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Senate Health, Education and Social Services Committee

Legislation Checklist

Bill number: SB 436

Sponsor: Kerttula

Date referred to committee:

Synopsis completed:

Fiscal note:

Further referrals: Finance

CONTACTS:

Beth Kerttula 3771

Joyce James

Official Minutes
Board of Regents Meeting
December 2-3, 1985
Anchorage

APR 1 1986

1. Board President Huhndorf called the meeting to order at 9:15 a.m.

Regents Present

Roy M. Huhndorf, Board President
Ann T. Parrish, Vice President, present on 12/2/85
Thomas J. Miklautsch, Treasurer
Gordon E. Evans, Secretary
Donald B. Abel, Jr.
Ruth E. Burnett
William L. Hensley, present on 12/2/85 until 11:40 a.m.
Edward B. Rasmuson
Grace Berg Schaible
B. Lynn Shaver
Robert F. Williams, arrived at 9:18 a.m.

Donald O'Dowd, Executive Officer and President of the University
of Alaska

In Attendance

Sherman Carter, Executive Vice President and Vice President
for Finance
Donald Behrend, Provost and Vice President for Academic Affairs
Marvin Looney, Chancellor, CCREE
Herbert Lyon, Chancellor, ACC
Patrick O'Rourke, Chancellor, UAF
David Outcalt, Chancellor, UAA
Michael Paradise, Chancellor, UAJ
Beverly Beeton, Vice Chancellor of Academic Affairs, UAJ
Al Okeson, Campus President, Matanuska-Susitna Community College
Mark Neumayr, Acting General Counsel
Chris Ahoy, Director, SW Facilities Planning & Construction
Tom Gaylord, Assistant to the Executive Vice President/Project
Director of SIS
Joe Joyner, Jr., Chair, SW Assembly
Margaret Morehouse, Assistant to the President for
Human Resources
Wendy Redman, Director, Government Relations
Brian Rogers, Director, SW Budget Development
Edith Rohde, Director, Information Services
Gerald Park, President, ACCFT
Ronald Phipps, Director, Postsecondary Education Commission
Janet Clarke, State Office of Management and Budget

Regent Rasmuson moved, seconded by Regent Abel and passed, with Regent Williams objecting, that:

PASSED

"The Board of Regents authorize the expenditure of the available one million dollars for purchase of equipment for the Petroleum Development Laboratory at the University of Alaska-Fairbanks in a manner determined to be appropriate by Chancellor O'Rourke. This motion is effective December 3, 1985."

21. Establishment of the Sydney Chapman Chair in Physical Sciences at UAF

Alaska Statute 14.40.282, effective July 1983, authorized establishment of an endowment for the physical sciences at UAF. Funds totaling \$750,000 were appropriated by the legislature in 1983 and 1984 to fund this endowment. A donation was subsequently added to the fund. As of September 30, 1985, the principal of this endowment fund contained \$774,589; the fund then also had \$120,263 of earnings available for expenditure.

UAF proposes to name the chair to be funded by this endowment after the most distinguished physical scientist who has been associated with UAF, Sydney Chapman. Dr. Chapman's career was outlined in a reference for the 7 November committee meetings.

Chancellor O'Rourke and President O'Dowd have endorsed the nomination of the faculty of natural sciences at UAF for the first appointment to this distinguished chair.

Regent Evans moved, seconded by Regent Rasmuson to amend the main motion by deleting paragraph F and by replacing it with a paragraph stating that the foundation is requested to set aside, in an income account, earnings on the endowment principal at the rate of \$90,000 per year starting January 1, 1986, for expenditures in support of the chair as proposed by the UAF chancellor and approved by the university president; (2) to add earnings in excess of that amount on the endowment principal to that account; and (3) to report to the Board of Regents the amount of the endowment principal and its projected earnings whenever the Board of Regents is requested to make a new appointment to the Sydney Chapman Chair. Considering that information, the Board will then set the rate for annual expenditures from endowment earnings which may be made in support of the chair during the period of the next appointment.

Regent Evans moved, seconded by Regent Abel and passed unanimously that:

PASSED AS AMENDED

"The Board of Regents approves policy 10.09.01 as amended. This motion is effective December 3, 1985."

REGENTS' POLICY 10.09.01

PART X
ACADEMIC POLICY
Chapter IX

Establishment of the Sydney Chapman Chair in
Physical Sciences at the University of Alaska-
Fairbanks

- A. The Board of Regents establishes the Sydney Chapman Chair in Physical Sciences at the University of Alaska, Fairbanks, the support of which is governed by AS 14.40.282 and subsequent capital appropriations and private funds. This chair is established further to enhance the quality of teaching and research in areas of the physical sciences which are of special interest to the north. Appointments to this chair shall not exceed three years and shall honor and acknowledge the contributions of a distinguished physical scientist.
- B. Distinguished physical scientists to be eligible to hold this chair shall be characterized primarily by their ability to discover and publicize new knowledge. Additionally, there must be a demonstrated ability and willingness to share this knowledge with students and colleagues through teaching and seminars. Finally, he/she should also be able to stimulate students and colleagues to strive for excellence in their own scientific efforts.
- C. Verification of these characteristics shall include acclaim by peers at the national and international level, professional awards and honors, editorial duties with prestigious scientific journals, and membership on important scientific committees. Both the quality and quantity of refereed publications shall be considered in the selection.

- D. Appointments to the Sydney Chapman Chair shall acknowledge the contributions of an outstanding resident professor or shall be used to attract a distinguished physical scientist to the University of Alaska, Fairbanks.
- E. Appointments to this chair shall be approved in advance by the Board of Regents following nomination and screening procedures by the faculty of natural sciences.
- F. The endowment principal and related income account are to continue to be managed and invested, in trust, by the University of Alaska Foundation, Inc. in accordance with foundation policies and procedures. The foundation is requested (1) to set aside, in an income account, earnings on the endowment principal at the rate of \$90,000 per year starting January 1, 1986, for expenditures in support of the chair as proposed by the UAF chancellor and approved by the university president; (2) to add earnings in excess of that amount on the endowment principal to that account; and (3) to report to the Board of Regents the amount of the endowment principal and its projected earnings whenever the Board of Regents is requested to make a new appointment to the Sidney Chapman Chair. Considering that information, the Board will then set the rate for annual expenditures from endowment earnings which may be made in support of the chair during the period of the next appointment.

22. Approval of Small Projects Consultant Pool

WITHDRAWN

"The Board of Regents approves the slate of architects and consultants for the FY87 small project consultant pool as presented and authorizes the university administration to conclude related contracts. This action is effective December 3, 1985."

22a. Approval of Anchorage Campus Center Repairs and Renovations
Reference 22a

The need to accomplish three projects, and the nature of the work involved, is explained in Reference 22a. The money to accomplish this work is available in a fund balance for paying outstanding indebtedness on the Anchorage Campus Student Center. From this positive fund balance, which

(1) adopt reasonable rules, orders and plans with reasonable penalties for the good government of the university and for the regulation of the Board of Regents;

(2) determine and regulate the course of instruction in the university with the advice of the president. (§ 37-10-6 ACLA 1949; am §§ 1, 2 ch 46 SLA 1977); am §§ 4, 5 ch 22 SLA 1983)

Cross references. — For provisions related to the transfer of land from the commissioner of natural resources to the board of regents, see §§ 1-3 and 7-9, ch. 22, SLA 1983, in the Temporary and Special Acts.

Effect of amendments. — The 1983 amendment, in paragraph (a)(4), added

the (A) designation, added "and" to the end of (A), and added (B). The amendment also added paragraphs (7), (8) and (9) to subsection (a).

Legislative history reports. — For statement of legislative intent adopted in connection with ch. 22, SLA 1983, see 1983 House Journal, p. 1595.

NOTES TO DECISIONS

Cited in Carter v. Alaska Pub. Employees Ass'n, Sup. Ct. Op. No. 2657 (File No. 6586), 663 P.2d 916 (1983).

Sec. 14.40.210. Powers of president of the university.

NOTES TO DECISIONS

Cited in Carter v. Alaska Pub. Employees Ass'n, Sup. Ct. Op. No. 2657 (File No. 6586), 663 P.2d 916 (1983).

Article 3. Property and Funds of the University of Alaska.

Section 282. Endowment for the physical sciences
291. Land of the University of Alaska not public domain land

Section 340. Applicability of bid practices to University of Alaska

Sec. 14.40.282. Endowment for the physical sciences. (a) The Board of Regents shall establish an endowment for the physical sciences at the University of Alaska campus in Fairbanks. The endowment shall be managed as a perpetual trust. The income of the endowment shall be used to pay the salary and related expenses of the person appointed under (b) of this section for research, teaching, and advanced studies in one or more physical science disciplines.

(b) The Board of Regents shall appoint a person who is distinguished in one or more physical science disciplines to be paid from the endowment for the physical sciences. The tenure and the duties of the appointee shall be established by the Board of Regents based on the need for

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(2) advance
(§ 1 ch 71 SLA

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Editor's notes.
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Section 630. Definitions

Sec. 14.40.63 the context othe
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(1) teaching, research, and studies in physical sciences of special interest in the state; and

(2) advancement of scientific study at the University of Alaska.
(§ 1 ch 71 SLA 1983)

Sec. 14.40.291. Land of the University of Alaska not public domain land. Notwithstanding any other provision of law, university-grant land, state replacement land that becomes university-grant land on conveyance to the university, and any other land owned by the University of Alaska is not and may not be treated as state public domain land. Title or interest to land described in this section may not be acquired by adverse possession, prescription, or in any other manner except by conveyance from the university. The land is subject to condemnation for public purpose in accordance with law. (§ 6 ch 22 SLA 1983)

Sec. 14.40.340. Applicability of bid practices to University of Alaska. The competitive bid practices set forth in AS 37.05.230 apply to the University of Alaska, except that the provisions of that section do not apply in those cases where the work is to be performed substantially by students enrolled in the university. Where the term "purchasing agent" is used in AS 37.05, it means the comptroller of the university. (§ 1 ch 86 SLA 1957)

Editor's notes. — This section is set out above to correct an error in the main pamphlet.

