

University of Alaska
Approved FY11 Operating Budget Development
Guidelines and Process

Guidelines

The Operating Budget Request Guidelines incorporating a longer term 3 to 5 year budget planning horizon will be used to align the University of Alaska's Budget Request with existing resources to maximize progress toward the Board of Regents' strategic plan goals, while maintaining administrative and program efficiencies.

The State is setting its course for the next thirty years. A strong University System is a key element for the State's success. Through preparing the workforce, providing expertise and leadership in a variety of fields, and serving as the driving force for research in Alaska, the University of Alaska (UA) contributes significantly to the State's economic success and its citizens' quality of life.

UA is committed to building a strong workforce foundation for the future as well as meeting State workforce needs by delivering programs responding to expected employment growth over the next five years. UA's competitive research capacity is remarkably situated to address State, Arctic, and global solutions, particularly in climate change mitigation and adaptation, and energy.

The UA Operating Budget Request will include compensation and other fixed cost increases for maintaining existing programs and services, as well as program growth requests. Program requests will be driven by the program enhancement priorities with continued emphasis on three themes:

- Enhancing Student Success and College Readiness
- Preparing Alaskans for the State's High Demand Jobs
- Enhancing Competitive Research and benefits of research as an industry in Alaska

In addition, there will continue to be greater attention on strategies to align public service and outreach efforts within each of these three themes.

The University of Alaska recognizes that funding availability will be challenging in FY11. Priorities for the University have not changed significantly and the focus will remain on providing services to the State of Alaska. To ensure UA's resources are used most effectively to meet State needs, a continued emphasis is being placed on systemwide planning efforts in strategic areas.

The MAUs will review the prior year requests and leverage the significant work already done as part of the FY10 budget process. If there have been significant changes in conditions, the MAUs will recommend and justify changes to the respective planning groups.

Through this participatory process, each MAU will be represented in the budget process to accomplish its underlying mission and strengthen the MAU and campus compelling strategic advantages.

Proposed systemwide planning groups include: (see pages 5-6 for Roles and Responsibilities)

Enhancing Student Success and College Readiness

- Student Success
- Social Sciences, Humanities, Arts

Preparing Alaskans for Jobs:

- Health
- Energy, Engineering
- Career and Vocational Tech. Workforce
- Teacher Education

Alaska Relevant Research (inclusive research planning group)

- Climate, Energy, Engineering, Biomedical/Health

The FY11 total program request level will range between \$10-13 million with each MAUs program growth amount 3-4% over the current year budget. The FY11 Operating Budget Request will include MAU specific requests as well.

Factors to be considered in the final request include; demonstrated efficiency and effectiveness of existing programs; ability to successfully execute the program request; strategic linkage to and impact on meeting performance goals; and responsibility for executing systemwide priorities.

Additionally, the following mechanisms will be used throughout the year to maintain UA's high standard of accountability and transparency:

- Performance assessment and performance measure tracking
- Annual operating and management reviews
- Systemwide academic program planning and monitoring
- Systemwide internal and external reviews

Timeline:

January 8 th	FY11 Systemwide Joint Council Meeting
Jan-Feb	Meetings with various councils and President's cabinet to discuss FY11 Systemwide Priorities
February	Statewide assign facilitators to planning groups
March	Instructions to MAUs providing outline for one-page outcomes summary, Draft of FY11 Operating Budget Guidelines, and FY11 Budget Request Form
March	Chancellors assign members to strategic planning groups
April 8 th -9 th	BOR approval of the FY11 budget guidelines
Late April	Chancellors submit MAU expected outcomes document with the Operating Review
Late April	MAU Operating Reviews: FY09 Status Review; FY10 Expectations; 3-5 year Outlook
May 4 th	MAUs submit initial program list to respective planning groups
May 8 th	BC, SAC, RAC, SSC, and ITEC joint council meeting to review Chancellor's expected outcomes summary and initial program list
May-June	Planning groups review MAU program priorities
July 1 st	Planning Groups submit prioritized budget requests to MAU budget offices
July 28 th	MAUs submit prioritized FY11 Budget Request and 3-5 year Planning Horizon considerations to the Statewide Budget Office
August 4 th	Face-to-Face MAU Budget Request Briefing
August 11 th	BC, SAC, RAC, SSC, ITEC, FAC review of priorities

Process Considerations

Integration of Performance Reporting: As a part of the FY11 operating request submission process, each MAU will be required to input:

- The quantitative positive impact of the request on each of the system wide performance measures, or for replacement funding requests the quantitative positive impact of the current program on each measure; and
- What MAU strategy specific sub-metric(s) will be tracked to measure intermediate progress toward moving common, system wide metric goals. For example, a budget request for a new high-demand program might propose tracking applications and enrollment in the program as a preliminary indicator of eventual increases in high demand graduates.

