

How is the University of Alaska Doing?

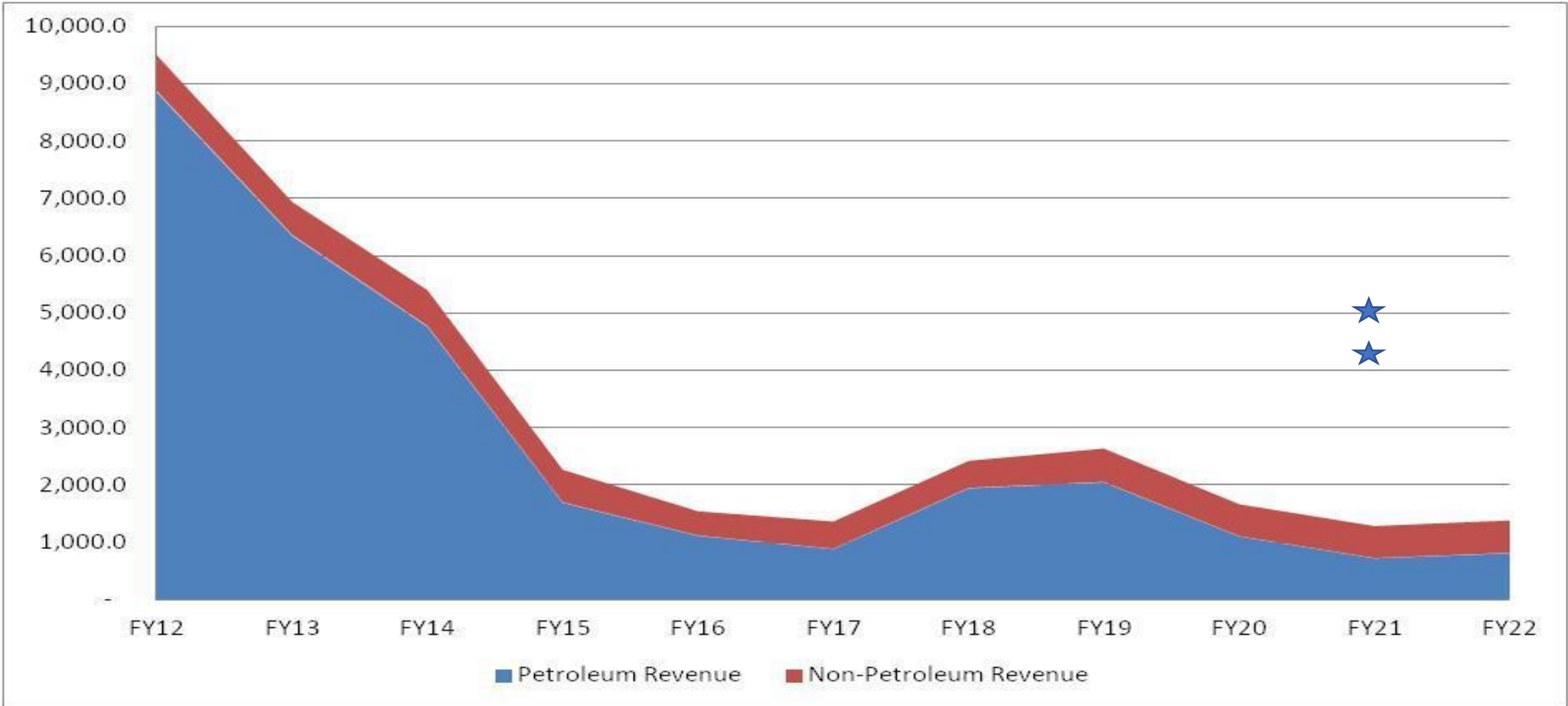
- I. State of Alaska fiscal context
- II. UA financial situation
- III. UAF fall semester in times of Covid-19
- IV. UAF highlights

