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260

SUMMARY: EB 260 "An Act relating to the administration of the University of Alaska"

Enclosed is a sectional analysis prepared by Legal Services Counsel, Keith Levy.

In general, this legislation proposes the following changes:

- 1). Restructuring the administration in that it requires the Board of Regents to devise and use formula funding in requesting and allocating general funds.
- 2). Board of Regents will be required to report to the Legislature as in current law (14.40.190 enclosed) but will additionally be required to report a listing of teachers, faculty members, and holders of academic rank as well as the number of credit hours.
- 3). Board of Regents will be required to submit a disclosure of true operating costs per administrative unit.
- 4). Salary levels shall be set at no more than 45% above national averages.

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STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 16, 1983

SUBJECT: Administration of the university
(HB 260)

TO: Representative John Lindauer

FROM: Keith B. Levy *KBL*
Legislative Counsel

The following is a sectional analysis of HB260, relating to the administration of the University of Alaska.

Section 1 adds a new paragraph to AS 14.40.170 to require the Board of Regents to set up and make use of a formula funding process for requesting and allocating money from the general fund. It requires the board to base the formula on the number of full-time equivalent students. It also requires the board to use the regional cost-of-living differentials between different geographic service areas which the state uses for other state employees.

Section 2 amends AS 14.40.190 to require the Board of Regents to report in writing to the legislature at the beginning of each regular session, in addition to information it was already required to report, the following: the number of credit hours generated by and the full-time equivalent number of students served by each administrative unit; and the total earnings reported for federal income tax purposes, the job description and title, the highest academic degree, the major publications and published research, and the total years of teaching experience for each teacher, faculty member, and holder of academic rank in the university.

Section 3 adds a new section, AS 14.40.172. Subsection (a) requires the Board of Regents to establish at least three geographic service areas for the university and two for the community colleges. It requires university budget requests to be made separately by administrative units which conform to these geographic service areas.

Subsection (b) provides for costs of services shared by different administrative units to be paid out of the budgets for units using those services.

Subsection (c) permits administrative units to decline to use shared services and instead use their share of the funds allocated for those services to obtain those services independently.

Section 4 adds a new section, AS 14.40.235. Subsection (a) prohibits the board from approving a pay scale for which the ratio between the compensation for university faculty and community college faculty varies from the national average. It also prohibits the board from compensating teachers and faculty members at a salary which is more than 45 percent above the national average for a comparable position.

Subsection (b) prohibits the board from awarding pay increases to teachers and faculty members for degrees and courses they have completed which are outside the academic discipline taught by the particular teacher or faculty member.

Subsection (c) prohibits the board from awarding or allowing retention of tenure by an employee who does not teach a minimum of student credit hours equivalent to six full-time equivalent students. Research courses, readings courses, and thesis supervision may not be applied to this minimum number of credit hours for purposes of tenure. Similarly, tenure may not be received or retained by an employee who does not teach an average of at least one course per semester or who is employed for two consecutive years without producing annual student credit hours equivalent to six or more full-time equivalent students.

Subsection (c) also provides that an employee who teaches less than two regular classes per semester may only be paid the equivalent of nine months teaching salary for every eleven months of full-time employment.

Subsection (d) requires the Board of Regents to establish a procedure to ensure that an employee whose tenure is denied or revoked under this section receives due process of law in the form of reasonable notice and the opportunity for a hearing.

Representative John Lindauer,
Page 3
March 16, 1983

Section 5 adds a new section, AS 14.40.265. This section provides that course credit may only be administered and granted by the administrative unit responsible for the geographic area in which the credit is earned.

Section 6 adds a new paragraph to AS 14.60.010 defining the terms "major publications" and "major published research" which are used in AS 14.40.190, sec. 2 of the bill. The terms are defined as publications that are published by a person other than the author or the author's employee.

