

Supplemental Report on the “New UA”
by the
Committee on Governance and Funding Reform
of
The Faculty Senate of the University of Alaska Anchorage
to The Board of Regents, University of Alaska
Approved by the Committee, July 29, 2019

"The right to petition allows citizens to express their ideas, hopes, and concerns to their government..." *Borough of Duryea v. Guarnieri*, 564 U.S. 379 (2011)

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Our committee strongly urges the Board of Regents to oppose any motion to disassemble the university system and attempt to reassemble its parts into a single, accredited “New UA.”

In previous reports we have urged the Board to address the financial crisis and set aside considerations of a new structure of the university system until after the financial crisis has been addressed. The crisis should not be grounds to commit hastily to the “New UA,” or the one university model.

1. The New UA is in the conceptualization stage. It is an idea, not a plan.

Investors fund a new business after evaluating a business plan. The UA President has not presented a plan for evaluation.

It is impossible to assess and address all of the risks and opportunities of any major new enterprise or restructuring without a complete plan.

Critical elements of the plan for the “New UA” would begin with new mission and vision statements, new measures of success and assessment systems, new proforma budgets detailing the new cost and revenue structure, etc.

2. The New UA is not comparable to the examples given.

There is no university system in United States with the attributes of the proposed New UA.

Currently, the composite parts of the UA system are physically spread out across the state. There are 25-30 UA locations. Each of the three separately accredited universities administers many of those sites and are university systems unto themselves.

The proposed New UA would be singly accredited and would centralize day-to-day administration over separately located colleges, programs, and students dispersed over sprawling distances.

The proposed New UA does not resemble the presented examples. Two of the examples are main-campus focused. Programs and disciplines are anchored at a main campus, except for some offshoots. In the other case, the system has a decentralized structure of governance and administration.

- The University of Washington is singly accredited, consists of close to 55,000 students, one main campus and two satellite campuses. Those satellite campuses at Bothell and Tacoma lie within a commuter’s distance of the main campus and together educate only 20% of the total number of students. The University of Washington is simply a larger version of UAA, which also has satellite campuses a commuter’s distance from the main campus, educating a similar percentage of UAA’s total students.
- Kent State University is singly accredited and has one main campus and seven satellite campuses that also are a commuter’s distance from the main campus. Those satellite campuses educate approximately 23% of Kent State’s students, numbering close to 39,000.

- Pennsylvania State University system comprises 14 universities, each with its own board of trustees. This system has decentralized governance, which our committee favors. They have been considering a restructuring for three years amid controversy. Dennis Jones, the UA consultant who favors the one university model in Alaska, has also consulted for the Penn State system and has advocated for centralizing its governance.

3. The New UA will be exposed to major risks associated with accreditation.

There is no guarantee that assent from the regional accrediting agency, NWCCU, to proceed with a process to earn accreditation for the New UA will end with accreditation. The process is fraught with risks and new costs.

Accreditation is an academic process led by academics on the university side. UA statewide is ill-prepared to lead an effort to earn accreditation. UA statewide is a purely administrative unit. Its senior administrator has never been a member of permanent faculty at any institution of higher learning. UA statewide has never been accredited.

The administration would have to build a team from currently dispersed faculty, administrators, and staff and work from the plan for the New UA.

All of the associated costs will be new and ought to be detailed as part of the plan for the New UA.

The risk of failing to receive accreditation is heightened by the fact that there is no university system in the country that resembles the proposed New UA.

4. Major risks threaten the successful operation of the New UA.

The New UA idea suggests that centralized administrators will directly manage the specialized activities of all of the campuses under its authority.

Will the geographic dispersion of the parts of the university cause serious miscommunication among those parts?

How can dispersed faculty maintain collegiality and participate in governance? Since faculty will be co-located with geographically dispersed disciplines, how will they hold faculty senate meetings? Jointly oversee reviews of curricular changes?

How can centralized administration maintain familiarity with dispersed disciplines?

Will the concentration of programs in one location and the elimination of duplicate programs drive student enrollments down? Some students, especially the majority who attend UAA, might choose to leave Alaska rather than move to another part of the state to resume or begin studies in their chosen major. The elimination of duplicate programs will decrease access to higher education in Alaska.

Will the New UA's commitment to centralized administration over dispersed parts drive management costs up? There is no proof that New UA will save costs and some reason to believe that dislocation will increase inefficiencies and costs.

5. The New UA idea is built upon an anti-entrepreneurial premise.

The New UA idea is built on the premise, one university, one program, or in other words, that the duplication of programs is inefficient.

If the university system offered 20 similar programs but all were self-supporting from tuition, those 20 similar programs should exist to serve distinct student populations. Why eliminate similar programs if demand adequately supports them?

