

# 2025 State of the University Address

January 20, 2025 | President Pat Pitney Alaska Chamber of Commerce

"Empowering Alaska's Future: UA's Critical Role in Building a Stronger Alaska"

Alaska State Chamber and Juneau Chamber - thank you so much for hosting us and giving us the opportunity to present the State of the University of Alaska.

And thank you for your ongoing support of UA and for advocating for your public higher education system!

Before I begin, I want to acknowledge Alaska's many and diverse Indigenous nations, who have been stewards of this land since time immemorial. Across the state, our universities reside on their ancestral homelands, and we are humbled to share it with them.

I'm thrilled to be back in Juneau for this address. I want to recognize UAS Chancellor Aparna Palmer, as well as Regents, Foundation Directors, Legislators, and other elected officials here today. Thank you for your support.

And since we are in Juneau this year, if you participated in the Ted Stevens' Legislative Internship Program, either in the past or are currently interning, would you please raise your hand?

Thank you! This program is one of the bright lights of our System. Legislators, thank you for your continued participation in and support of this internship program, and for helping us build the next generation of Alaska Leaders.

Our dedicated faculty and staff empower our students and enable them to achieve their dreams every day. Their hard work is reflected in the many student success stories across the system. I'm very grateful for all you do and for your commitment to our students and our state. Thank you.



To all of you here and those listening in, I'm proud to call each of you partners. Whether you realize it or not, everyone is part of our mission. You live here, you work here, and you want the best for your community and our great state. In doing so, you're investing in future generations of Alaskans.

We all want a prosperous and vibrant state. And your support, both directly – through donations and partnerships – and indirectly – like the recent <u>ConocoPhillips campaign</u> highlighting essential employees and emphasizing they are UA graduates – its powerful! Thank you.

I want to recognize a few individuals who are making transitions this year. Regent Mary K. Hughes is concluding her 24 years of dedicated service on the Board of Regents. Mary, thank you! We look forward to Christine Resler of ASRC Energy Services joining the Board of Regents in that slot.

Chancellor Sean Parnell <u>will retire</u> at the end of this spring semester. I'm grateful for Sean's exemplary leadership at UAA and partnership in lifting the entire UA system.

Earlier this month, our Academic Vice President Dr. Paul Layer retired after more than three decades of service to UA. I'm grateful for his counsel and wish him all the best. <u>His replacement</u>, Dr. Brian Smentkowski, started this week. Brian comes to us from the University of Idaho. His experience will be a great asset to our University system.

#### The University of Alaska System

It is a profound honor and privilege to lead the University of Alaska. Our three universities, along with their associated community campuses stretching from Ketchikan to Kotzebue, are an integral part of our state and the communities they serve.

The University of Alaska Anchorage (UAA) is our comprehensive university and the largest
provider of workforce education in Alaska, especially in healthcare. We embrace UAA's unique
dual mission of vocational-technical education through quality baccalaureate programs in
business, accounting, nursing, engineering, and much more!



- The University of Alaska Fairbanks (UAF) is Alaska's premier research university and a global authority on Arctic research. UAF's high academic standards and its highly sought-after programs in engineering, science, business, Arctic, and Indigenous studies are keeping Alaska's best and brightest and attracting more and more students from the Lower 48 - who graduate and stay!
- And the University of Alaska Southeast (UAS), recognized as the most picturesque campus in the nation, has a growing emphasis on undergraduate ocean science, mariculture, and maritime workforce development. It is an integral part of our System and helps fuel economic growth and opportunities throughout Southeast Alaska.

The UA system provides the vast majority of Alaska's post-secondary education, about 90%. Each university offers a valuable yet distinct student experience, and every campus is critical to its home community, supporting the local economy and workforce needs.

The comprehensive scope and depth of our programs and research — from short-term workforce development to globally recognized Ph.D. programs — are imperative to meeting our state's economic needs.

Between 2011 and 2023, <u>nearly 27,000 students</u> graduated from UA programs relevant to Alaska's high-demand industries, including oil and gas, fisheries, construction, computer science, health care, and many more. 90% of our graduates <u>are working</u> in Alaska within a year of graduation, and 75% stay and work long-term. Compare that with those who go outside for college — only 25% return to settle in Alaska.

