ALASKA LEGISLATURE 1904

HOUSE and SENATE FINANCE COMMITTEE FILES, 1999 - 2000

University of Alaska
Actual Expenditures by NCHEMS**
FY95-FY99
(in thousands)

Total University of Alaska	FY95 Actuals			FY96 Actuals			FY97 Actuals			FY98 Actuals			FY99 Actuals			%Change FY96-FY99		
	General Funds	Non-Gen Funds	Total Funds	General Funds	Non-Gen Funds	Total Funds	General Funds	Non-Gen Funds	Total Funds	General Funds*	Non-Gen Funds	Total Funds	General Funds*	Non-Gen Funds	Total Funds	General Funds*	Non-Gen Funds	Total Funds
Academic Support	14,220.2	4,801.6	19,021.8	14,490.8	3,184.2	17,675.0	12,304.9	2,529.1	14,834.0	11,153.5	3,543.9	14,697.4	11,299.7	2,888.6	14,188.3	-22.02%	-9.28%	-19.73%
Auxiliary Services	0.0	20,490.7	20,490.7	0.0	20,432.0	20,432.0	0.0	21,495.7	21,495.7	0.0	24,045.3	24,045.3	0.0	29,286.4	29,286.4	0.00%	43.34%	43.34%
Debt Service	1,742.5	2,760.6	4,503.1	2,652.0	744.2	3,396.2	2,687.7	546.9	3,234.6	2,773.2	225.9	2,999.1	2,762.1	883.5	3,645.6	4.15%	18.72%	7.34%
Institutional Support	35,541.1	26,966.4	62,507.5	32,156.4	30,787.5	62,943.9	33,850.2	32,168.6	66,018.8	36,865.7	27,366.9	64,212.6	35,448.8	28,554.3	64,003.1	10.24%	-7.25%	1.68%
Instruction	48,706.7	50,662.1	99,368.8	48,403.1	52,349.4	100,752.5	49,902.8	52,949.6	102,852.4	49,209.0	53,617.1	102,826.1	50,404.5	52,759.9	103,164.4	4.13%	0.78%	2.39%
Intercollegiate Athl	2,408.1	3,598.9	6,007.0	2,695.7	3,365.7	6,061.4	2,608.7	3,817.1	5,425.8	2,080.4	4,057.1	6,137.5	2,232.6	3,524.6	5,757.2	-17.18%	4.72%	-5.02%
Library Services	10,146.4	1,809.8	11,956.2	8,339.1	3,733.1	12,072.2	8,069.9	4,088.2	12,158.1	7,870.9	4,218.0	12,088.9	8,667.3	3,969.9	12,637.2	3.94%	6.34%	4.68%
Physical Plant*	27,423.4	13,722.5	41,145.9	30,701.1	14,146.5	44,847.6	30,860.4	13,941.8	44,802.2	27,835.6	18,568.0	46,403.6	29,237.3	14,560.8	43,798.1	-4.77%	2.93%	-2.34%
Includes M&R			*14,394.7*			*15,540.3*			*17,229.7*			*17,054.8*			*17,943.2*			15.46%
Public Service	4,921.8	11,735.5	16,657.3	5,460.0	12,201.9	17,661.9	5,245.8	12,106.0	17,351.8	4,481.2	12,552.3	17,033.5	4,731.2	13,045.4	17,776.6	-13.35%	6.91%	0.65%
Research	15,409.3	51,890.1	67,299.4	15,060.3	44,655.5	59,715.8	11,929.1	46,539.0	61,118.1	12,427.9	56,289.2	68,717.1	10,325.6	65,822.1	76,147.7	-31.44%	47.40%	27.52%
Scholarships	390.0	7,006.1	7,396.1	640.5	6,890.9	7,531.4	436.9	7,581.8	8,018.7	756.3	9,529.9	10,286.2	699.5	10,546.0	11,245.5	9.21%	53.04%	49.31%
Student Services	11,723.9	5,097.7	16,821.6	10,981.0	6,529.5	17,510.5	9,797.2	6,709.0	16,506.2	9,477.3	7,025.2	16,502.5	10,524.3	6,368.2	16,892.5	-4.16%	-2.47%	-3.53%
Totals:	172,633.4	200,542.0	387,570.1	171,580.0	199,020.4	386,140.7	167,693.6	204,472.8	374,816.4	164,911.0	221,038.8	385,949.8	166,332.9	232,209.7	398,542.6	-3.06%	16.68%	3.21%
Supplementals													641.4		641.4			
Total	172,633.4	200,542.0	387,570.1	171,580.0	199,020.4	386,140.7	167,693.6	204,472.8	374,816.4	164,911.0	221,038.8	385,949.8	166,974.3	232,209.7	399,184.0	-2.68%	16.68%	3.38%

** These figures differ from NCHEMS detail as reported in the UA Financial Statements, primarily because they include transfers and both unrestricted and restricted funds.

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University of Alaska
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FY01 Operating Budget Request
Summary

FY01 Operating Budget Request	General Fund/ASTF*	Non-General Fund	Total
FY00 Authorization	174,974.1	291,721.8	466,695.9
FY01 Increment Request			
Maintaining a Solid Foundation			
Fixed Costs			
Salary Maintenance	5,161.1	1,265.2	6,426.3
Inflation/Other Non-Discretionary Costs	3,231.0	1,459.1	4,690.1
Ensuring Academic Quality	1,710.0	491.0	2,201.0
Keeping Pace with Technology	1,555.0	480.0	2,035.0
Sub Total	11,657.1	3,695.3	15,352.4
Developing Alaska's Leaders	964.6	467.4	1,432.0
Meeting Alaska's Employment Needs	2,217.0	7,687.0	9,904.0
Diversifying Alaska's Economy	2,119.0	5,412.0	7,531.0
Non General Fund Adjustments		15,000.0	15,000.0
Total Increments	16,957.7	32,261.7	49,219.4
FY01 Operating Budget Request	**191,931.8**	**323,983.5**	**515,915.3**

*Includes $2,630.0 in Alaska Science & Technology Foundation (ASTF) funds

University of Alaska Systemwide

Where Alaska's Future Begins
University of Alaska
Proposed FY01 Operating Budget Request
Increment Summary

	General Fund	Non-General Fund	Total
Maintaining a Solid Foundation			
Fixed Costs			
Salary maintenance	5,161.1	1,265.2	6,426.3
Other	3,231.0	1,459.1	4,690.1
Fixed Cost Sub-Total	8,392.1	2,724.3	11,116.4
Ensuring Academic Quality	1,710.0	491.0	2,201.0
Keeping Pace with Technology	1,555.0	480.0	2,035.0
Sub-Total	11,657.1	3,695.3	15,352.4
Developing Alaska's Leaders			
Ensuring Student Success	964.6	467.4	1,432.0
Sub-Total	964.6	467.4	1,432.0
Meeting Alaska's Employment Needs			
Teacher Education	832.0	1,995.0	2,827.0
Healthcare	520.0	292.0	812.0
Vocational Education	865.0	5,400.0	6,265.0
Sub-Total	2,217.0	7,687.0	9,904.0
Diversifying Alaska's Economy			
Logistics	290.0	320.0	610.0
Information Technology Industry	305.0	1,648.0	1,953.0
Natural Resources Management and Development	1,524.0	3,444.0	4,968.0
Sub-Total	2,119.0	5,412.0	7,531.0
Non- General Fund Adjustments		15,000.0	15,000.0
Request Total	**16,957.7**	**32,261.7**	**49,219.4**

University of Alaska Systemwide

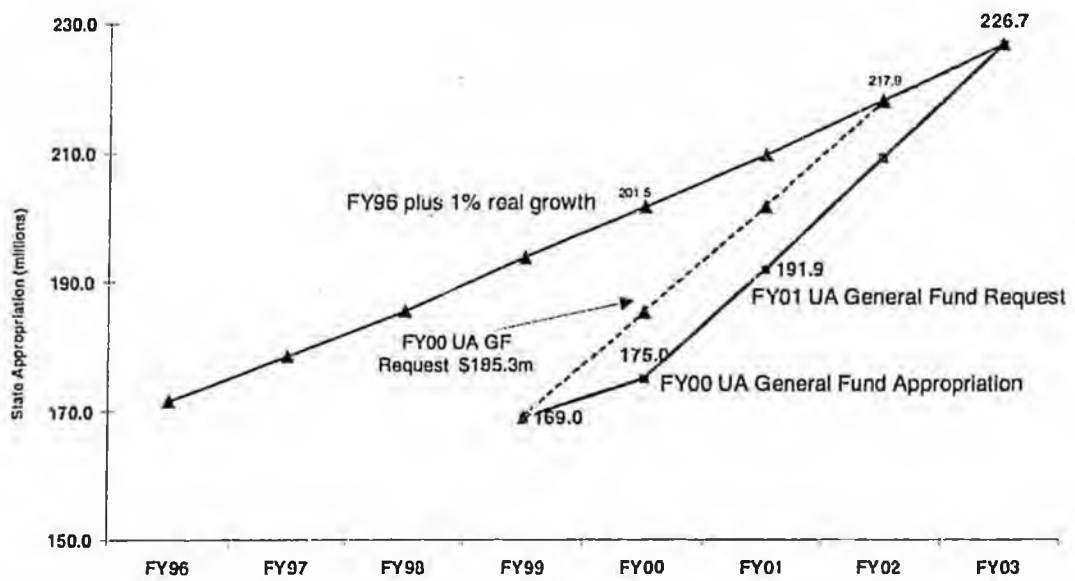
Operating Budget

Higher education is widely recognized as the primary catalyst for economic development and diversification. This FY01 budget request positions UA to begin advancing Alaska's economic development by focusing on program initiatives directed at the highest priority needs of training the state's workforce and stimulating economic activity while maintaining a solid foundation and developing future leaders for Alaska. The University of Alaska seeks the financial means to be the instrument of Alaska's economic development in the 21st century.

As Alaska's engine of economic development, UA is focused on preparing Alaskans to fill existing jobs and to create the new industries in Alaska. To achieve this goal, funding of UA's budget request is critical to building capacity in programs to meet current and future workforce demand for teachers, healthcare providers, engineers, accountants, satellite technicians, logistics specialists, and knowledge workers. Preparing the people in Alaska (those currently using Alaska's roads, schools, social services, and collecting the permanent fund dividend), reduces the need to attract new people from outside (who will put additional demand on roads, schools, and other state services). This model of preparing Alaskans provides significant advantages for Alaska's citizens, state government and industry. Industry benefits by having a qualified pool of workers in state who cost less to recruit and who are more likely to stay. State government benefits by not having new citizens (who aren't paying taxes) creating demand for additional services and infrastructure. And, the advantage to Alaska's citizens is the opportunity to qualify for the jobs that provide for a good living in the state that is their home.

This budget request continues the phased approach to putting UA on track initiated in FY00 so that by 2003 UA will be at the FY96 general fund base plus one-percent real growth. (FY00's $6m appropriation is combined with modest $17m annual appropriations for the next three years.)

Continuing to Put UA on Track
Reaching UA's FY96 base plus 1% Real Growth



University of Alaska Systemwide

In making this request, the University is working in close partnership with state agencies, school districts, and industries. Through these partnerships, UA will continue its focus on highest priority initiatives responding to the most important state needs and opportunities. UA requests funding in four components:

- Maintaining a Solid Foundation
- Developing Alaska's Leaders
- Meeting Alaska's Employment Needs and
- Diversifying Alaska's Economy

Maintaining a Solid Foundation (page 11):

Funding this component provides the necessary base from which UA will develop leaders, meet employment needs, and diversify the economy. Meeting contractual salary obligations and fixed cost increases in equipment, services, utilities and facility M&R are the first funding requirements within this component. Ensuring academic quality through phased replacement of core faculty positions lost to the RIP, restoration of library holdings, and rebuilding the Alaska Cooperative Extension Service is the second requirement of maintaining a solid foundation. Keeping pace with technology is paramount to the base requirement. On-going funding is required for maintenance of high tech instructional equipment, development of faculty and staff for technology and distance delivery based instruction and development of effective information system solutions for functions such as student recruitment.

Developing Alaska's Leaders (page 17):

Attracting and retaining Alaska students is a key element in meeting Alaska's workforce needs. Studies have shown Alaskans educated in Alaska are far more likely to take jobs and stay in Alaska than those educated out-of-state. Developing leaders focused on the success of Alaska's economy is also dependent on retaining and supporting the higher education requirements of Alaskans of all ages.

Enhanced student support services are necessary to attract, retain and meet the needs of the diverse UA student population. UA serves the education needs of traditional age students, graduate students, and adult learners from vocational to professional/executive training. Reduced funding has resulted in understaffing in critical areas such as recruitment, admissions, financial aid and registration. Additional advising, outreach counseling, student assessment, mentoring and bridge programs are needed to improve student success and retention. Additional staff and investment in training are also necessary to provide the technology enhanced services expected by students such as direct financial aid, web-based admissions, on-line registration, and computer assisted advising. The critical staff and enrollment management requests will support progress on effective solutions to student services. Investment in this component over the next three years will provide long term success through increases in student enrollment and development of leaders for Alaska's future.

Meeting Alaska's Employment Needs (page 19):

With significant investment of last year's RIP savings, the University has taken a first step in addressing Alaska's highest priority workforce needs. Workforce assessments from the Alaska Department of Labor, Alaska's Human Resource Investment Council, the Alaska Department of Education, and private industry show highest workforce demands exist for teachers, health care workers (especially nurses), and trained technical workers. As UA's first step, $1.35m in start-up funding was allotted for programs designed to respond to these specific needs with strong partnerships with employers. The FY00 funding jump-started these few programs; however, more and expanded programs are required to meet the extensive needs demonstrated.

University of Alaska Systemwide

The FY01 funding request for this component allows UA and the State to take the second step in meeting Alaska's employment requirements. Funding is necessary to fully support the high priority programs started this year in education, health care, and vocational education and to develop additional program offerings and expand programs to further respond to the State's high priority employment demands.

Diversifying Alaska's Economy (page 28):

The last component of UA's budget request is an investment in Alaska's future. If additional funding is provided for logistics, information technology (IT) industry including satellite data retrieval and analysis, and natural resources management and development, UA can help develop industries that capitalize on Alaska's unique location and abundant resources.

With a well-trained workforce and by its nearly perfect global location, Alaska is fast becoming the air cargo hub of the world. The Anchorage Municipality, industry, and UA partnered the Fall 1999 start-up of the global logistics baccalaureate program at UA Anchorage. Additional support in FY01 is needed to continue development of the baccalaureate programs and to provide workforce training for a growing logistics support service sector.

Just as the emerging logistics industry benefits from Alaska's global positions, Alaska's high latitude provides an overwhelming advantage in satellite data retrieval. To capitalize on our advantage in this emerging industry, Alaska needs human resources with significant expertise in information technology and data analysis. Additionally, industry and government agencies all over the state are challenged to find workers with sufficient information technology and systems expertise for expanded IT related business operations. Academic programs and training responses target delivery of occupation related IT training and advanced data analysis, remote sensing, and signal processing programs.

Development and management of Alaska's natural resources will continue to be a mainstay of the Alaska economy. Funding is requested for the School of Fisheries and Ocean Sciences at UAF for fisheries and fisheries products instruction and research and the study of dynamic ocean biology. Additionally, Alaska has recently been accepted as one of 19 states eligible for funding from the National Science Foundation's Experimental Program to Stimulate Competitive Research (EPSCoR). This is a federal research program that provides funding for competitive research directed to state needs; the federal match is two to one. Funding to strengthen UAS's successful environmental science program is also requested.

University of Alaska Systemwide

University of Alaska
FY01 Capital Budget Request
Summary

	General Fund	Non-General Fund	Total
Deferred Maintenance/Code Compliance	**$104,278.8**		**$104,278.8**
Other			
Renewal & Replacement	17,144.0		17,144.0
Instructional Equipment and Telecommunications	7,500.0		7,500.0
New Construction, Major Renovation and Other			
Priority New Construction and Major Renovation			
Hutchison Career Ctr.	5,000.0		5,000.0
Consortium Library	31,400.0		31,400.0
Egan Building classroom wing addition	7,642.6		7,642.6
Additional New Construction and Major Renovation	45,736.6	15,500.0	61,236.6
Planning/Other	15,150.0		15,150.0
Sub Total New Construction, Major Renovation and Other	104,929.2	15,500.0	120,429.2
Total Other	**$129,573.2**	**$15,500.0**	**$145,073.2**

University of Alaska Systemwide

University of Alaska
FY01 Capital Budget Request
Project Summary

	FY01			FY02-FY05 Priority		
	General Funds	NGF	Total Request	General Funds	NGF	Total Request
Deferred Maintenance/Code Compliance*	**$104,278.8**		**$104,278.8**			
Renewal and Replacement	**17,144.0**		**17,144.0**	**$80,362.4**		**$80,362.4**
High Priority Renewal & Replacement Needs (cost estimates)						
UAA Sports facility / replace swimming pool ($2,750.0)						
UAA Lab Renovations ($3,500.0)						
UAF Elvey building ($2,613.1)						
UAF Interior Campus Yukon Flats Center ($400.0)						
UAS Juneau student housing ($560.0)						
UAS Sitka / campus center ($43.0)						
For a complete list see attached schedule						
Instructional Equipment and Telecommunications	**7,500.0**		**7,500.0**	**30,000.0**		**30,000.0**
Administrative and academic computer equipment renewal and upgrades ($3,250.0)						
Distance delivery equipment renewal and upgrades ($1,750.0)						
Up-to-date science, engineering and instructional equipment for quality program delivery ($2,500.0)						
Priority New Construction, Major Renovation						
1 UAF Hutchison Career Ctr.	5,000.0		5,000.0			
2 UAA Consortium Library	31,400.0		31,400.0			
3 UAS Egan Building classroom wing addition	7,642.6		7,642.6			
Additional New Construction, Major Renovation						
UAF NOAA/UAF Lena Point Facility	22,000.0		22,000.0			
UAF Bristol Bay Classroom Addition	1,380.0		1,380.0			
UAS Ketchikan Campus Remodel including Wekling Lab	1,407.3		1,407.3			
UAS Student Rec Center	4,764.3		4,764.3			
UAF UA Museum***	15,500.0	15,500.0	31,000.0			
UAA Mat-Su Ortner building replacement	685.0		685.0			
UAS Hangar 322/ Sitka laboratory expansion				807.9		807.9
UAA Kodiak Campus consortium library				1,000.0		1,000.0
Planning / Other						
UAA Small Business Development Center	500.0		500.0	2,000.0		2,000.0
SYS Alaska Statewide Database Licensing Initiative	400.0		400.0			
UAF Food Service planning & design / construction **	1,250.0		1,250.0	18,362.0		18,362.0
SYS Science lab facilities planning & design	5,000.0		5,000.0	CTBD		CTBD
SYS Community site instructional facilities planning & design	2,000.0		2,000.0	CTBD		CTBD
SYS Residential housing/ planning	4,000.0		4,000.0	CTBD		CTBD
UAA Acquire lands adjucent to UAA	2,000.0		2,000.0			
UAA Improve campus signage				1,700.0		1,700.0
UAA North parking lot phase I				500.0		500.0
UAS Planning, design, land acquisition, Parking				668.8		668.8
UAA Atwood Chair match				1,000.0		1,000.0

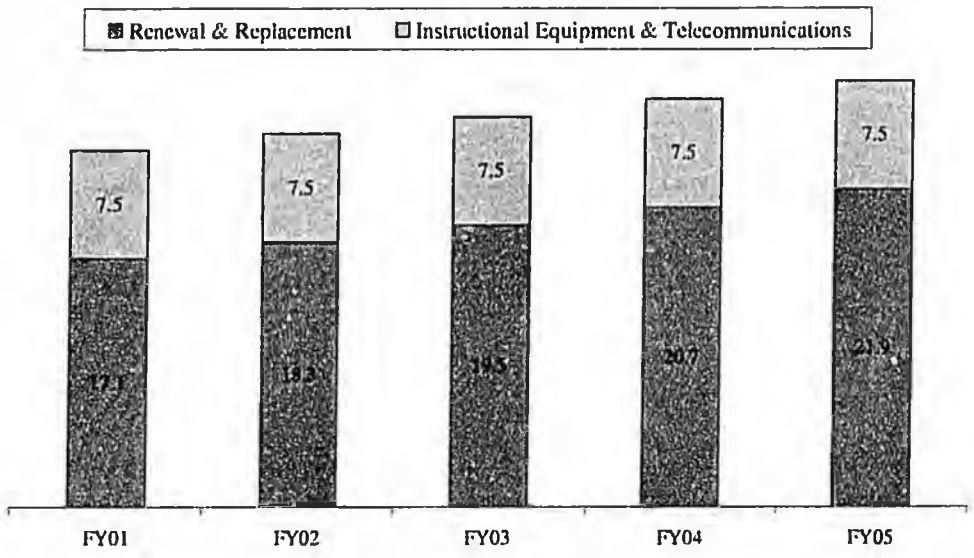
* Reduction from FY00 request of $140 million is due to the deferred maintenance portion of UAF Food Services and UAF Museum being included in the total listed under New Construction, Major Renovation and Other and UAA did an extensive deferred maintenance evaluation resulting in a reduction of their deferred maintenance requirements.
** Includes $1.25 million in planning, $6.5 million in major renovations, $8.9 million for deferred maintenance and $2.9 million in renewal & replacement.
*** Includes $5.4 in deferred maintenance, $1.6 million in renewal & replacement and $24 million in new construction.
CTBD - Costs to be determined through planning process.

University of Alaska Systemwide

Capital Budget

The FY01 Board of Regents' capital budget request emphasizes a base requirement for funding on-going facility renewal and replacement (R&R) and instructional equipment and telecommunication improvements. The university sees this on-going R&R and instructional equipment and telecommunication funding as an annual capital budget need (see chart below). In addition to this base requirement, the university requests funding for deferred maintenance, new construction and major renovation projects and planning/other.

University of Alaska's
On-Going Base Capital Budget Requirements



(in millions)

Renewal and Replacement and Deferred Maintenance/Code Compliance (page 35):
Continuous annual funding of facilities Renewal & Replacement ("R&R") addresses the systematic deterioration of building components. The upgrade or replacement of these components will extend a building's useful life, maintain its functionality, and in turn avoid costly repairs in future years. Conversely, if a planned, budgeted approach to cyclical capital R&R is not followed, a buildup of deferred maintenance will occur. R&R projects can include work on all major building infrastructure systems, such as heating and ventilation, structural repairs, and electrical and mechanical upgrades. Immediate need for R&R funding has been identified for the UAA Sports Facility, UAA Science Lab renovations, the Kenai Campus Ward Building, UAF's Elvey Building and student housing on the Juneau campus.

University of Alaska Systemwide

Instructional Equipment and Telecommunications Renewal (page 35):

On-going funding for replacement of instructional and information technology equipment is simply sound business practice. It is a cost that every university faces. In addition to regular purchases to conduct and support instruction, research and outreach, the university often receives donations of up-to-date equipment such as internet access computer labs, process technology equipment and aviation simulators. The usable life of this equipment is between three and eight years. Adequate capital funding to keep this equipment up-to-date is a basic requirement to ensure that:

- UA is responsive to state needs,
- UA delivers programs efficiently,
- UA's responses to state needs involve a systemwide perspective,
- UA's programs are of high quality, and
- UA's students have access to programs.

Priority New Construction, Major Renovation (page 36):

These are the highest priority new construction projects being actively pursued by the University of Alaska for FY01. They have well-developed plans and will promote the University's overall mission. This category includes the Hutchison Career Center, the UAA Consortium Library, and a classroom wing addition to the Egan Building at UAS. These projects were prioritized based on the following criteria:

- how well the project supports a strategic initiative;
- the demonstrated need of the project;
- the partnership potential the project creates;
- the degree to which the project will be self-supporting; and
- the degree to which there is a developed plan for the project.

Additional New Construction, Major Renovation (page 39):

Additional new construction projects, while still vital to the University's overall goals, have not been prioritized for presentation in the capital budget request. These projects include the NOAA/UAF Lena Point Facility, a student recreation center on the Juneau Campus, and the UA Museum project on the Fairbanks Campus.

Planning \ Other (page 44):

The University recognizes that a responsible, well-planned approach to capital investment is vital to the success of its academic programs and research activities. Up-to-date classrooms and convenient, safe housing will help attract the top students. Current lab facilities with leading technology will give the University an advantage in competing for scarce research dollars. Funding is needed for the planning phase of many of these necessary projects, which include UAF food services, systemwide lab facilities, and community site instructional facilities.

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OPERATING BUDGET

FY01 Operating Budget Summary

Maintaining a Solid Foundation

- Fixed Costs –Salary Maintenance

The first item in the Board of Regents' FY01 operating budget request, fixed costs, is the minimum funding required to cover mandated compensation increases for university employees (salary maintenance) and additional inflationary increases on non-personal services costs for existing university programs (other).

The FY01 total fixed cost increment is calculated based on UA budgeted positions and FY99 actual non-personal services expenditures. The general fund request is estimated based on the portion of positions budgeted and non-personal service expenditures funded by the general fund, student tuition and fees, interest income, intra-agency receipts and indirect cost recovery.

