

Report of an Administrative Review of the University of Alaska Fairbanks

Presented to Chancellor Brian Rogers

August 3, 2009

Submitted by Terry MacTaggart

Consultant

Becoming Alaska's Student-Focused Research University

Good to great transformations never happened in one fell swoop...Rather, the process resembled relentlessly pushing a giant flywheel in one direction, turn upon turn, building momentum until a point of breakthrough, and beyond.

Jim Collins, Good to Great (2001)

Introduction

This report makes recommendations to better align the University of Alaska Fairbanks' administrative structures with its strategic objectives. The findings herein grow out of a series of interviews with over 40 faculty, staff and administrative leaders at the University conducted in April and June of 2009. An advisory committee contributed very valuable initial input, and subsequent review of drafts of these recommendations. Appendix I lists the names of these individuals. The perceptions, conclusions and recommendations in this report have been widely discussed with the Chancellor and his senior staff, as well as with interviewees and the advisory committee, but the findings represent the best judgment of its author alone.

UAF enjoys a great opportunity to emerge as one of the nation's most important student oriented research universities. By capitalizing on its strengths in research, the talent of its academic faculty, its location, its history of serving all Alaskans and the physical assets of the Fairbanks campus, this institution can develop as one of the country's truly exceptional institutions—smaller but on a par with the likes of the public research universities of Washington and Oregon. Achieving this vision will not only take exceptional leadership, but the very thoughtful alignment and coordination of administrative resources in service of five critical goals. These are to:

- Leverage the University's cutting edge research to strengthen the institution as a whole

- Link student recruitment and enrollment management more closely with institutional marketing and branding to emphasize reputation, value and career preparation
- Better organize and communicate the University's strengths in distance education and e-learning
- Strengthen services to rural Alaska and its peoples
- Achieve greater administrative efficiencies and improvements in resource allocation

The approach taken here focuses on the administrative support functions that underpin or should underpin activities that are critical to the university's success. It begins by summarizing the critical success factors identified by university leaders, then reviews existing organizational structures with an eye toward realigning those structures to better support the critical initiatives and to reduce administrative costs.

The process first requires achieving general consensus on a manageable number of critical success factors, then asking administrators and others to describe administrative or bureaucratic barriers to strengthening the university's performance in those areas.

Regarding the administrative units that ought to fully support higher performance in critical areas, we asked faculty, staff and administrators to:

- Identify strengths that deserved greater support and emphasis
- Point out weaknesses that demanded remediation
- Highlight fragmentation that called for concentration or at least greater clarity
- And note barriers that needed to be overcome

The remainder of this report presents findings under the following headings:

- The strategic context—UAF's Window of Opportunity
- The review process
- Critical success factors
- Recommendations for improving organizational effectiveness

The Strategic Context – UAF's Window of Opportunity

The University of Alaska Fairbanks displays many strengths. It employs a first rate faculty; its research institutes and activities are internationally acclaimed; the main campus is attractively arrayed across a ridge overlooking the city of Fairbanks; Tanana Valley College functions as a community college for the Fairbanks region; its outreach

programs serve rural Alaska and its peoples in a variety of ways. While focused on service the state and the nation, UAF has the potential to become more globally oriented and to attract more international students. As the state's leading research university, UAF's challenge is to strengthen and further integrate these exceptional qualities, and to make them known to a wider audience of students and their families, Alaska residents, legislators, funders and opinion leaders in the state and around the world.

The potential for advancing this university based on existing strengths is especially acute at this time in history. UAF's location and the work of its teaching and research faculty will be "hot" for some time as a consequence of media attention to climate change. Melting glaciers, rising sea levels, drilling in pristine environments, changing cultures due to the melting of the permafrost and mounting fuel costs in remote villages, as well as volcanic activity are of immense interest and concern to people across the globe. Energetic marketing of the important and often brilliant work being done by faculty and students at UAF should attract more of the most capable and creative students from Alaska and beyond to this exciting institution.

The university now enjoys the leadership and resources to take full advantage of its unique position:

- A new Chancellor couples leadership experience as the university's former chief finance officer, state legislator, regent chair, and consultant with broad knowledge of the state as a whole.
- The University of Alaska System has been the dominant force in higher education policy leadership during the tenure of its energetic and visionary President, Mark Hamilton. His announced retirement in 2010 coupled with decreases in statewide funding will likely create opportunities for leadership from the system's chancellors.
- The effects of the recession, which is crippling state budgets and higher education in many of the lower 48 states, has been deferred in Alaska thanks to a sizeable reserve fund. Absent a spike in fuel prices, this fund will eventually be depleted. But for now the University receives adequate state appropriations, and has the time to make adjustments to its administrative cost structure without resorting to draconian measures.
- While major increases in legislative funding are not in the offing, by aligning its administrative structure to more fully support the university's unique strengths and by modest administrative cost reductions, the University can focus resources to help reposition UAF as one of the nation's best student-focused research universities.