State of Alaska Fiscal Context 2020

Based on a presentation by Interim President Pat Pitney
September 2020

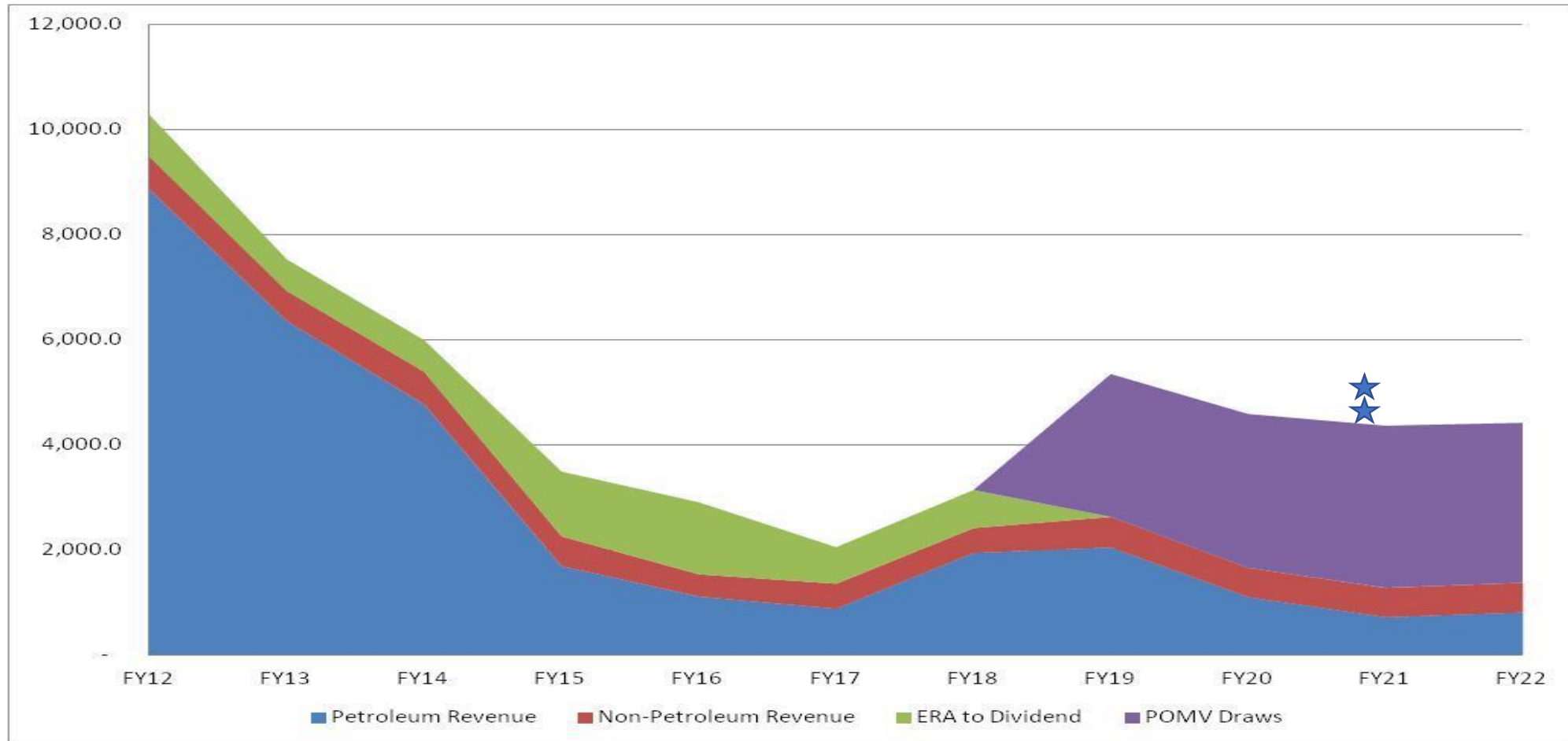
STATE REVENUE OVERVIEW

