

University of Alaska
Board of Regents' Meeting
February 21-22, 2013
Room 107 Lee Gorsuch Commons
University of Alaska Anchorage
Anchorage, Alaska

MEETING SCHEDULE AND ACTIVITIES

Times for board meetings are subject to modifications within the February 21-22, 2013 time frame.

Thursday, February 21, 2013

- 9:00 a.m. – 10:00 a.m. The Full Board will meet in Room 107 in executive session.
- 10:00 a.m. – 11:00 a.m. The Full Board will hear Public Testimony. The board chair will announce when public testimony is closed.
- 11:00 a.m. – 11:15 a.m. The Full Board will hear the President's Report.
- 11:15 a.m. – 11:30 a.m. The Full Board will hear a report from Governance representatives.
- 11:30 a.m. – 12:30 p.m. The Full Board will hear a presentation on the aviation program at the University of Alaska Anchorage. A working lunch will be provided to regents and executive staff.
- 12:30 p.m. – 1:30 p.m. The Full Board will consider action items.
- 1:30 p.m. – 4:30 p.m. Academic and Student Affairs Committee will meet in Room 106.
- 1:30 p.m. – 4:30 p.m. Facilities and Land Management Committee will meet in Room 107.
- 4:30 p.m. – 4:45 p.m. Board members and staff will gather in the Lee Gorsuch Commons for a special preview of UAA's new brand campaign.
- 4:45 p.m. – 6:30 p.m. Board members and staff will attend a reception and tour the University of Alaska Anchorage's Natural Sciences Building. Shuttle service provided to/from the Lee Gorsuch Commons.

Friday, February 22, 2013

- 8:00 a.m. – 9:00 a.m. The Audit Committee will meet in Room 107.
- 9:00 a.m. – 10:00 a.m. The Full Board will hear Public Testimony. The board chair will announce when public testimony is closed.

To contact members of the Board of Regents or participating staff during the meeting, please call (907) 450-8000 or email sybor@alaska.edu.

Board of Regents' Meeting
Activities Schedule
February 21-22, 2013
Anchorage, Alaska

10:00 a.m. – 3:00 p.m. The Full Board will continue with its agenda of reports and action items.

3:00 p.m. Adjourn

REGENTS' POLICY
PART I - MISSION AND GENERAL PROVISIONS
Chapter 01.01 - Mission

P01.01.010. University of Alaska Mission Statement.

The University of Alaska inspires learning, and advances and disseminates knowledge through teaching, research, and public service, emphasizing the North and its diverse peoples. (10-06-00)

P01.01.020. University of Alaska Anchorage Mission Statement.

The mission of the University of Alaska Anchorage is to discover and disseminate knowledge through teaching, research, engagement, and creative expression.

Located in Anchorage and on community campuses in Southcentral Alaska, UAA is committed to serving the higher education needs of the state, its communities, and its diverse peoples.

The University of Alaska Anchorage is an open access university with academic programs leading to occupational endorsements; undergraduate and graduate certificates; and associate, baccalaureate, and graduate degrees in a rich, diverse, and inclusive environment. (09-18-07)

P01.01.030. University of Alaska Fairbanks Mission Statement.

The University of Alaska Fairbanks is a Land, Sea, and Space Grant university and an international center for research, education, and the arts, emphasizing the circumpolar North and its diverse peoples. UAF integrates teaching, research, and public service as it educates students for active citizenship and prepares them for lifelong learning and careers. (06-08-12)

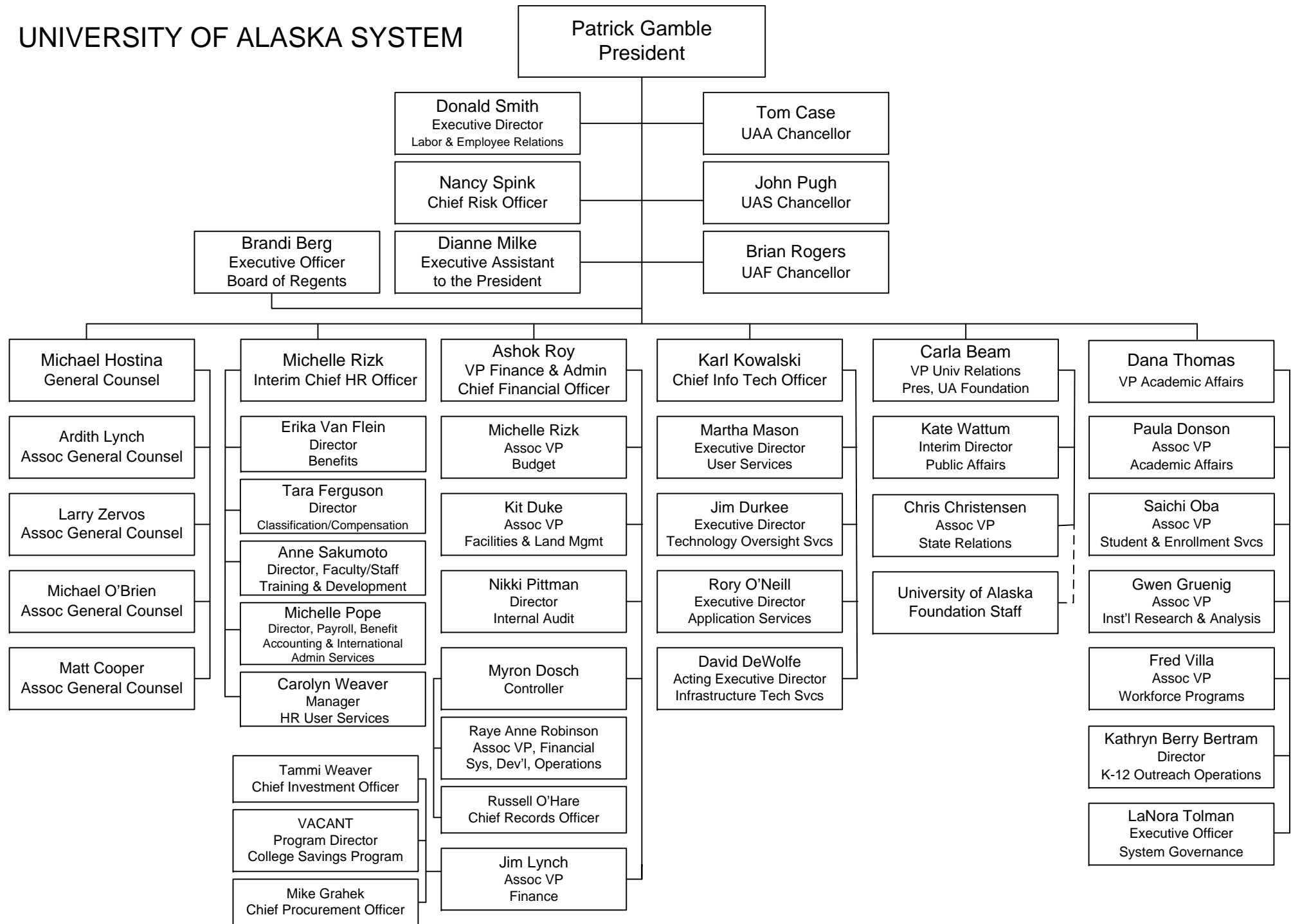
P01.01.040. University of Alaska Southeast Mission Statement.

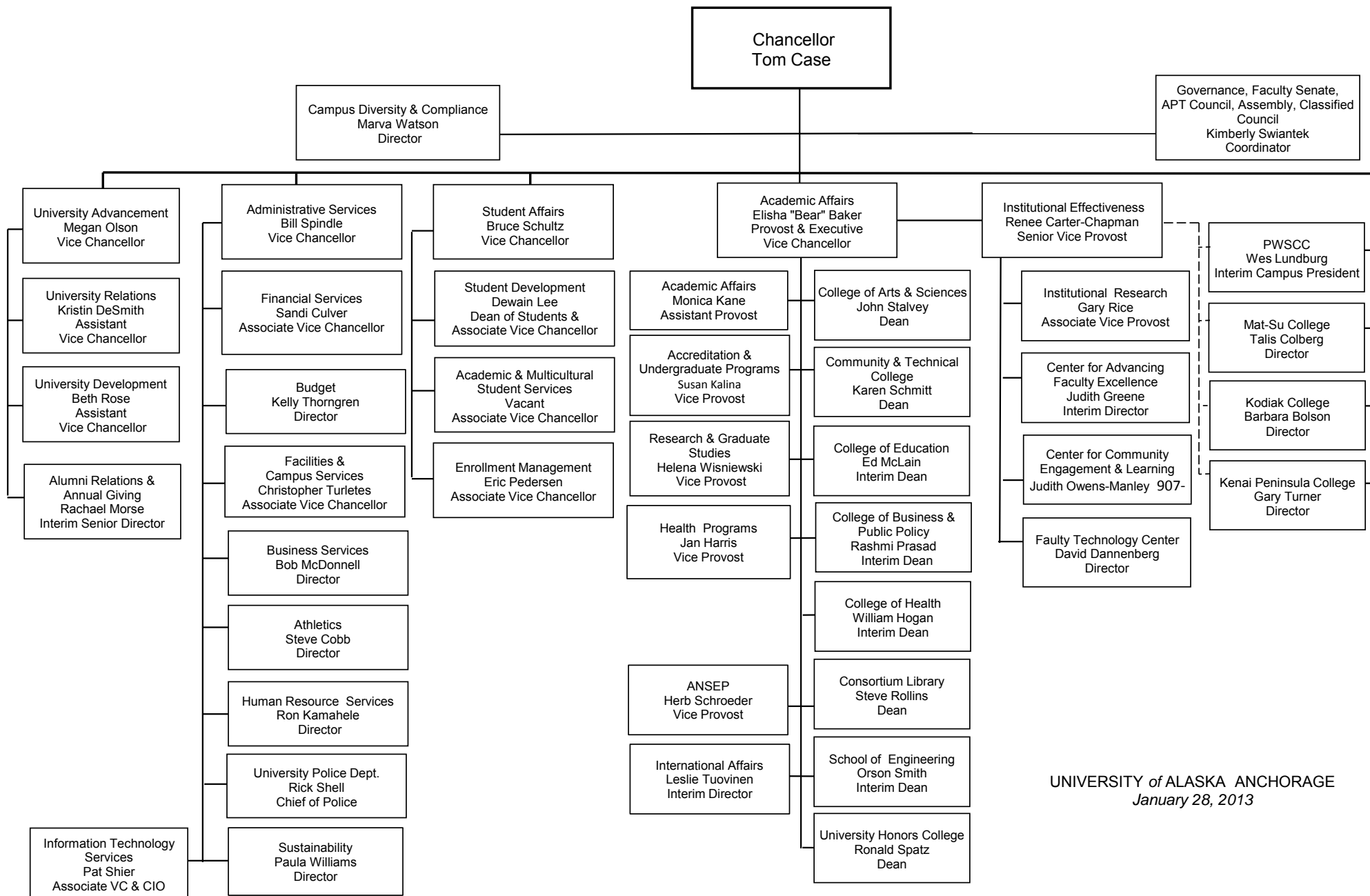
The mission of the University of Alaska Southeast is student learning enhanced by faculty scholarship, undergraduate research and creative activities, community engagement, and the cultures and environment of Southeast Alaska. (06-03-11)

P01.01.050. Prince William Sound Community College Mission Statement.

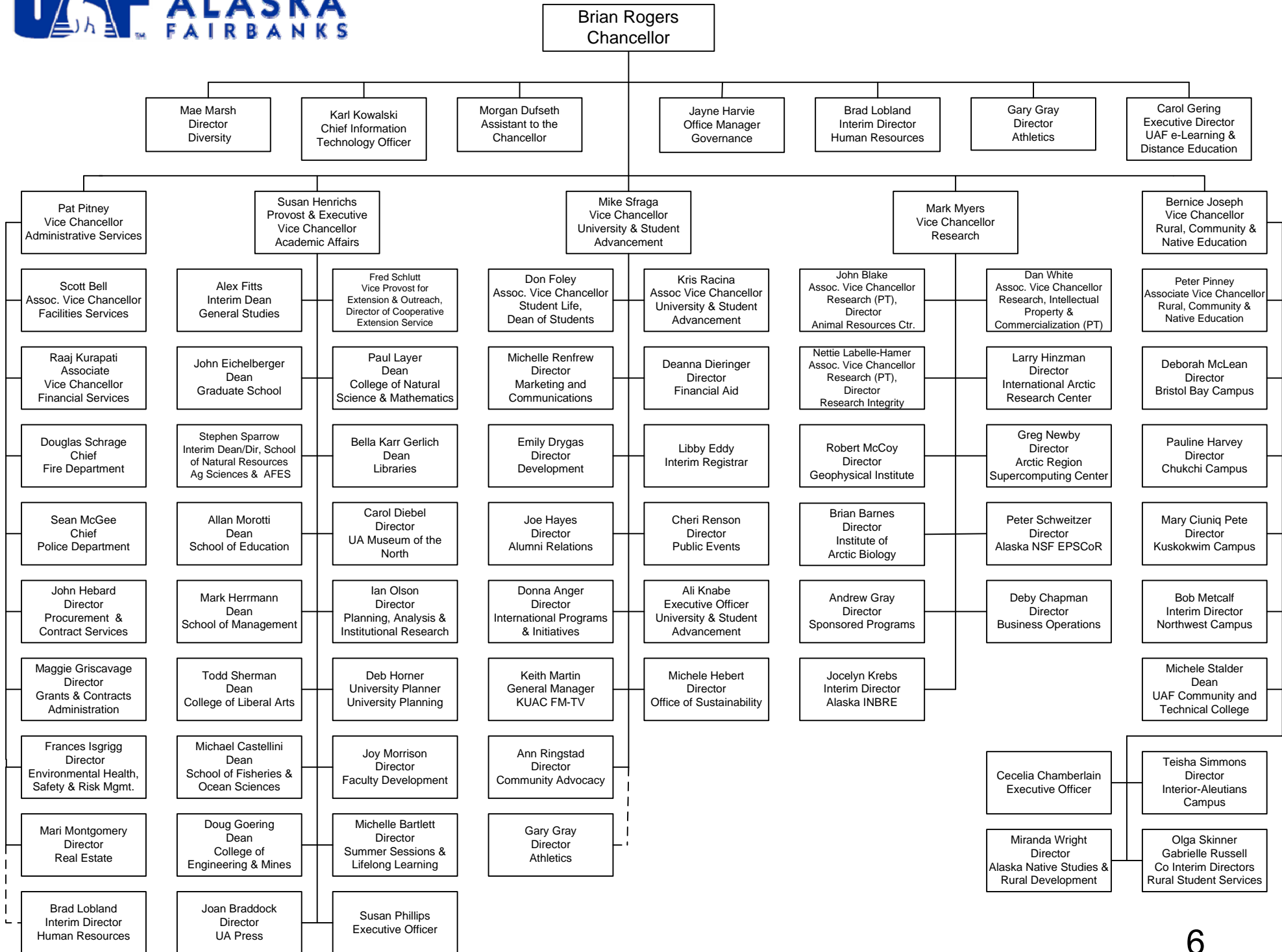
Prince William Sound Community College applies innovative and sustainable practices in providing accessibility, student success, effective teaching and learning, and community engagement. (09-23-11)

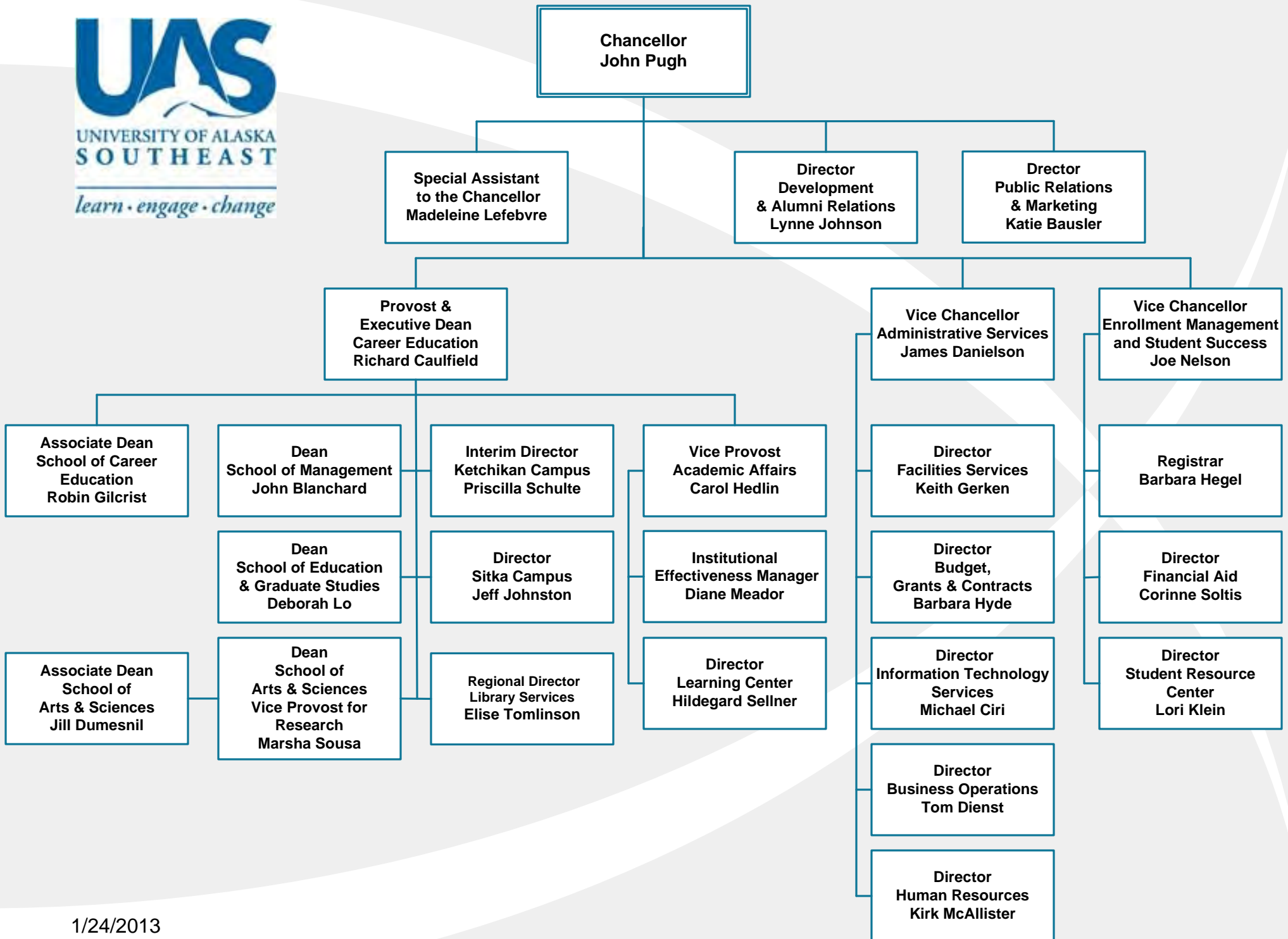
UNIVERSITY OF ALASKA SYSTEM





UNIVERSITY of ALASKA ANCHORAGE
January 28, 2013





Agenda
Board of Regents
Meeting of the Full Board
February 21-22, 2013
Room 107 Lee Gorsuch Commons
University of Alaska Anchorage
Anchorage, Alaska

Times for meetings are subject to modifications within the February 21-22, 2013 time frame.

Thursday, February 21, 2013

I. Call to Order *[Scheduled for 9:00 a.m.]*

II. Adoption of Agenda

MOTION

"The Board of Regents adopts the agenda as presented.

- I. Call to Order**
- II. Adoption of Agenda**
- III. Approval of Minutes**
- IV. Executive Session**
- V. Public Testimony**
- VI. President's Report**
- VII. Governance Report**
- VIII. Presentation from the University of Alaska Anchorage**
- IX. Authorization of Sale of General Revenue and Refunding Bonds 2013 Series S**
- X. Approval of Establishing a Quasi-Endowment for the University of Alaska Museum of the North**
- XI. Human Resources Report**
- XII. Planning and Development Issues**
 - A. UA Foundation Report**
 - B. Development Report**
- XIII. Discussion regarding Strategic Direction Initiative**
- XIV. Consent Agenda**
 - A. Academic and Student Affairs Committee**
 - 1. Approval of Deletion of the Master of Science in General Science at the University of Alaska Fairbanks**
 - 2. Approval of Deletion of the Master of Arts in Teaching in Mathematics at the University of Alaska Fairbanks**
 - 3. Approval of Deletion of the Master of Arts in Teaching in Physics at the University of Alaska Fairbanks**
 - B. Facilities and Land Management Committee**
 - 1. Approval of the University of Alaska Fairbanks College of Rural and Community Development (CRCD) and Community and Technical College (CTC) Master Plans**

2. **Schematic Design Approval for the University of Alaska Fairbanks Fine Arts Complex Vapor Barrier**
- XV. **New Business and Committee Reports**
 - A. **Academic and Student Affairs Committee**
 - B. **Audit Committee**
 - C. **Facilities and Land Management Committee**
- XVI. **Approval of Revisions to the Industrial Security Resolution**
- XVII. **UA Athletics Report**
- XVIII. **Future Agenda Items**
- XIX. **Board of Regents' Comments**
- XX. **Adjourn**

This motion is effective February 21, 2013."

III. Approval of Minutes

MOTION

"The Board of Regents approves the minutes of its regular meeting of December 6-7, 2012 as presented. This motion is effective February 21, 2013."

MOTION

"The Board of Regents approves the minutes of its board retreat of January 23-24, 2013 as presented. This motion is effective February 21, 2013."

IV. Executive Session

MOTION

"The Board of Regents goes into executive session at _____ Alaska Time in accordance with the provisions of AS 44.62.310 to discuss matters the immediate knowledge of which would have an effect on the finances of the university related to labor, legal matters related to litigation and campus safety, and matters that could affect the reputation or character of a person or persons related to naming a university facility. The session will include members of the Board of Regents, President Gamble, General Counsel Hostina, and such other university staff members as the president may designate and will last approximately _____. This motion is effective February 21, 2013."

(To be announced at conclusion of executive session)

The Board of Regents concluded an executive session at _____ Alaska Time in accordance with AS 44.62.310 discussing matters the immediate knowledge of which would have an effect on the finances of the university related to labor, legal matters related to litigation and campus safety, and matters that could affect the reputation or character of a person or persons related to naming a university facility. The session included members of the Board of Regents, President Gamble, General Counsel Hostina, and other university staff members designated by the president and lasted approximately _____.

V. Public Testimony *[Scheduled for 10:00 a.m.]*

Public testimony will be heard at approximately 10:00 a.m. Comments are limited to three minutes per individual. Written comments are accepted and will be distributed to the Board of Regents and President Gamble by the Board of Regents' Officer *following* the meeting. The chair will determine when public testimony is closed.

VI. President's Report *[Scheduled for 11:00 a.m.]*

President Gamble will update the board on issues of importance.

VII. Governance Report *[Scheduled for 11:15 a.m.]*

Representatives from the Faculty Alliance, Staff Alliance and Coalition of Student Leaders will report on issues of importance to the faculty, staff and students at the University of Alaska. Representatives are:

Juella Sparks, Staff Alliance Chair
Cathy Cahill, Faculty Alliance Chair
Shauna Thornton, Coalition of Student Leaders Speaker

VIII. Presentation from the University of Alaska Anchorage *[Scheduled for 11:30 a.m.]*

Dean Schmitt, Director Capozzi, and several faculty, alumni and current students will showcase UAA's Aviation program of excellence. The presentation will highlight the program's various components, its growth in recent years, and its current and predicted future demand by students, industry and the State of Alaska.

IX. Authorization of Sale of General Revenue and Refunding Bonds 2013 Series S *References 1-5*

The president recommends that:

MOTION

“The Board of Regents adopts the bond resolution for University of Alaska General Revenue and Refunding Bonds 2013 Series S as presented. This motion is effective February 21, 2013.”

POLICY CITATION

Regents' Policy 05.04, Debt and Credit, specifies the guidelines for debt issuances and requires all debt issuances for facilities and real property be approved by the Board of Regents.

Meeting of the Full Board

February 21-22, 2013

Anchorage, Alaska

RATIONALE AND RECOMMENDATION

The board was informed on January 9, 2013 via a memo from Vice President of Finance and Administration and Chief Finance Officer Roy that the administration would be seeking board approval at the February meeting for a deferred maintenance and refunding bond. As noted, a negotiated sale is planned with Barclays Capital Inc. serving as underwriter. The 2013 Series S bonds are being issued to fund deferred maintenance projects and refund previously issued general revenue bonds. Each component is described in more detail below.

Deferred Maintenance Component

The Series S bonds include approximately \$22.6M for deferred maintenance projects throughout the university system. The bonds are being issued pursuant to \$50M of general revenue bond authority received from the State of Alaska in its fiscal year 2012 capital budget for the purpose of deferred maintenance. The university previously issued \$27.4M for deferred maintenance projects in Series Q bonds issued in October 2011.

The university has scheduled and prioritized the projects based on protection of building envelopes and extending the life of critical infrastructure and building systems. Major projects include critical electric distribution upgrades and main waste line repairs at the Fairbanks campus. In Anchorage, the Allied Health Sciences, MAC Housing and Beatrice McDonald Building renewals constitute the major projects. A full listing of the projects is in Reference 5.

A summary of the construction amounts and estimated annual debt service for the Series S bond funded projects follows:

	<u>Construction Amount</u>	<u>Estimated Annual Debt Service</u>
UAF	\$11,484,000	\$940,000
UAA	10,403,000	850,000
UA-Statewide	<u>752,500</u>	<u>85,000</u>
Total	<u>\$22,639,500</u>	<u>\$1,875,000</u>

Refunding Bonds Component

To achieve debt service savings, the Series S bonds include a plan to refund the 2014 and 2015 maturities of 2003 Series L and the 2014 maturity of 2004 Series M, and certain maturities of 2005 Series N general revenue bonds.

