

University of Alaska
Board of Regents' Meeting
September 20, 2011

Room 205 Bragaw Office Building, Anchorage, Alaska

September 22-23, 2011

UAS Recreation Center, University of Alaska Southeast
Juneau, Alaska

MEETING SCHEDULE AND ACTIVITIES

Times for board meetings are subject to modifications within the September 20-23, 2011 timeframe.

Tuesday, September 20, 2011

10:00 a.m. – 12:00 noon The Academic and Student Affairs Committee will meet in Room 205 Bragaw Office Building.

2:00 p.m. – 4:00 p.m. The Facilities and Land Management Committee will meet in Room 205 Bragaw Office Building.

Thursday, September 22, 2011

8:30 a.m. – 9:00 a.m. Demo on using computers and chat function.

9:00 a.m. – 10:00 a.m. The Full Board will meet in Room 116 to call the meeting to order and will then hold an executive session.

10:00 a.m. – 11:00 a.m. The Full Board will hear Public Testimony. The board chair will announce when public testimony is closed.

11:00 a.m. – 11:15 a.m. The Full Board will hear the President's Report.

11:15 a.m. – 11:30 a.m. The Full Board will hear a report from Governance representatives.

11:30 a.m. – 12:00 noon Lunch will be provided to regents and participants.

12:00 noon – 3:00 p.m. The Full Board will hear reports on budgets and consider action items.

3:00 p.m. – 5:00 p.m. Academic and Student Affairs Committee will meet in Room 115.

Board of Regents' Meeting
Activities Schedule
September 20, 2011 – Anchorage, Alaska
September 22-23, 2011 - Juneau, Alaska

3:00 p.m. – 5:00 p.m. Facilities and Land Management Committee will meet in Room 116.

5:30 p.m. – 7:00 p.m. Board members and staff will attend a community reception at the UAS Maurant Building Cafeteria.

Friday, September 23, 2011

8:00 a.m. – 9:00 a.m. Audit Committee will meet in Room 116.

9:00 a.m. – 10:00 a.m. The Full Board will hear Public Testimony. The board chair will announce when public testimony is closed.

10:00 a.m. – 11:00 a.m. The Full Board will continue its executive session.

11:00 a.m. – 12:00 noon The Full Board will hear reports and consider actions.

12:00 noon – 1:00 p.m. The Full Board will hear a presentation from the University of Alaska Southeast highlighting UAS programs. A working lunch will be provided to regents and participating staff.

1:00 p.m. – 3:00 p.m. The Full Board will continue its meeting and complete its business items.

3:00 p.m. Adjourn

To contact members of the Board of Regents or participating staff during the meeting, please call (907) 450-8000 or email sybor@alaska.edu.

REGENTS' POLICY
PART I - MISSION AND GENERAL PROVISIONS
Chapter 01.01 - Mission

P01.01.010. University of Alaska Mission Statement.

The University of Alaska inspires learning, and advances and disseminates knowledge through teaching, research, and public service, emphasizing the North and its diverse peoples. (10-06-00)

P01.01.020. University of Alaska Anchorage Mission Statement.

The mission of the University of Alaska Anchorage is to discover and disseminate knowledge through teaching, research, engagement, and creative expression.

Located in Anchorage and on community campuses in Southcentral Alaska, UAA is committed to serving the higher education needs of the state, its communities, and its diverse peoples.

The University of Alaska Anchorage is an open access university with academic programs leading to occupational endorsements; undergraduate and graduate certificates; and associate, baccalaureate, and graduate degrees in a rich, diverse, and inclusive environment.

(09-18-07)

P01.01.030. University of Alaska Fairbanks Mission Statement.

The University of Alaska Fairbanks, the nation's northernmost Land, Sea and Space Grant university and international research center, advances and disseminates knowledge through teaching, research and public service with an emphasis on Alaska, the circumpolar North and their diverse peoples. UAF – America's Arctic University – promotes academic excellence, student success and lifelong learning.

(06-08-06)

P01.01.040. University of Alaska Southeast Mission Statement.

The mission of the University of Alaska Southeast is student learning enhanced by faculty scholarship, undergraduate research and creative activities, community engagement, and the cultures and environment of Southeast Alaska.

(06-03-11)

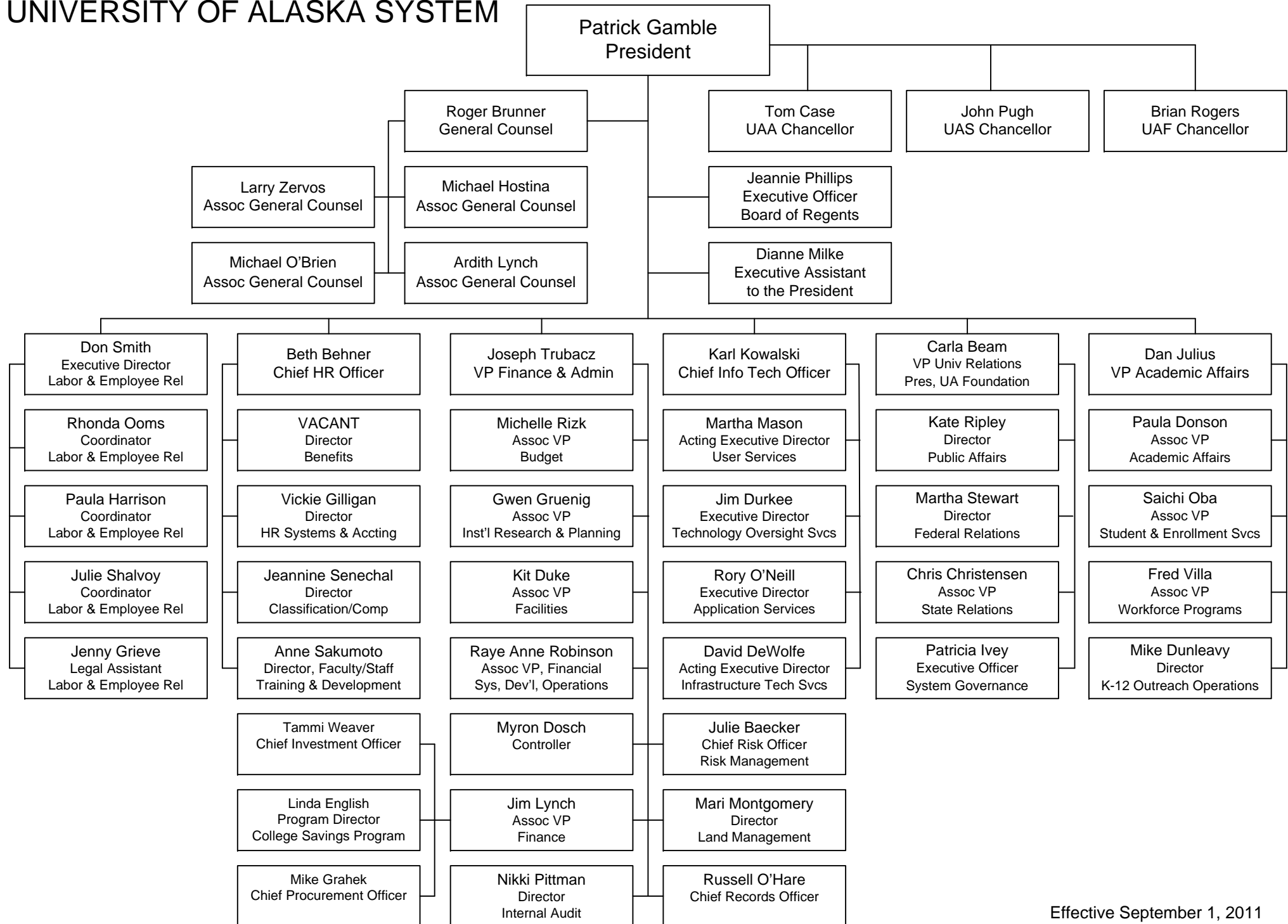
P01.01.050. Prince William Sound Community College Mission Statement.

Prince William Sound Community College offers accessible and affordable education to students of all ages, races, cultures, economic levels, and previous educational experience.

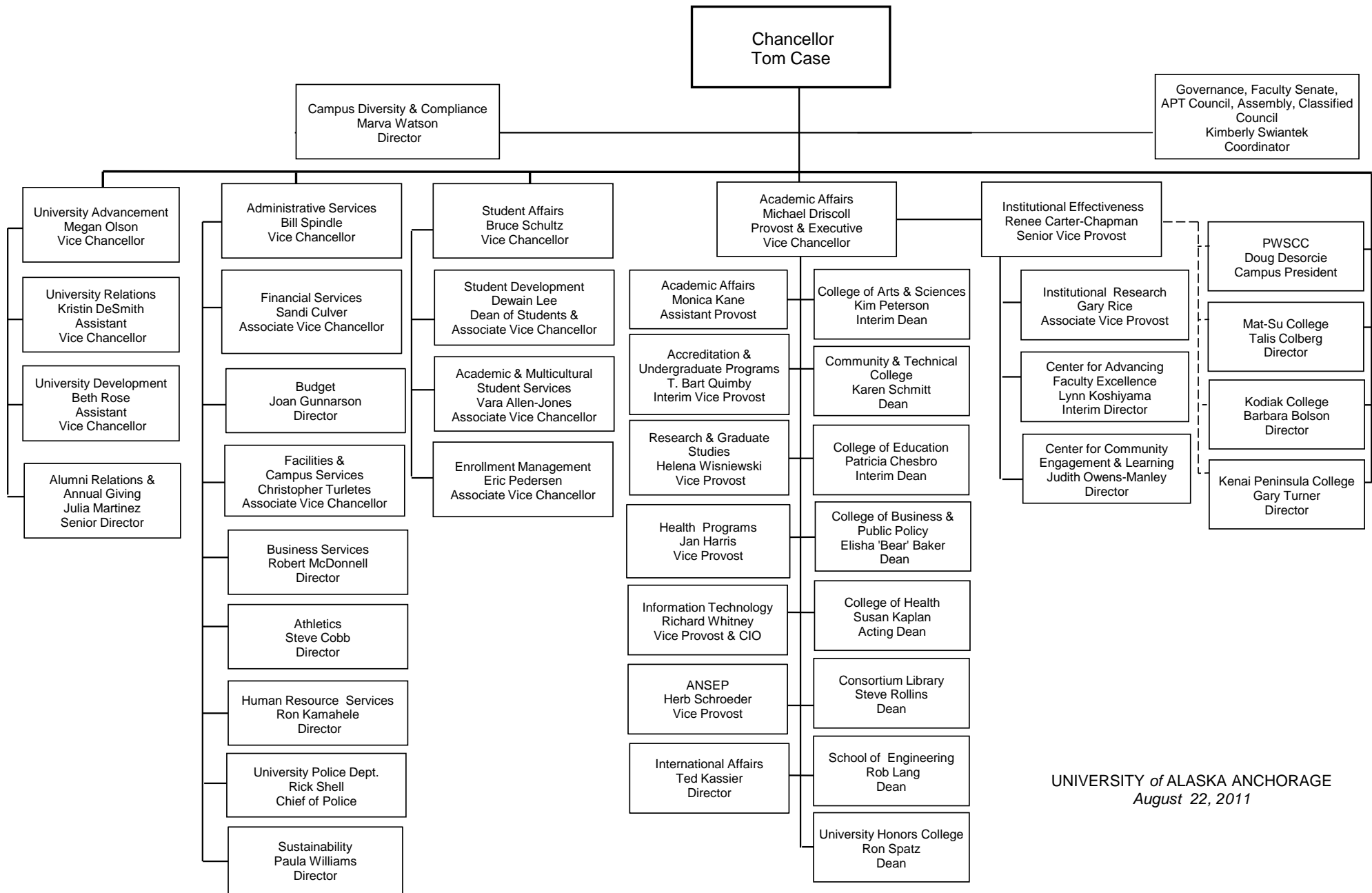
As a public, comprehensive community college, this multi-campus institution offers lower division college transfer, occupational, technical, basic skills, wellness, cultural, and community education programs. Partnerships with business, industry, educational institutions, and public sector agencies provide training opportunities for the local work forces and promote economic development. Through effective teaching and supportive student services, Prince William Sound Community College prepares students for success as individuals, members of a democratic society, and citizens of a rapidly changing world.

(12-08-06)

UNIVERSITY OF ALASKA SYSTEM



Effective September 1, 2011



UNIVERSITY of ALASKA ANCHORAGE
August 22, 2011

Brian Rogers
Chancellor

Earlina Bowden
Director
Office of Equal Opport.

Bob Shefchik
Executive Officer
Chancellor's Office

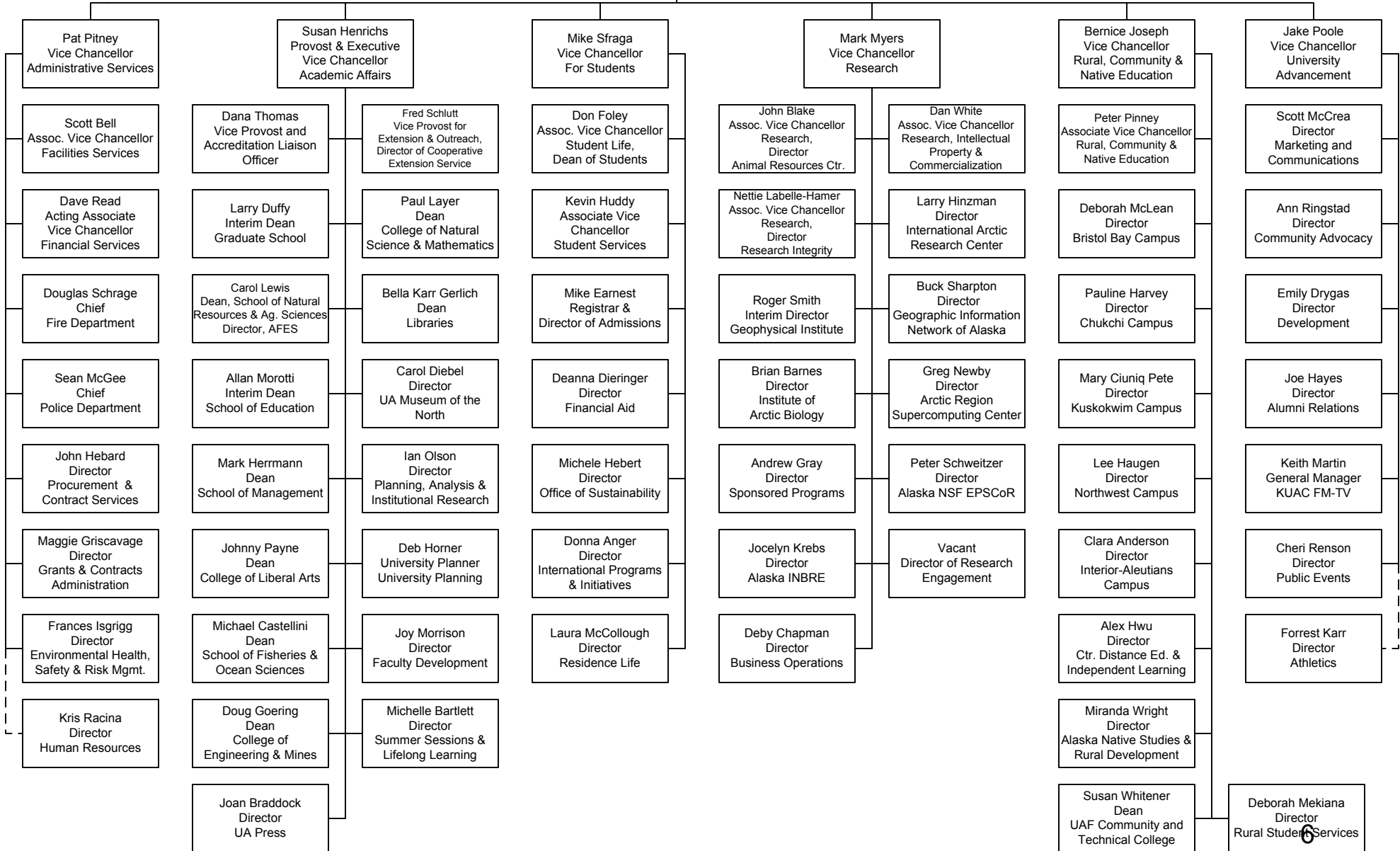
Karl Kowalski
Chief Information
Technology Officer
Information Technology

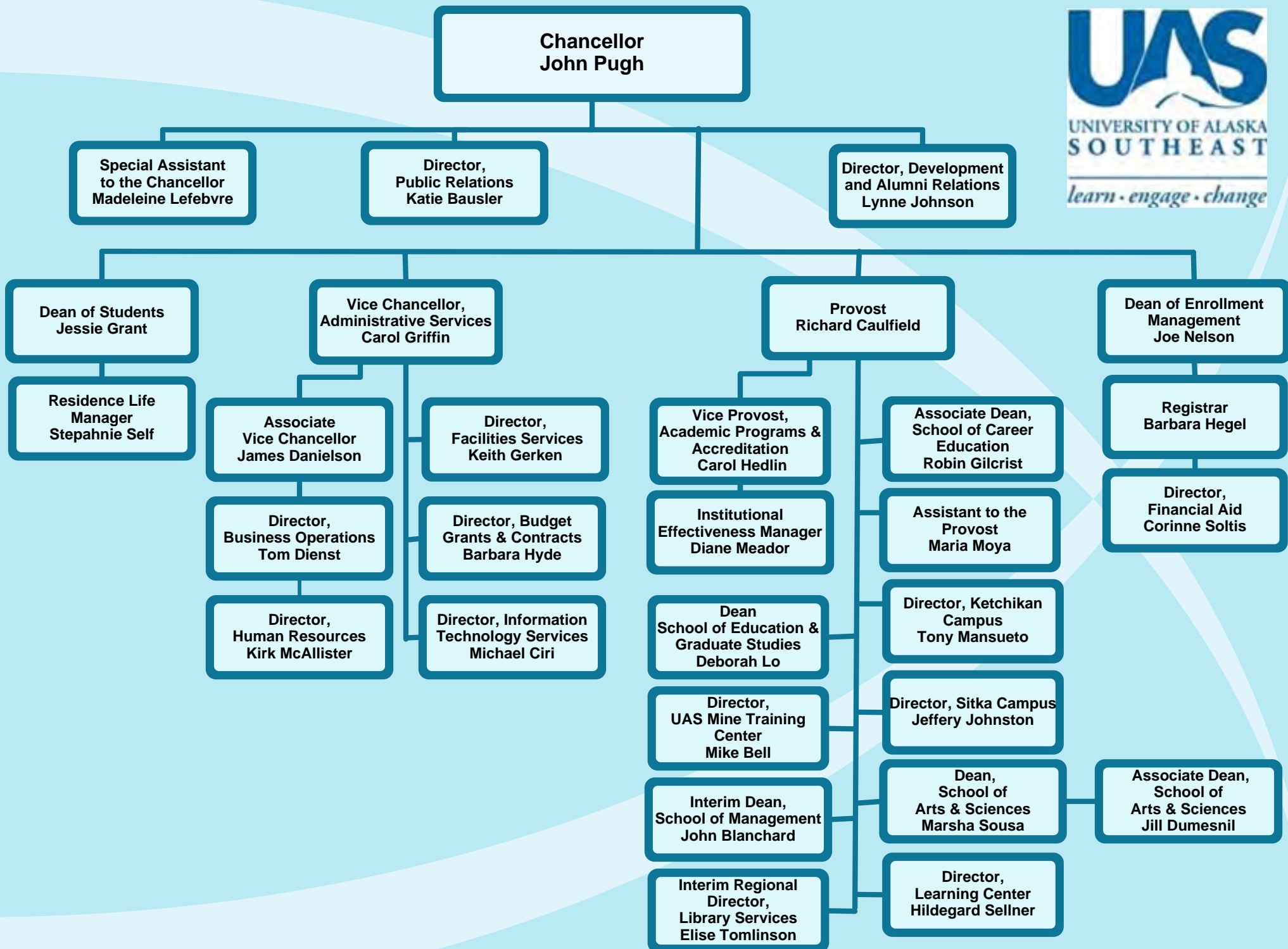
Derek Miller
Assistant to the
Chancellor

Jayne Harvie
Office Manager
Governance

Kris Racina
Director
Human Resources

Forrest Karr
Director
Athletics





Agenda
Board of Regents
Meeting of the Full Board
September 22-23, 2011
Room 116 Recreation Center
University of Alaska Southeast
Juneau, Alaska

Times for meetings are subject to modifications within the September 20-23, 2011 timeframe.

Thursday, September 22, 2011

I. Call to Order *[Scheduled for 9:00 a.m.]*

II. Adoption of Agenda

MOTION

"The Board of Regents adopts the agenda as presented.

- I. Call to Order**
- II. Adoption of Agenda**
- III. Approval of Minutes**
- IV. Executive Session**
- V. Public Testimony**
- VI. President's Report**
- VII. Governance Report**
- VIII. First Review of FY13 Operating Budget Request**
- IX. Approval of Additional Receipt Authority for FY11**
- X. First Review of FY13 Capital Budget Request and 10-Year Capital Improvement Plan**
- XI. Report on Revised Distribution of FY12 Deferred Maintenance Funding**
- XII. Approval of General Revenue Bond 2011 Series Q**
- XIII. Discussion regarding Strategic Direction**
- XIV. Status Report on University of Alaska Investments**
- XV. Human Resources Issues**
- XVI. Planning and Development Issues**
 - A. Approval of Delegation of Authority regarding Endowments**
 - B. Development Report**
 - C. Foundation Report**
- XVII. Approval of Revision to Regents' Policy 01.01.050 – Prince William Sound Community College Mission Statement**
- XVIII. Approval of Resolutions of Appreciation**
 - A. Roger Brunner**
 - B. Wendy Redman**
- XIX. Presentation from the University of Alaska Southeast**
- XX. Approval of Honorary Degree and Meritorious Service Awards for Spring 2012 and Beyond**
- XXI. Approval of Academic Degree Recipients**

- XXII. Approval of Revisions to the Industrial Security Resolution**
- XXIII. Presentation from the Alaska Native Science and Engineering Program (ANSEP)**
- XXIV. Consent Agenda**
 - A. Academic and Student Affairs Committee**
 - 1. Reaffirmation of the Joint Ph.D. in Clinical-Community Psychology at the University of Alaska Anchorage and the University of Alaska Fairbanks and Approval of UAA's Application to the NWCCU for a Change in Accreditation Status**
 - 2. Approval of the Associate of Applied Science Degree in Paramedicine at the University of Alaska Fairbanks**
 - B. Audit Committee**
 - 1. Acceptance of the University of Alaska Foundation FY12 Operating Budget**
 - C. Facilities and Land Management Committee**
 - 1. Amended Formal Project Approval for the University of Alaska Engineering Facility Projects for UAA and UAF**
 - 2. Schematic Design Approval for the University of Alaska Anchorage Prince William Sound Community College Wellness Center Renewal**
 - 3. Schematic Design Approval for the University of Alaska Anchorage Seawolf Sports Arena**
- XXV. New Business and Committee Reports**
 - A. Academic and Student Affairs Committee**
 - B. Audit Committee**
 - C. Facilities and Land Management Committee**
- XXVI. Alaska Commission on Postsecondary Education Report**
- XXVII. UA Athletics Report**
- XXVIII. Future Agenda Items**
- XXIX. Board of Regents' Comments**
- XXX. Adjourn**

This motion is effective September 22, 2011."

III. Approval of Minutes

MOTION

"The Board of Regents approves the minutes of its regular meeting of June 2-3, 2011 as presented. This motion is effective September 22, 2011."

MOTION

"The Board of Regents approves the minutes of its special meeting of August 10, 2011 as presented. This motion is effective September 22, 2011."

IV. Executive Session

MOTION

"The Board of Regents goes into executive session at _____ Alaska Time in accordance with the provisions of A S 44.62.310 to discuss matters the immediate knowledge of which would have an adverse effect on the finances of the university related to litigation including ORP, labor and matters the immediate knowledge of which would affect the reputation or character of a person or persons related to honorary degrees and meritorious service awards and presidential assessment. The session will include members of the Board of Regents, President Gamble, General Counsel Brunner (except for ORP discussion), and such other university staff members as the president may designate and will last approximately _____. This motion is effective September 22, 2011."

(To be announced at conclusion of executive session)

The Board of Regents concluded an executive session at _____ Alaska Time in accordance with A S 44.62.310 discussing matters the immediate knowledge of which would have an adverse effect on the finances of the university and would affect the reputation or character of a person or persons. The session included members of the Board of Regents, President Gamble, General Counsel Brunner (except for portion regarding ORP), and other university staff members designated by the president and lasted approximately _____.

[9:50 a.m. - 10 Minute Break]

V. Public Testimony

[Scheduled for 10:00 a.m.]

Public testimony will be heard at approximately 10:00 a.m. Comments are limited to three minutes per individual. Written comments are accepted and will be distributed to the Board of Regents and President Gamble by the Board of Regents' Officer *following* the meeting. The chair will determine when public testimony is closed.

[10:50 a.m. - 10 Minute Break]

VI. President's Report

[Scheduled for 11:00 a.m.]

President Gamble will update the board on issues of importance including a report on the status of the bond proposition.

VII. Governance Report

Representatives from the Faculty Alliance, Staff Alliance and Coalition of Student Leaders will report on issues of importance to the faculty, staff and students at the University of Alaska.

[11:30 a.m. - 30 Minute Lunch Break]

VIII. First Review of FY13 Operating Budget Request

Reference 1

POLICY CITATION

Regents' Policy 05.01.01.A. – Budget Policy, states, "The budget of the university represents an annual operating plan stated in fiscal terms. All budgetary requests shall be adopted by the board prior to submittal to the Office of the Governor or the legislature."

RATIONALE/RECOMMENDATION

President Gamble and Associate Vice President Rizk will lead a discussion on UA's FY13 Proposed Operating Budget.

The FY 13 Proposed Operating Budget will include the necessary resources to cover adjusted base increases (i.e., contractual and fixed cost increases) plus focused state funding directed toward educational outputs.

The recommended FY13 program priorities include for consideration and discussion \$6.3 million of the \$8 million submitted by the MAUs as their highest priority programs. The FY 13 budget request includes a base funding request for the UAA Honors College and the UAF Honors Program that received one-time funding in FY12 and funding for focused program growth in the areas of new initiatives to improve graduation rates; investment in high demand jobs; and enhancing competitive research.

- **FY12 One-time Funded Priority Programs to Baseline**
The requested funding will provide base funds for one-time funded programs for the UAA Honors College and the UAF Honors Program.
- **New Initiatives to Improve Graduation Rates**
These requests support UA's responsibility during "the 3 critical years" with an emphasis on advising students for performance success.
- **Investment in High Demand Jobs**
Funding investments in Engineering, Health/Bio-Medical, Teacher Education, and Workforce Development continue to be a priority for UA. Continued investment in these areas will keep up with the State's need for trained professional providers.
- **Enhance Competitive Research**
These requests support UA's efforts to create economic value from UA intellectual property commercialization and focus research where UA competes in Alaska especially well.

The adjusted based requirements include employee compensation increases and non-personnel-related increases. The cost increases are based on the following expectations:

Compensation increases are based on negotiated contracts with unionized employees. The non-unionized staff compensation increase will be discussed with the Board. The benefit rate portion of the request is still being reviewed

- Employer defined contributions for healthcare are expected to remain the same
- Retirement rates are expected to remain the same
- Additional non-discretionary fixed cost increases include:
 - Utilities (based on an approximate 7% increase in FY13 plus full funding in FY12 via the fuel trigger mechanism and supplemental funding if necessary)
 - Facilities Maintenance and Repair (M&R) Requirement
 - Contractual, commodity, travel, and compliance mandates
 - New facility operating costs for the UAF Alaska Center for Energy and Power (ACEP) High Bay Test Facility, the UAF Arctic Health Research Greenhouse, and the UAF Sustainable Village.

Additional steps necessary prior to approval of UA's FY13 Operating Budget, scheduled for the November 2, 2011 Board of Regents' meeting, include:

- Incorporating Board of Regents input
- Incorporating MAU performance targets
- Integrating and aligning the operating and capital budget requests
- Developing and refining request amounts and narrative descriptions
- Developing presentation format consistent with focus/theme

IX. Approval of Additional Receipt Authority for FY11

Reference 2

The President recommends that:

MOTION

“The Board of Regents approves the revised FY11 operating budget request to include an additional \$13.1 million of receipt authority. This motion is effective September 22, 2011.”

POLICY CITATION

Regents' Policy 05.01.01.A. – Budget Policy, states, “The budget of the university represents an annual operating plan stated in fiscal terms. All budgetary requests shall be adopted by the board prior to submittal to the Office of the Governor or the legislature.”

RATIONALE/RECOMMENDATION

As part of the FY11 budget process, the University of Alaska requested additional receipt authority from the State Office of Management and Budget (OMB) or the Legislative Budget and Audit Committee (LB&A) depending on the type of receipt authority needed.

As part of the FY10 budget process, the State Office of Management and Budget and the Legislature requested that budget authority and anticipated revenue be more aligned and as part of the FY10 budget submission process to the State, UA was requested to “Remove Unrealizable Non General Fund Budget Authority”. Reductions were made to federal receipts, state inter-agency receipts, and UA intra-agency receipts.

In addition, since the University of Alaska is operating in a multiple appropriation structure, even though the University of Alaska as a whole had sufficient authority to cover the additional federal, and state inter-agency receipt activity, due to the multiple appropriation structure, the University cannot move receipt authority between appropriations.

A brief description of the activities for each receipt authority type requested follows. A summary of the FY11 Authorized and FY11 Final Authorized budgets is provided in the reference.

- Federal Receipts (\$1,870.0), include all revenues received from the federal government. Federal funding for student financial aid programs, such as Pell grants and other federal awards has increased over the last several years. With the increase in the amount awarded and increased enrollment, UA requires additional federal receipt authority to accept these grants on behalf of the students.
- State Inter-Agency Receipts (\$1,250.0), include contractual obligations between state agencies.
- Capital Improvement Project Receipts (\$2,230.0), UA has received an increase in capital appropriation funding over the last several years. Capital Improvement Project Receipts (CIP) is generated by charge-backs to capital improvement projects for personal services administrative costs. Additional CIP authority is necessary to record personal services expenditures related to capital projects.
- UA Intra-Agency Receipts (\$7,730.6), include all internal charges for services provided by central service departments to other university departments. This includes services such as physical plant work orders, printing and computer repairs, and certain administrative functions such as risk management and labor relations.

X. First Review of FY13 Capital Budget Request and 10-Year Capital Improvement Plan Reference 3

POLICY CITATION

Regents' Policy 05.01.01.A. – Budget Policy, states, "The budget of the university represents an annual operating plan stated in fiscal terms. All budgetary requests shall be adopted by the board prior to submittal to the Office of the Governor or the legislature."

RATIONALE/RECOMMENDATION

Associate Vice President Rizk and Chief Facilities Officer Duke will present the FY13 Proposed Capital Budget Request and 10-year Capital Improvement Plan.

The recommended request includes the highest priority needs required to continue the sustainment funding plan for the University of Alaska facilities. Funding requests include Deferred Maintenance (DM), Annual Renewal and Repurposing (R&R), and additional funding for further DM backlog reduction. Funding is also requested to support research important to Alaska. The presentation will highlight the FY13 proposed request relative to UA's strategic priorities and to last year's budget request. The Board will be asked to provide feedback on the FY13 Proposed Capital Budget Request regarding total request level, prioritization, thematic, and strategic focus.

Primary capital funding priorities presented in the proposed UA FY13 Proposed Capital Budget Request include:

- Continued increased emphasis on UA Facilities Maintenance Backlog in order to reduce the accumulated DM and R&R backlogs to much lower levels.
- A focus on the UA Annual Requirement for R&R to achieve a sustainment level of funding for UA's facilities so as to not continue to add to the DM and R&R backlog every year.
- Research for Alaska includes funding to support research efforts that address critical state needs in the areas of energy alternatives and policy, Arctic oil spill response, and the impacts of ocean acidification on Alaska's fisheries.

New Construction (New Starts) and Planning and Design funding requests are not included in the FY13 budget request, but have been moved to the 10-Year Capital Improvement Plan for consideration in future capital budget requests.

XI. Report on Revised Distribution of FY12 Deferred Maintenance Funding

Reference 4

At the June 2011 meeting, the Board of Regents accepted the FY12 Capital Budget Appropriation and approved the FY12 Capital Budget Distribution Plan as presented.

Associate Vice President Rizk and Chief Facilities Officer Duke will present a revised distribution of the FY12 deferred maintenance funding. The distribution includes the \$37.5 million received in state funds and the \$50 million received in revenue bond funding.

XII. Approval of General Revenue Bond 2011 Series Q

Reference 5

The President recommends that:

MOTION

“The Board of Regents approves the bond resolution for University of Alaska General Revenue Bond 2011 Series Q as presented. This motion is effective September 22, 2011.”

POLICY CITATION

Regents’ Policy 05.04 – “Debt and Credit” specifies the guidelines for debt issuances and requires that all debt issuances for facilities and real property be approved by the Board.

RATIONALE AND RECOMMENDATION

Controller Myron Dosch will report on the proposed sale of Series Q general revenue bonds. Immediately following this narrative is the resolution authorizing the issuance and sale of the bonds. By approval of the above motion, the resolution is approved. The “not to exceed” amount of \$54,000,000 in the resolution provides bidding flexibility in case interest rates rise and/or bidders show a preference for discount bonds.

There are a number of standard bond sale documents in **Reference 5**. These documents include: Sources and uses of Funds Proposed, Estimated Annual Debt Service Proposed, Form of the Fourteenth Supplemental Indenture, Form of the Notice of Sale and Form of the Preliminary Official Statement.

Several projects are included in the bond, in an effort to spread issuance costs among a number of projects and take advantage of the currently low interest rate environment. First, the amount issued for the Life Sciences project will supply the remaining cash needed to complete the project. The Board has approved a total project cost of \$108.6 million, with \$88 million coming from the State of Alaska issued general obligation bond passed by Alaska voters in November

2010. The remaining \$20.6 million is included in the Series Q general revenue bonds.

Secondly, the University of Alaska Southeast Food Services project will make alterations to existing facilities to provide food service capacity as a part of student housing on the Juneau campus. The total project cost is estimated at \$4.0 million, with \$2.0 million from a fiscal year 2012 capital appropriation and the remaining \$2.0 million from the Series Q bonds.

Lastly, the Series Q bonds include approximately \$27.4 million for deferred maintenance projects throughout the university system. The university received \$50 million of general revenue bond authority from the State of Alaska in its fiscal year 2012 capital budget for the purpose of deferred maintenance. The university has scheduled and prioritized the projects based on protection of building envelopes and extending the life of building systems. The remaining \$22.6 million of available authority is planned for issuance in approximately one year, or when the projects planned need the cash. If, for whatever reason, a deferred maintenance project included in the Series Q bond does not utilize the bond proceeds, management intends to apply the unexpended bond proceeds to the next prioritized project within the \$50 million receipt authority expenditure plan.

A summary of the estimated construction amounts for the Series Q bond funded projects and the related bond issuance costs follows:

UAF Life Sciences Classroom and Laboratory Facility	\$20,600,000
UAS Food Service Facilities	2,000,000
Deferred Maintenance:	
UA Statewide	300,000
UAA Anchorage Campus	3,250,000
UAA Community Campuses	500,000
UAF Fairbanks Campus	15,700,000
UAF Community Campus	6,800,000
UAS Juneau Campus	<u>810,500</u>
Subtotal - Deferred Maintenance	<u>27,360,500</u>
Estimated issuance costs and underwriting discount	460,000
Reserve fund deposit	<u>1,855,000</u>
Total Series Q Bonds	<u>\$52,275,500</u>

The university's bond covenants require that a reserve be held by a trustee equal to one half of the aggregate maximum annual debt service of all revenue bonds outstanding. The reserve serves as a safeguard to bondholders in the event of a default or delayed payment. The Series Q bonds include approximately \$1.9

million to fund the reserve, representing a about one half of the estimated annual debt service of the bonds.

Debt service detail by project is shown in **Reference 5**. In summary, estimated annual debt service is as follows:

UAF Life Sciences Classroom & Laboratory Facility		\$1,500,000
UAS Food Service Facilities		170,000
Deferred Maintenance:		
UA Statewide	67,000	
UAA Anchorage Campus	280,000	
UAA Community Campuses	60,000	
UAF Fairbanks Campus	1,340,000	
UAF Community Campus	585,000	
UAS Juneau Campus	<u>95,000</u>	
Subtotal Deferred Maintenance		<u>2,427,000</u>
Total estimated annual debt service, Series Q		<u>\$4,097,000</u>

Final maturities of the bonds vary by project. The Life Sciences project will have a 20-year term and UAS Food Service 15 years. The deferred maintenance projects are primarily 15 years, but some individual projects therein have five or ten year terms depending on the estimated useful life of the underlying project and ability of the respective campus to service the debt. After issuance of the Series Q bonds, the maximum annual debt service for all University of Alaska debt outstanding will be approximately \$15.4 million, which represents 2.7% of fiscal year 2011 unrestricted revenues. Board policy states that maximum annual debt service shall not exceed 5% of unrestricted revenues.

Based on an evaluation of the projects' cash out flows, all bond proceeds are anticipated to be expended within three years, in accordance with Internal Revenue Service guidelines for the expenditure of tax exempt bond proceeds. Upon approval by the Board, the Series Q bonds are scheduled to be sold competitively on October 5, 2011 with a closing date of October 25, 2011.

RESOLUTION
UNIVERSITY OF ALASKA GENERAL REVENUE BOND 2011 SERIES Q

RESOLUTION OF THE BOARD OF REGENTS OF THE UNIVERSITY OF ALASKA AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$ 54,000,000 PRINCIPAL AMOUNT OF UNIVERSITY OF ALASKA GENERAL REVENUE BONDS, 2011 SERIES Q ; AUTHORIZING THE OFFERING OF THE BONDS AT PUBLIC SALE; APPROVING THE FORM OF A SUPPLEMENTAL INDENTURE, A PRELIMINARY OFFICIAL STATEMENT, A NOTICE OF SALE FOR THE BONDS; AND AUTHORIZING AND APPROVING RELATED MATTERS.

WHEREAS, the University of Alaska (the " University") i s au thorized pursuant to Alaska Statutes Chapter 14.40, as amended (the "Act") to issue revenue bonds to pay the cost of acquiring, constructing, or equipping one or more projects that the Board of Regents (the " Board") of the University determines is necessary; and

WHEREAS, the University intends to issue its General Revenue Bonds, 2011 Series Q, in a principal amount not exceeding \$54,000,000 (the " Bonds") for the purpose of (i) paying the cost, or portion thereof, of constructing, acquiring and or equipping the projects described in Exhibit B to the Supplemental Indenture (as described below) (the " Projects"), (ii) providing funds for deposit in the reserve fund securing payment of the Bonds, and bonds issued on a parity therewith, and (iii) paying the costs of issuing the Bonds authorized herein; and

WHEREAS, the Bonds will be issued under and pursuant to, and are being secured by, a Trust Indenture dated as of June 1,1992, as amended (the "Master Indenture"), and a Fourteenth Supplemental Indenture (the " Supplemental Indenture" and together with the Master Indenture, the " Indenture"), which shall be in substantially the form presented to and made part of the records of this meeting; and

WHEREAS, there has been presented to this meeting the form of a Preliminary Official Statement for use in connection with the public offering of the Bonds; and

WHEREAS, the Bonds are to be offered at public sale, and there has been presented to this meeting the form of a Notice of Sale (the "Notice of Sale") for use in connection with the public offering of the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF THE UNIVERSITY OF ALASKA AS FOLLOWS:

Section 1. The issuance of the Bonds in an amount not to exceed an aggregate principal amount of \$54,000,000 is hereby authorized and approved.

Section 2. The President, the acting Vice President for Finance and Administration and Chief Financial Officer, the Controller and the Associate Vice President for Budget (collectively, the "Authorized Officers") are, and each of them is, hereby authorized to cause the Bonds to be sold at public sale on a date no later than 120 days from the date of approval of this Resolution, subject to the terms and conditions of this Resolution and the Notice of Sale referred to below.

Section 3. The form and content of the Notice of Sale, in all respects, is hereby authorized, approved, and confirmed with such changes as the Authorized Officers consider necessary or appropriate. The Authorized Officers are, and each of them is, hereby authorized to offer the Bonds at public sale by the University subject to the terms and conditions of the Notice of Sale and this Resolution.

All bids for the sale of the Bonds will be submitted in their entirety on the Grant Street Group's MuniAuction website pursuant to the Notice of Sale. The bidders will be given the option to secure municipal bond insurance for all or a portion of the Bonds.

Section 4. The Authorized Officers are, and each of them is, hereby authorized to issue the Bonds in an aggregate principal amount determined by such

Authorized Officers as the amount necessary to adequately provide funding for the Projects described in Exhibit B, each such description is subject to appropriate insertions and revisions as the Authorized Officers consider necessary or appropriate.

Section 5. The form and content of the Supplemental Indenture are hereby, in all respects authorized, approved, and confirmed, and the Authorized Officers are hereby, in all respects severally authorized, empowered, and directed to execute and deliver the Supplemental Indenture for and on behalf of the University to the Trustee named therein for the security of the Bonds, including necessary counterparts, in substantially the form now before this meeting, but with such changes, modifications, additions, and deletions therein as shall to them seem necessary, desirable, or appropriate, the execution thereof to constitute conclusive evidence of their approval of any and all changes, modifications, additions, or deletions thereto from the form, and after the execution and delivery of the Supplemental Indenture, the Authorized Officers are, and each of them is, hereby authorized, empowered, and directed to do all such acts and things and to execute all such documents as may be necessary or convenient to carry out and comply with the provisions of the Supplemental Indenture as executed.

The form and content of the Bond as set forth in the Supplemental Indenture is hereby, in all respects, authorized, approved, and confirmed subject to appropriate insertions and revisions as the Authorized Officers consider necessary or appropriate.

Section 6. The form and content of the Preliminary Official Statement are hereby in all respects authorized, approved and confirmed. The Authorized Officers are, and each of them is, hereby authorized, empowered, and directed to approve the final form of a Preliminary Official Statement and to declare such final form as "deemed final" by the University for purposes of Rule 15c2-12 of the Securities and Exchange Commission (17 C FR 240.15c2-12) (the "Rule") and to approve the final form of the Official Statement. The final form of the Preliminary Official Statement and the Official Statement shall be in substantially the same form as the Preliminary Official Statement presented to and as a part of the records of this meeting, and with such changes as the Authorized Officers consider necessary or appropriate to fully disclose to the purchasers of the Bonds all material information relating thereto. The distribution of the Preliminary Official Statement and the Official Statement, as each is completed by the Authorized Officers, to prospective purchasers and the use thereof by the purchasers in connection with the offering of the Bonds is hereby ratified, confirmed, and approved.

Section 7. The Authorized Officers are, and each of them is, hereby authorized, following the selection of the winning bidder for the Bonds to deliver the Bonds to the Trustee for authentication under the Indenture, and, upon authentication and receipt of the balance of the purchase price of the Bonds, to deliver to the Trustee a written order in the name of the University directing the Trustee to deliver the Bonds, to or upon the order, of the respective purchasers thereof and to receive the proceeds of sale of the Bonds and give a written receipt therefor on behalf of the University, to apply said proceeds and the other moneys

required to be transferred or deposited in accordance with the terms of the Indenture and in such manner as is required to cause the conditions precedent to the issuance of the Bonds to be complied with, and to do and perform or cause to be done and performed, for and on behalf of the University, all acts and things that constitute conditions precedent to the authentication and delivery of the Bonds or that are otherwise required to be done and performed by or on behalf of the University prior to or simultaneously with the delivery of the Bonds.

Section 8. The Authorized Officers are, and each of them is, hereby authorized, empowered, and directed to enter a "continuing disclosure undertaking" pursuant to the Rule.

Section 9. The Authorized Officers are, and each of them is, hereby authorized to execute all documents and to take any action necessary or desirable to carry out the provisions of this Resolution and to effectuate the issuance and delivery of the Bonds.

Section 10. This Resolution shall take effect immediately.

XIII. Discussion regarding Strategic Direction

Terry MacTaggart will address the board regarding the progress made on the strategic direction initiative.

Friday, September 23, 2011

V. Public Testimony (cont'd) *[Scheduled for 9:00 a.m.]*

Public testimony will be heard at approximately 9:00 a.m. Comments are limited to three minutes per individual. Written comments are accepted and will be distributed to the Board of Regents and President Gamble by the Board of Regents' Officer *following* the meeting. The chair will determine when public testimony is closed.

[9:50 a.m. – 10 minute break]

IV. Executive Session (cont'd) *[Scheduled for 10:00 a.m.]*

XIV. Status Report on University of Alaska Investments *[Scheduled for 11:00 a.m.]*

Vice President Trubacz will update the board on investment results from the UA Foundation operating funds and the College Savings Plan.

XV. Human Resources Issues

Beth Behner, Chief Human Resources Officer, will update the board regarding human resources issues.

XVI. Planning and Development Issues

A. Approval of Delegation of Authority regarding Endowments Reference 6

The President recommends that:

MOTION

“The Board of Regents delegates to the President of the University of Alaska expenditure authority for the following foundation-held unrestricted endowed and non-endowed funds which are to be used for the benefit of the University of Alaska:

**Alaska Flag Song Endowment
Fairbanks Community Hotel Endowment
Eugene McCracken Endowment
John A. McIntosh Endowment
Thomas McKinnon Endowment
Laura & A.F. Mathis Endowment
James Pike Memorial Endowment
Thomas I. Ek Endowment
Andrew Nerland Endowment
Edby Davis Endowment**

This motion is effective September 23, 2011.”

POLICY CITATION

Regents’ Policy 05.14.010 states: “All gifts made to the university or for the benefit of the university, unless expressly prohibited by the donor, will be accepted, held, and managed by the University of Alaska Foundation, as set forth in the Articles of Incorporation of the University of Alaska Foundation dated May 20, 1974...”

The University of Alaska Foundation manages more than 650 privately-funded endowments established for the benefit of the University of Alaska. When Regents’ Policy 05.14.010 was adopted, endowments then held by the university were transferred to the foundation. In the process of examining terms of endowments to ensure compliance with the recently passed Uniform Prudent Management of Institutional Funds Act (UPMIFA), foundation staff identified opportunities for administrative clarification which require action by the Board of Regents.

Specifically, staff recommends the Board of Regents formalize delegation of signature authority to the University of Alaska President on 10 unrestricted funds held by the foundation, thus providing clarity and

preserving donor intent. Vice President Beam will be present to answer any questions regents may have.

B. Development Report Reference 7

Vice President Carla Beam will update the board on development issues at the University of Alaska campuses.

C. Foundation Report

Vice President Carla Beam, in her capacity as UA Foundation President, will update the board on projects and activities of the UA Foundation Board of Trustees.

[10:50 a.m. – 10 minute break]

XVII. Approval of Revision to Regents' Policy 01.01.050 – Prince William Sound Community College Mission Statement

The President recommends that:

MOTION

“The Board of Regents approves the revision to Regents' Policy 01.01.050 – Prince William Sound Community College Mission Statement. This motion is effective September 23, 2011.”

PWSCC President Desorcie has submitted a revised mission statement for approval by the Board of Regents. The mission statement revision was a year-long process and included college and community constituents. It has been approved by the Statewide Academic Council, Chancellor Case and President Gamble.

Proposed Mission Statement:

“Prince William Sound Community College applies innovative and sustainable practices in providing accessibility, student success, effective teaching and learning, and community engagement.”

PWSCC proposes that this mission be fulfilled through the following objectives: “PWSCC is about accessible education for all as we cultivate partnerships that provide training and educational programs, help stimulate economic development, and enable students to be engaged members of a rapidly changing world.”

Core themes will be: 1/ accessibility and sustainability; 2/ student success; 3/ effective teaching and learning; and 4/ community engagement.

XVIII. Approval of Resolutions of Appreciation

A. Roger Brunner

The President recommends that:

MOTION

"The Board of Regents approves the resolution of appreciation for Roger Brunner. This motion is effective September 23, 2011."

WHEREAS, Roger Brunner has served the University of Alaska with distinction as General Counsel to the Administration and the Board of Regents since March 2005; and

WHEREAS, Roger Brunner graduated from the University of Notre Dame Law School and earned his Juris Doctor degree in 1975, after studying at the South Bend campus and the London, England campus and at Sophia University in Tokyo, Japan; and

WHEREAS, Roger Brunner graduated from Michigan State University with a Bachelor of Science degree in Computer Science in 1972; and

WHEREAS, Roger Brunner was an attorney in private practice in Fairbanks for 29 years before joining the University of Alaska. During a few of those years, he served as an independent hearing officer on appeals involving the University of Alaska; and

WHEREAS, Roger Brunner was admitted to the Alaska Bar Association in 1976, served on the bar's Arbitration Executive Committee for years and won the Alaska Bar Association's Professionalism Award in 1999; and

WHEREAS, readers of the Fairbanks Daily News-Miner voted Roger Brunner the Best Attorney in Fairbanks in 2003; and

WHEREAS, Roger Brunner and his team in the General Counsel's office don't often go out of their way to seek public attention, but let the record state they have repeatedly saved the University of Alaska significant amounts of money due to their skill in analyzing and evaluating disputes and risks, resolving them where appropriate and pushing back where appropriate as well; and

WHEREAS, Roger Brunner is retiring effective October 3, 2011 to have more time for family, fun, volleyball, reading, travel and to learn new skills.

NOW, THEREFORE BE IT RESOLVED that the Board of Regents of the University of Alaska takes official recognition of Roger Brunner's service to the University of Alaska and extends to him and his family this statement of recognition and appreciation; and

BE IT FURTHER RESOLVED that this resolution be appropriately engrossed and conveyed to Roger Brunner, with a copy to be incorporated into the official minutes of the September 22-23, 2011 meeting of the Board of Regents.

B. Wendy Redman

The President recommends that:

MOTION

"The Board of Regents approves the resolution of appreciation for Wendy Redman. This motion is effective September 23, 2011."

WHEREAS, Wendy Redman joined the University of Alaska as a secretary in 1970, and quickly demonstrated by power of her intellect and skills that she could take on much more complex tasks; and

WHEREAS, Wendy Redman has provided exemplary service to the University of Alaska for the past 41 years, to the point that her name has become synonymous with University of Alaska; and

WHEREAS in expressing our gratitude for Wendy's lifetime of service, we respect her wishes for brevity and an absence of the laudatory words she so richly deserves, and end now with a simple, heartfelt, Thank you for all you've done.

NOW, THEREFORE BE IT RESOLVED that the Board of Regents of the University of Alaska takes official recognition of Wendy Redman's service to the University of Alaska and extends to her this statement of recognition and appreciation; and

BE IT FURTHER RESOLVED that this resolution be appropriately engrossed and conveyed to Wendy Redman, with a copy to be incorporated into the official minutes of the September 22 -23, 2011 meeting of the Board of Regents.

[11:50 a.m. – 10 minute break for working lunch]

XIX. Presentation from University of Alaska Southeast [Scheduled for 12:00 noon]

University of Alaska Southeast faculty and students will highlight three areas of excellence at UAS: literary journal "Tidal Echoes"; health information management system programs; and the UAS accounting program and its collaboration with the State of Alaska.

[12:50 p.m. – 10 minute break]

XX. Approval of Honorary Degrees and Meritorious Service Awards for Spring 2012 and Beyond

The President recommends that:

MOTION #1

"The Board of Regents approves the list of nominees for honorary doctoral degrees as proposed for commencement exercises in the spring of 2012 and beyond, and authorizes Chancellors Pugh, Rogers and Case to invite the approved nominees and announce their acceptance. This motion is effective September 23, 2011."

MOTION #2

"The Board of Regents approves the list of nominees for meritorious service awards as proposed. This motion is effective September 23, 2011."

POLICY CITATION

Regents' Policy 10.03.020 states, "Honorary degrees may be conferred upon approval of the Board of Regents."

Regents' Policy 10.03.030 states, "Meritorious service awards may be conferred upon approval of the Board of Regents."

RATIONALE AND RECOMMENDATION

Recommendations submitted by the University of Alaska Anchorage, University of Alaska Fairbanks, and University of Alaska Southeast for recipients of honorary degrees and meritorious service awards were sent under separate cover for Board of Regents' review prior to the September 23-24, 2010 board meeting.

XXI. Approval of Academic Degree Recipients

The President recommends that:

MOTION

“The Board of Regents approves the list of degree recipients for the summer and fall of 2010 and the spring of 2011. This motion is effective September 23, 2011.”

POLICY CITATION

Regents’ Policy 10.03.010 states: “The official lists of degree and certificate recipients will be established by the Chancellors immediately after the official closing date of each term. The combined lists for the spring and preceding fall and summer terms will be transmitted by the President to the Board of Regents after the spring session. This official list of degree and certificate recipients will be presented to the Board of Regents for their approval at the next regularly scheduled meeting.”

XXII. Approval of Revisions to Industrial Security Resolution

Reference 8

The President recommends that:

MOTION

"The Board of Regents approves the Industrial Security Resolution as revised to reflect changes in officers of the University of Alaska, and authorizes the Chair and Secretary of the Board of Regents to sign the resolution. This motion is effective September 23, 2011."

RATIONALE/RECOMMENDATION

The President and selected members of the university administration are routinely designated by the Board of Regents to handle any duties and responsibilities relating to classified information in connection with contracts with the Department of Defense and other federal agencies. These individuals are given an extensive security screening and are the only members of the administration, including the Board of Regents, to have access to classified information.

XXIII. Presentation from the Alaska Native Science and Engineering Program (ANSEP)

Herb Schroeder, director of ANSEP, will lead a presentation regarding the Alaska Native Science and Engineering Program.

[1:50 p.m. – 10 minute break]

XXIV. Consent Agenda

MOTION

“The Board of Regents approves the consent agenda as presented. This motion is effective September 23, 2011.”

A. Academic and Student Affairs Committee

1. Reaffirmation of the Joint Ph.D. in Clinical-Community Psychology at the University of Alaska Anchorage and the University of Alaska Fairbanks and Approval of UAA’s Application to the NWCCU for a Change in Accreditation Status
Reference 9

MOTION

“The Board of Regents reaffirms the joint award, with the University of Alaska Fairbanks, of the PhD in Clinical-Community Psychology at the University of Alaska Anchorage and approves UAA’s application to the NWCCU for a commensurate change in accreditation status sufficient to offer this degree. This motion is effective September 23, 2011.”

2. Approval of the Associate of Applied Science Degree in Paramedicine at the University of Alaska Fairbanks Reference 10

MOTION

“The Board of Regents approves the Associate of Applied Science degree program in Paramedicine at the University of Alaska Fairbanks. This motion is effective September 23, 2011.”

B. Audit Committee

1. Acceptance of the University of Alaska Foundation FY12 Operating Budget
Reference 19

MOTION

“The Board of Regents accepts the University of Alaska Foundation Operating Budget for FY12 as presented and approved by the Foundation’s Board of Trustees at their June 10, 2011 meeting. This motion is effective September 23, 2011.”

C. Facilities and Land Management Committee

1. Amended Formal Project Approval for the University of Alaska Engineering Facility Projects for UAA and UAF

MOTION

“The Board of Regents approves the amended Formal Project Approval for the University of Alaska Engineering facilities at the University of Alaska Anchorage and University of Alaska Fairbanks, as well as the associated UAA and UAF campus master plan amendments as presented, and authorizes the university administration to proceed with development of the projects through schematic design, not to exceed a total project cost for all project components which is \$123.2 million for UAA and \$98.6 million plus \$9.9 million in UA Bonds for UAF. This motion is effective September 23, 2011.”

2. Schematic Design Approval for the University of Alaska Anchorage Prince William Sound Community College Wellness Center Renewal Reference 11

MOTION

“The Board of Regents approves the Schematic Design Approval request for the University of Alaska Anchorage PWSCC Wellness Center/Campus Renewal as presented in compliance with the campus master plan, and authorize the University administration to complete construction bid documents to bid and award a contract within the approved budget, and to proceed to completion of project construction not to exceed a Total Project Cost of \$5,000,000. This motion is effective September 23, 2011.”

3. Schematic Design Approval for the University of Alaska Anchorage Seawolf Sports Arena Reference 12

MOTION

The Board of Regents approves the Schematic Design Approval request for the University of Alaska Anchorage Seawolf Sports Arena as presented in compliance with the campus master plan, and authorizes the University administration to complete construction bid documents to bid and award preconstruction services and construction services through the established University of Alaska CMAR process within the approved budget, and to proceed to completion of project construction not to exceed a total project cost of \$109,000,000. This motion is effective September 23, 2011.”

[1:50 p.m. – 10 minute break]

XXV. New Business and Committee Reports

- A. Academic and Student Affairs Committee
- B. Audit Committee
- C. Facilities and Land Management Committee

XXVI. Alaska Commission on Postsecondary Education Report

A report will be given by members representing the Board of Regents on the Alaska Commission on Postsecondary Education.

XXVII. UA Athletics Report

A report will be given by Regent Freitag, the Board of Regents' representative for UA Athletics.

XXVIII. Future Agenda Items

XXIX. Board of Regents' Comments

XXX. Adjourn

Agenda
Board of Regents
Academic and Student Affairs Committee
Thursday, September 22, 2011; *3:00 p.m. – 5:00 p.m.
UAS Recreation Center, Room 115
University of Alaska Southeast
Juneau, Alaska

**Times for meetings are subject to modification within the September 22-23, 2011 timeframe.*

Committee Members:

Patricia Jacobson, Committee Chair
Kenneth Fisher, Committee Vice Chair
Mari Freitag

Jyotsna Heckman
Michael Powers
Fuller Cowell, Board Chair

I. Call to Order

II. Adoption of Agenda

MOTION

"The Academic and Student Affairs Committee adopts the agenda as presented.

I. Call to Order

II. Adoption of Agenda

III. Full Board Consent Agenda

A. Reaffirmation of the Joint Ph.D. in Clinical-Community Psychology at the University of Alaska Anchorage and the University of Alaska Fairbanks and Approval of UAA's Application to the NWCCU for a Change in Accreditation Status

B. Approval of the Associate of Applied Science Degree Program in Paramedicine at the University of Alaska Fairbanks

IV. Ongoing Issues

A. Status Report on UA Health Programs

B. Report on Teacher Education Programs

C. Update on Student and Enrollment Services

V. New Business

VI. Future Agenda Items

VII. Adjourn

This motion is effective September 22, 2011."

III. Full Board Consent Agenda

- A. Reaffirmation of the Joint Ph.D. in Clinical-Community Psychology at the University of Alaska Anchorage and the University of Alaska Fairbanks and Approval of UAA's Application to the NWCCU for a Change in Accreditation Status Reference 9

The President recommends that:

MOTION

"The Academic and Student Affairs Committee recommends the Board of Regents reaffirm the joint award, with the University of Alaska Fairbanks, of the PhD in Clinical-Community Psychology at the University of Alaska Anchorage and approves UAA's application to the NWCCU for a commensurate change in accreditation status sufficient to offer this degree. This motion is effective September 22, 2011."

POLICY CITATION

Regents' Policy 10.04.020 – Degree and Certificate Program Approval, states "All academic and certificate program additions, deletions, major revisions, and offerings of existing programs outside the State of Alaska will be approved by the Board of Regents." (02-16-96)

RATIONALE AND RECOMMENDATION

Reference 9 contains the rationale for reaffirmation of this program. University administration will review the proposal with members of the committee.

- B. Approval of the Associate of Applied Science Degree in Paramedicine at the University of Alaska Fairbanks Reference 10

The President recommends that:

MOTION

"The Academic and Student Affairs Committee recommends the Board of Regents approve the Associate of Applied Science degree program in Paramedicine at the University of Alaska Fairbanks. This motion is effective September 22, 2011."

POLICY CITATION

Regents' Policy 10.04.020 – Degree and Certificate Program Approval, states "All academic and certificate program additions, deletions, major revisions, and offerings of existing programs outside the State of Alaska will be approved by the Board of Regents." (02-16-96)

RATIONALE AND RECOMMENDATION

Reference 10 contains the rationale for this program. University administration will review the proposal with members of the committee.

IV. Ongoing Issues

A. Status Report on UA Health Programs

Vice Provost Jan Harris will provide an update on UA Health Programs.

B. Report on Teacher Education Programs

The provosts will provide a report on Teacher Education Programs.

C. Update on Student and Enrollment Services

Director Mary Gower will provide an update on UA fall enrollment and a briefing on the Alaska Performance Scholarship's inaugural term at UA.

V. New Business

VI. Future Agenda Items

VII. Adjourn

Agenda
Board of Regents
Facilities and Land Management Committee
Thursday, September 22, 2011, *3:00 p.m. – 5:00 p.m.
Room 116, UAS Recreation Center
University of Alaska Southeast
Juneau, Alaska

**Times for meetings are subject to modifications within the September 22-23, 2011 timeframe.*

Committee Members:

Carl Marrs, Committee Chair

Robert Martin, Committee Vice Chair

Timothy Brady

Mary K. Hughes

Kirk Wickersham

Fuller Cowell, Board Chair

I. Call to Order

II. Adoption of Agenda

MOTION

"The Facilities and Land Management Committee adopts the agenda as presented.

I. Call to Order

II. Adoption of Agenda

III. Full Board Consent Agenda

- A. Schematic Design Approval for the University of Alaska Anchorage Prince William Sound Community College Wellness Center Renewal**
- B. Schematic Design Approval for the University of Alaska Anchorage Seawolf Sports Arena**

IV. New Business

- A. Schematic Design Approval for the University of Alaska Anchorage Kenai River Campus Career & Technical Education Center**
- B. Schematic Design Approval for the University of Alaska Anchorage Kenai River Campus Student Housing Complex**
- C. Schematic Design Approval for the University of Alaska Anchorage Mat-Su College Paramedic Program/Classroom Addition**

V. Ongoing Issues

- A. Information Item – Status of UA Deferred Maintenance Spending**
- B. Information Item – AHFC Energy Audits Status**
- C. Information Item – UAF Atkinson Heat and Power Plant Replacement**
- D. Information Item – UAF Student Housing and Dining P3.**
- E. Construction in Progress**
- F. SDA Approvals by the Committee Chair**
- G. IT Report**

VI. Future Agenda Items

VII. Adjourn

This motion is effective September 22, 2011."

III. Full Board Consent Agenda

- A. Schematic Design Approval for the University of Alaska Anchorage Prince William Sound Community College Wellness Center Renewal Reference 11

The President recommends that:

MOTION

“The Facilities and Land Management Committee recommends the Board of Regents approve the Schematic Design Approval request for the University of Alaska Anchorage Prince William Sound Community College Wellness Center/Campus Renewal as presented in compliance with the campus master plan, and authorize the University administration to complete construction bid documents to bid and award a contract within the approved budget, and to proceed to completion of project construction not to exceed a Total Project Cost of \$5,000,000. This motion is effective September 22, 2011.”

POLICY CITATION

In accordance with Regents' Policy 05.12.043, Schematic Design Approval (SDA) represents approval of the location of the facility, its relationship to other facilities, the functional relationship of interior areas, the basic design including construction materials, mechanical, electrical, technology infrastructure, and telecommunications systems, and any other changes to the project since Formal Project Approval.

Unless otherwise designated by the approval authority or a Material Change in the project is subsequently identified, SDA also represents approval of the proposed cost of the next phase(s) of the project and authorization to complete the Construction Documents process, to bid and award a contract within the approved budget, and to proceed to completion of project construction.

For the Schematic Design Approval, if there has been no Material Change in the project since the Formal Project Approval, approval levels shall be as follows:

TPC > \$ 4 million will require approval by the Board based on recommendations from the Facilities and Land Management Committee (F&LMC).

RATIONALE AND RECOMMENDATION

Background

The Gowden-Harrison building was originally built shortly after the 1964 earthquake as an Elementary school and has been added onto in a piecemeal fashion in the following years. The facility has several issues that include

hazardous material abatement; inadequate lighting; lack of ADA access. The Wellness Center is housed in the original elementary school gym. Virtually no upgrades or changes have been made to this portion of the building/campus since the college took possession of the property in 1988. In addition to the previously noted issues, inadequate electrical service allows only four of the six available aerobic exercise machines to be operated. Other deficiencies include: lack of separation of aerobics, dance and yoga from the weight and cardio equipment; water damaged ceiling; aged flooring and walls; and worn out shower/bathroom facilities requiring frequent maintenance. Renovation of this facility is essential to fulfilling the mission of service to students and the community.

Design programming includes components that ensure education of the whole individual, blending academics with mental and physical wellness. Without renovation, this programming will certainly remain limited. In addition to providing academic wellness coursework for college students, the Wellness Center is the only health and fitness facility in the City of Valdez and provides a focal point for the community in terms of health and wellness.

Project Scope

This project will provide for the renovation of the wellness center including demolition and replacement of existing locker room facilities, replacement of galvanized water supply lines, installation of adequate power and data, new layout of the exercise area, new energy efficient lighting and HVAC equipment and new finishes through the wellness center. Additional work will include new exterior finishes on the main campus facility to create an updated entrance to the main facility and replace rotting wooden siding. The new entrance will also address future classroom expansion east of the wellness center.

Variance Report

In-fill of the existing front covered entry encloses 2648 sqft (about 35% of the total sqft.) providing space for student activities and campus engagement with the community.

The FPA Schedule for Completion was developed very quickly after the GO Bond passed in November 2010 in order to obtain FPA approval in December 2010. This schedule was based on campus desire for early completion prior and to any detailed programming or design work being completed. Now that the project is at the Schematic Design Stage, a more achievable schedule has been developed, extending the beneficial occupancy date from September 2012 to August 2013 to include a second summer construction season to accomplish the amount of exterior building envelope and building mechanical system replacement required.

Proposed Total Project Cost and Funding Source(s)

FY11 GO Bond - 512033	\$5,000,000
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Estimated Annual Maintenance and Operating Costs (O&M)

Increased operational costs resulting from increased usage should be offset by energy efficiency improvements.

Consultant(s)

Kumin and Associates, Inc

Other Cost Considerations

None.

Backfill Plan

Renovation of existing space will not require any backfill.

Schedule for Completion

DESIGN

Conceptual Design	May 2011
Formal Project Approval	December 2010
Schematic Design	August 2011
Schematic Design Approval	September 2011
Design Development	October 2012
Construction Documents	November 2011

BID & AWARD

Advertise and Bid	December 2011
Construction Contract Award	February 2012

CONSTRUCTION

Start of Construction	April 2012
Date of Substantial Completion	July 2013
Date of Beneficial Occupancy	August 2013

Procurement Method for Construction

Design-Bid-Build

Affirmation

This project complies with Board Policy, the campus master plan, and the project agreement.

Action Requested

Approval to complete the project construction documents, bid and award project in accordance with Total Project budget.

Supporting Documents

Project Budget
Drawings (Plan & Elevation)

- B. Schematic Design Approval for the University of Alaska Anchorage Seawolf Sports Arena Reference 12

The President recommends that:

MOTION

The Facilities and Land Management Committee recommends the Board of Regents approve the Schematic Design Approval request for the University of Alaska Anchorage Seawolf Sports Arena as presented in compliance with the campus master plan, and authorize the University administration to complete construction bid documents to bid and award preconstruction services and construction services through the established University of Alaska C MAR process within the approved budget, and to proceed to completion of project construction not to exceed a total project cost of \$109,000,000. This motion is effective September 22, 2011.”

POLICY CITATION

In accordance with Regents' Policy 05.12.043, Schematic Design Approval (SDA) represents approval of the location of the facility, its relationship to other facilities, the functional relationship of interior areas, the basic design including construction materials, mechanical, electrical, technology infrastructure, and telecommunications systems, and any other changes to the project since Formal Project Approval.

Unless otherwise designated by the approval authority or a Material Change in the project is subsequently identified, SDA also represents approval of the proposed cost of the next phase(s) of the project and authorization to complete the Construction Documents process, to bid and award a contract within the approved budget, and to proceed to completion of project construction.

For the Schematic Design Approval, if there has been no Material Change in the project since the Formal Project Approval, approval levels shall be as follows:

TPC > \$4 million will require approval by the full Board based on the recommendations of the Facilities and Land Management Committee (F&LMC).

RATIONALE AND RECOMMENDATION

Background

One of UAA's Strategic Plan priorities is to build and strengthen the UAA community as a whole in order to make the best of the opportunities and challenges that lie ahead. UAA must build a distinguished and diverse, engaged community of students, staff, faculty, alumni, and schools, colleges, and campuses. Building strong wellness, exercise, recreation, and

intramural/intercollegiate athletics programs and facilities to serve students, faculty, staff, and communities is an important part of this plan. These programs and facilities contribute significantly to student life, recruitment and retention of students and faculty.

Currently, the only space on the UAA main campus for a athletic, recreation, intramural and physical education is the Wells Fargo Sports Complex (WFSC). WFSC opened in 1978 as a recreational facility for a community college with no college athletics or physical education academic program. At that time, there was also no on-campus housing. This facility consists of one basketball court, a pool, a practice hockey rink and a small weight training area from converted racquetball courts. Locker room space and administrative offices are very limited.

In February 2004, a McCool Carlson Green study documented the WFSC severe space shortage and major deferred maintenance issues. To address most of these deficiencies, the 2004 UAA Master Plan (see more detail below) was amended and approved by the Board of Regents on February 24, 2009 to site a new sports arena north of University Housing. Since 2004, the documented space shortage and deferred maintenance issues have gotten much worse. Code upgrades, mechanical and electrical system work, fire system replacement and natatorium, ice rink and supporting equipment upgrades are part of the renovation portion of a \$46M renovation and expansion project programmed for completion after the new sports arena is operable. The growth in athletics, Health, Physical Education and Recreation (HPER) academics, and student/community usage has been tremendous.

Today there are 15,000 commuter students, 1,000 on-campus student residents, 300 HPER academic program students, 11 Division I and Division II athletic teams, 168 men and women student-athletes, seven head coaches, 14 assistant coaches, 19 other athletic staff personnel, and thousands of community members trying to share this space. This small facility is used every available hour of every day. It can handle up to 2,000 customers a week and would easily attract another 2,500-3,000 customers a week if it had the space. Athletic events are limited by the small 950-person gym, as well as the difficult parking environment and on-going classes held in the busiest section of the campus. Due to the inadequacies of this facility, some athletic teams must rent space in other venues to practice and play games. Leasing space in other venues is not only an economic drain, but the time involved in travel to-and-from, has a negative impact on the student athletes and faculty involved. Storage space is also severely lacking. Gymnastics equipment, for example, must be stored in an unheated outdoor container, and transported to the sports complex prior to every home meet.

Additionally, this arena will give UAA the opportunity to get maximum engagement from and give back to the Anchorage community. A strongly engaged community will become a strongly supporting community. This

signature building will act as a beacon to local community members and provide Anchorage and the Southcentral Alaska region with the mid-sized fixed-seat venue that is missing in the municipality. It will allow UAA—for the first time—to hold its graduation ceremonies on campus as well as other local school graduation events. These local school graduation ceremonies can provide a very positive and inviting introduction to all that UAA has to offer to high school graduates still considering their options. Likewise, large summer conferencing and athletic camp events will find a home in this facility. Additionally, it will give UAA the option to hold large community sporting events such as the CARRS/Safeway Great Alaska Shootout, student and community mid-sized concerts, lectures and activities too big for the current UAA facilities, but not sized for larger community venues.

The construction of the arena will significantly reduce the current pressure on the WFSC by moving all of the athletic teams (with the exception of the hockey team) to the new facility, and will increase the intramural and recreational opportunities for UAA students. This will allow the WFSC to be renovated and expanded to become a WCHA-quality, hockey practice site and the primary recreational, wellness and physical education facility for students, staff, and community members.

Project Scope

The new 196,000 sqft multi-use Seawolf Sports Arena will house a 5,000+ seat performance gymnasium for basketball & volleyball; a practice & performance gym for the gymnastics program; support space consisting of a fitness & training room, student rec. fitness room, administration/coaching offices, laundry, A/V production, locker and team rooms for basketball, volleyball, gymnastics, skiing, hockey, track & cross country programs. The project includes site improvements consisting of a new road (Health Dr.) to address the needs of the arena and surrounding neighbors and construction of a new roundabout at the corner of Elmore Road and Health Drive. Parking will consist of 600+ new surface spaces and will be supplemented through a partnership with Providence Medical Center and existing parking spaces in adjacent UAA facilities.

Reference attached narrative for supplemental information regarding building exterior and interior design elements, building materials, mechanical/electrical systems, and sustainability initiatives to be utilized within the project.

Variance Report

The revised FPA approved by the Board in June 2011 granted the current project scope and budget for a 196,000gsf, 5,000+ seat arena having a total project cost of \$109,000,000.

Proposed Total Project Cost and Funding Source(s)

FY 09 Capital Appropriation #564289	\$ 15,000,000
FY 11 General Obligation Bond #512034	\$ 60,000,000
FY 12 Capital Appropriation #564344	<u>\$ 34,000,000</u>
Total Project Cost	\$109,000,000

Estimated Annual Maintenance and Operating Costs (O&M)

The cost of maintenance, building operations, and utilities is estimated to be \$2,104,900 annually. It is anticipated that these facility fixed costs will be included in the annual state funded operating budget. If the State does not fund these costs as an increment to UAA's fixed costs, UAA will reallocate existing operational funds to cover them.

Consultant(s)

McCool Carlson Green/Hastings+Chivetta

Other Cost Considerations

None.

Backfill Plan

Once construction of the new Seawolf Sports Arena is completed renovations within the existing Wells Fargo Sports Complex will be necessary to enhance the student recreational space and to allow for academic programs to move from Eugene Short Hall into the WFSC. More planning is necessary but at a minimum the Department of Health, Physical Education and Recreation (HPER) is expected to take over the existing coaching/administrative space. Code upgrades, mechanical and electrical system work, fire system replacement and natatorium, ice rink and supporting equipment upgrades are all part of a \$46M renovation and expansion project programmed for completion after the new arena is operable (re: UAA Project 07-0046, Student Recreation/WFSC Renovation).

Schedule for Completion

DESIGN

Preliminary Administrative Approval	July 2008
Approval of Master Plan Amendment for the Sports and Housing District	February 2009
Formal Project Approval	February 2009
Limited Schematic Design Approval	June 2009
Amended Formal Project Approval	February 2011
Revised Formal Project Approval	June 2011
Schematic Design	August 2011
Schematic Design Approval	September 2011
Design Development	January 2012
Construction Documents	July 2012

BID & AWARD	
CMAR Selection	October 2011
CONSTRUCTION	
Limited Site Clearing	October 2011
Building Construction	April 2012
Date of Substantial Completion	July 2014
Date of Beneficial Occupancy	August 2014

Procurement Method for Construction
Construction Manager at Risk (CMAR)

Affirmation

This project complies with Board Policy, the project agreement, and amended campus master plan.

Action Requested

Approval to complete the project construction documents, complete limited site clearing, bid and award preconstruction services and construction services through the established University of Alaska CMAR process in accordance with the Total Project budget.

Supporting Documents

Project Budget
Scope of Work Narrative
Schematic Drawings (Exterior Rendering, Site Plan, Bldg. Level Plans, Bldg. Sections, Elevations)

IV. New Business

- A. Schematic Design Approval for the University of Alaska Anchorage Kenai River Campus Career & Technical Education Center Reference 13

The President recommends that:

MOTION

“The Facilities and Land Management Committee approves the Schematic Design Approval request for the University of Alaska Anchorage Kenai River Campus Career & Technical Education Center as presented in compliance with the campus master plan, and authorize the University administration to complete construction bid documents to bid and award a contract within the approved budget, and to proceed to completion of project construction not to exceed a Total Project Cost of \$14,500,000. This motion is effective September 22, 2011.”

POLICY CITATION

In accordance with Regents' Policy 05.12.043, Schematic Design Approval (SDA) represents approval of the location of the facility, its relationship to other facilities, the functional relationship of interior areas, the basic design including construction materials, mechanical, electrical, technology infrastructure, and telecommunications systems, and any other changes to the project since Formal Project Approval.

Unless otherwise designated by the approval authority or a Material Change in the project is subsequently identified, SDA also represents approval of the proposed cost of the next phase(s) of the project and a authorization to complete the Construction Documents process, to bid and award a contract within the approved budget, and to proceed to completion of project construction.

For the Schematic Design Approval, if there has been no Material Change in the project since the Formal Project Approval, approval levels shall be as follows:

TPC > \$ 4 million will require approval by the Facilities and Land Management Committee (F&LMC).

RATIONALE AND RECOMMENDATION

Mission Area Analysis Summary

Kenai Peninsula College (KPC) is responsible for two of the three process technology programs in the University of Alaska system: the programs at the Kenai River Campus (KRC) in Soldotna and at the Anchorage Extension Site (AES) at the University Center. KRC is the only campus in the UA system that offers the Industrial Process Instrumentation AAS degree.

Statement of Need Summary

It is expected that the demand for process technology, instrumentation and occupational safety and health programs will continue to grow according to industry officials. The graying of the workforce, increased drilling activity and technology that is making more oil available in low producing fields will increase the demand for these graduates. Additionally, the reputation of KPC's programs has become apparent as Lower 48 companies now visit KPC to recruit graduates. In a spring visit to KPC, ExxonMobil called KPC's program the best in the country. Other oil companies have said the same.

This project supports and enhances the UA mandate to its campuses to train Alaskans for Alaska's high demand jobs. Currently the facilities used for the process technology, instrumentation and electronics programs are using laboratories and training equipment that are more than 25 years old. Existing facilities are not equipped with sufficient utility infrastructure to allow for

upgrades of the laboratory equipment. Demand from students and industry for these programs exceeds the existing program capacity, which is limited by space.

Statement of Requirement Summary

Existing square footage for the programs cannot be expanded without significant negative impacts to other KPC degree programs on campus. This new facility would provide space for increasing enrollment within existing programs to meet Alaska's Work Force Development. The new facility is expected to increase enrollment within the existing programs by approximately 30% to help satisfy the demand for process operators and instrumentation technicians.

The business plan for this project is available if requested.

Project Scope

This project will build a 17,054 square foot building. This new facility will include three laboratories, three classrooms, seven faculty offices, one adjunct office, a conference room, one E-Learning room and a student commons.

The design allows the cross utilization of the process technology/instrumentation/electronic laboratories, allowing students to easily and quickly move through specific exercises which utilizes the functions of the laboratories which are now located in different buildings. Classroom/lecture space will allow for instruction adjacent to specific laboratories.

Variance Report

The square footage of the building has increased from the concept design of 16,000gsf to 17,054 gsf. The additional space was required for a mezzanine around the process simulator to allow access to the tanks and instruments. This is not considered a material change to the scope and therefore the approval may be acted upon by the committee. There is no increase to the Total Project Cost or change to the project schedule.

Proposed Total Project Cost and Funding Source(s)

FY 11 GO Bond - 22719-512030	\$14,500,000
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Estimated Annual Maintenance and Operating Costs (O&M)

Maintenance and Repair	\$152,250
Operating Costs	
Custodial	\$ 15,349
Grounds	\$ 11,938
Administration	\$ 11,938
Utilities	<u>\$ 44,340</u>
Total Annual O&M Costs	\$235,815

Consultant(s)

McCool Carlson Green, RSA, Schneider Associates, WCB

Other Cost Considerations

Campus waste water systems are from 27 to 39 years old. Growth on campus has these waste water systems at capacity and without land reserves for leach field replacement near the existing systems. Waste water will be collected from two of the three existing systems and directed to a leach field with reserve within the housing project site. This work is now included in the project scope and budget and will support this project as well as correct a critical campus deferred maintenance deficiency.

Backfill Plan

When the new building is occupied, there will be 4,200sf vacated in the Ward and Goodrich buildings. The cost of renovating the vacated space is included in the Total Project Cost for this project.

Schedule for Completion

DESIGN

Conceptual Design	June 2010
Formal Project Approval	February 2011
Schematic Design	August 2011
Schematic Design Approval	September 2011
Construction Documents	January 2012

BID & AWARD

Advertise and Bid	February 2012
Construction Contract Award	March 2012

CONSTRUCTION

Start of Construction	May 2012
Date of Beneficial Occupancy	August 2013

Procurement Method for Construction

Design-Bid-Build

Affirmation

This project complies with Board Policy, the campus master plan and the project agreement.

Action Requested

Approval to complete the project construction documents, bid and award project in accordance with Total Project budget.

Supporting Document

Project Budget

Architectural Narrative

Project Drawings (Rendering, Site Plan, Floor Plans, Exterior Campus Compatibility, Exterior Elevation)

- B. Schematic Design Approval for the University of Alaska Anchorage Kenai River Campus Student Housing Complex Reference 14

The President recommends that:

MOTION

“The Facilities and Land Management Committee approves the Schematic Design Approval request for the University of Alaska Anchorage Kenai River Campus Student Housing Complex as presented in compliance with the campus master plan, and authorize the University administration to complete construction bid documents to bid and award a contract within the approved budget, and to proceed to completion of project construction not to exceed a Total Project Cost of \$17,800,000. This motion is effective September 22, 2011.”

POLICY CITATION

In accordance with Regents’ Policy 05.12.043, Schematic Design Approval (SDA) represents approval of the location of the facility, its relationship to other facilities, the functional relationship of interior areas, the basic design including construction materials, mechanical, electrical, technology infrastructure, and telecommunications systems, and any other changes to the project since Formal Project Approval.

Unless otherwise designated by the approval authority or a Material Change in the project is subsequently identified, SDA also represents approval of the proposed cost of the next phase(s) of the project and authorization to complete the Construction Documents process, to bid and award a contract within the approved budget, and to proceed to completion of project construction.

For the Schematic Design Approval, if there has been no Material Change in the project since the Formal Project Approval, approval levels shall be as follows:

TPC > \$ 4 million will require approval by the Facilities and Land Management Committee (F&LMC).

RATIONALE AND RECOMMENDATION

Mission Area Analysis Summary:

The project addresses the UA, UAA and Kenai Peninsula College (KPC) strategic and academic plans in a myriad of ways which are summarized below:

KPC housing would provide much-needed housing in a non-urban setting to address the needs of a variety of students including:

Rural Kenai Peninsula Borough students who live outside commuting distance from KRC.

Kenai Peninsula Borough students living on the central Peninsula (18-20 year olds) who would like to leave home, but they either don't want to live in an apartment or their parents insist they live in a more supervised residential living arrangement.

Students wanting to pursue their first two years of college and then transfer to another UA campus or Outside university.

Non-resident students who move from the Lower 48 to pursue KRC high demand degree programs or want to live in Alaska on the Kenai Peninsula.

The facility will be particularly attractive to Native and rural students who face increased challenges when attending large urban campuses. KPC is in a 309-acre rural setting next to the Kenai River, and has a personalized atmosphere with class size averages of 12 students per section.

KPC offers high demand workforce development programs. Student housing will enable more Alaskans—particularly rural students—the opportunity to pursue these high paying jobs upon graduation. Many of the students will pursue degrees in process technology, industrial process instrumentation, paramedicine, nursing, welding, mechanical technology and electronics. Demand for KPC's high demand job programs continues to increase and the new Career & Technical Center approved by the Board of Regents will handle that growth while student housing would enable more students to attend KPC in a supportive environment thereby increasing retention and graduates. More than \$1.4 billion leaves Alaska annually in non-resident salaries; these students will get the jobs that will slow down this disturbing trend. This facility will enable Alaska industries to hire more Alaskans, trained in Alaska.

Industry and the Alaska Process Industries Careers Consortium (APICC), the statewide advisory council for many high demand career fields have voiced concerns about having sufficient high-demand graduates from underrepresented groups in Alaska, particularly Alaska Native graduates. A BP recruiter visiting KRC in early March stated BP is considering "waiving" its long-standing policy of achieving 70% Alaskan hire if they cannot also meet their internal Affirmative

Action hiring goal of 25% or more females and 33% or more racial minorities. Housing will provide additional opportunity for these students, particularly from rural Alaska, to pursue these high demand jobs and help employers meet their recruiting goals.

KPC offers 16 high demand degree programs. The instrumentation AAS program is offered nowhere else in Alaska. Besides KRC, the process technology AAS is offered only at KPC's Anchorage Extension Site or UAF CTC, which are not necessarily conducive to acculturation by students from small towns and remote villages. With the state-of-the-art KPC Career and Technical Center soon to be built a cross the street from housing, paired with our enrollment management focus on Alaska Native and underrepresented groups, this facility will address industry concerns.

Student housing will allow residential students to engage with the community, have local internships, learning communities and community service learning projects, a focus of many KRC faculty. Neighboring Alaska Christian College (ACC) enrolls 45 Native students each semester. ACC and KPC would collaborate on Native life programs and these students will likely dine together at the ACC facility as KPC will not be building dining service in the housing facility. KPC has signed a Memorandum of Understanding with ACC that will enable KPC students to utilize the ACC dining facility.

Project Scope:

This project will construct approximately 96 student beds and living space for six resident assistants. The units will consist of four-person apartments with shared kitchen, living room and two students each sharing a bathroom. The facility will have office spaces for a residence housing coordinator, director and an administrative assistant. Student amenities include small lounges set along the corridors, laundry room and mail area.

The commons area will provide a multipurpose room, fitness room, and seating for 85-102 where various student activities can be held. Dining service will not be available, but the commons would include a food preparation and serving area that would be used to support special events and summer conferences.

Variance Report

Although the Formal Project Approval request was submitted to the BOR with an estimate of \$16,000,000 to construct a 35,000 gsf facility, the BOR approved the project at a revised cost of \$17,800,000 based on an additional \$1,800,000 included by the Legislature in the FY12 Capital Budget. The additional funding allowed the scope to include additional support spaces that could not have been accomplished within the reduced budget, increasing the size of the facility to 42,500 gsf. There is no material change to scope, schedule or budget since the

FPA and the Board approved funding increase in the June 2011 distribution, so this does not require full board action.

Proposed Total Project Cost and Funding Source(s)

FY 11 GO Bond	\$16,000,000
FY12 Legislative Capital Funds	<u>\$ 1,800,000</u>
Total Project Cost	\$17,800,000

Estimated Annual Maintenance and Operating Costs (O&M)

Maintenance and Repair	\$186,900/year
Facility Operating Costs	<u>\$208,500/year</u>
Total O&M Cost	\$395,400/year

All operational costs, including maintenance and repair will be covered by student housing fees, summer conferences and courses, and training workshops. Full time students (12 credits or more) will occupy the 96 bed complex.

Consultant(s)

Bettisworth North, RSA Engineering

Other Cost Considerations

None

Backfill Plan

None

Schedule for Completion

DESIGN

Conceptual Design	June 2010
Preliminary Administrative Approval	March 2011
Formal Project Approval	June 2011
Schematic Design	September 2011
Schematic Design Approval	September 2011
Construction Documents	April 2012

BID & AWARD

Advertise and Bid	May 2012
Construction Contract Award	June 2012

CONSTRUCTION

Start of Construction	June 2012
Date of Beneficial Occupancy	August 2013

Procurement Method for Construction

Design-Bid-Build

Affirmation

This project complies with Board Policy, the campus master plan and the project agreement.

Action Requested

Approval to complete the project construction documents, bid and award project in accordance with Total Project budget.

Supporting Documents

Schematic Design Narrative

Project Budget

Project Drawings (Rendering, Site Plan, 1st Floor Plan, 2nd Floor Plan, Exterior Elevation)

- C. Schematic Design Approval for the University of Alaska Anchorage Mat-Su College Paramedic Program/Classroom Addition Reference 15

The President recommends that:

MOTION

“The Facilities and Land Management Committee approves the Schematic Design Approval request for the University of Alaska Anchorage Mat-Su Paramedic Program/Classroom Addition as presented in compliance with the campus master plan, and authorize the University administration to complete construction bid documents to bid and award a contract within the approved budget, and to proceed to completion of project construction not to exceed a Total Project Cost of \$3,625,000. This motion is effective September 22, 2011.”

POLICY CITATION

In accordance with Regents’ Policy 05.12.043, Schematic Design Approval (SDA) represents approval of the location of the facility, its relationship to other facilities, the functional relationship of interior areas, the basic design including construction materials, mechanical, electrical, technology infrastructure, and telecommunications systems, and any other changes to the project since Formal Project Approval.

Unless otherwise designated by the approval authority or a Material Change in the project is subsequently identified, SDA also represents approval of the proposed cost of the next phase(s) of the project and authorization to complete the Construction Documents process, to bid and award a contract within the approved budget, and to proceed to completion of project construction.

Provided, however, if a Material Change in the project is subsequently identified, such change will be subject to the approval process described below.

TPC > \$2 million but ≤ \$4 million will require approval by the F&LMC.

RATIONALE AND RECOMENDATION

Background

Mat-Su College currently houses an associate's degree in the Nursing program (administered by UAA) and an associate's degree in the Paramedic Technology program. Existing laboratory space at the campus is inadequate to support these programs. Additional instructional space is required for these programs to grow and meet demand. The two programs will be co-located to share storage, classroom and training spaces. Access to Snodgrass Hall is provided by an existing driveway from the upper campus and parking lot west of the building. A gravel overflow parking lot is located to the east of Snodgrass Hall. The existing access from the parking lot to the gravel overflow parking lot will be demolished by the new addition construction and a new access between the two lots will be needed. The new addition will require relocation of this access drive south of Snodgrass Hall.

Project Scope and Schematic Design Narrative

This project will create an addition to Snodgrass Hall to provide new, more functional space for the Paramedic and Nursing programs at the Mat-Su campus. Program specific classrooms and related support spaces will be provided, such as a room for an ambulance simulator and accident scenarios.

The design will coordinate with the existing campus aesthetic in both material and color. Existing exterior walls will remain in tact where practical. New exterior walls will be similar in character to the existing walls. The roof will be low-slope ("flat") with a fully adhered membrane system. A new medical air compressor will be located in the existing mechanical room to provide service to the addition. A new exterior door will be added to the mechanical room to facilitate equipment replacement.

Automatic wet sprinkler system will be installed throughout building addition. Existing sprinkler riser will be reused, new sprinkler main to new addition. Existing Siemens DDC control system will be expanded to control new heating and air systems. Water, gas, electrical, telephone, and communications service for the new addition will be provided by existing utilities that service the existing building. The existing septic system will be replaced. An existing greenhouse sits within the addition footprint and will be removed. The existing access drive will be relocated south of Snodgrass Hall. New pavement will be added to the north row of the existing parking lot to provide 6 new stalls.

Variance Report

The campus master plan showed this addition on the eastern side of Snodgrass Hall. During the design process we discovered that the existing building and a portion of the new addition violated an existing easement through the property. This easement will require the addition to be relocated to the south side of Snodgrass Hall.

The campus has added \$125,000 in operating funds for the replacement of the septic tank. The tank replacement was not in the original plans but will be required with the addition shifted to the southern side of Snodgrass Hall.

At FPA UAA anticipated being ready for SDA in June 2011. Unfortunately, the Schematic Design process was interrupted when the easement violation was discovered. As a result, the completion of the Schematic Design was delayed until August. The FPA schedule showed five months from SDA to the completion of Construction Documents. With the delay in the Schematic Design, this period now spans the Thanksgiving, Christmas, and New Year's holidays, so an additional month was added to the schedule. With SDA now scheduled for September, the Construction Documents will not be completed until March 2012, and construction is expected to start in June 2012.

The original construction schedule anticipated starting construction in April 2012, which provided an opportunity to get the building closed in before winter. Originally we only allowed 12 months for construction, which is an extremely tight schedule for completing new construction in Alaska. With construction not starting until June, we no longer expect to get the building fully closed in by winter and have extended the completion date until December 2013 with plans to open for the Spring Semester.

Proposed Total Project Cost and Funding Source(s)

FY 11 GO Bond - 521038	\$3,500,000
Operating Funds	<u>\$ 125,000</u>
Total Project Cost	\$3,625,000

Estimated Annual Maintenance and Operating Costs (O&M)

Maintenance and Repair	\$38,063
Custodial	\$ 5,760
Grounds	\$ 4,480
Administration	\$ 4,480
Utilities	<u>\$16,640</u>
Total O&M Cost	\$69,423

Consultant(s)

Livingston Slone

Other Cost Considerations

None

Backfill Plan

The Nursing and Paramedic programs will vacate existing undersized classrooms. This space will be converted into general purpose classrooms. No extraordinary remodeling is planned at this time.

Schedule for Completion

DESIGN

Conceptual Design	June 2011
Formal Project Approval	December 2010
Schematic Design	August 2011
Schematic Design Approval	September 2011
Construction Documents	March 2012

BID & AWARD

Advertise and Bid	April 2012
Construction Contract Award	May 2012

CONSTRUCTION

Start of Construction	2012
Date of Beneficial Occupancy	December 2013

Procurement Method for Construction

Design-Bid-Build

Affirmation

This project complies with Board Policy, the project agreement, and modifies the campus master plan.

Action Requested

Due to the changed placement of the addition, the additional scope requirement with the associated cost increase to the project budget and the change in the schedule, the SDA is being submitted to the FLMC for approval, rather than to the Chair.

Approval to complete the project construction documents, bid and award project in accordance with Total Project budget.

Supporting Documents

Project Budget

Drawings (Site Plan, Floor Plan and Elevations)

V. **Ongoing Issues**

- A. Information Item – Status of University of Alaska Deferred Maintenance Spending Reference 16

A report on the progress of spending for the Deferred Maintenance and Renewal appropriations for FY2007-FY2012 is found in the reference materials. The percentage of expenditure for the FY12 funds is low, but they were only made available on July 1, 2011. Another status report will be prepared for the December 2011 meeting.

- B. Information Item – AHFC Energy Audit Status

The State of Alaska authorized the Alaska Housing Finance Corporation to provide Energy Grants to State agencies to perform Energy Audits and develop projects to reduce energy consumption. The University of Alaska was granted \$1 million to conduct Energy Audits on all campuses. Funds have been allocated to each of the MAU's for issuance of audit contracts. These audits will generate a list of projects with expected costs and return on investment forecast that will provide the University with options to reduce annual operating expenditures for our existing facilities.

UAF issued their RFPs in late July and expect to have the audit proposals by mid-September with the completed audits received by February 2012. UAA and UAS expect to have their RFPs issued by mid-September and the audits completed by March 2012 when the grant funds expire.

- C. Information Item – University of Alaska Fairbanks Atkinson Heat and Power Plant Replacement

New Information since June 2011 Meeting:

UAF has analyzed 11 options for supplying UAF's heat and power in the future. The options considered a range of fuels and technologies, but the cardinal principle of utilizing the significant efficiency of combined heat and power was used by all options.

The recommended option is a solid fuel Circulating Fluidized Bed (CFB) boiler that will use up to 30% biomass in combination with coal. The CFB boiler will reduce emissions from the current levels, increase efficiency while reducing UAF's oil consumption. The natural gas options were not considered viable because there is no reliable, reasonably priced supply of gas that can be expected in the near future. It is also anticipated that UAF could purchase some renewable energy power to help balance the energy mix.

The capital cost of this option is high (approximately \$200 million) but the alternatives offer a range of increased annual costs that varies from \$5M/yr to \$26M/yr more than the solid fuel option. The economic analysis indicates that the CFB option provides the lowest risk, best long term value for UAF's combined heat and power needs.

FY12 funding (\$3 million) has been allocated to the Atkinson Power Plant Replacement project. The scope of work for this funding consists of air permitting and preliminary design. Advertising for consultants for these tasks will start in September, 2011. The Formal Project Approval request for this project is anticipated to be on the December 2011 Board of Regents agenda

Highlights from recently completed revitalization work

- Boiler Nos. 1&2 Tube replacement and inspection work was completed June 1, 2011 and revealed concern for the general condition of the boiler tubes. All known problem areas were corrected and additional work is planned for May 2012.
- Boiler No. 4 air preheater tubes were replaced in October 2010. Boiler was inoperable without this work.
- Water Treatment Plant Aeration Basin replacement contract has been awarded and completion is expected May 2012.

Information from previous reports to the Board of Regents

Background:

The Utility Development Plan (UDP), completed in October 2006, was a comprehensive utilities planning effort involving the administrations of University of Alaska (UA) and University of Alaska Fairbanks (UAF) in addition to UAF Facilities Services. The plan contained recommendations for utilities to support current and future campus needs with better reliability.

The plan identified the following fundamental issues:

- Campus buildings and utility consumption growth beyond existing capacity
- Aging utility infrastructure
- Fuel supply/price risks
- UAF financial constraints

D. Information Item – University of Alaska Fairbanks Student Housing & Dining P3

UAF has developed a two-stage method to select the developer for the public-private partnership (P3) approach to constructing a new 250-seat dining facility and a minimum of 200 new student housing units on campus. The Request for

Qualifications was issued August 5 with submittals due September 8. The top qualifying teams will be interviewed and two or three teams will be selected to receive the Request for Proposals (RFP). They will have 6 weeks to develop their design and financing packages, in coordination with Facilities Services and the User groups.

The winning developer will then be selected and will develop the project to the point where the key elements of the design, quality of construction and financing terms are agreeable to the University and the developer. Negotiating the lease terms relative to the achievable rental income will be a key part of the evaluation. We are currently evaluating reasonable student rental rates and relative expected lease payments based on rough order of magnitude project costs. This first phase of the Campus Revitalization of student housing and dining should be complete by August 2013.

E. Construction in Progress Reference 17

Kit Duke, Chief Facilities Officer, and campus facilities representatives will update the committee regarding the ongoing investment in capital facilities and answer questions regarding the status report on active construction projects approved by the Board of Regents, implementation of recommendations by the external consultants, functional use survey, space utilization analysis, and other recent activity of note. This is an information and discussion item; no action is required.

F. SDA Approvals by the Committee Chair Reference 18

- Regents' Policy 05.12.043 delegates Schematic Design Approval to the Chair of the FLMC under certain conditions. Projects granted FPA approval by the FLMC or full Board but then subsequently eligible for SDA by the Chair are reported on in this section. Based on that policy the following project was given SDA by the Chair.

Sitka Career and Technology Education Center Renovation (2011-01)
TPC \$3.4M on 7/11/11

- Schematic Design Approval for projects that are phased as a part of the FLMC FPA approval and receive SDA under the limits for approval as delegated to the Chief Financial Officer are reported on in this section. The following project was given SDA at the CFO level:

Atkinson Power Plant Renewal Phase 1 (2010140 BARN) TPC \$1.6M
on 8/16/11

G. IT Report

Karl K owalski, C hief Technology O fficer will u pdate th e c ommittee o n IT security and other items of interest.

VI. Future Agenda Items

VII. Adjourn

Agenda
Board of Regents
Audit Committee
Friday, September 23, 2011; *8:00 a.m. – 9:00 a.m.
Room 116 Recreation Center
University of Alaska Southeast
Juneau, Alaska

**Times for meetings are subject to modifications within the September 22-23, 2011 timeframe.*

Committee Members:

Kenneth Fisher, Committee Chair
Timothy Brady

Jyotsna Heckman
Fuller Cowell, Board Chair

I. Call to Order

II. Adoption of Agenda

MOTION

"The Audit Committee adopts the agenda as presented.

- I. Call to Order**
- II. Adoption of Agenda**
- III. Executive Session with Internal Audit Director**
- IV. Full Board Consent Agenda**
 - A. Acceptance of the University of Alaska Foundation FY12 Operating Budget**
- V. New Business**
 - A. Discussion with External Auditors**
- VI. Ongoing Issues**
 - A. Internal Audit Status Report**
 - B. Audit Committee Duties and Responsibilities**
 - C. Update on Grant Financial Management Policy**
- VII. Future Agenda Items**
- VIII. Adjourn**

This motion is effective September 23, 2011."

III. Executive Session with Internal Audit Director

MOTION

"The Audit Committee of the Board of Regents goes into executive session at _____ Alaska Time in accordance with the provisions of AS 44.62.310 to discuss matters the immediate knowledge of which would have an adverse effect on the finances of the university and which would have an adverse effect on the character or reputation of a person or persons. The session will include members of the Board of Regents, Internal Audit Director Pittman,

General Counsel Brunner, and such other university staff members as the Audit Chair may designate and will last approximately ____ hour(s). Thus, the open session of the Audit Committee of the Board of Regents will resume in this room at approximately ____ Alaska Time. This motion is effective September 23, 2011."

(To be announced at the conclusion of executive session:)

The Audit Committee of the Board of Regents concluded an executive session at ____ a.m. Alaska Time in accordance with AS 4.62.310 discussing matters where the immediate knowledge of which would have an adverse effect on the finances of the university and which would affect the reputation or character of a person or persons. The session included members of the Board of Regents, Internal Audit Director Pittman, General Counsel Brunner, and other university staff designated by the chair of the Audit Committee and lasted approximately _____.

IV. Full Board Consent Agenda

- A. Acceptance of the University of Alaska Foundation FY12 Operating Budget Reference 19

The President recommends that:

MOTION

"The Audit Committee recommends that the Board of Regents accepts the University of Alaska Foundation Operating Budget for FY12 as presented and approved by the Foundation's Board of Trustees at their June 10, 2011 meeting. This motion is effective September 23, 2011."

BACKGROUND

In 2007, the Foundation and the University finalized a process that clearly defined the role and responsibilities of the Foundation as they relate to the University. As part of the process, the Foundation established a financial plan to underwrite the costs of the Foundation's programs and operation. In an effort to foster a cooperative and transparent working relationship, the Foundation's annual operating budget, as approved by the Foundation's Board of Trustees, is presented to the Board of Regents for the board's acceptance.

FY12 Proposed Operating Budget

The FY 12 Operating Budget is largely a maintenance level budget. No additional initiatives are planned with the exception of consulting services to lead the Foundation Board through a strategic planning process.

V. New Business

A. Discussion with External Auditors

Daniel Rozema, Partner, KPMG will discuss with the Audit Committee, audit related matters and answer any questions the committee may have. This is an information item; no action is necessary.

VI. Ongoing Issues

A. Internal Audit Status Report Reference 20

Nichole Pittman, director of Internal Audit, will review with the Audit Committee, the Audit Status Report and answer any questions members of the committee may have. This is an information item; no action is necessary.

B. Audit Committee Duties and Responsibilities

Nichole Pittman, director of Internal Audit, will discuss with the Audit Committee, relevant standards set forth by governing organizations such as the Institute of Internal Auditors. This is an information item; no action is necessary.

C. Update on Grant Financial Management Policy

Nichole Pittman, director of Internal Audit, will discuss with the Audit Committee the revisions made to policies and procedures subsequent to the December 2010 meeting. This is an information item; no action is necessary.

VII. Future Agenda Items

VIII. Adjourn

Unofficial Minutes
Board of Regents
Meeting of the Full Board
June 2-3, 2011
Fairbanks, Alaska

Regents Present:

Fuller Cowell, Chair
Patricia Jacobson, Vice Chair
Robert Martin, Jr., Secretary
Kirk Wickersham, Treasurer
Timothy C. Brady
Mari Freitag
Jyotsna Heckman
Mary K. Hughes
Carl Marrs
Michael Powers

Patrick K. Gamble, Chief Executive Officer and President, University of Alaska

Regents Absent:

Kenneth Fisher

Others Present:

John Pugh, Chancellor, University of Alaska Southeast
Brian D. Rogers, Chancellor, University of Alaska Fairbanks
Tom Case, Chancellor, University of Alaska Anchorage
Roger Brunner, General Counsel
Daniel Julius, Vice President for Academic Affairs
Wendy Redman, Executive Vice President
Joseph Trubacz, Vice President for Finance and Administration
Karl Kowalski, Chief Information Technology Officer
Beth Behner, Chief Human Resources Officer
Kit Duke, Associate Vice President, Facilities
Saichi Oba, Associate Vice President, Student Services and Enrollment Management
Michelle Rizk, Associate Vice President, Budget
Kate Ripley, Director, Public Affairs
Jeannie D. Phillips, Executive Officer, Board of Regents
Brandi Berg, Assistant to the Executive Officer, Board of Regents

Chair Cowell welcomed Regent Mari Freitag to the Board of Regents. The board then met with U.S. Senator Mark Begich.

I. Call to Order

Chair Cowell called the meeting to order at 8:50 a.m. on Thursday, June 2, 2011.

II. Adoption of Agenda

Regent Wickersham moved, seconded by Regent Hughes, and passed with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

PASSED AS AMENDED (amendments noted by *)

"The Board of Regents adopts the agenda as presented.

- I. Call to Order**
- II. Adoption of Agenda**
- III. Approval of Minutes**
- IV. Executive Session**
- V. Public Testimony**
- VI. Governance Report**
- VII. President's Report**
- VIII. Legislative Update**
- IX. Acceptance of FY12 Operating Budget Appropriation and Approval of Distribution Plan**
- X. Acceptance of FY12 Capital Budget Appropriation and Approval of Distribution Plan**
- XI. Approval of FY12 Natural Resources Fund Spending Plan**
- XII. Approval of FY12 Student Government Budgets**
- XIII. Electronic Board Meeting Proposal Presentation**
- XIV. Human Resources Items**
 - A. Acceptance of Bargaining Unit Agreement between the University of Alaska and the University of Alaska Federation of Teachers**
 - B. Acceptance of Bargaining Unit Agreement between the University of Alaska and United Academics**
- XV. Approval of Revision to Industrial Security Resolution**
- XVI. Approval of Revision to University of Alaska Southeast Mission Statement**
- XVII. Consent Agenda**
 - A. Academic and Student Affairs Committee**
 - 1. Approval of Graduate Certificate in Children's Mental Health at the University of Alaska Anchorage**
 - 2. Approval of Graduate Certificate in Career and Technical Education at the University of Alaska Anchorage**
 - 3. Approval of Revision of Associate of Applied Science in Telecommunications, Electronics, and Computer Technology at the University of Alaska Anchorage to an Associate of**

- Applied Science in Computer and Networking Technology and Deletion of Certificate in Telecommunications and Electronic Systems
- 4. Approval of Reorganization of Health Programs at the University of Alaska Anchorage
- B. Facilities and Land Management Committee
 - ~~*1. Formal Project Approval for the Kenai Peninsula College Student Housing Complex (moved to New Business)~~
 - ~~*2. Formal Project Approval for the University of Alaska Anchorage Seawolf Sports Arena (moved to New Business)~~
 - 3. Schematic Design Approval for the University of Alaska Anchorage Science Building Renovation Phase 3
 - 4. Formal Project Approval for the University of Alaska Fairbanks Atkinson Heat and Power Plant Renewal
 - 5. Schematic Design Approval for the University of Alaska Fairbanks Critical Electrical Distribution Renewal Phase 1C
 - ~~*6. Formal Project Approval for the University of Alaska Southeast Banfield Hall Addition (moved to New Business)~~
 - 7. Formal Project Approval for the University of Alaska Fairbanks Campus-Wide Student Housing and Dining Facility Addition
- XVIII. New Business and Committee Reports
 - A. Academic and Student Affairs Committee
 - B. Audit Committee
 - C. Facilities and Land Management Committee
 - *1. Formal Project Approval for the Kenai Peninsula College Student Housing Complex (moved from Consent Agenda)
 - *2. Formal Project Approval for the University of Alaska Anchorage Seawolf Sports Arena (moved from Consent Agenda)
 - *3. Formal Project Approval for the University of Alaska Southeast Banfield Hall Addition (moved from Consent Agenda)
 - 4. Committee Report
- XIX. Presentation on Research Discoveries at the University of Alaska Fairbanks
- XX. 2011 Commencement Reports
- XXI. Alaska Commission on Postsecondary Education Report
- XXII. UA Foundation Report
- XXIII. UA Athletics Report
- XXIV. Future Agenda Items
- XXV. Board of Regents' Comments
- XXVI. Adjourn

This motion is effective June 2, 2011."

III. Approval of Minutes

Regent Marrs moved, seconded by Regent Heckman, with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

PASSED AS AMENDED

"The Board of Regents approves the minutes of its regular meeting of April 7-8, 2011 as amended. This motion is effective June 2, 2011."

IV. Executive Session

For the record: Regent Marrs and Chancellor Rogers declared a conflict of interest on the broadband issue which was upheld by Chair Cowell. They did not participate and were not present for that item.

Regent Hughes moved, seconded by Regent Powers, and passed with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

PASSED

"The Board of Regents goes into executive session at 8:50 a.m. Alaska Time in accordance with the provisions of AS 44.62.310 to discuss matters the immediate knowledge of which would have an adverse effect on the finances of the university related to:

- **Litigation**
- **Labor**
- **Broadband**

and matters that would affect the character or reputation of a person or persons related to presidential assessment. The session will include members of the Board of Regents, President Gamble, General Counsel Brunner, and such other university staff members as the president may designate and will last approximately 45 minutes. This motion is effective June 2, 2011."

The Board of Regents recessed an executive session at 9:45 a.m. Alaska Time in accordance with AS 44.62.310 discussing matters the immediate knowledge of which would have an adverse effect on the finances of the university and would affect the reputation or character of a person or persons. The session included members of the Board of Regents, President Gamble, General Counsel Brunner, and other university staff members designated by the president and lasted approximately 45 minutes.

The Board of Regents resumed its executive session at 1:45 p.m. and recessed the executive session at 3:10 p.m.

The Board of Regents resumed its executive session at 9:13 a.m. on Friday, June 3, 2011 and ended the executive session at 10:00 a.m.

V. Public Testimony

The Board of Regents acknowledged the gift from ACS and thanked Anand Vatapalli for the generosity of ACS in assisting the University of Alaska in providing a disaster recovery facility in Hillsboro, Oregon.

Representative Soltze spoke regarding the legislative session, his support of the UAA Sports Arena project, and disappointed with the lack of support expressed by several members of the Board of Regents.

Abel Bult-Ito expressed his concerns regarding a student issue.

Qwynten Richards spoke of her negative experience as a UAF student.

Shirley Moses advocated for Ms. Richards in her appeal against the University of Alaska Fairbanks.

Hannah Graff, 4-H member and UAF student, spoke in support of the 4-H program at the University of Alaska Fairbanks.

Michaella Rice, 4-H member and Lathrop High School student, talked about her experiences in 4-H and support of 4-H in the Cooperative Extension Service.

Kluane and Chord Tozier, 4-H members, spoke of their experiences in 4-H and support of 4-H in the Cooperative Extension Service.

Ryan Buchholdt, USUAA student body president, spoke of his experiences in student government, and thanked the board for the open dialog regarding tuition decisions.

Don Winchester, Anchorage resident, spoke in support of the Seawolf Sports Arena.

Steve Nerland, Anchorage resident, spoke in support of funding for the Great Alaska Shootout.

Carl Shepro, United Academics outgoing chair, encouraged the board to approve the new union contract for United Academics.

Derek Miller, president of the UAF Alumni Association and former student regent, reported on UAF Alumni Association activities including outgoing and incoming members, legislative advocacy trip this spring and its emphasis on deferred maintenance; upcoming events including July 23 Golden Days parade, August Tanana Valley State Fair and August 13 trip to Seattle Mariners baseball game, fall meeting in September, and

legislative advocacy next spring. He also reported that the Association is currently reviewing its Strategic Plan.

VI. Governance Report

John Dehn introduced Dan Monteith as new Faculty Alliance Chair.

Dan Monteith, Faculty Alliance Chair, thanked the board for allowing governance to speak to the board, his honor to serve the fine faculty of the University of Alaska; and reported on Faculty Alliance issues including the Academic Master Plan, and work on the Strategic Plan.

Maria Russell, Staff Alliance Chair, reported on issues of concern for staff including employee education benefits and asked that staff alliance be involved in revisions to this plan; staff development events; health care concerns; and thanked the board for involved staff in issues of importance to the University of Alaska.

Peter Finn, Coalition of Student Leaders speaker, congratulated Mari Freitag on her appointment as student regent; reported that a new speaker will be elected this weekend and asked that regents come to the Coalition's meeting; and thanked the board for its support of students.

VII. President's Report

President Gamble presented the "Make Students Count" awards and reported on items of interest including continuation of visits to each UA campus; progress on the strategic plan; work on a lignment of the Alaska Performance Scholarship and the UA Scholars Program; process for evaluation of Statewide Executives; request from Carol Comeau and Anchorage School Board to meet with the Board of Regents; and his emphasis on risk management.

"Make Students Count" awardees are Maria Bonifacio from the University of Alaska Anchorage, Jerry Phillips from the University of Alaska Fairbanks, Beatrice Franklin from the University of Alaska Southeast, and Cathy Ewing from Statewide Administration.

Regent Cowell announced that he has appointed Regent Martin, Regent Hughes and himself to a Presidential Assessment sub-committee.

VIII. Legislative Update

President Gamble and Michelle Rizek, as sociate vice president for Budget, provided an update regarding the recently concluded legislative session.

IX. Acceptance of FY12 Operating Budget Appropriation and Approval of Distribution Plan Reference Bound Separately

Regent Jacobson moved, seconded by Regent Martin, and passed with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

PASSED

“The Board of Regents accepts the FY12 Operating Budget Appropriation as presented. This motion is effective June 2, 2011.”

Regent Hughes moved, seconded by Regent Powers, and passed with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

PASSED

“The Board of Regents approves the FY12 Operating Budget Distribution Plan as presented. This motion is effective June 2, 2011.”

POLICY CITATION

Regents' Policy 05.01.04 – Acceptance of State Appropriations states, "The board must accept state appropriations to the university before any expenditure may be made against the appropriation."

RATIONALE/RECOMMENDATION

Associate Vice President Rizk discussed the legislative appropriations and propose an operating budget distribution plan for board approval. Governor Parnell is expected to sign the state's operating, and mental health budget bills into law without any vetoes of University of Alaska programs or projects. Below are a system budget summary and distribution plan considerations. The operating and capital distribution reference documents accompanying this agenda is a standalone publication titled "Proposed FY12 Operating and Capital Budget Distribution Plans."

The Governor's FY12 proposed budget supported a single appropriation for UA; however, since FY09 the legislature adopted seven separate appropriations for UA. Prior to FY09, UA had operated under a single appropriation for more than 15 years.

As with FY11, the legislature has included intent language regarding a suggested ratio that is aimed at setting next year's general fund appropriation at 125 percent of university generated revenues (not including federal receipts). The state-funded portion of UA's budget has increased as a percentage of the total budget from 40.5 percent in FY05 to 46.2 percent in FY10. The intent language is meant to reinforce the need for reversing this trend.

UA's final operating budget state appropriation is expected to be increased by \$ 10.6 million (3.1%). Approximately 79% of UA's fixed cost increases were covered (\$8.2 million of \$10.3 million, excluding utilities). For FY12, the university will receive base funds of \$1.5 million that replaces a portion of the one-time utility funding that UA had received in the past through the "fuel trigger." The legislature has been gradually transferring one-time funding for utility cost increases to base funding. The University expects to continue to receive additional one-time funding to cover utility cost increases through the "fuel trigger" (a chart can be found on page 18 of the reference).

The legislature reduced the state appropriation for compensation by \$1.3 million by shifting the funding request from general fund to university receipts. This 14.2 percent general fund reduction has been proportionally distributed to the campuses.

From the \$10.6 million increase, \$1.6 million is directed to the Board's priority program requests for: student success initiatives (\$392.4); high demand jobs in health (\$511.1); enhancing competitive research (\$250.0); and continued funding for UAA's Integrated Science building positions, and UAF's summer bridge programs (\$464.2 funded one-time in FY11). Below are the highlights of the program investments. A complete listing of programs receiving state funds and program narratives begins on page 9 of the reference.

Student Success Initiatives: Programs will offer students support to increase student enrollment and completion in the Teacher Education Program at UAS and expand essential online programs and courses for students. UAS has a strong Information Technology Department whose experts assist in the use of instructional technology in both local and distance classes across the University of Alaska. One-time funding was received to support honors programs at UAA and UAF, which will enable them to recruit and support these exceptional students.

High Demand Jobs in Health: Funding investments in Health/Bio-Medical continues to be a priority for UA. Continued investment in this area will keep up with the State's need for trained professional providers.

Enhancing Competitive Research: The Alaska Center for Energy and Power (ACEP) is seeking grants and gifts to hire additional faculty research leaders to accelerate development of new research programs that could lead to affordable energy solutions for Alaskan communities and businesses.

UA's state appropriations, including general funds, workforce development funds, and mental health trust general funds, total \$351.7 million, up from \$341.1 million in FY11. This amount includes an additional \$168.7 thousand in TVEP funding. UA's total budget for FY12 is \$889.1 million compared to \$850.4 million in FY11, an increase of 4.6%.

The full operating distribution plan reference document contains the following sections:

Section 1 : The FY 12 Proposed Distribution Plan including the impact on priority programs, MAU, and campus budgets.

Section 2: UA's budget trend, funding sources, and significant budget changes.

X. **Acceptance of FY12 Capital Budget Appropriation and Approval of Distribution Plan** Reference Bound Separately

Regent Marris moved, seconded by Regent Heckman, and passed with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marris, Martin, Powers, Wickersham, and Cowell voting in favor that:

PASSED

"The Board of Regents accepts the FY12 Capital Budget Appropriation as presented. This motion is effective June 2, 2011."

Regent Powers moved, seconded by Regent Marris, and passed with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marris, Martin, Powers, Wickersham, and Cowell voting in favor that:

PASSED

"The Board of Regents approves the FY12 Capital Budget Distribution Plan as presented. This motion is effective June 2, 2011."

POLICY CITATION

Regents' Policy 05.01.04 – Acceptance of State Appropriations states, "The board must accept state appropriations to the university before any expenditure may be made against the appropriation."

RATIONAL/RECOMMENDATION

Associate Vice President Rizk and Chief Facilities Officer Duke presented a summary of the FY12 capital budget appropriation and discuss capital funding distribution implications.

The university's capital budget request totaled \$212.5 million with \$82.5 million requested from state funding and \$130 million in receipt authority. UA received state funding of \$82.2 million and \$130 million in receipt authority. A comparison of the UA Capital Budget Request and the Final Legislation can be found on page 21 of the reference.

The amount of \$37.5 million in state funds fully supports the request by the Board of Regents' for the number one priority of maintaining existing facilities. The priority order of projects was included in the FY12 request (Redbook), and the projects or portions of projects receiving funding will address the current critical needs.

The FY12 capital budget includes authority for a \$100 million UA bond issuance to fast-track a portion of the most urgent deferred maintenance projects. The MAUs are updating a prioritized list of deferred maintenance projects and a timeline for when they expect the projects to be begun. The list of actual projects will be presented to the board in the fall. There will likely be a number of debt issuances, and the timing of each debt issue will depend on the cash outflow needs of the projects considered.

The \$2 million in state funds for an annual renewal and repurposing (R&R) will be distributed based on MAU scheduled facility maintenance plans.

New Construction (New Starts) and New Construction Planning funding requests were not included in the FY12 budget request. However, two facilities projects that were previously started with GOB bond funds are in the FY12 appropriation: the UAA Community Sports Arena for \$34 million and the Kenai Peninsula College Student Housing for \$1.8 million. One new facilities project, the UAS Banfield Hall Dormitory Addition for \$4 million, received state appropriations as well.

Other projects also funded with state funds include: the Juneau Campus Mining Workforce for \$204 thousand, the University Honors College Student Support (UAA) for \$200 thousand, and the UAA Shootout Partnership for \$2.5 million. This last item is the only item not found on any UA planning or budget document.

The board is asked to accept the capital appropriation and approve the distribution as presented. The Board of Regents' number one priority, "Deferred Maintenance and Renewal and Repurposing" distribution amounts are based on a formulaic approach using the adjusted value of the facility multiplied by the weighted average age of the facility. The distribution follows the project descriptions in the capital section. The project budget is derived from the MAU's estimated funding distribution to address the most critical portions of the priority DM and R&R projects. The priority DM and R&R project descriptions begin on page 25 of the capital section. As the exact project scope and costs are known, project approval will be obtained from the appropriate authority in accordance with the Board of Regents' Policy. If a subsequent transfer of funding between projects or to a new project is requested, the Chief Finance Officer shall determine the level of approval required, based on the size and nature of the transfer.

XI. Approval of FY12 Natural Resources Fund Spending Plan

Regent Marrs moved, seconded by Regent Heckman, and passed with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

PASSED

"The Board of Regents approves the proposed FY12 Natural Resources Fund Budget as presented. This motion is effective June 2, 2011."

POLICY CITATION

Regents' Policy 05.07.010 – Land-Grant Endowment, provides that the university president will present an annual budget to the board for approval.

RECOMMENDATION

Natural Resources Fund
Proposed FY2012 Budget/Spending Plan

	Approved <u>FY11</u>	Proposed <u>FY12</u>
<u>Available Resources:</u>		
Land-Grant Endowment Spending Allowance	<u>\$5,641.3</u>	<u>\$5,670.7</u>
Undesignated funds available	<u><u>\$5,641.3</u></u>	<u><u>\$5,670.7</u></u>
<u>Expenditure Plan:</u>		
University of Alaska Press	\$80.0	\$80.0
System-based scholarships	160.0	220.0
Cooperative Extension Support	400.0	400.0
Land management costs	1,050.0	1,050.0
University of Alaska Scholars Program	<u>3,951.3</u>	<u>3,920.7</u>
Total	<u><u>\$5,641.3</u></u>	<u><u>\$5,670.7</u></u>

The proposed FY12 budget or expenditure plan for the Land-Grant Endowment spending allowance distribution provides for the funding of ongoing commitments to the UA Press of \$80,000 and System-based Scholarships of \$220,000. In addition, the expenditure plan includes a continued commitment to fund \$400,000 of incremental support for the Cooperative Extension Program. The remainder of the distributions will be used to fund the Land and Management Office costs of \$1,050,000 and the U A S cholars Program at \$3,920,700.

RATIONALE

The Natural Resources Fund was established to facilitate the distribution of the annual spending allowance from the university's Land-Grant Endowment Funds. In addition to a few ongoing commitments and special projects, in recent years the fund has been nearly fully dedicated to funding the U A S cholars Program, which is the university's single largest enrollment management effort. The spending allowance is based on 4.5 percent of a 5-year moving average of the December 31 fund values.

XII. Approval of FY12 Student Government Budgets

Reference 5

Regent Marrs moved, seconded by Regent Martin, and passed with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

PASSED

"The Board of Regents approves the student government fees and budgets as presented, and authorizes the vice president for finance and administration to review, modify, and approve fees and budgets and approve requests for increased expenditure authority for all student government organizations as deliberated by student governance and determined by the vice president for finance and administration to be appropriate. This motion is effective June 2, 2011."

POLICY CITATION

Regents' Policy 09.07.050 requires student government organizations to submit annual budgets, including the amount of any mandatory student government fees, to the Board of Regents for approval.

RATIONALE/RECOMMENDATION

All student government activity fees are the same as last year.

XIII. Electronic Board Meeting Proposal Presentation

Karl Kowalski, chief information technology officer, and Jeannie Phillips, executive officer of Board of Regents, demonstrated technology that may be used by board members in lieu of hard-copy agenda notebooks.

CITO Kowalski also demonstrated an Alertus system suggested for use at University of Alaska campuses to alert campus faculty, staff and students regarding emergencies.

XIV. Human Resources Items

- A. Acceptance of Bargaining Unit Agreement between the University of Alaska and the University of Alaska Federation of Teachers Reference 6

Regent Hughes moved, seconded by Regent Marrs, and passed with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

PASSED

"The Board of Regents accepts the collective bargaining agreement (CBA) between the University of Alaska and the University of Alaska Federation of Teachers for the term of January 1, 2011 through December 31, 2013. This motion is effective June 3, 2011."

POLICY/STATUTORY CITATION

Board of Regents' Policy 04.11.020 – Exclusions and Agreements, states:

No collective bargaining agreement shall be binding upon the Board of Regents without prior approval of the entire agreement by the Board of Regents.

Alaska Statute 14.40.170(a)(2) provides:

The Board of Regents shall . . . fix the compensation of the president of the university, all heads of departments, professors, teachers, instructors, and other officers; . . .

Alaska Statute 14.40.170(b)(1) provides:

The Board of Regents may . . . adopt reasonable rules, orders, and plans with reasonable penalties for the good government of the university and for the regulation of the Board of Regents.

The Alaska Supreme Court has stated:

Through legislative enactments, the University enjoys a considerable degree of statutory independence. Not only does the board of regents have the constitutional authority to appoint the president of the University, formulate policy and act as the governing body of the institution, but the legislature has specifically empowered it to fix the president's compensation and the compensation of all teachers, professors, instructors and other officers . . .

RECOMMENDATION

Pursuant to this policy and legal authority, the university administration has tentatively agreed upon a contract with the University of Alaska Federation of Teachers. The members of the union ratified the contract on May 2, 2011. Chief Human Resources Officer Beth E. Behner will summarize the 3-year agreement. An executive summary of the contract is included.

Pursuant to A S 23.40.215, the monetary terms of this collective bargaining agreement are subject to initial approval/disapproval and annual funding by the Alaska Legislature.

B. Acceptance of Bargaining Unit Agreement between the University of Alaska and United Academics Reference 7

Regent Martin moved, seconded by Regent Powers, and passed with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

PASSED

"The Board of Regents accepts the collective bargaining agreement (CBA) between the University of Alaska and United Academics for the term of January 1, 2011 through December 31, 2013. This motion is effective June 3, 2011."

POLICY/STATUTORY CITATION

Board of Regents' Policy 04.11.020 – Exclusions and Agreements, states:

No collective bargaining agreement shall be binding upon the Board of Regents without prior approval of the entire agreement by the Board of Regents.

Alaska Statute 14.40.170(a)(2) provides:

The Board of Regents shall . . . fix the compensation of the president of the university, all heads of departments, professors, teachers, instructors, and other officers; . . .

Alaska Statute 14.40.170(b)(1) provides:

The Board of Regents may . . . adopt reasonable rules, orders, and plans with reasonable penalties for the good government of the university and for the regulation of the Board of Regents.

The Alaska Supreme Court has stated:

Through legislative enactments, the University enjoys a considerable degree of statutory independence. Not only does the board of regents have the constitutional authority to appoint the president of the University, formulate policy and act as the governing body of the institution, but the legislature has specifically empowered it to fix the president's compensation and the compensation of all teachers, professors, instructors and other officers . . .

RECOMMENDATION

Pursuant to this policy and legal authority, the university administration has tentatively agreed upon a contract with United Academics. The members ratified this contract on April 16, 2011. Chief Human Resources Officer Beth E. Behner will summarize the 3-year agreement. An executive summary of the contract is included.

Pursuant to A S 23.40.215, the monetary terms of this collective bargaining agreement are subject to initial approval/disapproval and annual funding by the Alaska Legislature.

XV. Approval of Revision to Industrial Security Resolution

Regent Marrs moved, seconded by Regent Brady and passed with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

PASSED AS AMENDED

"The Board of Regents approves the Industrial Security Resolution as revised to reflect changes in members of the Board of Regents and to add Chancellor Case as a member of the Managerial Group, and authorizes the Chair and Secretary of the Board of Regents to sign the resolution. This motion is effective June 3, 2011."

RATIONALE/RECOMMENDATION

The President and selected members of the university administration are routinely designated by the Board of Regents to handle any duties and responsibilities relating to classified information in connection with contracts with the Department of Defense and other federal agencies. These individuals are given an extensive security screening and are the only members of the administration, including the Board of Regents, to have access to classified information.

The university has received similar security clearances since the mid-1950s. Execution of the resolution allows regents and other members of the administration to be exempted from security clearance procedures.

XVI. Approval of Revision to University of Alaska Southeast Mission Statement

Reference 8

Regent Martin moved, seconded by Regent Jacobson, and passed with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

PASSED

"The Board of Regents approves revisions to Regents' Policy 01.01.040 – University of Alaska Southeast Mission Statement. This motion is effective June 3, 2011."

President Gamble supports the proposed revision to the University of Alaska Southeast mission statement:

"The mission of the University of Alaska Southeast is student learning enhanced by faculty scholarship, undergraduate research and creative activities, community engagement, and the cultures and environment of Southeast Alaska."

The rationale and recommendation for this revision were included in **Reference 8**.

XVII. Consent Agenda

Regent Marrs moved, seconded by Regent Martin, and passed with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

PASSED AS AMENDED

“The Board of Regents approves the consent agenda as amended. This motion is effective June 3, 2011.”

A. Academic and Student Affairs Committee

1. Approval of Graduate Certificate in Children’s Mental Health at the University of Alaska Anchorage Reference 9

PASSED

"The Board of Regents approves the Graduate Certificate in Children’s Mental Health at the University of Alaska Anchorage. This motion is effective June 3, 2011."

2. Approval of Graduate Certificate in Career and Technical Education at the University of Alaska Anchorage Reference 10

PASSED

"The Board of Regents approves the Graduate Certificate in Career and Technical Education at the University of Alaska Anchorage. This motion is effective June 3, 2011."

3. Approval of Revision of Associate of Applied Science in Telecommunications, Electronics, and Computer Technology at the University of Alaska Anchorage to an Associate of Applied Science in Computer and Networking Technology and Deletion of the Certificate in Telecommunications and Electronics System Reference 11

PASSED

"The Board of Regents approves the revision of the Associate of Applied Science in Telecommunication, Electronics, and Computer Technology to an Associate of Applied Science in Computer and Networking Technology and the deletion of the Certificate in Telecommunications and Electronics Systems at the University of Alaska Anchorage. This motion is effective June 3, 2011."

4. Approval of Reorganization of the Health Programs at the University of Alaska Anchorage Reference 12

PASSED

“The Board of Regents approves the reorganization of Health Programs at the University of Alaska Anchorage as follows:

1. College of Health and Social Welfare will be renamed College of Health
2. WWAMI will move from College of Arts and Sciences to College of Health and be renamed WWAMI School of Medical Education.
3. Division of Allied Health will be moved from the College of Career and Technical Education to the College of Health and will be renamed the School of Allied Health.

The Board of Regents revises Regents’ Policy 10.02.040.D and directs President Gamble to revise University Regulation 10.20.040 to reflect the revisions stated above. This motion is effective June 3, 2011.”

B. Facilities and Land Management Committee

1. ~~Formal Project Approval for the Kenai Peninsula College Student Housing Complex~~ Reference 3

Moved to New Business Item XVIII.C.1.

2. ~~Formal Project Approval for the University of Alaska Anchorage Seawolf Sports Arena~~ Reference 4

Moved to New Business Item XVIII.C.2.

3. Schematic Design Approval for the University of Alaska Anchorage Science Building Renovation Phase 3 Reference 13

PASSED

“The Board of Regents approves the Schematic Design Approval and Total Project Cost increase from \$11,400,000 to \$13,045,600 for the University of Alaska Anchorage Science Building Renovation, Phase 3. This project as presented is in compliance with the campus master plan, and authorizes the university administration to complete construction bid documents to bid and award a contract within the approved budget, and to proceed to completion of project construction not to exceed a phase cost of \$5,300,000 for Phase 3, and a revised cumulative Total Project Cost of \$13,045,600 for all three phases. This motion is effective June 3, 2011.”

4. Formal Project Approval for the University of Alaska Fairbanks Atkinson Heat and Power Plant Renewal Reference 14

PASSED

“The Board of Regents approves the Formal Project Approval request for the University of Alaska Fairbanks Atkinson Heat and Power Plant Renewal project as presented in compliance with the campus master plan, and authorizes the university administration to proceed through Schematic Design not to exceed a total project cost of \$40,400,000. This motion is effective June 3, 2011.”

5. Schematic Design Approval for the University of Alaska Fairbanks Critical Electrical Distribution Renewal Phase 1C Reference 15

PASSED

“The Board of Regents approves the Schematic Design Approval request for the University of Alaska Fairbanks Critical Electrical Distribution Renewal Phase 1C as presented in compliance with the campus master plan, and authorizes the university administration to complete construction bid documents to bid and award a contract within the approved budget, and to proceed to completion of project construction not to exceed a Total Project Cost of \$13,500,000. This motion is effective June 3, 2011.”

- ~~6. Formal Project Approval for the University of Alaska Southeast Banfield Hall Addition Reference 16~~

Moved to New Business Item XVIII.C.3.

7. Formal Project Approval for the University of Alaska Fairbanks Campus-Wide Student Housing and Dining Facility Addition Reference 17

PASSED

“The Board of Regents approves the Formal Project Approval request for the University of Alaska Fairbanks Campus-Wide Student Housing and Dining Facility Addition as presented in compliance with the campus master plan, and authorizes the university administration to advertise a public private partnership request for proposals and proceed through the pre-development stage at a cost not to exceed \$850,000. This motion is effective June 3, 2011.”

XVIII. New Business and Committee Reports

A. Academic and Student Affairs Committee

In addition to action items, the committee heard reports on outstanding initiatives, on MAU program review procedures, on the joint clinical community Ph.D. in Psychology, on Alaska Performance Scholarship, and on academic affairs issues including working relationships with governance.

Future agenda items included an update on the teacher preparation plan for September, a report on health programs, a priority list of projects to formalize a process for review, and a report on how of ten programs are advanced and proposed compared to peer institutions.

B. Audit Committee

1. Approval of the FY2012 Annual Audit Plan Reference 19

The Audit Committee approved the following motion:

PASSED

“The Board of Regents’ Audit Committee approves the annual audit plan for fiscal year 2012 as presented. This motion is effective June 3, 2011.”

2. Committee Report

In addition to the action item, External Auditor Daniel Rozema reported on the upcoming audit and Director Pittman reviewed the internal audit status report.

C. Facilities and Land Management Committee

1. Formal Project Approval for the Kenai Peninsula College Student Housing Complex Reference 3

Regent Marrs moved, seconded by Regent Martin, and passed as amended with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marrs, Martin, Powers, Wickersham, and Cowell voting in favor that:

PASSED AS AMENDED

“The Board of Regents approves the Formal Project Approval request for the University of Alaska Kenai Peninsula College Student Housing Complex as presented in compliance with the approved campus master plan, and authorizes the university administration to proceed through Schematic Design not to exceed a total project cost of \$17,800,000. This motion is effective June 3, 2011.”

2. Formal Project Approval for the University of Alaska Anchorage Seawolf Sports Arena Reference 4

Regent Wickersham moved to amend the motion. The amendment failed due to lack of a second.

Regent Marris moved, seconded by Regent Hughes, and passed with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marris, Martin, Powers, and Cowell voting in favor and Regent Wickersham voting in opposition that:

PASSED AS AMENDED

“The Board of Regents approves the amendment to the Formal Project Approval request for the University of Alaska Anchorage Seawolf Sports Arena as presented in compliance with the approved campus master plan, and authorizes the university administration to proceed with development of the arena project through Schematic Design not to exceed a total project cost up to \$109,000,000. This motion is effective June 3, 2011.”

3. Formal Project Approval for the University of Alaska Southeast Banfield Hall Addition Reference 16

Regent Marris moved, seconded by Regent Brady, and passed as amended with Regents Brady, Freitag, Heckman, Hughes, Jacobson, Marris, Martin, Powers, Wickersham, and Cowell voting in favor that:

PASSED AS AMENDED

“The Board of Regents approves the Formal Project Approval request for the University of Alaska Southeast Banfield Hall Addition as presented in compliance with the campus master plan, and authorizes the university administration to proceed through Schematic Design not to exceed a total project cost of \$8,750,000. This motion is effective June 3, 2011.”

4. Committee Report

In addition to action items, the Facilities and Land Management Committee heard reports on the R/V Sikuliaq, UAA/UAF Engineering facilities, UAF utility systems and construction in progress.

Regent Marris asked board members their opinion of President Gamble’s proposed Academic, Budget and Project Planning Process. There was consensus that this process should go forward.

Regent Marrs asked that Chancellor Rogers talk about the Atkinson Power Plant's future. Chancellor Rogers reported on the need to upgrade/replace the power plant in the near future.

IT security issues were discussed and the board affirmed its belief that the right things are being done to correct deficiencies given the available resources and complexities involved, its support of the CITO in this effort; and offered support and assistance to complete this effort.

XIX. Presentation on Research Discoveries at the University of Alaska Fairbanks

Representatives from the University of Alaska Fairbanks presented information regarding research discoveries made by University of Alaska Fairbanks faculty and staff.

Presenters included Larry Hinzman, executive director of the International Arctic Research Center; Ben Potter, associate professor of Anthropology; and Cathy Cahill, professor of Chemistry.

XX. 2011 Commencement Reports

Regents reported on the commencement exercises they attended in Spring 2011.

XXI. Alaska Commission on Postsecondary Education Report

No report.

XXII. UA Foundation Report

Carla Beam, President, UA Foundation Board of Trustees, gave the following report:

I will start by sharing news some or all of you may have heard.

Our Foundation president Mary Rutherford will be leaving us for an executive level development position at Boise State University. My first reaction to the news was not something I'll repeat at a public meeting that is being recorded. Seriously, it's an incredible tribute to the caliber of Mary's work that she has been tapped for such an opportunity elsewhere.

I start with this news because I believe it is relevant to what else I'd like to share in terms of Foundation Board activities. Mary is leaving us at the end of July. While we hate to see her go, she is leaving us in a very strong position and a forward moving direction.

At the end of March, the University Foundation board held a full-day retreat, facilitated by Curt Simic, president emeritus of the Indiana University Foundation and a recognized

national leader in fundraising for higher education, foundation management, and foundation/institution relations. In addition to his work in Indiana, he has worked with Yale, UC Berkeley, and the Universities of Tennessee, Alabama and Oregon.

As you might imagine, it's not easy to get on the calendar of someone with Mr. Simic's credentials. But Mary Rutherford had been a graduate student of his and it was his respect for her and the ongoing relationships he built with him after graduating that helped us land him.

Mr. Simic helped to guide our board, representatives of the system, and campus leadership and advancement staff through a fruitful conversation, during which we were able to clarify next steps to move the Foundation forward in its strategic planning so that we will be well-positioned to assist the University with the goals it establishes now and in the future.

During the course of the day, we learned about the 6,000 prospects in our data base who have the capacity to give at the \$50,000 level or above. Recognizing this huge untapped potential and the need to proceed in a thoughtful, informed and coordinated manner, we ended the day agreeing that our starting point is to have the foundation and campus staff develop an integrated advancement plan. They are working on that now.

We know that this plan will give us the information we need to clarify roles and responsibilities between campuses and the foundation and to identify gaps in resources. This will enable good decision-making on how best to use the resources we have and to identify and initiate efforts to fill major gaps so we can tap the potential that exists.

I believe our Foundation board left this retreat with a considerable enthusiasm and a renewed commitment to taking a major step forward in supporting the important work of the University.

XXIII. UA Athletics Report

No report.

XXIV. Future Agenda Items

Regent Heckman asked for a grievance report.

Regent Martin requested that regular reports be given regarding the status of the UAF Power Plant.

XXV. Board of Regents' Comments

Regent Heckman spoke of her enjoyment of the Poker Flat tour and her hope that the wonderful stories of UA are told to Alaska citizens; and thanked the researchers for the wonderful presentations on research discoveries.

Regent Martin welcomed Regent Freitag to the Board of Regents; gave his best wishes to Mary Rutherford and Wendy Redman as they leave the university; thanked Chancellor Rogers for the hospitality, the weather, and the woods moke; and thanked Regent Wickersham for his efforts to make the UAA Sports Arena a better project.

Regent Jacobson welcomed Regent Freitag; thanked UAF for the tour of Poker Flat; thanked UAF campus and the wonderful presenters and for the reception; and thanked the staff for putting the meeting together; and gave her best wishes to those leaving the university.

Regent Powers spoke of his appreciation for the great presentations given during the meeting; and thanked Wendy Redman and Mary Rutherford for their service.

Regent Freitag expressed her enjoyment in joining the Board of Regents and spoke of her appreciation for the support given her by board members and staff.

Regent Hughes welcomed Regent Freitag to the Board of Regents and complimented Chair Cowell and President Gamble for the agenda preparation and timing of the meeting.

Regent Wickersham expressed his appreciation for the great service of Wendy Redman and Mary Rutherford; and his dismay over the UAA Sports Arena decision along with his appreciation for being part of the process.

Chancellor Rogers complimented the UAF staff for the excellent presentations; and stated that he will deeply miss Wendy Redman.

Chancellor Case felt this was a very valuable three days; reported that UAA will be introducing a naming plan for buildings on the UAA campus; and expressed his deep appreciation for what UA does for its students.

Chancellor Pugh thanked Chancellor Rogers for the wonderful hospitality of UAF; spoke of his wonder in the diversity and depth of university activities all over the state; and thanked Wendy Redman and Mary Rutherford for their service to the University of Alaska.

Vice President Redman commented on her 41 years at the University of Alaska and the worthwhile work done at this institution.

President Gamble thanked Wendy Redman for her service to the University of Alaska and assistance to him during his first year of president; and thanked the board for their good debate on the hard decisions made during the meeting.

Regent Cowell thanked Wendy Redman for her amazing service; thanked UAF for the great tour of P oker Flat and for their hospitality and the reception; thanked Regent Jacobson for chairing the meeting during his illness; and thanked the board for their attention during this meeting.

XXVI. Adjourn

Chair Cowell adjourned the meeting at 2:15 p.m. on Friday, June 3, 2011.

Unofficial Minutes
Board of Regents
Special Meeting of the Full Board
August 10, 2011
VIA AUDIOCONFERENCE

Regents Present:

Fuller Cowell, Chair
Robert Martin, Jr., Secretary
Kirk Wickersham, Treasurer
Timothy C. Brady
Kenneth Fisher
Mari Freitag
Jyotsna Heckman
Mary K. Hughes
Michael Powers

Patrick K. Gamble, Chief Executive Officer and President, University of Alaska

Regents Absent:

Patricia Jacobson, Vice Chair
Carl Marrs

Others Present:

Brian D. Rogers, Chancellor, University of Alaska Fairbanks
Tom Case, Chancellor, University of Alaska Anchorage
Carla Beam, Vice President for University Relations
Daniel Julius, Vice President for Academic Affairs
Jeannie D. Phillips, Executive Officer, Board of Regents

I. Call to Order

Chair Cowell called the meeting to order at 2:00 p.m.