Article 4. Community Colleges.

Section 630. Definitions

Sec. 14.40.630. Definitions. In AS 14.40.560 — 14.40.640, unless the context otherwise requires,

(1) "community college" means a program of education established by the University of Alaska in cooperation with qualified school districts or qualified political subdivisions of the state, including both academic degree and nondegree programs;

(2) "qualified school district" or "qualified political subdivision" means a school district or political subdivision organized under the laws of the state, or a group of two or more contiguous school districts or political subdivisions of the state, or a combination of each, which combination, considered as a unit, meets the following minimum requirements for the establishment of a community college:

Sec. 14.40.090. Correspondence courses for prospectors and miners. (a) The University of Alaska shall establish and offer to bona fide Alaska prospectors and miners in the state a correspondence course equal and parallel to the mining extension course being taught at present.

(b) The University of Alaska may establish the minimum charge necessary to defray costs of material, books and postage used in the course. (§§ 1, 2 ch 14 SLA 1957)

Sec. 14.40.100. College extension service. The Board of Regents may conduct a college extension service, the leading object of which is to carry information on rural life subjects to the people of the state. (§ 37-10-4(h) ACLA 1949)

Sec. 14.40.110. Establishment of business, economics, and public administration research program. The University of Alaska may establish a business, economics, and public administration research program for the purpose of developing and publishing statistics and other information regarding the economy, government, and resources of the state. (§ 1 ch 80 SLA 1961)

Sec. 14.40.115. Establishment of mineral industry research program. The University of Alaska shall establish a mineral industry research program and coordinate with state and federal mineral agencies to implement the program by

(1) using the laboratory facilities and staff of the College of Earth Sciences and Mineral Industry to initiate applied and appropriate basic research in the areas of mineral beneficiation, mine and mill design, new mineral product development, and improvement of exploration methods, such as geochemical and geophysical prospecting;

(2) making the facilities of the program available for research on mineral deposits in the state;

(3) making studies on specific problems relative to Alaska's mineral industry upon request. (§ 1 ch 32 SLA 1963)

Sec. 14.40.117. Establishment of Alaska Native language center. The University of Alaska shall establish an Alaska Native language center, the purposes of which are to:

- (1) study languages native to Alaska;
- (2) develop literacy materials;
- (3) assist in the translation of important documents;
- (4) provide for the development and dissemination of Alaska Native literature; and

(5) train Alaska Native language speakers to work as teachers and aides in bilingual classrooms. (§ 1 ch 175 SLA 1972)

Article 2.

Section

- 120. University of Alaska Board of Regents
- 130. Qualifications of members of the Board of Regents
- 140. Term of office of members of the Board of Regents
- 150. Appointment and removal of members of the Board of Regents
- 160. Board of Regents: notice; powers and duties
- 170. Duties of the Board of Regents
- 175. Indemnification of members of the Board of Regents
- 180. Religious tests and oaths
- 190. Report to the Governor
- 200. Quorum

Collateral references

- Am. Jur. 2d College and University, §§ 11-16.
- 14 C.J.S. Colleges and Universities, §§ 16-19.
- Mandamus to restore of pupils of University. 39 ALR 11

Sec. 14.40.120. University of Alaska Board of Regents. The Board of Regents of the University of Alaska shall consist of 11 members, 7 of whom shall be appointed by the Governor and 4 by the Legislature. (1973; am § 1 ch 175 SLA 1972)

Sec. 14.40.130. University of Alaska Board of Regents: powers and duties. The Board of Regents of the University of Alaska shall have the following powers and duties:

(b) In addition to the powers and duties conferred upon the regent appointed by the Governor:

(1) be enrolled in the University of Alaska at the time of appointment;

(2) remain a full-time member of the Board of Regents;

(c) Failure of the regent to be enrolled as a full-time member of the Board of Regents shall constitute a resignation from the office.

(d) The Governor shall appoint a regent appearing upon the Governor's call within 60 days of the Governor's call.

Joyce James

Introduced: 2/14/86
Referred: Health, Education and
Social Services and Finance

1 IN THE SENATE

BY KERTTULA

2

SENATE BILL NO. 436

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to the establishment of an agricul-
7 tural sciences memorial chair."

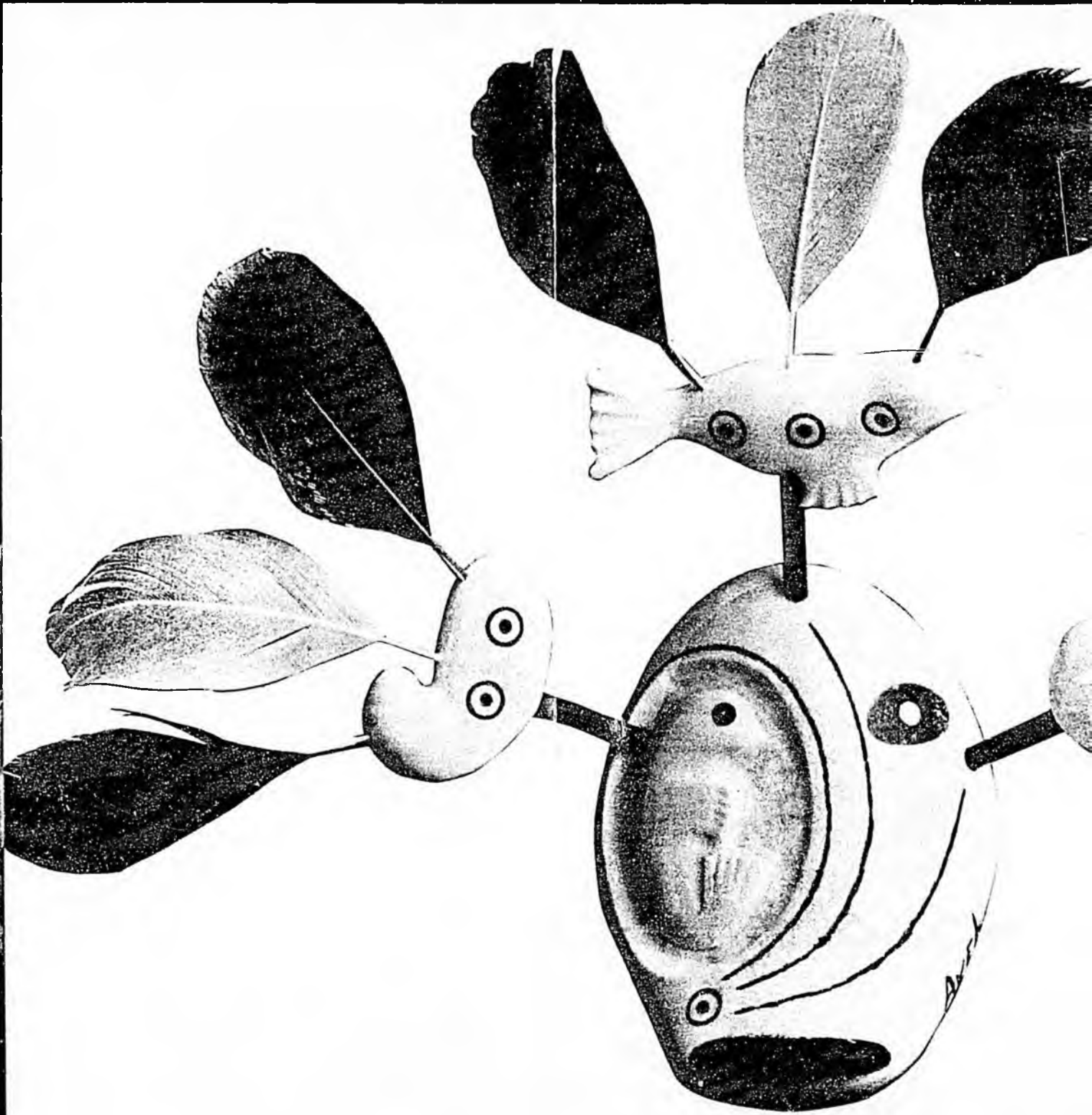
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 14.40 is amended by adding new sections to read:

10 Sec. 14.40.095. ESTABLISHMENT OF AGRICULTURAL SCIENCES MEMORIAL
11 CHAIR. In tribute to the memory of Milton D. Snodgrass, Don L. Irwin,
12 and George W. Gasser, pioneer agriculturists who did much to further
13 agricultural research in the northern latitudes and helped to estab-
14 lish a land-grant state university in Fairbanks, the Board of Regents
15 shall establish a Snodgrass-Irwin-Gasser Memorial Chair in agricul-
16 tural science. The director of the Alaska Agricultural and Forestry
17 Experiment Station shall appoint a senior research scientist to the
18 memorial chair to perform research, publish research reports, and
19 teach courses. The term of appointment is six years.

20 Sec. 14.40.096. MEMORIAL CHAIR FUND ESTABLISHED. (a) There is
21 established an agricultural sciences memorial chair fund. The fund
22 consists of money appropriated to it, and may include public and
23 private donations.

24 (b) The fund shall be used to pay the salary and related person-
25 nel expenses of the person appointed under AS 14.40.095. The fund may
26 further serve the objectives of AS 14.40.095 by providing stipends to
27 graduate students, funding research travel to other circumpolar lands
28 and scientific conferences, and funding purchases of research equip-
29 ment.



University of Alaska
FOUNDATION

Articles of Incorporation of the University of Alaska Foundation

KNOW ALL MEN BY THESE PRESENTS: That we, the undersigned, all being natural persons over nineteen years of age, have this day voluntarily associated as incorporators for the purpose of forming a nonprofit corporation under and pursuant to the Alaska Nonprofit Corporation Act, and we do hereby adopt the following Articles of Incorporation for such corporation:

I

The name of this corporation is UNIVERSITY OF ALASKA FOUNDATION.

II

The duration of the existence of this corporation shall be perpetual.

