

University of Alaska Anchorage
Cost Savings and Efficiencies
FY11

Process Improvements

- **Office of Sustainability** - Began recycling metal cans (steel and aluminum) in Spring, 2011 semester. During that timeframe, 112 pounds of aluminum, 27 pounds of steel cans, and 340 pounds of plastics were diverted from the landfill to the recycling center.
- **Office of Sustainability** - Worked with NANA and Dining Services to collect pre-consumer vegetable and fruit waste and deposit to wind-row composting pile. Composting of grass clippings, leaves and flowers has avoided \$63/ton cost of disposing this waste in the landfill.
- **Office of Sustainability** - Educated staff and students to recycle (plastic, paper and aluminum) is estimated to save at least 30% of the amount of material currently deposited as trash. Usage of recycling bins instead of trash collection bins is estimated to save approximately \$6,900 annually.
- **Office of Sustainability** - Instituted practices in computer labs to set printer defaults to duplex printing and turn off screen savers (putting computers to “sleep”), and turning off computers and printers at night.
- **Facilities** - Recycled carpet to a carpet supplier, to reduce tipping fees at the landfill.
- **Human Resources** - Saved printing costs in HR due to implementation of web time entry, rather than paper timesheets.
- **Human Resources** – Digitized personnel filing – scanned timesheets and personnel files – which saved time, space, paper and increase accessibility to personnel files between campuses.
- **Library** - Transferred the Joint Library Catalog (SIRSI license) from the Anchorage Municipal Library to the UAA Data Center (virtual servers) resulted in approximately \$15,000 in licensing costs. With the move to a virtual server environment, purchase of new dedicated and servers was not necessary, saving almost \$87,000.
- **Library** – Renegotiated licensing agreements for several e-journal packages, saving \$80,000.
- **Bookstore** – Reduced the cost of freight charges for textbooks and other merchandise by consolidating shipments.
- **Bookstore** – Redesigned e-commerce website to monitor and promote online store.
- **Housing** – Streamlined several housing processes such as intention, check-in, check-out and restructuring forms to accomplish tasks more efficiently and effectively.

- **Housing** – Implemented Adirondack housing database which interfaces with Banner.
- **Advancement** – Purchased software to send HTML emails, eliminating the need for a third-party service for marketing and communications, saving at least \$500/month for e-mail delivery services.
- **Kenai Peninsula College** – Reduced paper and toner by eliminating internal faxes (scanned copies only are utilized).
- **Kenai Peninsula College** – Converted more than 50 forms (TRs, TAs, etc.) to signable PDFs, using certified digital signatures. This has resulted in decreased paper usage, staff time and mail costs.
- **College of Business and Public Policy** – Increased class size to limit number of sections offered.
- **College of Education** – Upgraded department copy machines to electronic file management system (eCopy), reducing paper costs (estimated savings in FY11 were estimated at \$2,000, and is an ongoing savings).
- **Mat-Su College** – Physical Plant projects performed by in-house staff rather than outside contractor, resulting in one-time savings of approximately \$500,000. Projects include: 1) installation of mass communication devices, 2) block sealing and painting on Machetanz Building, 3) replacement of furniture, carpet, wiring, partitions and painting in Machetanz Bldg remodel, 4) installation of glass wall, HVAC renovations, ceiling, doors, painting and carpet in Kerttula Hall, 5) wind generator site excavation, 6) Kerttula hall fiber installation, 7) installation of emergency eye wash station, 8) installation of glass walls in library and bookstore, and 9) heat coil replacement.
- **Prince William Sound Community College** – Distributed Theatre Conference scripts electronically, resulting in savings of materials and staff time.
- **Kodiak College** – Implemented services of MBS online bookstore, reducing shipping costs to distance students, and reducing the number of books to be returned for cancelled classes.

Utility Savings

- **Facilities** - Installed digital energy monitors on all UAA buildings to allow monitoring of the efficiency of the utility operations. Early estimates indicate a savings of approximately 5% of energy costs.
- **Facilities** – Installed gas-fired on-demand hot water heaters in Housing.

- **Facilities** - New construction and renovated facilities benefit from energy efficient lighting, boilers and hot water heaters. The energy efficiency is over 20% better than the older technology for the gas-fired devices, and lighting efficiency is approximately 70% better.
- **Facilities** - Alaska Housing Finance Corporation has provided funding to UAA to conduct energy audits to identify and upgrade energy-deficient equipment and building components.
- **Facilities** - Converted ULB parking, and a portion of the central parking garage to LED lighting. It is estimated this will extend the life of the lights by three to five times (150,000 hours), and reduce energy consumption by 50%.
- **Facilities** - As vehicles are replaced, hybrid vehicles will be utilized (where appropriate). A fleet fuel use policy is in development that will reduce fleet fuel use by 10% of the 2010 usage by 2015.
- **Kenai Peninsula College** – Reduced electrical usage by 4% in FY11 from FY10.
- **Kenai Peninsula College** – Connected water line to the City of Soldotna, eliminating well water testing, operating training and certification costs.
- **Prince William Sound Community College** – Reduced utility consumption by 16%.
- **Kodiak College** – Replaced light bulbs and computer monitors with more energy efficient models.

