

EXPEDITED ADMINISTRATIVE REVIEW COMMITTEE

1. Summary Recommendations to the Chancellor

Introduction and Process

Purpose of the Expedited Administrative Review Committee

Based on the charge received from the Chancellor and the clarifications by the Governance Coordinating Committee and the Chancellor, the Expedited Administrative Review Committee (EARC) agreed on the following goal:

To make recommendations to the Chancellor to improve the cost-effectiveness of UAF administration, administrative services, and other institutional and academic support functions.

Process

The committee, appointed by Governance and the Chancellor and including students, staff, faculty, and administrators, had the following members:

Susan Henrichs (nonvoting chair)
Josh Navarro (ASUAF)
James Miller (ASUAF)
Derek Bastille (Staff Council)
Kara Axx (Staff Council)
Juella Sparks (Staff Council Alternate)
Amber Leytem (Administration)
Samara Taber (Administration)
Joshua Greenberg (Faculty Senate)
Debu Misra (Faculty Senate)

The committee reviewed 18 administrative offices and divisions.¹ Each unit submitted a report that covered core functions and services, revenues and expenditures, and strengths, weaknesses, opportunities and threats. The EARC was divided into two subgroups by the chair, each with a faculty, staff, student, and administration representative. For each unit to be reviewed, the chair designated a lead. The subgroup members were expected to carefully review the unit report, and the designated lead—in addition—was asked to lead the EARC discussion of the unit and to draft a review of the unit, including recommendations on the following:

- a. Ameliorating serious threats to effective operation of the units reviewed and potential impacts to UAF if these threats are not addressed.
- b. Approaches to reduce the cost or increase the effectiveness of the unit administration or any administrative support services provided by the unit. These recommendations cannot be based on uniform criteria at this time, so a unit that receives a recommendation should not necessarily be regarded as less efficient or effective than others.

¹ The Office of Equity and Compliance was not reviewed, because the EARC did not think it had the expertise to review this highly regulated area.

- c. Any proposed changes in the structure of units, e.g., merger or change in reporting, that could reduce costs or increase effectiveness. These recommendations cannot be based on uniform criteria at this time, so a unit that receives a recommendation should not necessarily be regarded as less efficient or effective than others.
- d. Recommendations for the data and information that are needed to guide further review and decision-making relative to administration.

The EARC met twice weekly, for a total of two hours, from February 26 through March 26. Following Spring Break, meetings were conducted via Zoom. All meetings were recorded and minutes were taken for committee members who could not attend a particular meeting.

Draft unit reviews and drafts of this summary report were posted on a shared drive, so that committee members could review and make comments or revisions. The Governance Coordinating Committee requested the inclusion of minority recommendations, but the EARC final recommendations were adopted unanimously and hence no minority report was necessary.

The EARC recommendations to the Chancellor consist of two parts:

1. This set of summary recommendations.
2. As attachments, the more detailed reviews for each of the units.

EARC was unable make specific recommendations concerning reduction or elimination of administrative and support units because:

- This year, pending decisions on discontinuation of academic programs or elimination of other UAF units will change the needs for administration. Without knowing what those changes will be, it is impossible to know the best way to restructure.
- Over the next two years, a \$45 million effective reduction in UA State General Fund support will require substantial changes in focus. Without knowing what those will be, it is not possible to know the best way to restructure.
- Although the Chancellor in his March 5, 2020, memo to the EARC stated that, "...ARC could still make a recommendation regarding administrator positions if they felt that was important based on an analysis of the materials presented," EARC did not receive information on the specific responsibilities or functions of most of these positions. The committee members had no basis for knowing whether those responsibilities or functions could be assumed by other administrators or by staff.

Summary Recommendations for UAF as a Whole

Recommendation: The EARC recommends that the UAF Mission Statement, Vision Statement, and Strategic Priorities be revised to guide the university under the new fiscal circumstances. The Mission Statement was last revised in 2012, and the Strategic Priorities were set before the 2019 Compact that described the Governor's plan to reduce UA State General Fund support by \$70 million over three years. The EARC thinks that up-to-date, overarching guidance would be helpful to future reviews of administrative and support units, as well as academic and research programs. Since UAF is entering a new accreditation cycle, it is an opportune time for substantial revisions.