Review Process

The review process took place in five stages. Prior to visiting the campus, I examined financial, planning and human resource documents assembled by the Chancellor's staff. In a second step, from April 23 to May 1, I interviewed faculty, staff, administrators and friends of the University to discern the factors essential to becoming "one of the best student oriented research universities" and to uncover their perceptions of how well or poorly administrative support functions aligned with these factors. During the June visit, I also traveled to the Northwest Campus in Nome to discuss these issues with staff, faculty and a graduate of that important site. A third phase required drafting initial findings. Review of this initial draft with the advisory committee, conducting additional and in some cases repeat interviews on June 10 through 12 and studying additional University materials represented the fourth phase. The submission of this report to the Chancellor is the final phase of this project.

Critical Success Factors

What features of UAF set it apart from competing institutions and merit strengthening to further distinguish the university? The current tag line describes UAF as "Alaska's First University." To be sure, what is now UAF is the first higher education institution established in the state. But what would it take to confirm UAF as first in quality and reputation, first in attractiveness to students, and first in service to all Alaskans, Native and non-Native, urban and rural? It is not farfetched for UAF to position itself as one of the premier student-focused research universities in the country. But what would it take to achieve this status and how can it be done with existing resources?

The answer to these questions lies in identifying the university's distinctive strengths, further identifying *specific aspects of those strengths* which deserve emphasis, and then removing barriers to concentrating attention and resources on developing those distinctive features.

A reading of university materials, extensive conversations with UAF academic and administrative leaders, and discussions with a thoughtful and informed advisory committee suggest that the university should:

- I. Leverage cutting edge research to better advantage UAF
 - a) Student engagement in research and other creative activity
 - b) Degree / course offerings in emerging research areas
 - c) Continual critical program review for alignment of research activities with UAF, State and national priorities
 - d) Economic development and technology transfer

- II. Connect student recruitment and enrollment management more closely to institutional marketing and branding to emphasize reputation, value and career preparation
 - a) Organizational structure of marketing, enrollment management, and academic advising
 - b) Data supported measures of success
 - c) Link recruiting and marketing to student research opportunities
 - d) Re-focus on UAF Vision Task Force Report recommendations on enrollment and retention, with an eye toward reputation, value, and career opportunities
- III. Better organize and communicate the university's work in distance education and e-learning
 - a) Coordination of effort
 - b) Commitment to rural mission
- IV. Strengthen service to rural Alaska and its peoples
 - a) The role of TVC within the larger CRCD family
 - b) CRCD's role in supporting research with, by and about indigenous peoples
- V. Achieve greater administrative efficiency and improved resource allocation
 - a) Administrative efficiency
 - b) Reductions and reallocations
 - c) Partnering with the private sector and others
 - d) Facility maintenance

Each of the five critical success factors identified as a result of this review is well known around campus. These themes arose in interviews conducted and documents provided as resource material. In fact, work on most of these factors is underway as part of the UAF Vision 2017 Report. This work is intended to highlight and re-focus needed effort based on factors reported and observed as part of the review. The observations and recommendations for improving organizational effectiveness provided in the following section are organized around these five critical success factors.

I. Leverage Cutting Edge Research to Better Advantage UAF

a. Student engagement in research, scholarship and other creative activities

Research in the sciences, technology, social sciences and humanities is well developed at UAF. Pushing back the frontiers of knowledge is fundamental to the university's mission. Faculty, students and community members contribute to the vitality of the campus and the region through a stimulating set of creative and scholarly activities.

University research and creative endeavors should also contribute to the university's brand. However, this link is far from fully developed in the minds of prospective students and those who influence their decisions. Studies suggest that major research universities compare unfavorably to smaller institutions and especially

liberal arts colleges when it comes to effective and exciting undergraduate education.

However, thanks to its modest size, attractive student-teacher ratios, the wealth of opportunities for students to express themselves in campus and community activities, and the supportive culture of most of the Fairbanks faculty, UAF has the potential to link its research strengths with other aspects of the academic and student life. UAF truly has the opportunity to position itself as one of the finest student-focused research universities in the country.