The increment for salary maintenance is based on the contract and policy mandated salary obligations to UA employees. Also included for non-represented employees is a modest request to cover increased wage requirements. Salary increases, as in prior years, are requested by individual bargaining units and non-represented employees. The FY01 salary maintenance budget request by employee category is detailed below, followed by an explanation of salary maintenance requirements by employee category.

Employee Category		General Fund Request	Non-General Fund	Total
ACCFT	Systemwide	428.5	1.0	429.5
CEA	Systemwide	164.3		164.3
United Academics	Systemwide	1,145.7	114.1	1,259.8
United Academic Adjuncts	Systemwide	246.3		246.3
Non Represented Employees	Systemwide	2,976.3	1,150.1	4,126.4
Graduate Stipends	Systemwide	200.0		200.0
Total - Salary Maintenance		5,161.1	1,265.2	6,426.3

FY01 Operating Budget Summary

Employee Category	Salary Maintenance Requirements
ACCFT	Based on recent contract agreement with ACCFT: 2.6% across the board salary increase; continue an annual $200 lump sum bonus.
CEA	CEA contract obligation: 1.5% salary schedule adjustment on July 1, 2000 (Contract ends Dec. 31, 2000).
United Academics	United Academics contract obligation: performance increase of 2.4%; discretionary increase of 0.6% (Contract ends Dec. 31, 2000).
United Academic Adjuncts (temporary instructor labor pool)	United Academic Adjuncts contract obligation: increase of 5% to the minimum salary table.
Non-Represented Employees	Board of Regents' Policy: annual performance increase on permanent authorized positions at 2.6% and increased wage requirements on non-permanent employees.
Graduate Stipends	UA graduate student stipends have not increased in 10 years. This request provides funding to increase stipends to a level that is similar to other universities.

- Fixed Costs – Other (Inflation/Other Non-Discretionary Needs)

Inflation/other non-discretionary needs include non-compensation related fixed costs, Board of Regents' policy mandated M&R requirements, and extraordinary inflationary increases. The non-personal services fixed costs estimate assumes a modest 1.5% general inflation increase. Extraordinary fixed cost increases in utility charges and library materials are included. The Higher Education Price Index (HEPI) measures library material annual increases at an average of 7.5%.

UAF's extraordinary increases are caused by an increase in the price of coal (3.0%) which is double the 1.5% fixed cost calculation; a 15% increase in the price of coal freight, or 13.5% above calculated fixed costs.

In FY93 the Board of Regents committed to aggressively pursue full funding of building M&R. This component has been included in every request since FY93. In FY94 $1,354.5 was appropriated for building maintenance, but was cut from the budget the following year. A mandated increase to continue 100% funding of facilities maintenance is required to properly maintain facilities and avoid more costly deferred maintenance in future years. The table below details the inflation/other non-discretionary cost budget request. The request detail is followed by an explanation for each item.

FY01 Operating Budget Summary

Fixed Cost - Other Category		General Fund Request	Non-General Fund	Total
Non Personal Services (1.5% inflation on Non- personal services expenses)	Systemwide	1,517.6	1,203.5	2,721.1
Maintenance and Repair	Systemwide	1,208.3	255.6	1,463.9
Library materials and periodical costs in excess of normal inflation	Systemwide	282.8		282.8
State Room Scholarship	Systemwide	120.0		120.0
Utilities and Increased Coal and Freight in excess of normal inflation	UAF	102.3		102.3
Total- Inflation/Other Non-Discretionary Needs		3,231.0	1,459.1	4,690.1

Inflation/Other Non-Discretionary Needs Category	Assumptions
Non-personal services	1.5% of FY99 non-personal services expenditures.
Maintenance and Repair (M&R)	University policy requires full funding of maintenance and repair of facilities. This is the additional amount necessary to meet the M&R policy mandates for FY01.
Library materials and periodical costs in excess of normal inflation	HEPI library acquisitions rate has averaged 7.5% for the last three years. The FY99 base is $4.8 million. $282.8 is the amount above the general 1.5% non-personal service cost increase.
UAF utilities and increased coal and freight costs in excess of normal inflation	Coal increased 1.5% above 1.5% fixed cost calculation; coal freight increased 13.5% above calculated fixed costs.
State Room Scholarships	Fund statutorily mandated State Room Scholarships.

- Ensuring Academic Quality

Between fall 1996 and fall 1999, due to funding constraints, the university has been unable to replace one hundred faculty lost to RIP and attrition. Phased over the next three years the University seeks funding to replace a significant number of these faculty in core disciplines. These core faculty serve the breadth of higher-education instruction necessary for all university programs including the high priority programs being enhanced or created to meet critical state workforce and economic diversification priorities. Most of

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the core faculty requested for FY01 will support the transition from the baccalaureate education program to the fifth-year teacher education program.

Program Response	MAU	General Fund Request	Non-General Fund	Total
Essential Core Faculty	UAA	520.0	201.0	721.0
Essential Core Faculty	UAF	460.0	170.0	630.0
Essential Core Faculty	UAS	280.0	100.0	380.0
Necessary Library Materials	UAA/F/S	300.0		300.0
Rebuilding Cooperative Extension	UAF	150.0	20.0	170.0
Total		1,710.0	491.0	2,201.0

Essential Core Faculty – UAA

Core faculty requirements at UAA are in several disciplines. Funding for faculty, lab coordinators, and instructors in biology, chemistry, and geology are requested to support the health and education initiatives. Also, a science faculty member is needed to support student demand at the Mat- Su campus. Computer science, math and management faculty are required to meet current demand and new demand expected for the logistics program. Additionally, faculty are requested for music, anthropology, and English.

Essential Core Faculty – UAF

Highest priority core faculty are concentrated in the College of Liberal Arts (CLA) and College of Sciences, Math and Engineering (CSEM). The College of Liberal Arts faculty requested would primarily support the baccalaureate of arts and science (BAS) degree program that is necessary in the transition of the baccalaureate education program to the fifth year program. This funding fills faculty positions in Music, Social Science and Humanities. CLA core funding is also requested for teaching assistants and faculty office support and equipment.

Core faculty needed in the College of Sciences, Engineering and Math are in the following disciplines: wildlife ecology/conservation biology, molecular genetics, and organic chemistry. In addition to teaching discipline specific upper and lower division courses, these faculty would support the science requirements of the BAS program.

Essential Core Faculty – UAS

UAS core faculty requirements in social sciences and humanities are to support extended delivery of the baccalaureate of liberal arts (BLA) program. This program, similar to the BAS program, is necessary in the transition of the baccalaureate education degreeto the fifth year program. The BLA is designed to be distance delivered and targets students who have completed the associate

of arts (AA) degree. Given the distance delivery mode, in addition to the three core faculty, site support, curriculum development, audio-conferencing, travel and equipment funding is required.

Necessary Library Material – UAA, UAF and UAS

The most recent increase in the HEPI for library materials is 7.5%. The request for library materials requested under fixed cost covers next year's library materials price increases. However, UA has not received fixed cost funding for several years. This funding request enables UA to restore library material to last year's level of library holdings.

Rebuilding Cooperative Extension – UAF

This request provides four Cooperative Extension agents to conduct educational programs to under-served audiences in the Palmer, Anchorage, Fairbanks and Bethel areas. Funding for this program would re-establish Extension educational programs to locations in Alaska with some of the service's earliest and continuous clientele. Palmer was the site of the first Extension district office in the 1930s. 4-H was introduced to Palmer and Fairbanks also in the 1930s.

- Keeping Pace With Technology

Keeping pace with technology is paramount to the base requirement. As detailed in the table below, on-going funding is required for maintenance of high tech instructional equipment, development of faculty and staff for technology and distance delivery based instruction and development of effective information system solutions for functions such as student recruitment.

Program Response	MAU	General Fund Request	Non-General Fund	Total
Faculty Development for Distance Delivery and Technology	Systemwide	200.0	60.0	260.0
Technical Staff Support for Distance Delivery	UAS	100.0	30.0	130.0
Aviation Simulator Maintenance	UAA	200.0	60.0	260.0
Support for Distance Delivery	UAF	200.0	60.0	260.0
Student Recruitment Software Purchase, Implementation and Training	UAA/F/S	380.0	215.0	595.0
High Speed POP for Internet2 Operations	SYS	275.0	55.0	330.0
Electronic Library Materials and Networking	UAA	200.0		200.0
Total		1,555.0	480.0	2,035.0

Faculty Development for Distance Delivery and Technology– UAF, UAS, UAA

Distance delivery and instructional technology equipment and software is evolving at a rapid pace. Regular development and upgrading of technology enhanced courses for on-site and distance delivery is needed to respond to student demand. Faculty will be provided technical

support and funding to develop technology-enhanced courses for broad distribution. Funding of this request capitalizes on existing faculty base and newly expanded network capabilities to provide access to quality technology based curriculum systemwide.

Technical Staff Support for Distance Delivery– UAS

UAS will increase the number of courses offered via distance delivery, and also the number of locations from which courses can be accessed by hiring additional technical staff support for distance delivery courses. Technical support aids faculty in selecting the best choices for software, research tools, and other methods available to provide quality delivery of their content area courses. Additionally, technical support at receiving sites is needed to support students.

Aviator Simulator Maintenance – UAA

Maintaining the aviation simulators is critical to carrying out effective and cost-efficient aviation training. Using these simulators reduces the time-to-productivity for new aviation hires, reduces costs associated with hiring, and provides Alaskans with high-quality aviation career opportunities. Their use is part of the overall strategy to address severe shortage of professional pilots, improve pilot and other personnel safety, expand pilot capabilities and enhance Alaskans' success in aviation careers.

The funds from this initiative would cover the real costs of maintaining three simulators: the Radar Control Simulator, the Frasca Flight Simulator and the Wesson Tower-Pro Air Traffic Control Simulator. Training capabilities have been adversely affected by regular failures of these highly sophisticated computerized devices due to lack of upgraded software, maintenance contracts, and absence of a systems manager for programming and operations.

Support for Distance Delivery – UAF

Center for Distance Education's (CDE's) role as "integrator" of the many components associated with distributed learning, which include development of Web-based courses, production of a systemwide academic catalog, and coordination of the delivery of course materials, clearly demonstrates the need to enhance the current internal support infrastructure.

Additionally, with the Alaska3 project currently underway, CDE support staff would be responsible for coordinating purchasing, standards, configuration, delivery and installation of necessary equipment at sites outside Fairbanks.

Student Recruitment Software Purchase, Implementation and Training – UAA/UAF/UAS

Campus enrollment officers and IT professional are currently evaluating software solutions to improve the effectiveness of UA recruiting. Implementation of the Banner system provides the base for admissions and registration, however, a tool that integrates with Banner is needed to effectively recruit and correspond with prospective students. Current estimates for the software, implementation and training and on-going support is estimated at $690.0. The project is expected to be implemented in two phases.

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High Speed POP for Internet 2 Operations – UAA/UAF/UAS

On October 8, 1999 UA became part of an elite set of universities connected to the latest generation internet. Having a high speed point of presence (POP) puts the university and state in a position to attract high-tech industry and federal partnerships. Technical support is needed to operate UA's point of presence on Internet 2. Funding from the National Science Foundation is supporting current operations for FY00. Funding for continued operations is required.

Electronic Library Materials and Networking – UAA

More and more library materials are available via electronic media. Purchasing access to these materials is necessary to provide strong instructional and research programs. UAA's library needs to purchase these materials and maintain electronic access to existing holdings for on and off-site users. With shared library resources via electronic media, students throughout the state can take advantage of materials currently available in only one location.

Developing Alaska's Leaders

- Ensuring Student Success

Attracting and retaining Alaska students is a key element in meeting Alaska's workforce needs. Studies have shown Alaskans educated in Alaska are far more likely to take jobs and stay in Alaska than those educated out-of-state. UA has taken a big step toward keeping Alaskans in Alaska by implementing the UA Scholars Program, which provides a scholarship to students in the top 10% of their graduating class. However, developing leaders focused on the success of Alaska's economy is also dependent on retaining and supporting the higher education requirements of Alaskans of all ages. Financial constraints have reduced student support services in areas such as recruitment, admissions, financial aid and registration. Restoring these critical staff is necessary to support the needs for the diverse UA student population.

Program Response	MAU	General Fund Request	Non-General Fund	Total
Critical Student Service Staff in Financial Aid, Registration and Transcript Evaluation	UAA	120.0	30.0	150.0
Enrollment Management	UAS	152.0	38.0	190.0
Critical Student Service Staff in Admissions, Advising, Financial Aid, and Registration	UAF	200.0	150.0	350.0
Student Recruitment	UAA	80.0	20.0	100.0
First Year Orientation Program	UAF	80.0	20.0	100.0
Orientation Programs	UAA	120.0	100.0	220.0
Campus Security	UAA	80.0	20.0	100.0
High School Bridge Program	UAF	75.0	75.0	150.0
College Connection	UAS	57.6	14.4	72.0
Total		964.6	467.4	1,432.0

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Critical Student Service Staff in Financial Aid, Registration and Transcript Evaluation – UAA

This request is to enhance existing services and ensure prompt professional service to students. These funds would provide support staff to expedite the admission, transcript evaluation, and registration processes.

Enrollment Management – UAS

UAS has relied on an unsophisticated recruitment strategy to grow its full-time student population. The strategy worked for a number of years, but as competition for Alaska students has increased from schools outside the state, the old system of visiting high schools, going to college fairs and sending out letters to prospects is inadequate. It is a "shotgun approach" to recruitment that is highly inefficient and unproductive. UA cannot continue nor afford to use a scatter gun approach to recruitment.

FY01 funds would be used for consulting services to refine the recruitment process. On-going funds would then be utilized to hire permanent positions to provide the technical expertise to continue the new strategies and make changes over time to ensure that UA stays current with evolving trends.

Critical Student Service Staff in Admissions, Advising, Financial Aid, and Registration – UAF

Due to financial constraints staff levels have reduced significantly in the student services area while at the same time technology advances require training for new skills and job duties. Critical service level positions are required in advising, admissions, registration, and financial aid.

Student Recruitment – UAA

A comprehensive recruitment program is needed. FY01 funding plus additional funding in FY02 would provide a full-time recruiter and several student ambassadors to develop targeted recruitment campaigns. Additionally a pilot program is planned for enhancement of numerous recruitment processes like outreach, high school visits, and follow-up.

First Year Orientation Program – UAF

Programmatic support is needed to develop and support first year orientation programs. These programs create a sense of community for students. Studies stress that the first year experience is vital to student retention.

Orientation Programs – UAA

This request is to create cross-functional campus-wide student orientation activities throughout the academic year. A staff position would serve to enhance the recruitment and orientation of all students including freshmen, adult learners, Native students, and students of color. It is anticipated that a minimum of 2,500 students and their families would be served by this position.

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Campus Security – UAA

An additional campus security officer is requested to maintain the current level of services given the increase in residential population.

High School Bridge Program – UAF

Each year UAF receives numerous requests and suggestions from around the state to provide a summer science camp for high school students. Many high school students and their parents are interested in summer science programs, but few Alaska students actually experience them because of the high costs associated with attending programs in the Lower 48. This initiative would provide an in-state summer science camp on the UAF campus, which is nationally and internationally recognized for science programs.

College Connection – UAS

Initiative funding will allow UAS to extend the College Connection program to all other high schools in the region. UAS will assign a full-time coordinator who will assume both program development and individual student responsibilities. Examples of the former include a negotiated agreement with each participating school district. Examples of the latter include improved and visible outreach as well as ongoing student advisement. Additionally, an "early entry" option will be pursued (e.g. providing early admission to the AA degree).

Meeting Alaska's Employment Needs

- Education and AQSI Support

The goal of this program initiative is to improve public school performance through instruction of future and current teachers, research, and outreach to schools. Four events have prompted changes in the education programs offered at UA:

1. A demonstrated demand for additional teachers and school administrators in Alaska (preferably trained in Alaska),
2. The Alaska Quality Schools Initiative (AQSI),
3. New State Board of Education's requirement for teachers to graduate from NCATE accredited programs, and
4. Federal requirements for Head Start workers to have associate degrees.

In partnership with state Department of Education and school districts, UAA, UAF and UAS have worked together on required changes to unify and strengthen all teacher preparation programs through common curriculum and creating lead campuses for specializations.

The State of Alaska has over 1,000 openings for teachers every year. School districts prefer to hire Alaska trained teachers because they are more likely to remain in their positions for longer periods of time. This continuity of service increases the quality of the K-12 education programs throughout the State.

A significant part of this year's request focuses on the transition of the baccalaureate degree in education to a fifth year teacher education program. This transition positions Alaska to increase the quality of its

teachers to support the goals of AQSI and helps UA fulfill the NCATE accreditation requirements To begin meeting these critical needs UA secured a five-year, $6m federal grant and reallocated $450,000 of initiative funding for the transition of the fifth year program and enhanced partnerships with K-12 schools in teacher training. The request below shows the additional amount necessary for FY01 in the transition to the enhanced teacher education program.

New federal laws require half of all Head Start teachers to have an associate degree by the year 2003. In Alaska, there are 19 Head Start programs serving 3,200 children in 94 communities. Given the 600 employees, and normal job turnover, there is a demand of 100 to 200 degrees per year to meet the mandate by 2003. The requests for early childhood development below provide necessary funding to expand the current associate degree program in early childhood development. UAS is taking the lead for systemwide delivery while UAF will coordinate with UAS for rural delivery and UAA's funding is to serve local demand.

Program Response	MAU	Locations	General Fund Request	Non-General Fund	Total
Transition from baccalaureate to a fifth year program	UAA		90.0	1,510.0	1,600.0
Transition from baccalaureate to a fifth year program	UAF		90.0	100.0	190.0
Transition from baccalaureate to a fifth year program	UAS		118.0	75.0	193.0
Reading and Multicultural Specialists	UAF	CRA	165.0	60.0	225.0
Early Childhood Development /Head Start	UAS	Statewide	136.0	30.0	166.0
Early Childhood Development /Head Start	UAF		85.0	25.0	110.0
Early Childhood Development /Head Start	UAA		123.0	45.0	168.0
Professional Ed Center	UAS	Statewide	25.0	150.0	175.0
Total			832.0	1,995.0	2,827.0

Transition from baccalaureate to a fifth year program – UAA

Given the demonstrated state need, established partnerships, and UAA's leadership in the education programs, UA invested $300.0 from FY00 initiative funding to jump-start this program. The FY01 request of $90,000 coupled with the FY00 investment of $300,000 meets the necessary match for the federal grant and establishes the necessary programmatic base. The program is built on strong partnership with school districts both urban and rural. The fifth year program broadens the range of participants involved in preparing teachers and expands the training experience for preservice teachers. There is significant emphasis on technology- based learning and an emphasis on knowledge and skills most needed in classroom teaching.

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Transition from baccalaureate to a fifth year program – UAF

Provide faculty and support necessary to support elementary and secondary education cohorts in the fifth year program. Restoring core faculty provides the necessary faculty in the BAS curriculum for the transmission of B.Ed students into content area majors.

Transition from baccalaureate to a fifth year program – UAS

Provide ongoing coursework for those students who are currently enrolled in the B.Ed. in Elementary Education program so that they can complete the degree requirements. It also expands the availability of the new 5th year teacher preparation program.

Reading and Multicultural Specialists – UAF

Provides two rural education preparation faculty for CRA to support the teacher preparation requirements in reading and multi-cultural learning.

Early Childhood Development / Head Start – UAF

This initiative allows UAF to reinforce its instruction and training capacity for early childhood education and to do so in conjunction with the University of Alaska Southeast. Joining forces will allow the University of Alaska to assist Head Start workers who are presently under the federal mandate requiring Head Start workers to have associate degrees. This initiative will also help meet other needs: development of a greater academic capacity that reflects the recent legislative action which changes the State Board of Education's name to the Alaska State Board of Education and Early Development and assigns that body a broader sphere of responsibility. This initiative also will encourage partnerships with native corporations and other entities which have primary responsibility for managing Head Start programs in rural Alaska.

Early Childhood Development / Head Start - UAS

The 1998 Reauthorization Act for Head Start requires that half of all Head Start teachers have at least an associate degree in early childhood education by 2003. Such training can only be delivered by distance delivery and needs to be on an anything-anywhere basis due to the remoteness of Alaska's rural population. Potential partners include the Alaska Department of Community and Regional Affairs. The department's role will be to monitor the program and its delivery to ensure satisfactory compliance with the requirements of the federal mandate. Central Council of Tlingit and Haida Indian Tribes of Alaska will provide matching participant and computer access support.

Early Childhood Development / Head Start – UAA

This request funds enhancements to the early childhood development program for Anchorage and surrounding areas.

Professional Ed Center – UAS

There is a critical need in the state for quality professional development in the areas of educational technology, reading and other content areas. With the implementation of the High School Qualifying Exam students and teachers will be held accountable for performance. Currently, there are very few challenging, graduate level programs for Alaska teachers in these

areas. There is a need to provide much of this training and instruction on-line so educators in remote rural locations can participate. It is in these areas that the Professional Education Center (PEC) is collaborating and partnering with educational agencies at all levels.

Funding for this program was provided with FY00 initiative funding and FY01 funding will provide the remaining funding necessary to:

- expand current and future offerings to additional teachers in Alaska
- implement standardized evaluations of courses and programs, and
- develop a system for gathering and analyzing data via a database of contacts within Alaska School districts, and with the Alaska Department of Education and Early Development to improve communication about new and existing programs.

♦ Healthcare

Health Care industry demand has been well documented. According to Alaska Department of Labor data, 1200 new nursing jobs will be filled over the next six years. Five percent of Alaska's workforce is in health care fields compared to 8% nationally. Within Alaska 86% of healthcare professionals work in the private sector.

Programs requested in UA's FY01 budget expands UA's capacity to provide nursing graduates. It provides Anchorage the necessary funding to support offsite delivery of the associate degree in nursing. Fairbanks will utilize the UAA nursing curriculum, and partner with Fairbanks healthcare providers including the Fairbanks Memorial Hospital to provide the program to Fairbanks residents. FY00 initiative funding was provided to Tanana Valley Campus to start the program. An initial cohort of Fairbanks students started the program this fall and will graduate in the Spring 2001. The Kodiak nursing program request provides funding for a cohort of students at the rural sites. UAA will coordinate and deliver a majority of the program at the extended site or via distance with some residency in Anchorage required for clinical experience. After a Kodiak cohort is complete the program will rotate to another extended location based on need.

Program Response	MAU	Locations	General Fund request	Non-General Fund	Total
Expand AAS in Nursing	UAA	Statewide	75.0		75.0
Expand AAS in Nursing	UAF	Fairbanks	70.0	25.0	95.0
Expand AAS in Nursing	UAA	Kodiak	65.0	20.0	85.0
Health Careers Training Partnership	UAF	Bethel	40.0	45.0	85.0
Human Services Technology	UAF		40.0	20.0	60.0
Physical Therapy Assistant	UAA		160.0	60.0	220.0
Occupational Therapy Curriculum Development	UAA		10.0		10.0
Distance Delivery of Social Work Baccaluareate Program	UAF	Statewide	40.0	122.0	162.0
Distance Delivery Curriculum Development for Masters of Social Work Program	UAA		20.0		20.0
Total			520.0	292.0	812.0

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Expand AAS in Nursing – UAA

The UAA School of Nursing is currently developing the first year of the Associate Degree Nursing program via distance technologies. During the course of FY01, the course work for the second year of the ADN program will be modified for distance delivery. FY01 funding supports distance delivery development and program support for ADN programs offered outside of Anchorage.

Expand AAS in Nursing – UAF

TVC is working with UAA School of Nursing to collaborate on the delivery of the AAS in Nursing in Fairbanks. This will be a UAA degree and UAA will deliver some of the courses web based. TVC faculty will provide site-based instruction and all clinical courses. TVC will be able to instruct cohorts of 16 students, although initially, with demand so high, a cohort of 24 will start.

Expand AAS in Nursing – UAA - Kodiak

Increasing the number of two-year, associate degree prepared registered nurses in communities outside of the Anchorage Bowl (Kodiak, Fairbanks, Southeast Alaska). Also respond to the external assessment of the demand/need for practical nurses (LPNs) in the state. Major focus will be on preparing associate degree RNs, since the majority of communities express this as their first priority in preparing health care providers.

Kodiak has admitted a cohort of ADN students and is currently helping students fulfill the general education and science prerequisites necessary for success in the ADN courses. The School of Nursing is in the process of developing the first year of the 2-year ADN program to a distance delivery format to permit delivery outside of the Anchorage bowl. Clinical sites in Kodiak, Fairbanks and Southeast are also being assessed to determine how much of the clinical portion of the ADN training can be conducted in those smaller communities, and plans are being made to accommodate the clinical training that is not available at various sites in Anchorage in some modified format that will minimize the time that rural candidates need to spend in Anchorage.

Health Careers Training Partnership – UAF

A pressing need exists for a larger pool of qualified rural workers in all facets of the health industry in remote Alaska. The Health Career Training Partnership (HCTP) offers easy access to steppingstone education programs, mentors and other student support services available at CRA sites. Implementation of the HCTP will result in a significant increase in Alaska Natives employed in rural jobs that span the full range of health occupations.