KBL:ljb
10/011

SSHB 219

Bob Baldwin - U of A - against

Ed Jensen - Defeat For

Star Howitt - against

Jay Barton - against

HB 260

Ron Fypps - Yes on formula funding

Bob Baldwin - ~~maybe~~ but three more comprehensive elements, so no.

used in this subsection means a portion of the University of Alaska designated as a "campus" by the Board of Regents. (§ 37-10-3 ACLA 1949; am § 3 ch 80 SLA 1973; am § 2 ch 13 SLA 1977)

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(c) and § 4, Chapter 58, SLA 1982.

Sec. 14.40.160. Board meetings public; meeting notice; public facilities. (a) The provision of AS 44.62.310 apply to meetings of the Board of Regents. All meetings of the board, its committees or subcommittees, are open to the public and press except as otherwise provided in AS 44.62.310(c). The findings of an executive session shall be made a part of the record of the proceedings of the Board of Regents. All records of the meetings and proceedings shall be open to inspection by the public and the press at reasonable times.

(b) The Board of Regents may determine the time and place of its meetings. However, 30 days notice is required for all regular meetings and 10 days notice is required for special meetings of the Board of Regents, its committees or subcommittees called under the bylaws or rules of procedure of the Board of Regents. Emergency meetings may be called without notice.

(c) The Board of Regents shall provide adequate facilities for members of the public to attend the meetings of the board, its committees or subcommittees. (§ 37-10-5 ACLA 1949; am § 1 ch 100 SLA 1972; am § 30 ch 59 SLA 1982)

Effect of amendments. — The 1982 amendment substituted "Board of Regents" for "board" three times in subsection (b). **Legislative history reports.** — For report on ch. 100, SLA 1972 (CSHB 605 am), see 1972 House Journal, p. 643.

Sec. 14.40.170. Duties of Board of Regents. (a) The Board of Regents shall

(1) appoint the president of the university by a majority vote of the whole board, and the president may attend meetings of the board;

(2) fix the compensation of the president of the university, all heads of departments, professors, teachers, instructors and other officers;

(3) confer such appropriate degrees as it may determine and prescribe;

(4) have the care, control and management of all the real and personal property of the university;

(5) keep a correct and easily understood record of the minutes of every meeting and all acts done by it in pursuance of its duties;

(6) under procedures to be established by the commissioner of administration, and in accordance with existing procedures for other state agencies, have the care, control, and management of all money of the university and keep a complete record of all money received and disbursed.

tutions of higher learning for accident occurring during school athletic events. 35 ALR3d 725.

Tort liability of public schools and institutions of higher learning for injuries caused by acts of fellow students. 36 ALR3d 330.

Tort liability of public schools and institutions of higher learning for accidents occurring in physical education classes. 36 ALR3d 361.

Tort liability of public schools and institutions of higher learning for accidents occurring during use of premises and equipment for other than school purposes. 37 ALR3d 712.

Tort liability of public schools and insti-

tutions of higher learning for injuries due to condition of grounds, walks, and playgrounds. 37 ALR3d 738.

Immunity of private schools and institutions of higher learning from liability in tort. 38 ALR3d 480.

Tort liability of public schools and institutions of higher learning for injuries resulting from lack or insufficiency of supervision. 38 ALR3d 830.

Liability of university, college, or other school for failure to protect student from crime. 1 ALR4th 1099.

Tort liability of public schools and institutions of higher learning for educational malpractice. 1 ALR4th 1139.

Sec. 14.40.180. Religious or partisan instruction, tests and appointments. No instruction either sectarian in religion or partisan in politics shall be permitted in any department of the University of Alaska and no sectarian or partisan test shall be allowed or exercised in the appointment of regents, instructors, or other officers of the University of Alaska or in the admission of students or for any purpose. (§ 37-10-6 ACLA 1949)

Collateral references. — Validity of governmental requirement of oath of allegiance or loyalty as applied to college curators. 18 ALR2d 303.