Recommendations

To provide financial support, leadership, and make intentional the link between research and undergraduate participation,

- Shift 1% of the Administrative Services portion of Indirect Cost Recovery. (ICR) to support student engagement in research and other creative activities.
- Apportion approximately half of this reallocation to compensate faculty for the additional work required to engage students in these activities.
- Recognize student engagement in research as part of faculty workload.
- Allocate the other half of these monies to support students engaged in research and other creative activities.
- Consider making substantive student engagement in research and creative performance a component of every major where such a requirement does not already exist.
- Identify a champion reporting to the Provost to lead this effort.
- Create a senior team including the Vice Chancellor for Research to provide political and administrative support for this initiative.

b. Facilitate course offerings/degree programs in emerging research areas

Fundamental to linking the university research activity to students and student success is taking advantage of faculty expertise in emerging fields of research. Several interviewees pointed out that the lack of a clear pathway linking bright students with research faculty represented a major barrier. To be sure, joint

appointments between academic departments and research units provide one way to encourage undergraduate participation, but more needs to be done.

Biology and biotechnology fields probably constitute the place to start in emphasizing undergraduate research. However, engineering, energy, the social and behavioral sciences and indigenous people's research represent additional areas for more undergraduate engagement.

Recommendations

- Identify champions from both the research and academic side of the University to lead this initiative for increased student engagement in research, scholarship and creative activity.
 - Establish additional joint appointments or externally funded research appointments within the schools and colleges with the explicit intention of increasing undergraduate engagement in research.
 - Identify metrics to measure increases in undergraduate involvement in research.
 - During the interview process for new research and academic faculty, gauge applicant interest in and understanding of ways of involving students in faculty research, scholarly and creative activity.
 - Encourage research directors and academic deans to look to unit returned ICR funds to support faculty and student engagement in research.
- c. *More fully align research activities with UAF, State, and national priorities as part of the process of annual reviews*

The University budget and research activity process is largely a decentralized effort. This benefits the university, as it allows those with the most expertise and interest to create and advance programs that are most likely to be successful. The alignment of research activities under a new Vice Chancellor for Research (VC-R) four years ago strengthened the coordination of research.

Most interviewees reported that the change has led to marked improvement in the University administrative organization. However, many also commented on some weaknesses in breadth of responsibility, lack of integration between teaching and research, and inability to guide the direction of a research program.

The recommendations above suggest a more complete integration of teaching and research. Without lessening the entrepreneurial character of competitively funded

research or stifling good science, many superb institutions have found ways to better align their research activities with local, state, and national priorities. If the current worldwide recession teaches us anything, it is that the states and countries that prosper will do so by infusing their economies with the findings of first rate research.

Recommendations

- Develop a broad based forum including university researchers, members of the business community, civic leaders and outside experts to discuss appropriate ways to more fully align university research with the needs of the economic and society, in Alaska, the United States and globally.
- Modify the annual review process wherein the VC-R participates with research directors and managers to include alignment with university, state and national priorities.
- Restructure performance based budgeting (PBB) so that funding “taxed” from research units is assigned to a pool that will be used to incentivize research initiatives into priority areas.
- Consider modifying the carry-forward return practice so that a carry-forward pool would be created to provide seed funding for research initiatives.
- The results of the review process and recommendations for PBB and carry-forward initiatives would come to the Chancellor annually as recommendations for action.

d. Better organize economic development and technology transfer

The UAF Vision 2017 Task Force Report provides a specific set of recommendations on community engagement and economic development. The new Chancellor has encouraged more community engagement across the University. A culture of community engagement does seem to be taking hold at UAF, although the University’s role in economic development is far less developed.

The new Chancellor has initiated several steps to enable UAF to become more fully involved in the economic vitality of the region and the state. The formation of a community leaders’ advisory group for economic development, a university economic development working group, and the intentional pursuit of potentially commercial activities amongst faculty researchers are among these initiatives. From

all reports, this one year effort exceeds the economic development activity of UAF in the prior decade.

Compared to similar institutions, and certainly to larger research universities, UAF has a lot of catching up to do in bringing some of the fruits of its excellent research capacity to assist in the economic development. None of this is to minimize the vital role long played by Cooperative Extension in linking University resources with societal need. Yet as Alaska's land grant university, UAF needs to at least equal the best that is being accomplished elsewhere in exploring the commercial potential of university based research.

Recommendations

- Develop opportunities for researchers and administrators to become better acquainted with the best work in the country on linking research findings to economic opportunity. This will likely reveal a need to re-write some BOR and University regulations.
- Accelerate work in this area by studying best practices from similar research institutions. The University of Maine located in Orono, for example, has pioneered the research and technology transfer in a large rural state undergoing economic change.
- Identify a champion to lead this effort to expand the benefits of university-based research.
- Create an organizational structure and budget that encompasses economic development, intellectual property, and technology transfer.
- Develop a 3-5 year set of goals, strategies, and metrics for economic development activities based in part on the trajectory of similarly situated research universities.
- Involve the community leader's advisory group in this effort.