The HCTP builds on proven rural workforce development models, including the successful Rural Human Services Certificate Program from the Interior Aleutians Campus. This approach creates practical training options for those who are either already employed or those who want jobs with modest skill requirements (certified nursing assistants), while offering more rigorous educational resources for those wanting to pursue post-secondary health careers (RNs, LPNs, PAs, Social Workers, etc).

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Human Services Technology – UAF

Funding is necessary to prepare paraprofessional counselors in communities outside Anchorage and Fairbanks, particularly village based counselors who are employed by Native non-profits and tribal organizations. Specifically, the Human Services Technology AAS and the Rural Human Services (RHS) Certificate programs develop counseling skills in addictions and the effect on the family and community. Problems developing from addictions have been cited as a major cause of disruption and death in rural communities. Both HST and RHS have the majority of their courses approved for state certification as a Substance Abuse Counselor.

Physical Therapy Assistant – UAA

High demand exists for physical therapy assistants. Funding will provide two full time faculty, staff support and adjuncts for program delivery. Partners, including Alaska Regional Hospital and Alaska Native Hospital, will provide classroom space and training in their facilities.

Occupational Therapy Curriculum Development – UAA

Based on the physical therapy curriculum – faculty support will be required to develop curriculum for the occupational therapy assistant and associated programs. The program will be designed for cohort delivery in Anchorage as well as other locations.

Distance Delivery of Social Work Baccalaureate Program – UAF

The demand for rural, indigenous social workers continues to increase – not only in the UAF regions, but throughout the state. Moreover, new Alaska licensure law requires all persons using the title social worker to be licensed, which requires at a minimum a BSW degree from an accredited social work program. UA's present resources (faculty, travel, etc.) are unable to serve the growing number of rural students throughout the state who seek the BSW. The Mental Health Trust Board recognizes this as an essential program and is the primary funding source for this program. The additional modest request is necessary for multiple extended site coordination.

Although the program will be built on the curriculum of the rural extension of the UAF baccalaureate program, since the program is in place and nationally accredited, all three MAUs will be involved in its operation. In addition, the Rural Human Service Certificate and Human Service Technology AA programs, both delivered by distance, will be involved in that many graduates of these programs desire to continue their studies towards the BSW. The head of the social work program at UAF will provide overall supervision for the program.

Distance Delivery Curriculum Development for Masters of Social Work Program – UAA

FY01 funding will support faculty development of distance delivery curriculum for the Master of Social Work program. With delivery of the baccalaureate program and existing social workers, there will be sufficient demand in the future for delivery of the MSW.

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- Vocational Education

Alaska's economy is highly dependent on skilled technical workers. Funding is requested in high priority programs responding to current industry demand. Marine manufacturing, applied technology, process technology and heavy equipment/power generation are highly specialized programs, which respond directly to industry workforce shortages. Corporate Programs is a new university office that will respond to the ongoing training needs of individual companies and work with industries to fill workforce shortages.

Program Response	MAU	Locations	General Fund Request	Non-General Fund	Total
Heavy Equipment / Power Generation	UAA		25.0	25.0	50.0
Process Technology	Systemwide		250.0	240.0	490.0
Corporate Programs - Industry Specific Job Training	Systemwide		200.0	5,000.0	5,200.0
High School Tech Bridge Program (CISCO Training)	UAS		100.0	40.0	140.0
Aviation Safety - Weather Forecasting	UAA		150.0	40.0	190.0
Applied Technology	UAA	Kodiak	40.0	15.0	55.0
Occupational Safety	UAA		30.0	15.0	45.0
Marine Manufacturing	UAS	Ketchikan	70.0	25.0	95.0
Total			865.0	5,400.0	6,265.0

Heavy Equipment / Power Generation – UAA

Funding for this program will enable training for the first cohort of 10-12 mechanics for heavy equipment and power generation targeting both rural and urban students in a 2+2 program beginning with an associate of applied science degree, ultimately articulating to a baccalaureate degree.

Approximately four classes will be offered per semester. Currently the program is limited to 10-12 students due to the lack of sufficient training equipment. Once a sufficient base is established and partnering efforts with industry firms are completed, the program will be able to handle increasing numbers of students.

This program will provide a career ladder for students in the existing Automotive/Diesel programs and new opportunities in the area of heavy equipment and power generation for all Alaskans. Students will no longer be required to travel outside of Alaska for a degree program in heavy equipment.

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Process Technology – UAA/UAS/UAF

Training in process technology including power generation, electronics and instrumentation is required by employers for a range of occupations including industries in need of process technology workers, oil, utilities industries, mining and telecommunications.

Through the Alaska Process Industry Careers Consortium (APICC), employers in the oil and utilities industries have identified a current need and a future critical shortage of operator technicians and instrument technicians to replace an aging workforce. Advanced skills training for the current workforce is also required due to rapid changes in technology. In addition to industry support, state funding is necessary to hire faculty, develop the curriculum and offer the program.

Corporate Programs – Industry Specific Job Training – UAA/UAS/UAF

The University of Alaska Corporate Programs provides a structure and process where workforce training and education programs are brought together under one strategic umbrella and brokered to business and industry, so that all levels of employees in Alaska business & industry can access the skills, knowledge and competencies needed to be successful not only in their current jobs, but in adapting to future job requirements as well.

Drivers instrumental in launching the UACP are as follows:

- To provide single point of contact for business/industry
- To systemize the workforce training function
- To maximize business/industry investment in education
- To develop employability of the workforce

Although most funding is expected to come from industry, a minimal amount of base funding is required to support project development.

High School Tech Bridge Program (CISCO Training) – UAS

Growth in information technology support has been largely application driven rather than hardware supported. Although the recent microcomputer support specialist program is valuable, the support for servers, routers and other peripherals is also needed. Continued growth in both hardware and applications is expected both within Alaska and in the contiguous United States.

The student market for this initiative would come largely from a high school population. Later classes would also build largely on a previously trained high school base. Additionally, provisions will be made for regular post secondary students without prerequisite high school training in technology. Funding for this program supports faculty members with the necessary technical specialization.

Aviation Safety – Weather Forecasting – UAA

The research, technology and associated training under the auspices of the AEFF (Alaska Experimental Forecast Facility) would improve aviation safety and efficiency for commercial, military and general aviation throughout Alaska. Further, through original and applied research

efforts, weather forecasting unique to arctic climates and in extreme mountainous terrain will improve. National issues related to icing, turbulence, and volcanic ash dispersal will be addressed through AEFF. The scope of work includes education and training for existing and potential pilots, high tech product development for use in small planes, aviation community service assessment and user interaction, and research and technology transfer to the aviation environment.

Applied Technology – UAA

Kodiak applied technology program curriculum is designed in response to the needs of two major industries in the community. The largest single employer is the fishing industry. The newest industry and one that has approached the college for training assistance is the aerospace industry. This program is designed to address the employment training needs of both these industries. Students had very limited education options at Kodiak College. This program represents a significant response to the training needs in Kodiak and for Kodiak students. Given the responsiveness of the program to state need and industry, UA provided $40,000 in program initiative funding to get the program started in FY00. FY00 funding combined with the FY01 request is required to hire one full-time faculty member, adjunct faculty and necessary equipment for program delivery.

Occupational Safety – UAA

Funding will provide a full-time faculty position for the Occupational Safety and Health Program. With an additional faculty person, a total of 4-6 classes will be available each fall and spring semester. The program will be housed and delivered in Anchorage. Agreements have been made with the Evergreen Safety Council in Washington and the National Safety Council to provide parts of the program nationwide. In addition, the Councils serve in an advisory capacity for the program and also identify the program as a source of training to employers.

Industry support and agreements have been made with the following companies or organizations:

Alaska National Insurance Company
American Society of Safety Engineers
Alaska Railroad Corporation
National Institute for Occupational Safety and Health
Chugach Electric
Occupational Safety and Health Administration (OSHA)
Anchorage Safe Communities
Natchiq, Inc.
Evergreen Safety Council
National Safety Council
Denali Safety Council

Marine Manufacturing – UAS

The state needs to keep ship repair work within Alaska. Indigenous industries need UA assistance to improve to a competitive stage for new construction. This initiative would provide a position having expertise in metal fabrication as oriented towards ship production techniques (welding, fitting and turning, and layout). Students would be high school students and traditional

aged students who would learn basic skills, as well as workers from the industry that would train for more complex operations such as computer controlled cutting of plate and sophisticated shape development.

Diversifying Alaska's Economy

- Logistics

Economic activity in the Northern Hemisphere has historically grown exponentially with transportation systems and technological advancement. In the new millennium logistics and technology will be the driving force behind the economy of the State of Alaska. This initiative, developed collaboratively with representatives from the Municipality of Anchorage, the Anchorage Economic Development Corporation and industry provides for the development of training programs in logistics fields to maximize efficiency of moving goods, services and people, and can lead to other training programs for logistics support services.

Program Response	MAU	General Fund Request	Non-General Fund	Total
Logistics Program	UAA	250.0	300.0	550.0
Expand Logistics Support Careers	UAA	40.0	20.0	60.0
Total		290.0	320.0	610.0

Logistics Program – UAA

UAA's College of Business and Public Policy in close partnership with industry is developing a baccalaureate (BBA) logistics program to provide training for people who will focus on:

- Goods brought to Alaska that contribute to the standard of living of Alaskans and to support the economic base of firms operating in Alaska.
- Goods shipped worldwide from Alaska.
- Firms taking advantage of Alaska's unique location for manufacture or distribution.
- Logistical support needs of the military presence in Alaska.
- Logistics information systems and modeling

The logistics program started in fall 1999 with funding from industry and the Anchorage Municipality and UA program initiative funding. This funding covers first year requirements and additional funding is needed to provide the necessary faculty expertise for delivery of the full program.

Expand Logistics Support Careers – UAA

The purpose of this initiative is to meet the high priority workforce development needs that will be identified in the environmental scan currently being conducted. Short-term technical and customized workforce training will be provided. It is anticipated that needs will be described related to safety training, servicing and managing transport aircraft and associated equipment, as well as aviation transport administration.

- Information Technology Industry and Data Retrieval and Analysis

Alaska's high latitude provides an overwhelming advantage in satellite data retrieval. To capitalize on Alaska's advantage in this emerging industry, the state needs human resources with significant expertise in information technology and data analysis. Additionally, industry and government agencies all over the state are challenged to find workers with sufficient information technology and systems expertise for expanded IT related business operations. Academic programs and training responses target delivery of occupation related IT training and advanced data analysis, remote sensing, and signal processing programs.

Program Response	MAU	General Fund Request	Non-General Fund	Total
Degree Emphasis and Job Training in High Demand IT Occupations – ASTF	Systemwide		1,250.0	1,250.0
Computation Emphasis for Existing Computer Science Graduate Degree	UAF	165.0	198.0	363.0
Remote Sensing and signal processing for data retrieval and analysis	UAF	140.0	200.0	340.0
Total		305.0	1,648.0	1,953.0

Degree Emphasis and Job Training in High Demand IT Occupations – ASTF Systemwide

The Alaska Science and Technology Foundation Board is considering funding the delivery of specific programs directed at highest demand in Alaska. IT occupations including network technician, systems analysts, database administrators, are just a few of the occupations in high demand. The university will expand delivery of existing curriculum and, where necessary, develop or broker programs to meet occupation demands not addressed by current programs.

Computation Emphasis for Existing Computer Science Graduate Degree – UAF

This increment will fund two faculty positions to develop and support a computation emphasis for existing math and computer science graduate programs. A computational emphasis will teach students how to analyze and model physical phenomena on which the University collects data (meteorological, environmental; geographic, etc.). Additionally, this minor could support the modeling emphasis required for logistics. One faculty position would specialize in numerical analysis and mathematical modeling of partial differential equations while the other would specialize in analytical and statistical signal processing.

This minor is required to develop a workforce that can capitalize on the limitless data analysis industry for which Alaska is perfectly positioned.

FY01 Operating Budget Summary

Remote Sensing and signal processing for data retrieval and analysis – UAF

Two faculty would be funded through this program. These faculty will expand remote sensing techniques, with emphasis on utilizing existing data acquisition capabilities such as satellite-based Synthetic Aperture Radar and participation in graduate degrees in Physics and Atmospheric Sciences. These techniques will be applied to climate forecasting, ocean and coastal changes, earthquake predicting and other data collection.

The faculty, one in electrical engineering and one in geophysics, will participate in graduate instruction. UA will be in an improved position to compete for research grants. There will be better national recognition of UA leadership in satellite data retrieval and analysis. There will be improved utility of existing data acquisition technologies, telecommunications and data analysis. Additional federal funding is expected as a result of the program. The non-general fund source will support technical and analytical support staff required to fulfill the requirement of the federal fund agreement.

- Natural Resource Management and Development

Development and management of Alaska's natural resources will continue to be a mainstay of the Alaska economy. Funding is requested for the School of Fisheries and Ocean Sciences for fisheries and fisheries products instruction and research and the study of dynamic ocean biology. Additionally, Alaska has recently been accepted as one of 19 states eligible for funding from the National Science Foundation's Experimental Program to Stimulate Competitive Research (EPSCoR). This is a federal research program that provides funding for competitive research directed to state needs; the federal match can be as much as two to one. Funding to hire two faculty to strengthen UAS's successful environmental science program is also requested.

Program Response	MAU	General Fund Request	Non-General Fund	Total
Expand Fisheries, Fisheries Products and Dynamic Ocean Biology	UAF	360.0	400.0	760.0
Experimental Program to Stimulate Competitive Research (EPSCoR)	Systemwide	1,000.0	3,000.0	4,000.0
Strengthen Environmental Science Program - Science Faculty	UAS	164.0	44.0	208.0
Total		1,524.0	3,444.0	4,968.0

Expand Fisheries, Fisheries Products and Dynamic Ocean Biology – UAF

The primary part of this request is to broaden UA's commitment to the Alaska seafood industry. Funding is requested for two faculty and necessary equipment to be located at the Fishery Industrial Technology Center in Kodiak. The addition of two faculty plus the ½ faculty position currently dedicated to seafood processing, will provide a critical mass of faculty to support

Alaska's seafood industry. Efforts will be directed at harvesting, processing, seafood quality and safety, contaminants, and ecosystem research for sustainable utilization of Alaska's fisheries resources.

Funding is also requested for two faculty within the School of Fisheries and Ocean Sciences. These two positions will support undergraduate and graduate instruction programs in fisheries and oceanography. External funding opportunities exist from federal and industry partners through grant funding.

The estimated non-general funding of $400,000 will result from externally-funded basic and applied research grants or source contracts. This external funding comes as a result of the initial investment in faculty.

EPSCOR – UAS/UAF/UAA

The economic benefit of investment in research in Alaska and across the nation is well documented. At the national level, the Experimental Program to Stimulate Competitive Research (EPSCoR) was created to develop and diversify academic research capacity in order to support economic development in the states. Alaska has recently been recognized as one of 19 EPSCoR states in the country. Alaska EPSCoR is led by a committee with representation from the state legislature, the governor's office, ASTF, the U.S. Arctic Research Commission, BP, Goldbelt Inc., Doyon Foundation, and all three campuses of the University of Alaska. Approximately $150M will be available this year from federal agencies with EPSCoR programs. Funding support can be directed to new faculty lines, laboratory equipment, and other costs associated with building stronger research programs. Participation in a cooperative agreement with the program requires a non-federal investment of $1M each year to leverage a potential of several million federal dollars per year in grants and co-funding opportunities.

Strengthen Environmental Science Program – UAS

UAS's environmental science program curriculum draws from a number of disciplines and was developed with input from an advisory group of state and federal agencies, as well as mineral extraction and timber industries and consultants specializing in environmental impact statements. Students have the opportunity to be trained in the basic mathematical and scientific methods and to apply them to problems related to the conflicts arising between natural processes and human endeavors.

This request provides funding for two faculty and support for summer field work. Students will benefit from having access to increased coursework in environmental science and mathematics. However, the biggest benefit comes from the opportunity to become involved with hands-on, scientifically-meaningful field research, with potential for publication and presentations of results while still in undergraduate education, and an increase in the amount of externally-generated research dollars earned by the environmental science program.

FY01 Operating Budget Summary

Non-General Fund Adjustments

Non General Fund Adjustment

Category	Student Tuition & Fees	Federal	Auxiliary Receipts	University Receipts	Indirect Cost Recovery	Total
UAF- SFOS-North Pacific Marine Research		4,000.0				4,000.0
UAF-NASA Satellite Aperture Radar Facility		1,000.0				1,000.0
Additional Auxiliary Receipts			3,600.0			3,600.0
UA Scholars Program				2,000.0		2,000.0
Increased program activity		2,000.0		2,120.4	3,000.0	8,120.4
Student Tuition and Fees Reduction	-2,720.4					-2,720.4
Total- Non General Fund Adjustment	-2,720.4	7,000.0	3,600.0	4,120.4	3,000.0	15,000.0

Federal Receipts

The School of Fisheries and Ocean Sciences received new grants from the Dinkum Sands settlement through the USDI Geological Survey. These grants are expected to bring in an additional $12,600.0 of federal receipts. In addition, the National Aeronautics and Space Administration renewed the Alaska satellite Aperture Radar Facility contract with the Geophysical Institute for $6,700.0. 'n order to have sufficient authority to receive these and other new federal funds, UA needs an additional $7,000.0 in federal receipt authority.

Auxiliary Receipts

Auxiliary enterprises at Anchorage, Fairbanks and Juneau have increased operations that will require additional auxiliary receipt authority. The new dorms at UAA are run as an auxiliary enterprise and are expected to continue to bring in additional revenue (777.0). UAF auxiliaries continue to increase and are in need of additional authority (888.0). UAS auxiliary revenues are generated primarily from bookstore, housing and student recreation center operations, which continue to increase and will be in need of additional authority (935.0).

University Receipts

An additional $8,120.4M in university receipts is needed to cover the Alaska Scholars Program to be funded through the Natural Resource Fund and additional program receipts expected through current program activities.

FY01 Operating Budget Summary

Student Fees

If the FY01 Budget Request is approved as submitted, the new programs requested will increase enrollments and resultant tuition and fees revenues. However, the University has sufficient tuition and fee authority to cover projected increases. Therefore, a decrement in the amount of $2,720.2 is proposed which offsets tuition and fees associated with the general fund increments and properly aligns authority with projected receipts.

FY01 Operating Budget Summary

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CAPITAL BUDGET

FY01-FY05 Capital Budget Summary

Systemwide Deferred Maintenance and Code Compliance. **$104,278.8 GF**

This request represents the amount needed to eliminate the backlog of deferred maintenance on university facilities. In light of the lack of funding for deferred maintenance in FY00, it is imperative that the university goes forward with a full funding request in FY01 to stop the buildup of additional deferred maintenance.

Several changes in the campuses' deferred maintenance lists resulted in a reduced request for FY01. These differences include:

- UAF Food Services Facility was reclassified from deferred maintenance to new construction.
- UAF Museum was reclassified from deferred maintenance to new construction.
- UAA Kachemak Bay classroom facility was reclassified from deferred maintenance to new construction.
- UAA performed an extensive evaluation of deferred maintenance needs, which resulted in a further reduction of the FY01 request.

A complete list of deferred maintenance projects by university building is included in the supplemental information section (beginning at page 168).

Systemwide Renewal and Replacement (R&R). **$17,144.0 GF**

This request addresses the scheduled replacement of worn-out major building components, the retrofitting or replacement of obsolete and/or inefficient building systems and renewal and replacement of campus infrastructure. R&R funding maintains, and in some instances extends, the useful life of facilities. The unfunded amount of R&R in one year adds to the deferred maintenance backlog the next year. The R&R request is calculated using the Sherman-Dergis model developed at the University of Michigan. The Sherman-Dergis model is used throughout the United States and is based on the age and value of facilities. The modeled R&R amount for UA in FY01 is $17.1 m. Based on the age, value and number of facilities at each MAU, the distribution of FY01 R&R funding is $4.5m at UAA, $11.3m at UAF, $1.1m for UAS and $0.3m for Statewide.

The highest priority renewal and replacement needs include:

- UAA Sports Facility / replace swimming pool
- UAA lab renovations
- UAA Kenai Campus / Ward Building
- UAF Elvey Building
- UAF Interior Campus Yukon Flats Center
- UAS Juneau Campus student housing
- UAS Sitka / campus center

A cumulative list of all projects falling under the renewal and replacement category can be seen on pages 48-49. The total cost of projects on this list far exceeds the current year calculated renewal and replacement needs because the list is updated annually, and projects that are not funded in one year remain on the list.

Instructional Equipment and Telecommunications. **$7,500.0 GF**

The instructional equipment and telecommunications funding request, coupled with similar annual requests, will allow the university to replace worn and defective classroom and laboratory equipment on all campuses, upgrade classrooms and laboratories with video and audio-conferencing capabilities, and

supplement media equipment. The instructional equipment and telecommunications capital request detail is shown on page 50.

Priority New Construction, Major Renovation, FY01. **$44,042.6 GF**

New construction and major renovation projects were prioritized based on the following five criteria: 1) how well the project supports a strategic initiative; 2) the demonstrated need of the project; 3) the partnership potential the project creates; 4) the degree to which the project will be self-supporting; and 5) the degree to which there is a developed plan for the project.

The three highest priority New Construction, Major Renovation Projects are:

- 1) HUTCHISON CAREER CENTER ($5,000.0)

  Since 1972, the Fairbanks North Star Borough School District (FNSBSD) and the University of Alaska Fairbanks Tanana Valley Campus, have operated Hutchison Career Center (HCC) for secondary and post-secondary vocational/technical education. HCC was created as a comprehensive vocational/technical training center for both youth and adults in the interior region of Alaska to prepare them for existing and emerging jobs in Alaska. During the past five years, there has been a steady increase in the number of high school students and adults enrolling in vocational/technical training courses.

  The HCC building is approximately 25 years old and most of the mechanical and electrical systems have reached the end of their useful life. Additionally, the needs of the vocational-technical education programs offered today can not always be met by this facility. In addition to building system replacements, many of the space configurations must be revised to meet the technology-rich programs that are offered. Most importantly, the growing demand for vocational/technical education means that the Hutchison Career Center desperately needs to be expanded.

  TVC and the FNSBSD Vocational/Technical Education Advisory Council have been planning an upgraded and expanded Hutchison Career Center for the past two years. The vision of the anticipated renovation and expansion to HCC in order to provide the vocational/technical program of the next century is described in the following paragraphs.

  The Interior Region Vocational-Technical Center at Hutchison Career Center will offer advanced and specialized vocational/technical training for Alaskans throughout the Interior. An innovative partnership between the FNSBSD and TVC will coordinate programs that allow students to start their technical training in high school and in one or two years finish with a certificate or associate degree. Convenient student housing at UAF will allow adults from rural areas to take advantage of TVC classes year round, and provide rural high school students access to training during the summer months.

  The vocational technical programs that are to be offered at HCC are those that industry and businesses currently need, or are anticipated to need in the future. The classes are designed based on industry standards and, in some cases, are taught by industry representatives. Programs use the same equipment, technology and methods found in local businesses.

It takes strong academic skills to work in this era of technology. To this end, the Center will offer academic courses in math, science and English. These courses will use an applied approach where the academics taught are directly related to situations students will encounter in the workplace.

The Center will also serve the very real needs of people involved in the Welfare to Work programs. Short term, compressed training to obtain and perform a job will be available for people who need work and need it now.

An appropriation of capital funds will be used for structural, mechanical, and electrical upgrades (including ADA requirements) to bring the facility to a level necessary for modern technical and advanced vocational programs. Additional space will be constructed as needed for the auto shop, multiple-use shops, culinary arts classes, and one additional classroom. These funds will also be used to purchase and install badly needed technology equipment.

The University of Alaska Board of Regents granted approval for this project in August 1998 after the initial receipt of $1.6 million. In FY00 UAF received an additional appropriation of $3.0 million. The FY01 capital request of $5.0 million represents the remaining portion of UA's contribution to this project. A bond issue is planned for the FNSBSD portion.

It is anticipated that the planning and design phase of this project will be completed by February 2000, with construction documents completed by late 2000. Contingent upon funding, construction could be completed as early as fall of 2002. The final schedule will also depend upon educational specification approval from the State Department of Education and Early Development.

- 2) CONSORTIUM LIBRARY ($31,400.0)

The Anchorage Campus Consortium Library, which serves the needs of both the University of Alaska Anchorage and Alaska Pacific University, was constructed more than twenty years ago and no longer meets the diverse needs of this growing institution.

Based on standards set by the Association of College and Research Libraries, the Consortium Library needs to be upgraded and expanded. The proposed library expansion will enhance the quality of education available to the students and the community. The new facility will be designed to integrate voice, video, and data. It will support the delivery of electronic library resources and services to homes, offices and businesses.

The library facility will be a major building on campus, encompassing approximately 101,000 gross square feet. The building will be designed for future expansion. It will house the expanding collections of the Consortium Library and the Alaska Resources Library and Information Services (ARLIS). It will provide the basis for operations for the electronic library program and the library's instructional reference programs. The new building will house UAA's Health Sciences Information Services. A desperately needed parking structure adjacent to the new library will provide approximately 375 parking spaces for convenient access for the students and the public. The building will provide critically needed new space to house the library's print and archival collections. It will be designed for quiet study. Audiovisual viewing area and a listening room will be provided. Seminar rooms, graduate carrels, and a faculty development resource center will be available. The new facility will also feature exhibit space, a lecture/reception area, a full service copy center, and a cyber-café. Security and preservation needs will be addressed.

