The United Academics Representative Assembly has approved these guiding principles on 3 June 2020.

We ask that the university administrations and the Board of Regents be aware of the stated concerns and adhere to these guiding principles while considering restructuring of the University of Alaska System, which should be guided by a detailed cost-benefit analysis that accurately assesses the finances of the three accredited universities (UAA, UAF, UAS) across 16 campuses comprising the University of Alaska System.

## Preamble

We put the academic mission at the center of everything we do, while honoring our differences, remembering our past, looking towards the future, and educating for the common good.

## **Concerns**

- As mandated by the <u>NWCCU</u>, there must be an increased level of shared governance at the faculty, staff and student level in the decision-making process for how the University of Alaska system responds to the current financial crisis. In addition, the University of Alaska system can best serve its communities when there is local governance of both academic and administrative units.
- Administrative expenses at the University of Alaska exceed the national average by 70%, with one high level administrator for every seven faculty members. Bringing administrative costs in line with the rest of the country will save the University \$75M annually <sup>1</sup>. Administrative costs must be right sized before making further cuts to academic and research units.
- Cuts to research and academics directly impact the core academic mission of the
  University, reduce revenue from tuition and research dollars, and entail teach-out
  requirements that make any potential cost savings unpredictable and slowly realized.
  Faculty account for only 16% of the operating budget <sup>2</sup>. Teaching, research and
  outreach faculty enhance the experiences of students throughout the system and

<sup>&</sup>lt;sup>1</sup> Data based on March 2020 <u>NCHEMS report</u> that states administrative costs at the University of Alaska are 170% the national average. Reduction of \$75M is based on NCHEMS report of UA institutional costs (\$128M) and brining down administrative costs from 170% to the national average. There are 166 UA executives, senior administrators, and faculty administrative leaders. We have 1054 full-time (i.e., UNAC) faculty in the UA system, which means there is one exec/senior/faculty admin for every 6.35 faculty members.

<sup>&</sup>lt;sup>2</sup> The salary and benefits of all faculty who teach, do research and engage in service is approximately 15.71% (about \$133M) of the UA budget (about \$850M).

- contribute to ongoing, important local and global research, bringing prestige and funding to the UA system.
- Community Campuses are integral to the University and the state of Alaska and must be supported. Our community campuses serve as an entry point for those beginning their college education, and they are an important component of the financial and cultural health of their respective communities.
- Any restructuring must take place only after due diligence and a detailed cost-benefit analysis that accurately assesses cost savings and the understanding that restructuring typically requires an investment of funds to be successful. For example, merging of the School of Education has coincided with a drastic reduction in enrolled students and has severely impacted the pipeline of teachers feeding Alaska's K-12 education system. The merging of Human Resources led to minimal cost savings, far below what was predicted, with a loss of function at the individual campuses. In particular, we urge the Board of Regents to not make decisions regarding the restructuring of UAS until there can be proper analysis and input from stakeholders and shared governance groups.

## **Guiding Principles**

- We are committed to shared governance in all the decision-making processes at the three accredited universities (UAA, UAF, UAS) across 16 campuses comprising the University of Alaska System.
- We are committed to offering students an accessible, affordable, localized, and highquality education and research/creative activity opportunities at the three accredited universities (UAA, UAF, UAS) across 16 campuses comprising the University of Alaska System.
- We are committed to maintaining a collaborative and comprehensive curriculum at the three accredited universities (UAA, UAF, UAS) across 16 campuses comprising the University of Alaska System.