II. Adoption of Agenda

Regent Martin moved, seconded by Regent Powers, and passed with no objections that:

PASSED

"The Board of Regents adopts the agenda as presented.

I. Call to Order

II. Adoption of Agenda

III. Approval of Notice of Federal Interest in the Arctic Health Research Building Located on the University of Alaska Fairbanks Campus

IV. Approval of Notice of Federal Interest in the Voc-Tech Building Located on the Kuskokwim Campus

V. Briefing by President Gamble

VI. Adjourn

This motion is effective August 10, 2011."

III. **Approval of Notice of Federal Interest in the Arctic Health Research Building Located on the University of Alaska Fairbanks Campus**

Regent Heckman moved, seconded by Regent Martin, and passed with Regents Brady, Cowell, Fisher, Freitag, Heckman, Hughes, Martin, Powers and Wickersham voting in favor that:

PASSED

"The Board of Regents HEREBY RESOLVE that Joe Trubacz, Vice President for Finance of the University of Alaska, is delegated authority to execute and cause to be recorded in official land records a Notice of Federal Interest in the Arctic Health Research Building located on the University of Alaska Fairbanks campus. The Notice of Federal Interest is required by 45 C.F.R. 74.37 and the National Institutes of Health Grants Policy Statement and the Terms and Conditions of the National Center for Research Resources Grant C06 RR 030495 01 awarded to the University of Alaska. This motion is effective August 10, 2011."

POLICY CITATION

In accordance with Regents' Policy 05.11.060, the board shall approve real property transactions that require the subordination of an interest in university real property of \$1,000,000 or more in value.

RATIONALE/RECOMMENDATION

On April 1, 2010, the University of Alaska was awarded a construction grant from the National Institutes of Health funded through the National Center for Research Resources (NCRR). The Campus Wide NCRR Recovery Act Construction Grant project will renovate and create space at the Fairbanks and Kuskokwim Campuses of the University of Alaska Fairbanks in support of research aimed at the behavioral and nutritional sciences of Alaska's native peoples.

In Fairbanks, the projects will in fill an underutilized courtyard in the middle of the facility to create a nutritional and physical assessment lab on the first floor and a shelled out second floor. The second floor space will be finished to the point where future grants could utilize it with little renovation cost.

Formal Project Approval was submitted by the University for the Campus Wide NCRR Recovery Act Construction Grant project (2010119 CWRA), and it gained approval from the Board of Regents on April 16, 2010. Schematic Design Approval was granted by the chair of the Facilities and Land Management Committee on November 5, 2010 for the

portion of the grant located on the Fairbanks Campus in the Arctic Health Research Building (2010128 AHCHC).

Under the terms of the grant, the University must record a Notice of Federal Interest in the local recording office at the time construction under the Grant begins. The Notice of Federal Interest will restrict the use of University property to the uses authorized by the grant. Similar conditions applied to the construction of the UAF BiRD facility and the board authorized a Notice of Federal Interest for that project.

This Notice of Federal Interest will restrict approximately 1,800 square feet located in the Arctic Health Research Building (see attached drawings) for research during the grant period of 10 years. In the unlikely event that the University defaults on the terms and conditions of the grant, the University may be required to repay the NCCR a portion or all of the grant funds.

IV. Approval of Notice of Federal Interest in the Voc-Tech Building Located on the Kuskokwim Campus

Regent Fisher moved, seconded by Regent Martin, and passed with Regents Brady, Cowell, Fisher, Freitag, Heckman, Hughes, Martin, Powers and Wickersham voting in favor that:

PASSED

“The Board of Regents HEREBY RESOLVE that Joe Trubacz, Vice President for Finance of the University of Alaska, is delegated authority to execute and cause to be recorded in official land records a Notice of Federal Interest in the Voc-Tech Building (KU 104) located on the Kuskokwim Campus. The Notice of Federal Interest is required by 45 C.F.R. 74.37 and the National Institutes of Health Grants Policy Statement and the Terms and Conditions of the National Center for Research Resources Grant C 06 RR 030495 01 awarded to the University of Alaska. This motion is effective August 10, 2011.”

POLICY CITATION

In accordance with Regents’ Policy 05.11.060, the board shall approve real property transactions that require the subordination of an interest in university real property of \$1,000,000 or more in value.

RATIONALE/RECOMMENDATION

On April 1, 2010, the University of Alaska was awarded a construction grant from the National Institutes of Health funded through the National Center for Research Resources (NCCR). The Campus Wide NCCR Recovery Act Construction Grant project will renovate and create space at the Fairbanks and Kuskokwim (Bethel) Campuses of the University of Alaska Fairbanks in support of research aimed at the behavioral and nutritional sciences of Alaska’s native peoples.

In Bethel, the project will in fill an underutilized open area in the Voc-Tech building to create a nutritional and physical assessment lab on the first floor with shell space on the 2nd floor for future construction.

Formal Project Approval was submitted by the University for the Campus Wide NCRR Recovery Act Construction Grant project (2010119 CWRA), and it gained approval from the Board of Regents on April 16, 2010. Schematic Design Approval was granted by the chair of the Facilities and Land Management Committee on November 5, 2010 for the portion of the grant located on the Kuskokwim Campus (2010129 KCHC).

Under the terms of the grant, the University must record a Notice of Federal Interest in the local recording office at the time construction under the grant begins. The Notice of Federal Interest will restrict the use of University property to the uses authorized by the grant. Similar conditions applied to the construction of the UAF BiRD facility and the board authorized a Notice of Federal Interest for that project.

This Notice of Federal Interest will restrict approximately 1,500 square feet located in the Voc-Tech Building on the Kuskokwim Campus (see attached drawings) for research during the Grant period of 10 years. In the unlikely event that the University defaults on the terms and conditions of the Grant, the University may be required to repay the NCRR a portion or all of the grant funds.

V. Briefing by President Gamble

President Gamble briefed the Board of Regents on activities occurring over the summer at University of Alaska campuses, on issues of importance to the University, and on issues that will be facing the Board of Regents when they next meet in regular session on September 22-23, 2011 at the University of Alaska Southeast campus.

VI. Adjourn

Chair Cowell adjourned the meeting at 3:01 p.m.



UNIVERSITY
of ALASKA

Many Traditions One Alaska

First Review of FY13 Operating Budget

Board of Regents
September 22-23, 2011
Juneau, Alaska

Prepared by Statewide Planning & Budget
450-8191

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University of Alaska
FY13 Proposed Operating Budget
Introduction

The operating budget discussion will provide Regents with an understanding of UA's current operating budget, UA's proposed FY13 operating budget priorities, the assumptions underlying the FY13 request, and the impact of requested priority programs on key performance goals. Administration is seeking Board of Regents' feedback on key priorities and anticipates the Board will have questions in areas requiring further clarification. There will be a discussion regarding the "Heads Up" meeting with the Governor's Office of Management and Budget (OMB), which is scheduled to occur on September 21, 2011. A copy of the "Heads Up" meeting memo from OMB is provided on page 16.

Current Operating Budget Context

In FY12, \$1.6 million was directed to the Board's priority program requests for: student success initiatives (\$392.4); high demand jobs in health (\$511.1); enhancing competitive research (\$250.0); and continued funding for UAA's Integrated Science building positions, and UAF's summer bridge programs (\$464.2 funded one-time in FY11). Page 48 provides a listing of FY12 program investments.

In the last ten years, the University of Alaska has recognized the need for priority program growth and through external revenue, internal efficiencies, and reallocations; the Board of Regents has distributed funding towards priority programs each year. Fueled significantly by external revenue sources, program investments have proven themselves.

FY13 Operating Budget Request and Assumptions

The FY13 Proposed Operating Budget will include the necessary resources to cover adjusted base increases (i.e., contractual and fixed cost increases) plus focused state funding directed toward educational outputs.

The recommended FY13 program priorities include for consideration and discussion \$6.3 million of the \$8 million submitted by the MAUs as their highest priority programs. The FY13 budget request includes a base funding request for the UAA Honors College and the UAF Honors Program that received one-time funding in FY12 and funding for focused program growth in the areas of new initiatives to improve graduation rates; investment in high demand jobs; and enhancing competitive research. The complete list of submitted MAU highest priority programs begin on page 24.

- **FY12 One-time Funded Priority Programs to Baseline**
The requested funding will provide base funds for one-time funded programs for the UAA Honors College and the UAF Honors Program.
- **New Initiatives to Improve Graduation Rates**
These requests support UA's responsibility during "the 3 critical years" with an emphasis on advising students for performance success.

- Investment in High Demand Jobs
Funding investments in Engineering, Health/Bio-Medical, Teacher Education, and Workforce Development continue to be a priority for UA. Continued investment in these areas will keep up with the State's need for trained professional providers.
- Enhance Competitive Research
These requests support UA's efforts to create economic value from UA intellectual property commercialization and focus research where UA competes in Alaska especially well.

The adjusted based requirements include employee compensation increases and non-personnel-related increases. The cost increases are based on the following expectations:

Compensation increases are based on negotiated contracts with unionized employees. The non-unionized staff compensation increase will be discussed with the Board. The benefit rate portion of the request is still being reviewed

- Employer defined contributions for healthcare are expected to remain the same
- Retirement rates are expected to remain the same
- Additional non-discretionary fixed cost increases include:
 - Utilities (based on an approximate 7% increase in FY13 plus full funding in FY12 via the fuel trigger mechanism and supplemental funding if necessary)
 - Facilities Maintenance and Repair (M&R) Requirement
 - Contractual, commodity, travel, and compliance mandates
 - New facility operating costs for the UAF Alaska Center for Energy and Power (ACEP) High Bay Test Facility, the UAF Arctic Health Research Greenhouse, and the UAF Sustainable Village.

Additional steps necessary prior to approval of UA's FY13 Operating Budget, scheduled for the November 2, 2011 Board of Regents' meeting, include:

- Incorporating Board of Regents input
- Incorporating MAU performance targets
- Integrating and aligning the operating and capital budget requests
- Developing and refining request amounts and narrative descriptions
- Developing presentation format consistent with focus/theme

University of Alaska
FY13 Proposed Operating Budget Request
(in thousands)

	State	Receipt	Total
FY12 Operating Budget	351,721.1	537,380.1	889,101.2
Reverse FY12 one-time items			
UAA Honors College	(100.0)	(15.0)	(115.0)
UAF Honors Program	(100.0)		(100.0)
Mental Health Trust Authority Authorized Receipts		(1,481.5)	(1,481.5)
FY12 Reversals	(200.0)	(1,496.5)	(1,696.5)
FY12 Operating Budget less Reversals	351,521.1	535,883.6	887,404.7
Adjusted Base Requirements			
Compensation Increases (placeholder)	6,000.0	6,000.0	12,000.0
Utility Cost Increases	1,000.0	1,000.0	2,000.0
Facilities Maintenance & Repair Requirement	1,000.0	1,000.0	2,000.0
Non-Personal Services Fixed Cost Increases	265.0	4,185.0	4,450.0
Compliance Mandates	100.0	100.0	200.0
New Facility Operating and Maintenance Costs	434.0	180.0	614.0
Subtotal - Adjusted Base Requirement	8,799.0	12,465.0	21,264.0
	2.5%	2.3%	2.4%
High Priority Program Sustainment			
FY12 One-time Funded Priority Programs to Baseline	200.0	15.0	215.0
New Initiatives to Improve Graduation Rates	1,463.2	872.5	2,335.7
Investment in High Demand Jobs	3,079.1	1,542.8	4,621.9
<i>Engineering</i>	400.0	832.8	1,232.8
<i>Health/Bio-Medical</i>	1,239.9	543.1	1,783.0
<i>Teacher Education</i>	340.1	22.9	363.0
<i>Workforce Development</i>	1,099.1	144.0	1,243.1
Enhancing Competitive Research	1,545.0	1,611.7	3,156.7
Subtotal-High Priority Program Sustainment	6,287.3	4,042.0	10,329.3
	1.8%	0.8%	1.2%
Budget Adjustments			
Transfer Alaska Air National Guard Scholarship Program	-	-	-
From: UA Anchorage Campus	(328.5)		(328.5)
To: UA Fairbanks Campus	328.5		328.5
FY13 TVEP Funding	406.5		406.5
Capital Improvement Project Receipts (CIP)		910.0	910.0
UA Intra Agency Receipts		1,200.0	1,200.0
Subtotal-Budget Adjustments	406.5	2,110.0	2,516.5
FY13 Increment	15,492.8	18,617.0	34,109.8
FY13 Operating Budget	367,013.9	554,500.6	921,514.5
% Chg. FY12-FY13 Operating Budget	4.3%	3.2%	3.6%

University of Alaska
FY13 Operating Budget Adjusted Base Detail
(in thousands)

Compensation by Employee Group (placeholder-pending MAU review)	State Approp.	Receipt Authority	Total
Univ. of AK Federation of Teachers (UAFT)			-
Local 6070			-
United Academics Faculty (UNAC)			-
FireFighters Association (FFA)			-
UA Adjuncts (UNAD)			-
UA Staff			-
Subtotal - Compensation	6,000.0	6,000.0	12,000.0
Additional Operating Cost Increases			
Utility Cost Increases	1,000.0	1,000.0	2,000.0
Facilities Maintenance & Repair	1,000.0	1,000.0	2,000.0
Non-Personal Services Fixed Cost	265.0	4,185.0	4,450.0
UAF VoIP (Dept. phones)		185.0	185.0
UAF Community and Technical College Parking Garage Lease	90.0		90.0
UAF Pipeline Training Center Lease	175.0		175.0
Other Fixed Cost Increases		4,000.0	4,000.0
Compliance Mandates	100.0	100.0	200.0
UAF IT Licenses, Software, & Compliance	100.0	100.0	200.0
New Facility Operating & Maintenance Costs	434.0	180.0	614.0
UAF Alaska Center for Energy and Power High Bay Test Facility	160.0	40.0	200.0
UAF Arctic Health Research Greenhouse	274.0		274.0
UAF Sustainable Village		140.0	140.0
Subtotal - Additional Operating Cost Increases	2,799.0	6,465.0	9,264.0
Total Adjusted Base Requirements	8,799.0	12,465.0	21,264.0

University of Alaska
FY13 High Priority Program Requests by Category

MAU/Campus/Program Title	State Approp.	Receipt Authority	Total
FY12 One-time Funded Priority Programs to Baseline			
UAA ANC Honors College	100.0	15.0	115.0
UAF FBK Honors Program	100.0		100.0
FY12 One-time Funded Priority Programs to Baseline Total	200.0	15.0	215.0
New Initiatives to Improve Graduation Rates			
UAA ANC Advising Students for Performance Success	354.9	190.0	544.9
UAA ANC ANSEP Staff	271.0		271.0
UAF FBK Advising Students for Performance Success	600.0	494.8	1,094.8
UAF FBK Development/Alumni Support for Increased Giving in Support of Student Success	150.0	150.0	300.0
UAS JUN Advising Students for Performance Success	87.3	37.7	125.0
New Initiatives to Improve Graduation Rates Total	1,463.2	872.5	2,335.7
Investment in High Demand Jobs			
Engineering			
UAF FBK Support for Increased Engineering Enrollment and Graduation	400.0	832.8	1,232.8
Engineering Sub-total	400.0	832.8	1,232.8
Health/Bio-Med			
UAA ANC Graduate Nursing Faculty - Family Nurse Practitioner	389.9	40.0	429.9
UAA ANC INBRE Cellular Developmental Biologist	100.0	20.0	120.0
UAA ANC Physical Therapy Careers	350.0	40.0	390.0
UAF FBK Veterinary Program	400.0	443.1	843.1
Health/Bio-Med Sub-total	1,239.9	543.1	1,783.0
Teacher Education			
UAA ANC ISER-Alaska Education Policy Research	250.0		250.0
UAS JUN Elementary Education Faculty with a Literacy Focus	90.1	22.9	113.0
Teacher Education Sub-total	340.1	22.9	363.0
Workforce Development			
UAA KPC Process Technology for Resource Development	375.0	94.0	469.0
UAF CRCD Early Childhood Program Support	144.0		144.0
UAS SIT Alaska Training/Technical Assistance Center Director/Career Trainer	145.1	50.0	195.1
UAS KET Assistant Professor of Fisheries Technology	85.0		85.0
SPS SW Tech Prep Secondary to Post-secondary Bridge Program	350.0		350.0
Workforce Development Sub-total	1,099.1	144.0	1,243.1
Investment in High Demand Jobs Total	3,079.1	1,542.8	4,621.9
Enhancing Competitive Research			
Commercialization of University Intellectual Property for Business			
UAF FOR Development	210.0	140.0	350.0
UAF FBK Indigenous Studies PhD and Alaska Native Knowledge Network	250.0	46.6	296.6
UAF FOR High Performance Computing for Research	500.0	226.4	726.4
UAF FOR Preservation of Alaska's Art and Culture	285.0	178.9	463.9
UAF FOR Resilience and Climate Adaptation Program (RAP) in Graduate Studies	300.0	472.6	772.6
UAF FBK Sikuliaq On-shore Staff Support		547.2	547.2
Enhancing Competitive Research Total	1,545.0	1,611.7	3,156.7
FY13 High Priority Program Sustainment	6,287.3	4,042.0	10,329.3

* program descriptions begin on page 26

**University of Alaska
FY13 Operating Budget Request Items**

Adjusted Base Requirements

(GF: \$8,799.0, NGF: \$12,465.0, Total: \$21,264.0)

The requested state funding supports UA's adjusted base increment requirements. UA's adjusted base requirements include employee compensation increases and non-personnel related increases. Adjusted base cost increases are estimated at \$21.3 million with \$8.8 million required from state funding and \$12.5 million available from increases from university revenue sources such as tuition, federal and university receipts.

Compensation Increases (placeholder-pending MAU review)

(GF: \$6,000.0, NGF: \$6,000.0, Total: \$12,000.0)

UA's compensation increase is based on negotiated contracts with unionized employees. Compensation increases will be discussed with the Board for non-unionized staff.

Employer defined contributions for health care are expected to remain the same as FY12. FY13 retirement rates are also expected to be the same as FY12; for PERS, 22.00%; TRS, 12.56%; and ORP1, 12.56%.

Utility Cost Increases

(GF: \$1,000.0, NGF: \$1,000.0, Total: \$2,000.0)

This request covers the projected FY13 utility and fuel oil cost increases, estimated at a 7% increase over FY12. FY12 increases are expected to be offset through a utility fuel trigger mechanism and if necessary, a request for supplemental funding will be submitted.

Facilities Maintenance & Repair Requirement

(GF: \$1,000.0, NGF: \$1,000.0, Total: \$2,000.0)

UA's annual maintenance and repair is calculated at a minimum 1.5% of current building value, plus a component that accrues directly with building age. Each MAU annually dedicates a portion of its operating budget to facilities maintenance, often referred to as M&R. As the deferred maintenance and renewal/repurposing backlog continues to grow, the amount of funding necessary to maintain buildings increases, and more M&R has to be used unprogrammatically to take care of unforeseen deferred maintenance needs.

Non-Personal Services Fixed Cost Increases

(GF: \$265.0, NGF: \$4,185.0, Total: \$4,450.0)

- UAF VoIP (Dept. phones)
UAF is upgrading to a new VoIP telephone system that will require departments to pay increased equipment and other charges.
- UAF Community and Technical College parking garage lease
Provides parking for the UAF Community and Technical College facility in downtown Fairbanks.
- UAF Pipeline Training Center Lease
Leased space will meet essential instructional and program needs for the Process Technology, Instrumentation, and Safety/Health/Environmental Awareness programs.

FY13 Operating Budget Request Items (continued)

- **Other Fixed Cost Increases**
To minimize fixed cost increases, the UA continues to look for administrative improvements and efficiencies. Processes continue to be reviewed for streamlining, outsourcing and business process automation. The requested funds will be used toward the remaining non-discretionary cost increases estimated at a 2.8% increase over FY11 unrestricted expenditures, excluding personal services, utilities, and maintenance and repairs.

Compliance Mandates

(GF: \$100.0, NGF: \$100.0, Total: \$200.0)

- **UAF IT Licenses, Software, & Compliance**
The Office of Information Technology (OIT) manages several widely used or campus site licensed academic and administrative software applications. This currently is an optimal way to leverage software licensing for multiple groups at the lowest cost across the campus for commonly used applications. This prevents departments from spending additional funds to purchase and maintain duplicate versions of these software licenses and therefore facilitates a cost containment strategy at UAF. To continue support for these shared software tools, OIT will require an ongoing increment or base adjustment for the annual renewal fixed licensing costs. This family of products allows students and faculty to collaborate, use instructional software for statistics instruction, distribute documents, provide tools for drawing, create electronic artwork, publications and graphics, edit images and video, for web page design and maintenance across the campus, and for computer virus scanning and proactive maintenance.

New Facility Operating and Maintenance Costs

(GF: \$434.0, NGF: \$180.0, Total: \$614.0)

- **UAF Alaska Center for Energy and Power (ACEP) High Bay Test Facility**
UAF's Energy Technology Facility phase 1A is the ACEP High Bay Test Module. This 5,300 square foot facility is scheduled for completion in November 2011. This request covers the initial operating and maintenance costs associated with the facility.
- **UAF Arctic Health Research Greenhouse**
The UAF West Ridge replacement greenhouse is scheduled for completion in December 2011. This request covers the additional operating and maintenance costs associated with this 10,000 square foot facility.
- **UAF Sustainable Village**
This request is for receipt authority to receive anticipated fees generated from students residing at the planned Sustainable Village community. This project is a research demonstration partnership between the University of Alaska Fairbanks and the Cold Climate Housing Research Center to develop highly energy efficient and affordable housing. This is the first of up to 5 phases with each future phase incorporating improvements based on the experiences from earlier phases. Projected receipts are based on the planned construction of four (4), four (4) bedroom units accommodating a total of sixteen (16) students, with each student contributing monthly rents of approximately \$700. The receipts are expected to cover the costs of construction, regular maintenance and upkeep.

FY13 Operating Budget Request Items (continued)

High Priority Program Sustainment

(GF: \$6,287.3, NGF: \$4,042.0, Total: \$10,329.3)

The FY13 system program priorities include \$6.3 million of the MAU's highest priority programs. Funding requests are focused in the strategic areas of New Initiatives to Improve Graduation Rates; Investment in High Demand Jobs; and Enhancing Competitive Research programs.

- **FY12 One-time Funded Priority Programs to Baseline**
(GF: \$200.0, NGF: \$15.0, Total: \$215.0)
This funding seeks to transfer FY12 one-time honor's program funding received at UAA and UAF to base funding.
- **New Initiatives to Improve Graduation Rates**
(GF: \$1,463.2, NGF: \$872.5, Total: \$2,335.7)
These requests support UA's responsibility during "the 3 critical years", including UA's part in the joint effort for insuring college readiness and student success during the key decision and high attrition years. Specific focus placed on improving retention and timely completion by removing obstacles and relying on performance facts and data for decision making.
- **Investment in High Demand Jobs in Engineering, Health/Bio-Medical, Teacher Education, and Workforce Development**
(GF: \$3,079.1, NGF: \$1,542.8, Total: \$4,621.9)
Funding investments in Engineering, Health/Bio-Medical, Teacher Education, and Workforce Development continue to be a priority for UA. Continued investment in these areas will keep up with the State's need for trained professional providers.
- **Enhancing Competitive Research**
(GF: \$1,545.0, NGF: \$1,611.7, Total: \$3,156.7)
These requests support UA's efforts to create economic value from UA intellectual property commercialization and focus research where UA competes in Alaska especially well.

FY13 Budget Adjustments

(GF: \$406.5, NGF: \$2,110.0, Total: \$2,516.5)

These adjustments include requests outside of the University of Alaska's normal budgeting process; additional receipt authority requests; and program transfers.

- **Transfer Alaska Air National Guard Scholarship Program**
(GF: \$0.0, NGF: \$0.0, Total: \$0.0)
The Alaska National Guard/University of Alaska Tuition Scholarship Program (TSP) provides funding for continuing undergraduate education courses taken at UA campuses by members of the Alaska Army and Air National Guard (AKNG) and Alaska Naval Militia (ANM). The program is available at all campuses, and was administered by the UAA Financial Aid Office for all. The program will now be administered by the UAF Financial Aid office and this request transfers \$328.5 of general funds from the Anchorage Campus to the Fairbanks Campus for the Alaska Air National Guard Scholarship program.

FY13 Operating Budget Request Items (continued)

- **Technical Vocational Education Program**
(TVEP: \$406.5, NGF: \$0.0, Total: \$406.5)
This funding, commonly referred to as workforce development, is focused on priority workforce development areas established by the Alaska Workforce Investment Board (AWIB). This amount is the projected increase for UA in FY13.
- **UA Receipt Authority**
(GF: \$0.0, NGF: \$2,110.0, Total: \$2,110.0)
FY13 revenue projections indicate that UA requires additional budget authority to cover expenditures in the areas of capital improvement project receipts and UA intra-agency receipts. A brief description of the activities for each authority type follows.

Capital Improvement Project Receipts (CIP): UA has received an increase in capital appropriation funding over the last several years. Capital Improvement Project Receipts (CIP) is generated by charge-backs to capital improvement projects for personal services administrative costs. Additional CIP authority is necessary to record personal services expenditures related to capital projects.

UA Intra-Agency Receipts include all internal charges for services provided by central service departments to other university departments. This includes services such as physical plant work orders, printing and computer repairs, and certain administrative functions such as risk management and labor relations.

University of Alaska Revenue Summary
Budgeted Authority and Actual Revenue by Source FY11-FY13

	Budgeted Values				Actual Values				
	FY11 Authorized	FY12 Authorized	FY13 Proposal	% Change FY11-FY12	FY11 Actual	FY12 Projection	FY13 Projection	% Change FY12-FY13	Net Change FY12-FY13
State Appropriations									
General Fund	329,979.1	337,685.4	352,971.7		329,979.1	337,685.4	352,971.7		15,286.3
General Fund-One-Time ⁽¹⁾	3,619.2	3,610.0	3,410.0		3,619.2	3,610.0	3,410.0		(200.0)
General Fund Match	4,777.3	4,777.3	4,777.3		4,777.3	4,777.3	4,777.3		-
Technical Vocational Ed.	4,873.9	5,042.6	5,449.1		4,873.9	5,042.6	5,449.1		406.5
Mental Health Trust	605.8	605.8	605.8		605.8	605.8	605.8		-
State Appr. Subtotal	343,855.3	351,721.1	367,213.9	4.4%	343,855.3	351,721.1	367,213.9	4.4%	15,492.8
Receipt Authority									
Interest Income	4,695.2	4,240.3	4,250.3	0.2%	241.7	613.0	623.0	1.6%	10.0
Auxiliary Receipts	48,355.4	43,634.0	44,534.0	2.1%	32,961.4	42,181.3	43,081.3	2.1%	900.0
Student Tuition/Fees (net)	116,278.5	131,100.2	140,500.2	7.2%	116,110.4	124,376.3	133,776.3	7.6%	9,400.0
Indirect Cost Recovery ⁽³⁾	35,243.3	34,833.0	35,733.0	2.6%	33,736.8	34,395.6	35,295.6	2.6%	900.0
University Receipts	95,747.3	100,284.6	102,581.6	2.3%	78,582.4	80,457.0	82,754.0	2.9%	2,297.0
University Rcpts. Subtotal	300,319.7	314,092.1	327,599.1	4.3%	261,632.7	282,023.2	295,530.2	4.8%	13,507.0
Federal Receipts	139,168.7	137,953.7	140,953.7	2.2%	134,076.4	134,474.0	137,474.0	2.2%	3,000.0
State Inter Agency Rcpts	16,551.1	16,201.1	16,201.1		12,524.2	12,707.5	12,707.5		-
MHTAAR	1,378.3	1,481.5	1,481.5		1,378.3	1,481.5	1,481.5		-
CIP Receipts ⁽³⁾	9,860.7	9,530.7	10,440.7	9.5%	9,191.2	9,527.4	10,437.4	9.6%	910.0
UA Intra Agency Receipts	59,251.6	58,121.0	59,321.0	2.1%	54,889.3	56,262.1	57,462.1	2.1%	1,200.0
Rcpt. Authority Subtotal	526,530.1	537,380.1	555,997.1	3.5%	473,692.1	496,475.7	515,092.7	3.7%	18,617.0
Revenue Total	870,385.4	889,101.2	923,211.0	3.8%	817,547.4	848,196.8	882,306.6	4.0%	34,109.8
<i>Other Appr. ⁽²⁾</i>	<i>2.0</i>	<i>2.0</i>	<i>2.0</i>		<i>0.8</i>	<i>2.0</i>	<i>2.0</i>		
<i>Total w/ Other Appr.</i>	<i>870,387.4</i>	<i>889,103.2</i>	<i>923,213.0</i>	<i>3.8%</i>	<i>817,548.2</i>	<i>848,198.8</i>	<i>882,308.6</i>		

1. One-time Items Include: FY11 \$3,080.0 for Utility Cost Increases, \$314.2 UA Anchorage Fixed Costs, \$225.0 UAF Summer Science and Math Camps; FY12 \$3,410 for Utility Cost Increases, \$100.0 for UAA's Honors College, \$100.0 for UAF's Honors Program; and FY13 \$3,410.0 estimate for Utility Cost Increases (base and/or fuel trigger mechanism funding).

2. License plate revenue

Change in State Funding by Source FY04-FY12 (in thousands)

	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12
General Fund ⁽¹⁾	\$209,736.9	\$225,287.9	\$244,743.7	\$277,311.9	\$289,416.1	\$307,600.4	\$322,054.9	\$333,598.3	\$341,295.4
General Fund Match	2,777.3	2,777.3	2,777.3	4,777.3	4,777.3	4,777.3	4,777.3	4,777.3	4,777.3
Mental Health Trust	200.8	200.8	200.8	200.8	200.8	295.8	300.8	605.8	605.8
TVEP	2,868.9	2,868.9	2,822.6	2,882.0	3,134.3	4,723.6	4,723.6	4,873.9	5,042.6
Business License Revenue ⁽²⁾						550.0			
Total	\$215,583.9	\$231,134.9	\$250,544.4	\$285,172.0	\$297,528.5	\$317,947.1	\$331,856.6	\$343,855.3	\$351,721.1
Annual % Change	2.2%	7.2%	8.4%	13.8%	4.3%	6.9%	4.4%	3.6%	2.3%
Annual Change	4,585.0	15,551.0	19,409.5	34,627.6	12,356.5	20,418.6	13,909.5	11,998.7	7,865.8
One-time items			2,355.6	2,640.0	4,957.9	5,074.4	4,730.0	3,619.2	3,610.0
Pass-through funds							2,200.0	2,200.0	2,200.0

1. Includes one-time items and pass-through funds.

2. The \$550.0 funded with Business License Revenue in FY09 was moved to General Funds in FY10.

FY09-FY12 Operating Budget Trend by MAU/Campus (in thousands)

MAU/Campus	FY09 Actual			FY10 Actual			FY11 Actual			FY11 BOR Authorized			FY12 BOR Authorized		
	State Appr.	Rept. Auth.	Total Funds	State Appr.	Rept. Auth.	Total Funds	State Appr.	Rept. Auth.	Total Funds	State Appr.	Rept. Auth.	Total Funds	State Appr.	Rept. Auth.	Total Funds
Systemwide Components Summary															
Reduct's & Addt's										(328.0)	28,213.3	27,885.3	1,653.7	23,696.5	25,350.2
Total SW BRA										(328.0)	28,213.3	27,885.3	1,653.7	23,696.5	25,350.2
Statewide Programs & Services															
Statewide Services	14,139.3	19,097.5	33,236.8	14,489.5	17,739.2	32,228.7	15,425.5	19,065.6	34,491.1	15,242.8	21,237.5	36,480.3	15,558.8	21,084.1	36,642.9
Office Info. Tech.	10,364.1	6,496.1	16,860.2	10,476.6	6,524.1	17,000.7	11,111.2	7,781.8	18,893.0	11,111.2	8,690.2	19,801.4	11,247.9	9,049.6	20,297.5
System Ed./Outrch	1,808.6	6,559.2	8,367.8	3,070.6	5,978.8	9,049.4	2,933.3	5,650.2	8,583.5	2,919.1	7,949.5	10,868.6	2,960.0	7,989.1	10,949.1
Total SPS	26,312.0	32,152.8	58,464.8	28,036.7	30,242.1	58,278.8	29,470.0	32,497.6	61,967.6	29,273.1	37,877.2	67,150.3	29,766.7	38,122.8	67,889.5
University of Alaska Anchorage															
Anchorage	97,026.2	127,890.1	224,916.3	103,066.7	131,619.5	234,686.2	107,161.1	143,022.6	250,183.7	106,696.6	140,456.7	247,153.3	110,155.9	148,637.1	258,793.0
Sm. Bus. Dev Ctr	550.0		550.0	807.2	71.3	878.5	807.2	1,824.3	2,631.5	807.2	1,834.0	2,641.2	807.2	1,834.0	2,641.2
Kenai Peninsula	7,394.5	5,787.7	13,182.2	6,775.3	5,831.1	12,606.4	6,990.3	6,723.5	13,713.8	6,775.7	5,175.1	11,950.8	6,903.4	5,290.1	12,193.5
Kodiak	2,718.3	886.2	3,604.5	2,830.8	802.7	3,633.5	2,843.1	1,217.2	4,060.3	2,802.8	1,551.2	4,354.0	2,861.2	1,581.5	4,442.7
Mat-Su	4,307.6	3,480.7	7,788.3	4,502.0	4,128.0	8,630.0	4,745.9	4,739.1	9,485.0	4,557.5	4,603.8	9,161.3	4,670.6	4,694.6	9,365.2
Prince Wm Snd	3,118.4	2,883.8	6,002.2	3,236.9	2,879.9	6,116.8	3,400.4	3,159.2	6,559.6	3,342.6	3,678.3	7,020.9	3,426.3	3,749.1	7,175.4
Total UAA	115,115.0	140,928.5	256,043.5	121,218.9	145,332.5	266,551.4	125,948.0	160,685.9	286,633.9	124,982.4	157,299.1	282,281.5	128,824.6	165,786.4	294,611.0
University of Alaska Fairbanks															
Fairbanks	106,055.2	113,145.5	219,200.7	107,779.4	108,356.1	216,135.5	112,017.5	116,292.9	228,310.4	111,700.2	129,411.3	241,111.5	114,076.5	133,242.5	247,319.0
Fbks Org. Res.	20,772.1	110,310.9	131,083.0	22,580.1	105,966.5	128,546.6	22,722.3	114,857.7	137,580.0	21,357.8	115,553.5	136,911.3	22,122.8	117,008.9	139,131.7
Coop. Ext. (CES)	3,778.5	3,640.1	7,418.6	4,308.4	3,815.2	8,123.6	4,644.2	3,757.4	8,401.6	4,644.2	5,848.8	10,493.0	4,756.8	5,974.2	10,731.0
Bristol Bay	1,302.5	2,277.1	3,579.6	1,372.1	2,405.8	3,777.9	1,432.3	2,854.8	4,287.1	1,406.6	2,244.3	3,650.9	1,451.2	2,274.8	3,726.0
Chukchi	882.8	1,422.9	2,305.7	1,004.9	1,434.6	2,439.5	1,050.1	848.5	1,898.6	972.1	1,276.3	2,248.4	999.9	1,293.1	2,293.0
Interior-Aleut.	1,826.2	3,006.6	4,832.8	1,977.8	3,269.4	5,247.2	1,926.4	4,160.1	6,086.5	1,919.0	3,355.7	5,274.7	1,963.8	3,391.2	5,355.0
Kuskokwim	3,111.3	3,017.6	6,128.9	2,895.5	3,040.0	5,935.5	3,273.4	3,119.9	6,393.3	3,224.8	3,261.1	6,485.9	3,304.2	3,316.8	6,621.0
Northwest	1,696.8	1,203.2	2,900.0	1,818.8	1,039.5	2,858.3	2,037.8	952.1	2,989.9	1,773.6	1,122.5	2,896.1	1,810.6	1,146.2	2,956.8
Rural&Com. Dev.	4,894.3	7,046.2	11,940.5	5,593.0	7,151.9	12,744.9	5,399.0	5,591.0	10,990.0	5,743.9	7,772.7	13,516.6	6,092.6	7,880.0	13,972.6
UAF CTC	5,405.6	5,805.9	11,211.5	5,885.6	5,564.1	11,449.7	6,089.5	6,138.4	12,227.9	6,100.9	6,150.2	12,251.1	6,235.6	6,539.3	12,774.9
Total UAF	149,725.3	250,876.0	400,601.3	155,215.6	242,043.1	397,258.7	160,592.5	258,572.8	419,165.3	158,843.1	275,996.4	434,839.5	162,814.0	282,067.0	444,881.0
University of Alaska Southeast															
Juneau	21,097.7	14,657.7	35,755.4	21,536.3	15,681.9	37,218.2	21,963.5	16,962.8	38,926.3	22,146.1	20,709.3	42,855.4	22,618.8	21,097.9	43,716.7
Ketchikan	2,767.0	1,574.9	4,341.9	2,755.2	1,594.4	4,349.6	2,736.6	1,517.5	4,254.1	2,791.0	2,206.8	4,997.8	2,794.4	2,242.1	5,036.5
Sitka	2,930.1	3,364.0	6,294.1	3,093.9	3,409.5	6,503.4	3,144.7	3,455.5	6,600.2	3,067.6	4,228.0	7,295.6	3,248.9	4,367.4	7,616.3
Total UAS	26,794.8	19,596.6	46,391.4	27,385.4	20,685.8	48,071.2	27,844.8	21,935.8	49,780.6	28,004.7	27,144.1	55,148.8	28,662.1	27,707.4	56,369.5
Total University	317,947.1	443,553.9	761,501.0	331,856.6	438,303.5	770,160.1	343,855.3	473,692.1	817,547.4	340,775.3	526,530.1	867,305.4	351,721.1	537,380.1	889,101.2
Other Approp. ⁽¹⁾	1.8		1.8	0.8		0.8	0.8		0.8	3,082.0		3,082.0	3,412.0		3,412.0

1. Other Appropriations Include: FY09 \$1.8 License Plate Revenue; FY10 \$8 License Plate Revenue; FY11 Actual \$.8, Authorized \$2.0 License Plate Revenue, and \$3,080.0 one-time Utility Increase funding; and FY12 \$2.0 License Plate Revenue, and \$3,410.0 estimated one-time Utility Increase funding.

UNIVERSITY OF ALASKA

FY13 OPERATING BUDGET DEVELOPMENT GUIDELINES

INTRODUCTION

With limited program funding approved by the Governor or Legislature in FY12, much of the planning for FY13 will be a continuation of the work done last year.

The prospects for FY13 appear just as chilly for the coming year – despite the current spike in oil prices and the accompanying revenue. The Governor has already signaled a continuation of his strategy to “hold-the-line” on budget requests for the university and state agencies, and the Legislature has signaled intentions to slow the growth of all state operating expenditures. The additional income expected to the state in FY12 as a result of higher than expected oil prices will be treated as windfall revenue going primarily to savings, capital and one-time expenditures.

Given the austere financial and political climate expected in FY13, the University will capitalize on what President Gamble has called a “strategic pause”, during which time the focus will be to:

- Limit growth and new programs
- Improve student access to e-learning
- Concentrate on what is already in the pipeline
- Focus on cost containment for needed growth in high demand program areas including:
 - Engineering
 - Teacher education
 - Health/biomedical
 - Research – applied and basic research with strong focus on Alaska issues
- Generate savings through administrative and programmatic restructuring and realignment

PROGRAM PRIORITIES

Educational output priorities for the University will not change significantly.

- Enhance college readiness and student success with continued emphasis on student enrollment, retention, and timely completion
- Prepare Alaskans for the State’s high-demand jobs
- Enhance competitive research and create commercial value from UA intellectual property

As usual we will continue our efforts to align with public service, conduct outreach, increase development, and pursue engagement efforts, including international opportunities.

FIXED COSTS

Fixed Costs/Administrative Requests will be developed using system wide standards. Information Technology (IT) and business process improvement initiatives will be vetted through the Information Technology Executive Council (ITEC), System-wide Administrative Leadership Team (SALT) and Business Council (BC) respectively. As part of the fixed cost review process, each MAU will submit an anticipated all-in cost estimate and funding plan for

any new facilities that have been listed in the capital budget, as well as those facilities funded through the 2011 General Obligation Bond.

PERFORMANCE FUNDING POOL

Each MAU will control the distribution of its FY13 performance funding pool, to be used in support of performance-related strategies. One percent of general funds are the expected funding pool size, although annual circumstances will dictate the exact amount chosen by the MAU for internal reallocation. In the FY13 budget and planning process, MAU performance evaluation and reporting requirements are based on the State of Alaska's requirements.

BUDGET ASSUMPTIONS

The budget will be developed using the following assumptions for FY13:

- Enrollment will increase slightly
- Externally funded research activity will be flat to slightly up
- Indirect Costs Recovery (ICR) will increase slightly
- Tuition rate of 7% (100-400 levels) and 3% (graduate level)
- Modest compensation increases for staff and faculty
- FY13 PERS and TRS retirement system employer contribution rates will remain at the FY12 levels (12.56% TRS, and 22.00% PERS)
- Healthcare costs will continue to increase

FY13 BUDGET TIMELINE

Below are key dates in the FY13 budget development process. BOR identifies dates for which the Board of Regents will be involved.

June

- BOR - FY12 Operating and Capital Budget Acceptance
- BOR - FY12 Operating and Capital Budget Distribution Plans Approval
- BOR - FY12 Natural Resources Fund Budget Allocation Approval

July

- Initial meeting with the Governor's Office of Management and Budget (OMB) and Legislative Finance Division to discuss FY13 program themes, fixed costs and capital budget needs

August

- FY13 MAU Operating Budget Requests submitted to Statewide Budget Office including: extraordinary fixed cost increases, new facility operating costs, priority program descriptions, expected non-state funding source(s), revenue estimates by source, and savings claims
- FY13 MAU Capital Budget Requests submitted to Statewide Budget Office including: capital budget requests and deferred maintenance lists
- List of expected leased properties and any projects needing potential debt financing
- FY13 budget meeting of the University of Alaska leadership to present and review MAU budget request priorities (to include a presentation by each Chancellor on the expected outcomes in FY12 and a general discussion of their 3-5 year planning horizon)
- FY13 MAU Performance Assessments submitted to Statewide Planning and Budget.

September

- BOR - First Review of FY13 Operating, Capital Budget, and Capital Improvement Plan
- Formal budget meeting with Governor's Office of Management and Budget (OMB)

October

- MAU Fall Financial Review including MAU Performance Assessment

November

- BOR - FY13 Operating and Capital Budget Request Approval
- BOR - FY13 Capital Improvement Plan Approval
- Submit Board of Regents' FY13 Budget to the Governor's Office of Management and Budget (OMB)

MEMORANDUM

STATE OF ALASKA
Office of the Governor
Office of Management and Budget

To: Pat Gamble, University of Alaska
Ted Leonard, AIDEA
Sara Fisher-Goad, Alaska Energy Authority
Ray Riutta, AK Seafood Marketing Institute
Dale Nash, AK Aerospace Corporation
Mike Burns, AK Permanent Fund Corp.
Jeff Jessee, Alaska Mental Health Trust
Dan Fauske, AK Housing Finance Corp.
Diane Barrans, ACPE

Date: July 28, 2011

From:  Karen J. Rehfeld
Director

Subject: FY2013 Preliminary Budget
Discussions

As you know, Governor Parnell is committed to maintaining budget discipline, holding the line on new positions and programs, and limiting the growth of the operating budget. Spending less and saving more for the future, while investing in infrastructure to grow Alaska's economy will continue to be our administration's focus as we develop the FY2013 budget.

The following information is provided to assist you in preparing for the upcoming budget discussions. Your help in bringing forward proposals for efficiencies and savings in the budget is appreciated. Any proposed legislation with budget impacts should also be discussed during these preliminary meetings.

Department Preparation

Operating

- Agencies are asked to prepare the following scenarios for discussion during the Heads Up Meetings. For each scenario, be prepared to talk about the impact on your core services and priority programs. They are:
 - **Hold the Line Budget** – OMB will allocate funding for statewide priorities, including salary increases, retirement system unfunded liability, Medicaid, and the Domestic Violence and Sexual Assault Initiative. There will be NO other state funded increases in agency budgets. No new positions will be added.
 - **Baseline** – Please be prepared to discuss increases in the baseline budget that would not be funded in the Hold the Line scenario and the impact on priority programs and services. What increases would be necessary in the baseline budget to maintain the current level of services to Alaskans?
 - **New Initiatives** – given the Governor's instructions to minimize growth in the agency operating budget, what increases or new initiatives do you believe are essential in order to address priority programs and services?
- To advocate for your requested increase, please provide the following information:
 - What do you currently have in capacity and how well are we doing?
 - Why do you need the change in the budget?
 - What results for Alaskans do we expect if we fund the change?
 - What other agencies may be impacted and how has your agency coordinated with others?

Capital

- Our goal is to prepare a responsible capital budget, including Year 3 of the deferred maintenance package. While we have not set a spending target for capital, keep in mind the overall spending plan and the effort to spend less and save more for the future. Please come prepared to discuss:
 - Projects that leverage other funds (GF Match)
 - A reasonable listing of projects in priority order. Do not bring the whole universe!
- Deferred Maintenance
 - The FY 2013 Deferred Maintenance (DM) package will focus primarily on building repair and renovation with an emphasis on fire, life, safety, and protection of structure. Construction of new facilities should not be included in the DM request. We do not intend to create new State positions with DM funds.

Heads Up Meetings

The individual agency meetings to discuss your preliminary FY2013 budget recommendations will follow the cabinet meetings and will be scheduled between September 6 -23. The “Heads Up” Meetings will originate in the Juneau Governor’s Office Conference Room and will include the Chief of Staff as his schedule allows, the Deputy Chief of Staff, the Legislative Director, the appropriate Governor’s Office Special Assistants, OMB Analysts, and anyone you choose to bring from your agency. Video-teleconferencing from the Anchorage and Fairbanks Governor’s office will also be available.

Attached is the assigned date and time of your Heads Up Meeting. If this date will not work for you, there are three unassigned time slots available. If you are still unable to work with the possible dates, please contact another department to switch times. Please confirm your availability with Lynn Castle at 465-4660 no later than August 5.

Additional meetings may be scheduled to help finalize the FY2013 budget recommendations. I appreciate the time it takes to prepare for these meetings. It is very helpful to have the discussion on various budget items and issues to be as fully developed as possible. It is not necessary to bring written documents to this initial meeting nor is it necessary for each department to discuss statewide personal services cost increases.

Using the performance framework to describe the budget is a powerful tool for the administration to demonstrate to the public where funds are being invested and what service levels Alaskans receive as a result. And, the performance framework will also give the public an understanding of what is behind the numbers in the FY2013 budget request.

Memorandum, FY2013 Preliminary Budget Discussions
July 28, 2011
Page 3 of 3

I look forward to working with you on the budget. If you have any questions, please call me or your OMB Analyst.

cc: Mike Nizich, Chief of Staff
Randy Ruaro, Deputy Chief of Staff
Administrative Service Directors

Attachments:

FY2013 Budget Heads Up Meeting DRAFT AGENDA
September Heads Up Meeting Schedule

FY2013 Budget Heads Up Meeting

DRAFT AGENDA

To make the best use of our limited time during the September Heads Up Meeting, following is a proposed agenda for your use:

Order	Agenda Item	Estimated time (adjust as necessary)
I.	Performance Report	15 minutes
II.	Potential FY 2012 Supplemental Items	15 minutes
III.	Operating Budget <ul style="list-style-type: none">• Hold the Line Budget• Baseline• New Initiatives	30 minutes
IV.	Capital/Deferred Maintenance Budget	30 minutes
V.	Long Range Plan – what “Big Rocks” are looming out there? What potential problems do you see?	15 minutes
VI.	Proposed Regulatory and/or Statutory Changes and the fiscal impact	15 minutes

Please highlight areas where your responsibilities overlap with other agencies and any challenges or opportunities as a result.

Agencies should not submit official documents but we expect you to work from ABS change record reports in order to provide sufficient detail in your presentation, including funding sources and new positions, that OMB can use to analyze and prepare reports for the Budget Review Team.

If you have any questions, please contact your OMB Analyst.

**FY 2013 Agency Heads Up Meetings – Tentative Schedule
September 6 – 23, 2011**

These meetings will originate in the Juneau Governor’s office conference room. Video-teleconferencing from the Anchorage and Fairbanks Governor’s office will also be available. These meetings include the Budget Review Team, Commissioners and agency personnel, special assistants, and the Office of Management and Budget staff.

Tuesday, September 6

9 – 11 AM Commerce, Community & Economic Development
1 – 2 PM Alaska Seafood Marketing Institute

Wednesday, September 7

9 – 11 AM Military & Veterans Affairs
1 – 2 PM Alaska Aerospace Corporation

Thursday, September 8

9 – 11 AM Administration
1 – 3 PM Labor

Friday, September 9

9 – 11 AM Health & Social Services
1 – 3 PM AK Mental Health Trust

Monday, September 12

9 – 11 AM Public Safety
1 – 3 PM Corrections

Tuesday, September 13

9 – 11 AM Law
1 – 2 PM Courts
2 – 3 PM DVSA Agencies

Wednesday, September 14

9 – 11 AM AIDEA/AK Energy Authority
1 – 3 PM Energy – include AHFC

Thursday, September 15

9 – 11 AM Alaska Commission on Postsecondary Education
1 – 3 PM Education

Friday, September 16

9 – 11 AM OPEN
1 – 3 PM OPEN

Monday, September 19

9 – 11 AM Fish and Game
1 – 3 PM Environmental Conservation

Tuesday, September 20

9 – 11 AM Natural Resources
1 – 3 PM Revenue

Wednesday, September 21

9 – 10 AM AK Permanent Fund Corporation
10:30 – 12:30 University
1 – 3 PM OPEN

Thursday, September 22

9 – 11 AM Alaska Housing Finance Corporation
1 – 3 PM Transportation & Public Facilities

Friday, September 23

9 – 11 AM Gasline Agencies (AGDC and AGIA)
2 – 3 PM Governor

References

University of Alaska
 FY13 High Priority Program Requests by Category
 (* Included in budget request)

MAU/Campus/Program Title	State Approp.	Receipt Authority	Total
FY12 One-time Funded Priority Programs to Baseline			
* UAA ANC Honors College	100.0	15.0	115.0
* UAF FBK Honors Program	100.0		100.0
FY12 One-time Funded Priority Programs to Baseline Total	200.0	15.0	215.0
New Initiatives to Improve Graduation Rates			
* UAA ANC Advising Students for Performance Success	354.9	190.0	544.9
* UAA ANC ANSEP Staff	271.0		271.0
* UAF FBK Advising Students for Performance Success	600.0	494.8	1,094.8
* UAF FBK Development/Alumni Support for Increased Giving in Support of Student Success	150.0	150.0	300.0
* UAS JUN Advising Students for Performance Success	87.3	37.7	125.0
UAF FBK ESL - English as Second Language Program		195.2	195.2
UAA ANC High-Impact Practices/Student Success	175.0	20.0	195.0
UAF FBK Enhance UAF Honors Program	50.0	174.7	224.7
UAF FBK Transfer Student Recruiter		130.0	130.0
New Initiatives to Improve Graduation Rates Total	1,688.2	1,392.4	3,080.6
Investment in High Demand Jobs			
Engineering			
* UAF FBK Support for Increased Engineering Enrollment and Graduation	400.0	832.8	1,232.8
UAA ANC Engineering Student Assistants	60.0		60.0
Engineering Sub-total	460.0	832.8	1,292.8
Health/Bio-Med			
* UAA ANC Graduate Nursing Faculty - Family Nurse Practitioner	389.9	40.0	429.9
* UAA ANC INBRE Cellular Developmental Biologist	100.0	20.0	120.0
* UAA ANC Physical Therapy Careers	350.0	40.0	390.0
* UAF FBK Veterinary Program	400.0	443.1	843.1
UAA ANC Dietetics and Nutrition Program Expansion	116.0	20.0	136.0
UAA ANC Ultrasound Faculty	116.2	20.0	136.2
UAA ANC Health Student Success Coordinator	62.2	5.0	67.2
UAA ANC Biostatistics and Epidemiology Faculty	75.0	20.0	95.0
UAA ANC Occupational Therapy Liaison	100.0	10.0	110.0
Health/Bio-Med Sub-total	1,709.3	618.1	2,327.4
Teacher Education			
* UAA ANC ISER-Alaska Education Policy Research	250.0		250.0
* UAS JUN Elementary Education Faculty with a Literacy Focus	90.1	22.9	113.0
Teacher Education Sub-total	340.1	22.9	363.0
Workforce Development			
* UAA KPC Process Technology for Resource Development	375.0	94.0	469.0
* UAF CRCD Early Childhood Program Support	144.0		144.0
* UAS SIT Alaska Training/Technical Assistance Center Director/Career Trainer	145.1	50.0	195.1
* UAS KET Assistant Professor of Fisheries Technology	85.0		85.0
* SPS SW Tech Prep Secondary to Post-secondary Bridge Program	350.0		350.0
UAA ANC Architectural and Engineering Technology	94.0	20.0	114.0
UAA MSC Computer Tech Systems Faculty	127.2		127.2
UAS KET Assistant Professor of Marine Transportation	85.0		85.0
UAA PWS Outdoor Recreation Program	29.7	2.5	32.2
UAA ANC Small Business Development Center	273.8		273.8
UAF CRCD Rural Education and Workforce Development	210.8	149.0	359.8
Workforce Development Sub-total	1,919.6	315.5	2,235.1
Investment in High Demand Jobs Total	4,429.0	1,789.3	6,218.3

University of Alaska
 FY13 High Priority Program Requests by Category
 (* Included in budget request)

MAU/Campus/Program Title	State Approp.	Receipt Authority	Total
Enhancing Competitive Research			
Commercialization of University Intellectual Property for Business			
* UAF FOR Development	210.0	140.0	350.0
* UAF FBK Indigenous Studies PhD and Alaska Native Knowledge Network	250.0	46.6	296.6
* UAF FOR High Performance Computing for Research	500.0	226.4	726.4
* UAF FOR Preservation of Alaska's Art and Culture	285.0	178.9	463.9
* UAF FOR Resilience and Climate Adaptation Program (RAP) in Graduate Studies	300.0	472.6	772.6
* UAF FBK Sikuliaq On-shore Staff Support		547.2	547.2
UAF FOR President's Professors of Biomedical Research	175.0	132.6	307.6
Enhancing Competitive Research Total	1,720.0	1,744.3	3,464.3
FY13 High Priority Program Sustainment	8,037.2	4,941.0	12,978.2

**FY12 One-time Funded Priority Programs to Baseline
(GF: \$200.0, NGF: \$15.0, Total: \$215.0)**

○ **UAA Honors College (under consideration)**

(GF: \$100.0, NGF: \$15.0, Total: \$115.0)

This request is to convert one-time funding received in FY12 to base funding. The University Honors College supports the UAA disciplinary schools and colleges through recruitment of exceptional students, providing academic advising and student support, partnering to bridge undergraduate research experiences with post graduate opportunities, and partnering to support student opportunities in the community. The College helps students develop a competitive edge for career options as well as for admission to the best graduate and professional schools in the nation. In addition, the Honors College provides students opportunities to participate in seminars, learning communities, community engagement, and research at the undergraduate level, enhancing graduation rates by engaging students and increasing retention. Providing undergraduate students with research experiences has been shown to lead to an increase in student perseverance in higher education, higher graduation rates, and a greater number of students pursuing bachelor and graduate studies. Funding is requested for additional staff for student support and faculty labor costs for Honors courses.

○ **UAF Honors Program (under consideration)**

(GF: \$100.0, NGF: \$0.0, Total: \$100.0)

This request is to convert one-time funding received in FY12 to base funding. UAF's honors students are among the highest-achieving college students in Alaska. The requested funding is to enhance the honors curriculum, to provide more honors sections of courses in a wider range of subject areas, which will help in recruiting more of the eligible students into the program. UAF intends to use this as an opportunity to pilot different instructional approaches, such as active learning, interdisciplinary courses, and blended face-to-face and e-learning courses, which could be used with other students if they prove particularly successful.

**New Initiatives to Improve Graduation Rates
(GF: \$1,688.2, NGF: \$1,392.4, Total: \$3,080.6)**

○ **UAA Advising Students for Performance Success (under consideration)**

(GF: \$354.9, NGF: \$190.0, Total: \$544.9)

UAA is committed to increasing the student degree/goal attainment rate of all degree-seeking students. UAA's own success deploying educational advisors in schools and colleges has positively contributed towards increasing the rate of persistence for bachelor's degree seeking students. At the Anchorage campus Advising and Testing Center, three academic advisors provide educational advising for more than 454 Associate of Arts degree seeking, 900 undeclared Bachelor's degree seeking, and 4,027 non-degree seeking students. Not including the non-degree seeking students, the educational advisor to student ratio in the Advising and Testing Center is 1:451, an overwhelming caseload to be effective with purposeful and intrusive advising. Additionally, the UAA Anchorage campus has successfully piloted the nationally used and highly effective MAP-Works®, Making Achievement Possible, a comprehensive student support and intervention program. MAP-Works® identifies first and second-year students early each semester allowing for immediate support and intervention. MAP-Works® then serves as the infrastructure to manage those critical outreach efforts. MAP-Works® is directed at 100% of UAA's first-time degree seeking freshman.

FY13 Operating Budget Program Descriptions

Requested are funds for four new academic development/student success professionals to bring the degree-seeking advisee-advisor ratio in-line with recommended national standards for four year public universities and for implementing the MAP-Works® student retention program.

- **UAA ANSEP Staff (under consideration)**

(GF: \$271.0, NGF: \$0.0, Total: \$271.0)

The Alaska Native Science and Engineering Program (ANSEP) is highly dependent on external funding, of which a very large portion (approx. \$1.5M) is scheduled to expire in FY12. ANSEP has already made reductions to its budget in the amount of \$1.2M with attendant loss of current services. This request is to replace lost funds to maintain current core services by funding two positions responsible for key programs.

- **UAF Advising Students for Performance Success (under consideration)**

(GF: \$600.0, NGF: \$494.8, Total: \$1,094.8)

TRiO Student Support Services (SSS) level comprehensive advising support would be extended to about 400 of the estimated 1100 at-risk baccalaureate, AA, and AS students at UAF; SSS currently serves about 160 such students. The federally funded TRiO Student Support Services program has been very successful in retaining and graduating at-risk baccalaureate students with an academic need. The SSS six-year graduation rate surpassed that of all UAF baccalaureate students over the past several years, with graduation rates for SSS Students (bachelor's degree-seeking, includes bachelor's intended (pre-majors)) versus UAF students (first-time, full-time bachelor's degree-seeking) of 48% to 29% in FY08, 46% to 35% in FY09, and 40% to 33% in FY10.

- **UAF Development/Alumni Support for Increased Giving in Support of Student Success (under consideration)**

(GF: \$150.0, NGF: \$150.0, Total: \$300.0)

Due to increased budget constraints across the UAF campus, the demand for private gifts has increased significantly in recent years. UAF Development raises between \$5M and \$6M annually (not including philanthropic grants) to support UAF students, programs, and research. In FY11, UAF increased its overall donor base by 6 percent and its alumni giving by 16 percent. The Development team and Alumni Relations build positive relationships with UAF's 3,671 donors on a regular basis. The FY11 increase in donors is directly related to the implementation of new giving strategies such as the inaugural phone-a-thon program that was launched in FY11. Additionally, 12 new donors came forward in FY11 and committed to including UAF in their wills. These commitments and relationships will sustain UAF's mission in years to come.

- **UAS Advising Students for Performance Success (under consideration)**

(GF: \$87.3, NGF: \$37.7, Total: \$125.0)

This one new position will develop and teach specific college courses that are designed to meet the needs of new students at UAS. The current status of preparatory courses at UAS is that they are not consistently offered on the Juneau campus despite the fact that most new students enroll in at least one developmental math and or English course. The position will also advise AA general studies students (100 fulltime students in the fall 2010) and coordinate new summer bridge programs. The AA general studies students do not have a faculty advisor and summer bridge programs are not currently offered at UAS. Recent growth in enrollment at UAS has been driven by recruiting efforts. Accommodating growth will depend on an improvement in retention.

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- **UAF ESL - English as Second Language Program (delay/reallocate)**
(GF: \$0.0, NGF: \$195.2, Total: \$195.2)
CLA requests an NGF increment for initial operating expenses for our new English as a Second Language (ESL) program. This program will provide needed infrastructure for the university's goals of recruiting and retaining international students, recruiting and retaining minority students, and growing graduate programs. In doing this, the program will effectively belong to and serve the entire university community and not just one college, department, or program. International students pay high tuition rates and increasing their numbers will bring in significant revenue. The Chancellor has recently stated that recruiting more such students must be a top priority as UAF looks to improve its standing nationally and internationally. To do this, we need to make sure that international students have the English language support they need to succeed both academically and socially. Compared to its equivalent and aspirational peer institutions, however, UAF is alone in failing to offer a comprehensive, coordinated program for ESL students. An ESL program would also offer benefits to Alaskan and other American students at UAF. In the face of increasing economic and cultural globalization, exposure to peers from different cultures and connections with institutions in other countries are increasingly valuable to students. This is especially true at a relatively remote and comparatively homogeneous university like UAF. By helping increase our international enrollments and bringing students from different backgrounds together both in and out of the classroom, a comprehensive ESL program would provide a valuable addition to the lives of our domestic students.
- **UAA High-Impact Practices/Student Success (delay/reallocate)**
(GF: \$175.0, NGF: \$20.0, Total: \$195.0)
High-impact practices and their relationship to student success are well documented by the Association of American Colleges and Universities (AACU), and are becoming widely recognized as a key aspect of student retention, progress and timely graduation. Integrating high-impact practices into a broader component of instruction and curricula enjoys broad philosophical support, but such practices require faculty effort beyond the level currently employed. Focus on high-impact practices in the areas of writing intensive courses, service learning, undergraduate research, and diversity and internationalization would be undertaken with additional funding. This request is for funding to augment faculty effort directed at high-impact practices, to provide supplemental support necessary to incentivize the adoption of such practices by a broader range of faculty, and to provide a data-driven assessment of the impacts on student success achieved through such investments.
- **UAF Enhance UAF Honors Program (delay/reallocate)**
(GF: \$50.0, NGF: \$174.7, Total: \$224.7)
The UAF Honors Program, initiated in 1983, serves Alaska's best and brightest students. The program currently has approximately 130 students and continues to grow; the number of new admits to the program has averaged 30-40 students each fall over the past several years. The program's current base budget covers the half-time faculty director, administrative assistant, and little else. A consultant from the National Collegiate Honors Council, Greg Lanier, in September 2008 recommended an immediate and substantial infusion of resources. Crucial in this infusion of resources are funds specifically earmarked for Honors teaching. An Honors program cannot develop or even function without exemplary teaching; pure and simple, that is the core Honors mission. We propose to improve the quality and capacity of UAF's Honors Program through permanent funding of a full-time director position with part-time honors teaching responsibility and grant writing responsibility. In addition, we propose to significantly increase funding for honors

FY13 Operating Budget Program Descriptions

teaching, and increase the non-salary budget for student learning activities to allow this unit to better recruit and serve exceptional students. As is often the practice at other universities, we plan to pilot innovative teaching methods and course materials in the Honors curriculum, and the most successful innovations will be adopted in the mainstream curriculum for students in general. This proposal provides a funding foundation for the Honors Program to build upon through grant writing and development opportunities.

SSS accomplishes these improved rates through comprehensive advising (described below), developmental math intensives, tutoring, laptop and text book loans, and targeted tuition scholarships. The SSS comprehensive advisor activities and processes that would be followed are:

- An intake process – the student completes a questionnaire and has a discussion with an advisor. This process provides a broad view of the issues the student faces.
- Students are required to meet with an advisor or tutoring at least 5 times each semester to update progress in current courses and personal issues.
- Advisor serves as an advocate to help student with financial aid, business office, residence life, campus jobs, day care referrals, and vocational rehabilitation connections as needed.
- Federal style reporting on student gpa, retention and graduation would be tracked using Advisor Track software, so outcomes will be known and can be used for program refinement.
- Advisors will also encourage all their students to enroll before departing at the end of each semester, participate in the early warning system and freshman progress reporting, and follow up on probation and academic disqualifications.

○ **UAF Transfer Student Recruiter (delay/reallocate)**

(GF: \$0.0, NGF: \$130.0, Total: \$130.0)

Both the administrative and academic leadership at UAF have repeatedly identified as a strategic goal increasing the enrollment of both transfer and international students. While we have already begun having discussions and taking some actions to make this happen, a full-fledged recruitment initiative in either of these areas will require additional staffing. Current staff and resources in the Office of Admissions and the Registrar are tasked primarily with recruiting traditional, first-time, baccalaureate degree-seeking students. In order to begin recruiting transfer and international students without detracting from our efforts in recruiting freshmen, we are requesting a dedicated, full-time transfer and international student recruiter.

Investment in High Demand Jobs

(GF: \$4,429.0, NGF: \$1,789.3, Total: \$6,218.3)

Engineering

(GF: \$460.0, NGF: \$832.8, Total: \$1,292.8)

○ **UAF Support for Increased Engineering Enrollment and Graduation (under consideration pending engineering plan review)**

(GF: \$400.0, NGF: \$832.8, Total: \$1,232.8)

Student enrollment in the College of Engineering and Mines has increased by 70% since 2006 and more than 120 degrees were awarded in FY11, a 50% increase since 2006. Despite the increases in enrollment and graduates, CEM has seen only very modest increases in faculty and teaching assistant (TA) support levels. Continuing expansion of engineering student enrollment at UAF since FY09 has continued to put pressure on the teaching resources of the college. It is now critical

FY13 Operating Budget Program Descriptions

that additional faculty and teaching assistant resources be added in order to continue successfully guiding UAF engineering students towards graduation in an efficient manner. CEM currently has core Fund 1 support for 23 TA positions college-wide. This number of TA slots is insufficient given the current enrollment of nearly 750 undergraduate students majoring in engineering. For example, it is less than half the number of teaching assistants per student major (0.031 vs. 0.076) compared with the other college with many undergraduate laboratory courses, CNSM. This budget request would add support for an additional 12 TA positions and provide a level of support more consistent with current enrollments. In addition to TA resources, increasing enrollments are placing additional pressure on class sizes and faculty resources, especially in the core Engineering Science course sequence. In order to better serve these additional students, the current request includes funding for two additional faculty slots in CEM (a very modest expansion of about 4% over the existing CEM teaching faculty pool).

- **UAA Engineering Student Assistants (delay/reallocate)**

(GF: \$60.0, NGF: \$0.0, Total: \$60.0)

Teaching assistants at the undergraduate and graduate levels are needed to help with project-based learning activities, lab work, grading, mentoring, tutoring, summer camps, outreach activities with K12 engineering academies, interface with students, and visitors from industry and industry-sponsored student activities. Tutoring and mentoring of all engineering students is done by the School of Engineering. As enrollments in the School of Engineering have doubled within the past five years, the need for student assistants has become increasingly critical. Integrating student assistants into the multitude of activities that the School is involved with minimizes costs, enhances program efficiencies, and improves program delivery.

Health/Bio-Med

(GF: \$1,709.3, NGF: \$618.1, Total: \$2,327.4)

- **UAA Graduate Nursing Faculty – Family Nurse Practitioner (under consideration)**

(GF: \$389.9, NGF: \$40.0, Total: \$429.9)

The importance of advanced nurse practitioners (ANPs) to the provision of primary care in Alaska is acknowledged. The UAA School of Nursing prepared two types of advanced nurse practitioners: family and psychiatric/mental health, with the family nurse practitioner program the largest. More than 25% of ANPs practicing in Alaska today have graduated from UAA. The School's graduate offerings also include Nursing Education, providing an opportunity for nurses to become faculty members, at a time of a critical shortage locally and nationally. While the programs have capacity for additional students, and there is high interest in gaining admission to them, there is insufficient faculty to sustain an increase in admissions. This request will support the equivalent of three faculty positions which will enable us to double the number of family nurse practitioner students admitted each year (from 7 to 15 admissions) while maintaining admissions to the other two programs. It is important to note that UAA nursing graduate programs are accessible statewide.

- **UAA INBRE Cellular Developmental Biologist (under consideration)**

(GF: \$100.0, NGF: \$20.0, Total: \$120.0)

The University of Alaska benefits from the NIH-sponsored IDeA Network of Biomedical Research Excellence (INBRE) program; it helps build research competency in biomedical research. The Alaska INBRE program provides laboratory scientists and clinical researchers with the tools and training needed to understand, detect, treat, and prevent a wide range of diseases. The program is in

FY13 Operating Budget Program Descriptions

its second phase, supported by over \$12M in funding from NIH, and requires identification of the investments to meet matching requirements that contributes to the enhancement of biomedical research and education within the institution. This request is for a full-time tenure-track faculty with expertise in Cellular and Developmental Biology to complement the existing research and teaching competencies within the University INBRE program.

- **UAA Physical Therapy Careers (under consideration)**

(GF: \$350.0, NGF: \$40.0, Total: \$390.0)

Physical therapy has become one of the highest demand health professions in Alaska, and this demand will continue to grow as the population ages. This proposal is for hiring a faculty/ liaison to coordinate three related efforts at the University of Alaska Anchorage: development of a clear pre-physical therapy track, development of a partnership with one or more physical therapy schools to offer PT education in Alaska, and facilitation of a partnership or local model to offer a physical therapy assistant program in Alaska. This proposal requests funding for an Anchorage-based clinical faculty to coordinate and supervise clinical education, as well as to coordinate pre-physical therapy, PT and PTA programs and/or partnerships. Between the three initiatives, it is expected that about 50 students will be served each year.

- **UAF Veterinary Program (under consideration)**

(GF: \$400.0, NGF: \$443.1, Total: \$843.1)

Based on a 2010 statewide needs assessment and an internal review, the University of Alaska Fairbanks is planning a new Department of Veterinary Medicine within CNSM. According to the US Department of Labor, veterinarians are the 18th fastest growing occupation and veterinary technicians are the 13th fastest. This new professional program is possible thanks to many years of recruiting key faculty and investing in infrastructure capable of supporting biomedical research and academics. The foundation of this new program will be an accredited “2+2 program” between UAF and the College of Veterinary Medicine and Biomedical Sciences, Colorado State University. Students will complete their pre-veterinary program (3-4 years) and the first 2 years of their professional program at UAF. Their final 2 years will be at the veterinary teaching hospital at CSU. One of our primary goals is to promote the “one health” concept – a collaborative effort between human medical, veterinary medical, and public health professions. We will enhance veterinary coverage in Alaska by training veterinarians with an understanding of Alaskan needs. Specific interests include but are not limited to: public health, rural veterinary medicine, quality and safety of subsistence foods, population health of Alaskan wildlife, zoonotic disease, sustainable agriculture, toxicology, environmental contaminants, emerging disease and the effects of global warming. Equally important for the state are research, graduate veterinary education, professional services for the veterinary community, and continuing education in animal health and disease. The state funding requested will support the hire of two essential faculty members, a veterinary anatomist and a veterinary clinical sciences faculty member to take the lead on second year anesthesiology and surgery courses. UAF will seek Board approval for a special professional tuition rate of \$20,000/year. Tuition revenue will cover a support staff member, other operating expenses, and additional faculty.

- **UAA Dietetics and Nutrition Program Expansion (continue on TVEP?)**

(GF: \$116.0, NGF: \$20.0, Total: \$136.0)

Bachelor’s degrees in dietetics and nutrition are underway. In 2006, a statewide feasibility study revealed the need for a baccalaureate degree program in nutrition in Alaska. This finding, in

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addition to ever-increasing rates of diabetes and obesity, and along with constant (approximately 25-35) requests per year for these degrees, supported the strong need for BS degrees in nutrition and dietetics. The new degree in Nutrition (BS) began accepting majors in January 2010; there are currently about 80 majors enrolled. The Dietetics program received initial accreditation and has 20 majors. These degrees rounded out the nutrition/dietetics offerings which previously included a dietetics internship and a fully distance delivered nutrition minor. An additional professor was hired to support this effort using temporary bridge funding. With students now enrolled and the programs beyond capacity, ongoing support for the faculty member has become critical.

- **UAA Ultrasound Faculty (continue on TVEP?)**

(GF: \$116.2, NGF: \$20.0, Total: \$136.2)

In February 2008, the Advisory Committee for the Medical Imaging Sciences Program met and discussed the need for an ultrasound program within the state. Currently, there is a 19% vacancy rate in Alaska for ultrasonographers, which is expected to increase over the next decade. The demand in hospitals alone throughout the state in 2007 stood at 26% with an average vacancy rate of 3-4 years. This on-campus program would lead to an associate degree in ultrasonography. Prerequisites would be a variable number of credits, depending on student experience. One faculty has been added to the Medical Imaging program using bridge funding to develop the curriculum and prepare for the program. One faculty provides for a 10 or 12 to 1 student ratio.

- **UAA Health Student Success Coordinator (delay/reallocate)**

(GF: \$62.2, NGF: \$5.0, Total: \$67.2)

The UAA Allied Health Sciences (AHS) Student Services Coordinator (SSC) is instrumental in student and faculty support within the Allied Health Division. It is estimated that the SSC has made contact with over 200 prospective and current students and close to 1000 general attendees at health and general career fairs annually. The SSC is often the initial point of contact for prospective students and provides academic advising to students, as well as working with students and faculty to assure students are prepared for their courses by working through technical issues related to the distance delivery of courses and ensuring students have received all course materials. The SSC also works with partner campuses including those associated with UAA, UAF and UAS to establish a statewide effort to promote student success in the Allied Health programs. As distance students are often in locations other than where their classes are based, this collaboration with partner campuses is increasingly important to support students to be successful and complete health programs. Currently, this position is funded through grants that will be ending and this request is to provide base funds for this essential activity (one FTE staff position).

- **UAA Biostatistics and Epidemiology Faculty (delay/reallocate)**

(GF: \$75.0, NGF: \$20.0, Total: \$95.0)

This position will act as a central resource for biomedical/health research, researchers and students, for design, longitudinal and single-subject analysis, epidemiological analysis and design, and controlled experimental design. This is a critical and foundational position to support health research and public health instruction at UAA.

- **UAA Occupational Therapy Liaison (delay/reallocate)**

(GF: \$100.0, NGF: \$10.0, Total: \$110.0)

An Occupational Therapy Program in partnership with Creighton University began in Fall 08 and is administered by a part-time occupational therapy faculty/liaison. With three cohorts now admitted

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(about 25 at present) and the program continuing, a full-time liaison is required to carry out all student-supportive activities. Additionally, labs in Anchorage and at outreach sites require resources.

Teacher Education

(GF: \$340.1, NGF: \$22.9, Total: \$363.0)

○ **UAA ISER-Alaska Education Policy Research (under consideration)**

(GF: \$250.0, NGF: \$0.0, Total: \$250.0)

The Center for Alaska Education Policy Research (CAEPR) was created with one-time seed funding (\$250.0K) from the University of Alaska Foundation, which identified a goal of addressing “the most important educational policy issues facing Alaska.” This request will provide base funding to operate the CAEPR within the Institute of Social and Economic Research (ISER). CAEPR enhances decision-making by policymakers, education professionals, and the public through collaborative, interdisciplinary research, analysis and dissemination. The Center conducts non-partisan research on policy issues around educational access, equity and excellence in the Alaska context, across early childhood, primary and secondary, higher and adult education.

○ **UAS Elementary Education Faculty with a Literacy Focus (under considerations-recommended by legislative task force)**

(GF: \$90.1, NGF: \$22.9, Total: \$113.0)

The UAS School of Education (SOE) seeks funding for a full-time tenure-track Education faculty position to meet growing demand for Alaska-educated teachers and to fulfill the expectations of the University of Alaska Teacher Education Plan. The great majority of Alaska’s new teachers come from outside of the state. Few stay in the state for more than a few years. Alaskan students are shortchanged by this pattern, which this request will help to address. UAS has a strong history of success in educating Alaskan teachers. It will add a faculty member with significant knowledge in reading and literacy, focusing on educating teachers working with elementary and middle school students. Mastery of literacy is fundamental to ensuring student success. This position expands the university’s capacity to educate Alaskan teachers who are committed to Alaskan students and communities.

The foundations of literacy are established in the elementary years. The University of Alaska Southeast currently has four Elementary Education program options available to potential students in Alaska:

- Undergraduate B.A. program in Elementary Education
 - E-learning option
 - On-campus Juneau option
- Graduate MAT program in Elementary Education
 - E-learning option
 - On-campus Juneau option

These options have provided accessibility and flexibility for prospective teachers interested in a career in Elementary classrooms. In order to continue to meet the growing demand for teachers and ensure their ability to meet the needs of Alaska’s students, the SOE needs an additional faculty member with significant knowledge in reading and literacy as well as expertise in meeting the

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literacy needs of P-8 students through differentiated instruction and Universal Design for Learning (UDL). These, as well as other literacy strategies help ensure the learning of all students and are crucial to the success of teachers.

The proposed elementary faculty member would have a service and research component to their workload. This will allow them to serve as a consultant to faculty in meeting the needs of all university students and to conduct research on meeting the literacy needs of Alaska's public school students.

Workforce Development

(GF: \$1,919.6, NGF: \$315.5, Total: \$2,235.1)

- **UAA KPC Process Technology for Resource Development (under consideration)**
(GF: \$375.0, NGF: \$94.0, Total: \$469.0)
Funds are requested for two faculty members and one coordinator for the Process Technology program. Demand has been increasing, both by students interested in the program and by industry needing process operators. Graduates have almost doubled in five years from 26 in 2006 to 51 in 2010. During this period, KPC has produced 189 process technology graduates; 65 at the Anchorage Extension Site and 124 at the KPC campus. This request will replace the TVEP funding and add two additional positions for the program. The large number of retiring workers in oil, gas and mining activities, and student and industry demand makes it imperative that KPC increase its capacities in this high demand program. Additional faculty are needed to meet the demand, and a program coordinator will enable more internships, increased interaction with the Alaska Process Industries Career Consortium (APICC), and summer job opportunities.
- **UAF CRCD Early Childhood Program Support (under consideration)**
(GF: \$144.0, NGF: \$0.0, Total: \$144.0)
This request, in addition to enabling rural residents statewide to qualify for jobs, is very important to the education of pre-K children. The Early Childhood Education AAS and Child Development and Family Studies BA program graduates are in high workforce demand within Alaska and the United States as a whole. Federal mandates state that all Head Start teachers must have an AAS in Early Childhood by October 1, 2011 and 50% of all Head Start teachers must have a BA by October 1, 2013. The program staff and faculty within the distance Early Childhood programs plays a critical role supporting the high demand educational needs of all Head Start grantees within the State of Alaska. The program has made alterations to the curriculum content of the programs to meet the diverse cultural training needs as well as meeting standards developed by the National Association for the Education of Young Children (NAEYC). UAF CRCD works in conjunction with UAS School of Education.
- **UAS SIT Alaska Training/Technical Assistance Center Director/Career Trainer (under consideration)**
(GF: \$145.1, NGF: \$50.0, Total: \$195.1)
Safe Drinking water and proper community sanitation are essential for public health and economic development in rural Alaska. The Alaska Training/Technical Assistance Center (ATTAC) has been providing training and technical assistance to communities, Native health corporations, and Department of Environmental Conservation (DEC) for over 12 years with federal EPA funding.

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This funding ends in the current year. Technical Vocational and Education Program (TVEP) funding is being used to continue this program for FY12.

Replacement of TVEP funding is being sought to move the Sitka-based ATTAC program from soft funding to GF to provide program funding stability. An active partnership between ATTAC and Alaskan Native health corporations, DEC, and individual Native Alaskan villages provides for the drinking water and wastewater training needs of Alaskan communities. This request will fund one staff position with general funds, and continue to generate NGF at approximately \$50.0 annually.

- **UAS KET Assistant Professor of Fisheries Technology (under consideration)**

(GF: \$85.0, NGF: \$0.0, Total: \$85.0)

UAS Ketchikan Fisheries Technology program provides education necessary to offer qualified, locally trained fisheries technicians to replace the aging workforce and retiring managers in this field. As the only 2-year e-learning fisheries technology program in the State of Alaska, the program supports a wide number of students across the state. There are currently 35 enrolled students in the program with an additional 20 taking classes. Nine (9) students have graduated with either the certificate or associate degree. Articulation agreements are in place with UAF School of Fisheries and Ocean Sciences. Agreements with Prince William Sound Community College and Bristol Bay Campus are under development to modify courses to the FT program to meet their regional needs. The program offers hands-on intensive training to meet the demands of the private non-profit fish hatchery industry. The program reaches over 500 middle and high school students each year through outreach efforts with the goal of encouraging students to consider science, specifically fisheries technology, as a career path.

UAS seeks replacement of Technical Vocation and Education Program funding with General Funds for the Ketchikan-based Fisheries Technology program in order to provide program funding stability. This request will fund one faculty position with general funds, and continue to generate NGF at approximately \$20.0 annually with modest annual increases of 1-3% with the addition of courses.

- **SPS SW Tech Prep Secondary to Post-secondary Bridge Program (under consideration)**

(GF: \$350.0, NGF: \$0.0, Total: \$350.0)

Tech Prep programs in Alaska have contributed to UA's outreach effort to secondary students and provided opportunities for dual secondary-UA credit towards graduation and degrees for thousands of students. Funding will institutionalize support for continuing activities necessary to provide plans of study for technical training leading dual academic credit in secondary and postsecondary education leading to university degrees and credentialing. This program has been specifically written into the Gas Pipeline Workforce Development Plan, and Alaska Career and Technical Education Plan.

- **UAA CTC Architectural and Engineering Technology (continue on TVEP?)**

(GF: \$94.0, NGF: \$20.0, Total: \$114.0)

The Construction and Design Technology (CDT) department requests funds to hire one additional AET faculty member. The department's two programs, Architectural and Engineering Technology (AET) and Construction Management (CM) prepare architectural/engineering technicians and construction managers in support of the construction industry. Demand for CM has been growing

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since an AAS was introduced in 2005 and a BS in 2007; student credit hours grew 67% over four years for the combined AET and CM programs, from 1,607 in FY07 to 2,686 in FY11.

- **UAA MSC Computer Tech Systems Faculty (continue on TVEP?)**

(GF: \$127.2, NGF: \$0.0, Total: \$127.2)

This request is for continued funding of the faculty position for the Computer Systems Technology degree program at Mat-Su College. The degree program has one full-time faculty member who also serves as program coordinator. This position has been funded with TVEP funds and it is likely this funding source will terminate in the next academic year. Loss of funding for the single program faculty position puts the entire program in jeopardy at a time when jobs within this sector are expected to grow. Computer networking technology course enrollments have remained stable with a range of 439 to 631 student credit hours over the last six academic years. The program has already demonstrated sustainable demand.

- **UAS KET Assistant Professor of Marine Transportation (continue on TVEP?)**

(GF: \$85.0, NGF: \$0.0, Total: \$85.0)

With over 6,500 credentialed mariners in Alaska, Marine Transportation is considered one of the high demand job fields in Alaska. (Alaska Economic Trends September 2010). Captains, Mates and Pilots of Water Vessels (Alaska's Top Jobs) have a projected growth rate of 8.4% through the year 2018. UAS Ketchikan Marine Transportation Program offers twenty-two (22) U.S. Coast Guard-approved maritime courses and is a training partner for Alaska Marine Highway System and Southeast Alaska Sea Pilot Association. Demand for training has translated into 10% annual growth for the MT program each year, doubling the number of students (200 to 400) in the last five years.

Replacement of Technical Vocational and Education Program funding is being sought to move the Ketchikan-based Marine Transportation program from soft funding to General Funds to provide program funding stability. This request will fund one faculty position with general funds, and continue to generate NGF at approximately \$130,000 annually with 10% growth projected in the next 1-3 years.

- **UAA PWSCC Outdoor Recreation Program (delay/reallocate)**

(GF: \$29.7, NGF: \$2.5, Total: \$32.2)

The PWSCC Outdoor Recreational Leadership Program would be based in Valdez with a partnership component with Kenai Peninsula College, and would transfer into a 4-year program being developed by UAA's Health, Physical Education, and Recreation Department (HPER). The geographic areas of Prince William Sound and the Kenai Peninsula and their surroundings would make this program a draw for students, particularly from out of state. As there are relatively few AAS programs in Outdoor Recreation Management, and none currently in Alaska, there is strong potential for the program to draw national attention from prospective students. It is estimated that at least 25 students would enter the program each year. The funding request would support a full-time coordinator to develop and implement the program.

- **UAA Small Business Development Center (delay/reallocate)**

(GF: \$273.8, NGF: \$0.0, Total: \$273.8)

The Alaska Small Business Development Center has helped create 88 new businesses and create or retain 333 jobs, counseled approximately 1,000 individuals, and helped these businesses either secure or invest over \$11 million in total capital infusion through traditional SBDC activities. The

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Alaska SBDC is funded by the U. S. Small Business Administration with a 1:1 match from the state and community contributions. As the various programs have grown, the need for additional funds is required. Funding this request will sustain two of SBDC's eight centers (Juneau and Fairbanks). As new businesses are created, greater opportunities will arise for more members of the communities, strengthening the area and enhancing the university's role in economic development and job creation.

- **UAF CRCD Rural Education and Workforce Development (delay/reallocate)**

(GF: \$210.8, NGF: \$149.0, Total: \$359.8)

The requested funds would support three workforce development programs serving rural Alaska communities. The first rural workforce program is Rural Facilities Maintenance, being offered to several Interior rural communities through the Interior-Aleutians Campus. This request will support one FTE Construction Trades Technology (CTT) faculty to provide related courses. This program provides workforce training in multiple aspects of building maintenance with an emphasis on developing the knowledge and skills to meet the unique challenges of rural Alaska. In November 2010 an Occupational Endorsement (OE) in Rural Facilities Maintenance was approved. The second rural workforce program enhancement will improve several programs offered through the Northwest Campus in Nome. This request is for a full-time coordinator to support workforce program faculty (primarily adjuncts) and WFD instruction. The Bering Straits Workforce Enhancement Coordinator will be involved in all aspects of course development, instructor/course approvals, and administrative arrangements. Given the extreme unemployment and underemployment rates in the Bering Strait Region, the need for a regional coordinator is essential (12.9% unemployment rate or 546 receiving benefits). Partners specifically identified applied business (office occupations, finance, supervision and management, accounting), small business entrepreneurship, health-related (CNA, pre-nursing), tourism, and emerging energy-related workforce careers. This effort also will enhance NWC's work with the Northwestern Alaska Career and Technical Center (NACTEC). Third, this request will support a 0.5 FTE Rural Human Services faculty to provide courses for the Rural Human Services Program. This program offers a culturally appropriate training program designed for rural human service workers and Behavioral Health Aides (BHA). Skills and trainings are provided in crisis intervention, suicide prevention, and community development. Additionally counseling skills in mental health that include substance abuse, interpersonal violence, grief, and healing are also offered. The Rural Human Service Program is built on Alaska Native traditional values.

Enhancing Competitive Research

(GF: \$1,720.0, NGF: \$1,744.3, Total: \$3,464.3)

- **UAF Commercialization of University Intellectual Property for Business Development (under consideration)**

(GF: \$210.0, NGF: \$140.0, Total: \$350.0)

The Office of Intellectual Property and Commercialization works with University of Alaska Fairbanks employees to facilitate and protect UAF's innovative activities and bring the results to private business use through commercialization. The University of Alaska Fairbanks conducts approximately \$120M per year in research. Much of this research can lead to products, technologies, software codes, new plant varieties, and other intellectual property that, if licensed or sold to business, could provide competitive business advantage and create jobs. This investment

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would fund the commercialization effort, the critical step needed to translate University research to economic development.

- **UAF Indigenous Studies PhD and Alaska Native Knowledge Network (under consideration)**

(GF: \$250.0, NGF: \$46.6, Total: \$296.6)

CLA requests funding to allow recruitment of new faculty and infrastructural support for Cross-Cultural Studies, Indigenous Studies, and the Alaska Native Knowledge Network. The position will provide instructional support and research guidance for Masters and PhD candidates associated with the graduate programs in Cross-Cultural Studies, Indigenous Studies and related areas. The program has experienced rapid growth, and current enrollment in the M.A. (17) and Ph.D. (29) programs exceeds our capacity to provide adequate instructional and research support. A major portion of the requested funding is intended to recruit and refill a faculty position that was vacated by the death of a faculty member, Oscar Kawagley. Although he had retired (and his salary was lost to the indigenous studies program), he continued to make major contributions on a voluntary basis. In addition, the current director is nearing retirement, and it is important to bring a new faculty member on board before that happens to allow a smooth transition for students and a continuation of the program's mission. The online Alaska Native Knowledge Network, which provides critical support for the degree programs as well as information for the general public, requires an information specialist/technician. Although maintaining the website is a portion of his job, the larger part is gathering the information that appears there.

- **UAF High Performance Computing for Research (under consideration)**

(GF: \$500.0, NGF: \$226.4, Total: \$726.4)

This proposal is to sustain and modernize cyber infrastructure capabilities for UA, as delivered by the Arctic Region Supercomputing Center (ARSC). Cyber infrastructure refers to the technology, personnel and support to enable a wide range of research and instruction based on advanced technologies. Services will be delivered to students and researchers at the University, and to residents and other stakeholders in Alaska.

Research and instruction are increasingly reliant upon large-scale computation and storage resources, across virtually all disciplines. Access to up-to-date and capable cyber infrastructure at UA is seen as essential for successful external grant seeking, as portrayed by researchers in dozens of University units. The requested funding will support ARSC's provisioning of resources to new and existing constituencies, and allow expanded utilization of existing resources. A major targeted outcome is growth in external funding, through continued success in ARSC's current users, and enhanced access to cyber infrastructure for additional University constituencies.

A key area for sustaining and modernizing services is for ease of use through Web-based computational portals. Historically, only a subset of scientific and engineering disciplines have utilized supercomputers and their large-scale storage, and these resources were rather difficult to use. Today, however, ease of use for cyber infrastructure is undergoing a nation-wide transformation, thanks to the addition of Web-based portals for computation and analysis. The requested funding will support design, deployment, user support and ongoing maintenance of Web-based computational portals, in order for a variety of stakeholders to more easily engage in computational modeling, data access, visualization, education, and outreach. Major current partners include INBRE/LSI, GINA, SNAP, the Dept. of Chemistry and Biochemistry, GI, and others.

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Another key area for sustaining and modernizing services is a data portal. This will rely on ARSC's massive data storage, which is accessible within the UA system at much higher speeds, and far lower cost, than storage provided by commercial or academic institutions in the Lower 48. The requested funding is needed to expand accessibility and usability of data portal capabilities. The portal will be used for research and dissemination of research results, for instruction, by decision makers, and by other constituencies around the State. The portal will provide a listing of University data providers and information about their data sets. It will enable federated searching of data sets. It will also provide an online location for dissemination of many data sets that are not currently accessible online. Major current partners include Alaska EPSCoR, ASF, IARC, GINA, the Vice Chancellor for Research, WERC, and others.

A final key area for sustaining and modernizing services is an institutional repository. This will enable improved centralized access to the practical and academic outcomes of the University. This institutional repository will provide open access to theses and dissertations, to faculty biographical and bibliographical data, to undergraduate student research projects, and other products and outcomes. These items are already collected, but they are not centralized, standardized, or, in some cases, easily accessible to the public. The requested funding will support the design, deployment, support and maintenance of the needed cyber infrastructure for this institutional repository. Major current partners include the UAF Provost, the UAF Library, the UA Vice President for Academic Affairs, IARC, and the Graduate School. Additional UA partners will be identified.

ARSC has had long-term success in providing mainstream supercomputing and storage resources to researchers at UAF and elsewhere. The requested funding will support deploying these capabilities to reach a far broader constituency at UA and throughout the State. This increased breadth in the user base is intended to result in increased revenues from external grant sources, based on researcher's ability to demonstrate local access to world-class cyber infrastructure. It is also intended to greatly enhance access, and add value, to the University's computational and data products, and other outputs. These will be useful for research, instruction, statewide decision makers, K-12 education, and outreach.

- **UAF Preservation of Alaska's Art and Culture (under consideration)**

(GF: \$285.0, NGF: \$178.9, Total: \$463.9)

The UA Museum of the North (UAMN) has an outstanding collection of Fine Art, from etchings made on Captain Cook's voyages to sculptures made in 2010, and includes many examples of Alaska Native art. UAMN is the most significant state repository for Alaskan art. The collections are a great resource for university students, the community, and scholars from around the world. The collection currently contains 5,000 paintings, prints, photographs, sculptures and multimedia works. In addition, there are hundreds of art collection objects distributed throughout the UAF campus. It is inappropriate for a university museum to have such a significant collection with so many items on display in a variety of venues and not have a curator who can oversee their care, documentation, interpretation, scholarly research and management. The magnitude of the collection also requires a collection manager, particularly to ensure the care and security of items on loan from the museum to other university units and the community. In addition to his or her museum duties, the curator would be a member of the teaching faculty, would bring undergraduate and graduate students into the collection to enhance their knowledge of Alaskan art. Two graduate student research assistantships are included in the request; the students will assist with documentation and scholarly research on the art collections. The curator would also teach art courses, particularly art

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history courses, including e-learning classes. The curator would participate in the very popular UAMN programs for K-12 students, adding knowledge and appreciation of fine art to the available activities. This position would strengthen the link between the Art Department, major donors, university benefactors, and the museum. In addition technical staff is needed to ensure the safety of all persons in the art studio labs where hazardous equipment and supplies are used. The Art Department has a variety of different specialized tools and many pieces of equipment throughout the department. The technician will also serve as the departmental safety coordinator for the area. The technician is needed to ensure a safer, more efficient work environment.

- **UAF Resilience and Climate Adaptation Program (RAP) in Graduate Studies (under consideration)**

(GF: \$300.0, NGF: \$472.6, Total: \$772.6)

The Resilience and Adaptation Program (RAP) at UAF was established through two grants from the National Science Foundation and has operated with that funding for nine years. NSF has a time limit for support of graduate programs and that limit has been reached, so the NSF funding will not continue. However, the RAP program has been very successful and directly addresses Alaska's needs. Hence funds are requested to allow it to continue. RAP is a graduate education and training program focusing on interdisciplinary studies in northern sustainability, resilience, and adaptation to change. The mission of RAP is to prepare scholars, policy-makers, educators, community leaders, and managers to address issues of sustainability in an integrated fashion. Through coursework, an internship experience, thesis research, and other training, students address the challenge of sustaining the desirable features of Earth's social-ecological systems at a time of rapid change. To date thesis research by RAP students has focused on: Climate-Disturbance-Human Interactions, Food Systems and Food Security, Adaptive Resource Co-Management, Sustainable Fisheries and Forestry, Alternative Energy, Rural Community Resilience and Adaptation, and Wildlife and Subsistence Resources. Since 2002 over 80 graduate students have joined RAP and 31 students have graduated from the program. Currently over 50 PhD and masters students are participating in RAP. Additional students have taken RAP course classes and participated in its many activities. Over 41 faculty members have or are currently serving as major advisors to RAP students, with six UAF schools and colleges and more than 9 home departments involved. Additional departments at UAA have also been involved. The goal for establishing RAP as a permanent program at UAF is to create the very best interdisciplinary graduate program in high-latitude sustainability science in the world.

- **UAF Sikuliaq On-shore Staff Support (under consideration)**

(GF: \$0.0, NGF: \$547.2, Total: \$547.2)

The Sikuliaq will be a 261-foot oceanographic research ship capable of bringing scientists to the ice-choked waters of Alaska and the polar regions. When complete in 2013, the vessel will be one of the most advanced university research vessels in the world and will be able to break ice up to 2.5 feet thick. Currently under construction at Marinette Marine Corporation, a shipyard in Marinette, Wisconsin, the Sikuliaq will be ready for unrestricted science operations in 2014 and will be home ported in Alaska, at UAF's Seward Marine Center in Seward. The vessel will be owned by the National Science Foundation and operated by the University of Alaska Fairbanks, as part of the U.S. academic research fleet. Operating such a large and complex vessel will require considerable shore side staff support, and the School of Fisheries and Ocean Sciences will need to add three staff and increase the hours of a fourth. The additional positions are: a marine technician (APT), HR and purchasing specialists (non-exempt), and a warehouse staff person, whose position (non-

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exempt) will increase from part-time to full-time. The positions will be funded from indirect cost recovery from related federal and state grants and contracts. According to the current schedule for completion of the vessel, these positions will be hired or increased in March, 2013, and revenue/expenditures in FY13 will be about 1/3 those shown. The revenues and expenditures will increase to the amounts shown as the ship becomes fully operational in FY14.

- **UAF President's Professors of Biomedical Research (continue on BP funds)**

(GF: \$175.0, NGF: \$132.6, Total: \$307.6)

We are requesting funding to extend the President's Professors for the UAF Center for Alaska Native Health Research (CANHR). The CANHR President's Professors are integral to the success of the center. The \$732K invested to date has resulted in over \$24.5M in extramural funding, mostly from the National Institutes of Health. CANHR has submitted their phase III competitive renewal application and President's Professors program will be viewed as a strong institutional commitment and provide external research partnerships for CANHR investigators. Research conducted by CANHR scientists reflect research priorities for Alaska Natives (obesity, suicide, and substance abuse) and has significant societal benefit. CANHR scientists are nationally recognized for community-based participatory research and this reflects positively on institutional excellence.

University of Alaska - FY05-FY11 Expenditures

	FY05 Actual	FY06 Actual	FY07 Actual	FY08 Actual	FY09 Actual	FY10 Actual	FY11 Actual
University of AK Anchorage							
Commodities	18,162.4	17,554.7	19,550.9	19,370.4	22,209.0	21,990.0	22,116.7
Contractual Services	34,984.0	37,140.4	39,461.3	38,225.6	42,183.1	46,189.2	47,491.8
Equipment	2,174.9	1,389.7	1,879.5	2,306.7	4,421.0	4,219.1	4,182.3
Land/Buildings	1,244.6	1,562.4	4,564.7	3,008.9	1,629.0	95.7	346.3
Miscellaneous	3,812.4	3,892.7	3,730.9	7,782.7	9,611.9	9,360.0	12,842.3
Salaries & Benefits	121,438.6	133,753.9	144,894.6	150,435.1	161,035.7	168,143.5	178,913.0
Unrestricted	104,445.1	111,227.9	122,466.7	129,802.1	139,365.1	145,741.6	155,706.4
Restricted	16,993.5	22,526.0	22,427.9	20,633.0	21,670.6	22,401.9	23,206.6
Student Aid	7,375.4	7,782.5	7,837.0	8,939.2	9,470.5	11,150.0	15,225.0
Travel	4,240.8	4,394.9	4,566.1	4,997.2	5,483.3	5,403.9	5,516.5
Unrestricted	2,719.4	2,752.8	2,942.0	3,442.4	4,089.7	4,025.4	4,312.1
Restricted	1,521.4	1,642.1	1,624.1	1,554.8	1,393.6	1,378.5	1,204.4
Total	193,433.1	207,471.2	226,485.0	235,065.8	256,043.5	266,551.4	286,633.9

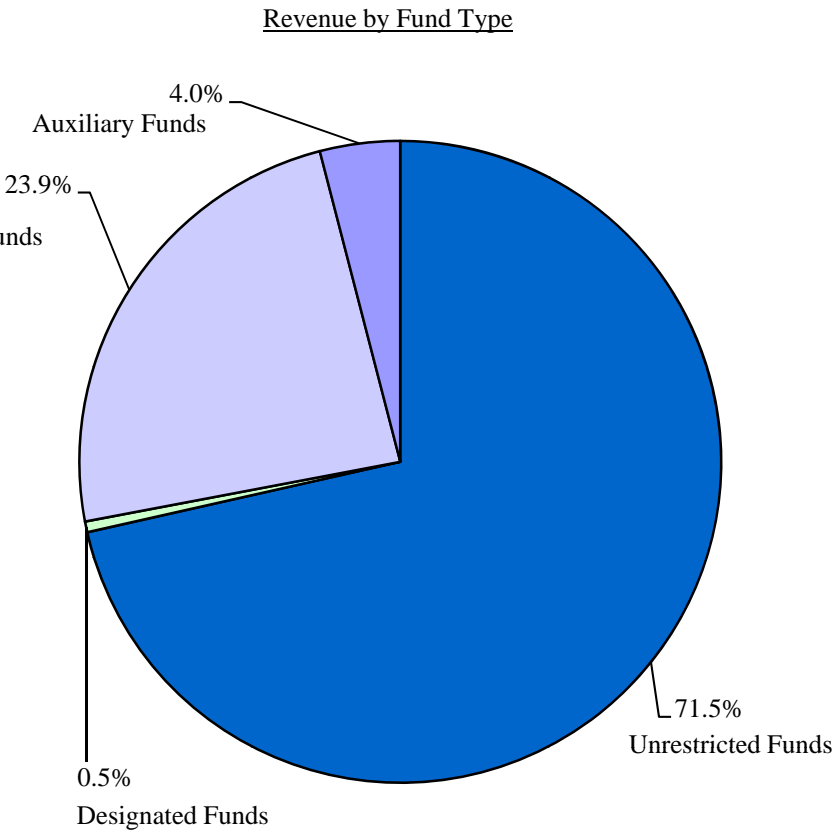
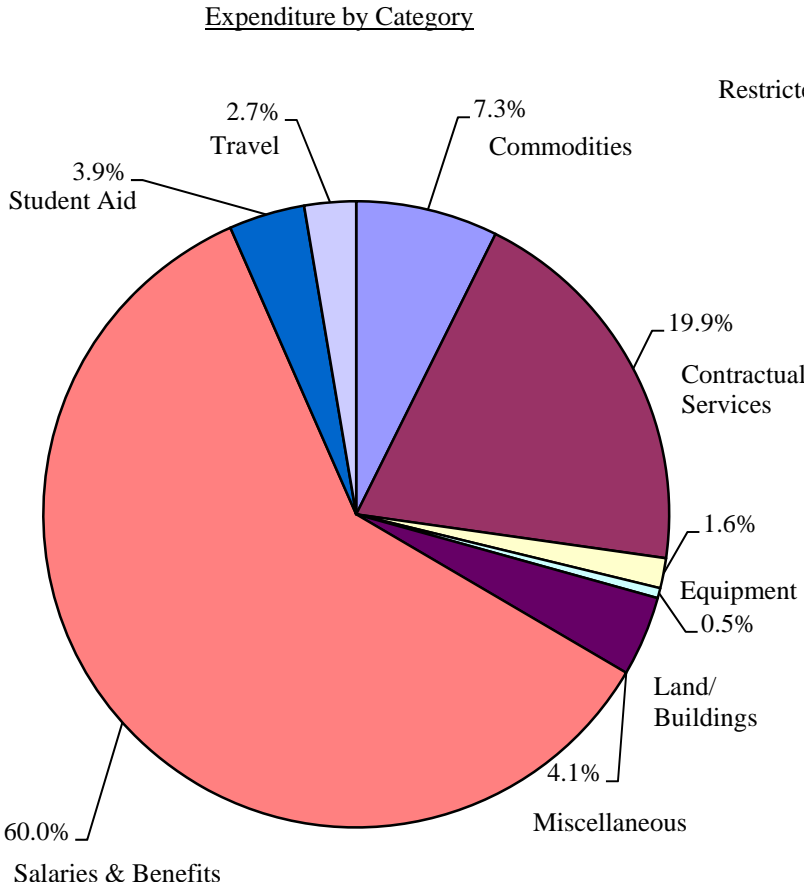
University of AK Fairbanks							
Commodities	36,977.2	34,978.7	38,184.7	36,709.4	41,051.4	35,050.1	32,434.1
Contractual Services	66,365.9	71,913.7	74,712.7	70,596.1	77,733.3	78,278.8	84,512.3
Equipment	9,017.6	8,365.3	8,684.2	10,578.5	8,902.8	7,622.3	6,864.2
Land/Buildings	1,324.2	1,010.6	3,283.6	2,654.0	1,490.0	1,798.9	2,180.5
Miscellaneous	6,897.0	6,850.8	11,116.3	8,927.3	11,109.0	9,065.2	15,272.0
Salaries & Benefits	182,559.1	196,519.4	217,321.7	225,624.9	235,004.1	239,430.1	249,605.4
Unrestricted	124,200.6	130,058.4	147,080.2	154,519.2	165,073.7	168,044.0	178,043.9
Restricted	58,358.5	66,461.0	70,241.5	71,105.7	69,930.4	71,386.1	71,561.5
Student Aid	9,401.9	10,268.1	10,627.4	10,704.5	11,591.8	12,807.5	15,133.5
Travel	10,560.4	11,567.6	12,217.6	12,899.4	13,718.9	13,205.8	13,163.3
Unrestricted	3,813.6	4,368.3	4,882.1	5,474.6	6,084.9	5,904.5	5,574.4
Restricted	6,746.8	7,199.3	7,335.5	7,424.8	7,634.0	7,301.3	7,588.9
Total	323,103.3	341,474.2	376,148.2	378,694.1	400,601.3	397,258.7	419,165.3

University of AK Southeast							
Commodities	3,619.2	3,938.3	3,946.9	3,507.9	3,826.8	4,293.3	3,392.1
Contractual Services	6,746.5	6,885.0	6,850.1	7,437.1	6,786.7	7,166.7	6,519.6
Equipment	407.3	299.9	718.9	374.2	276.5	361.0	916.3
Land/Buildings	326.2	704.8	790.7	816.7	1,147.2	784.3	1,690.2
Miscellaneous	465.1	550.6	984.9	303.7	918.5	1,359.8	2,209.9
Salaries & Benefits	23,749.9	26,188.9	28,014.7	28,813.5	30,993.0	31,614.2	32,341.9
Unrestricted	21,630.7	22,554.5	24,481.1	25,112.1	27,248.5	28,294.4	29,398.6
Restricted	2,119.2	3,634.4	3,533.6	3,701.4	3,744.5	3,319.8	2,943.3

University of Alaska - FY05-FY11 Expenditures

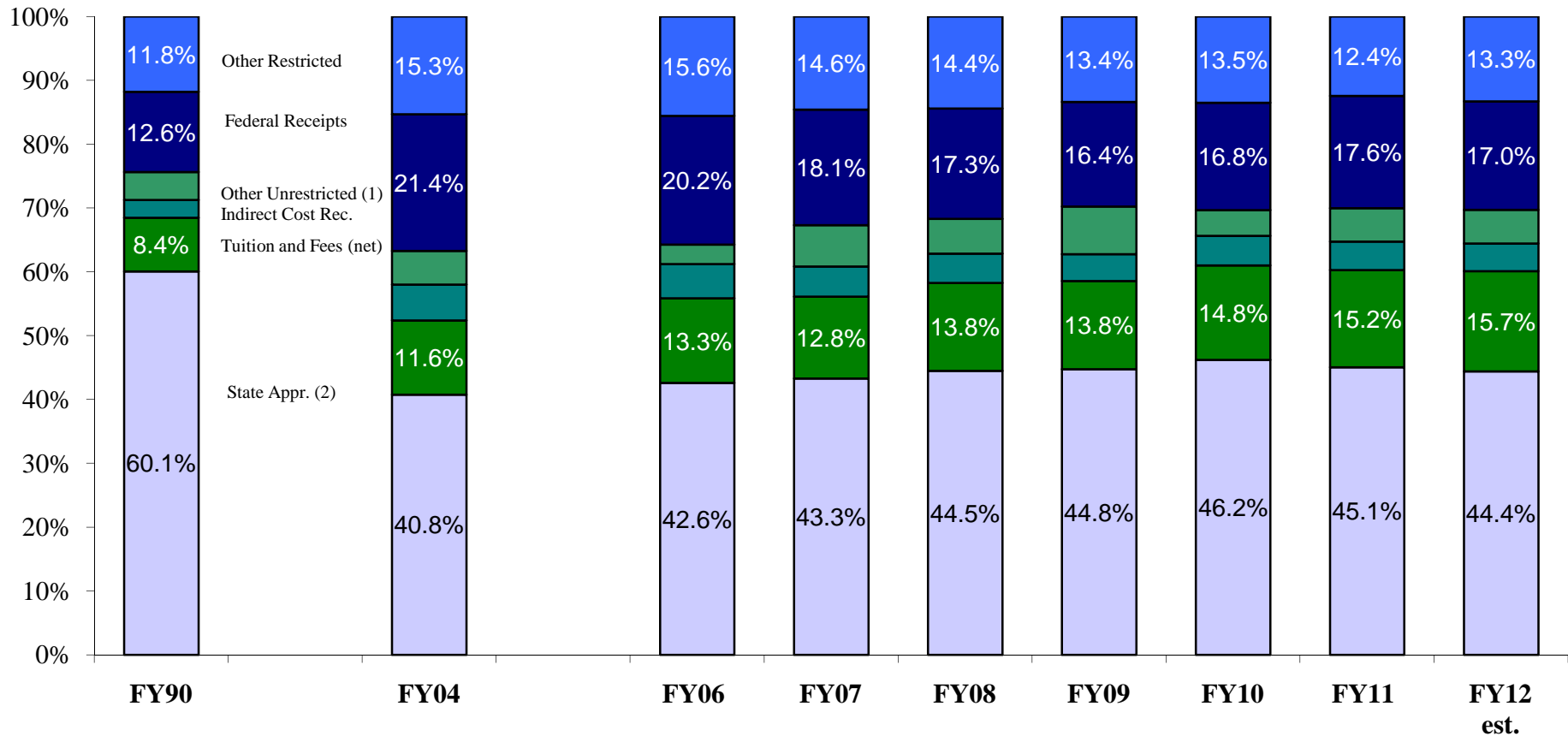
	FY05 Actual	FY06 Actual	FY07 Actual	FY08 Actual	FY09 Actual	FY10 Actual	FY11 Actual
Student Aid	1,471.0	1,485.6	1,505.3	1,444.7	1,382.0	1,398.5	1,606.7
Travel	1,137.6	1,277.3	1,108.3	1,085.6	1,060.7	1,093.4	1,103.9
Unrestricted	689.4	731.5	710.5	725.3	683.1	811.1	929.7
Restricted	448.2	545.8	397.8	360.3	377.6	282.3	174.2
Total	37,922.8	41,330.4	43,919.8	43,783.4	46,391.4	48,071.2	49,780.6
Statewide Pgms & Services							
Commodities	1,231.4	1,287.9	1,652.5	2,077.8	1,327.9	1,429.9	2,073.3
Contractual Services	17,315.7	19,858.9	25,227.7	23,282.7	23,772.3	23,543.7	24,183.8
Equipment	990.3	586.0	493.6	1,091.9	592.7	382.2	732.0
Land/Buildings	266.0	(187.4)	45.3	352.7	(117.5)	58.2	42.5
Miscellaneous	1,598.1	1,746.3	3,911.7	2,259.5	3,349.0	2,815.4	3,433.7
Salaries & Benefits	19,079.6	20,909.0	22,847.7	26,219.2	27,842.6	27,925.8	29,399.5
Unrestricted	17,311.8	19,026.8	21,112.6	24,653.1	26,322.6	26,726.8	28,267.8
Restricted	1,767.8	1,882.2	1,735.1	1,566.1	1,520.0	1,199.0	1,131.7
Student Aid	69.6	48.3	37.6	31.7	66.4	69.0	104.7
Travel	1,726.4	2,042.8	1,875.2	2,209.4	1,631.4	2,054.6	1,998.1
Unrestricted	1,044.8	1,093.5	1,129.9	1,367.2	865.0	1,236.2	1,123.2
Restricted	681.6	949.3	745.3	842.2	766.4	818.4	874.9
Total	42,277.1	46,291.8	56,091.3	57,524.9	58,464.8	58,278.8	61,967.6
UA Total							
Commodities	59,990.2	57,759.6	63,335.0	61,665.5	68,415.1	62,763.3	60,016.2
Contractual Services	125,412.1	135,798.0	146,251.8	139,541.5	150,475.4	155,178.4	162,707.5
Equipment	12,590.1	10,640.9	11,776.2	14,351.3	14,193.0	12,584.6	12,694.8
Land/Buildings	3,161.0	3,090.4	8,684.3	6,832.3	4,148.7	2,737.1	4,259.5
Miscellaneous	12,772.6	13,040.4	19,743.8	19,273.2	24,988.4	22,600.4	33,757.9
Salaries & Benefits	346,827.2	377,371.2	413,078.7	431,092.7	454,875.4	467,113.6	490,259.8
Unrestricted	267,588.2	282,867.6	315,140.6	334,086.5	358,009.9	368,806.8	391,416.7
Restricted	79,239.0	94,503.6	97,938.1	97,006.2	96,865.5	98,306.8	98,843.1
Student Aid	18,317.9	19,584.5	20,007.3	21,120.1	22,510.7	25,425.0	32,069.9
Travel	17,665.2	19,282.6	19,767.2	21,191.6	21,894.3	21,757.7	21,781.8
Unrestricted	8,267.2	8,946.1	9,664.5	11,009.5	11,722.7	11,977.2	11,939.4
Restricted	9,398.0	10,336.5	10,102.7	10,182.1	10,171.6	9,780.5	9,842.4
Total	596,736.3	636,567.6	702,644.3	715,068.2	761,501.0	770,160.1	817,547.4

University of Alaska Expenditure by Category and Revenue by Fund Type FY11



Unrestricted Funds	\$584.4
Restricted Funds	195.8
Designated Funds	4.4
Auxiliary Funds	<u>33.0</u>
Sub-Total	817.6
UA Intra-Agency (UAIAR)	<u>(54.9)</u>
Total (in millions)	\$762.7

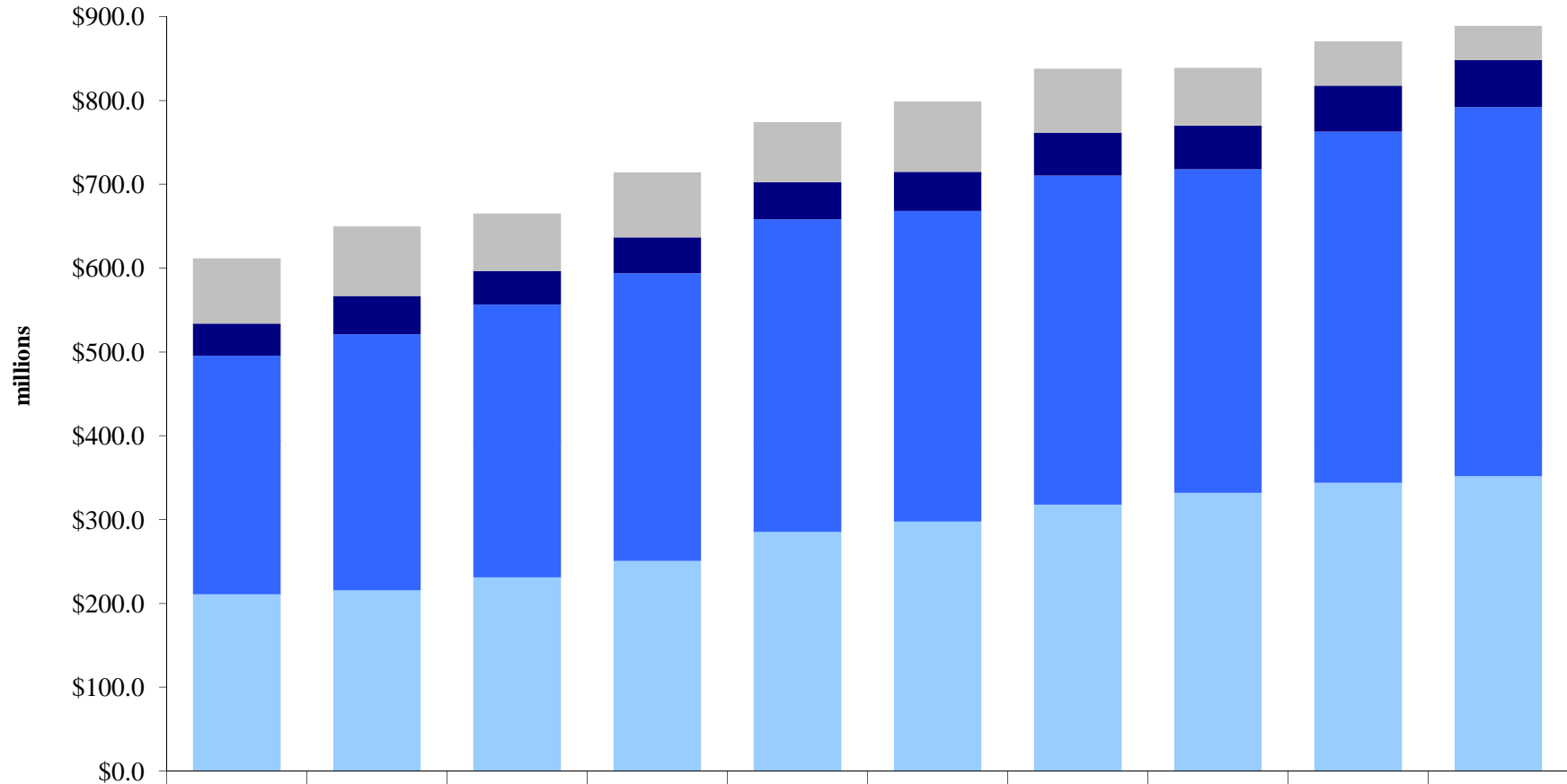
University of Alaska Revenue by Source FY90, FY04, FY06-FY11, FY12 est.



1. UA Intra Agency Receipts are excluded from this table, but are included in the totals in the rest of the publication.

2. State Appropriation includes one-time funding for utility cost increases: FY06 \$2,355.6; FY07 \$2,640.0; FY08 \$4,957.9; FY09 \$4,840.0; FY10 \$3,630.0; FY11 \$3,080.0; and FY12 \$3,410.0

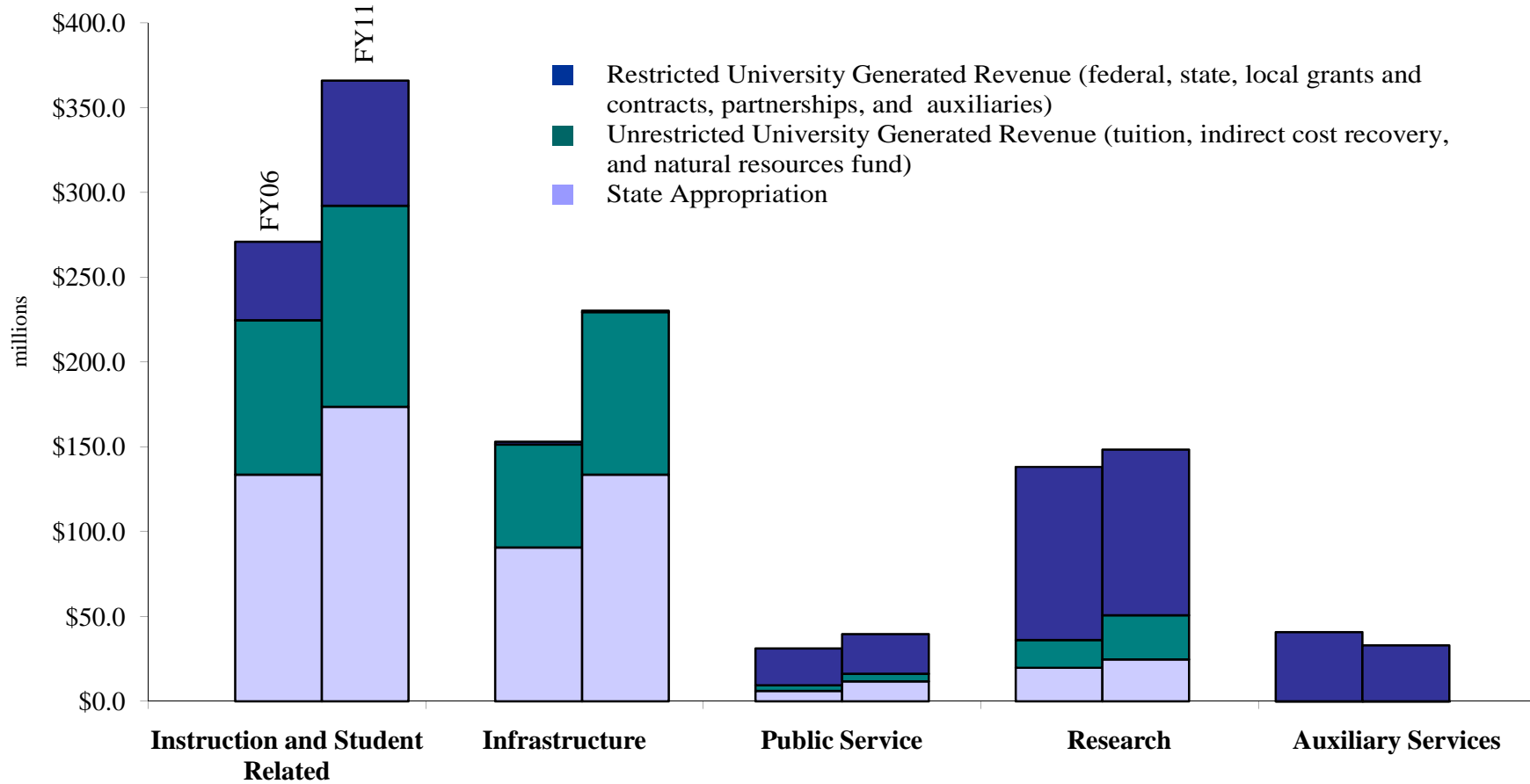
University of Alaska Actual vs. Authorized Budget



	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12*
Available Receipt Authority	77.9	82.7	68.5	77.6	71.5	83.8	76.6	68.9	52.8	40.9
UA Intra Agency Receipts	38.4	45.7	40.2	42.9	44.2	46.7	51.0	52.3	54.9	56.3
Non-state Revenue	284.5	305.6	325.4	343.1	373.3	370.8	392.6	386.0	418.8	440.2
State Appropriations	211.0	215.6	231.1	250.6	285.1	297.5	317.9	331.9	343.9	351.7

* estimated

University of Alaska FY06 & FY11 Expenditures by NCHEMS Category and Fund Type



MAU/Campus/Program Title	UA BOR			Proposed Distribution			
	State Approp.	Receipt Authority	Total	State Approp.	Receipt Authority	Total	PFT*
FY11 One-time Funded Priority Programs to Baseline							
UAA ANC ConocoPhillips Integrated Science Bldg	314.2		314.2	314.2		314.2	
UAF FBKS Summer Bridge Programs (revised title)	150.0	40.0	190.0	150.0	40.0	190.0	
UAF FBKS Summer Components (revised title)	75.0	45.0	120.0		20.0	20.0	
FY11 One-time Funded Priority Programs to Baseline Total	539.2	85.0	624.2	464.2	60.0	524.2	
Student Success Initiatives							
UAA ANC Honors College (one-time funding)	100.0	15.0	115.0	100.0	15.0	115.0	1
UAF FBKS Honors Program (one-time funding)				100.0		100.0	
UAS JUN Teacher Ed. Recruitment & Placement Specialist	94.3	10.0	104.3	94.3	10.0	104.3	1
UAS SIT Instructional Designer	98.1	79.8	177.9	98.1	79.8	177.9	1
Student Success Initiatives Total	292.4	104.8	397.2	392.4	104.8	497.2	3
High Demand Jobs							
Health/Bio-Med							
UAA ANC Health Sciences Building Staffing	392.6		392.6	200.0		200.0	2
UAA ANC RRANN/Nursing Workforce Diversity	311.1	15.0	326.1	311.1	15.0	326.1	
UAA ANC Stress Physiology Faculty Position (INBRE)	100.0	25.0	125.0				
UAF CRCDC RC Health Pgrms - Rural Human Services Faculty	40.8	16.0	56.8				
UAF FOR Veterinary Services Animal Health Tech. (INBRE)	45.0	325.0	370.0				
UAF FOR Faculty Position in Immunology	100.4	359.4	459.8				
Health/Bio-Med	989.9	740.4	1,730.3	511.1	15.0	526.1	2
Teacher Education							
UAF FBKS Special Education Teacher Preparation	142.1	27.2	169.3				
UAF CRCDC Early Childhood Program Support	144.0		144.0				
Teacher Education	286.1	27.2	313.3				
High Demand Jobs Total	1,276.0	767.6	2,043.6	511.1	15.0	526.1	2
Enhancing Competitive Research							
UAF FBKS Alternative Energy	250.0	500.0	750.0	250.0	500.0	750.0	2
Enhancing Competitive Research Total	250.0	500.0	750.0	250.0	500.0	750.0	2
FY12 High Priority Program Sustainment	2,357.6	1,457.4	3,815.0	1,617.7	679.8	2,297.5	7

* Permanent Full Time position

University of Alaska Revenue Summary
Budgeted Authority and Actual Revenue by Source FY11

	FY11 Authorized	FY11 Adjustments	FY11 Final Authorized	FY11 Actual
State Appropriations				
General Fund	329,979.1		329,979.1	329,979.1
General Fund-One-Time ⁽¹⁾	3,619.2		3,619.2	3,619.2
General Fund Match	4,777.3		4,777.3	4,777.3
Technical Vocational Ed. ⁽²⁾	5,201.9	(328.0)	4,873.9	4,873.9
Mental Health Trust	605.8		605.8	605.8
Business License Fees	-		-	-
State Appr. Subtotal	344,183.3	(328.0)	343,855.3	343,855.3
Receipt Authority				
Interest Income	4,695.2		4,695.2	241.7
Auxiliary Receipts	48,355.4		48,355.4	32,961.4
Student Tuition/Fees (net)	116,278.5		116,278.5	116,110.4
Indirect Cost Recovery	35,243.3		35,243.3	33,736.8
University Receipts	95,747.3		95,747.3	78,582.4
University Rcpts. Subtotal	300,319.7	-	300,319.7	261,632.7
Federal Receipts ⁽³⁾	132,798.7	6,370.0	139,168.7	134,076.4
Federal Receipts-ARRA	-			
State Inter Agency Receipts	15,301.1	1,250.0	16,551.1	12,524.2
MHTAAR ⁽⁴⁾	1,693.2	(314.9)	1,378.3	1,378.3
CIP Receipts	7,630.7	2,230.0	9,860.7	9,191.2
UA Intra Agency Receipts	51,521.0	7,730.6	59,251.6	54,889.3
Rcpt. Authority Subtotal	509,264.4	17,265.7	526,530.1	473,692.1
Revenue Total	853,447.7	16,937.7	870,385.4	817,547.4

1. One-time Items Include: FY11 \$3,080.0 for Utility Cost Increases, \$314.2 UA Anchorage Fixed Costs, \$225.0 UAF Summer Science & Math Camps

2. Technical Vocational Education Program (TVEP) receipts allocated to the University of Alaska have been lowered by the Department of Labor and Workforce Development (DOLWD), thus the FY11 projection was reduced. FY11 authorization remains as it was appropriated.

3. Federal Receipts adjustments includes FY11 supplemental funding of \$4,500.0 approved by the Board February 2011.

4. Mental Health Trust Authority Authorized Receipts (MHTAAR) adjustment is for funds lapsed in FY11.



UNIVERSITY
of ALASKA

Many Traditions One Alaska

First Review of FY13 Capital Budget

Board of Regents
September 22-23, 2011
Juneau, Alaska

Prepared by Statewide Planning & Budget
450-8191

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University of Alaska
FY13 Proposed Capital Budget Request
Introduction

This capital budget presents the top priority projects for the University of Alaska. These projects require state funding of approximately \$205 million. The recommended request includes the highest priority needs required to continue the sustainment funding plan for the University of Alaska facilities. Funding requests include Deferred Maintenance (DM), Annual Renewal and Repurposing (R&R), and additional funding for further DM backlog reduction. Funding is also requested to support research important to Alaska. All priority projects included in the FY13 Proposed Capital Budget Request are summarized below and full descriptions begin on page 53. The descriptions of projects not included in the proposed budget begin on page 78.

- UA's FY13 Deferred Maintenance request of \$37.5 million will continue to address the maintenance backlog, and will be the third year of the Governor's 5-year plan to reduce the State's DM backlog. The highest priority DM and R&R projects at the main campuses are the UAA Beatrice McDonald Building in Anchorage, UAF Cogen Heating Plant Required Upgrades to Maintain Service in Fairbanks, and the UAS Hendrickson Remodel and Renovation in Juneau. The DM and R&R funding distribution plan is included on page 73 and is based on the requested amount of funding from the state.
- Annual Renewal and Repurposing (R&R) Requirement funding of \$50 million is approximately 2.5% of the UA's facilities adjusted value. Fully funding annual R&R is necessary to prevent adding to the maintenance and R&R backlog.
- Additional DM Backlog Reduction request of \$100 million is necessary in order to continue to reduce the UA's DM and R&R backlog to approximately 12% of the adjusted value of the UA's facilities by FY16. This level of DM will minimize the expenditures for emergency response maintenance which is more expensive than performing preventative maintenance, routine maintenance, and capital reinvestment on a planned basis.
- New Construction (New Starts) and Planning and Design funding requests are not included in the FY13 budget request, but have been moved to the 10-year capital improvement plan for consideration in future capital budget requests. The 10-year capital improvement plan is included on page 72.
- Research for Alaska includes funding to support research efforts that address critical state needs in the areas of energy alternatives and policy, Arctic oil spill response, and the impacts of ocean acidification on Alaska's fisheries.

**University of Alaska
FY13 Proposed Capital Budget Request
(in thousands of \$)**

	State Approp.	Receipt Auth.	Total
Deferred Maintenance (DM) and Renewal and Repurposing (R&R)	37,500.0		37,500.0
<i>UAA Main Campus</i>	9,000.0		9,000.0
<i>UAA - Community Campuses</i>	1,837.5		1,837.5
<i>UAF Main Campus</i>	22,575.0		22,575.0
<i>UAF - Community Campuses</i>	900.0		900.0
<i>UAS Main and Community Campuses</i>	2,587.5		2,587.5
<i>UA - Statewide</i>	600.0		600.0
 Annual Renewal & Repurposing Requirement	 50,000.0		 50,000.0
 Additional DM Backlog Reduction	 100,000.0		 100,000.0
 New Construction (New Starts) Moved to Out-Years			
 Planning and Design Moved to Out-Years			
 Research for Alaska			
UAF Partnership to Develop Statewide Energy Alternatives and an Energy Policy Center	12,500.0	3,100.0	15,600.0
UAF Effective Arctic Oil Spill Response	2,000.0	25,000.0	27,000.0
UAF Assessing the Impacts of Ocean Acidification on Alaska's Fisheries	2,700.0	750.0	3,450.0
 University Receipt Authority for Capital Projects		15,000.0	15,000.0
 Total FY13 Proposed Capital Budget	 <u>204,700.0</u>	 <u>43,850.0</u>	 <u>248,550.0</u>

University of Alaska
FY13 Priority Deferred Maintenance (DM) and Renewal & Repurposing (R&R) Projects by MAU
State Appropriations (in thousands of \$)

Project Name	DM	R&R	Total
UAA Main Campus			
Beatrice McDonald Building Renewal		6,915.0	6,915.0
Allied Health Science Building Renovation	900.0	900.0	1,800.0
Campus Building Envelope & Roof Replacement	4,500.0		4,500.0
Campus Mechanical/Electrical/HVAC Upgrades	4,500.0		4,500.0
Campus Roads, Curbs and Sidewalks	1,500.0		1,500.0
EM1 and EM2 Mechanical	3,430.0		3,430.0
MAC Housing Renewal		8,000.0	8,000.0
Consortium Library Old Core Mechanical Upgrades	2,850.0		2,850.0
Engineering Building Renewal	1,032.0	2,308.0	3,340.0
Fine Arts Mechanical System Renewal	7,482.0		7,482.0
Health Sciences Backfill	750.0	4,250.0	5,000.0
Cuddy Phase II Renewal	5,560.5	5,560.5	11,121.0
Classroom, Office & Lecture Hall Lighting Upgrades	1,500.0		1,500.0
Building Automation System Renewal	1,500.0		1,500.0
Campus Wayfinding		750.0	750.0
Emergency Generator Upgrades / Replacements	1,500.0		1,500.0
Fire Alarm Panel Upgrades	1,500.0		1,500.0
Electrical Feeder/Panel Upgrade	1,500.0		1,500.0
Elevator Safety/Code Upgrades	1,500.0		1,500.0
UAA Main Campus FY13 Requests Total	41,504.5	28,683.5	70,188.0
UAA Community Campus			
KPC Kenai River Campus Goodrich and Ward Building Backfill	252.8	1,011.3	1,264.0
Kodiak College Campus Renewal	1,154.0	2,139.0	3,293.0
PWSCC Campus Renewal	3,639.0		3,639.0
Mat-Su Restroom Upgrades	200.0	306.0	506.0
Kodiak Roof Replacement	2,022.0		2,022.0
PWSCC Parking and Security	1,683.0	817.0	2,500.0
KPC Kenai River Campus Academic Center/Classroom Renewal	500.0	1,500.0	2,000.0
KPC Kenai River Campus Boiler/HVAC Renewal	288.0	160.5	448.5
KPC Kenai River Campus Roof Repair-Replacement	1,508.0		1,508.0
Mat-Su Door Locks/Card Key Access		561.0	561.0
UAA Community Campus FY13 Requests Total	11,246.8	6,494.8	17,741.5
UAF Main Campus			
Cogen Heating Plant Required Upgrades to Maintain Service	12,175.0		12,175.0
Critical Electrical Distribution	15,900.0	350.0	16,250.0
Fairbanks Campus Main Waste Line Repairs		5,500.0	5,500.0
Fairbanks Main Campus Wide Roof Replacement		6,500.0	6,500.0
West Ridge Research Revitalization Including LS Backfill	11,000.0		11,000.0
ADA Compliance Campus Wide: Elevators, Ramps, Restrooms		5,000.0	5,000.0
Elevator Scheduled Upgrading and Replacement		1,500.0	1,500.0
Lower Campus Backfill Renovations per 2010 Masterplan	6,000.0		6,000.0
Eielson/Signers' Code Corrections	5,700.0		5,700.0
Patty Center Revitalization	3,600.0		3,600.0
Campus Roads, Sidewalks, Curbs, Gutters, and Ramps		6,000.0	6,000.0
Campus Wide Building Electrical Safety and Code Compliance	2,750.0		2,750.0

University of Alaska
FY13 Priority Deferred Maintenance (DM) and Renewal & Repurposing (R&R) Projects by MAU
State Appropriations (in thousands of \$)

Project Name	DM	R&R	Total
Bartlett Hall Plumbing and Piping Replacement	4,500.0		4,500.0
Kodiak FITC Renewal	2,500.0		2,500.0
Campus Wide Fire Alarm Survey		1,500.0	1,500.0
Tilly Commons DM and Repurpose	11,000.0		11,000.0
Moore Hall Plumbing and Piping Replacement	4,500.0		4,500.0
UAF Community and Technical College Space Revitalization Phase 4	3,975.0		3,975.0
University Park Building Repurposing	200.0		200.0
Original Duckering Ventilation Completion	1,650.0		1,650.0
Campus Wide Asbestos Abatement Phase 2	3,800.0		3,800.0
Cogen Heating Plant Code Corrections Phase 3	2,900.0		2,900.0
Student Services Renewal -Student Union and Original Bookstore	575.0	11,500.0	12,075.0
Physical Plant Code Corrections Phase 3	500.0		500.0
UAF Main Campus FY13 Requests Total	93,225.0	37,850.0	131,075.0
UAF Community Campus			
Kuskokwim Campus Facility Critical Deferred and Voc-Tech Renewal -- Phase 2	5,100.0		5,100.0
UAF Community Campus FY13 Requests Total	5,100.0		5,100.0
UAS Main Campus			
Hendrickson Remodel and Renovation	1,620.5	1,579.5	3,200.0
Auke Lake Way Campus Entry Improvements & Road Realignment	226.0	755.5	981.5
Technology Education Center Diesel Lab & Mine Training Remodel	500.0	1,000.0	1,500.0
Juneau Campus Fire Alarm Replacement	275.0		275.0
Juneau Campus Pavement Replacement	1,000.0		1,000.0
Juneau Campus Site Lighting Replacement	700.0		700.0
UAS Main Campus FY13 Requests Total	4,321.5	3,335.0	7,656.5
Statewide			
Butrovich Building Repairs	600.0		600.0
Computing Facility Power Infrastructure	3,700.0		3,700.0
Statewide FY13 Requests Total	4,300.0		4,300.0
UA System FY13 Requests Total	159,697.8	76,363.3	236,061.0
Additional DM and R&R			
UAA Main Campus	142,109.2	105,139.9	247,249.1
UAA Community Campus	11,749.0	9,433.0	21,182.0
UAF Main Campus	422,917.6	230,755.0	653,672.6
UAF Community Campus	7,300.0	13,128.0	20,428.0
UAS Main Campus	3,788.9	217.7	4,006.6
Statewide	2,300.0		2,300.0
UA System Additional DM and R&R	590,164.7	358,673.5	948,838.2
UA System DM and R&R Grand Total	749,862.4	435,036.8	1,184,899.2

UAA Main Campus DM and R&R

o **Beatrice McDonald Building Renewal**

FY13 (GF: \$6,915.0, Total: \$6,915.0)

Beatrice McDonald Hall (BMH) was built in 1970. The building is currently in significant need of mechanical, electrical and architectural improvements and replacements. Most of the building technologies are over forty years old and are at the end of their useful lifespan. Current laboratory furniture and fixtures are in disrepair and are not up to date with educational standards. When the Integrated Science Building (ISB) opened in 2009, many of the functions housed in the Science Building moved to ISB. Upon these vacancies, the Science Building began a 3 year renovation plan spanning from May 2010—April 2013. This in turn has opened up space for functions currently in BMH to move into the Science Building. The new tenants, recently backfilling into BMH as a result of departments moving to the Science Building, are Environment & Natural Resources Institute (ENRI) and Alaska Natural Heritage Program (ANHP). At this time it is difficult for these departments to comfortably integrate into the building because of space constraints. College Preparatory and Developmental Studies (CPDS) occupies approximately 1,742 sqft in cramped quarters at BMH. This space does not house all their needs and staff. Other staff is located in the Eugene Short Building (ESH) and the Sally Monserud Building (SMB). The department is not a part of the Science programs. In January 2011, an AHERA asbestos report was obtained for the building. It returned with positive readings on asbestos.

o **Allied Health Science Building Renovation**

FY13 (GF: \$1,800.0, Total: \$1,800.0)

The Medical Technology Lab, which is currently housed in the second level of the Allied Health Sciences Building, is scheduled to move in to Phase 1 of the Health Sciences Building in the summer of 2011. The existing equipment, appliances and hoods will be moved into the new space in the Health Sciences Building. A remodel of this AHS space is necessary in order to make the space functional for other Allied Health Science programs to utilize the space. The current configuration is designed specifically for a medical technology laboratory space and is not functional for radiologic technology, medical assisting, emergency medical technology or other allied health classes. A new program, diagnostic medical sonography currently does not have an ultrasound room, which is necessary for teaching. The building's aging mechanical system requires HVAC upgrades including boiler replacement with energy efficient boilers, building automation system (BAS) upgrades, air handling system replacement/upgrades with new coils and variable frequency drives (VFD's), building air conditioning system upgrade (removal from the EM-1 cooling well and put on its own cooling system either a cooling well or mechanical cooling), installation of a fume extraction system/make-up air unit(s) for the dental labs, remodel of the building air distribution system, and miscellaneous considerations include window treatments/replacement for energy conservation. The building's electrical upgrade requirements include, fire alarm system upgrades, lighting replacement with energy efficient lights, and a security access control system. The 1st floor administrative and common areas require general renewal, lighting and building envelope upgrades and ventilation system improvements.

o **Campus Building Envelope & Roof Replacement**

FY13 (GF: \$4,500.0, Total: \$4,500.0)

FY14-FY18 (GF: \$4,500.0, Total: \$4,500.0)

New roof systems improve building efficiencies and protect the building. The Anchorage campus currently has approximately 1,000,000 gsf of roofing that requires replacement on a 20-year cycle. The requested funds will address the most severe roofing needs as outlined in a Roofing Replacement Study that was done in the summer of 2007.