Total estimated debt service savings are approximately \$1.2M, or \$45,000 annually through 2036. As a percent of refunded bonds this represents a 9% savings. This places the university well above the 3% industry standard minimum for engaging in a refunding.

An analysis of current market conditions suggests the refunding is favorable. Market conditions could change unfavorably by the time of the sale leading to the possibility of canceling the refunding altogether or portions thereof. The estimated savings could be

more or less favorable than presented herein depending on market conditions on the sale date.

Other Matters – Reserve Fund Elimination

Upon recommendation from the university's financial advisor, and the involvement of bond counsel, the underwriter, and trustee, the Series S supplemental indenture includes an amendment to eliminate the reserve fund. Under terms of the indenture, the elimination will not occur until all bonds prior to Series S are no longer outstanding. At the very earliest, this would be October 1, 2022 and at the latest October 1, 2035.

The reserve fund is a credit feature that was commonplace in 1992 when the university first issued bonds under its master indenture. In recent years, issuers have been discontinuing reserve funds when they are deemed unnecessary and offer no credit advantage. The university's \$6.3M reserve fund has historically been funded with bond proceeds, so in periods of low interest rates, as in the last four years, it creates negative arbitrage. By eliminating the reserve fund, these shortfalls are prevented from reoccurring. When released, the reserve fund will be available to the university as unrestricted funds.

UNIVERSITY OF ALASKA BOARD OF REGENTS

RESOLUTION OF THE BOARD OF REGENTS OF THE UNIVERSITY OF ALASKA AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$33,500,000 PRINCIPAL AMOUNT OF UNIVERSITY OF ALASKA GENERAL REVENUE AND REFUNDING BONDS, 2013 SERIES S; AUTHORIZING THE OFFERING OF THE BONDS AT NEGOTIATED SALE; APPROVING THE FORM OF A SUPPLEMENTAL INDENTURE, A PRELIMINARY OFFICIAL STATEMENT, A BOND PURCHASE CONTRACT; AUTHORIZING AND APPROVING RELATED MATTERS; AND AUTHORIZING CERTAIN AMENDMENTS TO THE MASTER INDENTURE.

WHEREAS, the University of Alaska (the "University") is authorized pursuant to Alaska Statutes Chapter 14.40, as amended (the "Act") to issue revenue bonds to pay the cost of acquiring, constructing, or equipping one or more projects that the Board of Regents (the "Board") of the University determines is necessary; and

WHEREAS, the University intends to issue its General Revenue and Refunding Bonds, 2013 Series S, in a principal amount not to exceed \$33,500,000 (the "Bonds") for the purpose of (i) paying the cost, or a portion thereof, of constructing, acquiring and equipping the projects (the "Projects") described in Exhibit B to the Supplemental

Indenture (described below), (ii) redeeming and refunding certain outstanding general revenue bonds (the "Outstanding Bonds") described in Exhibit C to the Supplemental Indenture (described below), (iii) making a deposit to the Reserve Fund (described below), and (iv) paying the costs of issuing the Bonds; and

WHEREAS, the Bonds will be issued under and pursuant to, and secured by, a Trust Indenture dated as of June 1, 1992, as amended (the "Master Indenture"), and a Sixteenth Supplemental Indenture (the "Supplemental Indenture" and together with the Master Indenture, the "Indenture"), which shall be in substantially the form presented to and made part of the records of this meeting; and

WHEREAS, there has been presented to this meeting the form of a Preliminary Official Statement for use in connection with the public offering of the Bonds; and

WHEREAS, there has been presented at this meeting the form of a Bond Purchase Contract (the "Purchase Contract") for use in connection with the sale of the Bonds; and

WHEREAS, bonds issued under the terms of the Master Indenture, and corresponding supplemental indentures, are secured by a parity reserve fund (the "Reserve Fund"); and

WHEREAS, under the terms of the Master Indenture, the University may enter into a supplemental indenture to modify or amend the provisions of the Master Indenture in any respect whatsoever effective only after all bonds issued and outstanding as of the date of such supplemental indenture shall cease to be outstanding; and

WHEREAS, it has been determined that it is in the best interests of the University to modify and amend the Master Indenture to (i) eliminate the establishment and maintenance of the Reserve Fund and related funding obligations, (ii) allow for certain amendments or modifications to the Master Indenture to be effective upon securing the consent of the owners of at least a majority of principal amount of bonds then outstanding and to provide that any consent of an owner of bonds may be revoked unless such consent by its terms is made irrevocable, and (iii) establish that consent of owners of bonds, when required under the terms of the Master Indenture, includes the consent of an underwriter or purchaser of a series of bonds at the time such bonds are issued; and

WHEREAS, it is a purpose of the Sixteenth Supplemental Indenture to authorize the modifications to, and amendments of, the Master Indenture set forth herein, subject to the terms and conditions set forth in the Master Indenture.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF THE UNIVERSITY OF ALASKA AS FOLLOWS:

Section 1. The issuance of the Bonds in an amount not to exceed the aggregate principal amount of \$33,500,000 is hereby authorized and approved. Section 2. The President, or his designee, the Vice President for Finance and Administration and Chief Financial Officer, and the Controller (collectively, the "Authorized Officers") are, and each of them is, hereby authorized to cause the Bonds to be sold at negotiated sale on a date no later than 120 days from the date of approval of this Resolution, subject to the terms and conditions of this Resolution and the Purchase Contract.

Section 3. The form and content of the Purchase Contract, in all respects, is hereby authorized, approved, and confirmed with such changes as an Authorized Officer consider necessary or appropriate. The Authorized Officers are, and each of them is, hereby authorized to offer the Bonds at negotiated sale and negotiate the terms of the sale with Barclays Capital Inc. (the "Underwriter").

An Authorized Officer is hereby authorized to execute the Purchase Contract regarding the sale of the Bonds upon their approval of the sale details of the Bonds, including, but not limited to, the aggregate principal amount of the Bonds, the purchase price of the Bonds, the maturity and the interest payment dates of the Bonds, and the redemption provisions and interest rate of each maturity of the Bonds. Provided, however, the aggregate principal amount of the Bonds shall not exceed Thirty-Three Million Five Hundred Thousand and No/100 Dollars (\$33,500,000.00), the true interest cost on the Bonds shall not exceed three and one-quarter percent (3.25%), and the Underwriter's discount shall not exceed one-half percent (0.5%) of the par value of the Bonds. Prior to execution of the Bond Purchase Contract, such Authorized Officer, with the assistance of the University's financial advisor, shall take into account those factors which, in their judgment, will result in the lowest true interest cost on the Bonds.

Section 4. Subject to Section 1 hereof, the Authorized Officers are, and each of them is, hereby authorized to issue the Bonds in an aggregate principal amount

determined by such Authorized Officer as the amount necessary to (i) adequately provide funding for the Projects described in Exhibit B to the Supplemental Indenture, with such descriptions subject to further clarification as an Authorized Officer considers necessary or appropriate, (ii) redeem the Outstanding Bonds, or a portion thereof, as described in Exhibit C to the Supplemental Indenture, (iii) satisfy the reserve funding requirement, and (iv) pay costs associated with the issuance of the Bonds.

An Authorized Officer is hereby authorized to designate which, if any, of the Outstanding Bonds shall be refunded. Provided, however, the Outstanding Bonds so designated by such Authorized Officer must realize an aggregate debt service savings of at least three percent (3%) of their principal amount, net of issuance costs and the Underwriter's discount, on a present value basis.

Subject to the terms of this Section 4, an Authorized Officer is hereby authorized to direct the trustee of the Outstanding Bonds to be refunded, to redeem such bonds on the first available redemption date in accordance with the terms of the respective authorizing supplemental indenture.

Section 5. The form and content of the Supplemental Indenture are hereby, in all respects authorized, approved, and confirmed, and each of the Authorized Officers is hereby, in all respects severally authorized, empowered, and directed to execute and deliver the Supplemental Indenture for and on behalf of the University to the Trustee named therein for the security of the Bonds, including necessary counterparts, in substantially the form now before this meeting, but with such changes, modifications, additions, and deletions therein as shall to them seem necessary, desirable, or appropriate, the execution thereof to constitute conclusive evidence of their approval of any and all changes, modifications, additions, or deletions thereto from the form, and after the execution and delivery of the Supplemental Indenture, the Authorized Officers are, and each of them is, hereby authorized, empowered, and directed to do all such acts and things and to execute all such documents as may be necessary or convenient to carry out and comply with the provisions of the Supplemental Indenture as executed. The effective date of the Supplemental Indenture shall be the 1st day of the month in which the Bonds are issued.

The form and content of the Bond as set forth in the Supplemental Indenture is hereby, in all respects, authorized, approved, and confirmed subject to appropriate insertions and revisions as an Authorized Officer considers necessary or appropriate.

Section 6. The form and content of the Preliminary Official Statement are hereby in all respects authorized, approved and confirmed. The Authorized Officers are, and each of them is, hereby authorized, empowered, and directed to approve the final form of a Preliminary Official Statement and to declare such final form as "deemed final" by the University for purposes of Rule 15c2-12 of the Securities and Exchange Commission (17 CFR 240.15c2-12) (the "Rule") and to approve the final form of the Official Statement. The final form of the Preliminary Official Statement and the Official Statement shall be in substantially the same form as the Preliminary Official Statement presented to and as a part of the records of this meeting, and with such changes as an Authorized Officers considers necessary or appropriate to fully disclose to the purchasers of the Bonds all material information relating thereto. The distribution of the Preliminary Official Statement and the Official Statement, as each is approved by an Authorized Officer, to prospective purchasers and the use thereof by the purchasers in connection with the offering of the Bonds is hereby ratified, confirmed, and approved.

Section 7. The Authorized Officers are, and each of them is, hereby authorized to deliver the Bonds to the Trustee for authentication under the Indenture, and, upon authentication and receipt of the balance of the purchase price of the Bonds, to deliver to the Trustee a written order in the name of the University directing the Trustee to deliver the Bonds to, or upon the order of, the Underwriter and to receive the proceeds of sale of the Bonds and give a written receipt therefor on behalf of the University, to apply said proceeds and the other moneys required to be transferred or deposited in accordance with the terms of the Indenture and in such manner as is required to cause the conditions precedent to the issuance of the Bonds to be complied with, and to do and perform or cause to be done and performed, for and on behalf of the University, all acts and things that constitute conditions precedent to the authentication and delivery of the Bonds or that are otherwise required to be done and performed by or on behalf of the University prior to or simultaneously with the delivery of the Bonds.

Section 8. The Authorized Officers are, and each of them is, hereby authorized, empowered, and directed to enter a "continuing disclosure undertaking" pursuant to the Rule.

Section 9. The Authorized Officers are, and each of them is, hereby authorized to execute all documents, and to take any action necessary or desirable to carry out the provisions of this Resolution and to effectuate the issuance and delivery of the Bonds. Included in this authorization is direction for an Authorized Officer to enter into an escrow agreement for the refunded Outstanding Bonds, providing for the use and disposition of moneys, if any, and direct, non-callable obligations of the United States of America for the purposes set forth in the Sixteenth Supplemental Indenture.

Section 10. The following modifications of, and amendments to, the Master Indenture are hereby authorized: (i) elimination of the establishment and maintenance of the Reserve Fund and related funding obligations, (ii) to allow the amendments and modifications to the terms of the Master Indenture, under Section 1102 of the Master Indenture, with the written consent of owners of at least a majority in principal amount of bonds then outstanding and to provide that any consent of an owner of bonds may be revoked, under Section 1103 of the Master Indenture, unless such consent by its terms is made irrevocable, and (iii) establish that consent of owners of bonds, when required under the terms of the Master Indenture, includes the consent of an underwriter or purchaser of a series of bonds at the time such bonds are issued.

The Authorized Officers are, and each of them is, hereby authorized to execute all documents, and to take any action necessary, to effectuate the modifications of, and amendments to, the Master Indenture as herein provided.

Section 11. This Resolution shall take effect immediately upon approval by the Board.

X. Approval of Establishing a Quasi-Endowment for the University of Alaska Museum of the North Reference 6

The president recommends that:

MOTION

“The Board of Regents approves establishing a quasi-endowment to receive and hold those certain fees collected by the University of Alaska Museum of the North from government agencies and individuals for the purpose of maintaining archeological artifacts. The Board of Regents approves the transfer of this quasi-endowment to the UA Foundation for management and investment with the restriction that the annual distributed earnings from the endowment be made available to the curator of the archeological collection at the University of Alaska Museum of the North for the sole purpose of accessioning and maintaining the artifacts above described. This motion effective February 21, 2013.”

POLICY CITATION

In accordance with Regents’ Policy 05.07.030.A., all endowment and quasi-endowment assets will be transferred to the University of Alaska Foundation for care, custody, investment and administration, to the extent feasible and not prohibited by donor agreement. Endowments will be transferred to the foundation as follows:

1. unrestricted endowment principal and income funds will be transferred to the foundation upon approval of the chief finance officer,
2. quasi-endowment and restricted endowments will be transferred to the foundation upon specific approval by the board.

RATIONALE/RECOMMENDATION

Government agencies are required by law and policy to deposit archeological items encountered in their use and development of lands in Alaska into an approved repository for such items. The University of Alaska Museum of the North (Museum) currently serves as such a repository for Alaska. In addition, individuals occasionally transfer archeological items to the Museum to augment its collection. Appropriately, the Museum charges a fee to these agencies and individuals to cover the accessioning of these items and to cover, virtually in perpetuity, the costs of maintaining these artifacts in the Museum’s collection. Thus, the Museum has a need for investment and management of these fees over a very long time frame.

The University of Alaska Foundation manages and invests funds in perpetuity as part of the Consolidated Endowment Fund. Almost all gift based endowment funds established at the university have been transferred to the UA Foundation by the university so they may be managed as part of this long term fund. The administration now proposes to place these fee-based Museum funds into the UA Foundation so they too may be invested for the long term and the earnings distributed periodically to the Museum so they may be used in the maintenance of the collected artifacts. The reference contains a draft administrative agreement between the University of Alaska Fairbanks and the UA Foundation that shall govern the use of these funds following the transfer.

Friday, February 22, 2013

V. Public Testimony (cont'd) *[Scheduled for 9:00 a.m.]*

Public testimony will be heard at approximately 9:00 a.m. Comments are limited to three minutes per individual. Written comments are accepted and will be distributed to the Board of Regents and President Gamble by the Board of Regents' Officer *following* the meeting. The chair will determine when public testimony is closed.

XI. Human Resources Report *[Scheduled for 10:00 a.m.]*

Michelle Rizk, interim chief human resources officer, will update the board regarding human resources issues.

XII. Planning and Development Issues

A. UA Foundation Report

Vice President Beam along with UA Foundation Board of Trustees Chair Michalski will provide an update on UA Foundation activity.

B. Development Report Reference 7

Vice President Beam will update the board on development activities at the University of Alaska.

XIII. Discussion regarding Strategic Direction Initiative

President Gamble will discuss recent activity regarding the Strategic Direction Initiative.

XIV. Consent Agenda

MOTION

"The Board of Regents approves the consent agenda as presented. This motion is effective February 22, 2013."

A. Academic and Student Affairs Committee

1. Approval of Deletion of the Master of Science in General Science at the University of Alaska Fairbanks Reference 8

MOTION

"The Board of Regents approves the deletion of the Master of Science in General Science at the University of Alaska Fairbanks. This motion is effective February 22, 2013."

2. Approval of Deletion of the Master of Arts in Teaching in Mathematics at the University of Alaska Fairbanks Reference 9

MOTION

“The Board of Regents approves the deletion of the Master of Arts in Teaching in Mathematics at the University of Alaska Fairbanks. This motion is effective February 22, 2013.”

3. Approval of Deletion of the Master of Arts in Teaching in Physics at the University of Alaska Fairbanks Reference 10

MOTION

“The Board of Regents approves the deletion of the Master of Arts in Teaching in Physics at the University of Alaska Fairbanks. This motion is effective February 22, 2013.”

B. Facilities and Land Management Committee

1. Approval of the University of Alaska Fairbanks College of Rural and Community Development (CRCD) and Community and Technical College (CTC) Master Plans Reference 14

MOTION

“The Board of Regents adopts the University of Alaska Fairbanks College of Rural and Community Development (CRCD) and Community and Technical College (CTC) Campus Master Plans as presented. This motion is effective February 22, 2013.”

2. Schematic Design Approval for the University of Alaska Fairbanks Fine Arts Complex Vapor Barrier Reference 15

MOTION

“The Board of Regents approves the schematic design approval request for the University of Alaska Fairbanks Fine Arts Complex Vapor project as presented in compliance with the campus master plan, and authorizes the university administration to complete construction bid documents to bid and award a contract within the approved budget, and to proceed to completion of project construction not to exceed a total project cost of \$5,600,000. This motion is effective February 22, 2013.”

XV. New Business and Committee Reports

- A. Academic and Student Affairs Committee
- B. Audit Committee
- C. Facilities and Land Management Committee

XVI. Approval of Revisions to Industrial Security Resolution

The president recommends that:

MOTION

"The Board of Regents approves the Industrial Security Resolution as revised to reflect a change in members of the Board of Regents, and authorizes the chair and secretary of the board to sign the resolution. This motion is effective February 22, 2013."

RATIONALE/RECOMMENDATION

The president and selected members of the university administration are routinely designated by the Board of Regents to handle any duties and responsibilities relating to classified information in connection with contracts with the Department of Defense and other federal agencies. These individuals are given an extensive security screening and are the only members of the administration, including the Board of Regents, to have access to classified information.

The university has received similar security clearances since the mid-1950s. Execution of the resolution allows regents and other members of the administration to be exempted from security clearance procedures.

The resolution is identical to resolutions previously passed except for changes to members of the Board of Regents.

XVII. UA Athletics Report

A report will be given by Regent Freitag, the Board of Regents' representative for UA Athletics.

XVIII. Future Agenda Items

XIX. Board of Regents' Comments

XX. Adjourn

Agenda
Board of Regents
Academic and Student Affairs Committee
Thursday, February 21, 2013; *1:30 p.m. – 4:30 p.m.
Room 106 Lee Gorsuch Commons
University of Alaska Anchorage
Anchorage, Alaska

**Times for meetings are subject to modification within the February 21-22, 2013 time frame.*

Committee Members:

Michael Powers, Committee Chair
Jyotsna Heckman, Committee Vice Chair
Mari Freitag

Gloria O’Neill
Kirk Wickersham
Patricia Jacobson, Board Chair

I. Call to Order

II. Adoption of Agenda

MOTION

"The Academic and Student Affairs Committee adopts the agenda as presented.

I. Call to Order

II. Adoption of Agenda

III. Full Board Consent Agenda

A. Approval of Deletion of the Master of Science in General Science at the University of Alaska Fairbanks

B. Approval of Deletion of the Master of Arts in Teaching in Mathematics at the University of Alaska Fairbanks

C. Approval of Deletion of the Master of Arts in Teaching in Physics at the University of Alaska Fairbanks

IV. Ongoing Issues

A. Metrics Discussion

B. Report on Teacher Education (SB241)

V. New Business

A. Report on Textbook Costs

VI. Future Agenda Items

VII. Adjourn

This motion is effective February 21, 2013.”

III. Full Board Consent Agenda

- A. Approval of Deletion of the Master of Science in General Science at the University of Alaska Fairbanks Reference 8

The president recommends that:

MOTION

“The Academic and Student Affairs Committee recommends the Board of Regents approve the deletion of the Master of Science in General Science at the University of Alaska Fairbanks. This motion is effective February 21, 2013.”

POLICY CITATION

In accordance with Regents’ Policy 10.04.020, Degree and Certificate Program Approval, all program additions, deletions, major revisions, or the offering of existing programs outside the State of Alaska, requires approval by the board.

RATIONALE AND RECOMMENDATION

Reference 8 contains the rationale for the approval of deletion of the Master of Science in General Science. Provost Henrichs will provide background information to members of the committee.

- B. Approval of Deletion of the Master of Arts in Teaching in Mathematics at the University of Alaska Fairbanks Reference 9

The president recommends that:

MOTION

“The Academic and Student Affairs Committee recommends the Board of Regents approve the deletion of the Master of Arts in Teaching in Mathematics at the University of Alaska Fairbanks. This motion is effective February 21, 2013.”

POLICY CITATION

In accordance with Regents’ Policy 10.04.020, Degree and Certificate Program Approval, all program additions, deletions, major revisions, or the offering of existing programs outside the State of Alaska, requires approval by the board.

RATIONALE AND RECOMMENDATION

Reference 9 contains the rationale for the approval of deletion of the Master of Arts in Teaching in Mathematics. Provost Henrichs will provide background information to members of the committee.

- C. Approval of Deletion of the Master of Arts in Teaching in Physics at the University of Alaska Fairbanks Reference 10

The president recommends that:

MOTION

“The Academic and Student Affairs Committee recommends the Board of Regents approve the deletion of the Master of Arts in Teaching in Physics at the University of Alaska Fairbanks. This motion is effective February 21, 2013.”

POLICY CITATION

In accordance with Regents’ Policy 10.04.020, Degree and Certificate Program Approval, all program additions, deletions, major revisions, or the offering of existing programs outside the State of Alaska, requires approval by the board.

RATIONALE AND RECOMMENDATION

Reference 10 contains the rationale for the approval of deletion of the Master of Arts in Teaching in Physics. Provost Henrichs will provide background information to members of the committee.

IV. Ongoing Issues

- A. Metrics Discussion

Associate Vice President Gruenig will lead a discussion on metrics.

- B. Report on Teacher Education (SB241) Reference 11 & 12

Associate Professor of Education Policy and Director of the Center for Alaska Education Policy Research Hirschberg will report on teacher education.

V. New Business

- A. Report on Textbook Costs Reference 13

Associate Vice President Oba will facilitate a discussion on textbook costs and will be joined by faculty members Robert Boeckmann, Cathy Cahill, and Daniel Montieth.

VI. Future Agenda Items

VII. Adjourn

Agenda
Board of Regents
Facilities and Land Management Committee
Thursday, February 21, 2013, *1:30 p.m. – 4:30 p.m.
Room 107 Lee Gorsuch Commons
University of Alaska Anchorage
Anchorage, Alaska

**Times for meetings are subject to modifications within the February 21-22, 2013 time frame.*

Committee Members:

Fuller A. Cowell, Committee Chair
Mary K. Hughes, Committee Vice Chair
Dale Anderson

Timothy Brady
Kenneth J. Fisher
Patricia Jacobson, Chair

I. Call to Order

II. Adoption of Agenda

MOTION

"The Facilities and Land Management Committee adopts the agenda as presented.

I. Call to Order

II. Adoption of Agenda

III. Full Board Consent Agenda

A. Approval of the University of Alaska Fairbanks College of Rural and Community Development (CRCDC) and Community and Technical College (CTC) Master Plans

B. Schematic Design Approval for the University of Alaska Fairbanks Fine Arts Complex Vapor Barrier

IV. New Business

A. Schematic Design Approval for the University of Alaska Fairbanks Bristol Bay Campus Applied Sciences

B. Schematic Design Approval for the University of Alaska Fairbanks Utilities Wood Center Vault

V. Ongoing Issues

A. Status Report on UAA Campus Master Plan Update

B. Status Report on UAA Public Art Selections

C. Status Report on UAA Seawolf Sports Arena

D. Status Report on UAA Engineering and Industry Building Project

E. UAF Engineering Facility Information Item

F. UAF Combined Heat and Power Plant Replacement Information Item

G. UAF P3 Student Dining Development Information Item

H. UAS Campus Master Plan Second Review

I. Deferred Maintenance Spending Report

J. Formal Project and Schematic Design Approval for the University of Alaska Fairbanks Northwest Campus Library Renovation

- K. Approvals by the Chair of the Facilities and Land Management Committee and the Associate Vice President of Facilities and Land Management as delegated**
 - L. Construction in Progress**
 - M. IT Report**
 - VI. Future Agenda Items**
 - VII. Adjourn**
- This motion is effective February 21, 2013."**

III. Full Board Consent Agenda

- A. Approval of the University of Alaska Fairbanks College of Rural (CRCD) and Community Development and Community and Technical College (CTC) Master Plans Reference 14

The president recommends that:

MOTION

"The Facilities and Land Management Committee recommends that the Board of Regents adopts the University of Alaska Fairbanks College of Rural and Community Development (CRCD) and Community and Technical College (CTC) Campus Master Plans as presented. This motion is effective February 21, 2013."

POLICY CITATION

In accordance with Regents' Policy 05.12.030.A., Campus Master Plans, the administration will develop and present to the board for adoption, a campus master plan for each campus. The purpose of a campus master plan is to provide a framework for implementation of the academic, strategic and capital plans.

The reference material contains an addendum sheet with a final correction item to the Chukchi Campus Master Plan that will be included in the final printed and digital versions.

Scott Bell, associate vice chancellor of facilities services, will present a review of the UAF CRCD and CTC Master Plans.

PDF versions of the documents are available at the following link:

<http://webshare.alaska.edu/2012MasterPlan/Final>

- B. Schematic Design Approval for the University of Alaska Fairbanks Fine Arts Complex Vapor Barrier Reference 15

The president recommends that:

MOTION

“The Facilities and Land Management Committee recommends that the Board of Regents approve the schematic design approval request for the University of Alaska Fairbanks Fine Arts Complex Vapor project as presented in compliance with the campus master plan, and authorizes the university administration to complete construction bid documents to bid and award a contract within the approved budget, and to proceed to completion of project construction not to exceed a total project cost of \$5,600,000. This motion is effective February 21, 2013.”

POLICY CITATION

In accordance with Regents’ Policy 05.12.043.A., schematic design approval (SDA) represents approval of the location of the facility, its relationship to other facilities, the functional relationship of interior areas, the basic design including construction materials, mechanical, electrical, technology infrastructure, and telecommunications systems, and any other changes to the project since formal project approval.