Sec. 14.40.190. Report to legislature. The Board of Regents shall make a written report to the legislature at the beginning of its regular sessions of the condition of the university property, of all receipts and expenditures, including but not limited to the administration and disposition of appropriated and restricted funds, and of the educational and other work performed. (§ 37-10-6 ACLA 1949; am § 1 ch 37 SLA 1976)

Cross references. — As to status of University of Alaska as state agency, see note to Alas. Const., art. VII, § 2.

NOTES TO DECISIONS

Applied in *University of Alas. v. National Aircraft Leasing, Ltd.*, Sup. Ct. Op. No. 1158 (File No. 2365), 536 P.2d 121 (1975).

Sec. 14.40.200. Quorum. No corporate business may be transacted at any meeting of the Board of Regents unless at least six regents are present, the majority of the whole board to approve the same. (§ 37-10-6 ACLA 1949; am § 2 ch 168 SLA 1975)

acquisition or disposition of an item owned by, in custody of, or proposed to be acquired by or for the state museum creates a conflict of interest. A committee member may not

(1) have a pecuniary or property interest in an item that is proposed to be acquired or disposed of by or for the state museum;

(2) have a pecuniary or property interest, directly or indirectly, in a contract to which the museum, or the state on behalf of the museum, is a party; or

(3) receive compensation for services rendered to the state museum as a consultant, expert, appraiser, or otherwise, except as provided in AS 14.57.040.

(b) Notwithstanding (a) of this section, a committee member may bequeath or donate an item to the state museum. (§ 1 ch 80 SLA 1974)

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(c) and § 4, ch. 58, SLA 1982.

Sec. 14.57.080. Definitions. In this chapter "committee" means the state Museum Collections Advisory Committee. (§ 1 ch 80 SLA 1974)

Revisor's notes. — This section was reorganized by the revisor of statutes under the authority of AS 01.05.031.

Chapter 58. Alaska Public Broadcasting Commission.

Section

10 — 90. [Transferred]

Secs. 14.58.010 — 14.58.090. Creation of Alaska Public Broadcasting Commission; membership and term of office; compensation and expenses; chairman; purpose; duties; powers; commercial broadcasting; definitions.

Transferred to AS 44.21.256 — 44.21.290.

Editor's notes. — This chapter was transferred to AS 44.21.256 — 44.21.290 by the revisor of statutes pursuant to AS 01.05.031.

Chapter 60. General Provisions.

Section

10. Definitions

Sec. 14.60.010. Definitions. As used in this title, unless the context otherwise requires

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SLA 197

(1) "public schools" include elementary schools, high schools, citizenship night schools for adults, and other public educational institutions which may be established; however, nothing in this title includes schools for Alaska Natives under the control of the federal government and administered and supervised through the Bureau of Indian Affairs;

(2) "board" means the state Board of Education;

(3) "commissioner" means the commissioner of education;

(4) "department" means the Department of Education;

(5) "governing body" means the school board of a borough or city school district or a regional educational attendance area;

(6) "school board" means the school board of a borough or city school district or a regional educational attendance area;

(7) Repealed by § 31 ch 124 SLA 1975.

(8) Repealed by § 31 ch 124 SLA 1975.

(9) "attendance area" means the geographic area designated by the department to be served by a school;

(10) "regional educational attendance area" means an educational service area in the unorganized borough which may or may not include a military reservation, and which contains one or more public schools of grade levels K-12 or any portion of those grade levels which are to be operated under the management and control of a single regional school board. (§ 37-1-3 ACLA 1949; am § 58 ch 98 SLA 1966; am §§ 27 — 29 ch 46 SLA 1970; am § 3 ch 64 SLA 1972; am §§ 29 — 32 ch 124 SLA 1975)

HOUSE HEALTH, EDUCATION & SOCIAL SERVICES
STANDING COMMITTEE
April 11, 1983
1:00 p.m.

Members Present: Rep. Fritz, Co-Chair
Rep. Tischer, Co-Chair
Rep. M.W. Miller, Vice-Chair
Rep. Davis
Rep. Koponen
Rep. Goll

Members Absent: Rep. Cato

COMMITTEE CALENDAR

HB 219: "An Act relating to Local Citizen Advisory Boards of the University of Alaska."