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o **Campus Mechanical/Electrical/HVAC Upgrades**

FY13 (GF: \$4,500.0, Total: \$4,500.0)

FY14-FY18 (GF: \$4,500.0, Total: \$4,500.0)

Many of the original buildings on the UAA Campus were constructed in the early- to mid-1970s and the buildings' systems are beginning to fail and are no longer adequate for the current demands and require replacement or upgrading. The mechanical, electrical and HVAC systems in particular fall into this category, however replacement parts for many of these systems are no longer available. These systems are very expensive to operate due to their low efficiencies. Replacement of these systems would allow for increased energy efficiencies and better environmental control throughout the building. This project will replace failing piping, inadequate electrical systems, inefficient lighting, boilers, fans, deficient VAV boxes and upgrade the building automation system controls.

o **Campus Roads, Curbs and Sidewalks**

FY13 (GF: \$1,500.0, Total: \$1,500.0)

FY14-FY18 (GF: \$1,500.0, Total: \$1,500.0)

The UAA campus is over 30 years old and many of the roads, trails, sidewalks, parking areas, curbs and gutters are part of the original construction or have been impacted by construction, repair and renovation projects over the years. This results in uneven surfaces, lack of adequate sidewalks and other deficiencies that pose a potential safety hazards or are increasingly susceptible to additional damage. The aviation technology parking lot is dirt and needs to be replaced with asphalt. Increased enrollment, and subsequent staffing increases, dictates a need to upgrade and repair these surfaces in order to maintain a safe and effective environment for students, staff and the public.

o **EM1 and EM2 Mechanical**

FY13 (GF: \$3,430.0, Total: \$3,430.0)

The energy modules (EM1, EM2) were constructed in 1977 and provide heating and cooling services for a number of campus facilities. The energy module boilers, pumps and piping systems are over 30 years old and have been failing due to age, corrosion and fatigue. Many of these failures have occurred during the winter months when additional stresses are placed on the systems due to increased heating demands and environmental impacts. These failures further impact other systems, driving up the associated costs. Emergency repairs are very expensive and have a severe impact on students, faculty and staff working in the buildings served by these modules.

o **MAC Housing Renewal**

FY13 (GF: \$8,000.0, Total: \$8,000.0)

MAC Housing was built in 1985 and is now over 25 years old. While the housing auxiliary takes care of maintenance, repair and minor renewal with auxiliary funds, major renewal projects are beyond the reach of the auxiliary operating budget and fund balance. The scope of this project includes major renewal items such as boilers, bathroom showers, electrical and IT upgrades, bathroom exhaust systems, kitchen and bathroom casework, finishes, building siding, roof replacement and completion of the stairwell replacement. This project would also include funding to finish the fire warning and sprinkling systems. The work would be accomplished over a three year period, one unit every six months.

o **Consortium Library Old Core Mechanical Upgrades**

FY13 (GF: \$2,850.0, Total: \$2,850.0)

The original HVAC systems consist, for the most part, of equipment over 29 years old located within the four central building cores. The boilers, main supply/exhaust fan units, heating/cooling coils, galvanized piping and humidification systems have all reached the end of their useful life. Major component parts

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are no longer available for these units. Control systems are no longer able to properly regulate air flow resulting in irregular temperatures and conditions within the building. The 2004 Library addition contains newer HVAC systems with different control and delivery systems. This has resulted in incompatibilities between the two systems which has affected the efficiencies of both systems.

- o **Engineering Building Renewal**

FY13 (GF: \$3,340.0, Total: \$3,340.0)

UAA's existing Engineering Building was built in 1983. When the Integrated Science Building (ISB) opened in 2009, several of the faculty offices were relocated from Engineering to ISB. In the fall of 2011, renovations to the Science Building and completion of the Health Sciences Building will allow for the remaining science and WWAMI programs to vacate space in Engineering. This space will need to be renovated to meet existing program needs of Engineering.

- o **Fine Arts Mechanical System Renewal**

FY13 (GF: \$7,482.0, Total: \$7,482.0)

The major mechanical systems of the Fine Arts Building are no longer providing adequate heating and cooling for the offices and classrooms. The systems are not providing appropriately conditioned ventilation and make up air to the shops, labs and studios. This project will remodel the building's HVAC systems resulting in fully operational and streamlined HVAC systems that meet current mechanical code, indoor air quality standards and provide a properly controlled educational environment for staff, faculty and students. It will also provide a properly controlled storage environment for educational material, furnishings, musical instruments and equipment.

- o **Health Sciences Backfill**

FY13 (GF: \$5,000.0, Total: \$5,000.0)

In an effort to promote a collaborative and interdisciplinary approach to health science education at the University of Alaska Anchorage, the existing health science programs within the College of Health and Social Welfare, the College of Arts and Sciences, and the Community and Technical College are planned to be relocated into the new Health Sciences District. By consolidating the existing programs located throughout campus into state of the art facilities in close proximity to one another, the physical layout of the new district will encourage interaction and foster synergies among the diverse research programs and curricula. The first phase of the first Health Sciences Building within the district will include space for the School of Nursing, Biomedical Program (WWAMI), Allied Health Sciences, and Physician Assistant Program. The spaces that will be impacted by this move will occur throughout campus in the Professional Studies Building, Engineering Building, Allied Health Sciences Building and Diplomacy Building.

A study was conducted by Livingston Slone, Inc. and Ayers/Saint/Gross Architects in July 2010 and approximately 21,680 sqft. of space in the following buildings were identified as being vacated by programs moving to the Health Sciences Phase I Building:

Professional Studies Building: Approximately 13,300 gross square feet vacated by the School of Nursing, to be backfilled by the College of Health and Social Welfare, College of Education, Student Services, WIN Alaska and the Office of Sustainability.

Allied Health Sciences Building: Approximately 2,700 gross square feet vacated by the Medical Laboratory Technology program, to accommodate other Allied Health Science programs. Backfill of the Allied Health Sciences Building will be accomplished under UAA Project 11-0110 (CBR 473).

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Engineering Building: Approximately 4,300 gross square feet vacated by WWAMI, to be utilized by the School of Engineering. Backfill of the Engineering Building will be accomplished under UAA Project 07-0040 (CBR 286).

Diplomacy Building: Approximately 1,380 gross square feet vacated by the Physician Assistant program, to accommodate other Health Sciences programs. No backfill is required.

o **Cuddy Phase II Renewal**

FY13 (GF: \$11,121.0, Total: \$11,121.0)

Cuddy Center was built in 1972 with an addition constructed in 1977. It serves as the center of the University's Culinary Arts, Hospitality, Dietetics and Nutrition Programs. The current program is using facilities that are inadequate due to old and outdated equipment and technology. The cafeteria side needs to be reconfigured for improved circulation, which will result in relocating kitchen equipment and roof top exhaust equipment. This project will renew electrical, mechanical, structural and architectural systems and add a 2025sf administrative wing along the east or west side of the building.

o **Classroom, Office & Lecture Hall Lighting Upgrades**

FY13 (GF: \$1,500.0, Total: \$1,500.0)

FY14-FY18 (GF: \$1,500.0, Total: \$1,500.0)

Many classrooms and lecture halls currently utilize either surface or strip mount direct distribution lighting systems. Some of these use magnetic ballasts with T12 lamps, which are being phased out. Retrofitting to a direct/indirect system using electronically ballasted systems with T8 lamps requires on average about one half to one third the number of fixtures for the same level of light. In addition, a teacher control center would provide the instructor with the ability to control the light levels in reference to the teaching environment. Control of light levels allows the students to see video presentations while still having enough light to take notes. Currently, the lights need to be turned off for viewing presentations, making it difficult for students to take notes during presentations. Occupancy sensors turn lights off after 10 minutes of inactivity to prevent energy waste from lights being left on. The teacher control center has a one hour override setting for use during test periods to prevent false offs. Installing this lighting system will result in a significant energy savings with an average payback of five years. Several pilot classrooms have already been retrofitted with this system with excellent results and positive feedback from faculty and students.

o **Building Automation System Renewal**

FY13 (GF: \$1,500.0, Total: \$1,500.0)

FY14-FY18 (GF: \$500.0, Total: \$500.0)

Over the past 20 years there have been extensive technological advances in building environmental systems. These advances allow for better control of air quality and heating/cooling control as compared to the original pneumatic controls that were installed in these buildings. Going from maintenance-intensive pneumatic controls to modern direct digital controls saves the university both energy usage and maintenance costs. These funds would provide upgrades for approximately 10 buildings.

o **Campus Wayfinding**

FY13 (GF: \$750.0, Total: \$750.0)

FY14-FY18 (GF: \$750.0, Total: \$750.0)

Phase I implementation included wayfinding elements for the Wells Fargo Sports Complex, University Center and selected exterior campus signs. Phase II funding is being requested to continue implementation of interior and exterior building signage, pedestrian wayfinding kiosks and other plan elements.

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o **Emergency Generator Upgrades / Replacements**

FY13 (GF: \$1,500.0, Total: \$1,500.0)

FY14-FY18 (GF: \$1,500.0, Total: \$1,500.0)

UAA Anchorage campus has multiple generators and above ground storage tanks in locations around campus. The generators provide limited backup service to the critical building systems. The generators are old and have spent 10-15 years exposed to the weather. The generators are a variety of sizes and types. Few have automatic transfer switching (ATS), which means someone needs to come on campus to turn them on. This project would standardize equipment types, install ATSs, consolidate the number of generators, and connect buildings not currently connected. The project would also validate what building systems should be powered in an emergency. This would be a multi-year project.

o **Fire Alarm Panel Upgrades**

FY13 (GF: \$1,500.0, Total: \$1,500.0)

FY14-FY18 (GF: \$1,500.0, Total: \$1,500.0)

This is a campus-wide project to replace obsolete and non-compatible fire panels and associated systems. These funds would replace outdated fire alarm panels on campus. The new systems will meet current code requirements and will be adaptable to meet future code requirements.

o **Electrical Feeder/Panel Upgrade**

FY13 (GF: \$1,500.0, Total: \$1,500.0)

FY14-FY18 (GF: \$1,500.0, Total: \$1,500.0)

The majority of the buildings on the UAA campus are still operating under original electrical service and associated panels and components that were installed when the buildings were constructed. Buildings on the West Campus are approaching 35 years old and the buildings on the East Campus are not far behind. The existing electrical service and associated panels and components do not provide the level of safety offered by today's technology. Replacement components for the existing panels are hard to find or are no longer manufactured. The existing electrical service for many buildings has reached its maximum capacity and cannot be expanded to meet the demands created by increasing enrollment and expanding curriculum.

o **Elevator Safety/Code Upgrades**

FY13 (GF: \$1,500.0, Total: \$1,500.0)

FY14-FY18 (GF: \$1,500.0, Total: \$1,500.0)

UAA Facilities & Campus Services manages the operations and maintenance for an inventory of more than 30 elevators and lifts. Based on a recent condition survey, the elevators in 17 buildings were identified as needing upgrades to meet ADA, code and safety requirements. These repairs, upgrades and reconditions would be phased over three years. The upgrades are critical to improve reliability of the lifts and will improve the mechanical and electrical components of the elevator for safety and energy efficiency.

All elevators and lifts consist of common components. Due to the age of the elevators, condition, or changes in code requirements, many of the elevators require upgrades in order to come into compliance. UAA's modernization program addresses the ADA, code, life safety and maintenance needs of the elevators identified in a recent condition analysis. Routine maintenance and minor renewal items for the UAA elevator inventory are being addressed with campus operating/M&R funds.

UAA Community Campus DM and R&R

o **KPC Kenai River Campus Goodrich and Ward Building Backfill**

FY13 (GF: \$1,264.0, Total: \$1,264.0)

The construction of the KPC Career and Technical Education Center will result in the relocation of programs and equipment to new space and will require the renovation and back filling of the space vacated in the Goodrich and Ward building.

The affected areas of the Goodrich (KP102 built 1974) and Ward (KP105 built 1982) buildings have not been renewed since original construction.

o **Kodiak College Campus Renewal**

FY13 (GF: \$3,293.0, Total: \$3,293.0)

The buildings on the Kodiak Campus were constructed in the early to mid-1970s. The exteriors are painted wood siding and are being impacted by the exposure to the extreme climate conditions of Kodiak. The original windows have worn seals that allow air infiltration. The mechanical and electrical systems are in need of renewal to meet the increased student demand and the increased use of new technology. Improvements to layout and design will increase space efficiency and allow for replacement of worn and outdated fixed equipment.

In FY09 and FY10, some funding was provided for the replacement of siding on two of the buildings and for some minor upgrades. In FY11, additional funding was allocated and used to continue the most urgent repairs to the buildings.

o **PWSCC Campus Renewal**

FY13 (GF: \$3,639.0, Total: \$3,639.0)

The Growden-Harrison building was originally build shortly after the 1964 earthquake as an elementary school and was added onto in a piecemeal fashion during the following years. This has resulted in aging mechanical, electrical, and HVAC systems that are currently undersized for the facility and have materials containing asbestos. The piecemeal additions have resulted in draining and weathering problems that adversely impact the building envelope.

o **Mat-Su Restroom Upgrades**

FY13 (GF: \$506.0, Total: \$506.0)

This project would renovate eight of the restrooms within the two buildings.

o **Kodiak Roof Replacement**

FY13 (GF: \$2,022.0, Total: \$2,022.0)

The buildings on the Kodiak campus are 25-30 years old and the roofs need to be replaced.

o **PWSCC Parking and Security Upgrades**

FY13 (GF: \$2,500.0, Total: \$2,500.0)

This project will address safety issues such as vehicle circulation, parking lot lighting, building lighting and security cameras. This project will renew landscaping around the parking area and the buildings. This work is driven by a need for an increased security presence on campus and reconfiguration of the area based on the Whitney Museum addition which was completed in spring 2008.

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- o **KPC Kenai River Campus Academic Center/Classroom Renewal**

FY13 (GF: \$2,000.0, Total: \$2,000.0)

This project would allow for the renewal and reconfiguration of the Brockel Building, which is greatly needed after 33 years of hard use.

- o **KPC Kenai River Campus Boiler/HVAC Renewal**

FY13 (GF: \$448.5, Total: \$448.5)

The boiler plant in the Ward Building (KP105) is more than 28 years old. This equipment has exceeded the estimated lifespan. New boilers will operate at a minimum increased efficiency of 11 percent over the existing boiler plant, reducing natural gas usage and CO2 emissions. Much of the piping around these boilers was constructed with steel piping and vitriolic fitting, which leak on a regular basis, causing the loss of propylene glycol.

The McLane (KP101) and Brockel (KP103) additions were constructed between 1972 and 1976 and the original air handling units are in place. The air handling equipment and associated duct work in these buildings cannot supply the quantities of air required by current mechanical standards. The University needs to replace the heat plant and air handling equipment for these facilities prior to a failure results in an emergency replacement.

- o **KPC Kenai River Campus Roof Repair and Replacement**

FY13 (GF: \$1,508.0, Total: \$1,508.0)

A number of roofs are at or have exceeded their life cycle at the Kenai River Campus. Some roofs contain asbestos products which will require some abatement prior to replacement.

The following is a history of the roof installs and replacements:

2010 - McLane Building, KP101, the roof was replaced to the metal deck with a built up 3 layer asphalt roof system.

2005- Steffy Building, KP107, new construction the roof system is a Carlisle Syntec fully adhered.

2003 -Ward Expansion, KP105, the portion of the expansion was installed with a Carlisle Syntec fully adhered roof system.

1995 -Brockel Building, KP103, the roof was replaced but did not include the penthouse roofs that are well past expected life.

1990-Ward Building, KP105, had a reroof, the roof system is a Carlisle Syntec S-Weld C 22,700 sf.

1989 - Goodrich Building, KP102, a built-up asphalt with LG board ballast (not leaking 20 year life cycle) was installed.

- o **Mat-Su Door Locks/Card Key Access**

FY13 (GF: \$561.0, Total: \$561.0)

The original doors and hardware are still in use across the campus with some units being over 40 years old and heavily used. As these units wear, energy holes are created within the buildings which increase the cost of operation and wear on other systems, resulting in an unbalanced environment within the buildings. Technology advancements increase the energy efficiency and security of these units, which will reduce expenses for the University.

UAF Main Campus DM and R&R

o **Cogen Heating Plant Required Upgrades to Maintain Service**

FY13 (GF: \$12,175.0, Total: \$12,175.0)

FY14-FY18 (GF: \$14,000.0, Total: \$14,000.0)

The UAF combined heat and power plant is a co-generation facility that provides electrical power, domestic and firefighting water, and steam for heating buildings. The plant is over 40 years old and many components have exceeded their useful life. This project will address revitalization of the highest priority deficiencies of utilities on the UAF Main Campus. The heating plant renewal items will include the steam, electrical, and water systems. These items were identified in the 2006 Utility Development Plan as needing immediate action. Avoiding a major utility failure is the primary objective of this project.

o **Critical Electrical Distribution**

FY13 (GF: \$16,250.0, Total: \$16,250.0)

The existing electrical distribution system at UAF is nearly 50 years old. With the completion of several new facilities, the antiquated equipment could be stretched beyond its capabilities and begin to fail. To ensure campus power is not shutdown, major upgrades must be made to replace the ancient switchboard and cabling to bring the campus distribution back into code compliance. This is a multi-phase project and \$25.3M has already been appropriated in past years (2005-2012).

o **Fairbanks Campus Main Waste Line Repairs**

FY13 (GF: \$5,500.0, Total: \$5,500.0)

FY14-FY18 (GF: \$6,000.0, Total: \$6,000.0)

Much of the sanitary and storm sewer main piping on campus is original woodstave or clay piping dating back nearly 60 years. These mains, though not at full capacity, have far exceeded their useable life and are failing. Campus growth and an ever-changing regulatory environment require the modification and upgrade of the waste water handling infrastructure. The project will replace several thousand feet of waste line main piping with new modern materials with a life that exceeds 60 years.

o **Fairbanks Main Campus Wide Roof Replacement**

FY13 (GF: \$6,500.0, Total: \$6,500.0)

FY14-FY18 (GF: \$3,000.0, Total: \$3,000.0)

UAF has many large campus structures that still have original roof systems. As buildings on campus age and do not receive adequate R&R funding, roofing system repairs only offer a Band-Aid solution to a long-term problem. Funding is required for a multi-year project to replace roofs that have surpassed their useable life and are at risk of complete failure.

o **West Ridge Research Revitalization Including LS Backfill**

FY13 (GF: \$11,000.0, Total: \$11,000.0)

FY14-FY18 (GF: \$22,350.0, Total: \$22,350.0)

The majority of the research facilities located on UAF's West Ridge were built in the late 1960s and early 1970s. Elvey, home to the UAF Geophysical Institute, is a major center for many state emergency preparedness programs. AHRB is home to several research programs that directly affect the health and welfare of thousands of Alaskans, including the Center for Alaska Native Health Research. Regardless of new construction efforts on campus, Arctic Health will continue to serve as the hub for all types of research. The building currently houses programs with grants receipts equal to approximately one half of the total yearly research fund in the entire UA system. The Irving I facility is the home of the Institute of Arctic Biology and the Department of Biology and Wildlife. Hundreds of undergraduate, graduate, and

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master's degree students learn, research, and teach in the building every day. IAB is also responsible for approximately 20% of UAF's research revenue. Irving I is a key component to UAF's competitive edge in research relating to the Arctic regions. The research intensive Irving II facility serves the Institute of Marine Sciences and Institute of Arctic Biology. Since the late 1990's, the building has been under citation for a lack of proper occupancy separation, exhaust ducts on fume hoods that are out of compliance, and multiple structural issues.

This project will determine the needs of UAF's research community and revitalize the spaces necessary to continue the world-class research conducted at UAF.

- o **ADA Compliance Campus Wide: Elevators, Ramps, Restrooms**

FY13 (GF: \$5,000.0, Total: \$5,000.0)

FY14-FY18 (GF: \$4,750.0, Total: \$4,750.0)

This project will include accessibility improvements such as installation of new elevators, renovations to restrooms, improvements to accessibility routes, replacing drinking fountains, and modifying stairwell handrails. Buildings being addressed include Cooperative Extension, Gruening, Hess Commons, Patty Ice, Lola Tilly and Whitaker.

- o **Elevator Scheduled Upgrading and Replacement**

FY13 (GF: \$1,500.0, Total: \$1,500.0)

FY14-FY18 (GF: \$1,500.0, Total: \$1,500.0)

UAF Facilities Services manages the operation and maintenance for a fleet of more than 50 elevators and lifts with an average age of over 25 years. With the help of an FY01 audit, 28 elevators were identified as needing modernization upgrades. This request represents the fourth and final phase of a multi-year modernization plan and will address ADA, code, and deferred maintenance improvements of nine elevator systems.

- o **Lower Campus Backfill Renovations per 2010 Masterplan**

FY13 (GF: \$6,000.0, Total: \$6,000.0)

FY14-FY18 (GF: \$9,150.0, Total: \$9,150.0)

Many classrooms on the Fairbanks campus do not meet the needs of today's students. This project will update and renovate classrooms to make them more conducive learning environments including soundproofing, renovating vacant and underutilized spaces, and renovating spaces vacated by moves to new West Ridge facilities.

- o **Eielson/Signers' Code Corrections**

FY13 (GF: \$5,700.0, Total: \$5,700.0)

FY14-FY18 (GF: \$2,000.0, Total: \$2,000.0)

As the two oldest facilities on the UAF campus, Eielson and Signers' do not have ventilation systems and experience problems maintaining comfortable temperatures in occupied zones. Other code corrections will provide adequate exit pathways for building occupants. The facilities are specifically utilized for student admissions, registrar functions, financial aid, and campus administration.

- o **Patty Center Revitalization**

FY13 (GF: \$3,600.0, Total: \$3,600.0)

FY14-FY18 (GF: \$16,325.0, Total: \$16,325.0)

Constructed in 1963 to replace an existing 40 year old gym, the Patty Center now houses sports and recreational space for five NCAA Division II, and two NCAA Division I sports. This includes both men's

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and women's teams that are a vital part of the UAF Campus Life Master Plan. The construction project will correct an abundant list of code citations and extend the life of the 47-year-old facility. The facility must be upgraded to meet basic competition standards.

- o **Campus Roads, Sidewalks, Curbs, Gutters, and Ramps**

FY13 (GF: \$6,000.0, Total: \$6,000.0)

FY14-FY18 (GF: \$2,250.0, Total: \$2,250.0)

The main UAF campus is connected by a series of small roads that were constructed nearly 40 years ago when the student population and vehicle traffic was only a fraction of what it is today. Whether it is building access, road pavement, or student drop off locations, there are inadequate and aged pedestrian and vehicular facilities all over the campus.

UAF Main Campus' roads and building access are in major need of renewal and renovation. Unlike the state, UAF does not receive federal maintenance funding per mile of road. UAF also does not receive funding for projects that address air quality issues, such as bus pullouts and bike paths.

In addition to multiple sidewalks, curbs, gutters and ramps improvements, this project will complete the northern link of Tanana Loop and the roundabout on Tanana Drive. The project will also create safe and attractive pedestrian walkways close to the roadway for non-motorized users. Existing roads will be resurfaced and sidewalks will be replaced to maintain ADA compliance.

- o **Campus Wide Building Electrical Safety and Code Compliance**

FY13 (GF: \$2,750.0, Total: \$2,750.0)

Electrical systems of campus buildings constructed prior to the 1980s are nearing the end of their operational life and/or have sustained damage during their life and should be replaced. Additionally, some equipment in these facilities does not meet current electrical codes and/or is no longer supported by the manufacturer.

- o **Bartlett Hall Plumbing and Piping Replacement**

FY13 (GF: \$4,500.0, Total: \$4,500.0)

Bartlett Hall dormitory, built in 1970, was designed to house 315 students. Since the original construction, the dormitory has not had a significant remodel or upgrade. Deferred maintenance and code issues are now significantly impacting the usability of the facility. The dorm is no longer able to provide the basic level of safe sanitation services for students. The shower facilities on all three student floors have deteriorated to the point of compromising the integrity of the walls, ceilings and plumbing within the restrooms due to old age and water leakage.

The project will address the need for the university to provide safe and sanitary restroom and shower facilities in their dormitories. The project will also ensure that the facility is brought up to current ADA regulations.

- o **Kodiak FITC Renewal**

FY13 (GF: \$2,500.0, Total: \$2,500.0)

The Kodiak Fishery Industrial Technology Center renewal project will address items critical to the mission of the facility including energy conservation initiatives. Expected annual savings on utility costs is \$25,000.

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- o **Campus Wide Fire Alarm Survey**
FY13 (GF: \$1,500.0, Total: \$1,500.0)
FY14-FY18 (GF: \$1,500.0, Total: \$1,500.0)
The campus wide fire alarm Survey project corrects existing code deficiencies for fire and life safety as well as major code violations and citations. These upgrades address code violations for inadequate sprinkler coverage, limited smoke and heat detection as well as the lack of ADA notification with horns and strobes.
- o **Tilly Commons DM and Repurposing**
FY13 (GF: \$11,000.0, Total: \$11,000.0)
In order to provide friendly and functional customer service to the UAF community, Lola Tilly Commons will be renovated for use as a one stop building for students, faculty, staff, and visitors.
- o **Moore Hall Plumbing and Piping Replacement**
FY13 (GF: \$4,500.0, Total: \$4,500.0)
Moore Hall dormitory, built in 1966, was designed to house 315 students. Since the original construction, the dormitory has not had a significant remodel or upgrade. Deferred maintenance and code issues are now significantly impacting the usability of the facility. The dorm is no longer able to provide the basic level of safe sanitation services for students. The shower facilities on all three student floors have deteriorated to the point of compromising the integrity of the walls, ceilings and plumbing within the restrooms due to old age and water leakage.

The project will address the need for the university to provide safe and sanitary restroom and shower facilities in their dormitories. The project will also ensure that the facility is brought up to current ADA regulations.
- o **UAF Community and Technical College Space Revitalization Phase 4**
FY13 (GF: \$3,975.0, Total: \$3,975.0)
FY14-FY18 (GF: \$6,275.0, Total: \$6,275.0)
The UAF Community and Technical College facility at 604 Barnette Street is in critical need of continuing major upgrades to ensure the reliable and efficient delivery of UAF Community and Technical College programs focused on key Alaskan industries. The facility was designed and constructed in 1962-63. Since taking ownership in 2003, the University has completed three State-funded projects and two additional projects funded by the Denali Commission. Out year funding will complete the fourth floor revitalization for Allied Health programs and upgrade antiquated elevator lift systems and cars. The UAF Community and Technical College facility is in need of continuing major revitalization of interior spaces, exterior grounds, and parking. These needs are reflected in the continued phasing for construction in subsequent years.
- o **University Park Building Repurposing**
FY13 (GF: \$200.0, Total: \$200.0)
This project will repurpose the failing, 50 year old school facility.
- o **Original Duckering Ventilation Completion**
FY13 (GF: \$1,650.0, Total: \$1,650.0)
During the 1999 renovation of the Duckering Building, funding was not available to complete required ventilation upgrades to the northern wing of the facility. New construction work will install code compliant ventilation to the labs and offices in the north wing.

FY13 Capital Budget Project Descriptions

- o **Campus Wide Asbestos Abatement Phase 2**

FY13 (GF: \$3,800.0, Total: \$3,800.0)

Currently, asbestos pipe insulation, floor tiles, mastic, and fire walls exist in nearly one-third of all campus facilities. The asbestos needs to be removed because it significantly adds to the costs and timeline of renovation and construction projects.

- o **Cogen Heating Plant Code Corrections Phase 3**

FY13 (GF: \$2,900.0, Total: \$2,900.0)

FY14-FY18 (GF: \$1,000.0, Total: \$1,000.0)

The Atkinson Combined Heat and Power Plant code corrections project will complete the code construction to bring the facility into code compliance. The work includes the partial installation of an automatic sprinkler system in the building, and other code upgrades to the HVAC, electrical, asbestos, and fire alarm components.

- o **Student Services Renewal -Student Union and Original Bookstore**

FY13 (GF: \$12,075.0, Total: \$12,075.0)

FY14-FY18 (GF: \$11,400.0, Total: \$11,400.0)

As part of the UAF Campus Life Master Plan, and in support of UAF Strategic Plan 2010, the Wood Center and Constitution Hall must be renewed to provide more efficient and effective services to the students.

- o **Physical Plant Code Corrections Phase 3**

FY13 (GF: \$500.0, Total: \$500.0)

This project reconfigures the Physical Plant building to correct existing code and operational deficiencies. This is the final phase of work to complete the code and operational deficiencies within the administrative areas of this 1964 facility which houses the operations core for UAF's maintenance work.

UAF Community Campus DM and R&R

- o **Kuskokwim Campus Facility Critical Deferred and Voc-Tech Renewal -- Phase 2**

FY13 (GF: \$5,100.0, Total: \$5,100.0)

FY14-FY18 (GF: \$8,500.0, Total: \$8,500.0)

Current maintenance and repair funding levels are not sufficient to meet the critical maintenance needs at the rural campuses. Critical needs include upgrading electrical systems, boiler replacements, and fixing ventilation issues.

UAS Main Campus DM and R&R

- o **Hendrickson Remodel and Renovation**

FY13 (GF: \$3,200.0, Total: \$3,200.0)

The first floor of the Hendrickson Building was built in 1978 and the second floor added in 1982. The use of both floors has changed over the years from the original, vocational programs to a combination of general purpose classrooms, offices and environmental science labs. This project will renew and remodel the Hendrickson Building to provide more effective use of the space, replace building heating and ventilation systems, and refinish the interior.

FY13 Capital Budget Project Descriptions

- o **Auke Lake Way Campus Entry Improvements & Road Realignment**

FY13 (GF: \$981.5, Total: \$981.5)

The 2003 UAS Campus Masterplan recommends (1) the elimination of through vehicular traffic along Auke Lake Way as it passes along the five original campus buildings and (2) the improvement of the Mendenhall Loop Road campus entrance to make it the primary entrance. This project will eliminate vehicle and pedestrian conflicts and will create a central pedestrian activity space.

This project will remove public vehicular traffic from the center of the Juneau academic core and convert the existing roadway into a pedestrian greenway. The work involves creating new pedestrian paths, installing new site lighting and signage, landscaping, planting, and drainage modifications.

- o **Technology Education Center Diesel Lab & Mine Training Remodel**

FY13 (GF: \$1,500.0, Total: \$1,500.0)

This project will address two growing vocational programs, mine training and diesel engine technology. Growing enrollment and industry training demands are overtaxing the current teaching spaces. This remodel, within the Technology Education Center, will increase the capacity for diesel instruction from 18 to 22 students, provide space for mine training simulators, and remodel other existing support spaces for all vocational programs housed in this facility.

- o **Juneau Campus Fire Alarm Replacement**

FY13 (GF: \$275.0, Total: \$275.0)

This project would replace aging fire alarm detection systems.

This is a continuation of a project that began in FY08. The next phase (Phase 3) will include the Bill Ray Center and the Natural Science Research Lab.

- o **Juneau Campus Pavement Replacement**

FY13 (GF: \$1,000.0, Total: \$1,000.0)

This project will reconstruct failing vehicular and pedestrian paved surfaces.

The pedestrian link from the main campus to student housing is over one-half mile in length. This paved and lighted path is the principal corridor for resident students.

The failures of sections of pavement create potential hazards to pedestrians, particularly during freezing weather.

- o **Juneau Campus Site Lighting Replacement**

FY13 (GF: \$700.0, Total: \$700.0)

This project will replace exterior building, parking lot, street and path lighting to achieve better lighting and use less electrical energy.

SW DM and R&R

o **Butrovich Building Repairs**

FY13 (GF: \$600.0, Total: \$600.0)

FY14-FY18 (GF: \$2,300.0, Total: \$2,300.0)

The Butrovich building was constructed in 1988 and is in need of repairs. There are five projects that are needed to address safety issues and to preservation of the building and surrounding infrastructure. These projects include repairing the retaining wall, refurbishing the front canopy, roof replacement, lighting upgrades and repairs to the sidewalks, curbs and parking lots.

o **Computing Facility Power Infrastructure**

FY13 (GF: \$3,700.0, Total: \$3,700.0)

Current UA Computing Facility power capabilities allow for a maximum of 10 minutes of power capacity to shut down systems in the event of loss of power or emergency. Without shutdown or cooling, computing systems will overheat beyond this 10 minute window. New computing backup technology (UPSs) enables efficient cooling to mitigate disruption of UA academic, business and research services. A self-contained backup power source/generator and UPS upgrade will allow for a larger window for action (15+ minutes) to provide additional time and avoid damaging systems which would be costly to replace if overheated.

New Construction

o **New Construction (New Starts) Moved to Out-Years**

New Construction (New Starts) funding requests are not included in the FY13 budget request and have been moved to future year budget requests.

Planning and Design

o **Planning and Design Moved to Out-Years**

Planning and Design funding requests are not included in the FY13 budget request and have been moved to future year budget requests.

Research for Alaska

o **UAF Partnership to Develop Statewide Energy Alternatives and an Energy Policy Center**

FY13(GF: \$12,500.0, NGF: \$3,100.0 Total: \$15,600.0)

The University of Alaska Fairbanks has significant capabilities to assist the State of Alaska and Alaska's communities in making informed decisions about in-state energy development. Funding for a university hosted integrated in-state energy policy center will bring together in one place the ability to objectively and critically analyze energy options and projects in order to provide policy makers and stakeholders detailed decision support tools and options for optimizing in-state energy alternatives.

o **UAF Effective Arctic Oil Spill Response**

FY13 (GF: \$2,000.0, NGF: \$25,000.0 Total: \$27,000.0)

On April 20, 2010, the Deepwater Horizon exploded and sank in the Gulf of Mexico. The resulting well-blowout flowed for nearly 4 months and resulted in one of the largest manmade oil spills ever on Earth. Given the huge offshore circum-arctic resource potential, oil development in the Arctic is a critical issue for the US and Alaska. Many of the difficulties associated with offshore development are intensified by the Arctic environment, and have not been studied as much as development in more temperate zones.

FY13 Capital Budget Project Descriptions

UAF is uniquely situated to create a center focused on oil spill prevention and preparedness in the Arctic that would fill existing gaps in arctic knowledge and technology. Experts across the University are currently engaged in numerous leading edge research projects applicable to Arctic oil spills. This center will allow UAF to partner with State and Federal agencies, industry, and other academic institutions to support wise decision-making concerning Arctic oil spill response and prevention.

- o **UAF Assessing the Impacts of Ocean Acidification on Alaska's Fisheries**

FY13 (GF: \$2,700.0, NGF: \$750.0 Total: \$3,450.0)

Rapid and significant changes are occurring in the ocean waters surrounding Alaska that will affect our fisheries. One major change is the increased ocean acidification (OA). Currently, there are a number of independent studies (some inside of Alaska and others are being done national and internationally) that are working to better understand the impacts of OA to specific organisms and ecosystems. However, there is no effort to develop an economic model with predicative capabilities to identify the consequences of OA in Alaskan waters and determine how ecosystems in the Gulf of Alaska, the Bering Sea and the western Arctic Ocean will respond as OA continues to worsen. The modeling effort will require a multidisciplinary, highly integrative approach in order to accurately assess the impacts of OA in Alaska.

University Receipt Authority

- o **University Receipt Authority**

FY13 (NGF: \$15,000.0, Total: \$15,000.0)

This request is an estimation of potential university receipt authority needed for FY13-FY17 projects at the main and community campuses. Prior university receipt authority has been used for projects such as the UAA Wendy Williamson Auditorium Lighting Replacement (FY09: \$641.3) , the UAF Critical Electrical Distribution (FY09: \$98.5), and the UAS Auke Lake Trail Project (FY09: \$124.0).

UNIVERSITY OF ALASKA

FY13 CAPITAL BUDGET DEVELOPMENT GUIDELINES

INTRODUCTION

Guidance from the Governor for the FY13 Capital Budget is expected to place continued emphasis on deferred maintenance. With this in mind, the expectation is that the FY13 capital budget requests will incorporate much of the planning work performed during the FY12 budget development process.

UA's Capital Improvement Plan will be congruent with the 10-year fiscal plan submitted to the State of Alaska. The plan provides the BOR, President, executive staff, and university community a clear understanding of the needed resources for capital projects and the annual operating costs associated with those projects. The Capital Improvement Plan aims to balance program needs across UA campuses with realistic expectations.

PRIORITIES

Deferred Maintenance (DM) and Renewal & Repurposing (R&R), is and will continue to be, the Board of Regents' highest priority. An additional programmed amount for Annual Renewal and Repurposing (R&R) is also necessary in an effort to reach a property maintenance programmed sustainment goal of \$50 million annually to manage the life of older buildings needing major system replacements before they deteriorate to the level of deferred maintenance.

Based on previous guidance from the Governor, the Board eliminated new construction from the capital request and included these projects in the first segment of the Capital Improvement Plan. The FY13 Capital Budget Request follows the same model with the exception of the engineering and energy technology projects which received planning funds in FY11. Additional new construction projects could be considered in FY13 depending on funding initiatives or outside opportunities (such as housing). New construction projects will employ an improved capital project planning process which includes a mission area analysis (MAA), statement of need (SON) and statement of requirement (SOR). Details will be forthcoming soon.

BACKGROUND

- UA maintains over 400 buildings worth approximately \$2 billion. These facilities comprise 6.6 million gross square feet and have annual depreciation totaling \$58 million. More than half of UA's buildings are more than 30 years old. UA estimates an annual investment of \$50 million for facility R&R to prevent adding to the deferred maintenance and renewal backlog. Although new facilities are important to the University, annual facility renewal and repurposing (R&R), including deferred renewal, code corrections, and upgrades for University facilities and equipment has been and will continue to be a top capital budget priority in order to maintain the appropriate balance mentioned above.
- During the FY12 budget cycle UA has introduced the concept of a perpetual sustainment funding scheme for our facilities. The legislature has been receptive to this idea. We will be refining this concept during FY13 budget development for possible further discussion and action with the Board and the legislature.

- Over the past 10 years (FY02-FY11), UA has requested an average of \$76.5 million in state funding for DM and R&R, but received an average of \$18.4 million. The vast gap between funding required and funding received, in real dollars, has elevated UA's deferred maintenance backlog from \$200 million in 2000 to over \$750 million as of September 2011. Extending the life of viable existing facilities is essential and the longer UA goes without adequate funding for facilities DM and R&R, the steeper the deferred maintenance curve climbs, and the of risk mission failure increases as well as the operating and maintenance unprogrammed expenses.
- Through its operating budget the University dedicates funding every year to routine and preventive maintenance and repair (M&R), and in FY10 dedicated over \$32 million (approximately 1.5% of adjusted facility value) of its operating budget to this category some common industry standards prescribe 2-4 percent of current replacement value as the appropriate annual investment for M&R. Factors such as the age of the buildings, previous renovations, level of building use, and climate will determine the specific percentage.

FY13 BUDGET TIMELINE

Below are key dates in the FY13 budget development process. BOR indentifies dates for which the Board of Regents will be involved.

June

- BOR - FY12 Operating and Capital Budget Acceptance
- BOR - FY12 Operating and Capital Budget Distribution Plans Approval

July

- Initial meeting with the Governor's Office of Management and Budget (OMB) and Legislative Finance Division to discuss FY13 program themes, fixed costs and capital budget needs

August

- FY13 MAU Capital Budget Requests submitted to Statewide Budget Office including: capital budget requests and deferred maintenance lists
- List of expected leased properties and any projects needing potential debt financing
- FY13 budget meeting of the University of Alaska leadership to present and review MAU budget request priorities (to include a presentation by each Chancellor on the expected outcomes in FY12 and a general discussion of their 3-5 year planning horizon)

September

- BOR - First Review of FY13 Operating, Capital Budget, and Capital Improvement Plan
- Formal budget meeting with Governor's Office of Management and Budget (OMB)

November

- BOR - FY13 Operating and Capital Budget Request Approval
- BOR - FY13 Capital Improvement Plan Approval
- Submit Board of Regents' FY13 Budget to the Governor's Office of Management and Budget (OMB)

References

University of Alaska
10-Year Capital Improvement Plan
(in thousands of \$)

	FY13			State Appropriations		
	State Approp.	Receipt Auth.	Total	Short-Term FY14-FY15	Mid-Term FY16-FY17	Long-Term FY18-FY22
Deferred Maintenance (DM) and Renewal and Repurposing (R&R)						
Facilities	37,500.0		37,500.0	75,000.0	100,000.0	250,000.0
Equipment				10,000.0	10,000.0	25,000.0
Annual Requirement for R&R	50,000.0		50,000.0	100,000.0	100,000.0	250,000.0
Additional DM Backlog Reduction	100,000.0		100,000.0	100,000.0		
New Construction (New Starts)¹						
Academic Facilities						
UA Engineering Buildings (UAF and UAA) (UAF - \$10M in UAR) ²				234,000.0		
UAA Health Sciences Phase II/Parking Structure and Bridge to Campus					99,000.0	
Research Facilities						
UAF Energy Technology Facility				11,000.0		
Student Life (Housing) & Community Support Facilities						
UAF P3 Dining and Housing				2,000.0		
UAS Student Housing Addition (\$2M in UAR)				6,750.0		
Infrastructure						
UAF Cogen Power Plant					175,000.0	
UAS Facilities Services					9,500.0	
Planning and Design					16,000.0	40,000.0
UAF Cogen Power Plant				22,000.0		
UAA Health Sciences Phase II/Parking Structure and Bridge to Campus				11,000.0		
Research for Alaska						
UAF Partnership to Develop Statewide Energy Alternatives and an Energy Policy Center	12,500.0	3,100.0	15,600.0			
UAF Effective Arctic Oil Spill Response	2,000.0	25,000.0	27,000.0			
UAF Assessing the Impacts of Ocean Acidification on Alaska's Fisheries	2,700.0	750.0	3,450.0			
Receipt Authority		15,000.0	15,000.0			
Total	204,700.0	43,850.0	248,550.0	571,750.0	669,500.0	965,000.0

¹Additional projects will be determined in support of academic and strategic goals

²Includes new construction, backfill costs and associated infrastructure costs

University of Alaska
FY13 Deferred Maintenance (DM) and Renewal & Repurposing (R&R)
Distribution Methodology
(Based on the Age, Size, and Value of Facilities)

Location	#of Bldgs	Average Age (years)	Weighted Avg. Age (years)	Gross Area (sq. feet)	Adjusted Value (thousands)	Index*	Dist. %	DM Model for \$37.5M (thousands)	
Anchorage Campus	<i>Anc.</i>	61	26.6	24.6	2,260,017	603,363.7	14.9	24.0%	9,000.0
UAA Community Campus		24	28.2	30.9	319,072	98,355.4	3.0	4.9%	1,837.5
<i>Kenai Peninsula College</i>	<i>Soldotna</i>	6	36.0	34.1	89,432	26,502.6	.9	1.5%	
<i>Kenai Peninsula College</i>	<i>Homer</i>	1	36.0	36.0	17,634	6,570.4	.2	0.4%	
<i>Kodiak College</i>	<i>Kodiak</i>	5	34.8	35.5	44,981	13,877.5	.5	0.8%	
<i>Matanuska-Susitna College</i>	<i>Palmer</i>	6	29.2	27.3	105,316	35,106.1	1.0	1.5%	
<i>Prince Wm. Sound CC</i>	<i>Valdez</i>	6	15.5	27.7	61,709	16,298.9	.5	0.7%	
UAA Total		85	27.3	25.5	2,579,089	701,719.1	17.9	28.9%	10,837.5
Fairbanks & CTC	<i>Fbks.</i>	243	35.4	38.2	3,239,852	975,934.4	37.3	60.2%	22,575.0
UAF Community Campuses		28	29.2	29.3	118,126	49,467.3	1.4	2.4%	900.0
<i>Bristol Bay Campus</i>	<i>Dillingham</i>	1	30.0	30.0	10,523	6,631.6	.2	0.3%	
<i>Chukchi Campus</i>	<i>Kotzebue</i>	1	35.0	35.0	8,948	4,898.5	.2	0.3%	
<i>Interior-Aleutians Campus</i>	<i>Multiple</i>	5	23.0	30.7	26,215	12,032.0	.4	0.6%	
<i>Kuskokwim Campus</i>	<i>Bethel</i>	7	27.3	26.0	51,680	20,994.2	.5	0.9%	
<i>Northwest Campus</i>	<i>Nome</i>	14	30.9	32.8	20,760	4,910.9	.2	0.3%	
UAF Total		271	36.3	37.8	3,357,978	1,025,401.6	38.8	62.6%	23,475.0
Southeast Campus	<i>Juneau</i>	34	29.8	23.8	441,648	115,791.9	2.8	4.5%	
UAS Community Campus		5	52.1	49.8	115,908	30,508.7	1.5	2.4%	
<i>Ketchikan Campus</i>	<i>Ketchikan</i>	4	35.3	36.3	47,850	17,888.6	.6	1.0%	
<i>Sitka Campus</i>	<i>Sitka</i>	1	69.0	69.0	68,058	12,620.1	.9	1.4%	
UAS Total		39	28.8	29.2	557,556	146,300.6	4.3	6.9%	2,587.5
Statewide	<i>Various</i>	8	39.6	23.2	112,415	44,028.2	1.0	1.6%	600.0
	SW Total	8	39.6	23.2	112,415	44,028.2	1.0	1.6%	600.0
	UA Total	403	33.8	32.4	6,607,038	1,917,449.5	62.0	100.0%	37,500.0

* Index is calculated by multiplying the adjusted value by the weighted-average age and then dividing by 1 billion.
Facility data from 2010 Facilities Inventory

**University of Alaska
FY13 MAU Submitted Projects
Not Included in the Budget Request Summary
(in thousands of \$)**

	State Approp.	Receipt Auth.	Total
University of Alaska Anchorage (UAA)			
Planning and Design	18,900.0		18,900.0
New Construction	133,300.0	3,500.0	136,800.0
Other Capital	2,855.0		2,855.0
Information Technology	1,709.5		1,709.5
Academic Equipment	6,400.0		6,400.0
Land, Property, and Facilities Acquisitions	7,000.0		7,000.0
University of Alaska Anchorage FY13 Capital Budget Request	170,164.5	3,500.0	173,664.5
University of Alaska Fairbanks (UAF)			
Planning and Design	22,500.0	1,000.0	23,500.0
New Construction	117,000.0	10,000.0	127,000.0
Other Capital	10,200.0	6,600.0	16,800.0
Information Technology	2,000.0		2,000.0
Academic Equipment	1,500.0		1,500.0
Land, Property, and Facilities Acquisitions	1,500.0		1,500.0
University of Alaska Fairbanks FY13 Capital Budget Request	154,700.0	17,600.0	172,300.0
University of Alaska Southeast (UAS)			
New Construction	7,250.0	2,000.0	9,250.0
Academic Equipment	475.0		475.0
University of Alaska Southeast FY13 Capital Budget Request	7,725.0	2,000.0	9,725.0
University of Alaska Statewide & Systemwide (SW)			
SW Information Technology	3,638.0		3,638.0
University of Alaska Statewide & Systemwide FY13 Capital Budget Request	3,638.0		3,638.0
UA FY13 System Requests Total	336,227.5	23,100.0	359,327.5

University of Alaska
FY13 MAU Submitted Projects
Not Included in the Budget Request
(in thousands of \$)

MAU	Project	State Approp	Receipt Authority	Total
Planning and Design				
UAA	Health Sciences Phase II/Parking Structure and Bridge to Campus	11,000.0		11,000.0
UAA	Anchorage Campus Master Plan and MAU Facilities Assessment	1,500.0		1,500.0
UAA	Student/Wells Fargo Sports Center/Ice Rink Investigation	5,000.0		5,000.0
UAA	Library North Entrance and Student Services Addition	500.0		500.0
UAA Main Campus - Planning and Design Total		18,000.0		18,000.0
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UAA	PWSCC Lecture Hall / Classroom Addition	300.0		300.0
UAA	Mat-Su Science Facility Addition	300.0		300.0
UAA	PWSCC Vocational Technology Center	300.0		300.0
UAA Community Campus - Planning and Design Total		900.0		900.0
UAA Planning and Design Total		18,900.0		18,900.0
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UAF	Cogen Heating Plant Replacement	22,000.0		22,000.0
UAF	UFD/CTC Fire Station Replacement and Training Center	500.0	1,000.0	1,500.0
UAF Main Campus - Planning and Design Total		22,500.0	1,000.0	23,500.0
Planning and Design Total		41,400.0	1,000.0	42,400.0
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New Construction				
UAA	Engineering Phase I--Engineering Instructional Lab Building	119,000.0		119,000.0
UAA	Alaska Native Arts Program Building		3,500.0	3,500.0
UAA Main Campus - New Construction Total		119,000.0	3,500.0	122,500.0
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UAA	Kodiak Vocational Technology and Warehouse Facilities Phase I	14,300.0		14,300.0
UAA Community Campus - New Construction Totals		14,300.0		14,300.0
UAA New Construction Total		133,300.0	3,500.0	136,800.0
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UAF	Engineering Building	115,000.0	10,000.0	125,000.0
UAF	P3 Dining and Housing	2,000.0		2,000.0
UAF Main Campus - New Construction Total		117,000.0	10,000.0	127,000.0
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UAS	Student Housing Dorm Addition	6,750.0	2,000.0	8,750.0
UAS	Facilities Services Physical Plant Replacement	500.0		500.0
UAS Main Campus - New Construction Total		7,250.0	2,000.0	9,250.0
New Construction Total		257,550.0	15,500.0	273,050.0
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Other Capital				
UAA	Alaska Energy Initiatives Faculty Support	400.0		400.0
UAA	Anchorage Campus Program Quality and Distance Delivery	855.0		855.0
UAA	Program on Energy, Climate Change, and the Economy	600.0		600.0
UAA	Undergraduate Student Energy Internship/Cooperative with Industry Program	1,000.0		1,000.0
UAA Other Capital Total		2,855.0		2,855.0

University of Alaska
FY13 MAU Submitted Projects
Not Included in the Budget Request
(in thousands of \$)

MAU	Project	State Approp	Receipt Authority	Total
UAF	UAF Researching Alaska's Economic Development of Rare Earth Minerals	3,000.0		3,000.0
UAF	UAF Enhanced Earthquake and Tsunami Warning Systems through Permanent Deployment of an Advanced Seismic Network all across Alaska	6,300.0	6,300.0	12,600.0
UAF	UAF Increasing North Slope Oil Production - Researching Solutions Associated with Limited Fresh Water for Exploration and Development	900.0	300.0	1,200.0
UAF Other Capital Total		10,200.0	6,600.0	16,800.0
Other Capital Total		13,055.0	6,600.0	19,655.0
Information Technology				
UAA	UAA Data Center Disaster Recovery	960.0		960.0
UAA	UAA ADC BladeSystem Lifecycle Replacement	249.5		249.5
UAA	Alaska Energy Data Network (ISER)	250.0		250.0
UAA	Community Campus Instructional Quality and Distance Delivery	250.0		250.0
UAA Information Technology Total		1,709.5		1,709.5
UAF	Upgrade UAF Network/Telecommunications Infrastructure - Phase 3 of 3	2,000.0		2,000.0
UAF Information Technology Total		2,000.0		2,000.0
UA	UA Disaster Recovery & Security Compliance	975.0		975.0
UA	UA Wide Area Network Core & Data Storage Enhancement	1,175.0		1,175.0
UA	UA Student Recruitment, Retention & Relationship Management Tool (BRM)	1,488.0		1,488.0
SW Information Technology Total		3,638.0		3,638.0
Information Technology Total		7,347.5		7,347.5
Academic Equipment				
UAA	Mat-Su Wind Generator - Equipment	800.0		800.0
UAA	Sciences/Engineering Replacement Equipment	1,900.0		1,900.0
UAA	Arts - Anchorage Theatre Curtains and Seating	1,000.0		1,000.0
UAA	Anchorage Campus Lab Support for High Demand Jobs	2,160.0		2,160.0
UAA	Anchorage Campus Support for Program and Institutional Accreditation	540.0		540.0
UAA Academic Equipment Total		6,400.0		6,400.0
UAF	Research Equipment Matching Funds	1,000.0		1,000.0
UAF	Instructional Equipment	500.0		500.0
UAF Academic Equipment Total		1,500.0		1,500.0
UAS	Library Security System	75.0		75.0
UAS	Science Equipment Upgrades	150.0		150.0

University of Alaska
FY13 MAU Submitted Projects
Not Included in the Budget Request
(in thousands of \$)

MAU	Project	State Approp	Receipt Authority	Total
UAS	Developmental Education & Instructional Equipment Technology Upgrades	100.0		100.0
UAS	Instrumentation for Workforce Development	150.0		150.0
UAS Academic Equipment Total		475.0		475.0
Academic Equipment Total		8,375.0		8,375.0
Land Acquisition				
UAA	Warehouse and Support Facility	2,000.0		2,000.0
UAA	Adjacent Land and Property Acquisitions	2,000.0		2,000.0
UAA	Industrial Training Center	3,000.0		3,000.0
UAA Main Campus - Land Acquisition Total		7,000.0		7,000.0
UAF	Facilities Acquisitions	1,500.0		1,500.0
UAF Main Campus - Land Acquisition Total		1,500.0		1,500.0
Land Acquisition Total		8,500.0		8,500.0
UA FY13 System Request Total		336,227.5	23,100.0	359,327.5

UAA Main Campus Planning and Design

o **Health Sciences Phase II/Parking Structure and Bridge to Campus Planning**

FY13 (GF: \$11,000.0, Total: \$11,000.0)

In FY09, the Alaska State Legislature appropriated \$46M for the construction of the Health Sciences Building. This funding provided for construction of a 65,000 gsf. building to be located on the land parcel UAA received in the 2005 land trade with Providence Hospital. The FY09 funding provided \$40M for construction of the building and \$6M for infrastructure development of the site in preparation of development of the entire site in accordance with the UAA Master Plan. During programming for this building and for the Health Sciences programs, it was determined that this facility would only be able to house the Nursing and WWAMI programs with some functions remaining in existing space on the West Campus. It was determined that approximately 99,500 additional gsf of space would be needed to accommodate the additional programmatic needs of the Allied Health programs and other health science programs, as well as classroom and administrative space.

Continued development of the South Campus calls for several high profile buildings to be located on this site that will require high volume parking. In accordance with the UAA Master Plan, all future parking should be consolidated in parking structures to reduce the impact on developable land, provide better traffic control on the campus and reduce the negative visual impact of surface parking.

In order to move forward with planning and construction of the next phases of the Health Sciences Complex, it is necessary to continue the design work started with Health Science Phase I. In order to coordinate construction of phase II, and to be able to provide parking on the site to meet the needs of the student, faculty, staff and to comply with Anchorage Municipality requirements, the phase II building and the parking garage need to be designed in conjunction with each other.

o **Anchorage Campus Master Plan and MAU Facilities Assessment**

FY13 (GF: \$1,500.0, Total: \$1,500.0)

In 2002, UAA initiated the process to replace the previous Campus Master Plan, which was completed and approved by the BOR in 2004. UAA successfully completed a land trade that was under consideration when the Master Plan was in its final stages of completion. The land trade, along with other programmatic and administrative changes, resulted in the need to amend to the Campus Master Plan and a request by the BOR for an update to the Master Plan in 2008. The updates were made to the Master Plan and presented to the BOR in Summer 2009. The BOR tabled the Master Plan as presented, indicating that there were some key elements missing that were beyond the scope of a simple update, and encouraged UAA to pursue a complete replacement of the Master Plan. Some of the elements that were missing from the Master Plan were a complete review of the programmatic needs of the campus to include facilities with appropriate types and amounts of space, guidelines for new construction and renovations, and evaluations of existing capital assets with long term development strategies. In order to meet these needs, it was determined that a facilities condition assessment would need to be done along with a review of the Strategic and Academic Plans for UAA.

o **Student Recreation/Wells Fargo Sports Center/Ice Rink Investigation - Planning**

FY13 (GF: \$5,000.0, Total: \$5,000.0)

FY14-FY18 (GF: \$21,750.0, NGF: \$22,680.0 Total: \$44,430.0)

As UAA has developed into a more traditional university, the student population has expressed a strong desire for a facility on campus that is close to student housing to address their sports and recreation needs. The existing Wells Fargo Sports Complex was built in 1977 and is drastically undersized to serve both of the campus' need for intercollegiate and academic sports programs and student recreational

FY13 MAU Submitted Project Descriptions Not Included in the Budget Request

activities. The current facility has limited potential for expansion to meet all of the sports and recreational needs of the campus. A thorough space, program, and site review is required so that UAA can create a concept incorporating student recreation space into a new Student Recreation Facility project for the Anchorage campus.

In FY09, the State Legislature appropriated \$15M for design and site development for a new Community Arena and Athletics Facility on the UAA Campus, and fully funded the project in FY11 and FY12. This facility will allow for the intercollegiate sports programs and related offices and operations to be housed in a separate facility, making space available within the Wells Fargo Sports Complex for student sports, academics, and recreational offerings.

The project will have a tremendous impact on students and programs (Athletics, Academics, Intramural Sports and Recreation, club sports, use of the facility by faculty and staff, and the use of the facility by the greater Anchorage community). Expansion of sports and recreation facilities is addressed in the UAA Master Plan. This project keeps with the UA Strategic Plan goals to have student success, educational quality, technology and facilities development, and diverse sources of revenue (user/rental fees). The funding is planned as a mix of state funding and funds raised through development, student fees, user fees and debt financing. Expanding student recreation space will maximize the use of the existing Wells Fargo Sports Complex and will serve the needs of athletic programs, and the campus and Anchorage community members who use the facility.

In the Spring of 2011, Chancellor Case told the Regents that UAA would re-evaluate whether the WFSC was worth renewing and expanding to satisfy the hockey, intramural sports, academic, and student recreation requirements, or if there was a more viable solution. This evaluation will include the feasibility of including a performance ice rink for the hockey program. This planning funding will allow us to begin this investigation and complete some programming.

o **Library North Entrance and Student Services Addition - Planning**

FY13 (GF: \$500.0, Total: \$500.0)

FY14-FY18 (GF: \$4,000.0, Total: \$4,000.0)

The mission of the University of Alaska Anchorage is to discover and disseminate knowledge through teaching, research, engagement, and creative expression. Located in Anchorage and on community campuses in Southcentral Alaska, UAA is committed to serving the higher education needs of the state, its communities, and its diverse peoples. The University of Alaska Anchorage is an open access university with academic programs leading to occupational endorsements; undergraduate and graduate certificates; and associate's, baccalaureate and graduate degrees in a rich, diverse and inclusive environment.

Part of UAA's vision is to promote student success with special attention to serving Alaska Natives. UAA must assure that open access leads to enhanced opportunities by continuing to improve retention rates and completion of educational goals. It is important for UAA to improve the student experience when transitioning from high school to higher education. As the ANSEP program has demonstrated, proper preparation, a nurturing environment and responsive student services can overcome the challenges of college life. ANSEP's 70 percent graduation rate is an excellent example of what can be achieved by providing the right environment and opportunities.

UAA Community Campus Planning and Design

o **PWSCC Lecture Hall / Classroom Addition - Planning**

FY13 (GF: \$300.0, Total: \$300.0)

FY14-FY18 (GF: \$2,700.0, Total: \$2,700.0)

As the Prince William Sound Community College continues to grow and remain heavily involved in the local community, the need for meeting and auditorium space is pressing. With the recent addition of the Whitney Museum and the popularity of the Theatre Conference, the campus has continued to draw large groups, and the current facility does not have any space that can accommodate groups of 20 or more people. This additional space would be used year round for instruction and events.

o **Mat-Su Science Facility Addition - Planning**

FY13 (GF: \$300.0, Total: \$300.0)

FY14-FY18 (GF: \$2,700.0, Total: \$2,700.0)

There are three science laboratories at Mat-Su which were part of the original buildings built over 20 years ago. This request is to add a fourth lab, a general purpose classroom and faculty offices. The continued demand for science education, in this fast-growing area of the state, requires that additional labs be added that can provide current science course and lab experiences for Mat-Su students.

In FY07 Mat-Su received \$500K as part of a \$1.3M appropriation for the community colleges for science lab upgrades. This provided for renovation of one science lab and some improvements in another one. In FY12, UAA is receiving funding to complete the renovations in the third lab. However, due to increasing enrollment and additional program offerings requiring science course work (such as renewable energy, veterinary medicine, paramedic and nursing), it is imperative that the College add a fourth lab to make available appropriate laboratory space and ensure adequate student progress and access. The past year alone had a 30 percent growth in lab sections needed in order to support the science class offered and demanded. These are some of the first courses filled each semester.

o **PWSCC Vocational Technology Center - Planning - Property & Facilities Acquisition**

FY13 (GF: \$300.0, Total: \$300.0)

FY14-FY18 (GF: \$2,700.0, Total: \$2,700.0)

The Prince William Sound Community College has an ongoing vocational technology training program and they are currently renting space to run this program. The program needs industrial lab space for the courses being offered.

UAF Main Campus Planning and Design

o **Cogen Heating Plant Replacement**

FY13 (GF: \$22,000.0, Total: \$22,000.0)

FY14-FY18 (GF: \$175,000.0, Total: \$175,000.0)

The 2006 Utilities Development Plan identified the preferred option for providing current and future energy (electricity and building heat) as replacing and expanding the current coal fired combined heat and power (CHP) plant. New efficient coal boilers have the lowest life cycle cost, as well as the lowest carbon footprint, of the options explored. The existing coal boilers and steam turbine have reached the end of their useful life and need to be replaced prior to experiencing a failure. The campus energy needs have also grown to the point where purchases of power from GVEA and use of oil have significantly increased UAF's energy costs. A new efficient plant will decrease annual operating costs. The FY13 request will fund design.

FY13 MAU Submitted Project Descriptions Not Included in the Budget Request

o **UFD/CTC Fire Station Replacement and Training Center**

FY13 (GF: \$500.0, Total: \$1,500.0)

FY14-FY18 (GF: \$16,000.0, Total: \$16,000.0)

The University Fire Department is the only student firefighter program of its kind in the country. Student firefighters are treated as full-time career firefighters and receive hands-on training as firefighters, EMTs, apparatus drivers, and public educators. The department provides fire and rescue services and public education to approximately 22,000 people within a 26-square-mile area. This facility is critical in nature, but fails to meet current seismic building codes. The facility is in need of replacement, and an expanded facility is required to meet the increasing demand placed on its emergency services due to increasing call volume and population.

UAA Main Campus New Construction

o **Engineering Phase I--Engineering Instructional Lab Building**

FY13 (GF: \$119,000.0 Total: \$119,000.0)

The School of Engineering has spent over \$500K in FY10 for the use of temporary facilities including two 1,000 gsf portable buildings located north of the Engineering Building, rental of a warehouse off campus for use as a design studio, and the temporary reallocation of the ULB Annex for Engineering program needs. The State of Alaska moved out of the ULB Annex space in late July 2009 and it was intended for University Police and IT system backup to occupy this space. The 14,000 gsf of facilities, dispersed on and off campus, help meet the current program needs, but are extremely inefficient for effective program delivery and is still substantially fewer gsf than when compared to peer institutions. UAA engineering is experiencing dramatic growth in its enrollments. With the near doubling of the entire program in the past five years now, it is at nearly 1,000 students. New engineering baccalaureate, associate and certificate programs were created to meet industry demand and have been one of the driving forces for the enrollment increases. The existing engineering building was built in the early 1980s and is currently undersized. Two sites are currently being considered. One site is north of the existing Engineering Building and would require the realignment of Mallard Lane. The other site is directly south of the bookstore and would connect with the new Health Science Building across Providence Drive. Both sites will be investigated and reviewed as part of the planning process.

o **Alaska Native Arts Program Building**

FY13 (GF: \$0.0, NGF: \$3,500.0 Total: \$3,500.0)

The University of Alaska Anchorage has developed an Alaska Native Art program. The program is currently being operated out of space in a portable classroom building that has been used as a centrally scheduled classroom. This Capital Request is for Receipt Authority in the amount of \$3.5M to design and construct about 5,000 gsf of art studio space. The program is currently seeking funding from local sources and potential benefactors.

UAA Community Campus New Construction

o **Kodiak Vocational Technology and Warehouse Facilities Phase I**

FY13 (GF: \$14,300.0, Total: \$14,300.0)

The Vocational Technology Center (VOTECH) Building on the Kodiak campus was constructed in 1973 and is no longer adequate for the types of classes being offered and demanded within the community. This expanded need has been partially met by conducting courses at local schools. However, other local school district priorities have limited the availability of those facilities. In order to meet the growing program and space needs for the construction, welding, fitness, diesel and small engine, and mechanical trades and to address the issues associated with the current building, an expansion of the existing facility

FY13 MAU Submitted Project Descriptions Not Included in the Budget Request

should be constructed to house these programs. The campus is also in need of warehouse and maintenance shop space to maintain the campus facilities.

UAF Main Campus New Construction

o Engineering Building

FY13 (GF: \$115,000.0, NGF: \$10,000.0 Total: \$125,000.0)

Since the combination of the School of Engineering and the School of Mineral Engineering, space in the Duckering Building has become short in supply, high in demand. Over the past few years, Freshmen enrollment doubled, putting further strain on the over-utilized facility. A critical need exists for expanded teaching and research laboratory space as both programs continue to grow. Completion of a new engineering building will foster continued growth in engineering academics, research, and job training. Future engineers will benefit Alaska's construction, oil, and gas industries. This project will be the single most important key to meeting the State's demand to double the number of graduating engineers.

o P3 Dining and Housing

FY13 (GF: \$2,000.0, Total: \$2,000.0)

The 2005 Campus Life Master Plan identified new dining and housing as key elements to increase the quality of the student experiences at UAF. Increasing the amount of housing that addresses student desires will be a powerful tool for making UAF more marketable and increasing enrollment. This project will be structured as a public-private partnership in order to meet the needs of UAF's student body.

UAS Main Campus New Construction

o Student Housing Dorm Addition

FY13 (GF: \$6,750.0, NGF: \$2,000.0 Total: \$8,750.0)

The University of Alaska Southeast has devoted a great deal of effort to recruiting Alaskan students. As those efforts have increased, so has the enrollment from other parts of the State, particularly the Interior and Western Alaska communities and villages. These students need a place to live while attending school in Juneau. Off campus living is usually not an option because apartments are not available, and those that are, are too expensive for a student on a tight budget. The campus residence hall and apartments are full, and without additional accommodations for freshman students, UAS may not be a viable option for them. The net effect of not being able to add additional beds for the rural students is that they will be unable to take advantage of the smaller more personal nature of the University of Alaska Southeast, which provides an excellent alternative to the large universities. Further, lack of increased housing will cap the University's ability to grow its enrollment and increase productivity.

Banfield Hall provides 84 beds for freshman housing in a dormitory configuration.

o Facilities Services Physical Plant Replacement

FY13 (GF: \$500.0, Total: \$500.0)

FY14-FY18 (GF: \$9,000.0, Total: \$9,000.0)

The existing facilities site in Juneau began as a converted residential building and has been supplemented with temporary and marginal improvements for the last thirty years. This project would demolish a portion of the facilities complex and construct replacement shop, storage and office space on the current site. The current facilities services site can only be accessed by a steep, curving driveway which enters directly on to Glacier Highway. The topography and land ownership in this location prohibit the

FY13 MAU Submitted Project Descriptions Not Included in the Budget Request

realignment of this driveway to provide a level entry to the highway. This project will also develop a direct service access to the Auke Lake Way without entering Glacier Highway.

UAA Other Capital

o **Alaska Energy Initiatives Faculty Support**

FY13 (GF: \$400.0, Total: \$400.0)

This project will fund startup costs for new faculty involved in energy research at UAA in collaboration with UA ACEP.

o **Anchorage Campus Program Quality and Distance Delivery**

FY13 (GF: \$855.0, Total: \$855.0)

Academic programs are consistently engaged in efforts to increase the effectiveness and the reach through the application of technology. This proposal will fund the ability of UAA programs to prepare and present course materials for local and distance delivery.

o **Program on Energy, Climate Change, and the Economy**

FY13 (GF: \$600.0, Total: \$600.0)

A program on energy, climate change, and the Alaska Economy that seeks to understand the interactions between energy use, energy prices, and economic activity and to use that understanding to inform sound public policy and informed decision-making.

o **Undergraduate Student Energy Internship/Cooperative with Industry Program**

FY13 (GF: \$1,000.0, Total: \$1,000.0)

This internship/cooperative program would support undergraduate engineering students working with faculty and industry on energy projects that are connected to coursework at UAA. The program would provide many benefits for students and industry that need faculty to mentor and coordinate projects.

UAF Other Capital

o **UAF Researching Alaska's Economic Development of Rare Earth Minerals**

FY13 (GF: \$3,000.0, Total: \$3,000.0)

Rare earth minerals play an ever more important role in electronics, defense, and green technology, and the United States needs a steady and secure supply of the minerals. On the surface, Alaska appears to have an abundant endowment of rare earth minerals. This may provide a strategic opportunity for the state through the creation of a competitive rare earth industry for the national and global market. However, these potential resources have not been adequately assessed or developed.

o **UAF Enhanced Earthquake and Tsunami Warning Systems through Permanent Deployment of an Advanced Seismic Network all across Alaska**

FY13 (GF: \$6,300.0, NGF: \$6,300.0 Total: \$12,600.0)

As was illustrated by the 1964 earthquake and associated tsunamis, Alaska has one of the highest vulnerabilities in the world to these natural disasters. However, Alaska is poorly instrumented with the seismic monitoring stations needed for understanding and detecting earthquakes. A National Science Foundation (NSF) funded project is installing a temporary network of up to 300 seismic stations throughout Alaska. After completion of its initial science goals the seismic stations will be removed from Alaska, unless it is purchased from NSF. This purchase provides an opportunity to permanently improve our seismic monitoring network at a significantly reduced cost.

FY13 MAU Submitted Project Descriptions Not Included in the Budget Request

- o **UAF Increasing North Slope Oil Production – Researching Solutions Associated with Limited Fresh Water for Exploration and Development**

FY13 (GF: \$900.0, NGF: \$300.0 Total: \$1,200.0)

Many of the prospective opportunities for increasing oil production on the North Slope will require substantially more fresh water than is currently used in production and exploration activities. New fresh water sources will need to be identified for the construction of ice roads, development of oil shale and tight gas sands, and for enhanced oil recovery at Prudhoe Bay and other fields. Although Alaska's tundra may seem quite wet due to the near surface permafrost, the North Slope receives very little precipitation and water resources will be a limiting factor to further resource development across northern Alaska. Locating and quantifying potential sources of water that can be used without compromising fish and wildlife habitat will be critical in order to ensure access to and production of a significant oil resource.

UAA Information Technology

- o **UAA Data Center Disaster Recovery**

FY13 (GF: \$960.0, Total: \$960.0)

MAU-centralized server equipment is currently housed in UAA's Anchorage Data Center (ADC). While this facility is designed to be resilient, there is a potential that catastrophic failure of critical data center infrastructure could result in outages of critical administrative and instructional systems that are core parts of the university's business.

This project will establish a standby data center on the Goose Lake Campus. In the event of a catastrophic failure of the ADC, server resources would fail over to the standby data center for continued operation. This project would also allow UAA IT Services technical staff to perform some forms of system maintenance without service interruption to the UAA community.

- o **UAA ADC BladeSystem Lifecycle Replacement**

FY13 (GF: \$249.5, Total: \$249.5)

MAU-centralized server equipment are Intel-based HP C-Class servers. HP's current technology roadmap anticipates the announced end-of-life and retirement of the C-Class server line in 2013. This equipment is subject to increased maintenance costs and post-warranty failure beyond this date. Attempting to perform a major server lifecycle through windfall funding could create an uneven replacement schedule and increased risk of major outages due to equipment failure and/or conflicting technical requirements. Performing a complete server lifecycle will reduce the risk of system failure.

This project will replace HP C-Class BladeSystem components with their as of yet unannounced third generation BladeSystem. All equipment will be located in UAA's Anchorage Data Center (ADC). Provisions have been made for adequate emergency power, air-conditioning, and rack mounting space. No other physical facility alterations will be required.

- o **Alaska Energy Data Network (ISER)**

FY13 (GF: \$250.0, Total: \$250.0)

This project will establish and maintain for 5-years the Energy Data Network within ISER. Through the initiative ISER will collect, compile, maintain, and make available a comprehensive database on energy use and supply within Alaska at the community, regional and statewide level.

FY13 MAU Submitted Project Descriptions Not Included in the Budget Request

o **Community Campus Instructional Quality and Distance Delivery**

FY13 (GF: \$250.0, Total: \$250.0)

FY14 (GF: \$200.0, Total: \$200.0)

This project will enhance the distance delivery capabilities at UAA's community campuses, as well as updating student computer labs and faculty instructional equipment. All four of UAA's community campuses would receive equipment and software for student labs, classrooms, and instructional enhancement, including computers, projection technology, and lab equipment.

UAF Information Technology

o **Upgrade UAF Network/Telecommunications Infrastructure - Phase 3 of 3**

FY13 (GF: \$2,000.0, Total: \$2,000.0)

This project is a phased upgrade request: \$2.5M in FY12; \$3.5M in FY13; and \$2.5M in FY14. Phases 1 and 2 have been funded. This request is for \$2M to complete Phase 3.

OIT Telecommunication Services is currently participating with an external consulting organization, World Wide Technology, Inc., to upgrade technical infrastructure and phone systems at UAF, Statewide and Fairbanks located community campuses or facilities. Rural locations will be addressed in the next upgrade project.

This project will address items not up to current industry standards and align UAF's network infrastructure to its future requirements.

The scope of this project includes renovations: (a) building of any new hub rooms; (b) installation of cable trays in hallways; (c) installation of conduit through walls and utilidors into classrooms, research facilities and offices; (d) installation of additional electrical capacity; (e) installation of code compliant HVAC [Heating, Ventilation, Air Conditioning]; (f) installation of additional fiber optics; (g) rewire or replace old, substandard cabling and equipment in UAF buildings with cabling and equipment that meets current EIA/TIA [Electronic Industries Alliance/Telecommunications Industry Association] standards for upcoming, new network equipment installations.

In order for UAF to take advantage of up-to-date technologies and increased broadband capacity recently gifted to UA from GCI, it is imperative that UAF upgrade its voice/data network cabling and equipment. This upgrade will also prepare UAF for voice/data convergence and position us to take advantage of Voice over IP (VoIP) technologies.

This project will also upgrade or replace various network infrastructure components on the UAF campus; upgrade the wireless infrastructure; replace the ATM-based Smart Classroom infrastructure; replace the low-capacity, low-performance switches with a chassis-based switch platform; replace vendor end-of-support Ethernet switches with supported contemporary hardware; and replace vendor end-of-life DNS/DHCP/NetReg infrastructure with supported contemporary hardware.

SW Information Technology

o **UA Disaster Recovery & Security Compliance**

FY13 (GF: \$975.0, Total: \$975.0)

FY14 (GF: \$500.0, Total: \$500.0)

UA currently has core technology system backup capabilities through an agreement with Alaska Communication Systems at a data center facility in Hillsboro, Oregon. In case of emergency, UA can

FY13 MAU Submitted Project Descriptions Not Included in the Budget Request

fail over its critical systems in Human Resources, Student Services, and Finance in order to maintain a basic level of business operations for Alaska's students. This request will expand backup capabilities beyond the basic UA enterprise application (Banner) to include other critical dependent systems, including but not limited to, UA academic course management, telephony, distance delivery/e-learning, and digital document imaging.

UA has recently made the decision to conduct regular internal and external security audits in order to maintain compliance and reduce risk to breaches in technology systems. This activity is viewed as a best practice for technology systems. This investment will provide advanced encryption via enterprise application licensing. This will protect personally identifiable information (PII), help manage security incidents if they arise, and upgrade firewalls to core UA systems.

o **UA Wide Area Network Core & Data Storage Enhancement**

FY13 (GF: \$1,175.0, Total: \$1,175.0)

The UA network core routing hardware connects UAA, UAF, UAS and community campuses in rural locations. Over time, the UA core hardware can no longer support the bandwidth demands of the campuses. This request will replace aging technology with current industry standard routing hardware and software to meet growing connectivity demands. A data storage investment will upgrade hardware infrastructure to 10 Gb which will enable concurrent high-speed transactions, faster data queries, and faster system response.

o **UA Student Recruitment, Retention & Relationship Management Tool (BRM)**

FY13 (GF: \$1,488.0, Total: \$1,488.0)

Banner Relationship Management (BRM) is an enterprise database module that will help UA engage our students more holistically and cost-effectively across the full student life cycle. This tool will allow for better tracking of student progress toward degree which allows improved course sequencing, improved advising and faster, or increased, degree completion.

UA staff can connect with potential and existing students through more timely and personalized interactions, and capture, track, and report on those relationship histories in the UA Banner system, along with other important student data. BRM will help with UA's retention challenges by identifying students and allowing staff to reach out proactively to foster the relationships so important to a student's success.

UAA Academic Equipment

o **Mat-Su Wind Generator - Equipment**

FY13 (GF: \$800.0, Total: \$800.0)

This project will allow for the purchase and installation of a wind generator to be used as part of an instructional program at the Mat-Su campus.

o **Sciences/Engineering Replacement Equipment**

FY13 (GF: \$1,900.0, Total: \$1,900.0)

FY14 (GF: \$1,900.0, Total: \$1,900.0)

This request is for standard replacement of biological/chemistry/engineering equipment used for academic instruction. The requested items have reached their useful life and are either obsolete or beyond repair. Replacement of these equipment items will allow students to experience up-to-date instrumentation technique used in the sciences and engineering field. This equipment is necessary to support the new labs in the Beatrice McDonald Building, the EcoBiomedical Health Facility, and the existing science building remodels.

FY13 MAU Submitted Project Descriptions Not Included in the Budget Request

- o **Arts - Anchorage Theatre Curtains and Seating**

FY13 (GF: \$1,000.0, Total: \$1,000.0)

Across the Anchorage Campus, there are several Performance Theaters that still have the original curtains and seating.

- o **Anchorage Campus Lab Support for High Demand Jobs**

FY13 (GF: \$2,160.0, Total: \$2,160.0)

FY14 (GF: \$2,160.0, Total: \$2,160.0)

Training for high demand jobs is a high priority for the UA system. Several programs have been instituted in the fields of transportation, engineering, health, and education. Departments across the campus provide the general education and discipline specific support classes that enable students to complete their certificates and degrees at all levels. Equipment is needed in the College of Arts and Sciences, School of Engineering and the Community and Technical College. Purchases will include new and replacement equipment for student use as well as upgraded equipment that adds significantly to the university's capabilities for faculty use in demonstrations and research. This updated equipment will better prepare students for the workplace.

- o **Anchorage Campus Support for Program and Institutional Accreditation**

FY13 (GF: \$540.0, Total: \$540.0)

Program and institutional accreditations provide guidance to faculty and administrators and assure the public of the quality and applicability of the degree programs that we offer. Many of these accrediting agencies have standards for equipment and for institutional and programmatic capabilities in the areas of lab experiences, library and information sources, computing and communications, and instructional delivery. This proposal will allow the building, updating and maintenance of labs and infrastructure that directly supports the efforts of accredited programs or responds to the recommendations of the UAA accrediting body.

UAF Academic Equipment

- o **Research Equipment Matching Funds**

FY13 (GF: \$1,000.0, Total: \$1,000.0)

FY14 (GF: \$1,000.0, Total: \$1,000.0)

Modern scientific and engineering instrumentation is essential to competitive research, but the cost of such instruments can be very high, far more than individual UAF research units can allocate for that purpose. The National Science Foundation and several other federal agencies offer competitive grants for major research instrumentation, normally for instruments that cost \$100,000 or more. There are also foundations that provide similar grant opportunities (e.g., M.J. Murdock Charitable trust). However, most such grants require or request matching funds from the institution, usually between 30% and 50% of the total cost of the instrument. When the instrument is very costly, that match can be difficult or impossible for UAF to provide, so such grant opportunities are often missed. The request is for a matching fund that would be used to cover the UAF contribution to successful grant proposals.

- o **Instructional Equipment**

FY13 (GF: \$500.0, Total: \$500.0)

FY14 (GF: \$500.0, Total: \$500.0)

Modern scientific, engineering, technical, and health care instruments and simulators are essential to providing quality education to UAF's students, so that they will be prepared to use the equipment that they will encounter in the workplace after they graduate. However, the cost of such instruments can be

FY13 MAU Submitted Project Descriptions Not Included in the Budget Request

very high. With rapidly advancing technology, laboratory instruments often become obsolete within five years, and so regular replacement is essential. UAF devotes \$100,000 to \$200,000 of GF per year to replacing or purchasing new instructional equipment, but the items that cost more than \$100,000 each, like mass spectrometers, electron microscopes, nuclear magnetic resonance spectrometers, and others, are unaffordable. Currently they can be replaced only if a grant or gift is obtained, and there are insufficient opportunities for such funding to keep instructional equipment up-to-date. There is also need to purchase new instruments and simulators that have not been available to UAF students previously, either because they are recent developments or because UAF developing new curriculum.

UAS Academic Equipment

o Library Security System

FY13 (GF: \$75.0, Total: \$75.0)

The majority of losses from Egan Library collections occur when users fail to check out materials properly before leaving the library. Periodic collection inventories indicate that several hundred items are lost each year. To deter users from walking out with materials either inadvertently or intentionally, many libraries use a detection system that alerts users and library staff when items have not been checked out. Each item (book, DVD, etc.) is marked with a magnetic (tattle tape) tag that is sensitized/desensitized according to an item's check-out/return status and can be sensed by detection panels at the library exit. Detectors are equipped to buzz and alert the library user and staff when an item passes through that has not been checked out.

o Science Equipment Upgrades

FY13 (GF: \$150.0, Total: \$150.0)

The Anderson Building remodel is expected to be completed during the Fall 2010 semester. The project's scope includes the acquisition of furnishings, but not academic equipment. This request will allow UAS to acquire science laboratory equipment for the Anderson Building including microscopes, spectrometers, etc., needed for the Anderson classrooms and research laboratory facilities for the Department of Natural Sciences.

o Developmental Education & Instructional Equipment Technology Upgrades

FY13 (GF: \$100.0, Total: \$100.0)

A high proportion of the students coming to UAS arrive without adequate preparation for college level academics. They require varying levels of remedial assistance in Mathematics and English. This request will allow UAS to acquire equipment needed to support developmental education with new teaching technologies, writing-intensive courses, academic testing/placement applications, and other equipment.

o Instrumentation for Workforce Development

FY13 (GF: \$150.0, Total: \$150.0)

This request will allow UAS to upgrade classroom and laboratory instrumentation needed to support workforce development programs. It includes the acquisition of software for diagnostics, advanced electrical systems, and replacement of outdated equipment with new technology to meet current industry standards for construction technology, health sciences, and diesel program instruction.

UAA Main Campus Land Acquisition

o Warehouse and Support Facility

FY13 (GF: \$2,000.0, Total: \$2,000.0)

The UAA Physical Plant is currently located in core academic space of the West Campus and is scattered across the campus in small pockets of available space. The activities of the Physical Plant are

FY13 MAU Submitted Project Descriptions Not Included in the Budget Request

inconsistent with the academic nature of the area and are inadequate for the operations being conducted. In addition, as part of the land trade with Providence Hospital in 2005, the UAA Warehouse and Operations Yard were removed from the university inventory and those space requirements were greatly consolidated and are currently occupying much needed parking and academic space or require the rental of off-campus storage space. UAA currently leases space near the University Center which is used by General Support Services, Facilities and the School of Engineering. There are similar properties in proximity to the Anchorage campus that could be purchased.

o **Adjacent Land and Property Acquisitions**

FY13 (GF: \$2,000.0, Total: \$2,000.0)

In the UAA Master Plan, it is proposed that the University seek to acquire parcels of property that are currently for sale and/or contiguous with the current campus for future university development.

o **Industrial Training Center**

FY13 (GF: \$3,000.0, Total: \$3,000.0)

The Community and Technical College (CTC) programs are currently located both on and off campus. Many of CTC's programs and offices are located at the University Center, which is approximately 1 mile from the main campus. This location has limited potential for growth to meet the continuing growth of the CTC programs. In order to meet the increasing needs for technicians to service the Alaska communities and to provide for growing program development, there is a need for additional instructional and interaction space of an industrial nature, where students can work individually and in groups to apply what they have learned in the classroom and work on the equipment they will be using after graduation.

Kenai Peninsula College (KPC) currently offers extension courses for some of their industry related programs in Anchorage in space provided by the CTC. The demand for these extension courses has increased in recent years, with strong encouragement from local industry. Due to the similar nature of the programs and type of space needed for these courses would be appropriate to co-locate the space in one facility.

Within the Anchorage area there are various facilities that have become available such as car dealerships, industrial shops, and commercial properties that are similar in nature to the space needed for these programs. Purchase of these properties would allow UAA to meet existing space needs for these programs, stimulate the local economy and support the community by utilizing these vacant properties.

UAF Main Campus Land Acquisitions

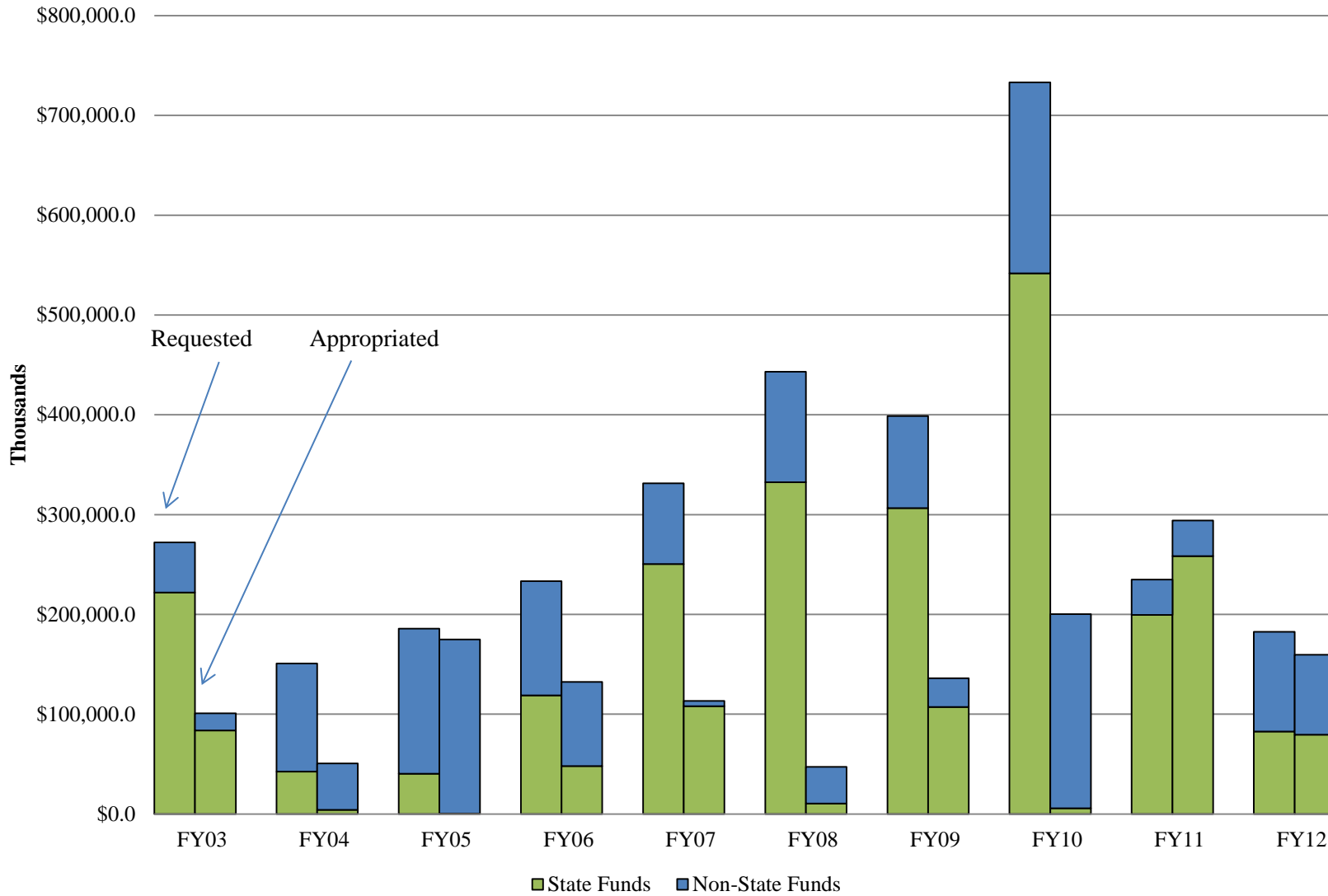
o **Facilities Acquisitions**

FY13 (GF: \$1,500.0, Total: \$1,500.0)

FY14-FY18 (GF: \$10,000.0, Total: \$10,000.0)

Purchase commercial property within close proximity of UAF Programs.

University of Alaska Capital Request and Appropriation Summary FY03-FY12



University of Alaska
Capital Budget Request vs. State Appropriation
FY03 - FY12
(thousands)

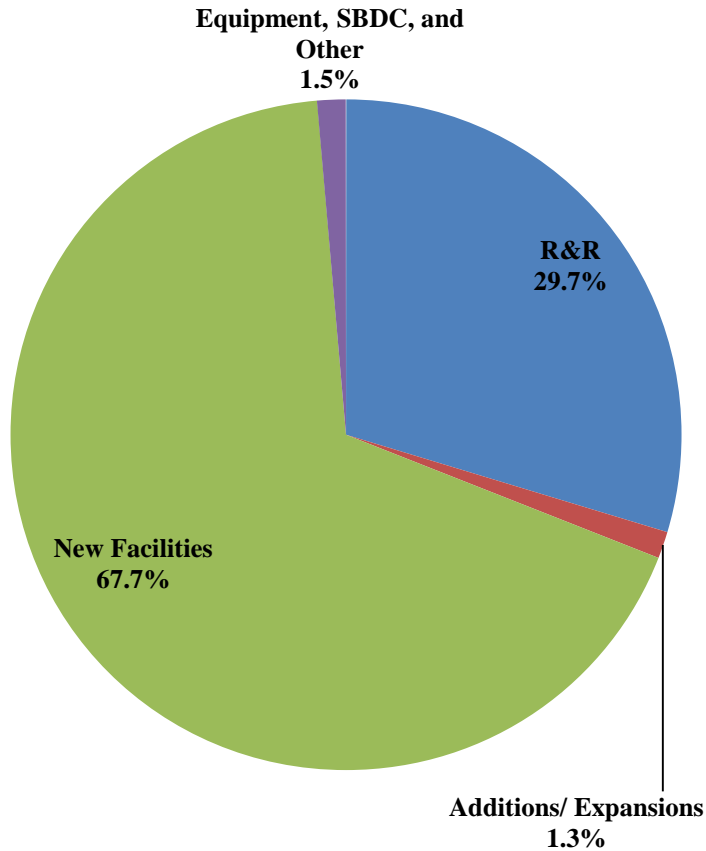
Request	R&R	Additions/ Expansions	New Facilities	Equipment	SBDC, Other	Total
FY03	36,917.1	14,000.0	162,685.0	7,658.1	565.0	221,825.2
FY04	14,007.0	3,400.0	19,515.5	4,141.5	1,405.0	42,469.0
FY05	10,055.0	0.0	26,550.0	3,111.3	550.0	40,266.3
FY06	40,753.5	2,600.0	70,536.0	4,403.4	550.0	118,842.9
FY07	87,520.0	9,650.0	135,983.0	16,721.9	550.0	250,424.9
FY08	131,016.0	6,395.0	186,500.0	7,874.7	550.0	332,335.7
FY09	114,000.0	2,000.0	163,870.0	26,000.0	550.0	306,420.0
FY10	204,130.0	0.0	194,495.0	90,000.0	53,150.0	541,775.0
FY11	100,000.0	0.0	99,375.0	0.0	0.0	199,375.0
FY12	70,433.0	0.0	0.0	0.0	12,092.5	82,525.5
Total	808,831.6	38,045.0	1,059,509.5	159,910.9	69,962.5	2,136,259.5
10 yr. Avg.	80,883.2	3,804.5	105,951.0	15,991.1	6,996.3	213,625.9

Appropriation

FY03	9,490.0	5,094.0	66,620.0	1,650.0	750.0	83,604.0
FY04	3,641.5	0.0	0.0	0.0	450.0	4,091.5
FY05	0.0	0.0	0.0	0.0	450.0	450.0
FY06	8,100.0	1,950.0	35,700.0	1,750.0	550.0	48,050.0
FY07	48,725.0	0.0	58,500.0	0.0	715.0	107,940.0
FY08	8,475.0	0.0	1,250.0	0.0	640.0	10,365.0
FY09	45,822.6	0.0	61,300.0	0.0	125.0	107,247.6
FY10	3,200.0	0.0	2,500.0	0.0	0.0	5,700.0
FY11	42,500.0	0.0	215,650.0	400.0	0.0	258,550.0
FY12	39,500.0	2,000.0	35,800.0	204.0	2,000.0	79,504.0
Total	209,454.1	9,044.0	477,320.0	4,004.0	5,680.0	705,502.1
10 yr. Avg.	20,945.4	904.4	47,732.0	400.4	568.0	70,550.2

State Appropriation Summary by Category FY03 -FY12

New Facilities and Major Expansions



UAA

- AK Cultural Center & PWSCC Training Center (FY03, FY07)
- Integrated Science Facility (FY03, FY06, FY07)
- Ecosystems/Biomedical Health Facility (FY03)
- Community & Technical College (FY03)
- Center for Innovative Learning - ANSEP (FY06)
- Kodiak College Vocational Technology (FY06)
- Matanuska-Susitna Campus Addition (FY06)
- Student Housing (FY06)
- Kachemak Bay Campus New Facility (FY08, Reapprop FY10, FY11)
- Health Sciences Building (FY09)
- Engineering Facility Planning & Design (FY11)
- Kenai Peninsula College Campus Student Housing (FY11, FY12)
- Kenai Peninsula College Campus Career & Technical Education Center (FY11)
- Matanuska-Susitna Campus Valley Center for Art & Learning (FY11)
- Community Sports Arena (FY09, FY11, FY12)

UAF

- BICS class/laboratory Phase I (FY03)
- Lena Point Fisheries Phase I & II (FY03, FY06)
- West Ridge Research (WRRB) (FY03)
- Museum of the North (FY07)
- Engineering & Technology Project Design & Development (FY11)
- Life Sciences Classroom and Laboratory Facility (FY11)

UAS

- Banfield Hall Dormitory Addition (FY12)

University of Alaska
State Appropriation Summary by Category and MAU
FY03-FY12
(in thousands of \$)

	Location	R&R		Additions/ Expansions		New Facilities		Equipment		SBDC, Other		Total	
Anchorage Campus	Anchorage	44,935.3	21.5%			263,650.0	55.2%	640.0		5,300.0	63.9%	314,525.4	44.6%
Kenai Peninsula College	Soldotna	6,063.0	8.7%	850.0	41.7%	35,300.0	14.0%	27.5		50.0	2.9%	42,290.5	12.7%
Kenai Peninsula College	Homer	225.5		3,750.0		2,750.0			165.0	6,890.5			
Kodiak College	Kodiak	1,448.3				350.0						1,798.3	
Matanuska-Susitna College	Palmer	3,230.8				23,850.0		55.3				27,136.1	
Prince William Sound Community College	Valdez	7,238.2				4,550.0						11,788.2	
UAA		63,141.2	30.1%	4,600.0	41.7%	330,450.0	69.2%	722.8		5,515.0		404,429.0	57.3%
Fairbanks Campus	Fairbanks	87,090.6	41.6%			121,000.0	29.3%	670.1		75.0	8.0%	208,835.7	32.3%
Fairbanks Campus	Juneau					19,000.0						19,000.0	
Fairbanks Campus	Palmer												
Fairbanks Campus	Seward												
Fairbanks Campus (CES)	Kenai									90.0		90.0	
UAF Community & Technical College	Fairbanks	17,830.3	8.5%									17,830.3	2.5%
Bristol Bay Campus	Dillingham			1,904.0								1,904.0	
Chukchi Campus	Kotzebue	580.0										580.0	
Interior-Aleutians Campus	Fairbanks	240.0										240.0	
Interior-Aleutians Campus	Fort Yukon	7.3	4.6%									7.3	1.6%
Interior-Aleutians Campus	Tok												
Kuskokwim Campus	Bethel	4,280.0										4,280.0	
Northwest Campus	Nome	4,521.8										4,521.8	
UAF		114,550.0	54.7%	1,904.0	17.2%	140,000.0	29.3%	670.1		165.0		257,289.1	36.5%
Juneau Campus	Juneau	18,032.4	8.6%	2,000.0	36.2%	5,470.0	1.1%	945.1			9.1%	26,447.5	3.7%
Ketchikan Campus	Ketchikan	5,088.8	2.9%		4.9%							5,088.8	0.9%
Sitka Campus	Sitka	997.2		540.0			1,537.2						
UAS		24,118.4	11.5%	4,540.0	41.1%	5,470.0	1.1%	945.1		9.1%		33,073.5	4.7%
Statewide	Fairbanks	1,332.0	0.6%					1,666.0			16.0%	2,998.0	0.4%
Systemwide	Systemwide	6,312.5				1,400.0	0.3%					7,712.5	1.5%
SW		7,644.5	3.6%			1,400.0	0.3%	1,666.0		16.0%		10,710.5	1.5%
Grand		209,454.1		9,044.0		477,320.0		4,004.0		6,380.0		705,502.1	
		29.7%		1.3%		67.7%		1.4%					

**DM and R&R Expenditures and Encumbrances
by FY then MAU as of 8-30-11**

FY	MAU	Budget	Expenditures	Encumbrances	% Expended and Encumbered
2007	UAA	19,065.0	18,308.7	74.5	96.42%
	UAF	26,870.0	26,870.9	0.0	100.00%
	UAS	2,790.0	2,524.8	38.1	91.86%
2007 Total		48,725.0	47,704.4	112.6	98.14%
2008	UAA	3,975.0	3,338.3	51.4	85.27%
	UAF	4,000.0	3,346.7	27.0	84.34%
	UAS	500.0	499.8	0.0	99.96%
2008 Total		8,475.0	7,184.8	78.4	85.70%
2009	UAA	8,678.8	7,792.8	356.3	93.90%
	UAF	26,087.4	25,617.3	115.0	98.64%
	UAS	10,556.4	6,845.5	130.7	66.08%
	SW	500.0	171.2	0.2	34.28%
2009 Total		45,822.6	40,426.7	602.3	89.54%
2010	UAA	831.7	155.7	345.9	60.31%
	UAF	2,077.6	2,028.9	10.5	98.16%
	UAS	224.1	104.5	102.9	92.57%
	SW	66.6	64.1	0.0	96.22%
2010 Total		3,200.0	2,353.1	459.3	87.89%
2011	UAA	15,163.2	4,193.6	4,061.3	54.44%
	UAF	23,849.0	16,956.4	4,777.4	91.13%
	UAS	2,722.4	861.1	1,108.0	72.33%
	SW	765.4	70.2	16.7	11.36%
2011 Total		42,500.0	22,081.4	9,963.4	75.40%
2012	UAA	10,800.0	0.0	470.2	4.35%
	UAF	23,437.5	57.3	3,871.6	16.76%
	UAS	2,662.5	0.0	0.0	0.00%
	SW	600.0	0.0	0.0	0.00%
2012 Total		37,500.0	57.3	4,341.7	11.73%
Grand Total		186,222.6	119,807.8	15,557.7	72.69%

DM and R&R Expenditures and Encumbrances by MAU then FY

MAU	FY	Sum of Authorized E	Sum of Expend	Sum of Encumbe	Sum of Field1
SW	2009	500.0	171.2	0.2	34.28%
	2010	66.6	64.1	0.0	96.22%
	2011	765.4	70.2	16.7	11.36%
	2012	600.0	0.0	0.0	0.00%
SW Total		1,932.0	305.5	17.0	16.69%
UAA	2007	19,065.0	18,308.7	74.5	96.42%
	2008	3,975.0	3,338.3	51.4	85.27%
	2009	8,678.8	7,792.8	356.3	93.90%
	2010	831.7	155.7	345.9	60.31%
	2011	15,163.2	4,193.6	4,061.3	54.44%
	2012	10,800.0	0.0	470.2	4.35%
UAA Total		58,513.7	33,789.1	5,359.5	66.91%
UAF	2007	26,870.0	26,870.9	0.0	100.00%
	2008	4,000.0	3,346.7	27.0	84.34%
	2009	26,087.4	25,617.3	115.0	98.64%
	2010	2,077.6	2,028.9	10.5	98.16%
	2011	23,849.0	16,956.4	4,777.4	91.13%
	2012	23,437.5	57.3	3,871.6	16.76%
UAF Total		106,321.5	74,877.5	8,801.6	78.70%
UAS	2007	2,790.0	2,524.8	38.1	91.86%
	2008	500.0	499.8	0.0	99.96%
	2009	10,556.4	6,845.5	130.7	66.08%
	2010	224.1	104.5	102.9	92.57%
	2011	2,722.4	861.1	1,108.0	72.33%
	2012	2,662.5	0.0	0.0	0.00%
UAS Total		19,455.4	10,835.8	1,379.6	62.79%
Grand Total		186,222.6	119,807.8	15,557.7	72.69%

University of Alaska
General Revenue Bonds, 2011 Series Q

Sources and Uses of Funds

	Life Sciences	Renewal and Deferred Maintenance			UAS Food Service	Series Q Total
		15-Year Projects	10-Year Projects	5-Year Projects		
Sources of Funds						
Bond Principal	\$ 19,430,000.00	\$ 24,005,000.00	\$ 1,210,000.00	\$ 300,000.00	\$ 1,865,000.00	\$ 46,810,000.00
Net reoffering premium	2,043,775.65	2,979,388.05	180,252.70	31,769.90	231,476.95	5,466,663.25
Total	\$ 21,473,775.65	\$ 26,984,388.05	\$ 1,390,252.70	\$ 331,769.90	\$ 2,096,476.95	\$ 52,276,663.25
Uses of Funds						
Project Costs	\$ 20,600,000	\$ 25,750,000	\$ 1,310,500	\$ 300,000	\$ 2,000,000	\$ 49,960,500
Capitalized Interest (to 4/1/2013)	-	-	-	-	-	-
Reserve Fund Deposit	681,366.89	999,687.74	68,132.15	29,491.39	76,736.64	1,855,414.81
Costs of Issuance	72,809.29	91,493.65	4,713.81	1,124.90	7,108.34	177,250.00
Underwriting Discount	116,580.00	144,030.00	7,260.00	1,800.00	11,190.00	280,860.00
Rounding	3,019.47	(823.34)	(353.26)	(646.39)	1,441.97	2,638.45
Total	\$ 21,473,775.65	\$ 26,984,388.05	\$ 1,390,252.70	\$ 331,769.90	\$ 2,096,476.95	\$ 52,276,663.26

Summary

Principal amortization	2013 to 2032	2012 to 2026	2012 to 2021	2012 to 2016	2012 to 2026	2012 to 2032
No. of years	20	15	10	10	20	20
Max Annual Debt Service	\$ 1,500,850	\$ 2,202,700	\$ 154,525	\$ 69,550	\$ 173,900	\$ 4,089,450

Dated & delivery date 10/25/2011
True Interest Cost 3.288%
Underwriter's discount 0.6%

University of Alaska
 General Revenue Bonds, 2011 Series Q
 Reoffering Yields and Pricing based on AMBA Sale of August 25, 2011

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Reoffering Yield</u>	<u>Reoffering Price</u>	<u>Proceeds</u>
10/1/12	\$ 1,390,000	3.00%	0.35%	102.466	\$ 1,424,277.40
10/1/13	2,035,000	4.00%	0.55%	106.625	2,169,818.75
10/1/14	2,130,000	5.00%	0.70%	112.462	2,395,440.60
10/1/15	2,230,000	4.00%	0.90%	111.953	2,496,551.90
10/1/16	2,330,000	5.00%	1.28%	117.728	2,743,062.40
10/1/17	2,385,000	5.00%	1.64%	118.921	2,836,265.85
10/1/18	2,505,000	5.00%	1.95%	119.688	2,998,184.40
10/1/19	2,620,000	4.00%	2.23%	112.803	2,955,438.60
10/1/20	2,745,000	5.00%	2.49%	119.991	3,293,752.95
10/1/21	2,890,000	5.00%	2.69%	120.016	3,468,462.40
10/1/22	2,875,000	5.00%	2.94% *	117.632 *	3,381,920.00
10/1/23	3,025,000	5.00%	3.18% *	115.395 *	3,490,698.75
10/1/24	3,160,000	4.00%	3.33% *	105.625 *	3,337,750.00
10/1/25	3,290,000	4.00%	3.48% *	104.333 *	3,432,555.70
10/1/26	3,425,000	4.00%	3.60% *	103.313 *	3,538,470.25
10/1/27	1,145,000	4.00%	3.70% *	102.472 *	1,173,304.40
10/1/28	<i>1,195,000</i>	5.00%	4.15% *	107.703 *	1,287,050.85
10/1/29	<i>1,260,000</i>	5.00%	4.15% *	107.703 *	1,357,057.80
10/1/30	<i>1,325,000</i>	5.00%	4.15% *	107.703 *	1,427,064.75
10/1/31	<i>1,390,000</i>	5.00%	4.15% *	107.703 *	1,497,071.70
10/1/32	<i>1,460,000</i>	5.00%	4.15% *	107.703 *	1,572,463.80
	<u>\$46,810,000</u>				<u>\$ 52,276,663.25</u>

less: underwriting discount (280,860.00)

Purchase Price \$ 51,995,803.25

* Price and yield to 10/1/2021 call date
 Italics denotes sinking fund installments for term bond.

**University of Alaska
General Revenue Bonds, 2011 Series Q
Fiscal Year Debt Service Requirements**

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Total</u>	<u>Fiscal Yr. Total</u>	<u>Fiscal Year</u>
4/1/12			\$ 924,581.67	\$ 924,581.67	\$ 924,582	2012
10/1/12	\$ 1,390,000	3.00%	1,066,825.00	2,456,825.00		
4/1/13			1,045,975.00	1,045,975.00	3,502,800	2013
10/1/13	2,035,000	4.00%	1,045,975.00	3,080,975.00		
4/1/14			1,005,275.00	1,005,275.00	4,086,250	2014
10/1/14	2,130,000	5.00%	1,005,275.00	3,135,275.00		
4/1/15			952,025.00	952,025.00	4,087,300	2015
10/1/15	2,230,000	4.00%	952,025.00	3,182,025.00		
4/1/16			907,425.00	907,425.00	4,089,450	2016
10/1/16	2,330,000	5.00%	907,425.00	3,237,425.00		
4/1/17			849,175.00	849,175.00	4,086,600	2017
10/1/17	2,385,000	5.00%	849,175.00	3,234,175.00		
4/1/18			789,550.00	789,550.00	4,023,725	2018
10/1/18	2,505,000	5.00%	789,550.00	3,294,550.00		
4/1/19			726,925.00	726,925.00	4,021,475	2019
10/1/19	2,620,000	4.00%	726,925.00	3,346,925.00		
4/1/20			674,525.00	674,525.00	4,021,450	2020
10/1/20	2,745,000	5.00%	674,525.00	3,419,525.00		
4/1/21			605,900.00	605,900.00	4,025,425	2021
10/1/21	2,890,000	5.00%	605,900.00	3,495,900.00		
4/1/22			533,650.00	533,650.00	4,029,550	2022
10/1/22	2,875,000	5.00%	533,650.00	3,408,650.00		
4/1/23			461,775.00	461,775.00	3,870,425	2023
10/1/23	3,025,000	5.00%	461,775.00	3,486,775.00		
4/1/24			386,150.00	386,150.00	3,872,925	2024
10/1/24	3,160,000	4.00%	386,150.00	3,546,150.00		
4/1/25			322,950.00	322,950.00	3,869,100	2025
10/1/25	3,290,000	4.00%	322,950.00	3,612,950.00		
4/1/26			257,150.00	257,150.00	3,870,100	2026
10/1/26	3,425,000	4.00%	257,150.00	3,682,150.00		
4/1/27			188,650.00	188,650.00	3,870,800	2027
10/1/27	1,145,000	4.00%	188,650.00	1,333,650.00		
4/1/28			165,750.00	165,750.00	1,499,400	2028
10/1/28	1,195,000	5.00%	165,750.00	1,360,750.00		
4/1/29			135,875.00	135,875.00	1,496,625	2029
10/1/29	1,260,000	5.00%	135,875.00	1,395,875.00		
4/1/30			104,375.00	104,375.00	1,500,250	2030
10/1/30	1,325,000	5.00%	104,375.00	1,429,375.00		
4/1/31			71,250.00	71,250.00	1,500,625	2031
10/1/31	1,390,000	5.00%	71,250.00	1,461,250.00		
4/1/32			36,500.00	36,500.00	1,497,750	2032
10/1/32	1,460,000	5.00%	36,500.00	1,496,500.00	1,496,500	2033
	<u>\$ 46,810,000</u>		<u>22,433,106.67</u>	<u>69,243,106.67</u>	<u>\$ 69,243,107</u>	

**University of Alaska
General Revenue Bonds, 2011 Series Q**

Total University Debt Service and Reserve Fund Requirement

Fiscal Year	Outstanding Revenue Bonds	2011 Series Q (net of cap. interest)			Total General Revenue Bond Debt Service	Other Indebtedness (1)	Total
		Principal	Interest	Total			
2012	\$ 9,192,341	\$ -	\$ 924,582	\$ 924,582	\$ 10,116,923	\$ 1,500,000	\$ 11,616,923
2013	9,193,944	1,390,000	2,112,800	3,502,800	12,696,744	1,500,000	14,196,744
2014	8,818,524	2,035,000	2,051,250	4,086,250	12,904,774	1,500,000	14,404,774
2015	8,679,094	2,130,000	1,957,300	4,087,300	12,766,394	1,500,000	14,266,394
2016	8,789,523	2,230,000	1,859,450	4,089,450	12,878,973	1,500,000	14,378,973
2017	8,737,096	2,330,000	1,756,600	4,086,600	12,823,696	1,500,000	14,323,696
2018	8,738,623	2,385,000	1,638,725	4,023,725	12,762,348	1,500,000	14,262,348
2019	7,449,731	2,505,000	1,516,475	4,021,475	11,471,206	1,500,000	12,971,206
2020	7,444,974	2,620,000	1,401,450	4,021,450	11,466,424	1,500,000	12,966,424
2021	7,460,553	2,745,000	1,280,425	4,025,425	11,485,978	1,500,000	12,985,978
2022	7,286,177	2,890,000	1,139,550	4,029,550	11,315,727	1,500,000	12,815,727
2023	7,079,010	2,875,000	995,425	3,870,425	10,949,435	1,500,000	12,449,435
2024	5,921,046	3,025,000	847,925	3,872,925	9,793,971	1,501,365	11,295,336
2025	5,029,054	3,160,000	709,100	3,869,100	8,898,154		8,898,154
2026	4,788,279	3,290,000	580,100	3,870,100	8,658,379		8,658,379
2027	4,787,971	3,425,000	445,800	3,870,800	8,658,771		8,658,771
2028	4,788,620	1,145,000	354,400	1,499,400	6,288,020		6,288,020
2029	2,989,129	1,195,000	301,625	1,496,625	4,485,754		4,485,754
2030	1,780,474	1,260,000	240,250	1,500,250	3,280,724		3,280,724
2031	1,781,450	1,325,000	175,625	1,500,625	3,282,075		3,282,075
2032	1,139,633	1,390,000	107,750	1,497,750	2,637,383		2,637,383
2033	1,140,613	1,460,000	36,500	1,496,500	2,637,113		2,637,113
2034	1,144,481				1,144,481		1,144,481
2035	299,575				299,575		299,575
2036	301,638				301,638		301,638
	<u>\$134,761,551</u>	<u>\$ 46,810,000</u>	<u>\$ 22,433,107</u>	<u>\$ 69,243,107</u>	<u>\$ 204,004,658</u>	<u>\$ 19,501,365</u>	<u>\$ 223,506,023</u>
					Maximum Annual Debt Service	\$ 12,904,774	
					Requirement	\$ 6,452,387	
					Cash and investments, 8/12/2011	\$ 4,596,972	
					Series Q deposit	\$ 1,855,415	

**University of Alaska
General Revenue Bonds, 2011 Series Q**

Projects and Issuance Costs

Life Sciences (construction cost)		20,600,000
capitalized interest		<u>1,000,000</u>
	20 years	21,600,000
Renewal and Deferred Maintenance:		
UAF - Main Campus	15 years	15,700,000
UAF - Community Campuses	15 years	6,800,000
UAA - Main Campus	15 years	3,250,000
UAA - Community Campuses	10 years	500,000
UAS	10 years	810,500
Statewide	5 years	<u>300,000</u>
Subtotal		27,360,500
UAS - Housing and Dining Service	12 years	2,000,000

Estimated Costs of Issuance

Bond Counsel	\$	40,000
Financial Advisor		35,000
Moody's		45,000
Standard & Poor's		45,000
Trustee Fees		7,500
MuniAuction		3,750
Official Statement Printing		1,000
		<u>\$ 177,250</u>

University of Alaska
General Revenue Bonds, 2011 Series Q

Life Sciences Project

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Total</u>	<u>Fiscal Yr. Total</u>	<u>Fiscal Year</u>
4/1/12			\$ 393,336.67	\$ 393,336.67	\$ 393,337	2012
10/1/12	-	3.00%	453,850.00	453,850.00		
4/1/13			453,850.00	453,850.00	907,700	2013
10/1/13	605,000	4.00%	453,850.00	1,058,850.00		
4/1/14			441,750.00	441,750.00	1,500,600	2014
10/1/14	630,000	5.00%	441,750.00	1,071,750.00		
4/1/15			426,000.00	426,000.00	1,497,750	2015
10/1/15	660,000	4.00%	426,000.00	1,086,000.00		
4/1/16			412,800.00	412,800.00	1,498,800	2016
10/1/16	690,000	5.00%	412,800.00	1,102,800.00		
4/1/17			395,550.00	395,550.00	1,498,350	2017
10/1/17	725,000	5.00%	395,550.00	1,120,550.00		
4/1/18			377,425.00	377,425.00	1,497,975	2018
10/1/18	765,000	5.00%	377,425.00	1,142,425.00		
4/1/19			358,300.00	358,300.00	1,500,725	2019
10/1/19	800,000	4.00%	358,300.00	1,158,300.00		
4/1/20			342,300.00	342,300.00	1,500,600	2020
10/1/20	835,000	5.00%	342,300.00	1,177,300.00		
4/1/21			321,425.00	321,425.00	1,498,725	2021
10/1/21	880,000	5.00%	321,425.00	1,201,425.00		
4/1/22			299,425.00	299,425.00	1,500,850	2022
10/1/22	925,000	5.00%	299,425.00	1,224,425.00		
4/1/23			276,300.00	276,300.00	1,500,725	2023
10/1/23	970,000	5.00%	276,300.00	1,246,300.00		
4/1/24			252,050.00	252,050.00	1,498,350	2024
10/1/24	1,015,000	4.00%	252,050.00	1,267,050.00		
4/1/25			231,750.00	231,750.00	1,498,800	2025
10/1/25	1,055,000	4.00%	231,750.00	1,286,750.00		
4/1/26			210,650.00	210,650.00	1,497,400	2026
10/1/26	1,100,000	4.00%	210,650.00	1,310,650.00		
4/1/27			188,650.00	188,650.00	1,499,300	2027
10/1/27	1,145,000	4.00%	188,650.00	1,333,650.00		
4/1/28			165,750.00	165,750.00	1,499,400	2028
10/1/28	1,195,000	5.00%	165,750.00	1,360,750.00		
4/1/29			135,875.00	135,875.00	1,496,625	2029
10/1/29	1,260,000	5.00%	135,875.00	1,395,875.00		
4/1/30			104,375.00	104,375.00	1,500,250	2030
10/1/30	1,325,000	5.00%	104,375.00	1,429,375.00		
4/1/31			71,250.00	71,250.00	1,500,625	2031
10/1/31	1,390,000	5.00%	71,250.00	1,461,250.00		
4/1/32			36,500.00	36,500.00	1,497,750	2032
10/1/32	1,460,000	5.00%	36,500.00	1,496,500.00	1,496,500	2033
	<u>\$ 19,430,000</u>		<u>\$ 11,851,136.67</u>	<u>\$ 31,281,137</u>	<u>\$ 31,281,137</u>	

**University of Alaska
General Revenue Bonds, 2011 Series Q**

Debt Service on 15-Year Projects

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Total</u>	<u>Fiscal Yr. Total</u>	<u>Fiscal Year</u>
4/1/12			\$ 465,703.33	\$ 465,703.33	\$ 465,703	2012
10/1/12	1,145,000	3.00%	537,350.00	1,682,350.00		
4/1/13			520,175.00	520,175.00	2,202,525	2013
10/1/13	1,185,000	4.00%	520,175.00	1,705,175.00		
4/1/14			496,475.00	496,475.00	2,201,650	2014
10/1/14	1,240,000	5.00%	496,475.00	1,736,475.00		
4/1/15			465,475.00	465,475.00	2,201,950	2015
10/1/15	1,295,000	4.00%	465,475.00	1,760,475.00		
4/1/16			439,575.00	439,575.00	2,200,050	2016
10/1/16	1,355,000	5.00%	439,575.00	1,794,575.00		
4/1/17			405,700.00	405,700.00	2,200,275	2017
10/1/17	1,425,000	5.00%	405,700.00	1,830,700.00		
4/1/18			370,075.00	370,075.00	2,200,775	2018
10/1/18	1,495,000	5.00%	370,075.00	1,865,075.00		
4/1/19			332,700.00	332,700.00	2,197,775	2019
10/1/19	1,565,000	4.00%	332,700.00	1,897,700.00		
4/1/20			301,400.00	301,400.00	2,199,100	2020
10/1/20	1,640,000	5.00%	301,400.00	1,941,400.00		
4/1/21			260,400.00	260,400.00	2,201,800	2021
10/1/21	1,725,000	5.00%	260,400.00	1,985,400.00		
4/1/22			217,275.00	217,275.00	2,202,675	2022
10/1/22	1,810,000	5.00%	217,275.00	2,027,275.00		
4/1/23			172,025.00	172,025.00	2,199,300	2023
10/1/23	1,905,000	5.00%	172,025.00	2,077,025.00		
4/1/24			124,400.00	124,400.00	2,201,425	2024
10/1/24	1,990,000	4.00%	124,400.00	2,114,400.00		
4/1/25			84,600.00	84,600.00	2,199,000	2025
10/1/25	2,075,000	4.00%	84,600.00	2,159,600.00		
4/1/26			43,100.00	43,100.00	2,202,700	2026
10/1/26	2,155,000	4.00%	43,100.00	2,198,100.00	2,198,100	2027
	<u>\$ 24,005,000</u>		<u>\$ 9,469,803.33</u>	<u>\$ 33,474,803.33</u>	<u>\$ 33,474,803</u>	

University of Alaska
General Revenue Bonds, 2011 Series Q

Detail of 15-Year Projects

Date	UAF Main Campus				UAF Community Campuses				UAA Main Campus				Total			
	Principal	Interest	Total	Fiscal Yr. Total	Principal	Interest	Total	Fiscal Yr. Total	Principal	Interest	Total	Fiscal Yr. Total	Principal	Interest	Total	Fiscal Yr. Total
4/1/12		\$ 278,524	\$ 278,524	\$ 278,524		\$ 120,743	\$ 120,743	\$ 120,743		\$ 66,437	\$ 66,437	\$ 66,437		\$ 465,703	465,703	\$ 465,703
10/1/12	700,000	327,675	1,027,675		300,000	142,050	442,050		\$ 145,000	67,625	212,625		1,145,000	537,350	1,682,350	
4/1/13		317,175	317,175	1,344,850		137,550	137,550	579,600		65,450	65,450	278,075		520,175	520,175	2,202,525
10/1/13	725,000	317,175	1,042,175		315,000	137,550	452,550		145,000	65,450	210,450		1,185,000	520,175	1,705,175	
4/1/14		302,675	302,675	1,344,850		131,250	131,250	583,800		62,550	62,550	273,000		496,475	496,475	2,201,650
10/1/14	755,000	302,675	1,057,675		325,000	131,250	456,250		160,000	62,550	222,550		1,240,000	496,475	1,736,475	
4/1/15		283,800	283,800	1,341,475		123,125	123,125	579,375		58,550	58,550	281,100		465,475	465,475	2,201,950
10/1/15	790,000	283,800	1,073,800		340,000	123,125	463,125		165,000	58,550	223,550		1,295,000	465,475	1,760,475	
4/1/16		268,000	268,000	1,341,800		116,325	116,325	579,450		55,250	55,250	278,800		439,575	439,575	2,200,050
10/1/16	825,000	268,000	1,093,000		360,000	116,325	476,325		170,000	55,250	225,250		1,355,000	439,575	1,794,575	
4/1/17		247,375	247,375	1,340,375		107,325	107,325	583,650		51,000	51,000	276,250		405,700	405,700	2,200,275
10/1/17	870,000	247,375	1,117,375		375,000	107,325	482,325		180,000	51,000	231,000		1,425,000	405,700	1,830,700	
4/1/18		225,625	225,625	1,343,000		97,950	97,950	580,275		46,500	46,500	277,500		370,075	370,075	2,200,775
10/1/18	910,000	225,625	1,135,625		395,000	97,950	492,950		190,000	46,500	236,500		1,495,000	370,075	1,865,075	
4/1/19		202,875	202,875	1,338,500		88,075	88,075	581,025		41,750	41,750	278,250		332,700	332,700	2,197,775
10/1/19	955,000	202,875	1,157,875		415,000	88,075	503,075		195,000	41,750	236,750		1,565,000	332,700	1,897,700	
4/1/20		183,775	183,775	1,341,650		79,775	79,775	582,850		37,850	37,850	274,600		301,400	301,400	2,199,100
10/1/20	1,000,000	183,775	1,183,775		435,000	79,775	514,775		205,000	37,850	242,850		1,640,000	301,400	1,941,400	
4/1/21		158,775	158,775	1,342,550		68,900	68,900	583,675		32,725	32,725	275,575		260,400	260,400	2,201,800
10/1/21	1,050,000	158,775	1,208,775		455,000	68,900	523,900		220,000	32,725	252,725		1,725,000	260,400	1,985,400	
4/1/22		132,525	132,525	1,341,300		57,525	57,525	581,425		27,225	27,225	279,950		217,275	217,275	2,202,675
10/1/22	1,105,000	132,525	1,237,525		480,000	57,525	537,525		225,000	27,225	252,225		1,810,000	217,275	2,027,275	
4/1/23		104,900	104,900	1,342,425		45,525	45,525	583,050		21,600	21,600	273,825		172,025	172,025	2,199,300
10/1/23	1,160,000	104,900	1,264,900		505,000	45,525	550,525		240,000	21,600	261,600		1,905,000	172,025	2,077,025	
4/1/24		75,900	75,900	1,340,800		32,900	32,900	583,425		15,600	15,600	277,200		124,400	124,400	2,201,425
10/1/24	1,215,000	75,900	1,290,900		525,000	32,900	557,900		250,000	15,600	265,600		1,990,000	124,400	2,114,400	
4/1/25		51,600	51,600	1,342,500		22,400	22,400	580,300		10,600	10,600	276,200		84,600	84,600	2,199,000
10/1/25	1,265,000	51,600	1,316,600		550,000	22,400	572,400		260,000	10,600	270,600		2,075,000	84,600	2,159,600	
4/1/26		26,300	26,300	1,342,900		11,400	11,400	583,800		5,400	5,400	276,000		43,100	43,100	2,202,700
10/1/26	1,315,000	26,300	1,341,300	1,341,300	570,000	11,400	581,400	581,400	270,000	5,400	275,400	275,400	2,155,000	43,100	2,198,100	2,198,100
	<u>\$ 14,640,000</u>	<u>\$ 5,768,799</u>	<u>\$ 20,408,799</u>	<u>\$ 20,408,799</u>	<u>\$ 6,345,000</u>	<u>\$ 2,502,843</u>	<u>\$ 8,847,843</u>	<u>\$ 8,847,843</u>	<u>\$ 3,020,000</u>	<u>\$ 1,198,162</u>	<u>\$ 4,218,162</u>	<u>\$ 4,218,162</u>	<u>\$ 24,005,000</u>	<u>\$ 9,469,803</u>	<u>\$ 33,474,803</u>	<u>\$ 33,474,803</u>

**University of Alaska
General Revenue Bonds, 2011 Series Q**

10-Year Projects

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Total</u>	<u>Fiscal Yr. Total</u>	<u>Fiscal Year</u>
4/1/12			\$ 23,855.00	\$ 23,855.00	\$ 23,855	2012
10/1/12	100,000	3.00%	27,525.00	127,525.00		
4/1/13			26,025.00	26,025.00	153,550	2013
10/1/13	100,000	4.00%	26,025.00	126,025.00		
4/1/14			24,025.00	24,025.00	150,050	2014
10/1/14	105,000	5.00%	24,025.00	129,025.00		
4/1/15			21,400.00	21,400.00	150,425	2015
10/1/15	110,000	4.00%	21,400.00	131,400.00		
4/1/16			19,200.00	19,200.00	150,600	2016
10/1/16	115,000	5.00%	19,200.00	134,200.00		
4/1/17			16,325.00	16,325.00	150,525	2017
10/1/17	125,000	5.00%	16,325.00	141,325.00		
4/1/18			13,200.00	13,200.00	154,525	2018
10/1/18	130,000	5.00%	13,200.00	143,200.00		
4/1/19			9,950.00	9,950.00	153,150	2019
10/1/19	135,000	4.00%	9,950.00	144,950.00		
4/1/20			7,250.00	7,250.00	152,200	2020
10/1/20	140,000	5.00%	7,250.00	147,250.00		
4/1/21			3,750.00	3,750.00	151,000	2021
10/1/21	150,000	5.00%	3,750.00	153,750.00	153,750	2022
	<u>\$ 1,210,000</u>		<u>\$ 333,630.00</u>	<u>\$ 1,543,630.00</u>	<u>\$ 1,543,630</u>	

University of Alaska
General Revenue Bonds, 2011 Series Q

Detail of 10-Year Projects

Date	UAS				UAA -- Community Campuses				Total -- 10 Year Projects			
	Principal	Interest	Total	Fiscal Yr. Total	Principal	Interest	Total	Fiscal Yr. Total	Principal	Interest	Total	Fiscal Yr. Total
4/1/12		\$ 14,408	\$ 14,408	\$ 14,408		\$ 9,448	\$ 9,448	\$ 9,448		\$ 23,855	23,855	\$ 23,855
10/1/12	60,000	16,950	76,950		\$ 40,000	10,575	50,575		100,000	27,525	127,525	
4/1/13		16,050	16,050	93,000		9,975	9,975	60,550		26,025	26,025	153,550
10/1/13	60,000	16,050	76,050		40,000	9,975	49,975		100,000	26,025	126,025	
4/1/14		14,850	14,850	90,900		9,175	9,175	59,150		24,025	24,025	150,050
10/1/14	65,000	14,850	79,850		40,000	9,175	49,175		105,000	24,025	129,025	
4/1/15		13,225	13,225	93,075		8,175	8,175	57,350		21,400	21,400	150,425
10/1/15	70,000	13,225	83,225		40,000	8,175	48,175		110,000	21,400	131,400	
4/1/16		11,825	11,825	95,050		7,375	7,375	55,550		19,200	19,200	150,600
10/1/16	70,000	11,825	81,825		45,000	7,375	52,375		115,000	19,200	134,200	
4/1/17		10,075	10,075	91,900		6,250	6,250	58,625		16,325	16,325	150,525
10/1/17	75,000	10,075	85,075		50,000	6,250	56,250		125,000	16,325	141,325	
4/1/18		8,200	8,200	93,275		5,000	5,000	61,250		13,200	13,200	154,525
10/1/18	80,000	8,200	88,200		50,000	5,000	55,000		130,000	13,200	143,200	
4/1/19		6,200	6,200	94,400		3,750	3,750	58,750		9,950	9,950	153,150
10/1/19	85,000	6,200	91,200		50,000	3,750	53,750		135,000	9,950	144,950	
4/1/20		4,500	4,500	95,700		2,750	2,750	56,500		7,250	7,250	152,200
10/1/20	85,000	4,500	89,500		55,000	2,750	57,750		140,000	7,250	147,250	
4/1/21		2,375	2,375	91,875		1,375	1,375	59,125		3,750	3,750	151,000
10/1/21	95,000	2,375	97,375	97,375	55,000	1,375	56,375	\$ 56,375	150,000	3,750	153,750	153,750
	<u>\$ 745,000</u>	<u>\$ 205,958</u>	<u>\$ 950,958</u>	<u>\$ 950,958</u>	<u>\$ 465,000</u>	<u>\$ 127,673</u>	<u>\$ 592,673</u>	<u>\$ 592,673</u>	<u>\$ 1,210,000</u>	<u>\$ 333,630</u>	<u>\$ 1,543,630</u>	<u>\$ 1,543,630</u>

**University of Alaska
General Revenue Bonds, 2011 Series Q**

5-Year Projects -- Statewide

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Total</u>	<u>Fiscal Yr. Total</u>	<u>Fiscal Year</u>
4/1/12			\$ 5,503.33	\$ 5,503.33	\$ 5,503	2012
10/1/12	55,000	3.00%	6,350.00	61,350.00		
4/1/13			5,525.00	5,525.00	66,875	2013
10/1/13	55,000	4.00%	5,525.00	60,525.00		
4/1/14			4,425.00	4,425.00	64,950	2014
10/1/14	60,000	5.00%	4,425.00	64,425.00		
4/1/15			2,925.00	2,925.00	67,350	2015
10/1/15	65,000	4.00%	2,925.00	67,925.00		
4/1/16			1,625.00	1,625.00	69,550	2016
10/1/16	65,000	5.00%	1,625.00	66,625.00	66,625	2017
	<u>\$ 300,000</u>		<u>\$ 40,853.33</u>	<u>\$ 340,853.33</u>	<u>\$ 340,853</u>	

**University of Alaska
General Revenue Bonds, 2011 Series Q**

UAS Food Service Project

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Total</u>	<u>Fiscal Yr. Total</u>	<u>Fiscal Year</u>
4/1/12			\$ 36,183.33	\$ 36,183.33	\$ 36,183	2012
10/1/12	90,000	3.00%	41,750.00	131,750.00		
4/1/13			40,400.00	40,400.00	172,150	2013
10/1/13	90,000	4.00%	40,400.00	130,400.00		
4/1/14			38,600.00	38,600.00	169,000	2014
10/1/14	95,000	5.00%	38,600.00	133,600.00		
4/1/15			36,225.00	36,225.00	169,825	2015
10/1/15	100,000	4.00%	36,225.00	136,225.00		
4/1/16			34,225.00	34,225.00	170,450	2016
10/1/16	105,000	5.00%	34,225.00	139,225.00		
4/1/17			31,600.00	31,600.00	170,825	2017
10/1/17	110,000	5.00%	31,600.00	141,600.00		
4/1/18			28,850.00	28,850.00	170,450	2018
10/1/18	115,000	5.00%	28,850.00	143,850.00		
4/1/19			25,975.00	25,975.00	169,825	2019
10/1/19	120,000	4.00%	25,975.00	145,975.00		
4/1/20			23,575.00	23,575.00	169,550	2020
10/1/20	130,000	5.00%	23,575.00	153,575.00		
4/1/21			20,325.00	20,325.00	173,900	2021
10/1/21	135,000	5.00%	20,325.00	155,325.00		
4/1/22			16,950.00	16,950.00	172,275	2022
10/1/22	140,000	5.00%	16,950.00	156,950.00		
4/1/23			13,450.00	13,450.00	170,400	2023
10/1/23	150,000	5.00%	13,450.00	163,450.00		
4/1/24			9,700.00	9,700.00	173,150	2024
10/1/24	155,000	4.00%	9,700.00	164,700.00		
4/1/25			6,600.00	6,600.00	171,300	2025
10/1/25	160,000	4.00%	6,600.00	166,600.00		
4/1/26			3,400.00	3,400.00	170,000	2026
10/1/26	170,000	4.00%	3,400.00	173,400.00	173,400	2027
	<u>\$ 1,865,000</u>		<u>\$ 737,683.33</u>	<u>\$ 2,602,683.33</u>	<u>\$ 2,602,683</u>	

FOURTEENTH SUPPLEMENTAL INDENTURE

by and between

UNIVERSITY OF ALASKA

and

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee**

Dated as of October 1, 2011

\$ _____
UNIVERSITY OF ALASKA
GENERAL REVENUE BONDS, 2011 SERIES Q

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SUPPLEMENTAL INDENTURE

THIS FOURTEENTH SUPPLEMENTAL INDENTURE (the "Supplemental Indenture"), dated as of October 1, 2011, between the UNIVERSITY OF ALASKA (the "University"), a public corporation and governmental instrumentality of the State of Alaska, created and existing under Section 2 of Article VII of the Alaska Constitution and Chapter 40 of Title 14 of the Alaska Statutes, and The Bank of New York Mellon Trust Company, N.A., a national banking association (the "Trustee").

WITNESSETH:

WHEREAS, the University and the predecessor to the Trustee entered into a Trust Indenture dated as of June 1, 1992, as amended (the "Indenture") to secure the University's General Revenue Bonds (the "Bonds"); and

WHEREAS, under the terms of the Indenture, the University and the Trustee may enter into a supplemental indenture from time to time to authorize the issuance of one or more Series of Bonds; and

WHEREAS, the University has issued fifteen Series of Bonds under the Indenture (collectively, the "Prior Bonds"); and

WHEREAS, it is the purpose of this Fourteenth Supplemental Indenture to authorize the issuance of the University's General Revenue Bonds, 2011 Series Q, in the principal amount of \$ _____ (the "2011 Bonds"); and

WHEREAS, the University will use proceeds of the 2011 Bonds to pay costs associated with the Projects, to pay capitalized interest on the 2011 Bonds, to make a deposit to the Reserve Fund if no Reserve Equivalent is used to satisfy the Reserve Requirement, and to pay costs associated with the issuance of the 2011 Bonds, all as more fully described herein; and

WHEREAS, Additional Bonds of a Series having an equal lien on Revenues with the Prior Bonds may be issued under Section 206(b) of the Indenture upon delivery to the Trustee a Certificate stating that the University's Revenues for the fiscal year preceding the issuance of Additional Bonds is at least 2.0 times the maximum aggregate debt service that will be due at any time after the issuance of the Additional Bonds and the appropriate Authorized Officer has determined that the certificate may be issued; and

WHEREAS, in order to provide for the authentication and delivery of the 2011 Bonds, to establish and declare the terms and conditions upon which the 2011 Bonds are

to be issued and secured, and to secure the payment of the principal thereof and of the interest thereon, the University has authorized the execution and delivery of this Fourteenth Supplemental Indenture;

WHEREAS, all acts and proceedings required by law necessary to make the 2011 Bonds, when executed and duly issued by the University and authenticated and delivered by the Trustee, the valid, binding, and legal obligations of the University, and to constitute the Indenture and this Fourteenth Supplemental Indenture valid and binding agreements for the uses and purposes therein and herein set forth, in accordance with their terms, have been done and taken; and the execution and delivery of the Indenture and this Fourteenth Supplemental Indenture have been in all respects duly authorized;

NOW, THEREFORE, THIS FOURTEENTH SUPPLEMENTAL INDENTURE WITNESSETH, that in order to secure the payment of the principal or redemption price of, and the interest on, all 2011 Bonds at any time issued and outstanding under this Fourteenth Supplemental Indenture, according to their tenor, and to secure the performance and observance of all the covenants therein and herein set forth, and to declare the terms and conditions upon and subject to which the 2011 Bonds are to be issued and delivered, and for and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the 2011 Bonds by the owners thereof, and for other valuable consideration, to provide additional covenants and agreements not contrary to or inconsistent with the Indenture, the receipt whereof is hereby acknowledged, the University covenants and agrees with the Trustee, for the benefit of the respective owners from time to time of the 2011 Bonds, and the Bonds, as follows:

ARTICLE I – DEFINITIONS

Section 101 – Definitions.

(a) All defined terms contained in the Indenture shall have the same meanings, respectively, in this Fourteenth Supplemental Indenture as such defined terms are given in Section 101 of the Indenture.

(b) In addition, as used in this Fourteenth Supplemental Indenture, unless the context shall otherwise require, the following terms shall have the following respective meanings:

"Investment Securities" means any of the following:

(a) direct general obligations of the United States of America and obligations (including obligations of any federal agency or corporation) the timely payment of the principal and interest on which, by act of the Congress of the United States or in the opinion of the Attorney General of the United States in office at the time such obligations

were issued, are fully and unconditionally guaranteed by the full faith and credit of the United States of America, or so long as at the time of their purchase such investments will not adversely affect the then-current ratings, if any, assigned to the Bonds by each Rating Agency, any other evidences of an ownership interest in obligations or in specified portions thereof (which may consist of specified portions of the interest thereon) of the character described in this subparagraph (a);

(b) any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which at the time of their purchase under this Fourteenth Supplemental Indenture are rated in one of the two highest rating categories of each Rating Agency;

(c) bonds, debentures, participation certificates (representing a timely guaranty of principal and interest), notes or similar evidences of indebtedness of any of the following: Financing Corporation, Federal Home Loan Bank System, Federal Farm Credit Bank, Fannie Mae (excluding "stripped" securities), Federal Home Loan Mortgage Corporation, Resolution Funding Corporation, Government National Mortgage Association;

(d) public housing bonds issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States of America; or temporary notes, preliminary notes or project notes issued by public agencies or municipalities, in each case fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States of America; provided, however, that any investment purchased pursuant to this subparagraph (d) shall be rated in one of the two highest rating categories of each Rating Agency;

(e) prime commercial paper of a corporation incorporated under the laws of any state of the United States of America, having at the time of their purchase under this Fourteenth Supplemental Indenture a rating in one of the two highest rating categories from each Rating Agency;

(f) interest-bearing time deposits, certificates of deposit, including those placed by a third party pursuant to any agreement between the Trustee and the University, interest bearing money market accounts, overnight bank deposits, trust funds, trust accounts, bankers' acceptances, or other similar banking arrangements with banks (which may include any fiduciary or the Trustee or any of its affiliates), provided that such deposits are made with banks rated in one of the two highest rating categories by each Rating Agency at the time the deposit is made or are fully FDIC insured;

(g) shares of a diversified open-end management investment company as defined in the Investment Company Act of 1940, which is a money market fund, which are rated (which rating shall, in the case of S&P, have a subscript of "m" or "m-G") at the time

of their purchase by each Rating Agency no lower than the two highest rating categories assigned to the Bonds by the Rating Agency;

(h) shares of a diversified open-end management investment company as defined in the Investment Company Act of 1940, that invests in the Investment Securities described in subparagraphs (a), (b) and (c) above, provided that such fund shall have at the time of investment in such fund at least one of the highest ratings available from each Rating Agency including, without limitation any mutual fund for which the Trustee or an affiliate of the Trustee serves as investment manager, administrator, shareholder servicing agent, and/or custodian or subcustodian, notwithstanding that (i) the Trustee or an affiliate of the Trustee receives fees from funds for services rendered, (ii) the Trustee collects fees for services rendered pursuant to this Indenture, which fees are separate from the fees received from such funds, and (iii) services performed for such funds and pursuant to this Supplemental Indenture may at times duplicate those provided to such funds by the Trustee or an affiliate of the Trustee;

(i) repurchase or reverse repurchase agreements (including those of the Trustee or its affiliates) for obligations of the type specified in subparagraphs (a) and (c) above, provided that either (a) the repurchase agreement is an unconditional obligation of the counterparty and such counterparty (or an affiliated guarantor) is rated at the time of its purchase by each Rating Agency no lower than the rating assigned to the Bonds by such Rating Agency, or (b) the repurchase agreement is an obligation of a counterparty that is rated at the time of its purchase by each Rating Agency in an investment grade category and is collateralized by obligations which (i) are marked to market at intervals, (ii) have a value equal to not less than the percentage of the amount thereby secured, and (iii) have such additional legal requirements specified by each Rating Agency, taking into account the maturity of such obligations;

(j) any investment agreement with a bank, bank holding company, insurance company or other financial institution rated at the time such investment is made by each Rating Agency no lower than one of the two highest rating categories from each Rating Agency or guaranteed by an entity rated by each Rating Agency no lower than the two highest categories of rating assigned from each Rating Agency rating such Bonds; and

(k) any other investment securities of Rating Quality.

"Rating Quality" means, with respect to the Bonds and in the determination of the University, having terms, conditions and/or a credit quality such that the item stated to be of "Rating Quality" will not impair the ability of the University to obtain the ratings received with respect to the Bonds and will not cause any such rating agency to lower or withdraw the rating it has assigned to the Bonds.

"2011 Bonds" means the Bonds of the University authorized by this Supplemental Indenture and herein designated "General Revenue Bonds, 2011 Series Q," in the principal amount of \$_____.

ARTICLE II – AUTHORIZATION, TERMS, AND ISSUANCE

Section 201 – Authorization, Principal Amount, Description, and Series.

In order to provide funds necessary for the purposes specified in Section 207 of the Indenture, in accordance with and subject to the terms, conditions, and limitations established herein and in the Indenture, a Series of General Revenue Bonds is hereby authorized to be issued in the aggregate principal amount of not to exceed \$54,000,000. The Bonds of such Series shall be designated and entitled "General Revenue Bonds, 2011 Series Q."

Section 202 – Purpose.

The purpose for which the 2011 Bonds are being issued is to provide funds (i) to pay the Cost of Acquisition or Construction of the Projects, or a portion thereof, as described in Exhibit B attached hereto, (ii) to provide funds for the deposit in the Reserve Fund (provided the Reserve Requirement is not satisfied with a Reserve Equivalent), and (iii) to pay the costs of issuing the 2011 Bonds, including the purchasers' discount and bond insurance premium, if any.

Section 203 – Issue Date and Form.

The 2011 Bonds shall be dated as of the date the 2011 Bonds are delivered to the purchaser thereof. The 2011 Bonds and the Trustee's certificate of authentication are to be in substantially the forms thereof set out in Exhibit A with such necessary or appropriate variations, omissions, and insertions as are permitted by the Indenture.

The 2011 Bonds shall be issued in the denomination of \$5,000 or any integral multiple thereof. The 2011 Bonds shall be issued initially in the form of a separate, single, authenticated, fully registered Bond for each maturity. Upon issuance, the ownership of such 2011 Bonds shall be registered in the registry books kept by the Trustee in the name of Cede & Co., as nominee for The Depository Trust Company, the Bond Depository as provided in Section 306 of the Indenture.

Section 204 – Denominations, Maturities, and Interest Rates.

The 2011 Bonds shall mature on October 1 in the following years, and bear interest from their date, payable on April 1, 2011, and semiannually thereafter on October 1 and April 1 in each year, at the rates per annum set opposite such years in the following table:

2011 Series Q Bonds

<u>Maturity Date</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Maturity Date</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>
2012	\$	%	2023		%
2013			2024		
2014			2025		
2015			2026		
2016			2027		
2017			2028		
2018			2029		
2019			2030		
2020			2031		
2021			2032		
2022					

The 2011 Bonds shall be issued in registered form in the denomination of \$5,000 or any integral multiple thereof, not exceeding the aggregate principal of the Bonds authorized herein. The 2011 Bonds shall be numbered serially with any additional designation that the Trustee deems appropriate.