Many strategy specific sub-metrics could be appropriate to report in the MAU performance evaluations. The information submitted will be used to note the impact of the Governor's proposed budget on the system wide performance measures in relation to the Board of Regents' request.

Each MAU will control the distribution of its FY11 performance funding pool, to be used in support of performance-related strategies. One percent of general funds is the expected funding pool size, although annual circumstances will dictate the exact amount chosen by the MAU for internal reallocation. These performance funds should be allocated to appropriate strategic investments and reported as part of the overall performance and accountability process. It is important to note that, although performance awards are MAU-based, accountability reporting for performance funding distributions and strategy success will continue to be required in the future.

In the FY11 budget and planning process, MAU performance evaluation and reporting requirements are based on the State of Alaska's requirements. In addition, the university will begin external reporting of the new Non-Credit Instruction performance measure¹, approved in 2007. MAU performance evaluation submissions to the Office of Planning and Budget will be used in conjunction with MAU increment request detail to compile final performance evaluations submitted to the state. The system and MAU performance evaluations will be updated to reflect the BOR approved FY11 request, as well as, the Governor's proposed FY11 budget.

Expected Outcomes: Each Chancellor will prepare a 1 to 3 page summary (instructions on pg. 4) for the MAU of expected outcomes that will recognize MAU priorities and compelling advantages, particularly those that align most directly to systemwide strategic planning group areas, the system performance goals, the BOR strategic plan goals, and will help align the internal MAU budget process with the systemwide process.

In addition, as part of the August Face-to-Face MAU Budget Request Briefing, to more clearly articulate anticipated outcomes into the planning process, each planning group will create a 1 to 3 page summary. The summary document, similar to the ones produced last year, will be developed by the appropriate planning group facilitator and lead. There will be various levels of detail depending on the maturity of the discipline planning to-date, and in addition to addressing planned outcomes it will include basic statistics such as current funding level, efficiency ratios, and past investments, and the 3-5 year planning horizon.

¹ See <http://www.alaska.edu/swbir/performance/metrics/Non-CreditMetric.pdf> for more information on the non-credit instruction performance measure.

Each planning group will have a statewide person assigned to it as a facilitator, an MAU-based lead or co-leads, campus/program representatives (assigned by each MAU Chancellor), and service/outreach representatives (see the planning group roles and responsibilities with draft recommendations for leads and SW facilitators, with campus/program representative TBD pages 5 and 6).

Fixed Costs/Administrative Requests: Fixed Costs/Administrative Requests will be developed using systemwide standards. Information Technology (IT) and business process improvement initiatives will be vetted through the Information Technology Executive Council (ITEC), Information Technology Council (ITC), and Business Council (BC) respectively. No request range will be set on these requests, however, it is important to know that few administrative increases are funded and the need to reallocate to address these improvements is predictable.

Process: The web-based budget request submission process used last year will be used again this year. Each MAU must submit all requests related to their campuses.

Chancellor's Expected Outcomes Document Instructions

Guiding Principles

- This document demonstrates the alignment of the MAU's key goals to the systemwide priorities.

Timeline

Please submit this document to Statewide Planning and Budget as part of the Spring Operating Review.

Areas to address

- MAU priorities and compelling advantages aligned with systemwide strategic planning group areas (listed below) – incorporate appropriate Outreach, Cooperative Extension
 - Climate Change
 - Energy
 - Engineering
 - Health and Biomedical
 - Social Sciences, Humanities, Arts
 - Student Success/Teacher Education
 - Workforce Development
- The BOR strategic plan goals including system performance measures
- Specific MAU strategy measures (i.e. Anchorage requested external sponsored program expenditures in addition to external sponsored research, Fairbanks wanted Bacc. retention rates, and specific external research measures)
- MAU 3-5 year outlook
- Identify planning assumptions, environmental scan, key internal and external conditions

FY11 Budget and Planning Guidelines Planning Groups Roles and Responsibilities:

Planning Group MAU-based Lead/Co-Lead:

Role: Serves as the chair of the planning group.

Responsibilities:

- Acts as the primary spokesperson for the planning group.
- Communicates progress and issues of the planning group at various budget and planning meetings.
- Communicates progress and issues of the planning group at President Cabinet meetings.
- Contributes to and assures criteria are established for prioritizing program requests.
- Assures the various campus issues are addressed in the planning process.