HB 260: "An Act relating to the administration of the University of Alaska."

WITNESS REGISTER

Rep. Lindauer
District 10
State Capitol Building
Pouch V
Juneau, Alaska 99811
465-3709

Position Statement: Sponsor of HB 219 and HB 260; testified in support of HB 219; stated that the only change in HB 219 would be appointment by the Governor of LCAB members.

Bob Baldwin
UAA Citizens Advisory Committee
4907 Roger Road
Anchorage, Alaska 99507
562-5451

Position Statement: Opposed HB 219 because it would put LCAB's in a responsive and confrontative position instead of its current originating position; testified against HB 260 because it would reorganize the University through piecemeal legislation and had not allowed for enough public input.

Ed Isenson
UAA Citizens Advisory Committee
943 Westbury Drive
Anchorage, Alaska 99503

563-6480

Position Statement: Agreed with the intent of HB 219 to strengthen local participation and impact; stated that HB 260 contained several features to fortify the University of Alaska.

Dr. Jay Barton
President
University of Alaska
3211 Providence Drive
Anchorage, Alaska 99508
786-1412

Position Statement: Argued that HB 219 was unnecessary, would increase regionalism and ineffectiveness, and could be unconstitutional.

Stan Howitt
UAA Citizens Advisory Committee
1716 Scenic Way Drive
Anchorage, Alaska 99501

Position Statement: Stated that HB 219 was unnecessary because the Board of Regents already responded to Citizen Advisory Board recommendations and concerns; contended that the fight was with the Legislature.

Ron Phipps
Postsecondary Education Commission
Pouch FP
Juneau, Alaska 99811
465-2854

Position Statement: Endorsed lines 11 - 15 on Page 1 of HB 260 regarding the funding formula process.

PREVIOUS ACTION

HB 219: 2/21/83 - First Reading.

Committee referrals - HESS and Finance Committees.

No previous action in HESS.

HB 260: 3/11/83 - First Reading.

Committee referrals - HESS, Finance and Rules Committees.

No previous action in HESS.

ACTION NARRATIVE

TAPE 28
Recording
Number 0001

Co-Chair Fritz called the meeting to order at 1:05 p.m. Representatives M.W. Miller, Davis and Koponen were present. Representatives Tischer and Goll arrived at 1:12 p.m. Co-Chair Fritz announced the committee calendar and invited the sponsor of HB 219 to testify.

Number 0028

Rep. Lindauer, District 10, introduced a sponsor substitute for HB 219; stated that the bill makes only one change which allows the Governor to appoint Citizen Advisory Board members. Rep. Lindauer contended that local citizens have little input into higher education, and that HB 219 would give Advisory Board members greater stature.

Number 0122

Rep. Lindauer stated that HB 219 also mandates that the Board of Regents explain any decisions which disregard Advisory Board recommendations.

Number 0144

In response to questions from the committee, the sponsor argued that the Advisory Boards already exist; consequently, the only change under HB 219 would be that the Governor instead of the University would appoint the board members.

Number 0213

Rep. Miller questioned the make up of the proposed Fairbanks Citizens Advisory Board and the contradictory fiscal notes submitted by the University of Alaska and the Postsecondary Education Commission.

Number 0250

Discussion about terms of office for Advisory Board members.

Number 0278

Rep. Tischer suggested adding a sunset provision in order to facilitate regular review of the effectiveness of Citizen Advisory Boards. Rep. Lindauer agreed to the need for such a provision; said that SSHB 219 provides for such a review.

Number 0294

Rep. Goll questioned the discrepancies between the fiscal notes submitted by the Postsecondary Education Commission and the University. Rep. Lindauer contended that HB 219 would incur no costs, and argued that the University's fiscal note for \$141,900 was mischievous.