III

The object and purposes for which said corporation is formed are as follows:

A. *General Purposes.* To aid and assist in the development, maintenance, promotion, growth, and preservation of the University of Alaska, its faculty, students, staff, and facilities; to benefit the University of Alaska, to improve its standards and potentialities as an institution of higher learning and its usefulness in Alaska; to provide or grant scholarships, loans, and other assistance to men and women of promise; to encourage and provide funds for research, public service, and teaching; to assist in developing and increasing better and broader educational opportunities for and service to the citizens of the State of Alaska by the University of Alaska; to provide funds for the expenditure by the Regents of the University of Alaska in their discretion for University purposes such as (without limiting the generality of the foregoing) securing lecturers, writers, and other persons of standing, competence, and ability in the general fields of discovering, transmitting, and applying knowledge, wisdom, and skill; to promote the general welfare of the University of Alaska by such proper means as may seem advisable, and to operate exclusively for charitable, scientific, literary, or educational purposes, including, but not limited to, receiving contributions and paying them over to or for the benefit of the University of Alaska, or to one or more organizations connected with the University of Alaska described in Section 501(c)(3), and exempt from taxation under Section 501(a) of the Internal Revenue Code, as now in force or hereafter amended, and, in so doing, to act without profit as trustees of educational or charitable trusts; to administer gifts, grants, or loans of money or property, real or personal, whether made by or for the benefit of public governmental bodies, local, state, or national, or by or for the benefit of corporations or natural persons, and whether in the form of conventional express trusts or otherwise.

B. *Ancillary Purposes.* To do and engage in all lawful activities that are in furtherance of one or more of the general purposes of the corporation.

C. *Statutory Powers.* To have and exercise the general powers specified in AS 10.20.011, as now in force or hereafter amended, but not to exceed the powers of an exempt organization under Section 501(c) of the Internal Revenue Code.

D. *Other.* The foregoing clauses shall be construed as powers as well as objects and purposes and the matters expressed in each clause shall, unless herein otherwise expressly provide, be in no wise limited by reference to or inference from the terms of any other clause, but shall be regarded as independent objects, purposes, and powers; and enumeration of specific objects, purposes, and powers shall not be construed to limit or restrict in any manner the meaning of general terms or the general powers of the corporation; nor shall the expression of one thing be deemed to exclude another not expressed, although it be of like nature.

IV

The following additional provisions are inserted for the regulation of the affairs of the corporation:

A. *Legislative and Political Activities.* No substantial part of the activities of the corporation shall consist of attempting to influence political activities. No substantial part of the activities of the corporation shall consist of attempting to influence legislation by propaganda or otherwise, or directly or indirectly participating in or intervening in (including the publishing or distributing of statements) any political campaign on behalf of or in opposition to any candidate for public office.

B. *Distribution of Assets Upon Dissolution.* Upon dissolution of the corporation, its remaining assets, if any, shall be distributed to the University of Alaska or its successor if such successor be an exempt organization under Section 501(c)(3) of the Internal Revenue Code, and if not, to such exempt organization as the Board of Directors shall select.

C. *Prohibited Transactions.* The corporation shall not engage in any of the prohibited transactions described in section 503(c) of the Internal Revenue Code, or of the Alaska Nonprofit Corporation Act, as now in force or hereafter amended.

D. *Trade or Business.* The corporation shall not be operated for the primary purposes of carrying on an unrelated trade or business as defined in Section 513 of the Internal Revenue Code, as now in force or hereafter amended.

E. *Distribution of Earnings.* No part of the net earnings of the corporation shall inure to the benefit of any private individual or member within the meaning of Section 501(c)(3) of the Internal Revenue Code, as now in force or hereafter amended.

F. *Compensation.* No compensation shall be paid to any member, officer, director, trustee, creator, or organizer of the corporation or substantial contributor to it, except as a reasonable allowance for services actually rendered to or for the corporation.

G. *Loans to Directors and Officers.* No loan shall be made by the corporation to any of its directors or officers.

H. *Public Purpose.* The corporation is organized to serve public interests. Accordingly, it shall not be operated for the benefit of private interests, such as contributors to or members of the corporation, or persons controlled directly or indirectly by such private interests.

I. *Public Foundation.* The corporation is a public foundation and shall not be operated as a private foundation as such is defined in the 1969 Tax Reform Act of the Internal Revenue Code as now in force or hereafter amended.

V

The Board of Directors may from time to time provide that the corporation shall have one or more classes of members, set forth the class or classes, the manner of election or appointment and the qualifications and rights of such members, and the certificates evidencing membership, if any, that the cor-

poration may issue.

The Board of Directors may from time to time adopt and amend Bylaws of the corporation

VI

The address of the corporation's initial registered office is: 509 Third Avenue, Anchorage, Alaska 99501.

The name and address of the initial registered agent of the corporation is: Brian J. Brundin, 509 Third Avenue, Anchorage, Alaska 99501.

VII

The management of the affairs and concerns of this corporation is hereby vested in its Board of Directors. The number of directors, which shall always be at least three (3), shall be fixed by the Bylaws. The number of directors constituting the initial Board of Directors of this corporation is three (3), and the names and addresses of the persons who are to serve as the initial directors are:

Brian J. Brundin 509 Third Avenue
Anchorage, Alaska 99501

John C. Hughes 509 Third Avenue
Anchorage, Alaska 99501

Richard O. Gantz 509 Third Avenue
Anchorage, Alaska 99501

VIII

The name and address of each incorporator is:

Brian J. Brundin 509 Third Avenue
Anchorage, Alaska 99501

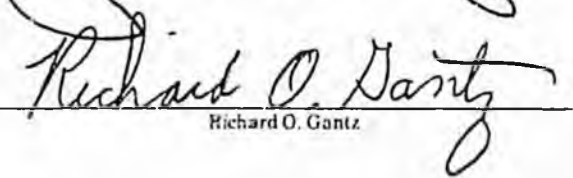
John C. Hughes 509 Third Avenue
Anchorage, Alaska 99501

Richard O. Gantz 509 Third Avenue
Anchorage, Alaska 99501

IN WITNESS WHEREOF, we, the undersigned, being all of the original incorporators hereinabove named, have hereto set our hands in the execution of these Articles of Incorporation in duplicate, this 20th day of May, 1974.


Brian J. Brundin


John C. Hughes


Richard O. Gantz

Bylaws of the University of Alaska Foundation

Article I: Offices

The Foundation shall maintain a principal office for the transaction of its business within the State of Alaska, at such place as from time to time shall be determined by the Board of Trustees. The Foundation may have such other offices, either within or without the State of Alaska, as the Foundation may require from time to time.

Article II: Seal

The seal of the Foundation shall be circular in form and shall bear the name of the corporation, "University of Alaska Foundation," the year of its organization, "1974," and the words "Corporate Seal, State of Alaska." This seal need not be imprinted upon any document of or from the Foundation, and all documents of or from the corporation shall be fully legal and binding whether or not the seal be imprinted upon them.

Article III: Membership

Section 1—The Board of Trustees shall from time to time by resolution determine how membership shall be obtained in the Foundation, the classes of members, the designation, qualifications, and rights of members, which members may vote or hold office, and how membership shall be terminated.

Section 2—Requirement for voting membership. No person may be a voting member unless such person contributes to the Foundation.

Article IV: Meetings

Section 1—The Board of Trustees may from time to time by resolution provide for regular or special meetings of its members, of Fellows, or classes of members, the place of meetings, requirements, if any, for notice of meetings, and quorum.

Section 2—The annual meeting of the Board of Trustees will follow the annual meeting of the College of Fellows.

Section 3—Proxies. A membership vote may be exercised only by the member, in person or by mail, and not by proxy.

Article V: Board of Trustees

Section 1—General Powers. The business and affairs of the Foundation shall be managed by its Board of Trustees. The Board of Trustees may, from time to time, by resolution provide for specific delegation of its authority to a committee or other committees of the Board.

Section 2—Number, Tenure, and Qualifications.

(A) Number. The Board of Trustees of this Foundation shall be thirteen (13) in number, who shall be appointed in accordance with the provisions hereinafter set forth.

(B) Designated member to the Board of Trustees. The President of the University of Alaska will serve on the Board of Trustees as a full voting member.

(C) Elected by Voting College of Fellows. Twelve (12) members shall be elected by the College of Fellows.

Each Trustee elected by the membership shall hold office until his/her successor is elected and qualified and of these four (4) shall be elected for a term of one (1) year, four (4) shall be elected for a term of two (2) years, and four (4) shall hold office for a term of three (3) years. At all annual elections after

the Board of Trustees is so constituted, Trustees shall be elected by the members for a term of three (3) years to succeed the Trustees whose terms then expires; provided that nothing herein shall be construed to prevent the election of a Trustee to succeed himself/herself. No person may be appointed a member of the Board of Trustees who is not a member of the College of Fellows.

In electing members to the Board of Trustees, the College of Fellows will always give due consideration to the statewide nature of the University.

(D) College of Fellows. Fellows, except as provided herein, shall be selected by vote of the Board of Trustees of the Foundation. The Fellows shall not be limited in number.

(i) The following are designated members of the College of Fellows. The President of the University of Alaska Alumni Association, the President of the University of Alaska Anchorage Alumni Association, the President of the University of Alaska Board of Regents.

(ii) Of members elected to the College of Fellows, a special attempt will be made to maintain a balanced geographical representation.

(E) Ex-Officio Members. The following shall be ex-officio members, without vote, of the Board of Trustees of this Foundation:

(i) The Director of the Alumni Relations of the University of Alaska.

(ii) The designated Student Representative Regent on the Board of Regents of the University of Alaska.

(iii) The President of the Statewide University Assembly of the University of Alaska.

(iv) Chancellors of ACC, CCREE, UAA, UAF, UAJ.

(F) Emeritus Directors. The Board of Trustees may appoint at its discretion Emeritus Directors of the Board who shall be ex-officio members without vote.

Section 3—Annual Membership Meeting. An annual meeting of the College of Fellows will be held in the fall of each year. The purpose of this is to:

(A) review Foundation projects,

(B) review financial status reports,

(C) elect new members to the Board of Trustees.

