Budget Options Group (BOG) – Options Summary & Analysis

February 26, 2014

The Budget Options Group (BOG), appointed by Chancellor Brian Rogers and convened in January 2014, was charged with generating and compiling a list of options and recommendations complete with budgetary impact analysis for the Planning & Budget Committee (P&BC) to consider. This document serves as this initial list.

The UAF P&BC will be asked to recommend a prioritized shortlist of quantifiable options for the Chancellor's Cabinet review. To assist the Cabinet in its review, an Executive Leadership Workshop (ELW) group will be convened in the spring. The Cabinet will aim to finalize decisions by May to allow implementation lead time prior to the beginning of the fiscal year in July.

Many items were generated directly by the UAF community via an online form made available to UAF students, faculty and staff as a mechanism to make suggestions for cost savings and efficiencies. The form is located on the Office of Management & Budget (OMB) website: http://www.uaf.edu/finserv/omb/budget-planning/suggestions/ for additional suggestions.

The budget target beginning in FY15 is $14M. This will be updated if current budget conditions change. For prudent planning, this number is reflective of an estimated UAF budget gap and is not reflective of a direct budgetary reduction at this level. This document is intended to be dynamic in the sense that it is expected to change as ideas are vetted and new options are developed.

The BOG identified the following areas as unique to UAF's mission and competitive strengths. Efforts to maintain or reduce adverse impact to these areas were considered as options were developed.

- Continue strong focus on serving Alaska as part of UAF mission and goals
  - UAF must maintain a relevance to communities and the state; uphold a commitment to workforce development for high demand job degree areas; and maintain outreach efforts to rural students in order to promote engagement
- Continue and strengthen Arctic Research and programs
- UAF must continue to be a place of research prominence
  - Continue commitment to increasing graduate enrollments and undergraduate engagement in research
- Student enrollment is critical for UAF success
  - Preserve and enhance these activities; great service to students requires some personal level of attention
- Employees and students must have access to current technology and tools to be most efficient and effective in their work, such as eLearning, access, long-distance collaboration, etc.
- Avoid a "brain drain" by retaining and developing highly qualified and skilled employees
- Focus on a strong core of staff and faculty
  - Retain a smaller group of core employees who are empowered to do their job and have the tools they need to do it well, as opposed to cutting many ancillary items that may have an adversely broad impact

- Avoid cross-charging or shifting costs to internal departments; maintain a focus on strategic reduction of costs
    - Functions that pass on costs may not create longer term solutions; find ways to promote good behaviors and decisions
- Maintain the ability to attract outside revenues for facility and/or faculty support; UAF should have a reputation of a quality institution worthy of continued investment

Recommendations

The BOG identified the following recommendations for Planning & Budget Committee consideration as part of the prioritization process:

1) Efforts should be taken to make significant reductions in targeted areas rather than large amounts of smaller reductions (i.e., death by 1000 paper cuts).

2) Where opportunities exist for greater efficiencies, even if over a longer time period or when multiple campuses or the UA System is involved, those opportunities should be explored.

3) A reduction in the total number of UAF positions instead of making reductions that effectively reduce compensation for all employees may be prudent.

4) Outsourcing opportunities should be fully vetted to understand impact to internal and/or external groups.

5) Interest exists to move out of off-campus space where lease costs exist and may be expensive; space and facility conditions must be fully examined to optimize on-campus space and co-locate groups for best results.

Option Detail and Analysis

Options listed are not in priority order; however are listed by general category:

- Across-the-Board (ATB)
- Personnel/Payroll
- Program/Service
- Space
- Green Initiatives/Sustainability
- Systemwide Efficiencies
- Revenue-Generating Ideas

The following definitions and metrics are used to interpret components of each idea:

Acronym definitions

- OTO: one-time only
- ATB: across-the-board
- FTE: full-time equivalent employee
- ROI: return on investment
- GF: general fund

Ability to implement by general level (related to scope of decision-making)

1. Chancellor/Campus Level Decision
2. President/UA System Level Decision
3. Board of Regents' Level Decision
4. External Action - change in state or federal law (i.e. Alaska statute, Borough, etc.)

Timeline for action

- Short-Term: May 2014 through Dec 2014 (FY14-FY15)
- Mid-Term: Dec 2014 through June 2015 (FY15)
- Long-Term: July 2015 and beyond (FY16+)

ATB REDUCTION OPTION: $4.25M to $14.5M

Idea: Across-the-Board (ATB) reduction to unrestricted General Fund (GF)		
Description: Apply an across-the-board reduction proportionally to all units based on estimated General Fund (unrestricted) dollars. UAF expected proportional share of State reduction is approx. $7M.		
Cost Statistic:	FY14 GF is approx. $177M; FY15 estimate is $170M to date	
Ability to Implement:	1 – Chancellor/Campus Level Decision	
Timeline:	Short-Term	
Analysis (Pro/Con):	• Immediate savings realized and easy to administer • Could increase long term savings, not just one time • Allows Deans/Directors/VCs to apply reduction within each unit as it makes the most sense – pushes strategic decision making to unit level	• Priority programs could receive same proportional cuts; potentially not strategic • Monitoring may be required if units enter into a deficit situation • May deter cross-collaboration as each unit could be focused on internal priorities rather than sharing services or finding efficiencies between units • Focus on long term savings is difficult if cut is administered at start of FY15; tendency to reduce short term items first • Reduction in GF may limit some ability to generate new revenue
Alternative Scenarios:	Some combination of an ATB and vertical or specific reductions may still be desirable and/or necessary. May consider finding incentives to increase partnership between units. May increase efficiency if some duplication of services or programs is reduced.	
Estimated Savings Target:	Min: $4.25M (2.5% ATB)	Max: $14.5M (8.5% ATB)

PERSONNEL & PAYROLL OPTIONS: $6.84M to $14.595M

Option #1:

<table>
<tr><td colspan="3">Idea: Continue 90-day vacancy holds or increase to 120 days</td></tr>
<tr><td colspan="3">Description: In May 2013, UAF instituted a vacancy hold to delay employee hires for 90 days and centrally pullback a portion of accrued savings on a one-time basis. This formally applies to Regular and Term Staff and Executive positions, and does not apply to Faculty positions (although there may be delays in Faculty hires outside of this hold process). This mechanism is short-term and has no permanent savings unless positions are reorganized or eliminated. Average UAF annual turnover is 300 positions. Average annual cost per FTE ranges from $75,000-$100,000.</td></tr>
<tr><td>Cost Statistic:</td><td colspan="2">Average UAF annual turnover is 300 positions. Each FTE costs approx. $75K-$100K/year salary and benefits.</td></tr>
<tr><td>Ability to Implement:</td><td colspan="2">1 – Chancellor/Campus Level Decision</td></tr>
<tr><td>Timeline:</td><td colspan="2">Short Term</td></tr>
<tr><td>Analysis (Pro/Con):</td><td>Mechanism already in place
Savings are immediate
Vacancy hold time to hire is not materially different than normal time to hire</td><td>Vacancy rates may be proportionally higher in some units causing some units to be disproportionately impacted
Savings are OTO
Not strategic; based on attrition</td></tr>
<tr><td>Alternative Scenarios:</td><td colspan="2">Savings are dependent on when the vacancy holds start and how long they are continued. One-time savings increases if this practice is maintained over time.</td></tr>
<tr><td>Estimated Savings Target:</td><td>Min: $3M OTO (90 day holds; duration dependent)</td><td>Max: $4M OTO (120 day holds; duration dependent)</td></tr>
</table>