Personnel Savings

- **Library** – Delayed filling vacant positions, resulting in one-time savings of approximately \$160,000.
- **School of Engineering** – Delayed hiring of faculty and staff positions, resulting in one-time savings of approximately \$190,000.
- **Community and Technical College** – Salary savings resulted from retirement of two long-time Aviation faculty. Delay in hiring two faculty in Transportation and Power resulted in one-time savings of approximately \$96,000.
- **Community and Technical College** – adjunct faculty employed where appropriate to decrease cost per credit hour.
- **College of Education** – Office of Clinical Supervision was incorporated into other departments/offices within the College, reducing the number of clinical faculty and changed the compensation method. Estimated savings in FY11 total \$147,000 and is an ongoing savings.

- **College of Education** – Limited the granting of summer extensions to faculty members, saving approximately \$85,000 in FY11.

University of Alaska Fairbanks

FY11 Cost Savings and Efficiency Actions

UAF continues to pursue cost savings and efficiency actions in order to fund both PBB reallocations and other UAF-wide obligations and priorities. Listed below are the cost savings, efficiency actions, university generate revenue increases implemented in FY11 to meet the reductions taken from each unit to meet PBB obligations and structural deficits.

Chancellor's Office - \$125.0 (6.4% of unrestricted funds)

- Reduce special project budget
- Increase private giving revenue

Office of Information Technology - \$150.0 (4.0% of unrestricted funds)

- Reduce non-personnel spending affecting tech refresh, video production, equipment replacement, and desktop support
- Holding vacant positions until additional service reductions are implemented in the fiscal year

Provost - \$2.7 million (3.2 % of unrestricted funds)

College of Liberal Arts (\$517.0)

- Adjust teaching assistant pool consistent with meeting enrollment targets
- Postpone faculty recruitments

College of Natural Science and Mathematics (\$396.0)

- Adjust teaching assistant pool consistent with meeting enrollment targets
- Reduce non-personnel spending in dean's office account

College of Engineering and Mines (\$425.0)

- Adjust teaching assistant pool consistent with meeting enrollment targets
- Delay hiring faculty replacement pending meeting enrollment and grant targets
- Reduce non-personnel spending in dean's office account

UA Museum of the North (\$75.0)

- Reduce marketing
- Reduce temporary staff and student employees
- Reduce non-personnel spending

Provost office operations (\$221.0)

- Reduce non-personnel spending
- Use grant and/or foundation funding for fellowships
- Reduce instruction equipment funding

School of Education (\$136.0)

- Reduce non-personnel spending
 - Savings from recent faculty resignation by hiring an instructor
- School of Fisheries and Ocean Sciences (\$357.0)
- Delay hiring faculty replacement
 - Reduce travel for school-wide meetings
 - Freeze staff hiring and new student hires
 - Increase grant funding
- School of Management (\$192.0)
- Leave marketing faculty position vacant
 - Fill tenure-track position with instructor
- School of Natural Resources and Agricultural Sciences (\$239.0)
- Eliminate one staff positions
 - Voluntary administrator leave without pay
 - Reduce non-personnel spending
- Rasmuson Library (\$135.0)
- Delay staff replacement
 - Reduce non-personnel spending
- Summer Sessions (\$7.0)
- Reduce contractual services

Cooperative Extension Service - \$150.0 (3.3% of unrestricted funds)

- Delay hiring vacant associate director position

VC Research - \$800.0 (2.5% of unrestricted funds)

- Center for Research Services (\$155.0)
- Reduce non-personnel spending in VCR and special projects
 - Savings from vacated position in GINA
 - Reduce non-personnel spending for INBRE
- ARSC (\$29.0)
- Reduce summer intern, license and infrastructure spending
- Geophysical Institute (\$300.0)
- Reduce outreach expenses
 - Leave one staff position vacant
 - Delay hiring vacant faculty position
 - Reduce library acquisitions
 - Reduce support for book publication
 - Reduce workshop/conference support
 - Reduce dean support for research projects
- Institute of Arctic Biology (\$222.0)
- Eliminate one vacant staff position
 - Limit summer research fellowships to grant funds
 - Reduce non-personnel spending for CANHR, Alaska Cooperative Fish and Wildlife Research Unit, Long-Term Ecological Research
 - Limit reserves for equipment and faculty start-up

International Arctic Research Center (94.0)

- Reduce hours for one staff position
- Reduce non-personnel support for research projects

VC Administrative Services - \$1 million (4.6% of unrestricted funds)

Auxiliary and Business Services (\$100.0)

- Eliminate vacant director position

Environmental Health, Safety and Risk Management (\$87.0)

