


MEMORANDUM

TO: President Jim Johnsen

CC: Vice President Paul Layer

FROM: Chancellor Rick Caulfield 

DATE: March 23, 2020

SUBJECT: UAS recommendations regarding expedited program reviews and FY21 budget

As requested, in this memo I'm providing recommendations about UAS expedited reviews of both academic and administrative programs that make clear how UAS can meet our FY21 budget target. I've also included information about our planning for addressing anticipated FY22 budget challenges (see Attachment A).

BACKGROUND:

Over the past year, the UAS Executive Cabinet has been reviewing information and data that informs our thinking about how to meet an anticipated FY21 budget reduction target estimated to be \$2.37M. Our review has focused on both academic and administrative reductions. Throughout this process, UAS has reviewed data from our Institutional Effectiveness office about program productivity such as numbers of majors and graduates over time, student-faculty ratios, and completion rates. We've invited input about proposed reductions from UAS deans and directors at all three UAS campuses, and offered all faculty and staff an opportunity to make suggestions. Moreover, we've employed our Strategic Planning and Budget Advisory Committee (SPBAC), which includes representatives of governance groups, to offer input about how proposed changes align with UA Board of Regents goals, our UAS mission, and our strategic priorities.

Throughout this review, UAS has sought to identify budget reduction strategies that minimize impact on student success. In student and graduate surveys, our students consistently express concern about having access to classes that allow them timely program completion. And as you know, UAS has had to make significant budget cuts over the past five years. We have deleted major programs such as our BA in Art and Masters in Business Administration. As the smallest university in the UA system, the number of degree and certificate programs is significantly smaller than what one finds at UAA and UAF. Moreover, UAS' small size means that our academic programs are commonly organized in broader interdisciplinary degree programs rather than separate departments. This makes it difficult to consider vertical cuts of complete programs without impacting related interdisciplinary programs serving a broad array of students. In addition to these considerations, our Executive Cabinet and SPBAC have also sought to build on UAS academic programs of excellence that capitalize on our interdisciplinary degree offerings (often fully online), our location in Southeast Alaska's coastal maritime environment, and our recognized leadership statewide in teacher preparation and educational leadership. Even as we consider budget cuts, we have sought to be even more strategic in supporting programs in these areas that are distinctive to our university.

ACADEMIC PROGRAM REVIEWS:

As you know, regular academic program reviews are a requirement of our recently-renewed institutional accreditation by the Northwest Commission on Colleges and Universities (NWCCU). At UAS, we've used this process annually to look carefully and critically at all academic programs and to make improvements as well as propose changes and deletions. This year, you asked that UA universities undertake expedited academic program reviews in light of the exceptionally severe cuts required by the Board of Regents \$70M budget reduction compact agreement with the Governor. With this in mind, UAS Provost Karen Carey requested that faculty in 17 programmatic areas complete expedited reviews and to consider ways that they could be enhanced, continued as currently offered, revised, subject to continued review, suspended, or deleted. Table 1 shows which programs were subject to that review, and the determination made about each of these.

TABLE 1: List of UAS Expedited Program Reviews, AY19-20

PROGRAM	RECOMMENDATION
BS Mathematics	Continued review
BA Geography, Environmental, and Outdoor Studies	Deletion following teach-out
BS Geography and Environmental Resources	Deletion following teach-out
BS Environmental Science	Revision based on review
BLA Outdoor and Adventure Studies	Revision
Biology Pre-Major	Revision
BA English	Continued Review
BA Social Science/Economics Emphasis	Deletion following teach-out
OEC Financial Institutions	Continuation
OEC Small Business Management	Continuation
M.Ed. Mathematics Education*	Deletion following teach-out
Mathematics Education K-5 graduate certificate	Deletion
Mathematics Education K-8 graduate certificate	Deletion
Educational Technology graduate certificate	Deletion
Endorsement in Distance Teaching & eLearning	Deletion
M.Ed. Special Education	Revision
M.Ed. Reading	Revision

*Program deleted by BOR, February 2020

Based on these reviews by faculty, and recommendations from deans and our Provost, I am recommending that the following academic programs in our School of Arts and Sciences be deleted following a teach-out of existing students:

BA Geography, Environmental, and Outdoor Studies
BS Geography and Environmental Resources

I note that we have already suspended admission to these two programs. We anticipate that these program deletions would accompany a substantive restructuring of our current Environmental Science and Environmental Studies programs (both BA and BS) which would incorporate elements of these two degree programs proposed for deletion.

In the Alaska College of Education, I recommended deletion of the following:

M.Ed. Mathematics Education
Mathematics Education K-5 graduate certificate
Mathematics Education K-8 graduate certificate
Educational Technology graduate certificate
Endorsement in Distance Teaching & eLearning

I note that the Board of Regents has already acted favorably (in February 2020) on our recommendation that the M.Ed. in Mathematics Education be deleted. Moreover, with authority delegated to me by University regulation, I have recently approved deletion of the listed graduate certificates and endorsement. All of these programs had low and declining enrollments and graduates.

PROPOSED FY21 BUDGET REDUCTIONS:

In addition to budget savings from elimination of the programs listed above, UAS anticipates a number of academic budget cuts that do not involve specific program deletions but instead focus on program streamlining and redesign. These proposed cuts are listed in Table 2.