FY12-22 REVENUE COLLAPSE



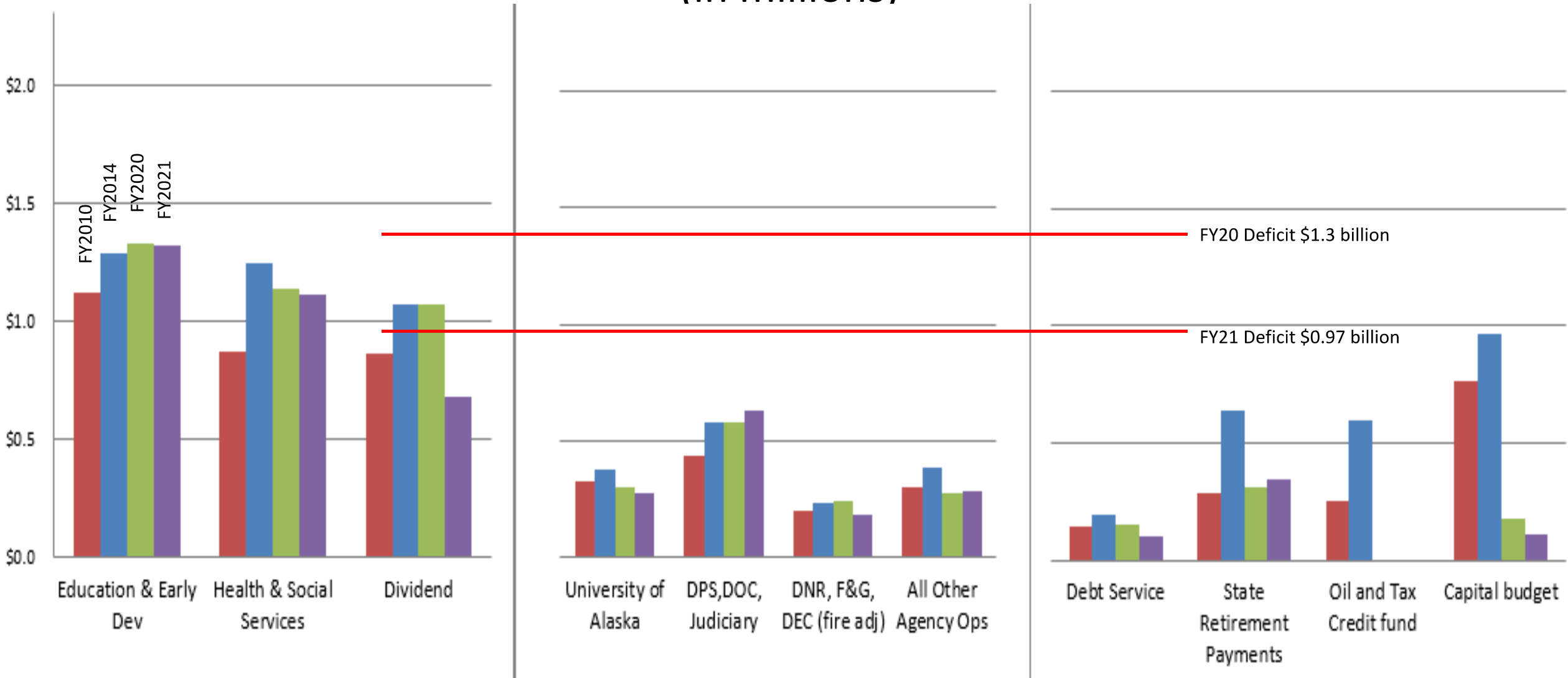
STATE REVENUE OVERVIEW (CONT.)

FY12-22 REVENUE COLLAPSE



STATE OF ALASKA BUDGET (FY10, FY14, FY20, FY21)

(in millions)