Recommendation: The EARC recommends that the UAF Chancellor leads an evaluation of the overall organizational and management structure of UAF and fully engages with Governance during both the evaluation and decision processes. This evaluation would allow decisions to be made on units that could be combined or eliminated, while continuing to meet the mission of the University. The goal of the evaluation would be to improve the effectiveness and efficiency of the operation of UAF and to find places in which financial resources can be better utilized or reduced. It is important that this evaluation of organizational and management structure is conducted in the context of decisions about discontinuation or reduction of academic programs and other UAF units. It is likewise important that the evaluation is conducted with a vision for the future of UAF over the next three to five years.

The following is an explanation of the phrase “fully engages with Governance during the evaluation and decision processes.” Governance views the current review processes, including both the academic and administrative reviews, as allowing Governance input into the evaluation and recommendations and providing an opportunity for a Governance response after a decision has been made. While those opportunities for participation are appreciated, to be fully engaged Governance representatives recommend:

- Representation on the decision-making body or the body that is making the final recommendations to the Chancellor for his decision.
 - This assures that the perspectives of faculty, staff, and students are included at the final stage in the process.
 - Further, Governance representation creates a more transparent process that will strengthen “buy-in” of the university community for tendered recommendations.
- Preparation and publication of a rationale for each decision made that results from a formal process, engaging Governance.

Recommendation: The EARC recommends that the Chancellor implements a regular review cycle of administrative and support units that is based on established criteria, similar in concept to academic program reviews. This regular review should fully engage Governance during both the evaluation and decision-making processes.

It is recognized that the criteria will need to be different for different kinds of administrative and support units (e.g., academic vs administrative vs student services vs research) and that it is more difficult to define performance criteria for some units than others. Before the next review of administrative and support units, the evaluation criteria need to be defined and the appropriate data and information gathered. The data and information provided to review committees need to be sufficient for them to fulfill their responsibilities as defined in the charge to the committee.

Recommendation: The EARC recommends that the Chancellor implements shared administrative services in some form.

Some units do not favor being required to use and support a single shared services hub for East Campus or West Ridge. While the two-hub model could be the most efficient, at least two other possible approaches could be more readily accepted:

- The “Virtual Shared Services” proposed by CEM/INE and others. In this model, staff continue to be employed by and located at separate units, but work is shared when necessary. Some small units might not employ staff for lower volume tasks but would then contract with a larger unit to provide the service. The challenge is in managing the sharing of workload so that all necessary work is accomplished in a timely fashion. That would probably require having a manager of each function and that would make this model similar to the next option.
- Responsibility for major administrative services are parceled out to different research or academic/administrative units, e.g., HR to one, travel to another, and so on. Expertise in specific areas would be concentrated in one location, but some staff could be assigned to other units. Ideally, being interdependent would encourage the lead units to serve the others well.

Consensus on the best approach to shared services is unlikely to be achieved, so the EARC recommends that the Chancellor decides soon, after receiving feedback from affected units.

Academic Units Summary Issues and Recommendations

Recommendations on:

- a. Ameliorating serious threats to effective operation the units reviewed and potential impacts to UAF if these threats are not addressed.

Most academic units have very thin administrative staffs. If an individual is absent or resigns, there is often no backup for their specific skill set. Even if another staff member has cross-training, they typically don’t have time to assume another person’s duties.

Recommendation: Shared services in some form appear to be the best solution.

Several units strongly favor retaining their own staff, however. A compromise approach would be to have what CEM has termed “virtual shared service hubs”, in which many staff would remain located with their units, but there would be a systematic way to share work with other units.