Number 0351 Rep. Lindauer stressed that the sole intent of HB 219 is to allow the Governor to appoint the board members in order to give more stature to local citizens.

Number 0370 Rep. Koponen suggested that a fiscal note from the Department of Administration would be more accurate as it would be the department involved.

Number 0414 Discussion about Local Citizen Advisory Board powers and the provision in HB 219 that would require the Board of Regents to wait 60 days before implementing a decision if the LCAB wished to make a recommendation regarding the decision.

Number 0450 Rep. Davis expressed concern that the 60-day clause might unnecessarily delay Board of Regent decisions. Rep. Lindauer agreed and suggested shortening the 60-day provision in a committee substitute for HB 219.

Number 0466 Rep. Tischer argued that shortening the 60-day provision might reduce the impact of advisory boards and thus erase the effectiveness of the bill.

Number 0510 Rep. Lindauer also agreed with Rep. Tischer's concerns and suggested limiting the provision to a more reasonable amount of time, perhaps 7 - 14 days.

Number 0539 Bob Baldwin, UAA Citizens Advisory Committee, stated that the committee would not support HB 219 as worded; expressed the committee's concern that HB 219 would place citizen advisory boards in a responsive, confrontative position with the Board of Regents instead their current originating position. Mr. Baldwin contended that the committee agreed with the intent to give more clout to LCAB's but argued that HB 219 was not the best means to accomplish that end.

Number 0610 Mr. Baldwin suggested that the committee's position might change if the wording regarding responding to Board of Regents' decision were altered.

Number 0621 Rep. Tischer questioned Mr. Baldwin about the meaning of "originating position". Discussion followed.

- Number 0670 In response to questions from Rep. Goll, Mr. Baldwin stated the committee's concern that the Governor's appointments would become political thereby minimizing the input of ordinary citizens, and that HB 219 would decrease the number of members permitted on Local Citizen Advisory Boards.
- Number 0701 Ed Isenson, UAA Citizens Advisory Committee, agreed with the intent of HB 219 to encourage strong local representative and participation. Mr. Isenson also commented on HB 260, stating that the bill included some constructive features to strengthen the University of Alaska. Mr. Isenson concluded that both bills would have positive effects for students and the community.
- Number 0742 In response to questioning from Rep. Tischer, the witness agreed to the benefits of 20 member advisory boards but stated that the proposed decrease was not a primary consideration in regards to HB 219.
- Number 0777 Dr. Jay Barton, President, University of Alaska, presented an overview of Board of Regent activities and duties; described recent measures to increase the authority of citizen advisory boards.
- Number 0819 Dr. Barton argued that HB 219 would also establish attendance areas and lead to greater inefficiency.
- Number 0860 Dr. Barton said the problem concerns how to get everyone involved and still get something done.
- Number 0877 Dr. Barton also argued that HB 219 would violate the intent of the state constitution to allow the Board of Regents to govern the University of Alaska. Dr. Barton concluded that HB 219 was unnecessary, inappropriate, would lead to increased regionalism and decrease efficiency, and could in fact be unconstitutional.
- Number 0920 Dr. Barton responded to Rep. Tischer's suggestion that the Board of Regents was not responsive to the advisory boards by citing the great amount of communication which exists and the impossibility of granting everybody's wishes.

Number 0957 Dr. Barton stated that trying to make limited resources cover everybody's requests had led to conflicts, but that the Board of Regents has already accomplished more to alleviate those problems than HB 219 ever could.

Number 0980 Rep. Goll commented that perhaps HB 219 resulted from recent negative press on University of Alaska academic standards and financial matters.

Number 0993 Dr. Barton cited the recent shift of emphasis from access to efficiency with regards to higher education in Alaska, and responded that the University received a clean bill of health in the past 3 audits.

Number 1040 Dr. Barton agreed to the need for quality control in regards to academic standards. Dr. Barton further explained that some U of A programs are very strong and competitive with lower '48 programs, while other areas are not as stable as of yet.