The library will be a "smart" building supporting information technologies for storage and delivery. Network servers operated by the library's staff will be housed in the new facility and provide user and IP proxy validation for distance education students accessing electronic resources. Fiber optics will connect the building, the students, and the library to the world. Students will access the electronic library from computer labs or from their homes. Alaskans will have electronic access to the wealth of information collected by various agencies and deposited with ARLIS.

No single building is needed more at UAA than a new library facility. The Library of the 21st Century will transform the campus. The new structure arises directly from UAA's mission and will profoundly improve the quality of education at UAA.

The estimated cost for a 101,600 square foot building is $40,930.0. This amount includes an inflation adjustment of 3% over the FY00 request.

Funding received to date:	$ 9,530.0
Funding Requested:	$31,400.0

Additional Operating Costs: $843.0 for facilities, $650.0 added to library's base budget for collections.

- 3) EGAN BUILDING CLASSROOM ADDITION ($7,642.6)

This project provides funds for construction of an extension "wing" to the existing Egan Library. Continued enrollment increases over the last six years have put a strain on existing facilities at the Juneau Campus, resulting in overcrowding and necessitating limitations on course offerings.

This project addresses the UA strategic initiative of ensuring academic quality. Classroom space on the Juneau campus is completely full during the academic semesters. Often classes will meet in substandard areas intended for other uses such as conference rooms, offices, or corridors. To meet current classroom needs UAS rents space from the local high school. However, attending classes in a high school does not lend to the atmosphere of college/campus life that UAS is trying to create. Also, the local high school in Juneau is 14 miles from the Auke Lake Campus, making transportation difficult for students, and the ability to schedule classes back to back when driving time must be considered. For larger functions such as graduation, fund raising events, etc., generally the Egan Convention Center in downtown Juneau is rented.

Bidding and construction documents for this project were completed in 1995. These documents are presently being brought into compliance with current building codes, standards, and guidelines. Materials specifications are also being reviewed and updated. This project will be bid ready in spring 2000. When complete, the building will be 21,547 square feet and will provide 16 new classroom spaces, ranging from seminar rooms to a lecture hall seating 150 students.

This new facility could create partnerships with the Juneau community, state agencies and the local school district. Juneau currently has few adequate meeting facilities for community events. State agencies such as the Department of Education and Early Development, the Department of Labor, and the Division of Mental Health often book meeting space at the university and would benefit from a facility of this size. College Connection (dual enrollment) high school students also make the local school district a priority partner.

Additional New Construction, Major Renovation, FY01. **$45,736.6 GF**
$15,500.0 non-GF

These projects have been evaluated using the above 5 criteria but are not listed in order of priority.

- NOAA/ UAF LENA POINT ($22,000.0)

  These funds, in addition to the planning funds appropriated in FY99 will allow SFOS to partner with the U.S. National Marine Fisheries Service (NMFS) in developing a fisheries center in Juneau.

  The University of Alaska Fairbanks School of Fisheries and Ocean Sciences (SFOS) has operated in Juneau for over 20 years. Juneau has readily available natural marine and freshwater laboratories, in addition to both state and regional offices of the Alaska Department of Fish and Game and of the National Marine Fisheries Service (NMFS). Juneau is also home to roughly one-third of Alaska's fisheries biologists. Probably the single most important factor for the location of UAF's SFOS Juneau program was proximity to the NMFS Auke Bay Laboratory. The Auke Bay Laboratory provides professional assistance to SFOS programs, is a source of students for these programs and offers subsequent employment to many graduating UA students. These collaborative programs have developed and flourished over the years. These partnerships include facilities use, shared personnel and collaborative research. SFOS programs are closely connected with the NMFS Auke Bay Laboratory.

  SFOS has statewide responsibility for fisheries and marine education. Although SFOS programs encompass the entire state, most of the graduate fisheries program is in Juneau, and is the only graduate fisheries program in Alaska. The SFOS has insufficient space to operate effectively; and is unable to expand its programs to meet industry's needs. SFOS faculty and students are currently split between space in the UAS Anderson Building and leased space approximately one mile away. The Northwest Association of Schools and Colleges specifically cited space inadequacies in its review. The association indicated that UAF facilities in Juneau must be upgraded in order to continue its accreditation of the UAF Fisheries Program.

  The National Oceanic and Atmospheric Administration (NOAA)/National Marine Fisheries Service (NMFS) is designing a consolidated facility at Lena Point in Juneau and has invited UAF SFOS to co-locate with them on their site. UAF is very excited about this partnership and has conducted a complete review of academic programming, project scope, and estimated construction costs of the project. The SFOS' priorities include office space, classrooms, research and teaching laboratories, computer labs, laboratory support spaces, and warehouse storage. SFOS plans to provide laboratories and office space to support approximately 12 faculty, 5 administrative staff, 12 - 24 postdoctoral/research associates, and 48 graduate students.

  UAF is currently negotiating an agreement with NOAA to detail the university's commitment to pay for the appropriate pro-rata share of design and construction costs for shared systems. These shared systems include adequate capacity within NOAA's seawater system, water system, sewer system and adequate electrical capacity.

UAF's portion of this joint project was originally programmed and scoped in 1997. These efforts resulted in the need for a 42,500 square foot facility that was estimated to cost $21.5 million. At that time, NOAA's portion of the facility was estimated to be approximately $70.0 million. NOAA has since reduced the size of its facility to accommodate a total project cost of approximately $50.0 million. UAF's portion of this joint facility is currently estimated to be $22.0 million.

- BRISTOL BAY CLASSROOM ADDITION ($1,380.0)

The existing facility limits the ability of the Bristol Bay Campus to meet the growing demand for service in the region. This request provides funding to complete a campus master planning document and construct additional classroom/office space.

The Bristol Bay Campus (Dillingham) provides a broad range of courses designed to attract a diverse student population that includes degree seeking students, vocational/technical students, and general-education students. The campus also offers vocational/technical and academic courses by distance delivery to the 32 villages in its region.

The educational programs at Bristol Bay Campus have outgrown the 4,485 gross square foot facility due to increased student demand. Since 1994 student credit hour production at Bristol Bay has increased 30%. The current facility, which was built in 1980, has no permanent space dedicated to vocational/technical classes. The administrative spaces have been subdivided. Much of the classroom space is partially used for office functions rather than teaching. Computers and classroom equipment are currently stored in the library and take up space normally dedicated to book stacks and study carrels.

Meeting this growing demand will not be possible without additional classroom and support space. This request will allow the college to add approximately 3,000 square feet of additional teaching space. The planned classroom is essential to meeting the demands being placed on the Bristol Bay Campus.

- KETCHIKAN CAMPUS LAB REMODEL, INCLUDING WELDING LAB ($1,407.3)

This request includes funds for remodel projects to the Robertson, Hamilton, Paul, and Zeigler Buildings.

Remodel of the Robertson Building accomplishes three major objectives of the Ketchikan Campus. First, it takes one large room and configures it into a dry laboratory and a wet laboratory to be used for a variety of vocational education programs. This design purposefully allows for flexibility and change to meet the needs and changes of new and existing programs. Second, three additional smart classrooms will be added for vocation programming and as down links for distance delivered video courses such as the BBA, the MPA, and the BLA when it becomes available. Third, and last, the part of the building that now serves as the office space will be remodeled for additional instructional use and the heating and ventilation systems will be upgraded.

When UA entered into a land easement agreement with the City of Ketchikan for $80.0, these funds were reallocated back to the Ketchikan Campus by the Board of Regents and are being used to develop the plans.

The Hamilton Building welding lab remodel consists of relocating equipment and their power and gas sources to accommodate the latest technology, which would allow larger training projects by students. Without this improvement, instructors will have limited capability to properly train students for careers in the growing local ship building and repair industries.

The Paul Building remodel will accommodate a student union. Ketchikan Campus space now dedicated to student union type activity is currently limited to a minimum of floor space in facility corridors and small storage areas. This project remodels and encloses existing spaces and improves the ventilation, lighting, finishes and power supply to create student activity, education, governance and recreation opportunities not now enjoyed on this campus.

Remodeling of the Ziegler Building includes improvements to existing book storage and office space to allow this campus to enhance a needed learning lab. This project will replace interior surfaces and improve lab lighting, ventilation, and power sources in existing space and provide furniture and specialized equipment essential to a student learning center.

A conceptual design has been developed for the remodel of the 13,600 gross square foot single floor level Robertson Building. When complete, the design will renovate the large open single use vocational space into a series of small multi-use labs. The selection of a design consultant to complete the design, building and construction documents is underway, and it is estimated that the project will be bid ready by April 2000. For the Hamilton, Paul and Ziegler buildings, conceptual designs have been developed.

These projects will utilize and improve existing facility space with no impact to facility operating costs.

Potential partners arising from these projects include the local school district and the City of Ketchikan.

- STUDENT REC CENTER ($4,764.3)

In recent surveys conducted on the UAS, Juneau Campus, the number one concern of students was the lack of a gathering place, a place to exercise, and a place to participate in intramural sports. In September 1999 UAS, Juneau Campus leased a building, which has become the Student Activity Center. It allows for a social gathering space for students, and some limited forms of exercise in the way of fixed equipment. It does not allow for any kinds of organized intramural type sports. UAS does contract with the local health club at this time to provide experiences that are not available through the Student Activity Center. However, it does not provide for intramural sports either. In addition, the current situation doesn't allow for programming of physical education classes, which is important to students' overall college experience.

A conceptual design has been developed for a 22,833 gross square foot, two-story metal framed and clad recreation facility. When complete, this building will provide a very basic physical education and recreation facility in the heart of the Juneau Campus. The selection of a design consultant to complete the design, bidding, and construction documents is pending receipt of funding.

After completion, user fees will help offset costs of daily operations, including funding for a coordinator position and student assistant positions.

FY01-FY05 Capital Budget Summary

- UA MUSEUM ($31,000.0)

  The Museum 2003 Expansion Project includes $1.6 million for Renewal and Replacement (R&R), $5.4 million in Deferred Maintenance and Code Correction, and $24 million for New Construction. The new facility will include an art gallery, research laboratories, a public lobby, and new classroom expansion space. The design consultant selected is the team of GDM/HGA. The schematic phase of the design has been completed.

  The UA Museum contributes to the following UA strategic initiatives.
  - ♦ Education & Teacher Training
  - ♦ Student Recruitment, Retention, and Outreach
  - ♦ Health Care (Research)
  - ♦ Resource Development & Management

  Current or potential partnerships associated with the Museum include:
  - ♦ US Forest Service
  - ♦ Bureau of Land Management
  - ♦ US Fish and Wildlife Service
  - ♦ Army Corp of Engineers
  - ♦ Bureau of Indian Affairs
  - ♦ US Department of Agriculture
  - ♦ Alaska Department of Transportation
  - ♦ State Parks and Recreation
  - ♦ Doyon Limited, Inc.
  - ♦ North Slope Borough
  - ♦ Fairbanks North Star Borough School District
  - ♦ Arctic Slope Regional Corp
  - ♦ Local and national tour companies

  The current building does not meet the needs and responsibilities of the University of Alaska Museum. When the museum was opened in 1980, it was expected to be the first phase in a larger structure. Unfortunately, other projects took priority, and now, the museum is simply out of space. Systematic collections, one million pieces of Alaska's natural and cultural heritage, are stacked floor to ceiling. As the repository for artifacts and specimens found on state and federal land, the museum will soon receive 500,000 artifacts from an archeological dig in Sitka. All of the items must be maintained in a climate-controlled environment.

  In addition, labs need to be updated to keep pace with new technology. A new molecular lab will serve the entire campus. New classrooms for school children will allow the docent program to grow. A microscope classroom for UAF students will enhance instruction capabilities. The new art gallery will respond to the public's desire to bring the museum's extensive collection of Native and non-Native art out of storage and onto display.

  This request includes funds for all phases of the project, including preliminary planning, scope definition, site development, final construction, and support activities to further private fund- raising efforts. Total project costs, which are currently estimated at $31 million, will be funded by state, federal, and private sources. More than $12 million has already been raised through major gifts from

the Usibelli Coal Mine, the Usibelli family, the West family, grants from the Bill Gates Foundation, the federal government, and other pledges and contributions.

Funding Sources

General fund	$15,500.0
Private Sources	$10,500.0
Federal funding	$ 5,000.0

- MAT-SU ORTNER BUILDING REPLACEMENT ($685.0)

The existing Ortner Warehouse at Mat-Su College was donated to the University over 40 years ago. The building was first used by the military during World War II. After military use, the Agricultural and Forestry Experiment Farm acquired the building from military surplus. Around 1976, Mat-Su College obtained the building from the Experiment Farm and moved it to its current location. This request represents a facility for which approximately $450,000 is available for deferred maintenance and renovation, but the facility is simply not worth fixing. It has been classed as an FY01 project because the original $450,000 is available to remodel the space which would currently be vacated if the new facility is built in the near future.

The Mat-Su College has recently been awarded a Title III grant for $1.5 million over a five-year period. With these funds, the college will be able to strengthen academic and vocational programs and student services. However, it is imperative that a new warehouse be built to accommodate physical plant activities that currently take place in the wood shop and the small engine repair shop. Both of these areas were, at one time, dedicated to academic and vocational education, but were taken over by the physical plant when those programs were discontinued. The physical plant uses this space to perform functions that are not feasible in the current warehouse facility, such as vehicle maintenance, welding, and woodworking. Mat-Su College feels that these classroom facilities could be better used for grant funded activities, including the installation of a CAD classroom, a science classroom, expansion of the Learning Resource Center, a language laboratory and an adjunct area. Additionally, moving the physical plant offices out of the Machetanz Building into a new warehouse will free the space necessary for the creation of a grant funded career counseling/advising center.

In addition to accommodating current academic needs, a new warehouse will provide the Mat-Su campus with a safe and secure place to archive student and financial records. Furthermore, a new warehouse will provide the space to allow the campus to buy paper and other supplies in bulk, realizing the corresponding savings.

The project cost is estimated at $685,000.0 and will consist of demolition and removal of the existing warehouse, site preparation, engineering, extension of existing utilities and construction of a 6,000 square foot masonry facility.

FY01-FY05 Capital Budget Summary

FY01 Planning / Other **$15,150.0GF**

- SMALL BUSINESS DEVELOPMENT CENTER ($500.0)

  This request represents continuation of matching funds to maintain the current level of operations for the UA small business development programs. These programs, which have historically been funded through the capital budget, are highly leveraged and attract approximately $5 in direct external funding for every $1 invested by the state. In addition, they attract and/or help generate literally tens of millions of dollars of investment in Alaska jobs and small businesses. The Alaska Small Business Development Center (SBDC) operates almost $2 million worth of technical and business assistance programs for the residents of the state of Alaska. The primary emphasis of the SBDC is on in-depth, quality business counseling and training. Small businesses or start-ups are assisted in the areas of management, marketing, sales, finance, accounting and other disciplines required for small business growth, expansion and innovation. The SBDC has six regional centers located in Anchorage, Fairbanks, Juneau, Wasilla, Kenai, and Ketchikan, in addition to a rural outreach program.

- ALASKA STATEWIDE DATABASE LICENSING INITIATIVE ($400.0)

  The Statewide Database Licensing Initiative provides all Alaska residents Internet access through three commercial vendors to 4,000 indexed journals, 2,800 full-text journals and 175 newspapers. Every Alaskan with access to an Internet connected computer has access to this vast information resource. The database can be accessed at the following URLs:

  - Statewide at http://sled.alaska.edu/databases/home.html
  - Fairbanks at http://www.uaf.edu/library/databases/
  - Fairbanks at http://www.northstar.k12.ak.us/lib/online.html
  - Anchorage at http://www.lib.uaa.alaska.edu/databases/home.html
  - Anchorage at http://library.ci.anchorage.ak.us/databases/home.html
  - Juneau at http://www.juneau.lib.ak.us/databases/
  - Juneau at http://www.eed.state.ak.us/lam/databases/

- FOOD SERVICES PLANNING & DESIGN ($1,250.0)

  UAF's food service consultant (RICCA Planning Studio) has assessed campus food service facilities, operations, and capabilities. The overall recommendation concerning the main UAF food service facilities is to consolidate the operations of the Lola Tilly Commons and the Wood Center into an expanded, renovated food service facility within the Wood Center, UAF's Student Center. The Food Service Advisory Board and the Master Planning Committee have endorsed exploring this recommendation.

  This project supports the academic needs and missions of the University. Students, faculty, and staff need a convenient, flexible, quality food service facility that supports individual academic endeavors. A single, expanded, renovated food service facility for students, faculty and staff will allow all to interact in a positive environment outside of the classroom with the convenience of remaining on campus.

  The original Lola Tilly Food Service Facility was constructed in 1963, and currently does not meet the needs of the student body. Today's students want convenience, flexibility, quick service, and options. This is the theme that needs to be carried through all of the food service facility planning. Fifty-five percent of students (243 total respondents) who completed an exit survey in spring of 1999

at the Residence Life Office rated campus food service as unsatisfactory or very unsatisfactory. These results point to a need for action.

Operations and maintenance for new proposed food service areas will be funded 100% by the food service auxiliary. Partnership potential also exists with UAF's food service contractor. UAF anticipates an award in March of 2000 for the new food service contractor (start date of July 1, 2000). This request is for the planning phase of the project. Construction funding will be sought when a developed plan is approved.

- SCIENCE LAB FACILITIES PLANNING & DESIGN ($5,000.0)

  The administration will assess the need for lab and science facilities at the three major campuses and those areas where enhancement of science facilities is needed to support Board initiatives.

- COMMUNITY SITES INSTRUCTIONAL FACILITIES PLAN/ DESIGN ($2,000.0)

  This systemwide instructional facilities planning and design request has been included in order to evaluate classroom needs at community sites, including the Kachemak Bay facility. Projects will be selected using capital budget criteria with special emphasis on UA strategic initiatives.

- RESIDENTIAL HOUSING/ PLANNING ($4,000.0)

  This request will cover the planning and design of student housing at the various campuses.

- ACQUIRE LANDS ADJACENT TO UAA ($2,000.0)

  This capital appropriation requests $2.0 million to purchase adjacent or contiguous properties to add to the Anchorage Campus land portfolio. These purchases will preserve proximate properties, hence building a land legacy for the University's future growth and succeeding generations. It is clearly a strategic advantage to protect these properties against unwanted development that could create a traffic burden or change the complexion of the neighborhood with misplaced commercial development.

  UAA is aware that it has a limited supply of land resources at its disposal and is concerned this will unduly restrict orderly development. Recent discussions with neighboring institutions and ongoing University-Medical District master planning efforts, have made it apparent that UAA must position itself to be ready to acquire adjacent lands to preserve its campus environment, as well as be able to partner with its institutional neighbors in the University-Medical District, to optimize land use for the benefit of all parties.

  It is UAA's position to acquire any adjacent properties that may aid in its efforts to meet long-range objectives. This includes properties directly to the north, east, south, and northwest of the UAA property line. UAA has no specific short-term uses for these properties. However, because of the unpredictable nature of land acquisition opportunities, UAA feels justified in its desire to acquire adjacent land that becomes available. Acquisition of properties will be coordinated through the University-Medical District as well as the Municipality of Anchorage.

FY01-FY05 Capital Budget Summary

New Construction Major Renovation, Planning / Other, FY02 and Later. **$26,038.7 GF**

- $807.9 UAS, Hangar 322 / Sitka Laboratory Expansion, GF.
- $1,000.0 UAA, Kodiak Campus Consortium Library, GF.
- $2,000.0 UAA, Small Business Development Center, GF.
- $18,362.0 UAF, Food Services Construction, GF.
- $1,700.0 UAA, Improve Campus Signage, GF.
- $500.0 UAA, North Parking Lot Phase I, GF.
- $668.8 UAS, Planning, Design, Land Acquisition, GF.
- $1,000.0 UAA, Atwood Chair Match, GF.

FY01-FY05 Capital Budget Summary

FY01-FY05 Capital Budget Request

	FY01			FY02-FY05 Priority		
	General Funds	NGF	Total Request	General Funds	NGF	Total Request
Deferred Maintenance/Code Compliance*	**$104,278.8**		**$104,278.8**			
Renewal and Replacement	**17,144.0**		**17,144.0**	**$80,362.4**		**$80,362.4**
High Priority Renewal & Replacement Needs (cost estimates)						
UAA Sports facility / replace swimming pool ($2,750.0)						
UAA Lab Renovations ($3,500.0)						
UAF Elvey building ($2,613.1)						
UAF Interior Campus Yukon Flats Center ($400.0)						
UAS Juneau student housing ($560.0)						
UAS Sitka / campus center ($43.0)						
For a complete list see attached schedule						
Instructional Equipment and Telecommunications	**7,500.0**		**7,500.0**	**30,000.0**		**30,000.0**
Administrative and academic computer equipment renewal and upgrades ($3,250.0)						
Distance delivery equipment renewal and upgrades ($1,750.0)						
Up-to-date science, engineering and instructional equipment for quality program delivery ($2,500.0)						
Priority New Construction, Major Renovation						
1 UAF Hutchison Career Ctr.	5,000.0		5,000.0			
2 UAA Consortium Library	31,400.0		31,400.0			
3 UAS Egan Building classroom wing addition	7,642.6		7,642.6			
Additional New Construction, Major Renovation						
UAF NOAA/UAF Lena Point Facility	22,000.0		22,000.0			
UAF Bristol Bay Classroom Addition	1,380.0		1,380.0			
UAS Ketchikan Campus Remodel including Welding Lab	1,407.3		1,407.3			
UAS Student Rec Center	4,764.3		4,764.3			
UAF UA Museum***	15,500.0	15,500.0	31,000.0			
UAA Mat-Su Ortner building replacement	685.0		685.0			
UAS Hangar 322/ Sitka laboratory expansion				807.9		807.9
UAA Kodiak Campus consortium library				1,000.0		1,000.0
Planning / Other						
UAA Small Business Development Center	500.0		500.0	2,000.0		2,000.0
SYS Alaska Statewide Database Licensing Initiative	400.0		400.0			
UAF Food Service planning & design / construction **	1,250.0		1,250.0	18,362.0		18,362.0
SYS Science lab facilities planning & design	5,000.0		5,000.0	CTBD		CTBD
SYS Community site instructional facilities planning & design	2,000.0		2,000.0	CTBD		CTBD
SYS Residential housing/ planning	4,000.0		4,000.0	CTBD		CTBD
UAA Acquire lands adjacent to UAA	2,000.0		2,000.0			
UAA Improve campus signage				1,700.0		1,700.0
UAA North parking lot phase I				500.0		500.0
UAS Planning, design, land acquisition, Parking				668.8		668.8
UAA Atwood Chair match				1,000.0		1,000.0

* Reduction from FY00 request of $140 million is due to the deferred maintenance portion of UAF Food Services and UAF Museum being included in the total listed under New Construction, Major Renovation and Other and UAA did an extensive deferred maintenance evaluation resulting in a reduction of their deferred maintenace requirements.

** Includes $1.25 million in planning, $6.5 million in major renovations, $8.9 million for deferred maintenance and $2.9 million in renewal & replacement.

