Mines as beneficiary and the four sections of land specified by the
17 Act of Congress approved March 4, 1915, and used as a site for the
18 Alaska Agricultural College and School of Mines are the site for the
19 University of Alaska at Fairbanks.

20 * Sec. 5. AS 14.40.100 is amended to read:

21 Sec. 14.40.100. COOPERATIVE [COLLEGE] EXTENSION SERVICE. The
22 regents may conduct a cooperative [COLLEGE] extension service, the
23 leading object of which is to carry information on rural life subjects
24 to the people of the state. The cooperative extension service shall
25 function under the jurisdiction of the University of Alaska at
26 Fairbanks.

27 * Sec. 6. AS 14.40 is amended by adding new sections to read:

28 Sec. 14.40.105. RESEARCH CENTERS AND OUTREACH ACTIVITIES. The
29 Board of Regents may assign to appropriate campuses or the community

1 college division the responsibility for operation of research centers
2 and institutes and for off-campus teaching, research, and public service
3 activities which may include but are not limited to the establishment of
4 learning centers, itinerant instruction, instruction on military bases,
5 courses taught by radio or television, and correspondence courses.

6 Sec. 14.40.107. INTERCAMPUS PROGRAMS. The Board of Regents may
7 establish intercampus programs which it considers necessary, and assign
8 management responsibility to the appropriate campus.

9 Sec. 14.40.155. IMMUNITY OF REGENTS FROM PERSONAL LIABILITY.

10 Members of the Board of Regents are immune from personal liability with
11 respect to all acts done or actions taken in good faith within the scope
12 of their authority during regular and special meetings of the board.

13 * Sec. 7. AS 14.40.120 is amended by adding a new subsection to read:

14 (b) The governance function of the Board of Regents includes the
15 adoption of policy for the operation of the university system, the
16 adoption of regulations recommended by the president for implementation
17 of policy, and the monitoring and evaluation of policy implementation.

18 * Sec. 8. AS 14.40.170(a)(2) - (4) are amended to read:

19 (2) fix the compensation of the president of the university,
20 the comptroller of the university, and the chancellors, and adopt com-
21 penetration schedules or patterns for all other employees [ALL HEADS OF
22 DEPARTMENTS, PROFESSORS, TEACHERS, INSTRUCTORS AND OTHER OFFICERS];

23 (3) approve the establishment of degree programs and deter-
24 mine their location; confer [SUCH APPROPRIATE] degrees upon completion
25 of requirements [AS IT MAY DETERMINE AND PRESCRIBE];

26 (4) have the care, control and management of all the real and
27 personal property [AND ALL MONEY] of the university; provide for the
28 delegation of administrative responsibility for the property reasonably
29 necessary for the administration of each of the university components

1 set out in sec. 11(b) of this chapter to the chancellor of the respec-
2 tive component;

3 * Sec. 9 AS 14.40.170(a) is amended by adding new paragraphs to read:

4 (7) review and approve budgets, and transmit recommendations
5 on the budgets to the governor and legislature together with all sup-
6 porting information and complete documentation of actions taken at all
7 stages of the budget review process; the information and documentation
8 provided shall include operating and capital budget requests made at all
9 levels involved in the budgeting process;

10 (8) approve the staffing pattern and functional responsibili-
11 ties of the president's staff;

12 (9) adopt regulations for standard administration of the
13 university system; the regulations adopted shall include, but need not
14 be limited to,

15 (A) stipulation of degrees to be offered, the degree
16 requirements, transferability of credits for degree programs, and
17 the clock hour requirements for credit courses;

18 (B) student admission standards;

19 (C) qualifications, promotion, tenure and dismissal
20 standards, and pay and fringe benefits for faculty;

21 (D) personnel policies and pay and fringe benefit pro-
22 visions for employees other than faculty;

23 (E) uniform accounting and business procedures;

24 (F) uniform budgeting procedures; and

25 (G) standard systemwide management information data sys-
26 tems;

27 (10) establish fee schedules for the statewide system;

28 (11) provide for both short- and long-range planning of pro-
29 grams and campus development;

1 (12) provide for both internal and external audit functions,
2 and transmit an annual audit report to the governor and legislative
3 auditor, together with its comments;

4 (13) establish policies for fiscal and management control;

5 (14) constitute the final board of appeal in all matters which
6 are within its jurisdiction, and provide for an appeal process;

7 (15) carry out other duties as prescribed by law.