Several academic units are rightfully concerned about losing specialized accreditation if projected reductions in the number of faculty and staff occur due to the implementation of the “Compact” General Fund cuts. One aspect of specialized accreditation requirements can be unit administration; broadly, accreditation organizations typically want evidence that an accredited program has sufficient autonomy (in financial and other decisions) to assure continued compliance with accreditation standards. Another area of concern is that administrative staff are often responsible for recordkeeping and other documentation that is required by accreditors, and this work needs to continue if administrative staff are consolidated in a shared services center.

Recommendation: Impacts of General Fund reductions on the ability to maintain specialized accreditation need to be monitored at the Provost and Chancellor level as well as by the units.

- b. Approaches to reduce the cost or increase the effectiveness of the unit administration or any administrative support services provided by the unit. These recommendations cannot be based on uniform criteria at this time, so a unit that receives a recommendation should not necessarily be regarded as less efficient or effective than others.

Recommendation: Shared services in some form.

While this is not primarily or solely a cost-saving measure, it can help units maintain services in the face of inevitable funding reductions.

- c. Any proposed changes in the structure of units, e.g., merger or change in reporting, that could reduce costs or increase effectiveness. These recommendations cannot be based on uniform criteria at this time, so a unit that receives a recommendation should not necessarily be regarded as less efficient or effective than others.

The EARC did not identify any mergers or changes in reporting that would be likely to improve the cost-effectiveness of the academic units reviewed. However, some committee members think that a reduction in the number of management positions (all such positions, not only academic deans) should occur, at least in proportion to the funding reductions to academic units. The EARC does not think it has the right information to make recommendations on specific positions.

- d. Recommendations for the data and information that are needed to guide further review and decision-making relative to academic administration.

Recommendation: The Expedited Administrative Review Committee thinks that there needs to be more guidance to both the EARC to the Academic Program Review Committee on the future of UAF before future reviews are undertaken.

The Mission Statement, Vision Statement and Strategic Priorities for UAF were set before the current round of General Fund reductions and enrollment losses. It seems that these must be reconsidered in terms of UAF's new fiscal reality.

Recommendation: Some standards and practices for establishing and retaining executive administrators at given levels should be established. Otherwise, creation of executive level positions tends to be *ad hoc*, become entrenched, and be driven largely by individual cases. The standards could include (but are not necessarily limited to):

- Budget and number of employees in reporting units.
- Extent of responsibilities in working with external constituencies, and the level of the external contacts. That is, are there recurring responsibilities to work with Regents, accrediting organizations, business executives, legislators, State Commissioners, Federal agency administrators, and so on?
- Extent of significant compliance responsibilities.
- Common practices at other universities (i.e., it could be impossible to recruit or retain individuals for particular positions if many other institutions offer higher pay and status.)

Recommendation: Consistent measures of administrative efficiency and effectiveness should be developed, for internal comparisons among units.

Research Units Summary Issues and Recommendations

Recommendations on:

- a. Ameliorating serious threats to effective operation the units reviewed and potential impacts to UAF if these threats are not addressed. Provide brief rationale for recommendation(s).

Serious threats identified by several of the units include:

- Inability to maintain sufficient staffing to ensure correct and timely proposal submission and to administer grants and contracts. This affects the smaller research units (IARC & IAB) more than the larger; however, ACEP already uses shared services—purchased from larger units—to meet its needs. Turnover of staff, due in part to uncertainty and to increasing workloads, is also a problem.
- Limited staffing also impacts the compliance units supervised by the VCR.
- Loss of academic programs that house tenure-line positions of associated faculty and that offer the graduate programs that enroll graduate students engaged in research.

Recommendations: Also, see b. and d., below.

Maintain sufficient staffing levels in research compliance. Based on the information provided, EARC did not see any way to prudently reduce funding for compliance areas reporting to the VCR, unless the cuts were made in response to the elimination of a particular research area. However, most such eliminations would seriously impact UAF's research productivity, and such changes are well outside the scope of the EARC.

In Academic Program Review, due consideration needs to be given to the impact of academic program closures on research. That has generally been the case to date, but as financial conditions are more severe the difficulty of deciding between enrollment and research impacts could increase. Also, decisions taken outside of UAF could weigh these differently.