- Saving from HazMat Disposal contract price
- Reduce non-personnel spending

Office of Grants and Contracts (\$56.4)

- Reduce non-personnel spending
- Increase revenue through extending service to UA System

Procurement (\$56.4)

- Reduce non-personnel spending

Financial Services (\$80.2)

- Reduce one staff position

Human Resources (\$80.0)

- Delay hiring for two vacant staff positions

Safety Services (\$70.0)

- Reduce one officer position
- Reduce non-personnel spending

Facilities Services (\$350.0)

- Eliminate three vacant staff positions
- Reduce contractual services spending

VCAS office (\$120.0)

- Eliminate one vacant staff position
- Reduce non-personnel spending

VC Students - \$225.0 (2.4% of unrestricted funds)

Admissions (\$25.0)

- Reduce postage and printing

Registrar's Office (\$95.0)

- Restructure and combine with admissions

Wood Center (\$65.0)

- Eliminate one staff position

Residence Life (\$40.0)

- Reduce summer program support

VC Advancement - \$350.0 (3.3% of unrestricted funds)

Marketing and Communications (\$200.0)

- Eliminate vacant staff position
- Eliminate vacant student position
- Reduced hours for two staff positions

- Reduce non-personnel spending
- Vice Chancellor Office (\$140.0)
- Reduce travel and events budget
 - Reduce administrator contract length
 - Alumni relations (\$10.0)
 - Reduce non-personnel spending

VC Rural, Community and Native Education – \$676.0 (2.0% of unrestricted funds)

- Reduce non-personnel spending
 - Increase revenue through Federal grants and Enrollment
- Bristol Bay Campus (\$33.0)
Chukchi Campus (\$19.0)
Interior- Aleutians Campus (\$47.0)
Kuskokwim (\$51.0)
Northwest (\$27.0)
Rural College and CDE (\$246.0)
UAF Career and Technical College (\$253.0)



Cost Savings and Efficiencies

Cost savings and administrative efficiencies are priority at UAS, and are imbedded in our daily operations. Management reports are used to monitor expenditures on a monthly basis, and our five year trend analysis “Operating Review” is used to examine trends and identify areas with notable variances.

Due to the increasing cost of goods and services, containing costs and practicing responsible management is a more realistic goal than cutting costs within our operating budgets. In Juneau, the only supplier of electricity increased cost per unit by 22% in FY11, and as around the state, the rising cost of gas and oil directly impacts the cost of goods.

In our efforts to assure responsible management of funds, UAS instituted a policy on position vacancy review, in which all positions that become vacant are given thorough review by executive management prior to initiating a recruitment to determine if those resources should be redirected. Also, at UAS, any new position not funded through a legislative allocation must be approved by the Chancellor prior to recruitment. This reinforces responsible management, and cost containment.

As well as containing costs, efficiencies serve purposes such as greater awareness of operational impacts on: business operations, student achievement, the environment, and helps to contain costs when external factors prevent actual cost reduction.

Financial and Human Resource Efficiencies:

Perform an annual detailed examination of UAS’ revenue and expense profile (Operating Review).

- Cost savings will not be implemented without an understanding and assessment of the risk/reward trade-offs to units (schools) and revenue growth.
- Choosing videoconference in lieu of travel
 - Saves an average of \$1,000 per person for each one overnight trip to Fairbanks
 - Annual budget meeting savings = \$6,000
 - Saves an average of \$600 per person for each one-day trip to Anchorage
- Conversion of Easy Biz Miles to tickets for student recruitment
 - Used for student recruitment = \$10,000 annual savings in travel costs
- Workflow implementations
 - Electronic time sheet process
 - Grant effort reporting process

Outsourcing and/or centralization of systems and services

- UAS has centralized administrative and business operations.
 - HR, Budget, Grants & Contracts, Purchasing, Accounts payable and receivable
- UAS has outsourced service:
 - Mail – State of Alaska contract = \$25,000 cost savings annually
 - Food Service – Nana Corporation = \$15,000 cost savings annually
- Consolidating services
 - One phone system for UAS
 - Long distances charges eliminated for calls within UAS Region, to UAA, SW Offices, UAF main campus
 - Partnered with UAA for delivery of one-card system



Cost Savings and Efficiencies

Uniform cost reductions will not be made across the board (Performance/Program Review).

- Mission-critical teaching programs will receive the highest funding priority.
- Recruitment for position vacancies requires written justification and approval.
 - Resource reallocation to meet academic needs.

Energy Resource Conservation:

Renovations including replacing and reducing light fixtures, updating controls and systems, guidelines for promoting energy conservation (Master Plan), and encouraging other economical behaviors.

- Transition all buildings to energy efficient lights, power down electronics at night, reduce building temperatures 1-2 degrees
 - Average monthly electrical usage decreased 31.0% FY07 to FY11
 - Average monthly cost of electricity only decreased 6%
 - Cost Avoidance = \$67,445
- Recycling
 - Sets standards for conservation
 - Creates student jobs