8 * Sec. 10. AS 14.40.170(b) is amended by adding a new paragraph to read:

9 (3) in addition to the campus advisory councils authorized by
10 sec. 278 of this chapter, establish policy advisory groups, both in-
11 ternal and external, as it considers necessary.

12 * Sec. 11. AS 14.40.190 is amended to read:

13 Sec. 14.40.190. REPORT TO THE LEGISLATURE. The Board of Regents
14 shall make a written report to the legislature at the beginning of its
15 regular sessions of the condition of the university property, of all
16 receipts and expenditures, including but not limited to the administra-
17 tion and disposition of appropriated and restricted funds, and of the
18 educational and other work performed. The report shall include annually
19 updated five-year plans for program development and facilities develop-
20 ment submitted in summary form.

21 * Sec. 12. AS 14.40.210 is amended to read:

22 Sec. 14.40.210. DUTIES [POWERS] OF THE PRESIDENT OF THE UNIVER-
23 SITY. The president of the University of Alaska shall [MAY]

24 (1) give general direction to the work of the institution in
25 all its departments subject to the approval of the Board of Regents;

26 (2) with the approval of the Board of Regents, appoint the
27 chancellors and the staff of the president's office; [DEANS, HEADS OF
28 DEPARTMENTS, PROFESSORS, ASSISTANTS, INSTRUCTORS, TUTORS AND OTHER OFFI-
29 CERS OF THE UNIVERSITY TO THE POSITIONS ESTABLISHED BY THE BOARD OF

1 REGENTS]

2 (3) provide the staff work and recommendations upon which the
3 Board of Regents may base adoption of policy and by which the board may
4 carry out its responsibility for monitoring and evaluating policy im-
5 plementation;

6 (4) provide leadership and direction for implementation of
7 policies of the Board of Regents;

8 (5) provide intra-system coordination, monitor and evaluate
9 the conduct of all university programs, and report periodically to the
10 Board of Regents;

11 (6) review the functional organization and staffing patterns
12 submitted by the chancellors;

13 (7) provide for the compilation, publication, distribution
14 and consistent updating of the policies and regulations of the Board of
15 Regents;

16 (8) appoint the members of the campus advisory councils
17 established under sec. 278 of this chapter; and

18 (9) meet regularly with the chancellors and president's staff
19 and consult with them on the conduct of their functions.

20 * Sec. 13. AS 14.40.230 is amended to read:

21 Sec. 14.40.230. POWERS OF REGENTS TO REMOVE OFFICERS. (a) The
22 Board of Regents may remove from office any officer of the institution
23 by a majority vote of the whole board [WHEN IN ITS JUDGMENT THE GOOD OF
24 THE UNIVERSITY REQUIRES IT]. An officer removed under this section
25 shall be notified of his removal and of his opportunity to apply to the
26 board for a hearing and reconsideration of its decision.

27 (b) Upon application filed with the Board of Regents within 10
28 days of receipt of notice of removal under (a) of this section, an offi-
29 cer is entitled to a hearing before the board on the validity of the

1 cause specified in the notice of removal. The hearing shall occur
2 within 30 days of the date of filing of application. Upon consideration
3 of all evidence, including evidence provided at the hearing provided in
4 accordance with this subsection, the board shall uphold or reverse the
5 decision made under (a) of this section.