And for those who stay, their education pays. <u>Department of Labor research</u> shows that, compared to peers without a certificate or degree, those working jobs requiring an associate degree earn an average of 40% more annually.



Those in jobs requiring bachelor's degrees earn nearly twice as much on an annual basis as their non-credentialed peers, and those in jobs requiring graduate or professional degrees earn even more

<u>Alaskans know this</u>. More than 80% believe the university positively impacts Alaska as a whole. Alaskans consider the University system very important to the state, and three-quarters of them say the university has a major impact on local communities.

#### The State of the University

Our value proposition to the state is incredibly strong. And I'm proud to say: **the state of the UA System, is also strong.** 

We are laying the foundations for long-term success that will benefit our students, our communities, and the people of Alaska.

Our Board of Regents adopted the "<u>Roadmap to Empower Alaska</u>"—a strategic framework for the system's future. It's emphasis on

- Financial Responsibility and Future Focus,
- State & Arctic Leadership, and,
- Quality Education & Reputation,

will help guide our vision for years to come.

After years of decline, enrollment is growing. <u>Fall 2024 Enrollment was up 3% over 2023</u>, which was up from 2022, and enrollment for this spring continues to rise. This is cause for celebration—other states are not faring as well.



Like the state, though, we face some headwinds. The size of high school graduating classes is decreasing, fixed costs continue to rise, and we must address our ever-growing deferred maintenance needs. Add to that the recent federal executive orders on research grants.

I'm confident that together, we can overcome these challenges.

The Board recently commissioned an education advisory group to identify what investments will create the highest return in

- growing enrollment,
- improving retention, and
- speeding students' time to graduation.

For all of you, this means creating more of the workforce you need.

We just received that <u>report</u>, and there are solid, achievable recommendations. Throughout my remarks, I'll share what we are adopting to transform even more lives with our high-quality program offerings.

The Chamber's 2025 priorities encapsulate that potential perfectly: "A vibrant university that addresses Alaska's workforce requirements is vital for the education of our citizenry, the development of a highly trained workforce, and the research and development endeavors necessary to address the state's critical challenges."

UA is an economic catalyst for Alaska, and ongoing investment is key to achieving the promising future ahead of us.

Quick show of hands: How many of you have graduated from or hired or know someone who has graduated from one of our programs?



Wow. That's most of the people in this room. Each of those individuals is someone whose engagement and contact with the University system made a meaningful difference in their lives and for Alaska.

UA is vital to our state's future for three reasons.

- We help retain Alaska's best and brightest.
- We are a beacon of opportunity for those outside to come to Alaska and stay. We want to be part of reversing the years of workforce and population decline.
- And, we empower the state's workforce and economy by building connections and networks that last lifetimes.

## **Retaining Alaska's Best and Brightest**

UA is pivotal to retaining Alaska's future workforce – our best and brightest. That's our pilots, our accountants, our engineers, our oil field technicians, our construction managers, our teachers, our nurses, and more. We start early, building connections through the Alaska Middle College, and dual enrollment opportunities.

Recall those numbers I mentioned earlier. <u>National statistics</u> have shown that <u>roughly</u> two-thirds of graduates remain in the state where they attended college. Alaska does even better: 90% of graduates from our universities remain and work in Alaska right after graduation, and 75% stay long-term. But only 25% come back.

Investing in and engaging with the University of Alaska is necessary to build a skilled workforce in our state. With vocational and industry certificates, to baccalaureate and graduate degrees, we're not just educating; we're ensuring a brighter future for Alaska.

Take UAS' Zero Hour initiative. It allows Juneau-Douglas High School students to earn college credit for high-demand careers outside regular school hours. Generously supported by <u>Coeur Kensington</u>



Mine and Hecla Greens Creek Mine, the initiative offers a Mining Pathway Program at no cost to students.

After earning an Occupational Endorsement, students are guaranteed acceptance into UAF's Mining and Petroleum Training Service program at Delta Junction, where graduates can secure high-paying mining jobs with starting salaries of over \$90,000.

Our universities offer high-quality programs while remaining affordable. UA has maintained low tuition while enhancing and expanding financial aid options. The average debt of UA graduates and the proportion of graduates with debt are below national and regional averages. And, our students' average post-graduation wages are higher.

Thanks to the state's Alaska Performance Scholarship, the UA Scholars Award, private philanthropy, and other financial aid, a certificate or degree has never been more accessible.