II. Connect Student Recruitment and Enrollment Management to Institutional Marketing and Branding to Emphasize Reputation, Value and Career Preparation

- a. Organizational structure of marketing, enrollment management, and academic advising*

UAF has experienced essentially flat enrollments of undergraduate students for the past several years. The majority of its undergraduates come from the greater Fairbanks area, although there is growing interest among international students and those from the lower 48 in graduate programs in particular. Relatively few students travel from Anchorage to study in Fairbanks.

An important market for UAF's services is the community college students who attend Tanana Valley College, who may seldom set foot on the main campus and who are unlikely to live in residence halls. The renewed emphasis recommended here on marketing the University needs to include this important group as well.

National surveys conducted by researchers at UCLA of first year college students confirm that the three strongest influencers of their choice of where to attend are the reputation of the institution; its value proposition which relates cost to a host of attributes; and linkage to career success.

The opportunity exists for UAF to reposition itself in the minds of students and those who influence student choice. UAF needs to lose its image as a place too often regarded, according to recent surveys reported by Student & Enrollment Services, as "cold, dark and boring" to one seen as "exciting, challenging and great place to launch a career." To change people minds about UAF will require integrating enrollment management, marketing and branding as well as emphasizing the opportunities for student engagement in research and other creative activities.

Anyone skeptical of this potential might look to brand name research institutions located in remote areas—the University of Vermont and Dartmouth come to mind—as well as Syracuse University. Located in a city few would regard as a destination in itself, nonetheless Syracuse University successfully repositioned itself as one of the best student-centered research universities. Moreover, as noted earlier, UAF's location and research foci are among the most important and fascinating to potential students and the public at large.

Recommendations

To reposition the university in terms of reputation or brand, value in the minds of students and their families, and career preparation, student recruitment and enrollment management need to be more closely aligned with marketing and branding the University. Specifically, the University should

- Consider merging Student and Enrollment Services with the marketing functions of University Advancement.

- Consider assigning Development and Community Advocacy to the Chancellor's Office since these are expected to become among his priorities in the years to come.
- Reconfigure the UAF website to do a better job of attracting and engaging students, in addition to providing information.
- Develop a multi-year communications plan that includes marketing, recruitment, brand building as well as the work of unit public information officers.
- Take advantage of new media including My Space and/or Facebook to link and engage students.
- Encourage KUAC TV to become an independent enterprise with other public television stations in Alaska under a memorandum of agreement that ensures statewide visibility for UAF and its programs.

b. Data supported measures of success

The interviews revealed that a number of initiatives and new programs have been established in the past 3-5 years; attention is being paid to recruiting; and retention has become a major priority.

However, it is less clear which of these efforts have been successful and which have not. Some of this ambiguity, no doubt, results from difficulties in recruiting staff and leadership turnover. Vacancies at the UAF institutional research office also contribute to this problem. However, it seems that while decisions about recruitment efforts are driven by data on best practices and UAF prospective student profiles, little evaluation occurs to determine the success of any given practice when implemented at UAF. This leaves the administration unclear as to whether to continue or change course on a particular effort.

Recommendations

- A top priority for the new chief of recruiting should be to create a comprehensive, data based recruiting plan that includes evaluating the success of particular strategies. Any new student enrollment, marketing, or retention initiatives need to be accompanied by an evaluation plan.

- Indicators of success should be more detailed than increases or decreases in enrollment, as multiple concurrent efforts preclude the ability to determine the efficacy of any individual effort.
- Different measures need be developed for different student population, e.g. transfer students, traditional advancing high school graduates; and non-traditional students.
- Efforts that have not demonstrated success within a reasonable period of time should be discontinued.

c. Link recruiting and marketing to undergraduate research mission

Climate change, energy, biotechnology, and multi-disciplinary efforts between physical, biological, and social sciences are in the forefront of international, national, and state discussions. Studying arctic conditions at America's Arctic Research University is as compelling as it gets. There is ample evidence in the literature of effectiveness in undergraduate education that engaging students in research results in a superior undergraduate experience.

Recruiters currently emphasize undergraduate participation in research as a unique UAF strength. Just as the recommendations under "Leveraging Cutting Edge Research Activity to Better Advantage UAF" propose making more intentional the connection between cutting edge research and undergraduate participation in research and scholarly activity, this section recommends more widespread use of this theme in recruiting and marketing.