6 * Sec. 14. AS 14.40 is amended by adding new sections to read:

7 ARTICLE 2A. ADMINISTRATION OF THE CAMPUSES.

8 Sec. 14.40.272. CAMPUS ADMINISTRATION AUTHORIZED. (a) Each of
9 the campuses designated in sec. 11(b)(1) - (3) and the community college
10 division established in sec. 11(b)(4) of this chapter shall be under the
11 administrative direction of a chancellor. The chancellor of each campus
12 and the chancellor of the community college division shall have full
13 authority and operational responsibility under the direction of the
14 president of the university and in compliance with the systemwide poli-
15 cies established by the Board of Regents and the regulations of the
16 president which have received the approval of the Board of Regents.

17 (b) The organizational structure of each campus, and the organiza-
18 tional structure of the community college division, shall be determined
19 by the chancellor of each campus, or the chancellor of the community
20 college division.

21 Sec. 14.40.274. DUTIES OF CHANCELLORS. The chancellor of each
22 campus, and the chancellor of the community college division, shall, in
23 relation to the unit under his administration, implement the policies
24 established by the Board of Regents and, under these policies, is re-
25 sponsible for the following functions:

26 (1) leadership and supervision of all teaching, research and
27 public service programs conducted on his campus or within his division;

28 (2) preparation and submission to the Board of Regents of a
29 complete program budget, including all courses, programs and activities,

1 regardless of their sources of funding, and of requests for funds to
2 initiate or complete construction of capital improvements;

3 (3) management and administration of the property of the uni-
4 versity reasonably necessary for the administration of his unit;

5 (4) conduct of all administrative, student, and business
6 services essential to the operation of the campus or division, and the
7 maintenance of accurate and complete books of accounts;

8 (5) employment of faculty and support services staff and
9 provision for payroll completion and personnel services;

10 (6) provision of management information data as required by
11 the Board of Regents or the president;

12 (7) provision of an annual report to the Board of Regents,
13 through the president, relating to the conduct of programs and the
14 administration of the campus or division under his supervision;

15 (8) completion of other periodic reports which may be re-
16 quested by the president or the Board of Regents.

17 Sec. 14.40.276. CAMPUS PRESIDENTS. The chancellor of the com-
18 munity college division shall

19 (1) with the approval of the Board of Regents, appoint the
20 president of each community college;

21 (2) delegate the administration of the administrative and
22 supervisory functions described in sec. 274 of this chapter to the
23 presidents of the community college campuses within the division, to the
24 maximum extent practicable.

25 Sec. 14.40.278. CAMPUS ADVISORY COUNCILS. (a) An advisory coun-
26 cil is established for each campus of the University of Alaska. Members
27 of a campus advisory council shall be appointed by the chancellor or
28 campus president.

29 (b) A campus advisory council may, by resolution, advise the Board

1 of Regents with respect to institutional program direction, campus
2 management and organizational systems, campus budget submissions, ap-
3 pointment or dismissal of campus administrators, and other policy issues
4 as appropriate.

5 * Sec. 15. AS 14.40.290 is amended by adding a new subsection to read:

6 (d) There is created a special contingency fund for the University
7 of Alaska. The legislature may annually appropriate to the contingency
8 fund an amount not to exceed one per cent of the total funds appro-
9 priated from the general fund for operations of the university. Amounts
10 appropriated to the special contingency fund for the university may be
11 allocated by the Board of Regents to meet unfunded necessary expenses of
12 the university system. Transfers from the special contingency fund to
13 the account of any campus or for any other purpose shall be reported by
14 the president to the division of budget and management, Office of the
15 Governor, and to the Legislative Budget and Audit Committee.

16 * Sec. 16. AS 14.40 is amended by adding a new section to read:

17 Sec. 14.40.315. FISCAL PROCEDURES. (a) Budgets for the compo-
18 nents of the statewide system shall be prepared in accordance with
19 general requirements set out in the Executive Budget Act (AS 37.07), and
20 on forms prescribed by the division of budget and management in the
21 Office of the Governor. Budget submissions shall be completed by each
22 chancellor or campus president based upon opportunity for maximum in-
23 volvement in the budget preparation process by persons responsible for
24 programs, shall reflect the objectives of the programs, and shall con-
25 tain supporting data and justifications.