Section 205 – Redemption.

The 2011 Bonds maturing on or after October 1, 2022, are subject to redemption, either as a whole or in part in any order of maturity selected by the University, on any date, which shall be selected by the University, subject to the provisions of, and in accordance with, the Indenture on or after October 1, 2021, and prior to their respective maturities, upon notice as provided in the Indenture, at a Redemption Price equal to the principal amount thereof plus accrued interest to the date of redemption.

Section 206 – Purchase of 2011 Bonds.

The Trustee shall purchase 2011 Bonds at such times, for such prices, and in such amounts as the University shall from time to time direct in writing. Provided, however, no purchase of 2011 Bonds shall be made by the Trustee within the period of forty-five days next preceding any date on which such 2011 Bonds are subject to redemption. And, if the 2011 Bond to be purchased is a term bond, and less than all of the principal amount of such term bond is being purchased, the Trustee shall credit such purchase, on a pro rata basis, to each outstanding sinking fund installment due under such term bond.

ARTICLE III – EXECUTION AND DELIVERY

Section 301 – Execution and Delivery of 2011 Bonds.

After their execution by the University and authentication by the Trustee in accordance with Section 303 of the Indenture, and upon satisfaction of the conditions contained in the Indenture, the 2011 Bonds shall be delivered to the Purchaser in accordance with the terms of the Official Notice of Sale.

ARTICLE IV – DISPOSITION OF PROCEEDS

Section 401 – Interest Account.

There is hereby created in the Interest Account a subaccount to pay costs of issuance (the "Series Q Costs of Issuance Subaccount"). The Trustee shall transfer on the date of issuance of the 2011 Bonds to the Series Q Costs of Issuance Subaccount \$_____ from the proceeds of the 2011 Bonds. Amounts held in the Series Q Costs of Issuance Subaccount shall be applied at the direction of the University to the payment of costs of issuance of the 2011 Bonds. The Trustee shall also deposit into the Series Q Costs of Issuance Subaccount such additional amounts as may be delivered to the Trustee by the University for such purpose. Any amount remaining in the Series Q Costs of Issuance Subaccount ninety (90) days following the date of issuance of the 2011 Bonds shall be applied to the payment of interest on the 2011 Bonds on the next interest payment date for the 2011 Bonds.

Section 402 – Construction Fund.

There is hereby created in the Construction Fund, a "2011 Account." Proceeds of the 2011 Bonds totaling \$_____ shall be deposited in the 2011 Account and applied by the University to pay Costs of Acquisition on Construction of the Projects described in Exhibit B. The establishment of the 2011 Account shall be for the benefit of the University, and the University may enforce payment herefrom upon compliance with the procedures set forth in the Indenture.

Section 403 – Reserve Fund.

The Trustee shall transfer on the date of issuance \$_____ of the proceeds of the 2011 Bonds to the Reserve Fund. The University hereby covenants and agrees that upon the date of issuance of the 2011 Bonds, the amount held in the Reserve Fund will be an amount equal to the Reserve Fund Requirement. The Reserve Requirement may be satisfied with Bond proceeds, cash, a Reserve Equivalent, or a combination thereof.

ARTICLE V – BOOK-ENTRY

Section 501 – Book-Entry.

The 2011 Bonds shall be issued in book entry form pursuant to Section 306 of the Indenture. The Bond Depository shall initially be The Depository Trust Company.

ARTICLE VI – MISCELLANEOUS

Section 601 – Effective Date.

This Fourteenth Supplemental Indenture shall be effective as of the date first above written.

Section 602 – Counterparts.

This Fourteenth Supplemental Indenture may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the University has caused this Fourteenth Supplemental Indenture to be executed by its Vice President for Finance and Administration and Chief Financial Officer and its official seal to be impressed hereon, and the Trustee has caused this Fourteenth Supplemental Indenture to be executed by one of its Authorized Signatories, all as of the day and year first above written.

UNIVERSITY OF ALASKA

[SEAL]

By: _____
JOSEPH TRUBACZ
Vice President for Finance and
Administration and Chief Financial
Officer

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.,
as Trustee

By: _____
KATHLEEN GYLLAND
Vice President

EXHIBIT A

[FORM OF SERIES Q BOND]

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

**UNIVERSITY OF ALASKA
General Revenue Bond, 2011 Series Q**

Interest Rate: _____

Maturity Date: _____

Principal Amount: \$ _____

CUSIP No. _____

UNIVERSITY OF ALASKA (the "University"), a public corporation of the State of Alaska organized and existing under and by virtue of the laws of the State of Alaska, acknowledges itself indebted to, and for value received hereby promises to pay to Cede & Co. or registered assigns, but only from the sources hereinafter provided for, the Principal Amount specified above on the Maturity Date specified above, upon presentation and surrender of this bond at the designated corporate trust office of The Bank of New York Mellon Trust Company, N.A., a national banking association, (the "Trustee") or such other place designated by the Trustee, and to pay to the registered owner hereof interest on such principal sum from the date hereof at the rate per annum specified above, payable April 1, 2012, and thereafter on the first days of October and April in each year. Payment of interest will be made by check or draft mailed on such interest payment date to the registered owner at the address appearing on the bond register of the University kept at the corporate trust office of the Trustee; provided that if this bond is held in fully immobilized form, payment of interest shall be made by wire transfer. Both principal of and interest on this bond are payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts.

This bond is one of a duly authorized issue of bonds of the University designated "General Revenue Bonds," issued pursuant to Chapter 40 of Title 14 of the Alaska Statutes, as amended (the "Act"), and equally and ratably secured under a Trust Indenture, dated as of June 1, 1992, as amended, from the University to the Trustee, and a Fourteenth Supplemental Indenture authorizing the General Revenue Bonds, 2011 Series Q (the "2011 Bonds") (said Trust Indenture and Fourteenth Supplemental Indenture being

herein called the "Indenture"). Copies of the Indenture are on file at the office of the University and at the corporate trust office of the Trustee, and reference to the Indenture and any and all supplements thereto and modifications and amendments thereof and to the Act is made for a description of the pledges and covenants securing the 2011 Bonds; the nature, extent and manner of enforcement of such pledges; the rights and remedies of the registered owners of the 2011 Bonds with respect thereto, and the terms and conditions upon which the 2011 Bonds are issued and may be issued thereunder, to all of the provisions of which the registered owner of the 2011 Bonds, by its acceptance of this 2011 Bond, consents and agrees. To the extent and in the manner permitted by the terms of the Indenture, the provisions of the Indenture or any Indenture amendatory thereof or supplemental thereto may be modified or amended by the University, with the written consent of the owners of at least a majority in principal amount of the bonds then outstanding and, in case less than all of the several series of bonds would be affected thereby, with such consent of the owners of at least a majority in principal amount of the bonds of each series so affected then outstanding.

As provided in the Indenture, the 2011 Bonds are special obligations, which are revenue obligations of the University, and are secured as to payment of the principal and redemption price thereof, and interest thereon, in accordance with their terms and the provisions of the Indenture. The University is obligated to pay the principal of and interest on the 2011 Bonds only from revenues or funds of the University pledged therefor under the Indenture, and the State of Alaska is not obligated to pay such principal or interest on the 2011 Bonds. Neither the faith and credit nor the taxing power of the State of Alaska is pledged to the payment of the principal of or interest on the 2011 Bonds.

The 2011 Bonds are transferable as provided in the Indenture, only upon the books of the University kept for the purpose at the above-mentioned office of the Trustee, by the registered owner hereof in person, or by its duly authorized attorney, upon surrender of this 2011 Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or its duly authorized attorney, and thereupon a new registered 2011 Bond or 2011 Bonds, and in the same aggregate principal amount, shall be issued to the transferee in exchange therefor as provided in the Indenture, and upon payment of the charges therein prescribed. The University, the Trustee and any Paying Agent may deem and treat the person in whose name the 2011 Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

The 2011 Bonds maturing on or after October 1, 20__, shall be subject to redemption, either as a whole or in part in any order of maturity selected by the University, on any date, which shall be selected by the University or the Trustee, subject to the provisions of, and in accordance with, the Indenture on or after October 1, 20__, and prior to their respective maturities, upon notice as provided in the Indenture, at a Redemption Price equal to the principal amount thereof plus accrued interest to the date of redemption.

If less than all the 2011 Bonds of like maturity are to be redeemed, the particular 2011 Bonds to be redeemed shall be selected by lot by the Trustee. Notice of redemption will be mailed to each registered owner of 2011 Bonds called for redemption. Interest on such 2011 Bonds or portions thereof so called for redemption will cease to accrue as of the redemption date.

The 2011 Bond shall not be entitled to any benefit under the Indenture or be valid or become obligatory for any purpose until the 2011 Bonds shall have been authenticated by the execution by the Trustee of the Trustee's Certificate of Authentication hereon.

It is hereby certified and recited that all conditions, acts, and things required by law and the Indenture to exist, to have happened, and to have been performed precedent to and in the issuance of the 2011 Bonds, exist, have happened and have been performed and that the issue of the 2011 Bonds of which this is one, together with all other indebtedness of the University, complies in all respects with the applicable laws of the State of Alaska, including, particularly, the Act and is within every debt and other limit prescribed by said laws of the State of Alaska.

IN WITNESS WHEREOF, the University of Alaska has caused this 2011 Bond to be signed in its name and on its behalf by the signature of its Vice President for Finance and Administration and Chief Financial Officer, and its corporate seal to be impressed hereon and attested by the signature of its Controller.

DATED: October __, 2011.

UNIVERSITY OF ALASKA

ATTEST:

JOSEPH TRUBACZ
Vice President for Finance and
Administration and Chief Financial Officer

MYRON J. DOSCH
Controller

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This bond is one of the University of Alaska's General Revenue Bonds, 2011 Series Q, delivered pursuant to the within mentioned Indenture and Supplemental Indenture.

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.,
as Trustee

Authorized Officer

[FORM OF ASSIGNMENT]

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers [Please print or typewrite Name and Address of Transferee] the within Bond and all rights thereunder and hereto irrevocably constitutes and appoints _____ attorney to register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

SIGNATURE GUARANTEED:

NOTICE: Signature(s) must be guaranteed by a member of the New York Stock Exchange or a commercial bank or trust company.

EXHIBIT B

DESCRIPTION OF PROJECTS

Proceeds of the 2011 Bonds will be used by the University to finance certain capital projects as set forth below:

UAF Life Sciences Project

This project includes approximately 100,000 square feet of new classrooms and laboratories, expansion of the University's utility plant to provide service to the new facility and relocation of a greenhouse facility that is currently on site.

Infrastructure Renewal and Deferred Maintenance Projects

These projects include capital repairs, replacement, renovations and improvements to University owned infrastructures located throughout Alaska. The projects principally consist of roof replacements, co-generation power plant system replacements, electrical system upgrades, heating and ventilation system replacements, and classroom renovations.

UAS Food Service Facilities

This project consists of alterations to existing facilities to provide food service capacity as part of student housing at the Juneau campus.

**NOTICE OF SALE
AND BIDDING INSTRUCTIONS**

\$51,605,000*
UNIVERSITY OF ALASKA
GENERAL REVENUE BONDS, 2011 Series Q

THE SALE

Bonds Offered for Sale at Competitive Bidding. The University of Alaska (the "University") is offering for sale its \$51,605,000* General Revenue Bonds, 2011 Series Q (the "2011 Series Q Bonds").

Manner of Submission of Bids. All bids must be submitted in their entirety on Grant Street Group's MuniAuction Web site ("**MuniAuction**") located at "www.GrantStreet.com" pursuant to this Notice on Wednesday, October 5, 2011, beginning 10:30 a.m. until 11:00 a.m. Central Time, unless otherwise extended by the two-minute rule described herein.

No other provider of electronic bidding services and no other means of delivery (i.e. telephone, telefax, personal delivery bids, etc.) will be accepted. Bidders may change and submit bids as many times as they like during the auction; provided, however, each submitted bid, other than a bidder's initial bid, must result in a lower true interest cost ("TIC") when compared to the immediately preceding bid of such bidder. If any bid in the auction becomes a leading bid two minutes prior to the end of the auction, then the auction will be automatically extended by two minutes from the time such bid was received by MuniAuction. The auction end time will continue to be extended, indefinitely, until a single leading bid remains the leading bid for at least two minutes. The last bid submitted by a bidder before the end of the auction will be compared to all other final bids submitted by others to determine the winning bidder. During the bidding, no bidder will see any other bidder's bid, but each bidder will be able to see its ranking (i.e., "Leader," "Cover," "3rd," etc.). For further information about **MuniAuction**, potential bidders may contact **MuniAuction** at (412) 391-5555 x370. If any provision of this Notice of Sale conflicts with information provided by any other source, including MuniAuction, this Notice of Sale shall control.

To bid via the **MuniAuction** website, bidders must have both (1) completed the registration form on the **MuniAuction** website; and (2) requested and received admission to the University's auction, both as more fully described herein under "Registration and Admission to Bid." The use of **MuniAuction** shall be at the bidder's risk, and the University shall have no liability with respect thereto.

Bidders will bear all risks associated with the submission of electronic bids, including but not limited to any lack of confidentiality prior to bid opening, the risk of a failed transmission or failure of the entire bid to be received by the designated time, or any inaccuracies that may result from lack of clarity from the electronic bid. Each prospective bidder who intends to place a bid shall be solely responsible to make necessary arrangements to access **MuniAuction** for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Notice of Sale. The University

* Preliminary, subject to change, as described in "Adjustment of Maturities" herein.

shall have no duty or obligation to provide or assure access to **MuniAuction** to any prospective bidder. The University shall not be responsible for a bidder's failure to bid electronically or have any liability for any delays or interruptions caused by placing the bid electronically.

Award of the 2011 Series Q Bonds. A bidder submitting a winning bid is irrevocably obligated to purchase the 2011 Series Q Bonds at the rates and prices of the winning bid, if accepted by the University. The University will award the 2011 Series Q Bonds (or all bids will be rejected) before 4:00 p.m. Central Time on Wednesday, October 5, 2011, to the responsible bidder complying with the terms of this Notice of Sale and offering to purchase the 2011 Series Q Bonds at the lowest true interest cost to the University.

The true interest cost of each bid will be computed by MuniAuction and reported on the Observation Page of the MuniAuction webpage immediately following the time for receipt of bids. These true interest costs are subject to verification by the University's Financial Advisor, will be posted for information purposes only and will not signify an actual award of any bid or an official declaration of the winning bid. The University or its Financial Advisor will notify the bidder to whom the Bonds will be awarded, if and when such award is made. If an award is made, the University will provide a written confirmation of the final par amount, maturities and purchase price after the adjustments described in "Adjustment of Maturities" herein. The winning bidder will be asked to sign the confirmation, in the form shown in Exhibit A – Official Confirmation Form (internet sale) and return it to the Financial Advisor via telefax (847 920-1679) or email (danmunikaplan@att.net) by 5:00 p.m. Central Time on the day of the sale.

The winning bidder will be required to make the standard filings and maintain the appropriate records routinely required pursuant to MSRB Rules G-8, G-11 and G-36. The winning bidder will be required to pay the standard MSRB charge for Bonds purchased. In addition, the winning bidder who is a member of the Securities Industry and Financial Markets Association ("SIFMA") will be required to pay SIFMA's standard charge per bond.

Basis of Award. The 2011 Series Q Bonds will be awarded to the bidder whose bid produces the lowest true interest cost. The true interest cost will be that annual interest rate, which, when compounded semiannually and used to discount all payments of principal and interest payable on the 2011 Series Q Bonds under such proposal to October 25, 2011 (the expected delivery date for the 2011 Series Q Bonds), results in an amount equal to the purchase price for the 2011 Series Q Bonds. If two or more bids provide the same lowest true interest cost, the first confirmed bid received by MuniAuction prevails.

The University reserves the right to reject any and all bids, to waive any irregularity or informality in any bid, to take any action adjourning or postponing the sale of the 2011 Series Q Bonds or to take any other action that the University may deem to be in its best interests. In the event that the University rejects all bids, notice of a new sale date, if any, will be carried on the Amendments page of the MuniAuction website.

The 2011 Series Q Bonds

Bond Details. Subject to modification by the University as described herein, the 2011 Series Q Bonds will mature on October 1 in the years and in the principal amounts, as follows:

<u>Due</u>	<u>Amount*</u>	<u>Due</u>	<u>Amount*</u>	<u>Due</u>	<u>Amount*</u>
2012	\$	2019	\$	2026	
2013		2020		2027	
2014		2021		2028	
2015		2022		2029	
2016		2023		2030	
2017		2024		2031	
2018		2025		2032	

The 2011 Series Q Bonds will be dated as of their delivery date (which is expected to be on October 25, 2011) and will bear interest from their dated date, payable on April 1, 2012, and semiannually thereafter on April 1 and October 1 of each year. Interest will be computed upon the basis of a 360 day year of twelve 30 day months. Any consecutive maturities may be aggregated into term bonds at the option of the bidder, as further described in “Optional Designations of Term Bonds and Mandatory Sinking Fund Redemption” herein.

Adjustment of Maturities. The University reserves the right to change the aggregate principal amount of the 2011 Series Q Bonds by 10% and to change the principal amount of each maturity in increments of \$5,000 and in an amount that does not exceed \$400,000 of the principal amount of such maturity as shown in the schedule of maturities, provided that any such changes shall not, in the aggregate cause the total principal amount of 2011 Series Q Bonds to exceed \$54,000,000. Notice of any adjustment shall be given to the successful bidder by 2:00 p.m. Central Time on the day of the sale.

In the event of such adjustment, no rebidding or recalculation of the Bids will be permitted or required.

In the event of an adjustment in the amount of the maturities, the purchase price of the 2011 Series Q Bonds will be computed by taking the par amount of the 2011 Series Q Bonds and (1) either subtracting the aggregate original issue discount or adding the aggregate original issue premium, as applicable, computed on the adjusted par amounts of each maturity of the 2011 Series Q Bonds and the re-offering prices provided by the winning bidder, and (2) subtracting the amount of the bond insurance premium, if any, and (3) subtracting the amount obtained by multiplying the per bond dollar amount of the underwriter’s discount by the adjusted par amount of the 2011 Series Q Bonds. For purposes of computing the purchase price, the insurance premium is not considered part of the underwriter’s discount.

The 2011 Series Q Bonds of each maturity, as adjusted, will bear interest at the same rate and must have the same initial reoffering price as specified for that maturity immediately after award of the 2011 Series Q Bonds to the successful bidder for 2011 Series Q Bonds. However, the award will be

* Preliminary, subject to change, as described in “Adjustment of Maturities” herein.

made to the bidder whose bid produces the lowest true interest cost, calculated as specified above, solely on the basis of the 2011 Series Q Bonds offered, without taking into account any adjustment in the amounts pursuant to this section.

Optional Designations of Term Bonds and Mandatory Sinking Fund Redemption. Any bidder may, at its option, designate term bonds which are subject to mandatory sinking fund redemption in consecutive years immediately preceding the maturity thereof (a "Term Bond") as designated in the bid of such bidder. In the event that the bid of the successful bidder specifies that any maturity of the Series 2011 Q Bonds will be a Term Bond, such Term Bond will be subject to mandatory sinking fund redemption on October 1 in each applicable year, in the principal amount for such year as set forth herein under the heading "Bond Details," or as adjusted as provided herein, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest to the redemption date, without premium.

Immobilization of the 2011 Series Q Bonds. The 2011 Series Q Bonds will be issued in fully registered form in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC") as registered owner of the 2011 Series Q Bonds. A book-entry system will be employed by DTC evidencing ownership of the 2011 Series Q Bonds in principal amounts of \$5,000 or any integral multiple thereof, with transfers of beneficial ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC.

Payment of interest and principal (either at maturity or on a sinking fund payment date) on the 2011 Series Q Bonds will be made to DTC or its nominee as registered owner of the 2011 Series Q Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC. Transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and persons acting through such participants (the "Participants"), and other nominees of beneficial owners. The University will not be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, the payment by DTC or a Participant of principal of or interest on the 2011 Series Q Bonds, any notice to bondholders or any consent given or other action taken by DTC as the registered owner of the 2011 Series Q Bonds.

Optional Redemption. The 2011 Series Q Bonds maturing on or after October 1, 2022 are subject to redemption at the option of the University, either as a whole or in part, in any order of maturity, on any date which shall be selected by the University, subject to the provisions of, and in accordance with the Indenture, on or after October 1, 2021, at a redemption price equal to the principal amount thereof with interest accrued to the redemption date.

Security for the 2011 Series Q Bonds. The Bonds are special and limited obligations of the University payable from and secured by a pledge of and security interest in the Revenues of the University as described in the Preliminary Official Statement and fully set forth in the Indenture and supplements referred to therein. The Indenture, as supplemented, provides that the University may issue additional bonds in the future for its corporate purposes which may be secured by the pledge set forth therein. The Bonds are not general obligations of the University.

Interest Rates and Bid Price. The 2011 Series Q Bonds will be sold in one block on an "all or none" basis. No bid will be considered to purchase the 2011 Series Q Bonds if the price is either less than 98.0% or more than _____% of the principal amount of the 2011 Series Q Bonds. In addition,

the reoffering price of any individual maturity of the 2011 Series Q Bonds maturing on or after October 1, 2022 may not be less than 98.00%. Bidders are invited to name the rate(s) of interest to be borne by the 2011 Series Q Bonds, provided that each rate bid must be a multiple of one-eighth (1/8) of one percent (1%) or one-hundredth (1/100) of one percent (1%). No bid offering an interest rate for any maturity in excess of five percent (5.00%) will be considered. All 2011 Series Q Bonds of one maturity must bear one and the same interest rate. The use of split or supplemental interest coupons will not be considered and a zero rate or blank rate will not be permitted. All 2011 Series Q Bonds maturing on the same date shall bear the same rate of interest.

Option to Insure the Bonds. The University has submitted information to Assured Guaranty Municipal and Assured Guaranty Corporation regarding the 2011 Series Q Bonds. The bidding is permitted either with or without bond insurance at the discretion of the bidder. In either event, the winning bid will be selected on the basis of the lowest true interest cost to the University, and in all cases the insurance premium will be paid by the bidder. If the successful bid includes bond insurance, the Official Statement will include the necessary information in the Official Statement. Regardless, no additional security beyond that described in the Preliminary Official Statement and the Indenture, as supplemented will be allowed, nor will any additional annual financial information be provided, other than what is detailed in Appendix D of the Preliminary Official Statement. Failure of a bond insurer to provide insurance for the 2011 Series Q Bonds will not release the successful bidder from its obligation to purchase the 2011 Series Q Bonds.

Reoffering Price. The successful bidder will be required to provide the University by noon Central Time on the sale date with information as to the initial offering price (the "first offer price") of the 2011 Series Q Bonds to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). At the time of delivery of the 2011 Series Q Bonds, the successful bidder will be required to provide a certificate that as of the sale date (i) an amount at least equal to 10 percent of each maturity of the Bonds was sold to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at prices no higher than, or yields no lower than, those shown on the cover of the Official Statement, and (ii) based on its assessment of the then prevailing market conditions, it had no reason to believe that any of the Bonds would be intentionally sold to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at prices higher than the respective prices, or at yields less than the respective yields, shown on the cover of the Official Statement.

Registration and Admission to Bid. To bid by **MuniAuction**, bidders must first visit the **MuniAuction** website where, if they have never registered with **MuniAuction** or one of its private label websites, they can register and then request admission to bid on the 2011 Series Q Bonds. Only entities having DTC clearing arrangements and that are NASD registered broker-dealers and dealer banks will be eligible to bid.

Rules of MuniAuction. The Rules of **MuniAuction** can be viewed on the **MuniAuction** website. Bidders must comply with the rules of **MuniAuction** in addition to the requirements of this Notice of Sale. In the event the rules of **MuniAuction** conflict with this Notice of Sale, this Notice of Sale shall prevail.

Good Faith Deposit. A Good Faith Deposit in the amount of \$500,000 is required for the 2011 Series Q Bonds. The Good Faith Deposit shall be in the form of either certified, treasurer or cashier's check made payable to the "University of Alaska," a wire transfer or a Financial Surety Bond submitted prior to the opening of bids to the University in care of Kaplan Financial Consulting, Inc., 1215 Washington Avenue, Suite 205, Wilmette, Illinois 60091. Wire instructions can be obtained by contacting the Financial Advisor at (847) 920-1670 and such wire must be received and confirmed by the Bank of New York Mellon Trust Company, N.A., Trustee, no later than 10:00 a.m. Central Time on the day of the sale. If a certified, treasurer or cashier's check, it must be provided to the Financial Advisor no later than 10:00 a.m. Central Time on the day of the sale.

If a Financial Surety Bond is used, it must be from either Sure-Bid or an insurance company licensed to issue such a bond in the State of Alaska and preapproved by the University. The Financial Surety Bond must identify each bidder whose deposit is guaranteed by such Financial Surety Bond. If the 2011 Series Q Bonds are awarded to a bidder using a Financial Surety Bond, then that purchaser is required to submit its deposit to the University in the form of a cashier's check or wire transfer to such account as instructed by the University in immediately available funds in an amount equal to the Good Faith Deposit not later than 3:30 p.m. Central Time on the next business day following the award. If such deposit is not received by that time, the University may draw upon the Financial Surety Bond to satisfy the deposit requirement.

Each Good Faith Deposit in a form other than a Financial Surety Bond shall be returned promptly if the bid is not accepted. The Good Faith Deposit of the successful bidder will be cashed by the University to ensure the successful bidder's compliance with the terms of its bid and the Notice of Sale and Bidding Instructions, and will be applied to the purchase price on the date of delivery of the 2011 Series Q Bonds. No interest on the Good Faith Deposit will accrue to the purchaser. In the event the successful bidder should fail or refuse to take up and pay for the 2011 Series Q Bonds in accordance with its bid, then said amount shall be accepted by the University as full and complete liquidated damages.

Postponement. The University reserves the right to postpone the sale and to set a new time for the sale either separately or at one time. Postponement may be effected up to 9:00 a.m. Central Time on the day of the sale by a Statement of Postponement carried on the Amendments page of the **MuniAuction** website (the "Statement of Postponement"). At the same time or within 48 hours following the Statement of Postponement the University may reset a new time for the sale. The reset sale notice may state different terms and conditions of sale and may refer to this notice for any or all terms of sale. All bidders will be deemed to have assented to the above conditions by submitting a bid, and lack of actual notice of the postponement or of the reset terms of sale will not be considered.

Delivery. Constructive delivery of the 2011 Series Q Bonds is expected to be made to the Trustee by Fast Automated Securities Transfer on behalf of DTC on or about October 25, 2011, and the closing of the 2011 Series Q Bonds will take place on the same date in Anchorage, Alaska or at another location mutually agreed upon between the successful bidder and the University.

There will be furnished to the successful bidder without cost, the executed 2011 Series Q Bonds to be delivered (either actually or constructively) to DTC and the usual closing documents dated as of the date of delivery of and payment for the 2011 Series Q Bonds, including a certificate

that there is no litigation pending or threatened affecting the validity of the 2011 Series Q Bonds. The University will also pay for the cost of bond ratings from Moody's Investor's Service and Standard & Poor's Corporation.

The University will confirm to the successful bidder, by a certificate signed on its behalf by the Chief Financial Officer and delivered at the closing, that at the time of the acceptance of the bid, and at the time of the closing, insofar as the University and its affairs, including its financial affairs, are concerned, the Official Statement did not and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Payment. The successful bidder shall make full payment of the balance of the purchase price of the 2011 Series Q Bonds to the University at the time of delivery in Federal Funds or other immediately available funds without cost to the University.

Tax-Exempt Status. The opinion of Wohlforth, Brecht, Cartledge & Brooking of Anchorage, Alaska, will state that, based on an analysis of existing statutes, regulations, published rulings and judicial decisions, and assuming, among other things, compliance by the University with its covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), interest on the 2011 Series Q Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. However, interest on the 2011 Series Q Bonds is taken into account in the computation of adjusted current earnings for purposes of the federal corporate alternative minimum tax. For further information as to tax exemption, please refer to the Preliminary Official Statement.

Legal Opinion. The approving opinion of Wohlforth, Brecht, Cartledge and Brooking of Anchorage, Alaska, approving the validity of the 2011 Series Q Bonds, will be furnished in a reasonable quantity to the successful bidder without cost upon delivery of the 2011 Series Q Bonds.

CUSIP Numbers. The winning underwriter will be required to apply and pay for the CUSIP identification numbers within 24 hours of the sale date and such numbers will be printed on the 2011 Series Q Bonds. Neither the failure to print such number on any 2011 Series Q Bonds nor any error with respect thereto shall constitute cause for the successful bidder to fail or refuse to accept delivery of and pay for the 2011 Series Q Bonds. No liability shall attach to the University or any officer or agent thereof, including any paying agent or registrar for the 2011 Series Q Bonds, by reason of such number or by reason of any inaccuracy, error, or omission with respect thereto.

Continuing Disclosure Undertaking. In order to assist bidders in complying with SEC Rule 15c2-12(b)(5), the University will undertake to provide certain annual financial information, and the University will undertake to provide notices of certain events with respect to the 2011 Series Q Bonds, if material. A description of this undertaking is set forth in Appendix D of the Preliminary Official Statement and will be set forth in the final Official Statement. No additional annual financial information, other than what is set forth in Appendix D of the Preliminary Official Statement, will be provided.

Modification. The University reserves the right to modify any terms of this Notice of Sale, or the Preliminary Official Statement by notice on the Amendments Page of the **MuniAuction** website no later than 9:00 a.m., Central Time, on Wednesday, October 5, 2011.

Additional Information. A Preliminary Official Statement relating to the 2011 Series Q Bonds may be obtained on the website of **MuniAuction**, from Kaplan Financial Consulting, Inc., 1215 Washington Avenue, Suite 205, Wilmette, Illinois 60091, (847) 920-1670 or from Myron Dosch, Controller, University of Alaska, 910 Yukon Drive, Suite 207, Fairbanks, Alaska 99775, telephone: (907) 450-8079 or Wei Guo, Senior Accountant, at (907) 450-8089.

The Preliminary Official Statement, referred to above, as of its dated date is "deemed final" by the University for purposes of SEC Rule 15c2-12(b)(1) but is subject to revision, amendment and completion in the form of a final Official Statement.

By awarding the 2011 Series Q Bonds to an underwriter or underwriting syndicate the University agrees that within seven (7) business days after the date of such award it shall provide the senior managing underwriter of the successful syndicate with copies of a final Official Statement. The senior managing underwriter of the successful syndicate will be supplied with final Official Statements in a quantity sufficient to meet its request. Up to 200 copies of the final Official Statement will be furnished without cost.

The University designates the senior managing underwriter of the syndicate to which the 2011 Series Q Bonds are awarded as its agent for purposes of distributing copies of the final Official Statement to each participating underwriter. Any underwriter executing and delivering an Official Confirmation Form with respect to the 2011 Series Q Bonds agrees thereby that (i) it shall accept such designation, (ii) it will enter into a contractual relationship with all participating underwriters of the 2011 Series Q Bonds for purposes of assuring the receipt by each such participating underwriter of the final Official Statement, and (iii) it agrees to file, or cause to be filed, within one business day following the receipt from the University, the final Official Statement with a nationally recognized municipal securities information repository designated by the Securities and Exchange Commission.

DATED: September 23, 2011

UNIVERSITY OF ALASKA

By Joseph Trubacz

Joseph Trubacz
Chief Financial Officer

OFFICIAL CONFIRMATION FORM (Internet Sale)

Board of Regents
University of Alaska
Fairbanks, Alaska 99775

October 5, 2011

Re: \$51,605,000* General Revenue Bonds, 2011 Series Q

Dear Members of the Board:

For the \$51,605,000* General Revenue Bonds, 2011 Series Q (the "2011 Series Q Bonds") of the University of Alaska (the "University"), as described in the annexed Notice of Sale, which is expressly made a part of this bid, we will pay you \$_____ bearing interest as follows (the rate being a multiple of 1/8th or 1/100th of 1%). We have purchased bond insurance from _____ for the following maturities _____ at a total dollar cost of \$_____.

MATURITY SCHEDULE - OCTOBER 1

Table with 6 columns: Due, Amount, Due, Amount, Due, Amount. Rows list years from 2012 to 2018 and 2019 to 2032.

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above. The following maturities are sinking fund installments:

Maturities_____ Term Maturity_____ Maturities_____ Term Maturity_____

As evidence of our good faith, we have provided for a wire transfer or enclose herewith a check or Financial Surety Bond payable to the order of the University in the amount of \$500,000 (the "Deposit") under the terms provided in your Notice of Sale. Attached hereto is a list of members of our account on whose behalf this bid is made.

FORM OF DEPOSIT

Check One:
Certified/Cashier's Check []
Financial Surety Bond []
Wire transfer []
Amount: \$500,000

ACCOUNT MANAGER INFORMATION

Name: _____
Address: _____
By: _____
City _____ State/Zip _____
Direct Phone: _____
FAX Number: _____

The foregoing bid was accepted on the 2011 Series Q Bonds as authorized by resolution of the University on September 23, 2011, and receipt is hereby acknowledged of the Good Faith Deposit which is being held in accordance with the terms of the annexed Notice of Sale.

UNIVERSITY OF ALASKA

Authorized University Officer

-----NOT PART OF THE CONFIRMATION-----

Our calculation of the true interest cost ("TIC") to October 25, 2011 produces a net effective interest rate of ____%.

*Preliminary, subject to change

PRELIMINARY OFFICIAL STATEMENT DATED October __, 2011

**NEW ISSUE
BOOK ENTRY ONLY**

RATINGS:

**Moody's Investors Service:
Standard & Poor's:
(See "RATINGS" herein)**

**SALE DATE: October 5, 2011, until 11:00 a.m. Central Time
via MuniAuction**

In the opinion of Bond Counsel, based on an analysis of existing statutes, regulations, rulings and judicial decisions, and assuming, among other things, compliance by the University with its covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes. Interest on the Bonds is not treated as a tax preference item for purpose of either the individual or corporate alternative minimum tax. Interest on the Bonds may be indirectly subject to corporate alternative minimum tax and certain other taxes imposed on certain corporation. See "TAX MATTERS" herein.

\$ __, __, 000*

**UNIVERSITY OF ALASKA
General Revenue Bonds, 2011 Series Q**

Dated: As of Delivery Date

Due: October 1, as shown below

The University of Alaska General Revenue Bonds, 2011 Series Q Bonds (the "Bonds"), initially will be issued as fully registered bonds under a book-entry system, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, ("DTC") the securities depository for the Bonds. (See "BOOK-ENTRY SYSTEM" herein.) Individual purchases of the Bonds will initially be made in full book-entry only form in the principal amounts of \$5,000 or integral multiples thereof. The Bonds will bear interest payable on April 1, 2012 and semiannually thereafter on October 1 and April 1 of each year and are subject to redemption prior to maturity as described herein.

The Bonds are revenue obligations of the University of Alaska (University) secured under a Trust Indenture dated as of June 1, 1992, between the University and The Bank of New York Mellon Trust Company, N.A., as successor trustee (the "Trustee"), and a Fourteenth Supplemental Trust Indenture dated as of October 1, 2011 between the University and the Trustee. The Bonds are being issued to fund certain capital projects of the University. The Bonds, together with \$90,230,000* principal amount of general revenue bonds that will be outstanding on October 2, 2011, and any additional parity bonds are equally and ratably secured under the Indenture by a pledge of revenues derived from certain fees, charges and rentals received by the University and the moneys and securities held under the Indenture, including the Reserve Fund.

THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OR OTHER LIABILITY OF THE STATE OF ALASKA OR ANY POLITICAL SUBDIVISION THEREOF, EXCEPT THE UNIVERSITY, AND THE BONDS DO NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OF ALASKA TO LEVY ANY FORM OF TAXATION OR MAKE ANY APPROPRIATION FOR THE PAYMENT OF THE BONDS. THE UNIVERSITY HAS NO TAXING POWER. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF ALASKA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED FOR THE PAYMENT OF THE BONDS.

MATURITY SCHEDULE*

Due October 1	Amount*	Interest Rate	Price or Yield	CUSIP 914046	Due October 1	Amount*	Interest Rate	Price or Yield	CUSIP 914046
2012					2023				
2013					2024				
2014					2025				
2015					2026				
2016					2027				
2017					2028				
2018					2029				
2019					2030				
2020					2031				
2021					2032				
2022									

* Preliminary, subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or exemption under the laws of such jurisdiction.

The Bonds are being offered by competitive sale. Bids may only be submitted via *MuniAuction* pursuant to the Official Notice of Sale. Prospective bidders should refer to the Notice of Sale for specific information related to the sale of the Bonds. The Bonds are offered when, as and if issued subject to the approving legal opinion of Wohlforth, Brecht, Cartledge & Brooking, Anchorage, Alaska, Bond Counsel. It is expected that the Bonds, in book-entry form will be issued and available by Fast Automated Securities Transfer for delivery through the facilities of DTC in New York, New York on or about October __, 2011.

**Kaplan Financial Consulting, Inc. (Independent Financial Advisor)
1215 Washington Avenue, Suite 205, Wilmette, Illinois 60091
(847) 920-1670**

This Official Statement is furnished by the University to provide information regarding the sale of the Bonds referred to herein and may not be reproduced or be used, in whole or in part, for any other purpose. The delivery of this Official Statement does not imply that information herein is correct as of any time subsequent to the date hereof.

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UPON ISSUANCE, THE BONDS WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND WILL NOT BE LISTED ON ANY STOCK OR OTHER SECURITIES EXCHANGE. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER FEDERAL, STATE, OR OTHER GOVERNMENTAL ENTITY OR AGENCY WILL HAVE PASSED ON THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS OFFICIAL STATEMENT OR APPROVED THE BONDS FOR SALE. THE INDENTURE WILL NOT BE QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED.

This Official Statement is submitted by the University in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

UNIVERSITY OF ALASKA

Statewide Finance Office
209D Butrovich Building
P.O. Box 756540
Fairbanks, Alaska 99775-6540
(907) 450-8079

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William H. Spindle, Vice Chancellor for Administrative Services, University of Alaska Anchorage

Bond Counsel

Wohlforth, Brecht, Cartledge & Brooking
Anchorage, Alaska

Trustee

The Bank of New York Mellon Trust Company, N.A.
Seattle, Washington

Financial Advisor

Kaplan Financial Consulting, Inc.
Wilmette, Illinois

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\$ __, __, 000*

UNIVERSITY OF ALASKA
General Revenue Bonds, 2011 Series Q
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OFFICIAL STATEMENT
\$ __, __, 000*
UNIVERSITY OF ALASKA
General Revenue Bonds, 2011 Series Q

INTRODUCTION

The purpose of this Official Statement, including the cover page and the Appendices hereto, is to furnish information regarding the issuance of the University of Alaska General Revenue Bonds, 2011 Series Q in the principal amount of \$ __, __, 000* (the "Bonds"), the University of Alaska (the "University"), the Board of Regents of the University of Alaska (the "Board" or "Board of Regents"), and certain matters relating to the University's finances, enrollment and administration.

The Bonds will be issued pursuant to a resolution adopted by and actions authorized by the Board of Regents and in accordance with the provisions of a Trust Indenture, as amended (the "Trust Indenture") dated as of June 1, 1992 between the University and The Bank of New York Mellon Trust Company, N.A., as successor trustee, (the "Trustee") and as supplemented by the Fourteenth Supplemental Trust Indenture (the "Fourteenth Supplemental Trust Indenture") dated as of October 1, 2011 between the University and the Trustee. The Trust Indenture and the Fourteenth Supplemental Trust Indenture are together referred to herein as the "Indenture."

The University is the only public institution of higher learning in the State of Alaska (the "State"). It is a Statewide system that consists of three multi-mission universities located in Anchorage, Fairbanks, and Juneau with extended satellite colleges and sites throughout the State, including over 100 extension and research sites.

This Official Statement contains information on the terms of the Bonds, descriptions of the University, and certain fiscal matters of the University. The descriptions included in this Official Statement do not purport to be comprehensive or definitive, and such summaries and descriptions are qualified in their entirety by reference to such laws, and the definitive forms of documents, exhibits or appendices where applicable. Any statements, herein involving estimates, projections or forecasts are to be construed as such rather than as statements of facts or representations that such estimates, projections or forecasts will be realized.

Summaries of or references to, provisions of the Internal Revenue Code of 1986, as amended (the "Code"), contained herein are made subject to the complete provisions thereof and do not purport to be complete statements thereof.

DESCRIPTION OF THE BONDS

GENERAL

The aggregate principal amount of the Bonds to be issued is \$ __, __, 000*. The Bonds will be dated as of their date of issuance and will bear interest from the dated date of the Bonds payable on April 1, 2012, and semiannually thereafter on October 1 and April 1 of each year. The Bonds will mature on October 1 of each year and in the principal amounts, and will bear interest at the rates, as set forth on the cover of the Official Statement.

* Preliminary, subject to change

The Bonds will initially be issued in book-entry only form in denominations of \$5,000 or any integral multiple thereof. The Bonds, when executed and delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as depository for the Bonds. Purchasers of beneficial interests in the Bonds will not receive physical delivery of certificates representing their interests in the Bonds. So long as DTC, or its nominee, Cede & Co. is the registered owner of all the Bonds, all payments on the Bonds will be made directly to DTC, and disbursements of such payments to the hereafter described Beneficial Owners of the Bonds will be the responsibility of the DTC Participants as more fully described hereafter.

OPTIONAL REDEMPTION

The Bonds maturing on or after October 1, 2022 are subject to redemption at the option of the University, either as a whole or in part, in any order of maturity, on any date which shall be selected by the University, subject to the provisions of, and in accordance with the Indenture, on or after October 1, 2021, at a redemption price equal to 100% of the principal amount of the Bonds being redeemed, plus accrued interest, if any, to the redemption date.

MANDATORY REDEMPTION

Unless previously redeemed pursuant to the foregoing optional redemption provisions, the Bonds maturing on October 1, 20__ (the "Term Bonds") are subject to redemption on October 1 of the following years and in the following principal amounts at 100% of the principal amount of the Bonds to be redeemed plus accrued interest, if any, to the redemption date.

<u>Term Bonds Due October 1, 20__</u>	<u>Sinking Fund Requirement</u>
<u>Year</u>	<u>Sinking Fund Requirement</u>

The Bonds owned by or for the account of the University will not be considered outstanding for purposes of either an optional or mandatory redemption of such 2011 Bonds.

PURCHASE OF 2011 BONDS

The Trustee shall purchase 2011 Bonds at such times, for such prices, and in such amounts as the University shall from time to time direct in writing. Provided, however, no purchase of 2011 Bonds shall be made by the Trustee within the period of forty-five days next preceding any date on which such 2011 Bonds are subject to redemption. And, if the 2011 Bond to be purchased is a term bond, and less than all of the principal amount of such term bond is being purchased, the Trustee shall credit such purchase, on a pro rata basis, to each outstanding sinking fund installment due under such term bond.

BOOK-ENTRY SYSTEM

The following information has been provided by The Depository Trust Company, New York, New York ("DTC"). The University makes no representation regarding the accuracy or completeness thereof. Each actual purchaser of a Bond (a "Beneficial Owner") should therefore confirm the following with DTC or the Participants (as hereinafter defined).

DTC will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee). One fully-registered Security certificate will be issued in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a clearing agency registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over two million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 85 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation and Emerging Markets Clearing Corporation (NSCC, GSCC, MBSCC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

To facilitate subsequent transfers, all Securities deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of Securities with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Agent, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the University or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The University may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In such event, Bond certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the University believes to be reliable, but the University takes no responsibility for the accuracy thereof.

NOTICE OF REDEMPTION

At least 30 days, but not more than 60 days, prior to the date upon which any Bonds are to be redeemed, the Trustee will deliver by first class mail a notice of redemption to the registered owner of any Bond identifying all or a portion of the Bonds which are to be redeemed, at the owner's last address appearing on the registration books of the University kept by the Trustee.

On the date on which the redemption notice is mailed to the registered owners pursuant to the preceding paragraph, the Trustee shall give notice of redemption identifying the Bonds or portions thereof to be redeemed to Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies. So long as a book-entry system is used for determining beneficial ownership of the Bonds, notice of redemption will be sent to DTC, and any notice to the beneficial owners of the Bonds will be the responsibility of DTC. The University will not provide redemption notices to the beneficial owners.

Neither failure to receive any redemption notice nor any defect in such redemption notice so given will affect the sufficiency of the proceedings for the redemption of the Bonds. Failure by the Trustee to deliver notice of redemption of the Bonds at times required shall not impair the ability of the Trustee and the University to affect such redemption. The University can make no assurances that the Trustee, DTC, DTC Participants or other nominees of the bondholders will distribute such redemption notices to the bondholders, or that they will do so on a timely basis, or that DTC will act as described in this Official Statement.

TRANSFER OF SECURITIES

The Bonds shall only be transferable upon the books of the University, which shall be kept for such purposes at the principal office of the Trustee, by the registered Owner in person or by a duly authorized attorney, upon surrender thereof with a written instrument of transfer satisfactory to the Trustee. Upon transfer of any such Bond, the Trustee shall authenticate and deliver in the name of the transferee a new fully registered Bond or Bonds of the same aggregate principal amount and maturity as the surrendered Bond.

THE USE OF BOND PROCEEDS

GENERAL

The Bonds will be issued for purposes of (i) paying a portion of the costs of acquisition, construction, refurbishment and improvement of the projects described below for University purposes, (ii) making a deposit into the Reserve Fund, and (iii) paying the cost of issuing Bonds.

THE PROJECTS

Proceeds of the Bonds will be used by the University to finance certain capital projects which include the following:

University of Alaska Fairbanks Life Sciences Project – The project includes approximately 100,000 square feet of new classrooms and laboratories, expansion of the University's utility plant to provide service to the new facility and relocation of a greenhouse facility that is currently on site. The Life Sciences Classroom and Laboratory Facility will integrate teaching and research in biological, wildlife and biomedical sciences and provide undergraduate and graduate training necessary for careers in the biological sciences and will provide modern academic space for more than 600 biology and wildlife degree students and more than 1,200 students who take biology courses each year. Research space will feature a series of labs for as many as twelve lead researchers who will also employ seven to ten scientists each.

The total project cost is estimated at \$108.6 million, of which \$20.6 million will be funded with proceeds of the Bonds. The balance is expected to be paid from proceeds of State of Alaska general obligation bonds that were authorized by Alaska voters in November 2010 and that included \$207 million for University projects, including \$88 million for the Life Sciences Project. The State of Alaska issued \$200 million of general obligation bonds against this authorization in December 2010, the proceeds of which are, in part, being used to finance other University projects.

The University has awarded three construction contracts totaling of \$82.7 million for the project. (Other costs in the \$108.6 million include design, management, equipment and contingencies of \$25.9 million.) Construction began in April 2011 and as of August 15, 2011 the project is approximately 15% complete. The facility is projected to be complete by May 2013.

University of Alaska Facility and Infrastructure Renewal and Deferred Maintenance – The State of Alaska's fiscal 2012 capital budget authorizes \$87.5 million of spending for deferred maintenance projects at the University, with \$37.5 million coming from the State's general fund and the balance from the University. Approximately \$27.36 million of the Bonds will be invested in numerous facilities throughout the State to address critical deferred maintenance needs. The projects consist primarily of roof replacements, co-generation power plant system replacements, electrical system upgrades, heating and ventilation system replacements and classroom renovations.

University of Alaska Southeast Food Service Facilities – Approximately \$2.0 million of the Bonds will be used to make alterations to existing facilities to provide food service capacity as part of student housing at the Juneau campus. The total project cost is approximately \$4.0 million, of which the State of Alaska provided a \$2.0 million capital appropriation in the fiscal year 2012 capital budget.

Upon completion of the projects mentioned above, and subject to the terms of the Indenture and authorization by the Board of Regents, remaining Bond proceeds, if any, may be used to finance other qualified capital projects.

FUTURE FINANCINGS

The University has received authority from the State of Alaska to issue \$50 million of general revenue bonds for deferred maintenance projects. The University expects to use approximately \$27 million of this authorization with the issuance of the Bonds. The remaining \$23 million authorization is planned for use with future parity revenue bonds in about twelve to eighteen months.

Table 1
UNIVERSITY OF ALASKA
Sources and Uses of Funds

Sources:	
Bond Principal	\$
Net Original Issue Premium (Discount)	
Total Sources	<u>\$</u>
Uses:	
Deposit to Construction Fund	\$
Deposit to Reserve Fund	
Costs of Issuance, including underwriting discount and bond insurance premium	
Total Uses	<u>\$</u>

SECURITY FOR THE BONDS

AUTHORIZATION

The Bonds are being issued pursuant to Chapter 40 of Title 14 of the Alaska Statutes, as amended (the "Act") which authorizes the University to issue revenue bonds (including refunding bonds) to pay the cost of acquiring, constructing or equipping facilities that the Board of Regents determines necessary. Provisions enacted into law during the 1991 legislative session authorized the University to issue revenue bonds with the approval of the Board of Regents. The State Legislature must approve, by law, a project (other than a refunding obligation) financed by obligations with annual debt service payments anticipated to exceed \$2.5 million dollars.

The Bonds are issued by virtue of a Bond Resolution adopted by the Board of Regents of the University on September 23, 2011 and a Fourteenth Supplemental Indenture dated October 1, 2011 by and between the University and the Trustee. Since 1992, the University has issued fifteen series of general revenue bonds totaling \$189.72 million of which \$90.23 million will be outstanding as of October 2, 2011. Upon issuance of the Bonds, \$_____ * million will be outstanding.

* Preliminary, subject to change

PLEGGED REVENUES

The Bonds constitute revenue obligations of the University. The Bonds do not constitute an indebtedness or liability of the State, and the Bonds do not directly, indirectly or contingently obligate the State or any political subdivision thereof to apply moneys from or levy or pledge any form of taxation whatever for the payment of the Bonds. The University has no taxing power. The State is not obligated, morally or legally, to appropriate monies to pay debt service on the Bonds.

Pursuant to the Indenture, the Revenues, and all of the moneys, securities and funds held and set aside under the Indenture are pledged and assigned, equally and ratably, to secure the payment of the principal and redemption price of, and interest on all Bonds and parity bonds outstanding under the Indenture, subject only to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions specified in the Indenture. "Revenues" consist of all student fees, charges and rentals, including receipts from sales of goods and services, facilities and administrative cost recovery, income of auxiliary enterprises, miscellaneous fees and fines and similar items which are unrestricted but not including: (1) governmental appropriations, other than for the items specified above; (2) gifts, donations and endowment earnings; (3) investment earnings, other than earnings on funds held under the Indenture, and (4) revenues from trust land required to be deposited in the Land Grant Endowment Trust Fund pursuant to Alaska Statute 14.40.400.

The Act provides that any pledge under the Indenture of the Revenues received by the University is considered a perfected security interest and is valid and binding from the time when the pledge is made, and that the property so pledged is immediately subject to the lien of such pledge without any physical delivery or other act. The State has pledged not to limit or alter rights vested in the University to fulfill the terms of a contract with revenue bond owners.

All Revenues are deposited upon receipt in the Revenue Fund held by the University. Amounts may be paid out of the Revenue Fund without restriction for operating costs of the University. The University covenants to pay its general expenses from legislative appropriations made from the State's general fund before paying operating expenses from the Revenue Fund. Amounts will be paid out of the Revenue Fund into the Debt Service Fund to the extent necessary for the payment of debt service on the Bonds and all parity bonds and will be paid out of the Revenue Fund and into the Reserve Fund to the extent necessary so that the amount therein equals the Reserve Requirement.

Table 2
UNIVERSITY OF ALASKA
Revenues Pledged to General Revenue Bonds (1)
For Fiscal Years Ending June 30
(\$'s in 000's)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>Estimated Unaudited 2011</u>
Student Tuition and Fees, net	\$ 84,469.0	\$ 92,083.0	\$ 98,211.0	\$ 106,340.0	\$ 116,104.0
Facilities and Administrative Cost Recovery	30,937.0	30,731.0	30,086.0	33,087.0	33,737.0
Sales and Services of Educational Depts.	3,688.0	3,345.0	3,850.0	4,073.0	4,029.0
Other Sources, Net of Gifts (2)	14,837.0	14,457.0	15,687.0	14,457.0	17,083.0
Auxiliary Enterprises, net	38,849.0	39,192.0	39,990.0	39,225.0	41,066.0
Total Pledged Revenue	<u>\$ 172,780.0</u>	<u>\$ 179,808.0</u>	<u>\$ 187,824.0</u>	<u>\$ 197,182.0</u>	<u>\$ 212,019.0</u>
Fiscal year debt service	\$ 7,899	\$ 8,057	\$ 9,036	\$ 9,132	\$ 9,192
Coverage	21.9X	22.3X	20.8X	21.6X	23.1X

(1) Consistent with the terms of the Trust Indenture, all revenues generated from the sources identified in the table are Revenues that secure the University's General Revenue Bonds, including the Bonds.

(2) Gifts are excluded as Revenues pledged for payment of General Revenue Bonds.

Source: University of Alaska Fund Accounting.

RESERVE FUND

The Indenture establishes the Reserve Fund to be held by the Trustee and provides for a Reserve Requirement equal to (i) one-half of Maximum Aggregate Debt Service in any Bond Year on all outstanding Bonds and Additional Bonds, or (ii) such lesser amount as is required in order to maintain the tax-exempt status of the Bonds. The Indenture provides that if five Business Days prior to any principal or interest payment date for the Bonds the amount in the Debt Service Fund is less than the amount required to pay such principal or interest, the Trustee will apply amounts from the Reserve Fund to the extent necessary to make good the deficiency. Under certain conditions, the Indenture permits Reserve Equivalents to be used to satisfy the Reserve Requirement. As of July 31, 2011, the Reserve Fund held Investment Securities with a market value of \$4.66 million which comprised of \$4.22 million in money market investment and \$0.44 million in Federal Agency bonds.

RATE COVENANT

The Indenture establishes that the University will fix, maintain and collect fees, charges and rentals, and the University will adjust such fees, charges and rentals such that Revenues of the University will be at least equal in each Fiscal Year to the greater of (a) the sum of (i) an amount equal to Aggregate Debt Service for such Fiscal Year; (ii) the amount, if any, to be paid during such Fiscal Year into the Reserve Fund; (iii); the amount of draws, interest and expenses then due and owing on any Reserve Equivalent and (iv) all other amounts which the University may now, or hereafter, become obligated to pay, by law or contract, from Revenues during such Fiscal Year; or, (b) an amount equal to at least two times the Aggregate Debt Service for such Fiscal Year.

ADDITIONAL BONDS

The University may issue one or more series of Additional Bonds on a parity with the Bonds and secured by an equal lien on the Revenues for the following purposes:

- (a) Additional Bonds may be issued to provide funds to pay for the cost of Acquisition or Construction of a project for the University, upon delivery to the Trustee of a certificate from an Authorized Officer of the University that the amount of Revenues received by the University during the last Fiscal Year prior to the issuance of the Additional Bonds was at least equal to two times Maximum Aggregate Debt Service with respect to all Bonds and Additional Bonds to be outstanding after the issuance of such Additional Bonds and 1.0 times any amount of the draws, interest and expenses then due and owing under any Reserve Equivalent.
- (b) Additional Bonds may be issued to refund any outstanding obligations of the University including the Bonds. The University must certify either (i) that Aggregate Debt Service in any Fiscal Year will not be increased as a result of such refunding, or (ii) that the amount of Revenues received by the University during the last Fiscal Year prior to the issuance of the Additional Bonds was at least equal to two times Maximum Aggregate Debt Service with respect to all Bonds and Additional Bonds to be outstanding after the issuance of such Additional Bonds.

Subordinated indebtedness secured by a lien on the Revenues may be issued provided that such lien is junior and inferior to the lien of the Bonds on the Revenues. There is no subordinated indebtedness secured by a lien on the Revenues as of the date of this Official Statement.

DEBT SERVICE COVERAGE

The following debt service coverage is based on pledged Revenues for the fiscal years as indicated (see Table 2, "Revenues Pledged to General Revenue Bonds"), and the annual debt service requirements on all General Revenue Bonds, including the Bonds. See Table 3, "Combined Debt Service on General Revenue Bonds and Other Indebtedness."

	Estimated Unaudited 2011
Pledged Revenues	\$212,019,000
Maximum Aggregate General Revenue Bond Debt Service including the Bonds (Fiscal Year 2013)	\$12,904,774
Estimated Coverage	16.4X

* Preliminary, subject to change

Table 3
UNIVERSITY OF ALASKA
Combined Debt Service on General Revenue Bonds and Other Indebtedness (Estimates)

Fiscal Year	Debt Service Outstanding Revenue Bonds	2011 Series Q (Estimates)			Total General Revenue Bond Debt Service	Other Indebtedness (2)	Total
		Principal	Interest	Total			
2012 (1)	\$ 1,945,231	\$ -	\$ 924,582	\$ 924,582	\$ 2,869,813	\$ 1,215,713	\$ 4,085,526
2013	9,193,944	1,390,000	2,112,800	3,502,800	12,696,744	2,114,767	14,811,511
2014	8,818,524	2,035,000	2,051,250	4,086,250	12,904,774	1,905,134	14,809,908
2015	8,679,094	2,130,000	1,957,300	4,087,300	12,766,394	1,680,169	14,446,563
2016	8,789,523	2,230,000	1,859,450	4,089,450	12,878,973	1,619,624	14,498,597
2017	8,737,096	2,330,000	1,756,600	4,086,600	12,823,696	1,539,594	14,363,290
2018	8,738,623	2,385,000	1,638,725	4,023,725	12,762,348	1,500,000	14,262,348
2019	7,449,731	2,505,000	1,516,475	4,021,475	11,471,206	1,500,000	12,971,206
2020	7,444,974	2,620,000	1,401,450	4,021,450	11,466,424	1,500,000	12,966,424
2021	7,460,553	2,745,000	1,280,425	4,025,425	11,485,978	1,500,000	12,985,978
2022	7,286,177	2,890,000	1,139,550	4,029,550	11,315,727	1,500,000	12,815,727
2023	7,079,010	2,875,000	995,425	3,870,425	10,949,435	1,500,000	12,449,435
2024	5,921,046	3,025,000	847,925	3,872,925	9,793,971	1,501,354	11,295,325
2025	5,029,054	3,160,000	709,100	3,869,100	8,898,154		8,898,154
2026	4,788,279	3,290,000	580,100	3,870,100	8,658,379		8,658,379
2027	4,787,971	3,425,000	445,800	3,870,800	8,658,771		8,658,771
2028	4,788,620	1,145,000	354,400	1,499,400	6,288,020		6,288,020
2029	2,989,129	1,195,000	301,625	1,496,625	4,485,754		4,485,754
2030	1,780,474	1,260,000	240,250	1,500,250	3,280,724		3,280,724
2031	1,781,450	1,325,000	175,625	1,500,625	3,282,075		3,282,075
2032	1,139,633	1,390,000	107,750	1,497,750	2,637,383		2,637,383
2033	1,140,613	1,460,000	36,500	1,496,500	2,637,113		2,637,113
2034	1,144,481				1,144,481		1,144,481
2035	299,575				299,575		299,575
2036	301,638				301,638		301,638
	<u>\$ 127,514,443</u>	<u>\$ 46,810,000</u>	<u>\$ 22,433,107</u>	<u>\$ 69,243,107</u>	<u>\$ 196,757,549</u>	<u>\$ 20,576,355</u>	<u>\$ 217,333,905</u>

Source: University of Alaska Fund Accounting.

- (1) 2012 Total Debt Service reflects remaining balance after October 1, 2011 principal and interest payment.
- (2) Other indebtedness consists primarily of \$16.7 million outstanding, as of October 2, 2011, note payable to the Alaska Housing Finance Corporation (AHFC). The remaining amount is debt service on \$1.7 million of outstanding installment contracts, due annually through Fiscal Year 2017. See Table 4, "Schedule of Long-Term Debt" for a description of the security provisions of the AHFC obligation.

Table 4
UNIVERSITY OF ALASKA
Schedule of Long-Term Debt
October 2, 2011

	<u>Interest Rates</u>	<u>Interest Payment Dates</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Amount Issued</u>	<u>Outstanding October 2, 2011⁽²⁾</u>
Installment Contracts Outstanding	2.78 - 4.77%	Quarterly	Various	04-15-17	\$ 3,539,844	\$ 1,664,061
Notes Payable						
Alaska Housing Finance Corp. (AHFC) ⁽¹⁾	1.826%	8-1/2-1	05-14-97	02-01-24	\$ 33,000,000	\$ 16,697,395
Revenue Bonds						
General Revenue Bonds, 2002 Series K	1.40 - 5.00%	10-1/4-1	07-31-02	10-01-28	33,515,000	23,665,000
General Revenue Bonds, 2003 Series L	3.00 - 4.70%	10-1/4-1	12-09-03	10-01-30	9,970,000	6,355,000
General Revenue Bonds, 2004 Series M	3.25 - 4.75%	10-1/4-1	01-08-04	10-01-28	11,070,000	8,630,000
General Revenue Bonds, 2005 Series N	3.00 - 5.00%	10-1/4-1	08-31-05	10-01-35	24,355,000	19,725,000
General Revenue Bonds, 2008 Series O	3.375 - 4.25%	10-1/4-1	01-31-08	10-01-33	23,795,000	20,075,000
General Revenue Bonds, 2009 Series P	2.00-5.00%	10-1/4-1	12-08-09	10-01-23	<u>14,045,000</u>	<u>11,780,000</u>
					<u>\$ 116,750,000</u>	<u>\$ 90,230,000</u>
Total Long-Term Debt					<u>\$ 153,289,844</u>	<u>\$ 108,591,456</u>

Source: University of Alaska Fund Accounting.

- (1) Under the loan agreement under which the note to AHFC was issued, the obligation to repay the loan is an absolute, unconditional and unlimited general obligation of the University. The University has not pledged its Revenues, as defined in the Indenture, to make any of the payments required under the loan agreement with the AHFC. The University used these funds to construct a 558-bed suite-style housing and food service addition in Anchorage that opened in August 1998.
- (2) General Revenue Bonds reflect outstanding balance after principal payments to be made on October 1, 2011.

GENERAL INFORMATION CONCERNING THE UNIVERSITY OF ALASKA

GENERAL

The University of Alaska is the only public institution of higher learning in the State. It is a Statewide system that consists of three multi-mission universities located in Anchorage, Fairbanks, and Juneau with extended satellite colleges and sites throughout the State, including over 100 extension and research sites. The University was established at Fairbanks, Alaska, by Congress in 1915 as the Alaska Agricultural College and School of Mines; in 1935 it was renamed the University of Alaska; and in 1959 was established as the State university in the Alaska State Constitution. The University has expanded to include full-service universities in Fairbanks, Anchorage, and Juneau; lower division college centers in Bethel, Dillingham, Ketchikan, Kodiak, Kotzebue, Nome, Palmer, Sitka, and Soldotna; a community college at Valdez; and vocational, rural education, and extension sites throughout the State.

The University is governed by an eleven-member Board of Regents, which is appointed by the governor. In June 2010, the Board of Regents appointed the then President of Alaska Railroad Corporation Patrick K. Gamble as the 13th president of the University of Alaska. Chancellors head the major regional instructional units: the University of Alaska Fairbanks, the University of Alaska Anchorage and the University of Alaska Southeast. The system's administrative offices are located on the Fairbanks campus.

DESCRIPTION OF THE PROGRAMS

The University of Alaska Anchorage offers baccalaureate and associate degrees, as well as certificate programs, through its colleges of arts and sciences, business and public policy, education and health and social welfare, as well as the schools of engineering, nursing and social work. In addition, master's degrees are offered in more than twenty-six programs along with a number of graduate certificate programs. It also provides adult and continuing education programs. Research programs are emphasized, primarily in biological and health sciences, public policy, and social and economic studies. The Community and Technical College provides both credit and non-credit instruction to the greater Anchorage area and the two military bases in the Anchorage area.

The University of Alaska Fairbanks is a comprehensive, four year, doctoral degree-granting institution with four colleges and four professional schools that offer bachelor's degrees in more than sixty-five major areas and recognized master's degrees in professional disciplines and doctorates in the sciences and mathematics. The four colleges are the College of Liberal Arts, the College of Engineering and Mines, the College of Natural Science and Mathematics, and the College of Rural and Community Development, with the latter having branch campuses and extended sites throughout the State. The four professional schools consist of the School of Natural Resources and Agricultural Sciences, the School of Management, the School of Fisheries and Ocean Sciences and the School of Education. These colleges and schools offer certificates, associate and baccalaureate degrees as well as a wide range of technical/vocational programs. Master's degrees are offered in over fifty fields and doctoral programs are offered in the areas of anthropology, atmospheric sciences, biology, engineering, geology, geophysics, mathematics, oceanography, physics, space physics, and wildlife management. The Community and Technical College, one of the College of Rural and Community Development branch campuses, which is located in Fairbanks, focuses on the two-year educational mission and also offers courses at four military bases in the Fairbanks area. The University of Alaska Fairbanks is the University system's organized research hub. The wide range of science conducted is supported by a number of research centers and institutes.

The multi-mission university located in Juneau is referred to herein as the “University of Alaska Southeast” and is a comprehensive regional university with the primary purpose of providing post-secondary education in Southeast Alaska. The University of Alaska Southeast has campuses in Juneau, Ketchikan, and Sitka, and outreach locations throughout its region. It offers certificate programs and associate of applied science degrees in vocational-technical and business-related areas; associate of arts degrees and baccalaureate degrees in the liberal arts, sciences, education, business, and social sciences; and master's degrees in selected professional fields. In the Statewide system, this institution shares responsibility for programs in public administration, early childhood education and educational technology and has responsibility for statewide distance delivery of degrees in liberal arts and business and the master’s degree in public administration.

ACCREDITATIONS

The four accredited institutions of the University, University of Alaska Anchorage, University of Alaska Fairbanks, University of Alaska Southeast, and Prince William Sound Community College, are accredited by the Northwest Commission on Colleges and Universities. Various schools and colleges at each institution are also accredited by their appropriate accrediting bodies.

ADMINISTRATION OF THE UNIVERSITY

BOARD OF REGENTS

Established in 1917 as the Board of Trustees and made the Board of Regents by an act of the Territorial Legislature on July 1, 1935, the Board of Regents is an autonomous organization and the highest authority in the administration of the University. The eleven member Board of Regents is governed by Title 14, Chapter 40.120-170 of the Alaska Statutes, which provides for the appointment of the Regents by the Governor of the State for overlapping terms of eight years, subject to confirmation by the State Legislature. Provision for a student representative to the Board of Regents, with a term of two years, was made in 1975. Members of the Board of Regents are as follows:

Fuller Cowell, Chair
Bob Martin, Secretary
Mari Freitag, Student Regent
Kenneth J. Fisher
Mary K. Hughes
Michael Powers

Patricia Jacobson, Vice Chair
Kirk Wickersham, Treasurer
Timothy C. Brady
Jyotsna Heckman
Carl Marrs

Board of Regents members receive no compensation for their services, but are reimbursed for expenses incurred in performing their duties.

BUSINESS AND FINANCE OFFICERS

The University’s present business and financial officers are listed below, with biographical sketches following.

Patrick K. Gamble, President, UA
Joseph Trubacz, Vice President for Finance and Administration and Chief Financial Officer, UA
Roger Brunner, General Counsel, UA
Myron J. Dosch, Controller, UA
Wei Guo, Senior Accountant, UA
Carol L. Griffin, Vice Chancellor for Administrative Services, UAS
Pat Pitney, Vice Chancellor for Administrative Services, UAF
William H. Spindle, Vice Chancellor for Administrative Services, UAA

Patrick K. Gamble, became the 13th president of the University of Alaska on June 1, 2010. Prior to joining the university, he served Alaska for over nine years as president and chief executive officer of the Alaska Railroad Corporation. Before leading the railroad, Mr. Gamble served as a fighter pilot in the U.S. Air Force, retiring as a four-star general and as commander of U.S. air forces in the Pacific Region. Prior to that assignment, Mr. Gamble was director of Air Force Air and Space Operations in the Pentagon. From 1996 to 1998, he served as commander of Alaskan Command. Previous military assignments included director of NATO operations and logistics during Bosnia operations. He also served as Commandant of the U.S. Air Force Academy and commanded two fighter wings.

Mr. Gamble earned a Bachelor of Arts degree in mathematics from Texas A & M University and a Master of Business Administration from Auburn University, Alabama.

Joseph Trubacz was appointed Vice President for Finance and Administration and Chief Financial Officer in September 2008. Prior to that appointment, he served as Associate Vice President for Finance and Chief Financial Officer, a position he had been appointed to in December 2006. Prior to those appointments he served as the Interim Vice Chancellor of Administrative Services at the University of Alaska Fairbanks (UAF) for the period October 2005 through August 2006, and had directed the fiscal operations at UAF since 2001, first as director of financial services and then as associate vice chancellor of finance and business operations. Mr. Trubacz started with the University system in 1990, and his experience includes fiscal and administrative management of the Institute of Northern Engineering/Arctic Region Supercomputing Center and oversight of the Planning, Analysis and Institutional Research department at UAF. Mr. Trubacz earned a B.B.A. from the University of New Hampshire in 1981 and an M.B.A. in accounting from the Southern New Hampshire University in 1983.

Roger Brunner was appointed General Counsel in March 2005. Prior to his appointment he worked in general practice specializing in contract law and real estate. He was admitted to the Alaska Bar Association in 1976. Mr. Brunner has been admitted to the U.S. District Court for the District of Alaska, the Ninth Circuit Court of Appeals and the United States Supreme Court. Mr. Brunner holds a B.S. from Michigan State University and a J.D. from the University of Notre Dame. Mr. Brunner plans to retire in October 2011. His replacement will be Michael Hostina, who is currently an Associate General Counsel of the University.

Myron J. Dosch, CPA, was appointed Controller for the University Statewide System in March 2006. Prior to that appointment, he served as Assistant Controller, Finance for one year with primary responsibility for debt management. Mr. Dosch started his experience with the University system in 1995. Mr. Dosch's experience includes his current position of Controller for the University, six years as the financial accounting director for the University, and four years as the accounting manager for the University of Alaska Foundation. Mr. Dosch earned a B.B.A. in Accounting from Gonzaga University in 1990 and an M.B.A. with an emphasis in capital markets from the University of Alaska Fairbanks in 2002.

Wei Guo, CPA, started as Senior Accountant for the University Statewide System in June 2011. Prior to this position, she served as manager for a public accounting firm in Fairbanks, Alaska for the period January 2009 through May 2011, and as a supervisor for the same accounting firm from August 2006 through December 2008. Ms. Guo's experience also includes six years with a public accounting firm in Durham, North Carolina. Ms. Guo earned a Master of Accounting degree from University of North Carolina at Chapel Hill in 2000.

Carol L. Griffin was appointed Vice Chancellor for Administrative Services at the University of Alaska Southeast (UAS) in August 1999. She joined the University in 1980 as Assistant Professor of Public Administration. Ms. Griffin has held several positions at the University of Alaska Southeast including Director of Outreach Education, Director of Personnel and Affirmative Action and the Director of Administrative Services. Prior to coming to the University, Ms. Griffin was a researcher with the Bureau of Public Affairs Research at the University of Idaho. Ms. Griffin earned a M.P.A. from the University of Idaho in 1978.

Pat Pitney was appointed Vice Chancellor for Administrative Services at the University of Alaska Fairbanks in October 2008. Prior to this appointment, she served as Vice President for Planning and Budget Development for the University Statewide System. Ms. Pitney began her University of Alaska experience in 1991 as a research analyst and held management and leadership positions at the Statewide System for institutional research, information systems implementation, budgeting, planning, and accountability. Ms. Pitney earned a Bachelor's of Science degree in Engineering Physics from Murray State University in 1987 and an M.B.A. from the University of Alaska Fairbanks in 1991.

William H. Spindle, Ed.D., is Vice Chancellor for Administrative Services at the University of Alaska Anchorage (UAA), a position he has been in since June 2007. Prior to this appointment, Dr. Spindle was the Director of Business Services beginning in 1999. Dr. Spindle began his University of Alaska experience in 1997, serving as the Deputy Chief Procurement Officer and the Interim Chief Procurement Officer until 1999. Prior to coming to the University, he served for twenty-five years in the Air Force managing business organizations. His final position was as the Director of Contracting for Pacific Air Force Command. He retired in 1997 as a colonel. Dr. Spindle earned his bachelor's degree in Engineering Management from the United States Air Force Academy in 1972, an M.B.A. from Boston University in 1978 and his Ed.D. from the University of La Verne in 2007.

FACULTY AND EMPLOYEES

The University's faculty and staff total 4,601 regular employees and 3,843 temporary employees as of fall 2010. Members of the University's full-time regular instructional and research faculty total 1,371, 68% of which hold tenure or tenure-track faculty appointments as of fall 2010. Including part-time faculty, there were 340 professors, 405 associate professors, 612 assistant professors and 1,207 instructors as of fall 2010. As of fall 2010, there were approximately 373 employees affiliated with the University of Alaska Federation of Teachers (UAFT), 958 employees affiliated with the United Academics – American Association of University Professors / American Federation of Teachers (AAUP/AFT), 1,030 employees affiliated with the United Academic-Adjuncts, and approximately 283 employees affiliated with the Alaska Higher Education Crafts and Trades Employees. The University also has 9 fire fighters associated with Fairbanks Fire Fighters Association, International Association of Fire Fighters AFL – CIO. The University considers itself to have good relationships with its various employee groups. For fiscal year 2010, total University compensation and benefits was \$476.8 million, including union affiliated employees.

THE STUDENT BODY

STUDENT ENROLLMENT

Approximately ninety percent of the University students are residents of the State of Alaska. The remaining students come from the other 49 states and many foreign countries.

The University believes enrollment will increase modestly for the near future because more Alaskan students are attending college in-State. For the various academic years ending June 30, the University awarded the following degrees and certificates:

<u>June</u>	<u>Doctorate</u>	<u>Masters</u>	<u>Baccalaureate</u>	<u>Associate</u>	<u>Certificates</u>
2006	21	510	1,443	939	254
2007	33	643	1,419	969	286
2008	29	604	1,408	982	402
2009	37	537	1,527	928	277
2010	45	622	1,498	988	447
2011	46	641	1,616	1,068	452

Source: University of Alaska Institutional Research Office.

The following table indicates the total fall enrollment of undergraduate and graduate students, and the full-time equivalent and total credit hours for the fall semester, for all students attending the University. Full-time equivalent for undergraduate is calculated as 15 student credit hours for courses below the 500 level and 12 student credit hours for courses at the 500 level and above for graduate, excluding audited credit hours. This represents the average number of credits needed to receive an undergraduate degree in four years, or a graduate degree in two years. The enrollment figures listed for the years 2004 – 2010 are the fall semester closing figures that are available in January following the end of the semester. The fall 2011 closing enrollment figures will not be available until January 2012, but are monitored periodically during the semester.

Table 5
UNIVERSITY OF ALASKA
On Campus Fall Enrollment

<u>Fall</u>	<u>Head Count</u>			<u>Full-Time Equivalent</u>			<u>Total Credit Hours Taken</u>
	<u>Under- graduate</u>	<u>Graduate</u>	<u>Total</u>	<u>Under- graduate</u>	<u>Graduate</u>	<u>Total</u>	
2004	30,520	2,191	32,711	16,303	1,151	17,454	256,567
2005	30,248	2,243	32,491	16,236	1,161	17,397	255,798
2006	30,538	2,298	32,836	16,279	1,262	17,541	257,652
2007	29,955	2,211	32,166	16,126	1,225	17,351	254,875
2008	29,944	2,384	32,328	16,296	1,311	17,607	258,321
2009	31,121	2,589	33,710	17,195	1,395	18,589	273,150
2010	31,824	2,656	34,480	17,841	1,451	19,292	283,385
2011*	32,356	2,814	35,170	18,281	1,590	19,871	291,887

* Fall enrollment numbers are projected numbers based on Early Semester Reports (ESR) as of August 29, 2011, subject to change.

Source: University of Alaska Institutional Research Office.

Table 6 shows the number of applications accepted and the number of students enrolled for the fall semesters. Fall semester includes the prior summer term students.

Table 6
UNIVERSITY OF ALASKA
Student Applications and Enrollment

<u>Fall Semester</u>	<u>Applications Received</u>	<u>Accepted</u>	<u>Percent Accepted</u>	<u>Students Enrolled</u>	<u>Percent Enrolled</u>
Freshman					
2006	5,409	4,019	74.3%	2,873	71.5%
2007	5,252	3,940	75.0%	2,847	72.3%
2008	5,962	4,158	69.7%	2,932	70.5%
2009	6,650	4,873	73.3%	3,406	69.9%
2010	7,025	5,225	74.4%	3,589	68.7%
2011*	6,540	5,101	78.0%	3,520	69.0%
Transfer Undergraduates					
2006	2,708	1,875	69.2%	1,266	67.5%
2007	2,782	1,938	69.7%	1,292	66.7%
2008	3,012	2,068	68.7%	1,386	67.0%
2009	3,395	2,402	70.8%	1,682	70.0%
2010	3,461	2,492	72.0%	1,689	67.8%
2011*	4,890	3,471	71.0%	2,580	74.3%
Total Undergraduates					
2006	8,117	5,894	72.6%	4,139	70.2%
2007	8,034	5,878	73.2%	4,139	70.4%
2008	8,974	6,226	69.4%	4,318	69.4%
2009	10,045	7,275	72.4%	5,088	70.0%
2010	10,486	7,717	73.6%	5,278	68.4%
2011*	11,430	8,573	75.0%	6,100	71.2%
Graduate Students					
2006	1,360	638	46.9%	465	72.9%
2007	1,403	722	51.5%	523	72.4%
2008	1,484	785	52.9%	602	76.7%
2009	1,518	725	47.8%	574	79.2%
2010	1,541	703	45.6%	556	79.1%
2011*	1,535	691	45.0%	482	69.8%

* 2011 are projected numbers based on Early Semester Reports (ESR) as of August 29, 2011, subject to change.

Source: University of Alaska Institutional Research Office.

TUITION AND FEES

Tuition is assessed on a per credit hour basis. There is no fee cap or consolidated fee.

Table 7
UNIVERSITY OF ALASKA
Student Tuition per Credit Hour

Student Classification	<u>2005</u> <u>-06</u>	<u>2006</u> <u>-07</u>	<u>2007</u> <u>-08</u>	<u>2008</u> <u>-09</u>	<u>2009</u> <u>-10</u>	<u>2010</u> <u>-11</u>	<u>2011</u> <u>-12</u>	<u>2012*</u> <u>-13</u>
Undergraduate lower div, resident	\$109	\$120	\$128	\$134	\$141	\$147	\$154	\$165
Undergraduate upper div, resident	123	135	144	151	159	170	187	200
Undergraduate lower div, nonresident	363	399	427	448	471	500	542	580
Undergraduate upper div, nonresident	377	414	443	465	489	523	575	615
Graduate, resident	244	268	287	301	316	338	372	383
Graduate, nonresident	498	547	586	615	646	691	760	783

*2012-2013 Tuition increase per credit hour was approved by the Board of Regents in December 2010.

Source: University of Alaska Institutional Research Office.

The following table sets forth the average annual student tuition and registration fees for full-time students for the academic years indicated. Unless otherwise stated, figures reflect fees at the University of Alaska Fairbanks campus, which provide the substantially higher fees associated with resident population, health insurance, health services, recreation facilities, and a more active student government. In academic year 2010-2011, average annual registration fees at Fairbanks are \$948, compared to \$776 at Anchorage and \$720 at Southeast.

Table 8
UNIVERSITY OF ALASKA
Average Annual Full-Time Student Tuition and Registration Fees*

Student Classification	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>
Undergraduate, resident	\$ 4,538	\$ 4,818	\$ 5,173	\$ 5,408	\$5,703	\$6,093
Undergraduate, nonresident	12,908	13,788	14,593	15,308	16,293	17,733
Graduate, resident	7,197	7,682	8,104	8,492	9,138	9,954
Graduate, nonresident	13,893	14,858	15,640	16,412	17,610	19,266

*Assumes registration fees at Fairbanks. Undergraduate tuition is based on 15 credit hours per semester, with one half taken at the lower division rate and the other half taken at the upper division rate. Graduate tuition is based on 12 credit hours per semester.

Source: University of Alaska Institutional Research Office.

TOTAL COSTS – UNDERGRADUATE RESIDENTS

The annual cost of room and board and the total educational costs for two semesters for a resident undergraduate student taking 15 credits of lower division (100 and 200 level) and 15 credits of upper division (300 and above) courses are shown in Table 9. The figure is based on double-room, double-occupancy in a campus residence hall at the University of Alaska Fairbanks. Figures exclude travel.

Table 9
UNIVERSITY OF ALASKA
Annual Student Room and Board and Total Undergraduate Educational Costs

Academic Year	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>
Room and Board	\$ 6,030	\$ 6,030	\$ 6,630	\$ 6,802	\$ 6,960	\$6,960
Tuition, Fees, Books & Supplies	<u>5,238</u>	<u>5,518</u>	<u>5,908</u>	<u>6,708</u>	<u>7,103</u>	<u>7,493</u>
Combined Total	<u>\$11,268</u>	<u>\$11,548</u>	<u>\$12,538</u>	<u>\$13,510</u>	<u>\$14,063</u>	<u>\$14,453</u>

Source: University of Alaska Institutional Research Office.

FINANCIAL AID STATISTICS, COLLEGE SAVINGS PLAN AND SCHOLARS PROGRAM

Financial aid for the last several aid years (fall, spring and summer semesters) is shown below. Decrease in Alaska Student Loans is due primarily to increased volume of Pell Grants and Federal Stafford loans, which offer more favorable rates than the Alaska Student Loan Program.

Table 10
UNIVERSITY OF ALASKA
Summary of Financial Aid
By Aid Year: Fall - Spring - Summer Semesters
(\$'s in 000's)

	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>Estimates</u> <u>2010-11</u>
Scholarships, Grants and Awards					
Federal - Pell Grants	\$ 8,917.7	\$ 9,839.5	\$ 11,213.8	\$ 17,234.7	\$ 24,593.2
Federal - Other	1,853.4	1,957.7	1,951.7	2,215.3	3,175.6
UA Foundation	1,537.2	1,618.6	1,670.9	1,972.1	2,069.2
Institutional	7,940.6	8,666.8	10,611.3	11,449.4	12,070.9
Other	8,343.6	9,094.3	10,731.8	11,563.4	12,565.1
Total	<u>\$ 28,592.5</u>	<u>\$ 31,176.9</u>	<u>\$ 36,179.5</u>	<u>\$ 44,434.9</u>	<u>\$ 54,474.0</u>
Loans					
Alaska Student Loans	\$ 21,673.5	\$ 19,613.8	\$ 17,999.9	\$ 6,227.5	\$ 4,298.9
Federal	41,883.6	45,493.7	53,628.3	67,937.4	76,142.1
Other	1,096.8	1,030.0	942.8	1,461.5	1,270.4
Total	<u>\$ 64,653.9</u>	<u>\$ 66,137.5</u>	<u>\$ 72,571.0</u>	<u>\$ 75,626.4</u>	<u>\$ 81,711.4</u>
Student Employment	<u>\$ 17,774.0</u>	<u>\$ 18,123.6</u>	<u>\$ 18,866.8</u>	<u>\$ 20,363.1</u>	<u>\$ 20,857.4</u>
Total Financial Aid	<u><u>\$ 111,020.4</u></u>	<u><u>\$ 115,438.0</u></u>	<u><u>\$ 127,617.3</u></u>	<u><u>\$ 140,424.4</u></u>	<u><u>\$ 157,042.8</u></u>

Source: University of Alaska Institutional Research Office.

Section 529 College Savings Plan. In 1991, the Alaska legislature established the Advance College Tuition program within the University of Alaska. The program was one of the first of what would eventually become known as Section 529 College Savings Plans. In 1997, the University modified the program to comply with Section 529 of the Internal Revenue Code. In 2001, the University established the Education Trust of Alaska (“Trust”) and converted the program from a prepaid tuition program to a full-range college savings and investment program. T. Rowe Price was selected as program manager. The Trust offers three separately marketed 529 college savings plans: The UA College Savings Plan, marketed directly to investors within the State of Alaska; the T. Rowe Price College Savings Plan nationally marketed directly to investors; and John Hancock Freedom 529 nationally marketed through authorized financial advisors. Each of these plans is open to eligible individuals regardless of state of residence. Each of these plans has different investment options. Since the Trust was established in May 2001, assets under management in the program have grown from \$25 million to approximately \$4.4 billion at June 30, 2011, with over 21,000 Alaskans having established accounts in the plan.

UNIVERSITY OF ALASKA SCHOLARS PROGRAM

The University of Alaska Scholars Program (“Program”) is a four-year scholarship given to the top ten percent of graduates from qualified Alaska high schools each year. The Program offers an \$11,000 scholarship for use at any University campus. Scholars receive \$1,375 per semester for a total of eight semesters. Starting in 1999 the Program is considered a significant reason for the increase of Alaska college-bound seniors attending the University. As of fall 2010, there were 1,982 UA Scholars enrolled.

ALASKA PERFORMANCE SCHOLARSHIP PROGRAM AND ALASKADVANTAGE EDUCATION GRANT

For academic year 2011-2012, the State of Alaska created the Alaska Performance Scholarship program administered by Alaska Commission on Postsecondary Education. This \$6 million program is a merit-based scholarship that provides an opportunity for any future Alaska high school graduate who meets a core set of requirements to receive funding to pursue college and/or career training in Alaska. There are three maximum award levels, \$4,755 a year, \$3,566 a year, and \$2,378 a year. The scholarship provides additional incentives for Alaska high school graduates to pursue higher education with the University.

The AlaskAdvantage Education grant is also new for academic year 2011-2012. This \$3 million program provides need-based financial assistance to eligible Alaska students attending qualifying postsecondary educational institutions in Alaska. A portion of funds is set aside for applicants with exceptional academic preparation and for those enrolled in workforce shortage programs. Grant awards range from a minimum of \$500 to a maximum of \$3,000 per academic year for students who have qualifying unmet financial need.

FACILITIES AND CAPITAL PROGRAM

LIBRARIES AND MUSEUM

The University's library collection contains more than 2.3 million book volumes with extensive collections housed at Fairbanks, Anchorage and other sites. The University's system wide general library collection of books, periodicals and documents is approximately 1.5 million titles.

The expanded University of Alaska Museum of the North located on the Fairbanks campus opened in Fall 2005, and has brought national and international media attention to Alaska. The \$42 million museum expansion project doubled the size of the existing museum to approximately 90,000 gross square feet.

RESIDENTIAL AND OTHER

The University maintains and operates 71 student residential buildings having a combined designed capacity of approximately 2,970 beds as well as an additional 31 faculty and staff housing units. Other ancillary facilities of the University include a \$60 million central co-generation power plant in Fairbanks, printing services and copy centers, motor pools, bookstores, health services and telecommunication centers.

PHYSICAL PLANT FOR ACADEMIC AND ADMINISTRATIVE ACTIVITIES

The table below sets forth the balance of non-depreciated book value of investments in physical properties of the University. Adjusted value was calculated utilizing R.S. Means "Historical Cost Index" (209 Cities Index, Anchorage), adjusting project cost, including design, forward from original construction and/or revitalization date. (For more information about capital assets, see Note 6 in Appendix A – University of Alaska Audited Financial Statements Fiscal Year Ending June 30, 2010).

June	Original	Adjusted			Average Age
2010	<u>Project Cost</u>	<u>Gross Value</u>	<u>Square Feet</u>	<u>Buildings</u>	<u>weighted by GSF</u>
	\$1,196,687,000	\$1,917,449,000	6,607,038	403	32.4 years

Infrastructure, leasehold and other improvements have a historical cost of \$110.6 million as of June 2010.

CAPITAL PROGRAM

Major construction projects of the University are funded primarily by State of Alaska capital appropriations, including state-issued general obligation bonds, and University revenue bonds. For fiscal year 2012, State of Alaska capital appropriations include \$37.5 million for deferred maintenance, \$8.0 million for renewal and miscellaneous projects and \$34 million for a sports arena on the Anchorage campus. The deferred maintenance appropriation of \$37.5 million represents the second installment of a five year program by the Governor to address such needs across state agencies. Receipt of future appropriations is dependent on legislative approval.

Fiscal year 2011, capital appropriations included \$39.6 million for deferred maintenance and \$207 million for University projects that were included as part of a \$397.2 million authorization of State general obligation bonds that was approved by Alaska voters in November 2010. The \$207 million in University projects include, \$88 million for Life Sciences Classroom & Laboratory Facility at University of Alaska Fairbanks, \$14.5 million for Career & Technical Education Center at Kenai Peninsula College, \$16 million for Student Housing at Kenai Peninsula College, \$23.5 million for Valley Center for Art & Learning at Mat-Su College, \$5 million for campus renovation and renewal at Prince William Sound Community College and \$60 million for a sports arena at University of Alaska Anchorage. In December 2010, the State sold \$200 million of general obligation bonds to provide initial funding for the University projects and other projects that were authorized in the November referendum.

For fiscal year 2010, the State of Alaska appropriated \$3.2 million for renewal and renovation projects at various campuses in the University system.

State of Alaska capital appropriations for fiscal year 2009 totaled \$107.2 million, which included \$46 million to construct a 65,000 gross square foot health sciences facility in Anchorage, \$15 million for the planning, design and site preparation for the new sports arena in Anchorage and \$46.2 million for renewal/renovation and other smaller projects.

The Board of Regents has an ongoing capital program which includes renovation of existing facilities, new construction, planning and design for new construction, and reducing deferred maintenance and renewal backlog. The capital plan for fiscal year 2012 through 2021 supports the University's strategic plan and the campus academic and research plans.

The University continues to monitor its deferred and imminent renewal needs and makes it a top priority budget request to the legislature. For fiscal year 2012, in excess of \$900 million has been identified as deferred or imminent renewal needs for the University's approximately 6.6 million square feet of physical plant that has an adjusted gross value of approximately \$1.9 billion.

RETIREMENT PLANS

Substantially all regular employees participate in either the State of Alaska Public Employees' Retirement System ("PERS") or the State of Alaska Teachers' Retirement System ("TRS"), each of which is a multiple-employer public pension and retirement plan, or the University of Alaska Optional Retirement Plan ("ORP"), a single-employer defined contribution plan. In addition, substantially all regular employees participate in the University of Alaska Pension Plan, a supplemental single-employer defined contribution plan. None of the retirement systems or plans owns any notes, bonds or other instruments of the University.

PERS and TRS are administered by the State of Alaska, through the Department of Administration. In 2005, the State Legislature enacted legislation to close PERS and TRS defined benefit plans and established defined contributions plans, each with a health care component, for new employees. In 2008, the State Legislature enacted legislation which shifted to the State of Alaska more of the cost of funding the unfunded accrued actuarial liability ("UAAL") of PERS and TRS. This legislation set employer contribution rates, including those of the University, at 22 percent of total payroll for PERS and 12.56 percent of total payroll for TRS. The additional amount necessary to fully fund the plans at the actuarial rates, in excess of the 22 percent and 12.56 percent has been paid by the State of Alaska. In 2011 and 2010 the State of Alaska made payments totaling \$21.839 million and \$17.975 million directly to the retirement plans on-behalf of the University. A more complete description of the PERS and TRS plans, including UAAL, is available at http://doa.alaska.gov/drb/retirement/valuations_portal.html⁽¹⁾.

The University contributed \$62.6 million and \$61.8 million to its retirement and pension plans during fiscal year 2011 and 2010, respectively, not including the on-behalf payments made by the State of Alaska. (For more information about the retirement plans, see Note 12 in Appendix A – University of Alaska Audited Financial Statements Fiscal Year Ending June 30, 2010).

On June 5, 2009 a group of beneficiaries of the ORP filed a class-action lawsuit entitled Abel Bult-Ito et al., v. State of Alaska, University of Alaska, et al., Case No. 3AN-09-7875 CI, in the Superior Court for the State of Alaska, Third Judicial District at Anchorage, against the State of Alaska and the University. The group of beneficiaries alleges, among other things, that State legislation passed in 2007 and 2008 unconstitutionally diminished contributions to the ORP. The case is currently set for trial the week of January 30, 2012. The likelihood of success on the merits of the case is unknown as is the financial impact on the University.

(1) Reference to the State of Alaska's website is provided for convenience only. The reference is not a hyperlink and, by this reference, the State of Alaska's website is not incorporated into this Official Statement.

STATE APPROPRIATIONS TO THE UNIVERSITY

The University receives financial assistance for both operations and designated capital improvements through appropriations by the State Legislature.

The University is treated like a State agency for the purposes of budget and fiscal control. However, unlike State agencies, the University maintains its own treasury functions, collects its own revenues, invests its funds, and makes its own disbursements. Annually, the State Legislature appropriates authority to the University to receive and expend specified revenues up to specific levels or amounts. All revenues, except State general fund authorizations and other forms of State support, are received directly into the University's treasury. State funded authorizations are received from the State on a monthly basis at approximately one-twelfth of the annual operating authorization. State funded capital appropriations are generally received based on a reimbursement basis.

Transfers between appropriations without State Legislative authorization are prohibited. However, legislative authorization for the expenditure of revenues received in excess of originally authorized levels may be obtained during the interim between legislative sessions under procedures specified by State statute.

Appropriations to the University are for two types: operating and capital. Operating appropriations authorize expenditure of all current revenues and lapse at the end of the fiscal year. State funded current revenues at this time include State general funds and funds from the Mental Health Trust Authority. Supplemental appropriations amend current year appropriations of the prior Legislative session. Capital appropriations are generally for facilities, equipment or specified projects, and have an expiration date five years into the future unless extended.

The State Legislature may authorize operating and capital expenditures separately, together, or individually, but may not combine appropriations and substantive legislation in the same bill. Typically, however, operating and capital authorizations to the University are appropriated separately in general operating and capital budget bills. Additional authorizations to the current year operating budget are appropriated in a supplemental bill. Any of these bills may include "reappropriations" of balances remaining in prior operating or capital authorizations.

Although the Legislature can restrict any appropriation to a specified use, in the last decade, the annual operating appropriations for the University have been very broad in scope and contain few, if any, restrictions. Essentially, the appropriated revenues must be expended prudently. The titles for supplemental, capital, and reappropriations are generally very specific as to the purpose for which they are appropriated and must be expended accordingly. The Governor has the authority to veto or reduce the amount of an appropriation, but does not have the authority to increase or to change the legislative intent or purpose of it.

Commencing in fiscal year 2009, the University has seven operating appropriations, essentially one for each major administrative unit. Transactions between appropriations are not allowed unless a reimbursable services agreement is approved or an exemption has been granted by the State's Office of Management and Budget.

Table 11
UNIVERSITY OF ALASKA
Summary of State Appropriations ⁽¹⁾
For Fiscal Years Ending June 30
(\$'s in 000's)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u> ⁽³⁾	<u>2012</u>
Operating:						
General Operating Bill ⁽¹⁾	\$279,449	\$289,236	\$307,303	\$323,202	\$335,296	\$346,073
Separate/Special Legislation ⁽²⁾	<u>7,965</u>	<u>10,791</u>	<u>13,467</u>	<u>11,624</u>	<u>11,348</u>	<u>10,030</u>
Total	<u>\$287,414</u>	<u>\$300,027</u>	<u>\$320,770</u>	<u>\$334,826</u>	<u>\$346,644</u>	<u>\$356,103</u>
Capital:						
Capital Expenditures - New	\$ 58,500	\$ 3,750	\$ 61,300	\$ -	\$ 219,000	\$34,000
Revitalization, Facility Renewal, Deferred Maintenance	48,725	8,475	45,823	3,200	39,550	45,504
Separate/Special Legislation	<u>715</u>	<u>640</u>	<u>125</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u>\$107,940</u>	<u>\$ 12,865</u>	<u>\$107,248</u>	<u>\$ 3,200</u>	<u>\$258,550</u>	<u>\$79,504</u>

For fiscal years 2011, 2010, 2009 and 2008 operating state appropriations do not include pension payments of \$21.839 million, \$17.975 million, \$30.502 million and \$28.464 million, respectively, which the State of Alaska made directly to PERS and TRS on-behalf of the University. These payments are being made as part of State legislation aimed at reducing the unfunded liabilities of these pension plans.

- 1) Appropriations exclude receipt authority for other sources such as general revenue bonds, federal grants and contracts that may be used for operating activity, purchase of equipment or capital construction.
- 2) Fiscal years 2007 through 2012 each include approximately \$1.413 million in appropriations for reimbursement of a portion of the debt service on the Series K Bonds in accordance with Section 14.40.257 of the Alaska Statutes.
- 3) In 2011, \$207 million of the \$219 million capital appropriation represents projects that have or will be funded from State general obligation bonds. See "CAPITAL PROGRAM" herein.

Source: University of Alaska.

INVESTMENTS AND LIQUIDITY

The Alaska Statutes and Board of Regents' policy provide the University with broad authority to invest funds. Generally, operating funds are invested according to the University's liquidity needs. It is the University's investment strategy to reduce risk, enhance liquidity and safeguard University investments from market exposure. As a result, the University's investment portfolio mainly consists of cash or safer, shorter term investments with high liquidity.

At June 30, 2011 the University had operating investments totaling \$123.8 million, primarily consisting of cash on hand, savings, money market funds, an overnight repurchase agreement, investments in Commonfund pooled investment funds and investments in fixed income bonds. The Commonfund is a

not-for-profit provider of pooled multi-manager investment vehicles for colleges and universities where the University was invested in the money market during fiscal year 2011. The University was also invested in various fixed income bonds held in the name of the University, including corporate bonds, U.S. Treasury bonds, and Federal agency bonds. Cash, savings, certificates of deposit and money market investments represent 36.5% of total operating investment portfolio. Fixed income bonds with thirty to ninety days maturity comprised 39.3% of the portfolio and the remaining 24.2% are fixed income bonds with three to five years maturity. The money market mutual funds are all rated AAA. As of August 2011, all of the University's fixed income bond holdings had investment grade ratings and 79% of its holdings were in the two highest rating categories of Moody's and Standard & Poor's. As of June 30, 2011 and 2010, the University's operating funds were as follows (\$'s in 000's):

<u>Investment Type</u>	<u>2011</u>	<u>2010</u>
Cash and Deposits	\$ 11,081	\$ 4,290
Repurchase Agreement	22,210	22,951
Hedge Funds		851
Money Market Mutual Funds	11,881	80,859
Fixed Income Bonds - Short Term	48,680	
Fixed Income Bonds - Long Term	29,924	
	<u>\$ 123,776</u>	<u>\$ 108,951</u>

GIFTS, ENDOWMENTS AND FUND RAISING

By Board of Regents policy, all gifts to the University are received and invested by the University of Alaska Foundation ("Foundation"). The University and the Foundation also directly solicit privately funded grants in support of the University's mission. Private gift and fund raising efforts are directed toward program support and toward building endowments.

THE UNIVERSITY OF ALASKA FOUNDATION

The Foundation is a public nonprofit corporation established as a public charity in 1974 to solicit, manage, and invest donations for the exclusive benefit of the University. The Foundation is a tax-exempt organization as described in Subsection 501(c)(3) of the Internal Revenue Code, and donations made to the Foundation are deductible according to schedules established under income and estate tax regulations.

The Foundation is legally separate and distinct from the University and is governed by its own board of trustees. This twenty to thirty member board establishes the Foundation's investment policy for the endowments and non-endowed funds, and oversees the distribution of the Foundation's assets to its sole beneficiary, the University system. A separately appointed Investment Committee manages the Foundation's investments. Most scholarship, endowment and other privately established funds to benefit the University are under the care of the Foundation.

In fiscal year 1998, the Foundation established the Consolidated Endowment Fund to combine for investment purposes the University's Land Grant Endowment Trust Fund and the Foundation's Pooled Endowment Fund. The Consolidated Endowment Fund is managed by the Foundation (by the above mentioned Investment Committee) under an agreement with the University, and each year a separate financial statement and audit is made of the Consolidated Endowment Fund.

Beginning July 1, 2006, the Foundation implemented an administrative fee on gifts and endowments to support the Foundation's operations as follows:

Gifts – All cash gifts are assessed 1% of the gift value at the time of the gift. Noncash gifts are assessed 1% at the time of conversion to cash by the Foundation, based on the proceeds received.

Endowments – 1% is assessed by the Foundation annually based on the asset valuation at the end of the previous calendar year.

Land Grant Trust Fund Assets – .50% is assessed by the Foundation annually based on the asset valuation of the University’s land grant trust fund assets invested by the Foundation as of the end of the previous calendar year.

A portion of the administrative fees assessed by the Foundation are allocated to the campuses to support development efforts to increase private support.

Table 12
UNIVERSITY OF ALASKA FOUNDATION
Summary Financial Information
For Fiscal Years Ending June 30
(\$'s in 000's)

	2007	2008	2009	2010	Estimated Unaudited 2011
Revenues, gains and other support					
Donations and Bequests	\$ 20,034	\$ 29,131	\$ 29,810	\$ 15,942	\$ 15,801
Investment income	3,747	3,383	2,118	1,955	2,415
Net realized and unrealized gains and losses	17,183	(6,202)	(31,614)	7,174	16,711
Other (includes transfers from the University)	1,065	1,056	1,686	1,483	1,552
Actuarial adjustment of remainder trust obligations	(9)	(13)	(36)	(100)	240
Total	<u>\$ 42,020</u>	<u>\$ 27,355</u>	<u>\$ 1,964</u>	<u>\$ 26,454</u>	<u>\$ 36,719</u>
Distributions to the University	<u>\$ 15,511</u>	<u>\$ 15,429</u>	<u>\$ 17,700</u>	<u>\$ 13,290</u>	<u>\$ 13,470</u>
Net Assets:					
Unrestricted	\$ 43,757	\$ 41,379	\$ 31,233	\$ 33,832	\$ 23,345
Temporarily restricted	71,759	81,280	67,349	62,732	79,134
Permanently restricted	50,445	53,245	59,695	72,310	87,016
Total Net Assets	<u>\$ 165,961</u>	<u>\$ 175,904</u>	<u>\$ 158,277</u>	<u>\$ 168,874</u>	<u>\$ 189,495</u>

Source: University of Alaska Foundation Audited Financial Statements.

Overall, total donations and bequests received by the Foundation was \$15.8 million in fiscal year 2011, compared to \$15.9 million in fiscal year 2010. There was an 8% increase in the number of donors from the previous year. The number of donors supporting the University has increased by 51% since fiscal year 2006.

Nationally, more than 80% of private donations are made by individuals. Institutions (foundations and corporations) have traditionally been the primary source of private support for Alaskan organizations. In the times of economic crises, foundation donors reduce their budgets, in part due to the fact that their respective endowment payouts are based on lower endowment values. In addition, top corporate donors have signaled that contributions in fiscal year 2012 and beyond will be significantly lower than in past years. The University is challenged to turn the tide to increase private individual giving while maintaining the current donor base. Looking ahead, it is highly unlikely that private fundraising results will return to the levels seen between fiscal years 2007 and 2009 any time in the near future, due to the large proportion of gifts that were made by institutional donors.

The estimated fair value of the Foundation's investments with quarterly or less frequent redemption periods as of June 30, 2011, totaled \$26.4 million. These investments were all held within the Consolidated Endowment Fund. The limitations and restrictions on the Foundation's or the Consolidated Endowment Fund's ability to redeem or sell these investments vary by investment and range from required notice periods (generally sixty to ninety days after initial lock-up periods) for certain absolute return and equity hedge funds, to specified terms at inception (generally twelve years) associated with private capital interests.

ENDOWMENT FUNDS

As of June 30, 2011, the University held financial and real estate endowment net assets of \$178.7 million separate from the Foundation. Of this amount \$177.1 million represented Land Grant Trust Fund net assets held by the University. In 1997, the Board of Regents adopted a total return endowment management and investment policy, and by agreement with the University of Alaska Foundation, authorized the Foundation to manage the trust funds in accordance with that policy.

Land Grant Trust property and other assets consist of real property and timber and other rights. By Acts of Congress in 1915 and 1929, approximately 110,000 acres of land was granted to the territory of Alaska to be held in trust for the benefit of the University. The lands were managed by the Territory, and later the State of Alaska. In accordance with a 1982 agreement, the lands were subsequently transferred to the Board of Regents, as trustee. In 1982 and 1988 certain State lands including timber and other rights were transferred to the trust as replacement for lands disposed of or adversely affected during the period of administration by the territory and the State. The net proceeds from timber, land and other rights are deposited in the land grant endowment trust fund. At June 30, 2011 approximately 82,000 acres were held in trust at no basis because fair value at the date of transfer was not determinable.

Funds derived from the net sales, leases, exchanges and transfers of the University's trust lands must be deposited for investment in the University's land grant endowment trust fund as provided by Alaska Statute 14.40.400. Assets of the fund are invested and earnings of the fund are made available to the University for expenditure in accordance with principles established under Alaska Statute 14.25.180, Board of Regents' policy and University regulations which provide: (1) that a portion of the annual earnings will be utilized to manage the University's lands, (2) that a portion of the annual earnings will be set aside in order to maintain the purchasing power of the endowment funds, and (3) a portion will be designated as a spending allowance to be transferred to the Natural Resources Fund for the purpose of funding projects and programs necessary to establish or enhance the quality of the University's academic programs, research or public service. The annual spending allowance of the Land Grant Trust Fund is based on four and one-half percent of a five year moving average of the invested balance. Withdrawals of net earnings to meet the spending allowance are limited to the unexpended accumulated net earnings of the endowments.

Table 13
UNIVERSITY OF ALASKA
Endowment Fund - Summary Financial Information
For Fiscal Years Ending June 30
(\$'s in 000's)

	2007	2008	2009	2010	Unaudited 2011
Unrestricted Endowment Income	\$ 6,295	\$ 5,476	\$ 6,118	\$ 3,343	\$ 2,725
Land Grant Trust Assets					
Cash and Investments	\$ 147,525	\$ 143,004	\$ 105,840	\$ 112,191	\$ 129,017
Land Sale Receivables	6,430	4,583	4,433	4,189	5,319
Real Property	39,088	38,844	42,476	42,445	42,736
Total Land Grant Trust Net Assets	193,043	186,431	152,749	158,825	177,072
Other Endowment Fund Net Assets	1,115	990	989	990	1,580
Total Endowment Fund Net Assets	\$ 194,158	\$ 187,421	\$ 153,738	\$ 159,815	\$ 178,652

Source: University of Alaska.

GRANTS AND CONTRACTS

Research programs at the University take advantage of the University's unique locations in the sub-Arctic of Alaska, with access to the Pacific Ocean, the Arctic Ocean, glaciers and permafrost areas.

Approximately 90 percent of the research activities at the University take place on the Fairbanks campus and its outlying research sites. Major recipients were the Geophysical Institute, the School of Fisheries and Ocean Sciences, the Institute of Northern Engineering, the Agricultural and Forestry Experiment Station, and the Institute of Arctic Biology. Major contributors were the National Science Foundation, Department of Education, Department of Health and Human Services, National Aeronautics and Space Administration, Department of Agriculture and Department of Commerce.

In addition to research carried out in its academic departments, the University has a number of research centers that focus upon problems of the Arctic. These include the International Arctic Research Center that was established in 1999 with bi-lateral collaboration from a Japanese non-profit organization to conduct research on the Arctic and global climate change; the environmental impact of human activities; the development of renewable and non-renewable resources; energy sources and the cultural understanding and preservation of peoples of the North. Major initiatives continue in the areas of health and the biological and biomedical sciences with support from the National Science Foundation for the Experimental Program to Stimulate Competitive Research (EPSCoR) and the National Institutes of Health, National Center for Research Resources support for the Center for Alaska Native Health Research (CANHR) and IDeA Network of Biomedical Research Excellence (INBRE).

In August 2008, after 30 years of planning and development, the National Science Foundation (NSF) awarded the University of Alaska Fairbanks (UAF) \$2.5 million for the first phase of funding for the construction of the Alaska Region Research Vessel (ARRV). In May 2009 UAF received a \$148.1 million award from the NSF to construct the ARRV of which \$28.5 million were expended through August 1, 2011. As designed, the ARRV will be a 242 foot, multipurpose oceanographic research vessel capable of operating in seasonal ice and open regions around Alaska. The ARRV will be owned by NSF and operated by UAF on behalf of the entire ocean sciences community. The estimated completion date for the ARRV is 2014.

As of August 1, 2011, the University received \$197.0 million in awards from the American Recovery and Reinvestment Act (ARRA) of February 2009 (also known as “stimulus” fund) which covers 69 projects. The University expended \$40.6 million and \$8.8 million of the ARRA award during fiscal year 2011 and 2010, respectively. The largest award is for the Alaska Region Research Vessel described above and \$27 million was spent on this project during fiscal year 2011. The remaining awards are mainly for research activities the University conducts in the normal course of its mission and are for periods of one to five years. Table 14 summarizes annual expenditures of federal grants and contracts by major federal agencies.

Table 14
UNIVERSITY OF ALASKA
Expenditures of Federal Grants and Contracts by Agency
For Fiscal Years Ending June 30
(\$'s in 000's)

<u>Federal Agency</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>Estimated Unaudited 2011</u>
National Science Foundation	\$ 25,579	\$ 31,114	\$ 31,941	\$ 38,517	\$ 64,196
Department of Education	20,423	18,287	17,817	23,990	23,074
Department of Health and Human Services	15,266	13,793	14,380	16,330	18,420
National Aeronautics and Space Admin.	11,249	10,946	12,308	14,476	18,040
Department of Agriculture	15,570	12,693	12,694	12,230	10,420
Department of Commerce	14,489	12,744	13,580	10,335	11,277
General Services Administration	13,782	14,154	9,602	11,654	8,922
Department of Defense	12,005	8,408	8,303	9,758	8,966
Department of the Interior	8,905	8,876	8,762	8,773	11,808
Other Federal Agencies	13,555	14,057	13,260	12,742	17,377
	<u>\$ 150,823</u>	<u>\$ 145,072</u>	<u>\$ 142,647</u>	<u>\$ 158,805</u>	<u>\$ 192,500</u>

Source: University of Alaska Fund Accounting.

Table 15 provides information on grants and contracts for operating activities over the past several fiscal years identified by source. Capital grants and contracts are also identified on Table 15. The Facilities and Administrative Cost Recovery, a component of Pledged Revenues shown on Table 2, is included as part of the revenues associated with grants and contracts shown on Table 15.

Table 15
UNIVERSITY OF ALASKA
Statements of Revenues, Expenses and Changes in Net Assets
For the Years Ended June 30, 2010, 2009, 2008 and 2007
(in thousands)

	2010	2009	2008	2007
Operating revenues				
Student tuition and fees	\$ 119,846	\$ 107,424	\$ 99,921	\$ 91,473
less scholarship allowances	(13,506)	(9,213)	(7,838)	(7,004)
	106,340	98,211	92,083	84,469
Federal grants and contracts	138,591	127,287	129,640	134,245
State and local grants and contracts	24,519	24,098	22,074	19,536
Private grants and contracts	45,728	46,902	45,985	47,859
Sales and services, educational departments	4,073	3,850	3,345	3,688
Sales and services, auxiliary enterprises, net of scholarship allowances of \$2,018, \$1,483, \$1,264, and \$1,246	39,225	39,990	39,192	38,849
Other	14,457	15,687	14,457	14,837
Total operating revenues	<u>372,933</u>	<u>356,025</u>	<u>346,776</u>	<u>343,483</u>
Operating expenses				
Instruction	204,903	196,304	183,190	181,175
Academic support	57,688	54,642	52,174	50,659
Research	133,447	126,949	121,843	131,283
Public service	40,401	37,820	36,063	32,926
Student services	50,171	48,170	45,437	41,890
Operations and maintenance	59,339	61,186	54,983	50,216
Institutional support	94,942	90,184	82,611	69,562
Student aid	20,965	17,937	14,879	13,566
Auxiliary enterprises	40,228	39,724	39,410	38,681
Depreciation	58,228	55,649	56,883	57,455
Pension expense - NPO, OPEB and state on-behalf payments	17,975	30,502	29,003	5,389
Total operating expenses	<u>778,287</u>	<u>759,067</u>	<u>716,476</u>	<u>672,802</u>
Operating loss	<u>(405,354)</u>	<u>(403,042)</u>	<u>(369,700)</u>	<u>(329,319)</u>
Nonoperating revenues (expenses)				
State appropriations	334,826	320,770	300,027	287,414
State on-behalf contributions - pension	17,975	30,502	28,464	-
Investment earnings (losses)	3,810	(8,142)	4,408	11,656
Endowment investment income (loss)	12,953	(24,048)	964	29,964
Interest on debt	(4,852)	(4,986)	(4,895)	(4,295)
Federal student financial aid	18,275	11,812	9,848	8,927
Other nonoperating expenses	(1,905)	(4,428)	(3,423)	(4,534)
Net nonoperating revenues	<u>381,082</u>	<u>321,480</u>	<u>335,393</u>	<u>329,132</u>
Loss before other revenues, expenses, gains or losses	<u>(24,272)</u>	<u>(81,562)</u>	<u>(34,307)</u>	<u>(187)</u>
Capital appropriations, grants and contracts	61,951	63,617	85,660	40,782
Income (loss) before extraordinary item	37,679	(17,945)	51,353	40,595
Extraordinary item - Pension expense - net pension obligations	-	31,325	-	-
Net increase in net assets	<u>37,679</u>	<u>13,380</u>	<u>51,353</u>	<u>40,595</u>
Net assets				
Net assets - beginning of year	952,183	938,803	887,450	846,855
Net assets - end of year	<u>\$ 989,862</u>	<u>\$ 952,183</u>	<u>\$ 938,803</u>	<u>\$ 887,450</u>

Source: Audited Financial Statements.

Note: Prior years' figures have been restated to conform to current year presentation

Table 16
UNIVERSITY OF ALASKA
Statements of Net Assets
Fiscal Years Ending June 30, 2010, 2009, 2008 and 2007
(in thousands)

Assets	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Current assets:				
Cash and cash equivalents	\$ 99,390	\$ 81,728	\$ 8,642	\$ (524)
Short-term investments	6,129	26,184	26,463	39,317
Accounts receivable, less allowance of \$7,614 \$6,573, \$5,239 and \$4,678	70,369	64,523	69,084	61,679
Other assets	691	659	774	684
Inventories	7,963	7,220	8,110	8,544
Total current assets	<u>184,542</u>	<u>180,314</u>	<u>113,073</u>	<u>109,700</u>
Noncurrent assets:				
Restricted cash and cash equivalents	1,531	5,091	19,692	4,092
Notes receivable	4,189	4,433	4,583	5,329
Endowment investments	116,373	111,011	145,212	148,713
Land Grant Trust property and other assets	44,532	44,674	45,001	46,272
Long-term investments	7,652	7,875	83,922	83,503
Education Trust of Alaska	9,339	7,986	8,569	8,324
Capital assets, net of accumulated depreciation of \$760,343, \$715,776, \$681,520 and \$634,883	863,314	833,989	792,161	736,894
Total noncurrent assets	<u>1,046,930</u>	<u>1,015,059</u>	<u>1,099,140</u>	<u>1,033,127</u>
Total assets	<u>1,231,472</u>	<u>1,195,373</u>	<u>1,212,213</u>	<u>1,142,827</u>
Liabilities				
Current liabilities:				
Accounts payable and accrued expenses	24,904	19,221	18,797	20,276
Accrued payroll	28,346	24,966	21,292	20,852
Deferred revenue and deposits	18,886	17,086	15,032	15,625
Accrued annual leave	11,752	11,320	10,459	9,926
Deferred lease revenue - current portion	1,281	1,281	1,281	1,281
Long-term debt - current portion	6,763	6,473	9,659	6,278
Insurance and risk management	22,763	20,134	19,283	18,168
Total current liabilities	<u>114,695</u>	<u>100,481</u>	<u>95,803</u>	<u>92,406</u>
Noncurrent liabilities:				
Deferred revenue - capital	2,875	10,519	5,781	6,361
Deferred lease revenue	3,523	4,804	6,085	7,366
Long-term debt	114,537	121,540	127,019	112,732
Net pension and OPEB obligations		-	31,325	30,786
Security deposits and other liabilities	5,980	5,846	7,397	5,726
Total noncurrent liabilities	<u>126,915</u>	<u>142,709</u>	<u>177,607</u>	<u>162,971</u>
Total liabilities	<u>241,610</u>	<u>243,190</u>	<u>273,410</u>	<u>255,377</u>
Net Assets				
Invested in capital assets, net of related debt	738,206	705,398	671,700	619,665
Restricted:				
Expendable	16,614	12,233	46,707	55,587
Nonexpendable	128,341	127,416	126,752	124,114
Unrestricted	106,701	107,136	93,644	88,084
Total net assets	<u>\$ 989,862</u>	<u>\$ 952,183</u>	<u>\$ 938,803</u>	<u>\$ 887,450</u>

Source: Audited Financial Statements.

Note: Prior years' figures have been restated to conform to current year presentation.

CERTAIN LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approving legal opinion of Wohlforth, Brecht, Cartledge & Brooking, Anchorage, Alaska, Bond Counsel to the University. The proposed form of the opinion is included herein as Appendix C.

TAX MATTERS

In the opinion of Bond Counsel, based on an analysis of existing laws, regulations, rulings and court decisions and assuming, among other things, compliance with certain covenants, interest on the Bonds is excludable from gross income for federal income tax purposes. The Bonds are not private activity bonds, and interest on the Bonds is not an item of tax preferences for purposes of determining alternative minimum taxable income for individuals or corporations under the Code. However, interest on the Bonds is taken into account in determining adjusted current earnings for purposes of the federal alternative minimum tax imposed on certain corporations.

Bond Counsel is also of the opinion based on existing laws of the State as enacted and construed that interest on the Bonds is excludable from taxation by the State except for transfer, estate and inheritance taxes and except to the extent that inclusion of said interest in computing the federal corporate alternative minimum tax may affect the corresponding provisions of the State corporate income tax.

The Code imposes various restrictions, conditions, and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The University has covenanted to comply with certain restrictions designed to assure that interest on the Bonds is excludable from federal gross income. Failure to comply with these covenants may result in interest on the Bonds being included in federal gross income, possibly from the date of issuance of the Bonds. The opinion of Bond Counsel assumes compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds may adversely affect the tax status of interest on the Bonds.

Although Bond Counsel will render an opinion that interest on the Bonds is excludable from gross income for federal income tax purposes, the ownership or disposition of, or the accrual or receipt of interest on, such Bonds may otherwise affect an owner's federal or State tax liability. The nature and extent of these other tax consequences will depend upon the owner's particular tax status and the owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any other tax consequences relating to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds. Owners of the Bond should consult their tax advisors regarding the applicability of any collateral tax consequences of owning the Bonds, which may include original issue discount, original issue premium, purchase at market discount or at a premium, taxation upon sale, redemption or other disposition, and various withholding requirements.

Backup Withholding. Interest on tax-exempt obligations such as the Bonds are in many cases subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payments to any bondholder who fails to provide certain required information including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Code. This reporting requirement does not in and of itself affect or alter the excludability of interest on the Bonds from gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding or selling tax-exempt obligations.

Changes in Federal Tax Law. From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to above or adversely affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds or the market value thereof would be impacted thereby. Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

Bond Counsel's opinion is not a guarantee of a result and is not binding on the Internal Revenue Service ("IRS"), rather, the opinion represents its legal judgment based upon its review of existing statutes, regulations, published rulings, and court decisions and the representations and covenants on the University. The IRS has an ongoing program of auditing the tax-exempt status of the interest on governmental obligations. If an audit of the Bonds is commenced, under current procedures, the IRS is likely to treat the University as the "taxpayer," and the owners of the Bonds (the "Owners") would have no right to participate in the audit process. In responding to or defending an audit of the tax-exempt status of the interest on the Bonds, the University may have different or conflicting interests from the Owners. Public awareness of any future audit of the Bonds could adversely affect the value and the liquidity of the Bonds during the pendency of the audit, regardless of its ultimate outcome.

ABSENCE OF LITIGATION

At the time of the original delivery of the Bonds, the University will deliver a no-litigation certificate to the effect that no litigation or administrative action or proceeding is pending, or, to the knowledge of the appropriate University officials, threatened, restraining or enjoining, or seeking to restrain or enjoin, the issuance and delivery of the Bonds, the effectiveness of the legislation authorizing the issuance of the Bonds, or the collection of revenues and fees for the payment of the debt service on the Bonds or contesting or questioning the proceedings and authority under which the Bonds have been authorized and are to be issued, sold, executed or delivered, or the validity of the Bonds.

FINANCIAL ADVISOR

The University has retained Kaplan Financial Consulting, Inc. as financial advisor in connection with the issuance of the Bonds. The Financial Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information contained in this Official Statement. Kaplan Financial Consulting, Inc. is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities. Kaplan Financial Consulting, Inc. is registered as a Municipal Advisor with the Municipal Securities Rulemaking Board.

RATINGS

Prior to the sale of the Bonds, Moody's Investors Service Inc. and Standard and Poor's Rating Services, a Division of The McGraw-Hill Companies, Inc. have assigned ratings of “” and “,” respectively, to the Bonds, based on their research and investigation of the University. Each rating agency has also assigned a “stable outlook” to the University. Such ratings and outlook reflect only the respective views of the rating organizations and any desired explanation of the significance of the ratings may be obtained from each rating agency.

There is no assurance that such ratings will be maintained for any given period of time or that one or both ratings may not be changed, suspended or withdrawn entirely by the rating agencies if, in the judgment of such rating agencies, circumstances so warrant. Ratings may be changed, suspended or withdrawn as a result of changes in, or unavailability of information. Any such change in or suspension of or withdrawal of such ratings may have an adverse effect on the market price of the Bonds.

FINANCIAL STATEMENTS

The financial statements of the University for the fiscal year ended June 30, 2010, were examined by KPMG LLP, independent certified public accountants, whose report thereon appears in Appendix A. KPMG LLP, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. KPMG LLP also has not performed any procedures relating to this Official Statement, nor has it consented to inclusion of the financial statements in this Official Statement.

UNDERWRITING

The University offered the Bonds at public sale on October __, 2011. _____ (the “Underwriter”) submitted the best bid at the sale of the Bonds. The University awarded the contract for sale of the Bonds to the Underwriter at a price of \$_____ (reflecting an underwriting discount of \$_____ and net original issue premium of \$_____). The Underwriter has represented to the University that the Bonds have been subsequently re-offered to the public initially at the yield or price set forth on the cover of this Official Statement.

CONTINUING DISCLOSURE

Pursuant to Securities and Exchange Commission Rule 15c2-12, under the Securities and Exchange Act of 1934, as the same may be amended from time to time (the “Rule”), the University will execute and deliver a Continuing Disclosure Certificate substantially in the form attached hereto as Appendix D for the benefit of the beneficial owners of the Bonds. The University is in compliance with its prior written undertakings under the Rule.

MISCELLANEOUS

The foregoing summaries, descriptions and references do not purport to be comprehensive or definitive, and such summaries, descriptions and references are qualified in their entirety by reference to each statute, document, exhibit or other materials summarized or described. The instruments and other materials referred to in this Official Statement may be examined, or copies thereof will be furnished in reasonable amounts, upon written request to the Statewide Finance Office of the University of Alaska, 910 Yukon Drive, Suite 208, P.O. Box 755120 Fairbanks, Alaska 99775-5120.

Statements made in this Official Statement involving matters of opinion, forecasts or estimates, whether or not expressly so stated, are intended as such and not as representations of fact.

The Appendices are integral parts of this Official Statement and must be read with all other parts of this Official Statement.

PRELIMINARY OFFICIAL STATEMENT DEEMED FINAL

The University hereby deems this Preliminary Official Statement pursuant to Section (b) of the Rule as final as to its date except for the omission of the information dependent upon the pricing of the issue, such as offering prices, interest rates, selling compensation, delivery date and other items of the Bonds dependent upon the foregoing matters.

EXECUTION OF OFFICIAL STATEMENT

The execution and delivery of this Official Statement has been authorized by the University. This Official Statement is not to be construed as a contract or agreement between the University and the purchasers or holders of the Bonds.

UNIVERSITY OF ALASKA

By /s/ Joseph Trubacz

Chief Financial Officer

APPENDIX A

**UNIVERSITY OF ALASKA
AUDITED FINANCIAL STATEMENTS
FISCAL YEAR ENDED
JUNE 30, 2010**



UNIVERSITY OF ALASKA
(A Component Unit of the State of Alaska)
Financial Statements
June 30, 2010 and 2009
(With Independent Auditors' Report Thereon)

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University of Alaska
(A Component Unit of the State of Alaska)
Financial Statements
June 30, 2010 and 2009

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MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – see accompanying accountants' report)

Introduction

The following discussion and analysis provides an overview of the financial position and activities of the University of Alaska (university) for the years ended June 30, 2010 (2010) and June 30, 2009 (2009), with selected comparative information for the year ended June 30, 2008 (2008). This discussion has been prepared by management and should be read in conjunction with the financial statements including the notes thereto, which follow this section.

Using the Financial Statements

The university's financial report includes the basic financial statements of the university and the financial statements of the University of Alaska Foundation (foundation), a legally separate, nonprofit component unit. The three basic financial statements of the university are: the Statement of Net Assets, the Statement of Revenues, Expenses and Changes in Net Assets and the Statement of Cash Flows. These statements are prepared in accordance with generally accepted accounting principles and Governmental Accounting Standards Board (GASB) pronouncements. The university is presented as a business-type activity. GASB Statement No. 35, *Basic Financial Statements—and Management's Discussion and Analysis—for Public Colleges and Universities*, establishes standards for external financial reporting for public colleges and universities and classifies resources into three net asset categories – unrestricted, restricted, and invested in capital assets, net of related debt.

The University of Alaska Foundation is presented as a component unit of the university in accordance with GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. The foundation's financial statements include the Statement of Financial Position and the Statement of Activities and these statements are presented as originally audited according to generally accepted accounting principles and Financial Accounting Standards Board (FASB) pronouncements.

The foundation was established to solicit donations and to hold and manage such assets for the exclusive benefit of the university. Resources managed by the foundation and distributions made to the university are governed by the foundation's Board of Trustees (operating independently and separately from the university's Board of Regents). The component unit status of the foundation indicates that significant resources are held by the foundation for the sole benefit of the university. However, the university is not accountable for, nor has ownership of, the foundation's resources.

Statement of Net Assets

The Statement of Net Assets presents the financial position of the university at the end of the fiscal year and includes all assets and liabilities of the university. The difference between total assets and total liabilities (net assets) is one indicator of the financial condition of the university, while the change in net assets is an indicator of whether the financial condition has improved or declined during the year.

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – see accompanying accountants' report)

A summarized comparison of the university's assets, liabilities and net assets at June 30, 2010, 2009 and 2008 follows (\$ in thousands):

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Assets:			
Current assets	\$ 184,542	\$ 180,314	\$ 113,073
Other assets	183,616	181,070	306,979
Capital assets, net of depreciation	<u>863,314</u>	<u>833,989</u>	<u>792,161</u>
Total assets	<u>1,231,472</u>	<u>1,195,373</u>	<u>1,212,213</u>
Liabilities:			
Current liabilities	114,695	100,481	95,803
Noncurrent liabilities	<u>126,915</u>	<u>142,709</u>	<u>177,607</u>
Total liabilities	<u>241,610</u>	<u>243,190</u>	<u>273,410</u>
Net assets:			
Invested in capital assets, net of debt	738,206	705,398	671,700
Restricted – expendable	16,614	12,233	46,707
Restricted – nonexpendable	128,341	127,416	126,752
Unrestricted	<u>106,701</u>	<u>107,136</u>	<u>93,644</u>
Total net assets	<u>\$ 989,862</u>	<u>\$ 952,183</u>	<u>\$ 938,803</u>

Overall total net assets of the university increased \$37.7 million, or four percent. This increase was mainly due to a \$29.3 million increase in net capital assets. The change in net capital assets is discussed in more detail in the *Capital and Debt Activities* section below.

There were no significant changes in 2010 with the university's operating deposits and investments. Substantially all funds at June 30, 2010 were invested in bank deposits, government securities and money market funds. After the global financial crisis in 2009, management focused on liquidity and safety for its operating funds, with an eye towards restructuring its portfolio. As a result, subsequent to June 30, 2010, approximately \$75 million was invested in a new fixed income portfolio. The balance of the operating funds is invested in deposits, collateralized repurchase agreements and money market funds. Note 2 of the financial statements provides more information about deposits and investments and associated risks.

Endowment investments at June 30, 2010 were \$116.4 million as compared to \$111.0 million at June 30, 2009. The fund earned an investment return of 9.47 percent in 2010. Distributions from the endowment totaling \$5.5 million in 2010 were primarily used to fund the University of Alaska Scholars Program and land management efforts. The endowment investments are invested in a consolidated endowment fund that is managed by the University of Alaska Foundation.

Total liabilities are categorized as either current liabilities or noncurrent liabilities on the Statement of Net Assets. Current liabilities are those that are due or will likely be paid in the next fiscal year. They are primarily comprised of accounts payable, accrued payroll and other expenses, insurance and risk management payables, debt and student deposits. Noncurrent assets are comprised mostly of long-term debt. Total liabilities decreased \$1.6 million during 2010 to a total of \$241.6 million.

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – see accompanying accountants' report)

A reduction of debt explains the majority of the change in liabilities. Other accrual and deferred revenue amounts remained relatively consistent with prior year amounts.

Total debt outstanding decreased from \$128.0 million at June 30, 2009 to \$121.3 million at June 30, 2010. The balance was reduced by scheduled principal payments and the refunding of previously issued general revenue bonds. The only new debt was for equipment financing that totaled \$249.8 thousand.

Unrestricted net assets decreased \$435 thousand from June 30, 2009 to June 30, 2010. At year end, \$83.4 million of the \$106.7 million total was designated for specific purposes. See Note 7 of the financial statements for a detailed list of these designations.

Fiscal Year 2009 Comparisons (Statement of Net Assets)

Significant comments about changes between 2008 and 2009 that were noted in fiscal year 2009 *Management's Discussion and Analysis* are summarized below:

The Statement of Net Assets reflected an overall increase in net assets of 1.4 percent, or \$13.4 million.

Overall, total assets of the university decreased \$16.8 million, or 1.4 percent from 2008 to 2009. The major change was in the endowment and non-endowment investments that suffered significant losses in 2009 and decreased \$52.6 million, or 18 percent from 2008. These declines were offset by an increase in net capital assets of \$41.8 million. Total liabilities decreased \$30.2 million largely due to the write off of the net pension and other post-employment benefit obligations of \$31.3 million.

The university significantly changed the allocation of its operating investment portfolio in 2009 in response to the global financial crisis. In general, management liquidated its long term investments and converted them to cash or safer, shorter term, investments. These actions were part of a strategy to reduce risk, enhance liquidity and safeguard university investments from additional market exposure. As a result, cash and cash equivalents increased \$73.1 million to \$81.7 million at June 30, 2009. The majority of these funds, \$69.8 million, were invested in a highly liquid government securities fund. Long-term investments were reduced from \$83.9 million at June 30, 2008 to \$7.9 million at June 30, 2009.

Endowment investments at June 30, 2009 were \$111.0 million as compared to \$145.2 million at June 30, 2008. This decrease was primarily caused by a 24 percent investment loss in 2009 as a result of the global financial crisis.

Net pension and OPEB obligations totaling \$31.3 million were written off effective July 1, 2008, when the Public Employees' Retirement System (PERS) plan changed from an agent to a multiple-employer plan. GASB does not require these obligations to be recorded for multiple-employer plans. The effect of this change is recorded on the Statement of Revenues, Expenses and Changes in Net Assets as an extraordinary item and is further discussed in Note 12, *Pension Plans*.

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – see accompanying accountants' report)

Total debt outstanding decreased from \$136.7 million at June 30, 2008 to \$128.0 million at June 30, 2009. The change consists of principal payments totaling \$6.0 million plus payoff of the Bunnell Park property note payable totaling \$3.8 million, less new equipment financings of \$1.1 million.

Statement of Revenues, Expenses and Changes in Net Assets

The Statement of Revenues, Expenses and Changes in Net Assets presents the results of operations for the university as a whole. Revenues, expenses and other changes in net assets are reported as either operating or nonoperating. Significant recurring sources of university revenue, such as state appropriations and investment earnings, are defined by GASB Statement No. 35 as nonoperating.

A summarized comparison of the university's revenues, expenses and changes in net assets for the years ended June 30, 2010, 2009 and 2008 follows (\$ in thousands):

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Operating revenues	\$ 372,933	\$ 356,025	\$ 346,193
Operating expenses	<u>(778,287)</u>	<u>(759,067)</u>	<u>(716,476)</u>
Operating loss	(405,354)	(403,042)	(370,283)
Net nonoperating revenues	<u>381,082</u>	<u>321,480</u>	<u>335,976</u>
Loss before other revenues, expenses, gains, or losses	(24,272)	(81,562)	(34,307)
Other revenues, expenses, gains or losses	<u>61,951</u>	<u>94,942</u>	<u>85,660</u>
Increase in net assets	<u>37,679</u>	<u>13,380</u>	<u>51,353</u>
Net assets at beginning of year	<u>952,183</u>	<u>938,803</u>	<u>887,450</u>
Net assets at end of year	<u>\$ 989,862</u>	<u>\$ 952,183</u>	<u>\$ 938,803</u>

The Statement of Revenues, Expenses and Changes in Net Assets reflects an overall increase in net assets of four percent, or \$37.7 million. Major changes in revenues and expenses in 2010 are described below.

Capital appropriations and capital grant and contract revenue decreased from \$63.6 million in 2009 to \$62.0 million in 2010. Revenue from capital sources is generally recognized as expenditures occur, so the amount shown on the Statement of Revenues, Expenses and Changes in Net Assets is a reflection of capital construction activity. For further discussion on capital activity, see the *Capital and Debt Activities* section which follows.

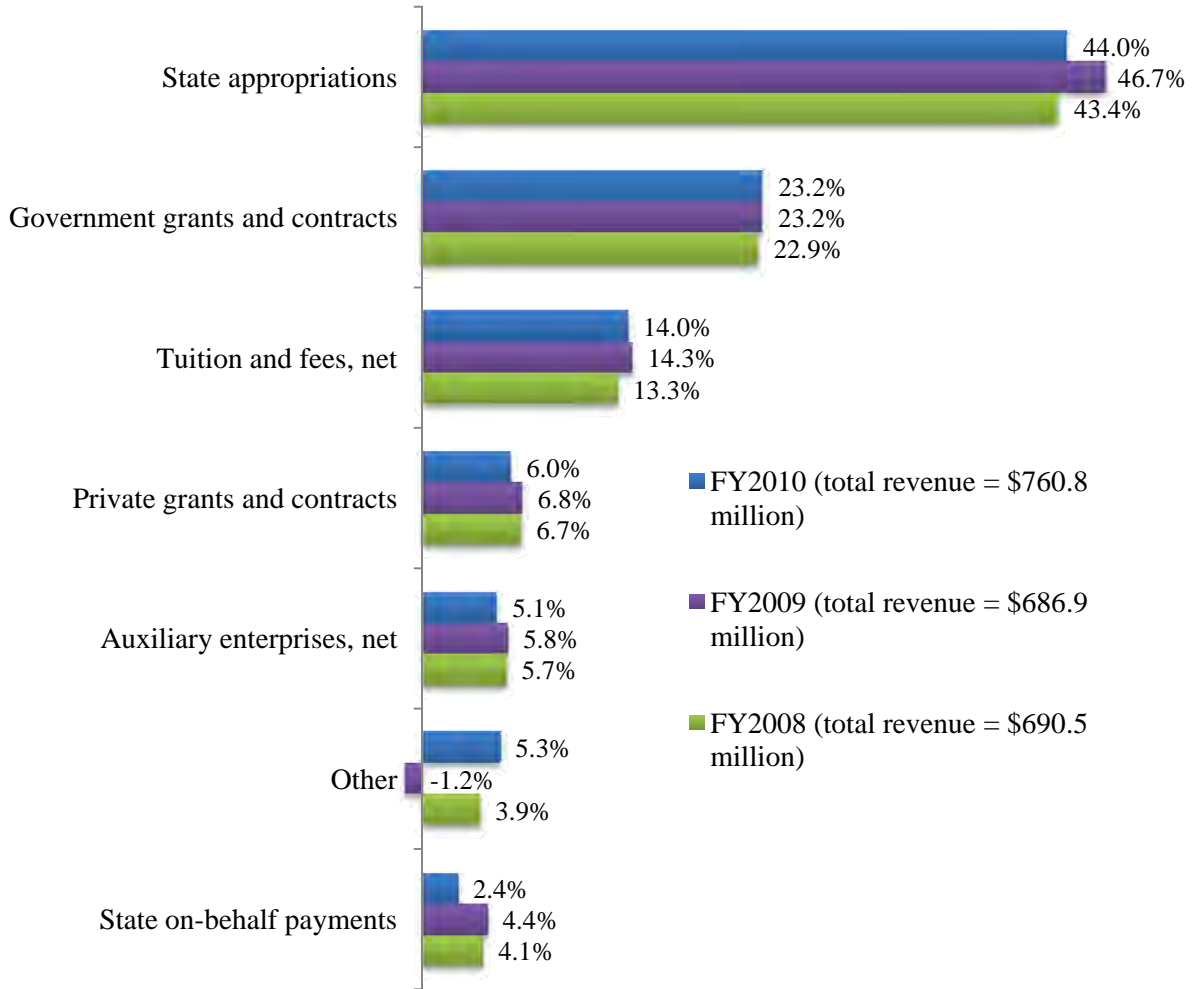
State of Alaska general fund appropriations continue to be the single major source of revenue for the university, providing \$334.8 million in 2010, as compared to \$320.8 million in 2009. Historically, the state has funded the university at an amount equal to or above the prior period's appropriation. In addition, the state made on-behalf pension payments of \$18.0 million directly to the Public Employees' Retirement System (PERS) and Teachers' Retirement System (TRS) defined benefit plans on behalf of the university. The state is paying the cost above the required employer contribution rate to fully fund the plans at the actuarial computed rate. Employer contribution rates have been capped at 22.00 percent and 12.56 percent for PERS and TRS, respectively. The on-behalf payments decrease from 2009 was primarily caused by the actuarial computed rates for PERS and TRS decreasing by 7.57 and 4.64 percentage points, respectively. The pension payments were made on-behalf of the university and are presented as revenue and

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – see accompanying accountants' report)

expense in the university's financial statements in accordance with GASB Statement No. 24, Accounting and Financial Reporting for Certain Grants and Other Financial Assistance.

A comparison of operating and nonoperating revenues by source for 2010, 2009 and 2008 follows:

Operating and Nonoperating Revenues (excluding capital) by Year



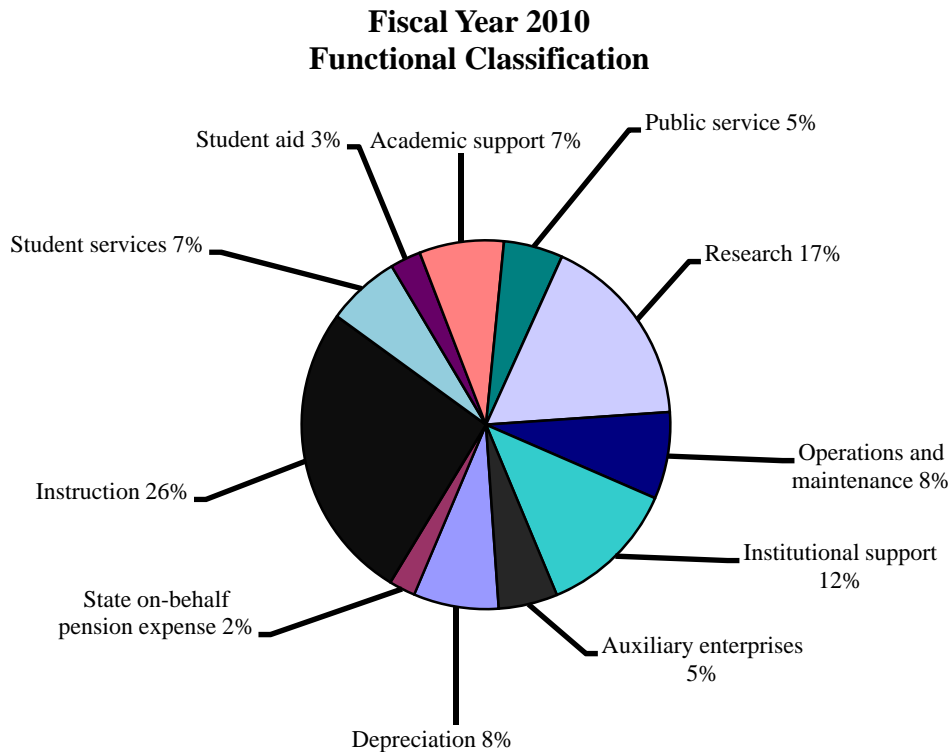
Grant and contract revenue from federal, state, local and private sponsors totaled \$208.8 million for 2010, as compared to \$198.3 million in the prior year. The growth is primarily attributed to additional grants received from the American Recovery and Reinvestment Act (ARRA) which totaled \$14.1 million of which \$8.8 was related to grants and contracts and \$5.2 million was student financial aid.

Gross student tuition and fee revenue totaled \$119.9 million in 2010 as compared to \$107.4 million in 2009. This was due in large part to a five percent increase in tuition rates for students for academic year 2009 – 2010. Student headcount increased 4.3 percent to 33,710 students from Fall 2008 to Fall 2009.