TPC > \$4 million will require approval by the board based on recommendations from the Facilities and Land Management Committee (F&LMC).

RATIONALE AND RECOMMENDATION

Reference 15 contains the complete SDA request. Scott Bell, associate vice chancellor of facilities services, will review the request with members of the committee.

IV. New Business

- A. Schematic Design Approval for the University of Alaska Fairbanks Bristol Bay Campus Applied Sciences Reference 16

The president recommends that:

MOTION

“The Facilities and Land Management Committee approves the schematic design approval request for the University of Alaska Fairbanks Bristol Bay Campus Applied Sciences project as presented in compliance with the campus master plan, and authorizes the university administration to complete construction bid documents to bid and award a contract within the

approved budget, and to proceed to completion of project construction not to exceed a total project cost of \$2,550,000. This motion is effective February 21, 2013.”

POLICY CITATION

In accordance with Regents’ Policy 05.12.043.A., schematic design approval (SDA) represents approval of the location of the facility, its relationship to other facilities, the functional relationship of interior areas, the basic design including construction materials, mechanical, electrical, technology infrastructure, and telecommunications systems, and any other changes to the project since formal project approval.

TPC > \$2 million but ≤ \$4 million will require approval by the F&LMC.

RATIONALE AND RECOMMENDATION

Reference 16 contains the complete SDA request. Scott Bell, associate vice chancellor of facilities services, will review the request with members of the committee.

- B. Schematic Design Approval for the University of Alaska Fairbanks Utilities Wood Center Vault Reference 17

The president recommends that:

MOTION

“The Facilities and Land Management Committee approves the schematic design approval request for the University of Alaska Fairbanks Utilities Wood Center Vault project as presented in compliance with the campus master plan, and authorizes the university administration to complete construction documents and to award a contract within the approved budget, and to proceed to completion of project construction not to exceed a total project cost of \$2,800,000. This motion is effective February 21, 2013.”

POLICY CITATION

In accordance with Regents’ Policy 05.12.043, schematic design approval (SDA) represents approval of the location of the facility, its relationship to other facilities, the functional relationship of interior areas, the basic design including construction materials, mechanical, electrical, technology infrastructure, and telecommunications systems, and any other changes to the project since formal project approval.

TPC > \$2 million but ≤ \$4 million will require approval by the F&LMC.

RATIONALE AND RECOMMENDATION

Reference 17 contains the complete SDA request. Scott Bell, associate vice chancellor of facilities services, will review the request with members of the committee.

V. Ongoing Issues

A. Status Report on UAA Campus Master Plan Update Reference 18

Chris Turletes, associate vice chancellor of facilities and campus services, will make a presentation on the UAA Campus Master Plan process. This is an information and discussion item; no action is required.

B. Status Report on UAA Public Art Selections

Chris Turletes, associate vice chancellor of facilities and campus services, will present an assortment of artwork that has been selected for purchase in association with UAA capital construction projects to the board for comment. This is an information and discussion item; no action is required.

POLICY CITATION

In accordance with Regents' Policy 05.12.100;

A. The university supports the Alaska State Council for the Arts and its public art program and has adopted the following goals for art in university facilities and other spaces:

1. to be an educational resource for art to university students, employees, and visitors;
2. to link, through imagery and symbolism, the art with the activities of a campus and its facilities;
3. to foster Alaskan art and encourage Alaska's artists and craftsmen;
4. to include representatives of the community, the campus, and occupants of the facility in the selection of art to be displayed; and
5. to include separately identifiable amounts in accordance with P05.12.010, in all budgets for capital renewal and new capital construction at the university regardless of funding source.

B. The selection of artwork purchased with capital appropriations and the acceptance of donations of major works of art will be governed by university regulation. Selections or acceptances of works of art valued at more than \$100,000 will be referred to the board for comment before final approval by the appropriate chancellor and the president.

C. Status Report on UAA Seawolf Sports Arena Reference 19

Chris Turletes, associate vice chancellor of facilities and campus services, will answer any questions about the UAA Seawolf Sports Arena project. This is an information and discussion item; no action is required.

D. Status Report on UAA Engineering and Industry Building Project Reference 20

Chancellor Case and Chris Turletes, associate vice chancellor of facilities and campus services, will answer any questions about the UAA Engineering and Industry Building Project report as presented in the reference material. This is an information and discussion item; no action is required.

E. UAF Engineering Facility Information Item Reference 21

Scott Bell, associate vice chancellor of facilities services, will answer any questions about the UAF Engineering Facility project as presented in reference materials. This is an information and discussion item; no action is required.

F. UAF Combined Heat and Power Plant Replacement Information Item Reference 22

Scott Bell, associate vice chancellor of facilities services, will answer any questions about the UAF Combined Heat and Power Plant Replacement Status Report as presented in reference materials. This is an information and discussion item; no action is required.

G. UAF P3 Student Dining Development Information Item

December saw significant progress on the dining addition project and the bonds were sold. The bond sale was very successful with an effective interest rate of 3.4%. This favorable rate secures UAF's annual rent at \$1.45M, including base (bond payments average \$1.37M) and additional rent (CPA fees average \$70K). This is nearly 10% below the \$1.6M threshold of the board's approval and below the targeted \$1.5M level.

Final closing and signing of the closing documents took place in Seattle just before the UA holiday closure, including the construction contract with GHEMM Company. Final construction documents will be complete in mid-February, with construction slated to begin in April 2013. The completion date for the project is July 2014, in time for the commencement of the 2014 academic year.

Scott Bell, associate vice chancellor of facilities services, will answer any questions about the UAF P3 Student Dining Development project. This is an information and discussion item; no action is required.

H. UAS Draft Campus Master Plans Second Review

Chancellor Pugh and Keith Gerken, associate vice chancellor of facilities services, will present a review of the draft UAS Campus Master Plan 2012. This is the second time the UAS Campus Master Plan 2012 will be presented to the committee for review and comment; no action is required. UAS is actively seeking comments from the committee prior to finalizing the plan in presentation for approval at the April 2013 Board of Regents' meeting.

A PDF version of the draft document is available at the following link:

http://www.uas.alaska.edu/facilities_services/master-plan.html

I. Deferred Maintenance Spending Report Reference 23

Kit Duke, associate vice president of facilities and land management, will answer any questions regarding the report. This is an information and discussion item; no action is required.

The reference material contains an updated report on the progress of spending for the deferred maintenance and renewal appropriations for FY07-FY13.

J. Formal Project and Schematic Design Approval for the University of Alaska Fairbanks Northwest Campus Library Renovation Reference 24

Scott Bell, associate vice chancellor of facilities services, will answer any questions about the formal project and schematic design approval request for the UAF Northwest Campus Library Renovation project as presented in the reference materials.

K. Approvals by the Chair of Facilities and Land Management Committee and AVP of Facilities and Land Management as delegated Reference 25

Kit Duke, associate vice president of facilities and land management, will answer any questions regarding the project approvals. This is an information and discussion item; no action is required.

The reference material contains a listing of the approvals made by the chair of the Facilities and Land Management Committee and by the associate vice president of facilities and land management since the last report to the F&LMC.

POLICY CITATION

P05.12.042. Capital Project Development: Formal Project Approval.

- B. The level of approval required for formal project approval shall be based upon estimated total project costs:
1. Projects with an estimated total project cost of in excess of \$4.0 million will require approval by the board based on recommendations from the regents' committee responsible for facilities;
 2. Projects with an estimated total project cost in excess of \$2.0 million but not more than \$4.0 million will require approval by the regents' committee responsible for facilities;
 3. Projects with an estimated total project cost in excess of \$1.0 million but not more than \$2.0 million will require approval by the chair of the regents' committee responsible for facilities;
 4. Projects with an estimated total project cost of \$1.0 million or less will require approval by the chief finance officer.

P05.12.043. Capital Project Development: Schematic Design Approval.

- E. Schematic design approval levels shall be as follows:
1. Projects with an estimated total project cost of in excess of \$4.0 million will require approval by the board based on recommendations from the regents' committee responsible for facilities;
 2. Projects with an estimated total project cost of more than \$2.0 million but not more than \$4.0 million will require approval by the regents' committee responsible for facilities;
 3. Projects with an estimated total project cost of more than \$1.0 million but not more than \$2.0 million will require approval by the chair of the regents' committee responsible for facilities;
 4. Projects with an estimated total project cost of \$1.0 million or less will require approval by the university's chief finance officer.

Agenda
Board of Regents
Audit Committee Agenda
Friday, February 22, 2013; *8:00 a.m. – 9:00 a.m.
Room 107 Lee Gorsuch Commons
University of Alaska Anchorage
Anchorage, Alaska

**Times for meetings are subject to modifications within the February 21-22, 2013 time frame.*

Committee Members:

Kenneth Fisher, Committee Chair
Timothy Brady

Michael Powers
Patricia Jacobson, Board Chair

I. Call to Order

II. Adoption of Agenda

MOTION

"The Audit Committee adopts the agenda as presented.

I. Call to Order

II. Adoption of Agenda

III. Executive Session

A. Executive Session with the Internal Audit Director

IV. Ongoing Issues

A. Final Audits Issued

B. Internal Audit Status Report

C. External Audit Status Report

V. Future Agenda Items

VI. Adjourn

This motion is effective February 22, 2013."

III. Executive Session

A. Executive Session with the Internal Audit Director

MOTION

"The Audit Committee of the Board of Regents goes into executive session at _____ Alaska Time in accordance with the provisions of AS 44.62.310 to discuss matters the immediate knowledge of which would have an adverse effect on the finances of the university. The session will include members of the Board of Regents, General Counsel Hostina, and such other university staff members as the Audit Chair may designate and will last approximately _____ minutes(s). This motion is effective February 22, 2013."

(To be announced at the conclusion of executive session)

The Audit Committee of the Board of Regents concluded an executive session at _____ a.m. Alaska Time in accordance with AS 44.62.310 discussing matters the immediate knowledge of which would have an adverse effect on the finances of the university. The session included members of the Board of Regents, Internal Audit Director Pittman, General Counsel Hostina, and other university staff members designated by the chair of the Audit Committee and lasted approximately _____.

IV. Ongoing Issues

A. Final Audits Issued

Nichole Pittman, director of internal audit, will review with the Audit Committee final audits issued and answer any questions members of the committee may have. This is an information item; no action is necessary.

B. Internal Audit Status Report Reference 27

Nichole Pittman, director of internal audit, will review with the Audit Committee the Internal Audit Status Report and answer any questions members of the committee may have. This is an information item; no action is necessary.

C. External Audit Status Report Reference 28

Nichole Pittman, director of internal audit, will review with the Audit Committee the External Audit Status Report and answer any questions members of the committee may have. This is an information item; no action is necessary.

V. Future Agenda Items

VI. Adjourn

Unofficial Minutes
Board of Regents
Annual Meeting of the Full Board
December 6-7, 2012
Fairbanks, Alaska

Regents Present:

Patricia Jacobson, Chair
Carl Marrs, Vice Chair
Kirk Wickersham, Secretary
Jyotsna Heckman, Treasurer
Dale Anderson
Timothy Brady
Fuller Cowell
Kenneth Fisher
Mari Freitag
Mary K. Hughes
Michael Powers

Patrick K. Gamble, Chief Executive Officer and President, University of Alaska

Others Present:

Tom Case, Chancellor, University of Alaska Anchorage
John Pugh, Chancellor, University of Alaska Southeast
Brian Rogers, Chancellor, University of Alaska Fairbanks
Michael Hostina, General Counsel
Carla Beam, Vice President for University Relations
Ashok Roy, Vice President of Finance & Administration and Chief Financial Officer
Dana Thomas, Vice President for Academic Affairs
Kit Duke, Chief Facilities Officer & Associate Vice President, Facilities and Land Management
Karl Kowalski, Chief Information Technology Officer
Donald Smith, Chief Human Resources Officer
Michelle Rizk, Associate Vice President, Budget
Kate Wattum, Interim Director, Public Affairs
Brandi Berg, Executive Officer, Board of Regents
Julie Benson, Coordinator, Board of Regents

I. Call to Order

Secretary Wickersham called the meeting to order at 8:07 a.m. on Thursday, December 6, 2012.

II. Adoption of Agenda

Regent Fisher moved, seconded by Regent Anderson and passed with no objection that:

PASSED

"The Board of Regents adopts the agenda as presented.

- I. Call to Order**
- II. Adoption of Agenda**
- III. Approval of Minutes**
- IV. Executive Session**
- V. Public Testimony**
- VI. President's Report**
- VII. Governance Report**
- VIII. Presentation on University of Alaska Fairbanks Research**
- IX. Approval of the Alaska Center for Unmanned Aircraft Systems Integration - Research, Development, Test and Evaluation (ACUASI-RDT&E) at the University of Alaska Fairbanks**
- X. Approval of 2014 Meeting Schedule**
- XI. Approval of Resolution of Appreciation for Carl Marrs**
- XII. Approval of Nanook Innovation Corporation Board of Directors**
- XIII. Approval of Naming a Facility at the University of Alaska Fairbanks**
- XIV. Update on eLearning**
- XV. Human Resources Report**
- XVI. Planning and Development Issues**
 - A. Federal and State Relations Report**
- XVII. Approval of Honorary Degrees and Meritorious Service Awards for Spring 2013 and Beyond**
- XVIII. Approval of Resolution Officially Recognizing the University of Alaska Anchorage Alumni Association**
- XIX. Executive Session (combined with item IV.)**
- XX. Consent Agenda**
 - A. Academic and Student Affairs Committee**
 - 1. Approval of an Associate of Applied Science in Law Enforcement at the University of Alaska Southeast**
 - 2. Approval of a Bachelor of Science in Health Sciences at the University of Alaska Anchorage**
 - 3. Approval of Deletion of the Master of Arts in Teaching in Biology at the University of Alaska Fairbanks**
 - B. Audit Committee**
 - 1. Approval of Recommendation Regarding Selection of External Auditors**
 - 2. Acceptance of FY12 Audited University of Alaska Financial Statements**

3. **Acceptance of FY12 Audited Education Trust of Alaska Financial Statements**
- C. **Facilities and Land Management Committee**
 1. **Formal Project Approval for the University of Alaska Anchorage Library Old Core Mechanical Upgrades**
 2. **Formal Project Approval for the University of Alaska Anchorage Energy Modules 1 & 2 Mechanical Renewal**
 3. **Schematic Design Approval for the University of Alaska Anchorage Allied Health Sciences Building Renovation Phase 2**
 4. **Project Change Request for the University of Alaska Anchorage Health Sciences Building**
 5. **Formal Project Approval for the University of Alaska Fairbanks Antenna Installation Alaska Satellite Facility AS311**
 6. **Formal Project Approval for the University of Alaska Fairbanks West Ridge Deferred Maintenance Phase 2**
 7. **Approval of the University of Alaska Anchorage Campus Master Plan Amendment for the Engineering Parking Garage**
 8. **Schematic Design Approval for the University of Alaska Anchorage Engineering and Industry Project**
- XXI. **New Business and Committee Reports**
 - A. **Academic and Student Affairs Committee**
 - B. **Audit Committee**
 - C. **Facilities and Land Management Committee**
 1. **Formal Project Approval for the University of Alaska Fairbanks Bristol Bay Campus Applied Sciences Project**
 2. **Committee Report**
- XXII. **Election of Board of Regents' Officers**
- XXIII. **Approval of Revisions to the Industrial Security Resolution**
- XXIV. **Approval of Revisions to the Corporate Authority Resolution**
- XXV. **Alaska Commission on Postsecondary Education Report**
- XXVI. **UA Athletics Report**
- XXVII. **Future Agenda Items**
- XXVIII. **Board of Regents' Comments**
- XXIX. **Adjourn**

This motion is effective December 6, 2012."

III. Approval of Minutes

Regent Wickersham requested more detail be added to the discussion on the Strategic Direction Initiative.

Regent Powers moved, seconded by Regent Cowell, and passed with no objection that:

PASSED AS AMENDED

"The Board of Regents approves the minutes of its regular meeting of September 27-28, 2012 as amended. This motion is effective December 6, 2012."

Regent Fisher moved, seconded by Regent Powers, and passed with no objection that:

PASSED

"The Board of Regents approves the minutes of its regular meeting of November 7, 2012 as presented. This motion is effective December 6, 2012."

IV. Executive Session

Regent Cowell moved, seconded by Regent Fisher, and passed with no objection that:

PASSED

"The Board of Regents goes into executive session at 8:15 a.m. Alaska Time in accordance with the provisions of AS 44.62.310 to discuss matters the immediate knowledge of which would affect the finances of the university related to the sale and purchase of university buildings, labor, athletics and board oversight, and matters that could affect the reputation or character of a person or persons related to honorary degrees and meritorious service awards, the naming of university facilities, a NCAA violation, and the Nanook Innovation Corporation Board of Directors. The session will include members of the Board of Regents, President Gamble, General Counsel Hostina, and such other university staff members as the president may designate and will last approximately 2 hours. This motion is effective December 6, 2012."

The Board of Regents recessed its executive session at 10:22 a.m.; reconvened executive session at 11:20 a.m. and recessed executive session at 11:45 a.m. on Thursday, December 6, 2012.

The Board of Regents reconvened its executive session at 12:25 p.m. on Friday, December 7, 2012.

The Board of Regents concluded an executive session at 1:25 p.m. Alaska Time in accordance with AS 44.62.310 discussing matters the immediate knowledge of which would affect the finances of the university related to the sale and purchase of university buildings, labor, athletics and board oversight, and matters that could affect the reputation or character of a person or persons related to honorary degrees and meritorious service awards, the naming of university facilities, a NCAA violation, the Nanook Innovation Corporation Board of Directors and the selection of an external audit firm. The session included members of the Board of Regents,

President Gamble, General Counsel Hostina, and other university staff members designated by the president and lasted approximately 3 ½ hours.

V. Public Testimony

Terry Vrabec, State of Alaska Department of Public Safety deputy commissioner, spoke in support of the associate of applied science degree in law enforcement at UAS and the justice programs at UA.

Sheldon Schmidt, Alaska Police Standards Council chair, stated the council is responsible for maintaining training standards across the state; spoke in support of the associate of applied science degree in law enforcement at UAS; and mentioned the partnership UAS Sitka has with Mt. Edgecumbe High School regarding engaging students in law enforcement training.

Denise Wartes, UAF Rural Alaska Honors Institute program director, spoke about the program celebrating its 30th anniversary and highlighted student achievements over the past years.

Jim Dixon, UAF Alumni Association president, updated the board on current alumni activities including work on the centennial celebration; stated UA alumni associations are working together to form a Legislative 101 class preparing information and talking point in support of the UA FY14 budget request; and applauded the work of Chancellor Rogers in strengthening the research capabilities at UAF.

Flora Grabowska, Keith B. Mather Library librarian, spoke about establishing and delivering open access for research articles and the benefit the access would provide to researchers.

Debu Misra, UAF College of Engineering and Mines professor, spoke about the research and teaching opportunities regarding hydrology; noted the mining industry is growing and thriving within the state; and mentioned he is also the vice president of United Academics and his role in cultivating faculty at UA.

Crystal Pitney, UAF School of Management student and NCAA athlete, stated she is working on a small business development project with fellow students Raphaela Sieber, Stephanie Acevedo and Kara LaRue to explore the possibility of a Bachelor of Business Administration degree solely through eLearning at UAF; mentioned eLearning offers a flexible schedule and enhanced learning for an athletes' travel schedule; and shared her passion and advocacy for eLearning.

Raphaela Sieber, UAF School of Management student and NCAA athlete, spoke about her experience at UAF; the training schedule required for NCAA athletes; the importance of having eLearning available to reduce the stress of training and attending traditional classes; and mentioned the coursework currently available via eLearning is missing eight classes to complete the BBA entirely online.

Stephanie Acevedo, UAF School of Management student, spoke about her experience with eLearning; the convenience of taking classes when it is suitable for her schedule; the opportunities eLearning has provided for her to complete her degree on time and become a first-generation college graduate; shared the survey results from the small business development project indicating a majority of current UAF BBA students would consider taking all courses via eLearning; and mentioned the online classes would be beneficial for rural students as well.

Kara LaRue, UAF School of Management student, spoke about her passion for eLearning; stated because she is a student with a learning disability, online courses have been very beneficial to her success as a student at UAF; spoke about how the small business development project revealed opportunities to generate revenue due to the prevalent demand for eLearning.

Wendy Croskrey, UAF art department associate professor, shared artwork created from repurposed and recycled material; spoke about the success in partnering with the local community recycle centers and UAF's Office of Sustainability to acquire material for use in sculpture classes; and stated an exhibition of artwork is on display at the UAF Wood Center.

Eduardo Wilner, UAF philosophy department chair, spoke about the responsibilities of the philosophy department regarding assisting and preparing students to use critical thinking while sorting through unnatural and difficult issues and how to seek solutions with positive outcomes.

Falk Huettmann, UAF wildlife ecology associate professor, shared information regarding research in ecological wildlife habitat data analysis for the land and seascape and noted a current study about global change in his book titled *Protection of the Three Poles*.

Gerhard Kramm, UAF Geophysical Institute research associate professor, spoke about his work in atmospheric science and renewable wind power energy; and noted UAF's involvement in partnering with the private sector on certain research projects.

VI. President's Report

President Gamble mentioned the research items displayed outside the meeting room; noted the items are an example of the excellent research and great faculty efforts which are receiving both national and international recognition; stated an official report regarding the Strategic Direction Initiative is not being provided during the December meeting although work is progressing and nearing phase III; applauded the work of the Joint Health Care Committee (JHCC); stated JHCC is dealing with tough issues, providing a great value to the university and making a significant difference for employees; and indicated UA is developing and preparing a strategy for the upcoming legislative session.

VII. Governance Report

Juella Sparks, Staff Alliance Chair, stated she met with President Gamble regarding concerns staff members have about the JHCC motions and is looking forward to his presence at the upcoming Staff Alliance meeting later in December; and indicated she is interacting with Paula Donson regarding staff input on SDI.

Cathy Cahill, Faculty Alliance Chair, introduced LaNora Tolman, executive officer and Anthony Smith, coordinator as the newly hired governance staff members; indicated faculty are responding and providing input on the latest drafts of SDI and themes regarding metrics; stated in January each MAU will send ten members to the Association of American Colleges and Universities Institute held at UAA to discuss common courses, credit transferability, student-friendly environments, common scores for math and English and streamlining general education requirements; and stated appreciation for the ongoing positive dialogue with President Gamble.

Shauna Thornton, Coalition of Student Leaders Speaker, stated she is working with university financial aid offices in support of streamlining the scholarship processes; indicated student leaders who are experienced in obtaining financial assistance are helping other students make responsible decision regarding acquiring financial aid; said the November retreat was very productive with SDI as a main topic of discussion; and noted preparation for the legislative session has begun in support of the UA budget.

VIII. Presentation on University of Alaska Fairbanks Research

Mark Myers, vice chancellor for research, led a presentation regarding research projects currently underway at the University of Alaska Fairbanks.

Presentation highlighted:

An overview of UAF research and creative activity - Mark Myers

The Alaska Satellite Facility - Robert McCoy

Introduction to the Art of Da-ka-xeen Mehner

A brief summary of UAF impact on American Geophysical Union - Larry Hinzman

An unmanned aerial vehicle demonstration - Greg Walker

IX. Approval of the Alaska Center for Unmanned Aircraft Systems Integration - Research, Development, Test and Evaluation (ACUASI-RDT&E) at the University of Alaska Fairbanks Reference 1

Regent Marrs moved, seconded by Regent Fisher, and passed with no objection that:

PASSED

“The Board of Regents approves the establishment of the Alaska Center for Unmanned Aircraft Systems Integration - Research, Development, Test and Evaluation (ACUASI-RDT&E) at the University of Alaska Fairbanks. This motion is effective December 6, 2012.”

POLICY CITATION

In accordance with Regents' Policy 10.02.040, academic units are created within the university for the purposes of instruction, research, advanced study, or economic development. President Gamble is requesting board approval to create this center.

RATIONALE AND RECOMMENDATION

Reference 1 contains the rationale and recommendation for the approval of the establishment of the Alaska Center for Unmanned Aircraft Systems Integration - Research, Development, Test and Evaluation (ACUASI-RDT&E). Vice Chancellor Myers reviewed the proposal with the board.

X. Approval of 2014 Meeting Schedule

Regent Powers moved, seconded by Regent Wickersham, and passed with no objection that:

PASSED

"The Board of Regents approves the meeting schedule for 2014. This motion is effective December 6, 2012."

	<u>2013</u>	
Retreat	January 23-24, 2013	Anchorage
Regular Meeting	February 21-22, 2013	Anchorage
Regular Meeting	April 11-12, 2013	Sitka
Regular Meeting	June 6-7, 2013	Fairbanks
Regular Meeting	September 26-27, 2013	Juneau
Meeting re: Budget	November 6, 2013	Anchorage
Annual Meeting	December 12-13, 2013	Fairbanks
	<u>2014</u>	
Retreat	January 22-23, 2014	Anchorage
Regular Meeting	February 20-21, 2014	Fairbanks
Regular Meeting	April 9-10, 2014	Kodiak
Regular Meeting	June 5-6, 2014	Anchorage
Regular Meeting	September 18-19, 2014	Juneau
Meeting re: Budget	November 5, 2014	Fairbanks
Annual Meeting	December 11-12, 2014	Anchorage

XI. Approval of Resolution of Appreciation for Carl Marrs

Regent Hughes moved, seconded by Regent Brady, and passed unanimously that:

PASSED

"The Board of Regents approves the resolution of appreciation for Carl Marrs. This motion is effective December 6, 2012."