In this case, specific strategies are probably best left to the University's recruiting experts. But it seems safe to say that featuring students themselves in interesting research actions offers a powerful tool for building UAF's image as an exciting place to learn and prepare for a career.

d. Re-focus on UAF Vision Task Force Report recommendations on enrollment and retention, with an eye toward reputation, value, and career opportunities

The UAF Vision 2017 Task Force Report provides a specific set of recommendations and requirements on enrollment and retention. Action on many of these items appears to be occurring, albeit not in a systematic way. Given that research confirms that prospective students rate reputation, value, and connection to career opportunities as the three most compelling factors in selecting a university, UAF will want to position itself to compete in those areas.

Recommendations

- In general, UAF needs to articulate to prospective students, parents and community members how the undergraduate program at UAF will, with good value, prepare their child to compete in for both jobs and advanced degrees.
- Review requirements outlined in Vision 2017 Task Force recommendations in enrollment and retention, with an eye toward the three themes of reputation, value, and career.
- Use local UAF graduates with targeted populations to highlight the career opportunities generated by UAF.
- Focus attention from recruiters, faculty, and students on UA Scholars seeking high value and academic rigor. Students seeking advancement in engineering, medicine, law, veterinary medicine, and other advanced, competitive fields requiring bachelor's degrees need to see and believe that UAF can be a valuable part of that career path.

III. Organize and Communicate the University's Work in Distance Education and E-Learning

UAF supports a comprehensive array of distance education and e-learning opportunities. These range from entire academic programs offered on line in education and business to specific courses provided through its Center for Distance Education. Media include traditional print correspondence courses, print courses with some electronic support, internet communications, and courses offered through Blackboard as well as television and telephone. Substantial numbers of students take advantage of these many opportunities, both in Fairbanks and rural Alaska. Currently, there are about 7,500 enrollments in CDE courses. This is not a reflection of the precise number of students, as some students enroll in more than one course. About 66% of the enrollments come from the Fairbanks region, while another 25% represent participation from elsewhere in the state and the remaining 9% are enrollments from students in other states and countries. CDE offers 150 courses annually.

While UAF doesn't hold a monopoly on distance education or e-learning, the array of offerings is impressive, vital to its rural students in particular and an important source of enrollment for the university as a whole.

There is currently no single unit responsible for distance education and e-learning. The Center for Distance Education, part of CRCD, serves students in rural Alaska through a

variety of media. The former director of that Center is working, independent of the Center, with the School of Management to develop electronic delivery. A recent state audit confirmed that the organization of distance education delivery is fragmented. At this stage in the development of distance delivery, this is not entirely a bad thing.

Nationally, there is no one organizational model that is regarded as “the best” in all circumstances. The centralized approach, in which course and program development, faculty compensation, student registration, communications, quality assurance and financial administration are all located within one unit, has not worked as well in practice as its proponents would like to believe. States that have instituted “virtual universities” such as the Kentucky Virtual University and a similar attempt in Maine have retreated from those grandiose efforts. Experts in the field now are more cautious. The best approach seems to be one tailored to the stage of development at a particular institution, its organizational culture, and the student markets for its distance education programs.

a. Coordinating Efforts

It is beyond the scope of this review to offer categorical recommendations for change in the way distance delivery is organized at UAF. The statewide administration should consider a comprehensive review, including the other MAUs and the findings of the state auditor’s report. Having said that, UAF can take steps in the near future that will bring more transparency to electronic and other distance education offerings, rationalize the pricing structure, improve communications among providers and with students, and provide more resources to faculty and departments for designing courses.

Recommendations

- Institute a “distance education/e-learning team” of individuals across the campus who engage in delivering education at a distance to clarify who is doing what, and to develop an agenda for improving communications among themselves and with students.
- This group would develop a plan for refocusing the Center for Distance Education as the locus for faculty support, coordination of effort, and publicity for the university’s distance education and e-learning efforts.
- This group should also develop a revised compensation and pricing scheme that both incentivizes faculty and supports successful student course completion.

b. Commitment to rural mission and technology choices

It is not surprising that the Center for Distance Education is part of the College of Rural and Community Development. The center's roots are based in provision of distance courses to rural students. The wide variety of delivery methods ties directly to the varying levels of technology in rural communities. Any proposals to reorganize distance education must acknowledge the critical importance of alternative delivery modes for the people living in rural Alaska.

It is also true that the majority of e-learning students live on or near the Fairbanks campus. This speaks to the demand for alternate delivery methods, the changing nature of student preferences, and the high percentage of non-traditional students at UAF. Expansion of e-learning opportunities will most likely increase this disparity, with even a greater percentage of e-learning or distance course being delivered to students in areas other than rural Alaska.

Any proposed reorganization needs to integrate the needs of the distinct student markets for e-learning, including those residing in rural areas as well as the variety of students in more densely populated locales.