Option #2:

Idea: Consolidate administrative and support FTEs		
Description: Administrative and support positions are continually a focus for reduction or streamlining. Many functions across campuses or departments are similar and potentially duplicative and warrant exploration to identify opportunities to create greater efficiencies.		
Cost Statistic:	Each FTE approx. $75K-$100K/year	
Ability to Implement:	1 – Chancellor/Campus Level Decision	
Timeline:	Mid-Term	
Analysis (Pro/Con):	• Opportunity to reduce or reorganize administration to find greater efficiencies • May allow for shared service models where positions are redefined, have ability for career ladders and are cross-trained • Partnerships between departments and/or between departments and central offices can be encouraged • Employees are empowered to excel as new career paths/opportunities are developed	• Level of service must remain consistent • Strategic selection of positions or locations that are the best candidates may be difficult • Consolidation should not adversely impact any group disproportionately • Savings would be realized over time with organizational change
Alternative Scenarios:	Create mechanism to examine and strategically downsize 1 in 5 vacancies. This is approximately 60 FTE over the course of a full year on average. A reorganization of this size could produce $4.5-$6M in base savings. Level of service must remain consistent and employee training and career ladders should be a primary focus.	
Estimated Savings Target:	Min: $250K (2-3 FTE)	Max: $3M (30-40 FTE)

Option #3:

Idea: Reduce or eliminate Annual Leave (AL) cash-out option		
Description: Current program allows for 40 hrs. “cash-out” per calendar year		
Cost Statistic:	AL cash-out is a cost to the university considering employees do not take the leave they have earned and are paid for all days worked. 408 UAF employees used this in FY13; total UAF cash-out value was $468K. Figures are similar in previous years.	
Ability to Implement:	2 – President/System Level Decision	
Timeline:	Short Term	
Analysis (Pro/Con):	• Impact to employees is relatively minimal • Savings are immediate and reoccurring • Use of AL should be encouraged to promote wellness	• May require multi-campus agreement • May be viewed as a loss of an employee benefit • Employees must have ability to take earned AL • More employees may “lose” earned AL, if over 240 hour threshold
Alternative Scenarios:	Reduce AL cash-out to 20 hours per calendar year. Expected result may be $240K; roughly half of the savings than if the program were eliminated.	
Estimated Savings Target:	Min: $240K (20 hrs)	Max: $470K (40 hrs)

Option #4:

Idea: Extend winter break or other closure periods		
Description: Consider extending winter break closure; or extending spring break for certain academic departments; or extending summer breaks in departments where it makes sense.		
Cost Statistic:	• $750K/day if all unrestricted staff and faculty take A/L or LWOP • Consider utilities savings (approximate): ✓ Winter closure savings: $1,500-$2,000/day ✓ Summer closure savings (no headbolts): $1,000/day	
Ability to Implement:	1 – Chancellor/Campus Level Decision	
Timeline:	Short-term	
Analysis (Pro/Con):	• Utility savings for office area (lights, computers) • Salary savings generated if employee elects to use LWOP or A/L • Real benefit may only be seen if fully buildings/facilities are shut down (utility savings)	• Employees must be aware: this could impact employee retirement if they exceed 10 days of LWOP within a single year; individual choice • May be an adverse impact to restricted fund projects or staff (grants/researchers) • May adversely impact lower-income employees who can less afford LWOP disproportionately • May require union negotiation or notification of employees ASAP
Alternative Scenarios:	Decide if UAF mandates the actual days, or allows departments to offer the flexibility to the employee.	
Estimated Savings Target:	Min: $250K (1 day; not all employees)	Max: $500K (2 days)

Option #5:

Idea: Utilize 11-month contracts for certain employee groups		
Description: Consider offering the option of 11-month contracts to volunteers in administrative employee types. This option is already available for supervisors to use based on job needs, but additional staff may elect to use an 11-month contract if given the choice.		
Cost Statistic:	Each FTE approx. $75K-$100K/year. $75K/12 mos = $6K per month savings per FTE.	
Ability to Implement:	1 – Chancellor/Campus Level Decision	
Timeline:	Short to Mid-Term	
Analysis (Pro/Con):	• Savings are immediate and reoccurring • Offers flexibility to employees • May be an ideal schedule for some employees • Is an available option now for supervisors when job requirements permit this arrangement	• Employees must be aware of earnings reduction; that they do not accrue leave or pay into retirement accounts on the month off • Applies to employees whose jobs do not require a continual presence, particularly in academic units
Alternative Scenarios:	Voluntary 30-hour work weeks for staff without benefit reductions.	Explore this scenario with new hires.
Estimated Savings Target:	Min: $100K (16 FTE)	Max: $625K (100 FTE)

Option #6:

Idea: Utilize 37.5 hour workweek for regular employees		
Description: The State of Alaska has instituted a 37.5 hour workweek to foster additional savings; savings represents reduction of annual compensation increase. UAF could consider a similar structure, but, in lieu of annual compensation increases, pay is equivalent to a 40-hour work week.		
Cost Statistic:	Each FTE approx. $75K-$100K/year; FY15 annual compensation increase is $6M (maximum target), minimum is 50% of that.	
Ability to Implement:	1 – Chancellor/Campus Level Decision	
Timeline:	Short to Mid-Term	
Analysis (Pro/Con):	• Savings are immediate and reoccurring • Offers flexibility to employees • Improved work-life balance (could be a recruiting tool)	• Employees must be aware of earnings reduction • Potentially disparate impacts for hourly/salaried employees • No savings generated for restricted employees • Most faculty already on 9-month contracts or soft funding
Alternative Scenarios:	4 day x 10 hr. work weeks are discussed under sustainability options	
Estimated Savings Target:	Min: $3M (50% comp. increase)	Max: $6M (100% comp. increase)

PROGRAM AND SERVICE CHANGE OPTIONS: $2.67M to $17.15M

Option #1:

Idea: UAF Athletics program savings			
Description: UAF Athletics is a Division II school and has 10 teams (the minimum required to maintain DII status). Some operate as Division I (hockey), multi-divisional (swimming) or independent (rifle).			
Cost Statistics:	Total cost $6.3M. GF support $3.5M, other unrestricted fund (Tuition/Fees) $900K, self-generated revenues $1.1M. Approx. 130 total student athletes; 15% UA Scholars		
Ability to Implement:	3 – Board of Regents' Decision		
Timeline:	Long-Term		
Analysis (Pro/Con):	• Allows approx. $3.5-$4M in general fund and other unrestricted funding relief • May allow for stronger focus on academic programs/services • May increase available campus space; renovation required	• Less attractive to new students and negative student life impact • Related tuition and fees may be lost (approx. 130 total student athletes; 15% are UA Scholars) • Some revenue generation capability may be lost; 30% of athlete aid is from other non-UA sources ($400K/year) • PR/community support issues • NCAA/Title IX impact must be considered	
Alternative Scenarios:	Eliminate or reduce the preconference tournaments for certain sports; $75K net savings estimate	Consider Carlson Center contract costs vs. renovate Patty Center for games	Boost revenue: examine Booster Club and/or fee revenue distribution
Estimated Savings Target:	Min: $75K (pre-conf. only)	Max: $3.5M	