STATE OUTLOOK FOR FY22

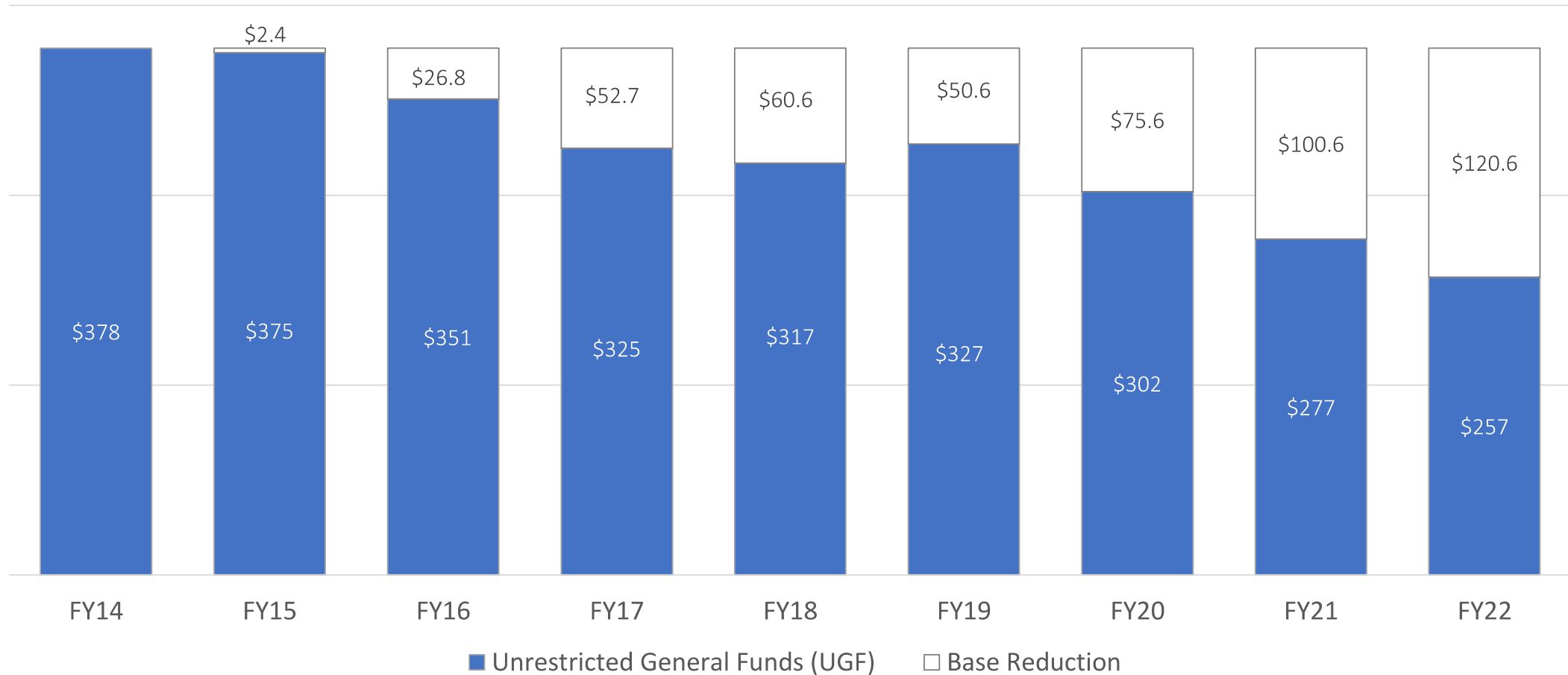
- Based on a flat budget from FY21 with its missing items, the FY22 budget with 50% funding of school debt reimbursement, would have a deficit of over \$300 million before paying a dividend.
- With a \$1,000 dividend, the deficit would be over \$1 billion.
- With a statutory dividend, the deficit would be nearly \$2.4 billion.
- Without the luxury of the CBR, the structural budget deficit must be addressed - continued budget reductions and new diversified revenue sources.
- Overdrawing the ERA (PF Earnings Reserve Account) has a cost. Each \$1 billion drawn over and above the 5% limit reduces the sustainable POMV draw by \$50 million annually forever.
- Overdrawing the ERA combined with down markets could threaten the POMV payout completely.

University of Alaska Financial Situation

Based on a presentation by Interim President Pat Pitney
September 2020

Reductions in State Funding FY14-FY22

Year-over-Year Reductions 7 of the last 8 years : State base operating fund reduction \$120 million



