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### FY14 wrap-up

- Active management of vacancies
- Targeted strategic reductions
- Used one-time budget actions to pre-pay portions of FY15 debt service
- · Addressed deficits in auxiliary funds through organizational adjustments
- Process Improvement successes
- FY15 gap is larger; cuts have long-lasting impacts



### FY15 budget gap summary

Commitments: \$19.9M

Legislative Reductions: \$9.2M

- UAF reduction: \$7.5M
- Travel: \$520K

Utilities Trigger: \$1.0M
 FY15 Increases/ Shortfalls: \$7.95M



### FY15 personnel & payroll actions

- Process improvement (efficiency)
- Voluntary 11 or 11.5-month contracts
- Shared service models
- Review/ reduce senior level administrators
- Continue 90-day vacancy holds
- Reduce annual leave cash-out options (UA System)
- Expect 40-50 fewer employees through layoffs & attrition in FY15



### FY15 program & service actions

- End CRCD bookstore lease; focused service
- Outsource Printing Services
- Co-locate Biosciences & Mather Libraries
- Increase revenues in Athletics & KUAC
- Explore 501(c)(3) opportunities in housing & auxiliaries
- Optimize customer services on campus

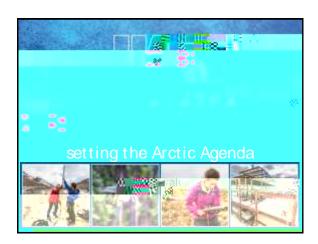


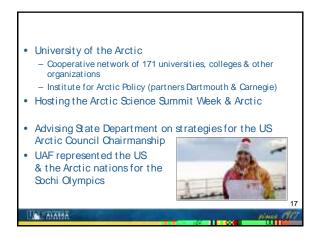
### Program & service reviews

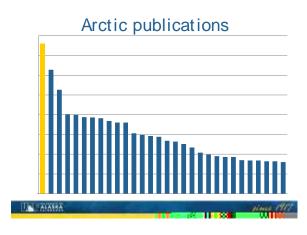
- Accelerated program & service reviews
  - Fall 2014
  - Review 15-20 items in academic, research & administrative areas
- Focused effort on actionable outcomes
- Protect key investment areas
- Set higher targets for giving
- Streamline services











### Vision for next steps

- Strengthen Alaska participation in Arctic Policy Studies (CAPS): \$200k operations + \$1.2M capital
- Core infrastructure for continued unmanned aircraft system operations: \$570k operations + \$10M capital
- Compete for marine ecosystem program & other competitive grants with 9kuliaq ship days: \$500k
- Improve understanding of ocean acidification: \$227k
- Revitalizing Alaska Native languages: \$2.5M
- These leverage over \$10M from other sources

United AND



### A century of partnership with

- Oil & gas
- Energy
- Mining
- Aerospace/ aviation
- Fisheries
- Tourism
- Agriculture
- Film

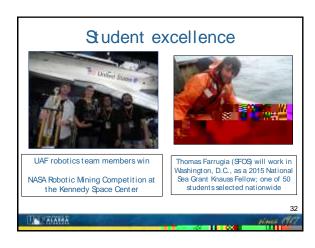
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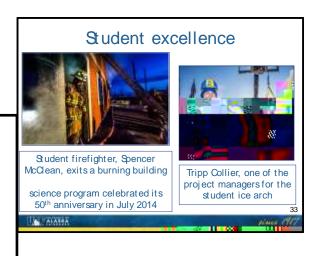
### Oil & gas, energy & mining

- Deliver Chemical Engineering degree to support Alaska LNG & refining industries: \$400k
- R&D to support Alaska mining development: \$150k
- Engineering building completion: \$31.3M
- Energy & remote power partnerships (ACEP): \$3M
- Integrated fossil fuels program: \$1.5M
- Oil Spill Research Center of the Arctic (ORCA): \$5M
- These projects leverage \$20M from other sources













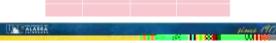
# Honors program Over \$58k in scholarships awarded to students - 55 student awards 218 total honors students - 64 accepted in FY14 Honors grads complete honors courses with an honors thesis



# Students & communities Provide comprehensive rural student advising: \$278k (ongoing) Maintain Nursing program at Bristol Bay: \$60k Expand rural Construction Trades: \$54k Complete launch of collaborative 2+2 Veterinary Medicine program: \$200k Expand Behavioral Health workforce by building undergraduate & clinical PhD Psychology: \$200k

# DM and R&R completion status

| Fiscal<br>Year | State<br>Funding | # of<br>Projects | % Complete |
|----------------|------------------|------------------|------------|
| FY07           | \$26.8 M         | 19               | 100%       |
| FY08           | \$ 4.0 M         | 1                | 100%       |
| FY09           | \$26.1 M         | 7                | 100%       |
| FY10           | \$ 2.1 M         | 3                | 100%       |
| FY11           | \$23.8 M         | 10               | 100%       |
| FY12           | \$23.4 M         | 19               |            |
|                |                  |                  |            |
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|                |                  |                  |            |



## Closing thoughts

- Strategic direction requires strategic investment
- UA / UAF can help the state through budget challenges
- We cannot take another cut without impacting



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