Section 4—Regular Meetings. The Board of Trustees shall by resolution provide for regular meetings to be held, at least once annually, and upon such resolution no other notice of the holding of such regular meeting shall be required.

Section 5—Special Meetings. Special meetings of the Board of Trustees may be called by or at the request of the Executive Director, the President, or any three (3) Trustees.

Section 6—Notice. Notice of any special meeting of the Board of Trustees shall be given at least fifteen (15) days prior thereto by written notice delivered personally or sent by mail or telegram to each Trustee at his address as shown by the records of the Foundation. If mailed, such notice shall be deemed to have been delivered when deposited in the United States mail in a sealed envelope so addressed with postage prepaid or if given by telegram, at the time the telegram is delivered to the telegraph company. Any Trustee may waive notice of any meeting. The attendance of a Trustee at any meeting shall constitute a waiver notice of such meeting. Neither the business to be transacted at or the purpose of any regular or special meeting of the Board of Trustees need be specified in the notice or waiver of notice of such meeting.

Section 7—Quorum. Seven (7) members of the Board of Trustees shall constitute a quorum for the transaction of business at any meeting of the Board; but if less than a quorum of the Trustees is present at said meeting, a majority of the Trustees present may adjourn the meeting from time to time without further notice.

Section 8—Manner of Acting. The act of a majority of the Trustees present at a meeting at which a quorum is present shall be the act of the Board of Trustees.

Section 9—Vacancies. Any vacancy occurring in the Board of Trustees may be filled by the affirmative vote of a majority of the remaining Trustees, though less than a quorum of the Board of Trustees. A Trustee appointed to fill a vacancy shall be appointed for the unexpired term of his/her predecessor in office.

Section 10—Compensation. Members of the Foundation, as such, shall not receive any stated salaries or compensation for their services, and any expenses incurred by them at meetings of the Board of Trustees, which are not reimbursed by the Foundation shall be considered as gifts to the Foundation. Nothing herein contained shall, however, be construed to preclude any member of the Foundation from serving the Foundation in any other capacity, and receiving just compensation thereof.

Section 11—Informal Action by Trustees. Any action required by law to be taken at a meeting of Trustees or any action which may be taken at a meeting of Trustees may be taken without a meeting if a consent in writing, setting forth the actions so taken, shall be signed by all the Trustees.

Section 12—Powers. Without limiting the general powers conferred by these Bylaws and provided by law, the Board of Trustees shall have, in addition to such powers, the following powers, namely:

(A) From time to time to make and change rules and regulations not inconsistent with law, or with these Bylaws, for the management and control of the business of the Foundation and its affairs, and any and all real estate, personal property, letters patent, concession, licenses, inventions, and other property rights or privileges whatsoever deemed necessary or convenient for the prosecution of its business and which the Foundation is authorized to acquire, and generally upon which terms and conditions as they think fit, and in their discretion to pay therefor, either wholly or partially, in any bonds, debentures, or other securities of the Foundation.

(B) To sell or otherwise to dispose of any real estate, personal property, patents, licenses, inventions, property rights or privileges belonging to the Foundation, whenever in their opinion its interest would be thereby promoted.

(C) To enter into agreements and contracts with individuals, groups of individuals, corporations, or governments for any lawful purpose.

(D) To supervise and direct the officers, agents, and employees of the corporation and to see that their duties are properly performed.

(E) To appoint and remove at its pleasure any and all officers, agents, and employees of the Foundation, except as otherwise provided in Article IV of these Bylaws, and to prescribe their duties, in a manner not inconsistent with these Bylaws, and to fix their compensation.

(F) To borrow money and otherwise to incur indebtedness and to enter the terms and amount of such indebtedness in the minutes of the Board of Trustees, and to evidence such indebtedness by the note of the Foundation, and otherwise give security for the payment of such indebtedness.

(G) The Board of Trustees shall cause to be kept a complete record of all their minutes and acts and of the proceedings of the members and of members' meetings.

(H) To amend, alter, and repeal these Bylaws or any part thereof, at any regular or special meeting of the Board of Trustees.

(I) In addition to the powers and authorities expressly conferred upon the Board of Trustees by these Bylaws, the Board of Trustees may exercise all such other lawful powers of the

Foundation and do all such lawful acts and things in the furtherance of the Foundation business, as are not by statute or by the Articles of Incorporation or by these Bylaws directed or required to be exercised or done by the members.

Section 13—Officers of the Board of Trustees. At its annual meeting, the Board of Trustees shall elect from its membership a President and one or more Vice Presidents of the Board. The term of office of the President shall be two years and the term of office for the Vice Presidents shall be one year or until their successors have been duly elected and qualified. No member may serve as President, or such Vice President, for more than two (2) successive terms. The President of the Board of Trustees shall preside at all meetings of the membership or of the Board of Trustees, and the Vice Presidents, in turn, shall assume the duties of the President in his/her absence or in the event of his inability to act.

Section 14—Other Committees. The Board of Trustees may appoint such other committees from among the membership of the College of Fellows as it may consider advisable. Each of these committees shall consist of such persons and shall have such powers and authority as the Board of Trustees may prescribe.

Article VI: Officers

Section 1—Number. The officers of the Foundation shall be an Executive Director, a Treasurer, and one or more Assistant Directors and Assistant Treasurers as the Board of Trustees may from time to time elect or appoint.

Section 2—Election and Term of Office. The Board of Trustees elects or appoints all officers except the Treasurer. The Treasurer of the Foundation shall be the Vice President of Finance of the University of Alaska. Until the Board of Trustees shall by resolution otherwise provide, the Executive Director of the Foundation shall be the Director of the Office of Development of the University of Alaska.

Section 3—Removal, Vacancies. Any officer of the Foundation appointed or elected by the Board of Trustees shall serve at the pleasure of the Board of Trustees.

Section 4—Executive Director. The Executive Director shall be the principal executive officer of the Foundation and shall in general supervise and control all of the business and affairs of the Foundation, and shall coordinate, administer, and expediate the program of the Foundation as determined by the Board of Trustees, keep minutes of the meetings of the members and of the Board of Trustees, see that all notices are duly given in accordance with the provisions of these Bylaws, be custodian of the Foundation records, keep a register of the name and address of every member of the Foundation, prepare and submit all reports of the Foundation to the Board of Trustees, serve as ex-officio member of the Board of Trustees, and in general perform all duties incident to the office of Executive Director and such other duties as from time to time may be assigned to him/her by the Board of Trustees.

Section 5—Treasurer. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Foundation, receive and give receipts for monies due and payable to or received by the Foundation from any source whatsoever, deposit all such monies in the name of the Foundation in such banks, trust companies, or other depositories as shall be selected by the Board of Trustees, prepare financial statements and reports at least annually, and in general perform all the duties incident to the office of Treasurer and such other duties as may from time to time be assigned to him/her by the Board of Trustees.

Section 6—Salaries. The Vice President for Finance of the University of Alaska, who serves as Treasurer of this Foundation, shall receive no salary from the Foundation for his/her

services, provided that all other expenses incident to the performance of his/her duties as Treasurer shall be borne by the Foundation. With this foregoing exception, the salaries of the officers, if any, shall be fixed from time to time by the Board of Trustees.

Article VII: Certificates of Membership

The Board of Trustees may provide for the issuance of certificates evidencing membership in the Foundation in such forms as may be determined from time to time by the Board.

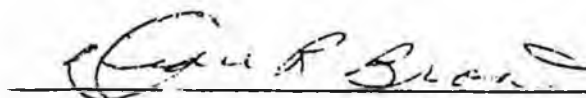
Article VIII: Fiscal Year

The fiscal year of the Foundation shall begin on the first day of July in each year and end on the last day in June in each year.

Article IX: Amendment

These Bylaws may be altered, amended, or repealed and new Bylaws may be adopted from time to time by a three-fourth ($\frac{3}{4}$) vote of the Board of Trustees at any regular meeting or at any special meeting if notice of intention to amend is included in the notice given for such special meeting.

KNOW ALL MEN BY THESE PRESENTS: That the undersigned Executive Director of the University of Alaska Foundation does hereby certify that the above and foregoing Articles of Incorporation were duly adopted by the Board of Directors as the Articles of Incorporation of the Foundation on the 20th day of May, 1974, and amended to the 24th day of October, 1975, and further certifies that the above and foregoing Bylaws were duly adopted by the Board of Directors as the Bylaws of the Foundation on the 29th day of May, 1974, and amended to the 8th day of June, 1976, and of January 23, 1981, and of June 23, 1981, and of June 18, 1982.



Dixie R. Brown
Executive Director
University of Alaska Foundation

1 9 8 5 A N N U A L R E P O R T



U N I V E R S I T Y O F A L A S K A
F O U N D A T I O N

UNIVERSITY OF ALASKA FOUNDATION

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Homer, Alaska

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President, Alumni Association
Ester, Alaska

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Frankie Wakefield
Bellevue, Washington

Elaine Williamson
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UAA Alumni Association
Anchorage, Alaska

Robert Ziegler, Sr.
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Relations
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Anchorage, Alaska

Herbert "Herb" Lyon
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Anchorage Community College
Anchorage, Alaska

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Michael Paradise
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University of Alaska, Juneau
Juneau, Alaska

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Anchorage, Alaska

Emeritus Member

Terris Moore
President Emeritus
University of Alaska
Cambridge, Massachusetts

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UA Foundation Staff

Dixie R. Welch
Executive Director
Fairbanks, Alaska

Sherman Carter
Treasurer
Fairbanks, Alaska

Barbara Gleason
Administrative Assistant
Fairbanks, Alaska

PRESIDENT'S LETTER



V. Paul Gavora (left) president of the foundation, presenting a check for \$50,000 to Donald D. O'Dowd, UA President. The money will be used to strengthen and enhance existing programs. (UA photo)

To all of those who helped, and on behalf of the Trustees, I want to express our deep appreciation. There is much more to be done and it is our responsibility as private citizens to make certain we have the best educational system possible. I encourage you to become involved with the University of Alaska through a personal commitment.