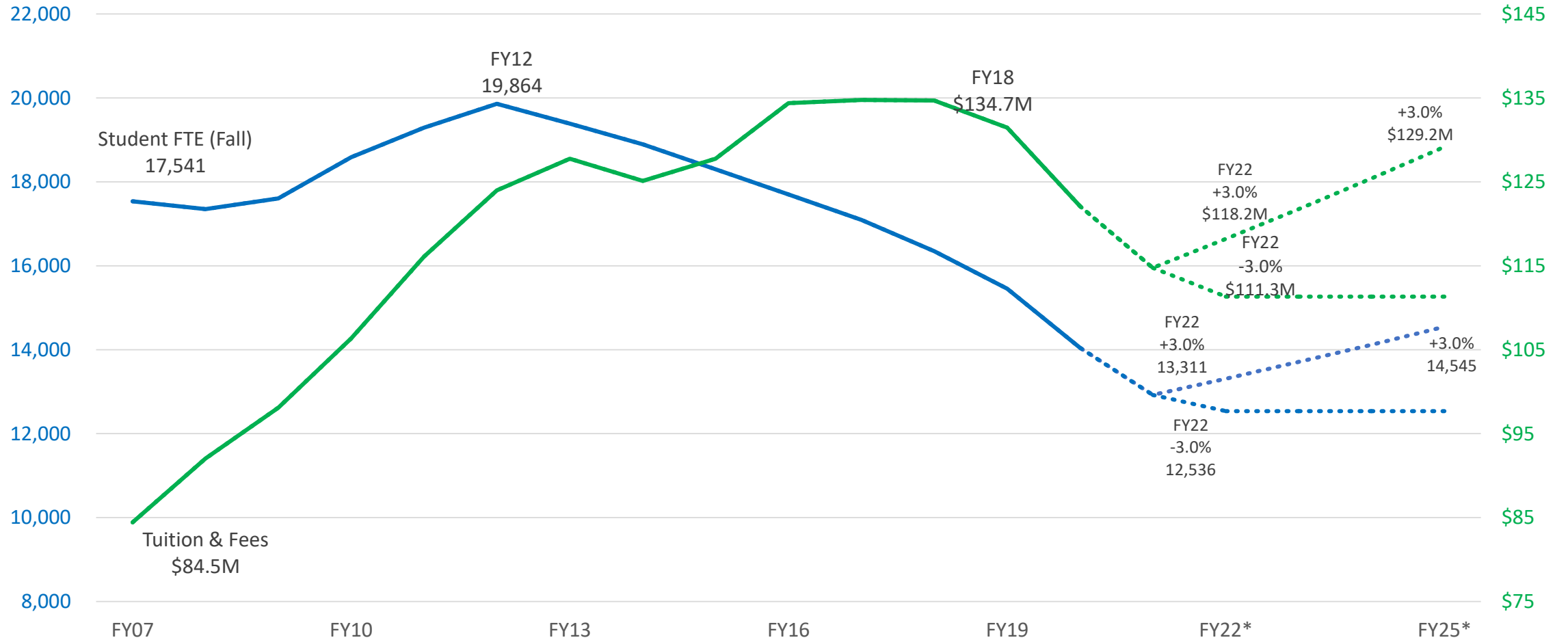
Sources of Earned Revenue

(in millions of \$)

Funding Source	FY20 Actuals	Unique Conditions
Federal	\$130.9	Primarily restricted grants. (e.g., research and Title III)
Indirect Cost Recovery (ICR)	\$35.9	Generated primarily from federal research grants; supports physical plant, administration, and the generating unit to fund support and enable the unit to attract additional competitive grant awards
University Receipts	\$81.4	Primarily designated to purpose (e.g., private and corporate grants, UA Foundation, other sales and services)
Tuition	\$92.8	Used by instructional units to fund faculty and supports physical plant and administration
Student Fees	\$29.3	Designated to purpose of the fee
Auxiliaries	\$29.4	Self-support activities (e.g., housing, dining, bookstore)
Other State	\$15.9	Designated to intended purpose (e.g., state grants)
Total	\$415.6	

Enrollment and Related Revenues

Student Full Time Equivalents and Tuition & Fee Revenue



* projections based on: FY21 annual enrollment decrease of 8% and student tuition and fee revenue decrease of 6%

Major Revenue & Expenditure Changes

(unrestricted funds in millions of \$)

Category	FY14	FY20	\$ Change FY14-FY20	% Change FY14-FY20
Revenues				
Unrestricted General Funds	\$377.6	\$302.0	(\$75.6)	-20.0%
Student Tuition & Fees (net)	125.1	122.1	(3.0)	-2.4%
Indirect Cost Recovery	30.4	35.9	5.5	18.1%
Expenditures				
Salaries & Benefits	\$425.6	\$352.3	(\$73.4)	-17.2%
Travel	13.2	5.6	(7.6)	-57.4%
Commodities	43.5	40.5	(3.1)	-7.1%
Debt Service	16.5	28.2	11.7	70.9%
Facility Leases	9.9	6.3	(3.6)	-36.6%
Advertising	2.4	5.5	3.2	133.9%

Note: major changes only, not a complete accounting

Employee Changes

- UA has 2,192 fewer employees compared to FY2014, 964 fewer regular employees and 1,228 fewer temporary employees
- Regular Executives, Staff, and Non-bargaining unit Faculty down 20%
- Regular Faculty down 21%
- Temporary Faculty, Staff and Student employees down 29%
- Cumulative Salary and Benefits Savings \$73 Million (UOE)
 - Program discontinuations and changes from June decisions, impacted 26 faculty with an expected \$4 Million base savings
 - Human Resources consolidation saved \$0.6 Million, impacted over 50 staff ultimately reduced staff by 6
 - Reductions have been achieved primarily through attrition, retirement, and ending term contracts

*UOE (unrestricted operating expense)

UAF fall semester in times of Covid-19

Based on a presentation by Chancellor Dan White
September 2020

UAF Enrollment

Enrollment at UAF is flat at Troth Yeddha, the Research University;
CTC is down 16% which puts us at 6.5% down from last year overall.
New Student Enrollment on Troth Yeddha campus: Up 7%

Nanook Pledge:

This is a four-year scholarship for incoming first year students, transfer and readmitted students

181 students who received Nanook Pledge have enrolled this fall.