- b. Approaches to reduce the cost or increase the effectiveness of the unit administration or any administrative support services provided by the unit. These recommendations cannot be based on uniform criteria at this time, so a unit that receives a recommendation should not necessarily be regarded as less efficient or effective than others.

Recommendation: Shared services in some form.

- However, the larger units (CFOS—reviewed under Academic Units but also one of the largest research units—and GI) do not appear to favor being required to use and support a single shared services hub for West Ridge. While that model might well be the most efficient, at least two other possible approaches could be more readily accepted:
 - The “Virtual Shared Services” proposed by CEM/INE and others. In this model, staff continue to be employed by and located at separate units, but work is shared when necessary. Some small units might not employ staff for lower volume tasks but would then contract with a larger unit to

provide the service. The challenge is in managing the sharing of workload so that all necessary work is accomplished in a timely fashion. That would probably require having a manager of each function and that would make this model similar to the next option.

- Responsibility for major administrative services are parceled out to different research units, e.g., HR to one, travel to another, and so on. Expertise in specific areas would be concentrated in one location, but some staff could be assigned to other units. Ideally, being interdependent would encourage the lead units to serve the others well.
 - The main challenges with shared services appear to be:
 - Assuring units that they are paying a reasonable and fair proportion of costs.
 - Ensuring that services are of high quality and that there is recourse for units that believe the services they are receiving are not adequate.
 - Addressing these challenges could require tracking transactions, i.e., number processed per month by type (with allowance for complexity). However, this tracking can't be a major time commitment for staff; ideally it would occur automatically.
- c. Any proposed changes in the structure of units, e.g., merger or change in reporting, that could reduce costs or increase effectiveness. These recommendations cannot be based on uniform criteria at this time, so a unit that receives a recommendation should not necessarily be regarded as less efficient or effective than others.

EARC members did not have the information needed to recommend particular reconfigurations. However, committee members do think that ongoing review and some criteria for establishing and continuing independent research units would be worthwhile. EARC notes that the Agricultural and Forestry Experiment Station was not one of the research units it was asked to review, but it should be included in future reviews.

Recommendation: Research reviews should be conducted on a regular cycle, as well as academic program and administrative reviews.

This also raises the question of whether a research review process would be conducted separately, to complement the academic and administrative reviews, or if the research review would somehow be embedded into the current Academic Program Review process. The fact that much of UAF's research is carried out by faculty with joint academic unit/institute appointments tends to support an embedded review. If an independent review, the best order would probably be academic review, then research review, and then administrative review. However, from a process perspective, it is difficult for separate reviews to fully account for the interdependence of these three functions.

- d. Recommendations for the data and information that are needed to guide further review and decision-making relative to this unit.

Three major research institutes were established at UAF more than 50 years ago; the Geophysical Institute; Institute of Marine Science (now, with added components, CFOS); and Institute of Arctic Biology. All three of these have a significant, if shrinking, underpinning of State General Fund and all remain successful. INE (now within CEM); IARC; ACEP; and One Health were established later, have less General Fund, and as yet have secured fewer large,

multi-year grants that help to stabilize ICR income. They could struggle to remain successful as General Fund support (already very small in some cases) is reduced, particularly in terms of weathering year-to-year variations in grant & contract expenditures.

EARC members are aware that several factors have been considered in establishing new research units.

- Need (University, State, national) to dedicate unrestricted revenue (mainly General Fund and ICR) to a specific research area.
- Opportunity to leverage that revenue to secure external grants & contracts, often with some focus on particular Federal funding sources.
- Leadership that fosters—in a variety of ways—the ability of faculty and staff to secure external funding, to engage in collaborative research, and to achieve research excellence.
- Sufficient unrestricted revenue (GF and ICR) to fulfill administrative responsibilities of a research unit and to cover other responsibilities (e.g., PI salary for proposal preparation).