We count on the state legislature to provide basic support. But we must look to friends and alumni for the seed money that allows the University to respond to special opportunities such as scholarships, fellowships, professorships and chairs; for the development of a major statewide research needs statement; and for special projects across the system including art treasures, computer systems, instrumentation, and a telescope.

Private support is becoming an increasingly significant element in the life and vitality of any educational system. It permits us to add something special to the educational experience, and it helps us to enrich the lives not only of students but of the entire community that is the state of Alaska.

We are very proud of the University of Alaska Statewide system and are impressed by its level of excellence. For example: distance delivery of instruction utilizing telecommunication; the role of elements of the University in addressing the development of new technologies which assist Alaska's largest employer, the fishing industry; state-of-the-art aviation programs; health science programs which address problems and issues of concern to Alaskans.

Also, the University of Alaska ranks very high nationally in attracting outside funds for research in the environmental sciences, especially in biology, ecology, marine science and geoscience.

Your help will be greatly appreciated.



V. Paul Gavora, President
Gavora, Inc.
President, University of Alaska
Foundation, Board of Trustees

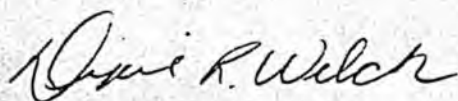
EXECUTIVE DIRECTOR'S STATEMENT



(Photo by Barry McWayne)

The University of Alaska Foundation began its second decade with assets in excess of 7.1 million; an increase of 1.4 million over our previous year. The Foundation now administers a total of 252 endowed funds and restricted program accounts an increase of 47 over our past year. Significant contributions include the creation of a UA History project by Dr. Terris Moore; the creation of the Alaska Miner's Association Scholarship Fund; the continued support of the Festival of Native Arts by the Fairbanks North Star Borough and the Alaska Arts Council; the continued support of Elmer E. Rasmuson and the National Bank of Alaska for the micro-filming of the rare books and maps at the Elmer E. Rasmuson Library; support from ARCO, Chevron USA, Exxon, Gulf, Shell, and SOHIO for scholarships and special projects throughout the statewide system; and the proceeds from Tuxedo Junction, University of Alaska—Juneau's Endowed Scholarship fund raiser and "A Knight to Remember" the University of Alaska Museum's fund raiser.

The Foundation's Board of Trustees accepted the final report on the 1983 fund raising campaign for the Alaska Research Development Project. This document is being used by such organizations as the Arctic Research and Policy Commission, the Polar Research Board and the Governor's Commission on Science and Engineering. Though the document has been finalized, it is considered the first step in a continuing effort to ensure a long term reliable funding mechanism. We are working in other directions to ensure that the work begun here will be carried out to its fullest potential and that Alaska will be able to make some significant decisions and strides in the management and production of its resources.



Dixie R. Welch, Executive Director
University of Alaska Foundation
June, 1985



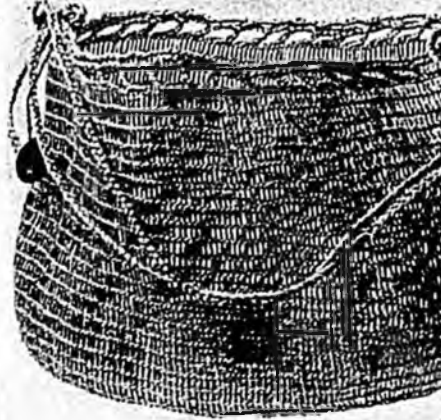
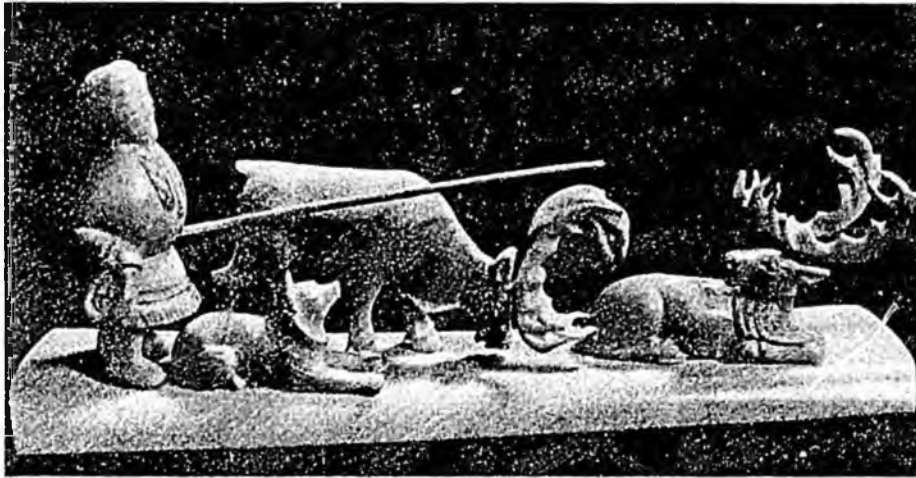
A KNIGHT TO REMEMBER

What 300 guests of the University of Alaska Museum auction will remember is the knight, the artwork and the ambiance. The kickoff event for the University of Alaska Museum Endowment Fund was held April 20, 1985 in Fairbanks, Alaska.

Chairperson and Foundation Trustee Grace Berg Schaible donated a 17th century Spanish suit of armor, which served as the focal point for the theme of the auction. It was purchased by Mr. Lennie Heiner, President of NERCO Minerals.

As of June 30, 1985, the endowment fund totalled \$97,000. Money raised for the endowment will be used for future support of special programs and exhibits at the museum.

(Photo by Barry McWayne)



THE CONCERTO

University of Alaska Juneau's Linda Rosenthal and Daniel Epstein along with University of Alaska Fairbanks's Aurora String Quartet performed THE CONCERTO IN D MAJOR FOR SOLAR VIOLIN, PIANO WITH STRING QUARTET, by the French composer Ernest Chausson in Juneau on March 30th.

University of Alaska, Juneau Associate Professor of Music, Linda Rosenthal, violinist, began her violin studies at age six with George Periman in Chicago, winning solo appearance with the Chicago Symphony when she was ten. She pursued formal musical studies as a scholarship student with some of the foremost teachers of our day, including Oscar Shumsky at Julliard and Josef Gingold at Indiana University.

This event was made possible by funding from the Foundation's Presidents Special Project Fund. This fund is a result of unrestricted gifts made to the Foundation. It is but one example of how private dollars are used to enhance the university.

NBA SCHOLARSHIP

University of Alaska Anchorage and University of Alaska Fairbanks business students were the recipients of scholarship awards from the National Bank of Alaska. Recipients of the awards were selected on the basis of academic excellence and outstanding performance in the field of business. Mr. Edward Rasmuson, Chairman of the Board, is shown below with one of the scholarship recipients Dana Stewart of UAA.



Edward Rasmuson with National Banks of Alaska scholarship recipient Dana Stewart. (Photo by Mary Gillean)



MASTER CARVERS COLLOQUIUM

Ketchikan Community College

Sharing is the foundation of great art.

In traditional times, Northwest Indian coast art was actively shared among villages. A master carver from Hoonah would canoe to Klawock to create a totem pole for the village. Carvers from Massett would see new ideas in design, from carvers in Sitka during a week long potlatch and incorporate these ideas into their work.

On September 2, 1984, twelve carvers from around the Northwest, arrived in Saxman, Alaska to carve and share their knowledge of the northwest Indian art form. The gathering lasted for seven days.

The Master Carvers Colloquium was sponsored by Ketchikan Community College and with funds from the Foundation. Plans are to make it an annual cultural event.



Della Keats
(Photo by Bobbie Fillmore)

DELLA KEATS SUMMER ENRICHMENT PROGRAM

Alaska Native Health Career Program Rural Education, University of Alaska

The Della Keats Summer Enrichment Program is an intensive academic enrichment program in Math, Science, English and Study Skills for Alaska Native students who are interested in pursuing health careers.

This program is named after Della Keats who is a tribal physician in the Kotzebue region. She was the only health care person in the region from



The Anatomy of a Della Keats Summer Enrichment Program Classroom. (Photo by Bobbie Fillmore)

1922 when she was 16 years of age, until 1936 when the first federal health care person arrived. She has been recognized by the University of Alaska Anchorage receiving an Honorary Doctor of Humane Letters in 1982, and just this year, 1985 received the same honorary degree from the College of Osteopathic Medicine of the Pacific.

Della Keats has been recognized nationally for her manipulative techniques in osteopathic medicine. She has dedicated her entire life to health and, at the age of 78, continues to teach those interested in pursuing health care careers in Alaska.

CENTER FOR ALCOHOL AND ADDICTION STUDIES ANNUAL SCHOOL

University of Alaska Anchorage Volunteers Saluted

The Center, with partial funding from SOHIO Alaska Petroleum, conducts an annual statewide conference on alcohol and drug abuse problems in Alaska (The Annual School). For the past three years during the School, the Center has been addressing the unique alcohol and drug abuse needs of rural Alaska through the development of a specialized training track entitled Focus Alaska. Select rural volunteer workers participated in the 1985 program.

The purpose of the program is to provide training and education to those working with substance abuse problems in rural Alaska, which is relevant

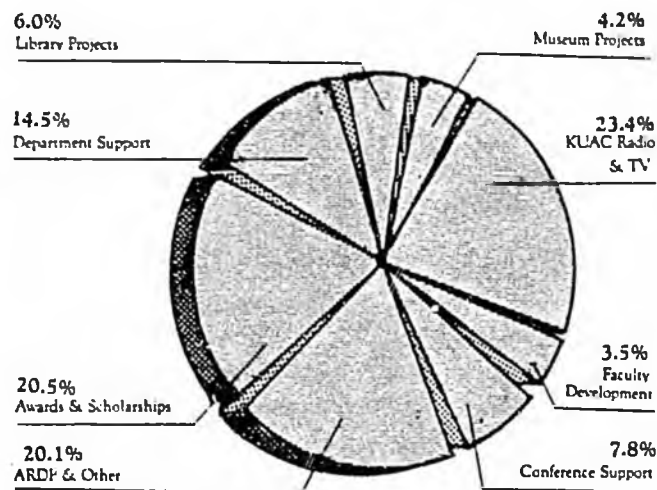


to the unique environment in which they work; and to provide a forum in which rural Alaskans in the field can exchange their invaluable knowledge and expertise which they have developed working in their individual communities. The Annual School is the only statewide opportunity for this type of education and sharing to take place.