Option #2:

Idea: Change UAF Athletics program from Division II to Division III		
Description: UAF Athletics is a Division II school and includes 10 different teams (the minimum number of teams required to maintain Division II status in the NCAA). UAF would not be able to field a hockey team as a Division III school. Scholarship requirements change between divisions which would change the aid package for student athletes (Division III does not require scholarships); change may result in no net savings produced as operational costs may not change significantly.		
Cost Statistics:	Cost to rent Carlson Center is approx. $170K and seats 4500; current attendance at hockey games covers this cost. Pre-conference tournaments $75K net. Total cost $6.3M. GF support $3.5M, other unrestricted fund (Tuition/Fees) $900K, self-generated revenues $1.1M.	
Ability to Implement:	3 – Board of Regents' Decision	
Timeline:	Long-Term	
Analysis (Pro/Con):	• Savings in scholarships $600K but will likely be offset by other aid and financial incentives necessary to attract athletes • May allow for stronger focus on academic programs/services	• Less attractive to new students and negative student life impact • Related tuition and fees may be lost (approx. 130 total student athletes; 15% are UA Scholars) • Some revenue generation capability may be lost; 30% of athlete aid is from other non-UA sources ($400K/year) • PR/community support issues • May have unintended Title IX impacts • Operational costs may not change significantly
Alternative Scenarios:	See alternative options listed above.	
Estimated Savings Target:	Min: $0	Max: $600K

Option #3:

Idea: Implement shared service models		
Description: Shared services is a business model that enables resources to be leveraged across departments resulting in lower-costs and increased efficiencies. It can be a good long-term savings choice for highly-transactional business functions such as in the areas of proposal preparation, payroll/personnel processing, and travel.		
Cost Statistic:	Each FTE approx. $75K-$100K/year.	
Ability to Implement:	1 – Chancellor/Campus Level Decision	
Timeline:	Short to Mid-Term	
Analysis (Pro/Con):	• Opportunity to explore more efficient and less costly services to UAF departments • Opportunity for employees to specialize in certain areas and do one thing well as opposed to several things "okay" • Cross-training and larger groups of customers may keep staff busy at all times rather than high vs. low volume fluctuations	• Possible resistance to change • Culture-shift is required • Investment in training and technology is required • Executive and leadership support is required • Possible loss of personalized service to specific units
Alternative Scenarios:	Research institutes/departments can train a business "hub" or "team" that supports many research-intensive departments rather than a single department. The same is true for Academic areas and Administrative areas.	Evaluate "slivered" FTE (i.e. those who perform a wide variety of multiple tasks) and consolidate to have fewer FTE perform shared service functions and become specialized/empowered to do more within the job.
Estimated Savings Target:	*Savings noted above in Payroll & Benefits section (#2)	

Option #4:

Idea: Streamline CRCD administration layers		
Description: CRCD serves the community college mission for UAF with focus on workforce development, career and technical education and academic preparation for college. CRCD serves many rural campus locations across the state, has administrative support in each based on geographic distribution and has some centralized administrative support functions in Fairbanks. Are there similar functions in different locations that could be streamlined? Are there centralized functions within CRCD that could be restructured, reduced or eliminated that would result in efficiencies and/or cost reductions?		
Cost Statistic:	Each FTE approx. $75K-$100K/year. CRCD has approx. 270 total FTE. Of this, 88 are traditional admin FTEs which consist of Admin Generalists/Managers/Professionals, Fiscal, HR, IS staff. 10% = 8 FTE.	
Ability to Implement:	1 – Chancellor/Campus Level Decision	
Timeline:	Mid-Term	
Analysis (Pro/Con):	• Opportunity for greater efficiency • Increased communication between rural/urban campuses • CRCD is heavily grant funded; has alt. funding sources/options	• Potential negative public perception of UAF's support of rural students • Potential for loss of local student service or support
Alternative Scenarios:	N/A	
Estimated Savings Target:	Min: $75K (1 FTE)	Max: $600K (8 FTE; approx. 10%)

Option #5:

Idea: Consolidate or reduce duplicative functions at UAF farms: LARS, Fairbanks and Palmer			
Description: LARS is Large Animal Research Station that contains reindeer and musk ox. Fairbanks farm has 260 acres cropland and 50 acres forest land. Use of all three facilities has declined. Consider where active research exists and consolidation of the farms/research space.			
Cost Statistic:	Cost to operate all three farms is approx. $1.8M annually (LARS: $500K; Fairbanks $300K; Palmer $1M).		
Ability to Implement:	2-3 – President/UA System Decision or Board of Regents' Decision		
Timeline:	Mid to Long-Term		
Analysis (Pro/Con):	• Options to lease or sell land to local farmers could generate revenue • Reduces related overhead and maintains specialized research space • May encourage active research through new partnerships/co-location	• Likely to result in some concern from the Reindeer Herders Association and SNRAS/IAB • Fairbanks Farm buildings among the oldest on campus and have historical significance • May not be possible to co-locate these types of large animals	
Alternative Scenarios:	Explore new revenue-generating opportunities: lease cropland to local farmers; farm peonies or other lucrative option(s); must consider viability of combining herds together; consider less expensive facility costs by combining programs or administrative functions		
Estimated Savings Target:	Min: $500K	Max: $750K	

Option #6:

Idea: Reduce unrestricted administrative travel		
Description: Travel costs, particularly administrative in nature on unrestricted funds, are a cost that can be controlled by UAF (as opposed to travel occurring on restricted funds where the cost is borne by an external entity).		
Cost Statistic:	FY13 unrestricted travel is approx. $6M. Of this total, approx. $3.3M-3.5M is admin. travel (excludes Athletics $1.3M and Instructional $1.4M).	
Ability to Implement:	1 – Chancellor/Campus Level Decision	
Timeline:	Short-Term	
Analysis (Pro/Con):	• Easily implemented • Encourages planning strategically within departments for administrative or support needs • Raises awareness of areas where travel is necessary (CRCD/facilities, etc) • May be able to reduce Athletics travel separately	• Face-to-face meetings or first-hand attendance at conferences or trainings is very valuable • Unrestricted travel is already fairly regulated and limited • Travel budgets within units also include relocation funding and employee performance bonuses; these areas could be impacted • Must understand impact to rural and community campuses
Alternative Scenarios:	Rotate training opportunities among employees rather than sending many to the same conference. Encourage travel reports to shared findings.	Utilize video-conferencing or audio-conferencing options.
Estimated Savings Target:	Min: $350K at 10% ATB	Max: $700K at 20% ATB

Option #7:

<table>
<tr><td colspan="3">Idea: Outsource campus housing to an external entity or seek additional P3 partnerships</td></tr>
<tr><td colspan="3">Description: Some institutions have entered into lease or other agreements for housing located on campus (land owned by the university) but leased externally. The external leaseholder will maintain and operate the facilities, thereby eliminating university expenditures for deferred maintenance and other costly upkeep. In some cases, it can be negotiated where the University is in no obligation to guarantee occupancy or support the facilities financially.</td></tr>
<tr><td>Cost Statistic:</td><td colspan="2">Many housing options at UAF are located in buildings that are very old and inefficient. The costs associated with upkeep and upgrades may exceed the benefit. Note that faculty housing is a component of total bed inventory on campus; UAF does not separately track faculty vs. student housing. Assumptions are expanded to include all housing inventory, rather than faculty or student housing separately.
Min target $650K assumes UAF would significantly reduce GF support for residence life (50%; currently $1.3M)
Max target assumes revenue share arrangement with the entity which returns (at minimum) the current commitments from the auxiliary (P3 lease) operations and a 50% reduction in GF outlay</td></tr>
<tr><td>Ability to Implement:</td><td colspan="2">1-2 – Chancellor/Campus Decision or President/UA System Decision</td></tr>
<tr><td>Timeline:</td><td colspan="2">Mid-Term</td></tr>
<tr><td>Analysis (Pro/Con):</td><td>Outsourcing would free UAF resources up from these aging facilities and focus resources elsewhere
May put aging facilities on an upgrade path over time as external entity would do improvements
Updated facilities help attract/retain new students and improve student life</td><td>Difficult to establish savings target without an RFP
Currently housing operates on a financially sound basis
Custodial costs are already quite low
Housing/dining currently provides support for annual lease payments on the P3 Dining addition</td></tr>
<tr><td>Alternative Scenarios:</td><td colspan="2">Outsource the Maintenance & Repair (M&R) contracts only</td></tr>
<tr><td>Estimated Savings Target:</td><td>Min: $650K</td><td>Max: $1.75M</td></tr>
</table>

Option #8:

Idea: Outsource Printing Services		
Description: Printing Services is located in the basement of Bunnell building and serves the campus for internal printing needs.		
Cost Statistic:	FY13 subsidy $250K to balance operations; currently on approx. break-even basis. Savings projected is realized through repurposing the space for other uses including relocating off-campus units from leased space. 6200 sq. ft. in Bunnell Building; $750K to repurpose this space	
Ability to Implement:	1-2 – Chancellor/Campus Decision or President/UA System Decision	
Timeline:	Mid-Term	
Analysis (Pro/Con):	• Cost of utilities savings due to printing equipment • If closed, UAF could relocate other off-campus departments into the newly vacated space • Would require investment to repurpose space for longer term benefits	• Certain services could be more expensive or take more time via external vendors • Confidentiality concerns may arise if documents are printed via external vendor • Less brand identity protection if going external • Without central service, departments may create internal print shops/services at higher cost • Space impact unknown at this point; further analysis needed if this option is more heavily considered
Alternative Scenarios:	Reduce current operations or streamline costs/services	
Estimated Savings Target:	Min: $0	Max: $100K (net operations) + space

Option #9:

<table>
<tr><td colspan="5">Idea: Eliminate or outsource US Postal Services</td></tr>
<tr><td colspan="5">Description: Mail is processed at Marika location and the Campus Post Office is located in Constitution Hall. The post office offers rented post office boxes and most other USPS services. The contract with USPS has remained unchanged since 1991. The contract requires UAF to process all UAF mail, operate a contract post office, and sets up a single delivery point.</td></tr>
<tr><td>Cost Statistic:</td><td colspan="4">Post Office occupies 1900 sq. ft. in Constitution Hall and 2600 sq. ft. on Marika for processing mail. (4500 sq ft total impact).
$450K – average annual operating costs
Major revenue sources that would cease if post office is eliminated include: USPS contract $72K/yr; PO Box rentals $170K (total $242K).
Result is approx. $200K net loss/annually.
Analysis must consider the net effect of expenses/revenues and space, in addition to non-financial considerations (i.e. Student Life, etc).</td></tr>
<tr><td>Ability to Implement:</td><td colspan="4">1-2 – Chancellor/Campus Decision or President/UA System Decision</td></tr>
<tr><td>Timeline:</td><td colspan="4">Mid to Long-Term</td></tr>
<tr><td>Analysis (Pro/Con):</td><td colspan="2">Space in Constitution Hall could be repurposed to house another dept.
Space in Marika could be repurposed or sold
Mailboxes installed campus-wide to meet basic mailing needs
Mail may be delivered directly to offices/dorms by USPS rather than through internal campus mail routing</td><td colspan="2">Students must leave campus to mail packages/large items
Departments may need to bear costs of new mail practices
Internal routing system may still be needed for campus mail purposes
Trade-off: without contract in place, USPS could limit their services to UAF</td></tr>
<tr><td>Alternative Scenarios:</td><td>Have USPS deliver mail to specific hubs on campus (i.e. dorms, Wood Center) for student pick-up</td><td colspan="2">Explore service changes if mail is delivered by USPS to individual addresses</td><td>Explore outsourcing options</td></tr>
<tr><td>Estimated Savings Target:</td><td colspan="2">Min: $50K</td><td colspan="2">Max: $250K</td></tr>
</table>

Option #10:

<table>
<tr><td colspan="3">Idea: Review Shuttle Service operations and business model</td></tr>
<tr><td colspan="3">Description: Explore opportunities for student involvement (i.e., run as student business out of School of Management) or outsource</td></tr>
<tr><td>Cost Statistic:</td><td colspan="2">Current overall budget for shuttle operations is $906K (covered via $700K in student fee and parking revenues with a $200K central subsidy). Min target $100K assumes break-even operation with subsidy; max target $200K assumes a break-even operation without continuing the subsidy</td></tr>
<tr><td>Ability to Implement:</td><td colspan="2">1 – Chancellor/Campus Level Decision</td></tr>
<tr><td>Timeline:</td><td colspan="2">Short to Mid-Term</td></tr>
<tr><td>Analysis (Pro/Con):</td><td>Engage students if run out of a school or program
Could be cost neutral if cost structure is managed</td><td>May not result in significant revenue returns</td></tr>
<tr><td>Alternative Scenarios:</td><td colspan="2">N/A</td></tr>
<tr><td>Estimated Savings Target:</td><td>Min: $100K</td><td>Max: $200K</td></tr>
</table>

Option #11:

<table>
<tr><td colspan="3">Idea: Consolidate CRCD and Fairbanks bookstores</td></tr>
<tr><td colspan="3">Description: CRCD bookstore occupies 3000 sq. ft. in Bowers Building off campus and costs about $66K annually for the leased space, not including other areas in the Bowers Building that are leased. Additionally, the CRCD bookstore is not currently part of the Follett agreement at the UAF bookstore and receives no commissions from sales.</td></tr>
<tr><td>Cost Statistic:</td><td colspan="2">$30K estimated Follett commissions if moved to UAF bookstore; $70K lease cost savings; administrative efficiencies TBD – further operational and inventory analysis may be needed.</td></tr>
<tr><td>Ability to Implement:</td><td colspan="2">1 – Chancellor/Campus Level Decision</td></tr>
<tr><td>Timeline:</td><td colspan="2">Short to Mid-Term</td></tr>
<tr><td>Analysis (Pro/Con):</td><td>• One UAF bookstore reduces confusion
• Increase in commissions from Follett from additional sales by consolidating CRCD sales
• Saves on off-campus lease costs
• Relatively easy to integrate CRCD into existing bookstore on campus</td><td>• Loss of some personalized service to CRCD students who may challenges due to rural locations
• Potential negative public perception of UAF’s support of rural students</td></tr>
<tr><td>Alternative Scenarios:</td><td colspan="2">N/A</td></tr>
<tr><td>Estimated Savings Target:</td><td>Min: $70K (lease savings only)</td><td>Max: $100K</td></tr>
</table>