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – see accompanying accountants' report)

A comparison of operating expenses by functional and natural classification for selected fiscal years follows (see Note 16 of the financial statements for more information):

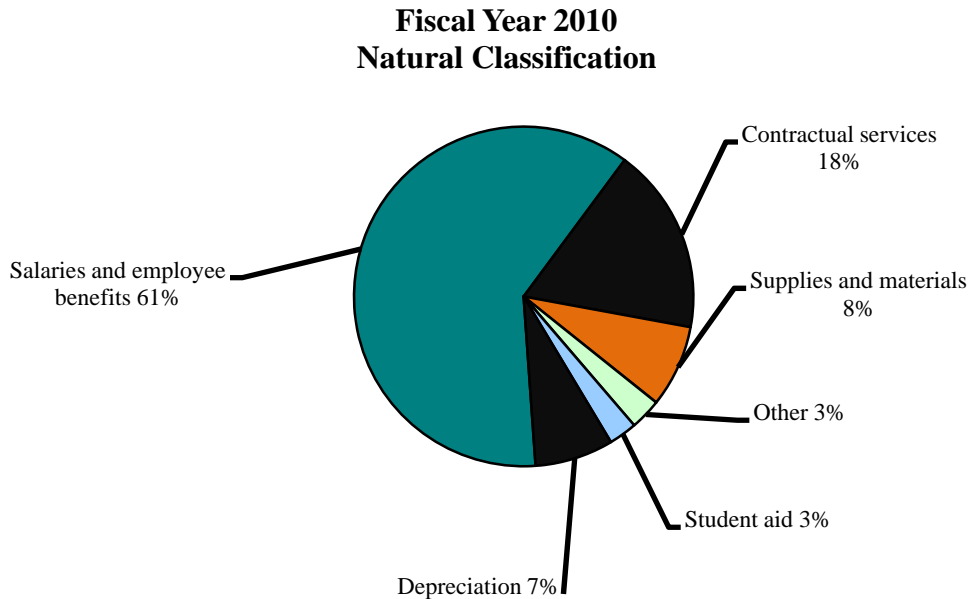
	Operating Expenses					
	Functional Classification (in millions)					
	FY2010		FY2009		FY2008	
Instruction	\$204.9	26.3%	\$196.3	25.9%	\$183.2	25.6%
Student Services	50.2	6.5%	48.2	6.4%	45.4	6.3%
Student Aid	21.0	2.7%	17.9	2.3%	14.9	2.1%
Academic Support	57.7	7.4%	54.7	7.2%	52.2	7.3%
Student and Academic	<u>\$333.8</u>	<u>42.9%</u>	<u>\$317.1</u>	<u>41.8%</u>	<u>\$295.7</u>	<u>41.3%</u>
Public Service	40.4	5.2%	37.8	5.0%	36.1	5.0%
Research	133.4	17.1%	127.0	16.7%	121.8	17.0%
Operations and Maintenance	59.4	7.6%	61.2	8.1%	55.0	7.7%
Institutional Support	94.9	12.1%	90.2	11.9%	82.6	11.5%
Auxiliary Enterprises	40.2	5.2%	39.7	5.2%	39.4	5.5%
NPO,OPEB, State On-Behalf	18.0	2.4%	30.5	4.0%	29.0	4.1%
Depreciation	58.2	7.5%	55.6	7.3%	56.9	7.9%
Total Operating Expenses	<u><u>\$778.3</u></u>	<u><u>100.0%</u></u>	<u><u>\$759.1</u></u>	<u><u>100.0%</u></u>	<u><u>\$716.5</u></u>	<u><u>100.0%</u></u>



MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – see accompanying accountants' report)

Salaries and employee benefits increased five percent, or \$23.1 million, in 2010. Employee benefits, such as pension plan contributions and health care costs, increased 1.9 percent and comprised \$2.5 million of the change. Salaries and wages increased 6.5 percent, or \$20.6 million. Other expenses are substantially less in 2010 as compared to 2009 and 2008 as a result of recognizing state on-behalf pension payments totaling \$18.0 million, \$30.5 million, and \$28.5 million, respectively.

	Operating Expenses					
	Natural Classification (in millions)					
	FY2010		FY2009		FY2008	
Salaries and Employee Benefits	\$476.8	61.2%	\$453.7	59.7%	\$426.7	59.6%
Contractual Services	138.2	17.8%	132.5	17.5%	126.2	17.6%
Supplies and Materials	61.0	7.8%	65.1	8.6%	59.8	8.3%
Other	23.1	3.0%	34.3	4.5%	32.0	4.5%
Student Aid	21.0	2.7%	17.9	2.4%	14.9	2.1%
Depreciation	58.2	7.5%	55.6	7.3%	56.9	7.9%
	\$778.3	100.0%	\$759.1	100.0%	\$716.5	100.0%



A portion of university resources applied to student accounts for tuition, fees, or room and board are not reported as student aid expense, but are reported in the financial statements as a scholarship allowance, directly offsetting student tuition and fee revenue or auxiliary revenue. Allowances totaled \$15.5 million in 2010 and \$10.7 million in 2009. In addition to the allowances, students participate in governmental financial aid loan programs. The loans are neither recorded as revenue or expense in the financial statements, but are recorded in the Statements of Cash Flows as direct lending receipts totaling \$69.4 million and \$75.0 million in 2010 and 2009, respectively.

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – see accompanying accountants' report)

Institutional support expenses fluctuate due to the accounting method used to record employee benefits. The university employs a central benefits pool concept, and uses a staff benefit rate, to charge estimated employee benefits, such as pension and healthcare costs, added to labor recorded in the various functional expense categories. Institutional support expenses are impacted when the amounts charged exceed, or are less than, actual benefits paid to third parties. Over recovery or under recovery of charges in one year are built into the rate building process the following year. When considered in total, operating expenses across all functional categories include the correct amount of employee benefit expense each fiscal year.

Investment returns from all non-endowment sources totaled \$3.8 million in 2010 compared to an \$8.1 million loss in 2009, as a result of the global financial crisis.

Endowment investments experienced a \$9.7 million gain in 2010 as compared to a \$34.4 million loss in 2009. The significant losses in 2009 were the result of the global financial crisis.

Endowment gifts, sales and other proceeds totaled \$3.2 million in fiscal year 2010 as compared to \$10.4 million in 2009. The 2009 balance included the sale of real property near the Mat-Su campus totaling \$6.1 million. This category also includes yield from, or sales of, trust land, timber and mineral interests, the net proceeds of which are generally deposited to the land grant endowment trust fund.

Fiscal Year 2009 Comparisons (Statement of Revenues, Expenses and Changes in Net Assets)

Significant comments about changes between 2008 and 2009 that were noted in fiscal year 2009 *Management's Discussion and Analysis* are summarized below:

The Statement of Revenues, Expenses and Changes in Net Assets reflected an overall increase in net assets of 1.4 percent, or \$13.4 million. The major changes in revenue and expense are described below.

Revenue earned for capital construction decreased from \$85.7 million in 2008 to \$63.6 million in 2009. The decrease is attributed to fewer dollars being expended on the University of Alaska Anchorage's Integrated Science Building (ISB) in 2009 as compared to 2008. The ISB was completed in August 2010.

Gross student tuition and fee revenue totaled \$107.4 million in 2009 as compared to \$99.9 million in 2008. This was due in large part to a five percent increase in tuition rates for students for academic year 2008-2009.

Salary and employee benefit costs increased 6.3 percent, or \$27.0 million, in 2009.

Net investment losses from all non-endowment sources totaled \$8.1 million in 2009 as a result of the global financial crisis.

Endowment investments experienced a \$34.4 million loss in 2009 as compared to a \$4.6 million loss in 2008 due to the global financial crisis.

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – see accompanying accountants' report)

Endowment gifts, sales, and other proceeds totaled \$10.4 million in fiscal year 2009 as compared to \$5.6 million in 2008. The increase is mainly attributed to the \$6.1 million sale of real property located near the Mat-Su campus.

Capital and Debt Activities

The University of Alaska has continued to modernize various facilities and to build new facilities to address emerging state needs. Net capital asset additions totaled \$73.9 million in 2010, as compared with \$76.1 million in 2009 and \$101.9 million in 2008. These capital additions primarily comprise replacement, renovation, code corrections and new construction of academic and research facilities, as well as investments in equipment and information technology. State capital appropriations for 2010 and 2009 were \$3.2 million and \$107.2 million, respectively.

At June 30, 2010, \$114.5 million remains unexpended from current and prior year capital appropriations and general revenue bond proceeds, of which \$65.0 million is committed to existing construction contracts. The balance is for projects still in design or preconstruction, or is held for contingencies for work in progress.

Construction in progress at June 30, 2010 totaled \$59.2 million and includes the following major projects:

At the University of Alaska Anchorage, construction is underway on the Health Sciences Building. Once complete, this \$46.5 million, 65,321 square-foot building will accommodate the academic programs of the School of Nursing Biomedical Programs and Allied Health Sciences. It will feature offices and classrooms, interactive simulation labs, seminar rooms and student activity spaces. The building is scheduled to be completed in August 2011.

The University of Alaska Fairbanks began construction in fiscal year 2010 of a new research vessel, named "Sikuliaq". The vessel construction is being funded by a \$148.1 million award from the National Science Foundation. As designed, the vessel will be a 254 foot multipurpose oceanographic research ship capable of operating in seasonal ice and open regions around Alaska. Once constructed, the university will manage the vessel operations to support the National Science Foundation and other federally funded science activities. The ship is expected to be complete in 2014.

Debt

At June 30, 2010, total debt outstanding was \$121.3 million, comprised of \$100.5 million in general revenue bonds, \$18.4 million in a note payable, and \$2.4 million in bank financing contracts. In May 2010, Moody's Investors Service changed the university's credit rating of Aa3 to Aa2 with stable outlook as part of their rating recalibration program. The change is not considered an upgrade nor does it reflect a new assessment of the university's creditworthiness. In January 2008, Standard & Poor's affirmed its rating of AA- with stable outlook.

In fiscal year 2010, the university issued general revenue refunding bonds Series P totaling \$14,045,000 to refund and redeem the outstanding maturities of Series H and J general revenue bonds. The current refunding resulted in an economic gain of \$1,487,000 and total debt service payments over the next 13 years will decrease by \$1,813,000.

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – see accompanying accountants' report)

In previous years, other bonds were issued to finance construction of student residences at three campuses, the West Ridge Research Building, student recreation centers, a research facility to house the International Arctic Research Center, the acquisition and renovation of several properties adjacent to or near the university's campuses, additions to the university's self-operated power, heat, water and telephone utility systems in Fairbanks, purchase of the University Center Building in Anchorage, and to refund previously issued general revenue bonds and other contractual obligations in order to realize debt service savings.

The university has traditionally utilized tax exempt financings to provide for its capital needs or to facilitate systematic renewals. Short-term lines of credit or working capital is available to provide interim cash flow financing for facilities intended to be funded with general revenue bond proceeds.

Capital Activities – Looking Ahead

State of Alaska capital appropriations for fiscal year 2011 total \$51.55 million. The majority of the funding, \$37.5 million, is designated for deferred maintenance needs across the university system. Another \$12 million was allocated for engineering facility planning and design at the Fairbanks and Anchorage campuses.

In addition, the legislature approved a general obligation bond measure that was passed by Alaskan voters on November 2, 2010. The measure includes university projects totaling \$207 million, of this \$88 million is for the University of Alaska Fairbanks Life Sciences Classroom and Laboratory Facility and \$60 million for the Community Arena and Athletic Facility at the Anchorage campus. Various community campuses will also benefit through renovation or new construction of buildings. The bonds will be an obligation of the state.

Other Economic and Financial Conditions

The following is a description of currently known facts, decisions, or conditions that are expected to have a significant effect on the financial position (net assets) or results of operations (revenues, expenses, and other changes in net assets) of the university.

During the September 2010 meeting the Board of Regents approved a tuition increase beginning in the Fall of 2011. Undergraduate courses for the 100 to 200 levels will increase five percent and 300 to 400 levels will increase ten percent.



KPMG LLP
Suite 600
701 West Eighth Avenue
Anchorage, AK 99501

Independent Auditors' Report

The Board of Regents
University of Alaska:

We have audited the accompanying basic financial statements of the University of Alaska and its discretely presented component unit (University), a component unit of the State of Alaska, as of and for the years ended June 30, 2010 and 2009 as listed in the table of contents. These financial statements are the responsibility of the University's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the University of Alaska and its discretely presented component unit at June 30, 2010 and 2009, and the respective changes in its financial position and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 11, 2010 on our consideration of the University of Alaska's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in accessing the results of our audit.

The Management's Discussion and Analysis, on pages 1 through 10 is not a required part of the basic financial statements but is supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

KPMG LLP

November 11, 2010

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UNIVERSITY OF ALASKA
(A Component Unit of the State of Alaska)
Statements of Net Assets
June 30, 2010 and 2009
(in thousands)

Assets	2010	2009
Current assets:		
Cash and cash equivalents	\$ 99,390	\$ 81,728
Short-term investments	6,129	26,184
Accounts receivable, less allowance of \$7,614 in 2010 and \$6,573 in 2009	70,369	64,523
Inventories	7,963	7,220
Other assets	691	659
Total current assets	184,542	180,314
Noncurrent assets:		
Restricted cash and cash equivalents	1,531	5,091
Notes receivable	4,189	4,433
Endowment investments	116,373	111,011
Land Grant Trust property and other assets	44,532	44,674
Long-term investments	7,652	7,875
Education Trust of Alaska	9,339	7,986
Capital assets, net of accumulated depreciation of \$760,343 in 2010 and \$715,776 in 2009	863,314	833,989
Total noncurrent assets	1,046,930	1,015,059
Total assets	1,231,472	1,195,373
Liabilities		
Current liabilities:		
Accounts payable and accrued expenses	24,904	19,221
Accrued payroll	28,346	24,966
Deferred revenue and deposits	18,886	17,086
Accrued annual leave	11,752	11,320
Deferred lease revenue - current portion	1,281	1,281
Long-term debt - current portion	6,763	6,473
Insurance and risk management	22,763	20,134
Total current liabilities	114,695	100,481
Noncurrent liabilities:		
Deferred revenue - capital	2,875	10,519
Deferred lease revenue	3,523	4,804
Long-term debt	114,537	121,540
Security deposits and other liabilities	5,980	5,846
Total noncurrent liabilities	126,915	142,709
Total liabilities	241,610	243,190
Net Assets		
Invested in capital assets, net of related debt	738,206	705,398
Restricted:		
Expendable	16,614	12,233
Nonexpendable	128,341	127,416
Unrestricted (see Note 7)	106,701	107,136
Total net assets	\$ 989,862	\$ 952,183

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

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UNIVERSITY OF ALASKA FOUNDATION
(A Component Unit of the University of Alaska)
Statements of Financial Position
June 30, 2010 and 2009
(in thousands)

Assets	2010	2009
Cash and cash equivalents	\$ 38,116	\$ 30,609
Interest receivable	78	77
Contributions receivable	14,251	17,746
Escrows receivable	134	145
Inventory	58	50
Other assets	507	516
Pooled endowment funds	102,012	89,486
Other long-term investments	16,869	23,092
Total assets	\$ 172,025	\$ 161,721
 Liabilities		
Due to the University of Alaska	\$ 1,718	\$ 2,118
Other liabilities	22	10
Remainder trust obligations	411	316
Term endowment liability	1,000	1,000
Total liabilities	3,151	3,444
 Net Assets		
Unrestricted	33,832	31,233
Temporarily restricted	62,732	67,349
Permanently restricted	72,310	59,695
Total net assets	168,874	158,277
Total liabilities and net assets	\$ 172,025	\$ 161,721

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

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UNIVERSITY OF ALASKA
(A Component Unit of the State of Alaska)
Statements of Revenues, Expenses and Changes in Net Assets
For the Years Ended June 30, 2010 and 2009
(in thousands)

	2010	2009
Operating revenues		
Student tuition and fees	\$ 119,846	\$ 107,424
less scholarship allowances	(13,506)	(9,213)
	106,340	98,211
Federal grants and contracts	138,591	127,287
State and local grants and contracts	24,519	24,098
Private grants and contracts	45,728	46,902
Sales and services, educational departments	4,073	3,850
Sales and services, auxiliary enterprises, net of scholarship allowances of \$2,018 in 2010 and \$1,483 in 2009	39,225	39,990
Other	14,457	15,687
Total operating revenues	372,933	356,025
Operating expenses		
Instruction	204,903	196,304
Academic support	57,688	54,642
Research	133,447	126,949
Public service	40,401	37,820
Student services	50,171	48,170
Operations and maintenance	59,339	61,186
Institutional support	94,942	90,184
Student aid	20,965	17,937
Auxiliary enterprises	40,228	39,724
Depreciation	58,228	55,649
State on-behalf payments	17,975	30,502
Total operating expenses	778,287	759,067
Operating loss	(405,354)	(403,042)
Nonoperating revenues (expenses)		
State appropriations	334,826	320,770
State on-behalf contributions - pension	17,975	30,502
Investment earnings (losses)	3,810	(8,142)
Endowment proceeds and investment income (loss)	12,953	(24,048)
Interest on debt	(4,852)	(4,986)
Federal student financial aid	18,275	11,812
Other nonoperating expenses	(1,905)	(4,428)
Net nonoperating revenues	381,082	321,480
Loss before other revenues, expenses, gains or losses	(24,272)	(81,562)
Capital appropriations, grants and contracts	61,951	63,617
Income (loss) before extraordinary item	37,679	(17,945)
Extraordinary item - elimination of net pension and OPEB obligations	-	31,325
Net increase in net assets	37,679	13,380
Net assets		
Net assets - beginning of year	952,183	938,803
Net assets - end of year	\$ 989,862	\$ 952,183

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

UNIVERSITY OF ALASKA FOUNDATION
(A Component Unit of the University of Alaska)
Statements of Activities
For the years ended June 30, 2010 and 2009
(in thousands)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2010</u>
Revenues, gains (losses) and other support				
Contributions	\$ 256	\$ 12,961	\$ 2,725	\$ 15,942
Investment income	719	1,236	-	1,955
Net realized and unrealized investment losses	4,159	3,015	-	7,174
Other revenues	-	169	-	169
Actuarial adjustment of remainder trust obligations	-	(28)	(71)	(99)
Losses on disposition of other assets	(3)	(115)	-	(118)
Administrative assessments	1,473	(888)	(43)	542
Support from University of Alaska	890	-	-	890
Net assets released from restriction	10,963	(10,963)	-	-
Total revenues, gains (losses) and other support	<u>18,457</u>	<u>5,387</u>	<u>2,611</u>	<u>26,455</u>
Expenses and distributions				
Operating expenses	2,568	-	-	2,568
Distributions for the benefit of the University of Alaska	13,290	-	-	13,290
Total expenses and distributions	<u>15,858</u>	<u>-</u>	<u>-</u>	<u>15,858</u>
Excess (deficit) of revenues over expenses	<u>2,599</u>	<u>5,387</u>	<u>2,611</u>	<u>10,597</u>
Transfers between net asset classes	-	(10,004)	10,004	-
Increase (decrease) in net assets	2,599	(4,617)	12,615	10,597
Net assets, beginning of year	31,233	67,349	59,695	158,277
Net assets, end of year	<u>\$ 33,832</u>	<u>\$ 62,732</u>	<u>\$ 72,310</u>	<u>\$ 168,874</u>

<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2009</u>
\$ 5,808	\$ 17,727	\$ 6,275	\$ 29,810
1,062	1,056	-	2,118
(12,168)	(19,446)	-	(31,614)
2	73	-	75
-	(6)	(30)	(36)
-	(526)	-	(526)
1,941	(1,171)	(23)	747
1,390	-	-	1,390
11,362	(11,362)	-	-
<u>9,397</u>	<u>(13,655)</u>	<u>6,222</u>	<u>1,964</u>
1,891	-	-	1,891
17,700	-	-	17,700
<u>19,591</u>	<u>-</u>	<u>-</u>	<u>19,591</u>
<u>(10,194)</u>	<u>(13,655)</u>	<u>6,222</u>	<u>(17,627)</u>
<u>48</u>	<u>(276)</u>	<u>228</u>	<u>-</u>
<u>(10,146)</u>	<u>(13,931)</u>	<u>6,450</u>	<u>(17,627)</u>
<u>41,379</u>	<u>81,280</u>	<u>53,245</u>	<u>175,904</u>
<u>\$ 31,233</u>	<u>\$ 67,349</u>	<u>\$ 59,695</u>	<u>\$ 158,277</u>

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

UNIVERSITY OF ALASKA
(A Component Unit of the State of Alaska)
Statements of Cash Flows
For the Years Ended June 30, 2010 and 2009
(in thousands)

	2010	2009
Cash flows from operating activities		
Student tuition and fees, net	\$ 105,326	\$ 99,077
Grants and contracts	210,862	195,894
Sales and services, educational departments	4,073	3,850
Sales and services, auxiliary enterprises	39,435	40,199
Other operating receipts	13,176	14,406
Payments to employees for salaries and benefits	(471,657)	(448,630)
Payments to suppliers	(204,028)	(196,853)
Payments to students for financial aid	(20,993)	(17,933)
Net cash used by operating activities	(323,806)	(309,990)
Cash flows from noncapital financing activities		
State appropriations	334,672	320,985
Other revenue	17,303	10,908
Direct lending receipts	69,391	74,994
Direct lending payments	(69,893)	(74,927)
Net cash provided by noncapital financing activities	351,473	331,960
Cash flows from capital and related financing activities		
Capital appropriations, grants and contracts	49,392	76,163
Proceeds from issuance of capital debt	14,045	-
Redemption of general revenue bonds	(14,535)	-
Purchases of capital assets	(82,471)	(100,614)
Principal paid on capital debt	(6,473)	(9,714)
Interest paid on capital debt	(4,192)	(5,473)
Net cash used by capital and related financing activities	(44,234)	(39,638)
Cash flows from investing activities		
Proceeds from sales and maturities of investments	267,202	264,280
Purchases of investments	(243,059)	(199,648)
Interest received on investments	1,843	3,134
Interest and other sales receipts from endowment assets	4,683	8,387
Net cash provided by investing activities	30,669	76,153
Net increase in cash and cash equivalents	14,102	58,485
Cash and cash equivalents, beginning of the year	86,819	28,334
Cash and cash equivalents, end of the year	\$ 100,921	\$ 86,819
Cash and cash equivalents (current)	\$ 99,390	\$ 81,728
Restricted cash and cash equivalents (noncurrent)	1,531	5,091
Total cash and cash equivalents	\$ 100,921	\$ 86,819

UNIVERSITY OF ALASKA
(A Component Unit of the State of Alaska)
Statements of Cash Flows
For the Years Ended June 30, 2010 and 2009
(in thousands)

Reconciliation of operating loss to net cash used by operating activities:

	2010	2009
Operating loss	\$ (405,354)	\$ (403,042)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Depreciation expense	58,228	55,649
State on-behalf payments	17,975	30,502
Changes in assets and liabilities:		
Accounts receivable, net	(398)	(3,263)
Other assets	(32)	115
Inventories	(743)	890
Accounts payable and accrued expenses	(233)	3,106
Accrued payroll	3,380	3,674
Deferred revenue, deposits from students and others	1,591	1,948
Accrued annual leave	432	861
Deferred lease revenue - current portion	(1,281)	(1,281)
Insurance and risk management	2,629	851
Net cash used by operating activities	\$ (323,806)	\$ (309,990)

Noncash Investing, Capital and Financing Activities:

For the Year Ended June 30, 2010

Additions to capital assets include \$7.1 million expended and capitalized but not paid for at year end.

The university financed the purchase of equipment totaling \$0.2 million.

Book value of capital asset disposals totaled \$0.5 million.

The university received on-behalf pension payments from the state of Alaska totaling \$18.0 million.

For the Year Ended June 30, 2009

Additions to capital assets include \$2.3 million expended and capitalized but not paid for at year end.

The university financed the purchase of equipment totaling \$1.0 million.

Book value of capital asset disposals totaled \$1.8 million.

The university received on-behalf pension payments from the state of Alaska totaling \$30.5 million.

NOTES TO FINANCIAL STATEMENTS

June 30, 2010 and 2009

1. Organization and Summary of Significant Accounting Policies:

Organization and Basis of Presentation:

The University of Alaska (university) is a constitutionally created corporation of the State of Alaska which is authorized to hold title to real and personal property and to issue debt in its own name. The university is a component unit of the State of Alaska for purposes of financial reporting. As an instrumentality of the State of Alaska, the university is exempt from federal income tax under Internal Revenue Code Section 115, except for unrelated business activities as covered under Internal Revenue Code Sections 511 to 514.

The University of Alaska Foundation (foundation) is a legally separate, non profit component unit of the university. The foundation was established to solicit donations and to hold and manage such assets for the exclusive benefit of the university. Resources managed by the foundation and distributions made to the university are governed by the foundation's Board of Trustees. Governmental Accounting Standards Board (GASB) Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, required the university to include the foundation as part of its financial statements to better report resources benefiting the university. The university is not accountable for, nor has ownership of, the foundation's resources. The foundation's financial statements include the Statement of Financial Position and the Statement of Activities and these statements are presented in their original audited format according to Financial Accounting Standards Board (FASB) pronouncements.

In preparing the financial statements, management is required to make estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the statement of net assets. Actual results could differ from those estimates. The more significant accounting and reporting policies and estimates applied in the preparation of the accompanying financial statements are discussed below.

GASB Statement No. 35 establishes standards for external financial reporting for public colleges and universities and requires that resources be classified for accounting and reporting purposes into the following net asset categories:

- **Unrestricted Net Assets:** Assets, net of related liabilities, which are not subject to externally-imposed restrictions. Unrestricted net assets may be designated for specific purposes by the Board of Regents or may otherwise be limited by contractual agreements with outside parties.
- **Restricted Net Assets:**
 - Expendable** – Assets, net of related liabilities, which are subject to externally-imposed restrictions that may or will be met by actions of the university and/or that expire with the passage of time.
 - Non-expendable** – Assets, net of related liabilities, which are subject to externally-imposed restrictions requiring that they be maintained permanently by the university.
- **Invested in capital assets, net of related debt** – Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets.

NOTES TO FINANCIAL STATEMENTS

Summary of Significant Accounting Policies:

The accompanying financial statements have been prepared on the economic resources measurement focus and the accrual basis of accounting. All significant intra-university transactions have been eliminated. The university reports as a business type activity, as defined by GASB Statement No. 35. Business type activities are those that are financed in whole or in part by fees charged to external parties for goods or services.

The university has the option to apply all Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989, unless FASB conflicts with GASB. The university has elected not to apply FASB pronouncements issued after the applicable date.

Cash and Cash Equivalents

All highly liquid investments, not held for long-term investment, with original maturities of three months or less are reported as cash and cash equivalents.

Inventories

Inventories are stated at the lower of cost (first-in, first-out method) or market.

Investments

Investments are stated at fair value. Investments in fixed income and equity marketable securities are stated at fair value based on quoted market prices. Investments in private partnership interests are valued using the most current information provided by the general partner. General partners typically value privately held companies at cost as adjusted based on recent arms' length transactions. Public companies are valued using quoted market prices and exchange rates, if applicable. Real estate partnerships and funds are valued based on appraisals of properties held and conducted by third-party appraisers retained by the general partner or investment manager. General partners of marketable alternatives provide values based on quoted market prices and exchange rates for publicly held securities and valuation estimates of derivative instruments. General partners of oil and gas partnerships use third-party appraisers to value properties. Valuations provided by the general partners and investment managers are evaluated by management and management believes such values are reasonable at June 30, 2010. When, in the opinion of management, there has been a permanent impairment in the asset value, the asset is written down to its fair value. Income from other investments is recognized when received.

Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the statement of net assets. Investments also include securities with contractual cash flows such as asset-backed securities, collateralized mortgage obligations and commercial mortgage-backed securities. The value, liquidity and related income of these securities are sensitive to economic conditions, including real estate value, delinquencies or defaults, or both, and may be adversely affected by shifts in the market's perception of the issuers and changes in interest rates. Long-term investments include those restricted by outside parties as to withdrawal or use for other than current operations, or are designated for expenditure in the acquisition or construction of noncurrent assets or held with an intent not to be used for operations.

NOTES TO FINANCIAL STATEMENTS

Capital Assets

Capital assets are stated at cost when purchased and at fair value when donated. Equipment with a unit value of \$5,000 or greater is capitalized. Buildings and infrastructure with a unit value of \$100,000 or greater are capitalized. Other capitalizable assets with a unit value of \$50,000 or greater are capitalized. Certain land and other resources acquired through land grants and donated museum collections for which fair value at date of acquisition was not determinable are reported at zero basis in the financial statements.

Depreciation is computed on a straight-line basis with useful lives of building and building components ranging from 12 to 50 years, 10 to 35 years for infrastructure and other improvements, and 5 to 11 years for equipment. Library and museum collections are not depreciated because they are preserved and cared for and have an extraordinarily long useful life.

Endowments

Endowments consist primarily of the land grant endowment trust fund established pursuant to the 1929 federal land grant legislation and its related inflation proofing fund. Alaska Statute 14.40.400 provides that the net income from the sale or use of grant lands must be held in trust in perpetuity. The land grant endowment trust fund balance at the end of 2010 and 2009 was \$100.0 million and \$94.3 million, respectively. The accumulated net earnings were \$3.0 million and \$(1.4) million at June 30, 2010 and 2009, respectively. The inflation proofing fund, a quasi-endowment fund included in unrestricted net assets, totaled \$20.0 million and \$19.5 million at the end of 2010 and 2009, respectively.

Alaska Statute 14.40.400 provides the Board of Regents with authority to manage the funds under the total return principles which intends to preserve and maintain the purchasing power of the endowment principal. The investable resources of the funds are invested in the consolidated endowment fund, a unitized investment fund. The annual spending allowance is currently based on four and one-half percent of a five-year moving average of the invested balance. Withdrawals of net earnings appreciation to meet the spending allowance are limited to the unexpended accumulated net earnings balance of the preceding December 31.

Operating Activities

The university's policy for defining operating activities as reported on the statement of revenues, expenses and changes in net assets are those that generally result from exchange transactions such as payments received for providing services and payments made for services or goods received. Certain significant revenue streams relied upon for operations are recorded as non-operating revenues, as defined by GASB Statement No. 35, including state appropriations and investment earnings.

Scholarship Allowances

Student tuition and fee revenues and certain other revenues from students are reported net of scholarship allowances in the statement of revenues, expenses and changes in net assets. Scholarship allowances are the difference between the stated charge for tuition and room and board provided by the university and the amount paid by the student and/or third parties making payments on the students' behalf.

NOTES TO FINANCIAL STATEMENTS

Lapse of State Appropriations

Alaska Statutes provide that unexpended balances of one-year appropriations will lapse on June 30 of the fiscal year of the appropriation; however, university receipts in excess of expenditures may be expended by the university in the next fiscal year. University receipts include student tuition and fees, donations, sales, rentals, facilities and administrative cost recovery, interest income, auxiliary and restricted revenues. The unexpended balances of capital appropriations lapse upon completion of the project or upon determination that the funds are no longer necessary for the project.

Reclassifications

Certain amounts in the June 30, 2009 financial statements have been reclassified for comparative purposes to conform to the presentation in the June 30, 2010 financial statements.

2. Deposits and Investments:

Deposits and investments at June 30, 2010 were as follows (\$ in thousands):

<u>Investment Type</u>	<u>Operating</u>	<u>Capital Funds</u>	<u>Endowment</u>	<u>College Savings Program</u>	<u>Total</u>
Cash and Deposits	\$ (735)	\$ -	\$ 11,757	\$ -	\$ 11,022
Certificates of Deposit	5,025	-	-	-	5,025
Repurchase Agreement	22,951	-	-	-	22,951
Multi-Strategy Bond Fund	-	-	5,708	-	5,708
Hedge Funds	851	-	9,582	-	10,433
Money Market Mutual Funds	80,859	5,297	2,168	145	88,469
Equities:					
Domestic	-	-	25,573	3,579	29,152
International	-	-	2,512	-	2,512
Global	-	-	17,855	-	17,855
Emerging Markets	-	-	4,776	-	4,776
Debt-related:					
Federal Agency	-	454	-	-	454
Fixed Income Funds	-	-	17,497	5,615	23,112
Alternative Investments:					
Private Equity – Domestic	-	-	7,104	-	7,104
Private Equity – Int'l	-	-	1,668	-	1,668
Commodities	-	-	775	-	775
Natural Resources	-	-	3,082	-	3,082
Venture Capital	-	-	1,683	-	1,683
Mezzanine	-	-	1,441	-	1,441
Real Estate	-	-	1,435	-	1,435
Other	-	-	1,757	-	1,757
	<u>\$ 108,951</u>	<u>\$ 5,751</u>	<u>\$ 116,373</u>	<u>\$ 9,339</u>	<u>\$ 240,414</u>

NOTES TO FINANCIAL STATEMENTS

Deposits and investments at June 30, 2009 were as follows (\$ in thousands):

<u>Investment Type</u>	<u>Operating</u>	<u>Capital Funds</u>	<u>Endowment</u>	<u>College Savings Program</u>	<u>Total</u>
Cash and Deposits	\$ (780)	\$ -	\$ 174	\$ -	\$ (606)
Repurchase Agreement	15,789	-	-	-	15,789
Short Term Fund	8,011	90	759	-	8,860
Intermediate Term Fund	10,120	-	43	-	10,163
Multi-Strategy Bond Fund	-	-	5,140	-	5,140
Government Securities Fund	69,822	435	14,797	-	85,054
Hedge Funds	8,054	-	15,962	-	24,016
Money Market Mutual Funds	-	8,876	-	245	9,121
Equities:					
Domestic	-	-	33,272	3,349	36,621
International	-	-	10,524	-	10,524
Global	-	-	4,033	-	4,033
Emerging Markets	-	-	3,735	-	3,735
Debt-related:					
Federal Agency	-	461	-	-	461
Fixed Income Funds	-	-	10,781	4,392	15,173
Alternative Investments:					
Commodities	-	-	1,475	-	1,475
Natural Resources	-	-	2,846	-	2,846
Venture Capital	-	-	1,376	-	1,376
Mezzanine	-	-	1,322	-	1,322
Real Estate	-	-	3,320	-	3,320
Other	-	-	1,452	-	1,452
	<u>\$ 111,016</u>	<u>\$ 9,862</u>	<u>\$ 111,011</u>	<u>\$ 7,986</u>	<u>\$ 239,875</u>

Operating funds consist of cash on hand, time deposits, an overnight repurchase agreement and investments in Commonfund pooled investment funds. Alaska Statutes and Board of Regents' policy provide the university with broad authority to invest funds. Generally, operating funds are invested according to the university's liquidity needs. The Commonfund is a not-for-profit provider of pooled multi-manager investment vehicles for colleges and universities. The university invests in a variety of these funds according to its investment objectives.

Money market mutual funds comprise the largest portion of operating investments. In fiscal year 2010, the university used the Certificate of Deposit Account Registry Service (CDARS) to invest monies into certificates of deposits across many different banking institutions to keep deposits under the Federal Deposit Insurance Corporation insurance limits.

NOTES TO FINANCIAL STATEMENTS

In fiscal year 2011, the remaining balance in the Hedge funds will be paid to participants as the underlying securities mature or fund managers sell their positions.

Capital funds include unexpended general revenue bond proceeds and related reserves, advances from state capital appropriations and other reserves designated for capital purposes. General revenue bond reserves totaling \$4.7 million are invested with a third party trustee in accordance with terms of a trust indenture, requiring purchase of investment securities that are investment grade.

Endowment funds primarily consist of \$114.2 million in investable resources of the university's land grant endowment trust fund and are invested in a consolidated endowment fund managed by the University of Alaska Foundation (foundation). These resources are combined with the foundation's pooled endowment funds for investment purposes, and managed by the foundation's investment committee and treasurer on a total return basis in accordance with an investment policy approved by the Board of Regents.

College savings program investments include the operating funds of the Education Trust of Alaska, established pursuant to state statute by the Board of Regents to facilitate administration of the state's Internal Revenue Code Section 529 College Savings Program. Program investments are in mutual funds of T. Rowe Price Associates, Inc., the program manager. See Note 4 for further information.

Certain funds held in trust for the benefit of the university are not included in the financial statements as the university has only limited control over their administration. These funds are in the custody of independent fiduciaries and at June 30, 2010 had an estimated fair value of approximately \$3.3 million.

At June 30, 2010, the university has approximately \$24.1 million in investments that are not readily marketable. Approximately \$23.2 million is invested in the consolidated endowment fund managed by the foundation and \$0.9 million is invested in hedge funds within the university's operating funds. These investment instruments may contain elements of both credit and market risk. Such risks include, but are not limited to, limited liquidity, absence of regulatory oversight, dependence upon key individuals, and nondisclosure of portfolio composition. Because these investments are not readily marketable, their estimated value is subject to uncertainty and therefore may differ from the value that would have been used had a ready market for such investments existed. Such difference could be material.

Disclosures for deposits and investments are presented according to GASB Statement No. 40, *Deposit and Investment Risk Disclosures* (GASB 40). Accordingly, the following information addresses various risk categories for university deposits and investments and the investment policies for managing that risk.

Foreign Currency Risk:

Foreign currency risk is the risk that changes in exchange rates could have an adverse affect on an investment's value for investments denominated in foreign currencies. GASB 40 requires disclosure of value in U.S. dollars by foreign currency denomination and investment type. The university does not have a policy regarding foreign currency risk. At June 30, 2010, the university did not have any foreign currency risk.

NOTES TO FINANCIAL STATEMENTS

Credit Risk:

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The university does not have a policy regarding credit risk since it does not normally invest its operating and capital funds in individual debt securities.

The consolidated endowment fund investment policy requires all purchases of debt securities to be of investment grade and marketable at the time of purchase unless otherwise approved by the foundation's investment committee. At June 30, 2010, investments consisted of securities with credit quality ratings issued by nationally recognized statistical rating organizations as follows (\$ in thousands):

<u>Investment Type</u>	<u>Rating</u>	<u>Operating</u>	<u>Capital Funds</u>	<u>Endowment</u>	<u>College Savings Program</u>
Money Market Mutual Fund	Aaa	\$ 80,859	\$ 5,297	\$ 2,168	\$ -
Money Market Mutual Funds	Not Rated	-	-	-	145
Multi-Strategy Bond Fund	AA	-	-	5,708	-
Hedge Funds	Not Rated	851	-	9,582	-
Debt Related					
Federal Agency	Aaa	-	454	-	-
Fixed Income Funds	Not Rated	-	-	17,497	5,615

Concentration of Credit Risk:

Concentration of credit risk is the risk of loss attributed to the magnitude of the university's investment in a single issuer. GASB 40 requires disclosure when the amount invested with a single issuer, by investment type, exceeds five percent or more of that investment type. At June 30, 2010, the university did not have any material concentrations of credit risk.

The consolidated endowment fund investment policy limits debt investments to five percent by issuer (except for mutual and pooled funds and U.S. government and agencies) for each specific managed portfolio within the consolidated endowment fund unless approved by the treasurer. The university does not have a policy regarding concentration of credit risk since it does not normally invest its operating and capital funds in individual debt investments.

Custodial Credit Risk:

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository institution, the university will not be able to recover deposits or will not be able to recover collateral securities in the possession of an outside party. For investments, custodial credit risk is the risk that, in the event of failure of the counterparty to a transaction, the university will not be able to recover the value of investment or collateral securities in the possession of an outside party.

At June 30, 2010, the university does not have custodial credit risk. Deposits of the university are covered by Federal Depository Insurance or securities pledged by the university's counterparty to its repurchase agreement held at the Bank of New York. The collateral is held in the name of the university and at June 30, 2010, provided \$0.5 million coverage in excess of deposits.

NOTES TO FINANCIAL STATEMENTS

Interest Rate Risk:

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The university uses the modified duration measurement to evaluate interest rate risk. Modified duration measures a debt investment's exposure to fair value changes arising from changing interest rates. For example, a modified duration of 2 means that for a rise in interest rates of one percent, the value of the security would decrease two percent. The university does not have a policy regarding interest rate risk. At June 30, 2010, the university had the following debt investments and corresponding modified duration (\$ in thousands):

<u>Investment Type</u>	<u>Fair Value</u>					<u>Modified Duration</u>
	<u>Operating</u>	<u>Capital Funds</u>	<u>Endowment</u>	<u>College Savings Program</u>		
Multi-Strategy Bond Fund	-	-	\$ 5,708	-	-	3.50
Federal Agency	-	\$ 454	-	-	-	1.75
Fixed Income Fund	-	-	-	\$ 5,615	-	4.07
Fixed Income Fund	-	-	\$ 17,497	-	-	4.30

Hedge funds totaling \$10.4 million are exposed to interest rate risk, however, underlying fund data is not available to measure the interest rate risk.

3. Accounts Receivable:

Accounts receivable consisted of the following at June 30, 2010 and 2009 (\$ in thousands):

<u>June 30, 2010</u>	<u>Gross</u>	<u>Allowance</u>	<u>Net</u>
Student tuition and fees	\$ 16,041	\$ (6,301)	\$ 9,740
Sponsored programs	51,549	(1,203)	50,346
Auxiliary services and other operating activities	414	(110)	304
Capital appropriations, grants and contracts	<u>9,979</u>	<u>-</u>	<u>9,979</u>
	<u>\$ 77,983</u>	<u>\$ (7,614)</u>	<u>\$ 70,369</u>
<u>June 30, 2009</u>	<u>Gross</u>	<u>Allowance</u>	<u>Net</u>
Student tuition and fees	\$ 13,472	\$ (5,386)	\$ 8,086
Sponsored programs	52,056	(1,155)	50,901
Auxiliary services and other operating activities	504	(32)	472
Capital appropriations, grants and contracts	<u>5,064</u>	<u>-</u>	<u>5,064</u>
	<u>\$ 71,096</u>	<u>\$ (6,573)</u>	<u>\$ 64,523</u>

NOTES TO FINANCIAL STATEMENTS

4. Education Trust of Alaska:

Assets held in trust include operating funds of the Education Trust of Alaska (Trust). The Trust was established pursuant to state statute on April 20, 2001 by the Board of Regents to facilitate administration of the state's Internal Revenue Code (IRC) Section 529 College Savings Program. The program is a nationally marketed college savings program developed in accordance with IRC Section 529 and includes the resources of the university's former Advance College Tuition (ACT) Program. Participant account balances of approximately \$3.4 billion and \$2.8 billion at June 30, 2010 and 2009, respectively, are not included in the financial statements. Separately audited Trust financial statements are available upon request from the University of Alaska Controller's office.

Assets of the Trust are invested in various mutual funds at the direction of T. Rowe Price Associates, Inc., the program manager. The net assets of the Trust, which include a reserve for University of Alaska (UA) Tuition Value Guarantees, are available for payment of program administrative costs, benefits and other purposes of the Trust. Based on actuarial studies, management estimates reserve requirements for the UA Tuition Value Guarantees to be approximately \$5.3 million and \$5.2 million at June 30, 2010 and 2009, respectively.

5. Land Grant Trust Property and Other Assets:

Land Grant Trust property and other assets consist of real property and timber and other rights. By Acts of Congress in 1915 and 1929, approximately 110,000 acres of land was granted to the territory of Alaska to be held in trust for the benefit of the university. The lands were managed by the territory, and later the state of Alaska. In accordance with a 1982 agreement, the lands were subsequently transferred to the Board of Regents, as trustee. In 1982 and 1988 certain state lands including timber and other rights were transferred to the trust as replacement for lands disposed of or adversely affected during the period of administration by the territory and the state. These lands and property interests were recorded at their fair value as of the date of transfer.

The net proceeds from timber, land and other rights are deposited in the land grant endowment trust fund as described in the *Endowment* section in Note 1 above. At June 30, 2010 and 2009, approximately 82,243 and 116,306 acres, respectively, were held in trust at zero basis because fair value at the time of transfer was not determinable. Legislation passed in 2005 granted the University of Alaska approximately 250,000 acres of state land. The intent of the Legislature was to provide the university with an equitable land grant as originally envisioned in the federal land grant of 1915 and to supply the university with a significant portfolio of income producing land to help fund public higher education in Alaska.

Two conservation groups filed a lawsuit against the state and university claiming the legislation was unconstitutional because it dedicated funds. The plaintiffs prevailed with the Alaska Supreme Court which nearly invalidated the 2005 legislation. Approximately 33,658 acres of land the university had received through June 30, 2009 was returned in April 2010. A research forest, which will not be conveyed to the university until 2055, the old downtown Fairbanks Courthouse Building and the Key Bank parcel in Fairbanks were exceptions and will not be returned to the state. Since the returned properties were recorded at a zero basis, the ruling did not affect the results of operations.

NOTES TO FINANCIAL STATEMENTS

6. Capital Assets:

A summary of capital assets follows (\$ in thousands):

	Balance July 1, 2009	Additions	Reductions	Balance June 30, 2010
Capital assets not depreciated:				
Land	\$ 28,490	\$ -	\$ -	\$ 28,490
Construction in progress	120,822	73,112	134,758	59,176
Library and museum collections	57,094	870	-	57,964
Other capital assets:				
Buildings	1,065,605	130,794	-	1,196,399
Infrastructure	57,574	3,660	43	61,191
Equipment	171,075	14,144	14,191	171,028
Leasehold improvements	26,632	-	-	26,632
Other improvements	22,473	304	-	22,777
Total	<u>1,549,765</u>	<u>222,884</u>	<u>148,992</u>	<u>1,623,657</u>
Less accumulated depreciation:				
Buildings	533,018	41,616	-	574,633
Infrastructure	30,214	1,832	1	32,044
Equipment	126,850	12,721	13,661	125,912
Leasehold improvements	8,499	1,416	-	9,916
Other improvements	17,195	643	-	17,838
Total accumulated depreciation	<u>715,776</u>	<u>58,228</u>	<u>13,662</u>	<u>760,343</u>
Capital assets, net	<u>\$ 833,989</u>	<u>\$ 164,655</u>	<u>\$ 135,330</u>	<u>\$ 863,314</u>

	Balance July 1, 2008	Additions	Reductions	Balance June 30, 2009
Capital assets not depreciated:				
Land	\$ 28,083	\$ 407	\$ -	\$ 28,490
Construction in progress	92,918	84,822	56,918	120,822
Library and museum collections	56,104	990	-	57,094
Other capital assets:				
Buildings	1,012,719	52,886	-	1,065,605
Infrastructure	54,867	2,707	-	57,574
Equipment	180,575	13,681	23,181	171,075
Leasehold improvements	26,632	-	-	26,632
Other improvements	21,783	690	-	22,473
Total	<u>1,473,681</u>	<u>156,183</u>	<u>80,099</u>	<u>1,549,765</u>
Less accumulated depreciation:				
Buildings	493,593	39,425	-	533,018
Infrastructure	28,610	1,604	-	30,214
Equipment	135,801	12,442	21,393	126,850
Leasehold improvements	7,171	1,328	-	8,499
Other improvements	16,345	850	-	17,195
Total accumulated depreciation	<u>681,520</u>	<u>55,649</u>	<u>21,393</u>	<u>715,776</u>
Capital assets, net	<u>\$ 792,161</u>	<u>\$ 100,534</u>	<u>\$ 58,706</u>	<u>\$ 833,989</u>

NOTES TO FINANCIAL STATEMENTS

7. Unrestricted Net Assets:

At June 30, unrestricted net assets included the following (\$ in thousands):

	<u>2010</u>	<u>2009</u>
Designated:		
Auxiliaries	\$ 6,505	\$ 7,278
Working capital fund	4,826	4,715
Working capital advances	(2,611)	(2,318)
Service centers	12,894	11,369
Debt service funds	1,574	1,598
Renewal and replacement funds	8,989	7,708
Quasi-endowment funds	28,449	27,711
Employee benefit funds	(13)	8,437
Endowment earnings	12,302	10,518
Encumbrances	<u>10,423</u>	<u>14,900</u>
Total designated	83,338	91,916
Undesignated	<u>23,363</u>	<u>15,220</u>
Total unrestricted net assets	<u>\$ 106,701</u>	<u>\$ 107,136</u>

Unrestricted net assets include non-lapsing university receipts of \$46.7 million at June 30, 2010. Non-lapsing university receipts of \$41.5 million from 2009 were fully expended in 2010. At June 30, 2010 and 2009, \$53.2 million and \$48.8 million, respectively, of auxiliary funds, encumbrances and other unrestricted net assets were pledged as collateral for the university's general revenue bonds, as calculated under the terms of the 1992 General Revenue Bonds Trust Indenture.

8. Long-term Debt:

Debt service requirements at June 30, 2010 were as follows (\$ in thousands):

Year ended <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 6,763	\$ 4,572	\$ 11,335
2012	6,958	4,359	11,317
2013	7,175	4,134	11,309
2014	6,821	3,949	10,770
2015	6,657	3,679	10,336
2016-2020	34,344	14,475	48,819
2021-2025	30,902	7,875	38,777
2026-2030	16,380	2,755	19,135
2031-2035	5,005	501	5,506
2036	<u>295</u>	<u>7</u>	<u>302</u>
	<u>\$ 121,300</u>	<u>\$ 46,306</u>	<u>\$ 167,606</u>

NOTES TO FINANCIAL STATEMENTS

Long-term debt consisted of the following at June 30, 2010 and 2009 (\$ in thousands):

	2010	2009
<u>Revenue bonds payable</u> 1.40% to 5.00% general revenue bonds due serially to 2036, secured by a pledge of unrestricted current fund revenue generated from tuition, fees, recovery of facilities and administrative costs, sales and services of educational departments, miscellaneous receipts and auxiliaries.	\$ 100,490	\$ 105,785
<u>Note payable – capital construction</u> 1.826% assisted note to the Alaska Housing Finance Corporation (AHFC) to finance construction of Anchorage campus housing, due semiannually through February 2024.	18,458	19,605
<u>Equipment financings</u> 3.94% to 4.77% notes for the purchase of equipment and vehicles due in quarterly installments through June 2017.	2,352	2,623
	<u>\$ 121,300</u>	<u>\$ 128,013</u>

In fiscal year 2010, the state reimbursed the university \$1,412,615 for debt service on Series K general revenue bonds. Subject to annual appropriation, the state will reimburse the university for principal and interest on \$17,005,000 of the remaining bond principal. Annual debt service on this portion of the bonds is approximately \$1.4 million.

Under the terms of the 1992 General Revenue Bonds Trust Indenture, the university is required to maintain a reserve account with a trustee at an amount equal to one-half of the maximum annual general revenue bond debt service. The balance in the reserve account at June 30, 2010 and 2009 was \$4.7 million and \$4.8 million, respectively.

In fiscal year 2010, the university issued general revenue refunding bonds Series P totaling \$14,045,000 to refund and redeem the outstanding maturities of Series H and J general revenue bonds. The current refunding resulted in an economic gain of \$1,487,000 and total debt service payments over the next 13 years will decrease by \$1,813,000.

9. **Deferred Lease Revenue:**

In fiscal year 1997, the university entered into an agreement to construct a facility and establish the International Arctic Research Center (IARC). The university received \$19,215,000 through a Japanese non-profit corporation to support the construction of the IARC in exchange for a commitment to provide research facilities to various Japanese research organizations and agencies for a period of 25 years, including lease extensions. The Japanese research organizations began occupying the IARC in fiscal year 1999. The deferred lease revenue at June 30, 2010 is \$4,803,750 and is reduced at the rate of \$1,281,000 per year with a corresponding increase to other operating revenue.

NOTES TO FINANCIAL STATEMENTS

10. Long-term Liabilities:

Long-term liability activity was as follows (\$ in thousands):

	Balance			Balance	Amounts
	July 1, 2009	Additions	Reductions	June 30, 2010	due within
					one year
Deferred revenue - capital	\$ 10,519	\$ 812	\$ 8,456	\$ 2,875	\$ -
Deferred lease revenue	6,085	-	1,281	4,804	1,281
Long-term debt	128,013	14,295	21,008	121,300	6,763
Security deposits and other liabilities	<u>5,846</u>	<u>140</u>	<u>6</u>	<u>5,980</u>	<u>-</u>
	<u>\$ 150,463</u>	<u>\$ 15,247</u>	<u>\$ 30,751</u>	<u>\$ 134,959</u>	<u>\$ 8,044</u>

	Balance			Balance	Amounts
	July 1, 2008	Additions	Reductions	June 30, 2009	due within
					one year
Deferred revenue - capital	\$ 5,781	\$ 9,147	\$ 4,409	\$ 10,519	\$ -
Deferred lease revenue	7,366	-	1,281	6,085	1,281
Long-term debt	136,678	1,049	9,714	128,013	6,473
Net pension and OPEB obligations	31,325	-	31,325	-	-
Security deposits and other liabilities	<u>7,397</u>	<u>1,690</u>	<u>3,241</u>	<u>5,846</u>	<u>-</u>
	<u>\$ 188,547</u>	<u>\$ 11,886</u>	<u>\$ 49,970</u>	<u>\$ 150,463</u>	<u>\$ 7,754</u>

11. Capital Appropriations and Construction Commitments:

Major construction projects of the university are funded primarily by State of Alaska appropriations, university revenue bonds and federal grants. Unexpended and unbilled capital funds appropriated by the State of Alaska in prior years, which are not reflected as appropriation revenue or receivables on the university's books at June 30, 2010, totaled \$114.0 million. In addition, unexpended proceeds of university-issued general revenue bonds designated for construction projects totaled \$0.5 million at June 30, 2010. Construction commitments at June 30, 2010 aggregated \$65.0 million. At June 30, 2010, the university had received \$4.1 million from State of Alaska capital appropriations and other sources in advance of expenditures.

In 2010 the university spent \$ 5.96 million, part of construction in progress, on building the Sikuliaq. The vessel will be owned by the National Science Foundation, the agency funding the construction, and operated by the University of Alaska Fairbanks, as part of the U.S. academic research fleet. It will be used by scientists in the United States and international oceanographic community through the University-National Oceanographic Laboratory System. The Sikuliaq is anticipated to be ready for unrestricted science operations in 2014 and will be home ported in Alaska at the Seward Marine Center.

NOTES TO FINANCIAL STATEMENTS

12. Pension Plans:

Participation in one of the various pension plans generally depends on when an employee was originally hired. Substantially all regular employees hired before July 1, 2006 participate in one of the following pension plans:

- The State of Alaska Public Employees' Retirement System – Defined Benefit (PERS-DB), a cost-sharing, multiple-employer public employee retirement plan,
- The State of Alaska Teachers' Retirement System – Defined Benefit (TRS-DB), a cost-sharing, multiple-employer public employee retirement plan,
- The University of Alaska Optional Retirement Plan (ORP) Tier 1 or Tier 2, a single-employer defined contribution plan.

In addition, substantially all eligible employees participate in the University of Alaska Pension Plan, a supplemental single-employer defined contribution plan. Employees hired on or after July 1, 2006 have a choice to participate in the University of Alaska Retirement Program or the applicable state defined contribution plan. The University of Alaska Retirement Program consists of ORP (Tier 3) and the University of Alaska Pension Plan. The state's defined contribution plans are the Public Employees' Retirement System – Defined Contribution (PERS-DC) or the Teachers' Retirement System-Defined Contribution (TRS-DC).

Each of the plans noted above are described in more detail in the sections that follow. None of the retirement systems or plans own any notes, bonds or other instruments of the university.

State of Alaska Public Employees' Retirement System - Defined Benefit (PERS-DB)

Plan Description

PERS is a defined benefit, cost-sharing, multiple-employer public employee retirement plan established and administered by the State of Alaska. The plan was originally established as an agent multiple-employer plan, but was converted by legislation to a cost-sharing plan, effective July 1, 2008.

PERS provides pension, postemployment health care, death and disability benefits to eligible participants. Benefit and contribution provisions are established by state law and may be amended only by the state legislature. Effective July 1, 2006, the state legislature closed PERS-DB to new members and created a Public Employees' Retirement System Defined Contribution Retirement Plan (PERS-DC), disclosed later in this note.

Each fiscal year, PERS-DB issues a publicly available financial report which includes financial statements and required supplementary information. That report may be obtained by writing to the State of Alaska, Department of Administration, Division of Retirement and Benefits, P.O. Box 110203, Juneau, Alaska, 99811-0203 or by calling (907) 465-4460.

NOTES TO FINANCIAL STATEMENTS

Funding Policy and Annual Pension Cost

Employee contribution rates are 6.75 percent (7.5 percent for peace officers and firefighters). The funding policy for PERS-DB provides for periodic employer contributions at actuarially determined rates that, expressed as a percentage of annual covered payroll, are sufficient to accumulate the assets to pay benefits when due. The 2010 actuarially determined rate was 27.65 percent of applicable gross pay. However, the employer contribution rate for the university was capped by the state at 22 percent for fiscal year 2010.

The state appropriated funding directly to the PERS-DB plan as a relief payment to employers' contributions for fiscal year 2010. The university recognized \$7,126,913 in state on-behalf pension payments for the PERS-DB plan. The amounts contributed to PERS-DB by the university during the years ended June 30, 2010, 2009 and 2008 were \$27,074,153, \$27,269,589, and \$27,230,213, respectively, equal to the required employer contributions for each year.

PERS Defined Benefit Pension Plan Changes

The Alaska legislature converted PERS-DB from an agent multiple-employer plan to a cost-sharing plan effective July 1, 2008. This change provided for an integrated system of accounting for all employers. Under the integrated system, the PERS-DB plans' unfunded liability will be shared among all employers with each contributing 22 percent of their covered payroll.

As a result of the conversion, the Net Pension (NPO) and Other Postemployment Benefit (OPEB) obligations are no longer required to be recorded as liabilities for cost-sharing plans according to government accounting standards. Accordingly, net pension and OPEB obligations totaling \$31,325,361 were "written off" as extraordinary items as of July 1, 2008.

State of Alaska Teachers' Retirement System - Defined Benefit (TRS-DB)

Plan Description

TRS-DB is a defined benefit, cost-sharing, multiple employer public employee retirement plan established and administered by the State of Alaska. TRS-DB provides pension, postemployment health care, death and disability benefits to participants. Benefit and contribution provisions are established by state law and may be amended only by the state legislature. Effective July 1, 2006, the state legislature closed TRS-DB to new members and created a Teachers' Retirement System Defined Contribution Retirement Plan (TRS-DC), disclosed later in this note.

Each fiscal year, TRS-DB issues a publicly available financial report which includes financial statements and required supplementary information. That report may be obtained by writing to the State of Alaska, Department of Administration, Division of Retirement and Benefits, P.O. Box 110203, Juneau, Alaska, 99811-0203 or by calling (907) 465-4460.

NOTES TO FINANCIAL STATEMENTS

Funding Policy and Annual Pension Cost

Employees contribute 8.65 percent of their base salary as required by state statute. The funding policy for TRS-DB provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate the assets to pay benefits when due. During fiscal year 2010, contractually required employee and employer contribution rates were 8.65 percent and 12.56 percent, respectively. The amounts contributed to TRS-DB by the university during the years ended June 30, 2010, 2009 and 2008 were \$5,454,265, \$5,485,631, and \$5,444,878, respectively, equal to the required employer contributions for each year.

The actuarially determined employer contribution rate for 2010 was 39.53 percent. The state appropriated funding directly to the TRS-DB plan to augment employer contributions for 2010. For fiscal year 2010, the university recognized \$10,848,081 in state on-behalf pension payments for the TRS-DB plan.

Defined Contribution Plans:

State of Alaska Public Employees' Retirement System - Defined Contribution (PERS-DC)

Plan Description

PERS-DC is a defined contribution, cost-sharing, multiple-employer public employee retirement plan established and administered by the State of Alaska to provide pension and postemployment healthcare benefits for eligible employees. Benefit and contribution provisions are established by state law and may be amended only by the state legislature. PERS-DC was created by the state effective July 1, 2006. Plan savings are accumulated in an individual retirement account for the exclusive benefit of members or beneficiaries.

Funding Policy and Annual Pension Cost

The employee contribution rate is eight percent and the employer effective contribution rate is 22 percent of covered payroll for fiscal years 2010 and 2009. For the years ended June 30, 2010 and 2009, the university's total covered payroll for the PERS-DC plan was approximately \$6.1 million and \$4.4 million, and contributions made by the university totaled \$1,346,145 and \$965,143, respectively.

On July 1, 2006, three pension trust sub-funds were created within PERS, the Retiree Major Medical Insurance (RMP), Health Reimbursement Arrangement (HRA), and Occupation Death and Disability (OD&D). RMP allows eligible members who retire directly from the plan to obtain medical benefits. The HRA allows medical care expenses to be reimbursed from individual savings accounts established for eligible persons. OD&D provides employees with benefits as a result of death or disability on the job. PERS-DC participants are eligible members of RMP and HRA and their postemployment healthcare benefits are paid out of these funds. The employer RMP contribution rates for fiscal year 2010 and 2009 are 0.83 and 0.99 percent for medical coverage and 0.30 and 0.58 percent (1.33 percent for peace officers and firefighters) for occupational death and disability benefit contributions. For fiscal years 2010 and 2009, the HRA employer contributions are \$141.64 and \$134.73 per month for full time employees and \$1.09 and \$1.04 per hour for part time employees, respectively.

NOTES TO FINANCIAL STATEMENTS

Each fiscal year, PERS-DC issues a publicly available financial report which includes financial statements and required supplementary information. That report may be obtained by writing to the State of Alaska, Department of Administration, Division of Retirement and Benefits, P.O. Box 110203, Juneau, Alaska, 99811-0203 or by calling (907) 465-4460.

State of Alaska Teachers' Retirement System - Defined Contribution (TRS-DC)

Plan Description

TRS-DC is a defined contribution, cost-sharing, multiple-employer public employee retirement plan established and administered by the State of Alaska to provide pension and postemployment healthcare benefits for teachers and other eligible employees. Benefit and contribution provisions are established by state law and may be amended only by the state legislature. TRS-DC was created by the state effective July 1, 2006. Plan savings are accumulated in an individual retirement account for the exclusive benefit of members or beneficiaries.

Funding Policy and Annual Pension Cost

The employee contribution rate is eight percent and the effective employer contribution rate is 12.56 percent of covered payroll for fiscal years 2010 and 2009. For the years ended June 30, 2010 and 2009, the university's total covered payroll for the TRS-DC plan was approximately \$2.7 million and \$2.1 million, and contributions made by the university totaled \$333,253 and \$266,443, respectively.

On July 1, 2006, two pension trust sub-funds were created in TRS, the Retiree Major Medical Insurance (RMP) and Health Reimbursement Arrangement (HRA). The TRS Occupational Death and Disability (OD&D) trust sub-fund was created on July 1, 2007. RMP allows eligible members who retire directly from the plan to obtain medical benefits. The HRA allows medical care expenses to be reimbursed from individual savings accounts established for eligible persons. OD&D provides employees with benefits as a result of death or disability on the job. TRS-DC participants are eligible members of RMP and HRA and their postemployment healthcare benefits are paid out of these funds. The employer RMP contribution rate for fiscal year 2010 and 2009 for each member's compensation was 1.03 and 0.99 percent for medical coverage, and 0.32 and 0.62 percent for occupational death and disability benefit contributions. For fiscal years 2010 and 2009, the HRA employer contributions are \$141.64 and \$134.73 per month for full time employees and \$1.09 and \$1.04 per hour for part time employees, respectively.

Each fiscal year, TRS-DC issues a publicly available financial report which includes financial statements and required supplementary information. That report may be obtained by writing to the State of Alaska, Department of Administration, Division of Retirement and Benefits, P.O. Box 110203, Juneau, Alaska, 99811-0203 or by calling (907) 465-4460.

NOTES TO FINANCIAL STATEMENTS

University of Alaska Optional Retirement Plan (ORP)

Plan Description

The ORP is an employer funded defined contribution plan which operates in conjunction with a companion mandatory tax-deferred annuity plan. The ORP is comprised of three layers of participants, the original ORP or ORP Tier 1, ORP Tier 2 which was created for participants hired on or after July 1, 2005, and ORP Tier 3 which was created for participants hired on or after July 1, 2006. For ORP Tier 1 and ORP Tier 2, faculty classified as regular and certain administrators made a one-time election to participate in the ORP as an alternative to participation in the defined benefit plans, PERS-DB or TRS-DB. For ORP Tier 3, each new eligible employee may make a one-time election to participate in the University of Alaska Retirement Program (includes ORP Tier 3 and the University of Alaska Pension Plan) as an alternative to participation in the State of Alaska defined contribution plans, PERS-DC or TRS-DC.

Funding Policy and Annual Pension Cost

ORP Tier 1

The ORP Tier 1 participants make employee contributions to one of the plan's annuity programs at a rate of 8.65 percent of covered payroll. The university contributes to one of the plan's authorized employee-selected annuity providers or investment managers at a rate equal to the three-year moving average of the TRS-DB employer contribution rates (12.56 percent for 2010 and 17.04 percent for 2009).

In fiscal year 2010 and 2009, the university's total covered payroll for the ORP Tier 1 plan was approximately \$50.8 million and \$49.7 million, respectively. The amounts contributed to the ORP Tier 1 by the university during the years ended June 30, 2010, 2009 and 2008 were \$6,381,618, \$8,462,414 and \$9,945,730, respectively.

ORP Tier 2

The ORP Tier 2 participants make employee contributions to one of the plan's annuity programs at a rate of 8.65 percent of covered payroll. The university contributed to one of the plan's authorized employee-selected annuity providers or investment managers at a rate of 12 percent of covered payroll for fiscal years 2010 and 2009.

In fiscal year 2010 and 2009, the university's total covered payroll for the ORP Tier 2 plan was approximately \$3.7 million and \$4.5 million, respectively. The amounts contributed to the ORP Tier 2 by the university during the years ended June 30, 2010, 2009 and 2008 were \$446,041, \$541,237 and \$614,390, respectively. The ORP Tier 2 plan was available for new ORP benefit-eligible employees hired in fiscal year 2006. As of July 1, 2006, the ORP Tier 2 plan was no longer available to newly-hired ORP benefit-eligible employees.

NOTES TO FINANCIAL STATEMENTS

ORP Tier 3

The ORP Tier 3 is eligible for employees hired on or after July 1, 2006. The ORP Tier 3 participants make employee contributions to one of the plan's annuity programs at a rate of eight percent of covered payroll. The university contributes to one of the plan's authorized employee-selected annuity providers or investment managers at a rate of 12 percent of covered payroll.

In fiscal years 2010 and 2009, the university's total covered payroll for the ORP Tier 3 plan was approximately \$62.0 million and \$46.6 million, respectively. The amounts contributed to the ORP Tier 3 by the university during the years ended June 30, 2010, 2009 and 2008 were \$7,436,012, \$5,596,529 and \$3,700,880, respectively.

Plan Assets

At June 30, 2010 and 2009, plan assets (participants' accounts attributable to employer contributions) for ORP Tier 1, Tier 2 and Tier 3 had a net value of approximately \$113.8 million and \$93.2 million, respectively. ORP Tier 1 and ORP Tier 2 participants are 100 percent vested at all times. University contributions for ORP Tier 3 participants are 100 percent vested after three years of service.

University of Alaska Pension Plan (Pension)

Plan Description

In addition to the other retirement plans, substantially all regular employees (hired before July 1, 2006) and certain faculty classified as temporary, participate in the Pension plan which was established January 1, 1982, when the university withdrew from the federal social security program. Eligible employees, hired on or after July 1, 2006, electing to participate in the University of Alaska Retirement Program also participate in the Pension plan.

Funding Policy and Annual Pension Cost

Effective January 1, 2010, employer contributions for regular employees were 7.65 percent of covered wages up to \$42,000 and \$106,800 in 2010 for certain faculty classified as temporary. The plan provides for employer contributions to be invested in accordance with participant-directed investment elections to the plan's fixed income and/or equity funds. Participants hired before July 1, 2006 are 100 percent vested at all times. University contributions for participants hired on or after July 1, 2006 are 100 percent vested after three years of service.

Plan Assets

In 2010 and 2009, the university's total covered payroll for the Pension plan was approximately \$174.8 million and \$175.8 million, respectively. The university's costs to fund and administer the plan totaled \$13.4 million, or 7.65 percent of covered payroll. At June 30, 2010 and 2009, plan assets (participants' accounts) had a net value of approximately \$275.6 million and \$254.7 million, respectively.

NOTES TO FINANCIAL STATEMENTS

13. Insurance and Risk Management:

The university is exposed to a wide variety of risks including property loss, bodily and personal injury, intellectual property, errors and omissions, aviation and marine. Exposures are handled with a combination of self-insurance, commercial insurance, and membership in a reciprocal risk retention group.

The university is self-insured up to the maximum of \$2.0 million per occurrence for casualty claims and \$250,000 for property claims. Commercial carriers provide coverage in excess of these amounts. Health care, workers' compensation and unemployment claims are fully self-insured. Liabilities have been established to cover estimates for specific reported losses, estimates for unreported losses based upon past experience modified for current trends, and estimates of expenses for investigating and settling claims.

Changes in applicable liability amounts follow (\$ in thousands):

	Balance <u>July 1, 2009</u>	Provision <u>for Claims</u>	Claims <u>Payment</u>	Balance <u>June 30, 2010</u>
Health	\$ 8,392	\$ 59,750	\$ (59,167)	\$ 8,975
General liability	5,613	1,326	(76)	6,863
Workers' compensation	5,991	1,973	(1,274)	6,690
Unemployment	<u>138</u>	<u>813</u>	<u>(716)</u>	<u>235</u>
	<u>\$ 20,134</u>	<u>\$ 63,862</u>	<u>\$ (61,233)</u>	<u>\$ 22,763</u>

	Balance <u>July 1, 2008</u>	Provision <u>for Claims</u>	Claims <u>Payment</u>	Balance <u>June 30, 2009</u>
Health	\$ 7,798	\$ 55,770	\$ (55,176)	\$ 8,392
General liability	5,362	667	(416)	5,613
Workers' compensation	6,051	1,555	(1,615)	5,991
Unemployment	<u>72</u>	<u>493</u>	<u>(427)</u>	<u>138</u>
	<u>\$ 19,283</u>	<u>\$ 58,485</u>	<u>\$ (57,634)</u>	<u>\$ 20,134</u>

NOTES TO FINANCIAL STATEMENTS

14. Commitments and Contingencies:

Amounts received and expended by the university under various federal and state grants, contracts and other programs are subject to audit and potential disallowance. From time to time the university is named as a defendant in legal proceedings or cited in regulatory actions related to the conduct of its operations.

In the normal course of business, the university also has various other commitments and contingent liabilities which are not reflected in the accompanying financial statements. In the opinion of management, the university will not be affected materially by the final outcome of any of these legal proceedings, environmental investigations, audit adjustments, or other commitments and contingent liabilities.

The university received a Potentially Responsible Party (PRP) letter from the Alaska Department of Environmental Conservation (ADEC) in August 2006. The letter identified the university as one of the potential parties that may be responsible for cleanup costs of soil contamination found during a water line improvement project next to Northwest Campus property. The extent of the contamination source, the number of potentially responsible parties, and remediation costs are being assessed but the outcome is unknown.

15. University of Alaska Foundation:

The University of Alaska Foundation (foundation) is a legally separate, non profit organization formed in 1974 to solicit donations for the exclusive benefit of the University of Alaska. During 2010 and 2009, the university transferred \$0.9 million and \$1.4 million of institutional support, respectively. For the same periods, the foundation reimbursed the university for operating expenses totaling \$2.6 million and \$1.9 million, respectively.

At June 30, 2010 and 2009, distributions and expenditures by the foundation for the benefit of the university totaled \$13.3 million and \$17.7 million, of which \$12.6 million and \$17.3 million were direct reimbursements to the university. Additionally, the foundation owed the university \$1.7 million at June 30, 2010 and \$2.1 million at June 30, 2009, primarily for reimbursement of expenditures on funding provided by the foundation.

The investable resources of the university's land grant endowment trust fund and the foundation's pooled endowment funds are combined into a consolidated endowment fund for investment purposes. At June 30, 2010 and 2009, the fair value of the fund was \$216.2 million and \$198.3 million, respectively. The university's share of this fund was \$114.2 million and \$108.9 million, respectively, which is reflected in endowment investments. The fund is managed by the foundation's investment committee and treasurer on a total return basis in accordance with an investment policy approved by the Board of Regents. The net assets and related activity for the university's land grant endowment trust's investment in the fund is reflected in the university's financial statements.

NOTES TO FINANCIAL STATEMENTS

16. Functional Classifications with Natural Classifications:

The university's operating expenses by natural classification for 2010 and 2009 were as follows (\$ in thousands):

	<u>Compensation & Benefits</u>	<u>Contractual Services</u>	<u>Supplies & Materials</u>	<u>Other</u>	<u>Student Aid</u>	<u>Depre- ciation</u>	<u>Total</u>
Instruction	\$ 167,032	\$ 25,774	\$ 11,166	\$ 931	\$ -	\$ -	\$ 204,903
Academic support	43,239	7,259	7,116	74	-	-	57,688
Research	90,176	32,597	10,379	295	-	-	133,447
Public service	25,991	11,708	2,353	349	-	-	40,401
Student services	36,326	10,763	3,031	51	-	-	50,171
Operations and maintenance	27,151	19,180	12,415	593	-	-	59,339
Institutional support	77,065	11,915	3,349	2,613	-	-	94,942
Student aid	-	-	-	-	20,965	-	20,965
Auxiliary enterprises	9,771	18,991	11,200	266	-	-	40,228
Depreciation	-	-	-	-	-	58,228	58,228
State on-behalf payments	-	-	-	17,975	-	-	17,975
	<u>\$ 476,751</u>	<u>\$ 138,187</u>	<u>\$ 61,009</u>	<u>\$ 23,147</u>	<u>\$ 20,965</u>	<u>\$ 58,228</u>	<u>\$ 778,287</u>

	<u>Compensation & Benefits</u>	<u>Contractual Services</u>	<u>Supplies & Materials</u>	<u>Other</u>	<u>Student Aid</u>	<u>Depre- ciation</u>	<u>Total</u>
Instruction	\$ 158,984	\$ 26,610	\$ 10,361	\$ 349	\$ -	\$ -	\$ 196,304
Academic support	42,050	5,431	7,109	52	-	-	54,642
Research	84,985	30,233	11,503	228	-	-	126,949
Public service	24,983	10,454	2,220	163	-	-	37,820
Student services	34,776	10,386	2,950	58	-	-	48,170
Operations and maintenance	27,238	18,686	14,451	811	-	-	61,186
Institutional support	71,012	13,297	3,974	1,901	-	-	90,184
Student aid	-	-	-	-	17,937	-	17,937
Auxiliary enterprises	9,672	17,376	12,538	138	-	-	39,724
Depreciation	-	-	-	-	-	55,649	55,649
State on-behalf payments	-	-	-	30,502	-	-	30,502
	<u>\$ 453,700</u>	<u>\$ 132,473</u>	<u>\$ 65,106</u>	<u>\$ 34,202</u>	<u>\$ 17,937</u>	<u>\$ 55,649</u>	<u>\$ 759,067</u>

APPENDIX B

TRUST INDENTURE

APPENDIX B

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* Each amendment to the Trust Indenture is bolded and includes an effective date.

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THIS TRUST INDENTURE, dated as of June 1, 1992, by and between the University of Alaska (the "University"), a public corporation and governmental instrumentality of the State of Alaska, created and existing under Section 2 of Article VII of the Alaska Constitution, and Chapter 40 of Title 14 of the Alaska Statutes (the "Act"), and First Interstate Bank of Washington, N.A., a national banking association organized and existing and authorized to accept and execute trusts of the character herein set forth Under and by virtue of the laws of the United States of America, with its principal office in the City of Seattle, Washington (the "Trustee").

WITNESSETH THAT:

WHEREAS, the University is authorized under Chapter 40 of Title 14 of the Alaska Statutes to issue revenue bonds to pay the cost of acquiring, constructing, or equipping a facility that the Board of Regents of the University (the Boards) determines is necessary; and

WHEREAS, the Board has determined that it is necessary and in the best interest of the University to create an issue of revenue bonds of the University to be known and designated as University of Alaska General Revenue Bonds (the "Bonds") to provide funds for the purpose of paying the cost of acquiring, constructing, or equipping such facilities; and

WHEREAS, the Board has determined that it is necessary and in the best interest of the University that the Bonds be issued under the terms and conditions set forth in this Indenture; and

WHEREAS, the execution and delivery of this Indenture were authorized by a resolution of the Board duly adopted and approved; and

WHEREAS, the Trustee has agreed to accept the trusts herein created upon the terms herein set forth; and

WHEREAS, all things necessary to make the Bonds, when issued as provided in this Indenture, the valid, binding, and legal special obligations of the University according to the import thereof and to constitute this Indenture a valid assignment of the amounts pledged to the payment of the principal and premium, if any, of and interest on the Bonds have been done and performed, and the creation, execution, and delivery of this Indenture and the execution and issuance of the Bonds, subject to the terms hereof, in all respects have been duly authorized;

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in order to secure the payment of the principal or Redemption Price of, and the interest on, Bonds at any time issued and outstanding under this Indenture according to their tenor, end to

secure the performance and observance of all the covenants therein and herein set forth and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received and for and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the owners thereof and for other valuable consideration, the receipt whereof is hereby acknowledged, the University covenants and agrees with the Trustee, for the benefit of the respective owners from time to time of the Bonds as follows:

TO HAVE AND TO HOLD in trust, nevertheless, upon the terms and trusts herein set forth for the equal and ratable benefit, security, and protection of all present and future Owners (hereinafter defined) of the Bonds issued under and secured by this Indenture, without privilege, priority, or distinction as to lien or otherwise of the Bonds over any of the other Bonds;

PROVIDED, HOWEVER, that if the principal and premium, if any, of the Bonds and the interest due or to become due thereon are paid at the times and in the manner mentioned in the Bonds according to the true intent and meaning thereof and the parties hereto shall well and truly keep, perform, and observe all of the covenants and conditions pursuant to the terms of this Indenture to be kept, performed, and observed by them and there shall be paid to the Trustee all sums of money due or to become due in accordance with the terms and provisions hereof, then this Indenture and the rights hereby granted shall cease and terminate; otherwise this Indenture is to be and remain in full force and effect.

THIS INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated, and delivered, and all said property, rights, and interests, including, without limitation, the amounts hereby assigned, are to be dealt with and disposed of under, upon, and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses, and purposes hereinafter expressed and that the University has agreed and covenanted, and hereby does agree and covenant, with the Trustee and with the Owners from time to time of the Bonds, or any part thereof, as follows:

ARTICLE I
DEFINITIONS AND INTERPRETATION

Section 101 - Definitions. The following terms shall, for all purposes of this Indenture, have the following meanings:

"**Act**" means Title 14, Chapter 40 of the Alaska Statutes (AS 14.40) as the same may be amended or supplemented from time to time.

"**Additional Bonds**" means any Bonds authenticated and delivered on original issuance pursuant to Section 206.

"**Aggregate Debt Service**" for any period means, as of any date of calculation, the sum of the amounts of Debt Service for such period with respect to all Series.

"**AMBAC Indemnity**" means AMBAC Indemnity Corporation, a Wisconsin domiciled stock insurance company.

"**Authorized Officer**" means the President of the Board of Regents, Vice President of the Board of Regents, the President, Vice President for Finance, and Controller and Associate Vice President for Finance of the University, and any officer or employee of the University authorized to perform specific acts or duties by resolution duly adopted by the Board of Regents.

"**Board of Regents**" means the Board of Regents of the University.

"**Bonds**" or "**Bond**" means any bond or bonds, note or notes, or evidence of indebtedness or evidences of indebtedness, as the case may be, authenticated and delivered under, and entitled to the benefit and security of, this Indenture.

"**Bond Counsel**" means a firm of attorneys nationally recognized as having expertise in the field of law relating to municipal, state and public agency financing, selected by the University and satisfactory to the Trustee.

"**Bond Year**" means with respect to any Series each period of 12 calendar months (or shorter period from the date of issue of the Series) ending on each June 30.

"**Business Day**" means any day other than a Saturday, Sunday or day upon which commercial banks in the State of Washington or the State of New York are permitted to remain closed or a day on which the New York Stock Exchange is closed.

"**Code**" means the Internal Revenue Code of 1986, as amended, and United States Treasury regulations promulgated thereunder or applicable thereto.

"**Computation Date**" means an Installment Computation Date or the Final Computation Date.

"**Cost of Acquisition or Construction**" means, with respect to any Project, the University's cost of physical construction, costs of acquisition by or for the University of any Project, by paying or providing for payment of costs of retiring any bonds or other obligations of the University or any corporate entity created on behalf of the University

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secured by any project or by the lease of any project owned or occupied by the University, and costs of the University incidental to such construction or acquisition, the cost of any indemnity and surety bonds and premiums on insurance during construction, engineering expenses, legal fees and expenses, Costs of Issuance, audits, fees and expenses of the Trustee, amounts, if any, required by this Indenture or any Supplemental Indenture to be paid into the Debt Service Fund or Reserve Fund upon the issuance of any Series of Bonds, payments when due (whether at the maturity of principal or the due date of interest or upon redemption) on any indebtedness of the University (other than the Bonds) incurred for any Project, costs of machinery, equipment and supplies and initial working capital and reserves required by the University for the commencement of operation of any Project, and any other costs properly attributable to such construction or acquisition, and shall include reimbursement to the University for any such items of Cost of Acquisition or Construction theretofore paid by the University. Any Supplemental Indenture may provide for additional items to be included in the aforesaid Cost of Acquisition or Construction.

"Cost of issuance" means any items of expense directly or indirectly payable or reimbursable by the University and related to the authorization, sale and issuance of the Bonds, including but not limited to University administrative expenses; printing costs; costs of preparation and reproduction of documents; filing and recording fees; initial fees and charges (including legal fees and charges) of the Trustee and of any fiduciary; legal fees and charges; fees and disbursements of consultants and professionals; costs of credit ratings; fees and charges for preparation, execution, transportation and safekeeping of the Bonds; and any other cost, charge or fee in connection with the original issuance of the Bonds.

"Counsel's Opinion" means an opinion signed by an attorney or firm of attorneys selected by or satisfactory to the University (who may be counsel to the University); provided, however, that for the purposes of Article II hereof such term shall mean an opinion of Bond Counsel.

"Credit Enhancement" means a letter of credit, a line of credit, a credit facility, a surety bond, bond insurance, or any other instrument or arrangement obtained in connection with the issuance of a Series of Bonds to further secure the payment of the Bonds of such Series.

"Credit Enhancer" means any bank or other institution that provides Credit Enhancement, including AMBAC Indemnity.

"Credit Enhancement Fund" means a fund or Account authorized to be created by the University under Section 507 for the purposes of holding and disbursing the proceeds of, or holding only, Credit Enhancement.

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"Debt Service" for any period means, as of any date of calculation and with respect to any Series, an amount equal to the sum of (a) interest accruing during such period on Bonds of such Series, except to the extent that such interest is to be paid from deposits in the Interest Account in the Debt Service Fund made from Bond proceeds and (b) that portion of each Principal Installment for such Series which would accrue during such period if such Principal Installment were deemed to accrue daily in equal amounts from the next preceding Principal Installment due date for such Series (or, if there shall be no such preceding Principal Installment due date, from a date one year preceding the due date of such Principal Installment or from the date of issuance of the Bonds of such Series, whichever date is later). Such interest and Principal Installments for such Series shall be calculated on the assumption that no Bonds of such Series Outstanding at the date of calculation will cease to be Outstanding except by reason of the payment of each Principal Installment on the due date thereof. For purposes of this definition (x) interest and Principal Installments with respect to interest accruing on compound interest or zero coupon or like interest paying Bonds shall be deemed to accrue in the 12 months immediately prior to the final maturity of such Bonds; and (y) the University may determine that interest will accrue on variable rate Bonds at a rate equal to the actual rate during a prior period.

"Debt Service Fund" means the Debt Service Fund established in Section 501.

"Depository" means any bank or trust company organized under the laws of any state of the United States of America or any national banking association, selected by the University and approved in writing by the Trustee as a depository of moneys and securities held under the provisions of this Indenture, and may include the Trustee; provided that if the Trustee shall fail to so approve, it shall deliver to the University a statement of its reasons for such failure.

"Event of Default" shall have the meaning given to such term in Section 801.

"Excess Investment Earnings" means that amount determined by the University to be required to be rebated to the United States of America under the Code.

"Federal Obligation" means any direct obligation of, or any obligation the full and timely payment of principal of and interest on which is guaranteed by, the United States of America.

"Fiscal Year" means the 12-month period commencing on July 1 of each year and including June 30 of the succeeding calendar year, or such other fiscal year as the University may adopt from time to time.

"Final Computation Date" means with respect to any Series the date all amounts due under the last Bond of that Series are actually and unconditionally due if cash is

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available at the place of payment, and no interest accrues with respect to the Bonds of that Series after that date.

"Fund" or "Funds" means, as the case may be, each or all of the Funds established in Section 501.

"Indenture" means this Indenture as from time to time amended or supplemented by Supplemental Indentures in accordance with the terms hereof.

"Installment Computation Date" means with respect to any Series the last day of the fifth and each succeeding Bond Year for that Series.

"Interest Account" means the Interest Account in the Debt Service Fund established in Section 501.

"Investment Securities" shall have the meaning set forth in any of the Supplemental Indentures authorizing a Series of Bonds, any of the Bonds of which are Outstanding at the time of reference, provided that if more than one Series of Bonds has Bonds Outstanding and the meanings in the Supplemental Indentures are different, Investment Securities shall mean only those investments appearing in both or all Supplemental Indentures (in the determination of the Trustee, which shall be conclusive).

"Maximum Aggregate Debt Service" means, as of any date of calculation, the greatest amount of Aggregate Debt Service payable in any unexpired Bond Year.

"Outstanding", when used with reference to Bonds, means, as of any date, Bonds theretofore or thereupon being authenticated and delivered under this Indenture except:

(a) Bonds canceled by the Trustee at or prior to such date.

(b) Bonds (or portions of Bonds) for the payment or redemption of which moneys equal to the principal amount or Redemption Price thereof, as the case may be, with interest to the date of maturity or redemption date, shall be held in trust under this Indenture and set aside for such payment or redemption (whether at or prior to the maturity or redemption date), provided that if such Bonds (or portions of Bonds) are to be redeemed, notice of such redemption shall have been given as provided in Article IV or provision satisfactory to the Trustee shall have been made for the giving of such notice.

(c) Bonds in lieu of or in substitution for which other Bonds shall have been authenticated and delivered pursuant to Article III or Section 406 or Section 1106.

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(d) Bonds deemed to have been paid as provided in subsection (b) of Section 1201.

"Owner" or "Bondowner" means any person who shall be the registered owner of any Bond or Bonds.

"Principal Account" means the Principal Account in the Debt Service Fund established in Section 501.

"Principal Installment" means, as of any date of calculation and with respect to any Series, so long as any Bonds thereof are Outstanding, (a) the principal amount of Bonds of such Series due on a certain future date for which no Sinking Fund Installments have been established, or (b) the unsatisfied balance of any Sinking Fund Installments due on a certain future date for Bonds of such Series, plus the amount of the sinking fund redemption premiums, if any, which would be applicable upon redemption of such Bonds on such future date in a principal amount equal to said unsatisfied balance of such Sinking Fund Installments, or (c) if such future dates coincide as to different Bonds of such Series, the sum of such principal amount of Bonds and of such unsatisfied balance of Sinking Fund Installments due on such future date plus such applicable redemption premiums, if any.

"Project" means any project for the purchase, replacement, construction, leasing or other acquisition of any real or personal property or interests therein which the University is authorized by law to undertake or for the improvement, reconstruction, extension or addition to any real or personal property, owned or operated by the University.

"Redemption Price" means, with respect to any Bond, the principal amount thereof plus the applicable premium, if any, payable upon redemption thereof pursuant to such Bond or this Indenture.

"Refunding Bonds" mean all Bonds, whether issued in one or more Series, authenticated and delivered on original issuance pursuant to Section 207, and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article III or Section 406 or Section 1106.

"Reserve Equivalent" means (a) any municipal bond insurance policy or surety bond issued by any insurance company licensed to conduct an insurance business in any state of the United States of America, or letter of credit issued by a financial institution for the account of the University on behalf of the Owners of one or more Series of Bonds, which institution maintains an office, agency or branch in the United States of America and (b) which insurance company or financial institution, as of the time of issuance of such policy, surety bond or letter of credit, is rated in one of the two

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highest rating categories by Moody's Investors Service, Inc. or Standard & Poor's Corporation or both Moody's Investors Service, Inc., and Standard & Poor's Corporation if such institution's rated by both or their comparably recognized business successors.

"Reserve Fund" means the Reserve Fund established in Section 401.

"Reserve Requirement" means (a) an amount equal to one-half of Maximum Aggregate Debt Service; or (b) such other lesser amount as is required in order to maintain the tax-exempt status of the Bonds.

"Revenues" means all student fees, charges, and rentals, including receipts from sales of goods and services, indirect cost recovery, income of auxiliary enterprises, miscellaneous fees and fines and similar items which are unrestricted but not including: (1) Fairbanks campus housing rentals and Fairbanks campus food service revenues, until such time as the Housing Revenue Bonds issued under Chapter 56, SLA 1961, as amended, are no longer outstanding; (2) governmental appropriations, other than for the items specified above; (3) gifts, donations, and endowment earnings; (4) investment earnings, other than earning on funds held under the Indenture; and (5) revenues from trust land required to be deposited with the Department of Revenue under AS 14.40.400.

"Series" means all of the Bonds authenticated and delivered on original issuance and identified pursuant to this Indenture or a Supplemental Indenture authorizing such Bonds as a separate Series of Bonds, and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article III or Section 406 or Section 1106, regardless of variations in maturity, interest rate, Sinking Fund Installments, or other provisions.

"Sinking Fund Installment" means, as of any particular date of determination and with respect to the Outstanding Bonds of any Series, the amount required by a Supplemental Indenture to be paid in any event by the University on a single future date for the retirement of Bonds of such Series which mature after said future date, but does not include any amount payable by the University by reason only of the maturity of a Bond.

"State" means the State of Alaska.

"Supplemental Indenture" means any indenture supplemental to or amendatory of this Indenture, entered into by the University and the Trustee in accordance with Article X.

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"Trustee" means the trustee appointed pursuant to Article IX, and its successor or successors and any other corporation or association which may at any time be substituted in its place pursuant to this Indenture.

"University" means the University of Alaska organized and existing under Article VII, Section 2 of the Alaska Constitution and the Act.

Section 102 - Interpretation. In this Indenture, unless the context otherwise requires:

(a) The terms "hereby," "hereof," "hereto," "hereunder," "herein" and any similar terms used herein refer to this Indenture, and the term "hereafter" shall mean after, and the term "heretofore" shall mean before, the date of this Indenture.

(b) Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and words importing the singular number shall mean and include the plural number and vice versa.

(c) Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons.

(d) Words importing the redemption or redeeming of a Bond or the calling of a Bond for redemption do not include or connote the payment of such Bond at its stated maturity or the purchase of such Bond.

(e) Any percentage of Bonds, for purposes of this Indenture, shall be computed on the basis of the unpaid principal amount of Bonds Outstanding at the time the computation is made or is required to be made hereunder.

(f) Any headings preceding the text of the several Articles and Sections of this Indenture, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Indenture, nor shall they affect its meaning, construction or effect.

(g) Articles and Sections mentioned by number only are the respective Articles and Sections of this Indenture so numbered.

(h) The term "principal" when used in connection with compound interest or zero coupon or like paying Bonds shall mean the initial principal amount of such Bonds as at their date of issuance plus interest accreted thereon to the date of calculation.

Section 103 - Successors and Assigns. Reference in this Indenture to the University includes its successors and assigns. All of the covenants, stipulations, obligations and

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agreements by or on behalf of, and other provisions for the benefit at, the University contained in this Indenture shall bind and inure to the benefit of such successors and assigns and shall bind and inure to the benefit of any officer, board, commission, authority, agent or instrumentality to whom or to which there shall be transferred by or in accordance with law any right, power or duty of the University or of its successors or assigns, the possession of which is necessary or appropriate in order to comply with any such covenants, stipulations, obligations, agreements or other provisions of this Indenture.

Section 104 - Parties Interested Herein. Nothing in this Indenture expressed or implied gives to any person, other than the University, the Trustee and the Owners of Bonds any right, remedy or claim under this Indenture. All the covenants, stipulations, promises and agreements contained in this Indenture shall be for the exclusive benefit of the University, the Trustee and the Owners of the Bonds.

ARTICLE II AUTHORIZATION AND ISSUANCE OF BONDS

Section 201 - Pledge Effected by Indenture. The Revenues and all amounts held in any Fund under this Indenture, except to the extent provided in this Indenture as to amounts held or payable free and clear of, or expressly not subject to, any trust, lien or pledge created by this Indenture, are hereby pledged **first** to secure the payment of the principal (including Sinking Fund Payments) of and the interest on the Bonds while any of the said Bonds are Outstanding, **and second, and subordinate to the aforesaid pledge to the Bonds, to the provider under each Reserve Equivalent requiring said pledge under the terms thereof**, subject only to the provisions of this Indenture permitting the application thereof for other purposes. As provided in the Act, the pledge is considered a perfected security interest and is valid and binding from the time it is made. The pledge creates an immediate lien against property pledged, without physical delivery thereof or further act. [Effective Dec. 1, 2003.]

Section 202 - Indenture to Constitute Contract. In consideration of the purchase and acceptance of the Bonds by those who shall hold the same from time to time, the provisions of this Indenture shall be a part of the contract of the University with the holders of Bonds and shall be deemed to be and shall constitute a contract between the University, the Trustee and the holders from time to time of the Bonds. The pledge effected hereby and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the University shall be for the equal benefit, protection and security of the holders of any and all such Bonds, each of which, regardless of the time or times of its issue, shall be of equal rank without preference, priority or distinction over any other thereof except as expressly provided in this Indenture.

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Section 203 - Authorization of Bonds. There is hereby established and created an issue of Bonds of the University to be known and designated as "University of Alaska General Revenue Bonds", which Bonds may be issued as hereinafter provided without limitation as to amount except as provided in this Indenture or as may be limited by law. There is hereby created by this Indenture, in the manner and to the extent provided herein, a continuing pledge and lien to secure the full and final payment of the principal or Redemption Price of, interest on and Sinking Fund Installments for, all of the Bonds issued pursuant to this Indenture. The Bonds shall be special obligations of the University payable from the Revenues and other amounts pledged as provided herein. The State shall not be liable on the Bonds and the Bonds shall not be a debt or liability, or constitute a pledge or loan of the faith and credit, of the State. The Bonds shall contain on the face thereof a statement to the effect that the University is obligated to pay the principal or Redemption Price, if any, of the Bonds and the interest thereon only from Revenues and other amounts pledged and that the State is not obligated to pay such principal or Redemption Price, if any, or interest and that neither the faith and credit nor the taxing power of the State is pledged to the payment of the principal or Redemption Price, if any, of, or the interest on, the Bonds.

Section 204 - Provisions for Issuance of Bonds.

(a) The issuance of the Bonds shall be authorized by a Supplemental Indenture or Supplemental Indentures of the University executed subsequent hereto and the Bonds may be issued in one or more Series. The Bonds of each Series, including Refunding Bonds, shall, in addition to the title "University of Alaska General Revenue Bonds," shall contain such further appropriate particular designations added to such title and the appropriate Series designation as the University may determine in such Supplemental Indenture. Each Bond shall bear upon its face the designations so determined for the Series to which it belongs.

Each Supplemental Indenture authorizing the issuance of a Series of Bonds shall also specify:

- (1) The authorized principal amount of said Series of Bonds;
- (2) The purposes for which such Series of Bonds is being issued, which shall be: (i) the purposes set forth in Section 205, (ii) one or more of the purposes set forth in Section 206, or (iii) the refunding of any Bonds as provided in Section 207, specifying the Bonds to be refunded;
- (3) The date or dates of issue, maturity date or dates and amounts of each maturity of the Bonds of said Series;

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APPENDIX B

(4) The interest rate or rates, or the manner of determining such rate or rates, of the Bonds of said Series, and the interest payment dates therefor;

(5) The denomination or denominations of, and the manner of numbering and lettering, the Bonds of such Series;

(6) The Redemption Price or Redemption Prices, if any, and, subject to Article IV, the redemption terms, if any, for the Bonds of such Series;

(7) The amount and due date of each Sinking Fund Installment, if any, for Bonds of like maturity of such Series;

(8) The form or forms of the Bonds of such Series and of the Trustee's certificate of authentication;

(9) The manner of execution of the Bonds of such Series; and

(10) Any other provisions deemed advisable by the University, not in conflict with the provisions of this Indenture and any other provisions which may conflict with the provisions of this Indenture necessary because the Bonds of such Series are variable rate or compound interest Bonds.

(b) All (but not less than all) the Bonds of each Series shall be executed by the University for issuance under this Indenture and delivered to the Trustee and thereupon shall be authenticated by the Trustee and by it delivered to the University or to such other party as may be specified in a written order of the University, but only upon the receipt by the Trustee of:

(1) A Counsel's Opinion dated as of the date of such delivery by the Trustee to the effect that (A) the Trust Indenture has been duly and lawfully entered into by the University and constitutes a valid and legally binding obligation of the University enforceable in accordance with its terms, except as its enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, applicable equitable principles, or other laws affecting the enforcement of creditors' rights generally; (B) pursuant to the Act, the Indenture creates a valid lien on the Revenues pledged by the Indenture for the security of the Bonds on a parity with Additional Bonds, if any, issued or to be issued under the Indenture subject to no prior lien granted under the Act; and (C) the Bonds are valid and legally binding in accordance with their terms, have been executed by the duly organized persons, and constitute valid and legally binding special revenue obligations of the University, payable and enforceable in accordance with their terms and the terms of the Indenture, except as its enforcement may be limited by bankruptcy, insolvency, reorganization,

moratorium, applicable equitable principles, or the laws affecting the enforcement of creditors' rights generally;

(2) A written order as to the delivery of such Bonds, signed by an Authorized Officer;

(3) A copy of the Supplemental Indenture authorizing such Bonds, certified by an Authorized Officer;

(4) Except in the case of Refunding Bonds, a certificate of an Authorized Officer stating that the University is not in default in the performance of any of the covenants, conditions, agreements or provisions contained in the Indenture;

(5) Such further documents, moneys and securities as are required by the provisions of Section 206 or Section 207, or Article X or any Supplemental Indenture.

(c) After the original issuance of Bonds of any Series, no Bonds of such Series shall be issued except in lieu of or in substitution for other Bonds of such Series pursuant to Article III, Section 406 or Section 1106.

(d) The proceeds, including any accrued interest, of the Bonds of each Series shall be applied simultaneously with the delivery of such Bonds, as follows:

(1) there shall be deposited in the Interest Account of the Debt Service Fund (A) an amount equal to the accrued interest on such Bonds to the date of such delivery, and (B) if and to the extent provided in the Supplemental Indenture authorizing such Bonds, such additional amount as specified therein;

(2) there shall be deposited in the Reserve Fund the amount, if any, required so that the balance on deposit in such Fund shall equal the Reserve Requirement; and

(3) there shall be deposited in each of the other funds created under this Indenture the amount, if any, provided for deposit therein by the Supplemental Indenture authorizing the issuance of such Series of Bonds.

Section 205 - 1992 Bonds. Concurrently with the authorization of this Indenture, the University is authorizing, pursuant to Section 204, a First Supplemental Indenture authorizing the issuance of Series of Bonds entitled "University of Alaska General Revenue Bonds, 1992 Series A" (the "1992 Series A Bonds") and a Series of Bonds entitled "University of Alaska General Revenue Bonds, 1992 Series B" (the "1992

Series B Bonds"). The 1992 Series A Bonds are being issued for the purpose of providing funds to pay a portion of the Cost of Acquisition or Construction of the Projects described in Exhibit B-2 to such First Supplemental Indenture. The 1992 Series B Bonds are being issued for the purpose of providing funds to pay a portion of the Cost of Acquisition or Construction of the Project described in Exhibit B-2 to such Supplemental Indenture. Such 1992 Bonds shall be executed by the University and authenticated and delivered by the Trustee in compliance with the provisions of Section 204(b) hereof and of such First Supplemental Indenture.

Section 206 - Additional Bonds. (a) The University will not issue any Bonds (other than that 1992 Bonds referred to in Section 205 or Refunding Bonds issued pursuant to Section 207) or other obligations or create any additional indebtedness which will rank on a parity with or have priority over the lien and charge on the Revenues created by this Indenture except that, if the conditions in Section 204 and this Section 206 are complied with, one or more Series of Additional Bonds may be issued pursuant to a Supplemental Indenture on a parity with the Outstanding Bonds and secured by an equal lien on the Revenues for the purposes of paying the Cost of Acquisition or Construction of any Project, including the Cost of Acquisition or Construction necessary to complete a Project.

(b) Additional Bonds of a Series may be issued for the purpose of providing funds to pay for the Cost of Acquisition or Construction of a Project, including the Cost of Acquisition or Construction necessary to complete a Project, upon delivery to the Trustee of a certificate of an Authorized Officer that the amount of Revenues received by the University during the last Fiscal Year prior to the issuance of the Additional Bonds was at least equal to (i) 2.0 times Maximum Aggregate Debt Service with respect to all Bonds to be Outstanding after the issuance and delivery of such Additional Bonds and (ii) 1.0 times any amount of the draws, interest and expenses then due and owing under any Reserve Equivalent. [Effective Dec. 1, 2003.]

Section 207 - Provisions for Refunding Bonds.

(a) One or more Series of Refunding Bonds may be issued at any time to refund any part or all of the Bonds of any one or more Series then Outstanding. Refunding Bonds shall be issued in a principal amount sufficient, together with other moneys available therefor, to accomplish such refunding and to make such deposits as are required by the provisions of this Section and of the Supplemental Indenture authorizing said Series of Refunding Bonds.

(b) A Series of Refunding Bonds may be authenticated and delivered only upon receipt by the Trustee (in addition to the receipt by it of the documents required by Section 204) of:

(1) Irrevocable instructions to the Trustee, satisfactory to it, to give due notice of redemption of all the Bonds to be refunded on the redemption date specified in such instructions;

(2) Irrevocable instructions to the Trustee, satisfactory to it, to give the notice provided for in Section 1201 to the Owners of the Bonds being refunded.

(3) Either (A) moneys in an amount sufficient to effect payment at the applicable Redemption Price or maturity amount of the Bonds to be refunded, together with accrued interest on such Bonds to the redemption date, which moneys shall be held by the Trustee in a separate account irrevocably in trust for and assigned to the respective Owners of the Bonds to be refunded, or (B) Federal Obligations in such principal amounts, of such maturities, bearing such interest, and otherwise having such terms and qualifications, as shall be necessary to comply with the provisions of subsection (b) of Section 1201 and any moneys required pursuant to said subsection (b) of Section 1201, which Federal Obligations and moneys shall be held in trust and used only as provided in said subsection (b); and

(4) Either (A) a certificate of an Authorized Officer (i) setting forth the Aggregate Debt Service for the then current and each future Fiscal Year to and including the Fiscal Year next preceding the date of the latest maturity of any Bonds of any Series then Outstanding (I) with respect to the Bonds of all Series Outstanding immediately prior to the date of delivery of such Refunding Bonds, and (II) with respect to the Bonds of all Series to be Outstanding immediately thereafter, and (ii) stating that the Aggregate Debt Service set forth each Fiscal Year pursuant to (II) above is no greater than that set forth for such Fiscal Year pursuant to (I) above, or (B) a certificate of an Authorized Officer that the amount of Revenues received by the University during the last Fiscal Year prior to the issuance of the Refunding Bonds was at least equal to 2.0 times Maximum Aggregate Debt Service with respect to all Bonds to be Outstanding after the issuance and delivery of such Refunding Bonds.

(c) Any balance of the proceeds of Refunding Bonds not needed for the purposes provided in this Section or in the Supplemental Indenture authorizing such Bonds may be used by the University, to the extent necessary, to pay any expenses incurred in connection with the issuance of such Refunding Bonds and, thereafter, any remaining balance not so needed by the University deposited in the Revenue Fund.

APPENDIX B

ARTICLE III GENERAL TERMS AND PROVISIONS OF BONDS

Section 301 - Medium of Payment, Denomination, Maturities, Form and Date.

(a) The Bonds shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

(b) Except as may otherwise be provided in the Supplemental Indenture authorizing the issuance of a Series of Bonds, Bonds shall be issued in fully registered form without coupons.

(c) All Bonds shall bear interest from their date. Bonds issued prior to the first Interest Payment Date thereof shall be dated as provided in the Supplemental Indenture authorizing the Bonds, but Bonds issued on or subsequent to the first Interest Payment Date thereof shall be dated as of the date six months preceding the interest Payment Date next following the date of delivery thereof (unless such date of delivery shall be an Interest Payment Date, in which case they shall be dated as of such date of delivery). If, however, as shown by the records of the Trustee, interest on such Bonds shall be in default, the Bonds issued in lieu of Bonds surrendered for transfer or exchange shall be dated as of the date to which interest has been paid in full on the Bonds surrendered.

Section 302 - Legends. The Bonds of each Series may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions of this Indenture as may be necessary or desirable to comply with custom, or otherwise.

Section 303 - Execution and Authentication.

(a) The Bonds shall be executed in the name of the University by the manual or facsimile signature of the President or Vice President of the Board of Regents or the President of the University, and its corporate seal (or a facsimile thereof) shall be impressed, imprinted, engraved or otherwise reproduced thereon and attested by the manual or facsimile signature of an authorized officer, or in such other manner as may be required or permitted by law. In case any one or more of the officers who shall have signed or sealed any of the Bonds shall cease to be such officer before the Bonds so signed and sealed shall have been authenticated and delivered by the Trustee, such Bonds nevertheless may be authenticated and delivered as herein provided, and may be issued as if the persons who signed or sealed such Bonds had not ceased to hold such offices. Any Bond of a Series may be signed and sealed on behalf of the University by such persons as at the time of the execution of such Bond shall be duly

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authorized to hold the proper office in the University, although at the date borne by the Bonds of such Series such persons may not have been so authorized or have held such office.

(b) The Bonds of each Series shall bear thereon a certificate of authentication, in the form set forth in the Supplemental Indenture authorizing such Bonds, executed manually by the Trustee. Only Bonds bearing such certificate of authentication shall be entitled to any right or benefit under this Indenture and no Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Trustee. Such certificate of the Trustee upon any Bond executed on behalf of the University shall be conclusive evidence that the Bond so authenticated has been duly authenticated and delivered under this Indenture and that the Owner thereof entitled to the benefits of this Indenture.

Section 304 - Exchange of Bonds. Bonds, upon surrender thereof at the principal corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered Owner or his duly authorized attorney, may, at the option of the registered Owner thereof, and upon payment by such registered Owner of any charges which the Trustee may make as provided in Section 307, be exchanged for an equal aggregate principal amount of Bonds of the same Series and maturity of any authorized denominations. All Bonds surrendered in any such exchange shall be canceled by the Trustee.

Section 305 - Negotiability, Transfer and Registry.

(a) All Bonds shall be negotiable, subject to the provisions for registration, transfer and exchange contained herein and in the Bonds. So long as any of the Bonds shall remain Outstanding, the University shall cause the Trustee to maintain books for the registration, transfer and exchange of Bonds at the principal office of the Trustee. Upon presentation thereof for such purpose at said office, the University shall register or cause to be registered in such books, and permit to be transferred thereon, any Bonds entitled to registration or transfer, under such reasonable regulations as it or the Trustee may prescribe. So long as any of the Bonds remain Outstanding, the University shall make all necessary provisions to permit the exchange of Bonds at the principal office of the Trustee.

(b) Bonds shall be transferable only upon the books of the University, which shall be kept for such purpose at the principal office of the Trustee, by the registered Owner thereof in person or by his attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered Owner or his duly authorized attorney. Upon the transfer of any such Bond, the Trustee shall authenticate and deliver in the name of the transferee a new fully registered Bond or Bonds of the same aggregate principal

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amount, Series and maturity as the surrendered Bond. Any Bond surrendered in exchange for a new Bond pursuant to this Section shall be canceled by the Trustee.

(c) The University and the Trustee may deem and treat the person in whose name any Bond shall be registered upon the books of the University as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and Redemption Price, if any, of and interest on such Bond and for all other purposes and all such payments so made to any such registered Owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the University nor the Trustee shall be affected by any notice to the contrary.

Section 306 - Bond Depository.

(a) A Supplemental Indenture may provide that (1) a Series of Bonds may be initially issued in the form of a separate single authenticated fully registered bond in the amount of each separate stated maturity of such Series, and (2) upon initial issuance, the ownership of Bonds of such Series may be registered in the registry books kept by the Trustee in the name of the nominee of a Bond Depository or in the name of the Bond Depository. With respect to Bonds registered in the registry books kept by the Trustee in the name of a nominee of a Bond Depository or in the name of the Bond Depository, the University and the Trustee shall have no responsibility or obligation with respect to (1) the accuracy of the records of the Bond Depository, its nominee or any participant with respect to any ownership interest in the Bonds, (2) the delivery to any participant, any beneficial owner or any other person, other than the nominee or Bond Depository, of any notice with respect to such Bonds, including any notice of redemption, or (3) the payment to any participant, any beneficial owner or any other person, other than the nominee or Bond Depository, of any amounts with respect to the principal or premium, if any, or interest on such Bonds. The University and the Trustee may treat as and deem the nominee or Bond Depository to be the absolute owner of each such Bond for the purpose of payment of the principal or premium, if any, and interest on such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Trustee shall pay all principal or premium, if any, and interest on such Bonds only to or upon the order of the nominee or Bond Depository, and all such payments shall be valid and effective to fully satisfy and discharge the University's obligation with respect to the principal or premium, if any, and interest on such Bonds to the extent of the sum or sums so paid. No person other than the nominee or Bond Depository shall receive an authenticated Bond of such Series evidencing the obligation of the University to make payments of principal and premium, if any, and interest pursuant to this Indenture. Upon delivery by the nominee or Bond Depository to the Trustee of written notice to the

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effect that the Bond Depository has determined to substitute a new nominee in place of the existing nominee, the Trustee shall issue a new registered Bond to the new nominee in exchange for each Bond surrendered which was registered in the name of the old nominee to such new nominee of the Bond Depository.

(b) Upon receipt by the University and the Trustee of written notice from the Bond Depository to the effect that the Bond Depository is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of the Bond Depository hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, then the Bonds shall no longer be restricted to being registered in the registry books of the University kept by the Trustee in the name of the Bond Depository or nominee of the Bond Depository, but may be registered in whatever name or names the beneficial owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Indenture.

(c) In the event the University determines that it is in the best interests of the beneficial owners that they be able to obtain Bond certificates, the University may notify the Bond Depository and the Trustee, whereupon the nominee or Bond Depository will notify the participants, of the availability through the nominee or Bond Depository of Bond certificates. In such event, the Trustee shall issue, transfer and exchange, Bond certificates as requested to the Bond Depository and any other Bondowners in appropriate amounts, and whenever the Bond Depository requests the University and the Trustee to do so, the Trustee and the University will cooperate with the Bond Depository by taking appropriate action after reasonable written notice (1) to make available one or more separate certificates evidencing the Bonds to any nominee or participant having Bonds credited to its Bond Depository account or (2) to arrange for another securities depository to maintain custody of certificates evidencing the Bonds.

(d) So long as any Bond is registered in the name of a Bond Depository or nominee of the Bond Depository, all payments with respect to the principal or premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, to the nominee or Bond Depository.

(e) In connection with any notice or other communication to be provided to Bondowners pursuant to this Indenture by the University or the Trustee with respect to any consent or other action to be taken by Bondowners, the University or the Trustee, as the case may be, shall establish a record date for such consent or other action and give the nominee or Bond Depository notice of such record date not less than 15 calendar days in advance of such record date to the extent possible.

(f) As used in this section, participant means any person or other entity for whom the Bond Depository holds Bonds under this section.

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Section 307 - Regulations with Respect to Exchanges and Transfers. In all cases in which the privilege of exchanging or transferring Bonds is exercised, the University shall execute and the Trustee shall authenticate and deliver Bonds in accordance with the provisions of this Indenture. For every such exchange or transfer of Bonds, whether temporary or definitive, the University or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer. Neither the University nor the Trustee shall be required to transfer or exchange (a) Bonds subject to redemption during the 15 days preceding the date of mailing of notice of redemption of such Bonds, or (b) any Bond after such Bond has been called for redemption.

Section 308 - Bonds Mutilated, Destroyed, Stolen or Lost. If any Bond becomes mutilated or is destroyed, stolen or lost, the University shall execute and the Trustee shall authenticate and deliver a new Bond of like Series, interest rate, maturity, principal amount and other terms as the Bond mutilated, destroyed, stolen or lost. In the case of a mutilated Bond, such new Bond shall be delivered only upon surrender and cancellation of such mutilated Bond. All Bonds so surrendered to the Trustee shall be canceled by it and evidence of such cancellation shall be given to the University. In the case of a destroyed, stolen or lost Bond, such new Bond shall be delivered only upon filing with the Trustee of evidence satisfactory to the University and the Trustee that such Bond has been destroyed, stolen or lost and of ownership thereof and upon furnishing the University and the Trustee with indemnity satisfactory to them. The person requesting the authentication and delivery of a new Bond pursuant to this Section shall comply with such other reasonable regulations as the University and the Trustee may prescribe and pay such expenses as the University and the Trustee may incur in connection therewith. Any Bonds issued pursuant to this Section in substitution for Bonds alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the University, whether or not the Bonds alleged to be destroyed, stolen, or lost be at any time enforceable by anyone, and shall be equally secured by and entitled to equal and proportionate benefits with all other Bonds issued under this Indenture in any moneys or securities held by the University or the Trustee for the benefit of the Bondowners.

Section 309 - Preparation of Definitive Bonds; Temporary Bonds.

(a) Until definitive Bonds of any Series are prepared, the University may execute in the same manner as provided in Section 303, and upon request of the University, the Trustee shall authenticate and deliver, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds, except as to the denominations thereof, one or more temporary Bonds, substantially of the tenor of the definitive Bonds in lieu of which such temporary Bonds are issued, in denominations authorized by the University, and with such omissions, insertions and variations as may be appropriate to temporary Bonds. Upon surrender of such

temporary Bonds for exchange and cancellation, the University at its own expense shall prepare and execute and, without charge to the Owner thereof, deliver in exchange therefor, at the principal office of the Trustee, definitive Bonds of the same aggregate principal amount, Series and maturity as the temporary Bonds surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds issued pursuant to this Indenture.

(b) If the University shall authorize the issuance of temporary Bonds in more than one denomination, the Owner of any temporary Bond or Bonds may, at his option, surrender the same to the Trustee in exchange for another temporary Bond or Bonds of like aggregate principal amount and Series and maturity of any other authorized denomination or denominations, and thereupon the University shall execute and the Trustee shall authenticate and, in exchange for the temporary Bond or Bonds so surrendered and upon payment of the taxes, fees and charges provided for in Section 307, shall deliver a temporary Bond or Bonds of like aggregate principal amount, Series and maturity in such other authorized denomination or denominations as shall be requested by such Owner.

(c) All temporary Bonds surrendered in exchange either for another temporary Bond or Bonds or for a definitive Bond or Bonds shall be forthwith canceled by the Trustee.

Section 310 - Cancellation and Destruction of Bonds. All Bonds paid or redeemed, either at or before maturity, shall be delivered to the Trustee when such payment or redemption is made, and such Bonds, together with all Bonds purchased by the Trustee, shall thereupon be promptly canceled and destroyed.

Section 311 - Alternate Terms Permitted in Supplemental Indentures. Notwithstanding the foregoing provisions of this Article III, the University may establish terms and provisions for a Series of Bonds different than the terms and provisions contained in this Article III in the Supplemental Indenture authorizing the issuance of such Series of Bonds, and such terms and provisions contained in such Supplemental Indenture shall be controlling with respect to such Series of Bonds.

ARTICLE IV
REDEMPTION OF BONDS

Section 401 - Privilege of Redemption and Redemption Price. Bonds of a Series subject to redemption prior to maturity pursuant to this Indenture or a Supplemental Indenture shall be redeemable, upon notice as provided in this Article IV, at such times, at such Redemption Prices and upon such terms in addition to the terms contained in this Article IV as may be specified in this Indenture or in the Supplemental Indenture authorizing such Series.

Section 402 - Redemption at the Election or Direction of the University. In the case of any redemption of Bonds other than as provided in Section 403, the University shall give written notice to the Trustee of its election or direction so to redeem, of the redemption date, of the Series, and of the principal amounts of the Bonds of each maturity of such Series to be redeemed (which Series, maturities and principal amounts thereof to be redeemed shall be determined by the University in its sole discretion, subject to any limitations with respect thereto contained in this Indenture and the Supplemental Indenture with respect to such Series). Such Notice shall be given at least 45 days prior to the redemption date or such shorter period as shall be acceptable to the Trustee. In the event notice of redemption shall have been given as provided in Section 405, there shall be paid prior to the redemption date to the Trustee an amount in cash which, in addition to other moneys, if any, available therefor held by the Trustee, will be sufficient to redeem on the redemption date at the Redemption Price thereof, plus interest accrued and unpaid to the redemption date, all of the Bonds to be redeemed.

Section 403 - Redemption Otherwise Than at the University's Election or Direction. Whenever by the terms of this Indenture the Trustee is required or authorized to redeem Bonds otherwise than at the election or direction of the University, the Trustee shall select the Bonds to be redeemed, give the notice of redemption and pay out of moneys available therefor the Redemption Price thereof, plus interest accrued and unpaid to the redemption date, in accordance with the terms of this Article IV and, to the extent applicable, Section 505.

Section 404 - Selection of Bonds to be Redeemed. If less than all of the Bonds of like maturity of any Series shall be called for redemption, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Trustee in such manner as the Trustee in its discretion may deem fair and appropriate.

Section 405 - Notice of Redemption. When the Trustee shall receive notice from the University of its election or direction to redeem Bonds pursuant to Section 402, and when redemption of Bonds is authorized or required pursuant to Section 403, the Trustee shall give notice, in the name of the University, of the redemption of such Bonds, which notice shall specify (i) the Bonds (including complete official name thereof) or designated portions thereof which are to be redeemed, (ii) the date of redemption, (iii) the place or places where the redemption will be made, including the name and address of any redemption agent, (iv) the Redemption Price, (v) the CUSIP numbers (if any) assigned to the Bonds to be redeemed, (vi) the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part, (vii) the date of mailing of the notice to the Registered Owners of Bonds, and (viii) if less than all the Bonds are to be redeemed, the letters and numbers or other distinguishing marks of such Bonds so to be redeemed. Such notice shall further state that on such date there shall become due and payable upon each Bond to be redeemed the

Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof in the case of Bonds to be redeemed in part only, together with interest accrued to the redemption date, and that from and after such redemption date interest thereon shall cease to accrue and be payable. The following actions shall be taken by the Trustee with respect to such redemption notice:

(a) Not more than sixty (60) days and at least thirty (30) days prior to the redemption date, such redemption notice shall be given to the respective registered owners of Bonds designated for redemption by first class mail at their addresses appearing on the bond register.

(b) At least one Business Day before the date on which the redemption notice is mailed to the Registered Owners pursuant to paragraph (a) above, such redemption notice shall be given at the expense of the University by (1) registered or certified mail, postage prepaid, (2) confirmed facsimile transmission, or (3) overnight delivery service, to the following securities depository and to any other securities depository that is a Registered Owner:

The Depository Trust Company
711 Stewart Avenue
Garden City, New York 11530
Facsimile transmission: (516) 227-4039
(516) 227-4190

(c) On the date on which the redemption notice is mailed to the Registered Owners pursuant to paragraph (a) above, such redemption notice shall be given by (1) registered or certified mail, postage prepaid, or (2) overnight delivery service, to Standard & Poor's and to Kenny Information Service's, Called Bond Service, 65 Broadway, 16th Floor, New York, New York 10006, or its recognized successors.

Neither failure to receive any redemption notice nor any defect in such redemption notice so given shall affect the sufficiency of the proceedings for the redemption of such Bonds. Failure by the Trustee to deliver notice of redemption of the Bonds at the times required herein shall not impair the ability of the Trustee and the University to effect such redemption.

Section 406 - Payment of Redeemed Bonds. Notice having been given in the manner provided in Section 405, the Bonds or portions thereof so called for redemption shall become due and payable on the redemption date so designated at the Redemption Price, plus interest accrued and unpaid to the redemption date, and, upon presentation and surrender thereof at the office specified in such notice, such Bonds, or portions thereof, shall be paid at the Redemption Price, plus interest accrued and unpaid to the redemption date. Each check or other transfer of funds issued for the

purpose of redeeming any Bond shall bear or be accompanied by a statement specifying the CUSIP number identifying the Bonds being redeemed with the proceeds of such check or other transfer. If there shall be selected for redemption less than all of a Bond, the University shall execute and the Trustee shall authenticate and deliver, upon the surrender of such Bond, without charge to the Owner thereof, for the unredeemed balance of the principal amount of the Bond so surrendered, at the option of the Owner thereof, Bonds of like Series and maturity in any of the authorized denominations. If, on the redemption date, moneys for the redemption of all the Bonds or portions thereof of any like Series and maturity to be redeemed, together with interest to the redemption date, shall be held by the Trustee so as to be available therefor on said date and if notice of redemption shall have been mailed as aforesaid (and notwithstanding any defect therein or the lack of actual receipt thereof by any Bondowner), then, from and after the redemption date interest on the Bonds or portions thereof of such Series and maturity so called for redemption shall cease to accrue and become payable. If said moneys shall not be so available on the redemption date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

ARTICLE V
ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF

Section 501 - Establishment of Funds and Accounts.

(a) The following Funds and Accounts, each to be held by the Trustee, are hereby established:

- (1) Debt Service Fund, which shall consist of an Interest Account and a Principal Account, and
- (2) Reserve Fund.

(b) The Construction Fund and the Revenue Fund, each to be held by the University, are hereby established.

(c) All Revenues upon receipt by the University shall, as soon as practicable, be paid into the Revenue Fund. Amounts may be paid out of the Revenue Fund without restriction for operation of the University. Amounts shall be paid out of the Revenue Fund by the University to the Trustee to the extent necessary for the payment of Debt Service five Business Days before the dates fixed in the First Supplemental Indenture for each Series of Bonds and shall be deposited by the Trustee into the Debt Service Fund. Amounts shall also be paid out of the Revenue Fund by the University to the Trustee for deposit into the Reserve Fund to the extent necessary so that the amount therein equals the Reserve Requirement.

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Section 502 - Construction Fund.

(a) There shall be paid into the Account established in the Construction Fund for such Series the amounts, if any, required to be so paid by the provisions of the Supplemental Indenture authorizing the Bonds for such Series, and there shall be paid into the said account of the Construction Fund any moneys received for or in connection with the Project being financed from any other source, unless required by such Supplemental Indenture to be otherwise applied.

(b) Unless otherwise provided herein, amounts in the account established in the Construction Fund with respect to any Project shall be applied to the purpose or purposes and in the manner specified in the Supplemental Indenture authorizing the Bonds for such Project.

(c) The proceeds of insurance, including the proceeds of any self-insurance, maintained pursuant to this Indenture against physical loss of or damage to a Project, or of contractor's performance bonds or other assurances of completion with respect thereto, pertaining to the period of construction thereof, shall be paid into the Account in the Construction Fund established for the Project.

(d) Notwithstanding any of the other provisions of this Section 502, to the extent that other moneys are not available therefor, amounts in the Construction Fund shall be applied to the payment of principal of and interest on the Bonds when due.

(e) Any moneys remaining in the Construction Fund with respect to any Project after the completion of such Project and the payment of the Cost of Acquisition or Construction thereof shall be transferred to the Reserve Fund, if and to the extent necessary to make the amount in such Fund equal to the Reserve Requirement, and any balance shall be transferred to the University free and clear of the lien of this Indenture.

Section 503 - Payments Into Certain Funds.

With at least the frequency stated below, the University shall withdraw amounts from the Revenue Fund and deposit said amounts with the Trustee on the dates set forth below and the Trustee shall deposit said amounts in the following order in the amounts and in the Funds set forth below.

(a) In the Debt Service Fund (1) Five Business Days before each interest payment date for credit to the Interest Account, unless the sum on deposit therein equals or exceeds the interest due on all Bonds on the next succeeding interest payment date, an amount equal to the interest due on such interest payment date less the interest to be paid on such interest payment date from Bond proceeds held in said

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Account for such purpose; provided, however, that for the purposes of computing the amount on deposit in said Account, there shall be excluded the amount, if any, set aside in said Account for the payment of interest due after the next succeeding interest payment date; and (2) annually five Business Days before each principal payment date for credit to the Principal Account, unless the sum on deposit therein equals or exceeds all Principal Installments due on the next succeeding principal payment date an amount equal to one-half of such Principal Installments; and (3) annually five Business Days before each principal payment date, for credit to the Principal Account, the amount, if any, necessary to cause the sum on deposit therein to equal all Principal Installments due on the next succeeding principal payment date, provided that the University may establish by Supplemental Indenture payments into the Debt Service Fund at different times and in different amounts as necessary for interest paid other than semi-annually and in fixed amounts. [Effective Oct. 15, 1992.]

A Supplemental Indenture may direct the Trustee to pay interest on any Series of Bonds from amounts deposited in the Interest Account for the payment of interest. In such event, the determination of the necessary deposit in the Debt Service Fund under this Section shall restrict the expenditure of the deposit for that purpose.

(b) In the Reserve Fund, the amount, if any, required so that the balance in the Fund equals the Reserve Requirement.

Section 504 - Debt Service Fund.

(a) The Trustee shall pay out of the Debt Service Fund (1) out of the Interest Account, on each interest payment date for any of the Bonds the amount required for the interest payable on such date; (2) out of the Principal Account, on each Principal installment due date, the amount required for the Principal Installment payable on such due date; and (3) out of the Interest Account, on any redemption date for the Bonds, the amount required for the payment of interest on the Bonds then to be redeemed. The Trustee shall also pay out of the Interest Account the accrued interest included in the purchase price of Bonds purchased for retirement.

(b) Amounts accumulated in the Principal Account with respect to any Sinking Fund Installment (together with amounts accumulated in the Interest Account with respect to interest on the Bonds for which such Sinking Fund Installment was established) may, and if so directed by the University, shall, be applied by the Trustee, on or prior to the 45th day preceding the due date of such Sinking Fund Installment to the purchase of Bonds of the Series and maturity for which such Sinking Fund Installment was established in an amount not exceeding that necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment. All purchases of any Bonds pursuant to this subsection (b) shall be made at prices not exceeding the applicable sinking fund Redemption Price of such Bonds plus accrued interest, and

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such purchases shall be made by the Trustee as directed by the University. The applicable sinking fund Redemption Price of any Bonds so purchased shall be deemed to constitute part of the Principal Account, until such Sinking Fund installment date, for the purpose of calculating the amount of such Account. As soon as practicable after the 45th day preceding the due date of any such Sinking Fund Installment, the Trustee shall proceed to call for redemption, by giving notice as provided in Section 405, on such due date Bonds of the Series and maturity for which such Sinking Fund Installment was established in such amount as shall be necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment. The Trustee shall pay out of the Principal Account, on such redemption date, the amount required for the redemption of the Bonds so called for redemption, and such amount shall be applied by the Trustee to such redemption.

(c) The amount, if any, deposited in the Interest Account from the proceeds of each Series of Bonds shall be set aside in such Account and applied to the payment of interest on Bonds as provided in the Supplemental Indenture relating to the issuance of such Series of Bonds.

(d) In the event of the refunding of one or more Series of Bonds or one or more maturities within a Series of Bonds, the Trustee shall, upon the direction of the University, withdraw from the Debt Service Fund amounts accumulated therein with respect to Debt Service on the Bonds being refunded and deposit such amounts with itself as Trustee to be held for payment of the principal or Redemption Price, if applicable, and interest on the Series or maturities within a Series of Bonds being refunded; provided that such withdrawal shall not be made unless immediately thereafter the Series or maturities within a Series of Bonds being refunded shall be deemed to have been paid pursuant to subsection (b) of Section 1201.

Section 505 - Reserve Fund.

(a) If five Business Days prior to any date on which a Principal Installment or interest is due the amount in the Debt Service Fund shall be less than the amount required to be in such Fund to pay said Principal Installment or interest, the Trustee shall apply amounts from the Reserve Fund to the extent necessary to make good the deficiency.

(b) Whenever the moneys on deposit in the Reserve Fund shall exceed the Reserve Requirement, such excess shall, on the request of the University, be transferred to the University free and clear of any lien or pledge of this Indenture.

(c) Whenever the amount in the Reserve Fund, together with the amount in the Debt Service Fund, is sufficient to pay in full all Outstanding Bonds in accordance with their terms (including principal or applicable sinking fund Redemption Price and

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interest thereon), the funds on deposit in the Reserve Fund shall be transferred to the Debt Service Fund. Prior to said transfer, all investments held in the Debt Service Fund shall be liquidated to the extent necessary in order to provide for the timely payment of principal and interest (or Redemption Price) on Bonds.

(d) In the event of the refunding of one or more Series of Bonds or one or more maturities within a Series of Bonds, the Trustee shall, upon the direction of the University, withdraw from the Reserve Fund amounts accumulated therein with respect to the Bonds being refunded and deposit such amounts with itself as Trustee to be held for the payment of the Principal or Redemption Price, if applicable, and interest on the Series or maturities within a Series of Bonds being refunded; provided that such withdrawal shall not be made unless (1) immediately thereafter the Series or maturities within a Series of Bonds being refunded shall be deemed to have been paid pursuant to subsection (b) of Section 1201 and (2) the amount remaining in the Reserve Fund after such withdrawal shall not be less than the Reserve Requirement.

(e) Any Supplemental Indenture providing for the issuance of Bonds may provide for the University to obtain a Reserve Equivalent for specific amounts required to be paid out of the Reserve Fund. The amount available to be paid under any such Reserve Equivalent shall be credited against the amounts required to be maintained in the Reserve Fund by this Section. If any such Reserve Equivalent is obtained for a Series of Bonds, a Supplemental Indenture may be entered into establishing the terms of its Reserve Equivalent. **The terms of a Reserve Equivalent may include a provision that subsequent Reserve Equivalents must be acceptable to the provider of the Reserve Equivalent.** A Supplemental Indenture providing for a Reserve Equivalent shall when delivered to the Trustee be accompanied by an opinion of Counsel that the Reserve Equivalent is valid, binding, and effective according to its terms. Amounts in the Reserve Fund shall be used or committed completely before demand is made on the Reserve Equivalent. **In the event the Reserve Equivalent is a surety bond, insurance policy or letter of credit, it shall conform to the requirements set forth under Reserve Fund Surety Guidelines in the Commitment for Municipal Bond Insurance issued by Financial Guaranty Insurance Company on November 10, 2003 and attached as Exhibit D-1 to the Ninth Supplemental Indenture. [Effective Dec. 1, 2003.]**

(f) **(1) Expenses, and interest repayable to Financial Guaranty Insurance Company under the Reserve Equivalent issued in connection with the Bonds, or to it or any other provider under any future Reserve Equivalent, shall be repayable from the excess in the Reserve Fund when, and as soon as, the moneys in the Reserve Fund exceed the Reserve Requirement before the transfer referred to in subsection (b) of this section at the times and in the amounts provided in the Reserve Equivalent.**

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(2) Draws repayable to Financial Guaranty Insurance Company under the Reserve Equivalent issued in connection with the Bonds, or to it or any other provider under any future Reserve Equivalent, shall be repayable from any amounts in the Reserve Fund at the times and in the amounts provided in the Reserve Equivalent subject to the terms of the Indenture including Section 505(f)(1) above. [Effective Dec. 1, 2003.]

Section 506 - Excess Investment Earnings.

(a) The University shall calculate the Excess Investment Earnings as of each Computation Date and pay to the United States of America (i) at least 90% of the Rebate Amount as of each Installment Computation Date no later than 60 days after the Installment Computation Date, and (ii) 100% of the Rebate Amount as of the Final Computation Date no later than 60 days after the Final Computation Date.

(b) Notwithstanding subsection (a) of this Section, payments of Excess Investment Earnings will be made in accordance with instructions provided by Bond Counsel if necessary to maintain the exclusion from income for federal income tax purposes of interest on the Bonds and in accordance with letters of instruction that may be provided by Bond Counsel from time to time to reflect then current procedures and requirements under the Code.

Section 507 - Creation of Additional Funds, Accounts, and Subaccounts; Separate Credit Enhancement Funds and Pledges.

(a) The Trustee shall establish within any Fund such Accounts in addition to the Accounts herein established as the University shall by Supplemental Indenture determine and shall in like manner establish within any Account such additional subaccounts for the purposes of such Account as the University shall so determine.

(b) The University may at any time, by adoption of a Supplemental Indenture, establish a Fund or Account in which to hold any Credit Enhancement and the proceeds thereof or drawings thereunder (a Credit Enhancement Fund) for the benefit of any Series of Bonds to which such Credit Enhancement has been pledged, which pledge may be (but as not required to be) exclusively for the benefit of such Series of Bonds or certain designated Series of Bonds and not equally and ratably among the Series of Bonds Outstanding. Amounts held in a Credit Enhancement Fund shall not be considered a part of the Trust Estate but, rather, shall be subject to such lien and pledge as may be created in the Supplemental Indenture creating or recognizing such Credit Enhancement.

(c) If the University creates a Credit Enhancement Fund, the University may, in the Supplemental Indenture authorizing the Series of Bonds to be secured by Credit

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Enhancement, treat any, or any part of any, obligation owed or which may in the future be owed to the Credit Enhancer pursuant to the Credit Enhancement as Additional Bonds if the University, at the time of issuance of said Series of Bonds and at the time of the creation of any such obligation, satisfies the requirements of this Indenture, which are conditions precedent to the issuance of Additional Bonds in which case the Trustee shall pay the principal of and interest on any such obligations in accordance with the terms of this Indenture treating such obligations as Additional Bonds.

ARTICLE VI
DEPOSITORIES OF MONEYS, SECURITY FOR
DEPOSITS AND INVESTMENT OF FUNDS

Section 601 - Depositories.

(a) All moneys held by the Trustee under the provisions of this Indenture shall be deposited with the Trustee and the Trustee shall, if directed by the University, and the Trustee concurs, deposit such moneys with one or more Depositories in trust for the Trustee. All moneys held by the University under this Indenture shall be deposited in one or more Depositories in trust for the University. All moneys deposited under the provisions of this Indenture with the Trustee or any Depository shall be held in trust and applied only in accordance with the provisions of this Indenture, and each of the Funds established by this Indenture shall be a trust fund for the purposes thereof.

(b) Each Depository shall be a bank or trust company organized under the laws of any state of the United States of America or a national banking association and willing and able to accept the office on reasonable and customary terms and authorized by law to act in accordance with the provisions of this Indenture.

Section 602 - Deposits.

(a) All Revenues and other moneys held by any Depository under this Indenture may be placed on demand or time deposit, if and as directed by the University, provided that such deposits shall permit the moneys held to be available for use at the time when needed. Any such deposit may be made in the commercial banking department of the Trustee which may honor checks and drafts on such deposit with the same force and effect as if it were not the Trustee. All moneys held by the Trustee, as such, may be deposited by the Trustee in its banking department on demand or, if and to the extent directed by the University and acceptable to the Trustee, on time deposit, provided that such moneys on deposit be available for use at the time when needed. The Trustee shall allow and credit on such moneys such interest, if any, as it customarily allows upon similar funds of similar size and under similar conditions or as required by law.

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(b) All moneys held under this Indenture on demand or time deposit by the Trustee or any Depository shall be (1) either (A) continuously and fully insured by the Federal Deposit Insurance Corporation, or (B) continuously and fully secured by lodging with the Trustee, any Federal Reserve Bank or branch, or another third party custodian approved by the Trustee and the University, Investment Securities having a market value (exclusive of accrued interest) not less than 100 percent of the amount of such moneys, or (2) held in such other manner as may then be required by applicable federal and applicable state laws and regulations of the state in which the Trustee or such Depository (as the case may be) is located, regarding security for, or granting a preference in the case of, the deposit of trust funds; provided, however, that it shall not be necessary for the Trustee to give security under this subsection (b) for the deposit of any moneys with it held in trust and set aside by it for the payment of the principal or Redemption Price of or interest on any Bonds.

(c) All moneys deposited with the Trustee and each Depository shall be credited to the particular Fund or Account to which such moneys belong.

Section 603 - Investment of Certain Funds. Moneys held in any Fund or Account held by the Trustee shall be invested and reinvested by the Trustee to the fullest extent practicable in Investment Securities which mature not later than such times as shall be necessary to provide moneys when needed for payments to be made from such Funds and Accounts in accordance with written instructions received from any Authorized Officer of the University. Nothing in this Indenture shall prevent any Investment Securities acquired as investments of funds held under this Indenture from being issued or held in book-entry form on the books of the Department of Treasury of the United States of America. [Effective Oct. 15, 1992.]

Section 604 - Valuation and Sale of Investments. Obligations purchased as an investment of moneys in any Fund created under the provisions of this Indenture shall be deemed at all times to be part of such Fund and any profit realized from the liquidation of such investment shall be credited to such Fund and any loss resulting from the liquidation of such investment shall be charged to the respective Fund. The Trustee shall not be liable or responsible for making any such investment in the manner provided above or for any loss resulting from any such investment computing the amount in any Fund created under the provisions of this Indenture for any purpose provided in this Indenture, obligations purchased as an investment of moneys therein shall be valued at the market value thereof exclusive of accrued interest, or otherwise as may then be required by the Code. Such computations shall be determined not less frequently than quarterly in each year.

Except as otherwise provided in this Indenture, the Trustee shall sell or present for redemption any obligation purchased as an investment of moneys in any Fund or Account created under this Indenture whenever it shall be requested in writing by an

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Authorized Officer of the University so to do or whenever it shall be necessary in order to provide moneys to meet any payment or transfer from such Fund.

So long as the first two Series of Bonds are Outstanding or any future Series of Bonds is Outstanding, which is the subject of Credit Enhancement which requires it, the value of the investments in any fund shall be determined as of the end of each month and shall be calculated as follows:

(a) As to investments for which bid and asked prices are published on a regular basis in The Wall Street Journal (or if not there, then in The New York Times), the average of the bid and asked prices for such investments so published on or most recently prior to such time of determination;

(b) As to investments for which bid and asked prices are not published on a regular basis in The Wall Street Journal or The New York Times, the average bid price at such time of determination for such investments by any two nationally recognized government securities dealers (selected by the Trustee in its absolute discretion) at the time making a market in such investments or the bid price published by a nationally recognized pricing service;

(c) As to certificates of deposit and bankers acceptance, the face amount thereof, plus accrued interest; and

(d) As to any investment not specified above, the value thereof established by prior agreement between the University, the Trustee, and AMBAC Indemnity.

ARTICLE VII PARTICULAR COVENANTS OF THE UNIVERSITY

Section 701 - Payment of Bonds. The University shall duly and punctually pay or cause to be paid, the principal or Redemption Price, if any, of every Bond and the interest thereon, at the dates and places and in the manner mentioned in the Bonds according to the true intent and meaning thereof.

Section 702 - Extension of Payment of Bonds. The University shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of claims for interest, by the purchase or funding of such Bonds or claims for interest or by any other arrangement, and in case the maturity of any of the Bonds or the time for payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any default under this Indenture, to the benefit of this Indenture or to any payment out of Revenues or Funds established by this Indenture, including the investments, if any, thereof, pledged under this Indenture or the moneys (except moneys held in trust for the payment of particular

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Bonds or claims for interest pursuant to this Indenture), except subject to the prior payment of the principal of all Bonds Outstanding the maturity of which has not been extended and of such portion of the accrued interest on the Bonds as shall not be represented by such extended claims for interest. Nothing herein shall be deemed to limit the right of the University to issue Refunding Bonds and such issuance shall not be deemed to constitute an extension of maturity of Bonds.

Section 703 - Offices for Servicing Bonds. The University shall at all times maintain one or more agencies as may be provided by Supplemental Indenture where Bonds may be presented for payment and shall at all times maintain one or more agencies where Bonds may be presented for registration, transfer or exchange, and where notices, demands and other documents may be served upon the University in respect of the Bonds or of this Indenture. The University hereby appoints the Trustee as Bond Registrar to maintain an agency for the registration, transfer or exchange of Bonds, and for the service upon the University of such notices, demands and other documents and the Trustee shall continuously maintain or make arrangements to provide such services.

Section 704 - Further Assurance. At any and all times the University shall, as far as it may be authorized by law, comply with any reasonable request of the Trustee to pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, pleading, assigning and confirming all and singular the rights, Revenues and other moneys, securities and funds hereby pledged or assigned, or intended so to be, or which the University may become bound to pledge or assign.

Section 705 - Power to Issue Bonds and Pledge Revenues and Other Funds. The University is duly authorized under the Act and all other applicable laws to create and issue the Bonds and to adopt this Indenture and to pledge and assign the Revenues and other moneys, securities and funds purported to be subject to the lien of this Indenture in the manner and to the extent provided in this Indenture. Except to the extent otherwise provided in this Indenture, the Revenues, and other moneys, securities and funds so pledged are and will be free and clear of any pledge, lien, charge or encumbrance upon or with respect thereto prior to, or of equal rank with, the pledge and assignment created by this Indenture, and all corporate or other action on the part of the University to that end has been and will be duly and validly taken. The Bonds and the provisions of this Indenture are and will be valid and legally enforceable obligations of the University, a accordance with their terms and the terms of the Act and this Indenture. The University shall at all times, to the extent permitted by law, defend, preserve and protect the pledge and assignment of the Revenues and other moneys, securities and funds pledged under this Indenture and all the rights of the Bondowners under this Indenture against all claims and demands of all persons whomsoever. The

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University further agrees to pay its general expenses from legislative appropriations from the State's general fund to the University before paying those expenses from the Revenue Fund.