FINANCIAL HIGHLIGHTS

8

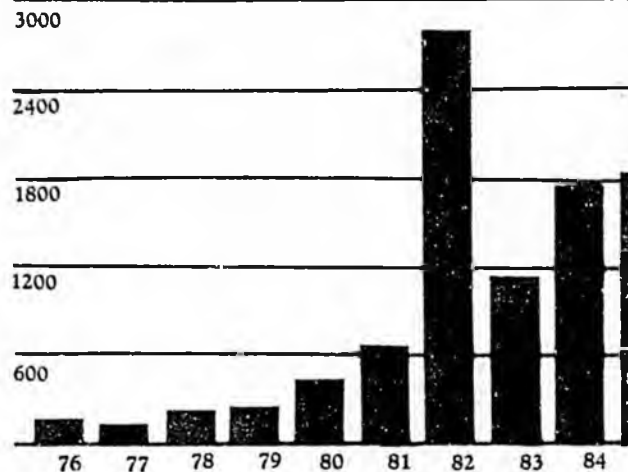
DISTRIBUTIONS IN SUPPORT OF U OF A



The disbursements made by the University of Alaska Foundation for the fiscal year 1985 show a total of \$892,033.

DONATIONS & TRANSFERS

\$ THOUSANDS

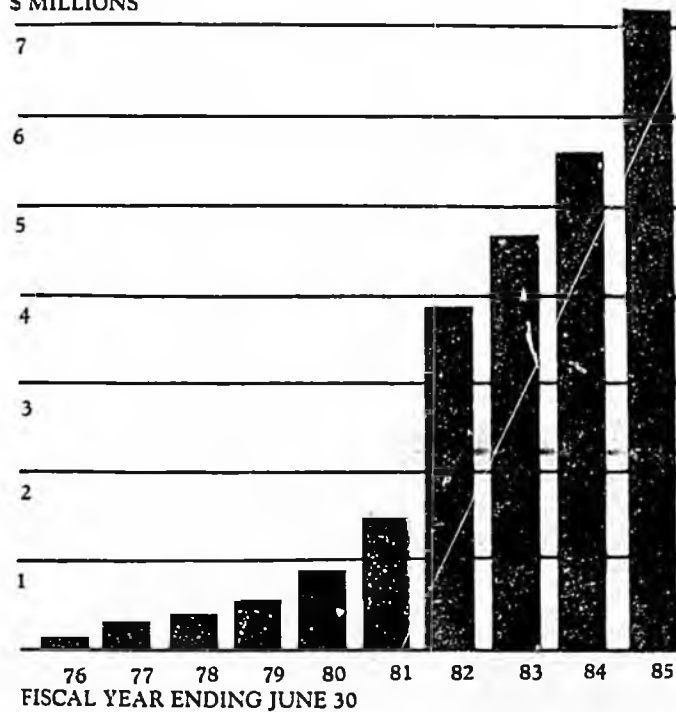


FISCAL YEAR ENDING JUNE 30

TOTAL ASSETS

The total assets for fiscal year 1985 increased 26% over the previous year.

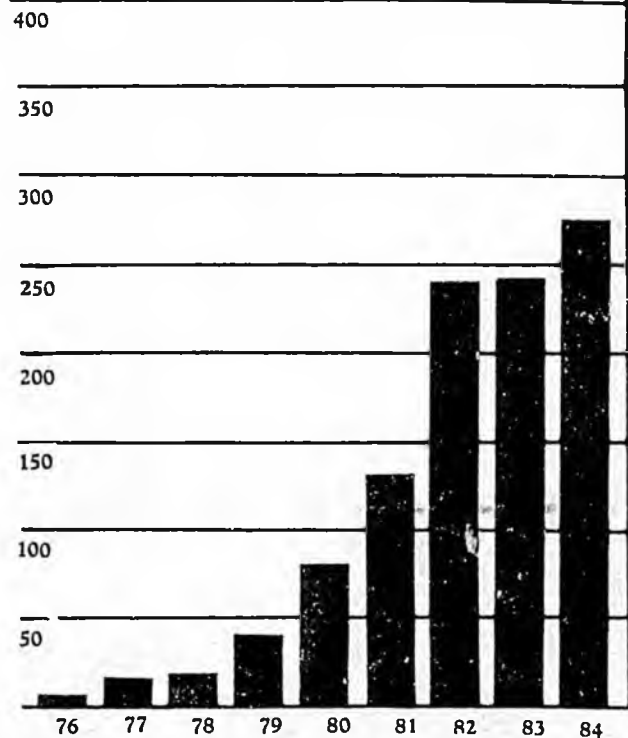
\$ MILLIONS



FISCAL YEAR ENDING JUNE 30

INVESTMENT REVENUE

\$ THOUSANDS



FISCAL YEAR ENDING JUNE 30



Peat, Marwick, Mitchell & Co.
Certified Public Accountants
Alaska Mutual Bank Building
601 West 5th Avenue, Suite 700
Anchorage, Alaska 99501

Board of Trustees
University of Alaska Foundation:

We have examined the balance sheet of the University of Alaska Foundation as of June 30, 1985, and the related statement of revenues, expenditures and transfers, and changes in fund balances and the statement of changes in cash for the year then ended. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the aforementioned financial statements present fairly the financial position of the University of Alaska Foundation at June 30, 1985, and its revenues, expenditures and transfers, and changes in fund balances and changes in cash for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Peat, Marwick, Mitchell & Co.

July 26, 1985

UNIVERSITY OF ALASKA FOUNDATION
BALANCE SHEET
June 30, 1985
(With comparative totals for June 30, 1984)

<u>ASSETS</u>	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Endowment and Similar Funds</u>	<u>June 30, 1985 Total</u>	<u>June 30, 1984 Total</u>
Cash and short-term investments (note 2)	\$ 347,738	\$1,297,142	\$ 497,972	\$2,142,852	\$2,268,851
Notes, bonds and stocks (note 3)	24,991	-	2,423,495	2,448,486	1,099,026
Interest receivable	5,485	36,743	70,580	112,808	110,477
Accounts receivable	-	13,656	-	13,656	32,564
Pledges receivable, less allowance for doubtful pledges (note 4)	-	36,044	-	36,044	59,992
Inventory, at cost	-	22,858	-	22,858	27,664
Real property held for investment (note 5)	2,105,872	75,246	197,570	2,378,688	2,075,246
Other assets	-	-	10,476	10,476	2,000
Total assets	<u>\$2,484,086</u>	<u>\$1,481,689</u>	<u>\$3,200,093</u>	<u>\$7,165,868</u>	<u>\$5,675,820</u>
 <u>LIABILITIES</u>					
Accounts payable	\$ 1,635	\$ 51,672	\$ -	\$ 53,307	\$ 36,863
Deferred rental income	3,000	-	-	3,000	3,000
Total liabilities	<u>4,635</u>	<u>51,672</u>	<u>-</u>	<u>56,307</u>	<u>39,863</u>
 <u>FUND BALANCES</u>					
Unrestricted	2,479,451	-	-	2,479,451	2,273,946
Restricted	-	1,430,017	-	1,430,017	1,397,801
Endowment	-	-	2,601,549	2,601,549	1,724,105
Quasi Endowment	-	-	429,219	429,219	76,889
Unitrust	-	-	169,325	169,325	163,216
Total fund balances	<u>2,479,451</u>	<u>1,430,017</u>	<u>3,200,093</u>	<u>7,109,561</u>	<u>5,635,957</u>
Total liabilities and fund balances	<u>\$2,484,086</u>	<u>\$1,481,689</u>	<u>\$3,200,093</u>	<u>\$7,165,868</u>	<u>\$5,675,820</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT OF REVENUES, EXPENDITURES AND TRANSFERS, AND CHANGES IN FUND BALANCES 11

UNIVERSITY OF ALASKA FOUNDATION
 STATEMENT OF REVENUES, EXPENDITURES AND TRANSFERS, AND CHANGES IN FUND BALANCES
 For the year ended June 30, 1985
 (With comparative totals for fiscal 1984)

	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Endowment and Similar Funds</u>	<u>Fiscal 1985 Total</u>	<u>Fiscal 1984 Total</u>
Revenues:					
Donations and bequests	\$ 140,678	\$ 556,302	\$ 121,492	\$ 818,472	\$1,251,813
Investment income	117,911	270,219	8,520	396,650	270,228
Transferred from University of Alaska (note 6)	18,235	92,665	1,078,909	1,189,809	498,660
Sales	-	5,488	-	5,488	21,671
Rent	6,000	-	-	6,000	4,700
	<u>282,824</u>	<u>924,674</u>	<u>1,208,921</u>	<u>2,416,419</u>	<u>2,047,072</u>
Expenditures:					
Distribution for University of Alaska (note 7)	48,786	843,134	135	892,055	1,115,258
Uncollectible pledges	-	9,909	-	9,909	17,309
Transferred to University of Alaska	-	6,927	-	6,927	-
Audit fees	9,075	-	-	9,075	8,673
Travel	6,848	-	-	6,848	668
Administrative expenses	12,612	-	-	12,612	-
Cost of sales	-	4,806	-	4,806	13,970
Loss on sale of assets	-	-	157	157	(2,918)
Promotional expenses	-	426	-	426	2,007
	<u>77,321</u>	<u>865,202</u>	<u>292</u>	<u>942,815</u>	<u>1,154,967</u>
Revenues over expenditures	205,503	59,472	1,208,629	1,473,604	892,105
Transfers between funds	<u>2</u>	<u>(27,256)</u>	<u>27,254</u>	<u>-</u>	<u>-</u>
Net increase in fund balances for the period	205,505	32,216	1,235,883	1,473,604	892,105
Fund balances, beginning	<u>2,273,946</u>	<u>1,397,801</u>	<u>1,964,210</u>	<u>5,635,957</u>	<u>4,743,852</u>
Fund balances, ending	<u>\$2,479,451</u>	<u>\$1,430,017</u>	<u>\$3,200,093</u>	<u>\$7,109,561</u>	<u>\$5,635,957</u>

The accompanying notes are an integral part of the financial statements.