WHEREAS, Carl Marrs has served on the University of Alaska Board of Regents with distinction since February 1, 2005, when he was appointed by Governor Frank H. Murkowski; and

WHEREAS, Carl Marrs has served on many of the board's committees during his 8-year term, including: Academic and Student Affairs, Audit, Facilities and Land Management, Finance, Human Resources, Planning and Development, and the University of Alaska Foundation Board of Trustees as well as five terms as board treasurer and most recently as vice chair of the board; and

WHEREAS, Carl Marrs was born in Seldovia, an Alutiiq from the South Central Region of Alaska. He was raised a commercial fisherman and attended school in Kodiak. He also served in the United States Marine Corps; and

WHEREAS, Carl Marrs had an extensive career at Cook Inlet Regional Corporation beginning in 1973, culminating as its president and CEO in 2004. Thereafter, he created Marrs & Company, an investment and consulting firm. He is presently the chief executive officer of the Old Harbor Native Corporation. For years, he has been a fierce advocate at the state and federal levels for various programs and projects of benefit to Alaska and Alaskans; and

WHEREAS, Carl Marrs has been recognized as one of Alaska's top business leaders, with an active professional, personal, and civic life; and

WHEREAS, Carl Marrs is the recipient of the Alaska State Chamber of Commerce 2001 William A. Egan Outstanding Alaskan Award and the 2001 Alaska Federation of Natives Citizen of the Year Award; and

WHEREAS, Carl Marrs has provided civic leadership through United Way of Anchorage, Resource Development Council, Boys & Girls Clubs of America, Boy Scouts of America, Fiscal Policy Council of Alaska, Koahnic Broadcast Corporation, Alaska Pacific University, Alaska Railroad Corporation, Alaska Communications Systems Group Inc., Association of ANCSA CEOs, Alaska Sea Life Center, Alaska Oil & Gas Association and Alaska Highway Natural Gas Policy Council. He has served tirelessly on boards of many Alaskan businesses and non-profit organizations; and

WHEREAS, Carl Marrs attended Stanford University's Graduate School of Business Executives in 1983, Amos Tuck School of Business for Executives at Dartmouth College in 1986, and received an Honorary Degree of Public Service from Alaska Pacific University in 2002; and

WHEREAS, Carl Marrs has dedicated his civic and business efforts to improve the lives of Alaskans and create a more resilient Alaska; and

WHEREAS, Carl Marrs is the proud father of daughter Crystal and son Emil and even prouder grandfather of three grandsons and three granddaughters; and

WHEREAS, Carl Marrs has demonstrated deep commitment to the well being of the University of Alaska, evidenced by his work and dedication during his board tenure and his support for the education and research of students, faculty and staff.

NOW, THEREFORE BE IT RESOLVED THAT the University of Alaska Board of Regents officially recognizes Carl Marrs for his exceptional service to Alaska and the University of Alaska. The board expresses profound thanks on behalf of students, staff and faculty of the university for Carl Marrs' contributions; and

BE IT FURTHER RESOLVED that this resolution be appropriately engrossed and conveyed to Carl Marrs, with a copy to be incorporated in the official minutes of the December 6-7, 2012, meeting of the University of Alaska Board of Regents.

XII. Approval of Nanook Innovation Corporation Board of Directors

Regent Cowell moved, seconded by Regent Marrs and passed with Regents Anderson, Brady, Cowell, Fisher, Freitag, Heckman, Hughes, Marrs, Wickersham, and Jacobson voting in favor and Regent Powers abstaining that:

PASSED

"The Board of Regents approves the proposed slate of directors for the Nanook Innovation Corporation as presented. This motion is effective December 6, 2012."

RATIONALE/RECOMMENDATION

The Board of Regents was asked to approve the proposed slate of directors for the newly formed Nanook Innovation Corporation. The proposed names were sent to the Board of Regents under separate cover for discussion during executive session.

XIII. Approval of Naming a Facility at the University of Alaska Fairbanks

Regent Wickersham moved, seconded by Regent Heckman, and passed with no objection that:

PASSED

"The Board of Regents approves the naming of the Life Sciences Facility as the Margaret Murie Building at the University of Alaska Fairbanks as presented. This motion is effective December 6, 2012."

POLICY CITATION

In accordance with Regents' Policy 05.12.080, official naming of all "significant" buildings, building subcomponents such as wings, additions, auditoriums, and libraries, streets, parks, recreational areas, plazas and similar facilities or sites will be approved by the board.

RATIONALE/RECOMMENDATION

The Board of Regents was asked to approve the naming of a facility at the University of Alaska Fairbanks. The proposed name was sent to the Board of Regents under separate cover for discussion during executive session.

XIV. Update on eLearning

Reference 2

Vice President Thomas and Associate Vice President Gruenig provided an update on eLearning.

XV. Human Resources Report

Donald Smith, chief human resources officer, updated the board regarding human resources issues.

XVI. Planning and Development Issues

A. Federal and State Relations Report

Vice President Beam and Associate Vice President Christensen updated the board on federal and state relations issues at the University of Alaska.

XVII. Approval of Honorary Degrees and Meritorious Service Awards for Spring 2013 and Beyond

Regent Cowell moved, seconded by Regent Heckman, and passed with no objection that:

PASSED

"The Board of Regents approves the list of nominees for honorary doctoral degrees as proposed for commencement exercises in the spring of 2013 and beyond, and authorizes Chancellors Case, Rogers and Pugh to invite the approved nominees and announce their acceptance. This motion is effective December 7, 2012."

Regent Powers moved, seconded by Regent Cowell, and passed with no objection that:

PASSED

"The Board of Regents approves the list of nominees for meritorious service awards as proposed. This motion is effective December 7, 2012."

POLICY CITATION

Regents' Policy 10.03.020 states, "Honorary degrees may be conferred upon approval of the Board of Regents."

Regents' Policy 10.03.030 states, "Meritorious service awards may be conferred upon approval of the Board of Regents."

RATIONALE AND RECOMMENDATION

Recommendations submitted by the University of Alaska Anchorage, University of Alaska Fairbanks, and University of Alaska Southeast for recipients of honorary degrees and meritorious service awards were sent under separate cover for Board of Regents' review prior to the December 6-7, 2012 board meeting.

XVIII. Approval of Resolution Officially Recognizing the University of Alaska Anchorage Alumni Association

Regent Fisher moved, seconded by Regent Wickersham, and passed with no objection that:

PASSED

“The Board of Regents adopts the resolution officially recognizing the newly organized University of Alaska Anchorage Alumni Association as presented. This motion is effective December 7, 2012.”

WHEREAS the University of Alaska Anchorage desires to create a new alumni association that better serves UAA alumni; and

WHEREAS the new alumni association will be an unincorporated association managed by a board of directors and an assembly of alumni leaders, which will advise the university regarding the direction of alumni relations, and help to organize and operate the volunteer corps of alumni leaders essential to success; and

WHEREAS the university will manage all alumni relations staff, financial resources and the day-to-day operations of alumni relations; and

WHEREAS the existing University of Alaska Anchorage Alumni Association has notified its members that it intends to dissolve; and

WHEREAS Board of Regents' Policy 02.08.010(A) authorizes the Board of Regents to officially recognize campus-specific alumni associations, thereby extending certain rights and privileges to such associations including defense and indemnity to directors thereof.

NOW, THEREFORE, BE IT RESOLVED, that pursuant to Regents' Policy 02.08.010, the Board of Regents officially recognizes the newly organized University of Alaska Anchorage Alumni Association.

RATIONALE AND RECOMMENDATION

UAA, the UAA Alumni Association, other alumni and staff have engaged in a yearlong process to identify the primary means to increase success in alumni relations at UAA. As a result of that process, the stakeholders determined that it was in the best interests of UAA and the UAA Alumni Association to dissolve the existing alumni association and reformulate it through the UAA Alumni Relations office.

The newly organized alumni association will move toward national best practices in alumni relations in which staff collaborate with alumni under a shared vision and mission for institutional alumni relations. The university has ultimate authority for all matters regarding its alumni body, but shares responsibility with alumni leaders for engagement of alumni in the life of the university and in the strategic decisions that produce the events and activities that constitute alumni relations. The university will manage all alumni relations staff, financial resources and the day-to-day operations of alumni relations. The alumni association will advise the university regarding the direction of alumni relations, and help to organize and operate the volunteer corps of alumni leaders essential to success.

The new alumni association will be an unincorporated association managed by a board of directors and an assembly of alumni leaders. All alumni meeting the qualifications outlined in Alumni Association Bylaws will be members of the alumni association. The new model for the alumni association organizes groups of alumni members into officially recognized UAA alumni chapters and clubs.

XIX. Executive Session

Combined with item IV.

XX. Consent Agenda

Regent Anderson moved, seconded by Regent Fisher, and passed with no objection that:

PASSED

“The Board of Regents approves the consent agenda as presented. This motion is effective December 7, 2012.”

A. Academic and Student Affairs Committee

1. Approval of an Associate of Applied Science in Law Enforcement at the University of Alaska Southeast Reference 3

PASSED

“The Board of Regents approves an Associate of Applied Science in Law Enforcement at the University of Alaska Southeast. This motion is effective December 7, 2012.”

2. Approval of a Bachelor of Science in Health Sciences at the University of Alaska Anchorage Reference 4

PASSED

“The Board of Regents approves a Bachelor of Science in Health Sciences at the University of Alaska Anchorage. This motion is effective December 7, 2012.”

3. Approval of Deletion of the Master of Arts in Teaching in Biology at the University of Alaska Fairbanks Reference 5

PASSED

“The Board of Regents approves the deletion of the Master of Arts in Teaching in Biology at the University of Alaska Fairbanks. This motion is effective December 7, 2012.”

B. Audit Committee

1. Approval of Recommendation Regarding Selection of External Auditors

PASSED

“The Board of Regents selects the audit firm recommended by the audit proposal evaluation committee. This motion is effective December 7, 2012.”

2. Acceptance of FY12 Audited University of Alaska Financial Statements Reference 26

PASSED

“The Board of Regents accepts the audited financial statements of the University of Alaska for the year ended June 30, 2012 as presented. This motion is effective December 7, 2012.”

3. Acceptance of FY12 Audited Education Trust of Alaska Financial Statements References 28

PASSED

“The Board of Regents accepts the audited financial statements of the Education Trust of Alaska for the year ended June 30, 2012 as presented. This motion is effective December 7, 2012.”

C. Facilities and Land Management Committee

1. Formal Project Approval for the University of Alaska Anchorage Library Old Core Mechanical Upgrades Reference 7

PASSED

“The Board of Regents approves the formal project approval request for the University of Alaska Anchorage Library Old Core Mechanical Upgrades project as presented in compliance with the approved campus master plan, and authorizes the university administration to proceed through schematic design not to exceed a total project cost of \$5,250,000. This motion is effective December 7, 2012.”

2. Formal Project Approval for the University of Alaska Anchorage Energy Modules 1 & 2 Mechanical Renewal Reference 8

PASSED

“The Board of Regents approves the formal project approval request for the University of Alaska Anchorage Energy Modules 1 & 2 Mechanical Renewal project as presented in compliance with the approved campus master plan, and authorizes the university administration to proceed through schematic design not to exceed a total project cost of \$5,580,000. This motion is effective December 7, 2012.”

3. Schematic Design Approval for the University of Alaska Anchorage Allied Health Sciences Building Renovation Phase 2 Reference 9

PASSED

“The Board of Regents approves the schematic design approval request for the University of Alaska Anchorage Allied Health Sciences Building Renovation Phase 2 as presented in compliance with the campus master plan, and authorizes the university administration to complete construction bid documents to bid and award a contract within the approved budget, and to proceed to completion of project construction not to exceed a total project cost of \$5,680,415. This motion is effective December 7, 2012.”

4. Project Change Request for the University of Alaska Anchorage Health Sciences Building Reference 10

PASSED

“The Board of Regents approves the project change request for the University of Alaska Anchorage Health Sciences Building as presented in compliance with the campus master plan, and authorizes the university administration to reduce the total project budget by \$5,885,165 not to exceed total project cost of \$40,614,835. The \$5,885,165 balance will then be used to develop the conceptual design of the Health Science Building Phase 2 (\$250,000); to design and complete the pedestrian bridge across Providence Drive between the Health Science Building and the new Engineering Building (\$4,350,000); and to create additional parking for the existing Health Science Building (\$1,285,165). This motion is effective December 7, 2012.”

5. Formal Project Approval for the University of Alaska Fairbanks Antenna Installation Alaska Satellite Facility AS311 Reference 11

PASSED

“The Board of Regents approves the formal project approval request for the University of Alaska Fairbanks Antenna Installation Alaska Satellite Facility AS311 as presented in compliance with the approved campus

master plan, and authorizes the university administration to proceed through schematic design not to exceed a total project cost of \$6,000,000 for Phases 1 and 2. This motion is effective December 7, 2012.”

6. Formal Project Approval for the University of Alaska Fairbanks West Ridge Deferred Maintenance Phase 2 Reference 12

PASSED

“The Board of Regents approves the formal project approval request for the University of Alaska Fairbanks West Ridge Deferred Maintenance Phase 2 as presented in compliance with the approved campus master plan, and authorizes the university administration to proceed through schematic design not to exceed a total project cost of \$4,575,000 This motion is effective December 7, 2012.”

7. Approval of the University of Alaska Anchorage Campus Master Plan Amendment for the Engineering Parking Garage Reference 34

PASSED

“The Board of Regents approves the campus master plan amendment for the University of Alaska Anchorage Engineering Parking Garage as presented. This amendment will be incorporated into the existing 2004 Campus Master Plan. This motion is effective December 7, 2012.”

8. Schematic Design Approval for the University of Alaska Anchorage Engineering and Industry Project Reference 35

PASSED

“Consistent with and expanding upon the limited schematic design approvals at the June 2012 and September 2012 meetings of the board, the Board of Regents approves the schematic design approval request for the University of Alaska Anchorage Engineering and Industry Project, including the parking garage, in compliance with the amended campus master plan, and authorizes the university administration to complete construction bid documents to bid and award a contract within the approved total project cost budget of \$123.2M, and to proceed with project construction not to exceed a total project cost of \$62.6M. This motion is effective December 7, 2012.”

XXI. New Business and Committee Reports

A. Academic and Student Affairs Committee

In addition to action items, the committee discussed metrics and received a presentation on UA Research.

B. Audit Committee

In addition to the action items, the committee reviewed the UA Foundation and Consolidated Endowment Fund financial statements, discussed the FY12 annual financial statements with the external auditor from KPMG, heard reports on internal and external audit status and an update on the quality assurance remediation.

C. Facilities and Land Management Committee

1. Formal Project Approval for the University of Alaska Fairbanks Bristol Bay Campus Applied Sciences Project Reference 13

The Facilities and Land Management Committee approved the following motion:

PASSED

“The Facilities and Land Management Committee approves the formal project approval request for the University of Alaska Fairbanks Bristol Bay Campus Applied Sciences Project as presented in compliance with the approved campus master plan, and authorizes the university administration to proceed through schematic design not to exceed a total project cost of \$2,200,000. This motion is effective December 6, 2012.”

2. Committee Report

In addition to action items, the committee heard final project reports on UAA Integrated Science Building and UAA Health Sciences Building reports on deferred maintenance spending, UAF combined heat and power plant replacement, UAA campus master plan, UAF CRCD and CTC master plans, UAS draft campus master plan, construction in progress and approvals by the chair of the Facilities and Land Management Committee and the chief financial officer.

Karl Kowalski, chief information technology officer, gave a report on IT issues. Security issues were discussed and the board affirmed its belief that the right things are being done to correct deficiencies given the available resources and complexities involved, its support of the CITO in this effort; and offered support and assistance to complete this effort.

XXII. Election of Board of Regents' Officers

In accordance with Board of Regents' Bylaws, at the annual meeting of the Board of Regents, the officers of the board shall be elected by a simple majority vote.

PASSED

"The Board of Regents elects Patricia Jacobson as chair of the Board of Regents. This motion is effective December 7, 2012."

PASSED

"The Board of Regents elects Kirk Wickersham as vice chair of the Board of Regents. This motion is effective December 7, 2012."

PASSED

"The Board of Regents elects Michael Powers as secretary of the Board of Regents. This motion is effective December 7, 2012."

PASSED

"The Board of Regents elects Jyotsna Heckman as treasurer of the Board of Regents. This motion is effective December 7, 2012."

XXIII. Approval of Revisions to the Industrial Security Resolution

Regent Cowell moved, seconded by Regent Fisher, and passed with no objection that:

PASSED

"The Board of Regents approves the Industrial Security Resolution as revised to reflect changes in the officers of the board, and authorizes the Chair and Secretary of the Board to sign the resolution. This motion is effective December 7, 2012."

RATIONALE/RECOMMENDATION

The president and selected members of the university administration are routinely designated by the Board of Regents to handle any duties and responsibilities relating to classified information in connection with contracts with the Department of Defense and other federal agencies. These individuals are given an extensive security screening and are the only members of the administration, including the Board of Regents, to have access to classified information.

The university has received similar security clearances since the mid-1950s. Execution of the resolution allows regents and other members of the administration to be exempted from security clearance procedures. The resolution is identical to resolutions previously passed except for changes to officers of the board.

XXIV. Approval of Revisions to the Corporate Authority Resolution

Regent Cowell moved, seconded by Regent Fisher, and passed with no objection that:

PASSED

"The Board of Regents approves the Corporate Authority Resolution as revised to reflect changes in titles of officers resulting from the Board of Regents' elections and authorizes the Chair and Secretary of the Board of Regents to sign the resolution. This motion is effective December 7, 2012."

The Board of Regents regularly passes a resolution specifying certain university officers as being authorized to execute investment and banking transactions for the University of Alaska. Because of changes in officers of the board, a current resolution is necessary in order to execute timely investment and banking transactions.

XXV. Alaska Commission on Postsecondary Education Report

Regent Jacobson reported Diane Barrans, ACPE executive director, indicated the biggest highlight for ACPE in the past year was the passage of legislation in support of the Alaska Performance Scholarship and the AlaskAdvantage Education Grant; and noted the progress on the statewide longitudinal education data system. The next meeting of ACPE will be held on January 10, 2013 in Anchorage.

XXVI. UA Athletics Report

Regent Freitag reviewed the following:

UAA

Micha Chelimo won the NCAA Cross Country National Championship and Susan Tanau finished second in the NCAA National Cross Country Championship. Women's cross country finished sixth in the nation and men's cross country finished third in the nation.

Volleyball completed its fifth consecutive winning season and placed three players on the GNAC All-Academic Team.

Men's basketball has a 6-1 record and recorded wins over D1 opposition UC Riverside and LMU finishing fourth in the Great Alaska Shootout.

Women's basketball defeated D1 North Dakota State and finished as runner up in the Great Alaska Shootout.

Seawolves hockey team won its second straight Kendall Hockey Classic.

UAF

Men's Nanook hockey team won the 2012 Brice Alaska Goal Rush.

Men's and women's skiing swept the three day Nordic Cup series for their sixth Nordic Cup title in the intrastate competition's nine-year history.

The Nanook men's and women's cross country teams contributed 10 student-athletes on the 2012 Great Northwest Athletic Conference All-Academic Team.

In his West Region Championships debut, redshirt freshman Ross MacDougall ran one of the best races in men's program history as he garnered the highest finish in the last five years.

The Nanook rifle team hosted the No. 1 West Virginia team for the first time in program history. Despite losing both matches, the Nanooks fired a season high, and WVU was just one point shy of an NCAA single-match record.

Nanook volleyball player Sam Harthun was named GNAC Co-Rookie of the Year, and was an honorable mention for All-GNAC selection. Three Nanook volleyball players were named to the GNAC All-Academic Team.

Men's basketball won the GCI Alaska Invitational four-team tournament.

Swimmer Bente Heller broke the varsity record for the 100-meter freestyle swim at the annual Husky Invitational in Washington, and was only sixth one-hundredths of a second shy of an NCAA A-cut qualifying standard.

In the latest CSCA rankings, Alaska Swimming is ranked #18 in the country for Division II.

All 10 varsity teams participated in the 2012 Military Appreciation Initiative. Team members either made group visits to Fort Wainwright, engaging military personnel, veterans and their families or hosted home events that honored and recognized military members. The men's hockey team ordered special camouflaged uniforms which were worn for their series against Western Michigan.

Several teams volunteered in the community throughout the fall semester. Some of the activities included: painting with Habitat for Humanity (women's basketball), preparing food boxes at the Fairbanks Community Food Bank, helping with holiday decorating the Denali Center (women's volleyball) and trail clean up at Birch Hill (men's and women's cross country and skiing).

XXVII. Future Agenda Items

Details regarding the upcoming board retreat in Anchorage on January 23-24, 2013 were discussed.

XXVIII. Board of Regents' Comments

Regent Anderson said it was good to be in Fairbanks attending the meeting in person; noted the great opportunities regarding eLearning; stated the public testimony from the four students attending UAF School of Management was a highlight of the meeting; indicated the research presentation was enlightening and intriguing; mentioned the importance of acquiring \$5M in seed money for continued and additional research at UA; and thanked Chancellor Rogers for the hospitality and the hockey tickets.

Regent Freitag said the meeting was great; thanked staff for organizing the meeting; stated appreciation and thanked faculty and administration for the progress being made on ensuring core classes are uniform across the university system.

Regent Powers thanked Chancellor Rogers and the UAF team for hosting the meeting; enjoyed the research presentation and the stunning graphic globe signifying UA research across the world; stated the reception was wonderful; said Dr. Roy's composite UA financial analysis was very helpful; and mentioned Regent Marris's vision, wisdom, and humor will be significantly missed.

Regent Brady said the hospitality, the meeting and the reception were great; enjoyed watching the launching of the *Sikuliaq*; and stated he will miss having Regent Marris as a fellow board member.

Regent Heckman echoed comments regarding a great meeting, reception and hospitality; stated the eLearning report was interesting, the research presentation was phenomenal and enjoyed all presentation and reports; said because UAF is recognized as leading the world in research it is important for UA to provide additional funding and support; noted the public testimony from the four UAF School of Management students was intriguing; said Dr. Roy's financial presentation was very informative; will miss Regent Marris' and his ability to give directions in a concise manner; thanked board staff and General Counsel Hostina for their work.

Regent Fisher said the research presentation was excellent; echoed the need for UA to provide additional funding and support for research capacities; stated because of UAF's geographic location there are world-class opportunities for continued research; enjoyed the evening reception and filmmaking presentation; and acknowledged Brandi Berg's and Ken Jernstrom's efforts in organizing a seamless meeting.

Regent Cowell congratulated Chair Jacobson and the newly elected board officers; recognized the volunteer efforts involved in being a regent and thanked the individuals

for serving as an officer; stated the hospitality was spectacular; and truly enjoyed the 18-month-old dancing child in the lunchtime presentation.

Regent Hughes thanked Chancellor Rogers for the reception; stated the research presentation was wonderful and every presentation was tremendous; enjoyed the enthusiastic testimony from the four UAF School of Management students; complimented President Gamble for his selection of team members and the cohesiveness of the team; and will miss Regent Marris, and his leadership, presence, humility and mentoring capabilities.

Regent Wickersham stated Regent Marris's reason, judgment and leadership will be missed; echoed the comments from others regarding the meeting, the hospitality and the reception; appreciated Dr. Roy's simplified overview of UA finances; complimented the MAU facilities staff members who coordinated the materials for approval during the Facilities and Land Management Committee; is impressed with the efforts of President Gamble and the administrative staff regarding the SDI project; stated he is looking forward to the board retreat; and congratulated Chair Jacobson on her re-election.

Regent Jacobson apologized for the tardy arrival due to weather in Kodiak; thanked Regent Wickersham for chairing the meeting without advance notice; said the reports were excellent; stated Regent Marris has been a wonderful mentor and his tenure and presence on the board will be deeply missed; thanked UAF for the hospitality and the reception; said the public testimony by the four UAF School of Management students was outstanding; complimented and thanked the regents for work well done with the large agenda; thanked staff for their work in preparing the meeting material; thanked Brandi Berg for preparing attendance alternatives and thinking ahead on all the details regarding the weather delay in Kodiak; and wished everyone safe travels and Merry Christmas.

President Gamble thanked the board for their support; said UA is on the right track with the guidance and the clarity provided by the board on complex issues; mentioned he is proud of UA staff, stated the UA team is skillful, capable, organized, and collaborative; noted appreciation for the support, cooperation and leadership provided by the chancellors; said Regent Marris is a tremendous supporter of UA and his concise problem solving, mentoring and intellect will be missed; thanked Chancellor Rogers for the hospitality and the reception; and wished everyone a happy holiday season.

Chancellor Pugh thanked Chancellor Rogers for the hospitality; stated the Stay on Track campaign has been very successful at UAS; mentioned his appreciation for the student government leaders who are engaging and encouraging students to participate in the early completion campaign; noted the participation of industries such as mining, business and law enforcement that are partnering with UAS to involve students in workforce professions; and mentioned how faculty and staff came together to support students during several tragic events affecting UAS in November.

Chancellor Case thanked Chancellor Rogers for the impressive research presentation and the hospitality; stated UAA will introduce a new branding campaign in February; acknowledged an anonymous donor who contributed \$2M to create a first generation scholarship; mentioned the journalism and public communication program at UAA was named in the Top 50 by College Media Matters; recognized Pearl Harbor Day; stated this meeting was the most substantive in his experience because of the breadth, scope and nature of all the items addressed; and noted appreciation for great staff and the leadership provided by the regents.

Chancellor Rogers thanked the UAF research team for putting together the presentations; mentioned additional research conducted at Toolik Field Station could be showcased during a full-day tour prior to the June meeting; said UAF was recently selected as a new venue for the international piano-e-competition scheduled for the summer of 2014; noted the groundbreaking for the student dining facility is scheduled for March 30; indicated Boeing Corporation is interested in supporting math, engineering and science from kindergarten through doctorate in Alaska, a partnership all three chancellors will work together on; highlighted Nanook athletic accomplishments; and noted outstanding GPA and credit hour achievements by athletes.

XXIX. Adjourn

Chair Jacobson adjourned the meeting at 2:40 p.m. on Friday, December 7, 2012.