*** Includes $5.4 in deferred maintenance, $1.6 million in renewal & replacement and $24 million in new construction.

CTBD - Costs to be determined through planning process

FY01 Renewal & Replacement Project List

University of Alaska

FY01 Renewal & Replacement Project List

MAU	Building	Description	Renewal/ Replacement
UAF	Elvey	Ceiling repairs	$2,613,125
UAF	AHRB	HVAC equipment replacement/fume hood	2,667,700
UAF	ONeill	Floor covering replacement/HVAC repair	6,783,652
UAF	University Park	Roof repairs/HVAC system repairs	1,822,360
UAF	Irving I	Lab ventilation repair	774,747
UAF	Irving II	Lab ventilation repair	266,309
UAF	Patty Center	Patty Center R&R	2,582,550
UAF	Patty Center Ice Arena	Floor covering repairs/HVAC repair	1,261,410
UAF	Kuskokwim Campus	Kuskokwim Campus Food Storage Facility	160,000
UAF	Interior Campus	Interior campus Yukon Flats Center renovation	400,000
UAF	Chapman	Repairs/upgrades	131,334
UAF	RO Building	Repairs/upgrades	35,362
UAF	Water Treatment plant	Repairs/upgrades	647
UAF	Hazmat facility	Repairs/upgrades	2,454
UAF	Hazmat storage units	Repairs/upgrades	319
UAF	Admin. Services Center	Renovations/repairs	17,513
UAF	Natural Sciences Facility	Repairs/upgrades	135,728
UAF	Student Rec Center	Repairs/upgrades	32,911
UAF	IAB Greenhouse	Renovations/repairs	10,877
UAF	Engineering Arctic resrearch lab	Renovations/repairs	287
UAF	UAF buildings	Health safety and security	600,000
UAF	Northwest Campus	Smart Start Classroom	180
UAF	UAF	Safety Improvements	2,400,000
UAA	Science facilities	Upgrade/renovate Science	3,500,000
UAA	Sports facility	Replace swimming pool	2,750,000
UAA	Cuddy center	Renovate Cuddy center	600,000
UAA	Registration center	Expand on-site registration capabilities	250,000
UAA	McDonald	Replace interior finishes	535,000
UAA	Monserud	Replace interior finishes	340,000
UAA	Monserud	Replace vat flooring	150,000
UAA	K	Interior renovations, ph III	500,000
UAA	CAS	Replace interior finished, ph I	1,500,000
UAA	McDonald	Replace vat flooring	150,000
UAA	Hartlieb	Replace interior finished, ph II	195,000
UAA	Hartlieb	Replace vat flooring	100,000
UAA	AUTO/DIESEL	Upgrade restrooms	125,000
UAA	CAS	Replace interior finished, ph II	775,000

FY01 Renewal & Replacement Project List

University of Alaska

FY01 Renewal & Replacement Project List

MAU	Building	Description	Renewal/ Replacement
UAS	Juneau Student Housing	Replace roof buildings A through G	560,000
UAS	Student Housing A-G/Community	Rewire for voice and data	127,200
UAS	Anderson Bldg.	Replace Submersed Seawater Intake Lines	103,880
UAS	Anderson Bldg.	Renew Fire Escape and Landing	67,840
UAS	Anderson Bldg.	Replace Suspended Ceiling	58,830
UAS	Whitehead Bldg.	Rehabilitate OS Deck and OS Stairs	58,300
UAS	Hendrickson Bldg.	Rehabilitate OS Deck and OS FireStairs	39,220
UAS	Hendrickson Bldg.	Replace Classroom Carpet	55,544
UAS	Soboleff Bldg.	Replace Restroom Fixtures & Repair Plbg.	31,270
UAS	Soboleff Bldg.	Replace Ceramics Studio OH Door	20,140
UAS	Soboleff Bldg.	Replace Carpet 2nd Floor	54,060
UAS	Mourant Bldg.	Replace Carpet 1st Floor	16,642
UAS	Mourant Bldg.	Rehabilitate Crawl Space Ventilation	10,600
UAS	Auke Lake Site	Upgrade Campus Bldg. Automation System	93,280
UAS	Auke Lake Site	Replace Asphalt Sections in Various Lots	37,100
UAS	Auke Lake Site	Rehabilitate Communication Infrastructure	127,200
UAS	Marine Core Bldg.	Replace or Rehabilitate OH Doors	40,280
UAS	Marine Core Bldg.	Replace Classroom and Corridor Carpet	44,520
UAS	Marine Tech Bldg	Replace or Renew OH Doors	16,430
UAS	Main Campus Site	Rehabilitate OS Stairs & Walks	79,500
UAS	Main Campus Site	Replace Bus Stop & Deck	10,600
UAS	Campus Center	Replace Bldg. Data Wiring & Recepticles	18,550
UAS	Campus Center	Renew HVAC Controls	24,380
UAS	Marine Core & Tech Site	Replace OS Lighting	34,980
UAS	Novatney Bldg.	Recarpet Corridors	26,500
UAS	Novatney Bldg.	Repair Plumbing and Replace RR Fixtures	29,150
UAS	Novatney Bldg.	Repair OS Decking/ Hand Rails	39,220
UAS	Egan Library Bldg.	Replace Carpet	127,200
UAS	Egan Library Bldg.	Replace Bldg. Fire Alarm Control Panel	58,512
UAS	Egan Library Bldg.	Repair and Upgrade Dumpster Enclosure	37,100
UAS	Paul Bldg.	Replace Classroom & Public Area Carpeting	66,780
UAS	Hendrickson Annex Bldg.	Replace Metal Roof and Sky Lights	56,180
UAS	Hendrickson Annex Bldg.	Replace Carpeting	44,520
UAS	Hendrickson Annex Bldg.	Repaint Exterior and Interior Finishes	41,870
UAS	Hendrickson Annex Bldg.	Replace Lighting Fixtures	18,020
UAS	Whitehead Bldg.	Replace Computer Center Power UPS	46,640
UAS	Auke Lake Site	Replace Road Culverts & Catch Basins	47,700
UAS	Physical Plant Site	Replace Fuel Shed and Fuel Tanks	15,900
UAS	Physical Plant Site	Replace Materials Storage Shed	26,500
UAS	Bill Ray Bldg.	Replace Rest Room Toilets and Lavatorys	21,200
UAS	Bill Ray Bldg.	Reseal Exterior Window Casements	9,010
UAS	Stover Bldg.	Replace OH Doors	7,950
UAS	Auke Lake Site	Replace Landscape Planters & Perennials	12,720

Instructional Equipment, Computing & Telecommunications Infrastructure Upgrade & Replacement

Instructional Equipment, Computing and Telecommunications Infrastructure Upgrade and Replacement : $7,500.0

On-going funding for replacement of instructional and information technology equipment is simply sound business practice. It is a cost that every university faces. In addition to regular purchases to conduct and support instruction, research and outreach, the university often receives donations of up-to-date equipment such as internet access computer labs, process technology equipment and aviation simulators. The usable life of this equipment is between three and eight years. Adequate capital funding to keep this equipment up-to-date is a basic requirement to ensure that:

- UA is responsive to state needs,
- UA delivers programs efficiently,
- UA's responses to state needs involve a systemwide perspective,
- UA's programs are of high quality, and
- UA's students have access to programs.

UA's FY01 funding request for instructional equipment, computing and telecommunications infrastructure upgrade and replacement has three components:

- Administrative and academic computer equipment renewal and upgrades $3,250.0
- Distance delivery equipment renewal and upgrade $1,750.0
- Up-to-date science, engineering and instructional equipment for quality program delivery $2,500.0

Total $7,500.0

Administrative and Academic Computer Equipment Renewal and Upgrades $3,250.0

Network

Network router replacements and upgrades will replace aging routers on all campuses and replace repeaters with switches to take advantage of newer routing technology and allow the three main campuses to take full advantage of the increased bandwidth from the optical fiber connections. The increased commodity internet access will pay for anticipated demand for greater access to the existing internet made possible by the increased bandwidth from new fiber optic connections. This will cover fees for access beyond the Pacific Northwest GigaPop Center in Seattle where the new fiber optic lines for the university terminate. The voice over IP (VOIP) increment will pay for upgrade of the existing voice equipment at all campuses in the system (except Juneau which receives voice services from the state), so all voice traffic between UA campuses will be on the same network links as the data network. This increment also reflects initial upgrades for the frame relay circuits into the extended campuses. This represents the trend in networks of convergence of data, voice and video onto the same networks. After this initial upgrade there should be savings to the university on toll calls between campuses. The FDDI connections on the UAF campus need to be replaced to take advantage of the newer, faster optical fiber connections now available on the Fairbanks campus. The university network servers are DEC Alpha using the NT operating system. It was recently announced that in the coming year the DEC Alpha machines will no

Instructional Equipment, Computing & Telecommunications Infrastructure Upgrade & Replacement

longer support the NT system. This increment will replace those servers with machines using Intel processors. Redundancy will also be added to the existing servers to avoid any single point of failure in the network.

- Network router replacements & upgrades $375.0
- Increased commodity internet access $250.0
- Upgrade long distance to voice over IP between campuses $250.0
- Replace FDDI connections to integrate w/ current fiber optic $50.0
- Replace DEC Alpha servers $300.0

Academic and Administrative Servers

Upgrading the systemwide academic and administrative servers will improve the ability to produce reports and provide better response time to users, particularly as the network connections between Fairbanks and Anchorage are improved with fiber optic connections. This is particularly important as these systems are made available for more access by students and faculty, and demands on the servers increase. The server replacements will replace aging servers and add redundancy through clustering, which provides access to reports, forms and financial records. It reduces single failure points and bottlenecks in response time. Increased web server redundancy will provide better access and no single failure points for access to student information. The current student information system is in the process of adding web access for all students and faculty. This increment will handle increased demand and stabilize the system.

- Upgrade and replace servers and increase redundancy $425.0
- Increase web server redundancy for student and faculty access $100.0

General Computing and Telecommunications Upgrades

Equipment and installation services required to provide semi-automated desktop software configuration management. This equipment will permit UA to better service the needs of students, faculty and staff by providing timely upgrades to core desktop software. It will also dramatically help UA manage its software licensing meeting a commitment to vendors and mitigating the risk of litigation with vendors. Currently, only statewide administration uses this technology and it has proven highly effective.

- SMS Configuration Management Equipment $225.0

Equipment and software required to completely replace existing electronic mail server. The existing system is aging, lacks reliability and does not support future directions in both unified messaging and directory services. This priority has significant benefit to all UA students, staff and faculty.

- Unified Messaging Server Replacement $300.0

Instructional Equipment, Computing & Telecommunications Infrastructure Upgrade & Replacement

Equipment and software required for centralized monitoring and surveillance of Campus networks and backup for network management. This will permit proactive management of critical network components and rapid response to problems.

- NOC Equipment $75.0

This is the first of several capital lease efforts. The objective is to provide better desktop computer availability and manage obsolescence. It is anticipated that this first lease would provide a number of computers to several organizations with the expectation of a 5 year cycling.

- Desktop Computer Equipment Obsolescence Management $900.0

Distance Delivery Equipment Renewal and Upgrade $1,750.0

The existing university video conferencing equipment is prior generation (VTEL) that is near the end of its useful life. It is not compliant with the new H.323 standard. It is also limited to use at the three main campuses in Anchorage, Fairbanks and Juneau. This funding will upgrade the existing video conference system so it will adhere to the new standards, use the same network as the existing data network, expand coverage to all campuses in the system, and allow dial-up access. The increment includes gateway equipment that will allow all the current VTEL equipment to interface with the newer hardware to extend the useful life of the existing equipment. It will also allow use of whiteboard and other graphic material, which can be used to enhance and expand use of audio conferences. The newer equipment will allow students and faculty to dial into conferences with an automatic step-down of quality to handle lower bandwidth connections. This renewal of the video conferencing on the three main campuses will expand the number of classrooms and conference rooms that can participate in video conferencing, and will take advantage of the increased connectivity between those campuses from new fiber optic networks. This increment will also upgrade the frame relay circuits in the extended campuses so they can take advantage of this increased capability. This will upgrade the university into the next generation of video conferencing.

- H.323 standard equipment upgrade $1,250.0

In addition to the video conferencing equipment, satellite receiver equipment in Southeast Alaska is needed to expand the reach of AK3, and first generation technology enhanced classrooms are in need of equipment upgrade to be compatible with newer technology.

- Other distance/technology based instructional delivery upgrades $ 500.0

Up-to-date Science, Engineering and Instructional Equipment for Quality Program Delivery $2,500.0

This request covers upgrades and new technology for science, engineering and computing labs. Funding will also provide equipment for technology enhanced instruction and applied research.

Y2K

Y2K Status Report

The 1999 Legislature appropriated $3,464,900 to the University of Alaska for "year 2000 assessment, compliance, and remediation projects". As directed by the letter of intent accompanying this legislation, these funds were used to inventory, assess, remediate, test and implement the university's mission-critical business functions to ensure Y2K compliance.

Particular emphasis was placed on protecting critical facilities and ensuring the functionality of the university's centralized administrative systems and communications networks.

Judging by the year-end rollover, these efforts were largely successful. The wide area network operated continuously and smoothly over the date change. Some isolated problems were identified with centralized administrative systems, but they were quickly resolved and systems were fully operational by noon on Monday, January 3rd, as previously scheduled. Similarly, campuses reported facilities and systems to be functioning properly. Some minor problems were later found but have since been resolved.

As of December 31, 1999, the university had spent or obligated approximately $2.0 million of the Y2K appropriation. While it is quite possible that more subtle Y2K-related problems will surface over the next several weeks or even months, at this time it appears that the university will return well over $1.0 million to the State general fund when the appropriation lapses on March 31, 2000.

A summary of expenditures and encumbrances as of December 31, 1999 by each major area is presented below.

University of Alaska
Y2K Expenditures & Encumbrances Report
July 1, 1998 – December 31, 1999

Project Administration	$271,672
Facilities: Building Security & Environment	545,606
Financial & Information Systems:	
Banner Systems (Finance, Human Resources, Student Registration, Financial Aid)	235,827
Critical Servers & Desktop Systems	412,925
Network & Communications Systems	357,514
Student Services Systems & Equipment	2,262
Instructional Programs (Library Systems; Academic Systems & Equipment)	80,335
Research Systems & Equipment	29,523
Total Expenditures & Encumbrances @ December 31, 1999	$1,935,664

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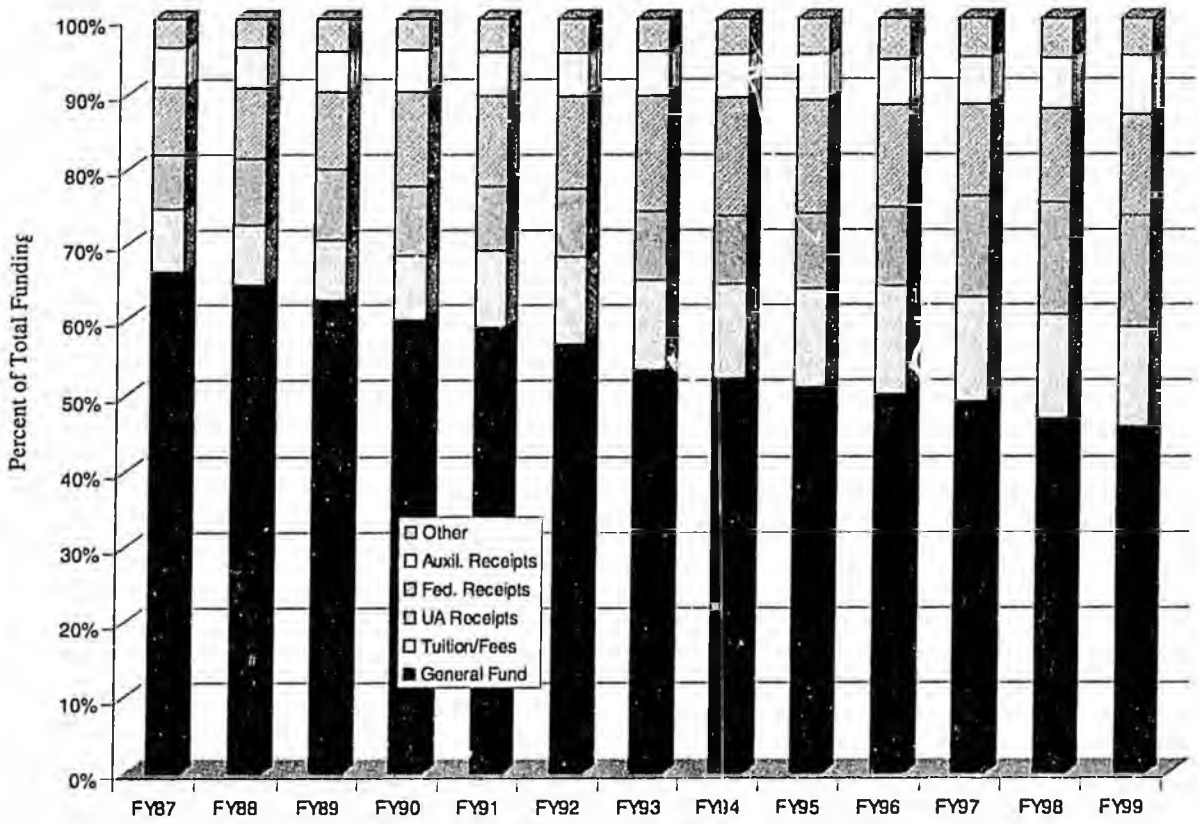
SPECIAL BUDGET TOPICS

Demonstrating Responsible Stewardship of Public Resources

Maximizing Non-General Fund Revenue Sources

To continue serving the higher education needs of the state over the last decade, the University of Alaska has maximized non-general fund revenue sources, increased faculty workload and reduced administrative costs. By maximizing non-general fund revenue sources, UA substantially reduced its reliance on state funding. In FY90, state dollars accounted for 60% of total UA funds. This number has been reduced to 47% in FY99 as shown in the figure below.

University of Alaska
Funding Sources as a Percentage of Total
FY87-FY99



While this transition has enhanced efficiency and helped UA prioritize programs and services, these sources of revenue are no longer available. As a result, the FY01 budget request continues the phased approach to putting UA on track initiated in FY00.

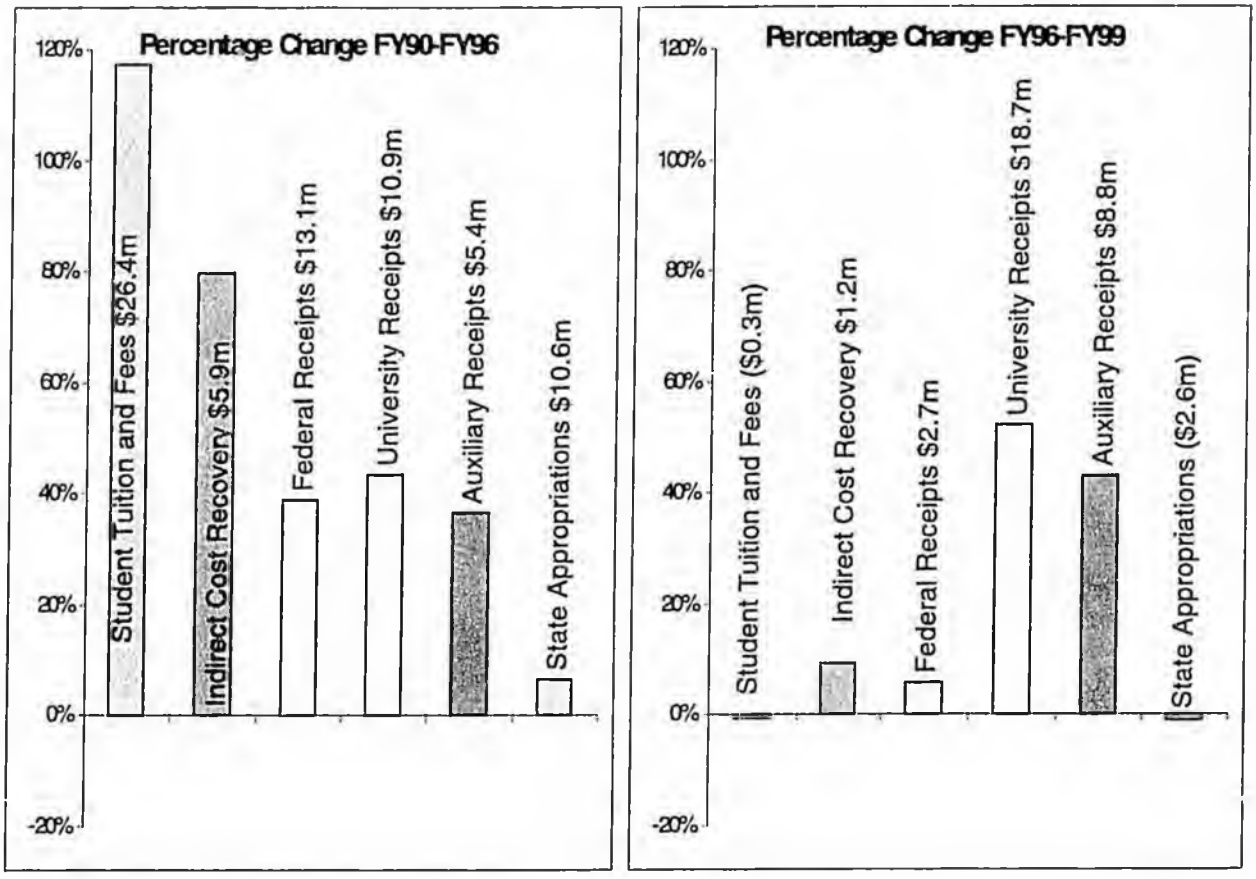
This plan specifies that by 2003 UA will be at the FY96 general fund base plus one-percent real growth with the expectation that state appropriations will be 40% of total funds. In short, for UA to attract students and continue the growth in non-general fund revenue, investments in the university are needed to offer important programs, attract talent, and maintain infrastructure.

Demonstrating Responsible Stewardship of Public Resources

When evaluating revenue, it is important to recognize the difference between funds used for general programs and those which are intended for specific purposes. Federal receipts, auxiliary receipts, and university receipts, which showed the most growth over these ten years are directed to specific projects or services, largely sponsored research, specific training services, dorm and food services.

Tuition, state appropriations, and indirect cost recovery, which collectively showed decline between FY96 and FY99, are the sources available for general instructional programs, student services and administration.

University of Alaska
Revenue Changes by Source
FY90-FY96 and FY96-FY99



To counteract the decline in the revenue sources available to meet the fixed cost increases in existing programs, UA mortgaged its human resources (replacing only 63% of RIP participants), consolidated units, and reduced administrative costs. The efficiencies pursued by UA have resulted in staffing and administrative costs below those of other public university systems as shown in the following two sections.

Demonstrating Responsible Stewardship of Public Resources

Administrative Costs

Administrative expenditures of the UA system and the three MAUs are in line with peer institutions. The graphs provided on the right show the relationship between administrative costs and mission expenditures for the UA system and the three MAUs relative to their peers.

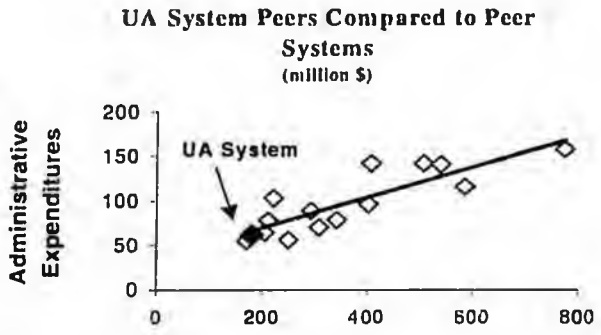
The UA system and each MAU are compared to select peer institutions with the same Carnegie Classification. The Carnegie Classification System incorporates campus size and mission among other factors for the purpose of identifying comparable universities.

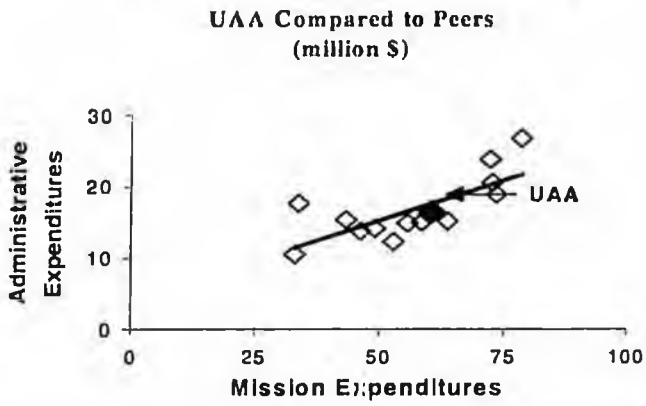
The data was taken from the National Center for Education Statistics (NCES) database for FY 97. While intended to allow for uniform and consistent comparisons among institutions, definitional and reporting differences may exist between universities.

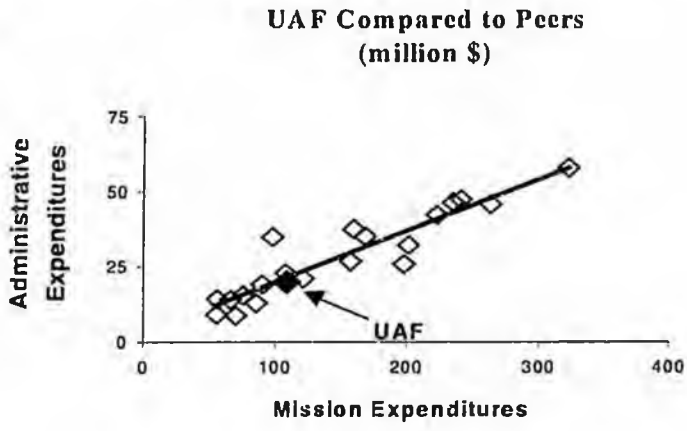
As a result, comparisons are most useful for examining aggregate relationships, averages or trends in the data rather than distinct and specific values in any one category.

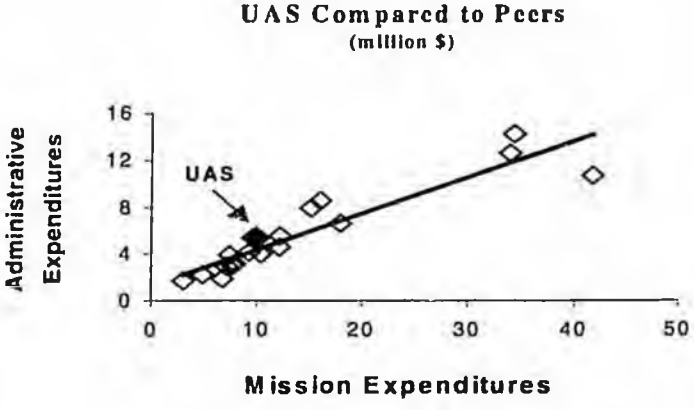
In addition to the main campus, each MAU is also responsible for a number of community sites, unlike many of the peer institutions. Based on FY99 Actuals each MAU's operating budget devotes the following percentage to community campuses: UAA, 12%; UAF, 10%; UAS, 28%.