Number 1060 Stan Howitt, UAA Citizens Advisory Committee, stated that HB 219 is unnecessary because the Board of Regents already responds well to the Citizens Advisory Board. Mr. Howitt asserted that the fight now is with the Legislature. Mr. Howitt spoke against dividing the advisory boards into 3 geographical areas and said that appointment by the Governor seemed bureaucratic.

Number 1134 Rep. Davis requested information on the duties, functioning, and number of LCAB's.

Number 1148 Co-Chair Fritz announced that he would entertain a motion to move HB 219 out of committee.

Number 1150 Rep. Davis suggested holding HB 219 until the receipt of the requested information from Dr. Barton.

Number 1166 Rep. Tischer requested clarification from Rep. Davis about his recommendation.

Number 1170 Rep. Davis moved to table HB 219 until receipt of further information from Dr. Barton.

- Number 1190 Co-Chair Fritz called for a vote on the previous question. The motion passed by a vote of 4 to 2.
- Number 1193 Co-Chair Fritz presented HB 260 for committee consideration.
- Number 1199 Ron Phipps, Director of Academic Planning and Research, Postsecondary Education Commission, focused his comments on Page 1, Lines 11 - 15 of HB 260; stated that the committee approved of the proposed funding formula and therefore endorsed that section of HB 260.
- Number 1215 Rep. Tischer requested a description of the formula and proof of its effectiveness. Mr. Phipps explained 3 allocations for faculty, support and travel are added together to arrive at the total sum for each community college. Mr. Phipps stated that the formula was compared to actual costs over a 3-year period and reviewed by an outside consultant who is a national expert and knowledgeable about Alaska.
- Number 1248 Bob Baldwin, UAA Citizens Advisory Committee, called HL 160 a reorganization plan and argued that reorganization should be done only through a comprehensive process, not piecemeal legislation. Mr. Baldwin also suggested soliciting greater public input.
- Number 1287 Co-Chair Fritz adjourned the meeting at 2:58 p.m.

lawyer who prepared the legislation on behalf of President Jay Kerttula, D-Palmer, and Sen. Pau, said the department's cost figure is irrelevant.

ALASKA NEWS

ation, payments would be made from 12.5 percent of Fund earnings — specifically 25 percent of the earnings for dividends. Calculated at \$42 million in fiscal 1984, were not the demands of the bonus program, the size of investments would decrease. The administration estimate as to the number

of qualified applicants holds true, bonus payments would fall by about 20 percent in fiscal 1984.

However, he and the committee doubt the accuracy of the figure on grounds it was derived from the number of seniors who qualified for 1982 Permanent Fund dividends.

The retroactive payments are among the demands of 67-year-old Rodney Vest of Anchorage, who filed suit on grounds the residency requirement was discriminatory.

Last summer, the Legislative Council, advised by the attorney general's office that the state would lose the suit, agreed to address the issue, including the question of retroactive payments, this session.

However, at the suggestion of Sen. Joe Josephson, D-Anchorage, the finance panel decided the state has legal grounds to refuse to make retroactive payments.

Teacher training plan criticized

ANCHORAGE (AP) — The former director of a Nome-based Eskimo teacher training program says in the past 18 months, nearly \$600,000 has been spent on five students.

And Jim Greig, a philosophy professor who has taught in universities around the world, claims he was fired for complaining publicly about how much money is being spent on the Eskimo Teacher Education Program (ETEP).

But Native and education officials involved in ETEP say Greig was not on the job long enough to make an accurate assessment, and that he didn't comprehend its special needs and goals.

"What Jim does not understand is the need for Eskimo teachers and the cost of education in rural Alaska," says Caleb Pungowiyi, president of Kawarek Inc., a non-profit Native corporation.

"There is no doubt that the program is expensive," Pungowiyi agrees, but he says the payoff will be in 10 years rather than within the next two years.

