2019 Higher Education Government Relations Conference

Making the Case for Higher Education Amid Scarcity and Division

AACC • AASCU • APLU • CASE
Effective Advocacy for Higher Education Amid Crisis, Controversy, and Change

Moderator:
• Claire Rosacco, VP Government Relations & Community Outreach, Cuyahoga Community College

Speakers:
• Miles Baker, Assoc VP of Government Relations, University of Alaska System
• Dustin Bryant, Director of Federal Relations, University of Alaska System
• Jeff Buhrandt, Senior Director, State Relations, University of Wisconsin System

Friday, December 6, 2019
8:00 a.m.-9:00 a.m.
LaSalle Ballroom
Alaska: *State of Extremes*

- 365M Acres, 1/5 Lower 48 states
- Least Densely Populated - 740K
  - 3rd smallest after VT/WY
- Minimal Roads & Infrastructure
- Resource Economy:
  - O&amp;G, Mining, Fisheries
- No Statewide tax: Income or Sales
- High-Income/Low Education
- Oversized Federal Role
  - Feds own 61% all land
  - Private land ownership < 1%
- 227 Federally Recognized tribes
  - 15% Alaskan Native population
- Conservative & Independent
- Very Strong Executive
  - Line Item Veto
  - 3/4 Required for Approps Override
• World leader in Arctic Research
• Atmospheric, environmental & biological change
• NSF’s only ice-capable ocean research vessel *R/V Sikuliaq*
• 25% NASA data daily
• Earthquake and volcano observation network
• Only university owned rocket range

- 1 System: Research, State, CC Missions
- 92% of all Alaska Higher Education
- 3 Accredited Univ w/13 community campuses
  - Half unaccessible by road
- 17,500 FTE Students, ~26,000 total
- $857M Budget
  - 40% State, 16% Tuition/Fees, 15% Federal
- Affordable: ~$7,200 (*3rd most affordable*)
- Student’s share of cost: 28% (*5th lowest*)
- Only 46% have graduation debt (*2nd lowest*)
- Highest state $ per FTE student ($17,704)
The Warning Signs:

- Education Performance Gaps
  - Low Culture of Education
  - HS Graduation Rates
  - Low College Going Rates
- Macro Post-Secondary Trends
  - Enrollment and competition
  - High cost structure
  - Student/Faculty Ratios
- State Economic Challenges
  - High Unemployment
  - Undiversified Economy
  - Net Out Migration
- State Fiscal Gap
  - Oil Price Crash
  - Deficit Spending
- Polarized Politics
  - No Taxes - Cut Government
  - Strong Dividend Support

52.6% of Alaskans choosing to affiliate with no political party (U and N)
27.1% chose to register as Republicans
14.9% chose democrat

Source: Alaska Dept. of Revenue
University of Alaska State Funding Trend

- **Unrestricted General Funds (UGF)**
- **Cumulative Impact = $380M**

$134M (41%) Gov’s Proposed FY20 Cut

**State UGF Budget**

<table>
<thead>
<tr>
<th>Category</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education (K-12)</td>
<td>$1,322</td>
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<tr>
<td>Health &amp; Social</td>
<td>$1,141</td>
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<tr>
<td>University</td>
<td>$327</td>
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<tr>
<td>Corrections</td>
<td>$291</td>
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<tr>
<td>DOTPF</td>
<td>$180</td>
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<tr>
<td>Public Safety</td>
<td>$162</td>
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<tr>
<td>Other Agencies</td>
<td>$514</td>
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<tr>
<td>Retirement Payments</td>
<td>$271</td>
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<tr>
<td>Debt Service</td>
<td>$173</td>
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<tr>
<td>Capital Budget</td>
<td>$150</td>
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<tr>
<td>New Legislation</td>
<td>$127</td>
</tr>
<tr>
<td>Other</td>
<td>$74</td>
</tr>
</tbody>
</table>

**Total UGF** $4,732
Crisis Unfolds: *Eight Months of Drama*

Nov 6 – Governor Dunleavy Elected

Jan 15 – Legislature Gavels-In
Feb 14 – Governor’s budget drops
  • $134.0M (41%) Cut to University
  • $ 3.5M Elimination of Medical School
  • $ 18.0M Elimination of all State Scholarship

May – Aug: Two Special Legislative Sessions

May 13 – Legislature restores all but $5M

Jul 8 – Governor vetoes budget – reinstates $134M cut
Jul 10 – Legislature fails to override
Jul 17 – Moody’s Debt downgrade
Jul 22 – UA Regent’s declare Financial Exigency
Jul 30 – Regent’s direct president to develop single accreditation plan

Aug 13 – Regents sign 3-year budget compact
**Aug 20** – Regents terminate Exigency Declaration
Final Results

- Budget Cut – Reduced by Half
- Secured Support for Dual Enrollment and Other Key Priorities
- Still Need to Cut 21% Over 3-Years

- Temporarily Suspended Plan to Move from 3 to 1 Accreditation
- Campuses Conducting Academic Program Reviews – Looking to Consolidate or Eliminate

How do we preserve core mission while adapting to a changing economic, demographic, and technological world?
Lessons Learned

• Look for Warning Signs that Spell Trouble for Higher Educ $$
• Government Relations is 365 day a year job
• Government Relations Key Component of Broader External Advocacy
• Legislative Agenda Set by the Public – Long Before Gavel Drops
• Arms-length, 3rd Party Advocacy Organizations are Essential
• Students, Employers and Alumni are Best Advocates
  • Faculty & staff – not so much
• Engage Institutional Accreditor (NWCCU) – Early & Often
• Inform and Reassure All Federal Agency and Funding Partners