Even with this added responsibility, the administrative costs are in line with peer institutions in all cases.







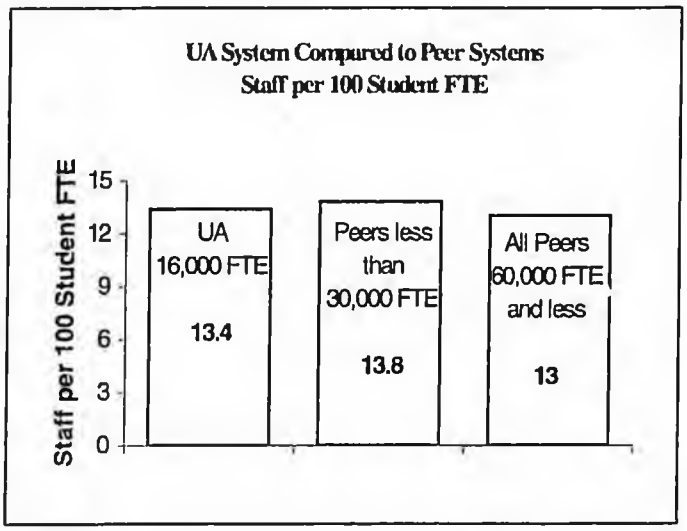


Demonstrating Responsible Stewardship of Public Resources

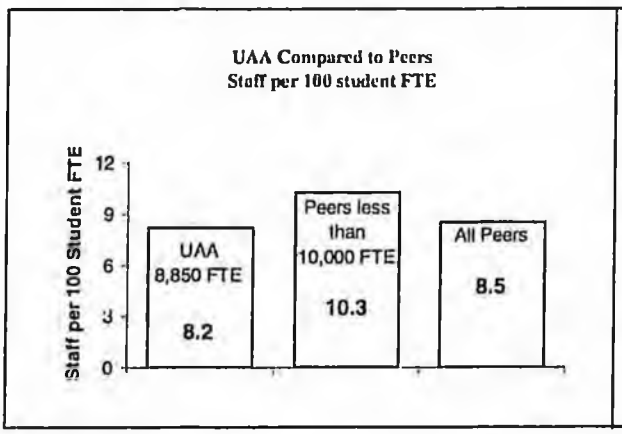
Staffing Levels

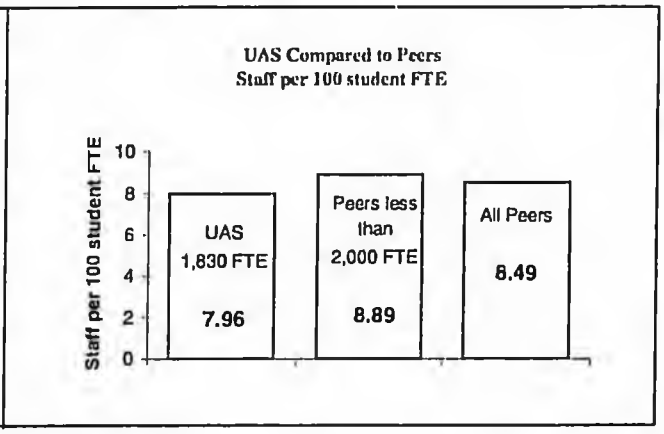
The individual MAUs and the UA system staffing levels are consistent with, if not a bit below peer institutions. In order for the UA system staffing levels to reach the 30,000-FTE-or-less peer average of 13.8, approximately 100 additional staff would be required.

Data was taken from the the National Center for Education Statistics (NCES) database for FY 98. As mentioned before, there are some definitional and reporting differences among peers such that direct comparisons of specific values in any one category may not be justified. Therefore, trends should be evaluated to examine overall relationships.

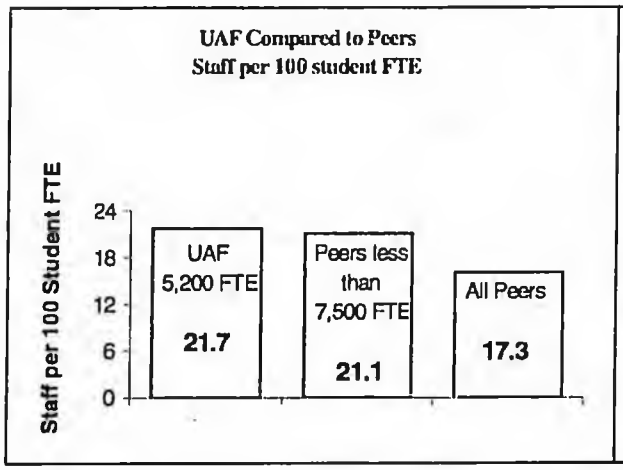


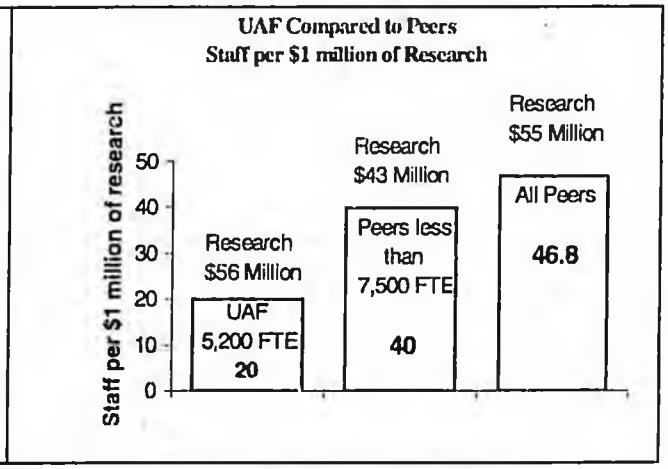
The graphs below show the staffing levels at UAA and UAS. In both cases the staffing levels are below the peer average.





Unlike its sister campuses, UAF is staffed at a level 3% higher than peers with less than 7,500 student FTE. However, because UAF carries out 90% of UA's research mission and research constitutes 52% of UAF's mission expenditures, staffing levels must be evaluated with respect to research as well as instruction. When this is done UAF is staffed at half the level of its peers.



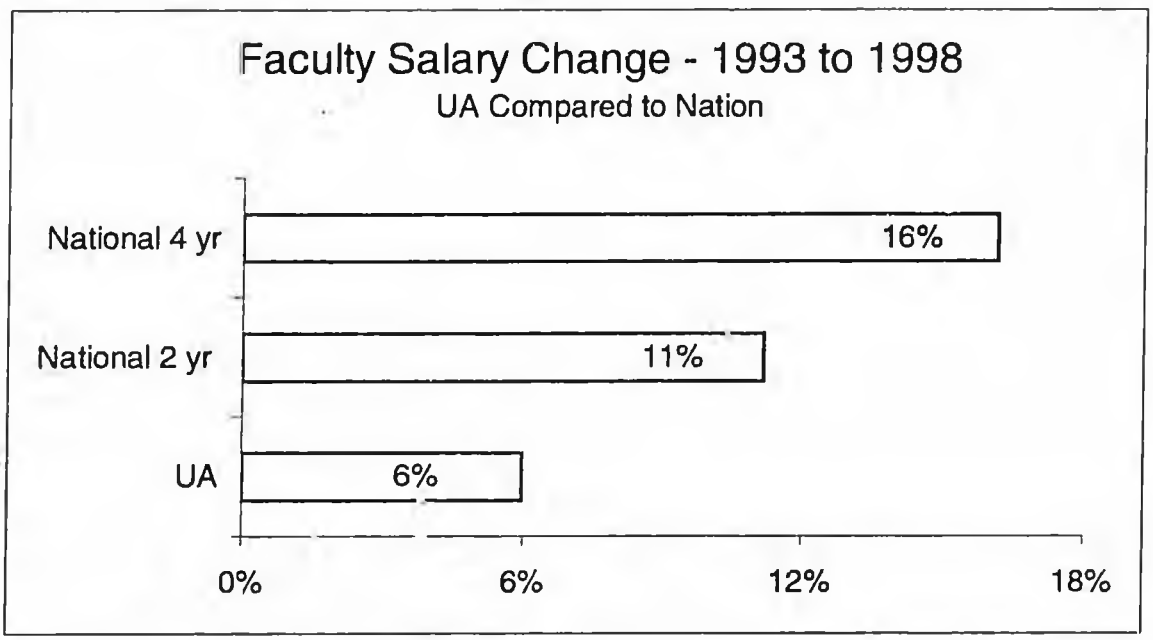


Demonstrating Responsible Stewardship of Public Resources

Faculty Recruitment & Retention

The recruitment and retention of quality faculty is vital to fulfilling the mission of the University of Alaska. Attracting and retaining talented faculty is strongly dependent on the ability of the university to pay competitive wages. The competition for faculty is a national market, not a local one. As a result, average salaries and the rate of change in faculty salaries throughout the nation are important to monitor to properly evaluate UA's competitive position regarding faculty recruitment.

Since 1993, faculty salaries at 4 year universities throughout the nation have, on average, increased by 16%. UA faculty salaries have risen by 6%, a rate almost three times slower than the national average. The rate of increase in salaries can vary for faculty salaries based on discipline, level of instruction, and type of institution.



While this may appear positive in light of the reduced expenditures the university incurs, UA must maintain a competitive position in the pursuit of talented faculty. Faculty members are a critical part of the university, delivering the products of information, knowledge and experience to the students. The maintenance of competitive faculty salaries and preservation of core faculty are concerns the university must take quite seriously.

Between fall 1996 and fall 1999, due to funding constraints, UA has been unable to replace one hundred faculty lost to RIP and attrition. Focusing on program initiatives and core faculty positions, UA looks to the future to replace these positions in a manner consistent with long term strategic goals.

Phased over the next three years, UA seeks funding to replace fifty core faculty. These core faculty serve the breadth of higher-education instruction necessary for all university programs, including the high priority programs being enhanced or created to meet state workforce and economic diversification priorities.

Demonstrating Responsible Stewardship of Public Resources

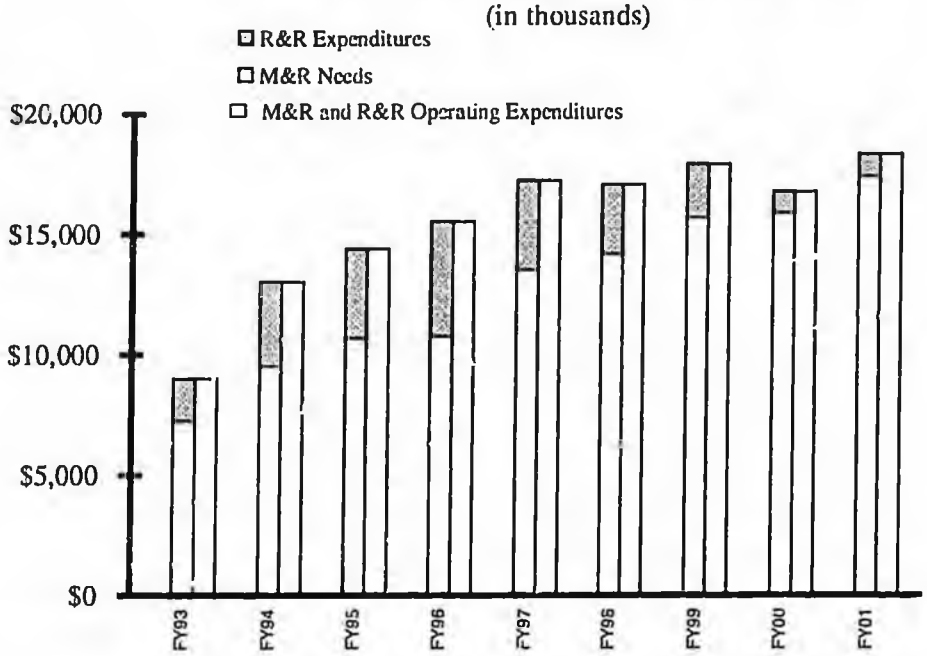
Facilities Maintenance

M&R, R&R and Deferred Maintenance

There are three categories of funding used to address facilities maintenance at the university: Maintenance and Repair (M&R) Renewal and Replacement (R&R), and Deferred Maintenance. M&R is the day-to-day routine scheduled work required to preserve the functionality of a building. Examples of M&R would include the repair or replacement of damaged plumbing or electrical fixtures. R&R is the scheduled replacement of worn out building components that extend the useful life of a facility. Projects that would fall under R&R include the replacement of heating and ventilation systems, roof repair or replacement, and flooring replacement. The Deferred Maintenance category represents a backlog of M&R and R&R that has gone unfunded over the years. A continued lack of funding for routine M&R and R&R will ultimately create an unmanageable deferred maintenance list.

Since FY94 the university has taken steps to maintain and revitalize its facilities. In FY94 the Board of Regents adopted a policy to fully fund M&R and R&R. The annual funding directed to M&R increased 84%, reallocating $7.6m from university programs and services to facilities maintenance. This reallocation happened during the same time that state funding decreased by $3.0m.

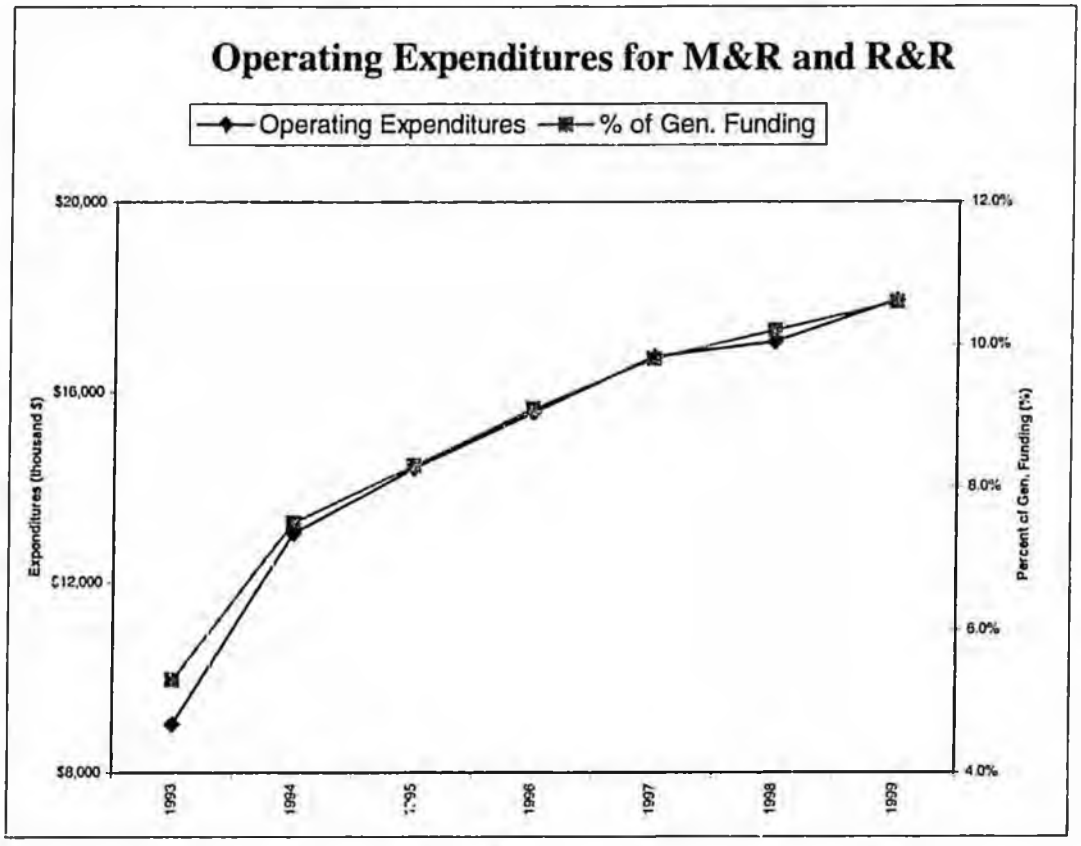
When the policy was established, full funding of R&R through the operating budget was also expected. However, R&R is nationally recognized as a capital budget item and it became obvious that meeting the R&R funding requirements through internal reallocations was unrealistic. In FY99 the Board of Regents revised the policy to require full funding of M&R only and established R&R as a priority for the university's capital budget request. The graph below shows the facilities maintenance expenditures, the M&R amount, and the left over amount dedicated to the highest priority R&R needs.



Facilities Maintenance Funding	
	Actuals
FY93	9,021.4
FY94	13,037.0
FY95	14,394.7
FY96	15,540.3
FY97	17,229.7
FY98	17,054.8
FY99	17,943.2
	Budget Requirement
FY00	16,795.0
FY01	18,324.8
	Projected Need
FY02	19,252.8
FY03	20,215.4
FY04	21,226.2
FY05	22,287.5

Demonstrating Responsible Stewardship of Public Resources

Within the fixed cost component of the operating budget, the university is requesting an increment of $1,463,900 ($1,208,300 general fund, $255.6 non-general fund) to meet the M&R policy requirement. In addition, the university is also requesting $17.1m in the FY01 capital budget to fully fund R&R. The funding requirements for M&R and R&R are formula driven based on nationally accepted facility standards. The graph below shows M&R and R&R expenditures from 1993-2001 and the change in the proportion of general funding towards facilities maintenance over this time period.



The university currently has a deferred maintenance backlog of just over $118m, $104.3m in the FY01 deferred maintenance capital budget request, plus $14.3m included in projects listed under the major renovation and new construction categories of the capital budget. Further information can be found in the Capital Budget Request section under Systemwide deferred maintenance and code compliance on page 35.

A Brief History of UA Deferred Maintenance

Deferred maintenance of university facilities developed over a number of years and for a number of reasons. These include:

- The 1980s and early 1990s marked a period of rapid capital expansion for the university. Operating budgets, on the other hand, remained relatively flat and there were few incremental increases for new structures coming on-line. Increased operating costs for new facilities coupled

Demonstrating Responsible Stewardship of Public Resources

with fixed cost increases for existing facilities reduced the amount available for maintenance and repair (M&R).

- Concurrently, existing university facilities continued to age. As buildings age, the amount needed for R&R climbs rapidly as components require increased maintenance. For example, a building constructed twenty years ago requires 60 percent more in annual expenditures for R&R than does a building constructed ten years ago

- In FY86, approximately $1.4 million was removed from maintenance budgets and reallocated into maintaining the academic programs at UAF. This was quickly rectified and by FY87 the maintenance budget was back to pre-FY86 levels. State support to the university over this same two-year period decreased by over $24 million or 14%.

- Deferred maintenance results not just from lack of adequate annual M&R, but also from the natural deterioration of facilities which is exacerbated by the extreme climates in Alaska. While replacement of shorter-term facility components should be incorporated into the operating budget, replacement of major components such as roofs, electrical and mechanical systems, and building exteriors generally require capital funding. The absence of adequate capital appropriations for renewal and replacement (R&R) during the 1980s and early 1990s contributed greatly to the accumulated deferred maintenance problem at the university.

- The methods of quantifying and linking operating M&R and R&R to deferred maintenance are still relatively new. It was not until the early 1990s that a quantitative approach was adopted to estimate the "right" amount of funds that should be spent annually on M&R and R&R to prevent the backlog of deferred maintenance.

In 1994 the university compiled its first comprehensive assessment of the problem, identifying over $150 million in specific deferred maintenance need.. The original list is periodically updated to reflect inflation, current information, removal of funded projects, and additions of new facilities in critical need of major maintenance. Since FY94, the legislature has provided five deferred maintenance appropriations to address the highest priority projects on the deferred maintenance list, ranging from $5.6m in FY98 to $42.5m in FY99.

Demonstrating Responsible Stewardship of Public Resources

Deferred Maintenance Capital Requests and Appropriations
FY93 - FY01
(in thousands)

Notes		Total Deferred Maintenance Need	Board of Regents' Request	Legislative Appropriation
(1)	FY93	$139,640.0	$25,877.5	$2,275.0
(1)	FY94	127,455.4	33,737.0	14,239.6
(2)	FY95	157,452.0	10,404.3 75,000.0	0.0
(3)	FY96	133,210.2	75,000.0	29,500.0
(4)	FY97	165,113.7	133,200.0	6,125.0
(1)	FY98	160,834.1	35,000.0	5,600.0
(4)	FY99	160,800.0	160,834.1	42,500.0
(5)	FY00	139,604.6	139,604.6	0.0
(6)	FY01	104,278.8	104,278.8	
Total Legislative Appropriation FY93-FY00:				$100,239.6

(1) BOR requests in FY93, FY94 and FY98 proposed spreading full funding for deferred maintenance over six years. This approach has not been favorably accepted by the Legislature.

(2) The FY95 BOR request included funding for code compliance and annual renewal and replacement. In addition, the Governor submitted legislation on behalf of the university to bond $75 million for university deferred maintenance. No funding was received for either code compliance or deferred maintenance in FY95.

(3) Bonding bills submitted by the Governor in 1994 were carried over to the 1995 legislature. The legislature did not approve the bonding proposals, but did appropriate $29.5 million from Alaska Housing Finance Corporation reserves for university deferred maintenance.

(4) The amounts requested in FY97 and FY99 represent the full amount of the university's deferred maintenance needs based on best estimates at that time. In FY99 the legislature passed an AHFC bond issue of $193 million focused on the maintenance backlog of the state. The bill included $54.5 million for the University of Alaska, comprised of $42.5 for deferred maintenance projects and $12.0 for other projects.

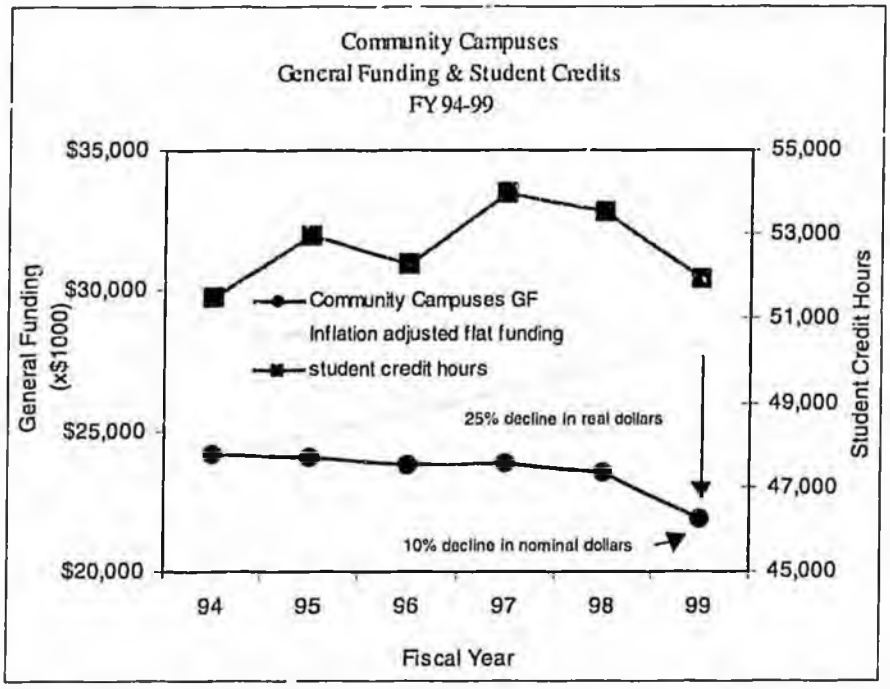
(5) The amount requested in FY00 represents the full amount of the university's deferred maintenance, code compliance needs. Deferred maintenance and code compliance remain high priorities for the university. The university proposes consistent funding of renewal & replacement to stop the build-up of deferred maintenance.

(6) There are three projects in the university's FY01 capital request listed under major renovation that contain significant amounts of deferred maintenance. In prior years the deferred maintenance and major renovation components of these projects were shown separately. In FY01 it was decided to include both pieces in the major renovation request resulting in a decrease in the deferred maintenance request.

UA Reaching More Alaskans

Community Campuses

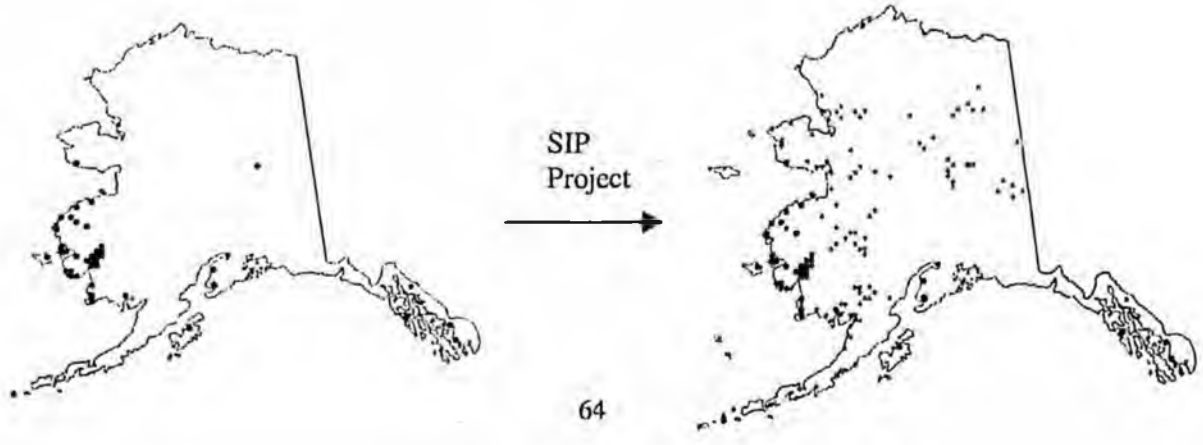
Despite recent funding reductions to University of Alaska community campuses, the presence and access provided to Alaskans has increased. Over the last five years the UA community campuses have experienced an inflation adjusted 25% decline in funding. However, during this same time period the share of total UA student credit hours earned at the community campuses has increased from 21% to almost 24%.