Obviously, over time, some of these conditions may no longer be met; that happened with ARSC (Arctic Region Supercomputing Center) when its major base of Federal funding was lost, and that unit no longer exists. However, more incremental changes might be less likely to trigger timely reorganizations.

Several of the research units provided data that addressed most of the points above, which is a good start. However, this information was not consistently provided by all research units and it appeared to have been internally generated by the units. (The EARC does not doubt that the data are accurate, but differences in data definitions can make comparisons over time and across units impossible).

One piece that was missing from the unit data reports (since it was not requested) were cogent arguments for the need for an independent unit and how the unit leadership and dedicated resources improve funding and research success.

Recommendation: Reviews of research units should address the criteria above and any others that are deemed pertinent. As with the administrative units, EARC recommends the development of consistent methods of measuring the effectiveness and efficiency of each research unit for internal comparison purposes.

GI, IAB, and IARC each provided a consistent set of financial and HR data within their reports. These (with documentation enabling PAIR and other units to replicate the information) would be a good set of basic data to inform the review. However, additional information that focuses on the question of why an independent research unit continues to be needed is also important.

Recommendation: Several units used a metric that could be very useful to other evaluations: Administrative labor costs supported by unrestricted funds as a % of overall expenditures.

Chancellor's Office, University Relations, Development & Alumni Relations, Student Affairs, and Administrative Services: Summary Issues and Recommendations

Recommendations on:

- a. Ameliorating serious threats to effective operation the units reviewed and potential impacts to UAF if these threats are not addressed.

In the unit report, Disability Services indicated that budget cuts had resulted in "Loss of software for campus needed to keep our computer systems compliant and accessible within our office as well as in key locations on campus (computer labs, public use computers)." An EARC member thinks that the "Accommodate" software has been purchased, but that Banner programming is needed to make it fully functional. The delay may be due to significant reductions in the staffing of OIT Banner Programming as well as mismatches in the priority of Banner projects between UAF and UA Statewide. This should be checked to find out exactly what the implementation barriers are, to avoid potential compliance issues.

Student Affairs has a Business Office Staff of four serving not only Student Affairs but also providing financial services support for several other units: Development, Alumni Relations, Chancellor. This staffing appears minimal at best; some other Student Affairs units have staff taking on certain administrative services tasks that are not normally part of their jobs.

Recommendation: The Student Affairs Business Office could combine with others to assure sufficient administrative support services in the face of continuing budget reductions. (see b. below)

It's clear that, especially after the overall \$70 million UA General Fund reduction takes effect, that University Relations and Development will be significantly underfunded compared with peer institutions. However, so will other areas of UAF, and there is no obvious remedy. UAF may need to accept the consequences of that, reduced donor support included.

- b. Approaches to reduce the cost or increase the effectiveness of the unit administration or any administrative support services provided by the unit. These recommendations cannot be based on uniform criteria at this time, so a unit that receives a recommendation should not necessarily be regarded as less efficient or effective than others.

Facilities Services has a business office with about 21 FTE staff. There also appear to be about 2 to 3 FTE (Assistant to the Director for Financial Services, and "VCAS Operations" staff) who handle some administrative services for VCAS areas outside of Facilities. At first glance, the Facilities Services business office staff appears larger in terms of the number of employees served than other business offices, but Facilities has some campus-wide responsibilities, including mail, Central Receiving, Transportation, Custodial Contract, and leasing. It also handles Capital funds and a large number of procurements. Looking at the specific positions in more detail, "ordinary" administrative services staff are relatively few, about 5 FTE.

VCAS Julie Queen sent an update on actions in FY 2020. Facilities Services has been restructured, minimizing the number of middle managers and reorganizing around service lines. The vehicle pool operation and staffing were downsized substantially. Some services were outsourced entirely, maintaining only "maintenance & operations" (combined into one manager) in house, e.g. carpentry was outsourced, electrical was outsourced, and in-house ash hauling (power plant by-product) will be migrated to an outsourced model which avoids the expansion of the current UAF landfill.