Option #12:

Idea: Eliminate Vet-Med program (partially-funded)		
Description: UAF teamed with top ranked Colorado State University, College of Veterinary medicine and Biomedical Sciences in the new proposed 2+2 joint DVM program. Students will apply at CSU CVMBS and choose Alaska resident or preference to attend the first two years of the program at UAF. In years 3-4 the students will attend CVMBS in Ft. Collins ultimately acquiring a DVM degree.		
Cost Statistic:	UAF requested $400K from the State of Alaska; $200K was funded in FY13, $0 in FY14 and UA is asking for the remaining $200K in FY15, a budget process which is underway now – results pending.	
Ability to Implement:	2-3 – President/UA System decision or Board of Regents' decision	
Timeline:	Long-Term	
Analysis (Pro/Con):	• May allow UAF to reallocate $200K already provided by the Legislature	• UAF already received funding from the State as a high priority item; may appear contrary to immediately discontinue • Consider lost future tuition revenue; UAF expects $250K-$300K tuition revenue over time • Building program takes time • Vet-Med program allows competitive edge at UAF due to our unique location and statewide demand for veterinarians • This agreement fits with UA strategic themes for partnerships • This partnership may be lower cost than delivering the full program solely at UAF
Alternative Scenarios:	Maintain program at existing level (partially funded); what are drawbacks?	
Estimated Savings Target:	Min: $200K	Max: $400K

Option #13:

Idea: Identify the ROI for Marketing & Communications efforts; how do we know what the correct balance is for UAF investment and the impact of these services?		
Description: Can we measure the ROI on efforts put forth by Marketing & Communications to advertise UAF. Does the investment justify the return? Student impact, development impact, UAF reputation and service mix could be considered.		
Cost Statistic:	FY13 UAF Marketing & Communications budget is $2.2M. Additional costs occur in department budgets for public information officers (PIO)/communication functions. **NOTE**: According to the Council for Advancement and Support of Education (CASE) report on Marketing Spending at Colleges and Universities (July 2010), the general rule is that the expenditure budget to perform marketing related activities should be between 1-3% of the total operating budget excluding salaries and benefits. UAF currently spends significantly less in this area than do peer institutions.	
Ability to Implement:	1 – Chancellor/Campus Level Decision	
Timeline:	Short-term	
Analysis (Pro/Con):	• Analyzing ROI is a valuable exercise for administrative functions • May better understand appropriate investment or staffing levels based on peer data/functional analysis • May better understand service mix; what we provide in-house vs. what has potential for outsource • May require analysis and/or consolidation of department functions (Public Information Officers and "swag spend") to understand full impact of UAF marketing at all levels; greater efficiencies possible	• Marketing has a broad impact in a direct and indirect way to spectrum of programs and services; pin-pointing ROI for certain functions may be difficult • Marketing does not happen solely within the Marketing & Communications department at UAF – this function is located within units as well • Defining an impact to student recruitment or philanthropic donations may be indirect • Outsourcing some functions may be more expensive/cost prohibitive • UAF branding and reputation may be diminished
Alternative Scenarios:	Create comprehensive marketing plan with defined goals and outcomes (i.e. utilize X percent of budget or X dollars for a major marketing effort or program and define desired outcomes)	Conduct analysis of total UAF investment for "marketing" at all units; consolidate or develop shared service models for greater efficiency
Estimated Savings Target:	Min: $0	Max: $2.2M (FY13 M&C expend)

Option #14:

<table>
<tr><td colspan="3">Idea: Evaluate unrestricted fund balance (UFB) principles – evaluate ways to encourage higher-value strategic year end procurement/spending vs. use or lose mentality</td></tr>
<tr><td colspan="3">Description: Ideally, central administration advises each school or college to have a 2-4% UFB at the end of each fiscal year. Department behavior is generally such that if funds are available, year-end spend may not be strategic, for fear of not receiving those funds in the future. To date, UFB principles have been adjusted to encourage managed “banking” of large unit reserves for future years (if needed); but this may not deter habits to spend out balances at year end.</td></tr>
<tr><td>Cost Statistic:</td><td colspan="2">$6-8M is typical UFB target ($2M is centrally-managed, remainder is $6M)</td></tr>
<tr><td>Ability to Implement:</td><td colspan="2">1 – Chancellor/Campus Level Decision</td></tr>
<tr><td>Timeline:</td><td colspan="2">Short-Term</td></tr>
<tr><td>Analysis (Pro/Con):</td><td>• Immediate savings, easily administered
• May develop models to consolidate certain types of purchases with vendors, i.e. large campus-wide computer/technology refresh purchases annually
• May develop models to pool funds and accomplish larger projects rather than asking for new State funding
• May find options to encourage strategic year end spending habits that meet unit and central needs
• Volume discounts with vendors may be available</td><td>• Difficult to change behavior
• May require additional central vs. unit controls
• Behavior may change in advance of any pull-back so less-strategic spend is unknown
• Highly dependent on types of year end purchases to determine optimal ways to collaborate or consolidate efforts
• If UAF does not allow for prudent UFB in units, units may spend out balances entirely which has a negative institutional impact</td></tr>
<tr><td>Alternative Scenarios:</td><td colspan="2">Creating a year end pull-back may function similarly to an ATB reduction at the beginning of FY15.</td></tr>
<tr><td>Estimated Savings Target:</td><td>Min: $600K (10% of UFB)</td><td>Max: $6M (if UFB is eliminated)</td></tr>
</table>

Option #15:

<table>
<tr><td colspan="3">Idea: Review low-enrollment areas and/or duplicate degree programs across campuses. Consider consolidating the degree offering or eliminating it.</td></tr>
<tr><td colspan="3">Description: Regular and ongoing Academic Program Review and Student Outcomes Assessment already takes place, as driven by accreditation standards, BOR Policy & Regulation and UAF governance groups.</td></tr>
<tr><td>Cost Statistic:</td><td colspan="2">Currently, traditional academic program review does not necessarily include a component such as a “cost of education” analysis for resource decision making. This analysis is currently underway at UAA; outcomes pending. A full cost analysis (by program) at UAF, with impact and dependencies, may be necessary to fully evaluate in the FY15 context. Considerations must be given to core courses (where they are delivered as feeders to other programs) and rural vs. urban conditions.</td></tr>
<tr><td>Ability to Implement:</td><td colspan="2">3 – Board of Regents’ Action or Decision</td></tr>
<tr><td>Timeline:</td><td colspan="2">Mid to Long-Term</td></tr>
<tr><td>Analysis (Pro/Con):</td><td>May increase program efficiencies and sharing of services or support
May reduce cost and promote joint partnerships for faculty hires or with other campuses
May streamline options for students and lead to faster degree completion
Quality of education and a UAF strategic plan (what we want to be) must be considered throughout this type of review; financial savings may not be the sole driver for review</td><td>Elimination certain programs may cause public outcry
Obligation to “teach out” programs for students currently enrolled. Savings may not accrue until several years out.
May reduce ability to generate other revenues (tuition/fees or outside support/grants)
Some high-cost/low-enrollment programs may be mission specific
Some high-cost/low-enrollment programs may have other external funding</td></tr>
<tr><td>Alternative Scenarios:</td><td colspan="2">N/A</td></tr>
<tr><td>Estimated Savings Target:</td><td>Min: $TBD (program dependent)</td><td>Max: $TBD (program dependent)</td></tr>
</table>