Unofficial Minutes
Board of Regents' Retreat
January 23-24, 2013
Anchorage, Alaska

Regents Present:

Patricia Jacobson, Chair
Kirk Wickersham, Vice Chair
Michael Powers, Secretary
Jyotsna Heckman, Treasurer
Dale Anderson
Timothy Brady
Fuller A. Cowell
Kenneth Fisher
Mari Freitag
Mary K. Hughes
Gloria O'Neill (attended January 24 only)

Patrick K. Gamble, Chief Executive Officer and President, University of Alaska

Regents Absent:

Carl Marrs

Other Present:

Tom Case, Chancellor, University of Alaska Anchorage
John Pugh, Chancellor, University of Alaska Southeast
Brian D. Rogers, Chancellor, University of Alaska Fairbanks
Dana Thomas, Vice President for Academic Affairs
Brandi Berg, Executive Officer, Board of Regents

I. Call to Order

Chair Jacobson called the meeting to order at 11:30 a.m. on Wednesday, January 23, 2013.

II. Adoption of Agenda

Regent Hughes moved, seconded by Regent Heckman and passed with no objection that:

PASSED AS AMENDED (amendment noted by *)

"The Board of Regents adopts the agenda as presented.

I. Call to Order

II. Adoption of Agenda

***III. ~~Approval of Resolution of Appreciation for Dale Anderson~~** (removed from agenda)

IV. Retreat Discussion

- A. Academic and Student Affairs Committee Items
- B. Athletics and Board Oversight
- C. Conversation with President Gamble

*IV.A. Executive Session (added)

V. Adjourn

This motion is effective January 23, 2013."

~~III. Approval of Resolution of Appreciation for Dale Anderson (Regent Anderson was reappointed.)~~

IV. Retreat Discussion

A. Academic and Student Affairs Committee Items

Vice President Thomas and Regent Powers led the discussion regarding the following items:

- | | |
|---------------------------------|------------------|
| 1. Agenda Setting and Structure | References 1 & 2 |
| 2. New Regent A&SA Orientation | References 3 & 4 |
| 3. Program Review | References 5 & 6 |

B. Athletics and Board Oversight

President Gamble and chancellors led the discussion on athletics and board oversight.

C. Conversation with President Gamble

The Board of Regents and President Gamble discussed topics of interest regarding the University of Alaska.

***IV.A. Executive Session**

Regent Wickersham moved, seconded by Regent Fisher and passed with no objection that:

PASSED

"The Board of Regents goes into executive session at 9:10 a.m. Alaska Time in accordance with the provisions of AS 44.62.310 to discuss matters the immediate knowledge of which would have an effect on the finances of the university related to budget strategies and union negotiations, and matters that could affect the reputation or character of a person or persons related to personnel. The session will include members of the Board of Regents and President Gamble, and will last approximately 3 hours. This motion is effective January 24, 2013."

The Board of Regents concluded an executive session at 12:10 p.m. Alaska Time in accordance with AS 44.62.310 discussing matters the immediate knowledge of which would have an effect on the finances of the university related to budget strategies and union negotiations, and matters that could affect the reputation or character of a person or persons related to personnel. The session included members of the Board of Regents and President Gamble and lasted approximately 3 hours.

V. Adjourn

Chair Jacobson adjourned the meeting at 12:12 p.m. on Thursday, January 24, 2013.

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2013

**NEW ISSUE
BOOK ENTRY ONLY**

**RATINGS: Moody's Investors Service:
Standard & Poor's:
See "RATINGS" herein)**

In the opinion of Bond Counsel, based on an analysis of existing statutes, regulations, rulings and judicial decisions, and assuming, among other things, compliance by the University with its covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes. Interest on the Bonds is not treated as a tax preference item for purpose of either the individual or corporate alternative minimum tax. Interest on the Bonds may be indirectly subject to corporate alternative minimum tax and certain other taxes imposed on certain corporations. See "TAX MATTERS" herein.

\$_____,000

**UNIVERSITY OF ALASKA
General Revenue and Refunding Bonds, 2013 Series S**

Dated: As of Delivery Date

Due: October 1, as shown below

The University of Alaska General Revenue and Refunding Bonds, 2013 Series S (the "Bonds"), initially will be issued as fully registered bonds under a book-entry system, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, ("DTC") the securities depository for the Bonds. (See "BOOK-ENTRY SYSTEM" herein.) Individual purchases of the Bonds will initially be made in full book-entry only form in the principal amounts of \$5,000 or integral multiples thereof. The Bonds will bear interest payable on October 1, 2013 and semiannually thereafter on April 1 and October 1 of each year and are subject to redemption prior to maturity as described herein.

The Bonds are revenue obligations of the University of Alaska (University) secured under a Trust Indenture dated as of June 1, 1992, between the University and The Bank of New York Mellon Trust Company, N.A., as successor trustee (the "Trustee"), and a Sixteenth Supplemental Trust Indenture dated and effective as of March 1, 2013 between the University and the Trustee. The Bonds are being issued to fund the cost of infrastructure renewal and deferred maintenance projects, to refund and redeem certain outstanding general revenue bonds, to pay costs of issuance and make a deposit to the Reserve Fund. The Bonds, together with \$129,635,000 principal amount of general revenue bonds outstanding as of February 1, 2013 and any additional parity bonds are equally and ratably secured under the Trust Indenture by a pledge of revenues derived from certain fees, charges and rentals received by the University and the moneys and securities held under the Trust Indenture, and amounts held in the Reserve Fund.

THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OR OTHER LIABILITY OF THE STATE OF ALASKA OR ANY POLITICAL SUBDIVISION THEREOF, EXCEPT THE UNIVERSITY, AND THE BONDS DO NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OF ALASKA TO LEVY ANY FORM OF TAXATION OR MAKE ANY APPROPRIATION FOR THE PAYMENT OF THE BONDS. THE UNIVERSITY HAS NO TAXING POWER. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF ALASKA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED FOR THE PAYMENT OF THE BONDS.

MATURITY SCHEDULE*

<u>Due October 1</u>	<u>Amount*</u>	<u>Interest Rate</u>	<u>Price or Yield</u>	<u>CUSIP 914046</u>	<u>Due October 1</u>	<u>Amount*</u>	<u>Interest Rate</u>	<u>Price or Yield</u>	<u>CUSIP 914046</u>
2013					2021				
2014					2022				
2015					2023				
2016					2024				
2017					2025				
2018					2026				
2019					2027				
2020									

The Bonds are offered when, as and if issued subject to the approving legal opinion of Wohlforth, Brecht, Cartledge & Brooking, Anchorage, Alaska, Bond Counsel. Certain legal matters will be passed upon for the Underwriter by its counsel, Birch, Horton, Bittner & Cherot. It is expected that the Bonds, in book-entry form, will be issued and available by Fast Automated Securities Transfer for delivery through the facilities of DTC in New York, New York on or about March __, 2013.

BARCLAYS

* Preliminary, subject to change.

This Official Statement is furnished by the University to provide information regarding the sale of the Bonds referred to herein and may not be reproduced or be used, in whole or in part, for any other purpose. The delivery of this Official Statement does not imply that information herein is correct as of any time subsequent to the date hereof.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction but the Underwriter does not guarantee the accuracy or completeness of such information.

No dealer, broker, salesman or other person has been authorized by the University to give any information or to make any representations, other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the University. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy, nor is there authorized to be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. This Official Statement is not to be construed as a contract with purchasers or owners of the Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as matters of fact.

UPON ISSUANCE, THE BONDS WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND WILL NOT BE LISTED ON ANY STOCK OR OTHER SECURITIES EXCHANGE. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER FEDERAL, STATE, OR OTHER GOVERNMENTAL ENTITY OR AGENCY WILL HAVE PASSED ON THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS OFFICIAL STATEMENT OR APPROVED THE BONDS FOR SALE. THE INDENTURE WILL NOT BE QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED.

This Official Statement is submitted by the University in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

UNIVERSITY OF ALASKA

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Mari Freitag, Student Regent
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Gloria O'Neill

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James Danielson, Vice Chancellor for Administrative Services, University of Alaska Southeast

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Wohlforth, Brecht, Cartledge & Brooking
Anchorage, Alaska

Trustee

The Bank of New York Mellon Trust Company, N.A.
Seattle, Washington

Financial Advisor

Kaplan Financial Consulting, Inc.
Wilmette, Illinois

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OFFICIAL STATEMENT
\$_____,000*
UNIVERSITY OF ALASKA
General Revenue and Refunding Bonds, 2013 Series S

INTRODUCTION

The purpose of this Official Statement, including the cover page and the Appendices hereto, is to furnish information regarding the issuance of the University of Alaska General Revenue and Refunding Bonds, 2013 Series S in the principal amount of \$_____,000* (the “Bonds”), the University of Alaska (the “University”), the Board of Regents of the University of Alaska (the “Board” or “Board of Regents”), and certain matters relating to the University’s finances, enrollment, and administration.”

The Bonds will be issued pursuant to a resolution adopted, and actions authorized, by the Board of Regents and in accordance with the provisions of a Trust Indenture, as amended (the “Trust Indenture”) dated as of June 1, 1992 between the University and The Bank of New York Mellon Trust Company, N.A., as successor trustee, (the “Trustee”) and as supplemented by the Sixteenth Supplemental Trust Indenture (the “Sixteenth Supplemental Trust Indenture”) dated and effective as of March 1, 2013 between the University and the Trustee. The Trust Indenture and the Sixteenth Supplemental Trust Indenture are together referred to herein as the “Indenture.”

The University is the only public institution of higher learning in the State of Alaska (the “State”). It is a Statewide system that consists of three multi-mission universities located in Anchorage, Fairbanks, and Juneau with extended satellite colleges and sites throughout the State, including over 100 extension and research sites.

This Official Statement contains information on the terms of the Bonds, descriptions of the University, and certain fiscal matters of the University. The descriptions included in this Official Statement do not purport to be comprehensive or definitive, and such summaries and descriptions are qualified in their entirety by reference to such laws, and the definitive forms of documents, exhibits or appendices where applicable. Any statements, herein involving estimates, projections or forecasts are to be construed as such rather than as statements of facts or representations that such estimates, projections or forecasts will be realized.

Summaries of, or references to, provisions of the Internal Revenue Code of 1986, as amended (the “Code”), contained herein are made subject to the complete provisions thereof and do not purport to be complete statements thereof.

DESCRIPTION OF THE BONDS

General

The aggregate principal amount of the Bonds to be issued is \$_____,000.* The Bonds will be dated as of their date of issuance and will bear interest from the dated date of the Bonds payable on October 1, 2013, and semiannually thereafter on April 1 and October 1 of each year. The Bonds will mature on October 1 of each year and in the principal amounts, and will bear interest at the rates, as set forth on the cover of the Official Statement.

The Bonds will initially be issued in book-entry only form in denominations of \$5,000 or any integral multiple thereof. The Bonds, when executed and delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), which will act as depository for the Bonds. Purchasers of beneficial interests in the Bonds will not receive physical delivery of certificates representing their interests in the Bonds. So long as DTC, or its nominee, Cede & Co. is the registered owner of all the Bonds, all payments on the Bonds will be made directly to DTC, and disbursements of such payments to the hereafter described Beneficial Owners of the Bonds will be the responsibility of the DTC Participants as more fully described hereafter.

* Preliminary, subject to change

Optional Redemption

The Bonds maturing on or after October 1, 2023 are subject to redemption at the option of the University, either as a whole or in part, in any order of maturity, subject to the provisions of, and in accordance with the Indenture, on any date on or after October 1, 2022 selected by the University, at a redemption price equal to 100% of the principal amount of the Bonds being redeemed, plus accrued interest, if any, to the redemption date.

Mandatory Redemption

Unless previously redeemed pursuant to the foregoing optional redemption provisions, the Bonds maturing on October 1, 20__ (the “Term Bonds”) are subject to mandatory redemption on October 1 of the following years and in the following principal amounts at 100% of the principal amount of the Bonds to be redeemed plus accrued interest, if any, to the redemption date.

<u>Year</u>	<u>Sinking Fund Requirements</u>
-------------	----------------------------------

Purchase of the Bonds

The Trustee shall purchase the Bonds at such times, for such prices, and in such amounts as the University shall from time to time direct in writing. However, no purchase of the Bonds shall be made by the Trustee within the period of forty-five days next preceding any date on which such Bonds are subject to redemption. And, if the Bond to be purchased is a Term Bond, and less than all of the principal amount of such Term Bond is being purchased, an Authorized Officer of the University shall direct the manner in which the principal amount that is purchased shall be credited against the scheduled redemption of such Term Bond.

Book-Entry System

The following information has been provided by The Depository Trust Company, New York, New York (“DTC”). The University makes no representation regarding the accuracy or completeness thereof. Each actual purchaser of a Bond (a “Beneficial Owner”) should therefore confirm the following with DTC or the Participants (as hereinafter defined).

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation, and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s

rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bonds ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the University or the Trustee on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the University, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the University or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the University or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The University may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the University believes to be reliable, but the University takes no responsibility for the accuracy thereof.

Notice of Redemption

At least 30 days, but not more than 60 days, prior to the date upon which any Bonds are to be redeemed, the Trustee will deliver by first class mail a notice of redemption to the registered owner of any Bond identifying all or a portion of the Bonds which are to be redeemed, at the owner's last address appearing on the registration books of the University kept by the Trustee.

On the date on which the redemption notice is mailed to the registered owners pursuant to the preceding paragraph, the Trustee shall give notice of redemption identifying the Bonds or portions thereof to be redeemed to Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies. So long as a book-entry system is used for determining beneficial ownership of the Bonds, notice of redemption will be sent to DTC, and any notice to the beneficial owners of the Bonds will be the responsibility of DTC. The Trustee, on behalf of the University, will not provide redemption notices to the beneficial owners.

Neither failure to receive any redemption notice nor any defect in such redemption notice so given will affect the sufficiency of the proceedings for the redemption of the Bonds. Failure by the Trustee to deliver notice of redemption of the Bonds at times required shall not impair the ability of the Trustee and the University to effect such redemption. The University can make no assurances that the Trustee, DTC, DTC Participants or other nominees of the bondholders will distribute such redemption notices to the bondholders, or that they will do so on a timely basis, or that DTC will act as described in this Official Statement.

Transfer of Securities

The Bonds shall only be transferable upon the books of the University, which shall be kept for such purposes at the principal office of the Trustee, by the registered Owner in person or by a duly authorized attorney, upon surrender thereof with a written instrument of transfer satisfactory to the Trustee. Upon transfer of any such Bond, the Trustee shall authenticate and deliver in the name of the transferee a new fully registered Bond or Bonds of the same aggregate principal amount and maturity as the surrendered Bond.

THE USE OF BOND PROCEEDS

General

The Bonds will be issued for purposes of (i) paying the cost of University of Alaska facility and infrastructure renewal and deferred maintenance projects, (ii) refunding and redeeming certain outstanding general revenue bonds (the "Refunded Bonds"), (iii) making a deposit into the Reserve Fund, and (iv) paying the costs of issuance of the Bonds, including the Underwriter's discount.

New Money Bonds – Infrastructure Renewal and Deferred Maintenance Projects

The State of Alaska's fiscal year 2012 capital budget authorized \$87.5 million of spending for deferred maintenance projects at the University, with \$37.5 million coming from State's capital general fund and the remaining balance of \$50 million from the University through the issuance of general revenue bonds. Of this \$50 million general revenue bond authorization, the University issued \$27.36 million principal amount of General Revenue Bond 2011 Series Q; the remaining \$22.64 million bond authorization will be used in connection with the issuance of the Bonds.

The University closely monitors its deferred and imminent renewal needs and has identified over \$700 million deferred or imminent renewal needs for the University's approximately 6.7 million square feet of physical plant. The Bonds will be used to pay the cost of University infrastructure renewal and deferred maintenance projects that have been identified as critical. These projects include, but are not limited to, capital repairs, replacement, renovations and improvements to University owned infrastructures located throughout Alaska, such as roof replacements, co-generation power plant system replacements, and electrical, sewer, heating and ventilation system replacements and upgrades. See "THE UNIVERSITY OF ALASKA – Facilities and Capital Program."

Refunding Bonds

A portion of the proceeds of Bonds is being used to refund and redeem the Refunded Bonds. Depending on market conditions on the pricing date and the resulting savings available as a result of the refunding, the University may refund and redeem all or a portion of each series and maturity of the Refunding Candidates listed in the following table. The University is not obligated to refund any or all of the Refunding Candidates.

Details of the Refunding Candidates

<u>Series Designation</u>	<u>Amounts Outstanding</u>	<u>Maturities*</u>	<u>Redemption Date</u>
2003 Series L	\$315,000	2014 to 2015, inclusive	October 1, 2013
2004 Series M	\$385,000	2014	October 1, 2013
2005 Series N	\$10,595,000	2016 to 2035, inclusive	October 1, 2015

* All Refunding Candidates are callable at a price of par on the redemption date.

Table 1: Sources and Uses of Funds

Sources:

Bond Principal	\$
Net Original Issue Premium (Discount)	
Total Sources	<u>\$</u>

Uses:

Deposit to Construction Account	\$
Deposit Reserve Account	
Escrow Deposit	
Costs of Issuance, including underwriting discount	
Total Uses	<u>\$</u>

SECURITY FOR THE BONDS

Authorization

The Bonds are being issued pursuant to Chapter 40 of Title 14 of the Alaska Statutes, as amended (the “Act”) which authorizes the University to issue revenue bonds (including refunding bonds) to pay the cost of acquiring, constructing or equipping University facilities that the Board of Regents determines necessary. Provisions enacted into law during the 1991 legislative session authorized the University to issue revenue bonds with the approval of the Board of Regents. The State Legislature must approve, by law, a project financed by obligations (other than refunding obligations) with annual debt service payments anticipated to exceed \$2.5 million.

The Bonds are issued by virtue of a Board Resolution adopted by the Board of Regents of the University on February 22, 2013, the Trust Indenture, and the Sixteenth Supplemental Trust Indenture. Since 1992, the University has issued seventeen series of general revenue bonds totaling \$271.4 million, of which \$129.6 million were outstanding as of February 1, 2013, which figure includes the Refunded Bonds. Upon issuance of the Bonds, \$_____ million will be outstanding.

* Preliminary, subject to change

Pledged Revenues

The Bonds constitute revenue obligations of the University. The Bonds do not constitute an indebtedness or liability of the State, and the Bonds do not directly, indirectly or contingently obligate the State or any political subdivision thereof to apply moneys from or levy or pledge any form of taxation whatever for the payment of the Bonds. The University has no taxing power. The State is not obligated, morally or legally, to appropriate monies to pay debt service on the Bonds.

Pursuant to the Indenture, the Revenues, and all of the moneys, securities and funds held and set aside under the Indenture are pledged and assigned, equally and ratably, to secure the payment of the principal and redemption price of, and interest on all Bonds and parity bonds outstanding under the Indenture, subject only to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions specified in the Indenture. "Revenues" consist of all student fees, charges and rentals, including receipts from sales of goods and services, facilities and administrative cost recovery, income of auxiliary enterprises, miscellaneous fees and fines and similar items which are unrestricted but exclude: (1) governmental appropriations, other than for the items specified above; (2) gifts, donations and endowment earnings; (3) investment earnings, other than earnings on funds held under the Indenture; and (4) revenues from trust land required to be deposited in the Land Grant Endowment Trust Fund pursuant to Alaska Statute 14.40.400.

The Legislature makes an annual appropriation to the University that authorizes it to spend Revenues and other gifts, grants and income that it receives. See "State Appropriations to the University" herein. The Act provides that any pledge under the Indenture of the Revenues received by the University is considered a perfected security interest and is valid and binding from the time when the pledge is made, and that the property so pledged is immediately subject to the lien of such pledge without any physical delivery or other act. The State has pledged not to limit or alter rights vested in the University to fulfill the terms of a contract with revenue bond owners.

All Revenues are deposited upon receipt in the Revenue Fund held by the University. Amounts may be paid out of the Revenue Fund without restriction for operating costs of the University. The University covenants to pay its general expenses from legislative appropriations made from the State's general fund before paying operating expenses from the Revenue Fund. Amounts will be paid out of the Revenue Fund into the Debt Service Fund to the extent necessary for the payment of debt service on the Bonds and all parity bonds and will be paid out of the Revenue Fund and into the Reserve Fund to the extent necessary so that the amount therein equals the Reserve Requirement.

Table 2: Revenues Pledge to General Revenue Bonds (1)

**For Fiscal Years Ending June 30
(\$'s in 000's)**

	2008	2009	2010	2011	2012
Student Tuition and Fees, net	\$ 92,083	\$ 98,211	\$ 106,340	\$ 116,104	\$ 123,971
Facilities and Administrative Cost Recovery	30,731	30,086	33,087	33,737	32,395
Sales and Services of Educational Depts.	3,345	3,850	4,073	4,215	4,921
Other Sources, Net of Gifts (2)	14,457	15,687	14,457	16,896	14,199
Auxiliary Enterprises, net	39,192	39,990	39,225	39,265	39,813
Total Pledged Revenues	\$ 179,808	\$ 187,824	\$ 197,182	\$ 210,217	\$ 215,299
Fiscal year debt service	\$ 8,057	\$ 9,036	\$ 9,132	\$ 9,192	\$ 12,283
Coverage	22.3X	20.8X	21.6X	22.9X	17.5X

- (1) Consistent with the terms of the Trust Indenture, all revenues generated from the sources identified in Table 2 above are Revenues that secure the University's General Revenue Bonds, including the Bonds.
- (2) Gifts are excluded as Revenues pledged for payment of General Revenue Bonds.

Source: University of Alaska Fund Accounting.

Reserve Fund

The Trust Indenture establishes the Reserve Fund to be held by the Trustee and provides for a Reserve Requirement equal to (i) one-half of Maximum Aggregate Debt Service in any Bond Year on all outstanding Bonds and Additional Bonds, or (ii) such lesser amount as is required to maintain the tax-exempt status of the Bonds. The Trust Indenture provides that if five Business Days prior to any principal or interest payment date for the Bonds the amount in the Debt Service Fund is less than the amount required to pay such principal or interest, the Trustee will apply amounts from the Reserve Fund to the extent necessary to make good the deficiency. Under certain conditions, the Indenture permits Reserve Equivalents to be used to satisfy the Reserve Requirement. As of February 1, 2013, the reserve requirement is \$_____ million and the Reserve Fund held investment securities with a market value of \$_____ million which is invested in a money market fund.

The Sixteenth Supplemental Trust Indenture authorizes an amendment to the Trust Indenture that eliminates the establishment and maintenance of the Reserve Fund and related funding obligation. The effective date of this amendment is when all general revenue bonds issued prior to the Bonds cease to be Outstanding. Thereafter, the Bonds will cease to be secured by the Reserve Fund. See "SECURITY FOR THE BONDS – Trust Indenture Modifications and Amendments."

Rate Covenant

The Indenture establishes that the University will fix, maintain and collect fees, charges and rentals, and the University will adjust such fees, charges and rentals such that Revenues of the University will be at least equal in each Fiscal Year to the greater of (a) the sum of (i) an amount equal to Aggregate Debt Service for such Fiscal Year; (ii) the amount, if any, to be paid during such Fiscal Year into the Reserve Fund; (iii) the amount of draws, interest and expenses then due and owing on any Reserve Equivalent; and (iv) all other amounts which the University may now, or hereafter, become obligated to pay, by law or contract, from Revenues during such Fiscal Year; or (b) an amount equal to at least two times the Aggregate Debt Service for such Fiscal Year.

Additional Bonds

The University may issue one or more series of Additional Bonds on a parity with the Bonds and secured by an equal lien on the Revenues for the following purposes:

- (a) Additional Bonds may be issued to provide funds to pay for the cost of Acquisition or Construction of a project for the University, upon delivery to the Trustee of a certificate from an Authorized Officer of the University that the amount of Revenues received by the University during the last Fiscal Year prior to the issuance of the Additional Bonds was at least equal to two times Maximum Aggregate Debt Service with respect to all Bonds and Additional Bonds to be outstanding after the issuance of such Additional Bonds and 1.0 times any amount of the draws, interest and expenses then due and owing under any Reserve Equivalent.
- (b) Additional Bonds may be issued to refund any outstanding obligations of the University including the Bonds. The University must certify either (i) that Aggregate Debt Service in any Fiscal Year will not be increased as a result of such refunding, or (ii) that the amount of Revenues received by the University during the last Fiscal Year prior to the issuance of the Additional Bonds was at least equal to two times Maximum Aggregate Debt Service with respect to all Bonds and Additional Bonds to be outstanding after the issuance of such Additional Bonds.

Subordinated indebtedness secured by a lien on the Revenues may be issued provided that such lien is junior and inferior to the lien of the Bonds on the Revenues.

Debt Service Coverage

The following debt service coverage is based on pledged Revenues for the fiscal years as indicated (see Table 2, “Revenues Pledged to General Revenue Bonds”), and the annual debt service requirements on all General Revenue Bonds, including the Bonds (See Table 3, “Combined Debt Service on General Revenue Bonds and Other Indebtedness.”)