We have met or surpassed enrollment projections expected from this program in every category (yield from application to enrolled, number of students enrolled, % of students offered the award that enrolled, tuition/fee revenue, etc). This tells us that this scholarship is meeting the needs of our students and providing the support they need to enroll at UAF.

Emergency Scholarships:

477 students funded

\$443,623 given out

Every student received individual financial aid counseling

Our path through the budget reductions is enrollment and we will be launching several new initiatives in this area this Fall.

UAF Academics

Currently, academic offerings are moving smoothly with about 76% SCH being taken completely by distance and the remainder either in hybrid or face-2-face mode.

UAF worked with each international student and students on VA benefits to ensure that each one had registered for relevant in-person courses to meet ICE and VA requirements.

North Star Middle College is offering in-person classes to its first cohort of 40. Students have a choice to attend online if they prefer and only 2 students chose that option. On an average students are taking more than 10 credits accounting for a total of ~420 SCH.

UAF is preparing for its accreditation site visit that will be from Sept 30-Oct 2. The accreditation team, lead by Vice Provost and ALO Fitts, put together an [excellent self-study report](#) available online and has created a [website focused on student success](#) that I encourage all of you to visit.

UAF Residence halls

Approx. 800 students living on campus, all traditional residence halls are single occupancy.

Steven's Hall is the isolation hall - students that test Covid-19 positive are moved to Stevens for the duration of their illness.

- Meals are delivered 3x/day
- Students are provided with resources, contact numbers, instructions, etc.
- Residence Life staff provide regular check-ins
- Weekly snack care packages are delivered

Residence Halls (cont.): Fall Programming

First-year students living in Living Learning Communities (LLCs) are grouped together with an Orientation Leader.

Especially important new grouping this year: a partnership with Student Support Services to have students in the “Emerging Scholars Academy” in their own group. Their OL was a member of SSS who was also in the Emerging Scholars Academy.

Many activities:

- Nanooks Care – Zoom, Prevention & Wellness, Caring for Mental Health

- Power-up w/ Esports, Game Night x3 - Zoom & distance

- Virtual Karaoke, Virtual Pub Trivia, Live w/Alaska Nanooks

- RA training: diversity & Inclusion, Green Dot, and Safe Zone

- Let’s Talk - informal monthly consultation with Student Health and Counseling Center therapists

COVID at UAF

UAF is tracking COVID cases and close contacts. In doing this we have launched a COVID-19 dashboard to keep our campus community informed. The dashboard contains the following information:

- New COVID-19 cases
- % of isolation space used on campus (Stevens and Nerland Halls)
- Case trend - new positive cases, 7-day average and 14-day average
- Cumulative cases since mid-March

COVID numbers are ones and twos (faculty, staff, and students – whether they are on campus or not). 7-day average rate is less than 1.

Access to campus showers has been opened but access is restricted. Users must request and be granted access.

Student Health and Counseling Center manages student testing on campus; providing first and second tests for all residential students as well as testing for symptomatic students.

UAF Highlights

Based on a presentation by Chancellor Dan White
September 2020

Research at UAF

Department of Defense University Affiliated Research Center (UARC):

Since the contract award date in Fall 2018, we have had eight Task Orders funded with ~\$22M “received to date”, with another Task Order to be funded any day. The total funding amount including option years is \$48M. The Task Order 8 is currently funded for \$27M for five years with expectations that the funding level will be increasing before the end of the five years. This task order to PI La Belle-Hamer represents a **new funding line for the Alaska Satellite Facility**, which is primarily funded by NASA.

We are working on a number of other potential Task Orders as well. Our DoD mission partners are currently the Air Force Technical Applications Center (AFTAC), Defense Threat Reduction Agency (DTRA), Air Force Research Laboratory (AFRL), National Geospatial Intelligence Agency (NGA), and Office of the Assistant Secretary of Defense - Threat Reduction and Arms Control (OSAD/TRAC).