UNIVERSITY OF ALASKA FAIRBANKS

Option #16:

Idea: Analyze number of rural campus sites; is there opportunity to convert one or more rural campuses to become Learning Centers operated by one of the other campuses at lower cost (or vice-versa)? Can any campus absorb functions of another?		
Description: Each rural campus has a main campus in the largest community in the region and typically several learning centers located in smaller regional communities. Consider enhancing some rural campus sites to serve a larger area or create Learning Centers where full campus support can be reduced.		
Cost Statistic:	Dependent on campus operations and locations based on geographic needs: number of students impacted, facilities and employees in each location – further review necessary to arrive as cost estimates	
Ability to Implement:	3 – Board of Regents' Action or Decision	
Timeline:	Mid to Long-Term	
Analysis (Pro/Con):	• Learning Centers serve areas with small student populations and could be more cost-effective to operate via distance or with minimal impact to student service/support based on consolidated structure with a nearby campus • Many CRCD campuses and Learning Centers are partially grant funded which may help cover for any reduction in unrestricted UAF support	• Potential negative public perception of UAF's support of rural students • May reduce level of local support in some locations • May reduce student attendance in some locations and create loss of tuition/fee revenue • May be difficult to consolidate based on geographic distance or needs between locations
Alternative Scenarios:	N/A	
Estimated Savings Target:	Min: $TBD (campus dependent)	Max: $TBD (campus dependent)

SPACE OPTIONS: $190K to $1.0M

Option #1:

Idea: Consolidate off-campus leases		
Description: 1. Bowers Building (FL186) houses eLearning & Distance Ed, CRCD Bookstore and Math in a Cultural Context. Lease costs $300K/year and occupies 14K sq. ft.in Fairbanks 2. Bachner Building (FL139) houses SNAP and OIPC. Lease costs $200K/year and occupies 7K sq. ft. in Fairbanks 3. Marine Advisory Program in Anchorage (FL178) plus (8) MAP parking; approx. $90K/year		
Cost Statistic:	$590K/year total for facilities above. Other leases can be discussed further.	
Ability to Implement:	1– Chancellor/Campus Decision	
Timeline:	Short to Mid-Term	
Analysis (Pro/Con):	• Results in lease cost savings • Results in co-location on campus; renovation may be required for long term benefits	• Must find suitable space on-campus to put the displaced departments • Renovation and relocation/colocation costs must be considered
Alternative Scenarios:	N/A	
Estimated Savings Target:	Min: $90K/year (MAP only)	Max: $600K/year (all above)

UAF UNIVERSITY OF ALASKA FAIRBANKS

Option #2:

Idea: Sell or lease Kodiak property		
Description: Kodiak facility (FS916 & FS918)		
Cost Statistic:	There may be ways to move this existing program from the facility, eliminating costs, but preserving program functions. Est. operating costs $800K/year ($400K/SFOS and $400K/central lease obligations)	
Ability to Implement:	2-3 – President/UA System Decision or Board of Regents' Action	
Timeline:	Short to Long-term	
Analysis (Pro/Con):	• Reduction in operating costs by facility sale • Opportunity for revenue-generation if property is leased • Opportunity to consolidate program for greater administrative efficiencies in new space • Low impact to students and program delivery • Allows SFOS to mitigate a deficit situation	• Selling facility will require negotiation with UA to have the funds allocated to UAF • Need to find alternative space to accommodate ongoing services (may have associated renovation costs) • Partial central cost savings due to split with SFOS • Savings may occur over time based on program move, etc.
Alternative Scenarios:	Note that sales revenues traditionally go to UA (negotiable), while lease savings go to UAF. UAF would need to negotiate a prudent agreement.	
Estimated Savings Target:	Min: $100K	Max: $400K (central)

Option #3:

Idea: Optimize use of space and facilities across all campuses (including classroom utilization)		
Description: UAF is currently conducting a review of all campus space and its condition via an external vendor (Sightlines) in addition to a full space inventory as part of an implementation of asset management software (AiM). UAF PAIR is also studying classroom optimization. Results are expected by summer 2014. Review of off-campus leases is currently underway.		
Cost Statistic:	TBD based on results of various studies in progress	
Ability to Implement:	1-2 – Chancellor/Campus Decision or President/UA System Decision	
Timeline:	Short to Mid-Term	
Analysis (Pro/Con):	• Improving use of space has a direct impact to cost containment at UAF; it reduces deferred maintenance costs and encourages optimization in academic/administrative areas • Investments in external vendor review/services and software (AiM) have already been made; results expected soon to aid in decision-making	• May require additional staffing to manage space changes/impact/renovations • May require addition investment to modify space • Space can be an emotional issue with widespread impact • Training for new systems or processes will take time to implement • Classroom optimization efforts may impact existing programs; unknown to date
Alternative Scenarios:	N/A – currently underway	
Estimated Savings Target:	Min: $TBD (space dependent)	Max: $TBD (space dependent)

GREEN INITIATIVES/SUSTAINABILITY OPTIONS: $70K to $620K

Option #1:

Idea: Increase energy audits (building envelopes/sensor lights/utilities/heat/sensor headbolts, etc.)		
Description: Energy audits were done in 2011 to selected buildings (10 in Fairbanks). These efforts continue to be explored by evaluating other low-efficiency buildings on campus for energy work.		
Cost Statistic:	2011 energy efforts to 10 buildings cost UAF $6M and UAF anticipates approx. 10-year payback on that investment approx. $600K/yr. Assume $800K internal investment in FY15 for a new batch of high-priority buildings; ROI may be similar over time; analysis by building needed.	
Ability to Implement:	1 – Chancellor/Campus Level Decision	
Timeline:	Long-Term (to realize savings)	
Analysis (Pro/Con):	• Reduced utility footprint • Good stewardship of resources (public relations) • Opportunities for student sustainability efforts • Most is low-tech work that can be done in-house (as opposed to highly specialized changes) • One-time personnel costs with on-going savings	• Cost savings realized in future years; not immediately • Requires initial investment (pay cash now and obtain savings when work is finished) • May need a third-party audit to monitor that UAF did the work and savings are realized (requires investment)
Alternative Scenarios:	N/A	
Estimated Savings Target:	Min: $0 Year 1	Max: $450K Year 2

Option #2:

Idea: Energy savings for computer/tech shut-down (utilize Nightwatchman software on all computers)		
Description: Nightwatchman is a software program that effectively "shuts down" inactive computers during evening/overnight hours to save energy. It is relatively simple for users to install through OIT and requires use of UA network.		
Cost Statistic:	Savings is $95/computer/year; licensing is $20/computer in first year only. Net savings is $75/computer (first year); $95 ongoing. Total of 1850 computers at UAF are not using software to date. (1850*$75=$139K, 50% is minimum target). Maximum target assumes ongoing cost savings of $170K after initial year one licensing.	
Ability to Implement:	1 – Chancellor/Campus Level Decision	
Timeline:	Short-Term	
Analysis (Pro/Con):	• Immediate savings, easy to implement • Allows for work-arounds if certain business processes must run nightly • Standardizes use of UA network with ability to push software updates; reduces IT silos	• Not all 1850 computers may be in use • Requires service level agreement when network control is managed in the unit
Alternative Scenarios:	N/A	
Estimated Savings Target:	Min: $70K (925 computers net licensing)	Max: $170K (after first year)

Option #3:

Idea: Reduce or eliminate volume of internal/inter-campus printed mailings		
Description: Many departments continually receive internal or inter-campus mailings from other departments: brochures, newsletters, announcements, etc. Some departments claim to simply throw them away immediately; they are not useful. Suggestions for greater use of online bulletin board or use of campus list-serves were made.		
Cost Statistic:	Department magnitude varies – more research required	
Ability to Implement:	1 – Chancellor/Campus Level Decision	
Timeline:	Short-term	
Analysis (Pro/Con):	• Encourages internal policy/practice changes to "go green" • Reinforces UAF sustainability efforts • Increases online traffic in targeted areas	• Employee preference varies (printed paper vs. online viewing) • Many employees do not like receiving "more email"
Alternative Scenarios:	Outcomes: create online bulletin board; utilize list-serves; utilize Cornerstone or other online newsletters	
Estimated Savings Target:	Min: $TBD	Max: $TBD

SYSTEMWIDE EFFICIENCIES OPTIONS: $450K to $3.5M

Option #1:

Idea: Consolidate and streamline certain Statewide and campus functions; avoid duplication of services		
Description: System office services include: HR, Risk Management, Finance, Foundation, OIT, Public Affairs, Budget, General Counsel. Explore opportunities to streamline where it makes sense and prevent duplication of services. Initial ideas to explore are **Risk, Procurement and HR** where services are located in Butrovich building and on Fairbanks campus.		
Cost Statistic:	Statewide: approx. 260 FTE total; 10% is 26 FTE at $100K/FTE = $2.6M max target savings based on consolidation	
Ability to Implement:	1-2 – Chancellor/Campus Decision or President/UA System Decision	
Timeline:	Short to Mid-Term	
Analysis (Pro/Con):	• Opportunity for consolidation and increased efficiency • Geographically can make sense • UAF runs the majority of administrative operations for the Fairbanks location; may be able to absorb certain work with appropriate resourcing • May require investment in key areas	• Must consider centralizing and decentralizing options • Must consider Statewide services geographically located in Anchorage • May not include all Statewide services since some functions are best performed in the System Office (General Counsel etc.)
Alternative Scenarios:	Anchorage and Fairbanks both have Statewide HR functions; previous consolidations have been explored however budgetary climate may merit further discussions. Other services may now be options.	
Estimated Savings Target:	Min: $250K (approx. 2.5 FTE)	Max: $2.6M

Option #2:

<table>
<tr><td colspan="3">Idea: Reduce PERS penalty</td></tr>
<tr><td colspan="3">Description: Alaska Statutes require the University contribute to PERS Defined Benefit and Defined Contribution plans at a minimum each year of 22% of the University's fiscal year 2008 PERS covered payroll. Additional University contributions of $1.8M, $312K and $208K for Fiscal Years 2013, 2012 and 2011, respectively, were required to adhere to the minimum contribution levels per the statutes. Essentially, those additional contributions are "penalties" the University is paying because we do not have enough people selecting the PERS option. This is a UA item; not specific to only UAF.</td></tr>
<tr><td>Cost Statistic:</td><td colspan="2">The annual penalty if the ceiling is not met is $1.8M in FY13 for the UA system. Of the $1.8M, UAF's portion is $900K.</td></tr>
<tr><td>Ability to Implement:</td><td colspan="2">3-4 – Board of Regents' Action or External Action: Change in state or federal law (i.e. Borough, etc)</td></tr>
<tr><td>Timeline:</td><td colspan="2">Mid-to Long-Term</td></tr>
<tr><td>Analysis (Pro/Con):</td><td>• Possible initial savings by maximizing current minimum commitment to PERS based on 2008 salary schedule
• Balance between ORP and PERS is critical for optimal cost of each
• Savings are UA-wide</td><td>• Savings will only be realized up to the ceiling after which University contributions rates will be at 22% and significantly higher than both TERS DC and ORP Tier 3 DC plans
• Savings not UAF-specific
• May require statutory changes</td></tr>
<tr><td>Alternative Scenarios:</td><td>Attempt to incent new hires to select PERS in order to reduce the penalty amount – goal is to balance between ORP and PERS to avoid penalties in any area</td><td>Negotiate with State to alter the minimum requirement in order to reduce the penalty</td></tr>
<tr><td>Estimated Savings Target:</td><td>Min: $200K (based on 2011 penalty)</td><td>Max: $900K (UAF portion only)</td></tr>
</table>

REVENUE-GENERATING OPTIONS: $645K to $2.625M

Option #1:

Idea: Increase enrollment or improve student retention (via international recruiting, partnering with high schools, advising, create complete online degree programs with eLearning, etc.)		
Description: Increased enrollment leads to increased tuition, fee, housing, and dining revenues. Could also create eLearning incentives for departments by moving entire degree programs online; explore tuition distribution models and cost associated with doing instruction in this way.		
Cost Statistic:	$500k in tuition and fee revenue for each 1% increase in SCH (in FY15, compared to flat enrollment); option assume 1% - 5% increase in enrollment from FY13 overall tuition revenues (for an average return)	
Ability to Implement:	1-3 – Chancellor/Campus Level Decision up to Board of Regents' decision	
Timeline:	Mid to Long-Term	
Analysis (Pro/Con):	• Increased enrollment leads to higher revenues without substantial tuition rate increases • Allowing students to complete an entire degree program online can increase enrollment (as opposed to offering only a few classes across all disciplines) • Cost to administer programs online may be lower over time (once established)	• Heavily influenced by external factors (AK HS grad rates, economy) • Initial increase in recruiting costs, especially for international students • Investment in curriculum development, technology and faculty commitment required for eLearning online degree programs
Alternative Scenarios:	• Focus on international/non-resident students (higher rev. per SCH, higher recruiting costs) • Focus on in-state students (meet AK needs, requires coordination with K-12 and workforce needs) • Example: offer online Masters of Business Administration (MBA) through SOM and accept 15 students per "cohort" and create a 2-year online program. The same 15 students complete the program together.	
Est. Revenue Target:	Min: $500K per 1% increase in enrollment; net revenue is $400K if assuming 20% upfront investment cost ($100K) Y1	Max: $2.5M for 5% increase in enrollment; net revenue is $2M if assuming 20% upfront investment cost ($500K) Y1

Option #2:

Idea: Charge small fees for “free” services available on campus to the public (i.e. events, trail use, etc.)		
Description: UAF has approximately 880 different events in a given year, ranging from short (2 hours) to long (2 weeks) serving various internal and external stakeholders. Many are free and opportunities exist to increase revenues by charging a small fee for those that use the service or attend the event.		
Cost Statistic:	Botanical Garden typically collects $3,500 during summer months (June to September) via donation boxes located in the gardens and entrance. Average use of UAF trails is approx. 1000/month. Example: if half (500 people) gave $2/month for trail use = $12K/yr. There are 880 events on campus per year. **NOTE**: The Birch Hill Recreation Area is maintained by the Fairbanks North Star Borough (FNSB) and Nordic Ski Club of Fairbanks (NSCF). NSCF has membership fees and in addition solicits donations for trail maintenance: Fanatic $250/year, Devoted $175/year, Enthusiast $100/year, Occasional Use $75/year. Min. donation goal for Birch Hill is $40K/year; although actual maintenance costs may be higher. Donation boxes are also located near the trails.	
Ability to Implement:	1-2 – Chancellor/Campus Decision or President/UA System Decision	
Timeline:	Short to Mid-Term	
Analysis (Pro/Con):	• Generally a low financial impact to individuals (small fees) • Several events may be ideal and reasonable where a fee to attend is well received and/or expected	• Possible negative community perception to charge public • Collecting funds may be difficult to enforce (depending on event logistics) • Significantly large revenue targets may be difficult to achieve
Alternative Scenarios:	Adding donation boxes to key locations on campus is a relatively simple way to collect funds for areas of popular use; determining which events may be most appropriate to charge a fee for attending, may need further analysis.	
Estimated Revenue Target:	Min: $10K	Max: $25K

Option #3:

Idea: Increase alumni giving and internal campaigns for donations		
Description: Focus on targeting and increasing alumni giving within UAF. Then, consider expanding on this to reach out to local businesses to gain UAF awareness and demonstrate alumni support within the community; this can be a tactic to increase external giving when UAF can show alumni support		
Cost Statistic:	UAF raise alumni giving; it is low at UA compared to other institutions. Select an achievable target; ¼ of what it is nationally could generate $1M.	
Ability to Implement:	1 – Chancellor/Campus Level Decision	
Timeline:	Short to Mid-Term	
Analysis (Pro/Con):	• Initial investment to dedicated development officers allows focus on revenue and giving generation • Reaching out to local business can increase community awareness about UAF, its graduates and how they work in this community	• A solid, revised, robust and definitive plan is required since seeking increased giving is a constant UAF goal • Some alumni and local business are opposed to giving
Alternative Scenarios:	Based on overall alumni giving, UAF could seek industry match by reaching out to local businesses and asking them to match alumni giving	
Estimated Revenue Target:	Min: $185K	Max: $350K

Option #4:

Idea: Evaluate opportunities for Kasitsna Bay lease *(business plan pending)*		
Description: Kasitsna Bay Laboratory is located in Kachemak Bay, AK and is owned by NOAA and operated in partnership with SFOS. Opportunities exist for lab use by external entities for community educational activities. Lab use is available to approved researchers.		
Cost Statistic:	Kasitsna Bay operations approx. $100K/year. Minimum and maximum savings targets assume an aggressive plan to maximize facility usage by increasing programming which results in net returns to the institution	
Ability to Implement:	2-3 – President/UA System decision or Board of Regents' decision	
Timeline:	Short to Mid-Term	
Analysis (Pro/Con):	• Business plan is in progress; may reveal other viable options	• Remote location serves specialized needs in marine areas
Alternative Scenarios:	Evaluate sale or lease options	
Estimated Revenue Target:	Min: $50K	Max: $250K

Option #5:

Idea: Offer summer executive programs and/or additional conferences/workshops		
Description: Expand summer offerings for executives (or other groups) where an intensive study program over a short time period is ideal. Expand or offer conferences, camps or workshops for specific areas of interest. This may allow greater use of facilities for conferences or workshops (when classes are not in session) and may increase partnerships and/or revenue opportunities.		
Cost Statistic:	TBD based on faculty/instructional requirements and facility needs; dependent on program developed, location, etc. Conferences or workshops would additionally vary based on topic, anticipated number of attendees (internal or external), etc.	
Ability to Implement:	1-2 – Chancellor/Campus Decision or President/UA System Decision	
Timeline:	Short to Mid-Term	
Analysis (Pro/Con):	• May increase partnerships with industry, community or other higher education institutions • May increase student enrollment • May optimize use of facilities throughout the year	• May require initial investment to develop intensive study academic program(s) • May require additional staffing or utilities costs
Alternative Scenarios:	N/A	
Estimated Revenue Target:	Min: $TBD; based on program developed or potential conference/workshop options	Max: $TBD; based on program developed or potential conference/workshop options

ADDITIONAL IDEAS UNDER REVIEW BUT NOT CONSIDERED AT THIS TIME:

1) Increase leave without pay (LWOP) limits
    a. Currently 10 days is the annual maximum so retirement benefits are not impacted. This idea would require external exploration and decision-making since it is connected to State of Alaska PERS requirements. Employees currently have the ability to take unpaid leave, with supervisor awareness/approval, and this option can be utilized. Employees are responsible for understanding the impact this may have an individual retirement program or time serviced.

2) Early retirement options
    a. Investment may be required to do this; may also facilitate “brain drain” concepts to avoid.

3) Eliminate employee annual increases
    a. Employees must be paid adequately for their work; paying employees less for the same work is not an option.

4) Change UA/UAF healthcare practices or policy to match Federal law requirements for application of employee benefits. UA offers healthcare at a 20 hrs/week threshold while the Federal government requires it at a 30 hrs/week threshold.
    a. Changes of this nature would require a larger analysis of cost and impact to the UA System.
    b. An alternative to not providing coverage at all to employees at the 20-30 hr/week range is to provide some funding to offset costs of purchasing care through the Healthcare Exchange.

5) Use TAs in courses above 300-level and Adjuncts for 100 and 200 lower-level courses.
    a. Adjuncts are more affordable since TAs additionally receive a tuition waiver.
    b. Usually larger sections of classes need TAs and some are actually taught by TAs (as opposed to assisting the instructor).
    c. We may lose graduate enrollment by reducing the number of TAs because graduates are attracted to tuition waivers.
    d. Attempting this practice may conflict with our core mission or goals to provide student learning opportunities.
    e. Quality of education may suffer.

6) Create shared learning management system (LMS) with lead campus; reduce duplication of service at campuses.
    a. Currently under review at UA Statewide for Blackboard systems.

7) Utilize 4x10 hour work days/week during summer months.
    a. Allowing for alternate schedule is intended to foster savings in utilities (lights/heat/computers/energy) but is only effective if one-day is selected and all employees utilize the new schedule.
    b. Utility savings is minimal in summer at $1000/day. Winter is estimated at $2000/day.
    c. Assuming 4 months or 16 days of "closure" is approximately $16K minimum in summer or $32K maximum in winter.

8) Sell property such as the Aurora Building on Marika (FS656), OEM building (FS981) or Fireweed Building (Palmer).
    a. Aurora building replacement cost may exceed the sales costs, plus relocation costs would be required. OEM building is currently for sale; revenue from a sale would go to Engineering department (since they bought the building) and would offset debt service payments for the new Engineering building. The Fireweed building and other facilities could be considered. Current cost estimates are only associated with facility or program operations; a full market analysis to determine value of property at sale would be necessary.