For example, any restructuring of e-learning will need to maintain a tie to the CRCD mission, either through direct or indirect reporting and/or approval authority. Maintaining "low tech" distance delivery options for courses in demand in rural Alaska needs to be part of any restructuring effort. This means paper based, low speed connectivity based, and non-connectivity based delivery methods will remain in the inventory throughout any change in delivery model. Similarly, changes in the financing - billing - tuition allocation model that will arise from changing the incentive and compensation models will need to take into account sufficient base funding for CRCD to accomplish its original core mission.

IV. Strengthen Service to Rural Alaska and Its People

A fundamental principle of fairness demands that high quality, relevant educational services be provided to Alaskans living in the more rural parts of the state. Native culture deserves respect, celebration and support. The economic foundations of the state—from tourism to natural resource extraction—call for a strong and vibrant rural culture. UAF has a history of success in delivering education to rural Alaska, and these services constitute one of the university's distinctive features.

The organizational status of Tanana Valley College has been a matter of intense discussion in Fairbanks and across the large region served by CRCD. TVC serves a substantial number of students at its locations in Fairbanks, leads in delivering five essential programs to rural Alaska and is a de facto community college. Advocates for

TVC emphasize its distinct mission as an urban-based community college focused on career and technical education. They seek recognition of this status within CRCD. Many of those charged with serving rural students, by contrast, are concerned that the programs which TVC faculty deliver outside of Fairbanks will be given short shrift should TVC become an entity separate from CRCD.

a. The Role of TVC within the Larger CRCD Community

Without pretending to special wisdom, this outsider who is nevertheless familiar with these tensions makes the following recommendations:

- Recognize Tanana Valley Campus as a community college with a Dean who reports directly to the Vice Chancellor of CRCD in parallel with but independent from the rural campuses. In the interests of cost savings and program integration, maintain accreditation under UAF.
- Recognize the distinct urban, community college function of TVC without isolating its programs or faculty from their responsibility for delivering service to greater Alaska as well.
- Maintain a lean administrative structure that takes full advantage of the management services available at the Fairbanks campus so that maximum resources can be devoted to delivering educational services rather than administering them.

b. CRCD's Role in Supporting Research With, by and About Indigenous Peoples

The emergence of UAF as one of the nation's premier "student oriented research universities" demands that research with, by and about indigenous peoples be central to the work of the University. In various academic units, UAF hosts several excellent centers that study this topic. In addition to research within CRCD itself, the College of Liberal Arts hosts the Alaska Native Knowledge Network, the Alaska Native Language Center and Archive as well as the Alaska Native Studies Department. It is not necessary to locate all of these centers under one larger unit, though it is important to achieving a higher order of excellence to link their work more closely.

Recommendations:

- Existing committees comprised of researchers from different units within the University are well worth continuing and strengthening. A closer alignment of

research and service by and about indigenous peoples across disciplines and units is important to fully realizing this aspect of UAF's mission.

- As part of the University's commitment to indigenous peoples and rural Alaska, it may be timely for the leaders of these cross-disciplinary and cross-organizational groups to evaluate accomplishments to date, areas for improvement and next steps for strengthening research and service. One goal of this process would be to emphasize UAF's position as a world leader in research and service this field.
- Add the priority of research with, by and about indigenous peoples to vision statements and other prominent communications about the core values of the University.

V. Improve Administrative Efficiency and Resource Allocation

Administrative units, positions and costs commonly grow at a faster rate than additions to the faculty ranks and academic programs. The reasons for this are many, and understandable. Federal, state and system imposed regulations require an expanded bureaucracy to collect and report information. Occasionally, the desire to reward a hard working employee can only be accomplished with a title change and possibly hiring an assistant, even though the workload remains essentially the same. Investments in information technology often requires substantial additions in staff, especially if there are inadequate efforts to train existing staff to use the new processes.

A periodic review of staffing and workload gives managers the opportunity to reduce cost and become more effective. The focus of the review should be to separate essential functions from desirable ones and from those that were once required, but no longer are. The discipline of a specific financial target for reductions often makes the process more realistic.

Additionally, areas of overlap in duties and responsibility exist between departments and UAF administration, between departments and statewide administration, and between UAF administration and statewide administration. Clearly, efficiencies could be gained by reducing unnecessary duplication.