In total, the community campuses deliver 24% of the credit hours and serve over 40% of the students attending UA and receive 14% of general fund revenue. Importantly, the sites also provide the only access to higher education for many Alaskans.

Much of the credit hour increase occurred through enhanced methods of delivery. Just in the past 2 years over $5 million in grants has been awarded to community campuses such as Chukchi, Northwest, Interior-Aleutians and Sitka for the purposes of connecting all Alaskans to educational opportunity.

At present the university is implementing the Satellite Interconnect Project (SIP). When completed, this project will increase the number of communities reached by the university from 50 to over 200, providing access for all Alaskans, both urban and rural.

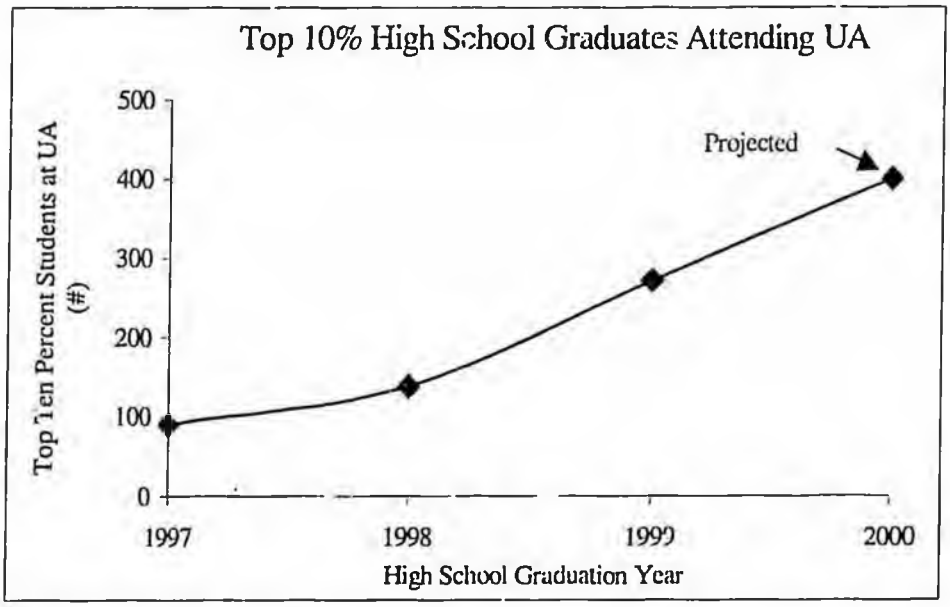


UA Reaching More Alaskans

UA Scholars Program

Through the UA Scholars program, UA took a major step to stop Alaska's brain drain. Two hundred and seventy-one of Alaska's top high school graduates (the top ten percent of their high school graduating class) have enrolled at UA. This is more than twice as many top high school graduates as those attending from the class of 1998, and three times as many as the class of 1997.

Based on student returns for next year, it is estimated that the number of UA Scholars next year may be as high as 400. This is four and a half times the number of top high school graduates who attended UA just three years ago. Attracting and retaining these leaders of the future is a huge step in Alaska's economic development.



Over 80% of UA Scholars are seeking a Bachelors degree. Majors vary by campus with the most popular being Biological/Life Sciences, Business Management, Engineering, Computer and Information Sciences, Education and Liberal Arts.

For the UA Scholars class of 1999, 90 students were from Anchorage, 40 from Mat-Su, 28 from Fairbanks and 9 from the Juneau school district. The remaining 104 students came from districts spread throughout the state giving an indication of the increased access to higher education the program is offering to all Alaskans.

Broken down by MAU, 148 of this years UA Scholars are attending Anchorage, 101 are in Fairbanks and 22 elected to attend Southeast.

The success of the UA Scholars program is such that every legislative district is home to at least two UA Scholars. The insert on the following page shows UA Scholars by location and high school.

The University of Alaska: An Economic Engine

The University: Creating Economic Opportunity

The independent research and consulting firm McDowell Group, in association with Information Insights, reported on the economic impact to the state of Alaska as a result of the operations of the University of Alaska.[1] Some selected summary findings are listed below.

- From an annual state investment of about $190 million, UA directly and indirectly pumps almost $840 million into Alaska's economy, or $4.44 for every general fund dollar invested.
- For each dollar of state funds invested in UA (including both operating and capital funding), the university brings in another dollar in revenues from other sources, such as tuition, federal funds, land and resource development revenues and other university receipts.
- The state contributes roughly the same amount to UA today as it did ten years ago, yet total university revenue has increased by about 40 percent ($97 million). Today, the university attracts about one dollar in other revenue for each dollar of state spending, or more than twice the "bang for the buck" achieved in 1986.
- Direct and indirect impacts of university spending inject over $300 million in personal income into the Alaska economy.
- At the individual level, UA brings life-long economic benefits to Alaskans. In fact, university graduates earn about twice as much as workers without a university education.
- This increased earning power, multiplied by the number of Alaskans holding degrees from the University of Alaska, saves Alaska businesses recruiting and relocation costs and provides a more stable workforce.
- Many benefits of higher education are difficult to express in monetary terms. These intangible benefits include lives enriched by exposure to knowledge, and improvements to society through application of technology and other research breakthroughs.

Research: A Direct Economic Impact

Research at UA receives approximately $15 million in general funds. From this initial investment, internationally recognized UA researchers bring in an addition $60 million through competitive grants and contracts.

In other words, UA researchers provide a return of 400% on the state's investment every year. By any measure in the financial world, this must be considered an excellent return on capital.

It is important to recognize that a significant fraction of this $60 million in new money injected into the Alaska economy is spent supporting Alaska businesses, enhancing income, job and economic opportunities for Alaskans.

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[1] The Economic Impact of the University of Alaska. McDowell Group and Information Insights, May 1998

UA Scholars Program
Class of 1999

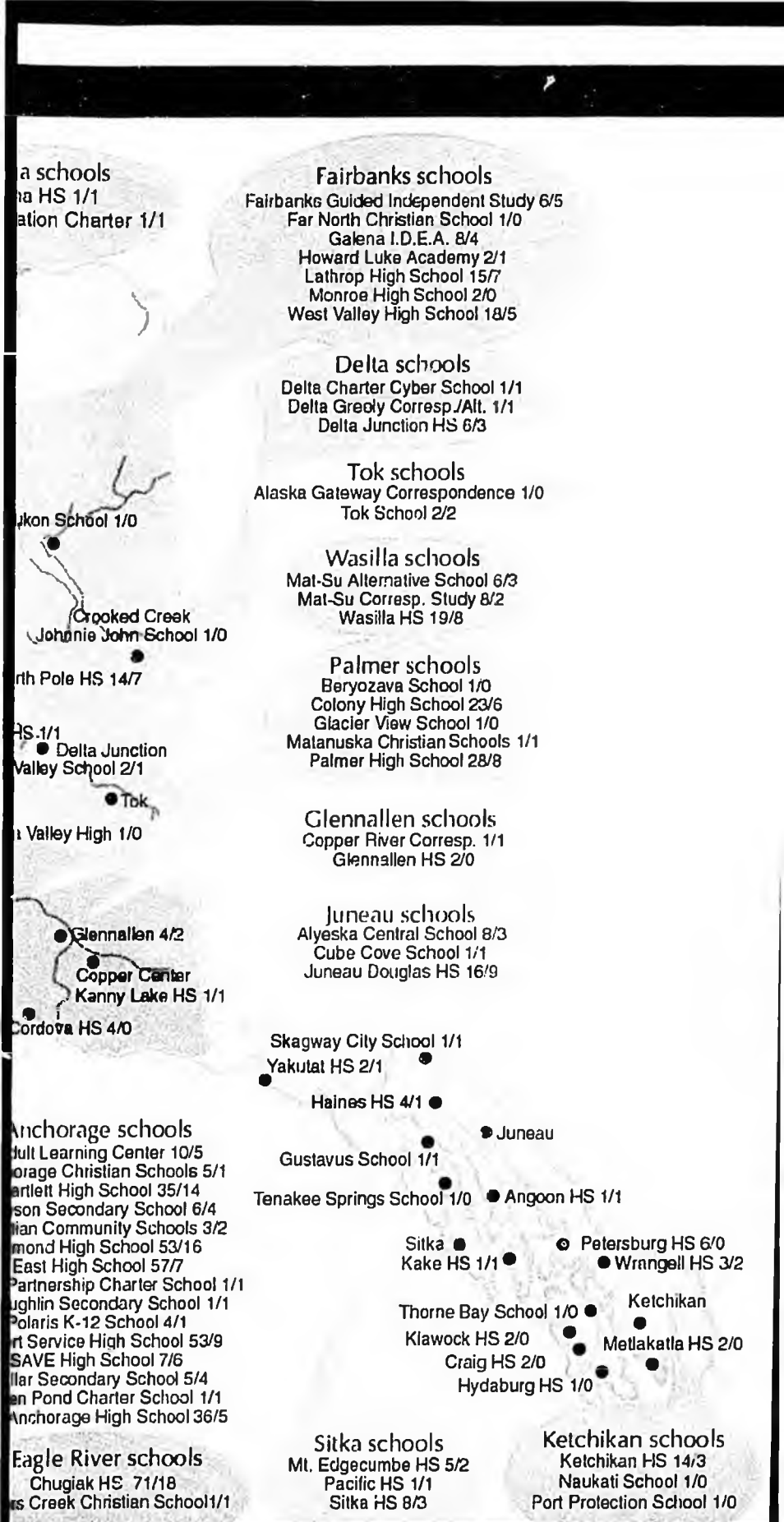
This map illustrates the impact of the UA Scholars Program across the entire state of Alaska.

Each qualified high school that supplied names of the top 10% of their graduating seniors in the class of 1999 is listed on the map. Also shown is the number of scholar awardees from each school who have enrolled at the University of Alaska.

Recipients have until September 2000 to redeem scholarships, so numbers for the class of 1999 may increase.

Region -	Scholarships/ UA enrollees
Arctic	7/3
Interior	103/51
Southeast	83/30
Bering Sea Coast	58/32
Southcentral	542/152
Aleutian Chain	10/3

Totals scholarships 803/271 enrolled

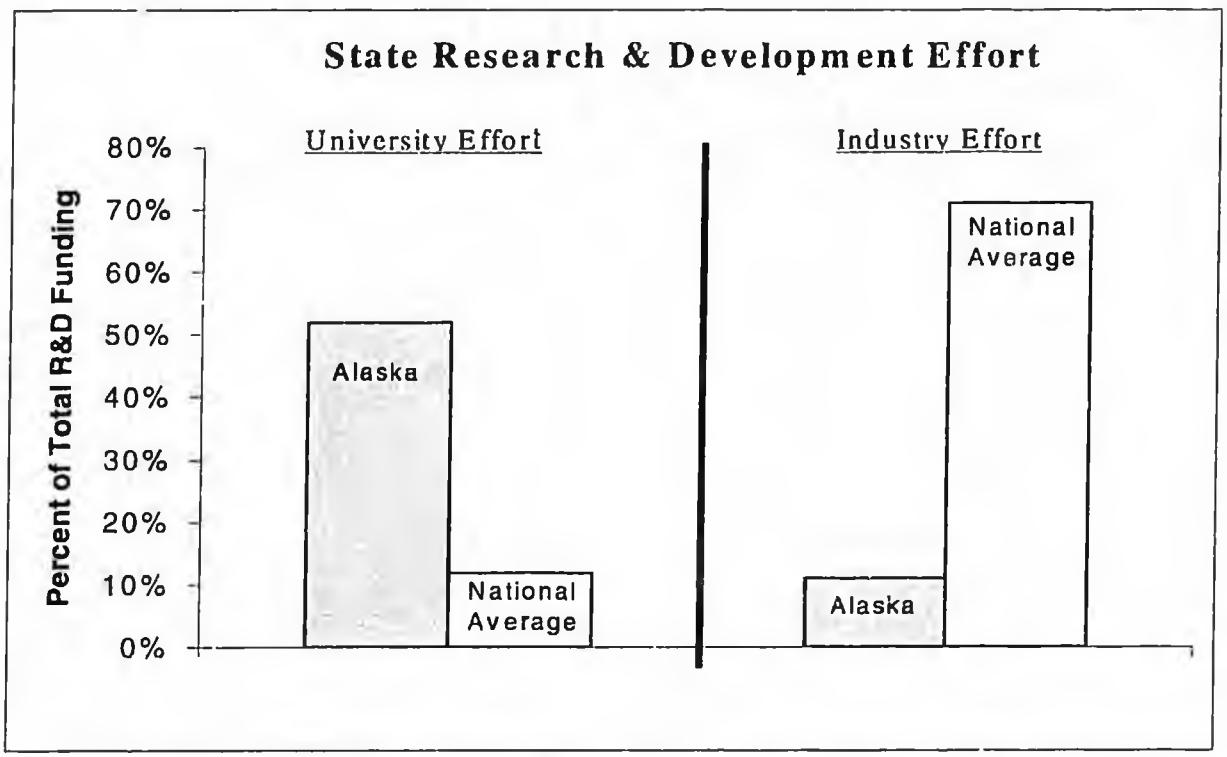

a schools
na HS 1/1
ation Charter 1/1
Fairbanks schools
Fairbanks Guided Independent Study 6/5
Far North Christian School 1/0
Galena I.D.E.A. 8/4
Howard Luke Academy 2/1
Lathrop High School 15/7
Monroe High School 2/0
West Valley High School 18/5
Delta schools
Delta Charter Cyber School 1/1
Delta Greely Corresp./Alt. 1/1
Delta Junction HS 6/3
Tok schools
Alaska Gateway Correspondence 1/0
Tok School 2/2
Wasilla schools
Mat-Su Alternative School 6/3
Mat-Su Corresp. Study 8/2
Wasilla HS 19/8
Palmer schools
Beryozava School 1/0
Colony High School 23/6
Glacier View School 1/0
Matanuska Christian Schools 1/1
Palmer High School 28/8
Glennallen schools
Copper River Corresp. 1/1
Glennallen HS 2/0
Juneau schools
Alyeska Central School 8/3
Cube Cove School 1/1
Juneau Douglas HS 16/9
Ukon School 1/0
Crooked Creek
Johnnie John School 1/0
rth Pole HS 14/7
HS 1/1
Delta Junction
Valley School 2/1
Tok
Valley High 1/0
Glennallen 4/2
Copper Center
Kanny Lake HS 1/1
Cordova HS 4/0
Skagway City School 1/1
Yakutat HS 2/1
Haines HS 4/1
Juneau
Gustavus School 1/1
Tenakee Springs School 1/0
Angoon HS 1/1
Sitka
Kake HS 1/1
Petersburg HS 6/0
Wrangell HS 3/2
Ketchikan
Thorne Bay School 1/0
Klawock HS 2/0
Craig HS 2/0
Metlakatla HS 2/0
Hydaburg HS 1/0
Anchorage schools
dult Learning Center 10/5
orage Christian Schools 5/1
artlett High School 35/14
son Secondary School 6/4
lian Community Schools 3/2
mond High School 53/16
East High School 57/7
Partnership Charter School 1/1
ughlin Secondary School 1/1
Polaris K-12 School 4/1
rt Service High School 53/9
SAVE High School 7/6
llar Secondary School 5/4
en Pond Charter School 1/1
Anchorage High School 36/5
Eagle River schools
Chugiak HS 71/18
s Creek Christian School1/1
Sitka schools
Mt. Edgecumbe HS 5/2
Pacific HS 1/1
Sitka HS 8/3
Ketchikan schools
Ketchikan HS 14/3
Naukati School 1/0
Port Protection School 1/0

The University of Alaska: An Economic Engine

Research: Creating & Enhancing the Alaska Economy

Beyond the direct economic impact, UA research also creates, builds and enhances the Alaska economy now and for the future. This is a result of the state's dependence on UA for research and development, the minimal level of R&D in the state relative to national averages, and the unique research done by UA which responds to the specific needs of Alaskans.

Due to the somewhat limited industrial base in Alaska, the university is heavily relied upon to conduct R&D for the state. In fact, UA carries out approximately 52% of the R&D in the state while industry performs 11%. Contrasting from this, across the nation, universities, on average, do 12% of the R&D while industry conducts 71%.



In states throughout the country, R&D is funded at an average level of 2.5% of the state's gross state product. In Alaska, R&D is funded at 0.5% of the GSP; five times less than the national average. With the low level of funding relative to other states combined with the dependence on the University of Alaska to provide the R&D in Alaska, continued support of UA research is critical.

Finally, the specific needs of Alaska and Alaskans are most efficiently and properly addressed with research done by those who live in Alaska. Research might focus on a local economic or social issue, a technological, petroleum or mining improvement, a construction or engineering breakthrough, or internationally recognized research on the biology, chemistry or physics of the arctic environment.

The fact that UA researchers are Alaska residents ensures that the needs of the state and of Alaskans are a priority in the battle for competitive grant dollars. In short, the state is dependent on UA for research; R&D funding in Alaska is already below national averages and local researchers provide the talent to

address the important needs of the state. Preservation of UA research is dependent on continued funding from the state.

UA Graduates in the Alaska Economy

Training received at UA is very quickly transferred into an economic return for the student and the state. This is the case for vocational education students and baccalaureate degree-seeking students as well.

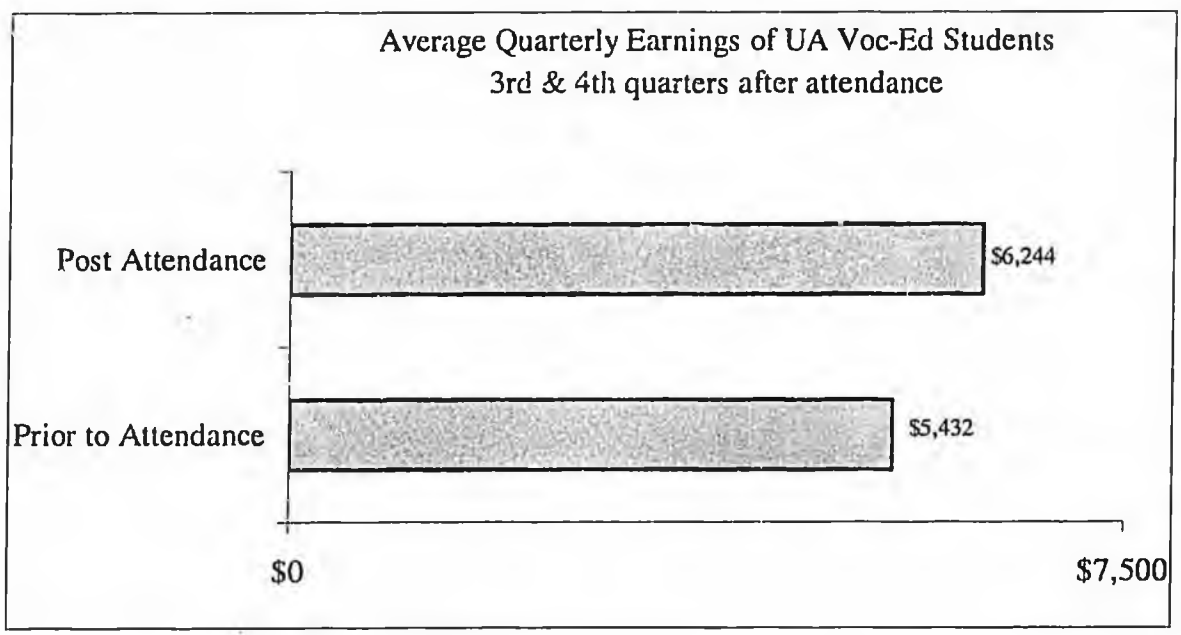
Vocational Education Student Outcomes

Employment statistics for all students who took at least one vocational education class in FY 98 were evaluated by the Alaska Department of Labor. The data showed that after taking vocational education classes at UA students were gainfully employed and earned an average salary increase of over 20%.

For the purposes of the survey, students may have taken a vocational education class to obtain a certificate or degree, learn a skill, advance their career or even out of simple curiosity. All these students were included in the study, as UA serves multiple needs in the communities in regard to vocational training and it was felt that any performance measures should incorporate all of these users.

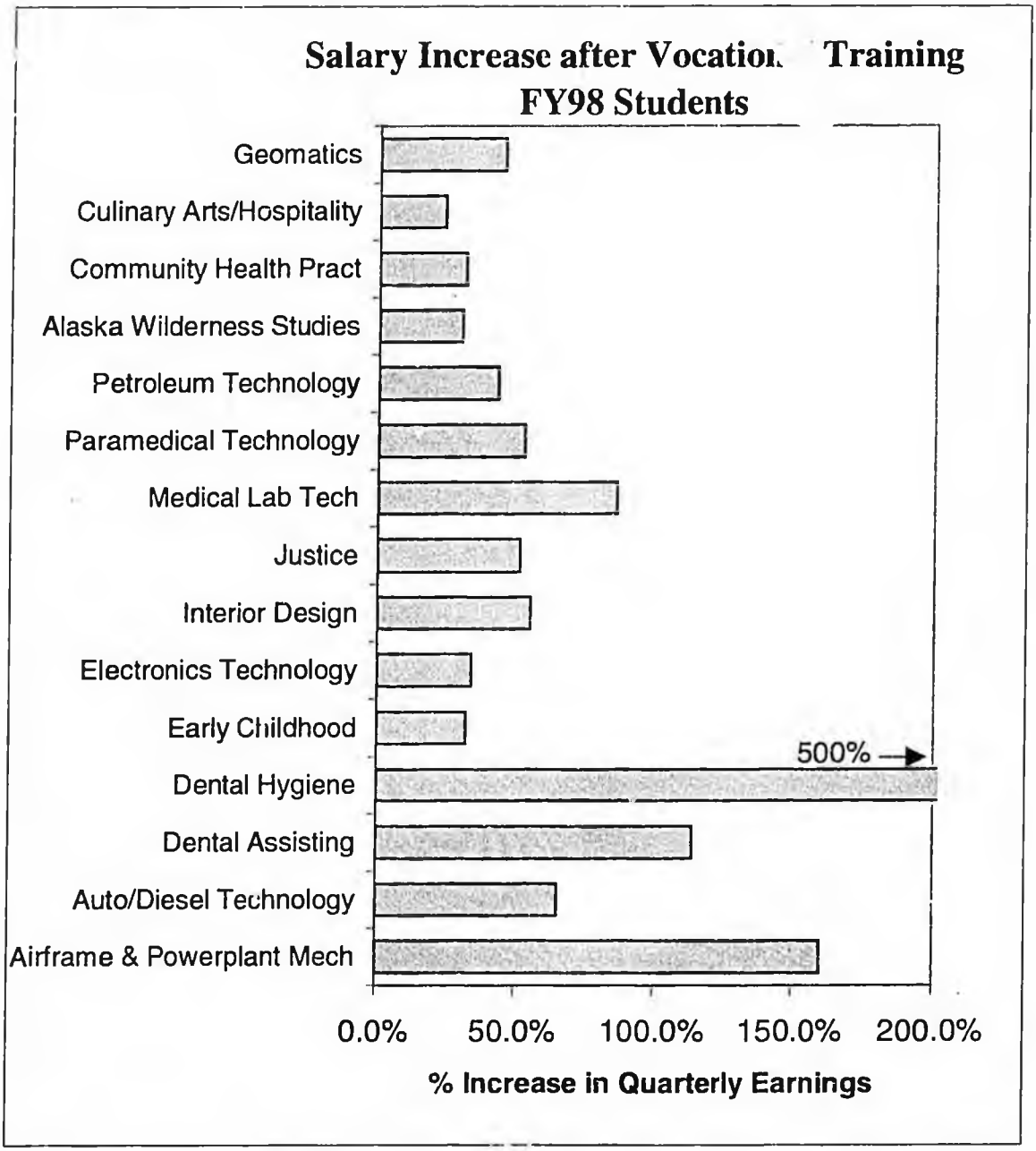
For students who took vocational education courses in FY 98:

- 72% were employed in at least one quarter in the following year.
- Total wage and salary earnings for vocational education students in the year following attendance were $91.7 million.
- Wages increased after attendance by 21% over pre-training earnings.