	<u>2012</u>
Pledged Revenues	\$215,299,000
Maximum Aggregate General Revenue Bond Debt Service including the Bonds (Fiscal Year ____)	\$ ____*
Estimated Coverage	_____

* Preliminary, subject to change

Table 3: Continued Debt Service on General Revenue Bonds and other Indebtedness

February 1, 2013

Fiscal Year ⁽¹⁾	Debt Service Outstanding Revenue Bonds ⁽²⁾	2013 Series S			Total General Revenue Bond Debt Service	Other Indebtedness ⁽³⁾	Total
		Principal	Interest	Total			
2013	\$ 2,625,740				\$ 2,625,740	\$ 1,238,590	\$ 3,864,330
2014	12,623,105				12,623,105	2,305,104	14,928,209
2015	12,485,795				12,485,795	2,300,869	14,786,664
2016	12,581,260				12,581,260	3,008,699	15,589,959
2017	12,517,238				12,517,238	2,929,494	15,446,732
2018	12,453,837				12,453,837	2,889,038	15,342,875
2019	11,105,461				11,105,461	2,885,175	13,990,636
2020	11,100,374				11,100,374	2,884,375	13,984,749
2021	11,117,786				11,117,786	2,882,775	14,000,561
2022	10,947,186				10,947,186	2,885,275	13,832,461
2023	10,592,230				10,592,230	2,881,875	13,474,105
2024	9,501,574				9,501,574	2,885,715	12,387,289
2025	8,614,293				8,614,293	1,382,350	9,996,643
2026	8,377,659				8,377,659	1,382,275	9,759,934
2027	8,373,891				8,373,891	1,379,375	9,753,266
2028	5,950,218				5,950,218	1,375,475	7,325,693
2029	4,344,241				4,344,241	1,375,475	5,719,716
2030	3,247,704				3,247,704	1,378,250	4,625,954
2031	3,240,106				3,240,106	1,373,591	4,613,697
2032	2,657,633				2,657,633	1,372,731	4,030,364
2033	2,655,313				2,655,313	1,371,091	4,026,404
2034	1,144,481				1,144,481	1,369,675	2,514,156
2035	299,575				299,575	1,368,175	1,667,750
2036	301,638				301,638	1,370,175	1,671,813
2037						1,370,575	1,370,575
2038						1,369,375	1,369,375
2039						1,364,388	1,364,388
2040						1,365,713	1,365,713
2041						1,360,725	1,360,725
2042						1,364,338	1,364,338
2043						1,361,463	1,361,463
2044						1,357,188	1,357,188
2045						1,444,850	1,444,850
	<u>\$ 178,858,338</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 178,858,338</u>	<u>\$ 60,834,234</u>	<u>\$ 239,692,572</u>

Source: University of Alaska Fund Accounting.

(1) Fiscal 2013 debt service reflects remaining balance after February 1, 2013.

- (2) Excludes debt service for the Refunded Bonds. See “THE USE OF BOND PROCEEDS-REFUNDING PROGRAM” herein.
- (3) Other indebtedness includes \$1.50 million in annual payments on the outstanding note payable to the Alaska Housing Finance Corporation (AHFC) and rent payments on the University’s long-term lease with Community Properties Alaska, Inc. (\$620,700 beginning in fiscal year 2015 and approximately \$1.36 to \$1.44 million thereafter until fiscal year 2045). The remaining amounts are payments on outstanding installment contracts, due quarterly through Fiscal Year 2017. See Table 4 and “Other Obligations” herein.

Table 4: Schedule of Long-Term Debt

	Interest Rates	Interest Payment Dates	Issue Date	Final Maturity Date	Amount Issued	Outstanding February 1, 2013
Installment Contracts	2.78-4.77%	Quarterly	Various	4/15/2017	\$ 4,470,377	\$ 1,530,002
Notes Payable						
Alaska Housing Finance Corporation (AHFC)	1.826%	8-1/2-1	5/14/1997	2/1/2024	\$ 33,000,000	\$ 14,888,345
Capital Lease Liability (1)	3.420%	10-1/4-1	12/19/2012	10/1/2044	\$ 24,507,618	\$ 24,507,618
General Revenue Bonds						
2003 Series L	3.00-4.70%	10-1/4-1	12/9/2003	10/1/2015	\$ 9,970,000	\$ 590,000
2004 Series M	3.25-4.75%	10-1/4-1	1/8/2004	10/1/2014	11,070,000	755,000
2005 Series N	3.00-5.00%	10-1/4-1	8/31/2005	10/1/2035	24,355,000	18,590,000
2008 Series O	3.375-4.25%	10-1/4-1	1/31/2008	10/1/2033	23,795,000	18,980,000
2009 Series P	2.00-5.00%	10-1/4-1	12/8/2009	10/1/2023	14,045,000	10,610,000
2011 Series Q	2.00-5.00%	10-1/4-1	10/5/2011	10/1/2032	48,870,000	47,305,000
2012 Series R	2.00-5.00%	10-1/4-1	3/5/2012	10/1/2030	32,805,000	32,805,000
					<u>\$ 164,910,000</u>	<u>\$ 129,635,000</u>
Total Long-Term Debt					<u>\$ 226,887,995</u>	<u>\$ 170,560,965</u>

Source: University of Alaska Fund Accounting.

- (1) Represents the present value of future payments on the University’s long-term lease that secures \$25,070,000 of bonds issued by Community Properties Alaska, Inc. Under generally accepted accounting principles, the present value of these lease payments is recorded as a liability on the University’s statement of net assets. See Table 3 and “Other Obligations” below.

Other Obligations

Other obligations of the University include a note payable to the Alaska Housing Finance Corporation (“AHFC”) and a long-term capital lease with Community Properties Alaska, Inc.

In December 2012, Community Properties Alaska, Inc., an Alaska non-profit corporation, issued \$25,070,000 of bonds (the “CPA Bonds”) secured by a long-term lease with the University for construction of a new dining facility on the Fairbanks

campus. Under the terms of the lease, the University is obligated to pay base rent equal to debt service on the CPA Bonds beginning the earlier of August 1, 2014 or the substantial completion of the facility. Interest on the CPA Bonds through August 1, 2014 will be paid from bond proceeds. The obligation of the University to pay base rent is not subject to abatement in the event of damage or destruction of the facility. In the event that the facility is not substantially completed by December 31, 2016, however, the University may terminate the lease. The University's obligation to pay rent is subordinate to the lien on Revenues that exists for the Bonds and parity bonds issued under the Trust Indenture.

Additional information about the CPA Bonds can be obtained from the official statement for the issue available at the EMMA website maintained by the Municipal Securities Rulemaking Board.

The University issued a \$33 million note payable to AHFC in 1997 to construct a 558-bed suite-style housing and food service addition in Anchorage that opened in August 1998. Under the loan agreement under which the note to AHFC was issued, the obligation to repay the loan is an absolute, unconditional and unlimited general obligation of the University. The University has not pledged its Revenues, as defined in the Indenture, to make any of the payments required under the loan agreement with the AHFC.

Trust Indenture Modifications and Amendments

The Trust Indenture authorizes modifications of, and amendments to, any provision set forth in the Trust Indenture by the terms of a Supplemental Indenture, with such modifications and amendments becoming effective after all general revenue bonds of each Series Outstanding as of the date of such Supplemental Indenture authorizing such modification and amendment cease to be Outstanding.

The Sixteenth Supplemental Indenture authorizes the following modifications to, and amendments of, the Trust Indenture: (i) to eliminate the establishment and maintenance of the Reserve Fund and related funding obligations, (ii) to allow certain amendments and modifications to the Trust Indenture to become effective upon securing the consent of the Owners of at least a majority of principal amount of general revenue bonds then Outstanding and to provide that consent of an Owner of general revenue bonds may be revoked unless such consent by its terms is made irrevocable, and (iii) to establish that consent of Owners of general revenue bonds, when required under the terms of the Trust Indenture, specifically includes the consent of an underwriter or purchaser of a Series of general revenue bonds at the time such bonds are issued.

These modifications and amendments to the Trust Indenture shall become effective after all general revenue bonds issued prior to the Bonds cease to be Outstanding and compliance by the University with certain requirements set forth in the Trust Indenture, at which time these modifications and amendments will apply to the Bonds and govern the rights and obligations of the Owners thereof.

GENERAL INFORMATION CONCERNING THE UNIVERSITY OF ALASKA

General

The University of Alaska is the only public institution of higher learning in the State. It is a Statewide system that consists of three multi-mission universities located in Anchorage, Fairbanks, and Juneau with extended satellite colleges and sites throughout the State, including over 100 extension and research sites. The University was established in Fairbanks, Alaska, by Congress in 1915 as the Alaska Agricultural College and School of Mines; in 1935 it was renamed the University of Alaska; and in 1959 was established as the State university in the Alaska State Constitution. The University has expanded to include full-service universities in Fairbanks, Anchorage, and Juneau; lower division college centers in Bethel, Dillingham, Ketchikan, Kodiak, Kotzebue, Nome, Palmer, Sitka, and Soldotna; a community college at Valdez; and vocational, rural education, and extension sites throughout the State.

The University is governed by an eleven-member Board of Regents, which is appointed by the governor. In June 2010, the Board of Regents appointed the then President of Alaska Railroad Corporation Patrick K. Gamble as the 13th president of the University of Alaska. Chancellors head the major regional instructional units: the University of Alaska Fairbanks, the University of Alaska Anchorage, and the University of Alaska Southeast. The system's administrative offices are located on the Fairbanks campus.

Description of the Programs

The University of Alaska Anchorage offers baccalaureate and associate degrees, as well as certificate programs, through its colleges of arts and sciences, business and public policy, education and health and social welfare, as well as the schools of engineering, nursing and social work. In addition, master's degrees are offered in more than twenty-six programs along with a number of graduate certificate programs. It has a medical education program in conjunction with the States of Washington, Idaho, Wyoming, and Montana and a clinical psychology PhD. program jointly offered with University of Alaska Fairbanks. It also provides adult and continuing education programs. Research programs are emphasized, primarily in biological and health sciences, public policy, and social and economic studies. The Community and Technical College provides both credit and non-credit instruction to the greater Anchorage area and the two military bases in the Anchorage area.

The University of Alaska Fairbanks is a comprehensive, four-year, doctoral degree-granting institution with four colleges and four professional schools that offer bachelor's degrees in more than sixty-five major areas and recognized master's degrees in professional disciplines and doctorates in the sciences and mathematics. The four colleges are the College of Liberal Arts, the College of Engineering and Mines, the College of Natural Science and Mathematics, and the College of Rural and Community Development, with the latter having branch campuses and extended sites throughout the State. The four professional schools consist of the School of Natural Resources and Agricultural Sciences, the School of Management, the School of Fisheries and Ocean Sciences and the School of Education. These colleges and schools offer certificates, associate and baccalaureate degrees as well as a wide range of technical/vocational programs. Master's degrees are offered in over fifty fields and doctoral programs are offered in the areas of anthropology, atmospheric sciences, biology, engineering, geology, geophysics, mathematics, oceanography, physics, space physics, and wildlife management. The Community and Technical College, one of the College of Rural and Community Development branch campuses, which is located in Fairbanks, focuses on the two-year educational mission and also offers courses at four military bases in the Fairbanks area. The University of Alaska Fairbanks is the University system's organized research hub. The wide range of science conducted is supported by a number of research centers and institutes.

The multi-mission university located in Juneau is referred to herein as the "University of Alaska Southeast" and is a comprehensive regional university with the primary purpose of providing post-secondary education in Southeast Alaska. The University of Alaska Southeast has campuses in Juneau, Ketchikan, and Sitka, and outreach locations throughout its region. It offers certificate programs and associate of applied science degrees in vocational-technical and business-related areas; associate of arts degrees and baccalaureate degrees in the liberal arts, sciences, education, business, and social sciences; and master's degrees in selected professional fields. In the Statewide system, this institution shares responsibility for programs in public administration, early childhood education and educational technology and has responsibility for statewide distance delivery of degrees in liberal arts and business and the master's degree in public administration.

Accreditations

The four accredited institutions of the University, University of Alaska Anchorage, University of Alaska Fairbanks, University of Alaska Southeast, and Prince William Sound Community College, are accredited by the Northwest Commission on Colleges and Universities. Various schools and colleges at each institution are also accredited by their appropriate accrediting bodies.

ADMINISTRATION OF THE UNIVERSITY

Board of Regents

Established in 1917 as the Board of Trustees and made the Board of Regents by an act of the Territorial Legislature on July 1, 1935, the Board of Regents is an autonomous organization and the highest authority in the administration of the University. The eleven member Board of Regents is governed by Title 14, Chapter 40.120-170 of the Alaska Statutes, which provides for the appointment of the Regents by the Governor of the State for overlapping terms of eight years, subject to confirmation by the State Legislature. Provision for a student representative to the Board of Regents, with a term of two years, was made in 1975. Members of the Board of Regents are as follows:

Patricia Jacobson, Chair
Kirk Wickersham, Vice Chair
Mari Freitag, Student Regent
Timothy C. Brady
Kenneth J. Fisher
Gloria O'Neill

Michael Powers, Secretary
Jyotsna Heckman, Treasurer
Dale Anderson
Fuller A. Cowell
Mary K. Hughes

Board of Regents members receive no compensation for their services, but are reimbursed for expenses incurred in performing their duties.

Business and Finance Officers

The University's present business and financial officers are listed below, with biographical sketches following.

Patrick K. Gamble, President, UA
Ashok Roy, Vice President for Finance and Administration and Chief Financial Officer, UA
Michael Hostina, General Counsel, UA
Myron J. Dosch, Controller, UA
James Danielson, Vice Chancellor for Administrative Services, UAS
Pat Pitney, Vice Chancellor for Administrative Services, UAF
William H. Spindle, Vice Chancellor for Administrative Services, UAA

Patrick K. Gamble, became the 13th president of the University of Alaska on June 1, 2010. Prior to joining the University, he served Alaska for over nine years as president and chief executive officer of the Alaska Railroad Corporation. Before leading the railroad, Mr. Gamble served as a fighter pilot in the U.S. Air Force, retiring as a four-star general and as commander of the United States Air Force in the Pacific Region. Prior to that assignment, Mr. Gamble was director of Air Force Air and Space Operations in the Pentagon. From 1996 to 1998, he served as commander of Alaskan Command. Previous military assignments included director of NATO operations and logistics during Bosnia operations. He also served as Commandant of the U.S. Air Force Academy and commanded two fighter wings.

Mr. Gamble earned a Bachelor of Arts degree in mathematics from Texas A & M University and a Master of Business Administration from Auburn University, Alabama.

Dr. Ashok Roy joined the University of Alaska as Vice President for Finance and Administration and Chief Financial Officer in June 2012. Prior to joining the University, Dr. Roy served in senior management positions in the private sector, local government, and at three other large universities. Dr. Roy holds six university degrees and five professional certifications. Dr. Roy earned a doctoral degree at Sadar Patel University in India; a Master of Arts at Utkal University in India; and two undergraduate degrees, also in India. In the United States, he earned a Master of Science and Master of Education from Indiana University and the University of Tennessee at Chattanooga, respectively. Dr. Roy is the author of sixty-nine publications in academic and trade journals.

Michael Hostina was appointed General Counsel for the University Statewide System in October 2011. Mr. Hostina served as Associate General Counsel for the University from 2002 to 2011. He served as the University's director of labor relations from 1998 to 2002, and as regional director and legal counsel for the State of Alaska Ombudsman's Office in Fairbanks from 1989 to 1995. Mr. Hostina is a graduate of Temple University Law School.

Myron J. Dosch, CPA, has served in various accounting management positions since joining the University in 1995, including his current position as Controller for the University Statewide System since March 2006. Prior to joining the university Mr. Dosch performed audit and tax services for an Alaska public accounting firm. Mr. Dosch earned a Bachelor of Business Administration in Accounting from Gonzaga University and a Masters in Business Administration with an emphasis in capital markets from the University of Alaska Fairbanks.

James Danielson was appointed Vice Chancellor for Administrative Services at the University of Alaska Southeast (UAS) in January 2012. Prior to this appointment, Mr. Danielson served as Associate Vice Chancellor for Administrative Services at

UAS. Prior to joining the University, he was the controller at Massachusetts College of Pharmacy and Health Sciences. His past work experience includes employment at Deloitte, as a certified public accountant in the firm's practice in Boston. Mr. Danielson earned his MBA from Idaho State University in 1999, and his Bachelor of Arts in Accounting from Utah State University in 1997.

Pat Pitney was appointed Vice Chancellor for Administrative Services at the University of Alaska Fairbanks in October 2008. Prior to this appointment, she served as Vice President for Planning and Budget Development for the University Statewide System. Ms. Pitney began her University of Alaska experience in 1991 as a research analyst and held management and leadership positions at the Statewide System for institutional research, information systems implementation, budgeting, planning, and accountability. Ms. Pitney earned a Bachelor's of Science degree in Engineering Physics from Murray State University in 1987 and an M.B.A. from the University of Alaska Fairbanks in 1991.

Dr. William H. Spindle is Vice Chancellor for Administrative Services at the University of Alaska Anchorage (UAA), a position he has been in since June 2007. Prior to this appointment, Dr. Spindle was the Director of Business Services beginning in 1999. Dr. Spindle began his University of Alaska experience in 1997, serving as the Deputy Chief Procurement Officer and the Interim Chief Procurement Officer until 1999. Prior to coming to the University, he served for twenty-five years in the Air Force managing business organizations. His final position was as the Director of Contracting for Pacific Air Force Command. He retired in 1997 as a colonel. Dr. Spindle earned his bachelor's degree in Engineering Management from the United States Air Force Academy in 1972, an M.B.A. from Boston University in 1978, and his Ed.D. from the University of La Verne in 2007.

Faculty and Employees

The University's faculty and staff total approximately 4,569 regular employees and approximately 4,096 temporary employees as of fall 2012. Members of the University's full-time regular instructional and research faculty total approximately 1,492. Part-time faculty totaled approximately 1,177 as of fall 2012. For fiscal year 2012, total University compensation and benefits was \$490.6 million, including union affiliated employees.

THE STUDENT BODY

Student Enrollment

Approximately 90% of the University students are residents of the State of Alaska. The remaining students come from the other forty nine states and foreign countries.

For the various academic years ending June 30, the University awarded the following degrees and certificates:

<u>June</u>	<u>Doctorate</u>	<u>Masters</u>	<u>Baccalaureate</u>	<u>Associate</u>	<u>Certificates</u>
2007	33	643	1,419	969	286
2008	29	604	1,408	982	402
2009	37	537	1,527	928	277
2010	45	622	1,498	988	447
2011	46	641	1,616	1,068	452
2012	50	650	1,612	1,108	562

Source: University of Alaska Institutional Research and Analysis.

The following table indicates the total fall enrollment of undergraduate and graduate students, and the full-time equivalent and total credit hours for the fall semester, for all students attending the University. Full-time equivalent for undergraduate is calculated as fifteen student credit hours for courses below the 500 level and twelve student credit hours for courses at the 500 level and above for graduate, excluding audited credit hours. This represents the average number of credits needed to receive an undergraduate degree in four years, or a graduate degree in two years. The enrollment figures listed for the years 2007 – 2011 are the fall semester closing figures that are available in January following the end of the semester.

Table 5: On Campus Fall Enrollment

<u>Fall</u>	Head Count			Full-Time Equivalent			<u>Total Credit Hours Taken</u>
	<u>Under-graduate</u>	<u>Graduate</u>	<u>Total</u>	<u>Under-graduate</u>	<u>Graduate</u>	<u>Total</u>	
2007	29,955	2,211	32,166	16,126	1,225	17,351	254,875
2008	29,944	2,384	32,328	16,296	1,311	17,607	258,321
2009	31,121	2,589	33,710	17,195	1,395	18,589	273,150
2010	31,824	2,656	34,480	17,841	1,451	19,292	283,385
2011	32,304	2,679	34,983	18,405	1,458	19,863	292,256
2012	30,963	2,618	33,581	17,980	1,410	19,390	285,296

Source: University of Alaska Institutional Research and Analysis.

Table 6 shows the number of applications accepted and the number of students enrolled for the fall semesters. Fall semester includes the prior summer term students.

Table 6: Student Applications and Enrollment

<u>Fall Semester</u>	<u>Applications Received</u>	<u>Accepted</u>	<u>Percent Accepted</u>	<u>Students Enrolled</u>	<u>Percent Enrolled</u>
Freshman					
2007	5,252	3,940	75.0%	2,847	72.3%
2008	5,962	4,158	69.7%	2,932	70.5%
2009	6,650	4,873	73.3%	3,406	69.9%
2010	7,025	5,225	74.4%	3,589	68.7%
2011	6,705	5,107	76.2%	3,517	68.9%
2012	6,418	4,680	72.9%	3,218	68.8%
Transfer Undergraduates					
2007	2,782	1,938	69.7%	1,292	66.7%
2008	3,012	2,068	68.7%	1,386	67.0%
2009	3,395	2,402	70.8%	1,682	70.0%
2010	3,461	2,492	72.0%	1,689	67.8%
2011	3,424	2,521	73.6%	1,754	69.6%
2012	3,497	2,400	68.6%	1,592	66.3%
Total Undergraduates					
2007	8,034	5,878	73.2%	4,139	70.4%
2008	8,974	6,226	69.4%	4,318	69.4%
2009	10,045	7,275	72.4%	5,088	70.0%
2010	10,486	7,717	73.6%	5,278	68.4%
2011	10,129	7,628	76.0%	5,271	69.1%
2012	9,915	7,080	71.4%	4,810	67.9%
Graduate Students					
2007	1,403	722	51.5%	523	72.4%
2008	1,484	785	52.9%	602	76.7%
2009	1,518	725	47.8%	574	79.2%
2010	1,541	703	45.6%	556	79.1%
2011	1,531	668	43.6%	523	78.3%
2012	1,529	626	40.9%	499	79.7%

Source: University of Alaska Institutional Research and Analysis.

Tuition and Fees

Tuition is assessed on a per credit hour basis. There is no fee cap or consolidated fee.

Table 7: Student Tuition per Credit Hour

Student Classification	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14⁽¹⁾</u>
Undergraduate lower div, resident	\$128	\$134	\$141	\$147	\$154	\$165	\$168
Undergraduate upper div, resident	144	151	159	170	187	200	204
Undergraduate lower div, nonresident	427	448	471	500	542	580	600
Undergraduate upper div, nonresident	443	465	489	523	575	615	636
Graduate, resident	287	301	316	338	372	383	391
Graduate, nonresident	586	615	646	691	760	783	799

(1) At the Board of Regents September 2012 meeting, the Board approved a two percent increase to all undergraduate rates, a four percent increase to non-resident surcharge for undergraduate, and a two percent increase to graduate rates of tuition, both resident and non-resident for academic year 2014.

Source: University of Alaska Institutional Research and Analysis.

Table 8: Average Annual Full-Time Student Tuition and Registration Fees*

Student Classification	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
Undergraduate, resident	\$ 4,818	\$ 5,173	\$ 5,408	\$5,703	\$6,078	\$6,438
Undergraduate, nonresident	13,788	14,593	15,308	16,293	17,718	18,888
Graduate, resident	7,682	8,104	8,492	9,138	9,954	10,155
Graduate, nonresident	14,858	15,640	16,412	17,610	19,266	19,755

* Assumes registration fees at Fairbanks. Undergraduate tuition is based on 15 credit hours per semester, with one half taken at the lower division rate and the other half taken at the upper division rate. Graduate tuition is based on 12 credit hours per semester.

Source: University of Alaska Institutional Research and Analysis.

Total Costs – Undergraduate Residents

The annual cost of room and board and the total educational costs for two semesters for a resident undergraduate student taking 15 credits of lower division (100 and 200 level) and 15 credits of upper division (300 and above) courses are shown in Table 9. The figure is based on double-room, double-occupancy in a campus residence hall at the University of Alaska Fairbanks. Figures exclude travel.

Table 9: Annual Student Room and Board and Total Undergraduate Educational Costs

Academic Year	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
Room and Board	\$ 6,030	\$ 6,630	\$ 6,802	\$ 6,960	\$ 6,960	\$ 7,200
Tuition, Fees, Books & Supplies	5,518	5,908	6,708	7,103	7,493	7,842
Combined Total	\$ 11,548	\$ 12,538	\$ 13,510	\$ 14,063	\$ 14,453	\$ 15,042

Source: University of Alaska Institutional Research and Analysis.

Financial Aid Statistics, College Savings Plan And Scholars Program

Financial aid for the last several aid years (fall, spring and summer semesters) is shown below. The decrease in Alaska Student Loans is due primarily to increased volume of Pell Grants and Federal Stafford loans, which offer more favorable terms than the Alaska Student Loan Program.

Table 10: Summary of Financial Aid

By Aid Year: Fall - Spring - Summer Semesters
(\$'s in 000's)

	2007-08	2008-09	2009-10	2010-11	2011-12
Scholarships, Grants and Awards					
Federal - Pell Grants	\$ 9,839.5	\$ 11,213.8	\$ 17,234.7	\$ 24,598.4	\$ 25,768.5
Federal - Other	1,957.7	1,951.7	2,215.3	3,178.4	2,182.8
UA Foundation	1,618.6	1,670.9	1,972.1	2,069.2	2,349.4
Institutional	8,666.8	10,611.3	11,449.4	12,090.9	13,132.6
Other	9,094.3	10,731.8	11,563.4	12,575.2	12,292.0
Total	\$ 31,176.9	\$ 36,179.5	\$ 44,434.9	\$ 54,512.1	\$ 55,725.3
Loans					
Alaska Student Loans	\$ 19,613.8	\$ 17,999.9	\$ 6,227.5	\$ 4,302.9	\$ 1,900.2
Federal	45,493.7	53,628.3	67,937.4	76,107.0	79,398.2
Other	1,030.0	942.8	1,461.5	1,273.9	1,479.3
Total	\$ 66,137.5	\$ 72,571.0	\$ 75,626.4	\$ 81,683.8	\$ 82,777.7
Student Employment	\$ 18,123.6	\$ 18,866.8	\$ 20,363.1	\$ 20,857.4	\$ 22,543.0
Total Financial Aid	\$ 115,438.0	\$ 127,617.3	\$ 140,424.4	\$ 157,053.3	\$ 161,046.0

Source: University of Alaska Institutional Research and Analysis.