TABLE 2: List of Proposed Academic Budget Reductions, FY21

PROGRAM AREA	PROPOSED ACTION
Arts and Sciences	Deletion of Associate Dean position
	Savings due to senior faculty retirements
	Savings from termination of term MPA faculty
	Elimination of Geography faculty position
	Savings from hiring entry level History faculty
	Savings from reduced BBA faculty workload
	Reduction in professional development funding
Career Education	Elimination of Health Sciences faculty position
	Savings from Certified Nurse Aide hire
Education	Reduction in Math Education faculty
	Reduction in rural practicum funding
	Savings from hiring entry level Elementary Ed faculty
Egan Library	Shift in funding source for Instructional Designer
Ketchikan Campus	Savings from faculty position vacancy
	Realignment of faculty workloads
	Reduction in library expenditures
Sitka Campus	Elimination of science lab assistant position
	Reductions in travel and contractual expenses
ANTICIPATED TOTAL	\$1.07M

In addition to the above academic program budget reductions, UAS has identified a number of administrative cuts at its three campuses that will also contribute to meeting our FY21 budget reduction target. These are shown in Table 3 below.

TABLE 3: List of Proposed Administrative Budget Reductions, FY21

CAMPUS	PROPOSED ACTION
UAS-wide	Use of centrally-pooled general funds
	Reduce administrative travel
	Reduce facilities maintenance and renewal
	Reduce commodities
Juneau Campus	Eliminate Development Operations Specialist position
	Reduce Chancellor’s community partnership allocation
	Use grant funding for PITAAS scholarships

	Eliminate Research Analyst position
	Reduce Facilities Services grounds crew expenditures
	Reduce EMSA non-personnel and contract services
	Shift Res Life/FYE personnel to auxiliary
Ketchikan Campus	Eliminate Administrative & Recruitment Specialist
	Savings from reclassified Assistant Director
Sitka Campus	Eliminate Administrative Assistant position
ANTICIPATED TOTAL	\$1.30M

SUMMARY: FY 21 BUDGET REDUCTION PLAN

The proposed academic and administrative reductions listed above enable UAS to meet its estimated FY21 budget reduction target of \$2.37M. As noted above, these proposed reductions are based on extensive analysis of data and input by the Executive Cabinet and recommendations from deans and directors. Moreover, the specific actions were vetted by our UAS Strategic Planning and Budget Advisory Committee, most recently at the Committee’s meeting on March 17, 2020. In addition, as Chancellor I held a budget forum for all employees on March 19 that offered an opportunity for further input.

ANTICIPATING FY22 BUDGET REDUCTIONS:

You have asked each UA university to provide an overview of budget planning for FY22 that takes into account the UA system’s anticipated \$20M general fund reduction under the current compact with the Governor. Attachment A provides a FY22 Budget Reduction Model that anticipates the need to cut another \$1.86M at UAS (base reduction of \$1.7M plus specific market compensation increases totaling \$160K) along with an internal reallocation of \$250K for general market compensation increases.

Attachment A presents anticipated reductions in broad categories at this stage. Each of these categories are based on substantive discussions and analysis by our Executive Cabinet and input from deans and directors. However, we have not yet had further consultation with governance groups and other stakeholders given that these reductions would be implemented almost two years out and there remains significant uncertainty about factors that would influence our final recommendations, including enrollments, tuition rates, and the impact of the current COVID pandemic. It may also be that additional expedited academic program reviews will be needed that build on those recently completed. Having said this, I note that UAS has consistently met its budget reduction targets in past years, and anticipates that we will be able to do so again as further assessment, analysis, and consultation takes place.

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Thank you for this opportunity to present our UAS plan for FY21 based on outcomes from expedited program reviews and a thorough and inclusive process for considering budget cuts in both administrative and academic areas.

ATTACHMENT: Preliminary UAS FY22 Budget Reduction Model

Attachment A: UAS Preliminary FY22 Budget Reduction Model

WORKING DRAFT: 3/23/2020

All amounts are in thousands

UAS Reduction / Reallocations from BOR November presentation	
Base reduction	1700
Comp. (specific market)	160
Total	1860

Plus:	
Comp. (general market)	250
UAS departments are expected to reallocate internally to cover the 1% general market staff pay increase.	

UAS Reduction target %	
Admin Total	55%
Academics / St. Svcs	45%

Administration		Amount	% Admin	% Total
	Reduce capabilities	560.2	46%	30%
	Cut M&R Investment	200.0	16%	11%
	Consolidate function	138.3	11%	7%
	Alternate funding	119.6	10%	6%
	New revenue	84.2	7%	5%
	Process efficiency	52.4	4%	3%
	Shrink footprint	30.0	2%	2%
	Reduced IT reinvestment	20.0	2%	1%
	Undesignated NPS reduction	17.0	1%	1%
Total	1221.7	100%	66%	

Academic programs & Student Services		Amount	% Acad	% Total
	Academic consolidation / efficiency	346.7	54%	19%
	Alternate funding	133.6	21%	7%
	Reduce capabilities	98.5	15%	5%
	Salary savings	36.1	6%	2%
	Undesignated NPS reduction	16.0	3%	1%
	Reduce outreach	7.5	1%	0%
	Total	638.4	100%	34%

Reduction / reallocation total	1860.0
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Notes:

- This model is based on strategies identified as part of the FY21 planning process.
- The model currently disproportionately impacts Administration, relative to the UAS 55%/45% targets. UAS will be seeking opportunities to bring this more in line with the target.
- Budget planning is ongoing, and this summary will continue to be refined.
- As we transition to FY22 planning, it is expected that mounts will shift as new items are added and others are removed or changed.
- Since we do not know the tuition rate and do not yet know the longer term pandemic impacts, those factors are not currently modeled.