

1 IN THE SENATE

BY THE RULES COMMITTEE

2 HOUSE CS FOR SENATE BILL NO. 605

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 planning.

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

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

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

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

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

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

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

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

1 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 lead-
23 ing object of which is to carry information on rural life subjects to
24 the people of the state. The cooperative extension service shall func-
25 tion under the jurisdiction of the University of Alaska at Fairbanks.

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

27 Sec. 14.40.105. RESEARCH CENTERS AND OUTREACH ACTIVITIES. The
28 Board of Regents may assign to appropriate campuses or the community
29 college division the responsibility for operation of research centers

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

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

8 Sec. 14.40.155. IMMUNITY OF REGENTS FROM PERSONAL LIABILITY.
9 Members of the Board of Regents are immune from personal liability with
10 respect to all acts done or actions taken in good faith within the scope
11 of their authority during regular and special meetings of the board.

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

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

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

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

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

25 (4) have the care, control and management of all the real and
26 personal property [AND ALL MONEY] of the university; provide for the
27 delegation of administrative responsibility for the property reasonably
28 necessary for the administration of each of the university components
29 set out in sec. 11(b) of this chapter to the chancellor of the respec-

1 tive component;

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

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

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

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

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

17 (B) student admission standards;

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

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

22 (E) uniform accounting and business procedures;

23 (F) uniform budgeting procedures; and

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

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

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

29 (12) provide for both internal and external audit functions,

1 and transmit an annual audit report to the governor and legislative
2 auditor, together with its comments;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

6 ARTICLE 2A. ADMINISTRATION OF THE CAMPUSES.

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

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

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

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

27 (2) preparation and submission to the Board of Regents of a
28 complete program budget, including all courses, programs and activities,
29 regardless of their sources of funding, and of requests for funds to

1 initiate or complete construction of capital improvements;

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

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

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

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

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

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

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

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

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

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

28 (b) A campus advisory council may, by resolution, advise the Board
29 of Regents with respect to institutional program direction, campus

1 management and organizational systems, campus budget submissions, ap-
2 pointment or dismissal of campus administrators, and other policy issues
3 as appropriate.

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

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

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

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

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

29 (c) Actions of the Board of Regents on budgets submitted by the

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

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

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

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

26 Sec. 14.40.340. APPLICABILITY OF BID PRACTICES TO THE UNIVERSITY
27 OF ALASKA. The competitive bid practices of [SET FORTH IN] AS 37.05.230
28 apply to the University of Alaska, except that the provisions of that
29 section [ACT] do not apply in those cases where the work is to be per-

1 formed substantially by students enrolled in the university. Where the
2 term "purchasing agent" is used in AS 37.05, it means the position
3 identified by the Board of Regents for that purpose [COMPTROLLER OF THE
4 UNIVERSITY].

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

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

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

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

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

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

1 government organization establishes a fee under this section, it shall
2 adopt an annual budget providing for the expenditure of the fees which
3 are received.

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

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

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

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

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

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 expenditure of the funds is in accordance
29 with the budget approved by the campus student government organization.

1 * Sec. 21. ASSISTANCE OF ALASKA POSTSECONDARY EDUCATION COMMISSION. The
2 Alaska Postsecondary Education Commission is directed to initiate a study to
3 develop, in cooperation with the community college division chancellor and
4 the presidents of the community colleges, a plan for financial support for
5 community colleges comparable in principle to the method of providing finan-
6 cial support for elementary and secondary education. The study and plan
7 developed shall be reviewed by the Board of Regents and forwarded to the
8 division of budget and management, Office of the Governor, and the Legisla-
9 tive Budget and Audit Committee not later than December 1, 1978.

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

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

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

1 under authority of AS 14.40.570 - 14.40.580, repealed by this section, shall
2 continue in force until the expiration date provided in the agreement or
3 until mutually cancelled.

4 * Sec. 24. AS 14.40.010 is repealed.

5 * Sec. 25. Section 3 of this Act takes effect July 1, 1980. Sections 1,
6 2, and 4 - 24 of this Act take effect July 1, 1978.

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