Section 529 College Savings Plan

In 1991, the Alaska legislature established the Advance College Tuition program within the University of Alaska. The program was one of the first of what would eventually become known as Section 529 College Savings Plans. In 1997, the University modified the program to comply with Section 529 of the Internal Revenue Code. In 2001, the University established the Education Trust of Alaska ("Trust") and converted the program from a prepaid tuition program to a full-range college savings and investment program. T. Rowe Price is the program manager. The Trust offers three separately marketed 529 college savings plans: The UA College Savings Plan, marketed directly to investors within the State of Alaska; the T. Rowe Price College Savings Plan nationally marketed directly to investors; and John Hancock Freedom 529 nationally marketed through authorized financial advisors. Each of these plans is open to eligible individuals regardless of state of residence. Each of these plans has different investment options. Since the Trust was established in May 2001, assets under management in the program have grown from \$25 million to approximately \$4.6 billion at June 30, 2012, with over 22,000 Alaskans having established accounts in the plan.

University of Alaska Scholars Program

The University of Alaska Scholars Program ("Program") is a four-year scholarship given to the top ten percent of graduates from qualified Alaska high schools each year. The Program offers an \$11,000 scholarship for use at any University campus. Scholars receive \$1,375 per semester for a total of eight semesters. As of fall 2012, there were 1,985 UA Scholars enrolled at the University campuses.

Alaska Performance Scholarship Program and AlaskAdvantage Education Grant

For academic year 2011-2012, the State of Alaska created the Alaska Performance Scholarship program administered by Alaska Commission on Postsecondary Education. This \$8 million program in fiscal year 2013 is a merit-based scholarship that provides an opportunity for any future Alaska high school graduate who meets a core set of requirements to receive funding to pursue college and/or career training in Alaska. There are three maximum award levels: \$4,755 a year, \$3,566 a year, and \$2,378 a year. The scholarship provides additional incentives for Alaska high school graduates to pursue higher education with the University. As of fall 2012, 1,461 students received a total of \$2.6 million of Alaska Performance Scholarship awards.

The AlaskAdvantage Education grant is also new for academic year 2011-2012. This \$4 million program in fiscal year 2013 provides need-based financial assistance to eligible Alaska students attending qualifying postsecondary educational institutions in Alaska. A portion of funds is set aside for applicants with exceptional academic preparation and for those enrolled in workforce shortage programs. Grant awards range from \$500 to \$3,000 per academic year for students who have qualifying unmet financial need.

In the 2011 legislative session, the Legislature appropriated \$400 million to a fund that would ultimately be established in the 2012 legislative session as the Alaska Higher Education Investment Fund (AHEIF). The purpose of the AHEIF is to provide a source for funding the Alaska Performance Scholarship program and the AlaskAdvantage Education grant program. The Commissioner of Revenue identifies seven percent of the June 30 market value of the AHEIF available each year for appropriation as follows: two-thirds for the Alaska Performance Scholarship program and one-third for the AlaskAdvantage Education grant program.

FACILITIES AND CAPITAL PROGRAM

Libraries and Museum

The University's library collection contains more than 2.3 million book volumes with extensive collections housed at Fairbanks, Anchorage, and other sites. The University's system wide general library collection of books, periodicals, and other documents is approximately 1.5 million titles.

The expanded University of Alaska Museum of the North located on the Fairbanks campus opened in 2005, and has brought national and international media attention to Alaska. The \$42 million museum expansion project doubled the size of the existing museum to approximately 90,000 gross square feet.

Residential and Other

The University maintains and operates 71 student residential buildings having a combined designed capacity of approximately 2,970 beds as well as an additional 31 faculty and staff housing units. Other ancillary facilities of the University include a central co-generation power plant in Fairbanks, printing services and copy centers, motor pools, bookstores, health services, and telecommunication centers.

Physical Plant for Academic and Administrative Activities

The table below provides a summary of the physical properties of the University. Adjusted value was calculated utilizing R.S. Means "Historical Cost Index," adjusting project cost, including design, forward from original construction and/or revitalization date. (For more information about capital assets, see Note 6 in Appendix A – University of Alaska Audited Financial Statements Fiscal Year Ending June 30, 2012).

<u>June</u>	<u>Original</u>	<u>Adjusted</u>	<u>Square Feet</u>	<u>Buildings</u>	<u>Avg Age</u>
2012	<u>Project Cost</u> \$1.3 billion	\$2.7 billion	6.7 million	408	<u>Weighted by GSF</u> 33 years

Infrastructure, leasehold and other improvements have a historical cost of \$118.5 million as of June 2012.

Capital Program

Major construction projects of the University are funded primarily by State capital appropriations, including State-issued general obligation bonds and University revenue bonds. For fiscal year 2013, State capital appropriations included \$58.6 million and \$46.3 million for new construction and renovation of the engineering buildings on the Anchorage and Fairbanks campuses, respectively, as well as \$37.5 million for deferred maintenance and \$12.5 million in other projects. The deferred maintenance appropriation of \$37.5 million represents the third installment of a five-year program by the Governor to address such needs across state agencies. Receipt of future appropriations depends on legislative approval.

Fiscal year 2011 capital appropriations included \$39.6 million for deferred maintenance and \$207 million for University projects that were included as part of a \$397.2 million authorization of State general obligation bonds that was approved by Alaska voters in November 2010. The \$207 million in University projects include \$88 million for Life Sciences Facility at University of Alaska Fairbanks, \$14.5 million for Career & Technical Education Center at Kenai Peninsula College, \$16 million for Student Housing at Kenai Peninsula College, \$23.5 million for Valley Center for Art & Learning at Mat-Su College, \$5 million for campus renovation and renewal at Prince William Sound Community College, and \$60 million for a sports arena at University of Alaska Anchorage.

The Board of Regents has an ongoing capital program which includes renovation of existing facilities, new construction, planning and design for new construction, and reducing deferred maintenance and renewal backlog. The capital plan for fiscal year 2014 through 2021 supports the University's strategic plan and the campus academic and research plans.

The University continues to monitor its deferred and imminent renewal needs and makes it a top priority budget request to the legislature. For fiscal year 2014, in excess of \$700 million has been identified as deferred or imminent renewal needs for the University's approximately 6.7 million square feet of physical plant that has an adjusted gross value of approximately \$2.7 billion.

RETIREMENT PLANS

Substantially all regular employees participate in either the State of Alaska Public Employees' Retirement System ("PERS") or the State of Alaska Teachers' Retirement System ("TRS"), each of which is a multiple-employer public pension and retirement plan, or the University of Alaska Optional Retirement Plan ("ORP"), which is a single-employer defined contribution plan. In addition, substantially all regular employees participate in the University of Alaska Pension Plan, a supplemental single-employer defined contribution plan. None of the retirement systems or plans owns any notes, bonds or other instruments of the University.

PERS and TRS are administered by the State of Alaska, through the Department of Administration. In 2005, the State Legislature enacted legislation to close PERS and TRS defined benefit plans and established defined contributions plans, each with a health care component, for new employees. In 2008, the State Legislature enacted legislation which shifted to the State of Alaska more of the cost of funding the unfunded accrued actuarial liability ("UAAL") of PERS and TRS. This legislation set employer contribution rates, including those of the University, at 22 percent of total payroll for PERS and 12.56 percent of total payroll for TRS. The additional amount necessary to fully fund the plans at the actuarial rates, in excess of the 22 percent and 12.56 percent has been paid by the State. In 2012 and 2011 the State of Alaska made payments totaling \$27.8 million and \$21.8 million directly to the retirement plans on-behalf of the University. A more complete description of the PERS and TRS plans, including the UAAL, is available at http://doa.alaska.gov/drb/retirement/valuations_portal.html⁽¹⁾.

The University contributed \$63.0 million and \$62.6 million to its retirement and pension plans during fiscal year 2012 and 2011, respectively, not including the on-behalf payments made by the State. (For more information about the retirement plans, see Note 12 in Appendix A – University of Alaska Audited Financial Statements Fiscal Year Ending June 30, 2012).

⁽¹⁾ Reference to the State of Alaska's website is provided for convenience only. The reference is not a hyperlink and, by this reference, the State of Alaska's website is not incorporated into this Official Statement.

STATE APPROPRIATIONS TO THE UNIVERSITY

The University receives financial assistance for both operations and designated capital improvements through appropriations by the State Legislature.

The University is treated like a State agency for the purposes of budget and fiscal control. However, unlike State agencies, the University has a separate accounting system, maintains its own treasury functions, collects its own revenues, invests its funds, and makes its own disbursements. All revenues are received directly into the University's treasury.

Annual authorization to spend University Receipts (defined by statute to include receipts that comprise Revenues as well as federal receipts, gifts, grants and endowment earnings) is made by the Legislature under the appropriation category entitled "University of Alaska Restricted Receipts." University Receipts are accounted for separately and appropriations are not made from the unrestricted general fund of the State. The appropriation of University Receipts is separate and distinct from the general operating appropriation. University Receipts in excess of expenditures may be expended by the University in the next fiscal year subject to state appropriation.

Appropriations to the University are for two types: operating and capital. Operating appropriations authorize expenditure of all current revenues and lapse at the end of the fiscal year. State funded authorizations are received from the State on a monthly basis at approximately one-twelfth of the annual operating authorization. State funded current revenues at this time include State general funds and funds from the Mental Health Trust Authority. Supplemental appropriations amend current year appropriations of the prior Legislative session. Capital appropriations are generally for facilities, equipment or specified projects, and lapse after five years unless extended. State funded capital appropriations are generally received on a reimbursement basis.

The State Legislature may authorize operating and capital expenditures separately, together, or individually, but may not combine appropriations and substantive legislation in the same bill. Typically, however, operating and capital authorizations to the University are appropriated separately in general operating and capital budget bills. Additional authorizations to the current year operating budget are appropriated in a supplemental bill. Any of these bills may include "reappropriations" of balances remaining in prior operating or capital authorizations.

Although the Legislature can restrict any appropriation to a specified use the annual operating appropriations for the University are typically very broad in scope and contain few, if any, restrictions. Essentially, the appropriated revenues must be expended prudently. The titles for supplemental, capital, and reappropriations are generally very specific as to the purpose for which they are appropriated and must be expended accordingly. The Governor has the authority to veto or reduce the amount of an appropriation, but does not have the authority to increase or to change the legislative intent or purpose of it.

Commencing in fiscal year 2009, the University has seven operating appropriations, essentially one for each major administrative unit. Transactions between appropriations are not allowed unless a reimbursable services agreement is approved or an exemption has been granted by the State's Office of Management and Budget.

Table 11: Summary of State Appropriations

For Fiscal Years Ending June 30
(\$'s in 000's)

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u> ⁽³⁾	<u>2012</u>	<u>2013</u>
Operating:						
General Operating Bill ⁽¹⁾	\$289,236	\$307,303	\$323,202	\$335,296	\$346,672	\$357,658
Separate/Special Legislation ⁽²⁾	<u>10,791</u>	<u>13,467</u>	<u>11,624</u>	<u>11,348</u>	<u>11,769</u>	<u>12,550</u>
Total	<u>\$300,027</u>	<u>\$320,770</u>	<u>\$334,826</u>	<u>\$346,644</u>	<u>\$358,441</u>	<u>\$370,208</u>
Capital:						
Capital Expenditures - New	\$ 3,750	\$ 61,300	\$ -	\$ 219,000	\$34,000	\$117,390
Revitalization, Facility						
Renewal,	8,475	45,823	3,200	39,550	45,504	37,500
Deferred Maintenance						
Separate/Special Legislation	<u>640</u>	<u>125</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 12,865</u>	<u>\$107,248</u>	<u>\$ 3,200</u>	<u>\$258,550</u>	<u>\$79,504</u>	<u>\$154,890</u>

- (1) Appropriations exclude receipt authority for other sources such as general revenue bonds, federal grants and contracts that may be used for operating activity, purchase of equipment or capital construction.
- (2) Fiscal years 2008 through 2012 each include approximately \$1.413 million, and fiscal year 2013 \$1.253 million, in appropriations for reimbursement of a portion of the debt service on the General Revenue Bonds in accordance with Section 14.40.257 of the Alaska Statutes.
- (3) In 2011, \$207 million of the \$219 million capital appropriation represents projects that have or will be funded from State general obligation bonds. See "CAPITAL PROGRAM" herein.

Source: University of Alaska.

For fiscal years 2012, 2011, 2010 and 2009 operating state appropriations do not include pension payments of \$27.797 million, \$21.839 million, \$17.975 million and \$30.502 million, respectively, which the State of Alaska made directly to PERS and TRS on-behalf of the University. These payments are being made as part of State legislation aimed at reducing the unfunded liabilities of these pension plans. Similar payments are in effect in 2013 and are anticipated indefinitely, in accordance with State law.

INVESTMENTS AND LIQUIDITY

The Alaska Statutes and Board of Regents' policy provide the University with broad authority to invest funds. Generally, operating funds are invested according to the University's liquidity needs. It is the University's investment strategy to reduce risk, enhance liquidity and safeguard University investments from market exposure. As a result, the University's investment portfolio mainly consists of cash or safer, shorter term investments with high liquidity.

At December 31, 2012 the University had operating investments totaling \$154.9 million, comprised of the following: cash, savings, certificates of deposit, overnight repurchase agreement and money market investments totaling \$52.7 million; fixed income bonds held in a short term contingency pool totaling \$52.8 million maturing in eight months or less and; \$49.4 million in fixed income bonds held in a longer term core pool maturing in five years or less. The University's fixed income bonds include corporate bonds, U.S. Treasury bonds, and Federal agency bonds which are held in the name of the University. The money market mutual funds are all rated AAA.

GIFTS, ENDOWMENTS AND FUND RAISING

By Board of Regents policy, all gifts to the University are received and invested by the University of Alaska Foundation (“Foundation”). The University and the Foundation also directly solicit privately funded grants in support of the University’s mission. Private gift and fund raising efforts are directed toward program support and toward building endowments.

The University of Alaska Foundation

The Foundation is a public nonprofit corporation established as a public charity in 1974 to solicit, manage, and invest donations for the exclusive benefit of the University. The Foundation is a tax-exempt organization as described in Subsection 501(c)(3) of the Internal Revenue Code, and donations made to the Foundation are deductible according to schedules established under income and estate tax regulations.

The Foundation is legally separate and distinct from the University and is governed by its own board of trustees. This twenty to thirty member board establishes the Foundation’s investment policy for the endowments and non-endowed funds, and oversees the distribution of the Foundation’s assets to its sole beneficiary, the University system. A separately appointed Investment Committee manages the Foundation’s investments. Most scholarship, endowment and other privately established funds to benefit the University are under the care of the Foundation.

In fiscal year 1998, the Foundation established the Consolidated Endowment Fund to combine for investment purposes the University’s Land Grant Endowment Trust Fund and the Foundation’s Pooled Endowment Fund. The Consolidated Endowment Fund is managed by the Foundation (by the above mentioned Investment Committee) under an agreement with the University, and each year a separate financial statement and audit is made of the Consolidated Endowment Fund. Beginning July 1, 2006, the Foundation implemented an administrative fee on gifts and endowments to support the Foundation’s operations as follows:

Gifts – All cash gifts are assessed 1% of the gift value at the time of the gift. Noncash gifts are assessed 1% at the time of conversion to cash by the Foundation, based on the proceeds received.

Endowments – 1% is assessed by the Foundation annually based on the asset valuation at the end of the previous calendar year.

Land Grant Trust Fund Assets – .50% is assessed by the Foundation annually based on the asset valuation of the University’s land grant trust fund assets invested by the Foundation as of the end of the previous calendar year.

A portion of the administrative fees assessed by the Foundation are allocated to the campuses to support development efforts to increase private support. Foundation assets are not pledged to the Bonds.

Table 12: University of Alaska Foundation Summary Financial Information**For Fiscal Years Ending June 30
(\$'s in 000's)**

	2008	2009	2010	2011	2012
Revenues, gains and other support					
Donations and Bequests	\$ 29,131	\$ 29,810	\$ 15,942	\$ 15,801	\$ 17,829
Investment income	3,383	2,118	1,955	2,403	1,725
Net realized and unrealized gains and losses	(6,202)	(31,614)	7,174	17,383	(1,022)
Other (includes transfers from the University)	1,056	1,686	1,483	1,602	1,783
Actuarial adjustment of remainder trust obligations	(13)	(36)	(99)	299	(69)
Total	\$ 27,355	\$ 1,964	\$ 26,455	\$ 37,488	\$ 20,246
Distributions to the University	\$ 15,429	\$ 17,700	\$ 13,290	\$ 13,729	\$ 13,916
Net Assets:					
Unrestricted	\$ 41,379	\$ 31,233	\$ 33,832	\$ 23,424	\$ 23,592
Temporarily restricted	81,280	67,349	62,732	79,551	78,014
Permanently restricted	53,245	59,695	72,310	87,024	92,197
Total Net Assets	\$ 175,904	\$ 158,277	\$ 168,874	\$ 189,999	\$ 193,803

Source: University of Alaska Foundation Audited Financial Statements.

The estimated fair value of the Foundation's investments with annual or less frequent redemption periods as of June 30, 2012, totaled \$17.6 million, representing 13% of the Foundation's investment in the Consolidated Endowment Fund. The limitations and restrictions on the Foundation's or the Consolidated Endowment Fund's ability to redeem or sell these investments vary by investment and range from required notice periods (generally sixty to ninety days after initial lock-up periods) for certain absolute return and equity hedge funds, to specified terms at inception (generally twelve years) associated with private capital interests.

Endowment Funds

As of June 30, 2012, the University held financial and real estate endowment net assets of \$173.9 million separate from the Foundation. Of this amount \$171.3 million represented Land Grant Trust Fund net assets held by the University. In 1997, the Board of Regents adopted a total return endowment management and investment policy, and by agreement with the University of Alaska Foundation, authorized the Foundation to manage the trust funds in accordance with that policy.

Land Grant Trust property and other assets consist of real property and timber and other rights. By Acts of Congress in 1915 and 1929, approximately 110,000 acres of land was granted to the territory of Alaska to be held in trust for the benefit of the University. The lands were managed by the territory, and later the State of Alaska. In accordance with a 1982 agreement, the lands were subsequently transferred to the Board of Regents, as trustee. In 1982 and 1988, certain State lands including timber and other rights were transferred to the trust as replacement for lands disposed of or adversely affected during the period of administration by the territory and the State. The net proceeds from timber, land and other rights are deposited in the land grant endowment trust fund. At June 30, 2012 approximately 82,000 acres were held in trust at no basis because fair value at the date of transfer was not determinable.

Funds derived from the net sales, leases, exchanges and transfers of the University's trust lands must be deposited for investment in the University's land grant endowment trust fund as provided by Alaska Statute 14.40.400. Assets of the fund are invested and earnings of the fund are made available to the University for expenditure in accordance with investment principles established under Alaska Statutes, Board of Regents' policy and University regulations which provide: (1) that a portion of the annual earnings will be utilized to manage the University's lands, (2) that a portion of the annual earnings will be set aside to maintain the purchasing power of the endowment funds, and (3) a portion will be designated as a spending allowance to be transferred to the Natural Resources Fund for the purpose of funding projects and programs necessary to establish or enhance the quality of the University's academic programs, research or public service. The annual spending allowance of the Land Grant Trust Fund is based on four and one-half percent of a five year moving average of the invested balance. Withdrawals of net earnings to meet the spending allowance are limited to the unexpended accumulated net earnings of the endowments.

Table 13: Endowment Fund – Summary Financial Information

Endowment Fund - Summary Financial Information					
For Fiscal Years Ending June 30					
(\$'s in 000's)					
	2008	2009	2010	2011	2012
Unrestricted Endowment Income	\$ 5,476	\$ 6,118	\$ 3,343	\$ 3,321	\$ 3,839
Land Grant Trust Assets					
Cash and Investments	\$ 143,004	\$ 105,840	\$ 112,191	\$ 129,017	\$ 125,635
Land Sale Receivables	4,583	4,433	4,189	5,319	2,948
Real Property	38,844	42,476	42,445	42,736	42,721
Total Land Grant Trust Net Assets	186,431	152,749	158,825	177,072	171,304
Other Endowment Fund Net Assets	990	989	990	1,580	2,580
Total Endowment Fund Net Assets	\$ 187,421	\$ 153,738	\$ 159,815	\$ 178,652	\$ 173,884

Source: University of Alaska.

GRANTS AND CONTRACTS

Research programs at the University take advantage of the University's unique locations in the sub-Arctic of Alaska, with access to the Pacific Ocean, the Arctic Ocean, glaciers and permafrost areas.

Approximately 90 percent of the research activities at the University take place on the Fairbanks campus and its outlying research sites. Major recipients were the Geophysical Institute, the School of Fisheries and Ocean Sciences, the Institute of Northern Engineering, the Agricultural and Forestry Experiment Station, and the Institute of Arctic Biology. Major contributors were the National Science Foundation, Department of Education, Department of Health and Human Services, National Aeronautics and Space Administration, Department of Agriculture and Department of Commerce.

In addition to research carried out in its academic departments, the University has a number of research centers that focus upon problems of the Arctic. These include the International Arctic Research Center that was established in 1999 with bi-lateral collaboration from a Japanese non-profit organization to conduct research on the Arctic and global climate change; the environmental impact of human activities; the development of renewable and non-renewable resources; energy sources and the cultural understanding and preservation of peoples of the North. Major initiatives continue in the areas of health and the biological and biomedical sciences with support from the National Science Foundation for the Experimental Program to

Stimulate Competitive Research (EPSCoR) and the National Institutes of Health, National Center for Research Resources support for the Center for Alaska Native Health Research (CANHR) and IDeA Network of Biomedical Research Excellence (INBRE).

In August 2008, after 30 years of planning and development, the National Science Foundation (NSF) awarded the University of Alaska Fairbanks (UAF) \$2.5 million for the first phase of funding for the construction of the Alaska Region Research Vessel (ARRV). In May 2009, UAF received a \$148.1 million award from the NSF to construct the ARRV of which \$98.3 million was expended through September, 2012. As designed, the ARRV will be a 242 foot, multipurpose oceanographic research vessel capable of operating in seasonal ice and open regions around Alaska. The ARRV will be owned by NSF and operated by UAF on behalf of the entire ocean sciences community. The estimated completion date for the ARRV is spring of 2014.

As of December 2012, the University had received \$197.4 million in awards from the American Recovery and Reinvestment Act (ARRA) of February 2009 (also known as “stimulus” funds) which covers 72 projects. The University has expended \$150.8 million of these awards through December 31, 2012. The largest award was for the ARRV described above and \$61.5 million was spent on this project during fiscal year 2012. The remaining awards are mainly for research activities the University conducts in the normal course of its mission and are typically for periods of one to five years. Table 14 summarizes annual expenditures of federal grants and contracts by major federal agencies.

Table 14: Expenditures of Federal Grants and Contracts by Agency

For Fiscal Years Ending June 30
(\$'s in 000's)

<u>Federal Agency</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
National Science Foundation	\$ 31,114	\$ 31,941	\$ 38,517	\$ 63,330	\$ 101,049
Department of Education	18,287	17,817	23,990	23,074	19,038
Department of Health and Human Services	13,793	14,380	16,330	18,420	22,328
National Aeronautics and Space Admin.	10,946	12,308	14,476	16,350	15,862
Department of Commerce	12,744	13,580	10,335	11,269	12,298
Department of Agriculture	12,693	12,694	12,230	10,420	10,187
Department of the Interior	8,876	8,762	8,773	11,808	14,219
Department of Defense	8,408	8,303	9,758	7,948	9,122
Other Federal Agencies	28,211	22,862	24,396	25,933	18,186
	\$ 145,072	\$ 142,647	\$ 158,805	\$ 188,552	\$ 222,289

Source: University of Alaska Fund Accounting.

Table 15 provides information on grants and contracts for operating activities over the past several fiscal years identified by source. Capital grants and contracts are also identified on Table 15. The Facilities and Administrative Cost Recovery, a component of Pledged Revenues shown on Table 2, is included as part of the revenues associated with grants and contracts shown on Table 15.

**Table 15: Statements of Revenues, Expenses and Changes in Net Assets
For the Years Ended June 30, 2012, 2011, 2010 and 2009
(in thousands)**

	2012	2011	2010	2009
Operating revenues				
Student tuition and fees	138,544 \$	130,542 \$	119,846 \$	107,424
less scholarship allowances	<u>(14,573)</u>	<u>(14,438)</u>	<u>(13,506)</u>	<u>(9,213)</u>
	123,971	116,104	106,340	98,211
Federal grants and contracts	134,119	147,869	138,591	127,287
State and local grants and contracts	24,655	20,140	24,519	24,098
Private grants and contracts	51,696	47,276	45,728	46,902
Sales and services, educational departments	4,921	4,215	4,073	3,850
Sales and services, auxiliary enterprises, net of scholarship allowances of \$2,051, \$2,005, \$2,018, \$1,483	39,813	39,265	39,225	39,990
Other	<u>14,199</u>	<u>22,696</u>	<u>14,457</u>	<u>15,687</u>
Total operating revenues	<u>393,374</u>	<u>397,565</u>	<u>372,933</u>	<u>356,025</u>
Operating expenses				
Instruction	213,235	210,653	207,864	196,304
Academic support	65,166	61,453	58,454	54,642
Research	135,928	140,453	135,045	126,949
Public service	38,842	37,547	40,861	37,820
Student services	53,092	52,174	50,814	48,170
Operations and maintenance	65,476	62,772	59,821	61,186
Institutional support	95,372	86,950	87,859	90,184
Student aid	28,460	27,280	20,965	17,937
Auxiliary enterprises	38,288	37,947	40,401	39,724
Depreciation	58,403	57,170	58,228	55,649
Pension expense - NPO, OPEB and state on-behalf payments	<u>27,797</u>	<u>21,839</u>	<u>17,975</u>	<u>30,502</u>
Total operating expenses	<u>820,059</u>	<u>796,238</u>	<u>778,287</u>	<u>759,067</u>
Operating loss	<u>(426,685)</u>	<u>(398,673)</u>	<u>(405,354)</u>	<u>(403,042)</u>
Nonoperating revenues (expenses)				
State appropriations	358,441	346,644	334,826	320,770
State on-behalf contributions - pension	27,797	21,839	17,975	30,502
Investment earnings (losses)	4,058	3,971	3,810	(8,142)
Endowment investment income (loss)	1,762	22,777	12,953	(24,048)
Interest on debt	(5,860)	(4,400)	(4,852)	(4,986)
Federal student financial aid	26,296	24,692	18,275	11,812
Other nonoperating expenses	<u>(3,341)</u>	<u>(1,870)</u>	<u>(1,905)</u>	<u>(4,428)</u>
Net nonoperating revenues	<u>409,153</u>	<u>413,653</u>	<u>381,082</u>	<u>321,480</u>
Income (Loss) before other revenues	<u>(17,532)</u>	<u>14,980</u>	<u>(24,272)</u>	<u>(81,562)</u>
Capital appropriations, grants and contracts	170,026	117,779	61,951	63,617
Additions to permanent endowments	1,253			
Income (loss) before extraordinary item	<u>153,747</u>	<u>132,759</u>	<u>37,679</u>	<u>(17,945)</u>
Extraordinary item - Pension expense - net pension obligations				31,325
Net increase in net assets	<u>153,747</u>	<u>132,759</u>	<u>37,679</u>	<u>13,380</u>
Net assets				
Net assets - beginning of year	1,122,621	989,862	952,183	938,803
Net assets - end of year	<u>1,276,368 \$</u>	<u>1,122,621 \$</u>	<u>989,862 \$</u>	<u>952,183</u>

Source: Audited Financial Statements.