Research at UAF (cont. 2)

- CFOS hired a new mariculture research faculty (Schery Umanzor, at Lena Pt) and fisheries geneticist assistant professor (Jessica Glass, with EPSCoR funds). Continue to grow enrollment both at UAF and through the joint fisheries degree with UAS.
- Sikuliaq recently completed the third successful NGA-LTER cruise in 2020, while mitigating against COVID-19 (zero positive tests)
- \$325,700 Murdock Award to support new sea-going biosensor equipment.

Research at UAF (cont.3)

Center for Transformative Research in Metabolism (TRiM) is focused on translating hibernation research to improve human health, funded by NIH. PI Kelly Drew was awarded \$11.5M and has been working to set up the infrastructure required inside the Institute of Arctic Biology as well as starting pilot projects.

ACEP received delivery of a new 219 kilowatt-hour lithium-ion Saft battery energy storage system at their [Power Systems Integration Lab](#) last week. The battery will be paired with ACEP's 313 KVA inverter in the microgrid laboratory on the UAF campus. The laboratory **helps advance the important research in remote power grids and the integration of renewable energy**. Funding and support for the installation were from the [Office of Naval Research](#).

The National Science Foundation has awarded a University of Alaska Fairbanks-led research team (PIs Julie Avery, Nicole Misarti and Lorrie Rea) a five-year, \$2.6 million grant to better understand changing mercury levels in the Aleutian ecosystem during the past 3,000 years.

Career and Technical College (CTC) - summer fire academy

In 2011 at the request of fire service industry partners, CTC started offering a summer fire academy to provide required state and nationally accredited certifications to our students. Since 2011, an average of 27 students successfully graduate and most immediately begin working as student firefighters at the University Fire Department or one of the local Fairbanks fire departments.

This pandemic year of 2020, the fire academy was more challenging, but we successfully completed the academy so that our industry partners would have their essential workforce. Shout out to John George and the team. Fire Academy 2020 produced 25 graduates, many of which began work the very next week at Chena Goldstream Fire and Rescue, Chugiak Fire Department, Ester Fire Department, Northstar Volunteer Fire Department, Steese Fire Department, University Fire Department and the Valdez Fire Department.

Since 1974, CTC has provided essential workers across Alaska and the US. We are proud to have students working from Fairbanks Fire Department to the Fire Department New York. If you live in Alaska, know that when you hear the fire alarm sound, there is likely a UAF CTC trained firefighter responding to your emergency.

College of Rural and Community Development (CRCDD):

The College of Rural and Community Development (CRCDD) has been successful in securing new federal awards launching in Fall 2020.

Both the Chukchi (CC) and Interior Alaska (IAC) campuses were awarded multi year Title III grants. Chukchi Campus received 1.5 million and Interior Alaska Campus received 2.2 million to support innovative educational delivery and curriculum design to rural Alaska students.

Additionally CRCDD received a 1.5 million federal award from USDA to continue their consortium work to invest in sustainable stewardship.

Other UAF Highlights:

UAF School of Management has been very creative and has shown a phenomenal 8% increase in SCH in Fall 2020 compared to Fall 2019. All their degrees are online. Bachelors of Applied Management (BAM) currently has over 90 majors and Bachelors of Sport and Recreation Business (BSRB) has over 40 majors. SOM will also break into new markets by offering professional certificate opportunities to the National Junior College Athletic Association (NJCAA), a market of over 10,000 collegiate coaches and administrators.

New One-Health Masters degree program has 21 students from Alaska, lower 48, Sweden, Bangladesh, and Canada

UAF eCampus partnered with edX and launched [5 new free online courses](#) on (1) remote sensing of wildfires, (2) One-Health, (3) synthetic aperture radar and hazards, (4) salmon, people and place, and (5) fundamentals of Arctic security.

Conclusion and Summary:

- The State and the University face some very challenging fiscal circumstances.
- The University is trimming programs and becoming smaller and leaner.
- The University remains strong and the core programs are better; it is meeting the challenges of COVID-19.
- The University continues to be central to the economic strength and transformation of the State of Alaska.
- With a stable core funding base from the state, the University can continue to grow and succeed for another 100 years.
- UAF, with its strong research, academic, and public service programs is an exciting place at which to study and work. It continues to carry out important work on arctic climate change.