UNIVERSITY OF ALASKA FOUNDATION
STATEMENT OF CHANGES IN CASH
For the year ended June 30, 1985
(With comparative totals for fiscal 1984)

	Unrestricted Funds	Restricted Funds	Endowment and Similar Funds	Fiscal 1985 Total	Fiscal 1984 Total
Sources of cash:					
Excess of revenues over expenditures	\$ 205,503	\$ 59,472	\$1,208,629	\$1,473,604	\$ 892,105
Noncash items:					
Pledges reduction	-	23,948	-	23,948	30,456
Investments contributed	(130,863)	-	(208,920)	(339,783)	(429,697)
Loss on sale of investments	-	-	157	157	-
Property contributed	-	-	(73,694)	(73,694)	-
Donated property transferred to University of Alaska	-	-	6,500	6,500	-
	<u>74,640</u>	<u>83,420</u>	<u>932,672</u>	<u>1,090,732</u>	<u>492,864</u>
Accounts payable increase (decrease)	1,635	14,809	-	16,444	(63,227)
Accounts receivable decrease (increase)	-	18,908	-	18,908	(19,823)
Inventory decrease (increase)	-	4,806	-	4,806	(10,022)
Proceeds from sale of donated property	-	-	58,718	58,718	20,821
Proceeds of sale of investments	-	-	11,193	11,193	248,656
	<u>76,275</u>	<u>121,943</u>	<u>1,002,583</u>	<u>1,200,801</u>	<u>669,269</u>
Uses of cash:					
Interest receivable decrease (increase)	(99,187)	33,088	68,430	2,331	4,608
Unearned grant revenue decrease	-	-	-	-	3,511
Purchase of long-term investments	-	-	1,324,469	1,324,469	690,586
Transfers between funds	(2)	27,256	(27,254)	-	-
	<u>(99,189)</u>	<u>60,344</u>	<u>1,365,645</u>	<u>1,326,800</u>	<u>698,705</u>
Cash and short-term investments increase (decrease)	175,464	61,599	(363,062)	(125,999)	(29,436)
Balance, beginning	<u>172,274</u>	<u>1,235,543</u>	<u>861,034</u>	<u>2,268,851</u>	<u>2,298,287</u>
Balance, ending	<u>\$ 347,738</u>	<u>\$1,297,142</u>	<u>\$ 497,972</u>	<u>\$2,142,852</u>	<u>\$2,268,851</u>

The accompanying notes are an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS 13

UNIVERSITY OF ALASKA FOUNDATION
NOTES TO FINANCIAL STATEMENTS
June 30, 1985

1. Organization and Summary of Significant Accounting Policies:

Organization

The University of Alaska Foundation was established May 30, 1974 to solicit donations and to hold and manage them for the exclusive benefit of the University of Alaska. The foundation is a tax exempt organization under Section 501 (c) (3) of the Internal Revenue Code.

Accrual Basis

Financial statements of the foundation are prepared on the accrual basis.

Fund Accounting

In order to ensure observance of limitations and restrictions placed on use of resources available to the foundation, the accounts are maintained in accordance with the principles of "fund accounting". This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with activities or objectives specified. Separate accounts are maintained for each fund. In the accompanying financial statements, funds that have similar characteristics have been combined into fund groups.

Within each fund group, fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds designated for specific purposes by action of the foundation. Externally restricted funds may only be utilized in accordance with purposes established by the source of such funds and are in contrast with unrestricted funds over which the trustees of the foundation retain full control. Endowment funds are subject to restrictions of administrative agreements requiring that the principal be invested in perpetuity and income only be utilized. While quasi endowment funds have been established by the trustees for the same purposes as endowment funds, any portion of quasi endowment funds may be expended at the direction of the trustees. Unit trusts are irrevocable charitable remainder trusts under which a fixed percentage of the fair market value of the trust's assets are paid annually to a beneficiary, either for life or a term of years, with the remainder reverting to the foundation.

Gains and losses arising from sale, collection or other disposition of investments and other noncash assets are accounted for in the fund which owned such assets. Ordinary income derived from investments, receivables and the like is accounted for in the fund owning such assets, except for (a) income derived from investments of endowment funds, which income is accounted for in the fund to which it is restricted or, if unrestricted, as revenues in unrestricted current funds; and (b) income derived from investments of restricted funds, which income is accounted for in unrestricted funds, unless another treatment is specifically designated by the outside source.

14 NOTES TO FINANCIAL STATEMENTS Continued

Noncash assets, other than marketable securities, contributed to the University of Alaska Foundation are recorded at appraised value when such value is provided by an independent third party. If no independent third party appraisal is available, the asset is recorded at an objective basis which is, in the judgment of the foundation management, a fair value to the foundation for its purposes. Marketable securities contributed to the foundation are recorded at market value at date of gift.

2. Cash and Short-Term Investments

Cash and investments maturing within one year were held as follows at June 30, 1985:

	<u>Yield</u>	<u>Cost</u>	<u>Market</u>
Cash, noninterest bearing	-	\$ 21,629	\$ 21,629
Money market funds	7.70%	230,256	230,256
Certificates of deposit	7.50%-11.0%	800,000	800,000
U.S. treasury bills and notes	10.63%-11.5%	<u>1,090,967</u>	<u>1,122,070</u>
		<u>\$2,142,852</u>	<u>\$2,173,955</u>

3. Notes, Bonds and Stocks

The following long-term investments are held by the foundation at June 30, 1985. The investments are carried at cost with the exception of common stock, which is carried at a value equal to market value at the date of donation.

	<u>Cost</u>	<u>Market</u>
<u>Unrestricted Funds</u>		
Common stock:		
Schlumberger Ltd.		
522 shares	<u>\$ 24,931</u>	<u>\$ 20,162</u>
<u>Endowment and Similar Funds</u>		
Common stock:		
Alaska Statebank		
44 shares	<u>\$ 836</u>	<u>\$ 836</u>

NOTES TO FINANCIAL STATEMENTS Continued 15

	<u>Cost</u>	<u>Market</u>
U.S. treasury notes:		
Yield 9.75% to 12.5%		
Face value of \$2,130,000		
Due in 1.5 to 2.5 years	2,173,119	2,217,625
U.S. treasury bonds:		
Yield 7.25% to 10.75%		
Face value of \$270,000		
Due in 10 to 20 years	<u>249,540</u>	<u>255,921</u>
 Total U.S. securities	 <u>2,422,659</u>	 <u>2,473,546</u>
Total endowment and similar funds	<u>\$2,423,495</u>	<u>\$2,474,382</u>

4. Pledges Receivable

A fund drive was undertaken in March, 1985 to solicit contributions to be used in providing programs to the public on KUAC television and radio. At June 30, 1985, pledges of \$33,112 are outstanding, \$17,218 of which are expected to be uncollectible.

Fund drives have been conducted in major Alaskan cities to solicit contributions to the Alaska Research Development Project. Efforts through June 30, 1985 resulted in pledges outstanding of \$30,150 of which \$10,000 are expected to be uncollectible.

5. Real Property Held for Investment

A summary of donated real property and its recorded value follows:

Commercial property, Fairbanks, Alaska	\$2,000,000
Recreational building lot, Harding Lake, Alaska	15,246
Mining claim, Clear Creek County, Colorado (One-third undivided interest)	60,000
Sheep Creek Road acreage, Fairbanks, Alaska	105,872
Unimproved Residential Lot, Fairbanks, Alaska	25,000
Long Association Placer Mining Claim, Alaska	100,000
Lake Minchumina Property, Alaska	6,090
Mining Claim, Kateel River Meridian, Alaska	1,480
Reed Acres Subdivision Acreage, Fairbanks, Alaska	<u>65,000</u>
	 <u>\$2,378,688</u>

Commercial property in Fairbanks is currently leased until December 31, 1986, generating annual rental income of \$6,000.

16 NOTES TO FINANCIAL STATEMENTS Continued

6. Funds Transferred from the University of Alaska

The University's Board of Regents has authorized the transfer of university funds as described below:

Earnings on funds held in trust, originally from the estate of Luther Hess. Designated for scholarships by Trustees	\$ 79,049
Final insurance settlement for stolen UAF Museum Archeological specimens for UAF Museum Endowment	219,150
Appropriated funds from the State of Alaska for UAF Physical Science Endowment	500,000
Quasi endowments transferred to the Foundation	370,565
Other transfers from contributors for program support	<u>21,045</u>
	<u>\$1,189,809</u>

On June 30, 1985, quasi endowments with a total value of \$370,565 were transferred to the foundation. The transfer included \$154,759 of endowment cash, endowment income cash of \$18,235 and real property valued in the foundation at \$197,571.

7. Distributions for University of Alaska

Distributions made for the benefit of the University of Alaska totaling \$892,055 for the period ended June 30, 1985 were as follows:

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Endowment and Similar</u>
Scholarships and Awards	\$ -	\$ 183,077	\$ -
President's Funds	38,763	-	-
Department Support	10,023	111,009	135
Library Projects	-	53,228	-
Museum Projects	-	38,223	-
KUAC Radio and Television	-	208,674	-
Mellon Foundation Faculty Devel.	-	27,374	-
Alaska Research Project	-	135,309	-
North Pacific Fisheries Project	-	15,000	-
Fourth Intern. Conf. on Permafrost	-	19,200	-
Comite' Arctique	-	29,079	-
Other	-	22,961	-
	<u>\$ 48,786</u>	<u>\$ 843,134</u>	<u>\$ 135</u>

8. Related Party Transactions

The university provides in-kind administrative and accounting support for the foundation. The cost of these services has not been segregated in the university's records and is not included in these financial statements.