The EARC thinks that many of the innovative ideas proposed by units are worth considering, but particularly notes several submitted by Financial Services & Facilities, because of their broad impacts.

Electronic Workflows & Automation Impact: UA-wide

Transitioning from paper processes to automation is a critical need across the UA System. A cross-campus project team was created in 2015 for automating journal vouchers but has been delayed due to changes in UA Financial Systems personnel and uncertainty in Banner project priorities. An automated workflow for JV submission/processing/storage will reduce duplicate data-entry, reduce paper routing, increase unit transparency, and create savings in effort and time. Once developed, expansion can include automation of budget entries, labor reallocations, tuition waivers, and other tools.

Process Improvement-Impact: UA-wide

The PIT Crew empowers staff who understand UA/UAF systems and procedures to provide organizational development support to cross-departmental teams. The PIT Crew focuses on projects with strong potential for significant return on investment. Targeted investments to enhance this expertise will empower departments to build decision-making foundations and long-term improvement plans.

Tuition and Fee Payment Deadlines-Impact: UA-wide

Implement identical tuition and fee payment deadlines across all campuses. This will enable excellent customer service for students taking multiple classes at multiple campuses and will reduce confusion.

Parking Decals and Citations-Impact: UAF

Eliminate parking decal hangers and stickers. Software is available to allow parking attendants to scan the license plate and issue citations electronically. This will save money, time and paper.

Power Plant-Impact: UAF

The Power Plant is actively pursuing new revenue lines through the new power plant and they have a goal for these revenues to offset central base expenses for utilities in the coming year.

Recommendations:

- **There could be an opportunity to consolidate all administrative services for units reporting to the VCAS, or to further consolidate services by bringing in the VCSA business office and the Central Administration Fiscal Office (which has recently lost most of its staff).**
 - **Seek ways to accelerate pace of implementing electronic workflows and automation of administrative processes.** (Unfortunately, many require modifications to Banner that require lengthy coordination and agreement across all UA campuses).
- c. Any proposed changes in the structure of units, e.g., merger or change in reporting, that could reduce costs or increase effectiveness. Again, these recommendations cannot be based on uniform criteria at this time, so a unit that receives a recommendation should not necessarily be regarded as less efficient or effective than others.

VCAS operations don't overlap with those of other units, so there do not appear to be opportunities for reorganization other than increased implementation of shared administrative services.

EARC members were generally supportive of the Chancellor's plan to place Development & Alumni Relations and University Relations under a single Executive Director of University Advancement. Advancement refers to making progress in various avenues related to a university's strategic plan. It can come in the form of alumni relations, fundraising, recruitment and marketing and communications. There are obvious areas for beneficial collaboration, e.g., marketing and public relations. The committee recommends maintaining the partnership between University Relations and Admissions for student recruitment marketing efforts. One other note is that KUAC would be a remaining small unit reporting directly to the Chancellor. Although it is clearly different from the other elements of the Development, Alumni and University Relations unit, there seems to be some possibility of coordination of KUAC development activities or its efforts to promote UAF if it became part of that unit.

Recommendation: Other than the already planned consolidation of University Relations and Development & Alumni Relations, there don't appear to be obvious opportunities for reorganization. However, one idea could warrant further analysis and consideration:

- **Should KUAC become part of the Development, Alumni Relations, & University Relations unit?**
- d. Recommendations for the data and information that are needed to guide further review and decision-making relative to this unit.

In general (not just relative to these units), the EARC thinks that it does not have the expertise to make firm, unqualified recommendations in most areas. Hence many of the recommendations are simply for further information gathering and analysis. This leads to the idea that future reviews should be iterative. As one example to illustrate the concept:

- Initial unit reports are submitted in a standardized format. It's important that any data included are consistent and verifiable.
- The committee identifies areas that need additional information/expertise, and requests those.
- The committee reviews the additional information and consults with expert(s) as needed.
- Committee makes recommendations.

Obviously, this process would take most of an academic year, vs. the very short time frame available for the current review.