UAF's comprehensive and complex mission as a research intensive, land grant institution located in Alaska necessitates substantial numbers of managerial employees. Still, it must be asked if the institution has become top heavy over the years. For example,

- UAF presently supports 59 executive employees. While not a huge number when considering that the University has about 3,800 employees located across the state. Nonetheless, this number bears monitoring and trimming across time.
- UAF presently has 563 exempt staff positions. Again, the number itself is not necessarily a red flag, but consistent with prudent management practice, the requirement for these staff positions requires monitoring and analysis for possible reductions.
- UAF and UA Statewide administrations continue to overlap in a number of areas where UA Statewide provides both policy direction and operational oversight of activities. The two prominent among these areas are Human Resources (HR) and Informational Technology (IT). Additionally, UAF departments have operational responsibilities that overlap with UAF HR and IT efforts as well. A clearer articulation of lines of authority and scope of responsibility should result in operational efficiencies.
- Departmental support in schools, colleges, and research institutes is ingrained into "how things have always been", and resistant to change. This is particularly true due to the "base plus increment" model of providing annual budgets for distributed decision making lead to the perception that status quo is funded first, then additions or enhancements are considered.
- Interviewees commonly used the word "silos" to describe the organizational mentality of the Fairbanks campus. This isolation of one unit from another, especially when their work flow should demand communication and coordination, represents a costly barrier to improved service.
- Attracting top talent to UAF remains a challenge in light of a modest salary structure and high cost of living. Thus it makes sense to focus on developing the staff in place who have already made a commitment to the region and the state. A more embrative and systematic program of staff leadership development deserves emphasis.

The benefits of a "lean" or "efficient" administration accrue to the campus as scarce resources are directed to priority programs and services. They also accrue to the students and faculty in terms of credibility in the careful expenditure of tax and tuition dollars. Finally, the public benefits as the public foots a substantial portion of the overall

bill. Changing from the current model of “silos” and "status quo plus" to a model of competing priorities is challenging. Moreover, there are no productivity gains if reducing administration merely shifts the burden to faculty who properly should be able to concentrate on their academic roles. Becoming one the nation’s superb student oriented research universities requires shifting resources but not workload from administration to teaching, research, and service.

a. Administrative efficiencies

Recommendations

- Reduce the number of Vice Chancellors by at least one.
- Institute a policy of no net increase in administrative positions.
- Institute a review and prioritization process for all executive positions. Any vacant executive position will be reviewed first by the VCAS and the Vice Chancellor under which the position reports. A recommendation to fill or reallocate a position would be reviewed by the Cabinet and subject to the Chancellor’s approval.
- Institute a review and prioritization process for all exempt staff positions. Any vacancies in this area would be reviewed by UAF HR and the Dean/Director under which the position reports. Areas where the Dean/Director and UAF HR cannot agree should be determined by the Vice Chancellor under which the position reports and the VCAS. Inability to concur will result in the determination being made by the Chancellor.
- Reduce substantially overlap of operational duties between UAF and UA Statewide administrations. An outside facilitator with expertise in the content area should be used to assist the parties determine the appropriate locus for responsibility and authority in HR and IT. If HR and IT staff cannot agree to a joint recommendation, the facilitator should make specific recommendations to the President and the Chancellor for final determination.
- Assign to each Vice Chancellor the authority to review and overturn unit-based budget decisions that create duplication or overlap. One example reported during interviews includes historic allocation of departmental assistants, regardless of the number of faculty in a department. This has led to the existence of nearly 30 non-exempt staff in the College of Liberal Arts, each supporting on average three instructional faculty. The assignment of the

obligation and responsibility to review the "status quo" at the Vice Chancellor level will help deans and directors reduce unexamined anomalies in support staffing.

- While this review did not focus on academic administration, it is worth noting that, in the College of Liberal Arts, there are nearly twenty-five department chairs overseeing some 130 faculty in departments reportedly ranging from one member to sixteen and averaging five members. A thoughtful review of this level of fragmentation would be well worth pursuing.
- Move administrative units currently located elsewhere onto the campus whenever this would materially reduce lease costs and improve communications among units that need to work closely together.

b. Reductions and reallocation

One student of higher education spending coined the term "revenue theory of cost" to suggest that universities tend to spend all the revenue they receive. Frugality is not a watchword in higher education, but it should become one. An administration focused on students first and people first could stand to have frugality as a basic tenet. Frugality, in this sense, is not just reducing costs for the sake of reducing costs. Rather, it connotes only spending the minimum necessary to accomplish an administrative function in order to focus resources on the institutional missions of education, research, and service to the State.

The University system is presently preparing its tri-annual proposal to the federal government to set the Facilities and Administration rate for the next three year period. Part of the work of that proposal is to categorize all administrative costs at each Major Administrative Unit (MAU). That number is then used to establish the university's overhead rate for the upcoming three year period. It could also be used as a baseline for administrative frugality and cost reduction.