Section 706 - Pledge of the State. The State of Alaska pledges to and agrees with the Owners of the Bonds that the State will not limit or alter the rights and powers vested in the University by the Act to fulfill the terms of the contracts made by the University under this Indenture with the Owners of Bonds; until the Bonds together with the interest on them with interest on unpaid installments of interest, and all costs and expenses in connection with an action or proceeding by or on behalf of the Owners of the Bonds, are fully met and discharged. This pledge is included in this Indenture under the specific authority of AS 14.40.254.

Section 707 - Creation of Liens. The University shall not issue any bonds, notes or other evidences of indebtedness, other than the Bonds, secured by a pledge of or other lien or charge on the Revenues and shall not create or cause to be created any lien or charge on such Revenues or on any amounts held under this Indenture; provided, however, that neither this Section nor any other provision of this Indenture shall prevent the University from issuing bonds or notes or other obligations for the purposes of the University payable out of, or secured by a pledge of, Revenues to be derived on and after such date as the pledge of the Revenues provided in this Indenture shall be discharged and satisfied as provided in Section 1201, or from issuing bonds or notes or other obligations for the purposes of the University which are secured by a pledge of amounts which is and shall be in all respects subordinate to the provisions of this Indenture and the lien and pledge created by this Indenture and shall not be accelerated in the event of default. The University further covenants not to issue any further bonds under the authority of Ch. 56, SLA 1961, as amended, secured by revenues of the Housing System under Ch. 56, SLA 1961, as amended, except refunding bonds.

Section 708 - Fees, Charges and Rentals. The University shall from time to time and at all times fix, maintain and collect fees, charges and rentals, and the University shall adjust such fees, charges and rentals from time to time so that the Revenues shall be at least equal in each Fiscal Year to the greater of (a) the sum of: (1) an amount equal to Aggregate Debt Service for such Fiscal Year; (2) the amount, if any, to be paid during such Fiscal Year into the Reserve Fund; (3) the amount of the draws, interest and expenses then due and owing under any Reserve Equivalent; and (4) all other amounts which the University may now or hereafter become obligated to pay from Revenues during such Fiscal Year by law or contract; and (b) an amount equal to at least 2.0 times the Aggregate Debt Service for such Fiscal Year. [Effective Dec. 1, 2003.]

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Section 709 - Maintenance of Reserve Fund. The University has determined and does hereby determine that establishment of a Reserve Fund will enhance the marketability of the Bonds. The University shall at all times maintain the Reserve Fund with the Trustee created and established by Section 501 and do and perform or cause to be done and performed each and every act and thing with respect to the Reserve Fund provided to be done or performed on behalf of the University or the Trustee under the terms and provisions of Article V hereof.

Section 710 - Accounts and Reports.

(a) The University shall keep or cause to be kept proper books of records made of its transactions relating to the Revenues and each Fund and Account established under this Indenture, which books shall at all times be subject to the inspection of the Trustee and the Owners of an aggregate of not less than five (5) percent in principal amount of the Bonds then Outstanding or their representatives duly authorized in writing.

(b) The Trustee shall advise the University promptly after the end of each month in its regular statements of the respective transactions during such month relating to each Fund and Account held by it under this Indenture. The University shall have the right upon reasonable notice and during reasonable business hours to audit the books and records of the Trustee with respect to the Funds and Accounts held by the Trustee under this Indenture.

(c) The University shall annually, within 180 days after the close of each Fiscal Year (the first such report to be filed with respect to the Fiscal Year ending June 30, 1992), file with the Trustee, and otherwise as provided by law, a copy of an annual report for such Fiscal Year, accompanied by an Accountant's Certificate, including the following statements in reasonable detail: a statement of assets and liabilities as of the end of such Fiscal Year; a statement of Revenues and expenses for such Fiscal Year; and a summary with respect to each Fund and Account established under this Indenture of the receipts therein and disbursements therefrom during such Fiscal Year and the amount held therein at the end of such Fiscal Year. Such Accountant's Certificate shall state whether or not, to the knowledge of the signer, the University is in default with respect to any of the covenants, agreements or conditions on its part contained in this Indenture, and if so, the nature of such default.

(d) The University shall file with the Trustee (1) forthwith upon becoming aware of any Event of Default or default in the performance by the University of any covenant, agreement or condition contained in this Indenture, a certificate signed by an Authorized Officer of the University and specifying such Event of Default or default and (2) within 180 days after the end of each Fiscal Year, commencing with the Fiscal Year ending June 30, 1992, a certificate signed by an Authorized Officer of the University stating that, to the best of his knowledge and belief, the University has kept,

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observed, performed and fulfilled each and every one of its covenants and obligations contained in this Indenture and there does not exist at the date of such certificate any default by the University under this Indenture or any Event of Default or other event which, with the lapse of time specified in Section 801, would become an Event of Default, or, if any such default or Event of Default or other event shall so exist, specifying the same and the nature and status thereof.

(e) The reports, requested statements and other documents required to be furnished to the Trustee pursuant to any provisions of this Indenture shall be available for the inspection of Bondowners at the office of the Trustee and shall be mailed to each Bondowner who shall file a written request therefor with the University. The University may charge each Bondowner requesting such reports, statements and other documents a reasonable fee to cover reproduction, handling and postage.

Section 711 - Tax Covenants.

(a) The University shall at all times do and perform all acts and things necessary or desirable including, but not limited to, compliance with provisions of a letter of instructions from Bond Counsel, as the same may be revised from time to time, in order to assure that interest paid on the Bonds shall, for the purposes of federal income taxation, be excludable from the gross income of the recipients thereof and exempt from such taxation.

(b) The University shall not permit at any time or times any of the proceeds of the Bonds, Revenues or any other funds of the University to be used directly or indirectly to acquire any securities or obligations the acquisition of which would cause any Bond to be an arbitrage bond as defined in Section 148(a) and (e) of the Code.

(c) This Section shall not apply to any Series of Bonds the interest on which is determined by the University not to be exempt from taxation under Section 103 of the Code, provided that no such Series of Bonds shall be issued unless a Counsel's Opinion is filed with the Trustee stating that the issuance of such Series will not cause the interest on a tax-exempt Bond previously issued to be subject to taxation under Sections 103 and 141-150 of the Code.

(d) Notwithstanding any other provision of this Indenture to the contrary, upon the University's failure to observe, or refusal to comply with, the covenants in this Section 711, no person other than the Trustee or the Owners of Bonds of the specific Series affected shall be entitled to exercise any right or remedy provided to the above Owners under this Indenture on the basis of the University's failure to observe, or refusal to comply with, the covenant.

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Section 712 - Payment of Taxes and Charges. The University will from time to time duly pay and discharge, or cause to be paid and discharged, all taxes, assessments and other governmental charges, or required payments in lieu thereof, lawfully imposed upon the properties of the University or upon the rights, Revenues, income, receipts and other moneys, securities and funds of the University when the same shall become due (including all rights, moneys and other property transferred, assigned or pledged under this Indenture), and all lawful claims for labor and material and supplies, except those taxes, assessments, charges or claims which the University shall in good faith contest by proper legal proceedings, if the University shall in all such cases have set aside on its books reserves deemed adequate with respect thereto.

Section 713 - Waiver of Laws. The University shall not at any time insist upon or plead in any manner whatsoever, or claim or take the benefit or advantage of, any stay or extension law now or at any time hereafter in force which may affect the covenants and agreements contained in this Indenture or in the Bonds, and all benefit or advantage of any such law is hereby expressly waived by the University.

Section 714 - General.

(a) The University shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the University under the provisions of the Act and this Indenture.

(b) Upon the date of authentication and delivery of each Series of Bonds, all conditions, acts and things required by law and this Indenture to exist, to have happened and to have been performed precedent to and in the issuance of such Bonds shall exist, have happened and have been performed and the issue of such Bonds, together with all other indebtedness of the University, shall comply in all respects with the applicable laws of the State of Alaska including the debt and other limitations prescribed by the Constitution and laws of the State of Alaska.

(c) The provisions of this Article are covenants and agreements by the University with the Trustee and the Bondowners.

ARTICLE VIII DEFAULTS AND REMEDIES

Section 801 - Events of Default. The following shall constitute Events of Default:

(a) If default shall be made in the due and punctual payment of the principal or Redemption Price, if any, when and as the same shall become due on or with respect to any Bond, whether at maturity or upon call for redemption or otherwise;

(b) If default shall be made in the due and punctual payment of any installment of interest on any Bond or the unsatisfied balance of any Sinking Fund Installment therefor, when and as such interest installment or Sinking Fund Installment shall become due and payable.

(c) If default shall be made by the University in the performance or observance of any other of the covenants, agreements or conditions on its part in this Indenture, in any Supplemental Indenture or in the Bonds contained, and such default shall continue for a period of 60 days after written notice thereof to the University by the Trustee or to the University and to the Trustee by the Owners of not less than twenty-five (25) percent in principal amount of the Bonds Outstanding.

(d) If there shall occur the dissolution or liquidation of the University or the filing by the University of a voluntary petition in bankruptcy, or the commission by the University of any act of bankruptcy, or adjudication of the University as a bankrupt, or assignment by the University for the benefit of its creditors, or the entry by the University into an agreement of composition with its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the University in any proceeding for its reorganization instituted under the provisions of the federal bankruptcy act, as amended, or under any similar act in any jurisdiction which may now be in effect or hereafter enacted.

Section 802 - Remedies.

(a) Upon the happening and continuance of any Event of Default specified in paragraph (a) or (b) of Section 801, the Trustee shall proceed, and upon the happening and continuance of any Event of Default specified in paragraph (c) or (d) of Section 801, the Trustee may proceed and, upon the written request of the Owners of not less than twenty-five (25) percent in principal amount of the Outstanding Bonds, shall proceed, in its own name, subject to the provisions of Sections 902 and 903, to protect and enforce the rights of the Bondowners by such of the following remedies, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights:

(1) by mandamus or other suit, action or proceeding at law or in equity, to enforce all rights of the Bondowners or the Trustee, including the right to require the University to receive and collect Revenues and to require the University to carry out any other covenants or agreements with Bondowners;

(2) by bringing suit upon the Bonds;

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(3) by action or suit in equity, to require the University to account as if it were the trustee of an express trust for the Owners of the Bonds for the Revenues and assets pledged under this Indenture;

(4) by action or suit in equity to enjoin any acts or things which may be unlawful or in violation of the rights of the Owners of the Bonds;

(5) by declaring all Bonds due and payable, and if all defaults shall be cured, then, with the written consent of the Owners of not less than twenty-five (25) percent in principal amount of the Outstanding Bonds, by annulling such declaration and its consequences; or

(6) in the event that all Outstanding Bonds are declared due and payable, by selling, assigning or otherwise disposing of all of the Revenues and assets pledged under this Indenture free and clear of the lien of this Indenture.

(b) In the enforcement of any rights and remedies under this Indenture, but subject to Sections 902 and 903, the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming due, and at any time remaining due and unpaid for principal, Redemption Price, interest or otherwise, under any provisions of this Indenture or a Supplemental Indenture or of the Bonds, with interest on overdue payments at the rate of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings thereunder and under such Bonds, without prejudice to any other right or remedy of the Trustee or of the Bondowners, and to recover and enforce a judgment or decree for any portion of such amounts remaining unpaid, with interest, costs and expenses (including without limitation pretrial, trial and appellate attorney fees), and to collect from any assets pledged hereunder, in any manner provided by law, the moneys adjudged or decreed to be payable.

(c) Upon the occurrence of any Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Bondowners under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Revenues and of the assets pledged hereunder, pending such proceedings, with such powers as the court making such appointment shall confer.

Section 803 - Priority of Payments After Default.

(a) In the event that upon the happening and continuance of any Event of Default the funds held by the Trustee shall be insufficient for the payment of principal or Redemption Price, if any, and interest then due on the Bonds, such funds

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(other than funds held for the payment or redemption of particular Bonds which have theretofore become due at maturity or by call for redemption) and any other amounts received or collected by the Trustee acting pursuant to this Article, after making provision for the payment of any expenses necessary in the opinion of the Trustee to protect the interest of the Owners of the Bonds and for the payment of the charges and expenses and liabilities incurred and advances made by the Trustee in the performance of its duties under this Indenture shall be applied as follows:

(1) Unless the principal of all of the Bonds shall have become or have been declared due and payable:

FIRST: To the payment to the persons entitled thereto of all installments of interest then due in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installments, to the persons entitled thereto, without any discrimination or preference; and

SECOND: To the payment to the persons entitled thereto of the unpaid principal or Redemption Price of any Bonds which shall have become due, whether at maturity or by call for redemption, in the order of their due dates and, if the amounts available shall not be sufficient to pay in full all of the Bonds due on any date, then to the payment thereof ratably, according to the amounts or principal or Redemption Price, if any, due on such date, to the persons entitled thereto, without any discrimination or preference.

(2) If the principal of all of the Bonds shall have become or shall have been declared due and payable, to the payment of the principal and interest then due and unpaid upon the Bonds without preference or priority of principal over interest or of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds.

(b) Whenever moneys are to be applied by the Trustee pursuant to the provisions of this Section, such moneys shall be applied by the Trustee at such times, and from time to time, as the Trustee in its sole discretion shall determine, having the due regard to the amount of such moneys available for application and the likelihood of additional money becoming available for such application in the future. The setting aside such moneys in trust for the proper purpose, shall constitute proper application by the Trustee and the Trustee shall incur no liability whatsoever to the University, to any Bondowner or to any other person for any delay in applying any such moneys, so

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long as the Trustee acts with reasonable diligence, having due regard for the circumstances, and ultimately applies the same in accordance with such provisions of this Indenture as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such moneys, it shall fix the date (which shall be an Interest Payment Date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such shall cease to accrue. The Trustee shall give such notice as it may deem appropriate for the fixing of any such date. The Trustee shall not be required to make payment to the holder of any Bond unless such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Section 804 - Termination of Proceedings. In case any proceedings taken by the Trustee on account of any Event of Default shall have been discontinued or abandoned for any reason, then in every such case the University, the Trustee and the Bondowners shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no such proceeding had been taken.

Section 805 - Bondowners' Direction of Proceedings. The Owners of the majority in principal amount of the Bonds then Outstanding shall have the right, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, to direct the method of conducting all remedial proceedings to be taken by the Trustee hereunder, provided that such direction shall not be otherwise than in accordance with law or the provisions of this Indenture, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bondowners not parties to such direction.

Section 806 - Restriction on Bondowner's Action.

(a) No Owner of any Bond shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of any provision of this Indenture or the execution of any trust under this Indenture or for any remedy under this Indenture, unless such Owner shall have previously given to the Trustee written notice of the happening of an Event of Default, as provided in this Article, and the Owners of at least 25 percent in principal amount of the Bonds then Outstanding shall have filed a written request with the Trustee, and shall have offered it reasonable opportunity either to exercise the powers granted in this Indenture or by the Act or by the laws of the State of Alaska or to institute such action, suit or proceeding in its own name, and unless such Owners shall have offered to the Trustee security and indemnity satisfactory to the Trustee against the costs, expenses and liabilities to be incurred herein or thereby, and the Trustee shall have refused to comply with such request for a period of 30 days after receipt by it of such notice, request and offer of indemnity, it being understood and

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intended that no one or more Owners of Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the pledge created by this Indenture, or to enforce any right under this Indenture, except in the manner therein provided; and that all proceedings at law or in equity to enforce any provision of this Indenture shall be instituted, had and maintained in the manner provided in this Indenture and for the equal benefit of all Owners of the Outstanding Bonds, subject only to the provisions of Section 702.

(b) Nothing contained in this Indenture or in the Bonds shall affect or impair the obligation of the University, which is absolute and unconditional, to pay at the respective dates of maturity and places therein expressed the principal of (and premium, if any) and interest on the Bonds to the respective Owners thereof, or affect or impair the right of action, which is also absolute and unconditional, of any Owner to enforce such payment of his Bond.

Section 807 - Possession of Bonds by Trustee Not Required. All rights of action under this Indenture or under any of the Bonds, enforceable by the Trustee, may be enforced by it without the possession of any of the Bonds or the production thereof at the trial or other proceeding relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all the Owners of such Bonds, subject to the provisions of this Indenture.

Section 808 - Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the Bondowners is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 809 - No Waiver of Default. No delay or omission of the Trustee or of any Bondowner to exercise any right or arising upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein and every power and remedy given by this Indenture to the Trustee or the Bondowners respectively may be exercised from time to time and as often as may be expedient

Section 810 - Notice of Event of Default. The Trustee shall give to the Bondowners and the University notice of each Event of Default hereunder known to the Trustee within thirty (30) days after actual knowledge of the occurrence thereof, unless such Event of Default shall have been remedied or cured before the giving of such notice; provided, that, except in the case of default in the payment of the principal or of Redemption Price, if any, or interest on any of the Bonds, the Trustee shall be protected in withholding such notice if and so long as the responsible officers of the Trustee in good faith determine that the withholding of such notice is in the best interests of the

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Bondowners. Each such notice of Event of Default to Bondowners shall be given by the Trustee by mailing, by first class mail, written notice thereof: (a) to all Owners of Bonds, as the names and addresses of such Owners appear upon the books for registration and transfer of Bonds maintained by the Trustee, and (b) to such other persons as is required by law. Any such notice mailed as provided herein shall be conclusively presumed to have been duly given regardless of whether the Bondowner actually receives the notice.

ARTICLE IX CONCERNING THE TRUSTEE

Section 901 - Trustee; Acceptance of Duties. The Trustee shall signify its acceptance of the duties and obligations imposed upon it by this Indenture by executing and delivering to the University this Indenture, and by executing such acceptance the Trustee shall be deemed to have accepted such duties and obligations with respect to all the Bonds thereafter to be issued, but only, however, upon the terms and conditions set forth in this Indenture.

Section 902 - Responsibilities of Trustee.

(a) The recitals of fact herein and in the Bonds contained shall be taken as the statements of the University and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of any Bonds issued thereunder or as to the security afforded by this Indenture, and the Trustee shall not incur any liability in respect thereof. The Trustee shall, however, be responsible for its representation contained in its certificate of authentication on the Bonds. The Trustee shall not be under any responsibility or duty with respect to the application of any moneys paid by the Trustee in accordance with the provisions of this Indenture to the University. The Trustee shall not be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect thereof, or to advance any of its own moneys, unless properly indemnified. Subject to the provisions of subsection (b) of this Section 902, the Trustee shall not be liable in connection with the performance of its duties hereunder except for its own negligence, misconduct or default.

(b) The Trustee, prior to the occurrence of any Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. In case an Event of Default has occurred (which has not been cured), the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs. My provision of this Indenture relating

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to action taken or to be taken by the Trustee or to evidence of matters upon which the Trustee may rely shall be subject to the provisions of this Section 902.

(c) Notwithstanding any other provision of this Indenture, in determining whether the rights of the first or second Series of Bonds issued under this Indenture will be adversely affected by any action taken pursuant to the terms and provisions of this Indenture, the Trustee shall consider the effect on the Bondholders as if there were no Municipal Bond Insurance Policy.

Section 903 - Evidence on Which Trustee May Act.

(a) The Trustee, upon receipt of any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document furnished to it pursuant to any provision of this Indenture, shall examine such instrument to determine whether it conforms to the requirements of this Indenture and shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel, who may or may not be of counsel to the University, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under this Indenture in good faith and in accordance therewith.

(b) Whenever the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Indenture, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a certificate of an Authorized Officer and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this Indenture upon the faith thereof; but in its discretion the Trustee may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as to it may seem reasonable.

(c) Except as otherwise expressly provided in this Indenture, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision hereof by the University to the Trustee shall be sufficiently executed in the name of the University by an Authorized Officer.

Section 904 - Compensation. The University shall pay to the Trustee from time to time reasonable compensation for all services rendered under this Indenture, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents and employees, incurred in and about the performance of their powers and duties under this Indenture and the Trustee shall have a lien thereon on any and all funds at any time held by it under this Indenture. Subject to the provisions of Section 902, the University further agrees to indemnify and save the Trustee harmless against any loss, expense including attorneys fees and expenses, and

liabilities which it may incur in the exercise and performance of its powers and duties hereunder, and which are not due to its negligence, misconduct or default.

Section 905 - Certain Permitted Acts. The Trustee may become the owner of any Bonds with the same rights it would have if it were not Trustee. To the extent permitted by law, the Trustee may act as depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bondowners or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Indenture, whether or not any such committee shall represent the Owners of a majority in principal amount of the Bonds then Outstanding.

Section 906 - Resignation of Trustee. The Trustee may at any time resign and be discharged of the duties and obligations created by this Indenture by giving not less than sixty (60) days' written notice to the University and each Credit Enhancer, and mailing notice thereof to each Bondowner, specifying the date when such resignation shall take effect, and such resignation shall take effect upon the day specified in such notice, provided a successor shall have been appointed by the University or the Bondowners as provided in Section 908, and has accepted the appointment. Notwithstanding the foregoing, no resignation of the Trustee under this Section or removal of the Trustee under Section 907 shall take effect until a successor, reasonably acceptable to AMBAC Indemnity, shall be appointed.

Section 907 - Removal of Trustee. The Trustee may be removed at any time by an instrument or concurrent instruments in writing, filed with the Trustee, and signed by the Owners of a majority in principal amount of the Bonds then Outstanding or their attorneys-in-fact duly authorized, excluding any Bonds held by or for the account of the University. The University may remove the Trustee at any time except during the existence of an Event of Default, for such cause as shall be determined in the sole discretion of the University, by filing with the Trustee an instrument in writing signed by an Authorized Officer. AMBAC Indemnity may remove the Trustee at any time the first or second Series of Bonds are Outstanding upon filing a request with the University if the Trustee has breached the duties hereunder.

Section 908 - Appointment of Successor Trustee; Financial Qualifications of Trustee and Successor Trustee.

(a) In case at any time the Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of the Trustee, or of its property or affairs, a successor may be appointed by the Owners of a majority in principal amount of the Bonds then Outstanding, excluding any Bonds held by or for the account of the

University, by an instrument or concurrent instruments in writing signed and acknowledged by such Bondowners or by their attorneys-in-fact duly authorized and delivered to such successor Trustee, notification thereof being given to the University and the predecessor Trustee; provided, nevertheless, that unless a successor Trustee shall have been appointed by the Bondowners as aforesaid, the University by a duly executed written instrument signed by an Authorized Officer shall forthwith appoint a Trustee to fill such vacancy until a successor Trustee shall be appointed by the Bondowners as authorized in this Section 908. The University shall mail notice to each Bondowner of any such appointment made by it within twenty (20) days after such appointment. Any successor Trustee appointed by the University shall, immediately and without further act, be superseded by a Trustee appointed by the Bondowners.

(b) If in a proper case no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section within forty-five (45) days after the Trustee shall have given to the University written notice as provided in Section 906 or after a vacancy in the office of the Trustee shall have occurred by reason of its inability to act, removal, or for any reason whatsoever, the Trustee (in the case of its resignation under Section 906) or the Owner of any Bond (in any case) may apply to any court of competent jurisdiction to appoint a successor Trustee. Said court may thereupon, after such notice, if any, as such may deem proper, appoint a successor Trustee.

(c) The Trustee appointed under the provisions of this Article or any successor to the Trustee shall be a trust company or bank duly organized and in good standing under the laws of the United States or any state, duly authorized to exercise trust powers and subject to examination by federal or state authority, having a reported capital and surplus of not less than \$75,000,000, and acceptable to the Credit Enhancer. Any successor Paying Agent, if applicable, shall not be appointed unless the Credit Enhancer approves such successor in writing.

Section 909 - Transfer of Rights and Property to Successor Trustee. Any successor Trustee appointed under this Indenture shall execute, acknowledge and deliver to its predecessor Trustee, and also to the University, an instrument accepting such appointment, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Trustee, with like effect as if originally named as trustee; but the Trustee ceasing to act shall nevertheless, on the written request of the University, or of the successor Trustee, execute, acknowledge and deliver such instrument of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Trustee all the right, title and interest of the predecessor Trustee in and to any property held by it under this Indenture, and shall pay over, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the University be required by such successor Trustee for more fully and

certainly vesting in and confirming to such successor Trustee any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by the University.

Section 910 - Merger or Consolidation. Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company shall be a bank or trust company organized under the laws of any state of the United States of America or a national banking association and shall be authorized by law to perform all the duties imposed upon it by this Indenture, shall be the successor to the Trustee without the execution or filing of any paper or the performance of any further act.

Section 911 - Adoption of Authentication. In any case any of the Bonds contemplated to be issued under this Indenture shall have been authenticated but not delivered, any successor Trustee may adopt the certification of authentication of any predecessor Trustee so authenticating such Bonds and deliver such Bonds so authenticated; and in case any of the said Bonds shall not have been authenticated, any successor Trustee may authenticate such Bonds in the name of the predecessor Trustee, or in the name of the successor Trustee, and in all cases such certificate shall have the full force which it is anywhere in said Bonds or in this Indenture provided that the certificate of the Trustee shall have.

Section 912 - Recording and Filing. The Trustee shall cause all financing statements related to this Indenture and all supplements hereto, and such other documents as may be, in the opinion of counsel acceptable to Trustee, necessary to be kept and filed in such manner and in such places as may be required by law in order to preserve and protect fully the security of the Bondowners and the rights of the Trustee hereunder. The Trustee may request and rely upon the opinion of counsel which may be the University's counsel that the aforesaid filings have been timely made.

ARTICLE X
SUPPLEMENTAL INDENTURES

Section 1001 - Supplemental Indentures Effective Upon Execution by the Trustee. For any one or more of the following purposes and at any time or from time to time, a Supplemental Indenture may be authorized by a resolution adopted by the University which, upon (a) the filing with the Trustee of a copy of such resolution certified by an Authorized Officer, and (b) the execution and delivery of such Supplemental Indenture by the University and the Trustee, shall be fully effective in accordance with its terms:

APPENDIX B

(1) To close this Indenture against, or provide limitations and restrictions in addition to the limitations and restrictions contained in this Indenture on, the authentication and delivery of Bonds or the issuance of other evidences of indebtedness.

(2) To add to the covenants and agreements of the University in this Indenture, other covenants and agreements to be observed by the University which are not contrary to or inconsistent with this Indenture as theretofore in effect.

(3) To add to the limitations and restrictions in this Indenture, other limitations and restrictions to be observed by the University which are not contrary to or inconsistent with this Indenture as theretofore in effect.

(4) To authorize Bonds of a Series and, in connection therewith, specify and determine the matters and things referred to in Section 204, Section 306, and Section 505, and also any other matters and things relative to such Bonds which are not contrary to or inconsistent with this Indenture as theretofore in effect or which give rights to or contain other provisions respecting a Credit Enhancer on a Series of Bonds similar to the rights given to AMBAC Indemnity or the provisions respecting AMBAC Indemnity contained in this Indenture, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first authentication and delivery of such Bonds.

(5) To confirm, as further assurance, any pledge or assignment under, and the subjection to any lien, pledge or assignment created or to be created by, this Indenture, of the Revenues or of any other moneys, securities or funds.

(6) To modify any of the provisions of this Indenture in any other respect whatever, provided that (A) such modification shall be, and be expressed to be, effective only after all Bonds of each Series Outstanding at the date of such Supplemental Indenture shall cease to be Outstanding, and (B) such Supplemental Indenture shall be specifically referred to in the next text of all Bonds of any Series authenticated and delivered after the date of such Supplemental Indenture.

Section 1002 - Supplemental Indentures Effective Upon Consent of Trustee. For any one or more of the following purposes and at any time or from time to time, a Supplemental Indenture may be authorized by a resolution adopted by the University which, upon (a) the filing with the Trustee of a copy of such resolution certified by an Authorized Officer, (b) the filing with the University of an instrument in writing made by the Trustee consenting thereto, and (c) the execution and delivery of such

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Supplemental Indenture by the University and the Trustee, shall be fully effective in accordance with its terms:

(1) To cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in this Indenture.

(2) To insert such provisions clarifying matters or questions arising under this Indenture as are necessary or desirable and are not contrary to or inconsistent with this Indenture as theretofore in effect.

Section 1003 - Supplemental Indentures Effective With Consent of Bondowners. At any time or from time to time, a Supplemental Indenture may be authorized by a resolution adopted by the University, subject to consent by Bondowners in accordance with and subject to the provisions of Article XI, which Supplemental Indenture, upon (a) the filing with the Trustee of a copy of such resolution certified by an Authorized Officer, (b) compliance with the provisions of said Article XI, and (c) execution and delivery of such Supplemental Indenture by the University and the Trustee, shall become fully effective in accordance with its terms as provided in said Article XI.

Section 1004 - General Provisions.

(a) This Indenture shall not be modified or amended in any respect except as provided in and in accordance with and subject to the provisions of this Article X and Article XI. Nothing in this Article X or Article XI contained shall affect or limit the right or obligation of the University to adopt, make, do, execute, acknowledge or deliver any resolution, act or other instrument pursuant to the provisions of Section 704 or the right or obligation of the University to execute and deliver to the Trustee any instrument which elsewhere in this Indenture it is provided shall be delivered to the Trustee.

(b) Any resolution authorizing a Supplemental Indenture referred to and permitted or authorized by Section 1001 and 1002 may be adopted by the University without the consent of any of the Bondowners, but such Supplemental Indenture shall be executed and delivered by the University and the Trustee and shall become effective only on the conditions, to the extent and at the time provided in said Sections, respectively. Every Supplemental Indenture delivered to the Trustee for execution shall be accompanied by an Opinion of Counsel stating that such Supplemental Indenture has been duly and lawfully authorized by the University and executed by the University in accordance with the provisions of this Indenture, is authorized or permitted by this Indenture, and will, when executed and delivered by the Trustee, be valid and binding upon the University and enforceable in accordance with its terms.

(c) The Trustee is hereby authorized to enter into, execute and deliver any Supplemental Indenture referred to and permitted or authorized by Sections 1001, 1002

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or 1003 and to make all further agreements and stipulations which may be therein contained, and the Trustee, in taking such action, shall be fully protected in relying on an Opinion of Counsel that such Supplemental Indenture is authorized or permitted by the provisions of this Indenture.

(d) No Supplemental Indenture shall change or modify any of the rights or obligations of the Trustee without its written assent thereto.

ARTICLE XI AMENDMENTS

Section 1101 - Mailing. Any provision in this Article for the mailing of a notice or other paper to Bondowners shall be fully complied with if it is mailed postage prepaid only to each registered Owner of Bonds then Outstanding at his address, if any, appearing upon the registry books of the University.

Section 1102 - Powers of Amendment. Any modification or amendment of this Indenture and of the rights and obligations of the University and of Owners of the Bonds thereunder, in any particular, may be made by a Supplemental Indenture, with the written consent given as provided in Section 1103 (i) of the Owners of at least a majority in principal amount of the Bonds Outstanding at the time such consent is given, and (ii) in case less than all of the several Series of Bonds then Outstanding are affected by the modification or amendment, of the Owners of at least a majority in principal amount of the Bonds of each Series so affected and Outstanding at the time such consent is given, and (iii) in case the modification or amendment changes the terms of any Sinking Fund Installment, of the Owners of at least a majority in principal amount of the Bonds of the particular Series and maturity entitled to such Sinking Fund Installment and Outstanding at the time such consent is given; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like Series and maturity remain Outstanding the consent of the Owners of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond or any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Owner of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the Owners of which is required to effect any such modification or amendment or shall change or modify any of the rights or obligations of the Trustee without its written assent thereto. For the purposes of this Section, a Series shall be deemed to be affected by a modification or amendment of this Indenture if the same adversely affects or diminishes the rights of the Owners of Bonds of such Series. The Trustee may in its discretion determine whether or not in accordance with the foregoing powers of

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amendment Bonds of any particular Series or maturity would be affected by any modification or amendment of this Indenture and any such determination shall be binding and conclusive on the University and all Owners of Bonds.

Section 1103 - Consent of Bondowners. The University may at any time authorize a Supplemental Indenture making a modification or amendment permitted by the provisions of Section 1102 to take effect when and as provided in this Section. A copy of such Supplemental Indenture (or brief summary thereof or reference thereto in form approved by the Trustee), together with a request to Bondowners for their consent thereto in form satisfactory to the Trustee, shall be mailed by the University to Bondowners (but failure to mail such copy and request shall not affect the validity of the Supplemental Indenture when consented to as in this Section provided). Such Supplemental Indenture shall not be effective until (a) there shall have been filed with the Trustee (1) the written consents of Owners of the percentages of Outstanding Bonds specified in Section 1102 and (2) an Opinion of Counsel stating that such Supplemental Indenture has been duly and lawfully executed and delivered by the University and the Trustee in accordance with the provisions of this Indenture, is authorized or permitted by this Indenture, and is valid and binding upon the University, the Trustee and the Owners of Bonds and enforceable in accordance with its terms, and (b) a notice shall have been mailed as hereinafter in this Section 1103 provided. Each such consent shall be effective only if accompanied by proof of the ownership, at the date of such consent, of the Bonds with respect to which such consent is given, which proof shall be such as is permitted by Section 1202. A certificate or certificates executed by the Trustee and filed with the University stating that it has examined such proof and that such proof is sufficient in accordance with Section 1202 shall be conclusive that the consents have been given by the Owners of Bonds described in such certificate or certificates of the Trustee. Any such consent shall be binding upon the Owners of Bonds signing such consent and, anything in Section 1202 to the contrary notwithstanding, upon any subsequent Owner of such Bonds and of any Bonds issued in exchange therefor (whether or not such subsequent Owner has notice thereof) provided however that any consent may be revoked in writing by any Owner of such Bonds by filing such revocation with the Trustee prior to the time when the written statement of the Trustee hereinafter in this Section 1103 provided for is filed. The fact that a consent has not been revoked may likewise be proved by a certificate of the Trustee filed with the University to the effect that no revocation thereof is on file with the Trustee. At any time after the Owners of the required percentages of Bonds shall have filed their consents to the Supplemental Indenture, the Trustee shall make and file with the University a written statement that the Owners of such required percentages of Bonds have filed such consents. Such written statement shall be conclusive that such consents have been filed. At any time thereafter, notice stating in substance that the Supplemental Indenture (which may be referred to as a Supplemental Indenture executed and delivered by the University and the Trustee on a stated date, a copy of which is on file with the Trustee) has been consented to by the

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Owners of the required percentages of Bonds, and will be effective as provided in this Section 1103, may be given to Bondowners by the University by mailing such notice to Bondowners (but failure to mail such notice shall not prevent such Supplemental Indenture from becoming effective and binding as in this Section 1103 provided). The University shall file with the Trustee proof of the mailing of such notice to Bondowners. A record, consisting of the certificates or statements required or permitted by this Section 1103 to be made by the Trustee, shall be proof of the matters therein stated. Such Supplemental Indenture making such amendment or modification shall be deemed conclusively binding upon the University, the Trustee and the Owners of all Bonds at the expiration of forty (40) days after the filing with the Trustee of the proof of the mailing of such last mentioned notice, except in the event of a final decree of a court of competent jurisdiction setting aside such Supplemental Indenture in a legal action or equitable proceeding for such purpose commenced within such forty (40)-day period; provided, however, that the Trustee and the University during such forty (40)-day period and any such further period during which any such action or proceeding may be pending shall be entitled in their absolute discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Indenture as they may deem expedient.

Section 1104 - Modifications by Unanimous Consent. This Indenture and the rights and obligations of the University and of the Owners of Bonds hereunder may be modified or amended in any respect by a Supplemental Indenture effecting such modification or amendment and the consents of the Owners of all the Bonds then Outstanding, each such consent to be accompanied by proof of the ownership at the date of such consent of the Bonds with respect to which consent is given. Such Supplemental Indenture shall take effect upon its execution and delivery by the University and the Trustee, and the filing (a) with the Trustee of (1) a copy of the resolution authorizing the Supplemental Indenture certified by an Authorized Officer of the University, (2) such consents and accompanying proofs and (3) the Counsel's Opinion referred to in Section 1103, and (b) with the University and the Trustee of the Trustee's written statement that the consents of the Owners of all Outstanding Bonds have been filed with it. No mailing of any Supplemental Indenture (or reference thereto or summary thereof) or of any request or notice shall be required. No such modification or amendment, however, shall change or modify any of the rights or obligations of the Trustee without its written assent thereto.

Section 1105 - Exclusion of Bonds. Bonds owned by or for the account of the University shall not be deemed Outstanding for the purpose of consent or other action or any calculation of Outstanding Bonds provided for in this Article XI, and the University shall not be entitled with respect to such Bonds to give any consent or take any other action provided for in this Article. At the time of any consent or other action taken under this Article, the University shall furnish the Trustee a certificate of an

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Authorized Officer of the University upon which the Trustee may rely, describing all Bonds so to be excluded.

Section 1106 - Notation on Bonds. Bonds authenticated and delivered after the effective date of any action taken as in Article X or Article XI provided may, and if the Trustee so determines, shall, bear a notation by endorsement or otherwise in form approved by the University and the Trustee as to such action, and in that case upon demand of the Owner of any Bond Outstanding at such effective date and presentation of his Bond for the purpose at the principal corporate trust office of the Trustee or upon any transfer or exchange of any Bond Outstanding at such effective date, suitable notation shall be made on such Bond or upon any Bond issued upon any such transfer or exchange by the Trustee as to any such action. If the University or the Trustee shall so determine, new Bonds so modified as in the opinion of the Trustee and the University to conform to such action shall be prepared, authenticated and delivered, and upon demand of the Owner any Bond then Outstanding shall be exchanged, without cost to such Bondowner, for Bonds of the same Series and maturity then Outstanding, upon surrender of such Bonds.

ARTICLE XII DEFEASANCE; MISCELLANEOUS PROVISIONS

Section 1201 - Defeasance.

(a) If the University shall pay or cause to be paid, or there shall otherwise be paid, to the Owners of all Bonds the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the time and in the manner stipulated therein and in this Indenture, and any amounts due and owing under any Reserve Equivalent, then the pledge and assignment of any Revenues and other moneys and securities pledged under this Indenture and all covenants, agreements and other obligations of the University to the Bondowners, shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall cause an accounting for such period or periods as shall be requested by the University to be prepared and filed with the University and, upon the request of the University shall execute and deliver to the University all such instruments as may be desirable to evidence such discharge and satisfaction, and the Trustee shall pay over or deliver to the University all moneys or securities held by it pursuant to this Indenture which are not required for the payment of principal or Redemption Price, if applicable, and interest on Bonds. If the University shall pay or cause to be paid or there shall otherwise be paid, to the Owners of all Outstanding Bonds of a particular Series, or of a particular maturity within a Series, the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Indenture, such Bonds shall cease to be entitled to any lien, benefit or security under this Indenture, and all covenants, agreements and obligations of the University

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to the Owners of such Bonds shall thereupon cease, terminate and become void and be discharged and satisfied. A Supplemental Indenture may modify this provision to provide that Bonds which are the subject of Credit Enhancement are not deemed paid if the Bonds are paid by a Credit Enhancer. [Effective Dec. 1, 2003.]

(b) Bonds or interest installments for the payment or redemption of which moneys shall have been set aside and shall be held in trust by the Trustee (through deposit by the University of funds for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this Section 1201. Prior to the maturity or redemption date thereof, Bonds shall be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this Section 1201 if (1) in case any of said Bonds are to be redeemed on any date prior to their maturity, the University shall have given to the Trustee irrevocable instructions accepted in writing by the Trustee to mail as provided in Article IV notice of redemption of such Bonds on said date, (2) there shall have been deposited with the Trustee either moneys (including moneys withdrawn and deposited pursuant to Section 505(d) or Section 504(d)) in an amount which shall be sufficient, or Federal Obligations (including any Federal Obligations issued or held in book-entry form on the books of the Department of the Treasury of the United States of America) the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient to pay when due the principal or Redemption Price, if applicable, and interest due and to become due on said Bonds on or prior to the redemption date or maturity date thereof, as the case may be, and (3) the University shall have given the Trustee in form satisfactory to it irrevocable instructions to mail, as soon as practicable, a notice to the Owners of such Bonds that the deposit required by (2) above has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with this Section 1201 and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal or Redemption Price, if applicable, and interest on said Bonds. Neither Federal Obligations nor moneys deposited with the Trustee pursuant to this Section 1201 nor principal or interest payments on any such Federal Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Redemption Price, if applicable, and interest on said Bonds; provided that any cash received from such principal or interest payments on such Federal Obligations deposited with the Trustee, (A) to the extent such cash will not be required at any time for such purpose, after verification by a certified public accountant, shall be paid over to the University as received by the Trustee, free and clear of any trust, lien, pledge or assignment securing said Bonds or otherwise existing under this Indenture, and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Federal Obligations maturing at times and in amounts sufficient to pay when due the principal or Redemption Price, if applicable, and interest to become due on said Bonds, on or prior to such redemption

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date or maturity date thereof, as the case may be, and interest earned from such reinvestment shall be paid over to the University as received by the Trustee, free and clear of any trust, lien, pledge or assignment securing said Bonds or otherwise existing under this Indenture. For the purposes of this Section 1201, Federal Obligations shall mean and include only such Federal Obligations which shall not be subject to redemption prior to their maturity other than at the option of the holder thereof.

(c) Anything in this Indenture to the contrary notwithstanding, and except to the extent otherwise required by law, any moneys held by the Trustee in trust for the payment and discharge of any of the Bonds which remain unclaimed for six years after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Trustee at such date, or for six years after the date of deposit of such moneys if deposited with the Trustee after the said date when such Bonds became due and payable, shall, at the written request of the University, be repaid by the Trustee to the University, and the Trustee shall thereupon be released and discharged with respect thereto and the Bondowners shall look only to the University for the payment of such Bonds.

Section 1202 - Evidence of Signatures of Bondowners and Ownership of Bonds.

(a) Any request, consent, revocation of consent or other instrument which this Indenture may require or permit to be signed and executed by the Bondowners may be in one or more instruments of similar tenor, and shall be signed or executed by such Bondowners in person or by their attorneys appointed in writing. Proof of the execution of any such instrument, or of any instrument appointing any such attorney, shall be sufficient for any purpose of this Indenture (except as otherwise herein expressly provided) if made in the following manner, or in any other manner satisfactory to the Trustee, which may nevertheless in its discretion require further and other proof in cases where it deems the same desirable.

The fact and date of the execution by any Bondowner or his attorney of such instruments may be proved by a guarantee of the signature thereon by a bank or trust company or by the certificate of any notary public or other officer authorized to take acknowledgements of deeds, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or partnership, such signature guarantee, certificate or affidavit shall also constitute sufficient proof of his authority.

(b) The ownership of Bonds and the amount, numbers and other identification, and date of holding the same shall be proved by the registry books.

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(c) Any request or consent by the Owner of any Bond shall bind all future such Bond in respect of anything done or suffered to be done by the University or the Trustee in accordance therewith.

Section 1203 - Moneys Held for Particular Bonds. The amounts held by the Trustee for the payment of the interests principal or Redemption Price due on any date with respect to particular Bonds shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Owners of the Bonds entitled thereto.

Section 1204 - Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Indenture shall be retained in its possession and shall be subject at all reasonable times during regular hours with reasonable notice to the inspection of the University and any Bondowner and their agents and their representatives, any of whom may make copies thereof.

Section 1205 - No Recourse Under Indenture or on Bonds. All covenants, stipulations, promises, agreements and obligations of the University contained in this Indenture shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the University and not of any officer or employee of the University in an individual capacity, and no recourse shall be had for the payment of the principal or Redemption Price of or interest on the Bonds or for any claim based thereon or on this Indenture against any officer or employee of the University or any natural person executing the Bonds.

Section 1206 - Security Instrument. A certified copy of this Indenture, delivered to and accepted by the Trustee, shall constitute a security agreement pursuant to and for all purposes of the Uniform Commercial Code of the State of Alaska.

Section 1207 - Counterparts. This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 1208 - Severability of Invalid Provisions. If any one or more of the covenants provided in this Indenture on the part of the University or the Trustee to be performed should be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of this Indenture.

Section 1209 - Holidays. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Indenture, shall be a legal holiday or a day on which banking institutions in the city in which is located the principal office of the Trustee are authorized by law to remain closed, such payment

may be made or act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are not authorized by law to remain closed, with the same force and effect as if done on the nominal date provided in this Indenture.

Section 1210 - Notices. All notices hereunder shall be in writing and shall be validly given if mailed postage prepaid to the parties hereto at the following addresses.

To the University: University of Alaska
Butovich Building, Rm. 207D
910 Yukon Drive
Fairbanks, Alaska 99775
Attention: Controller and
Associate Vice President for Finance

To the Trustee: First Interstate Bank of Washington, N.A.
999 Third Avenue, 14th Floor
Seattle, Washington 98104
Attention: Corporate Trust Department

The parties hereto may, by giving notice to the other parties, designate such other or further addresses as may be appropriate.

IN WITNESS WHEREOF, the University has caused this Trust Indenture to be executed by its Controller and Associate Vice President for Finance and its official seal to be impressed hereon, and the Trustee has caused this Trust Indenture to be executed by one of its Authorized Signatories all as of the day and year first above written.

UNIVERSITY OF ALASKA

[SEAL]

By _____
JAMES F. LYNCH
Controller and Associate
Vice President for Finance

FIRST INTERSTATE BANK OF WASHINGTON,
N.A.
as Trustee

By _____
Authorized Signatory

APPENDIX C

FORM OF OPINION OF BOND COUNSEL

WOHLFORTH | BRECHT | CARTLEDGE | BROOKING

A PROFESSIONAL CORPORATION

Julius J. Brecht
Cheryl Rawls Brooking
Cynthia L. Cartledge
Michael Gatti
Clyde W. Hutchins Jr.
Leila R. Kimbrell
Eric E. Wohlforth

ATTORNEYS AT LAW
900 WEST 5TH AVENUE, SUITE 600
ANCHORAGE, ALASKA 99501-2048

TELEPHONE
907.276.6401

FACSIMILE
907.276.5093

WEBSITE
WWW.AKATTY.COM

October __, 2011

Board of Regents
University of Alaska
910 Yukon Drive
Butrovich Building, Suite 208
Fairbanks, Alaska 99775

Ladies and Gentlemen:

We have examined the Constitution and laws of the State of Alaska and a record of the proceedings relating to the issuance of the University of Alaska (the "University") General Revenue Bonds, 2011 Series Q (the "Bonds") in the aggregate principal amount of \$_____. The University constitutes a body corporate under Article VII, Section 2, of the Alaska Constitution.

The Bonds are authorized by and issued pursuant to Chapter 40, Title 14, of the Alaska Statutes, as amended (the "Act") and a Resolution of the Board of Regents of the University duly adopted on September __, 2011 (the "Resolution") and are issued pursuant to an indenture between the University, as Issuer, and The Bank of New York Mellon Trust Company, N.A., as successor trustee, dated as of June 1, 1992 (the "Master Indenture"), as supplemented by prior supplemental indentures and, specifically for the Bonds, by a Fourteenth Supplemental Indenture between the University and the Trustee, dated as of October 1, 2011 (the "Supplemental Indenture" and together with the Master Indenture, the "Indenture").

The Bonds bear interest at the rates per annum and mature on October 1 in each of the years and in the respective principal amounts set out as follows:

<u>Maturity Date</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Maturity Date</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>
2012	\$	%	2023		%
2013			2024		
2014			2025		
2015			2026		
2016			2027		
2017			2028		
2018			2029		
2019			2030		
2020			2031		
2021			2032		
2022					

The Bonds shall bear interest from the date of delivery. The first interest payment date shall be April 1, 2012, and semiannually thereafter on October 1 and April 1 in each year. The Bonds are dated as of the date of delivery. The Bonds are subject to redemption prior to maturity as provided in the Indenture and form of Bond.

In connection with the issuance of the Bonds, we have reviewed the Indenture and the federal tax certificate of the University dated the date hereof (the "Tax Certificate"), an opinion of counsel to the University, certificates of the University, the Trustee and others, and other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. We disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) by any parties other than the University and the due and legal execution and delivery thereof by any parties other than the University. We have not undertaken to verify independently, and have assumed, accuracy of the factual matters represented, warranted or certified in the documents referred to in the preceding paragraph. Furthermore, we have assumed compliance with the covenants and agreements contained in the Indenture and the Tax Certificate, including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Bonds to be included in gross income for federal income

tax purposes. We call attention to the fact that the rights and obligations under the Bonds, the Indenture and the Tax Certificate may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights generally and to the application of equitable principles. Finally, we express no opinion as to the Official Statement or other offering material relating to the Bonds. All capitalized terms used herein and not defined herein are used with the meaning assigned to such terms by the Indenture.

Subject to the foregoing, we are of the opinion that, under existing law:

1. Under the Constitution and laws of the State of Alaska, the University has the power to adopt the Resolution, enter into the Indenture and perform the agreements therein on its part contained and to issue the Bonds.

2. The Indenture has been duly authorized, executed and delivered and constitutes a valid and legally binding obligation of the University enforceable in accordance with its terms (subject, as to enforcement of remedies, to applicable bankruptcy, reorganization, insolvency, moratorium, or other laws affecting creditors' rights generally from time to time in effect).

3. The Bonds are valid and legally binding in accordance with their terms, have been executed by duly authorized persons, and constitute valid and legally binding special revenue obligations of the University, payable and enforceable in accordance with their terms and the terms of the Indenture. The Bonds do not constitute an indebtedness or liability of the State of Alaska or of any other subdivision thereof, except as a special obligation of the University as herein described.

4. Pursuant to the Act, the Indenture creates a valid lien on the Revenues pledged by the Indenture for the security of the Bonds on a parity with outstanding bonds previously issued under the Master Indenture and with Additional Bonds, if any, issued or to be issued under the Master Indenture subject to no prior lien granted under the Act.

5. Under existing laws, regulations, rulings and judicial decisions, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. However, interest on the Bonds is taken into account in determining "adjusted current earnings" for purposes of computing the alternative minimum tax imposed on certain corporations. The opinions set forth in this paragraph are subject to the condition that the University comply with all requirements of the Internal Revenue Code of 1986, as amended, and the regulations

applicable thereto, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The University has covenanted to comply with all applicable requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes to be retroactive to the date of issuance of the Bonds. We express no other opinion regarding other federal tax consequences relating to the ownership or disposition of, or the accrual or receipt of, interest on the Bonds.

6. Under existing law, interest on the Bonds is free from taxation by the State of Alaska except for transfer, estate and inheritance taxes, and except to the extent that inclusion of said interest in computing the federal alternative minimum tax imposed on corporations, as described above, may affect the corresponding provisions of the State of Alaska corporate income tax.

Except as expressly stated above, we express no opinion regarding any other federal or state income tax consequences of acquiring, carrying, owning or disposing of the Bonds. Owners of the Bonds should consult their tax advisor regarding the applicability of any collateral tax consequences of owning the Bonds, which may include original issue discount, original issue premium, purchase at a market discount or at a premium, taxation upon sale, redemption or other disposition, and various withholding requirements.

This opinion is given as of the date hereof, and we assume no obligation to update, revise or supplement this opinion or reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Sincerely,

WOHLFORTH, BRECHT,
CARTLEDGE & BROOKING

Cynthia L. Cartledge

CLC/snr

APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the University of Alaska (the "Issuer") in connection with the issuance of \$_____ University of Alaska General Revenue Bonds, 2011 Series Q (the "Bonds"). The Bonds are being issued pursuant to an Indenture dated as of June 1, 1992, as amended, between the Issuer and The Bank of New York Mellon Trust Company, N.A., as successor trustee (the "Trustee") and a Fourteenth Supplemental Indenture dated as of October 1, 2011, between the Issuer and the Trustee (together, the "Indenture"). The Issuer covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Beneficial Owners to assist the purchaser of the Bonds in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Accounting Principles" shall mean the accounting principles applied from time to time in the preparation of the Issuer's annual financial statements, which initially are generally accepted accounting principles as promulgated from time to time by the Governmental Accounting Standards Board of the Financial Accounting Foundation (or its successor).

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean the person in whose name a Bond is recorded as the beneficial owner of such Bond by the respective systems of The Depository Trust Company and each of the DTC's Participants or the registered owner of the Bond if the Bond is not then registered in the name of Cede & Co., as nominee of DTC.

"CEDE & Co." shall mean CEDE & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds.

"Commission" shall mean the Securities and Exchange Commission.

"DTC" shall mean The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and its successors and assigns.

"DTC Participant" shall mean trust companies, banks, brokers, dealers, clearing corporations, and certain other organizations that are participants of DTC.

"Disclosure Representative" shall mean the Controller of the Issuer, or his or her designee, or such other officer or employee as the Issuer shall designate in writing from time to time.

"Fiscal Year" shall mean any twelve-month period ending on June 30 or on such other date as the Issuer may designate from time to time.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"Tax-exempt" shall mean that interest on the Bonds is excluded from gross income for federal income tax purposes, whether or not such interest is includable as an item of tax preference or otherwise includable directly or indirectly for purposes of calculating any other tax liability, including any alternative minimum tax.

SECTION 3. Provision of Annual Reports.

(a) The Issuer shall, not later than December 15 of each year (the "Filing Date") (commencing in 2012 for the fiscal year ended June 30, 2012), provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate.

(b) If the Issuer is unable to provide to the MSRB an Annual Report by the Filing Date during the term of the Bonds, the Issuer will send a written notice of failure to file an Annual Report to MSRB.

SECTION 4. Content of Annual Reports. The Issuer's Annual Report shall contain or incorporate by reference the annual audited financial statement of the Issuer prepared in accordance with Generally Accepted Accounting Principles and financial information and operating data generally of the type included in the final official statement for the Bonds under the following headings:

- (a) SECURITY FOR THE BONDS - Table 2: Revenues Pledged to General Revenue Bonds (for previous fiscal year);
- (b) SECURITY FOR THE BONDS - Table 3: Combined Debt Service on General Revenue Bonds and Other Indebtedness (for current fiscal year);
- (c) GENERAL INFORMATION CONCERNING THE UNIVERSITY OF ALASKA - Table 5: On Campus Fall Enrollment (for previous fiscal year);
- (d) GENERAL INFORMATION CONCERNING THE UNIVERSITY OF ALASKA - Table 6: Student Applications and Enrollment (for previous fiscal year);
- (e) GENERAL INFORMATION CONCERNING THE UNIVERSITY OF ALASKA - Table 7: Student Tuition per Credit Hour (for current fiscal year);
- (f) GENERAL INFORMATION CONCERNING THE UNIVERSITY OF ALASKA - Table 8: Average Annual Full-Time Student Tuition and Fees (for current fiscal year);
- (g) GENERAL INFORMATION CONCERNING THE UNIVERSITY OF ALASKA - Table 9: Annual Student Room and Board and Total Undergraduate Educational Costs (for current fiscal year); and
- (h) GENERAL INFORMATION CONCERNING THE UNIVERSITY OF ALASKA - Table 11: Summary of State Appropriations (for current fiscal year).

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to the MSRB. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Issuer shall clearly identify each such other document so incorporated by reference.

SECTION 5. Reporting of Significant Events.

(a) The Issuer shall file with the MSRB a notice of any of the following events with respect to the Bonds, within ten (10) business days of the occurrence of such event:

- (1) Principal and interest payment delinquencies.
- (2) Unscheduled draws on debt service reserves reflecting financial difficulties.
- (3) Unscheduled draws on credit enhancements reflecting financial difficulties.
- (4) Substitution of credit or liquidity providers, or their failure to perform.
- (5) Adverse tax opinions or events affecting the tax-exempt status of the Bonds which include (i) the issuance by the Internal Revenue Service ("IRS") of proposed or final determinations of taxability, (ii) Notices of Proposed Issues (IRS Form 5701-TEB), (iii) other material notices or determinations with respect to the Bonds, and (iv) other events affecting the tax status of the Bonds.
- (6) Defeasances.
- (7) Rating changes.
- (8) Tender offers.
- (9) Bankruptcy, insolvency, receivership or similar proceeding by the Issuer or "obligated person."

(b) The Issuer shall file with the MSRB a notice of any of the following events with respect to the Bonds, within ten (10) business days of the occurrence of such event, if material:

- (1) Nonpayment-related defaults.
- (2) Modifications to rights of holders of the Bonds.
- (3) Bond calls, other than mandatory, scheduled redemptions not otherwise contingent on the occurrence of an event.

(4) Release, substitution or sale of property securing repayment of the Bonds.

(5) Other than in the normal course of business, the consummation of a merger, consolidation, or acquisition involving an "obligated person," or the sale of all or substantially all of the assets of the Issuer or "obligated person," or the entry into a definitive agreement to undertake such an action, or a termination of a definitive agreement relating to any such actions, other than in accordance with its terms.

(6) Appointment of a successor or additional trustee or the change in name of the trustee for the Bonds.

SECTION 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance (if notice is given as provided above), prior redemption or payment in full of all of the Bonds. Further, the Issuer's obligations hereunder shall be null and void if the Issuer (1) obtains an opinion of nationally recognized bond counsel to the effect that portions of this undertaking are invalid, have been repealed retroactively or otherwise do not apply to the Bonds, and (2) notifies the MSRB of such opinion and the cancellation of this undertaking, or any portion hereof, and the MSRB is provided with a copy of such opinion.

SECTION 7. Filing Alternatives. Any filing required under the terms of this Disclosure Certificate may be made solely by transmitting such filing to the Electronic Municipal Market Access as provided at <http://www.emma.msrb.org>, or in such other manner as may be permitted from time to time by the SEC.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate without the consent of the Beneficial Owners of the Bonds, and any provision of this Disclosure Certificate may be waived without the consent of the Beneficial Owners of the Bonds, provided (i) such amendment or waiver is supported by an opinion of nationally recognized bond counsel to the effect that such amendment, or waiver does not materially impair the interests of the Beneficial Owners of the Bonds; (ii) the undertakings governed by this Disclosure Certificate would have complied with the requirements of the Rule as of the date hereof, after taking into account any amendments or interpretations of the Rule, as well as any changes in circumstances; (iii) the amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identify, nature or

status of the Issuer; and (iv) notice is provided to the MSRB of such opinion and the MSRB is provided with a copy of such opinion.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in an Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any Bondholder or Beneficial Owner of a Bond may compel compliance by specific performance. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel specific performance.

SECTION 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: October __, 2011

UNIVERSITY OF ALASKA

JOSEPH TRUBACZ
Vice President for Finance and Administration
and Chief Financial Officer

Unrestricted Endowments Pending Expenditure Authority Delegation

December 31, 2010

Fund #	Fund Name	Date Created	Date Trasferred	Original Gift	Accumulated		Spendable
					Earnings	Total Value	
89933	Alaska Flag Song	April 3, 1960	June 13, 1985*	0	6,246.68	6,246.68	989.51
89934	Fairbanks Community Hotel	October 1, 1955	June 13, 1985*	11,895.74	10,769.40	22,665.14	11,748.19
89935	Eugene McCracken	June 26, 1969	June 13, 1985*	58,185.34	34,350.55	92,535.89	3,827.04
89936	McIntosh, John A	July 28, 1955	June 13, 1985*	123,391.87	102,069.84	225,461.71	61,090.50
89938	Thomas McKinnon	July 26, 1961	June 13, 1985*	327,942.74	(10,969.63)	316,973.11	12,163.15
89939	Laura & A.F. Mathis	December, 1964	June 13, 1985*	24,273.29	11,811.02	36,084.31	15,823.60
89940	James Pike Memorial	August 20, 1966	June 13, 1985*	317,891.39	36,037.15	353,928.54	17,409.83
89941	Thomas I. Ek	June 21, 1974	June 13, 1985*	5,000.00	4,526.85	9,526.85	4,940.52
89946	Andrew Nerland	July 1, 1959	June, 1981*	<u>21,106.68</u>	<u>19,535.36</u>	<u>40,642.04</u>	<u>4,801.20</u>
				889,687.05	214,377.22	1,104,064.27	132,793.54
80001	Edby Davis	September 1, 1975	9/1/1975**	<u>76,888.41</u>	<u>70,233.08</u>	<u>147,121.49</u>	<u>3,639.48</u>
				76,888.41	70,233.08	147,121.49	3,639.48
				<u>966,575.46</u>	<u>284,610.30</u>	<u>1,251,185.76</u>	<u>136,433.02</u>

* Gift was to the University of Alaska but was transferred to the Foundation under Regents Policy 05.14.01 Motion provides formal authority for University President's spending authority.

** Gift was to the University of Alaska but was received by the Foundation under Regents Policy 05.14.01 BOT has designated these funds to be used as directed by the Board of Trustees. Motion provides formal authority for University President's spending authority.

University of Alaska Foundation
 Development Report
 Giving Overview - Master
 Section 1

Fundraising Progress
 FY11 (July 1 to June 30)

	FY06	FY07	FY08	FY09	FY10	FY11 Goal	YTD Actual
UAA	\$5,315,355	\$3,778,259	\$22,714,487	\$15,080,120	\$6,054,845	\$9,330,000	\$10,371,708
UAF**	\$4,548,682	\$6,573,432	\$6,386,583	\$5,166,640	\$6,186,988	\$6,000,000	\$20,843,493
UAS	\$229,846	\$933,445	\$411,202	\$319,587	\$266,034	\$850,000	\$706,068
UA System	\$7,754,763	\$11,366,769	\$734,119	\$8,380,464	\$3,657,321	\$2,000,000	\$2,974,436
Total	\$17,848,646	\$22,651,905	\$30,246,391	\$28,946,811	\$16,165,188	\$18,180,000	\$34,895,705

** Excludes KUAC giving

FY11 Private Fundraising Goals
 July 1 to June 30

	Student Support		Program Support		Faculty Support		Capital Projects		General Support		Totals	
	Goal	YTD Actual	Goal	YTD Actual	Goal	YTD Actual	Goal	YTD Actual	Goal	YTD Actual	Goal	YTD Actual
UAA		\$972,383		\$2,786,601		\$3,743,520		\$35,446		\$2,833,758		\$10,371,708
UAF		\$1,275,947		\$2,001,552		\$1,000		\$350		\$17,564,644		\$20,843,493
UAS		\$509,719		\$54,785		\$0		\$56,346		\$85,218		\$706,068
SW		\$832,968		\$26,151		\$0		\$0		\$2,115,317		\$2,974,436
Total	\$0	\$3,591,017	\$0	\$4,869,089	\$0	\$3,744,520	\$0	\$92,142	\$0	\$22,598,937	\$0	\$34,895,705
% of Total	0.0%	10.3%	0.0%	14.0%	0.0%	10.7%	0.0%	0.3%	0.0%	64.8%		

University of Alaska Foundation
 Development Report
 Private Fundraising Summary - Master
 Section 2

Donor Progress
 FY11 (July 1 to June 30)

	FY06	FY07	FY08	FY09	FY10	FY11 Goal	FY11 Actual	# Addressable records+	Participation Rate	Non Addressable Records
Total**	3,306	4,437	4,787	4,460	5,324	7,460	5,732	129,565	4.42%	13,625
Individuals	2,856	3,994	4,279	3,949	4,753		5,066	122,534	4.13%	12,273
Alumni	1,617	2,616	2,529	2,245	2,682		2,738	66,804	4.10%	5,782
Faculty/Staff*	n/a	n/a	463	525	520		510	16,758	3.04%	919
Friends	1,228	1,239	1,378	1,287	1,179		1,818	38,972	4.66%	5,572
Organizations	450	443	508	511	571		666	7,031	9.47%	1,352
Corporations	n/a	n/a	343	325	314		420	4,493	9.35%	608
Foundations	n/a	n/a	50	33	38		49	304	16.12%	27
Other	n/a	n/a	115	153	219		197	2,234	8.82%	717

* Faculty/Staff that are alumni of the University of Alaska are reflected under the alumni category

** Excludes KUAC donors

+ Determined as of report date

Alumni Participation Rate by Undergraduate-Degreed Alumni (Public Institutions)

	National Comparison		2010 (7/1/2009 to 6/30/2010)			2011 (7/1/2010 to 6/30/2011)		
	2008	2009	UAA	UAF	UAS	UAA	UAF	UAS
Research/Doctoral	10.50%	9.40%	n/a	n/a	n/a	53.85%	4.75%	16.67%
Master's	5.50%	4.70%	n/a	n/a	n/a	8.31%	4.03%	1.68%
Baccalaureate	8.40%	7.60%	n/a	n/a	n/a	5.23%	2.71%	1.48%
Associates	1.80%	1.30%	n/a	n/a	n/a	2.69%	0.80%	0.66%
Total	6.55%	5.75%	5.90%	3.90%	1.30%	5.18%	2.07%	1.11%

Board of Regents
Phone: (907) 450-8010
Fax: (907) 450-8012
EMAIL: sybor@alaska.edu
www.alaska.edu/bor/



202 Butrovich Building
910 Yukon Drive
P.O. Box 755300
Fairbanks, AK 99775-5300

REPORT OF ACTIONS BY THE BOARD OF REGENTS

At a meeting of the Board of Regents of the University of Alaska, held in Juneau, Alaska on the 23rd day of September 2011 with a quorum present, it was voted that:

Those persons occupying the following positions among the officers of the University of Alaska, shall be known as the Managerial Group as described in the "Industrial Security Manual of Safeguarding Classified Information."

<u>Name</u>	<u>Position</u>
Patrick K. Gamble	Chief Executive and President, University of Alaska Statewide System
Thomas R. Case	Chancellor, University of Alaska Anchorage
Brian D. Rogers	Chancellor, University of Alaska Fairbanks
Mark Myers	Vice Chancellor for Research, University of Alaska Fairbanks
Rosanne Bailey	Facility Security Officer, University of Alaska Fairbanks

The Chief Executive and members of the Managerial Group have been processed, or will be processed, for a personnel clearance for access to classified information to the level of the facility clearance granted to this institution, as provided for in the aforementioned Industrial Security Manual. That the said Managerial Group is hereby delegated the board's duties and responsibilities pertaining to the protection of classified information under classified contractors of the Department of Defense or User Agencies of the Industrial Security Program awarded to the University of Alaska. That the following named officers and members of the Board of Regents shall not require, shall not have, and can be effectively excluded from, access to all classified information in the possession of the University of Alaska, and do not occupy positions that would enable them to affect adversely the policies and practices of the University of Alaska in the performance of classified contracts for the Department of Defense or User Agencies of its Industrial Security Program, awarded to the University of Alaska, and need not be processed for a personnel clearance:

Board Members:

Timothy C. Brady	Fuller Cowell	Kenneth J. Fisher
Mari B. Freitag	Jyotsna Heckman	Mary K. Hughes
Patricia Jacobson	Carl Marrs	Robert R. Martin
Michael Powers	Kirk Wickersham	

Principal Officers of UA

John R. Pugh, Chancellor, UA Southeast
Roger Brunner, General Counsel
Daniel J. Julius, Vice President for Academic Affairs
Carla Beam, Vice President for University Relations
Joseph Trubacz, Vice President for Finance and Administration
James Lynch, Associate Vice President for Finance
Michael Driscoll, Provost, UA Anchorage
Susan Henrichs, Provost, UA Fairbanks
Richard Caulfield, Provost, UA Southeast
William Spindle, Administrative Services Vice Chancellor, UA Anchorage
Karen P. Pitney, Administrative Services Vice Chancellor, UA Fairbanks
Carol Griffin, Administrative Services Vice Chancellor, UA Southeast

IN WITNESS WHEREOF we have signed this instrument.

Fuller Cowell, Chair

Date

Robert R. Martin, Secretary

Date

UAF-UAA Joint Ph.D. Program in Clinical-Community Psychology



Mission Statement

The PhD Program in Clinical-Community Psychology is designed to create scientist-practitioners who join theory, practice, and research to meet the behavioral health needs and to improve the wellbeing of Alaskan, rural, circumpolar, and culturally diverse peoples and communities. The program integrates clinical and community psychology and focuses on applications of rural, indigenous, and cultural psychology for the benefit of all people.

History – Needs in Alaska

The need for doctorally-trained mental health professionals exists has been documented for Alaska:

- ❖ Suicide rates are the highest in the nation
- ❖ Injuries and alcohol-related death are some of the highest causes of death
- ❖ Alcohol dependence and abuse rates rank 5th highest in nation
- ❖ Rates of mental illness are 7th highest in the nation
- ❖ Leading causes of death (i.e., cancer, heart disease) have strong behavioral links, such as smoking, alcohol, diet and physical activity

History – Demand for Psychologists

The supply of doctorally-trained psychologists is extremely low, as document via careful needs assessments in the early 2000s:

- ❖ Few psychologist are trained to work in rural areas of any state
- ❖ Few psychologist are trained to work with any indigenous peoples
- ❖ Few psychologist relocate to rural areas
 - ❖ US Rural areas: approximately 1 psychologist per 10,000 people
 - ❖ US Rural areas: 85% of federally designated mental health professional shortage areas
- ❖ Few current psychologists currently are Alaska Native or American Indian

History – Approval Process to Date

The program was approved by the Board of Regents in June 2005; major milestones are as follows:

- ❖ Fall 2004: College-level curriculum board approvals at UAF and UAA
- ❖ January 2005: Graduate-school-level approvals at UAF and UAA
- ❖ March 2005: UAF and UAA faculty senate approvals
- ❖ June 22, 2005: BoR approval of the program for joint award by UAF and UAA
- ❖ February 2006: Initial NWCCU submission; denied joint diploma
- ❖ April 2006: Revised NWCCU submission deleted joint award and was approved
- ❖ March 2006: Planning begins for UAA action to realize a joint degree award through the relevant campus-level NWCCU processes
- ❖ April 2011: Joint award of the degree is provided for by the Academic Master Plan approved by the BoR

Program Design – Need-Based

Alaska needed a psychology PhD program that:

- ❖ joins the resources and skills of UAA and UAF
- ❖ prepares doctorally-trained psychologists to address and meet the key areas of need:
 - ❖ rural/indigenous issues
 - ❖ community-clinical combination to address intervention and prevention
 - ❖ applied research skills to support local agencies striving to meet the requirements of funding agencies
- ❖ addresses external influences on curriculum
 - ❖ APA accreditation
 - ❖ State licensing requirements

Program Design – Joint Nature

The Psychology PhD program joins forces, resources, and skills of UAA and UAF through:

- Creation of a third entity, the program, that supersedes the UAF and UAA Departments of Psychology
- Co-leadership and joint administration at all levels
- Joint programmatic and policy decision-making by the UAA and UAF core faculty
- Equal representation of UAA and UAF on all program committees
- Joint appointment of program core faculty at both campuses
- Single, unified student body regardless of residences
- Full-time residence of students either at UAF or UAA
- Joint award of degree

Major Milestones to Date

- ❖ Fall 2006 to present: Successful core faculty recruitments have been completed at both campuses
- ❖ Fall 2006 to present: Complete student cohorts have been admitted yearly (4 students per year at UAA and up to 4 at UAF)
- ❖ FY2007: Legislature provides \$268K operating budget per campus and \$3.75M (UAA) and \$1M (UAF) in capital funds to support the program.
- ❖ August 2010: The first student graduated from the program
- ❖ August 2011: The second student graduated from the program
- ❖ February 2011: A self-study was submitted to the American Psychological Association in application for professional program accreditation
- ❖ August 2011: APA approved the program for an accreditation site visit in fall 2011

Major Accomplishments – Summary

- ❖ The program has won local and national recognition
- ❖ The program has successfully recruited six diverse cohorts of students
- ❖ Students in the program have made major contributions to the university and community
- ❖ Faculty in the program have made significant contributions to the university, profession, and research literature

Major Accomplishments – Program Recognition

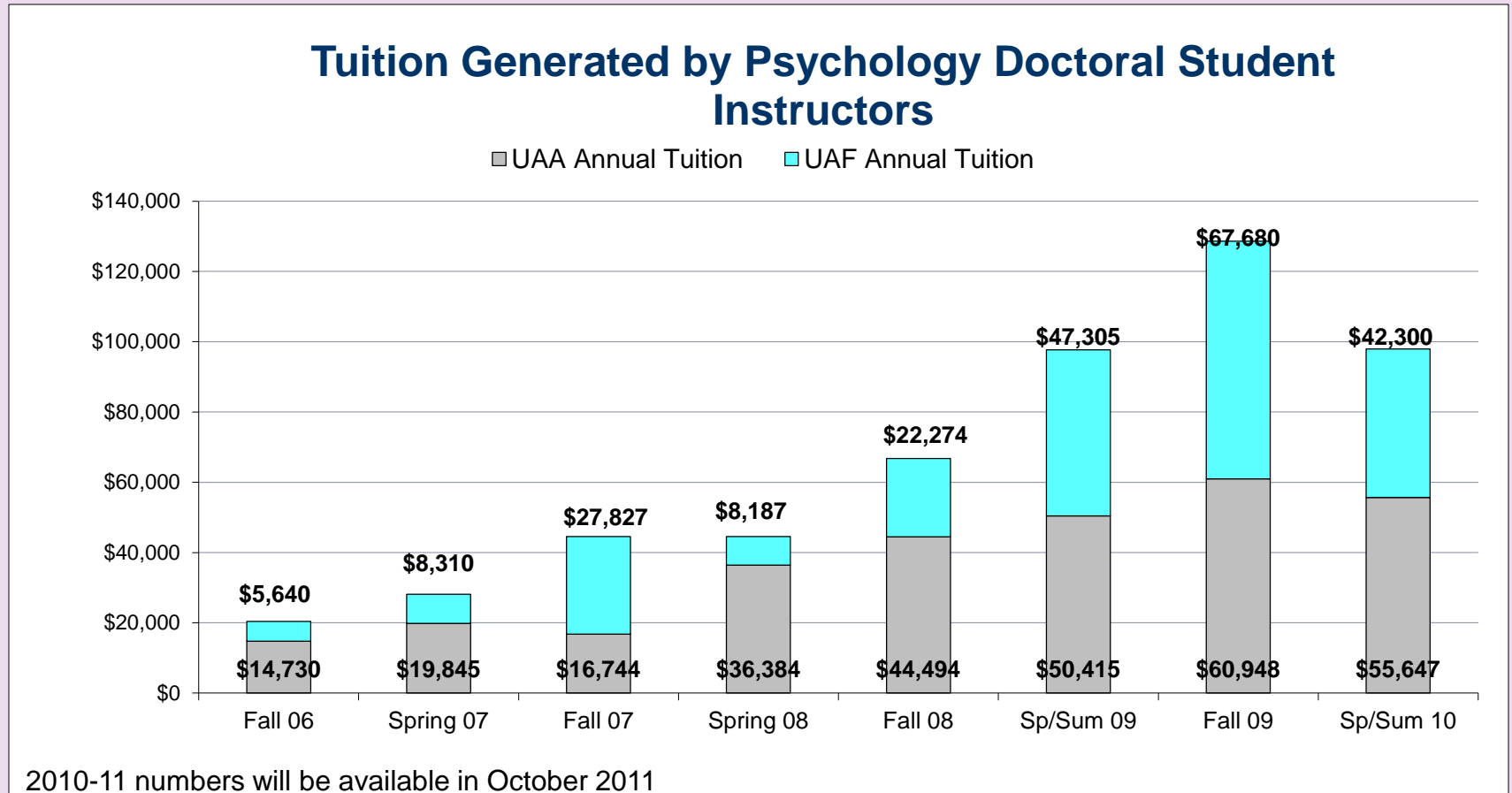
Despite its newness the program has been recognized locally and nationally:

- ❖ Accepted by WICHE as a *Western Regional Graduate Program*
- ❖ Award as an innovative and exceptional rural workforce program by the *Annapolis Coalition on the Behavioral Health Workforce*
- ❖ Recognition of the founding Program Directors by the *Alaska Psychological Association* for the development of the PhD Program in Clinical-Community Psychology

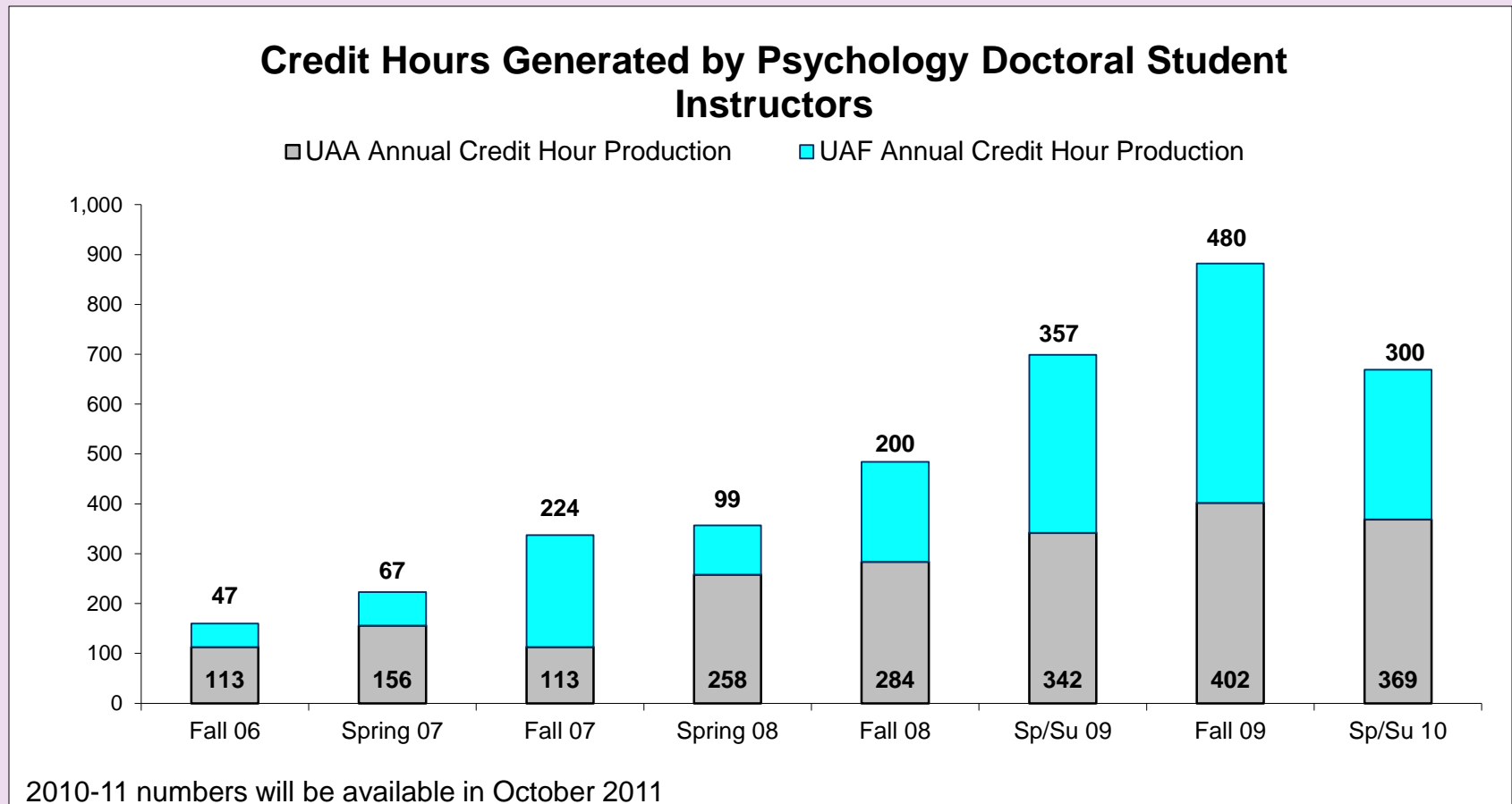
Major Accomplishments – Student Recruitment

Gender	n	%
<i>Female</i>	42	75%
<i>Male</i>	14	25%
Race/Ethnicity		
African American	1	3%
Alaska Native / Native American	9	19%
Caucasian – no other special class	29	52%
Caucasian – special class (e.g., LGBTQ, foreign national)	7	12%
Hispanic / Latino	5	9%
Multiethnic	5	9%
Previous Education		
Undergraduate	38	68%
Graduate Degree	18	32%
Residency		
Alaska Resident	44	79%
Non-Alaska Resident	12	21%
Overall	56	100%

Major Accomplishments – Student Contributions

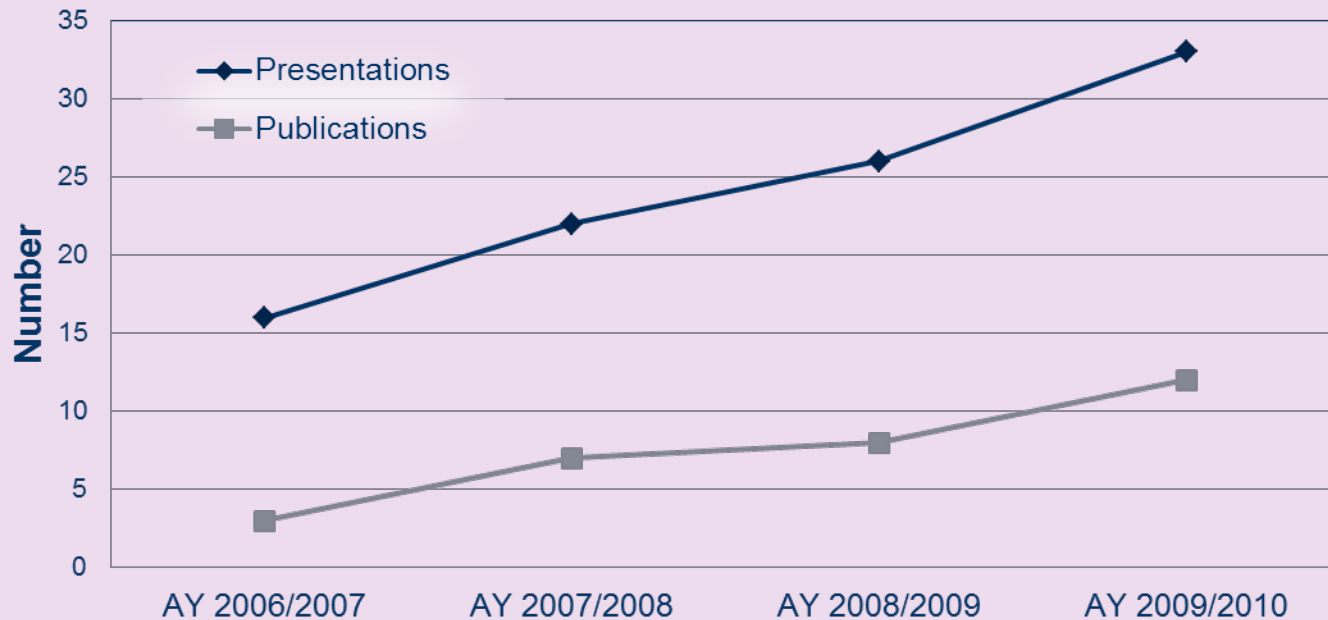


Major Accomplishments – Student Contributions



Major Accomplishments – Student Contributions

Publications and Presentations by Psychology Doctoral Students



2010-11 numbers will be available in October 2011

Major Accomplishments – Faculty Contributions

Faculty contributions have been extraordinary in several realms:

- ❖ High publication productivity
- ❖ Excellent success in securing extramural funding
- ❖ Outstanding involvement in professional service
- ❖ Strong commitment to student success and mentoring
- ❖ Receipt of national awards and recognition
- ❖ Strong teaching and clinical supervision record

The Future

- ❖ Seeking APA Accreditation
- ❖ Seeking degree-granting status for UAA
- ❖ Contributing to the state of Alaska through internship and job placements of students
- ❖ Producing more grants that bring visibility to the University of Alaska campuses in Fairbanks and Anchorage
- ❖ Meeting the behavioral health needs of Alaska

Contact Information

- ❖ Joint Website: <http://psyphd.alaska.edu>
- ❖ Program Director for Accreditation: Christiane Brems, Ph.D., ABPP
- ❖ UAA PD: James Fitterling, Ph.D. (as of July 1, 2011)
- ❖ UAF PD: Jason Whipple, Ph.D. (as of July 1, 2011)
- ❖ UAA Program Coordinator: Anissa Hauser
- ❖ UAF Program Coordinator: Cathy Morgan
- ❖ UAA: 907.786.1640
psychphd@uaa.alaska.edu
- ❖ UAF: 907.474.7012
fypsyphd@uaf.edu



Board of Regents Program Action Request
University of Alaska
Proposal to Add, Change, or Delete a Program of Study

1a. Major Academic Unit UAF	1b. School or College CRCDC CTC	1c. Department Paramedicine																																								
2. Complete Program Title Associate of Applied Science, Paramedicine																																										
3. Type of Program																																										
<input type="checkbox"/> Undergraduate Certificate <input checked="" type="checkbox"/> AA/AAS <input type="checkbox"/> Baccalaureate <input type="checkbox"/> Post-Baccalaureate Certificate <input type="checkbox"/> Master's <input type="checkbox"/> Graduate Certificate <input type="checkbox"/> Doctorate																																										
4. Type of Action		5. Implementation date (semester, year)																																								
<input checked="" type="checkbox"/> Add <input type="checkbox"/> Change <input type="checkbox"/> Delete		Fall 2011																																								
6. Projected Revenue and Expenditure Summary. Not Required if the requested action is deletion. (Provide information for the 5 th year after program or program change approval if a baccalaureate or doctoral degree program; for the 3 rd year after program approval if a master's or associate degree program; and for the 2 nd year after program approval if a graduate or undergraduate certificate. If information is provided for another year, specify (1st) and explain in the program summary attached). Note that Revenues and Expenditures are not always entirely new; some may be current (see 7d.)																																										
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: left;">Projected Annual Revenues in FY 12</th> <th colspan="2" style="text-align: left;">Projected Annual Expenditures in FY 12</th> </tr> </thead> <tbody> <tr> <td colspan="2">Unrestricted</td> <td>Salaries & benefits (faculty and staff)</td> <td>\$265,700</td> </tr> <tr> <td>General Fund</td> <td>\$217,900</td> <td>Other (commodities, services, etc.)</td> <td>\$106,320</td> </tr> <tr> <td>Student Tuition & Fees</td> <td>\$160,725</td> <td>TOTAL EXPENDITURES</td> <td>\$372,000</td> </tr> <tr> <td>Indirect Cost Recovery</td> <td>\$0</td> <td>One-time Expenditures to Initiate Program (if >\$250,000)</td> <td></td> </tr> <tr> <td>TVEP or Other (specify):</td> <td>\$0</td> <td>(These are costs in addition to the annual costs, above.)</td> <td></td> </tr> <tr> <td>Restricted</td> <td></td> <td>Year 1</td> <td>\$0</td> </tr> <tr> <td>Federal Receipts</td> <td>\$0</td> <td>Year 2</td> <td>\$0</td> </tr> <tr> <td>TVEP or Other (specify):</td> <td>\$0</td> <td>Year 3</td> <td>\$0</td> </tr> <tr> <td>TOTAL REVENUES</td> <td>\$378,625</td> <td>Year 4</td> <td>\$0</td> </tr> </tbody> </table>			Projected Annual Revenues in FY 12		Projected Annual Expenditures in FY 12		Unrestricted		Salaries & benefits (faculty and staff)	\$265,700	General Fund	\$217,900	Other (commodities, services, etc.)	\$106,320	Student Tuition & Fees	\$160,725	TOTAL EXPENDITURES	\$372,000	Indirect Cost Recovery	\$0	One-time Expenditures to Initiate Program (if >\$250,000)		TVEP or Other (specify):	\$0	(These are costs in addition to the annual costs, above.)		Restricted		Year 1	\$0	Federal Receipts	\$0	Year 2	\$0	TVEP or Other (specify):	\$0	Year 3	\$0	TOTAL REVENUES	\$378,625	Year 4	\$0
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Page # of attached summary where the budget is discussed, including initial phase-in:																																										
7. Budget Status. Items a., b., and c. indicate the source(s) of the General Fund revenue specified in item 6. If any grants or contracts will supply revenue needed by the program, indicate amount anticipated and expiration date, if applicable.																																										
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8. Facilities: New or substantially (>\$25,000 cost) renovated facilities will be required. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No																																										
If yes, discuss the extent, probable cost, and anticipated funding source(s), in addition to those listed in sections 6 and 7 above.																																										
9. Projected enrollments (headcount of majors). If this is a program deletion request, project the teach out enrollments.																																										
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Page number of attached summary where demand for this program is discussed: Page 2																																										

¹Sometimes the courses required by a new degree or certificate program are already being taught by an MAU, e.g., as a minor requirement. Similarly, other program needs like equipment may already be owned. 100% of the value is indicated even though the course or other resource may be shared.

10. Number* of new TA or faculty hires anticipated (or number of positions eliminated if a program deletion):

Graduate TA	0
Adjunct	0
Term	1.5 FTE (current)
Tenure track	0

11. Number* of TAs or faculty to be reassigned:

Graduate TA	0
Adjunct	0
Term	0
Tenure track	0

Former assignment of any reassigned faculty:
For more information see page _____ of the attached summary.

12. Other programs affected by the proposed action, including those at other MAUs (please list):

Program Affected	Anticipated Effect	Program Affected	Anticipated Effect
None			
None			

Page number of attached summary where effects on other programs are discussed: Not Applicable

13. Specialized accreditation or other external program certification needed or anticipated. List all that apply or 'none': The UAF Paramedic Program is nationally accredited through the Commission on Accreditation of Allied Health Education Programs (CAAHEP).

14. Aligns with University or campus mission, goals, core themes, and objectives (list):

- Responsiveness to State needs
- Increase the types of healthcare providers
- Educational Quality
- Workforce Training

Page in attached summary where alignment is discussed:

15. State needs met by this program (list): According to the Alaska Department of Labor and Workforce Development, a 26% increase is projected for Paramedic and Emergency Medical Technicians positions.

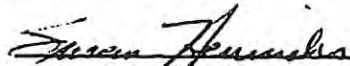
Page in the attached summary where the state needs to be met are discussed: page 1

16. Program is initially planned to be: (check all that apply)

- Available to students attending classes at UAF campus(es).
 Available to students via e-learning.
 Partially available students via e-learning.

Page # in attached summary where e-learning is discussed: N/A

Submitted by the University of Alaska Fairbanks with the concurrence of its Faculty Senate.

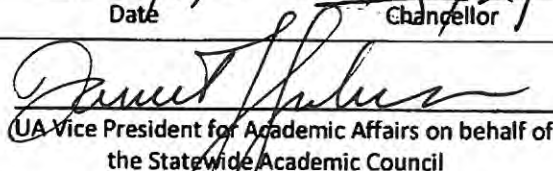

Provost

May 31, 2011
Date


Chancellor

6/3/11
Date

- Recommend Approval
 Recommend Disapproval


UA Vice President for Academic Affairs on behalf of
the Statewide Academic Council

9/7/11
Date

- Recommend Approval
 Recommend Disapproval

Chair, Academic and Student Affairs Committee

Date

- Recommend Approval
 Recommend Disapproval

UA President

Date

- Approved
 Disapproved

Chair, Board of Regents

Date

*Net FTE (full-time equivalents). For example, if a faculty member will be reassigned from another program, but his/her original program will hire a replacement, there is one net new faculty member. Use fractions if appropriate. Graduate TAs are normally 0.5 FTE. The numbers should be consistent with the revenue/expenditure information provided.

Attachments: Summary of Degree or Certificate Program Proposal

Other (optional)

BRIEF STATEMENT OF PROPOSED PROGRAM **Paramedicine AAS**

Program Goals

1. Brief identification of objectives and subsequent means for their evaluation

This program is currently offered as a concentration (“Emergency Medical Services”) within the Emergency Services AAS degree program (which also encompasses fire science options). However, there is little overlap in the degree requirements for student firefighters and student paramedics, and the options already operate separately in terms of faculty, admissions process, student advising, and other matters. The main reason for the request to establish a separate degree program is that a significant number of students want to pursue *both* a fire science AAS and a paramedicine AAS. Normal academic rules do not permit the award of two options within one degree, so currently UAF must make special exceptions to allow these students to graduate.

The Mission Statement of the Paramedic Program is to educate paramedic students to be competent entry-level paramedics. The program strives to produce paramedics with outstanding clinical abilities who will be prepared to enter the health professions workforce and be eligible for National certification and an Alaska paramedic license.

To reach the goal of the mission statement the following objectives will be met by the paramedic students at the end of this educational program:

Cognitive Domain: Upon completion of the program students will demonstrate the ability to comprehend, apply and evaluate clinical information to their role as paramedics. (Assessments: exam, quiz and class assignment scores)

Psychomotor Domain: Upon completion of the program the student will demonstrate the technical proficiency in all skills necessary to fulfill their role as a paramedic. (Assessments: skill sheets, preceptor evaluations (including evaluation of run reports) review of clinical logs)

Affective Domain: Upon completion of the program the student will demonstrate personal behaviors consistent with professional and employer expectations for a paramedic. (Assessments: professional behavior assessment, preceptor evaluations)

2. Relationship of program objectives to purposes of the University

The University has a long-standing interest in educating individuals to meet workforce needs in Alaska. Paramedics work for fire departments, hospitals, flight services and other entities engaged in emergency medicine. Further, the Strategic Plan 2010 seeks to increase participation in experiential learning. The proposed Emergency Medical Services AAS includes experiential learning in each of the practicum courses — a total of 36 credit hours. The proposed AAS is also related to objectives in UAF Vision 2017, including:

- Emphasize development of career and employability skills throughout UAF curriculum with active involvement of potential employers.
- Identify career pathways and clusters appropriate to all UAF programs, consistent with U.S. Department of Labor categories.
- Ensure basic competencies of all UAF students in communication, computation and critical thinking.

In addition, the proposed AAS is part of a career ladder that begins with tech-prep courses in high school (including a health careers track at Hutchison High School) and continues with the paramedic academy, the AAS in Paramedicine, and the Bachelor's of Emergency Management.

3. Occupational and other competencies to be achieved

Fulfill didactic and clinical competency requirements for students to sit for national paramedic exam and become licensed paramedics

Ensure basic competencies of all UAF students in communication, computation and critical thinking.

4. Demand for the program and its graduates

Under its current name (Emergency Medical Services option under the Emergency Services AAS degree) the program enrolls its maximum cohort of 12-13 new students each year, and has a total headcount of 25 students. Enrollment is limited by available facilities, equipment, and faculty. The EMS option has special admission requirements (see below) and only well-qualified students are admitted.

The program is currently nationally accredited through the Commission on Accreditation of Allied Health Education Programs. Following successful completion of the program's required course work, students are eligible to take the National Registry Examination for certification as a paramedic. Once nationally certified, the student is eligible to apply for licensure as a paramedic in the State of Alaska. Entry level positions for paramedics are in an ambulance within a 911 emergency response system or in a non-emergency transport service. Paramedics may also be found working in doctors' offices, urgent care clinics, hospital emergency rooms, intensive care units, laboratories, aero medical transport services, and safety departments in corporate or industrial settings. According to the Alaska Department of Labor and Workforce Development Occupational Table (September 2010), robust growth (more than 21% increase) is projected for Paramedic and Emergency Medical Technician positions over the next decade. The 2009 Alaska Health Workforce Vacancy Study indicated a 44% vacancy rate for paramedic occupations statewide.

Proposed Catalog Layout:

Paramedicine

College of Rural and Community Development
Community and Technical College

907-455-2853

www.etc.uaf.edu/programs/emergency/

A.A.S. Degree

Minimum Requirements for Degree: 69 - 73 credits

The UAF Paramedicine program offers students excellent didactic instruction, clinical experiences, state of the art simulation labs, and practical vocational experience for the student seeking to become a paramedic. Upon completion of the program, the paramedic graduate will demonstrate competency

in the following terminal objectives:

1. Be able to safely manage the scene of an emergency.
2. Apply the basic concepts of development, pathophysiology and pharmacology to assessment and management of emergency patients.
3. Establish and/or maintain a patent airway, oxygenate and ventilate a patient.
4. Integrate pathophysiological principles and assessment findings to formulate a field impression and implement a treat plan for:
 - the trauma patient
 - the medical patient
 - neonatal, pediatric, and geriatric patients, diverse patients, and chronically ill patients
 - patients with common complaints
5. Take a proper history and perform a comprehensive physical exam on any patient, and communicate the findings to others.
6. Be able to properly administer medications.
7. Be able to communicate effectively with patients.
8. Complete a comprehensive paramedic examination with a minimum score of 80%.

At the completion of the paramedic course, students are able to participate in the national paramedic exam. After receiving their national certification, students can apply for their paramedic license through the Alaska State Medical Board.

Special admission requirements include:

The applicant completes an application prior to being admitted into the paramedic course. The applications are reviewed by the program's medical director and advisory board. This application process ensures the applicants selected do not have a background of criminal activity which would inhibit them from being licensed in the state.

Other special requirements are:

- Current EMT-basic certification: EMS 170, "Emergency Medical Technician 1."
- Complete HLTH 114, "Fundamentals of Anatomy and Physiology."

Major-- A.A.S. Degree
Paramedicine

1. Complete the general university requirements.
2. Complete the A.A.S. degree requirements.
3. Complete the following program (major) requirements: *
 - EMS F170--EMT: Emergency Medical Technician 1--6 credits
 - EMS F181--Clinical Rotation 1--4 credits
 - EMS F183--Clinical Rotation 11--4 credits
 - EMS F280--Paramedicine 1--12 credits
 - EMS F282--Paramedicine 11--12 credits
 - EMS F283--Paramedic Internship--12 credits
 - HLTH F114--Fundamentals of Anatomy and Physiology (4)
 - or BIOL F111X and F112X--8 credits
4. Minimum credits required: 69 -73 credits

*Student must earn a C (2.0) grade or better in each course.

Budget Resource Commitment Form

Resources	Existing	New		Total
	College/School	College/School	Others (Specify)	
Regular Faculty (FTE's & dollars)	1.5 FTE \$159,808	0		1.5FTE \$159,808
Adjunct Faculty (FTE's & dollars)	1.82 FTE \$53,286	0		1.82 FTE \$53,286
Program Assistants (Headcount)	6	0		6
Instructional Facilities (in dollars and/or sq. footage)	1,640 sq. ft.	0		1,640 sq. ft.
Office Space (Sq. footage)	771 sq. ft.	0		771 sq. ft.
Lab Space (Sq. Footage)	843 sq. ft.	0		843 sq. ft.
Computer & Networking (in dollars)	\$12,320	0		\$12,320
Research/ Instructional/ office Equipment (in dollars)	\$49,000	0		\$49,000
Support Staff (in dollars)	\$39,942	0		\$39,942
Supplies (in dollars)	\$38,435	0		\$38,435
Travel (in dollars)	\$6,565	0		\$6,565

The UAF Faculty Senate passed the following at Meeting #174 on April 4, 2011:

MOTION: The UAF Faculty Senate moves to approve the A.A.S. in Paramedicine.

EFFECTIVE: Fall 2012
Upon Board of Regents approval.

RATIONALE: See the full program proposal, #38-UNP from the Fall 2010 review cycle, on file in the Governance Office, 312B Signers' Hall.

Requires 69-73 credits comprised of A.A.S. degree requirements, and 6 credits for Emergency Medical Technician, 8 credits in Clinical Rotation, 24 credits in Paramedicine, 12 credits in Paramedic Internship, and 8 credits in Anatomy and Physiology and/or Biology core courses.

 4 Apr
President, UAF Faculty Senate Date

APPROVAL: 
Chancellor's Office

DATE: April 4, 2011

DISAPPROVED: _____
Chancellor's Office

DATE: _____



SCHEMATIC DESIGN APPROVAL

Name of Project: PWSCC Wellness Center/Campus Renewal

Location of Project: UAA PWSCC, Valdez, AK

Project Number: 07-0044

Date of Request: September 22, 2010

Total Project Cost: \$5,000,000

Approval Required: Schematic Design Approval

Prior Approvals:

Prior Approvals/Actions:

Preliminary Administrative Approval: November 2009

Project Agreement: November 18, 2010

Formal Project Approval: December 10, 2010

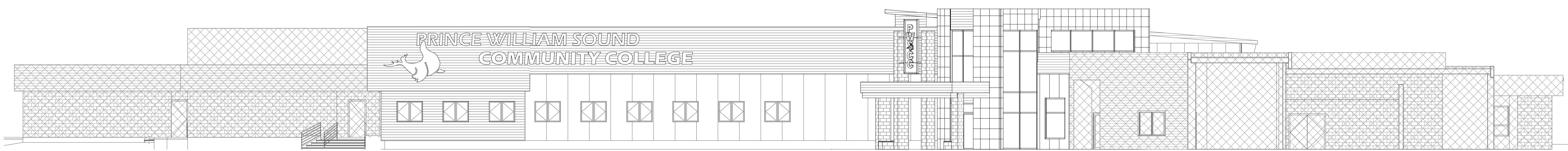
Reference Materials:

Project Budget

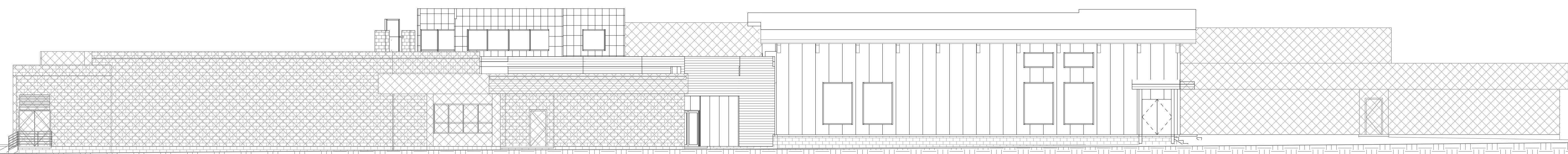
Drawings (Plan & Elevation)

UNIVERSITY OF ALASKA		
Project Name: PWSCC Wellness Center Remodel/Campus Renewal		
MAU: UAA		
Building: Growden-Harrison	Date:	8/17/2011
Campus: Valdez	Prepared by:	H. Morse
Project #: 07-0044	Acct #:	
Total GSF Affected by Project:	10300	10300
PROJECT BUDGET	FPA Budget	SDA Budget
A. Professional Services		
Advance Planning, Program Development		
Consultant: Design Services	\$ 400,000	\$ 400,000
Consultant: Construction Phase Services	\$ 40,000	\$ 40,000
Plan Review Fees / Permits	\$ 5,000	\$ 5,000
Other		
Professional Services Subtotal	\$ 445,000	\$ 445,000
B. Construction		
General Construction Contract(s)	\$ 3,700,000	\$ 3,700,000
Other Contractors (List: _____)		
Construction Contingency	\$ 370,000	\$ 370,000
Construction Subtotal	\$ 4,070,000	\$ 4,070,000
<i>Construction Cost per GSF</i>	\$ 395	\$ 395
C. Building Completion Activity		
Equipment	\$ 80,000	\$ 80,000
Fixtures		
Furnishings	\$ 15,500	\$ 15,500
Signage not in construction contract	\$ 8,000	\$ 8,000
Move-Out Costs		
Move-In Costs		
Art	\$ 30,000	\$ 30,000
Other (Interim Space Needs or Temp Reloc. Costs)		
Maintenance Operation Support		
Building Completion Activity Subtotal	\$ 133,500	\$ 133,500
D. Owner Activities & Administrative Costs		
Project Plng, Staff Support		
Project Management	\$ 350,000	\$ 350,000
Misc. Expenses: Advertising, Printing, Supplies, Etc.	\$ 1,500	\$ 1,500
Owner Activities & Administrative Costs Subtotal	\$ 351,500	\$ 351,500
E. Total Project Cost	\$ 5,000,000	\$ 5,000,000
<i>Total Project Cost per GSF</i>	\$ 485	\$ 485
F. Total Appropriation(s)	\$ 5,000,000	\$ 5,000,000

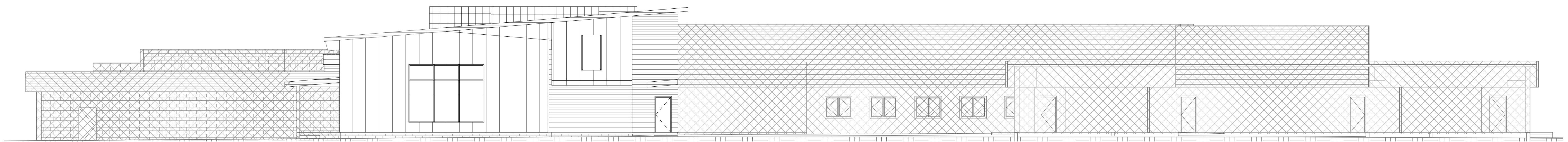
AREAS ETR SHOWN HATCHED.
SEE A2.2 FOR ELEVATIONS OF NEW WORK/



3 Overall South Elevation
3/32" = 1'-0"



2 Overall East Elevation
3/32" = 1'-0"



1 Overall North Elevation
3/32" = 1'-0"

KUMIN ASSOCIATES, I N C.
ARCHITECTS | PLANNERS | INTERIOR DESIGNERS
808 E Street, Suite 200
Anchorage, Alaska 99501
T 907.272.8833
F 907.272.7733

Wellness Center Remodel
303 LOWE STREET, PO BOX 97
VALDEZ, AK 99686
Owner: Univ. of Alaska, PWS Community College

No.	Description	Date

Drawn By: BW Checked By: BW
Date: 29Jul2011
Phase: Design Development
JOB No: UAA: 07-0044
SHEET TITLE: Exterior Elevations - Whole Building

SHEET NO:
A2.1



SCHEMATIC DESIGN APPROVAL (Amended)

Name of Project: UAA Seawolf Sports Arena

Location of Project: University of Alaska Anchorage Campus

Project Number: 09-0006

Date of Request: September 22, 2011

Total Project Cost:	\$109,000,000
Approval Required:	Board of Regents
Prior Approvals/Actions:	Preliminary Administrative Approval: Aug 2008 Campus Master Plan Amendment: Feb 2009 Formal Project Approval: Feb 2009/June 2011 Partial Schematic Design Approval: June 2009

Reference Materials:

Project Budget

Scope of Work Narrative

Schematic Drawings (Exterior Rendering, Site Plan, Bldg. Level Plans, Bldg. Sections, Elevations)

PROPOSED MODIFICATION of BUDGET FORM

UNIVERSITY OF ALASKA		
Project Name: Seawolf Sports Arena		
MAU: UAA		
Building: Seawolf Sports Arena	Date: August 17, 2011	
Campus: Anchorage	Prepared by: Stan Vanover	
Project #:	Acct #: 564289(09)/512034(11)/564344(12)	
Total GSF Affected by Project:	130,000	196,000
PROJECT BUDGET	FPA/LSDA Budget	5,000 Seat Budget
A. Professional Services		
Advance Planning, Program Development		\$ 3,126,000
Consultant: Design Services	\$ 4,800,000	\$ 5,000,000
Consultant: Construction Phase Services		\$ 750,000
Consul: Extra Services (List: _____)		
Site Survey	\$ 40,000	\$ 40,000
Soils Testing & Engineering	\$ 45,000	\$ 45,000
Special Inspections		\$ 200,000
Plan Review Fees / Permits	\$ -	
Other (List: _____)		
<i>Professional Services Subtotal</i>	\$ 4,885,000	\$ 9,161,000
B. Construction		
General Construction Contract(s)	\$ 61,440,000	\$ 80,155,000
Other Contractors: (Utilities Infrastructure)	\$ 346,600	\$ 435,000
Add'l Roadwork/Elmore & Wellness Connections, etc		\$ 2,500,000
Construction Contingency	\$ 6,144,000	\$ 7,329,000
<i>Construction Subtotal</i>	\$ 67,930,600	\$ 90,419,000
<i>Construction Cost per GSF</i>	\$ 527	\$ 461
C. Building Completion Activity		
Plan Review Fees/Permits	\$ 170,000	\$ 250,000
Equipment	\$ 1,300,000	\$ 2,400,000
Fixtures - IT Switch/etc		\$ 500,000
Furnishings	\$ 1,100,000	\$ 775,000
Signage not in construction contract		
Move-In Costs		\$ 70,000
Art	\$ 614,400	\$ 700,000
Other (Interim Space Needs or Temp Reloc. Costs)		
Maintenance Operation Support		\$ 50,000
<i>Equipment and Furnishings Subtotal</i>	\$ 3,184,400	\$ 4,745,000
D. Owner Activities and Administrative Costs		
Project Plng, Staff Support		
Project Management	\$ 4,000,000	\$ 4,675,000
Misc. Expenses: Advertising, Printing, Supplies, Etc.		
<i>Administrative Costs Subtotal</i>	\$ 4,000,000	\$ 4,675,000
E. Total Project Cost	\$ 80,000,000	\$ 109,000,000
<i>Total Project Cost per GSF</i>	\$ 615	\$ 556
F. Total Appropriation(s)	\$ 80,000,000	\$ 109,000,000

UAA Seawolf Sports Arena Project - Amended Schematic Design Approval Submittal

Scope of Work Narrative

C1- Site Relationship: The new arena is located at the southeast corner of Providence Drive and Wellness Street. It has two major entrances, one facing the intersection and the consortium library and one facing the parking. Its internal circulation concourse will function as a pathway connecting student housing areas to the south with the main campus to the north. New roads have been added to address the needs of the arena and surrounding neighbors. A significant feature of the road system improvements is the construction of a new roundabout at the corner of Elmore Road and Health Drive that will allow safe and convenient access to and from the site. Onsite parking consists of two lots. The smaller lot accommodates 100 cars and will be used as a VIP parking area during major events. The large lot has 500 spaces and is screened from the major roadways by retention of significant buffers of the sites existing mature forest. Gracious plazas surround both major entries providing ample space to accommodate expected large crowds. Shuttle bus pickup and drop off is located adjacent to the south entrance. Intersections along Health Street will be 'tabled' to slow traffic and enhance pedestrian safety. Service and delivery areas are located at the east corner of the arena and will be surrounded by screen walls. Major site signs identifying the new arena are located at the Elmore Roundabout and the corner of Providence and Wellness.

Additional related projects include the connection of Sharon Gagnon Drive to Health Street and conversion of the east end to a cul-de-sac to eliminate through traffic in the housing area. A small parking lot will be added at student housing to replace spaces lost to the new Heath Street construction.

C2 - Exterior Design: the new arena is both bold and elegant in its form and development. Its focal point is a graceful arched roof that spans the arena and auxiliary athletic spaces. Supported by 6 foot deep wood glu-lam beams spanning more than 300 feet the unique structure is the signature of the Seawolf Sports arena. Supporting spaces flank the main structure accommodating offices, meeting rooms and mechanical equipment. Welcoming entries have extended canopies and arctic entries. Strategic use of glass and lights accent the architectural features creating a warm inviting beacon throughout our long dark nights.

C3 - Principal Materials: Major exterior materials are insulated glazing systems and metal panels providing long term thermal performance and durability. Exterior concrete piers will be sandblasted and textured to support the building design themes and strategic use of local stone and wood will provide accents at the entries. Roofing systems will be rubber membrane laid over rigid foam insulation boards.

Wood athletic floors will be used in the Performance and Auxiliary gyms with rubber sports flooring used elsewhere. The circulation concourse will have stone or tile floors for long term durability. Ceilings in the main public spaces will feature the exposed wood arch structure supporting acoustical metal decking. Other spaces will be finished appropriate to their use (office, restroom, storage, etc.).

C4 – Functional Relationships: the overall building plan is organized around the 3 large activity spaces, the Performance Gym, Auxiliary Gym and Gymnastics Practice Area bisected by the main pedestrian circulation spine. Support spaces are clustered around these large spaces and are zoned by floor for specific activities. The Basement Level houses athletic locker rooms, training, and equipment/performance gym storage. At the Entry Level athletic fitness and recreation is located on the north with coaches' offices to the south. Concession, restroom and merchandise sales areas are strategically located on the lobby to serve major events in the Performance Gym. Administrative offices are located at the 2nd floor of the south side.

A significant feature of this 5,000+ capacity Performance Gym is the 3 level spectator experience. The main seating bowl is entered from the ground level lobby with seats cascading down from there. One level up, the balcony expands the seating capacity while maintaining a compact focused arena volume. Private suites are one level above for good sight lines to the court. This multi-tiered seating arrangement accommodates events comfortably from 500 – 5000 spectators by opening or closing the balcony, suites and various retractable bleachers/seating. Combined with supporting lighting and acoustical systems the Performance Gym will be a highly versatile event venue that accommodates everything from athletic events, to concerts, lectures, and graduations.

C5 – Building Systems: mechanical, electrical and telecommunications systems have been carefully selected for flexibility, performance and energy conservation. Heating and cooling will be accomplished with a hybrid system combining in-floor radiant heating, hot water baseboard with displacement ventilation systems to allow the building to run efficiently during normal daytime use and ramp up quickly to provide comfort for high capacity events. The building utilizes daylighting strategies in combination with high efficient lighting to reduce overall electrical loads. Flexible telecommunications infrastructure connects offices and all athletic spaces. Sophisticated audiovisual systems will allow for internal use by coaches and high definition media broadcasts. The four sided center hung scoreboard at the Performance Gym will be attached to a winch that allows it to be lowered to the floor for maintenance and repair.

C6 – Code Compliance: this project will be designed under the 2006 International family of Building Codes per agreements reached with the Municipality of Anchorage Building Department. The building

will be designed to IBC Type IB standards with heavy timber components in the roof structure. Complete access for the disabled will be provided including elevators, toilet rooms, venue seating and athletic facilities. Full compliance with Title 21 Zoning requirements will be vetted through the normal site plan approval process with the Urban Design Commission and MOA staff.

C7 – Cost Estimate: a detailed estimate has been prepared by a professional estimator broken down into major building components. The current estimate for construction is \$90 million. The construction cost will continue to be refined as the design develops and verified by the Construction Manager at Risk (CMAR).

C8 – Design Efficiency: the initial area target established during the programming phase was 196,500 gross square feet (GSF). The current floor plan is within 1% of that target at 198,000 GSF. All major program goals have been met with the current plans.

C9 – Conformance with Standards: UA has no approved space standards for this type of facility. As mentioned above the current plan conforms substantially to the space program targets.

C10 – Funding Plan: current funding totaling \$109 million is 100% of the funds needed to design, construct and equip the new arena.

C11 – Sustainability: Working in collaboration with UAA and community members a series of design strategies were identified to reduce the energy consumption and impact on the environment of the New Sports Arena. Those initiatives were reviewed and confirmed during the Schematic Design process. The following summarizes the initiatives and their current status.

Initiatives to be included:

- Utilizing daylight to reduce electric lighting loads
- LED exterior lighting
- Snow melt systems for portions of exterior sidewalks
- Storm water retention on site
- Landscaping with native plants that require minimal irrigation & maintenance
- Shared parking with Providence Medical Center to reduce the number of new spaces constructed and subsequent impacts to naturally vegetated areas

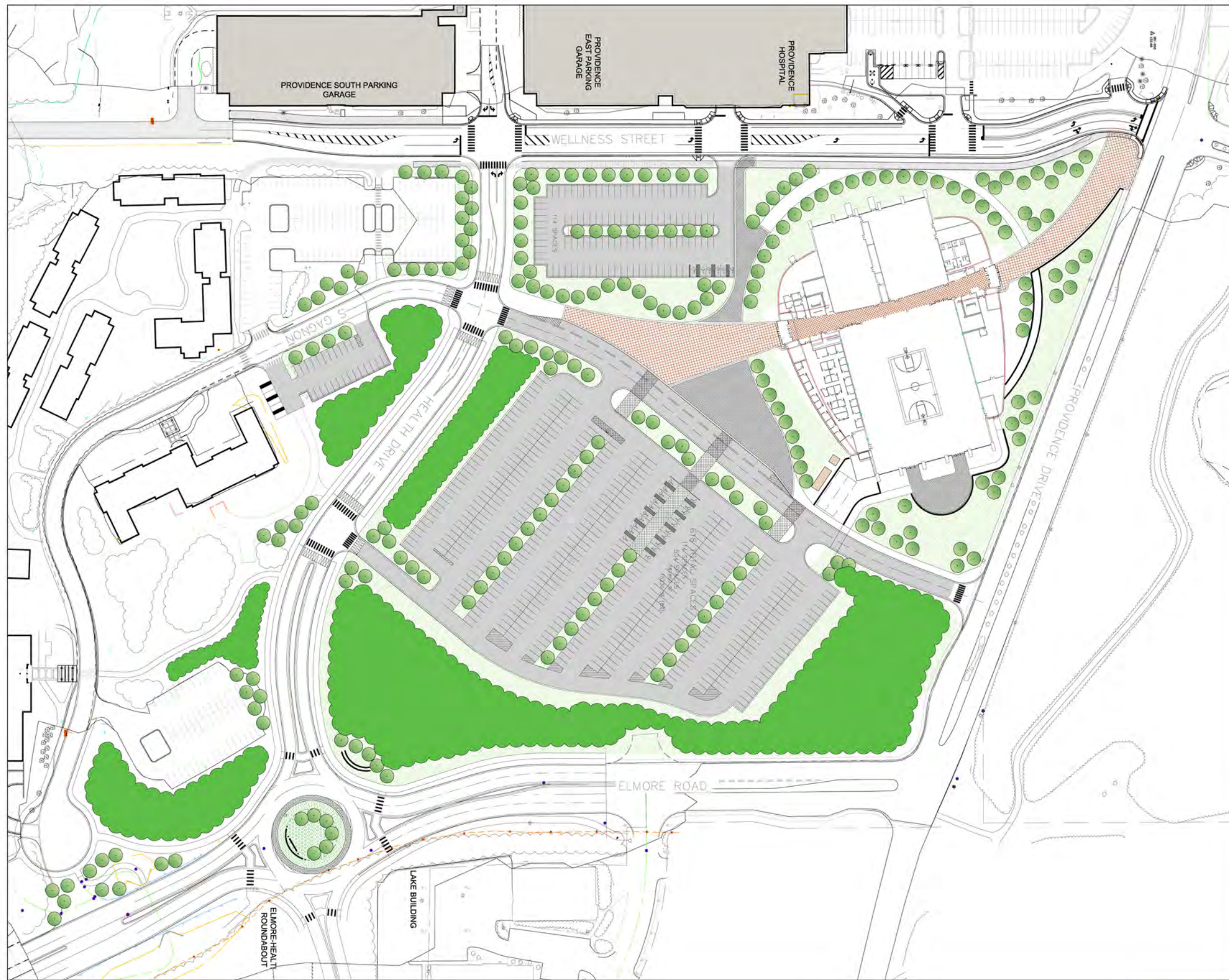
- Recycling of construction materials
- Use of local materials and materials with recycled content
- Highly efficient lighting systems
- Variable frequency fan motors with heat recovery systems
- Low flow and dual flush plumbing fixtures
- Pathways and bicycle storage to encourage patrons to walk or cycle to the facility
- Compact site planning preserves significant portion of native forest on site
- High performance glazing, wall and roof systems
- Indoor air quality management systems

Initiatives that require further analysis and review:

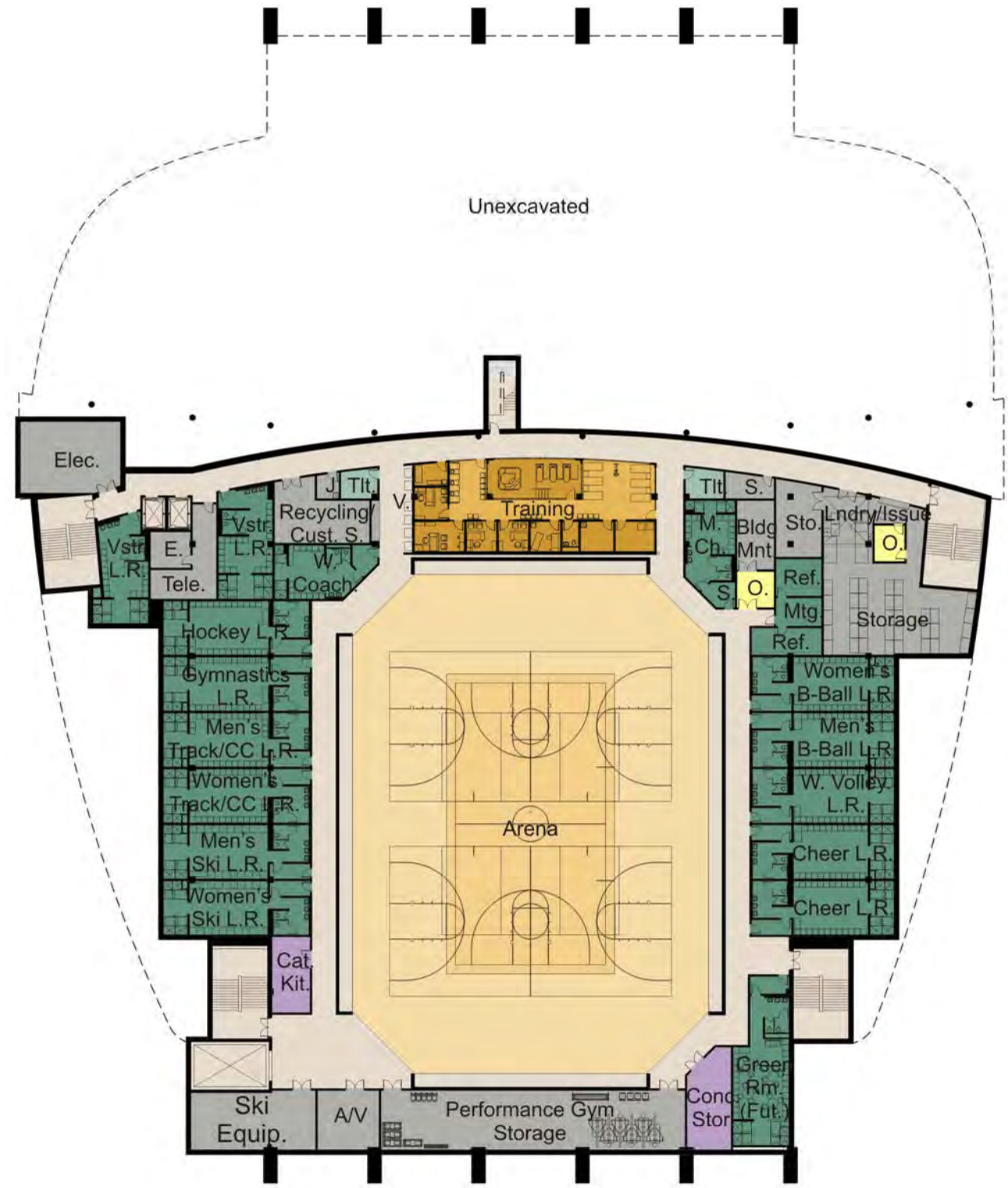
- Utilizing well water for building cooling and on site irrigation
- Electrical peak load shaving through use of emergency generator and advanced power management systems
- Radiant floor heating
- Priority parking for car pools and fuel efficient vehicles
- Chilled Beam cooling

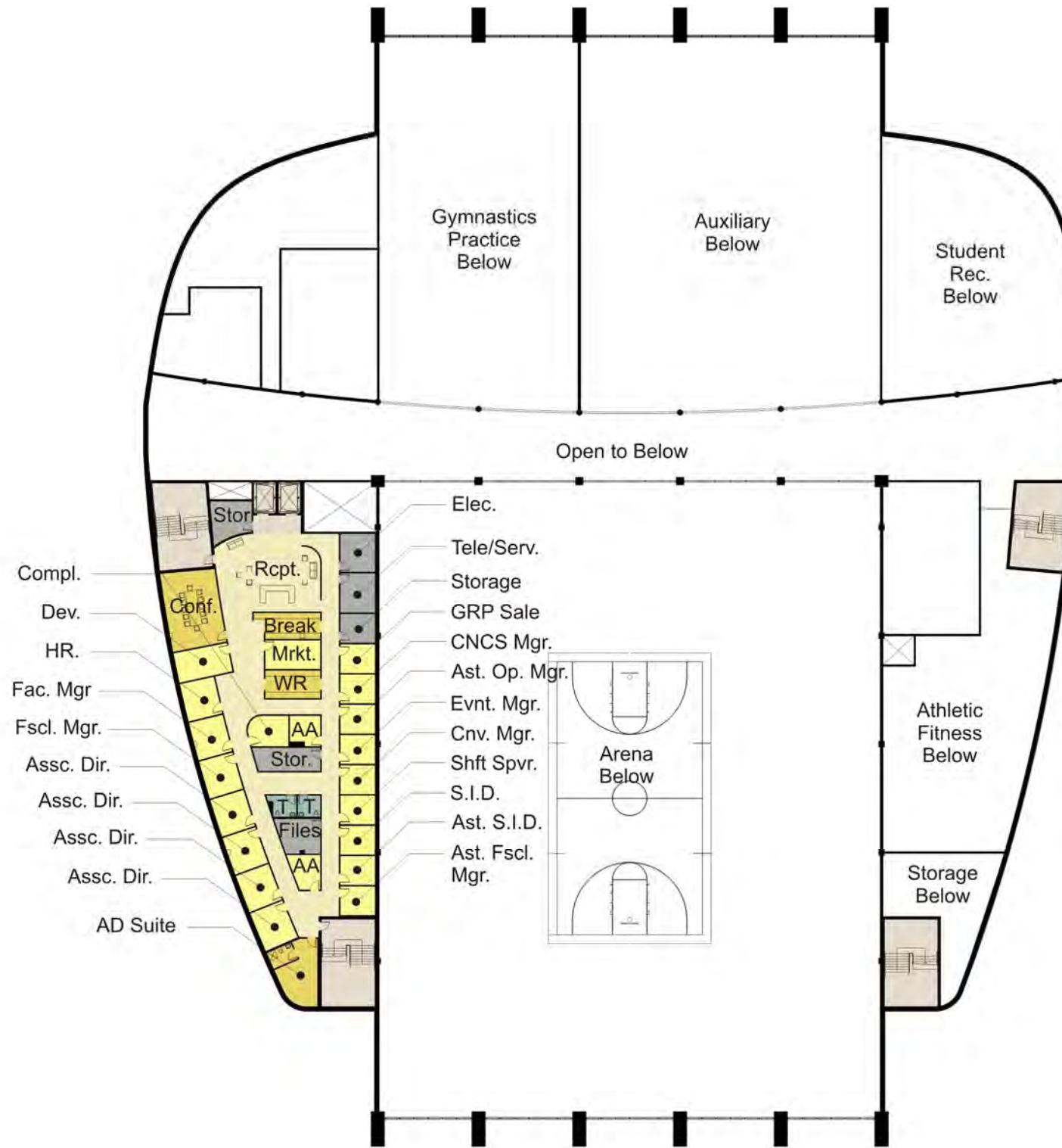
This project is being designed to comply with LEED Silver standards and can be submitted for certification if desired by the University.

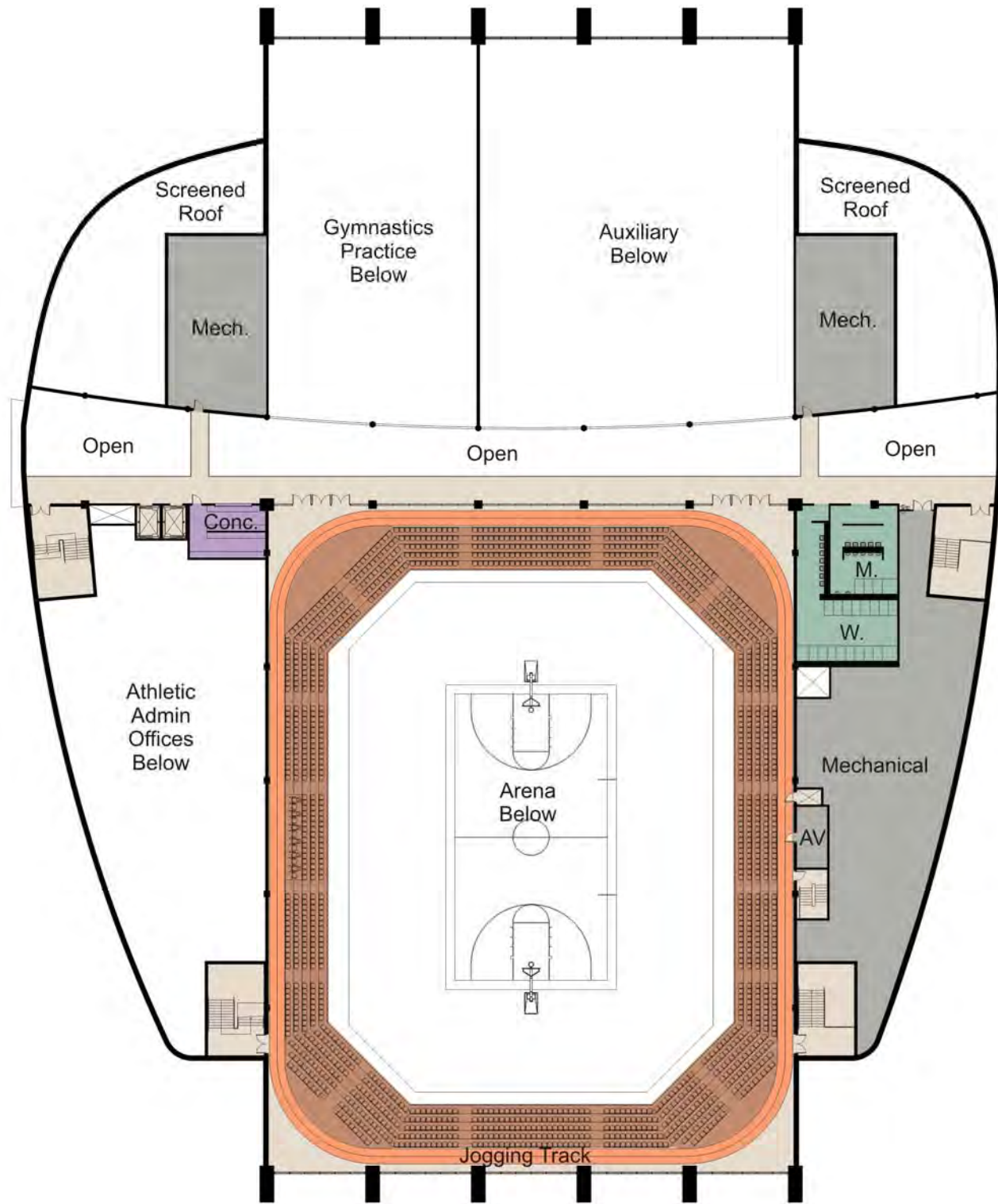


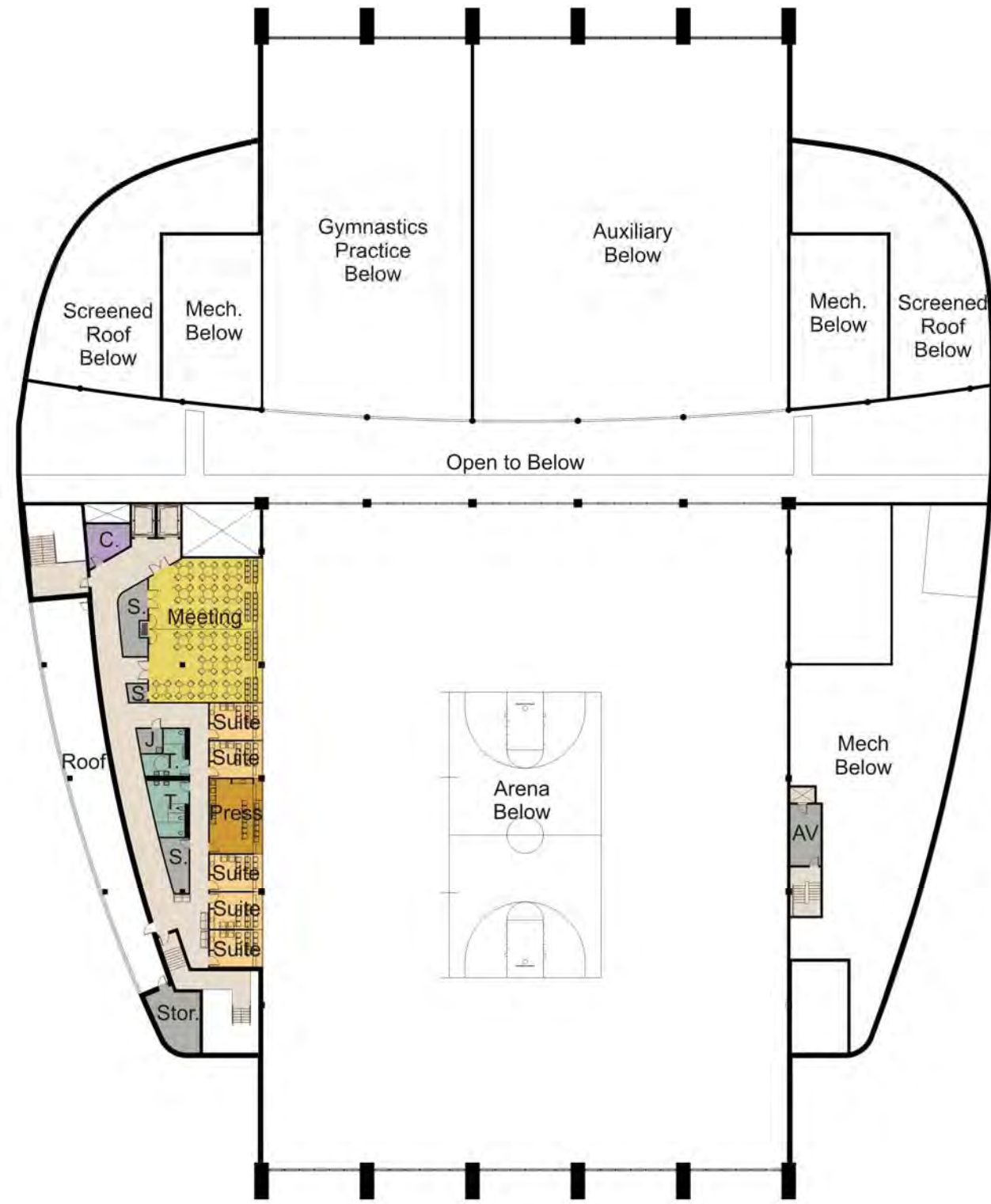


Site Plan
New Sports Arena











North



South



West



East







UNIVERSITY OF ALASKA
ANCHORAGE

SCHEMATIC DESIGN APPROVAL

Name of Project: UAA KPC Career & Technical Education Center

Location of Project: KPC Kenai River Campus, Soldotna, AK

Project Number: 10-0013

Date of Request: September 22, 2011

Total Project Cost: \$ 14,500,000

Approval Required: Schematic Design Approval

Prior Approvals/Actions: Preliminary Administrative Agreement: November 2010
Project Agreement: January 2011
Formal Project Approval : February 18, 2011

Reference Materials:

Project Budget

Architectural Narrative

Project Drawings (Rendering, Site Plan, Floor Plans, Exterior Campus Compatibility, Exterior Elevation)

UNIVERSITY OF ALASKA				
Project Name: UAA KPC Career and Technical Education Center				
MAU: UAA				
Building: New		Date: 8/23/2011		
Campus: Kenai River Campus		Prepared by: S. Sauve		
Project #: 10-0013		Acct #: 22719-512030		
Total GSF Affected by Project:		New Building	16,000	17,054
		Backfill	4,215	4,215
PROJECT BUDGET		FPA Budget	SDA Budget	
A. Professional Services				
Advance Planning, Program Development				
Consultant: Design Services (Including Backfill)		\$ 1,000,000	\$	1,115,500
Consultant: Construction Phase Services				
Site Survey		\$ 10,000	\$	-
Soils Testing & Engineering		\$ 20,000	\$	-
Special Inspections		\$ 80,000	\$	80,000
Plan Review Fees / Permits		\$ 50,000	\$	50,000
Other				
Professional Services Subtotal		\$ 1,160,000	\$	1,245,500
B. Construction				
General Construction Contract(s) 17,054gsf		\$ 8,000,000	\$	7,800,000
Replace existing Septic/Storm System				200,000
Backfill Renovation 4,215gsf		\$ 1,500,000	\$	1,500,000
Construction Contingency		\$ 800,000	\$	800,000
Construction Subtotal		\$ 10,300,000	\$	10,300,000
<i>Construction Cost per GSF</i>		New Building	\$ 550	516
<i>Construction Cost per GSF</i>		Backfill	\$ 356	356
C. Building Completion Activity				
Equipment		\$ 190,000	\$	190,000
Process Tech Equipment		\$ 1,500,000	\$	1,500,000
Furnishings		\$ 240,000	\$	240,000
Signage not in construction contract		\$ 15,000	\$	15,000
Move-In Costs		\$ -	\$	-
Art		\$ 80,000	\$	80,000
Maintenance Operation Support		\$ -	\$	-
Building Completion Activity Subtotal		\$ 2,025,000	\$	2,025,000
D. Owner Activities & Administrative Costs				
Project Plng, Staff Support		\$ 290,000	\$	290,000
Project Management		\$ 725,000	\$	639,500
Misc. Expenses				
Owner Activities & Administrative Costs Subtotal		\$ 1,015,000	\$	929,500
E. Total Project Cost		\$ 14,500,000	\$	14,500,000
<i>Total Project Cost per GSF</i>		New Building	\$ 786	737
<i>Total Project Cost per GSF</i>		Backfill	\$ 458	458
F. Total Appropriation(s)		\$ 14,500,000	\$	14,500,000

UAA Kenai Peninsula Campus - Career and Technical Center - Architectural Narrative

Background & Scope

KPC is responsible for two of the three process technology programs in the University of Alaska system: the programs at the Kenai River Campus (KRC) in Soldotna and at the Anchorage Extension Site (AES) at the University Center. KRC is the only campus in the UA system that offers the Industrial Process Instrumentation AAS degree.

It is expected that the demand for process technology, instrumentation and occupational safety and health programs will continue to grow according to industry officials. The graying of the workforce, increased drilling activity and technology that is making more oil available in low producing fields will increase the demand for these graduates. Additionally, the reputation of KPC's programs has become apparent as Lower 48 companies now visit KPC to recruit graduates. In a spring visit to KPC, ExxonMobil called KPC's program the best in the country. Other oil companies have said the same.

This project supports and enhances the UA mandate to its campuses to train Alaskans for Alaska's high demand jobs. Currently the facilities used for the process technology, instrumentation and electronics programs are using laboratories and training equipment that are more than 25 years old. Existing facilities are not equipped with sufficient utility infrastructure to allow for upgrades of the laboratory equipment. Demand from students and industry for these programs exceeds the existing program capacity, which is limited by space.

Project Narrative

C1- Site Relationships: The new Career and Technical Center is located on the Kenai River Campus site. The building is located directly west of the main Campus buildings. The building location physically defines the north boundary of an internal "quad" at the center of the campus. Following the master plan site guidelines, the quad will be defined by buildings that all have their main entries facing the open space in the quad. The formation of a well-defined, open green space that replaces the current asphalt parking is a key element in realizing the intent of the Campus master plan.

The Career and Technical Center will be the focal point for one of the school's most important academic programs. The building will be centered in the present main campus parking lot. The north entry is approximately a 150-foot walk from the adjacent Ward Building. The west end of the building is close to the College Drive campus entry point. The internal and external circulation of the CTC will function as a pathway connecting the student housing area on the west side of College Drive with the main campus to the east. These new pathway connections between the housing complex and the Career and Technical Center will provide safe pedestrian pathways that will reduce the number of pedestrian/vehicle conflicts.

The College Drive/campus entry intersection will be upgraded to a three lane road width, with 2 dedicated turn-only exit lanes from the Campus. New areas for parking have been added to the north of the Career and Technical Center building and across College Drive at the housing complex.

C2 - Exterior Design: The Career and Technical Center presents a dramatic new face to the existing campus. The process technology simulation lab, with its' unique, high profile simulation equipment, is the signature design feature. The simulation equipment, dubbed "Big Blue" by the campus, is located behind the canted glazed curtain wall and is made of pipes and tanks that visually represent the oil and gas industry. The "Big

Blue” simulator presents the image of the industry to the campus with a dramatic architectural statement that clearly identifies the program.

The Career and Technical Education Center has three functional building masses: the 2-story classroom wing, the central Commons and the process technology simulation lab. The exterior design embodies the industrial context of the process technology industry. The “Big Blue” simulator is a primary feature of the exterior design. The exterior design reinforces the importance of the simulator room as the tallest building element and is carefully glazed to highlight the features of “Big Blue.” Welcoming entries have extended canopies and arctic entries. Strategic use of glass and lights accent the architectural features of the Common spaces and “Big Blue”, creating a unique inviting beacon during the long dark nights.

C3 - Principal Materials: The exterior design is based on the industrial character of the process technology industry. The industry is focused on the flow of liquids and gases through a system of pipes and vessels. In addition to displaying the actual pipes and tanks that make up the “Big Blue” simulation equipment, the exterior finishes will be industrial metals that are durable and do not require maintenance. The exterior metal siding on the classroom/admin exterior will be a dark weathered copper color that matches the adjacent Ward building. The simulator exterior will feature large areas of glazing that will allow views of the simulator equipment and cor-ten steel panel siding that will rust to a reddish-orange patina. Between these two building elements is the entry commons and hallway spine that will be clad in metallic silver that relates to the clerestory walls on the Steffy building located directly south of the Career and Technical Education Center.

Major exterior materials are insulated glazing systems and insulated metal panels providing long term thermal performance and durability. Horizontal sun screening and light deflecting louvers will be located at larger windows to adjust the daylight penetration into the building depending on the time of year. Structural tension ‘X’ bracing will be utilized in public areas to compliment the industrial character of the facility. The strategic use of local stone and wood will provide accents in the landscape and at the entries. The primary roofing system will be an EPDM rubber membrane laid over foam insulation boards. Durable industrial finishes will be used inside the facility. Sealed concrete will be used in the lab spaces and support spaces. Carpet will be used on the admin office floors, conference room floor and in the classrooms. Ceilings in the main public spaces and shop spaces will feature the exposed steel structure supporting acoustical metal decking. Classrooms and office spaces will use traditional acoustical tiles for sound absorption. Other spaces will be finished appropriate to their use; restrooms, storage, etc.