I am especially grateful to the Legislature and the Governor for their support of HB 148 last year, and its changes to the <u>Alaska Performance Scholarship</u>. The <u>improvements</u> are already showing incredible results — 65% more new APS-eligible students applied and enrolled at UA this year than last.

I ask each of you to help me spread the message that the APS award is accessible to each and every high school graduate who applies themselves in high school.

They can use it for any degree level they want - a traditional degree such as biology, fisheries, computer science, engineering, finance, nursing, pre-med, or a 1 or 2-year workforce credential in healthcare, welding, aviation, process technology, construction management, and many others.

We are working with DEED, the Alaska Commission on Post-Secondary Education, and school districts across the state on the regulations that will allow us to fully realize those improvements.



I mentioned earlier that the Regents brought in a consultant to help jumpstart the creation of a system-wide recruitment, retention, and graduation framework. And moving quickly to realize APS improvements - especially earlier notification to eligible students - is one of the many recommendations we are acting on now. You helping me spread the message is part of that effort and you'll be seeing some ads in the coming weeks!

APS's new flexibility is a game changer for you and your need for a qualified workforce. Combined with the breadth of UA's programs, it helps generate an even more positive return on investment in education.

That return extends far beyond graduation. We're directly connected to our state's workforce with a breadth of opportunities for Alaskans. UA's three universities and community campuses together are Alaska's largest and most comprehensive workforce provider, offering over 200 career and technical education programs.

Take construction as an example. Industry members came together through the Associated General Contractors of Alaska to advocate for Alaska's construction workforce needs. In turn, the university's programs collaborated to increase capacity and number of graduates entering the workforce.

<u>These efforts</u> resulted in significant enrollment increases in construction management programs over the past year.

Our direct partnership with industry is already helping build our workforce of...well...builders. If we can train and retain a skilled workforce in Alaska now, we will be well-positioned to meet our infrastructure needs in the future.

Our work with AGC and the construction industry is just one of our many partnerships to address the statewide workforce demand.



### **Beacon of Opportunity for Those Outside**

Let's jump to helping reverse Alaska's population decline....UA's quality academic programs coupled with the draw of Alaska serve as a beacon of opportunity, enticing individuals outside to fulfill the mantra of "North to the Future."

Alaska must embrace its status as the nation's only Arctic state to fuel economic growth. Our universities are key to attracting quality talent.

We'll continue to utilize our quality programs and affordability to attract the next best Alaskan from the Lower 48.

They're not unlike many of us in the room. We came up to Alaska seeking fun, adventure, or a new experience and fell in love with our state. Our universities can help enhance that bridge for a new generation to come north.

We're considering new and improved ways of doing that. One option from the Board's advisory group is running a pilot here at UAS to test that interest to come to Alaska. While we wouldn't see the impact immediately, initial estimates indicate over the next few years, it could result in upwards of 500 more out-of-state students choosing Alaska, to learn, play, and work for the businesses represented in this audience. That would have a substantial impact on this community.

Another way we attract folks to Alaska is through research. Our research revenues have grown by over 50% in the last five years to <u>nearly \$270 million</u>. That's <u>nearly double what we brought in 20</u> <u>years ago</u>. For every 1 dollar of state funding we receive, we leverage 8 in federal and other research funds. That's being noticed.

According to the National Science Foundation, the UA system does more research than all universities in the similarly sized states of Wyoming, Vermont, South Dakota, Idaho, and Maine.



In earlier drafts of this speech, I was only celebrating the amazing growth and prowess in research. But I have to acknowledge that there's turbulence. And as we navigate the federal executive orders, I want our researchers to know that I appreciate each of them, and the valuable work they do. They and the incredible research they do position UA to manage some of the current turbulence.

It's their great work on oil and gas, energy, critical minerals, defense, Arctic, mariculture, fisheries, agriculture, and much more that's helped us attain such a high level of quality research activity that drives real solutions to the daily challenges Alaskans face. These are very much in alignment with the federal administration.

As Juneau grapples with outburst flooding from Suicide Basin, UA researchers are expanding knowledge that will protect lives, livelihoods, and property. Just last week, UAS professors Jason Amundson and Eran Hood <u>received a \$1 million, five-year grant</u> to assess current and future outburst flood hazards posed by the Mendenhall Glacier.