26 (b) Within the process of preparation and review of budget sub-
27 missions, the requests of the deans, directors and department heads and
28 the actions of community college campus presidents, chancellors, and the
29 president shall be clearly delineated.

1 (c) Actions of the Board of Regents on budgets submitted by the
2 chancellors shall be delineated and documented on the budget forwarded
3 to the governor in accordance with AS 37.07.050. Copies of the original
4 request from the campus presidents, deans and directors, together with
5 the record of all changes and recommendations made at each stage of the
6 budget review process, shall be forwarded by the president of the uni-
7 versity to the governor and the legislature.

8 (d) The budget submission for the Board of Regents and for the
9 office of president of the university shall be prepared by the president
10 and provided to the Board of Regents for its review and approval. The
11 budget submission shall be transmitted to the governor in accordance
12 with AS 37.07.050.

13 (e) Appropriations to the statewide university system shall speci-
14 fy the amount appropriated to each campus designated in sec. 11(b)(1) -
15 (3) of this chapter and to each community college within the community
16 college division. There shall be no transfers of funds between or among
17 the campuses designated in sec. 11(b)(1) - (3) of this section, between
18 any of those campuses and the community college division, or between
19 community colleges within the community college division. Transfers
20 between allocations for a university campus may be made by the chancel-
21 lor, and transfers between allocations for a community college may be
22 made by the president of the community college. Transfers between
23 allocations shall be reported to the president of the university, the
24 Board of Regents, the division of budget and management in the Office of
25 the Governor, and the Legislative Budget and Audit Committee.

26 * Sec. 17. AS 14.40.340 is amended to read:

27 Sec. 14.40.340. APPLICABILITY OF BID PRACTICES TO THE UNIVERSITY
28 OF ALASKA. The competitive bid practices of [SET FORTH IN] AS 37.05.230
29 apply to the University of Alaska, except that the provisions of that

1 section [ACT] do not apply in those cases where the work is to be per-
2 formed substantially by students enrolled in the university. Where the
3 term "purchasing agent" is used in AS 37.05, it means the position
4 identified by the Board of Regents for that purpose [COMPTROLLER OF THE
5 UNIVERSITY].

6 * Sec. 18. AS 14.40.440 is amended to read:

7 Sec. 14.40.440. UNIVERSITY DESIGNATED BENEFICIARY OF SMITH-LEVER
8 ACT AND EMPOWERED TO CARRY ON COOPERATIVE [AGRICULTURAL] EXTENSION WORK.
9 The University of Alaska is designated as the beneficiary under the
10 provisions of the Smith-Lever Act, and may administer and carry on
11 cooperative [AGRICULTURAL] extension work in the state in cooperation
12 with the United States Department of Agriculture, under the jurisdiction
13 of the University of Alaska at Fairbanks.

14 * Sec. 19. AS 14.40.250 is amended by adding a new subsection to read:

15 Sec. 14.40.250. REGENTS TO ACT AS TRUSTEES AND ADMINISTER CERTAIN
16 MONEY OR PROPERTY [FROM SOURCES OTHER THAN LEGISLATURE OR FEDERAL APPRO-
17 PRIATION]. (b) The Board of Regents shall collect, manage, and expend
18 student body fees established for each campus of the university in
19 accordance with sec. 255 of this chapter. The board is a trustee in the
20 management of the funds received from the levy and collection of the
21 student body fees. The board shall designate an officer responsible for
22 the collection and management of the fees, and the officer designated
23 may expend funds only in accordance with the budget approved by the
24 campus student government organization.