Duplication is not a problem. Low enrollments, high instructional costs per student, and other inefficiencies are a problem. Inefficient programs that are far from self-supporting, not duplicate programs, ought to be targeted for consolidation, alternate funding, or shuttering.

The chancellors, with support from their cabinet and college deans, are in the best positions to identify such programs and faculty critical to forging organic intra-university partnerships that work for students. Examples of such partnerships include the consolidation of the College of Health at UAA and the cooperation between the UAA and UAF philosophy departments in order to make degree completion possible at UAF.

The New UA stifles this entrepreneurship and innovation led by those in the best position to know demand and to take advantage of new opportunities, the chancellors. Prior external reviews of the UA system have criticized the system for blocking entrepreneurship. We should be restructuring around the idea of encouraging entrepreneurship, not shutting it down.

6. The New UA does not have informed or widespread support

The UA administration claims that the New UA is “consistent with Legislative intent.” Above all, the legislature is interested in superior education and research outcomes, and not the structural form of the university system. Few legislators have studied university governance sufficiently well, and we know that their “intent” was at least partly planted by UA lobbying.

The Task Force on UA Structure has had one meeting and ought not to be touted as an authority. That task force was constituted by parties interested in the New UA outcome. Members of our committee, who have studied this subject, and who hold divergent views, have been blocked from even testifying.

7. The basis of the top-line financial summaries of the New UA is not clear.

The chancellors were asked to propose a budget in less than a week to absorb 41% cuts to the UGF they received last year. The president states on slide 36 of his presentation to the board that cuts imposed under the one university model will result in smaller reductions to instruction and larger reductions to institutional support or administration than the budgets put forward by the chancellors.

The chancellors’ budgets are rooted in the reality of managing existing institutions. Their CFO’s understand the complex interrelationship between cuts to physical plant, institutional support, and the instruction supported by these and other functions. It is not possible for them to fudge the numbers without it being readily apparent.

By contrast, the president's numbers have no clear basis. There is no way for the board to evaluate whether his claims about the comparative savings in instruction are true.

8. The number of majors is projected to be stable after the transition to the New UA. Recent history suggests otherwise.

As with comparisons between budgets, the president's claims about enrollment at the New UA are highly questionable.

The president projects that enrollment will remain stable at a newly consolidated college of engineering. But recent events suggest otherwise. Enrollment in education programs at our three universities is down 30% as of a year ago this week. By contrast, enrollment in all programs is only down 7.3%.

Rushed consolidations like that which took place with the UAA School of Education and the UAF School of Education and like that which Johnsen proposes to do across the entire UA system has a negative impact on enrollment. If a program is split between two campuses with some course offerings at each, those students who are able will go out of state where they can benefit from a comprehensive education in engineering at a single location. If a program is housed only at one of the locations in the state with minimal offerings at another location, many students will either not attend university or go out of state. As a consequence, enrollment, the primary driver of instructional revenue, will drop significantly.

In Fall 2018, nearly half of all students admitted to UAA who did not end up enrolling went out of state to a different university. Only 15% chose, instead, to attend a university in Alaska. Not only does this suggest that UAA, UAF, and UAS serve their respective regions with little competition for the same students, it also shows that if a program is diminished or moved from one campus and primarily housed somewhere else in the state, a very large number of students will not follow the program to its new location.

9. The New UA does not account for the place of community campuses.

In FY18, 6,524 students attended one of UA's community campuses. The president's presentation acknowledges that the relationship of the community campuses to the New UA and its colleges is undetermined.

This is just further evidence that this structure remains at the conceptualization stage and is not ready for implementation. The consequences of the one university structure for over 24% of students in the UA system are murky at best.

10. The claimed reduction in functions is arbitrary and does not prove efficiency.

The president claims that because the New UA will reduce reduplication of university functions that this "can be expected to reduce complexity and cost" (slide 44). There a number of problems with this claim.

First, what counts as one function and not two is unclear. Functions do not correspond to the number of people or locations served. They appear to be simply delineated by distinct lines of

authority. With three universities this means that there are more functions but not necessarily that they are less cost efficient.

Second, a one university model will often require an extra layer of bureaucratic oversight where one does not currently exist. Many functions (e.g., residence life) will continue to require directors on site but under one university will additionally require a director coordinating the directors. Statewide administration can be expected to balloon.

Finally, a single approach to residence life and many other universities is unlikely to do well by our students. Our campus communities are diverse and have distinct needs. The three universities and their community campuses have adapted to serve the specific needs of their students. A one size fits all approach will only undercut these systems developed over time at each institution and drain resources away for more student-facing employees.