Recommendations

- Reduce campus wide base administrative costs by 5% from the 2009 administrative cost proposal with the reductions to be realized in the FY 2012 budget. Use this goal in the position reviews recommended in the previous section.
- Continue the "Aligned Business Model" initiative being undertaken by Administrative Services to ensure work is appropriately assigned between unit administration and central administration - and only accomplished one time.

- Reduce off campus lease costs by bringing service units onto campus whenever possible.
- Continue annual budget reallocation processes. Consider revision of reallocation methodology to have research, academic and administrative areas review and prioritize funding recommendations to the Chancellor within each area. Those prioritization discussions should be led by the Vice Chancellor in charge of each area respectively.
- Use resources freed up by the measures to create a pool of monies under a heading of something like the UAF Excellence Fund. The Chancellor would allocate these resources to key components of becoming a distinctive student oriented research university.

c. Partnering with the private sector and other entities to control cost and improve service

As state resources decline, more colleges and universities are looking to partnerships with the private sector and other public entities as a way to fund infrastructure investments. A college in Colorado, for example, is working with private real estate developers to contract housing and academic space that would offer retail shops on the street level with student and academic uses on upper floors. Major research universities seek joint ventures with knowledge-intensive companies for scientific research leading to commercial development. New Jersey is looking to private sources of finance for new facilities as state funding recedes. And more traditional forms of working with private vendors to serve public purposes continue to be a major feature of university operations.

UAF has experience, primarily with food services, custodial, and construction in using private contractors to provide service on campus. Apparently, the results have been mixed. Clearly, the experience and competence of the contractor has a great deal to do with the success of "outsourcing" work on campus.

Provision of non-academic services by private contractors in a careful and cautious manner can reduce cost, minimize risk, and maintain an acceptable level of service. Done poorly or in the wrong environment, of course, it can increase costs and reduce the level of service.

Services that educational institutions often contract for include: transportation, utilities, custodial, food service, maintenance, security, housing, and information technology.

The remote nature of UAF from large commercial markets would call for a cautious approach to outsourcing.

Two areas stand out as deserving in-depth study of the potential for outsourcing or partnering with the private sector or another public entity: the utilities system and student housing.

Both areas have large capital costs looming. There appear to be enough potential private partners to make a serious examination of this potential worthwhile. Because of the potential for stimulating the regional economy with this joint approach, the legislature or a regional native corporation might be willing to fund such a study.

UAF utilities system is looking at a major plant renovation or replacement in the next 5-7 years. Two near-catastrophic failures are reported to have occurred at the power plant in the past 5 years. Private partners exist with the knowledge and capital to finance and run a combined heat and power plant. In fact, it is reported that similar facilities were recently "privatized" on the local military bases.

Student housing on campus is aged and often unattractive. It is difficult to claim a strong "student orientation" when their housing lags far behind that of competing universities. The UAF 2017 Task Force Report identifies the need for new and updated space to attract and retain students. Anyone who has ever entered a 1960 era's dormitory can attest to that fact. A search for a private partner who could combine student housing needs with the summer tourism industry would be an endeavor worth the time and cost.

d. Facilities Maintenance

UAF, like many of the campuses across the country, is facing crisis in financing for facilities maintenance. Aging infrastructure costs more to maintain than annual budgets can afford. It is difficult to persuade legislators to put new money into old buildings.

There are no painless solutions to this dilemma. But one alternative to cutting operating budgets to fund maintenance is to reallocate annual carry-forward monies. For example, if UAF dedicated 50% of its annual carry-forward to major maintenance, between \$3 and \$6 million would be available. While not an easy change to get units accustomed to keeping all of their carry-forward, it is certainly within the control of UAF and does not require cuts to existing budgets.

Adoption of specific budget targets, reallocations of staff and funding due to prioritization will combine with the staffing reviews recommended in the previous section to begin to create the culture of frugality presently missing from UAF and most university settings.

In summary, UAF should consider the following:

- Studying the potential of joint ventures with the private sector and other public entities as a way to fund infrastructure needs.
- Reallocating fiscal year-end carry forward monies to fund maintenance projects in the ensuing fiscal year.

Summary

UAF has the potential to become one of the nation's most distinctive student oriented research universities. Achieving this level of excellence requires vision, leadership, specific plans, the right metrics and the convergence of human, financial and physical assets on this goal. The observations and recommendations in this report focus on accomplishing this convergence. Many of the ideas presented here came from the bright, creative people I interviewed. A few are strictly my own views. Whatever the source, University leaders would do well to review them carefully, gather input from those affected by the changes and those charged with implementing them, and then move purposefully to bring a very good research university to its next level of excellence.