

# Update: Steps Toward a Balanced FY17 Budget

**Updated March 22, 2016**

UAS continues to develop contingencies in anticipation of FY17 general fund budget reductions that will likely total at least \$4M and possibly much more. The total amount will almost certainly need to include increased salary and benefit fixed costs for faculty and staff. In the past, the Legislature commonly funded half of these costs. That does not appear to be the plan for FY17.

While both the House and Senate finance committees have completed their review of the UA budget, final budget reduction totals for UA will not be known until a conference committee meets and the Legislature finalizes the state's overall budget. This is likely weeks or even several months away.

In these highly uncertain and challenging times, UAS remains focused on its core mission: student learning. As we develop our FY17 budget we will continue to focus—to the greatest possible extent—on maintaining our core instructional and student support programs and services. That said, the scale of the proposed FY17 reductions requires us to look at our entire budget in a balanced way. We expect that all of the following strategies and more will be needed to develop a final FY17 budget:

- Emphasis on maintaining core instructional and student support services
- Continuing investment in marketing, student recruitment, and retention
- Expanding private philanthropic giving to UAS and leveraging external partnerships
- Focusing on expanded federal and other funding sources where strategic
- Budget cuts in administrative services, including a newly-combined Chancellor's and Provost's office, administrative and facilities services, and overhead in schools and campuses
- Ongoing analysis of IT programs and services with a focus on improved services
- Strategic allocation of budget reductions across our three UAS campuses
- Use of regular and, if needed, expedited program reviews of academic programs to reduce costs, achieve efficiencies, and make strategic investments for the future
- Reduction of staff positions through attrition and position elimination, as needed
- Use of one-time UFB ('carryforward') funding to reduce future general fund payments

To date, the UAS-wide FY17 budget exercise has identified some \$2.6M in anticipated efficiencies, enhancements, and reductions —primarily in areas outside of our core instructional and student services programs. More reductions will be needed. The SPBAC's review of these strategies and anticipated reductions is appreciated.

The items below reflect anticipated actions or decisions which are in progress and are highly likely to be implemented. It is important to emphasize that the environment is rapidly evolving and more reductions will almost certainly be required.

# Estimated FY17 reductions identified to date: \$2,602,000

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## UAS-wide: Combined Office of the Chancellor and Provost: \$420,000

- Efficiencies achieved by co-locating and consolidating offices
- Restructured marketing and public information
- Near elimination of Chancellor special project funds
- Reduction to Provost's Academic Innovation fund
- Continued non-personnel services reductions

## UAS-wide: Administrative Services: \$510,000

- Reductions of human resources staff
- Reduction of facilities positions
- Reduction of IT staff
- Leased circuit cost reductions
- Reduction of credit card processing fees through convenience fees
- Utilities savings
- Reduction of off-campus leased storage
- Elimination of Facilities events management budget
- Continued non-personnel service reductions

## Juneau Campus Fixed Cost Reductions: \$222,000

- Pay off the Natural Sciences Lab debt with one-time funds

## Juneau Campus Student Services: \$390,000

- Elimination of Student Resource Center Director
- Elimination of REC Center Admin
- Shift Pugh Hall debt service and some personnel costs to Housing / Food Services Auxiliary
- Continued non-personnel service reductions

## UAS-wide: Egan Library Services: \$164,000

- Elimination of tech support position
- Elimination of part-time admin support position
- Increased collection of fines and fees
- Managed printing
- Reduced collections
- Continued non-personnel service reductions

## UAS-wide: Academic Schools: \$322,000

- Reduced student workers in Arts & Sciences
- Support staff restructuring in Career Education
- Reduced support staff in the School of Education
- Reduced travel in the School of Education
- Elimination of the SOE Professional Education Center
- Reduced non-personnel services in the School of Management

## Ketchikan Campus: \$176,000

- Restructure support staff funding
- Reduced maintenance and repair
- Reduced travel and other non-personnel services

## Sitka Campus: \$398,000

- Campus administrative staff restructuring
- Labor pool reductions
- Reduced custodial services
- Reduced non-personnel services