Alaska State Legislature

BETTYE FAHRENKAMP, Chairman
ARLISS STURGULEWSKI, Vice Chairman
JOE JOSEPHSON
PAUL FISCHER
EDNA ARMSTRONG-DE VRIES



file SB 436
Sandra

P. O. BOX V
STATE CAPITOL
JUNEAU, ALASKA 99811
(907) 465-3834
(907) 465-3762

Senate Committee on Health, Education and Social Services

M E M O R A N D U M

TO: Members, Senate Committee on Health Education and Social Services

FROM: Committee Staff

RE: Committee Meeting, April 3, 1986

DATE: April 1, 1986

On Thursday, April 3, from 1:30-3:30 pm in the Beltz Room, the Senate Committee on Health Education and Social Services will hear the following bills:

SB 436, An Act relating to the establishment of an agricultural sciences memorial chair

SB 436 would establish an agricultural sciences memorial chair at the University of Alaska in tribute to the memory of Milton D. Snodgrass, Don Irwin, and George Gasser, three Alaskan pioneer agriculturists. Funds appropriated by the state or received through public or private donation would pay the salary of a research scientist appointed to the chair, and fund agricultural research projects.

The University currently has no memorial chairs, but does manage an endowment for the physical sciences. Interest from the endowment fund, established through a legislative appropriation of \$750,000, pays the salary of a research scientist at the Geophysical Institute. It is estimated that \$1.5 million would be needed to establish a fund large enough to pay the salary of the agricultural chair under SB 436. It is intended that the fund would be managed by the University of Alaska Foundation, a non-profit corporation established in 1974 to solicit donations and manage them for the University.

BACK-UP INFORMATION ON SB-436: AN ACT RELATING TO THE
ESTABLISHMENT OF AN AGRICULTURAL SCIENCES MEMORIAL CHAIR

SB-436 will create a memorial chair in agricultural science research within the University of Alaska.

The chair will be filled by the Director of the Alaska Agricultural and Forestry Experiment Station, with the concurrence of the University of Alaska Board of Regents. The Director shall name a senior research scientist to occupy the chair for a term of six consecutive years. The scientist to be selected at each successive vacancy will be one who has an established record of research accomplishment who can therefore capably pursue research investigations, publish research reports and teach courses toward the end of achieving research progress in basic and applied studies that serve Alaska and the world.

SB-436 will not only aid Alaskan agriculture, it will also honor the memories of three of Alaska's foremost early pioneers in agricultural research.

Funding for the University of Alaska Memorial Chair in agricultural research will be provided by legislative appropriation, but will also be supplemented from donations from other public or private sources.

SB-436 focuses on the original intent behind the University of Alaska, which was established as a land grant university in agriculture and mining.



University of Alaska Foundation

University of Alaska
Statewide System of Higher Education
590 University Avenue
Suite 101
Fairbanks, Alaska 99709
(907) 474-7687



Office of Development
sydev

March 26, 1985

MAR 28 1986

Senator Jay Kerttula
Box V
Juneau, AK 99811

Dear Senator Kerttula:

The following is presented in response to your inquiry concerning a fiscal note for Senate Bill 436 - "An Act relating to the establishment of an agricultural sciences memorial chair."

The University of Alaska Foundation College of Fellows at their annual meeting in September, 1984, agreed that a minimum endowment of \$1-1.5 million was necessary to support fully an endowed chair at the University. This figure would provide sufficient annual interest earnings to pay a full-time professor's salary and benefits (possibly tenured and possibly a full professor); secretarial support, travel, contractual services and office supplies for one year. This assumes a 10% annual interest earning on the funds and, as you know, interest rates are currently declining.

Endowments through the Foundation may, of course, be started with smaller amounts than the optimum \$1 -1.5 million noted above. The minimum deposit to establish an endowment within the University of Alaska Foundation is \$2,500. Such a minimum deposit would provide approximately \$250 annually which could be used to provide stipends to graduate students (paragraph (b) of the proposed legislation) or other related assistance. While such an endowment would definitely benefit the University it certainly would not be sufficient to fund research travel to other circumpolar lands and scientific conferences as well as allow for purchases of research equipment.

In short, fully funding paragraph (a) of Section 14.40.096 of Senate Bill 436 will require \$1-1.5 million. Any additional funds appropriated or deposited from private sources could be used for activities described later in paragraph (b) of Section 14.40.096. To fund fully the chair and these additionally described activities will require an endowment approaching \$2 million.

Senator Kerttula
Page 2
SB 436

The University of Alaska Foundation does not currently charge an administrative fee for the handling of endowments. Thus, every dollar received goes directly to benefit students, programs and projects as designated by the donor(s).

I have enclosed a copy of our current Annual Report, our brochure and Articles of Incorporation which describe the UA Foundation and its purpose. If I can provide further information or figures please don't hesitate to contact me or my office.

Sincerely,

Scott Taylor

Scott Taylor
Acting Executive Director

ST/bjg
enclosures
cc: Sherman Carter
Amey Houtchens
Brian Rogers

IN THE SENATE

BY _____

draft

SENATE BILL NO. _____

IN THE LEGISLATURE OF THE STATE OF ALASKA
FOURTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act creating and providing for funding
of A University of Alaska Snodgrass-Irwin-
Gasser Memorial Chair in Agricultural Research" ^{*Science*}


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

Early pioneers in the development of the Territory of Alaska made countless and varied early contributions to mobilize what was at first frustrating, snail-like progress over many decades. However, those early efforts made possible what has recently grown to become unparalleled advancement and development in this northernmost, little-studied land. None of the present progress would have been possible without that of those now-deceased pioneers. It is fitting that we recognize some within that hardy, visionary group, to wit:

*** Milton D. Snodgrass graduated from Kansas Agricultural College and arrived at the Kodiak Livestock Station in July of 1907. He worked at that station through 1916 and during that time served also as inspector of the Territorial Experiment Station at Kenai. He traveled to the western states

to promote homesteading in Alaska along the railbelt to settle lands opened by that newly constructed transportation artery to the territory's Interior.

"M. D.", became assistant in charge of the Experiment Station at Fairbanks in 1917. He was one of the leaders with George Gasser and others to petition successfully for the establishment of a land-grant university in central Alaska. He, with his son Roland, cleared the trees from 5 acres to plant wheat on the forested upland just east of the Experiment Station that is now the center of the University of Alaska campus. M. D. Snodgrass was a strong pioneer advocate of agricultural research and education. He served for a time as vice-president of the University of Alaska Board of Regents.

 Don L. Irwin, a graduate of Kansas Agricultural College, served as state agricultural planner for 19 years in Wyoming before coming to Alaska. He served as an agronomist at the Territorial Experiment Station near Matanuska, then became superintendent of that station.

He helped organize the resettlement of 202 farm families from Michigan, Wisconsin, and Minnesota to the Matanuska Valley in 1935. He was on hand to greet the colonists on their arrival in the Matanuska Valley, presided at the lottery of land tracts, and served as the first general manager of the Matanuska Valley Colony. His untiring efforts held the beleaguered colony together during the trying early months. He later left to return to the directorship of the Alaska Agricultural Experiment Station and served during its growth from primitive operations to increased staffing and modernization after World War II. He also served as business administrator of the Alaska Rural Rehabilitation Corporation.

~~George W. Gasser~~, upon graduation from Kansas Agricultural College, traveled to Alaska to join the Rampart Experiment Station, arriving there August 5, 1907. He served as a plant breeder and superintendent of the Rampart Experiment Station until 1920. His early studies of plant adaptation, winter-hardiness, and crop improvement at the Territory's northernmost Experiment Station were pioneering, landmark contributions.

From 1920, he led work at the Fairbanks Experiment Station, became a Professor of Agriculture at the College in 1927, became head of the College Department of Agriculture in 1937, and in 1946 was named first Alaska Commissioner of Agriculture. His contributions to Alaska were many and valued.

These pioneer agriculturists did much with little; they served at numerous locations throughout the Territory and in various roles related to agriculture and agricultural research. Their efforts did much to establish what has become the nation's only land-grant state university in northern latitudes. Their shared vision for the future of Alaska, their tireless, pioneering challenges of what often were seemingly insurmountable problems, and their firm faith in Alaska's development and destiny are recognized and memorialized in this legislative action. *It also focuses on the mutual interests of the U.S.A. which was established as a land-grant university in 1907.*

Therefore be it enacted that a Snodgrass-Irwin-Gasser Memorial Chair in agricultural research be established in perpetuity to function within the University of Alaska.

This chair shall be created by this act, and shall be filled by the Director of the Alaska Agricultural and Forestry Experiment Station, with

the concurrence of the University of Alaska Board of Regents. The Director shall name a senior research scientist to occupy the chair for a term of six consecutive years. The scientist to be selected at each successive vacancy will be one who has an established record of, ^{scientific} research accomplishment, and one who can therefore capably pursue research investigations, publish research reports, and teach courses, toward the ends of (a) commendably achieving research progress in basic and applied studies that serve Alaska and mankind, and (b) honoring the memories of 3 of Alaska's foremost early pioneers in agricultural research.

Funding for this University of Alaska Snodgrass-Irwin-Gasser Memorial Chair in Agricultural Research will be provided by legislative appropriation. To the extent that donations from other public or private sources augment basic state appropriations, that added funding can further serve the objectives of this Act by providing stipends to graduate students, funding research travel to other circumpolar lands and scientific conferences, and purchase of research equipment.

COMMITTEE REPORT
SENATE

FURTHER: FINANCE

2/14/86

Date 4-3-86

Mr. President

The Committee on HESS considered SB 436
relating to the establishment of an agricultural sciences memorial chair.

and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for _____
- new title
- same title and recommends _____
- and attached a "LETTER OF INTENT" NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS

Joe Josephson
Calvin Stungulick
Edna De Vries

Dittus Lankang Do Pass
Chairman

Chairman recommendation

STATE OF ALASKA
THE LEGISLATURE

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

LEGISLATIVE AFFAIRS AGENCY
LEGISLATIVE REFERENCE LIBRARY

May, 1988

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

HESS 4-3-86 1:30pm