The project includes researchers from UAF and Carnegie Mellon. Its results will be used to create a large-scale flood hazard model to improve glacial flood forecasts in Juneau and across the Pacific Northwest.

Take UAF's ambitious work on housing and 3D printing - two things that you might not think go together. Along with Xtreme Habitats Institute (XHI), X-Hab 3D, Penn State, and other key partners, the plan is to 3D print a 1,200-square-foot concrete home in Nome using sand and gravel from the community with a permafrost-protecting foundation.

These new concrete techniques will drastically reduce costs and logistics hurdles since resources won't have to be shipped in.

These research opportunities don't just benefit Alaska - they help attract expertise from outside that can help solve the problems Alaskans face daily.



Our status as an Arctic state also drives opportunity and interest from outside. In a changing and globalized Arctic, UA's position as the only U.S. public institution in the region allows us to attract interest and knowledge from around the world to improve Alaska's future.

Our research also has implications for national security. We have the <u>Arctic Domain Awareness</u> <u>Center of Excellence at UAA</u> playing a key role in security research.

UAF is a preferred contractor with the Department of Defense, which has led to other opportunities.

UAF's drone center of excellence, <u>ACUASI</u>, is developing counter-drone capabilities and anti-jamming technologies in partnership with the Federal Aviation Administration. And through UAF's Geophysical Institute, we're working on dynamic mapping of Alaska's coast. That mapping and analysis over time is critical to the US Arctic defense and for coastal communities grappling with erosion, storms, and shifting environments.

We also operate the nation's only ice-capable research vessel, the *Sikuliaq*. One of the most advanced university research vessels in the world, it serves the national science community right here in Alaska.

As a part of building that next generation of researchers, public policy experts, and community leaders, this semester, we launched the <u>Arctic Leadership Initiative</u>, or ALI.

ALI builds on UA's 100-year foundation of Arctic research, education, and leadership to empower future generations with the skills, network, and expertise needed to help Alaska be the driver of its future in a globalized Arctic Region. Arctic leadership is a priority of the Board. Our Arctic Leadership Initiative is possible thanks to a 5-year, \$5 million gift from the Rasmuson Foundation. They're betting on our future. The first cohort started this semester, and I am excited to see it flourish.



The positive reputation of our people and programs signals opportunity for those outside. "North to the Future" was chosen as our state motto to represent Alaska as a land of promise. It still is. And UA is vital to making that promise a reality.

## Empowering the Future of Alaska, Our Workforce, and Our Economy

Finally, UA is vital to our state's future because we positively impact Alaska, our workforce, and our economy. This month, we launched three new videos that showcase that connection, and I encourage you to watch each of them to get a deeper understanding of our programs and how they impact Alaska. Each story is incredible in its own right and underscores the importance of the University to Alaska.

#### Looking Back, Looking Forward

I came to UA in 1991, and I've seen the progress our system has made over the last 30+ years. I've been lucky enough to actively participate in major decisions that continue to bear fruit today. One example - when I was UAF's Vice Chancellor, our team led the construction of the R/V Sikuliaq, and secured the College of Fisheries and Ocean Science to be its operator on behalf of the National Science Foundation.

Spending time on that vessel and seeing it in action years later is a true highlight, and I'm thrilled when I see UA researchers working and making a difference on it. The doubling of our engineering and nursing graduates, the work on the joint fisheries programs, and the expansion of WAMMI programs to have Alaska Doctors have all set a strong foundation for our next steps.

That's the kind of long-term thinking and visioning we're engaged in today. The University of Alaska has a bright future ahead of it. Enrollment is growing, our programs are making a difference, and our quality education has never been more accessible. Continued investment in UA as a key state and economic powerhouse is critical for us to realize that positive future.



So this is my ask of you all today:

Be an advocate for and a supporter of the University of Alaska System. Not just here in Juneau but everyday.

Many of you are business owners. Some of you are parents, or grandparents. Put UAA, UAF, and UAS on your list, and encourage your kids, your grandkids to take advantage of amazing programs from marine biology, computer and AI science, to accounting, business, fisheries, climate modeling, nursing, physical therapy, and many others.

Support your employees as they pursue that degree or professional certificate.

There's opportunity in our state. And there are high-quality programs at UA to maximize that opportunity.

The University empowers Alaska's future. Let's build and invest in that future together.

Thank you.