Statewide Facilitator:

Role: Supports and coordinates planning group meetings, and serves as primary liaison between the planning group and the President, Planning and Budget Office, and SW executive staff.

Responsibilities:

- Provides support to the MAU-based lead for planning group activities.
- Assures the planning group is aware of deadlines and process requirements.
- Assures the various campus issues are addressed in the planning process.
- Provides assessment of program requests within the established criteria.
- Provides input, feedback, and perspective regarding criteria, program alignment, and system overview.
- Communicates progress and issues of the planning group at various meetings to the President, Planning and Budget Office, and SW executive staff.

Campus-based Planning Group Representatives:

Role: Represent campus program needs and provide program specific expertise.

Responsibilities:

- Submits campus program/budget request proposal for planning group consideration.
- Informs campus leadership and budget personnel of planning group recommendations in regards to MAU program requests.
- Provides expertise, advice, and information required for planning group activities.

Public Service/Outreach/Development/Engagement Representatives:

Role: Assure formal public service, and outreach and development offices emphasize and are aligned with program priorities.

Responsibilities:

- Provides input and recommendation to strengthen outreach and service activities in support of the overall program group goals. May prompt related budget requests to be considered by the planning group.

Participation: It is expected that public service and outreach and development personnel will participate in each of the planning groups. In addition, all group members should advance appropriate service/outreach activities in conjunction with program proposals.

Strategic Planning Group Leads, SW Facilitator and Campus Representatives

Planning Group MAU-based Lead	Statewide Facilitator	Campus Representatives and Service/Outreach Representatives²
Climate Change Brian Rogers, UAF Interim Chancellor	Dan Julius	UAA-Steve Colt, Kim Peterson, Jeff Welker UAF-Larry Hinzman, Buck Sharpton, Sarah Trainor UAS-Eran Hood, Matt Heavner
Energy Gwen Holdmann,UAF	Dan Julius	UAA-Dennis Clark, Orson Smith, Ginny Fay UAF-Gwen Holdmann, Dan White, Fred Schlutt UAS-Karen Schmitt, Marquam George
Engineering Rob Lang, UAA Doug Goering, UAF	Fred Villa	UAA-Rob Lang UAF-Doug Goering, Charlie Mayer UAS-not assigned
Health and Biomedical Fran Ulmer, UAA Chancellor	Karen Perdue Jan Harris	Health: UAA-Cheryl Easley, Sandra Carroll- Cobb, Jim Liszka, Jan Harris UAF- Jennie Carroll (alt. Pete Pinney), Anita Hartmann UAS-Karen Schmitt BioMedical: UAF- John Blake UAS-Karen Schmitt SW-Karen Perdue
Social Sciences, Humanities, Arts Jim Liszka, UAA Susan Henrichs, UAF James Everett, UAS	Dan Julius	UAA-Patty Linton, John Petraitis, Carol Swartz UAF-Susan Henrichs, Eric Heyne UAS-James Everett, Kevin Krein
Student Success (Co-leads) John Pugh, UAS Chancellor Mike Driscoll, UAA Dana Thomas, UAF James Everett, UAS	Saichi Oba Melissa Hill	Student Success: UAA-Mike Driscoll, Bruce Schultz UAF-Dana Thomas UAS- James Everett, Larry Harris Teacher Education: UAA-Mary Snyder UAF-Eric Madsen UAS-Larry Harris SW-John Monahan

Workforce Development (Co –leads) Renee Carter-Chapman, UAA Bonnie Nygard, UAA Jennie Carol, UAF Karen Schmitt, UAS	Fred Villa	UAA-Renee Carter-Chapman, Bonnie Nygard UAF-Jennie Carroll (alt. Pete Pinney) UAS-Karen Schmitt
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Additional Notes:

1. Service/Outreach/Development/Engagement Representatives: Service, Outreach, Development and Engagement representatives will be invited to participate in all 7 of the planning groups. Small Business Development Center (SBDC), Center for Economic Development and other units focused on external partnerships may also attend. Additionally, campus program representatives and campus leaders are encouraged to define the service activities that will take place when a program is proposed.
2. It is encouraged that each group identify existing external advisory groups that should be informed and/or consulted throughout the process. The broader awareness of existing program performance and the next logical programs step, the stronger our chances are to be successful.

Programmatic areas will be incorporated into an overall academic plan for the University of Alaska being led by Dan Julius, VPAA