The University of Alaska: An Economic Engine

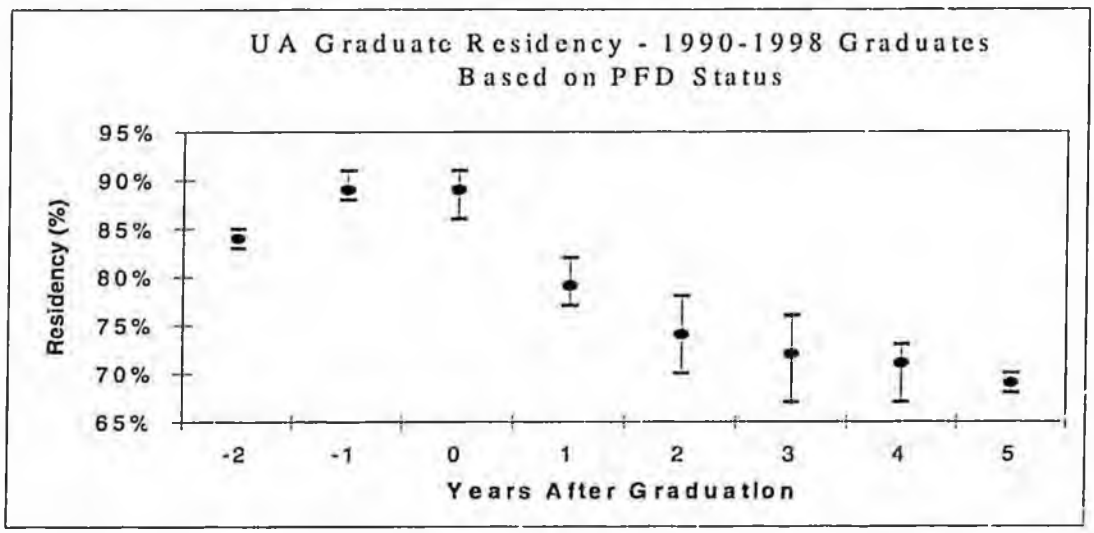
While the typical vocational student received clear economic benefits from their education, specific vocational training produced results far in excess of the average 21% salary increase. The following graph shows the salary increase for students who took at least one course in a subject area in fiscal year 1998. The data compares the student's average quarterly earnings prior to and in the third and fourth quarters following their education.



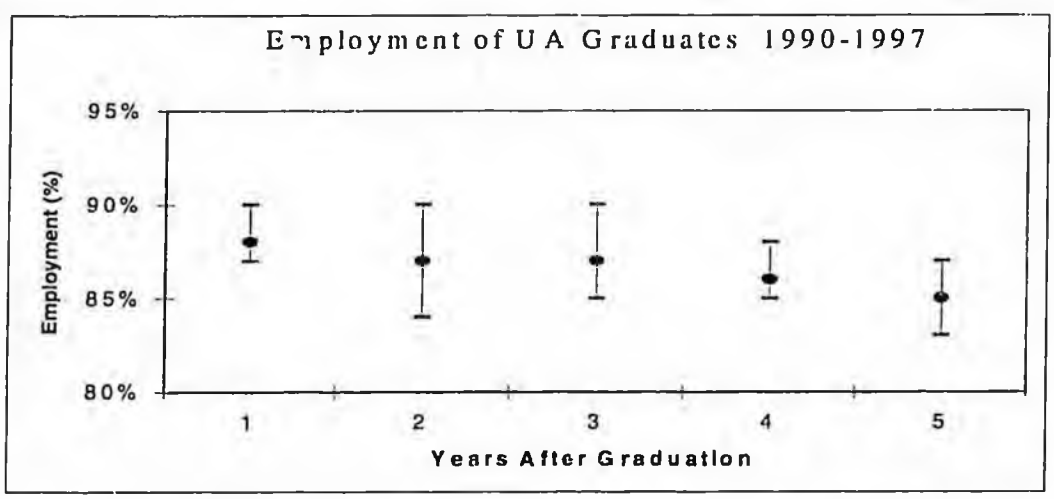
The University of Alaska: An Economic Engine

Baccalaureate Degree Student Outcomes

Baccalaureate graduates from the University of Alaska from 1990 to 1998 were evaluated in regard to residency and employment From this data set it was found that 70% of UA graduates are still Alaska residents five years after graduation, indicating that many of these graduates have chosen to make Alaska their home. Residency of UA graduates from 1990 to the present has not changed significantly.



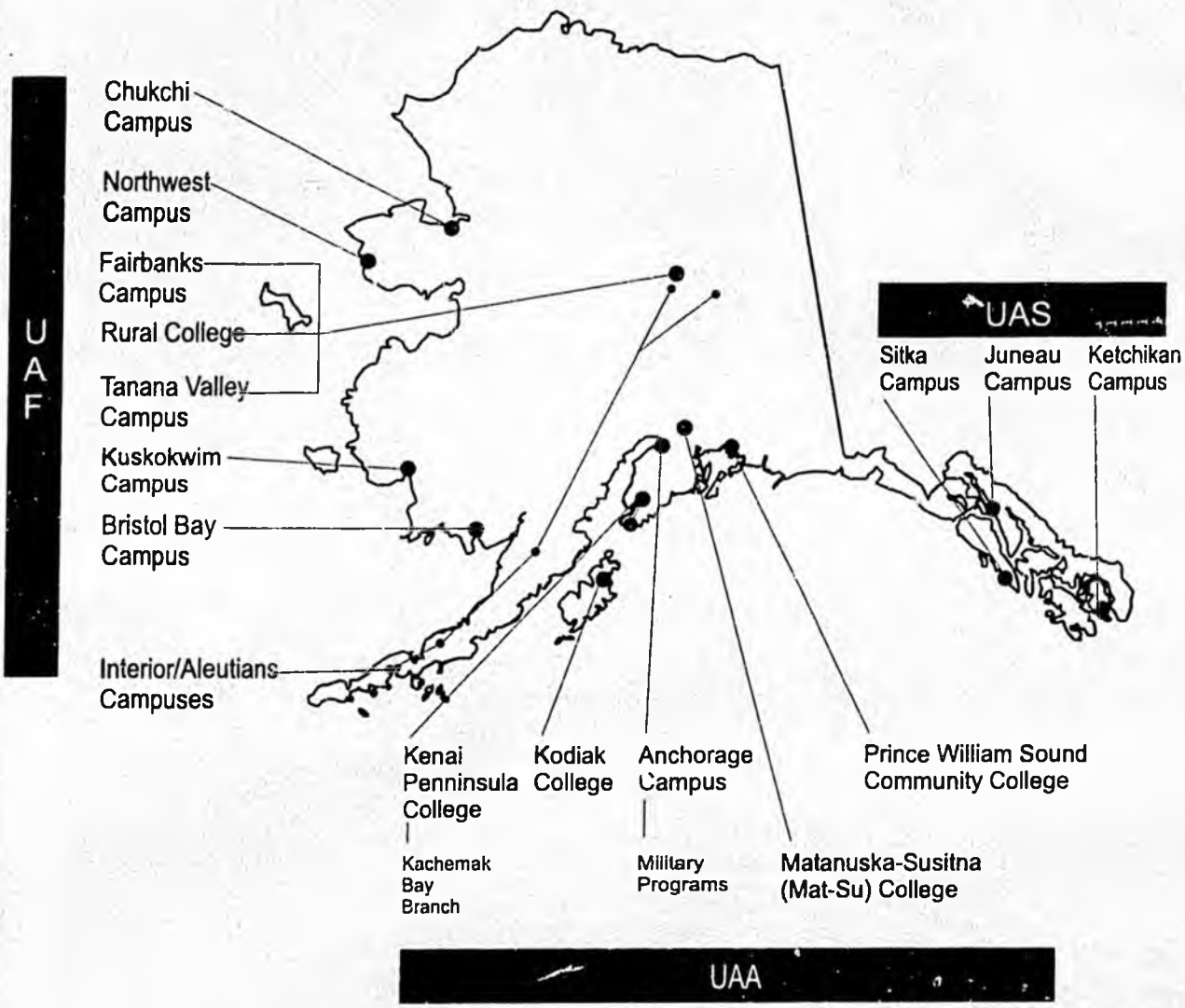
Of the graduates who stayed in Alaska, approximately 60% are female. Employment rates for UA graduates in the five years after graduation are over 85%. The employment rate of UA graduates since 1990 are shown below. In this analysis, graduates who work for the federal government or are self-employed are not included.



From this information it is clear that UA graduates typically stay in Alaska and become productive, employed residents. Numerous studies across the nation have shown that higher education leads to a lower probability of welfare and incarceration, a higher income and a higher probability of public service and charitable giving. In short, higher education predicts economic opportunity and greater citizenship leading to fewer burdens on the state.

CAMPUS PROFILES
AND
BUDGETS

University of Alaska
Statewide System of Higher Education
University Campuses, Community College and Rural Sites



Summarization by Campus

Total University of Alaska	FY98 Actuals General Funds*	FY98 Actuals Non-Gen Funds	FY98 Actuals Total Funds	FY99 Actuals General Funds*	FY99 Actuals Non-Gen Funds	FY99 Actuals Total Funds	FY2001 Adjusted Base General Funds*	FY2001 Adjusted Base Non-Gen Funds	FY2001 Adjusted Base Total Funds
Systemwide Budget Reductions & Additions									
Reductions & Addit's	0.0	0.0	0.0	0.0	0.0	0.0	125.0	0.0	125.0
Increments Requested							16,957.7	32,261.7	49,219.4
Total SW BRA	0.0	0.0	0.0	0.0	0.0	0.0	17,082.7	32,261.7	49,344.4
Statewide Programs & Services									
Statewide Services	6,987.0	10,643.4	17,630.4	6,061.3	9,957.5	16,018.8	7,580.0	13,626.4	21,206.4
Statewide Networks	5,047.7	4,948.6	9,996.3	4,634.2	4,663.7	9,297.9	4,325.6	5,425.0	9,750.6
Total SPS	12,034.7	15,592.0	27,626.7	10,695.5	14,621.2	25,316.7	11,905.6	19,051.4	30,957.0
University of Alaska Anchorage									
Anchorage Campus	49,861.7	61,222.4	111,084.1	50,878.7	66,739.9	117,618.6	52,817.5	79,447.4	132,264.9
Kenai Pen. Col.	3,279.1	2,231.3	5,510.4	3,354.6	2,489.4	5,844.0	3,394.5	2,961.1	6,355.6
Kodiak College	1,698.4	589.6	2,288.0	1,707.6	599.3	2,306.9	1,767.2	855.9	2,623.1
Mat-Su College	2,365.8	1,916.3	4,282.1	2,426.8	1,934.9	4,361.7	2,442.2	2,153.7	4,595.9
Prince Wm Snd CC	1,539.3	2,281.4	3,820.7	1,557.9	2,474.6	4,032.5	1,574.4	3,115.3	4,689.7
Total UAA	58,744.3	68,241.0	126,985.3	59,925.6	74,238.1	134,163.7	61,995.8	88,533.4	150,529.2
University of Alaska Fairbanks									
Bristol Bay Campus	721.7	415.7	1,137.4	729.9	357.7	1,087.6	725.8	479.0	1,204.8
Chukchi Campus	685.8	97.7	783.5	575.6	54.5	630.1	522.8	144.3	667.1
Ak. Cooperative Ext.	2,730.9	3,181.5	5,912.4	2,790.4	2,762.6	5,553.0	2,741.2	3,408.2	6,149.4
Fairbanks Campus	58,329.2	65,207.8	123,537.0	61,940.6	61,868.0	123,808.6	61,734.0	87,301.2	149,035.2
Fairbanks Org. Res.	10,542.3	52,578.1	63,120.4	8,188.4	60,788.5	68,976.9	10,179.8	73,919.8	84,099.6
Interior-Aleut. Campus	957.7	636.8	1,594.5	892.7	1,131.4	2,024.1	1,063.8	677.0	1,740.8
Kuskokwim Campus	1,959.3	1,080.8	3,040.1	1,868.9	1,150.4	3,019.3	1,882.3	1,538.1	3,420.4
Northwest Campus	1,139.8	209.2	1,349.0	1,174.4	199.1	1,373.5	1,283.3	273.1	1,556.4
Rural College	1,801.3	1,328.4	3,129.7	2,004.7	1,403.3	3,408.0	2,053.2	976.9	3,030.1
Tanana Valley Campus	2,016.4	2,409.5	4,425.9	2,059.2	2,447.6	4,506.8	2,056.7	3,076.8	5,133.5
Total	80,884.4	127,145.5	208,029.9	82,224.8	132,163.1	214,387.9	84,242.9	171,794.4	256,037.3
University of Alaska Southeast									
Juneau Campus	10,045.7	6,855.1	16,900.8	10,237.8	7,607.0	17,844.8	10,809.1	10,532.9	21,342.0
Ketchikan Campus	1,450.7	900.2	2,350.9	1,468.7	1,089.1	2,557.8	1,478.3	1,336.9	2,815.2
Sitka Campus	1,751.2	2,305.0	4,056.2	1,780.5	2,491.2	4,271.7	1,787.4	3,102.8	4,890.2
Total UAS	13,247.6	10,060.3	23,307.9	13,487.0	11,187.3	24,674.3	14,074.8	14,972.6	29,047.4
Total University	164,911.0	221,038.8	385,949.8	166,332.9	232,209.7	398,542.6	189,301.8	326,613.5	515,915.3
Other Appropriations**				641.4		641.4			
Total University (with Y2K)	164,911.0	221,038.8	385,949.8	166,974.3	232,209.7	399,184.0	189,301.8	326,613.5	515,915.3

*General Fund totals include General Fund, General Fund Match, and General Fund Mental Health Trust Funds

**The total Y2K supplemental was $3,464.9. $594.9 was used in FY99 leaving $2,870.0 to be used in FY00.

NCHEMS Summary

Total University of Alaska	FY98 Actuals General Funds*	FY98 Actuals Non-Gen Funds	FY98 Actuals Total Funds	FY99 Actuals General Funds*	FY99 Actuals Non-Gen Funds	FY99 Actuals Total Funds	FY2001 Adjusted Base General Funds*	FY2001 Adjusted Base Non-Gen Funds	FY2001 Adjusted Base Total Funds
Increments Requested							16,957.7	32,261.7	49,219.4
Academic Support	11,153.5	3,543.9	14,697.4	11,299.7	2,888.6	14,188.3	10,930.1	4,072.9	15,003.0
Auxiliary Services	0.0	24,045.3	24,045.3	0.0	29,286.4	29,286.4	0.0	32,519.8	32,519.8
Debt Service	2,773.2	225.9	2,999.1	2,762.1	883.5	3,645.6	3,526.9	1,008.6	4,535.5
Institutional Support	36,845.7	27,366.9	64,212.6	35,448.8	28,554.3	64,003.1	37,837.3	27,098.9	64,936.2
Instruction	49,209.0	53,617.1	102,826.1	50,404.5	52,759.9	103,164.4	52,174.6	55,107.5	107,282.1
Intercollegiate Athl.	2,080.4	4,057.1	6,137.5	2,232.6	3,524.6	5,757.2	2,213.8	3,300.0	5,513.8
Library Services	7,870.9	4,218.0	12,088.9	8,667.3	3,969.9	12,637.2	8,703.3	3,218.5	11,921.8
Physical Plant*	27,835.6	18,568.0	46,403.6	29,237.3	14,560.8	43,798.1	28,637.9	14,930.5	43,568.4
** Includes M&R*	*17,054.8*	*0.0*	*17,054.8*	*17,943.2*	*0.0*	*17,943.2*	*18,324.8*	*0.0*	*18,324.8*
Public Service	4,481.2	12,552.3	17,033.5	4,731.2	13,045.4	17,776.6	4,040.4	11,223.4	15,263.8
Research	12,427.9	56,289.2	68,717.1	10,325.6	65,822.1	76,147.7	12,386.8	77,384.4	89,771.2
Scholarships	756.3	9,529.9	10,286.2	699.5	10,546.0	11,245.5	811.2	9,130.9	9,942.1
Student Services	9,477.3	7,025.2	16,502.5	10,524.3	6,368.2	16,892.5	11,081.8	5,513.4	16,595.2
Totals:	164,911.0	221,038.8	385,949.8	166,332.9	232,209.7	398,542.6	189,301.8	276,770.5	466,072.3
Unallocated Authority							0.0	49,843.0	49,843.0
Supplementals				641.4		641.4			
Total:	164,911.0	221,038.8	385,949.8	166,974.3	232,209.7	399,184.0	189,301.8	326,613.5	515,915.3

Total by Funding Source	FY98 Actuals	FY99 Actuals	FY2001 Adj. Base
General Funds	164,911.0	166,332.9	189,301.8
Federal Receipts	44,788.5	49,522.9	73,178.0
Intra-Agency Receipts	28,557.5	29,388.4	34,564.9
Interest Income	2,884.6	2,208.3	3,833.7
Auxiliary Receipts	23,832.4	29,136.8	37,555.1
Science & Technology Funds	2,630.0	2,630.0	3,530.0
Student Tuition/Fees	49,419.2	48,685.0	59,043.9
Indirect Cost Recovery	13,378.4	14,646.7	22,382.2
University Receipts	52,886.5	54,358.3	88,747.4
CIP Receipts	2,661.7	1,633.3	3,576.3
MHTAAR			102.0
Totals:	385,949.8	398,542.6	515,915.3

Other Appropriations**		641.4	
Total University (with Y2K)	385,949.8	399,184.0	515,915.3

*General Fund totals include General Fund, General Fund Match, and General Fund Mental Health Trust Funds

**The total Y2K supplemental was $3,464.9. $594.9 was used in FY99 leaving $2,870.0 to be used in FY00.

STATEWIDE PROGRAMS AND SERVICES

Statewide Programs & Services encompasses the executive and core administrative functions of the university, including the office of the President, Regents' support, university relations and public affairs, UA Foundation, investment management, financial systems, Advanced College Tuition program, human resources, payroll, labor relations, institutional research and budget development, internal audit, risk management, ADA compliance, and educational and investment properties management.

UNIVERSITY OF ALASKA
FY99 Authorized Operating Budget

MAU Summary

Statewide Programs & Services	FY98 Actuals			FY99 Actuals			FY2001 Adjusted Base		
	General Funds*	Non-Gen Funds	Total Funds	General Funds*	Non-Gen Funds	Total Funds	General Funds*	Non-Gen Funds	Total Funds
Statewide Services	6,987.0	10,643.4	17,630.4	6,061.3	9,957.5	16,018.8	7,580.0	13,626.4	21,206.4
Statewide Networks	5,047.7	4,948.6	9,996.3	4,634.2	4,663.7	9,297.9	4,325.6	5,425.0	9,750.6
Total SPS	12,034.7	15,592.0	27,626.7	10,695.5	14,621.2	25,316.7	11,905.6	19,051.4	30,957.0

NCHEMS Summary

Total Programs & Services	FY98 Actuals			FY99 Actuals			FY2001 Adjusted Base*		
	General Funds*	Non-Gen Funds	Total Funds	General Funds*	Non-Gen Funds	Total Funds	General Funds*	Non-Gen Funds	Total Funds
Academic Support	435.9	1,953.1	2,389.0	407.6	1,218.7	1,626.3	349.1	1,253.6	1,602.7
Auxiliary Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt Service	381.4	-25.1	356.3	381.4	-76.9	304.5	381.4	0.0	381.4
Institutional Support	10,471.6	13,047.2	23,518.8	9,290.8	12,819.4	22,110.2	10,512.0	14,058.5	24,570.5
Instruction	165.0	0.0	165.0	0.0	0.0	0.0	0.0	0.0	0.0
Intercollegiate Athl.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Library Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Physical Plant*	580.8	586.6	1,167.4	615.7	611.2	1,226.9	663.1	90.3	753.4
** Includes M&R*	*404.8*	*0.0*	*404.8*	*423.3*	*0.0*	*423.3*	*509.1*	*0.0*	*509.1*
Public Service	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Research	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Scholarships	0.0	30.2	30.2	0.0	48.8	48.8	0.0	0.0	0.0
Student Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Sub Total:	12,034.7	15,592.0	27,626.7	10,695.5	14,621.2	25,316.7	11,905.6	15,402.4	27,308.0
Unallocated Authority							0.0	3,649.0	3,649.0
Total:	12,034.7	15,592.0	27,626.7	10,695.5	14,621.2	25,316.7	11,905.6	19,051.4	30,957.0

Total by Funding Source	FY98 Actuals	FY99 Actuals	FY2001 Adj. Base
General Funds	12,034.7	10,695.5	11,905.6
Federal Receipts	0.0	0.0	0.0
Intra-Agency Receipts	6,582.6	6,302.3	7,321.2
Interest Income	2,781.6	2,091.5	2,889.6
Auxiliary Receipts	0.0	0.0	0.0
Science & Technology Funds	0.0	0.0	0.0
Student Tuition/Fees	0.0	0.0	0.0
Indirect Cost Recovery	1,710.3	1,870.5	2,050.0
University Receipts	4,517.5	4,356.9	5,790.6
CIP Receipts	0.0	0.0	0.0
Totals:	27,626.7	25,316.7	30,957.0

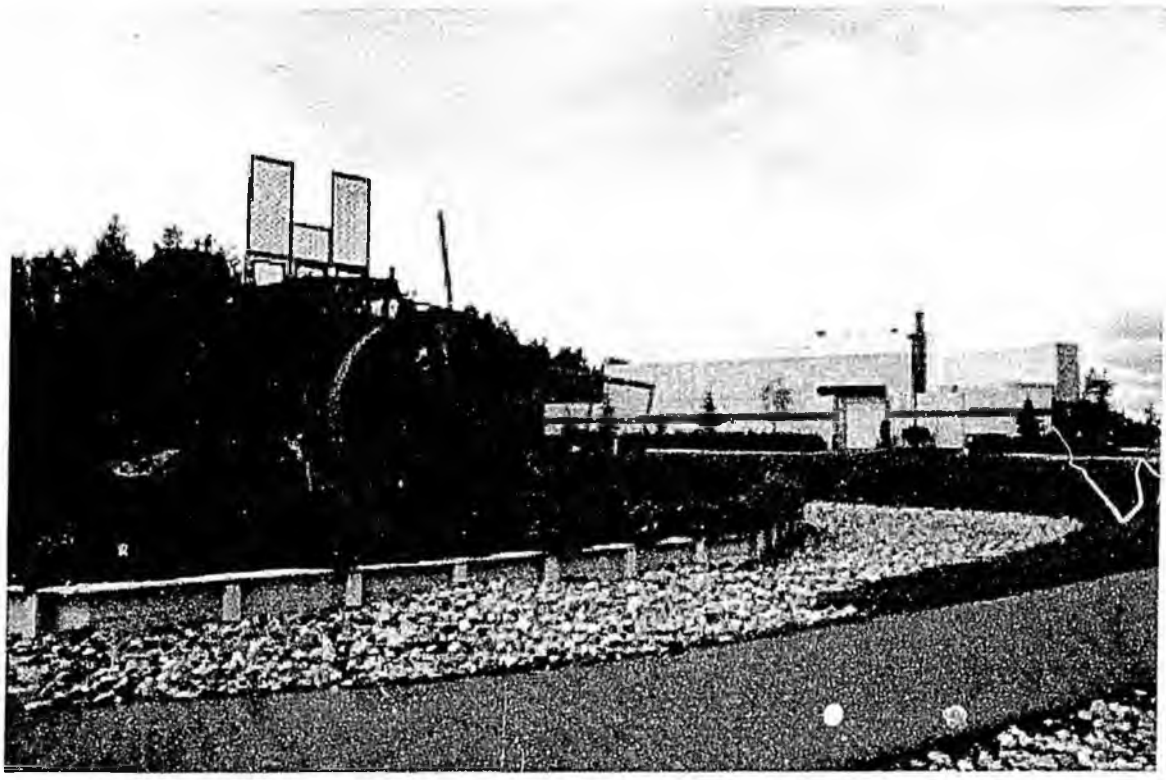
FY01 Increments

Statewide Programs & Services

	GF	NGF	Total
Maintaining a Solid Foundation			
Salary Increase	506.7	20.8	527.5
Other Fixed Costs	223.7	3.4	227.1
Keeping Pace with Technology	275.0	55.0	330.0
Non General Fund Adjustments	-	640.0	640.0
Total Increments - SW Programs & Services	**1,005.4**	**719.2**	**1,724.6**

Note: All increments for the University of Alaska are requested in the Systemwide component. The increments listed above were the basis for our request.

UNIVERSITY OF ALASKA ANCHORAGE



The University of Alaska Anchorage serves 18,000 students through its campuses in southcentral Alaska, including community campuses in the Kenai Peninsula, Kodiak, Matanuska-Susitna and Prince William Sound communities. Instructional programs span non-credit community education programs, and certificate, associate, baccalaureate, and master's degree programs. UA higher educational programs are extended to military sites through UAA.

Research activities take place in the American Russian Center, Biomedical Program, Center for Alcohol and Addition Studies, Center for Economic Development, Environment and Natural Resources Institute, Institute for Circumpolar Health Studies, Institute of Social & Economic Research, Justice Center, Psychological Services Center and the Small Business Development Center.

UAA offers courses through the Center for Distributed Learning (CDL) via video broadcast and continues to diversify delivery of its courses to include Internet or Web CT or software based curriculum.