C4 – Functional Relationships: The overall building plan is organized by the central student Commons that connects the two teaching areas: the “Big Blue” simulation lab and the classroom/admin wing. The main pedestrian circulation path follows the south side of the gentle curve of the classroom wing on two levels. This corridor has seating/study areas in glazed nodes along the outside wall. Similarly, the central commons area has seating and display areas for the wide variety of interesting process tech equipment that have found a home at the Kenai River Campus.

In addition to the labs and classroom teaching spaces, the mechanical and electrical/communication rooms are considered teaching spaces by the process tech faculty. These building support areas contain equipment that heats the building, heats the water used in the building and provides lights, power and data to locations within the building. The building support equipment will be used as teaching tools on a limited basis. Interior windows have been provided that will allow building occupants to see the mechanical/electrical equipment from the main commons/corridor.

The process tech, instrument and electronics labs have direct data connections to each other and to the “Big Blue” simulator control room. This interconnectivity between the labs and “Big Blue” is a significant advantage for programming and controlling the process tech functions available for instructional purposes. The admin area is adjacent to the central commons area for easy access to students and the public.

C5 – Building Systems: mechanical, electrical and telecommunications systems have been carefully selected for flexibility, performance and energy conservation. Heating and ventilation will be accomplished with a hybrid system combining in floor radiant heating with displacement ventilation systems to allow the building to run efficiently during normal daytime use. The building utilizes daylighting strategies in combination with high efficient lighting to reduce overall electrical loads. Natural ventilation will be used in the classroom wing to provide ventilation and cooling air. The natural ventilation system will employ motorized window openings and manually operated window sashes that will allow fresh air to enter the building through the ground floor classrooms/offices and travel into the corridor and up through both stories. Flexible telecommunications infrastructure connects labs, simulation equipment, offices and all commons areas.

C6 – Code Compliance: this project will be designed under the 2009 International Family of Building Codes. The design will be reviewed by the local code authority, the City of Soldotna Building Department. The building will be designed to IBC Type II-B standards with braced steel main frame components and steel joists in the floor and roof structure. Complete access for the disabled will be provided including an elevator, accessible toilet rooms and site access amenities for all people. Full compliance with the Soldotna Zoning and Fire Marshal requirements will be vetted through the normal approval process.

C7 – Design Efficiency: the initial area target established during the Concept Design phase was 16,000 gross square feet (GSF). The current floor plan is within 7% of that target at 17, 054 GSF. Major program goals have been met with the current plans.

C8 – Conformance with KPC’s approved master plan: The location of the Career and Technical Center building on the Kenai River Campus site conforms to the goals of the KPC master plan. The building location has shifted slightly to enhance the quad development, as intended by the master plan and is the next step in creating a central campus quad that will allow for future redesign of the south parking lot and a more pedestrian-friendly atmosphere.

The Career and Technical Center building location also sets the stage for the next campus building which will be located west of the Steffy Building. This future building will “complete” this part of the campus and further define the internal boundary of the KRC south quad.

The landscaping will provide natural materials that complement the surrounding Kenai River basin and are visually compatible with the woodland environment. There will be well-defined planting beds and outdoor seating areas that take advantage of the building’s south-facing orientation.

C11 – Sustainability: The facility will be a model for northern design by providing a highly efficient building envelope and high efficiency mechanical and electrical equipment. It will perform well from an operational cost standpoint and the building systems are designed to be accessible to faculty for use as a teaching tool for the process technology students. As part of the Schematic Design process, initiatives are currently being reviewed in collaboration with the KPC administration and the process tech faculty to develop design strategies that will reduce the energy consumption and the building’s impact on the environment. The following summarizes the initiatives:

- Utilizing daylight to reduce electric lighting loads (auto sensors and setbacks)
- LED exterior lighting
- Natural Ventilation
- Storm water retainage on site In a common drainage area
- Landscaping with native plants that require minimal irrigation
- Recycling of construction materials
- Use of locally manufactured materials and materials with recycled content
- High efficiency mechanical equipment
- High efficiency lighting systems
- Variable frequency fan motors with heat recovery systems
- Low flow and dual flush plumbing fixtures.
- Pathways and bicycle storage to encourage patrons to walk or cycle to the facility.
- Site design preserves significant portion of native forest on site as compared to the initial building site location
- High performance glazing, wall and roof systems (high performance building envelope).
- Indoor air quality management systems
- Stub out consideration for future wood pellet boiler, solar PV and thermal

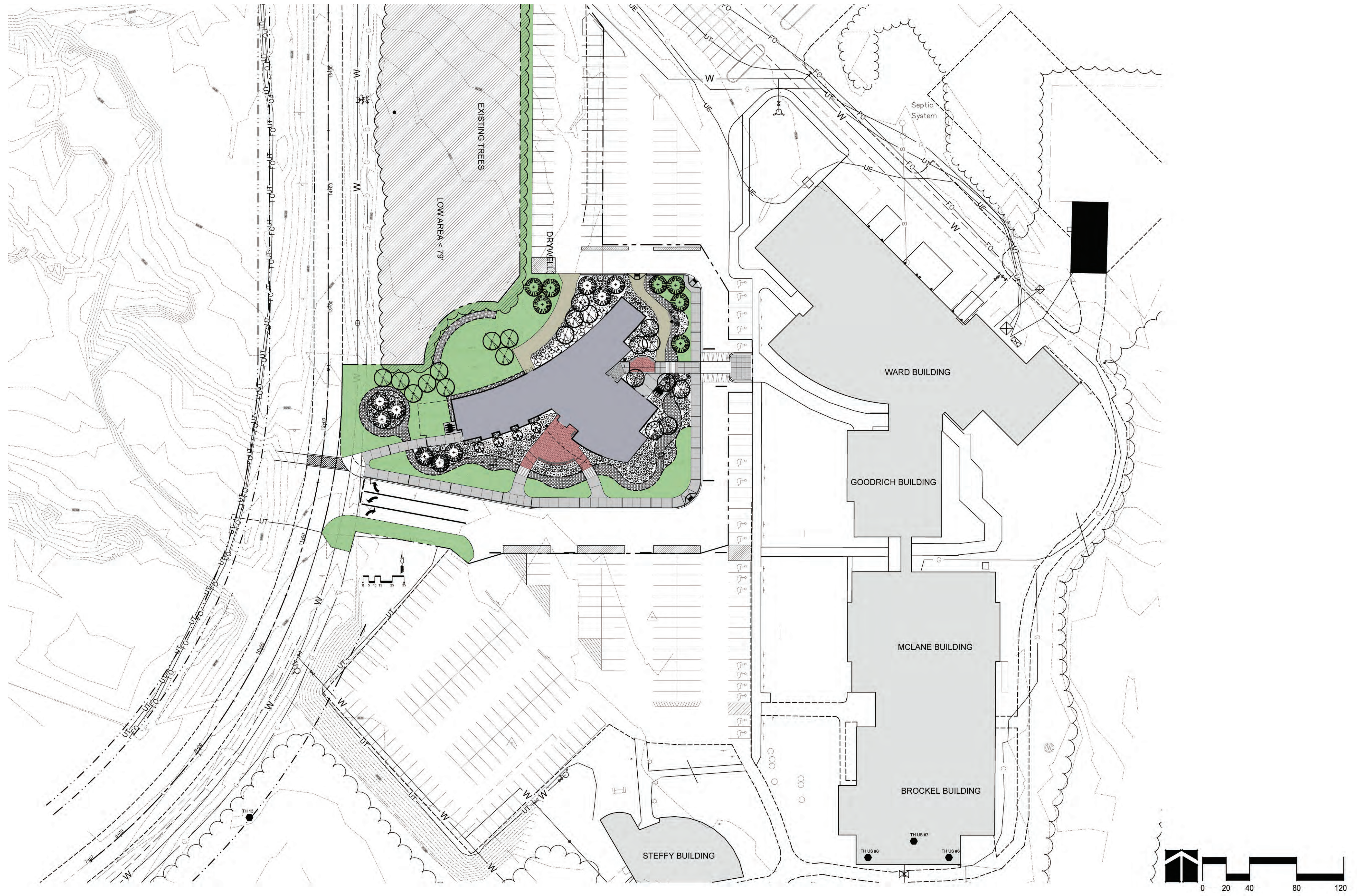
Initiatives that require further analysis and review:

- Capstone Co-Gen system for campus
- Public/student access to building energy data meters (monitors I commons area)
- Priority parking for car pools and fuel efficient vehicles

This project is being designed to comply with LEED Silver standards and can be submitted for certification if desired.

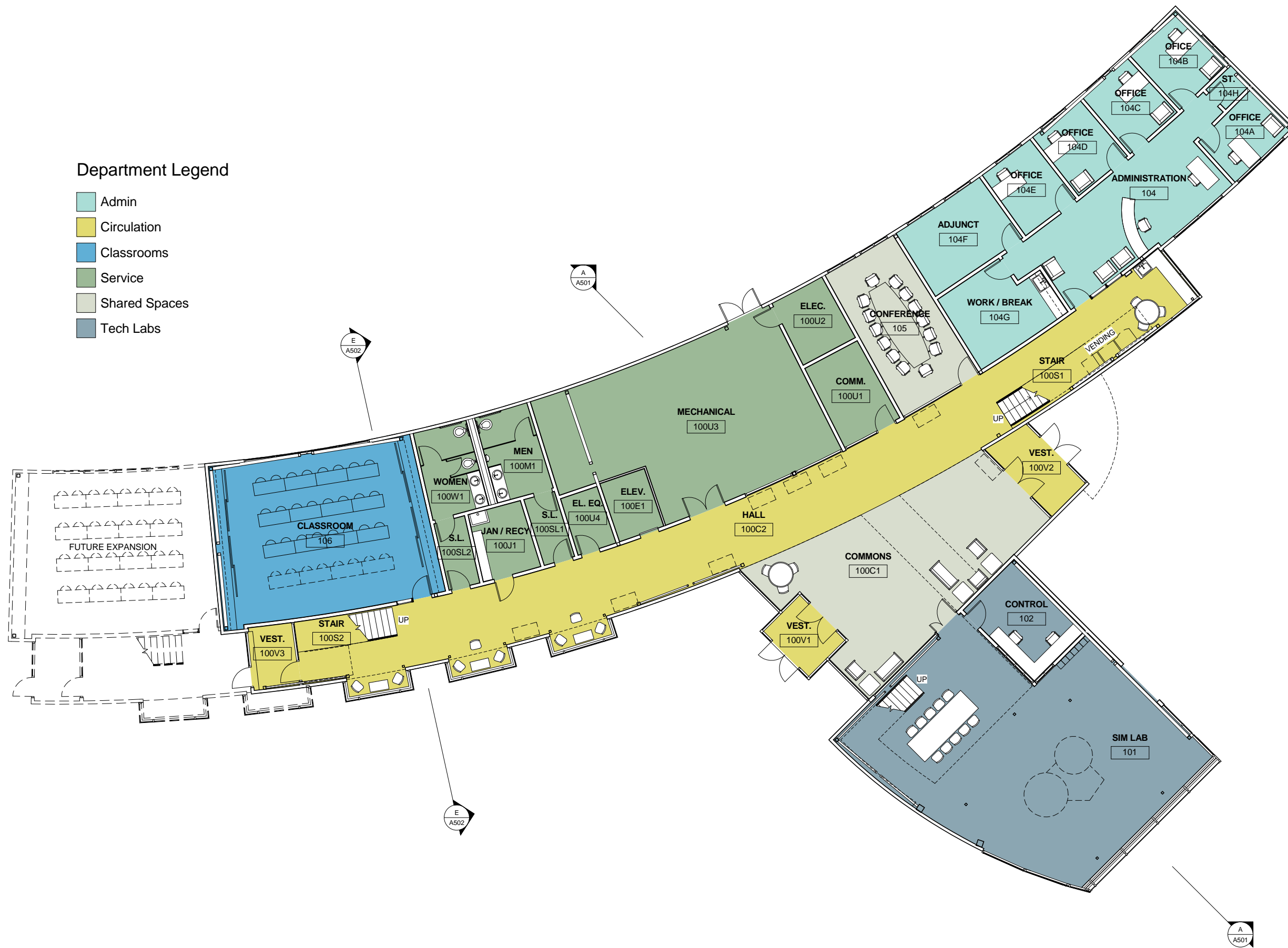
C12 – Backfill: Planning and design for the renovation of vacated spaces for conversion into offices and classrooms is included in the Total Project Cost.





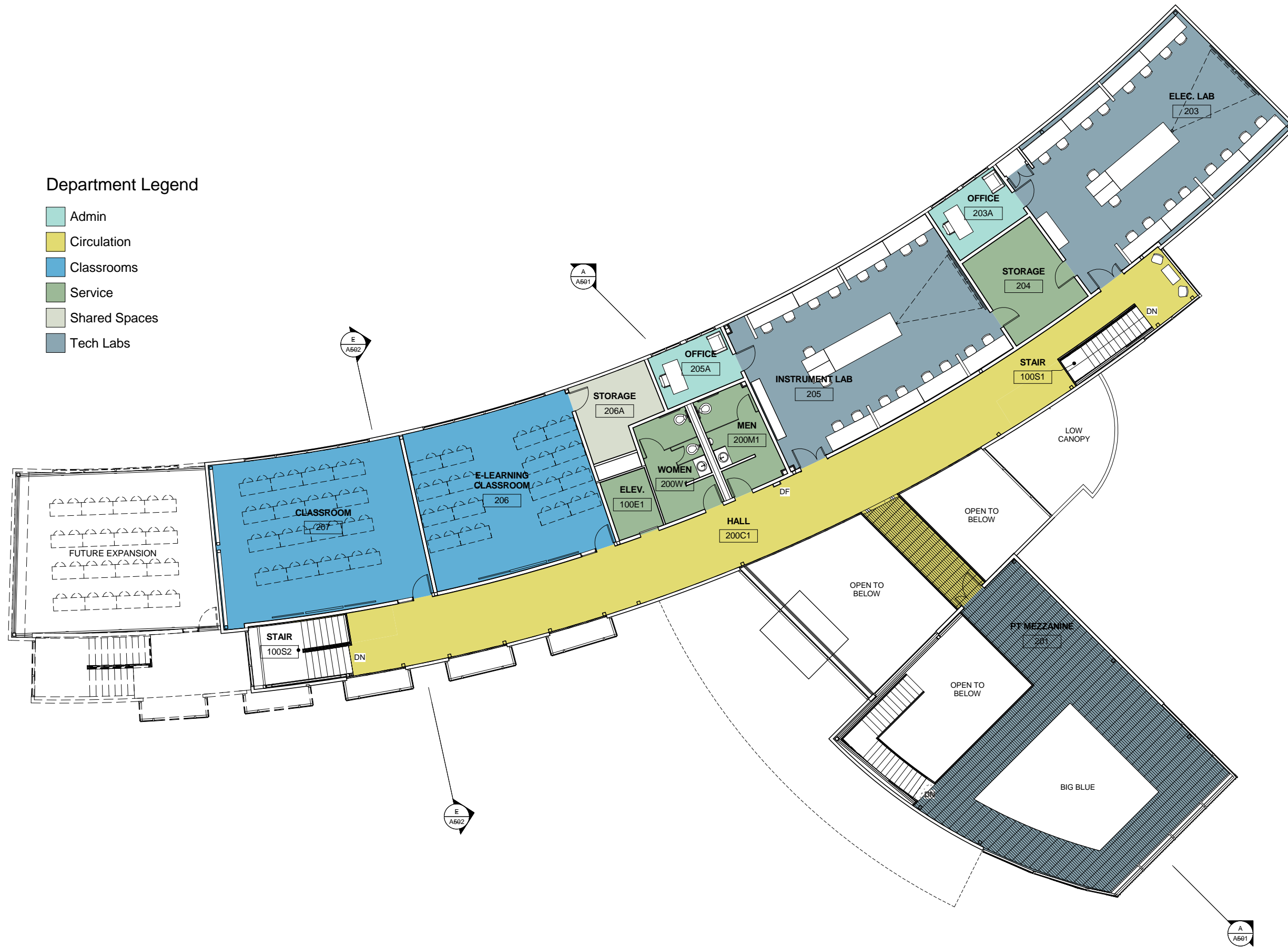
Department Legend

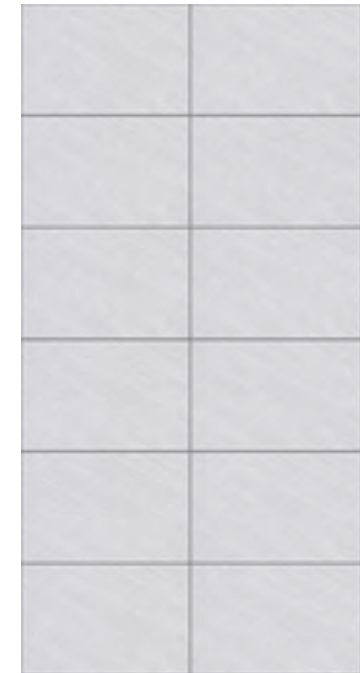
- Admin
- Circulation
- Classrooms
- Service
- Shared Spaces
- Tech Labs



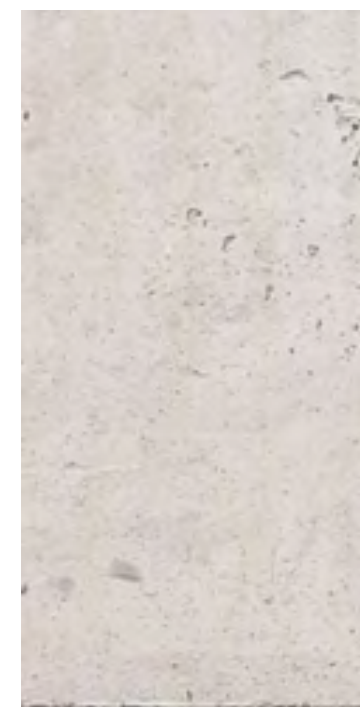
Department Legend

- Admin
- Circulation
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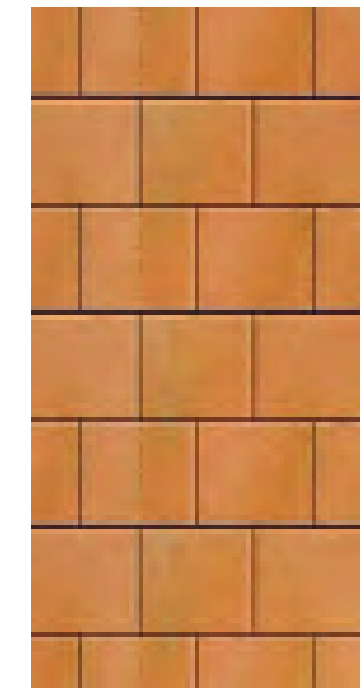




Silver Metallic Metal Panels on the Steffy Building



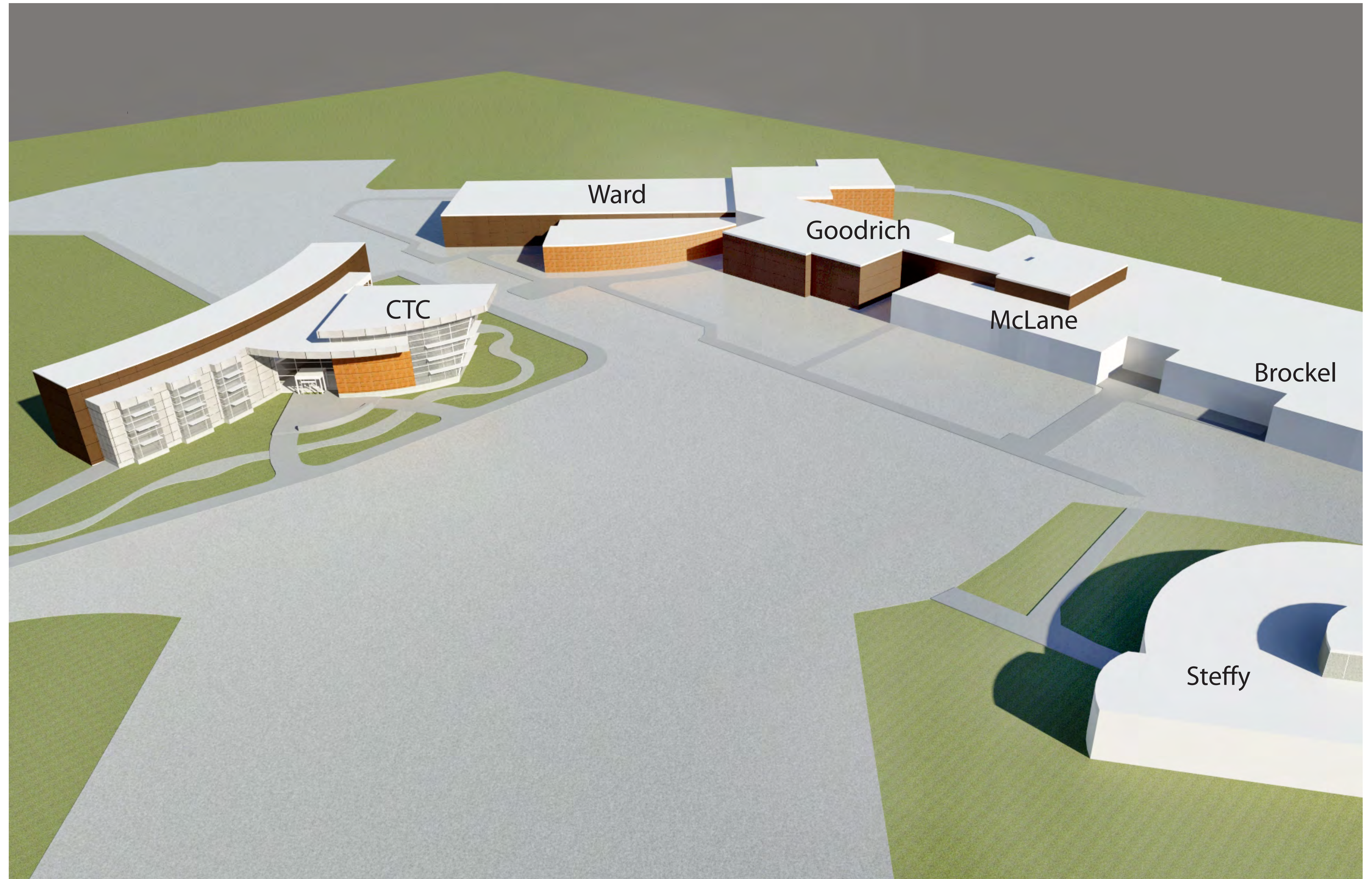
Concrete / CMU base on the Steffy Building

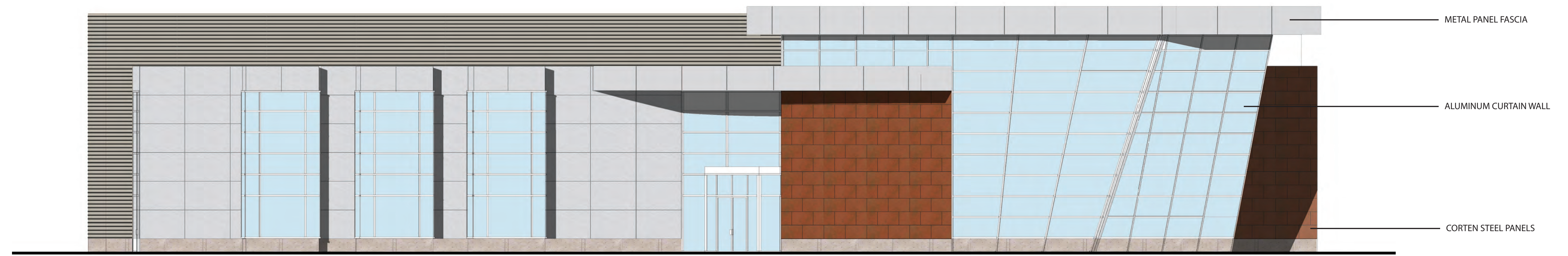


Reddish - Orange Brick on the Ward Building similar color to the Corten steel on the CTC Building

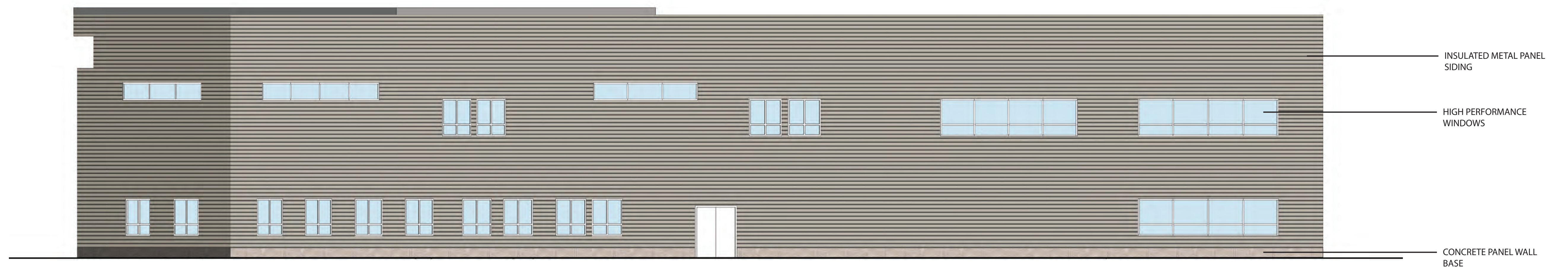


Weathered Copper Metal Panels on the Brockel and Ward Building





South Elevation



North Elevation





SCHEMATIC DESIGN APPROVAL

Name of Project: UAA KPC Kenai River Campus Student Housing Complex

Location of Project: KPC Kenai River Campus, Soldotna, AK

Project Number: 10-0066

Date of Request: September 22, 2011

Total Project Cost:	\$17,800,000
Approval Required:	Schematic Design Approval
Prior Approvals:	Preliminary Administrative Agreement: March 2011 Project Agreement: May 11, 2011 Formal Project Approval : June 3, 2011

Reference Materials:

Schematic Design Narrative

Project Budget

Project Drawings (Rendering, Site Plan, 1st Floor Plan, 2nd Floor Plan, Exterior Elevation)

SITE ORGANIZATION

The proposed student housing site is located west of the existing Kenai Peninsula College (KPC) Kenai River Campus (KRC) near the intersection of East Poppy Lane and College Road. The site is within the boundaries of the City of Soldotna and is zoned as institutional district (INS). The site is a former gravel pit that is visually well screened from East Poppy Lane and College Road by mature vegetation.

An archaeological survey revealed that the project area lies within the boundaries of the Slikok Creek Village Site to the south of the project area and connects to the Kenai River. Several house pit depressions and scattered physical remains of fish processing and storage activities are found near and around the creek. Four fish storage 'cache pits' were found and recorded on the southeastern part of the project area. Further assessment of the cache pits by archeologists determined that the student housing project will not affect the Slikok Creek Village Site District because any impacts have been mitigated by the data collection and analysis completed by the archeological survey.

Circulation

The main vehicular access for the site is from East Poppy Lane. The East Poppy Lane access drive enters a parking area for one-hundred vehicles. The parking is designed to accommodate the access of emergency vehicles, large buses and the required ADA parking.

Service and fire access will be provided from College Road to the student housing site. Access at this point is limited to refuse and delivery service, special event set-up and emergency response.

A network of sidewalks and trails associated with the student housing will be developed for pedestrians and bicycles. A direct and convenient connection from the student housing to the Career and Technical Center and the main campus is primary. Additional crucial routes include; a covered walkway to the bus drop off at the parking lot, connection with the Alaska Christian College (ACC) and to the intersection of East Poppy Lane and College Road

Walkway widths are proposed to be a minimum of eight feet to accommodate snow removal equipment and will be lit for user comfort and safety.

Building Location

Initial efforts involved analysis and discussions of how best to utilize the former gravel pit site located on KPC property across College Drive from the existing campus. During design workshops two significant considerations were affirmed; first the building should be located and oriented on the site to maximize solar access and second the Dena'ina cache pits should be preserved in order to respect the historical significance of the site.

In response to these considerations the primary entry to the student housing is placed at the eastern edge of the site. This entry is the western terminus of a linear axis between the existing Goodrich and McLane Building entries. At the midpoint the future Career and Technical Center adjoins the axis. At the axis termination the housing suites radiate from the central entry commons forming an L shaped open quad. The quad is established by the two housing wings oriented north to south and east to west and the mature forested areas to the south and west.

Landscape and Recreation

Directly west and south of the building a paved exterior courtyard with seating, landscaping and half-court basketball is provided. The courtyard provides the residents with a protected, sunny area to relax and socialize.

From the courtyard direct access to recreation trails and the Dena'ina cache pits is provided. Interpretive signage is envisioned for the Dena'ina cache pits and way-finding signage for the trailheads.

Further to the west of the courtyard the reclaimed gravel pit offers the needed open area for a disc golf course and a large recreation field with sloped amphitheater style seating. The field provides the students with the opportunity to throw a ball or Frisbee, play soccer, practice casting a fly rod or just relax in the open natural setting.

Mounded planting beds will be used to screen the courtyard area to first floor student resident rooms. A planting of native trees is adjacent to the main entry and parking. Pockets of ornamental perennial plantings located at building entrances will provide seasonal color, fragrance and aesthetic.

The existing mature spruce forest bordering the gravel pit will be retained as a natural buffer between the site and the adjacent streets. Landscape plantings will be largely be native species. The re-use of native topsoil is being pursued for areas requiring re-vegetation.

UTILITIES

Utilities available to the project are electric, telephone and data along East Poppy Lane, and water and natural gas along College Road. Public sanitary sewer is not available to the project area or the campus. The campus is currently served by an onsite septic system. In coordinating current and future projects on the campus it has been determined that the student housing project area will accommodate a septic disposal system and storm water disposal system for the entire campus. These elements are located to the west of the proposed parking area and building.

EXTERIOR DESIGN

The housing is organized on both sides of the building entry commons. The site configuration creates a southern oriented backyard for the facility.

The design maintains a pedestrian-friendly scale with diminished visibility from the surrounding campus. By keeping the building height at two stories the students will feel like they are living within a real home instead of an institution.

The sense of home is especially important for students who are living away from their families, transitioning from a more rural to an urban setting. The first view of their new home will welcome and encourage them, allaying their fears by instilling a sense of security and friendliness. We have tried to promote the idea of "home" in the design of the facility. The housing should be viewed as the student's place of respite after their 'day-of-work' at college.

FUNCTIONAL RELATIONSHIPS

The primary organization for the building is the arrival setting. As one enters their home from a path or vehicle they arrive at the center of the facility. In this lobby setting one experiences an inviting space with direct views to their backyard. The backyard contains developed recreation amenities and expanded views to the distant natural setting. The lobby space is for students to relax and socialize and receive visitors outside of their dorm room setting.

Adjacent to the lobby space is a multipurpose room designed for large group events, instructional settings and conference functions. The conference/multi-purpose room is convenient to summer lodging and during the academic year provides a larger, flexible space for student gathering and meeting.

The first time arriving student can instantly orient within their new home due to the simple and straightforward layout of the housing. The main hallways extend from the center commons (lobby) on grade or at the second floor accessed directly by stair or elevator. The hallways are easy to understand and navigate and provide ease for supervision. Interspersed resident advisors apartments regularly occur along the hallway and are adjacent to open group areas intended for socialization and respite from the dorm suite.

The administrative area is located at the main entry. The location affords the student direct access to the staff and provides a high degree of security for the student. Immediately adjacent to the administration area is a storage room for common cleaning supplies and equipment and the student mail boxes.

Each student suite is directly accessed from the hallways. The typical suite contains four single occupant bedrooms. The entry is provided with wall space for hanging coats and book bags. At the center of the suite is a full kitchen with a dining/study table. Adjoining the kitchen is the living room providing natural light and views for the residents. The bedrooms flank the kitchen/dining/living room core. Two bathrooms are provided for each suite. Each suite is also provided with storage closets for bulkier items. The bedrooms will be provided with furnishings including a bed, wardrobe unit, and study desk and chair.

A centrally located housing maintenance shop and parking garage is accessed from a service drive off of College Road.

The garage buffers the resident life coordinator's apartment from the day-to-day activities of the housing complex. The apartment is a two bedroom unit with kitchen, bathroom, dining and living room. The living space has southern orientation with a private outdoor space for isolated children's play.

Above the lobby commons a larger group activity area is provided. The activity area is provided with a sink and counter, and is adjacent to the vending area.

A common laundry room and fitness workout setting are next to the group activity area and are provided with natural light and views to the backyard.

PRINCIPAL MATERIAL CONSIDERATIONS AND SELECTIONS

Housing design should embrace affordability, durability, practicality and availability. The ability to acquire replacement materials locally and realize an architectural design that recognizes the needed durability to minimize constant repair are important. We have embraced this philosophy as we undertook the design for KPC's student housing.

Our overriding principle for the design is to strongly relate to the rural characteristics understood by the students attending KPC. By creating a harmonious living environment, the student may stay in school and increase their success in completing their course of study.

For this reason we have chosen a preliminary palette of earth tone colors that would normally be present in the Alaska landscape with accents that may relate directly to the rural and predominantly native, culture. Field colors of muted browns, tans, and ochre's mimic natural wood finishes. Chosen accents will mimic blueberries, cranberries, yellow birch leaves, and the white and blue hues of snow and ice. The colors also reflect the seasonal changes that relate to and drive culture in our vast state. This is currently the palette we feel would be most embraced by the students who will live and learn at this facility. Our approach to building colors has received the approval of the KPC staff. The final composition and locations are currently being developed and will be refined in subsequent design phases.

The material selections will address durability, ease of maintenance and ease of replacement. The basis of the current design uses prefinished cement board siding, integrally colored PVC windows and prefinished metal copings and flashings. Interior finishes and materials will focus on "hominess" but will remain highly durable to withstand the rigors of university dorm life.

The interior palette consists of:

- Painted gypsum board walls either backed with plywood or abuse resistant gypsum board for durability. Exposed wood will be selectively used in areas to add warmth and natural materials.
- Carpeted floors for hallways, lobbies, administration area, conference rooms, and bedrooms and living rooms at the student suites.
- Resilient flooring is proposed for utilitarian spaces such as the laundry, fitness room upper floor large group area and kitchens and bathrooms at the student suites.

- Ceilings will be painted gypsum board at the suites, exposed wood structure with acoustic treatment between beams at the conference/multi-purpose room and lobby, and suspended acoustic ceilings at the hallways and the fitness and laundry rooms.

CODE COMPLIANCE

The City of Soldotna has jurisdiction by way of deferral of building and mechanical code plan review from the State of Alaska Fire Marshal. The applicable codes are the current codes adopted and amended by the State of Alaska and the City of Soldotna.

The project is being designed under; the 2006 International Code Council family of building codes, the 2006 Edition of the Uniform Plumbing Code, and the current adopted versions of the National Fire Protection Association Standard 13, Safety Code for Elevators & Escalators, ASME A17.1, NFPA 70 (NEC) National Electrical Code, NFPA 72 National Fire Alarm Code, NFPA 101 Life Safety Code, and the 2010 Edition of the ADA Standards for Accessible Design. The design will be reviewed and permitted by the City of Soldotna.

The project will be in full compliance with the City of Soldotna zoning regulations with the building designed to the IBC Type V-B standards with wood framing and concrete foundation.

CONFORMANCE WITH THE KENAI PENINSULA CAMPUS FACILITY MASTER PLAN AND DESIGN GUIDELINES

Kenai River Campus Facility Master Plan

The development of on-campus student housing:

- Supports the Strategic and Academic Plans of KPC; promoting undergraduate education and scholarship by offering a safe and comfortable living environment to students pursuing degrees at KPC, particularly those from Alaska's rural areas,
- Supports the priority of workforce, career and professional education delivery; the programs offered at KPC in Process Technology, Industrial Process Instrumentation, Electronics and other professional development appeal to students throughout the state. The ability to stay on campus while obtaining a degree or certification would help the state meet its overall goals of increased workforce development,
- Offers numerous professions a place for continuing education coursework in support of Alaskan industry jobs,
- Expands KPC's ability to provide high intensity, short-term summer training and host academic conferences in KPC disciplines including process technology, paramedicine, and digital art, and
- Responds to the 2008 Kenai Peninsula Comprehensive Economic Development Strategy, which recommends post-secondary education, vocational education and workforce development initiatives as critically important to transitioning the economy.

The location of the student housing conforms to the approved Campus Facility Master Plan 2010.

The student housing and future Career and Technical Center projects are addressing environmental concerns by incorporating the design of new campus-wide septic system and surface storm water disposal sites west of the housing project. The site location supports diversion of roof and hard surface drainage away from the river to limiting erosion and pollution potentials.

Design Guidelines

ADA Compliance:

- The housing will be fully accessible and compliant with the Department of Justice's 2010 ADA Standards for Accessible Design.

Coordination with local government:

- Development will adhere to the City of Soldotna's development codes, defining appropriate aesthetic and development patterns for the overall community.

Architectural Guidelines:

- New buildings should embrace “green technologies” for energy efficiency and user comfort, and respond to UAA’s Energy Policy.
- Facilities should be visually compatible with the woodland surroundings and existing buildings.

Landscaping: The Kenai River Campus is surrounded by woodlands and has developed an on-site landscape character compatible with the river setting which includes lawn areas surrounded by spruce and birch, and a few planting beds with low shrubs and more ornamental trees. It is recommended that this general pattern be maintained, in addition to following these guidelines:

- Site drainage improvements should divert any surface and roof drainage away from the river thereby limiting erosion potential.
- To the extent possible, existing landscaping should be preserved and incorporated into new development.
- In addition, best practices associated with watershed management should be followed as well as local, state and federal regulations associated with development and activities near the river.
- Expand grounds’ irrigation system as a means of wildfire safety.
- Provide browse resistant trees, shrubs and plants close to foot paths and buildings to avoid wildlife conflicts.
- Use bear resistant containers for all exterior trash cans.

Open Space:

- Create an outdoor space to be used in fall, spring and summer for classes, study and socializing. The Kenai Fishing Academy, Anthropology Department, Biology and other academic programs have outdoor elements that could take advantage of this space.
- Develop informal outdoor venue (play field) located in association with the student housing in the gravel pit area. The play field could be planted with low maintenance turf and sized for informal activities such as disc golf, soccer, football, Frisbee, picnicking, running, etc. In addition to summer use, it could be used for x-country skiing and potentially even flooded as an informal winter skate pond.
- Initiate informal trail development within the large overall campus property, particularly given the closure of trails from KPC to Slikok Creek. This could create new opportunities for nature walks, physical education, and wilderness-oriented recreation and educational activities.

Environmental Efficiency

As a new building the student housing must embrace ‘green technologies’ for energy efficiency, user comfort and UAA’s Energy Policy. The project is being designed to LEED (Leadership in Energy and Environmental Design) Rating System as a means of accomplishing this goal.

The following summary is to explain what points the team is currently reviewing for LEED silver certification of the project. Because the project is still being designed these points may change as the design develops. Currently 57 points are identified as possible LEED points for this project.

Sustainable sites. *Currently we are looking at achieving 17 points.*

- Site Selection - Avoidance of development of inappropriate sites and the reduction of environmental impact of a building on a site.
- Alternate Transportation and Public Transportation Access. Reduction of pollution and land development impacts from automobile use (bike racks and residential showers are currently in the project, new parking should not exceed the zoning requirements; and signage for priority parking for low emitting fuel efficient vehicles and car pools will be required)
- Protect or Restore Habitat. Substantial natural vegetation and green space is indicated on the current site plan. If the client has no intention of building in those areas then these points should be achievable.
- Storm water Design/Quality Control. Due to the large site and large amounts of open space there should be enough room onsite to contain and treat stormwater.
- Heat Island Effect / Roof. Light color roofing must be used to achieve point.

Water efficiency. *Currently we are looking at achieving 8 points.*

- Recommendation is that landscaping be regional plants and that no permanent irrigation system is used in the project to achieve LEED points.
- Water use reduction, provisioning of plumbing fixtures with lower water usage.

Energy and atmosphere. *Currently we are looking at achieving 12 points.*

- Optimize energy performance. Energy savings will come from a highly insulated building along with efficient lighting. Energy calculations are needed to show actual savings.
- Enhanced refrigeration management. Typically cooling is not required in this region making this credit easily achievable. Mechanical calculations required.

Materials and resources. *Currently we are looking at achieving 4 points.*

- Construction Waste Management. We should be able to achieve a 50% waste diversion. Steel, cardboard, asphalt and wood recycling will contribute greatly to this credit. Large pieces of wood can be reused in personal or other construction projects. 75% diversion may not be achievable due to the large amount of gypsum board, and interior finishes needed for the project.
- Recycled Content. Should be achievable. Strategy for achieving this credit is through choosing construction materials containing large amounts of recycled content material. Items that will contribute: carpet, steel, gypsum board.
- Regional Materials. This credit could be difficult to obtain but it is important to look at because it gives us an additional point under the regional priority category. Strategies for achieving this point include: sourcing all landscaping, earth work, concrete and asphalt materials from locations within 500 miles of the site.

Indoor air quality. *Currently we are looking at achieving 9 points.*

- Construction Indoor Air Quality Management Plan – During Construction. An indoor air quality plan is very common and should be easily completed and implemented by a contractor. Due to the size of the building and number of rooms achieving IAQ 3.2 may be cost prohibitive.
- Low Emitting Materials. These credits are very common and most products available are in compliance, even products that need to be used in extreme temperatures. Special attention must be paid to specifications and in enforcing compliance with site crews.
- Controllability of Systems – Lighting. Rooms should be designed with an ability to control their own heating needs. Room lights as well as desk lamps will meet the lighting controllability requirements. Coordination with mechanical and electrical must be done to ensure that this is not cost prohibitive.
- Thermal Comfort – Design. Due to the minimal amount of high temperature days this credit is achievable with no cooling and operable windows in the buildings rooms to allow heat to escape during warmer days.

Innovation and design. These credits will vary. Many can be achieved through extemporary performance on other LEED credits. Coordination with the client will occur to explore other options of maximizing these points' options like:

- Educational Element: Incorporation of signage, tours or other features into the building that educates students on the sustainable features of the building.
- Green Cleaning: Incorporate a green cleaning policy; all products used to clean the facility must be green label products.

Regional priority credits. These are additional LEED points awarded to the project for achieving certain LEED points in the checklist. Options for regional priority points are based on zip codes. This project will get additional points for achieving:

- A minimum of 12% energy savings
- Diverting waste by 50% or more
- Achieving a minimum of 30% water savings in building fixtures
- Achieving a minimum of 10% regional materials

ESTIMATE OF PROBABLE CONSTRUCTION COST

The current construction budget is \$12.7M. The current cost estimate indicates the project program area of 43,056 square feet can be delivered for the available construction funds.

The attached itemized cost summary indicates the current general schematic cost estimate is approximately six-percent below the available funding. Value added considerations are in the discussion stage with UAA and KPC. The outgrowth of these conversations will be the reduction of this differential as we advance the design:

- Heating costs have been based on the use of above floor fin tube distribution. We are evaluating in-floor radiant heat; a higher construction cost but will realize an improved energy efficiency and LEED scoring.
- The site is an old gravel pit. The subsurface information is limited at this time and further investigations are underway.

Bidding alternates have been included and will be further developed and refined to ensure the ability to award the construction contract.

The construction costs will continue to be refined and validated as the design is advanced.

PROPOSED SCHEDULE FOR COMPLETION

Final Schematic Design	August 2011
Schematic Design Approval	September 2011
Design Development Completion	December 2011
Construction Document Completion	March 20, 2012
Bidding and Construction Phase	March 20, 2012 to May 4, 2012
Construction Phase	June 2012 to July 9, 2013
Owner setup and Staff Training	July to August 8 2013
Occupancy	August 15, 2013

ESTIMATE OF PROBABLE CONSTRUCTION COST

The current construction budget is \$12.7M. The current cost estimate indicates the project program area of 43,056 square feet can be delivered for the available construction funds.

The attached itemized cost summary indicates the current general schematic cost estimate is approximately seven-percent below the available funding. Value added considerations are in the discussion stage with UAA and KPC. The outgrowth of these conversations will be the reduction of this differential as we advance the design:

- Heating costs have been based on the use of above floor fin tube distribution. We are evaluating in-floor radiant heat; a higher construction cost but will realize an improved energy efficiency and LEED scoring.
- The site is an old gravel pit. The subsurface information is limited at this time and further investigations are underway.

Bidding alternates have been included and will be further developed and refined to ensure the ability to award the construction contract.

The construction costs will continue to be refined and validated as the design is advanced.

PRELIMINARY SCHEMATIC DESIGN GENERAL COST SUMMARY (*building area measured by Estimator, 42,884 SF*)

<i>ID</i>	<i>Work Scope</i>	<i>Amount</i>	<i>Cost / SF</i>	
1	Sitework	\$ 1,103,261	\$ 25.85	
2	Substructure	\$ 368,555	\$ 8.63	
3	Superstructure	\$ 478,672	\$ 11.21	
4	Exterior Closure	\$ 740,362	\$ 17.35	
5	Roof Systems	\$ 161,599	\$ 3.79	
6	Interior Construction	\$ 1,492,136	\$ 33.86	
7	Conveying Systems	\$ 113,100	\$ 2.65	
8	Mechanical	\$ 2,232,816	\$ 52.31	
9	Electrical	\$ 1,270,213	\$ 29.76	
10	Equipment	\$ 268,601	\$ 6.29	
11	General Requirements	\$ 1,882,568	\$ 44.10	
12	Subtotal	\$ 10,111,883	\$ 235.80	
13	Escalation and Estimating Contingency	\$ 1,676,746	\$ 38.28	
14	Total Cost	\$ 11,796,442	\$ 275.08	
	Add Alternates	\$ 300,056		<i>Area (SF)</i>
15	Pave 25-spaces	\$ 37,579	\$ 5.01	7,500
16	Outdoor Learning Pavilion	\$ 96,165	\$ 128.22	750
17	Basketball Court	\$ 12,933	\$ 5.17	2,500
18	Reduce Landscaping	\$ 89,264	\$ 6.71	13,300
		\$ 12,032,383	\$ 280.58	

PROGRAM SUMMARY

The following summary reflects the current Schematic Design program. The project program area totals 43,056 gross square feet.

Space Name	Capacity	Requirements	Qty	SF	Subtotal	Remarks
Living Quarters						
Student Dorm Suites	Bedroom		4	100	400	Accommodate 86" long beds. Should accommodate two furniture arrangements.
	Toilet/Shower		2	43	86	3'x3' shower with toilet.
	Lav/Dressing		2	32	64	5 foot counter with sink and mirror.
	Kitchen		1	153	153	Oven/range, fridge, sink (no disposal), space for trash and recycling, pantry/closet - space for one cabinet per student (4) total, countertop microwave, no dishwasher
	Living/Dining Space		1	113	113	4 chairs at dining table or eating bar, 4 lounge seats
	Storage		2	28	56	Shared storage for student belongings
	Entry		1	42	42	Includes coat hook area
Single Suite Area					914	
Total Suite Area	96	24 each			21,936	96 Student beds, 4 beds per suite, accessible units shall be provided per ADA.
RA Apartment	Bedroom		1	120	120	Accommodate 86" long beds. Should accommodate two furniture arrangements.
	Toilet/Shower		1	60	60	Lavatory inside bathroom
	Kitchen		1	80	80	Oven/range, fridge, sink (no disposal), space for trash and recycling, countertop microwave, no dishwasher
	Living/Dining Space		1	120	120	2 chairs at dining table or eating bar, 4 lounge seats
	Storage		1	60	60	Storage for RA student belongings.
	Subtotal					440
Single RA Apartment Area					440	
Total RA Apartments	6	6 each			2,640	6 Each RA suites with RATIO of 1 per 16 students
Res Life Coordinator Apartment	Bedroom		1	120	120	
	Large Bedroom		1	150	150	
	Toilet/Shower		1	80	80	Lavatory inside bathroom
	Kitchen		1	80	80	Oven/range, fridge, sink (no disposal), space for trash and recycling, countertop microwave, no dishwasher
	Living/Dining Space		1	140	140	4 chairs at dining table or eating bar, 4 lounge seats
	Laundry Alcove		1	20	20	Alcove off bath or hallway, for stacking laundry unit
	Storage		1	60	60	Storage for personal belongings.
Single Res Life Coordinator Apt					650	
Res Life Coordinator Apt	1	1 each			650	Locate on ground floor, separate entry, patio, fenced yard.
Living Quarters Total					25,226	
Student Shared Spaces						
Student Lounge			6	125	750	One located with each (6) suite modules, provide sinks with small counter for coffee, daylight desired
Entry Commons			1	750	750	Near entry, welcoming, view out to natural landscape preferred, gas fire place, comfortable seating.
Laundry Room			1	300	300	Recommend 6 washers and 8 dryers total. Placed away from gathering areas for acoustics, view to fitness room.
Vending Alcove			1	50	50	Central location near commons.
Multipurpose/Conference			1	1,600	1,600	100 persons occupancy, dividable, near entry and lobby/commons area.
Kitchen / Serving Area			1	200	200	Commercial kitchen quality, adjacent and accessible to multipurpose room for serving.
Fitness Center			1	300	300	Adjacent to laundry room, daylight preferred.
					3,950	
Student Shared Spaces Total					3,950	
Administration Spaces						
Res Life Coordinator Office			1	100	100	Near Front desk. Provide storage for games and food for gatherings.
Director's Office			1	120	120	Located near front desk
Admin Assistant			1	80	80	Adjacent to Directors Office, and front desk
Copy/Workroom			1	80	80	Adjacent to Admin Assist, sink and small counter
Front Desk			1	80	80	Located at Main Entry, visual security of front door and arriving/departing students.
Cleaning Supplies Closet			1	80	80	Storage for vacumes and other cleaning supplies and equipment for student check out.
Mailroom			1	100	100	Mail slots for students, and areas for larger packages.
					640	
Administration Spaces Total					640	

(program summary continued)

Space Name	Capacity	Requirements	Qty	SF	Subtotal	Remarks
Support Spaces						
Janitor Rooms			2	80	160	Custodial sink at each, one located on each floor
Maintenance/Facilities			1	250	250	Exterior Access needed, adjacent to garage
Garage			1	300	300	To house the housing transit van, 10 foot wide
Storage/Linen/Housekeeping			1	200	200	Linen, supplies, furniture, summer equipment, maids carts
Recycling /Trash			1	100	100	Adjacent to garage to facilitate transport
Public Toilets			2	144	288	Base on 2 W/C and 2 Lavs each.
		Subtotal			1298	
Support Spaces Total						1298

Building Services						
Mechanical / Fan Room		5%	1	1,556	1,556	
Electrical areas			2	100	200	One per floor, stacked
Data/Lan Room			1	150	150	Located on ground floor, 3 each four post racks
Lan Wiring Closet			2	50	100	One on each floor
		Subtotal			2,006	
Building Services Total						2,006

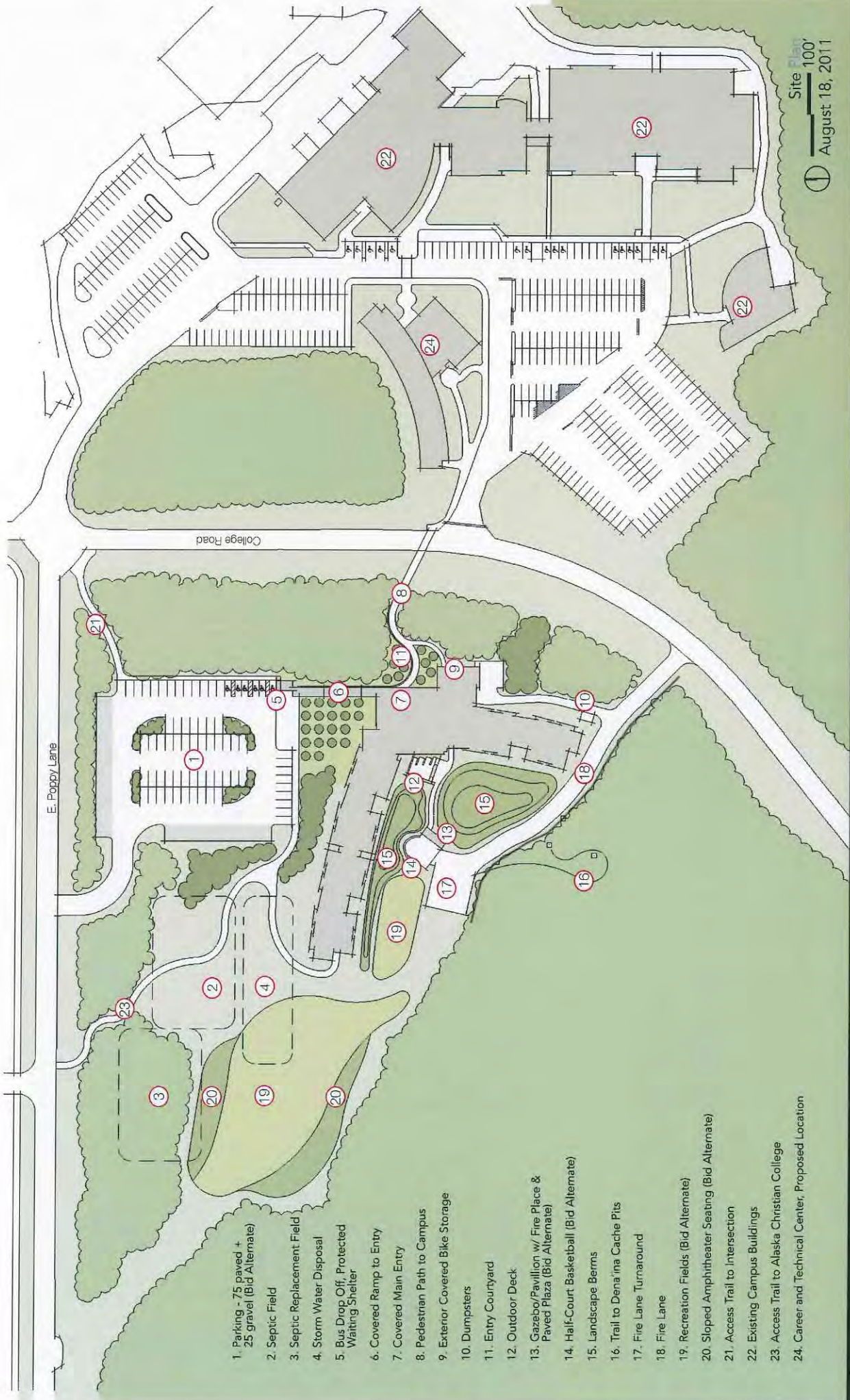
Program Total						
Total Net Program						33,120
Circulation and Walls Allowance		30%				9,936
Total Building Area						43,056

Site Amenities						
Outdoor Storage						Covered and fenced, for canoes, etc...
Covered Bike Rack						Near front Entry. Bicycle rack w/ student providing locks was requested.
Outdoor Learning Pavilion						
Basketball Court						
Parking: Student housing + Displaced Campus Parking						Plan for 100 spaces; 50 for the housing.
Landscape Irrigation + Plantings						Provide early-spring and late fall blooming plantings; enhance the presentation of Housing setting.
Pedestrian Nodes & Connectivity						Trails; Silkok Creek, etc.
Tour Bus Access, Service Drop-Off (mail, catering, etc), Fire Department Access						
Open Courtyard						
Recreation Fields, Disc Golf						
Storm water retention, snow storage (limited hauling off site)						
Signage (Entry, Wayfinding, Interpretive)						
Retain at least one cache pit						
Dumpster(s)						

UNIVERSITY OF ALASKA			
Project Name:		KPC Kenai River Campus Student Housing Complex	
MAU:		UAA	
Building:	New	Date:	8/24/2011
Campus:	Kenai	Prepared by:	S. Sauve
		22720-512031	
Project #:	10-0066	Funding:	22720-564346
Total GSF Affected by Project:		35,000	42,551
PROJECT BUDGET		FPA Budget	SDA Budget
A. Professional Services			
Advance Planning, Program Development		\$ 30,000	\$ 30,000
Consultant: Design Services		\$ 1,093,500	\$ 1,280,000
Site Survey		\$ 15,000	\$ 15,000
Soils Testing & Engineering		\$ 40,000	\$ 40,000
Special Inspections		\$ 150,000	\$ 150,000
Plan Review Fees / Permits		\$ 130,000	\$ 130,000
Other			
Professional Services Subtotal		\$ 1,458,500	\$ 1,645,000
B. Construction			
General Construction Contract(s)		\$ 10,935,000	\$ 12,800,000
Utilities, Water, Power, Sewer		\$ 270,000	\$ 270,000
Parking Lot		\$ 400,000	to Gen. Const
Construction Contingency		\$ 1,093,500	\$ 1,280,000
Construction Subtotal		\$ 12,698,500	\$ 14,350,000
<i>Construction Cost per GSF</i>		363	337
C. Building Completion Activity			
Make Ready & Equipment - food prep area, phones		\$ 125,000	\$ 125,000
Furnishings		\$ 675,000	\$ 548,800
Art		\$ 70,000	\$ 128,000
Other (Interim Space Needs or Temp Reloc. Costs)			
Building Completion Activity Subtotal		\$ 870,000	\$ 801,800
D. Owner Activities & Administrative Costs			
Project Plng, Staff Support		\$ 384,000	\$ 417,200
Project Management		\$ 576,000	\$ 576,000
Misc. Expenses: Advertising, Printing, Supplies, Etc.		\$ 10,000	\$ 10,000
Owner Activities & Administrative Costs Subtotal		\$ 970,000	\$ 1,003,200
E. Total Project Cost		\$ 15,997,000	\$ 17,800,000
<i>Total Project Cost per GSF</i>		\$ 457	\$ 418
F. Total Appropriation(s)		\$16,000,000*	17,800,000
* Approved by BOR at \$17,800,000			



Aerial Perspective View from NE
NA
August 18, 2011



Site Plan
 August 18, 2011
 0 100'

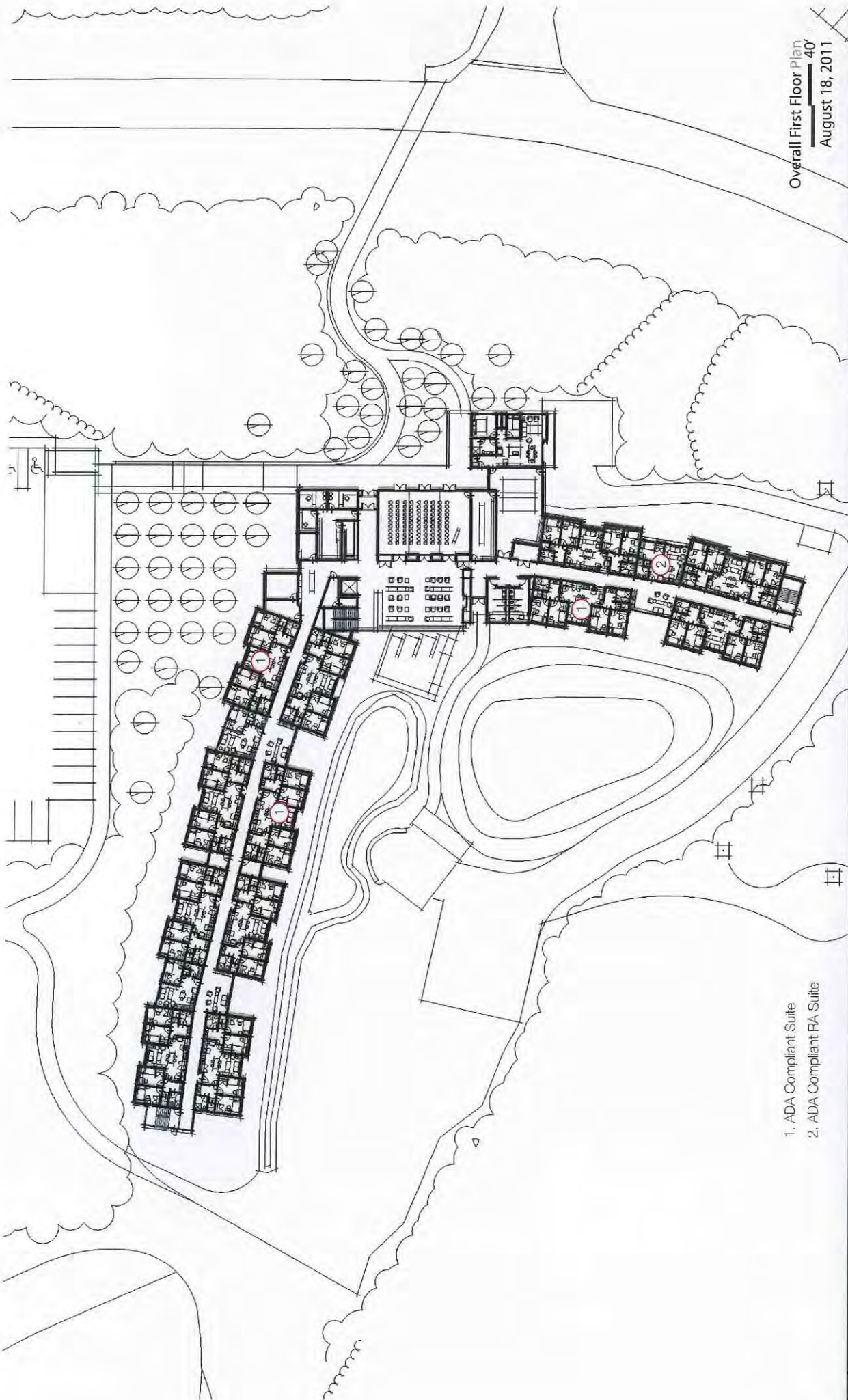
BETTISWORTH NORTH

- 1. Parking - 75 paved + 25 gravel (Bid Alternate)
- 2. Septic Field
- 3. Septic Replacement Field
- 4. Storm Water Disposal
- 5. Bus Drop Off, Protected Waiting Shelter
- 6. Covered Ramp to Entry
- 7. Covered Main Entry
- 8. Pedestrian Path to Campus
- 9. Exterior Covered Bike Storage
- 10. Dumpsters
- 11. Entry Courtyard
- 12. Outdoor Deck
- 13. Gazebo/Pavilion w/ Fire Place & Paved Plaza (Bid Alternate)
- 14. Half-Court Basketball (Bid Alternate)
- 15. Landscape Berms
- 16. Trail to Dena'ima Cache Pits
- 17. Fire Lane Turnaround
- 18. Fire Lane
- 19. Recreation Fields (Bid Alternate)
- 20. Sloped Amphitheater Seating (Bid Alternate)
- 21. Access Trail to Intersection
- 22. Existing Campus Buildings
- 23. Access Trail to Alaska Christian College
- 24. Career and Technical Center, Proposed Location



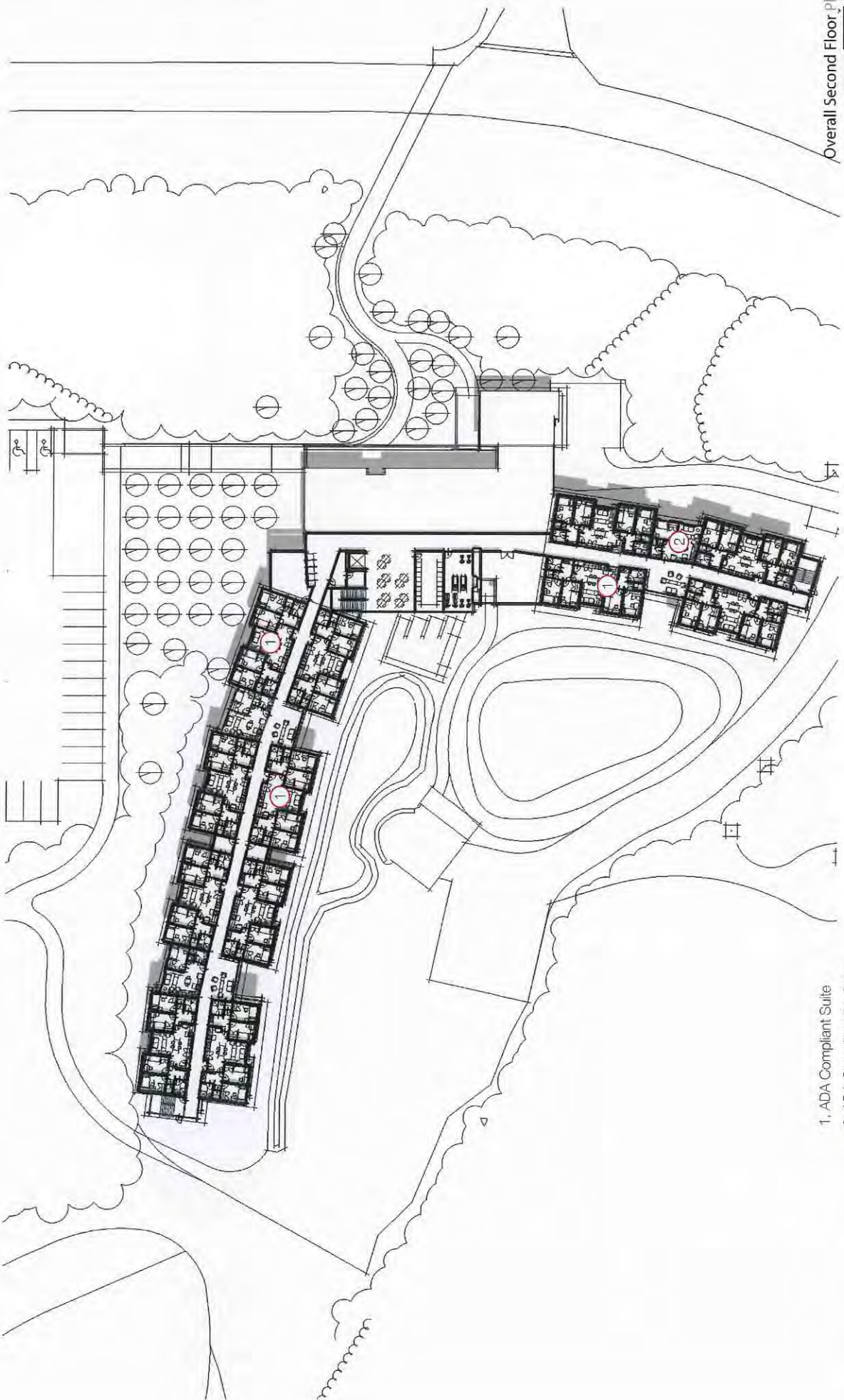
- 1. Fiber Cement Board
- 2. Fiber Cement Panel
- 3. PVC Egress Window (Typ.)
- 4. Aluminum Storefront w/
Fixed Glazing
- 5. Operable Vent Unit

Residential Elevation
 16'
 August 18, 2011



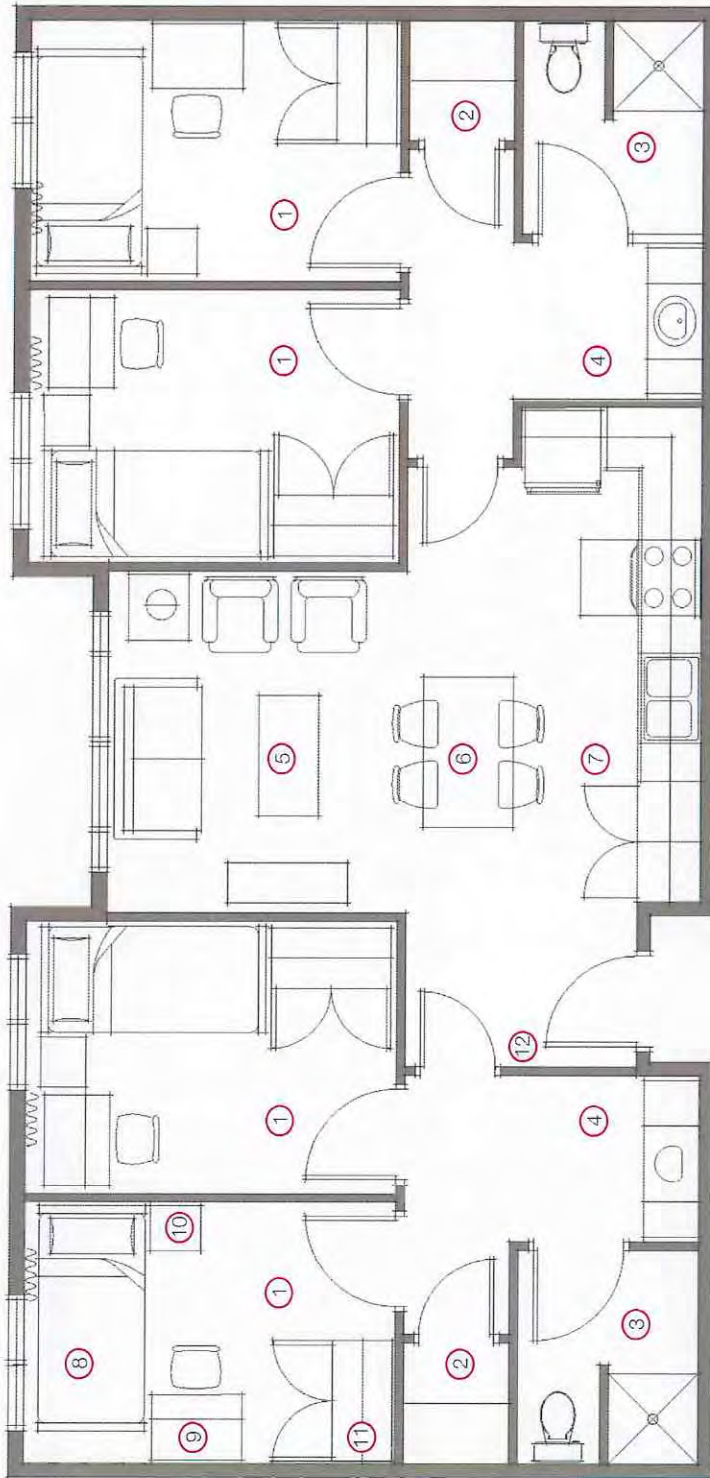
Overall First Floor Plan
40'
August 18, 2011

- 1. ADA Compliant Suite
- 2. ADA Compliant RA Suite



Overall Second Floor Plan
40'
August 18, 2011

- 1. ADA Compliant Suite
- 2. ADA Compliant RA Suite



- 1. Bedroom
- 2. Storage
- 3. Shower/Toilet
- 4. Vanity
- 5. Living Room
- 6. Dining Area
- 7. Kitchen
- 8. Single Bed
- 9. Computer Desk
- 10. Night Stand
- 11. Wardrobe
- 12. Coat Rack



UNIVERSITY OF ALASKA
ANCHORAGE

SCHEMATIC DESIGN APPROVAL

Name of Project: UAA Mat-Su Paramedic Program/Classroom Addition

Location of Project: Mat-Su Campus, Palmer, AK

Project Number: 10-0015

Date of Request: August 30, 2011

Total Project Cost: \$ 3,625,000

Approval Required: Schematic Design Approval

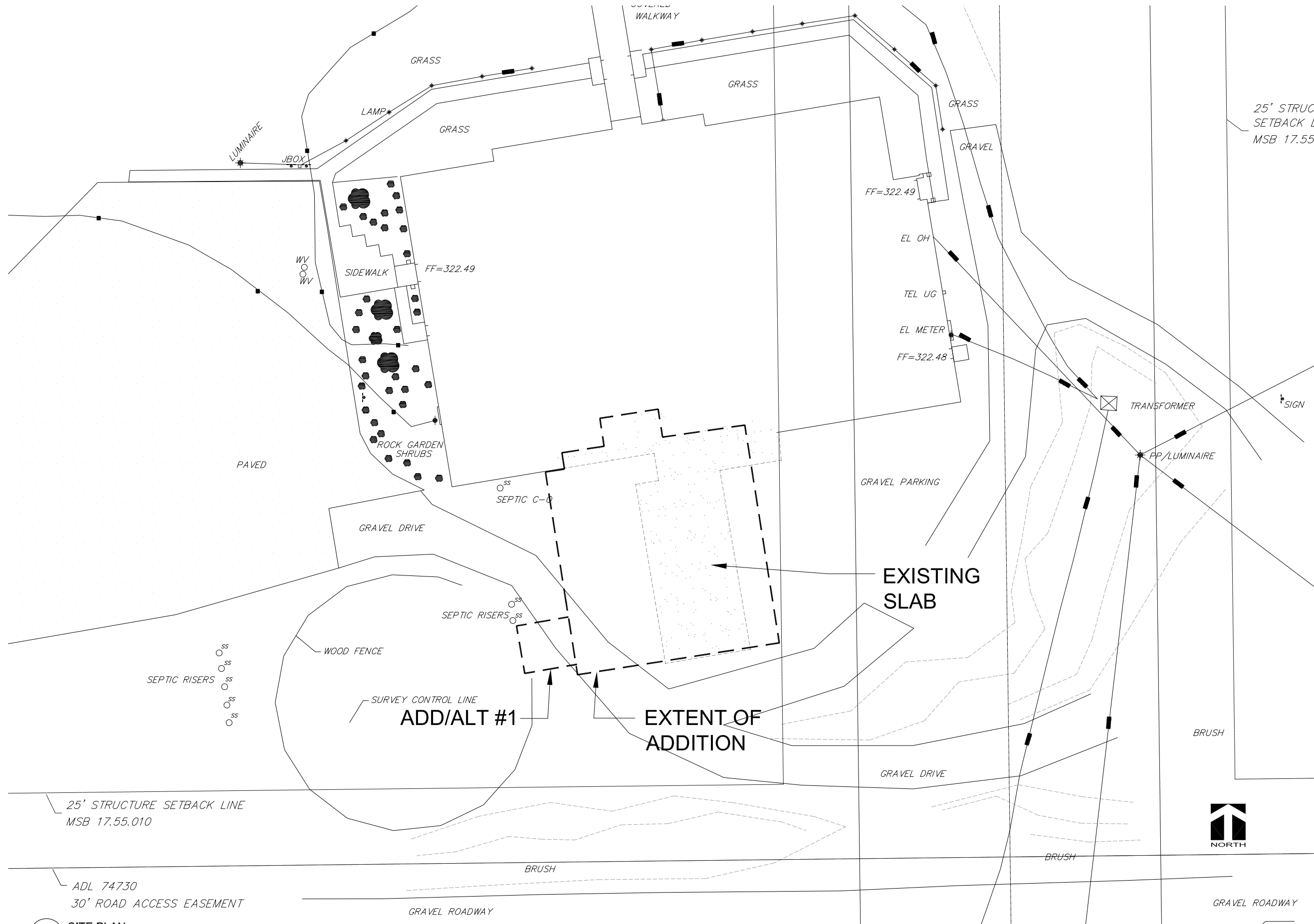
Prior Approvals/Actions: Preliminary Administrative Approval: November 2009
Project Agreement: November 18, 2010
Formal Project Approval: December 10, 2010

Reference Materials:

Project Budget

Project Drawings (Site Plan, Floor Plan and Exterior Elevation)

UNIVERSITY OF ALASKA			
Project Name:		Mat-Su Paramedic Program/Classroom Addition	
MAU:		UAA	
Building:	SnodGrass Hall	Date:	8/1/2011
Campus:	Mat-Su	Prepared by:	FP&C 512038
Project #:	10-0015	Acct #:	106708
Total GSF Affected by Project:		6400	6400
PROJECT BUDGET		FPA Budget	SDA Budget
A. Professional Services			
Advance Planning, Program Development			
Consultant: Design Services	10%	258,000	258,000
Consultant: Construction Phase Services		0	
Site Survey		6,800	6,800
Soils Testing & Engineering		20,000	20,000
Special Inspections		20,000	20,000
Plan Review Fees / Permits		9,000	9,000
Other			
Professional Services Subtotal		313,800	313,800
B. Construction			
General Construction			
Contract(s)		2,580,000	2,705,000
Other Contractors (List: _____)			
Construction Contingency	10%	258,000	258,000
Construction Subtotal		2,838,000	2,963,000
<i>Construction Cost per GSF</i>		<i>443</i>	<i>463</i>
C. Building Completion Activity			
Equipment	1%	25,800	25,800
Furnishings	2%	51,600	51,600
Art	1%	25,800	25,800
Building Completion Activity Subtotal		103,200	103,200
D. Owner Activities & Administrative Costs			
Project Plng, Staff Support	2%	70,000	70,000
Project Management	5%	175,000	175,000
Misc. Expenses: Advertising, Printing, Supplies, Etc.			
Owner Activities & Administrative Costs Subtotal		245,000	245,000
E. Total Project Cost		3,500,000	3,625,000
<i>Total Project Cost per GSF</i>		<i>547</i>	<i>566</i>
F. Total Appropriation(s)		\$ 3,500,000	\$ 3,625,000



UNIVERSITY OF ALASKA ANCHORAGE - MATSU COLLEGE
 PARAMEDIC / NURSING PROGRAM
 LAB & CLASSROOM ADDITION
 PALMER, ALASKA

LIVINGSTON STONE
 ARCHITECTURE
 ENGINEERING
 PLANNING
 INTERIOR DESIGN
 3800 ARCTIC BOULEVARD
 SUITE 301
 ANCHORAGE, ALASKA 99504-5790
 TEL 907 562 2058
 FAX 907 561 4526

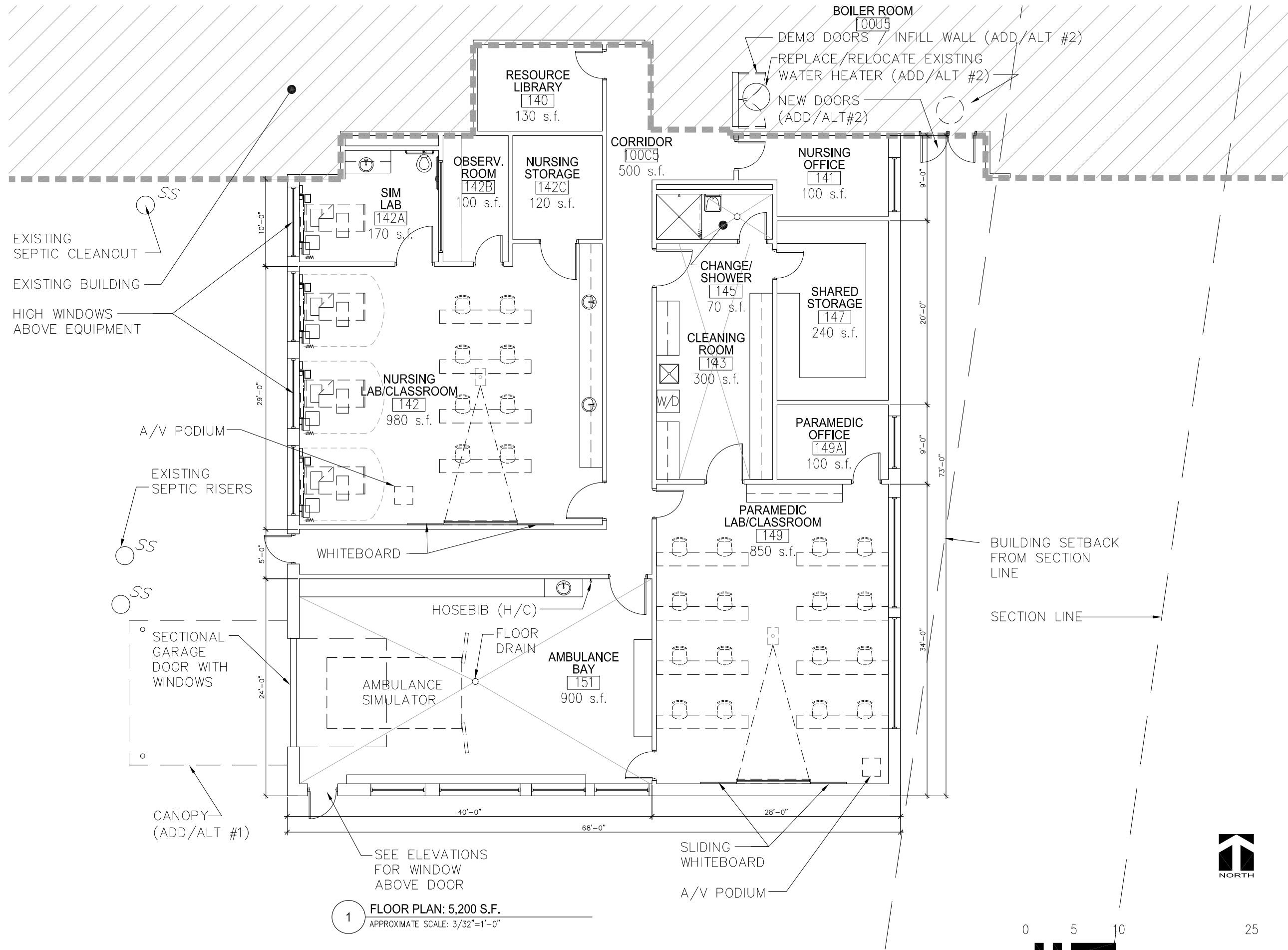
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PROJECT NO. 1103.00
 DRAWN BY: RJ
 REVIEWED BY: BK
 DATE: August 2, 2011

SCHEMATIC DESIGN
 TITLE
 PRELIMINARY
 SITE PLAN

SHEET NO.
 A100
 425

1 SITE PLAN
 APPROXIMATE SCALE: 1/32"=1'-0"



EXISTING SEPTIC CLEANOUT
 EXISTING BUILDING
 HIGH WINDOWS ABOVE EQUIPMENT

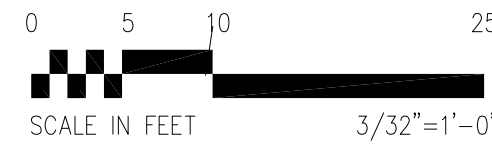
A/V PODIUM
 EXISTING SEPTIC RISERS

SECTIONAL GARAGE DOOR WITH WINDOWS

CANOPY (ADD/ALT #1)

1 FLOOR PLAN: 5,200 S.F.
 APPROXIMATE SCALE: 3/32"=1'-0"

BUILDING SETBACK FROM SECTION LINE
 SECTION LINE



UNIVERSITY OF ALASKA ANCHORAGE - MATSU COLLEGE
PARAMEDIC / NURSING PROGRAM
LAB & CLASSROOM ADDITION
 PALMER, ALASKA

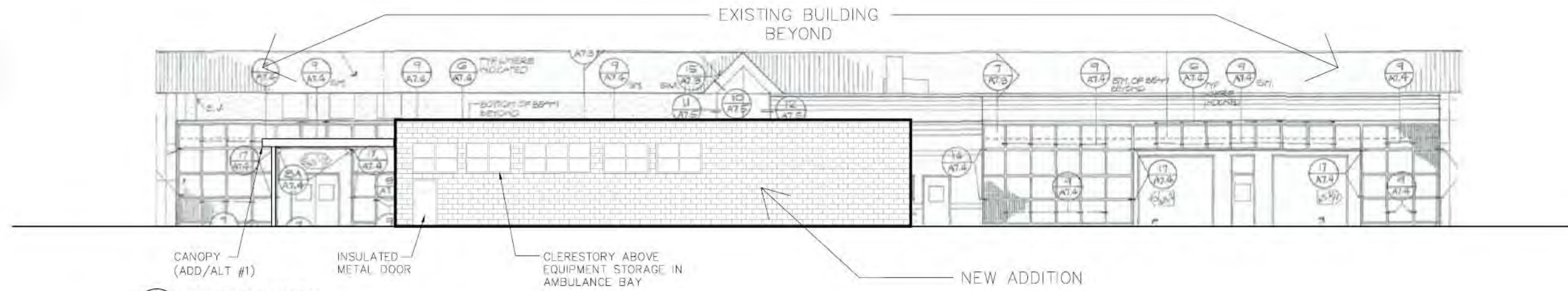
LIVINGSTON STONE
 ARCHITECTURE
 ENGINEERING
 PLANNING
 INTERIOR DESIGN
 3800 ARCTIC BOULEVARD
 SUITE 301
 ANCHORAGE, ALASKA 99505-5790
 TEL 907 562 2058
 FAX 907 561 6258

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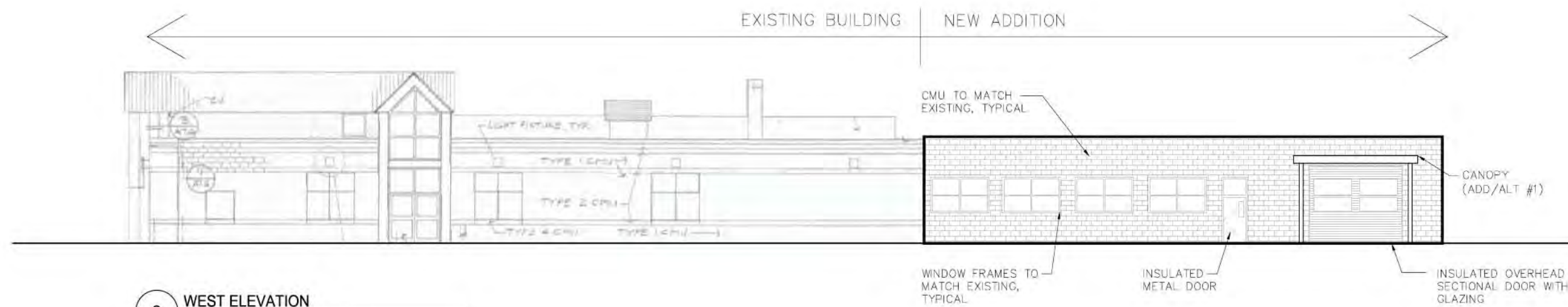
PROJECT NO. 1103.00
 DRAWN BY: RJ
 REVIEWED BY: BK
 DATE: August 2, 2011

SCHEMATIC DESIGN
 TITLE
 FLOOR
 PLAN

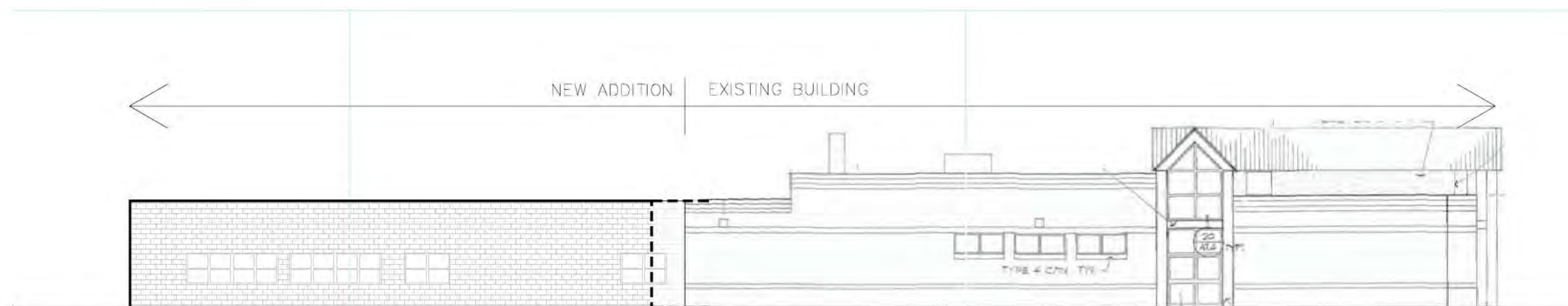
SHEET NO.
A101
426



1 SOUTH ELEVATION
 APPROXIMATE SCALE: 3/32"=1'-0"



2 WEST ELEVATION
 APPROXIMATE SCALE: 3/32"=1'-0"



3 EAST ELEVATION (COMPOSITE)
 APPROXIMATE SCALE: 3/32"=1'-0"



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PROJECT NO. 1103.00
 DRAWN BY: RJ
 REVIEWED BY: BK
 DATE: August 2, 2011

**SCHEMATIC DESIGN
 TITLE
 ELEVATIONS**

SHEET NO.
427 A201

University of Alaska
FY12 Priority Deferred Maintenance and Renewal and Repurposing (R&R)
Projects by MAU Distribution Revision and Revenue Bonding Allocation
(in thousands)

Project Name	DM and R&R Total	Revised Budget Dist. Total	FY12 Revenue Bonding	Remaining FY12 Revenue Bonding	Total Revenue Bonding
UA Anchorage Campus					
Science Building Renewal/Backfill	4,300.0	1,950.0	1,000.0	1,150.0	2,150.0
Campus Roof Replacement	1,500.0		700.0	800.0	1,500.0
Campus Mechanical/Electrical/HVAC Upgrades	1,500.0		150.0	350.0	500.0
Campus Roads, Curbs and Sidewalks	1,000.0		250.0	250.0	500.0
EM1 and EM2 Mechanical	2,370.0		250.0	2,120.0	2,370.0
MAC Housing Renewal - Phase 1 of 3	4,132.0		400.0	3,732.0	4,132.0
Consortium Library Old Core Mechanical Upgrades	5,250.0	635.0	500.0	1,490.0	1,990.0
Fine Arts Mechanical System Renewal	7,582.0	100.0			
Engineering Building Renewal	3,440.0				
Beatrice McDonald Building Renewal	10,300.0	3,275.0			
Health Sciences Backfill	5,000.0				
Student Recreation/Wells Fargo Sports Center Renovation	5,000.0	125.0			
Campus Signage		109.2			
Allied Health Sciences Renewal		2,768.3			
UAA Main Campus Total	51,374.0	8,962.5	3,250.0	9,892.0	13,142.0
UAA Community Campuses					
KPC Kenai River Campus Boiler/HVAC Renewal	1,011.0	562.5			
UAA Community Campuses			500.0	511.0	1,011.0
Kodiak Roof Replacement	1,011.0				
PWSCC Parking and Security Upgrades	2,000.0				
Mat-Su Bridge Enclosure	607.0				
Mat-Su Roof Replacement	1,011.0				
Kodiak College Campus Renewal	3,593.0	300.0			
PWSCC Campus Renewal	2,341.0	225.0			
Mat-Su Science Lab Renewal Phase II	576.0	600.0			
KPC Kenai River Campus Goodrich and Ward Building Backfill	1,264.0				
KPC KBC Campus Renewal		150.0			
UAA Community Campus Total	13,414.0	1,837.5	500.0	511.0	1,011.0
UA Fairbanks Campus					
Atkinson Combined Heat and Power Plant Critical Utilities Revitalization	27,800.0	927.5	1,000.0		1,000.0
Critical Electrical Distribution (High Voltage)	20,200.0	8,500.0	5,250.0	11,484.0	16,734.0
Atkinson Heating Plant Boiler and Turbine Replacement	3,000.0	3,000.0			
Fairbanks Campus Main Waste Line Repairs	2,000.0	1,000.0			
Campus Wide Housing Sprinklers	1,200.0	1,200.0			
Fairbanks Main Campus Wide Roof Replacement	2,500.0	1,500.0			
UAF Community and Technical College Space Revitalization Phase 4 (\$1.5M UAR)	4,500.0				
Deferred Maintenance Related to Energy Conservation	5,500.0				

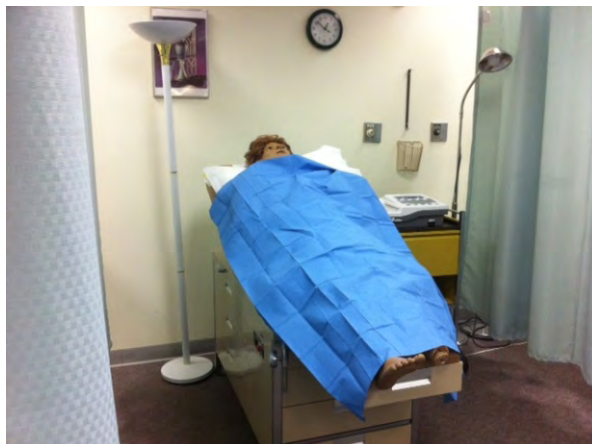
University of Alaska
FY12 Priority Deferred Maintenance and Renewal and Repurposing (R&R)
Projects by MAU Distribution Revision and Revenue Bonding Allocation
(in thousands)

Project Name	DM and R&R Total	Revised Budget Dist. Total	FY12 Revenue Bonding	Remaining FY12 Revenue Bonding	Total Revenue Bonding
Elvey Building Renewal and Revitalization	3,000.0				
Arctic Health Research Building Deferred Renewal - Phase 3 of 5 for Initiative Programs	14,200.0				
Campus Wide Backfill Renovations per 2010 Masterplan Recommendation	2,500.0		500.0		500.0
Salisbury Theater Renovation	2,650.0	250.0	2,500.0		2,500.0
Matanuska Experiment Farm Colony House Renovation	2,000.0				
Upper Dorm Egress Code Correction		200.0	1,550.0		1,550.0
Fine Arts Vapor Barrier		600.0	4,400.0		4,400.0
Palmer Center DM		850.0	500.0		500.0
CTC Roof Project		300.0			
VoIP Phase 2		3,500.0			
West Ridge Research Revitalization Including LS Backfill		510.0			
ADA Compliance Campus Wide: Elevators, Ramps, Restrooms		200.0			
UAF Main Campus Total	91,050.0	22,537.5	15,700.0	11,484.0	27,184.0
UAF Community Campuses					
Kuskokwim Campus Facility Critical Deferred and Voc-Tech Renewal - Phase 2	4,900.0	800.0	6,800.0		6,800.0
CRCO Future Designs		100.0			
Northwest Campus Facilities: Preservation per the Campus Master Plan	1,800.0				
Chukchi Campus: Strengthening Academics Through Improved Facilities	1,050.0				
Interior Aleutians Campus: Development of the Physical Environment	2,000.0				
Deferred Maintenance Related to Community Campus Energy Conservation	471.0				
UAF Community Campus Total	10,221.0	900.0	6,800.0		6,800.0

University of Alaska
FY12 Priority Deferred Maintenance and Renewal and Repurposing (R&R)
Projects by MAU Distribution Revision and Revenue Bonding Allocation
(in thousands)

Project Name	DM and R&R Total	Revised Budget Dist. Total	FY12 Revenue Bonding	Remaining FY12 Revenue Bonding	Total Revenue Bonding
UA Southeast Campus					
Hendrickson Remodel and Renovation	3,200.0				
Auke Lake Way Campus Entry Improvements & Road Realignment	3,479.5	1,687.5	810.5		810.5
Technology Education Center Diesel Lab & Mine Training Remodel	1,000.0				
Whitehead Computer Room Upgrade	310.0				
Student Housing Lodge Repurposing					
UAS Main Campus Total	7,989.5	1,687.5	810.5		810.5
UAS Community Campuses					
Paul Parking Lot Reconstruction		425.0			
Hamilton Fuel Tank Replacement		125.0			
Construction Tech Lab		350.0			
Sitka Lighting Replacement		75.0			
UAS Community Campus Total		975.0			
Statewide					
Butrovich Building Repairs	600.0	600.0	300.0	300.0	600.0
Computing Facility Power Infrastructure	3,700.0				
Unassigned Bonding				452.5	452.5
Statewide Total	4,300.0	600.0	300.0	752.5	1,052.5
Additional DM and R&R					
UAA Main Campus Remaining DM & R&R	221,478.2				
UAA Community Campus Remaining DM & R&R	30,226.0				
UAF Main Campus Remaining DM & R&R	705,258.0				
UAF Community Campus Remaining DM & R&R	14,378.0				
UAS Main Campus Remaining DM & R&R	7,072.9				
UA System Additional DM and R&R	978,413.1				
University of Alaska DM & R&R Total	1,156,761.6	37,500.0	27,360.5	22,639.5	50,000.0

Allied Health Science 2nd Floor Renovations



Project Description:

Project is to renovate space vacated from move to new Health Science Building. Will serve for instruction on Radiologic Technology, Medical Assisting, Emergency Medical and Technology (EMS). A new program, Diagnostic Medical Sonography will be provided with a new Ultrasound Room necessary for teaching.

Schedule:

Planning & Design: July 2011 –January 2012.
Advertising & Award: February/ March 2012
Construction: May 2012
Occupancy August 2012

Total Project Cost:

\$784,258.00

Board of Regents Approval & Motions:

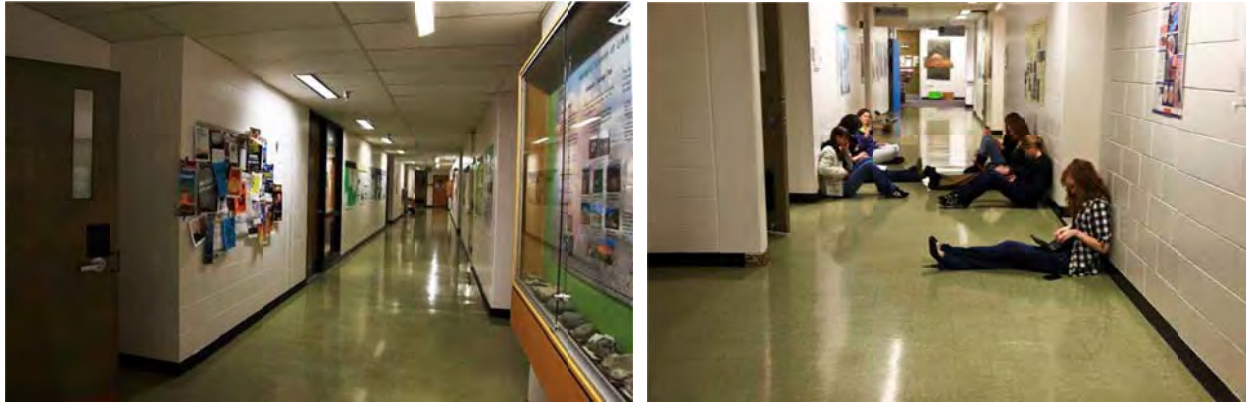
Project Agreement May 11, 2011
Preliminary Admin Approval June 2, 2011

Status Update:

Kumin & Assoc. was selected to provide architectural & engineering construction drawings. Design is in progress. Construction to start May 2012 and be completed by August 2012 for fall semester.



Beatrice McDonald Building Renewal



Project Description:

Complete renovation of the Beatrice McDonald Building, a 1970's building on the main UAA campus. The project will include HAZMAT abatement, replacement of boiler and mechanical systems, replacement of electrical systems and architectural interior and exterior improvements.

Schedule:

Planning & Design: July 2011 –January 2013
Advertising & Award: February/ March 2013
Construction: May 2013
Occupancy August 2014

Total Project Cost:

\$10,300,000.00

Board of Regents Approval & Motions:

Project Agreement July 11, 2011
Preliminary Admin Approval July 11, 2011

Status Update:

Architects Alaska was issued a contract for Programming & Pre-Design. The initial kick off meeting is scheduled for 9/2/11.



UAA Engineering and Industry Building, Ph 1



Project Description:

Planning, programming, design and construction of a 75,000 gsf engineering laboratory and teaching areas not currently available on campus. Teaching areas would include: communications labs, electrical engineering labs, fluids labs, heat and mass transfer labs, soils mechanics labs, photogrammetry/cartography/GIS, seismic and earthquake labs, foundation engineering, transportation and highway engineering, land surveying, machine shop, wood shop, “dirty” yard and conferencing/collaborative learning areas. The project will include structured parking for the facility and any displaced parking.

Schedule:

Planning & Design: May 2011-December 2012
Advertising & Award: January-March 2013
Construction: April 2013-May 2015
Warranty: 1 year after construction completion

Total Project Cost:

\$117,000,000

Board of Regents Approval & Motions:

Preliminary Admin Approval Nov 2009
Formal Project Approval Apr 2011 BOR authorized UAA to proceed with comprehensive planning, programming, concept design, and site evaluation and selection not to exceed a total cost of \$1,000,000.

Status Update:

Livingston Slone Architects, Anchorage, Alaska, was selected as lead architect for planning and programming the UAA Engineering and Industry Building. Programming workshops were conducted in June, July and August 2011. Ira Fink is assisting UAA by providing peer review of the programming phase of the project. Release of remaining design funds is being requested at the September BOR Meeting.



UAA Health Sciences Building



Project Description

Design / construct approximately 65,162 gross square foot facility to accommodate the academic programs of nursing, WWAMI/MEDEX and Allied Health. Project includes offices, classrooms/ seminar rooms, laboratories for patient simulators, Med Tech and gross anatomy spaces, and student activity spaces.

Schedule:

Planning & Design: Dec 2007-Sept 2009
Advertising & Award: Oct 2009 -Nov 2009
Construction F&F: Aug 2009- Dec 2009
Construction: Dec 2009-Aug 2011
Warranty: 1 year after construction completion

Total Project Cost:

\$46,500,000

Board of Regents Approval & Motions:

Preliminary Administrative Approval: June 2008
Schematic Design Approval: Feb 2009
Total Project Cost Increase: N/A

Status Update:

Conditional certificate of occupancy received August 1, 2011. Furniture and equipment delivery and installation complete. Functional testing/commissioning/operation and maintenance training of all mechanical and electrical systems complete. Installation of audio/video equipment 99% complete. Staff and faculty have completed the move into the building. Grand Opening Ceremony is scheduled for October 7, 2011.



UAA MAC Housing Fire System Upgrade

Phase IV, Building 5



Project Description:

Provide fire alarm, fire sprinkler system, and exhaust fans in Building 5. Buildings 1-4 are complete. Building 6 remains to be done in the future.

Schedule:

	Phase III, Building 5	
Planning & Design:	Thru February 2011	
Advertising & Award:	February 2011 – March 2011	
Construction:	May 2011- August 2011	
Warranty:	1 year after construction completion	

Total Project Cost:

\$515,000

Board of Regents Approval & Motions:

Formal Project Approval:	January 2008
Schematic Design Approval:	December 2010

Status Update:

The project has been awarded to Orion Construction, and the construction period remains as the original schedule of May 2011 – August 2011. The building received a Certificate of Occupancy on July 28, 2011. Minor programming adjustments are currently being addressed.

This is the final report for this project.



UAA Science Building Renovation



Project Description:

Phase 2 renovates the remainder of the first floor and half of the second floor, providing new physics, LSIS, Math labs, and a major renewal of the mechanical systems. Phase 3 is under design and will complete the building renovation.

Schedule:

	Phase 2
Planning & Design:	Nov 2010 –Feb 2011
Advertising & Award:	March 2011
Construction:	May 2011 –April 2012
Warranty:	1 year after construction completion

Total Project Cost:

Ph 1	\$2,645,600
Ph 2	\$5,100,000
Ph 3	\$5,300,000
TPC	\$13,045,600

Board of Regents Approval & Motions:

Prelim Administrative Approval:	Nov 2008
Formal Project Approval:	April 2009
Schematic Design Approval:	(Ph I) Sep 2009 (Ph 2) Sep 2010 (Ph 3) June 2011

Status Update:

Phase 2 – Demolition is complete. Shown are the new heating lines going to the Energy remodel. New walls are framed, electrical and mechanical rough-in is about 75% complete.

Phase 3 design is 65% complete.



UAA Seawolf Sports Arena



Project Description:

196,000 sf multi-use facility that will house a 5,000 seat performance gymnasium for basketball & volleyball; a practice & performance gym for the gymnastics program; support space consisting of a fitness & training room, administration/coaching offices, laundry, A/V production, locker & team rooms for basketball, volleyball, gymnastics, skiing, track & cross country programs.

Schedule:

Planning & Design: Aug 2008- Spring 2012
Advertising & Award: Fall 2011 (CMAR process)
Construction: Spring 2012 to Fall 2014
Warranty: 1 year after construction completion

Total Project Cost:

\$ 109,000,000

Board of Regents Approval & Motions:

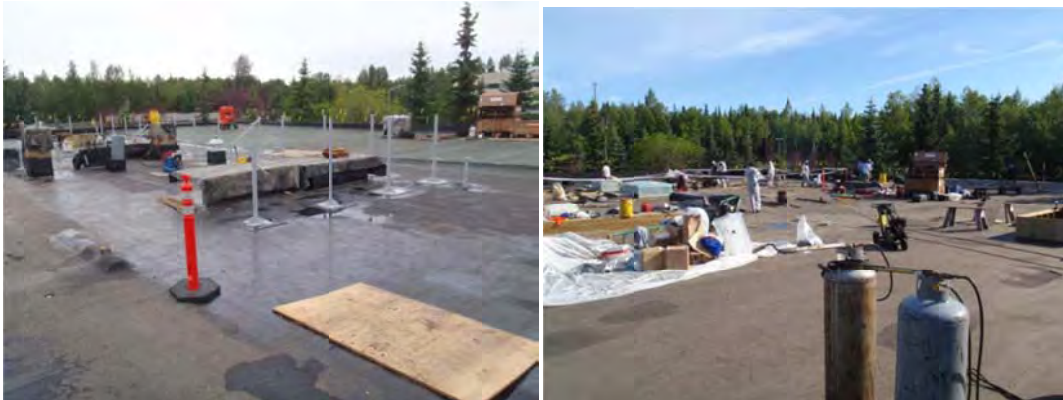
Preliminary Admin Approval: Aug 2008
Formal Project Approval(s): Feb 2009 /June 2011
Schematic Design Approval(s): June 2009/Sept 2011
Total Project Cost Increase: June 2011 – approved \$109M

Status Update:

Total project funding of \$109M (\$15M FY-09 Capital; \$60M FY11 General Obligation Bond; \$34M FY12 Capital) is now in place. Project team is currently verifying earlier assumptions on program & space requirements, parking, site and traffic considerations on the larger facility as well as finalizing sustainability design strategies. Limited site clearing (<2 acres) has been approved by the MOA Planning Department. Ground Breaking ceremony for the new Seawolf Sports Arena is scheduled for September 9th. Schematic Design including CMAR approval is being requested at the September BOR Meeting.



UAA University Lake Building and University Lake Building Annex Roof Replacement



Project Description:

UAA has over 1,000,000 square feet of various roofing types of which many have exceeded their performance life expectancy and must be replaced. UAA intends to replace the roofs based on an age/problem basis on an annual basis. The current FY12 project is to replace the roofs on the University Lake and the University Lake Annex Buildings. These roofs are 27 years old. The exposed asphalt roofs have well over three hundred patches, extensive UV degradation/cracking and numerous areas of standing water on the flat roof. The three inch rigid insulation is well below any current building standards; new, thicker and tapered insulation will bring the building up to an R-30 level and provide excellent drainage. The new mineral cap built up asphalt roof will be durable and require less maintenance.

Schedule:

Planning & Design:	July 2009-May 2010
Advertising & Award:	June 2011
Construction:	July 2011-September 2011
Warranty:	15 years after construction completion

Total Project Cost:

\$925,000

Board of Regents Approval & Motions:

Prelim Administrative Approval:	Feb 2009
Formal Project Approval:	April 2011
Schematic Design Approval:	April 2011
Project Change Approval:	July 2011

Status Update:

The ULB roof project was funded with R&R funds in May 2011 and subsequently bid June 2011. Seven bidders responded and the low bid and award was to Consolidated Enterprises, Inc. for \$460,071. With remaining project balance and FY12 funding, the ULB Annex was added to the scope of work after project change approval. The Contractor mobilized to the site in August 2011 and work is progressing as weather allows.



Wendy Williamson Auditorium Lighting Replacement



Project Description:

Demolition and replacement of incandescent light fixtures in the Wendy Williamson Auditorium to energy saving fluorescent and LED sources. Review of emergency backup generator associated with the lighting replacement and upgrade.

Schedule:

Planning & Design: Nov 2009 - Oct 2010
Advertising & Award: April 2011 – May 2011
Construction: Nov. 2011—Jan 2012

Total Project Cost:
\$620,000

Board of Regents Approval & Motions:

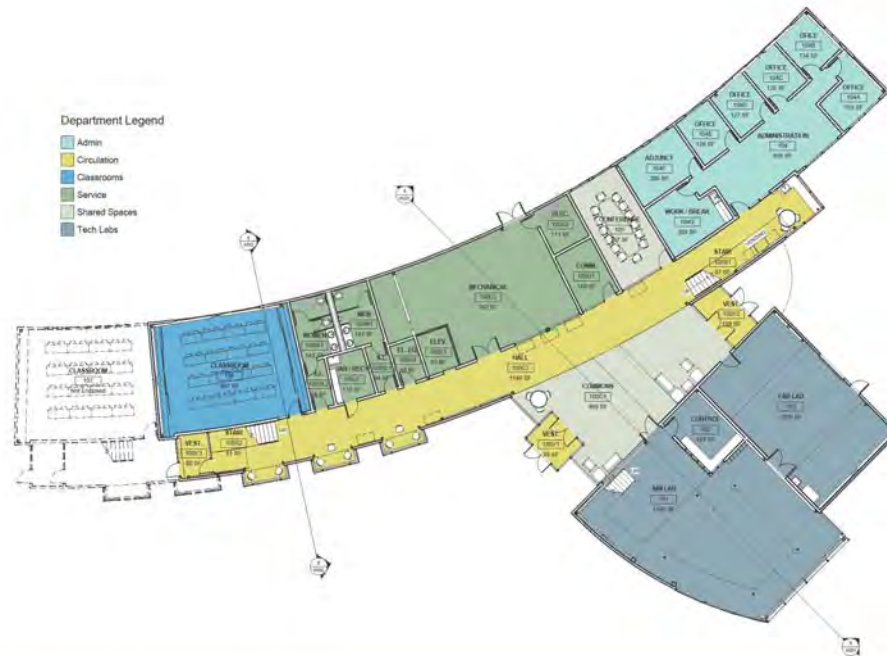
Project Agreement February 24, 2010
Prelim Administrative Approval: March 3, 2010
Formal Project Approval: March 22, 2010
Schematic Design Approval: March 25, 2011

Status Update:

Submittals have been issued, approved and processed. All fixtures are on order and scheduled for arrival before construction start date of November 7, 2011.



UAA Kenai Campus Career & Technical Center



UAA KRC Career & Technical Center - Level 1
August 10, 2011

McCool Carlson Green Architects
www.mcgalaska.com

Project Description

A new KPC building at the Kenai River Campus for Process Technology, electronics and instrumentation programs, approximately 17,000 sf.

Schedule:

Planning & Design: March – Nov 2011
 Advertising & Award: December 2011
 Construction: April 2012 – July 2013
 Warranty: 1 year after construction completion

Total Project Cost:
\$14,500,00

Board of Regents Approval & Motions:

Preliminary Project Approval: Feb 2011
 Formal Project Approval: February 18, 2011
 Schematic Design Approval: Pending
 Total Project Cost Increase: N/A

Status Update:

McCool Carlson Green has met with the KPC building committee several times and has developed the schematic design.



UAA Kenai Campus Student Housing



Project Description

New student housing with 96 Student beds.

Schedule:

Planning & Design: June 2011 – April 2012
Advertising & Award: June 2012
Construction: June 2012 – August 2013
Warranty: 1 year after construction completion

Total Project Cost:

\$17,800,000

Board of Regents Approval & Motions:

Preliminary Admin Approval: Feb 2011
Formal Project Approval: February 18, 2011
Schematic Design Approval: Pending
Total Project Cost Increase: Additional \$1.8 M in funding from Legislature

Status Update:

Bettisworth North has met with the building committee several times and has developed the schematic design. Schematic Design is being requested at the September BOR Meeting.



UAA KPC Soil Remediation



Project Description:

This project will cleanup a site off campus that was used for fire training in the 1980's and has significant amounts of diesel contamination at 14 feet below ground level. The contractor will excavate the soil and place it into clean piles and contaminated piles. Once all the contaminated soil is excavated the Environmental Consultant and the DEC will inspect the excavation. The contaminated soil will be spread out and land tilled. The expected outcome is to either clean up or fully characterize the site.

Schedule:

Planning & Design: Through January 2010
Advertising & Award: February 2010- March 2010
Construction: April 2010- Summer 2011

Total Project Cost:

\$411,000

Board of Regents Approval & Motions:

Prelim Administrative Approval	February 9, 2010
Formal Project Approval	February 17, 2010
Schematic Design Approval	February 17, 2010
Project Change Approved	\$36,000 on June 1, 2010

Status Update: One small area will need additional excavation to remove contaminated soil, this will be done in September. The contaminated soil that has been spread across the site has been tilled several times. Good progress has been made and final cleanup is anticipated by the end of summer 2011.



UAA Kachemak Bay Campus Classroom Building



Project Description:

A new 7,433 sf building with 5 classrooms, 12 offices, learning resource and testing center at the East Campus to replace space now being leased. Work also includes a new detached 720sf storage shed.

Schedule:

Planning & Design: June 2009- March 2010
Advertising & Award: March 2010- May 2010
Construction: June 2010- June 2011
Warranty: 1 year after construction completion

Total Project Cost:

\$3,345,000

Board of Regents Approval & Motions:

Preliminary Admin Approval	May 2009
Formal Project Approval	June 2009
Schematic Design Approval	Nov 2009
Project Change Approval(s)	June 2010 / October 2010

Status Update:

The University accepted the building as Substantially Complete effective 3/18/11. The general contractor has now completed all work on contractual punch list items and continues working on small miscellaneous owner initiated change order work. Additional landscaping and misc. site improvements work added by contract mod. #7 is now complete. Owner training and O&M manuals are now complete and final as-built drawings are in progress.

This is the final update for this project.



Mat-Su Valley Center for Arts & Learning



Project Description:

The project will design and construct a new facility at the Mat-Su Campus that will provide a music classroom, drama lab, instrument storage, display areas, gathering/study spaces and a theater for lectures, public gatherings and conferences.

Schedule:

Planning & Design:	July 2011-May 2012
Advertising & Award:	June 2012
Construction:	July 2012-July 2014
Warranty:	1 year after construction completion

Total Project Cost:

\$20,000,000

Board of Regents Approval & Motions:

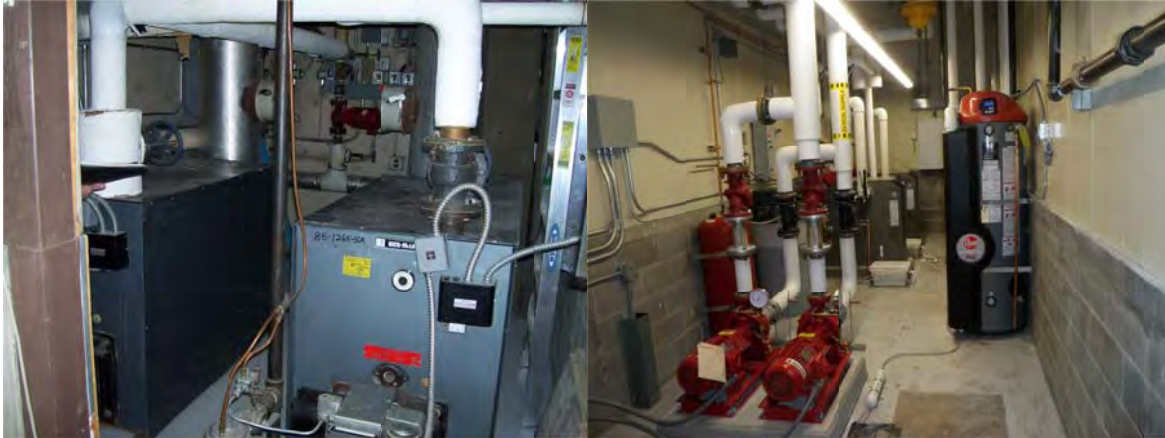
Prelim Administrative Approval:	February 2011
Project Agreement	August 22, 2011
Formal Project Approval:	Pending

Status Update:

We received proposals from six design firms which led to the selection of Kumin & Associates, Inc as the consultant for the project. Meetings have defined the preliminary scope of work and the consultant is proceeding with planning activities and concepts. Formal Project Approval is being requested at the September BOR Meeting.



Mat-Su HVAC & Boiler Replacement



Project Description:

Provide a new rooftop mounted air handling unit and boilers for the Jalmar M. Kerttulla Building to replace 35 year old existing units.

Schedule:

Planning & Design: January 2009 – July 2010
Advertising & Award: Nov – Dec 2010
Construction: April 2011 – Oct 2011
Warranty: 1 year after construction completion

Total Project Cost:

\$2,440,000

Board of Regents Approval & Motions:

Prelim Administrative Approval: October 2009
Formal Project Approval: April 2010
Schematic Design Approval: May 18, 2010

Status Update:

The project was bid on November 18, 2010. The low bidder was Goertz Construction. The contractor is substantially complete on August 05, 2011. Minor clean up items remain to be completed.

This will be the final report for this project.



Mat-Su College Paramedic/Nursing Lab Addition



Project Description:

The Snodgrass Hall addition will include new classrooms, offices, labs, workspace and storage for the paramedic and nursing programs. The FY10 GO Bond funded this addition to the Mat-Su campus.

Schedule:

Planning & Design: February 2011-March 2012
Advertising & Award: April 2012
Construction: June 2012 – December 2013

Total Project Cost:

\$3,625,000

Board of Regents Approval & Motions:

Prelim Administrative Approval: November 2009
Formal Project Approval: November 18, 2010
Schematic Design Approval: Pending

Status Update: Through meetings with the campus, the consultant has defined the scope of work and is finalizing the conceptual drawings and proceeding with the cost estimate based on the concept. The MSC campus has added \$125,000 to the project to relocate a septic tank that was not in the original scope of work. A request for Schematic Design Approval has been submitted for review and approval.



PWSCC Wellness Center Renovation & Campus Renewal



Project Description:

The FY11 GO Bond funded general renovation of the existing Wellness Center and Campus Renewal. The work will include: ADA compliant locker/restrooms; new entrance and counter space; new flooring and finishes; new doors and hardware; lighting replacement and electrical upgrades; electronic entry system; ACM removal; replacement of galvanized water lines; IT upgrades; mechanical system upgrades; energy conservation controls; and exterior siding improvements.

Schedule:

Planning & Design: February 2011-November 2011
Advertising & Award: December 2011-February 2012
Construction: April 2012 – July 2013

Total Project Cost:

\$5,000,000

Board of Regents Approval & Motions:

Prelim Administrative Approval: November 2009
Project Agreement: November 18, 2010
Formal Project Approval: December 10, 2010
Schematic Design Approval: Pending

Status Update: Kumin Architects, Inc. has completed the schematic design for the facility. The cost estimate based on the schematic design is within the project budget. Schematic Design Approval is being requested at the September BOR Meeting.



Arctic Health CANHR Health Clinic



Project Description

This project will build about 3200 gsf of new space and renovate another 2800 gsf to support initiatives under the Center for Alaska Native Health Research. The facility will include a nutritional and physical assessment lab on the first floor and a shelled out space on the second floor which will be developed with future grants.

Schedule:

Planning & Design: October 2009-April 2011
Advertising & Award: June-July 2011
Construction: August 2011-March 2012

Total Project Cost:

\$3,657,000

Funding Source:

NIH C06 Grant

Architect/Engineer: Design Alaska, Inc.

General Contractor: GBC, Inc.

Board of Regents Approval & Motions:

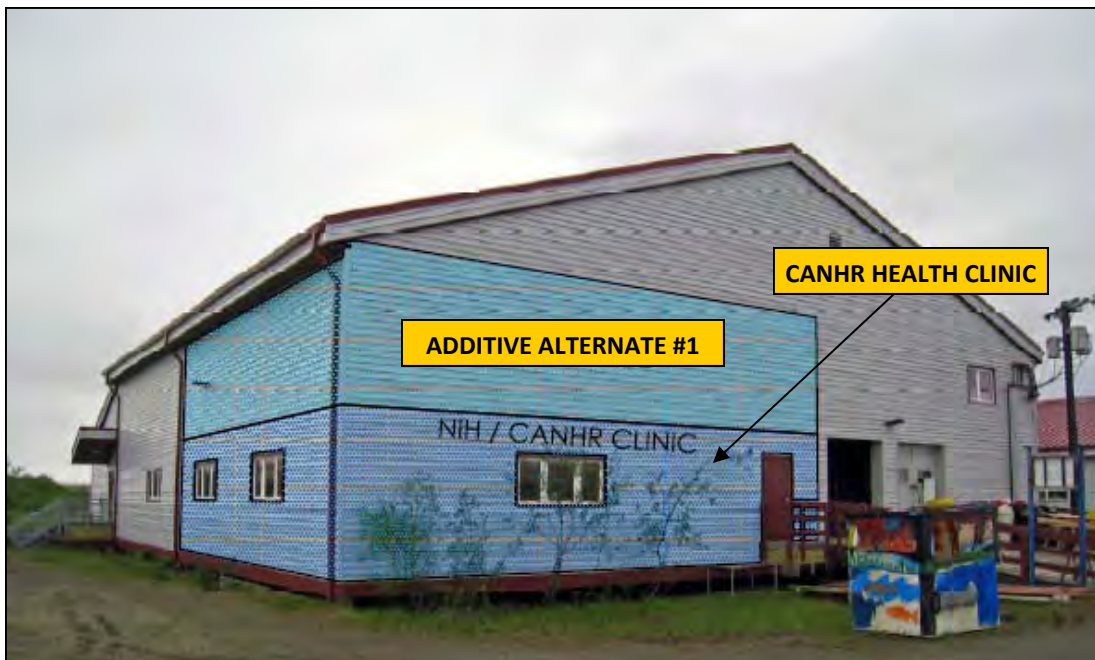
Preliminary Project Approval March 31, 2010
Formal Project Approval April 16, 2010 (\$7,530,000 for both the Arctic Health and Kuskokwim CANHR Health Clinics-NIH CO6 Grant)
Schematic Design Approval November 5, 2010 (\$3.657M Arctic Health Clinic)

Status Update:

The project bids were received on June 23rd. An award was issued the last week of July 2011 to GBC, Inc. Work will require the north entrance of the facility to be closed. Construction is anticipated between June and December 2011. The project completion date has slipped to March 2012 due to extended review periods by NIH.



Kuskokwim Campus CANHR Health Clinic



Project Description

This project will renovate and construct a new CANHR Health research facility within the existing Voc-Ed building, on the Kuskokwim Campus. The new space will be designed to accommodate Telehealth medicine (secure video conferencing) and distance education video conferencing. Additive Alternate #1, Kuskokwim Campus Gymnasium and Second Floor Renovation (KCGR), will be built above the clinic. Additive Alternate #2 is for selected mechanical work.

Schedule:

Planning & Design: June 2010 to March 2011
 Advertising & Award: July-August 2011
 Construction: September 2011 - August 2012

Architect/Engineer: Livingston Slone, Inc.

General Contractor: Denali General Contractors, Inc.

Total Project Cost:

\$3,800,000

Funding Source:

NIH C06 Grant/USDE Title III Grant

Board of Regents Approval & Motions:

Preliminary Project Approval March 31, 2010
 Formal Project Approval April 16, 2010 (\$7,530,000 for both the Arctic Health and Kuskokwim CANHR Health Clinics-NIH C06 Grant)
 Schematic Design Approval November 5, 2010 (\$3.8M Kuskokwim Campus Clinic)

Status Update:

The bid opening was successful and within the engineer's estimate. The contract was awarded to Denali General Contractors, Inc. on August 8, 2011. The contractor will forward a schedule and tentatively start on the site work September 7, 2011. The barge schedule may delay the start of major work until May of 2012.



Kuskokwim Campus Gymnasium and Second Floor Renovation



Project Description

This project will build a gymnasium in a portion of the open floor area of the Voc-Ed building, above the Kuskokwim Campus CANHR Health Clinic (KCHC). Testing and distance education modules and new faculty offices will also be built. Construction on the KCHC and KCGR projects will be done simultaneously.

Schedule:

Planning & Design: February-June 2011
 Advertising & Award: July-August 2011
 Construction: September 2011-August 2012

Total Project Cost:

\$1,928,500

Funding Source:

USDE Title III Grant

Architect/Engineer: Livingston Slone, Inc.

General Contractor: TBD

Board of Regents Approval & Motions:

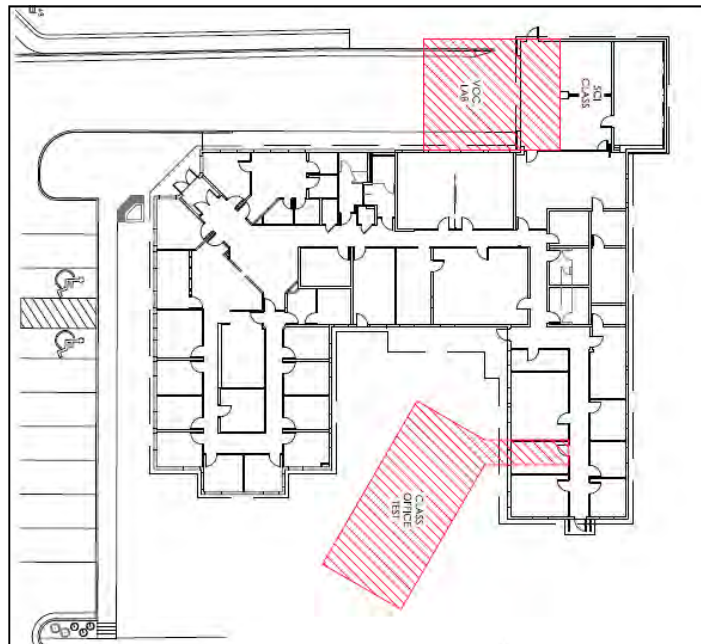
Preliminary Project Approval December 13, 2010
 Formal Project Approval February 14, 2011
 Schematic Design Approval June 8, 2011

Status Update:

This project is additive alternate #1 to KCHC (noted previously). Bids have been received and an award is in progress.



Bristol Bay Science Lab and Clinical Space



Project Description

This project will increase science laboratory and research space by 780 square feet, increase student study and testing areas by three rooms, and increase distance education training space and classroom space by 640 square feet. This project and grant will also provide pre-planning documents for additional clinical and laboratory space for high-demand areas (i.e., Allied Health/Nursing program).

Schedule:

Planning & Design: February-June 2011
 Advertising & Award: July-August 2011
 Construction: August 2011-September 2012

Total Project Cost:

\$1,985,000

Funding Source:

USDE Title III Grant

Architect/Engineer: McCool Carlson Green

General Contractor: TBD

Board of Regents Approval & Motions:

Preliminary Project Approval December 13, 2010
 Formal Project Approval February 14, 2011
 Schematic Design Approval July 21, 2011

Status Update:

Bids were received and an award is in progress as we actively collect submittals to complete the contracting. Construction will be underway the end of August 2011.



Chukchi Flight Simulator Room and Classroom



Project Description

The renovation and expansion plan will create a new flight simulator room and modify the adjacent classroom to accommodate the flight simulator computer lab. Additionally, a battery storage room will be included in this project. This renovation will reduce the size of the back classroom and create a hallway that leads to the flight simulator area.

Schedule:

Planning & Design: February-June 2011
Advertising & Award: July 2011
Construction: August 2011-September 2012

Total Project Cost:

\$1,804,960

Funding Source:

USDE Title III Grant

Architect/Engineer: NVision Architecture

General Contractor: TBD

Board of Regents Approval & Motions:

Preliminary Project Approval December 13, 2010
Formal Project Approval February 14, 2011
Schematic Design Approval July 21, 2011

Status Update:

Bids were received and an award is in progress as we actively collect submittals to complete the contracting. Construction will be underway the end of August 2011.



NW Campus Nagozruk Building Heating Upgrade



Project Description

This project will replace three existing boilers that were installed with the original building in 1978 with one new boiler, perimeter fin tube element heating and a heat recovery ventilator (HRV) unit. The current system does not provide adequate heat for the spaces within the building. The fans in the forced air furnaces use a substantial amount of electricity to move air. Costs will be reduced by replacing the fans with an HRV and boiler system.

Schedule:

Planning & Design: July 2010-January 2011
Advertising & Award: February-March 2011
Construction: May-August 2011

Total Project Cost:

\$568,700

Revised Total Project Cost:

\$873,209

Architect/Engineer: RSA Engineering, Inc.

Funding Source:

General Contractor: ASRC Builders, LLC

FY11 State Appropriation

Board of Regents Approval & Motions:

Formal Project Approval September 8, 2010
Schematic Design Approval September 8, 2010
Project Change Approval March 29, 2011

Status Update:

The contractor is progressing well on this project and is approximately 95% complete. A substantial completion inspection is scheduled for August 31, 2011.



WE'RE BUILDING ALASKA'S FUTURE. UAF ALASKA

Arctic Health SNRAS Research Greenhouse



Project Description

This project will replace the West Ridge Greenhouse which will be removed from the proposed construction site for the Life Sciences Research and Teaching Facility. UAF will construct a new, multi-level, 10,000 gsf research greenhouse connected to the southwest wing of the Arctic Health Research Building. The greenhouse will allow the School of Natural Resources and Agricultural Sciences (SNRAS) to conduct northern climate plant research.

Schedule:

Planning & Design: January-August 2010
Advertising & Award: November 2010-January 2011
Construction: April 2011– January 2012

Total Project Cost:

\$5,325,000

Funding Source:

UA Revenue Bond
GO Bond

Architect/Engineer: Design Alaska, Inc.

General Contractor: GHEMM Company, Inc.

Board of Regents Approval & Motions:

Formal Project Approval February 18, 2010 (Life Sciences Facility)
Schematic Design Approval June 3, 2010

Status Update: The steel frame and concrete foundation are complete and the first floor slab has been poured. In-slab mechanical and electrical were installed the week of July 18, 2011 and followed by the 2nd floor slab pour the last week of July 2011. The greenhouse structure arrived in Fairbanks and is being erected with the mechanical and electrical rough-in to begin soon.



Critical Electrical Distribution Renewal Phase 1C



Project Description

Phase 1C scope will install all the major electrical equipment in the building constructed in Phase 1B, including switchgear, transformers, switches, and cable for two new electrical feeders. Additional feeders will be installed as funds are available. This project will also provide additional power in building hub rooms as required for Voice over Internet Protocol (VoIP).

Schedule Phase 1C:

Planning & Design: January 2009 - June 2009
Advertising & Award: May-July 2011
Construction: July 2011 - August 2012

Total Project Cost:

\$13,500,000

Funding Source:

FY12 R&R Funding

Architect/Engineer: PDC Inc. Engineers

General Contractor: Kiewit Building Group, Inc.

Board of Regents Approval & Motions:

Formal Project Approval April 8, 2011

Schematic Design Approval June 2, 2011

Status Update:

Construction began July 1, 2011. Switchgear was delivered on August 24, 2011 and a major transformer is scheduled to be delivered in late September 2011. Electrical equipment will be installed and commissioned over winter 2011-2012 and two feeders will be energized in June 2012. Additional feeders will be energized in summer 2012. Anticipated completion date is the fall of 2012.



Energy Technology Facility Phase 1A (ETTM)



Project Description

This project, Phase 1A, will prepare the site for the Energy Technology Facility (ETWP), and will construct the four alternative energy test bay modules for ACEP in advance of the construction of the main facility.

Schedule Phase 1A:

Planning & Design: April 2009
Advertising & Award: February - March 2011
Construction: May 2011 - November 2011

Architect/Engineer: Bettisworth North, Inc.
General Contractor: Kiewit Building Group, Inc.

Total Project Cost:

\$3,000,000

Revised Total Project Cost:

\$4,700,000

Funding Source:

FY11 Capital Appropriation
University Receipts

Board of Regents Approval & Motions:

Formal Project Approval April 8, 2009
Revised Formal Project Approval September 2009
Schematic Design Approval February 18, 2010 (Phase 1A)
Project Change Approval December 9, 2010

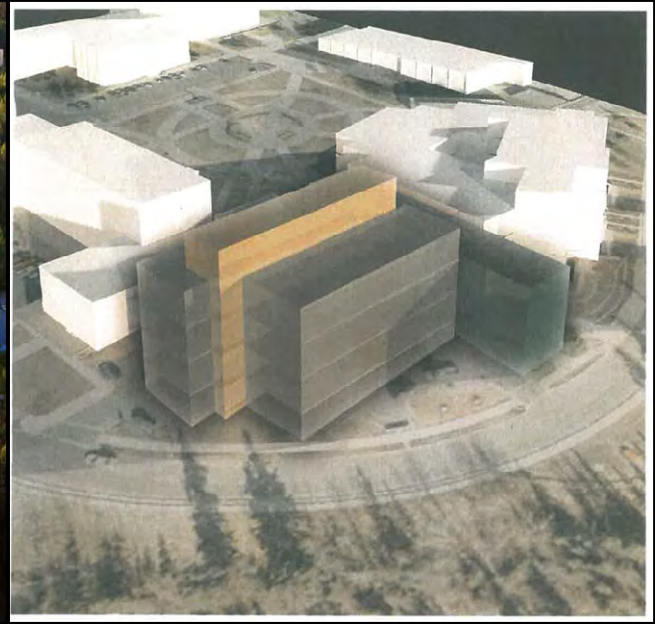
Status Update:

The foundation for the Test Modules was completed October 15, 2010 by Kiewit Building Group under the Critical Electrical Upgrade Phase 1B project. Groundbreaking took place on May 12, 2011. Structural steel is complete including the installation of insulated panels. The building is closed-in with electrical and mechanical installation currently on schedule.



UAF Engineering Facility

UAF photo by Todd Paris



Project Description

This project will construct a new, multi-story facility that will house existing and new engineering programs. The facility will include office, classroom, class laboratory, and research laboratory space. Specialty spaces such as high-bay test labs, strong floors and materials testing labs will also be included.

Schedule:

Planning & Design: May 2011-July 2012
Advertising & Award: Fall 2012
Construction: 2013

Architect/Engineer: ECI/Hyer & NBBJ

General Contractor: TBD

Total Project Cost:

TBD

Funding Source:

- FY 11 Capital Appropriation for \$4,000,000 of which \$1,000,000 is allocated for programming and conceptual design.

Board of Regents Approval & Motions:

Preliminary Project Approval September 9, 2006
Formal Project Approval June 4, 2010
Schematic Design Approval TBD

Status Update:

Consultant ECI/Hyer & NBBJ was selected in mid-May 2011. The Consultant and the College of Engineering and Mines (CEM) are currently in the programming and concept design phase for the facility. Ira Fink, author of the 2010 UA Engineering Report, continues to provide program review and input. The gross square foot building need will be established as part of the current work effort. Draft programming and concept design submittals are currently under review to meet the August 29, 2011 deadline in preparation for the September 2011 Board of Regents meeting.

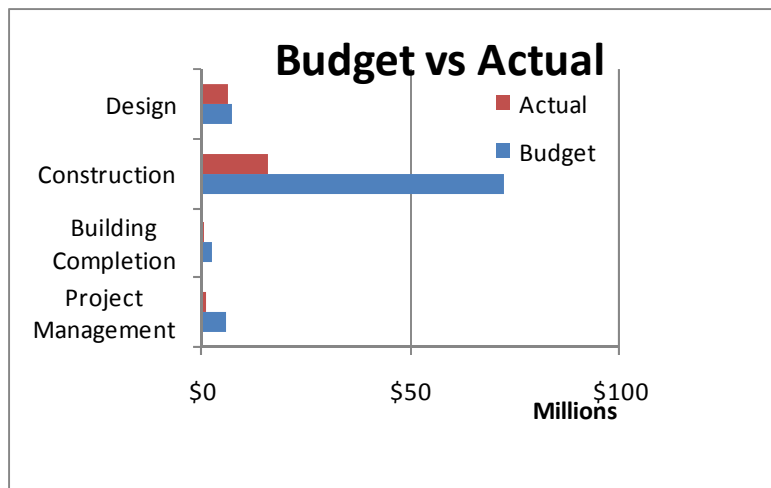


UAF Life Sciences Research and Teaching Facility



Project Description

Life Sciences will provide multiuse teaching and research labs, classrooms, and office space for life science research and academic purposes. The research portion will provide nearly 60,000 gsf lab space for biology research. The teaching portion will provide 40,000 gsf of academic classroom and lab space for biology and wildlife degree programs.



For actual values refer to attached budget sheet

Basic Project Info:

Designer:

Bezek Durst Seiser Inc, Smith Group, PDC Inc, RFD Inc

CM@Risk: Davis Constructors

Board Approvals:

FPA February 2010
SDA November 2010

TPC: \$88,275,000

Construction Cost: \$67,100,000

Occupancy Date: Fall 2013

Funding Source: GO Bond
UA Revenue Bond

Schedule Bar Chart:



Status Update:

Steel erection was completed August 19, 2011. Work continues on installing the steel decking and in-slab conduit, hangers, and reinforcing steel. Sewer line work has begun again along Sheenjok Drive. The new utilidor connection is half-way complete. Work has begun on the exterior studs and vapor barrier, a key milestone that needs to be completed in the next four weeks to ensure timely dry-in of the facility. The final design deliverable will occur the last week in August and review will begin in earnest. Overall the project remains on schedule and budget.



UAF Life Sciences Research and Teaching Facility

UNIVERSITY OF ALASKA			
Project Name:	Life Sciences Research and Teaching and Facility		
MAU:	UAF		
Building:	New-Life Sciences Facility	Date:	August 9, 2011
Campus:	Fairbanks	Prepared By:	Wohlford
Project #:	LFRF 2010100	Account No.:	512035-50216
Total GSF Affected by Project:	101,100		
PROJECT BUDGET		Budget	Actual
A. Professional Services			
Advance Planning, Program Development		\$0	\$0
Consultant: Design Services		\$5,787,572	\$5,787,572
Consultant: Construction Phase Services		\$1,162,000	\$384,595
CM@Risk Preconstruction Services		\$378,005	\$378,005
Misc Consulting and Peer Reviews		\$317,000	\$186,907
Soils Testing & Engineering		\$0	\$0
Special Inspections		\$0	\$0
Plan Review Fees / Permits		\$275,000	\$0
Other		\$0	\$0
<i>Professional Services Subtotal</i>		\$7,919,577	\$6,737,079
B. Construction			
General Construction Contract (s)		\$67,700,000	\$24,067,077
Other Contractors (List: West Riedge Parking, Building Relocations)		\$1,378,159	\$1,218,248
Construction Contingency		\$3,051,945	\$0
<i>Construction Subtotal</i>		\$72,130,104	\$25,285,325
<i>Construction Cost per GSF</i>		\$713.45	
C. Building Completion Activity			
Equipment		\$500,000	\$0
Fixtures		\$100,000	\$0
Furnishings		\$650,000	\$0
Signage not in construction contract		\$50,000	\$0
Move-Out Cost/Temp. Reloc. Costs		\$0	\$0
Move-In Costs		\$300,000	\$0
Art		\$200,000	\$0
Other (List: _____)		\$0	\$0
OIT Support		\$450,000	\$2,272
Maintenance/Operation Support		\$250,000	\$55,389
<i>Building Completion Activity Subtotal</i>		\$2,500,000	\$57,661
D. Owner Activities & Administrative Cost			
Project Planning and Staff Support		\$3,714,736	\$1,443,603
Project Management		\$2,144,333	\$276,672
Misc Expenses: Advertising, Printing, Supplies		\$169,250	\$60,111
<i>Owner Activities & Administrative Cost Subtotal</i>		\$6,028,319	\$1,780,386
E. Total Project Cost		\$88,578,000	\$33,860,451
<i>Total Project Cost per GSF</i>		\$876.14	Remaining Budget
F. Total Appropriation(s)		\$88,578,000	\$54,717,549

Formal Project Approval: \$108,600,000 to fund three projects associated with the construction of the new facilities:

- Life Sciences Facility (\$88,275,000) TPC Increase September 2011 for \$303,000
- West Ridge Steam Capacity Expansion (\$15M)
- Arctic Health Greenhouse (\$5,325,000) - Refer to AHRG CIP Update



Skarland Hall Shower Repairs

Substantially Complete



Project Description

This project demolished and reconfigured the shower rooms and toilet areas on all three residence floors of Skarland Hall, because the infrastructure of the shower and toilet areas were failing. The reconfiguration included bringing the ventilation and electrical systems up to current standards, including ADA regulations and codes. This project also provided increased security, especially in the shower rooms. During construction, Skarland Hall was completely shut down to student use.

Schedule:

Planning & Design: November 2009 - May 2010
 Advertising & Award: June - July 2010
 Construction: August 2010 - May 2011

Total Project Cost:

\$3,800,000

Revised Total Project Cost:

\$3,000,000

Architect/Engineer: Nvision Architecture, Inc.

Funding Source:

Residence Life Auxiliary Funds
 FY11 R&R Funding

General Contractor: Richard Stanton Construction Co.

Board of Regents Approval & Motions:

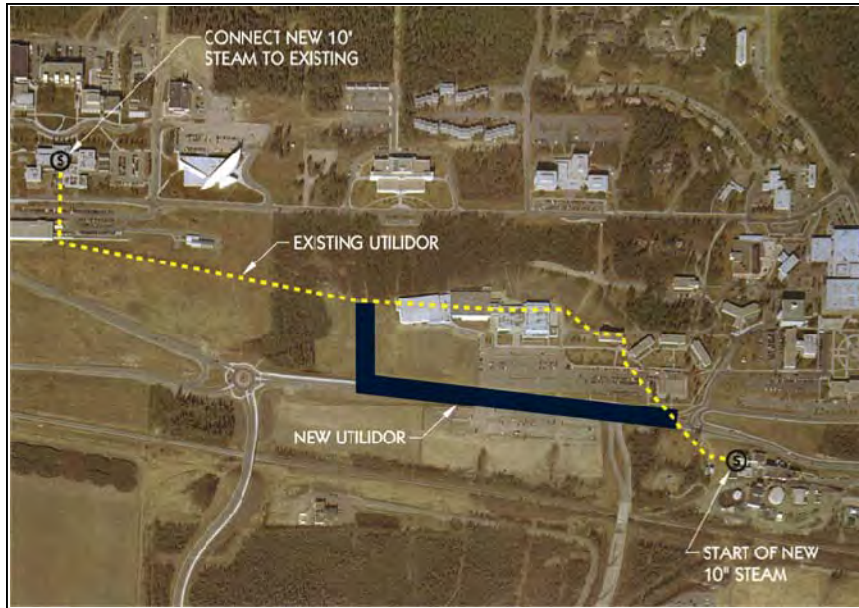
Formal Project Approval September 24, 2009
 Schematic Design Approval May 4, 2010

Status Update:

Substantial completion inspection occurred in early April 2011. Residence Life has re-occupied Skarland Hall as of mid- May. The project is 98% complete.