Mike Metty, president of Northwest Community College which coordinates ETEP with a cross-cultural education program based at the University of Alaska-Fairbanks, says the goal is to develop a pool of young people who could one day become certified teachers.

"There was no premise that the program was going to produce 40 teachers in four years," Metty says. "We hope to get 30 or 40 teachers over a decade."

Greig, who was hired in January, says although 27 people are registered this semester, the majority are students "in name only." He says they do not attend classes or complete assignments regularly and collectively have earned only 16 credit hours this semester.

Metty acknowledges that enrollment fluctuates.

"Right now, we know we're going to lose students on St. Lawrence Island because whaling has started," he says. Education in rural Alaska is unlike education anywhere else because of the demanding way of life, Metty says.

But Greig estimates the cost of one teaching degree

learned through ETEP will be \$800,000.

"Everybody realizes it isn't working and they don't know what to do," he says.

But when he voiced his concerns to Pungowiyi and the Kawarek board of directors in April, he soon found himself out of job.

"Obviously, I am being fired for telling the truth," Greig says. He maintains facts about the success rate of the program have been hidden deliberately so ETEP will be allowed to continue.

"There are a few people out there who understand how the system works, and are milking it for all it's worth," Greig says. "Eight-hundred-thousand-dollar degrees are not in the best interests of the students — their interests lie in the efficient use of the \$598,000 poured into ETEP each year."

Greig contends the money would be much better spent giving Eskimo students university scholarships, but Pungowiyi says Eskimos who enroll in urban colleges have a high dropout rate.

Alaska State Legislature

Representative John Lindauer
District 10-A
3933 Geneva Place
Anchorage, AK 99508



While in Juneau
Pouch V
Juneau, AK 99811
465-3709

House of Representatives

March 18, 1983

MEMORANDUM

TO: House Health, Education and Social Services

FROM: Representative John Lindauer *John L.*

RE: House Bill #260: "An Act relating to the administration of the University of Alaska."

The intent of HB 260 is to provide for the more efficient use of state monies.

Section one of HB 260 insures the Board of Regents will give consideration to students and regional cost-of-living differences by requiring the Regents to devise and use formula funding in the requesting and allocating of general funds. The formula would include the number of full-time equivalent students (FTE students) and the regional cost-of-living differentials used by the state for other state employees.

Section two adds two additional items that the university must annually report to the legislature. The two additional items to be reported are:

- 1) The number of credit hours generated and the number of FTE students produced by each administrative unit of the University.
- .. 2) A listing of the teachers, faculty members, and holders of academic rank.

Section three requires that the Regents disclose the true cost of operating each administrative unit. It requires the costs associated with the sharing of services between administrative units be assigned to those units.

Section four specifies the salaries and tenure status of teachers and professors. Salary levels would be no more than 45% above nationally reported salary averages. This section would also insure that tenure as a teacher or professor would only be granted and maintained by those employees who actually teach or profess.



Sherman Carter
Executive Vice President
474-7448

University of Alaska
Fairbanks, Alaska 99701

April 4, 1983

Representative Milo H. Fritz, Co-chairman
Health, Education & Social Services Committee
Pouch V
Juneau, AK 99811

~~Representative Mae Tischer, Co-chairman,
Health, Education & Social Services Committee
Pouch V
Juneau, AK 99811~~

Dear Representatives Fritz and Tischer:


President Jay Barton, who is now off campus on university business, asked me to send this letter to you with the attached fiscal notes and related papers.

I understand that your committee is scheduled to have hearings on House Bills 219 and 260 on 11 April. The university recommends against enactment of those two bills for reasons explained in the attachments.

I am also including information on House Bills 95 and 96 which were referred to your committee. That legislation, too, would have a significant adverse impact on the university as explained in papers below. Copies of the four house bills are attached for convenient reference.

Your interest in and support of the University of Alaska are appreciated.

Sincerely,


Sherman Carter

SFC/pe
Attachments
cc: w/attach.