25 * Sec. 20. AS 14.40 is amended by adding a new section to read:

26 Sec. 14.40.255. STUDENT BODY FEES. (a) The student government
27 organization of each of the campuses designated in sec. 11(b)(1) - (3)
28 of this chapter and each campus of the community college division estab-
29 lished in sec. 11(b)(4) of this section may establish a student body fee

1 in accordance with the provisions of this section. If a campus student
2 government organization establishes a fee under this section, it shall
3 adopt an annual budget providing for the expenditure of the fees which
4 are received.

5 (b) No fee may be imposed by a campus student government organiza-
6 tion under this section unless the fee is first approved by a majority
7 of the students of that campus voting at an election. A fee approved
8 under this subsection constitutes a maximum fee. The campus student
9 government organization may thereafter levy a fee that is equal to or
10 less than the amount of the fee approved at the election, but may not
11 levy a fee in excess of that amount without approval of the campus
12 student body as provided in this subsection.

13 (c) The annual budget adopted by a campus student government
14 organization under (a) of this section shall be reported to the Board of
15 Regents. The Board of Regents may, by a vote of three-fourths of its
16 entire membership, return the budget to the student government organiza-
17 tion for consideration of any amendments which the board may suggest.

18 (d) With respect to a student body fee proposed or established
19 under this section, the Board of Regents may not

20 (1) prohibit an election for the purposes of (b) of this
21 section;

22 (2) prohibit a campus student government organization from
23 determining the amount of the fee to be levied on students at its campus;

24 (3) revise a budget submitted by a student government organi-
25 zation under (c) of this section; and

26 (4) impose any requirement of signature or review as a requi-
27 site to commitment or use of funds except those signature requirements
28 reasonably necessary to assure proper expenditure of the funds.

29 * Sec. 21. ASSISTANCE OF ALASKA POSTSECONDARY EDUCATION COMMISSION. The

1 Alaska Postsecondary Education Commission is directed to initiate a study to
2 develop, in cooperation with the community college division chancellor and
3 the presidents of the community colleges, a plan for financial support for
4 community colleges comparable in principle to the method of providing finan-
5 cial support for elementary and secondary education. The study and plan
6 developed shall be reviewed by the Board of Regents and forwarded to the
7 division of budget and management, Office of the Governor, and the Legisla-
8 tive Budget and Audit Committee not later than December 1, 1978.

9 * Sec. 22. TRANSITIONAL MEASURES. (a) Except as provided in AS 14.40.-
10 020, amended by sec. 4 of this Act, in AS 14.40.100, amended by sec. 5 of
11 this Act, and AS 14.40.440, amended in sec. 18 of this Act, institutes,
12 centers or activities which are under the jurisdiction of a particular campus
13 or the jurisdiction of the division of community colleges shall continue
14 under the respective jurisdiction until changed or altered by action of the
15 Board of Regents.

16 (b) Personnel, financial and student support services, including re-
17 sponsibility for campus administration set out in AS 14.40.272 - 14.40.276,
18 enacted by sec. 14 of this Act, and fiscal procedures, set out in AS 14.40.-
19 315, enacted by sec. 16 of this Act, shall be decentralized not later than
20 July 1, 1979. To achieve a responsible transition, the Board of Regents
21 shall prepare an interim report on decentralization and transition and submit
22 the report during the first week of the First Session of the Eleventh Legisla-
23 ture, together with any recommendations which the board may have for addi-
24 tional legislation or for amendment of any portion of this Act.

25 * Sec. 23. AS 14.40.560 - 14.40.640 are repealed. Repeal of AS 14.40.-
26 560 - 14.40.640 does not, of itself, affect community colleges in existence
27 on the effective date of this section, and all agreements between a unit of a
28 community college and a school district or political subdivision entered into
29 under authority of AS 14.40.570 - 14.40.580, repealed by this section, shall

1 continue in force until the expiration date provided in the agreement or
2 until mutually cancelled.

3 * Sec. 24. AS 14.40.010 is repealed.

4 * Sec. 25. Section 3 of this Act takes effect July 1, 1980. Sections 1,
5 2, and 4 - 24 of this Act take effect July 1, 1978.

6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

#