Utilities West Ridge Steam Capacity Expansion



Project Description

This project installs a 10-inch steam line and a 6-inch condensate line from the Atkinson Power Plant to the West Ridge in the vicinity of the Arctic Health Research Building to increase the steam capacity for West Ridge and the new Life Sciences Facility. A new utilidor will also be constructed to house the steam piping and other utilities from the utilidor near the Lola Tilly Building to the utilidor west of the Student Recreation Center.

Schedule:

Planning & Design: February - May 2011
 Advertising & Award: April - July 2011
 Construction: August 2011 - October 2012

Total Project Cost:

\$15,000,000

Funding Source:

GO Bond (Life Sciences)

Architect/Engineer: PDC Inc. Engineers

DB Contractor: Kiewit Building Group
 Design Alaska

Board of Regents Approval & Motions:

Formal Project Approval November 9, 2011
 Schematic Design Approval April 8, 2011

Status Update:

Design-Build Qualifications were received May 10, 2011. Three contractors were short-listed and proposals were received. Kiewit Building Group had the highest ranked proposal and a Notice of Intent to Award was issued June 30, 2011. The bids were about \$2M lower than the estimate and an additional water line was added to the project to improve fire protection capabilities on the West Ridge. Construction is scheduled to begin August 29, 2011 and completion is expected in the fall of 2012.



Anderson Building Remodel & Pedestrian Access



Project Description:

This project will totally remodel the Juneau campus principal science instruction space to accommodate the needs of the UAS Science program. The project is divided in to two separate construction contracts. The first is the building remodel including classrooms, teaching labs, faculty offices, and research spaces. The second contract will be for the construction of a pedestrian crossing of Glacier Highway. These two elements are being designed, bid and constructed as separate contracts due to the different nature and schedules for the work.

In the remodel work major building components will be upgraded or replaced including heating and ventilating equipment and controls, the roof membrane and insulation, new toilet rooms, interior finishes, elevator replacement, classroom and laboratory casework and the emergency generator. Interior space will be reconfigured to improve effectiveness of the teaching and research areas. The number of faculty offices will be reduced. The work has required the building to be vacated during renovation. Interim space for offices and labs is being accommodated elsewhere on campus, at the UAF Fisheries facility at Lena Point and at the old NOAA lab adjacent to the Anderson Building.

The pedestrian access work will include a pedestrian bridge connecting to the third floor of the Anderson Building and a paved and lighted pathway to the main campus.

Total Project Cost: **\$10,700,000**

Project Schedule:

	Building Remodel	Pedestrian Access
Final Design	9/2008 –9/2009	3/2009 – 1/2012
Bid & Award	10/2009-11/2009	2/2012 -3/2012
Construction	12/2009 – 9/2010	4/2012 – 10/2012

Project Approvals:

Formal Project Approval	September 2008
Schematic Approval	February 2009

Status Update:

Building Remodel: Final contract closeout is in progress.

Pedestrian Overpass: UAS is awaiting detailed design data on the Alaska DOT&PF’s proposed re-alignment of Glacier Highway. DOT&PF and UAS are re-examining the impacts of the future road and right-of-way re-alignment. Construction is intended for 2012 assuming DOT&PF makes a determination on road alignment soon.



Auke Lake Way Corridor Improvements & Reconstruction



Project Description:

- Reconstruction of Auke Lake Way from Hendrickson to the Egan bus circle to replace pavement, signage and lighting, and add traffic control devices and provide for service and emergency access;
- Reconstruction of the Novatney parking area to a service turn-around;
- Construction of a paved and lighted pedestrian connection from the Hendrickson Building to the Auke Creek bridge path, eliminating pedestrian use of the road;
- Reconstruction, paving and drainage of the Chapel-by-the-Lake parking lot as required by the parking agreement;
- Construction of a roof structure atop the path between the main parking lots and the Whitehead entrance;
- Revised entry canopies at the intersections of the Novatney and Whitehead exterior walkways.
- Traffic and signage improvements at the Loop Road intersection.

Total Project Cost: \$4,300,000

Project Schedule

Planning & Design:	1/2011 – 9/2011
Bid & Award (phase 1):	5/2011 – 6/2011
Construction (phase 1):	6/2011 - 10/2011

Project Approvals

Formal Project Approval	December 2010
Schematic Approval (Phase 1)	April 2011

Status Update:

Phase 1 has been bid in two increments: North Entry improvements are completed and the South entry improvements have been awarded with work starting in September.



Sitka Career & Technical Education Center



Project Description:

A Title III grant is providing funding over the next two federal fiscal years to remodel portions of the existing facility. The project will:

- Expand the existing student success center,
- Create a new instructional design center,
- Reconstruct the construction technology laboratory,
- Construct new records storage, and
- Construct a new lecture hall.

Total Project Cost: \$3,410,000

Project Schedule

Planning & Design	11/2008 – 9/2009
Bid & Award	9/2011 – 10/2011
Construction:	11/2011 - 10/2012

Project Approvals

Formal Project Approval	December 2010
Schematic Approval	July 2011

Status Update:

Design development plans are due in early September.



Ketchikan – Ziegler Building Roof Replacement



Project Description:

This project will install a new membrane roof, new roof insulation, new flashing and make repairs to the wood mansard roof fascia.

Total Project Cost: **\$515,000**

Project Schedule

Design 11/2010 – 3/2011
Construction: June through August 2011

Project Approvals

Formal Project Approval December 2010
Schematic Design Approval December 2010

Status Update:

Work will be substantially complete on September 1.





SCHEMATIC DESIGN APPROVAL

Name of Project: Sitka Career & Technical Education Center Renovation

Location of Project: UAS Sitka Campus

Project Number: 2011-01

Date of Request: June 20, 2011 (*revised 6/24/2011*)

Total Project Cost:	\$ 3,406,000
Approval Required:	Schematic Design Approval
Prior Approvals/Actions:	Formal Project Approval, 12/09/2010

Reference Materials:

Total Project Budget

Schematic Design Plan

POLICY CITATION

In accordance with Regents' Policy P05.12, Schematic Design Approval (SDA) represents approval of the location of the facility, its relationship to other facilities, the functional relationship of interior areas, the basic design including construction materials, mechanical, electrical, technology infrastructure and telecommunications systems, and any other changes to the project since formal project approval.

A SDA is required for all projects with an estimated TPC in excess of \$2.5 million in order for that project's inclusion of construction funding to be included in the university's capital budget request, unless otherwise approved by the Board. The level of approval required shall be based upon TPC as follows:

- TPC > \$4 million will require approval by the Board based on recommendations from the Facilities and Land Management Committee (F&LMC).
- **TPC > \$2 million but ≤ \$4 million will require approval by the chair of the Facilities and Land Management Committee.**
- TPC ≤ \$2 million will require approval by the university's Chief Finance Officer (CFO) or designee.

Rationale and Recommendation

1. Background

The Sitka Campus of the University of Alaska Southeast (UAS) serves a two-year community college role, providing education and training opportunities to the residents of Sitka as well as students scattered all over the State using a variety of cutting edge, web based distance education technologies.

The campus is tasked with the primary responsibility of distance delivery of the AA and AAS degrees, the pre-nursing lab-based science classes and a Career and Technical Education (CTE) curriculum. The major objective is to complete the renovation of the Campus Career and Technical Education Wing, positioning the campus to contribute to the expected growth in the renewable energy and energy efficiency industry that prepares high school students for further training and work and provides opportunities for adults to maintain job skills or acquire new ones.

When completed, the CTE will house and a separate Construction Technology Lab on the first floor and a Student Success Center on the second floor complete with administrative areas, a testing center, and a multi-purpose meeting/project demonstration area.

2. Project Scope

The Project Scope includes design, bid and award and construction services to complete the renovation of the campus' CTE wing.

- **Student Success Center** to improve capacity to provide a comprehensive, integrated support system for online and local students. The student success center will house *Illuminate* cubicles for taping and delivery of lessons.
- **Construction Technology Laboratory** to support Building Energy Retrofit (BERT) Curriculum. This energy efficiency renewable energy lab will be a flexible space designed to provide basic skills instruction and training for students interested careers in construction technology in addition to traditional building skills.
- **Records Storage** to provide safe, clean and secure storage for student and business records, completing a partially finished 2nd floor storage area.
- **CTE Lecture/Exhibit Hall (Multipurpose Room)**: Capacity for 60 persons to include a demonstration area to accommodate more than just traditional students and programs. This

space will provide access for night and weekend use, as well as serve as a center for scientific seminars, industrial demonstrations and cultural activities.

- **Other:** improve egress, improve way finding, insulation for utility areas and open project areas.

During the Conceptual Design Phase, we looked at potentially including improvements to the existing Instructional Design Center, Computer classroom and Art Room. The Schematic Cost estimate does not support including improvements to these areas at this time. The scope of work has been modified to include only the elements requested in the original Title III Grant Request.

3. Proposed Cost and Funding Source(s)

This project is intended to be funded by two sources:

- Title III Grant Funding: The United States Department of Education, in accordance with PL102-324 Higher Education Authorization Act of 1965 awarded a discretionary grant to be awarded in two periods: 10/01/2010 ~ 9/30/2011 and 10/01 2011 ~ 9/30/2012. The project would be completed by September 30, 2012.

Title III Grant	\$ 2,570,020
Title III Supplemental Funding Request	\$ 143,723*

- UAS FY11 R&R capital allocation \$ 692,257

*If request to Title III is not funded, the campus will use unrestricted fund balance or campus general funds to supplement the other funding sources.

4. Estimated Total Project Cost

The total estimated project cost is \$3,406,000

5. Maintenance and Operating Costs (O&M)

The facilities maintenance and operating costs should be minimally impacted.

6. Consultant(s)

The prime consultant is NorthWind Architects, a Juneau based architectural firm. Evelyn Rousso is the Project Architect. The design team is also made up of the disciplines:

Structural Engineering:	Chris Gianotti, PND Engineers
Mechanical Engineering:	Doug Murray, Murray & Associates
Electrical Engineering:	Barry Begenyi, Haight & Associates
Cost Estimating	Jay Lavoie, Estimations, Inc.

7. Other Cost Considerations

N/A

8. Schedule for Completion

DESIGN

Conceptual Design	Sept-October 2010
Formal Project Approval	December 2010
Schematic Design	May 2011
Design Development	July 2011
100% Construction Documents	September 2011

BID & AWARD

Advertise and Bid:	September, 2011
Construction Contract Award	October 2011

CONSTRUCTION:

Start of Construction	October 2011
Date of Substantial Completion:	July 2012
Date of Beneficial Occupancy:	August 2012

9. Action Requested

Authorization for the University administration to complete design of the Sitka Campus Career and Technical Education Renovation project, to develop constructions documents to bid and award a contract for construction through project completion for a total project cost of \$3.410,000.

10. Approval

Schematic Design Approval is hereby granted.



Carl Marrs, Chair, Facilities and Land Management Committee


Date

Supporting Documents

- One page project budget
- Schematic Design Plan

UNIVERSITY OF ALASKA

Project Name: UAS Sitka Career and Technical Education Center Renovation

MAU: UAS

Building: SC101 Sitka Hanger 332

Date: 6/16/2011

Campus: Sitka

Prepared by: WK Gerken

Project Title: Sitka CTE Renovation (formerly Open Hangar Remodel)

Account No.:

Total GSF Affected by Project 9,300 11,300

PROJECT BUDGET**Original
Budget Schematic
Budget****A. Professional Services**

Consultant Basic Services	15.0%	390,000	390,000
Consultant Extra Services	2.5%	65,000	65,000
Testing			
Plan Review/Permits		40,000	40,000
Other			

Professional Services Subtotal 495,000 495,000**B. Construction**

General Contractor		2,360,000	2,485,000
Other Contractors			
Construction Contingency	10.0%	236,000	236,000
Art	0.5%	15,000	-
Other (interim Space Needs)			

Construction Subtotal 2,611,000 2,721,000

Construction Cost per GSF 281 241

C. Equipment and Furnishings

Equipment		55,000	-
Furnishings		55,000	-
Make Ready/Move In			

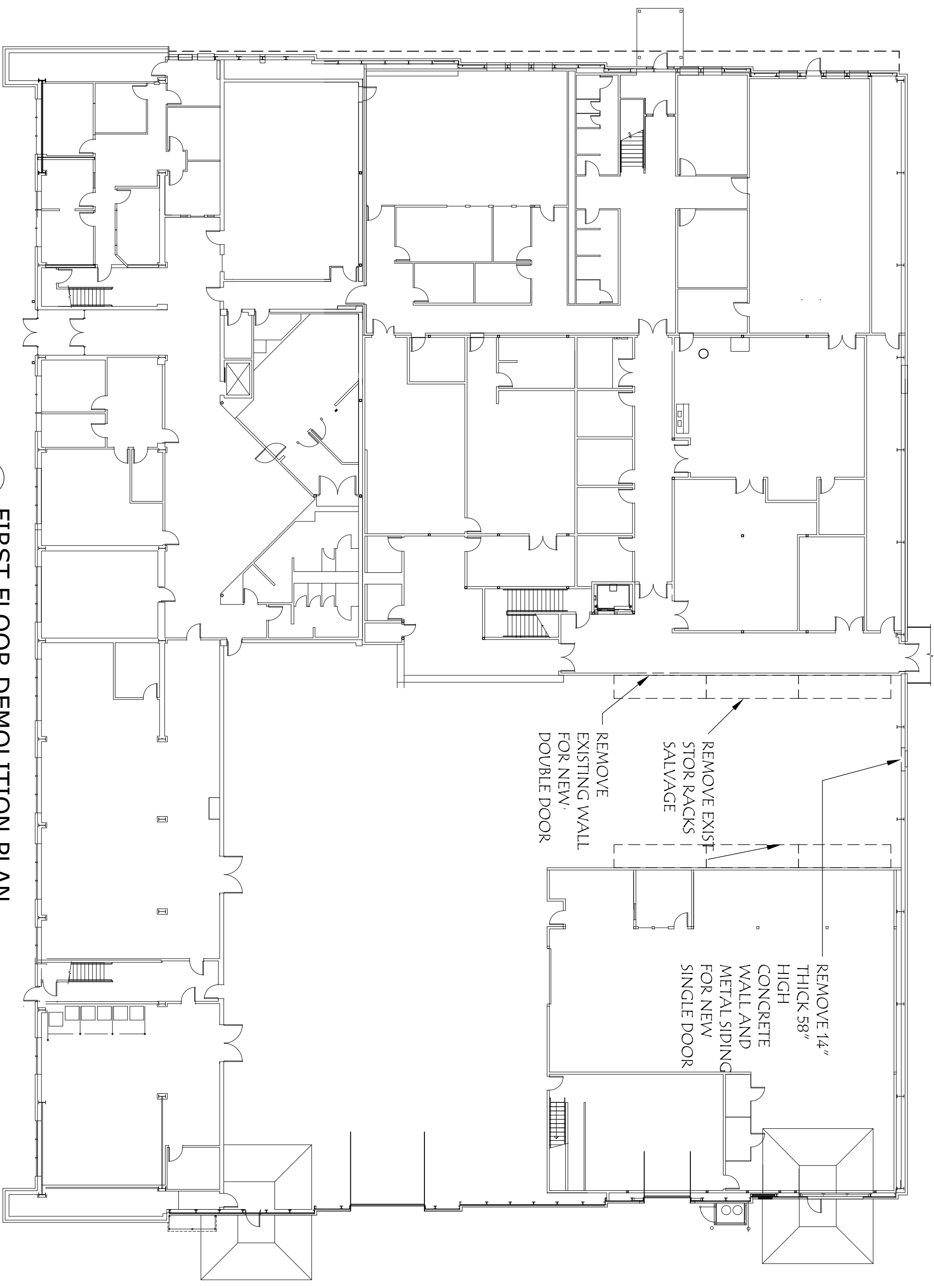
Equipment and Furnishings Subtotal 110,000 -**D. Administrative Costs**

Advance Planning			
Misc. Expenses			
Project Management	6.0%	190,000	190,000

Administrative Costs Subtotal 190,000 190,000**E. Total Project Cost 3,406,000 3,406,000**

Total Project Cost per GSF 366 301

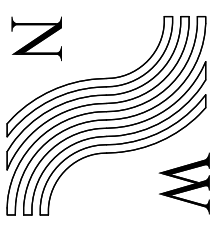
F. Total Appropriation(s) 3,406,000 3,406,000



1 FIRST FLOOR DEMOLITION PLAN
 1" = 20'-0"



SCHEMATIC
 DESIGN
 472



NorthWind Architects LLC
 126 SEWARD ST.
 JUNEAU, AK 99801
 PH #907.586.6150
 FX #907.586.6181
 WWW.NORTHWINDARCH.COM

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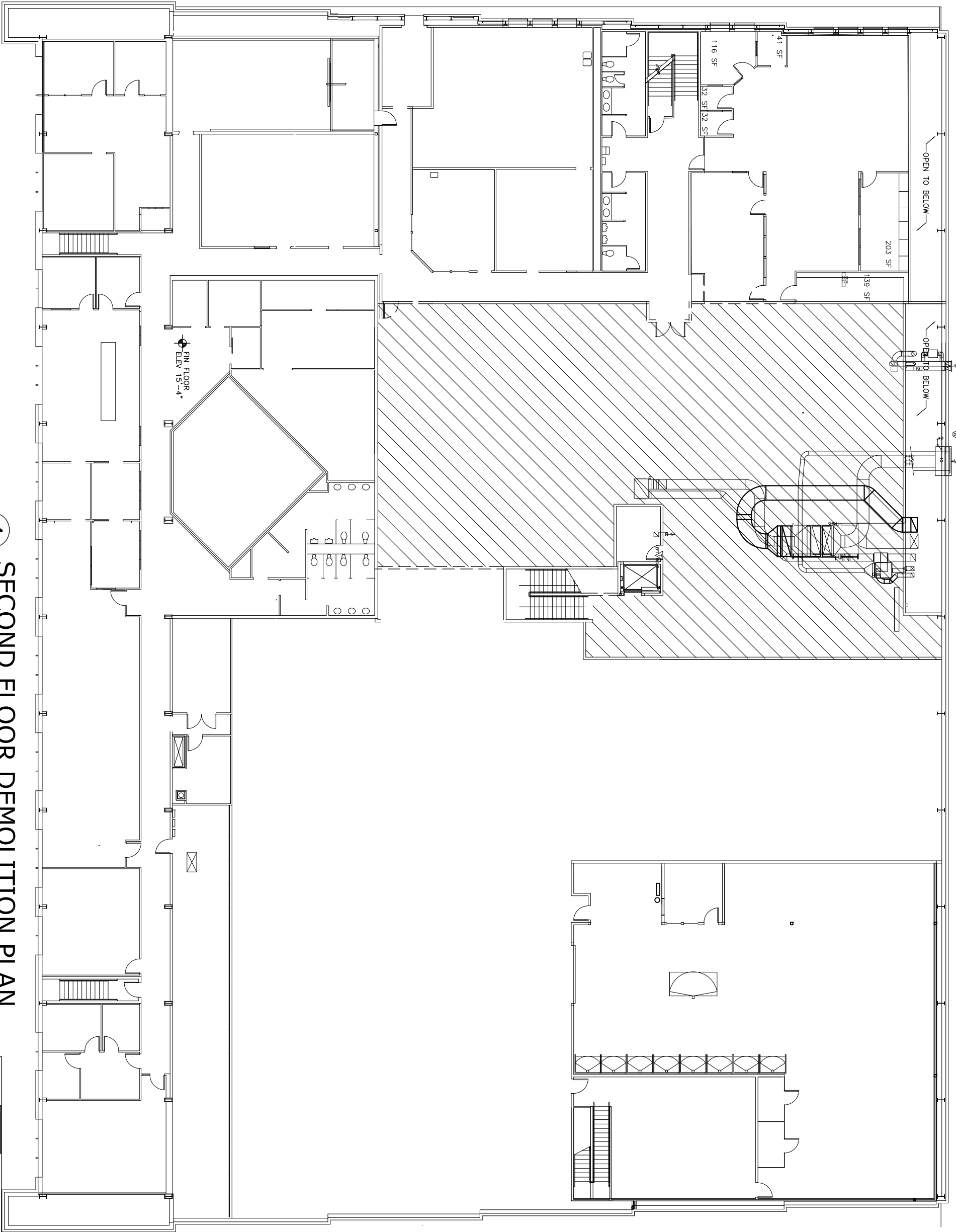
UAS Sitka Career & Technical Center

*** insert contract number ***
 Sitka, AK

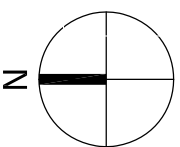
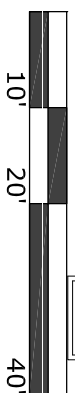
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**FIRST FLOOR
 DEMOLITION**

DATE: APRIL18, 2011
 REVISION: MAY 27, 2011
 CHECKED BY: ER
 DRAWN: * initial *

SHEET #
A1



1 SECOND FLOOR DEMOLITION PLAN
 1" = 20'-0"



INDICATES
 DEMOLITION

EXIST
 UNFINISHED
 MEZZANINE

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SCHEMATIC
 DESIGN

473

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 Sitka, AK

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SHEET TITLE
 SECOND FLOOR
 DEMOLITION

DATE APRIL 18, 2011
 REVISION MAY 27, 2011
 CHECKED BY ER
 DRAWN BY * initial *

SHEET #
A2

IF THE ABOVE DIMENSION DOES NOT EQUAL EXACTLY 1", THIS DRAWING HAS BEEN ENLARGED OR REDUCED, AFFECTING ALL LABELLED SCALES.

1" = 1'

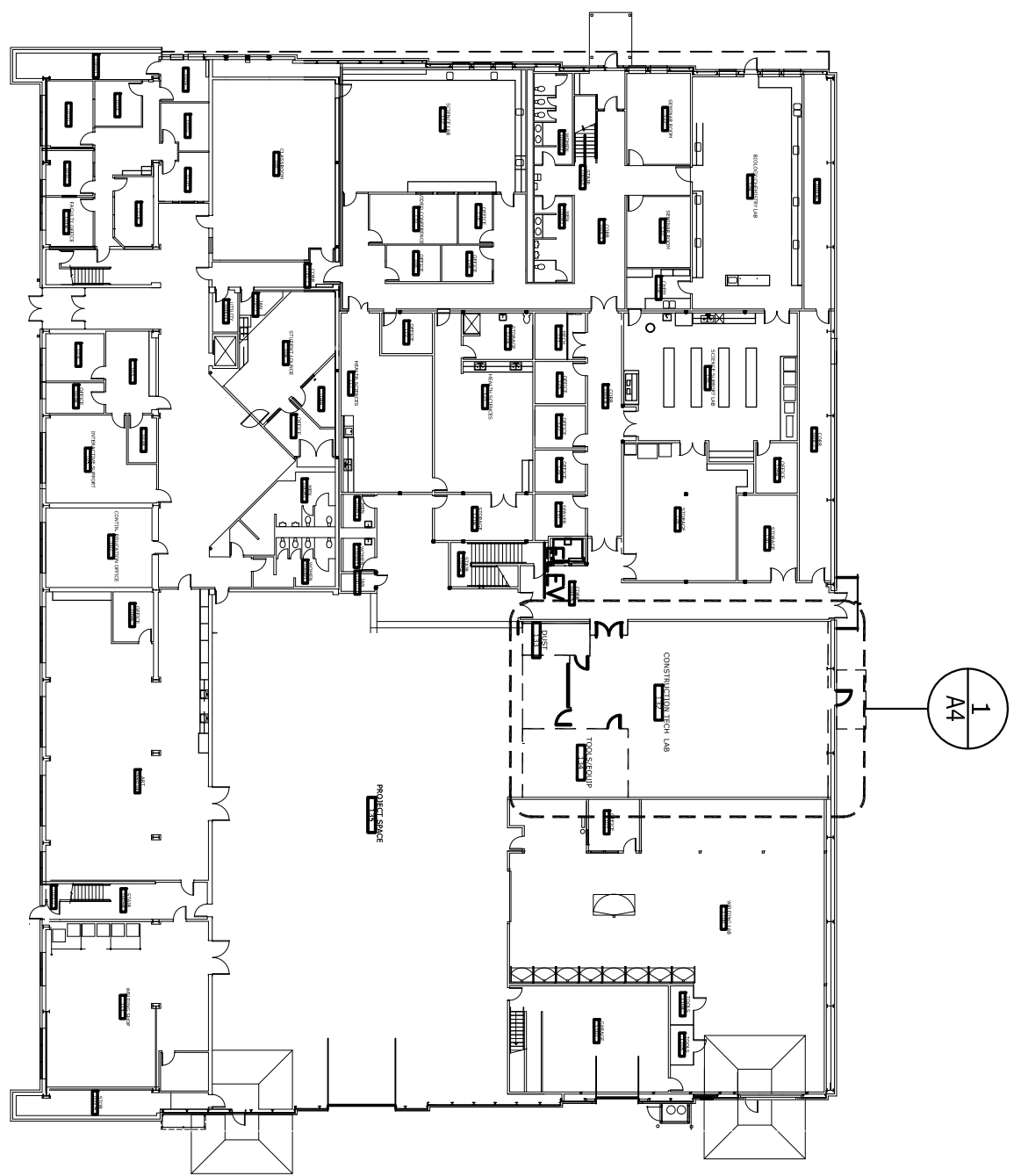
UAS Sitka Career & Technical Center

*** insert contract number ***
Sitka, AK

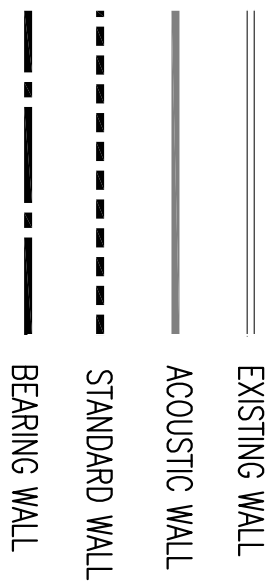
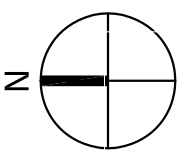
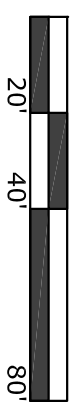
SHEET TITLE:
REFERENCE
FLOOR PLANS
& WALL TYPES

DATE: APRIL18, 2011
REVISION: MAY 27, 2011
CHECKED BY: ER
DRAWN: * Initial *
SHEET #

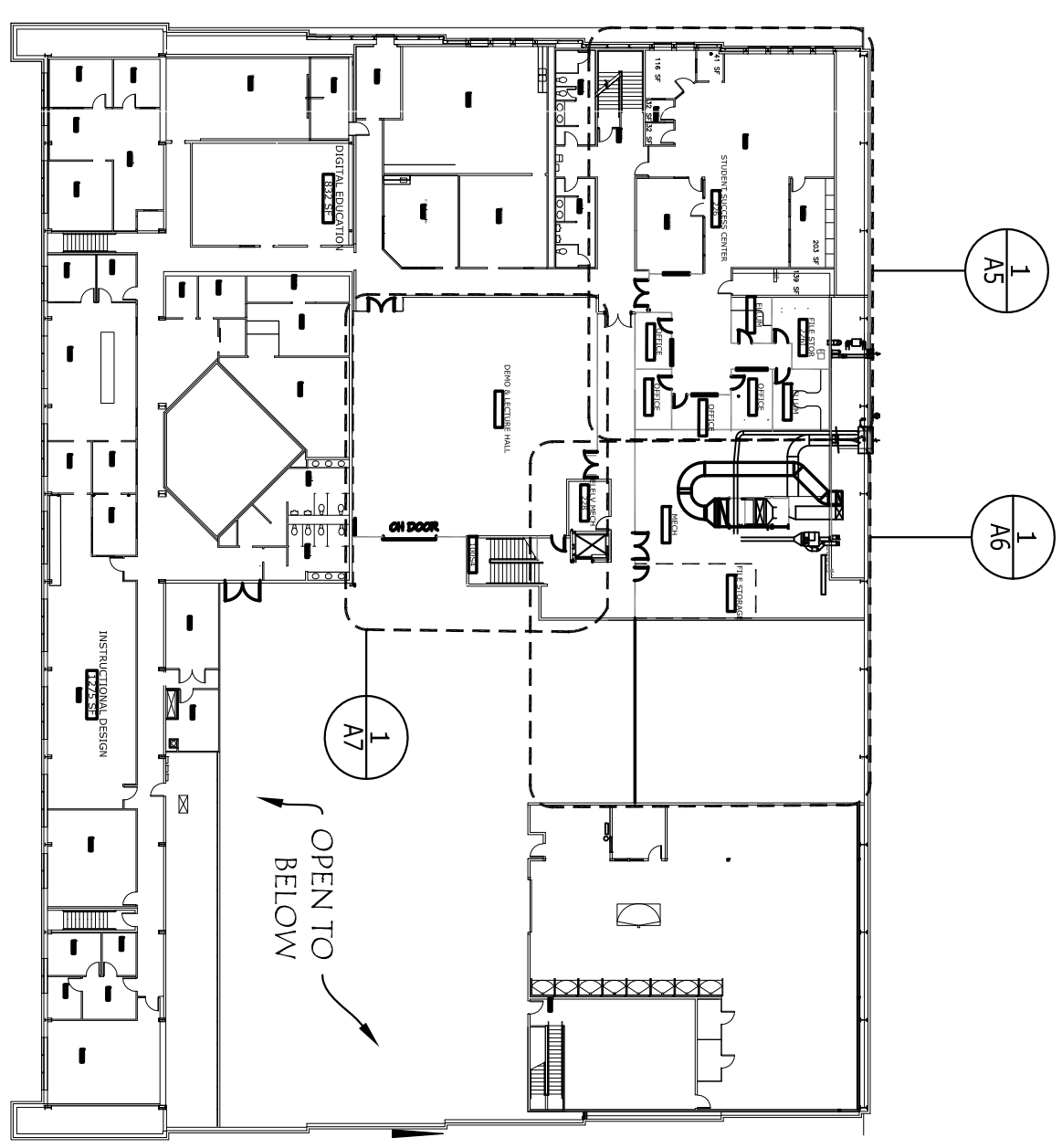
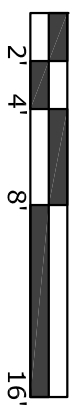
A3



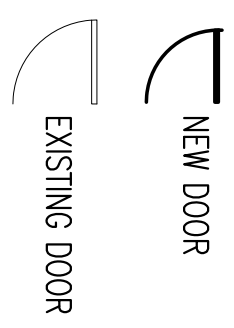
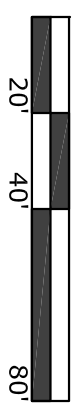
1 FIRST FLOOR PLAN
1" = 40'-0"



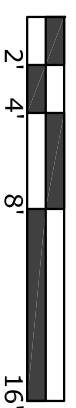
3 WALL TYPES
1/8" = 1'-0"



2 SECOND FLOOR PLAN
1" = 40'-0"

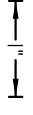


4 DOOR TYPES
1/8" = 1'-0"



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 Sitka, AK

SHEET TITLE:
**FIRST FLOOR
 ENLARGED
 FLOOR PLANS**

DATE: APRIL18, 2011
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 DRAWN: * initial *

SHEET #

A4

CANOPY AT
 NEW DOOR

CONSTRUCTION TECH LAB
 132

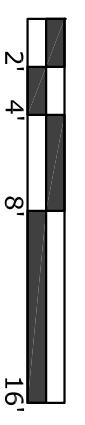
TOOLS/EQUIP
 134

DUST
 133

OH DOOR

1
 1/8" = 1'-0"
 RENEWABLE ENERGY LAB

NorthWind Architects, LLC
 UAS SITKA CTE NWVA 1022

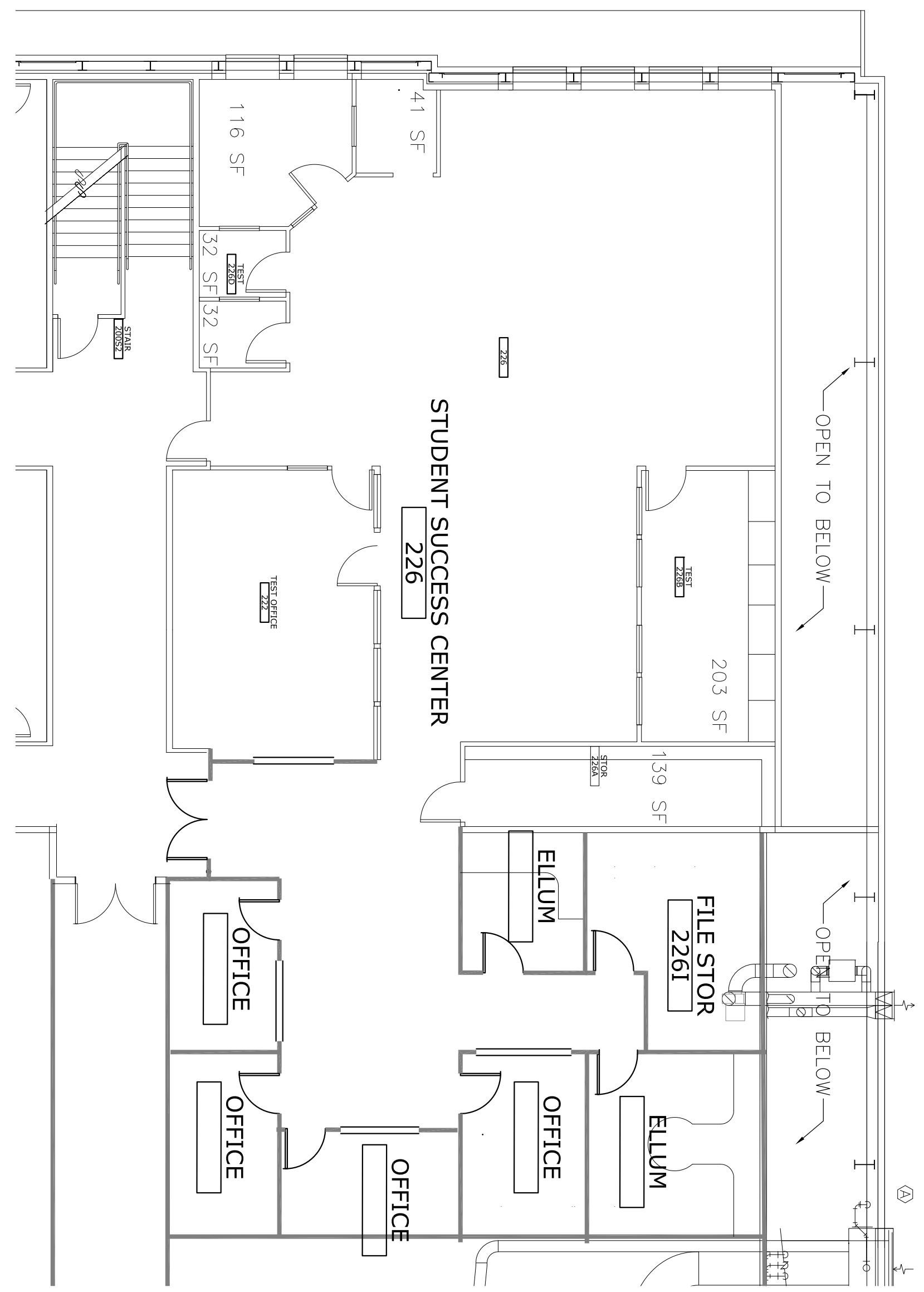


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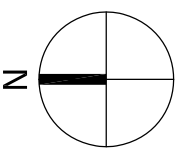
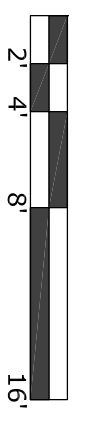
1" = 1'-0"

UAS Sitka Career & Technical Center

*** insert contract number ***
Sitka, AK

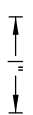


1 STUDENT SUCCESS CENTER
1/8" = 1'-0"



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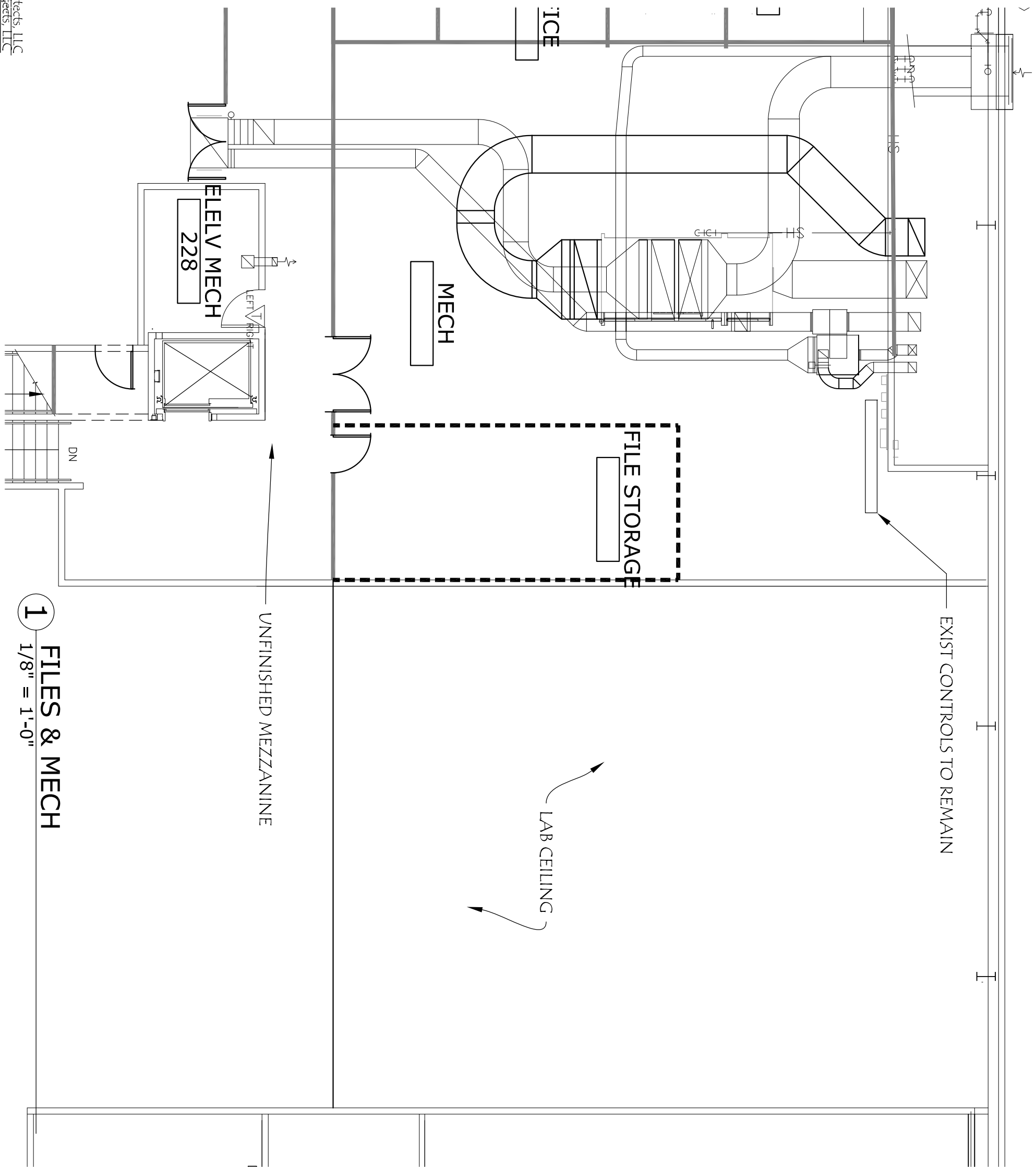
UAS Sitka Career & Technical Center

*** insert contract number ***
 Sitka, AK

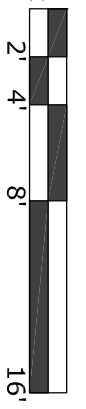
SHEET TITLE:
**SECOND FLOOR
 ENLARGED PLANS**

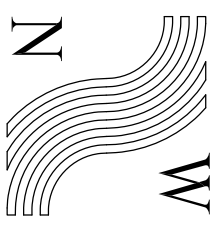
DATE: APRIL18, 2011
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SHEET #
A6



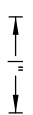
1
 1/8" = 1'-0"
FILES & MECH





**NorthWind
Architects LLC**
126 SEWARD ST.
JUNEAU, AK 99801
PH #907.586.6150
FX #907.586.6181
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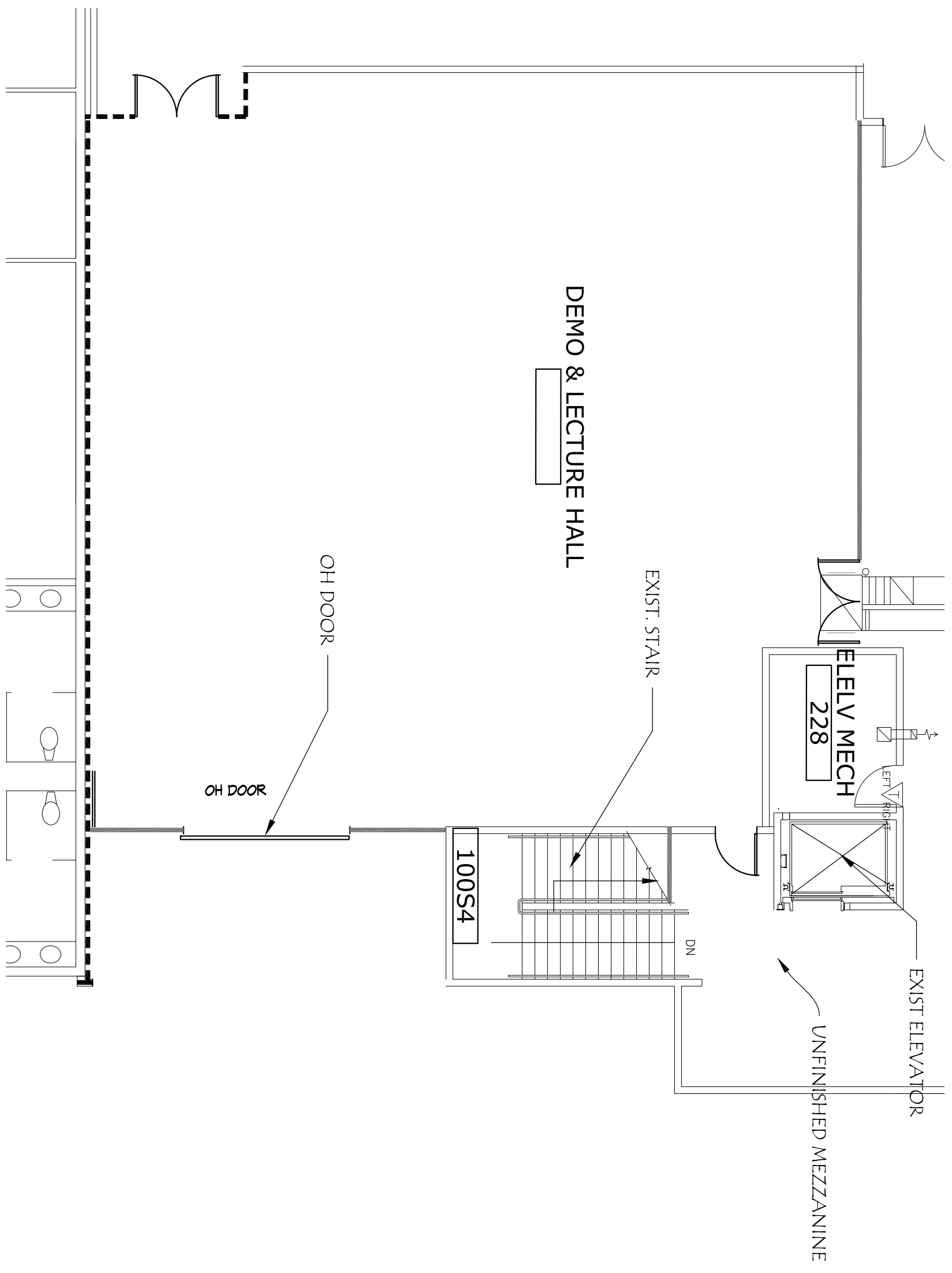
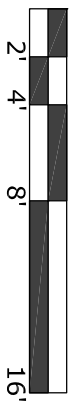


UAS Sitka Career & Technical Center

*** insert contract number ***
Sitka, AK

SHEET TITLE:
**SECOND FLOOR
ENLARGED PLANS**

DATE: APRIL18, 2011
REVISION: MAY 27, 2011
CHECKED BY: ER
DRAWN: * initial *



1 DEMO & LECTURE HALL
1/8" = 1'-0"



Division of Design and Construction

590 University Avenue
P.O. Box 758160
Fairbanks, Alaska 99775-8160
(907) 474-5299, FAX (907) 474-7554

Total Project Cost	\$1,630,000
Approval Required	CFO

MEMORANDUM

TO: Kit Duke
Chief Facilities Officer

THROUGH: Scott Bell
Associate Vice Chancellor, Facilities Services *SBell*

THROUGH: Jonathan T. Shambare
Director, Design and Construction *J. Shambare*

FROM: Mike Ruckhaus
Senior Project Manager *Mike Ruckhaus*

DATE: August 11, 2011

SUBJECT: Schematic Design Approval
Project Name: Atkinson Power Plant Renewal Phase 1
Project No.: 2010140 BARN

In accordance with Regents' Policy 05.12, approval by the Facilities and Land Management Committee is required for this project. Your prompt review of this project would be greatly appreciated.

Requisite materials are enclosed.

cc: Pat Pitney
Vice Chancellor
Administrative Services

BARN (101)



SCHEMATIC DESIGN APPROVAL

Name of Project: Atkinson Power Plant Renewal Phase 1

Location of Project: UAF Campus

Project Number: 2010140 BARN

Date of Request: August 11, 2011

Total Project Cost: \$ 1,630,000

Approval Required: Chief Financial Officer

Prior Approvals/Actions: Preliminary Administrative Approval: November 2008
Formal Project Approval: June 3, 2011 (\$40.4M)

POLICY CITATION

In accordance with Regents' Policy 05.12.043, Schematic Design Approval (SDA) represents approval of the location of the facility, its relationship to other facilities, the functional relationship of interior areas, the basic design including construction materials, mechanical, electrical, technology infrastructure, and telecommunications systems, and any other changes to the project since Formal Project Approval.

Unless otherwise designated by the approval authority or a Material Change in the project is subsequently identified, SDA also represents approval of the proposed cost of the next phase(s) of the project and authorization to complete the Construction Documents process, to bid and award a contract within the approved budget, and to proceed to completion of project construction.

For the Schematic Design Approval, if there has been no Material Change in the project since the Formal Project Approval, approval levels shall be as follows:

- TPC > \$4 million will require approval by the Facilities and Land Management Committee (F&LMC).
- TPC > \$2 million but ≤ \$4 million will require approval by the Chairperson of the F&LMC.
- **TPC ≤ \$2 million will require approval by the university's Chief Finance Officer (CFO) or designee.**

RATIONALE AND RECOMMENDATION

Background

UAF's Atkinson Heat and Power Plant and utilidors are the heart of campus infrastructure for providing heat, light, water, and other utilities to the students, staff, and faculty. As the campus expands, the demand on these aging utilities also increases. The power plant was originally constructed in 1964 and consisted of two stoker fired coal boilers and two 1.5 MW backpressure turbines. This equipment is still in service, and UAF depends on its reliable operation to supply heat and power to campus.

There have been additions and upgrades to the plant since 1964, but there has not been a major renewal of the plant since original construction. An oil fired boiler was installed in 1972 to provide additional steam capacity and reliability. The next major improvement to the plant was the installation of a 10MW steam extraction turbine in 1982 which was followed by the installation of another oil fired boiler. The last upgrade of the plant was the installation of a 9.6MW diesel engine generator in 1998.

The plant has provided the campus with reliable heat and power for many years, but an event in December, 1998 highlighted the need to renew aging equipment. The plant narrowly avoided a catastrophic failure when a boiler tube rupture filled the plant and switchgear room with water and steam. The resulting six hour power outage had a major impact on the campus, and it highlights the need to replace or rehabilitate the major equipment that is now over 45 years old.

In 2006, UAF hired a consultant to perform a comprehensive study of the condition of the existing utility systems, including the Atkinson Power Plant. The study also evaluated the need for utility expansion to keep pace with projected campus growth. The resulting Utility Development Plan contained the following recommendations:

"In order to continue to reliably serve all campus utility needs over the next twenty years UAF must:

- *Invest substantially in utility system capital asset renewal and utility infrastructure improvements*
- *The best long term utility strategy is renewal and expansion of the Atkinson plant. This strategy is the best strategic, operational and financial fit for UAF."*

The funding to implement the total scope of work contained in the 2006 Utilities Development Plan will not be available in one appropriation, thus the work will be done in a phased approach. Formal Project Approval by the Board of Regents was granted for \$40.4M in June 2011. The purpose of the aforementioned approval was to provide overall Formal Project Approval for all phases. Subsequent Schematic Design Approvals will be obtained for each phase as funding is received each fiscal year. The estimated duration of funding is estimated to span five fiscal years. The overall budget and progress for the total project will be periodically reported to the Board of Regents.

The attached Atkinson Power Plant Work Items provides an up to date summary of projects completed, in design and planned for the future.

Project Scope

Phase 1 scope of work consists of the construction of a redundant steel aeration basin and reconstruction of the existing aeration basin for the water treatment plant. The existing aeration basin is severely corroded and needs to be replaced. Unfortunately, the only way to keep the water treatment plant operational during the reconstruction of the existing basin is to construct a redundant basin. In the long term, the redundant basin will allow maintenance without having to shut down the water treatment plant.

The construction of a redundant basin will require an addition of approximately 800 sf to the water treatment plant building. The addition will be constructed with steel framing and foam insulated panels. This type of envelope has been successful on other industrial projects such as this. The insulating values are compliant with the UAF Design Standards.

The aeration basin will be connected to existing compressed air and raw water piping systems and will be equipped with sufficient valving for operational flexibility. The new aeration basin will be installed at a higher elevation than the clarifier which will eliminate the need for pumps, because the water will gravity flow through the basin.

The existing HVAC systems will be modified to provide heat and ventilation to the new addition. A code deficiency in the chemical handling room will also be addressed with the addition of a new fan.

The attached drawings provide more detail.

Variance Report

The estimated cost of this scope of work has increased by \$135,000 due to general inflation since concept development, and due to additional ventilation in the water plant that was not anticipated in the original concept. The original concept development and initial cost estimate was done in 2006

Proposed Total Project Cost and Funding Source(s)

FY11 and FY12 capital appropriations.

Estimated Annual Maintenance and Operating Costs (O&M)

Utilities are expected to increase by approximately \$4,000/yr. Maintenance and operations costs of the water plant are expected to decrease by approximately \$7,000/yr.

Consultant(s)

Design Alaska, Inc. has assembled a team including Evergreen Engineering and HDR, Inc. They were selected in accordance with Board of Regents Policy.

Other Cost Considerations

None

Backfill Plan

N/A

Schedule for Completion

DESIGN

Conceptual Design	January 2011
Formal Project Approval	June 2011
Schematic Design	June 2011
Schematic Design Approval	August 2011
Construction Documents	July 2011

BID & AWARD

Advertise and Bid	August 2011
Construction Contract Award	August 2011

CONSTRUCTION

Start of Construction	August 2011
Date of Substantial Completion	May 2012
Date of Beneficial Occupancy	May 2012

Procurement Method for Construction

Traditional Design-Bid-Build

Affirmation

This project complies with Board Policy

Action Requested


Schematic Design Approval

Supporting Documents

- One Page Budget
- Atkinson Plant Work Items
- Site Plan
- Floor Plan
- Mechanical Floor Plan
- Architectural Elevation/Sections

Approval

Recommend Approval:

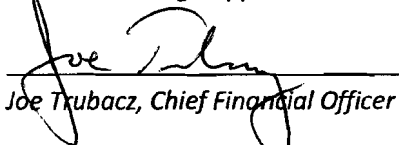


Kit Duke, Chief Facilities Officer

8.12.11

Date

Schematic Design Approval is hereby granted:



Joe Trubacz, Chief Financial Officer

8/16/11

Date

UAF Schematic Design Approval
Atkinson Power Plant Renewal Phase 1



SCHEMATIC DESIGN APPROVAL

Name of Project: Atkinson Power Plant Renewal Phase 1

Location of Project: UAF Campus

Project Number: 2010140 BARN

Date of Request: July 29, 2011

Total Project Cost: \$ 1,630,000

Approval Required: Chief Financial Officer

Prior Approvals/Actions: Preliminary Administrative Approval: November 2008
Formal Project Approval: June 3, 2011 (\$40.4M)

Supporting Documents

- One Page Budget
- Atkinson Plant Work Items
- Site Plan
- Floor Plan
- Mechanical Floor Plan
- Architectural Elevation/Sections

UNIVERSITY OF ALASKA		
Project Name: Atkinson Plant Renewal Phase 1		
MAU: UAF		
Building: Atkinson Power Plant	Date:	July 26, 2011
Campus: Fairbanks	Prepared By:	M. Ruckhaus
Project #: 2010140	Account No.:	571297-50216
Total GSF Affected by Project:		800
PROJECT BUDGET	FPA Budget	SDA Budget
A. Professional Services		
Advance Planning, Program Development		\$0
Consultant: Design Services	\$140,000	\$140,000
Consultant: Construction Phase Services		\$20,000
Consul: Extra Services (List:_____)		\$0
Site Survey		\$0
Soils Testing & Engineering		\$0
Special Inspections		\$0
Plan Review Fees / Permits		\$0
Other		\$0
<i>Professional Services Subtotal</i>	\$140,000	\$160,000
B. Construction		
General Construction Contract (s)	\$1,060,000	\$1,150,000
Other Contractors (List:_____)		\$0
Construction Contingency	\$100,500	\$109,250
<i>Construction Subtotal</i>	\$1,160,500	\$1,259,250
<i>Construction Cost per GSF</i>	N/A	N/A
C. Building Completion Activity		
Equipment		\$0
Fixtures		\$0
Furnishings		\$0
Signage not in construction contract		\$0
Move-Out Cost/Temp. Reloc. Costs		\$0
Move-In Costs		\$0
Art		\$0
Other (List:_____)		\$0
OIT Support	\$5,000	\$5,000
Maintenance/Operation Support	\$5,000	\$5,000
<i>Building Completion Activity Subtotal</i>	\$10,000	\$10,000
D. Owner Activities & Administrative Cost		
Project Planning and Staff Support	\$61,000	\$64,316
Project Management	\$116,500	\$124,984
Misc Expenses: Advertising, Printing, Supplies	\$7,000	\$7,000
<i>Owner Activities & Administrative Cost Subtotal</i>	\$184,500	\$196,301
E. Total Project Cost	\$1,495,000	\$1,625,551
<i>Total Project Cost per GSF</i>		N/A
F. Total Appropriation(s)	\$1,495,000	\$1,630,000

Atkinson Heat and Power Plant Renewal Scope July 2011

The following table shows the items in their approximate order of priority to the operational mission:

Atkinson Renewal Items for FY11 allocation of \$2.6M:

Item	Item needed if new plant is constructed	Cost	Description
Partial replace boiler tubes for Boilers 1&2 (Project: BAST – Complete)	No	\$990,000	Replace superheater tubes (approximately 25% of the total tubes) which inspections have shown to be in the worst condition. Also perform ultrasonic testing on the remainder of the tubes and other parts to ascertain their condition.
Replace Boiler No. 4 air pre-heater (Project: BAPH4 complete)	Yes	\$245,000	A recent inspection has revealed that this heater is near failure. If it fails, boiler No. 4 will not be able to provide steam which significantly reduces the steam plant redundancy.
Additional domestic water aerator (Phase 1 – SDA approval)	Yes	\$1,495,000 (Part of \$1,630,000 TPC)	This item provides installation of a second parallel unit to enable extended shutdown of the existing tank and its internal components for inspection and repair. It requires a small addition to the building.
TOTAL		\$2,600,000	

Atkinson Renewal Items for FY12 allocation of \$987,000:

Item	Item needed if new plant is constructed	Cost	Description
Additional domestic water aerator (Phase 1 – SDA approval)	Yes	\$135,000 (Part of \$1,630,000 TPC)	This item provides installation of a second parallel unit to enable extended shutdown of the existing tank and its internal components for inspection and repair. It requires a small addition to the building.

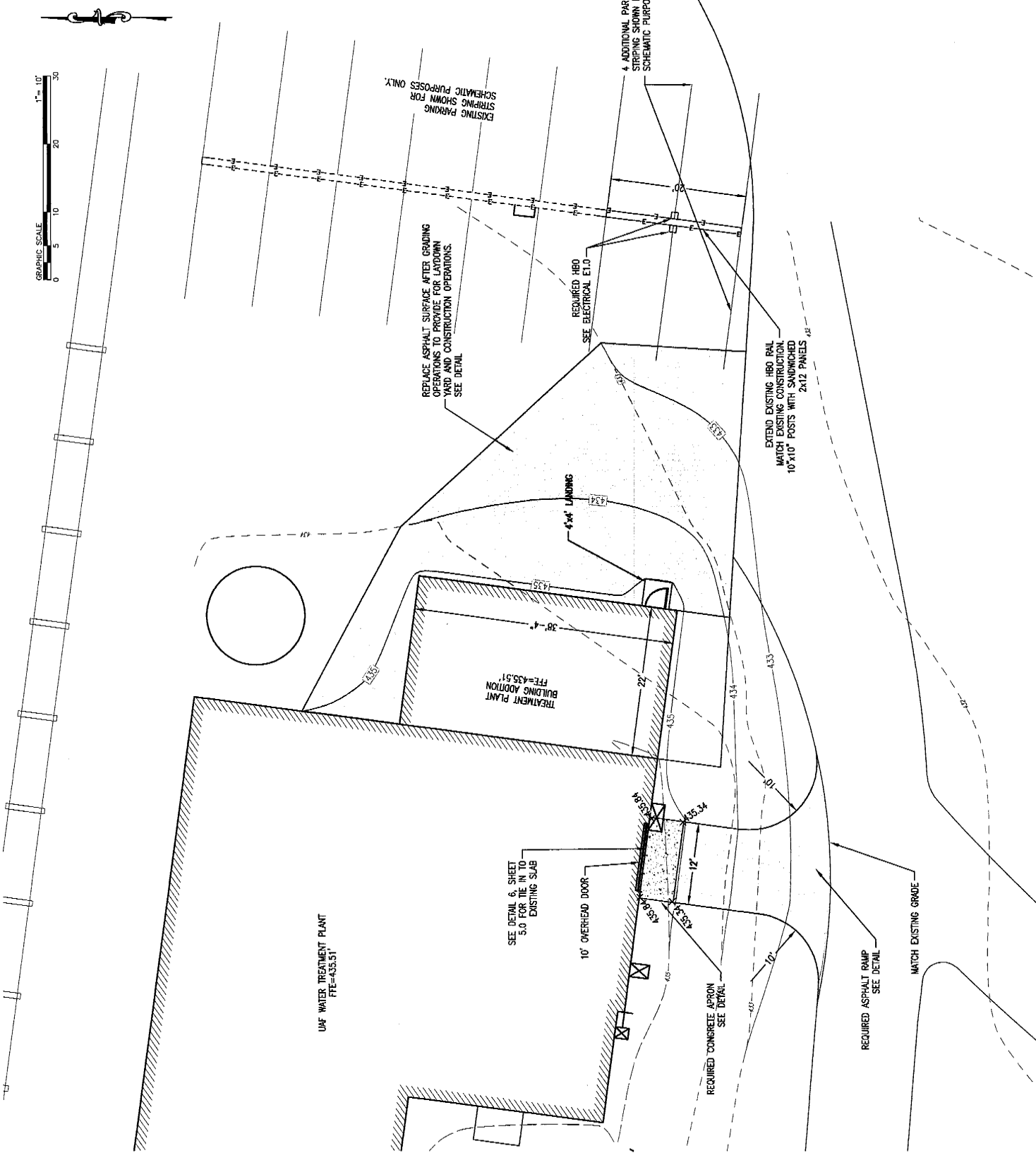
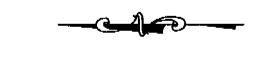
Replace existing variable frequency drives	Yes	\$400,000	Variable frequency drives installed in the early 1990's as a part of an energy efficiency improvement project are approaching the end of their useful life and would be replaced with newer, more robust technology.
Replace feedwater heater	Yes	\$100,000	Existing feedwater heater is approaching the end of its useful life and is a potential single point of failure.
Eliminate single points of failure in critical piping (partial scope)	Yes	\$352,000	Eliminate single points of failure in critical piping: A large portion of the piping system is on the order of 40 years old.
TOTAL		\$987,000	

Atkinson Plant Renewal Items (FY12-17), in order of priority:

Item (Phases to be Determined)	Item needed if new plant is constructed	Cost	Description
Add second deaerator tank	Yes	\$1,000,000	Existing unit has been in service in excess of 40 years. Install new unit in parallel with existing.
Continuous emissions monitoring for Boiler No. 4	Yes	\$425,000	Continuous Emissions Monitoring for Boiler No. 4: Existing air permit includes 10% capacity constraint for Boiler #4 that would be lifted with installation of continuous monitoring.
Eliminate single points of failure in critical piping	Yes	\$648,000	Eliminate single points of failure in critical piping: A large portion of the piping system is on the order of 40 years old.
Eliminate single points of failure in condensate system	Yes	\$1,000,000	This measure would provide the ability to handle condensate from a second holding tank location, allowing the existing 1964 vintage steel tank to be taken down for inspection and repair.
Increase RO capacity	Yes	\$350,000	Reverse Osmosis is used in water treatment for make-up water in the steam generation process.
Replace existing demineralizer	Yes	\$425,000	Demineralized water is used as make up in the steam generation process. Existing unit is approaching useful design life. The new demineralizer could supply the new power plant.

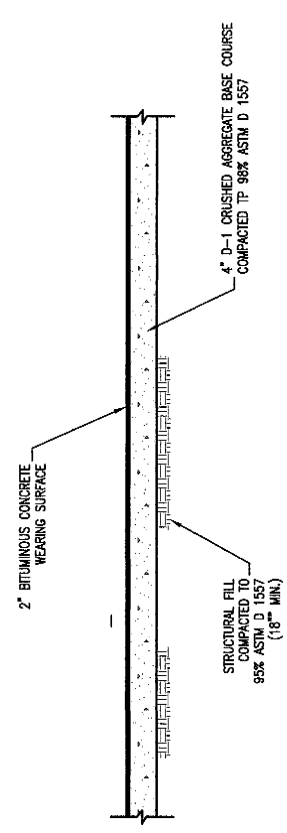
Replace obsolete control system	Yes	\$2,500,000	This is an aging plant control system (1980's vintage). This system runs the bulk of the steam generation facility. Controllers are becoming difficult to obtain due to product obsolescence.
Expansion of ash silo	No	\$4,000,000	The new coal boiler project would eliminate the need for this project.
Rail spur maintenance	Yes	\$250,000	Because the University's rail spur is used as the primary conduit for coal, it has been in near continuous service for over 40 years and is in need of maintenance.
Reconstruct feedwater pumping station	No	\$750,000	This measure would remove the abandoned 1960's vintage feedwater pumping station and replace it with new technology multistage pumps.
Additional water storage tank for redundancy	Yes	\$2,500,000	Additional water storage tank for redundancy: This is a reliability and redundancy measure that would allow isolation and drainage of the existing tank for periodic cleaning, inspection and repair.
Utilidor ventilation	Yes	\$425,000	Installation of fire rated door assemblies at the plant/utilidor access points and certain locations at campus buildings has eliminated natural ventilation in large portions of the utilidor system, causing a large amount of condensation on exposed steel and significant corrosion. This measure would install ventilation shafts in sealed areas of the utilidor system.
Pave Atkinson parking lot for dust control (air permit issue)	Yes	\$200,000	Pave Atkinson parking lot for dust control (air permit issue): Efficient Operation of a utility plant of this nature requires relatively good vehicle access. During wet conditions, access to the backside of the plant is restricted.
Replace boiler tubes for Boilers 1&2	No	\$11,475,000	Replace boiler tubes for Boilers 1&2: Existing units have been in service in excess of 40 years. Perform thorough NDE inspection of tubes. Replace as indicated. Rehabilitate existing mechanical components such as fans, coal elevator, stoker grates, ash removal, etc.
Improve domestic water taste (membrane filtration)	Yes	\$425,000	Improve Domestic water taste (membrane filtration): This measure would install point-of-use membrane filtration units in key locations to reduce consumer concern about taste.

Back-up cooling water	No	\$350,000	This is a reliability measure to provide redundancy in a system that is critical to operation of power generation. Existing single wall unit is in excess of design life.
Convert Boiler No. 3 to dual fuel (natural gas and oil)	Yes	\$500,000	Add current natural gas burner technology to Unit #3 to allow operation with less expensive fuel source. Operation with natural gas may have a positive impact on the University's air quality permit application. (These are contained in the Natural Gas Strategy Capital Costs in Appendix A Section).
Replace thinwall steel chilled water piping on Lower Campus	Yes	\$1,750,000	Replace thin wall steel chilled water piping on Lower Campus: Piping in portions of the existing chilled water distribution system on lower campus was constructed of a thin wall material subject to corrosion and failure.
Additional condenser capacity	No	\$1,500,000	Additional condensers will allow the steam turbine to increase its output in the summer.
Replace steam and condensate lines to U-Park	Yes	\$5,000,000	The pipes are near the end of their useful life.
New water plant controls	Yes	\$200,000	Existing controls are not supported by the manufacturer and are at the end of their life.
Raw water pumping station re-build	Yes	\$250,000	
Central air compressor replacement	Yes	\$250,000	
TOTAL		\$34,213,000	
PROJECT TOTAL (FY11/12 work plus FY13-17 work)		\$40,400,000	

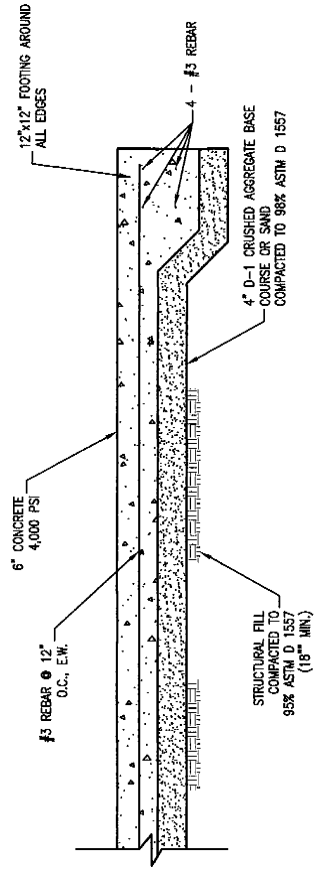


1 SITE PLAN
1" = 10'

NOTES:
ELEVATIONS AT BUILDING SHALL BE 8" BELOW FINISH FLOOR. SEE DETAIL 4 ON SHEET A3.2.
VERIFY ELEVATION OF EXISTING TANK BEFORE CONSTRUCTION OF 0/H DOOR APRON.



2 TYPICAL PARKING LOT AND RAMP DETAIL
C3.0 nts



3 TYPICAL CONCRETE APRON DETAIL
C3.0 nts

Revision _____ Date _____ No. _____

**UAF WATER TREATMENT PLANT
AERATION TANK
2010140 BARN**



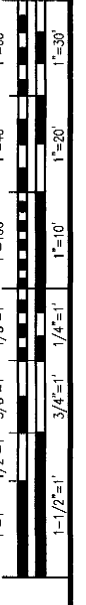
601 College Road
Fairbanks, Alaska 99701
Telephone 907 452 1241

SITE PLAN

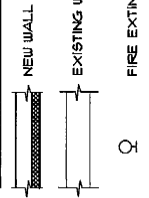


Date 07/11/2011 Comm. No. 031009

In Charge CHM
Drawn By VJA
Checked By

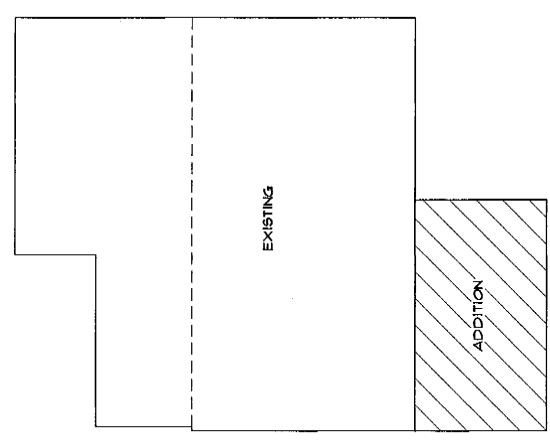


LEGEND:



GENERAL NOTES:

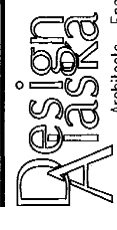
1. ALL DIMENSIONS FOR NEW CONSTRUCTION ARE TO CENTERLINE OF COLUMNS OR FACE OF NEW WALLS.
2. ALL DIMENSIONS FOR EXISTING CONSTRUCTION ARE TO FACE OF FINISH.



KEY PLAN

Revision _____ Date _____ No. _____

**UAF WATER PLANT
AERATION TANK
2010140 BARN**

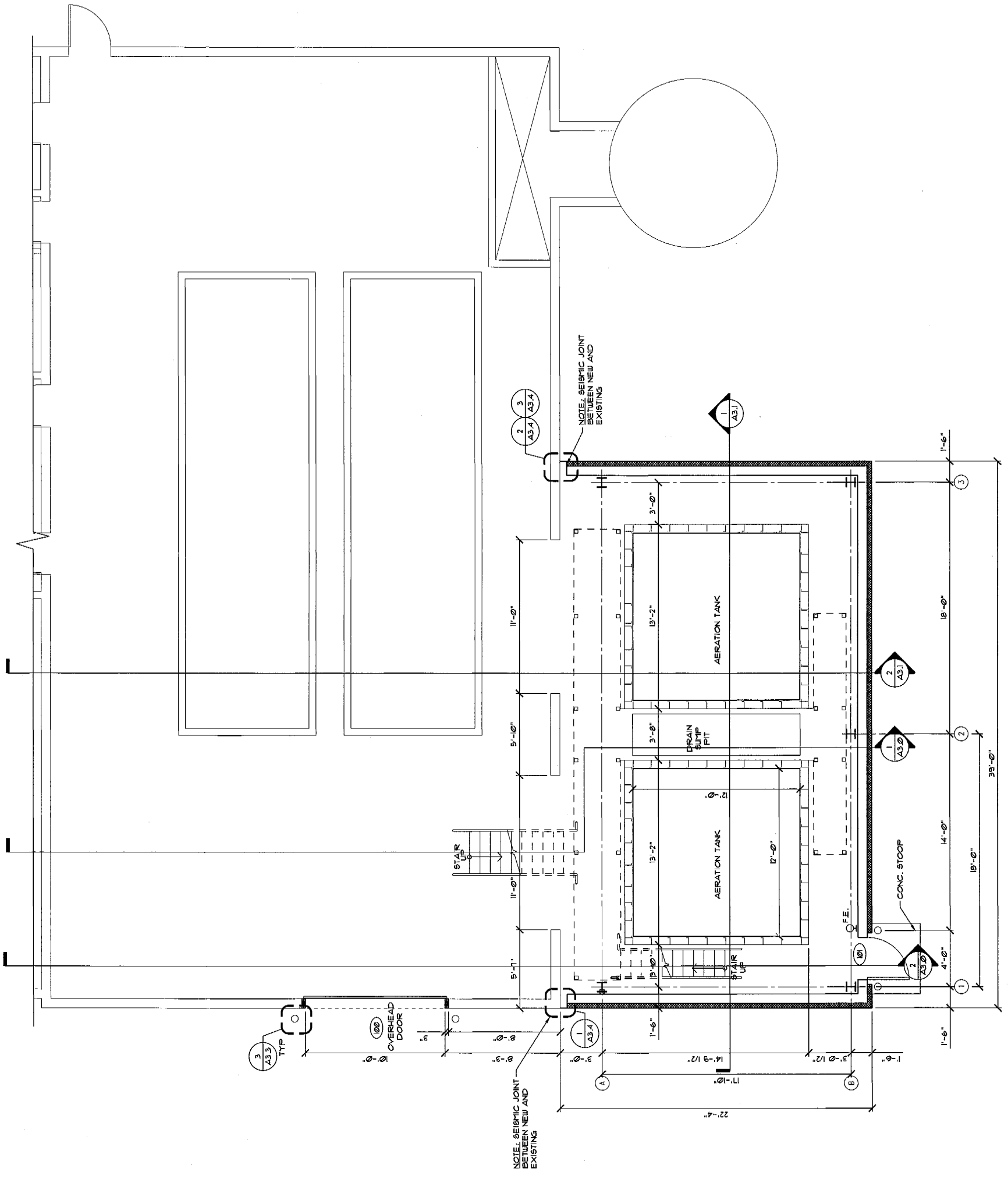
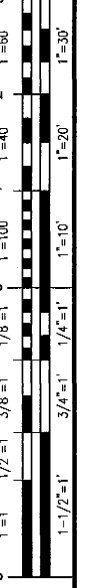


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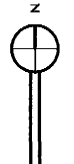
FLOOR PLAN



Date 07/11/2011 Comm. No. 031009
In Charge _____
Drawn By CS _____
Checked By _____

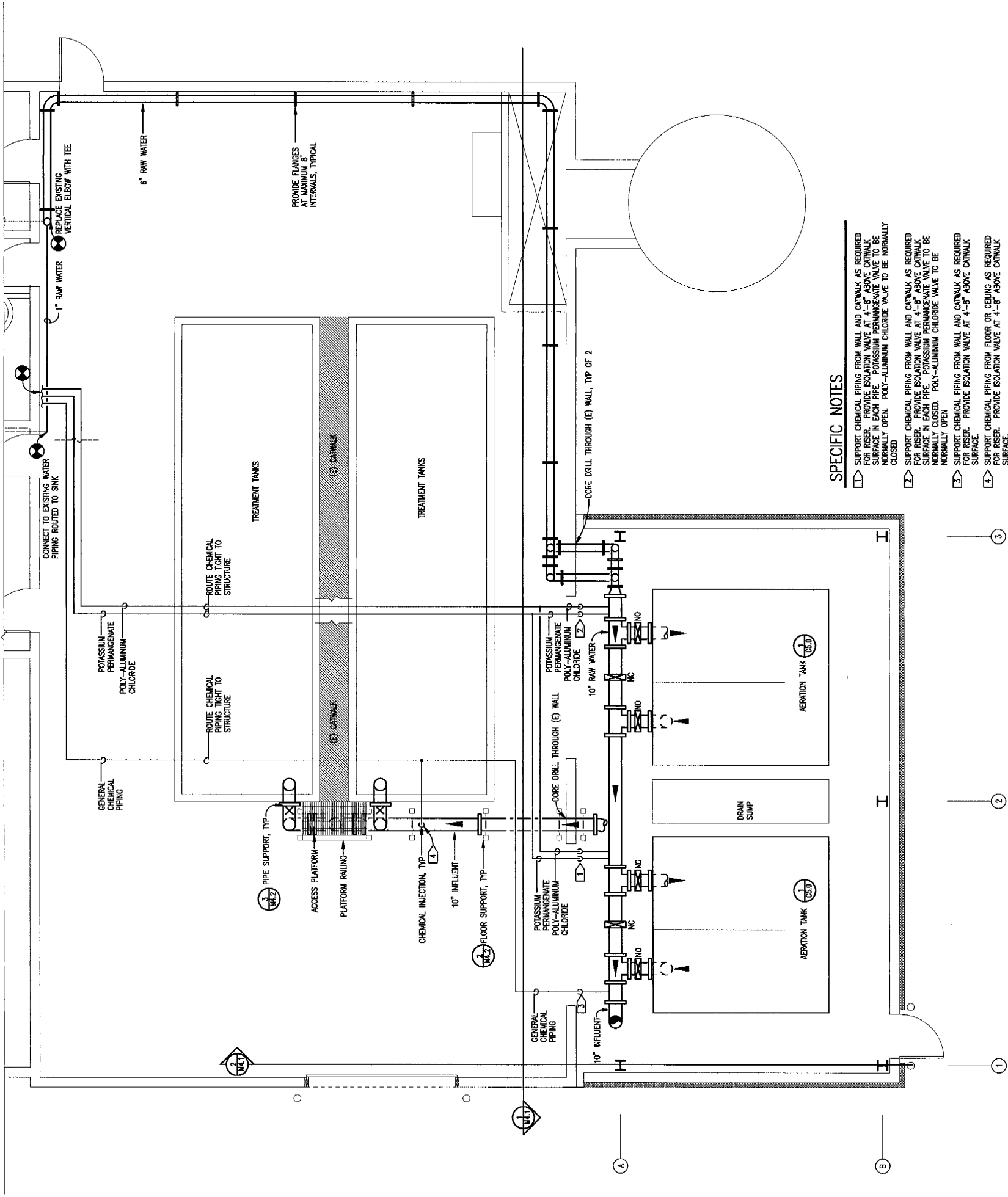


1 FLOOR PLAN
1/4"=1'-0"



GENERAL NOTES

1. PROVIDE 7'-0" MINIMUM VERTICAL CLEARANCE ABOVE ALL WALKING SURFACES INCLUDING CATWALKS, STAIRCASE, AND MAIN FLOOR SUB.



SPECIFIC NOTES

1. SUPPORT CHEMICAL PIPING FROM WALL AND CATWALK AS REQUIRED FOR RISE. PROVIDE ISOLATION VALVE AT 4'-8" ABOVE CATWALK SURFACE IN EACH PREP. POTASSIUM PERMANGANATE VALVE TO BE NORMALLY OPEN. POLY-ALUMINUM CHLORIDE VALVE TO BE NORMALLY CLOSED.
2. SUPPORT CHEMICAL PIPING FROM WALL AND CATWALK AS REQUIRED FOR RISE. PROVIDE ISOLATION VALVE AT 4'-8" ABOVE CATWALK SURFACE IN EACH PREP. POTASSIUM PERMANGANATE VALVE TO BE NORMALLY CLOSED. POLY-ALUMINUM CHLORIDE VALVE TO BE NORMALLY OPEN.
3. SUPPORT CHEMICAL PIPING FROM WALL AND CATWALK AS REQUIRED FOR RISE. PROVIDE ISOLATION VALVE AT 4'-8" ABOVE CATWALK SURFACE.
4. SUPPORT CHEMICAL PIPING FROM FLOOR OR CEILING AS REQUIRED FOR RISE. PROVIDE ISOLATION VALVE AT 4'-8" ABOVE CATWALK SURFACE.

1 WATER, CHEMICAL, & LOW PRESSURE AIR PIPING PLAN
1/4" = 1'-0"

Revision _____ Date _____ No. _____

**UAF WATER PLANT
AERATION TANK
2010140 BARN**



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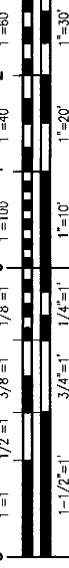
WATER, CHEMICAL, & LOW PRESSURE AIR PLUMBING PLAN

Date 07/11/2011 Comm. No. 031009

In Charge JC

Drawn By JC

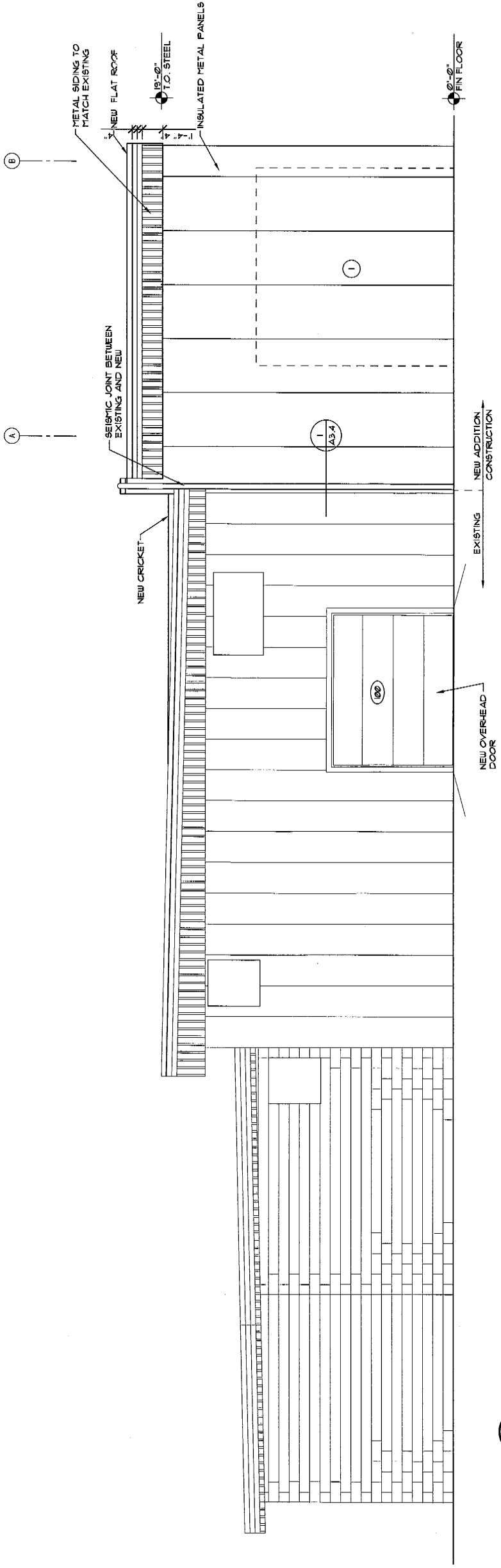
Checked By



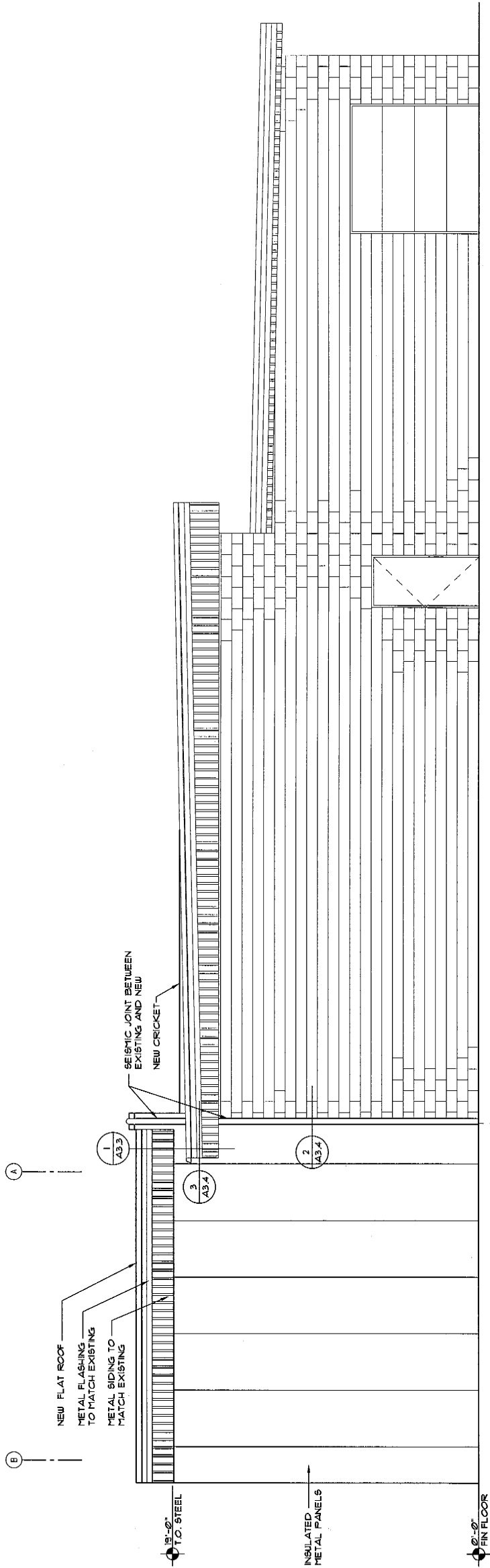
M3.1

KEYNOTES:

- ① INSULATED METAL PANELS TO BE REMOVABLE FOR REMOVAL OF TANKS



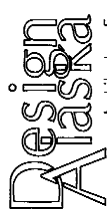
1 SOUTH ELEVATION
A3.2 1/4"=1'-0"



2 NORTH ELEVATION
A3.3 1/4"=1'-0"

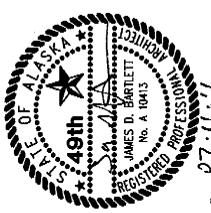
Revision _____ Date _____ No. _____

UAF WATER PLANT
AERATION TANK
2010140 BARN

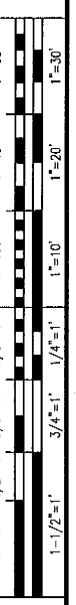


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EXTERIOR ELEVATIONS



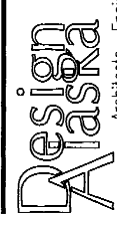
Date 07/11/2011 Comm. No. 031009
In Charge _____
Drawn By CS _____
Checked By _____



- KEYNOTES:**
- 1 EXISTING CMU (BEYOND)
 - 2 EXISTING CMU WALLS (TO REMAIN) AND REMOVE EXTERIOR FINISH
 - 3 EXISTING ROOF ASSEMBLY & STRUCTURE
 - 4 PLATFORM (SEE STRUCTURAL)
 - 5 TREATMENT TANKS
 - 6 PLATFORM STAIR (OSHA REQUIREMENTS)
 - 7 METAL INSULATED PANELS

Revision _____ Date _____ No. _____

**UAF WATER PLANT
AERATION TANK
2010140 BARN**

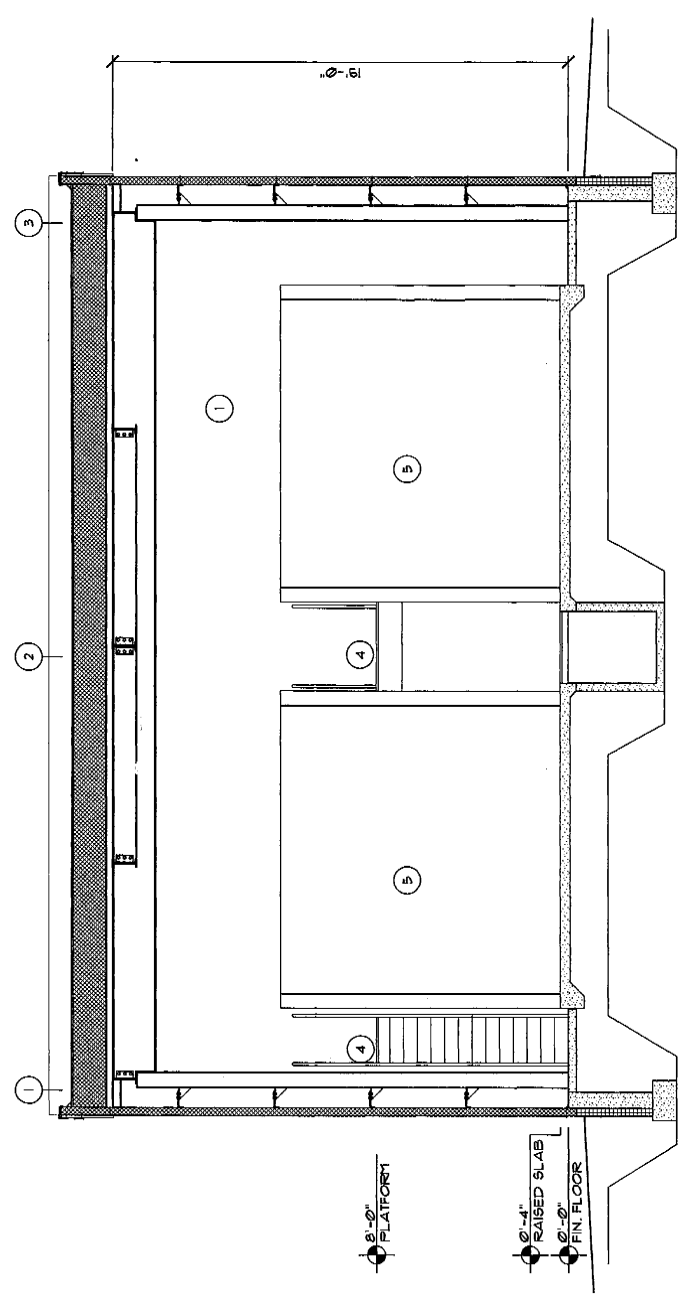
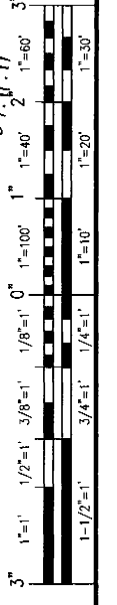


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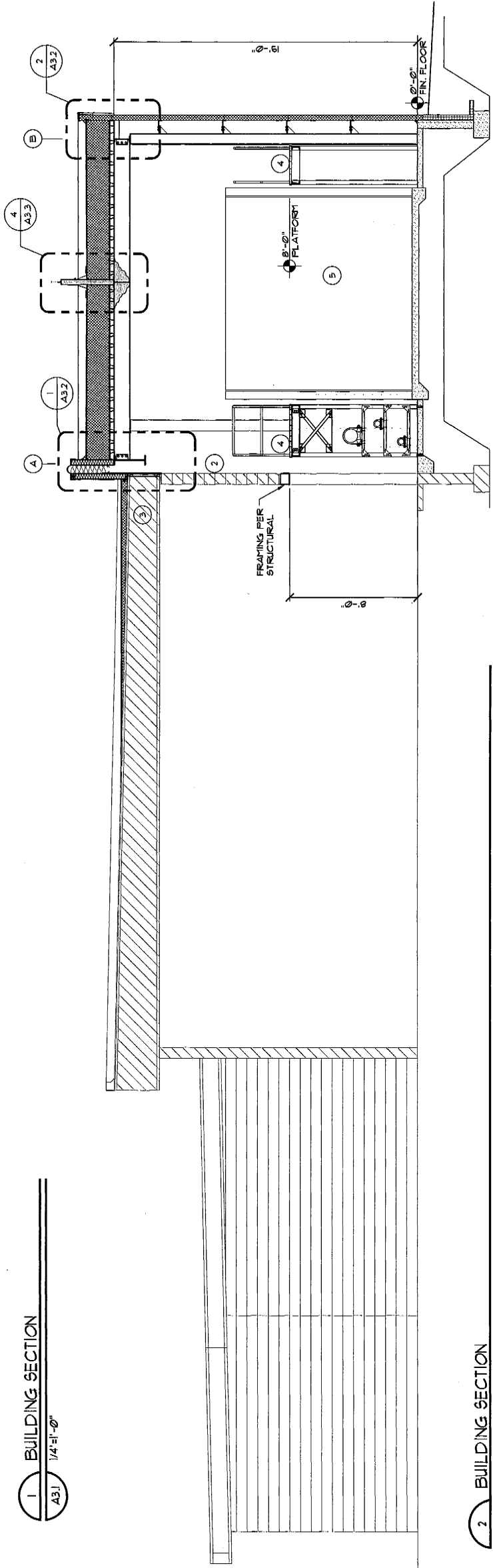
BUILDING SECTIONS

Date 07/11/2011 Comm. No. 031009
In Charge _____
Drawn By CS
Checked By _____

A3.1



1 BUILDING SECTION
A3.1 1/4"=1'-0"



2 BUILDING SECTION
A3.1 1/4"=1'-0"

University of Alaska Foundation
Operating Budget

<i>Revenues</i>	<i>FY11 Board Approved Budget</i>	<i>FY12 Board Approved Budget</i>
<i>UA SW Institutional Support</i>		
UA Statewide Institutional Support	890,000	1,000,000
Corporate & Foundation Relations Presidential Funding	-	105,000
Subtotal - SW Institutional Support	890,000	1,105,000
<i>Unrestricted Endowment Distributions</i>		
Spending Distribution from Unrestricted Gifts & Quasi Endowments	84,686	48,357
Subtotal - Foundation Unrestricted Gifts and Quasi Endowments	84,686	48,357
<i>Annual Endowment Administrative Fee</i>		
Annual Endowment Administrative Fee (1%)	1,032,656	1,234,100
Annual Endowment Administrative Fee - LGTF (.50%)	597,340	626,625
Subtotal - Annual Endowment Administrative Fee	1,629,996	1,860,725
<i>Administrative Fee on Gifts</i>		
Administrative Fee on Gifts (1%)	180,000	200,000
Subtotal - Administrative Fee on Gifts	180,000	200,000
<i>Transfer from Unrestricted Fund Balance</i>		
Transfer from Unrestricted Fund Balance	500,000	-
Subtotal - Transfer from Unrestricted Fund Balance	500,000	-
Total All Revenue	3,284,682	3,214,082

University of Alaska Foundation
Operating Budget

	<i>FY11 Board Approved Budget</i>	<i>FY12 Board Approved Budget</i>
Expenses		
<i>Personnel</i>		
Foundation Administration/Operations		
Administrative and Fiscal Assistant	64,171	64,968
Board Coordinator/Exec. Support	91,460	100,631
Foundation President/Chief Development Officer	207,216	212,838
Scholarship Coordinator	76,457	78,101
Administrative Support	-	78,101
Student Assistant(s)	18,000	15,000
Subtotal	457,304	549,639
Advancement Services		
Executive Director of A/S	134,305	135,728
Database Systems Administrator	103,049	105,284
Constituent Data Manager	107,609	108,927
Data Coordinators (2)	153,771	136,494
Gift Processors (2)	144,614	146,363
Gift/Fund Managers (2)	178,622	180,787
Subtotal	821,970	813,583
Finance and Accounting		
Accounting Manager	132,179	135,045
Accountants (2)	177,532	181,365
Accounting Specialist	106,181	119,823
Chief Investment Officer	110,801	117,184
Investment Analyst	124,505	135,045
Subtotal	651,198	688,461
Development		
Corporate & Foundation Relations Manager	127,358	136,381
Corporate & Foundation Relations Officer	-	82,077
Development Coordinator (Research & Prospect Mgt)	68,800	71,421
Stewardship Officer	-	78,101
Gift Planning Director	47,462	43,571
Subtotal	243,620	411,551
Subtotal - Personnel	2,174,092	2,463,234

Note: All personnel costs include salaries and benefits

**Staff Benefit Rates for FY12

Executive: 31.1%

Exempt: 45.7%

Non-Exempt: 56.9%

University of Alaska Foundation
Operating Budget

<i>Expenses</i>	<i>FY11 Board Approved Budget</i>	<i>FY12 Board Approved Budget</i>
<i>Non-Personnel</i>		
Foundation Administration/Operations		
Board Expense	25,000	29,000
Consultants (Foundation Strategic Planning)	35,000	15,000
Investment Committee Expense	25,000	25,000
Fixtures, Furniture & Equipment	7,500	5,000
Insurance	10,000	9,800
Meetings - Foundation Board & Committees	28,000	30,500
Meetings - University Related	10,000	7,500
Training & Staff Development	15,000	20,000
Office Expense	40,000	36,000
Rent	62,000	61,286
Subtotal	257,500	239,086
Advancement Services		
Furniture	3,000	6,000
Consultants	55,000	5,000
Travel and Training	15,000	12,500
Computers and Equipment	5,000	6,000
Database Expenses	80,000	99,000
Data Enhancement	-	9,500
UAS Cash Management Support	10,000	10,000
Office Expenses	4,500	9,000
Subtotal	172,500	157,000
Finance and Accounting Expenses		
Office Expense	7,000	8,500
Audit	23,520	25,000
Consultants	3,000	3,000
Manager Visits	15,000	15,000
Meetings - Foundation Board & Committees	12,500	11,500
Recruitment and Relocation	-	7,600
Training & Staff Development	19,000	15,000
Subtotal	80,020	85,600
Development		
Corporate & Foundation Relations	74,000	80,000
Prospect Research	15,000	15,000
Stewardship (Formerly Donor Relations)	10,000	30,000
Gift Planning Expenses	55,000	60,000
Marketing & Communications	30,000	25,000
Meetings - Donor	10,000	7,500
Subtotal	194,000	217,500
Subtotal - Non-Personnel	704,020	699,186
Subtotal - Operating Expenses	2,878,112	3,162,420

University of Alaska Foundation
Operating Budget

<i>Expenses</i>	<i>FY11 Board Approved Budget</i>	<i>FY12 Board Approved Budget</i>
Special Expenditures		
GO Bond Proposition B Support	500,000	-
Subtotal - GO Bond Proposition B Support	500,000	-
Program		
Development Initiative Grants	50,000	-
Integrated Advancement Plan Execution	-	-
Subtotal - Program	50,000	-
Total All Expenses	3,428,112	3,162,420
Summary		
Total Revenues	3,284,682	3,214,082
Total Expenses	3,428,112	3,162,420
Anticipated Transfer to (from) Fund Balance	(143,430)	51,662

**Audit Status Report
As of August 30, 2011**

State Legislative Audit Activities

None

External Audit Reports & Activities

Final Reports Issued:

FY07 Incurred Costs for Fringe Benefits (DCAA)

FY08 Incurred Costs for Fringe Benefits (DCAA)

FY12 Fringe Benefit Forward Pricing (DCAA)

National Science Foundation Audit of UAA Grants (NSF OIG)

Information Security Review (Coalfire Systems)

Work in Progress:

UACP Alyeska Contract (Alyeska)

Adobe Software Licensing (Adobe)

PERS/TRS 2010 Payroll and Personnel Systems (State Dept of Administration)

University of Alaska Annual Financial Audit FY11 (KPMG)

UA Foundation and Consolidated Fund FY11 (KPMG)

UA A-133 Single Audit FY11 (KPMG)

College Savings Plan and Education Trust of Alaska (PWC)

FY2012 Annual Audit Plan

Italic Items - have been completed or are in progress

External Financial Audit Support:

<i>Year-end cutoff</i>	Auxiliary fund analysis
<i>Inventory observation</i>	<i>Unexpended plant fund additions</i>
<i>Cash disbursements & bank transfers</i>	Search for Unrecorded Liabilities
<i>Cash depositories</i>	

Audits and Projects:

University of Alaska Anchorage:	Follow-up Audit**
Department Review*	
Restricted Funds	
Athletics**	
Representational Expenditures*	Function and System Reviews:
Student Fees	Banking and Reconciliation
	Activities
	Contracts
	BCP/DRP
University of Alaska Fairbanks:	Information Systems Reviews:
Department Review*	Outsourced Services
Restricted Funds**	Banner Access
Athletics	Campus IT General Controls**
Procurement**	Banner Program Upgrade**
Student Fees	
University of Alaska Southeast:	Follow-up Auditing
Department Review - 2*	
Restricted Funds	Special Requests*
<i>School of Education Restricted</i>	
<i>Funds**</i>	Investigations*
Statewide:	
Facilities	
Procurement**	
*Specific departments/areas to be determined later	
**Carried forward from FY11	

Audit Reports:

- Statewide Departmental Travel and Travel Card (FY10)
- UAA ANSEP (FY11)

Audits in Review:

- UAF Northwest Campus Data Security (FY11) - The draft report is ready to send after campus staff return in the fall.
- UAA Kenai Peninsula College Data Security (FY11) - The draft report will be ready to send shortly after campus staff return in the fall.
- UAF Facilities (FY10) – Draft report expected to be sent by September 9, pending exit meeting with the department.
- UAS Follow-up Auditing (FY11) – The auditor is finishing the work papers for one of the prior audits, but two prior audit sections are complete.

FY2012 Audit Plan Progress and Staffing

We continue to be fully staffed with our three full-time auditors and one student intern.

Enterprise Risk Management and Risk Assessments

FY11 executive risk assessment workshops were conducted with UAS and Statewide. UAF and UAA opted to conduct their own risk assessments this year. Each MAU provided their top risks for compilation in the risk register, which will be presented to the Board of Regents by Julie Baecker, Chief Risk Officer. The top risks presented in the risk register will be included during planning of internal audit engagements. This is one method utilized by Internal Audit to ensure that audit engagements are based on areas identified as high risk, and that the department is providing services that are relevant to university leadership.

Enterprise risk management activities will continue throughout FY12 with executive risk assessments, updating the FY11 assessment results, and facilitating detailed risk assessments with a department or function selected by each MAU.

Internal Audit also has plans to work with OIT Technology Oversight Services on campus information technology risk assessments.

Other Department Activities

- Continuous Controls Monitoring – This is an ongoing project that involves analytical tests which run automatically on a prescheduled basis. An auditor has been assigned to the follow-up of results from tests, refinement of tests, and development of new tests.

- Potential Duplicate Payments by Accounts Payable
- Potential Scheduled Payments (unauthorized)
- Representational expenditures with inappropriate funding sources
- Gifts Exceeding \$25 Threshold
- Potential Duplicate Payroll Checks
- Terminated Employees on the Payroll
- Phantom Employees
- Potentially Prohibited Credit Card Transactions
- Potentially Miscoded Credit Card Transactions
- Quality Assessment Review (QAR) – External Validation
 - The external validation occurred August 1 – 5, 2011, by Mr. Don Holdegraver of the University of North Texas System. We are awaiting the final report, which consists of our self assessment report, response, and Mr. Holdegraver’s observations. The final report will be shared with the Audit Committee.
- Participation on the Payment Card Industry Data Security Standards (PCI DSS) Compliance Committee



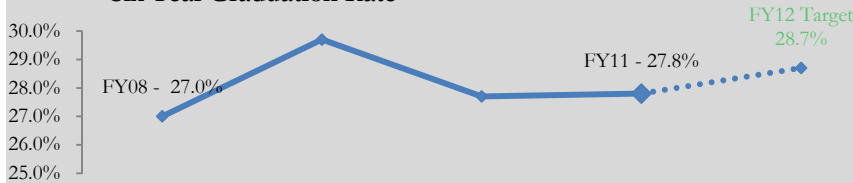
UA Performance Metrics September 2011

Final FY11 performance on each historical system wide performance measure is presented on the left below, in context of associated performance on key strategy metrics to the right. Actual FY08 – FY11 performance is shown in context of FY11 and FY12 targets as applicable. Highlights include:

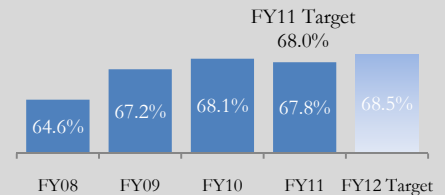
- Six-year graduation rate for baccalaureate degree-seeking first-time freshmen at UA in FY11 was 27.8 percent, remaining constant with the FY10 performance level.
- High Demand Job Area program completions totaled 2,895 in FY11, a 6 percent (172 award) increase from FY10, surpassing the FY11 target by more than 100 awards.
- Student Credit Hours reached an all-time high of more than 626,000 in FY11, surpassing the target and representing a 4 percent increase from FY10, and a 12 percent (67,000 SCH) increase from FY08.
- UA’s Restricted Research Expenditures totaled \$138.0 million in FY11, a 5 percent increase for FY10 and roughly \$12.0 million above the target level set for FY11.
- University Generated Revenue (UGR) at UA in FY11 \$444.6 million, an 8 percent (\$34.2 million) increase from FY10, and a 17 percent (\$62.3 million) increase from FY08.

Student Success: First-Time, Full-Time Baccalaureate Degree-seeking Freshmen

Six Year Graduation Rate

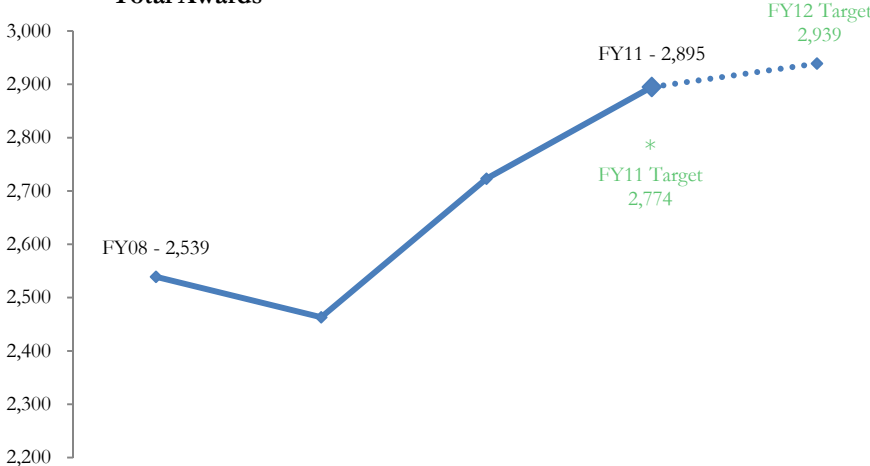


Retention

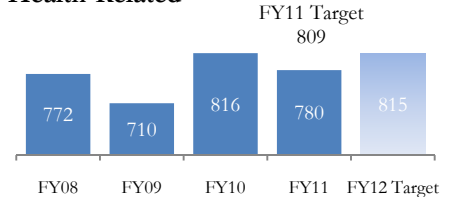


High Demand Job Area Completions

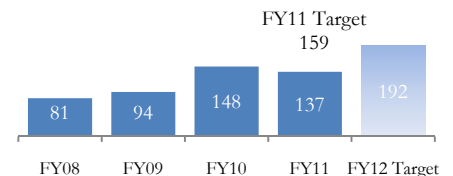
Total Awards



Health-Related

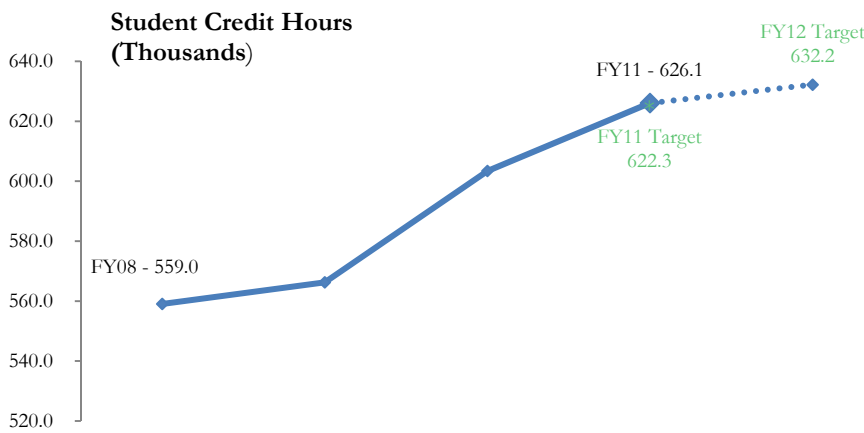


Baccalaureate Engineering

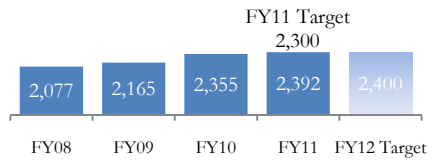


UA Performance Metrics September 2011, continued

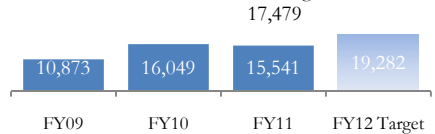
Enrollment



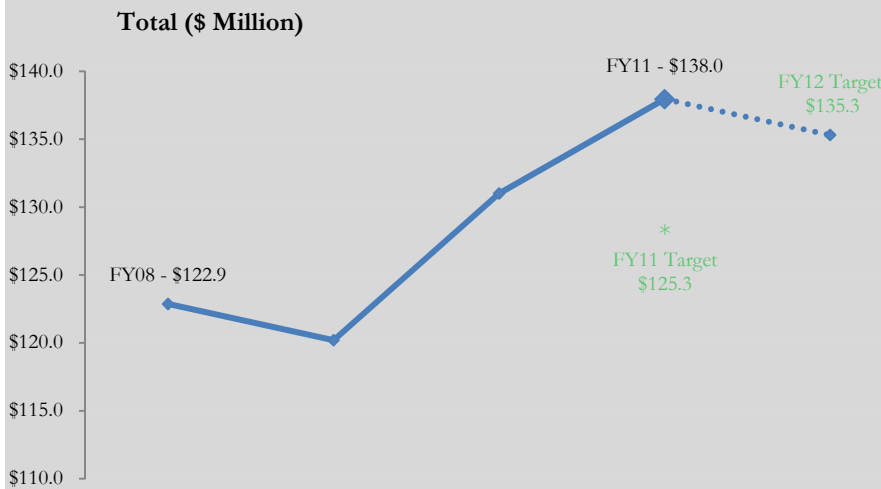
Recent Alaska High School Graduates Attending UA



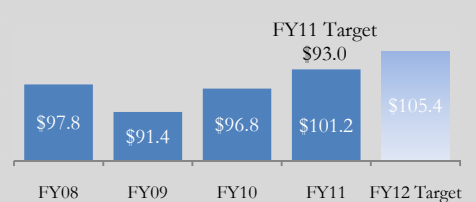
Non-Credit Instructional Activity



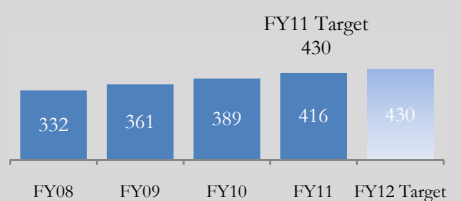
Restricted Research Expenditures



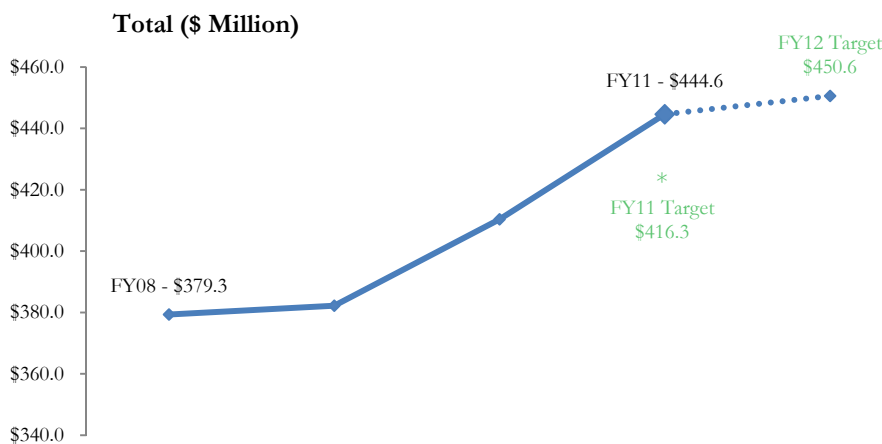
Alaska Related (\$ Million)



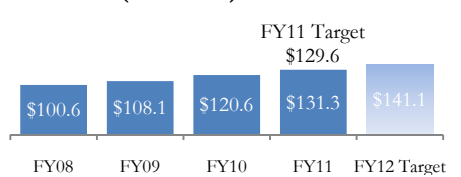
Ph.D. Enrollment



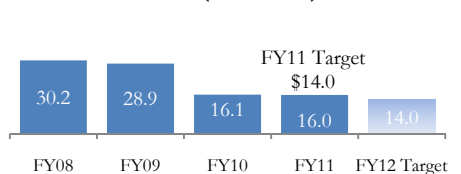
University Generated Revenue



Gross Student Tuition & Fee Revenue (\$ Million)



Charitable Gifts (\$ Million)



**UNIVERSITY OF ALASKA
LABOR and EMPLOYEE RELATIONS REPORT**

Acronyms commonly used in reporting Labor Relations activities:

UAFT	University of Alaska Federation of Teachers
CBA	Collective Bargaining Agreement
LMC	Labor-Management Committee
Local 6070	Alaska Higher Education Crafts and Trades Employees – Local 6070
MAU	Major Academic Unit (UAA, UAF, UAS)
JHCC	Joint Health Care Committee
UNAC	United Academics
ALRA	Alaska Labor Relations Agency
ULP	Unfair Labor Practice Charge

LABOR - MANAGEMENT COMMITTEES/EVENTS

- The university, Local 6070 and campus representatives have been meeting on an as-needed basis to address issues of interest to the MAUs and identify processes to resolve any concerns.
- The Joint Health Care Committee (JHCC), comprised of union, management, and non-represented employees, meets monthly to discuss system-wide health care issues. The committee's most recent meeting was held on August 18, 2011.

GRIEVANCE and ARBITRATION HIGHLIGHTS

University of Alaska Federation of Teachers (UAFT)

- **UAF College of Rural and Community Development:** The union filed a Step 2 grievance alleging that the university violated Article 9.1 of the CBA by placing two new faculty members at an extended site into the United Academics bargaining unit rather than into the UAFT unit. The university responded to the union on November 11, 2009, recommending that the substance of the grievance be reviewed and determined by the ALRA as part of the unit clarification

UNIVERSITY OF ALASKA
LABOR and EMPLOYEE RELATIONS REPORT

- proceeding. The grievance is being held in abeyance pending the outcome of the ALRA proceeding.
- **UAF College of Rural and Community Development:** Two faculty members filed a Step 2 Grievance alleging that the university violated Article 2 of the CBA by stifling their academic freedom and removing creative activity from their annual workloads. The Step 2 meeting was held on August 31, 2010 and the Chancellor issued a decision on September 08, 2010. Resolution efforts were unsuccessful on May 10, 2011. The grievants asked that the dispute be moved to arbitration. The arbitration is scheduled for Friday, November 04, 2011 in Anchorage.
 - **UAA School of Nursing:** The union filed a Step 2 grievance alleging that the university violated Article 5.1.A of the CBA by unilaterally changing the assignment of several nursing faculty members from Bipartite Vocational to Bipartite Academic. The university provided its position statement to the union on December 15, 2010. The parties held a Step 2 meeting on May 6, 2011. The Chancellor denied the grievance on June 16, 2011. The union's appeal to Step 3 is due September 09, 2011.

United Academics (UNAC)

- **UAA College of Arts and Sciences:** UNAC has filed a Step 1 grievance alleging that the university failed to take prompt action with regard to divisive conditions in the Art Department which resulted in the "creation and maintenance of a physically and mentally unhealthy environment." A Step 1 grievance meeting has been held and the grievance was denied. The grievance was not advanced to Step 2.
- **UAA College of Arts and Sciences:** UNAC has filed a Step 2 grievance alleging procedural violations in respect to disciplinary action taken against a faculty member. The Step 2 grievance meeting was held on August 15, 2011. The Provost denied the grievance on August 23, 2011. The union's appeal to Step 3 is due September 7, 2011.
- **UAA College of Health (formally College of Health and Social Services):** UNAC filed a Step 2 grievance alleging that the university failed to maintain standards of civility and professionalism. This grievance is currently being held in abeyance.

**UNIVERSITY OF ALASKA
LABOR and EMPLOYEE RELATIONS REPORT**

Local 6070

- **UA System:** The union filed a Step 3 grievance on behalf of the entire bargaining unit claiming violation of the CBA with respect to performance evaluations. The university denied the grievance at Step 3 following multiple resolution discussions. The union advanced the grievance to arbitration on March 12, 2010. Selection of an arbitrator has been on hold while resolution discussions regarding the evaluation process move forward. The union withdrew this grievance.

United Academic – Adjuncts

No grievances are pending.

ISSUES BEFORE THE ALASKA LABOR RELATIONS AGENCY

Unit Clarification Petition: On October 17, 2007, UAFT filed an unfair labor practice charge (ULP) with the Alaska Labor Relations Agency (ALRA) alleging that the university violated the CBA by its placement of new faculty with upper-division teaching assignments into the UNAC bargaining unit. In response, the university filed a unit clarification petition. On August 25, 2009, the ALRA accepted the university's Petition for Unit Clarification and placed the unfair labor practice complaints in abeyance pending the determination of that petition. The ALRA hearing began on April 5, 2010 and lasted until April 22, 2010. Post hearing briefs and response briefs were filed and the issue is before the Agency for a decision.

ASEA Unfair Labor Practice: On April 19, 2011 the Alaska State Employees Association filed an unfair labor practice charge (ULP) with the Alaska Labor Relations Agency (ALRA) alleging that the university violated the Public Employment Relations Act (PERA) by interference, coercion, and restraining exercise of employee organizing rights. On April 20, 2011 the ALRA stated it would conduct an investigation. The university sent its response to ASEA's allegations on May 4, 2011. ASEA filed a response to UA's response on June 27, 2011.

EMPLOYEE RELATIONS HIGHLIGHTS

- **UAF Community and Technical College (formerly Tanana Valley Campus):** A non-exempt employee at Tanana Valley Campus was non-retained pursuant to Regents' Policy and University Regulation. The employee grieved the issue and requested a hearing. After motion practice, the hearing officer issued a dispositive order on September 21, 2008, canceling the hearing and recommending that the UAF Chancellor uphold the non-retention decision. The

**UNIVERSITY OF ALASKA
LABOR and EMPLOYEE RELATIONS REPORT**

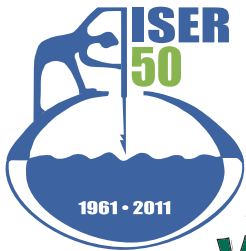
employee filed suit in Superior Court challenging the university's non-retention rights. The judge issued a preliminary order adverse to the university. The university's request for reconsideration was denied and the university subsequently filed a petition for review with the Alaska Supreme Court on November 12, 2010.

- **UAA Police Department:** An employee was terminated for cause and simultaneously issued a non-retention notice. The employee filed a grievance, and a hearing was held in March. The hearing officer recommended upholding the termination and the chancellor agreed. The employee filed an administrative appeal on July 21, 2009. The judge reversed the cause termination but upheld the non-retention. The employee submitted a request for rehearing which was denied by the judge. The employee has appealed the matter to the Alaska Supreme Court. Opening briefs have been filed.
- **UAF Athletics Department:** An employee was laid off and subsequently grieved the layoff and filed an internal discrimination claim. A hearing is on hold pending an investigation into the discrimination.
- **UAF Financial Services & Business Operations:** An employee was issued a layoff notice as a result of a departmental re-organization. A grievance was filed by the employee asserting that the university failed to follow the layoff regulations in selection for layoff and in providing alternatives to layoff. A hearing was conducted following which the grievance was denied by the Chancellor. This matter has been settled.

CHANCELLOR'S MESSAGE

Dear Board of Regents,

We have a great deal to celebrate this year at UAA, including the 50th anniversary of the **Institute of Social and Economic Research (ISER)** and the 40th anniversary of **WWAMI**, our collaborative school of medical education between Washington, Wyoming, Alaska, Montana, Idaho



and the University of Washington School of Medicine.



We celebrated the forthcoming **Seawolf Sports Arena** on Sept. 9, and this fall we are also celebrating the opening of our new **Health Sciences Building**, which came in on time and on budget. A grand opening event will be held on Oct. 7.



The breadth and quality of the accomplishments of our students, faculty and staff are truly inspiring. This summer I've been so impressed by how UAA opens its classrooms and facilities to elementary, middle and high school students from around the state. Our **Della Keats/UDOC program** offers a six-week residential curriculum incorporating college and pre-med/pre-nursing classwork for talented and motivated junior and high school students from underrepresented groups who are interested in health sciences. **Senator Mark Begich** spent time with middle

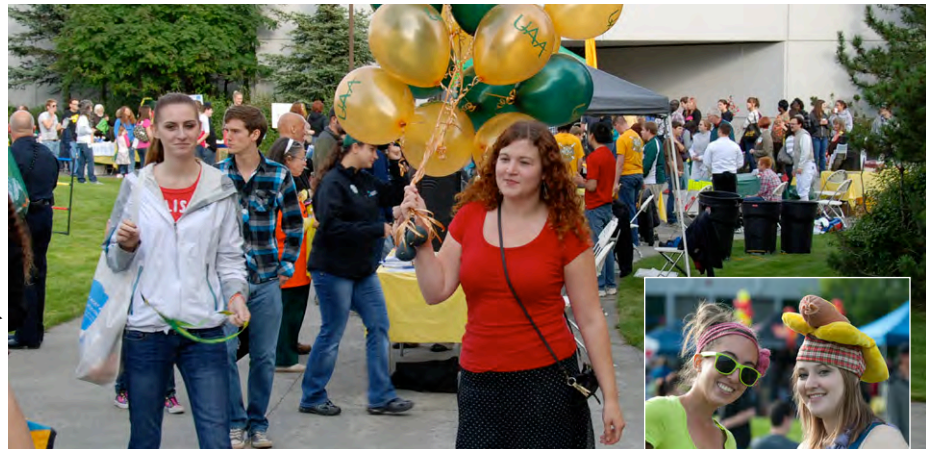


Tom Case
Chancellor



September 2011

Chancellor's Report



A new class of excited students swarmed the UAA campus during the Freshman Convocation and Campus Kick-Off.



school students from around the state as they completed a summer program motivating them to enter science, technology, engineering and math (STEM) fields.

As we kick off the athletic season at UAA, I'm pleased to report that both cross-country running squads are ranked in the U.S. Track & Field Cross Country Coaches Association preseason poll, released on Aug. 24. The women's team entered the poll at No. 5, while the men's team sits at No. 12. Looks like it will be another great year for the Seawolves!

UAA is alive with activity and excitement as we begin this new semester. I'm energized by the enthusiasm on campus, and I'm confident we'll have an enjoyable and productive year at UAA.

Sincerely,

Tom Case

Tom Case, Chancellor

STUDENT SUCCESS

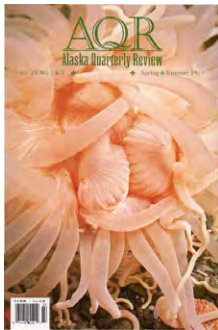
- Two new recruits for UAA's women's basketball team played in the World Games this summer. **Gritt Rider**, recruited as a point guard, played for Denmark. **Miriam Seale**, recruited as center, played for Trinidad & Tobago.
- Languages major **Amber Vanderpool** and International Studies major **Cortney Corbet** have been awarded the UAA Kibrik and Bergelson Study or Research in Russia Scholarship.
- **Jeurgen (Luke) Klotz**, a UAA languages major, received the 2011 Japan Student Services Organization scholarship for a year of study in Japan.
- **Vivian Faith Prescott** of Sitka and Kodiak, **Heather Lende** of Haines and **Joan Wilson** of Anchorage were awarded the Jason Wenger Award for Literary Excellence for their individual graduate theses and creative work.

- **Eight UAA track & field athletes** received U.S. Track & Field Cross Country Coaches Association All-Academic status recognizing that they've maintained a 3.25 cumulative grade point average and have met an NCAA automatic or provisional qualifying mark in an individual or relay event.

PROGRAM SUCCESS

- UAA was named to the **2010 President's Higher Education Community Service Honor Roll**, the only university in Alaska on the list.

- The National Endowment for the Arts featured **Alaska Quarterly Review** and **Ron Spatz**, dean of the UAA Honors College, on ART WORKS—the official blog of the National Endowment for the Arts.



- UAA is among 21 colleges and universities receiving funding from the Substance Abuse and Mental Health Services Administration to assist in preventing suicide and enhancing mental health services for students in crisis. The funds—\$306,000—are to go toward training programs and seminars for students and campus personnel as well as promoting the National Suicide Prevention lifeline.

- A cohort of 15 UAA physician assistant students—"Class 1"—celebrated the completion of their studies on Thursday, Aug. 18, at the Wendy Williamson Auditorium.

- The **Center for Alaska Education Policy Research (CAEPR)** in the College of Business and Public Policy was approved by President Gamble as a Center. This new center will begin its important work this fall.

FACULTY AND STAFF SUCCESS

- Faculty members **Bogdan Hoanca** and **Kenrick Mock** received a patent for "Methods and Systems for Multiple Factor Authentication Using Gaze Tracking and Iris Scanning." The patent is about a new way to authenticate identity on computers, using eye-related information instead of entering a password.

- **Renee Carter-Chapman**, UAA senior vice provost, won the 2011 Edith R. Bullock Prize for Excellence.



- **J. Ellen McKay**, faculty member, received the Construction Woman of the Year Award from the Alaska Chapter of the National Association of Women in Construction.

- **LuAnn Piccard**, of Project Management, received funding from the Governor's Office to complete a State

of Alaska Election Process Review.

- **Dr. Natasa Masanovic**, associate professor of German, received the American Association for Teachers of German (AATG/ Alaska Chapter) 2011 Duden Award for her work in German instruction.



RESEARCH NEWS

- ISER's **Gunnar Knapp** and **Toby Schwoerer**, along with ENRI's **Dan Rinella**, are completing an analysis of the economic significance of the Bristol Bay commercial fisheries for the U.S. Environmental Protection Agency (EPA). The total award to UAA researchers is \$167K.

- UAA closed FY11 with 324 awards totaling slightly more than \$52M. In addition, during the first three weeks of FY12, UAA received 12 awards totaling \$704K in the areas of research, public service and instruction. Last year UAA received 308 awards and contracts totaling \$55M.

- UAA recently hired **Dr. Helena S. Wisniewski** as its new Vice Provost for Research and Graduate Studies. Wisniewski comes to UAA with an incredible breadth of experience, having worked for the federal government, in higher education and in private industry.

COMMUNITY CAMPUS NEWS

Prince William Sound Community College

PWSCC-Copper Basin Campus staff presented "Distant Delivery in Rural Alaska" at EduLearn11 in Barcelona, Spain, an international conference on education and new technologies.



Kodiak College

Kodiak College is partnering with Kodiak Maritime Museum in a \$300K state-funded grant to refurbish a vintage fishing trawler on campus. The project coincides with construction of the "Kodiak Room" in the Kodiak



College Library. The room will house documents, art and historical artifacts related to fishing, seafood processing and oral histories by island residents.

Mat-Su College

Mat-Su College held its first art festival this summer. Instructors taught visual arts-related workshops for participants ranging in age from high school to senior citizens.





Iron workers stand ready to place the final steel beam in the Life Sciences Facility topping-out ceremony Aug. 12. The beam, painted in UAF's colors, is adorned with the U.S. and Alaska flags, signatures of the crew and a tree meant to bring good luck and future growth.

Achievements

Educators at the Geophysical Institute developed the Alaska K–12 Science Curricular Initiative, a free online science education resource for Alaska teachers. The program helps bring cutting-edge Alaska research to K–12 classrooms.

An extremely rare fossil discovered in Southeast Alaska was identified by research staff at the UA Museum of the North as a prehistoric marine reptile called a thalattosaur. The fossil was shipped to the museum, where the earth sciences team will remove the surrounding rock until the remains are exposed.

Scientists at the Institute of Arctic Biology have successfully induced hibernation in small mammals, showing how the process is initiated. Understanding the neuroprotective qualities of hibernating animals may help lead to development of a drug or therapy to save people's lives after a stroke or heart attack.

UAF conducted a major disaster response exercise on campus in July. The event involved responders from organizations throughout the Fairbanks North Star Borough. Additional crisis practice exercises are planned in coming months.

The chancellor's convocation speech focused on preparing for the university's 2017 centennial, and on institutional planning efforts such as the research plan, campus master plan and enrollment plan, and how those plans contribute to shaping the UAF of tomorrow.

Alaska Sea Grant research increased survival of hatchery-born red king crab larvae, proving that hatcheries can produce a sufficient number of crab for experimental purposes, and that the techniques may be scaled up to produce larger numbers.

A Cooperative Extension agent taught a weeklong GPS/GIS class in Quinhagak during July in collaboration with Alaska Sea Grant's Marine Advisory Program. Participants learned how to use GPS and GIS software to map river channels to help reduce the number of barges that get stuck each summer.

Kinross Fort Knox announced a \$1 million gift to support graduate student research in mining engineering at UAF. The engineering research endowment will allow UAF to provide advanced training for mining engineers by establishing a steady source of research funding.

In Progress

The Fishery Industrial Technology Center is reorganizing to be more closely aligned with the School of Fisheries and Ocean Sciences. The Kodiak-based center will continue to serve as a research and training hub for the Alaska seafood industry, and will have a stronger public outreach and formal education focus.

Nine evaluators from the Northwest Association of Colleges and Universities will visit UAF community campuses the last week of September and the Fairbanks campus Oct. 3–5. The team will meet with faculty, staff, students, deans, directors, administrators and governance leaders to evaluate UAF for reaffirmation of institutional accreditation. The evaluators, each of whom has been assigned a UAF theme to evaluate, will announce their findings Oct. 5 at the end of their visit.

Outdoor recreation options on campus are expanding with the addition of an outdoor climbing wall and a snowboarding terrain park. The climbing wall, near the Student Recreation Center, offers more than 30 vertical feet of climbing area for instruction and recreation. Land contouring for the Nanook Terrain snowboarding park, south of the Butrovich Building, began this summer, but most of the major features are still under development. These improvements will enhance the quality of student life on campus.

What's Next

Nanook Hall of Fame inductees in ceremonies Sept. 24 will be Alan Cardwell (swimming), Kelly Mansfield (rifle), Steve Moria (hockey), Brad Oleson (basketball), Anne Berit (Nilsen) Smith (skiing) and the 1993–1994 rifle team — the first UAF team to win an NCAA championship. The awards ceremony is one of the events during the 2011 UAF Alumni Association Reunion Sept. 22–24. The current list of inductees into the Nanook Hall of Fame now stands at 21.

through the lens: recent images

UNIVERSITY OF ALASKA FAIRBANKS

September 2011



Bobbing for veggies

was just part of the fun at the Alaska Agriculture Appreciation Day Aug. 11 at the Matanuska Experiment Farm in Palmer. The UAF facility hosted hundreds of guests for the annual open house. Visitors toured the farm and research facilities, learned about Alaska agriculture, played games, and took home prizes and fresh produce from local farmers. *Photo courtesy of the School of Natural Resources and Agricultural Sciences.*



Photos, clockwise from left

Ben Cobb plays two horns at the same time while participating in the UAF Community Marching Band during the Fairbanks Golden Days parade.

Adjunct faculty member Michael Golub keeps an eye on Stephen Bishop as he rewires a circuit board during Golub's electric car conversion class this summer.



High school students from throughout Alaska gathered on the Fairbanks campus in July for Business Week, sponsored by the School of Management and the Alaska Chamber of Commerce.

Firefighter candidates in the Community and Technical College's seven-week summer fire academy complete drills at the University Fire Department's University Avenue facility.

The University of Alaska Fairbanks is accredited by the Northwest Commission on Colleges and Universities. UAF is an affirmative action/equal opportunity employer and educational institution. Produced by UAF Marketing and Communications. UAF photos by Todd Paris except where noted.

Chancellor Brian Rogers • uaf.chancellor@alaska.edu • www.uaf.edu/chancellor/



Motor Age Publishes 20th Technical Feature by UAS Faculty Automotive Technology Program Head

Tony Martin's technical feature article on Volkswagen's TDI Diesel Technology is his twentieth published in *Motor Age* since he started writing for the magazine in 2006. The article is the cover story for the September 2011 issue.

Krein Gives Keynote at Summer Conference

Associate Professor of Philosophy and Academic Director of Outdoor Studies Kevin Krein gave a keynote presentation at the "Sport and the Environment: Philosophical Dimensions" conference June 22-25 2011 at St. Francis Xavier University in Antigonish Nova Scotia, Canada. The conference was sponsored by the North American Association for the Philosophy of Sport. Krein attended the International Association for the Philosophy of Sport conference in Rome, Italy in 2010.

Krein's talk, "Nature, Sport and Wilderness Experience" is based on his thesis that the goal of nature sports such as skiing and surfing is not to experience an ecological or spiritual connection with nature but to interact with nature in a specific way dictated by the sport itself. "Wilderness experiences are primarily about experiencing nature, while nature sports are about particular kinds of skillful interaction with features of the natural world," Krein writes. "You're playing a game with the natural world," he said.

UAS Site for Forest Service Lab Underway

A groundbreaking ceremony was held to mark the beginning of construction for the Pacific Northwest Research Station's Juneau Forestry Sciences Laboratory on Thursday, August 25.



UAS alumni and Tlingit elder Marie Olsen (middle), Chancellor John Pugh (right) and Paul Brewster of the US Forest Service Pacific Northwest Research Station, (left) help break ground August 25, 2011 for a new Forestry Sciences Laboratory. Photo by Ryan Cortes.

The building will also host the Alaska Coastal Rainforest Center, of which UAS is a collaborative partner. The facility and parking lot are being constructed on the Auke Lake campus adjacent to the walking path to the Back Loop Road. The two-story, 11,000-square-foot building is projected to cost \$8.3 million. It was designed by MRV Architects of Juneau and will be constructed by Dawson Construction Inc.

Planning for a new Forest Service research laboratory in Juneau began in the early 1980s. It is scheduled for completion in 12-18 months.

"After a thorough evaluation," says Paul Brewster, Assistant Director for the Forest Service's Pacific Northwest Research Station, "a recommendation to build on Forest Service land adjacent to the University of Alaska Southeast campus was selected as the best long-term alternative. While there has been a long history of strong relationships between UAS and the Forest Service, construction of a new lab adjacent to campus can only increase the potential for a highly collaborative environment among Forest Service research scientists and UAS university faculty and students."

The Juneau Lab was previously housed in leased office space for about 15 years. A safety audit of the space identified several health and safety issues as well as poorly functioning laboratory space.

The new building will house scientists from the station; State and Private Forestry, U.S. Forest Service; and staff from the Alaska Coastal Rain Forest Center.

The PNW Research Station is headquartered in Portland, Oregon. It has 11 laboratories and research centers in Alaska, Oregon, and Washington and about 425 employees.

Science News: From Biology and Marine Biology

The 2011 Research Undergraduate Exchange program started June 1st and ended on August 7th. Ten students from all over the USA were mentored by UAS faculty and agency researchers and conducted research in the field and laboratory on subjects as diverse as algae reproduction, bear behavior, salmon populations, bat and otter diets, starry flounder, red king crab and glacier fed streams.

Sherry Tamone, Professor of Biology spent three weeks on the Bering Sea working with NOAA researchers during the bottom trawl survey. She collected samples that will support undergraduate research in her laboratory during the 2011 and 2012 academic year. Dr. Tamone gave a presentation at the 2011 Annual Crustacean Society Meeting held in Honolulu, HI (June 5-8, 2011). Her presentation concerned the importance of considering male snow crab reproductive physiology in the management of this commercial species.

Associate Professor of Biology David Tallmon spoke at the "Bering Sea Crab Science Symposium IV" Aug 24th, 2011 at the Leif Erickson Hotel, Seattle, WA. Dr. Tallmon was also invited to speak at the "Nature and Nurture: Local Adaptation, Life History Diversity, and Salmonid Conservation Symposium" at the 2011 American Fisheries Society Meeting Seattle, WA Sept 4-8, 2011. Dr. Tallmon will teach at an International Course on Genetic Data Analysis "Recent Approaches for Estimation of Population Size, Structure, Gene flow, Landscape Genetics & Selection Detection", Sept 27-30, 2011 at Flathead Lake Biological Station, University of Montana.

Hood Assists with Glacier Lake Outburst Incident

The incident released about 37 million cubic meters of water, enough to fill almost 15,000 Olympic sized swimming pools.

UAS Environmental Science faculty and department chair Eran Hood flew onto the Mendenhall Glacier July 21, 2011 with representatives from the National Weather Service and the City of Juneau Emergency Management Team to find the source of a glacier lake outburst flood from the Mendenhall Glacier. The incident released about 37 million cubic meters of water, enough to fill almost 15,000 Olympic sized swimming pools. The team assessed the potential for further increased flows in the Mendenhall River, and surveyed the flooding impacts along the river. Hood was praised for his expertise and assistance to staff. In a letter to Chancellor Pugh from the Mendenhall Glacier Visitor Center. Hood's aerial photos can be viewed on the UAS Photo Gallery on the UAS home page.

Humanities Faculty News: Sara Ray and Nina Chordas

The Ecological Other: Bodies, Nature, and Exclusion in American Culture by Assistant Professor of English Sarah Ray is scheduled for publication in 2013. Ray recently signed a book contract with University of Arizona Press for her dissertation.

Associate Professor of English and Humanities Department Chair English Dr. Nina Chordas has been officially certified by the American Translators Association (ATA) as a Translator from Russian to English.

DOA Grants Awarded to UAS

Over \$365,000 to carry out education, applied research, and related community development programs.

The Alaska Congressional Delegation recently announced two U.S. Department of Agriculture grants to UAS campuses in Sitka and Ketchikan. The "Connecting Pacific Pathways through Research, Education and Experience in the Sciences" program received \$167,147. The program is overseen by whale researcher and UAS Sitka Assistant Professor of Marine Biology Jan Straley.

The Ketchikan Fish Tech program received \$198,024 for creating and expanding fisheries and aquaculture educational pathways in Alaska. The grants are for programs that promote and strengthen the ability of Alaska Native-Serving Institutions and Native Hawaiian-Serving Institutions to carry out education, applied research, and related community development programs.

School of Education Receives \$2.1 Million

PITAAS to continue its leadership role in teacher education

The School of Education has secured \$2.1 million in new Alaska Native teacher education funding. Dean Deborah Lo and Education faculty received the exciting news that the UAS grant proposal for PITAAS (Preparing Indigenous Teachers and Administrators) was awarded by the United States Department of Education. This is a three-year grant that allows UAS to continue its leadership role in teacher education, partnering with the Sealaska Heritage Institute.



Governance Report

Volume 15 Number 4, September 2011

<http://www.alaska.edu/governance>

Faculty Alliance

Daniel B. Monteith, Chair

Faculty Alliance had a retreat in Anchorage on August 26-27, 2011. The focus of this annual retreat was to meet new system executives and administrators, to develop goals for the academic year 2011-2012, and to conduct a monthly governance/business meeting. On August 26th we met with Paula Donson, Associate Vice President, Academic Affairs and discussed Strategic Direction. We also met with Carla Beam, Vice President for University Relations and UA Foundation President; Donald Smith, Executive Director, Labor and Employee Relations; and Chris Christensen, Associate Vice President for State Relations. In the afternoon the Alliance had an audio-conference with President Pat Gamble to discuss the Strategic Direction.

On the second day of our Alliance retreat we had a business governance meeting. We discussed the following goals and priorities for the academic year 2011-2012:

- Strategic Direction for University of Alaska
- E-learning and labs
- Faculty Recruitment and Retention
- Academic Student Advising
- Student Course Evaluations
- Student Exit Interviews

Faculty Alliance appreciates the opportunity to present a report to the Board of Regents and looks forward to discussing these issues at the meeting in Juneau.



Dr. Dan Monteith is Assistant Professor of Anthropology and Chair of Social Sciences at the University of Alaska Southeast in Juneau. While in Chicago, he worked at the Field Natural History Museum and Oriental Institute Museum. As a student, his summers were spent working in the fishing industry in Bristol Bay. This experience led him to his current research, which is an anthropological study of the Bristol Bay fishery. He holds a B.A. and M.A. from the University of Chicago, and Ph.D. from Michigan State University. He served as Faculty Alliance member and UAS Faculty Senate president-elect 2010-2011.



Nicholas Shane Pennington is currently the President of the Kodiak College Student Government Association. He received an Associate of Arts through the Kodiak College and is pursuing a degree in Business Management. This is his second term as President of KCSGA.

Coalition of Student Leaders

Nicholas Shane Pennington, Speaker

The Coalition of Student Leaders is excited for the start of a new year and we're looking forward to working with the Regents, the administration and the other governance groups as closely and as effectively as we did last year. Academic Year 2010-2011 was a banner year for cooperation and coordination between all the aforementioned university groups and we hope we can see a similar level of teamwork this year. A perfect example of that is the Tuition Taskforce chaired by Saichi Oba, Associate Vice President of Student Enrollment Services. These monthly meetings keep us in the loop and allow us to understand the thought processes and fiscal realities that affect tuition each year.

The Coalition is also discussing academic advising and the effects it has on the University of Alaska. We look forward to talking with students about this issue and working with other governance groups to make it better for UA.

We are having our annual President's retreat October 1st and 2nd in Anchorage. We will have students and newly elected student body presidents together to set the agenda for the coming year.

We are eagerly watching the progress of the state's merit and needs based scholarship as this is its first year in action.

Finally, we would like to welcome Regent Freitag as our new student regent and we look forward to working with her.



Staff Alliance

Juella Sparks, Chair

Staff Alliance begins this academic year with five new members but many recurring concerns.

What does the future hold for staff working at the University of Alaska? There are the perennial questions about what the legislature will do with our budget, the administration with our wage increases, and the cost of our healthcare benefits to name a few.

Something else that hasn't changed is the appreciation felt by the staff governance officers at the President's Retreat for the opportunity to represent their colleagues. The August 11-12 retreat was my third and I have been impressed every time by the enthusiasm and determination of the individuals involved.

I believe we all look forward to working together and with the Board of Regents and system administration to keep our university healthy and a destination of choice for Alaskans seeking higher education.

Thank you to President Gamble and his administration for making the retreat possible and informative.

Juella Sparks was born and raised in Alaska and graduated from UAF with a B.B.A. in Management. After several years working for the state and starting a family, she came back to the university to work for Cooperative Extension Service in December, 2002. She was active in student government and moved quickly to being active in staff governance at UAF. In her words, "I am looking forward to working with Staff Alliance and the System Governance Council to strengthen our UA system, especially with two teenagers contemplating post-secondary education." Juella has in past years served as Staff Alliance vice chair 2007-2009, chair of the System Governance Council 2008-2009 as well as president of the UAF Staff Council 2008-2009.

The Governance Report is prepared by the University of Alaska System Governance Office, which serves the faculty, staff and student governance groups outlined in Regents' Policy 03.01.01 and accompanying regulations. Additional information on these groups may be accessed at <http://www.alaska.edu/governance> or by contacting Pat Ivey, 907-450-8042, pmivey@alaska.edu.