Members of the House HESS Committee,
Representatives Mike Miller, Bette Cato, Mike Davis,
Peter Goll, Niilo Koponen
Members of the Board of Regents
President Jay Barton



Sherman Carter
Executive Vice President

UNIVERSITY OF ALASKA
FAIRBANKS, ALASKA 99701

March 31, 1983

Ms. Dorothy Pede
Office of Representative Lindauer
Pouch V
Juneau, AK 99811

Dear Ms. Pede:

This submission is to respond to the request you made to the University on March 30, 1983 for a fiscal note from the University of Alaska for House Bill 250.

Sincerely,


Sherman Carter

SFC/man

Enclosures

cc: Legislative Finance
Office of Management & Budget
President Jay Barton

STATE OF ALASKA
FISCAL NOTE

Revision Date , 1983

I. REQUEST

Bill/Resolution No.: HB 260
Title: Administration of University of
Sponsor: Rep. Lindauer Alaska
Requestor: Rep. Lindauer

II. FISCAL DETAIL

Agency Affected: University of Alaska
Program Category Affected: Education
BRU, Program of Subprogram(s) Affected:

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC						
TOTAL OPERATING		0	0	0	0	0
CAPITAL		0				
REVENUE		0				

FUNDING: (Thousands of Dollars)

GENERAL FUND	0				
FEDERAL FUNDS	0				
OTHER (Specify Source)	0				

POSITIONS:

FULL-TIME	0				
PART-TIME	0				
TEMPORARY	0				

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

There is no fiscal impact for HB 260. That is, there are not direct costs which can be shown above. However, there would be indirect costs, as shown by the page immediately below. Please also see "agency comments" which also are attached.

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: Frank Scarco, Director of Budget Development Phone: 474-7593
Division: Statewide Budget Office Date: March 31, 1983

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Department: University of Alaska

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March 31, 1983

HB260
ANALYSIS

DIRECT COSTS

There are no direct costs associated with House Bill 260.

INDIRECT COSTS

- A. While no direct costs are associated with the implementation of the proposed legislation, since all the additional requirements will involve the participation of many university employees to accomplish, there are some indirect costs. For example, the additional effort required to report a variety of statistics about the university's faculty may require the addition of some personnel and/or recordkeeping ability at smaller units of the university.
- B. Section 3 of House Bill 260 requires that separate budgets be developed by each administrative unit. At present this function is centrally controlled by the university Statewide Services & Programs administrative unit. Depending upon how reimbursement is handled, the requirements of Section 3 may lead to duplication in the budget development process which would probably generate additional costs to the state.

AGENCY COMMENTS

Article 7, Section 3 of the constitution of the state of Alaska specifies that the University of Alaska shall be governed by a Board of Regents. Title 14, Chapter 40, Section 170 of the Alaska Statutes assigns certain duties to the Board of Regents. The University believes that the Board of Regents has the authority to govern the University; the present proposed legislation in House Bill 260 would infringe on that responsibility. For example, AS.14.40.170(2) specifically states that the Board of Regents should "fix the compensation of the President of the University, all heads of departments, professors, teachers, instructors, and other officers." Section 4 of HB260 in effect sets the maximum salary that could be offered a faculty member and sets the criteria upon which pay increases are determined. This provision infringes on the rights of the regents to govern the University, as do all sections of the proposed legislation.

Further, the restrictions and artificial limitations to be imposed on individual faculty salaries, while perhaps being generous for most, may have a deleterious effect on the University and the state in a few cases by preventing the employment of outstanding national scholars and leaders in certain fields of research important to Alaska. The provisions relating to tenure in HB260 essentially destroys the land grant concept of higher education at the University of Alaska by discouraging the employment and retention of research and extension faculty. Tenure is a guarantee against capricious dismissal because of the statement of an alternate and sometimes unpopular view. The University is the one place where a diversity of views and opinions need to be aired and discussed, and solutions appropriate to a particular problem found. The attachment of tenure to classroom instruction only does violence to the concept of academic freedom in a modern land grant university.