Note: Prior years' figures have been restated to conform to current year presentation

Table 16: Statements of Net Assets
Fiscal Years Ending June 30, 2012, 2011, 2010 and 2009
(in thousands)

Assets	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Current assets:				
Cash and cash equivalents	\$ 36,829	\$ 27,719	\$ 99,390	\$ 81,728
Short-term investments	38,575	57,973	6,129	26,184
Accounts receivable, less allowance of \$4,311, \$3,863, \$7,614 and \$6,573	74,989	73,739	70,369	64,523
Other assets	526	678	691	659
Inventories	6,573	6,875	7,963	7,220
Total current assets	<u>157,492</u>	<u>166,984</u>	<u>184,542</u>	<u>180,314</u>
Noncurrent assets:				
Restricted cash and cash equivalents	2,951	3,289	1,531	5,091
Notes receivable	2,948	3,219	4,189	4,433
Bond funds held with trustee	52,375	4,658	4,652	4,785
Endowment investments	127,223	127,380	116,373	111,011
Land Grant Trust property and other assets	46,224	45,254	44,532	44,674
Long-term investments	51,726	42,924	3,000	3,090
Education Trust of Alaska	13,332	11,857	9,339	7,986
Capital assets, net of accumulated depreciation of \$854,305, \$807,411, \$760,343 and \$715,776	1,097,258	952,898	863,314	833,989
Total noncurrent assets	<u>1,394,037</u>	<u>1,191,479</u>	<u>1,046,930</u>	<u>1,015,059</u>
Total assets	<u>1,551,529</u>	<u>1,358,463</u>	<u>1,231,472</u>	<u>1,195,373</u>
Liabilities				
Current liabilities:				
Accounts payable and accrued expenses	40,199	34,003	24,904	19,221
Accrued payroll	21,658	29,430	28,346	24,966
Unearned revenue and deposits	19,425	17,822	18,886	17,086
Accrued annual leave	12,332	11,876	11,752	11,320
Unearned lease revenue - current portion	1,281	1,281	1,281	1,281
Long-term debt - current portion	8,952	6,958	6,763	6,473
Insurance and risk management	14,272	13,842	22,763	20,134
Total current liabilities	<u>118,119</u>	<u>115,212</u>	<u>114,695</u>	<u>100,481</u>
Noncurrent liabilities:				
Unearned revenue - capital	5,431	5,678	2,875	10,519
Unearned lease revenue	961	2,242	3,523	4,804
Long-term debt	145,417	107,579	114,537	121,540
Security deposits and other liabilities	5,233	5,131	5,980	5,846
Total noncurrent liabilities	<u>157,042</u>	<u>120,630</u>	<u>126,915</u>	<u>142,709</u>
Total liabilities	<u>275,161</u>	<u>235,842</u>	<u>241,610</u>	<u>243,190</u>
Net Assets				
Invested in capital assets, net of related debt	931,674	835,564	738,206	705,398
Restricted:				
Expendable	74,102	30,825	16,614	12,233
Nonexpendable	130,513	129,317	128,341	127,416
Unrestricted	140,079	126,915	106,701	107,136
Total net assets	<u>\$ 1,276,368</u>	<u>\$ 1,122,621</u>	<u>\$ 989,862</u>	<u>\$ 952,183</u>

Source: Audited Financial Statements.

Note: Prior years' figures have been restated to conform to current year presentation.

CERTAIN LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approving legal opinion of Wohlforth, Brecht, Cartledge & Brooking, Anchorage, Alaska, Bond Counsel to the University. The proposed form of the opinion is included herein as Appendix C.

TAX MATTERS

In the opinion of Bond Counsel, based on an analysis of existing laws, regulations, rulings and court decisions and assuming, among other things, compliance with certain covenants, interest on the Bonds is excludable from gross income for federal income tax purposes. The Bonds are not private activity bonds, and interest on the Bonds is not an item of tax preference for purposes of determining alternative minimum taxable income for individuals or corporations under the Code. However, interest on the Bonds is taken into account in determining adjusted current earnings for purposes of the federal alternative minimum tax imposed on certain corporations.

Bond Counsel is also of the opinion based on existing laws of the State as enacted and construed that interest on the Bonds is excludable from taxation by the State except for transfer, estate and inheritance taxes and except to the extent that inclusion of said interest in computing the federal corporate alternative minimum tax may affect the corresponding provisions of the State corporate income tax.

The Code imposes various restrictions, conditions, and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The University has covenanted to comply with certain restrictions designed to assure that interest on the Bonds is excludable from federal gross income. Failure to comply with these covenants may result in interest on the Bonds being included in federal gross income, possibly from the date of issuance of the Bonds. The opinion of Bond Counsel assumes compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds may adversely affect the tax status of interest on the Bonds.

Although Bond Counsel will render an opinion that interest on the Bonds is excludable from gross income for federal income tax purposes, the ownership or disposition of, or the accrual or receipt of interest on, such Bonds may otherwise affect an owner's federal or State tax liability. The nature and extent of these other tax consequences will depend upon the owner's particular tax status and the owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any other tax consequences relating to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds. Owners of the Bond should consult their tax advisors regarding the applicability of any collateral tax consequences of owning the Bonds, which may include original issue discount, original issue premium, purchase at market discount or at a premium, taxation upon sale, redemption or other disposition, and various withholding requirements.

Backup Withholding. Interest on tax-exempt obligations such as the Bonds are in many cases subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payments to any bondholder who fails to provide certain required information including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Code. This reporting requirement does not in and of itself affect or alter the excludability of interest on the Bonds from gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding or selling tax-exempt obligations.

Changes in Federal and State Tax Law. From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to above or adversely affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds or the market value thereof would be impacted thereby. Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds and Bond

Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

Bond Counsel's opinion is not a guarantee of a result and is not binding on the Internal Revenue Service ("IRS"), rather, the opinion represents its legal judgment based upon its review of existing statutes, regulations, published rulings, and court decisions and the representations and covenants on the University. The IRS has an ongoing program of auditing the tax-exempt status of the interest on governmental obligations. If an audit of the Bonds is commenced, under current procedures, the IRS is likely to treat the University as the "taxpayer," and the owners of the Bonds (the "Owners") would have no right to participate in the audit process. In responding to or defending an audit of the tax-exempt status of the interest on the Bonds, the University may have different or conflicting interests from the Owners. Public awareness of any future audit of the Bonds could adversely affect the value and the liquidity of the Bonds during the pendency of the audit, regardless of its ultimate outcome.

ABSENCE OF LITIGATION

At the time of the original delivery of the Bonds, the University will deliver a no-litigation certificate to the effect that no litigation or administrative action or proceeding is pending, or, to the knowledge of the appropriate University officials, threatened, restraining or enjoining, or seeking to restrain or enjoin, the issuance and delivery of the Bonds, the effectiveness of the legislation authorizing the issuance of the Bonds, or the collection of revenues and fees for the payment of the debt service on the Bonds or contesting or questioning the proceedings and authority under which the Bonds have been authorized and are to be issued, sold, executed or delivered, or the validity of the Bonds.

FINANCIAL ADVISOR

The University has retained Kaplan Financial Consulting, Inc. as financial advisor in connection with the issuance of the Bonds. The Financial Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information contained in this Official Statement. Kaplan Financial Consulting, Inc. is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities. Kaplan Financial Consulting, Inc. is registered as a Municipal Advisor with the Municipal Securities Rulemaking Board.

RATINGS

Moody's Investors Service Inc. and Standard and Poor's Rating Services, a Division of The McGraw-Hill Companies, Inc. have assigned ratings of "___" and "___," respectively, to the Bonds, based on their research and investigation of the University. Each rating agency has also assigned a "_____ outlook" to the University. Such ratings and outlook reflect only the respective views of the rating organizations and any desired explanation of the significance of the ratings may be obtained from each rating agency.

There is no assurance that such ratings will be maintained for any given period of time or that one or both ratings may not be changed, suspended or withdrawn entirely by the rating agencies if, in the judgment of such rating agencies, circumstances so warrant. Ratings may be changed, suspended or withdrawn as a result of changes in, or unavailability of information. Any such change in, suspension of, or withdrawal of such ratings may have an adverse effect on the market price of the Bonds.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

The Arbitrage Group, a firm of independent public accountants, will deliver to the University, on or before the delivery date of the Bonds, its verification report indicating that it has verified, in accordance with attestation standards established by the American Institute of Certified Public Accountants, the mathematical accuracy of (a) the mathematical computations of the adequacy of the cash and the maturing principal of and interest on the Treasury Securities, to pay, when due, the maturing principal of, interest on and related redemption requirements of the Refunded Bonds and (b) the mathematical computations of yield used by Bond Counsel to support its opinion that interest on the Bonds will be excluded from gross income for federal income tax purposes.

The verification performed by The Arbitrage Group will be solely based upon data, information and documents provided to The Arbitrage Group by the University and its representatives. The Arbitrage Group has restricted its procedures to recalculating the computations provided by the University and its representatives and has not evaluated or examined the assumptions or information used in the computations.

FINANCIAL STATEMENTS

The financial statements of the University for the fiscal year ended June 30, 2012, were examined by KPMG LLP, independent certified public accountants, whose report thereon appears in Appendix A. KPMG LLP, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. KPMG LLP also has not performed any procedures relating to this Official Statement, nor has it consented to inclusion of the financial statements in this Official Statement.

UNDERWRITING

Barclays Capital Inc., (the "Underwriter") has agreed, subject to certain conditions, to purchase the Bonds from the Issuer, at a price equal to \$_____ (representing the aggregate principal amount of the Bonds, less an Underwriter's discount of \$_____). The obligation of the Underwriter to purchase the Bonds is subject to certain terms and conditions set forth in a purchase contract entered into between the Issuer and the Underwriter. The Underwriter may offer and sell the Bonds to certain dealers (including underwriter and other dealers depositing the Bonds into investment trusts) and others at prices lower than the initial public offering price stated on the cover. The initial public offering price may be changed from time to time by the Underwriter.

CONTINUING DISCLOSURE

Pursuant to Securities and Exchange Commission Rule 15c2-12, under the Securities and Exchange Act of 1934, as the same may be amended from time to time (the "Rule"), the University will execute and deliver a Continuing Disclosure Certificate substantially in the form attached hereto as Appendix D for the benefit of the beneficial owners of the Bonds. The University is in compliance with its prior written undertakings under the Rule. See Appendix D for more information.

MISCELLANEOUS

The foregoing summaries, descriptions and references do not purport to be comprehensive or definitive, and such summaries, descriptions and references are qualified in their entirety by reference to each statute, document, exhibit or other materials summarized or described. The instruments and other materials referred to in this Official Statement may be examined, or copies thereof will be furnished in reasonable amounts, upon written request to the Statewide Finance Office of the University of Alaska, 910 Yukon Drive, Suite 208, P.O. Box 755120 Fairbanks, Alaska 99775-5120, phone number 907-450-8079.

Statements made in this Official Statement involving matters of opinion, forecasts or estimates, whether or not expressly so stated, are intended as such and not as representations of fact.

The Appendices are integral parts of this Official Statement and must be read with all other parts of this Official Statement.

PRELIMINARY OFFICIAL STATEMENT DEEMED FINAL

The University hereby deems this Preliminary Official Statement pursuant to Section (b) of the Rule as final as to its date except for the omission of the information dependent upon the pricing of the issue, such as offering prices, interest rates, selling compensation, delivery date and other items of the Bonds dependent upon the foregoing matters.

EXECUTION OF OFFICIAL STATEMENT

The execution and delivery of this Official Statement has been authorized by the University. This Official Statement is not to be construed as a contract or agreement between the University and the purchasers or holders of the Bonds.

UNIVERSITY OF ALASKA

By /s/ Myron Dosch
Controller

APPENDIX A

**UNIVERSITY OF ALASKA
AUDITED FINANCIAL STATEMENTS
FISCAL YEAR ENDED
JUNE 30, 2012**

UNIVERSITY OF ALASKA
(A Component Unit of the State of Alaska)
Financial Statements
June 30, 2012 and 2011
(With Independent Auditors' Report Thereon)

University of Alaska
(A Component Unit of the State of Alaska)
Financial Statements
June 30, 2012 and 2011

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MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – see accompanying accountants' report)

Introduction

The following discussion and analysis provides an overview of the financial position and activities of the University of Alaska (university) for the years ended June 30, 2012 (2012) and June 30, 2011 (2011), with selected comparative information for the year ended June 30, 2010 (2010). This discussion has been prepared by management and should be read in conjunction with the financial statements including the notes thereto, which follow this section.

Using the Financial Statements

The university's financial report includes the basic financial statements of the university and the financial statements of the University of Alaska Foundation (foundation), a legally separate, nonprofit component unit. The three basic financial statements of the university are: the Statement of Net Assets, the Statement of Revenues, Expenses and Changes in Net Assets and the Statement of Cash Flows. These statements are prepared in accordance with generally accepted accounting principles and Governmental Accounting Standards Board (GASB) pronouncements. The university is presented as a business-type activity. GASB Statement No. 35, *Basic Financial Statements—and Management's Discussion and Analysis—for Public Colleges and Universities*, establishes standards for external financial reporting for public colleges and universities and classifies resources into three net asset categories – unrestricted, restricted, and invested in capital assets, net of related debt.

The foundation is presented as a component unit of the university in accordance with GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. The foundation's financial statements include the Statement of Financial Position and the Statement of Activities and these statements are presented as originally audited according to U.S. generally accepted accounting principles and Financial Accounting Standards Board (FASB) pronouncements.

The foundation was established to solicit donations and to hold and manage such assets for the exclusive benefit of the university. Resources managed by the foundation and distributions made to the university are governed by the foundation's Board of Trustees (operating independently and separately from the university's Board of Regents). The component unit status of the foundation indicates that significant resources are held by the foundation for the sole benefit of the university. However, the university is not accountable for, nor has ownership of, the foundation's resources.

Statement of Net Assets

The Statement of Net Assets presents the financial position of the university at the end of the fiscal year and includes all assets and liabilities of the university. The difference between total assets and total liabilities (net assets) is one indicator of the financial condition of the university,

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – see accompanying accountants' report)

while the change in net assets is an indicator of whether the financial condition has improved or declined during the year.

A summarized comparison of the university's assets, liabilities and net assets at June 30, 2012, 2011 and 2010 follows (\$ in thousands):

	2012	2011	2010
Assets:			
Current Assets	\$ 157,492	\$ 166,984	\$ 184,542
Other noncurrent assets	296,779	238,581	183,616
Capital assets, net of depreciation	1,097,258	952,898	863,314
Total assets	1,551,529	1,358,463	1,231,472
Liabilities:			
Current liabilities	118,119	115,212	114,695
Noncurrent liabilities	157,042	120,630	126,915
Total liabilities	275,161	235,842	241,610
Net assets:			
Invested in capital assets, net of debt	931,674	835,564	738,206
Restricted – expendable	74,102	30,825	16,614
Restricted – nonexpendable	130,513	129,317	128,341
Unrestricted	140,079	126,915	106,701
Total net assets	\$ 1,276,368	\$ 1,122,621	\$ 989,862

Overall, total net assets of the university increased \$153.7 million, or 13.7 percent. This increase was mainly due to a \$96.1 million increase in capital net assets, net of debt. The change in net capital assets is discussed in more detail in the *Capital and Debt Activities* section below.

In the asset section, total operating cash and investments increased from \$123.8 million at June 30, 2011 to \$125.6 million at June 30, 2012. This portfolio consists primarily of fixed income securities that are held to maturity to match liquidity needs. These securities comprised 44 percent, or \$55.1 million, of total operating cash and investments at June 30, 2012. The remaining balance of the operating funds is invested in deposits, a collateralized repurchase agreement and money market funds. Note 2 of the financial statements provides more information about deposits and investments and associated risks.

Other noncurrent assets increased from \$238.6 million at June 30, 2011 to \$296.8 million at June 30, 2012. This increase results from general revenue bond funds that were issued in 2012 and are held with a third party trustee. At year end, \$52.4 million was held by the trustee as compared to \$4.7 million at June 30, 2011.

Endowment investments at June 30, 2012 were \$127.2 million as compared to \$127.4 million at June 30, 2011. Total return in 2012 was 0.9 percent as compared to 18 percent in 2011. Distributions from the endowment totaling \$5.7 million in 2012 were primarily used to fund the

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – see accompanying accountants' report)

University of Alaska Scholars Program and land management efforts. The endowment investments are invested in a consolidated endowment fund that is managed by the foundation. Separately audited consolidated endowment fund financial statements are available from the university's controller office.

Total liabilities are categorized as either current liabilities or noncurrent liabilities on the Statement of Net Assets. Current liabilities are those that are due or will likely be paid in the next fiscal year. They are primarily comprised of accounts payable, accrued payroll and other expenses, insurance and risk management payables, debt and student deposits. Noncurrent liabilities are comprised mostly of long-term debt. Total liabilities increased \$39.3 million during 2012 to a total of \$275.2 million as a result of new debt issued during the year.

Total debt outstanding increased from \$114.5 million at June 30, 2011 to \$154.4 million at June 30, 2012 as a result of a \$48.9 general revenue bond issuance, 2011 Series Q. The bonds provide funding for the Fairbanks campus Life Sciences facility, numerous deferred maintenance projects and a food service project on the Juneau campus. In addition, previously issued bonds were refunded during the year, providing debt service savings. More information is available in the *Capital and Debt Activities* section that follows.

Unrestricted net assets totaled \$140.1 million at June 30, 2012, representing an increase of \$13.2 million over the prior year. At year end, \$120.1 million was designated for specific purposes. See Note 7 of the financial statements for a detailed list of these designations.

Fiscal Year 2011 Comparisons (Statement of Net Assets)

Significant comments about changes between 2010 and 2011 that were noted in fiscal year 2011 *Management's Discussion and Analysis* are summarized below:

The Statement of Net Assets reflected an overall increase in net assets of 13.4 percent, or \$132.8 million. Most of this change, or \$97.4 million, is attributed to the increase in capital net assets, net of debt.

Self insurance reserves (liabilities) for health care, general liability and worker's compensation were decreased by \$12.1 million in 2011 to bring the amounts closer to actuarial estimates. Note 13 of the financial statements reports more information about insurance and risk management.

Unrestricted net assets totaled \$126.9 million at June 30, 2011, representing an increase of \$20.2 million over the prior year. At year end, \$107.0 million was designated for specific purposes.

Statement of Revenues, Expenses and Changes in Net Assets

The Statement of Revenues, Expenses and Changes in Net Assets presents the results of operations for the university as a whole. Revenues, expenses and other changes in net assets are

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – see accompanying accountants' report)

reported as either operating or nonoperating. Significant recurring sources of university revenue, such as state appropriations and investment earnings, are defined by GASB Statement No. 35 as nonoperating.

A summarized comparison of the university's revenues, expenses and changes in net assets for the years ended June 30, 2012, 2011 and 2010 follows (\$ in thousands):

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Operating revenues	\$ 393,374	\$ 397,565	\$ 372,933
Operating expenses	<u>(820,059)</u>	<u>(796,238)</u>	<u>(778,287)</u>
Operating loss	(426,685)	(398,673)	(405,354)
Net nonoperating revenues	<u>409,153</u>	<u>413,653</u>	<u>381,082</u>
Gain (Loss) before other revenues, expenses, gains, or losses	(17,532)	14,980	(24,272)
Other revenues, expenses, gains or losses	<u>171,279</u>	<u>117,779</u>	<u>61,951</u>
Increase in net assets	<u>153,747</u>	<u>132,759</u>	<u>37,679</u>
Net assets at beginning of year	<u>1,122,621</u>	<u>989,862</u>	<u>952,183</u>
Net assets at end of year	<u>\$ 1,276,368</u>	<u>\$ 1,122,621</u>	<u>\$ 989,862</u>

The Statement of Revenues, Expenses and Changes in Net Assets reflects an overall increase in net assets of 13.7 percent, or \$153.7 million. Major changes in revenues and expenses in 2012 are described below.

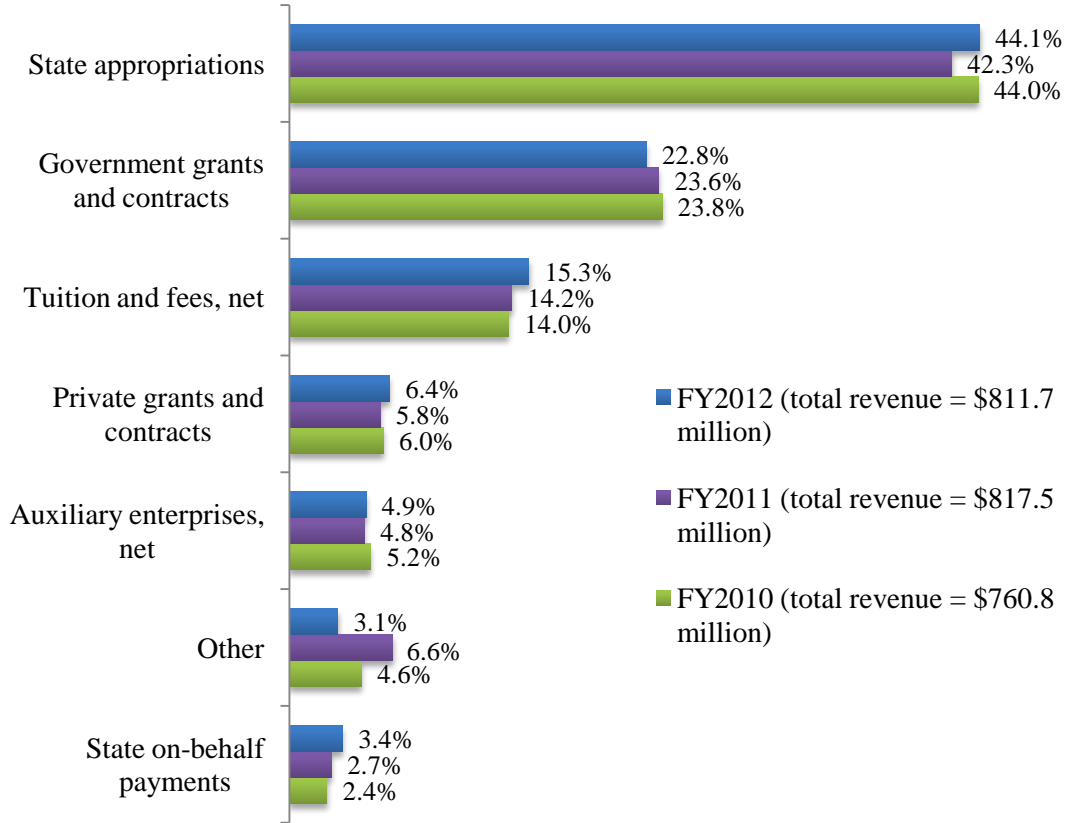
Capital appropriations and capital grant and contract revenue increased from \$117.8 million in 2011 to \$170.0 million in 2012. Revenue from capital sources is generally recognized as expenditures occur, so the amount shown on the Statement of Revenues, Expenses and Changes in Net Assets is a reflection of capital construction activity. A significant portion of the activity relates to \$64.4 million expended for construction of the Alaska Region Research Vessel – Sikuliaq. For further discussion on capital activity, see the *Capital and Debt Activities* section which follows.

State of Alaska general fund appropriations continue to be the single major source of revenue for the university, providing \$358.4 million in 2012, as compared to \$346.6 million in 2011. Historically, the state has funded the university at an amount equal to or above the prior period's appropriation. In addition, the state made on-behalf pension payments of \$27.8 million directly to the Public Employees' Retirement System (PERS) and Teachers' Retirement System (TRS) defined benefit plans on behalf of the university. The state is paying the cost above the university's employer contribution rate to fully fund the plans at the actuarial computed rate. The university's employer contribution rates have been capped at 22 percent and 12.56 percent for PERS and TRS, respectively. The pension payments were made on-behalf of the university and are presented as revenue and expense in the university's financial statements in accordance with GASB Statement No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*.

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – see accompanying accountants' report)

A comparison of operating and nonoperating revenues by source for 2012, 2011 and 2010 follows:

Operating and Nonoperating Revenues (excluding capital) by Year



Operating grant and contract revenue from federal, state, local and private sponsors totaled \$210.5 million for 2012, as compared to \$215.3 million in the prior year. The decrease is primarily due to the discontinuance of a major federal contract that supported the supercomputing center at the Fairbanks campus.

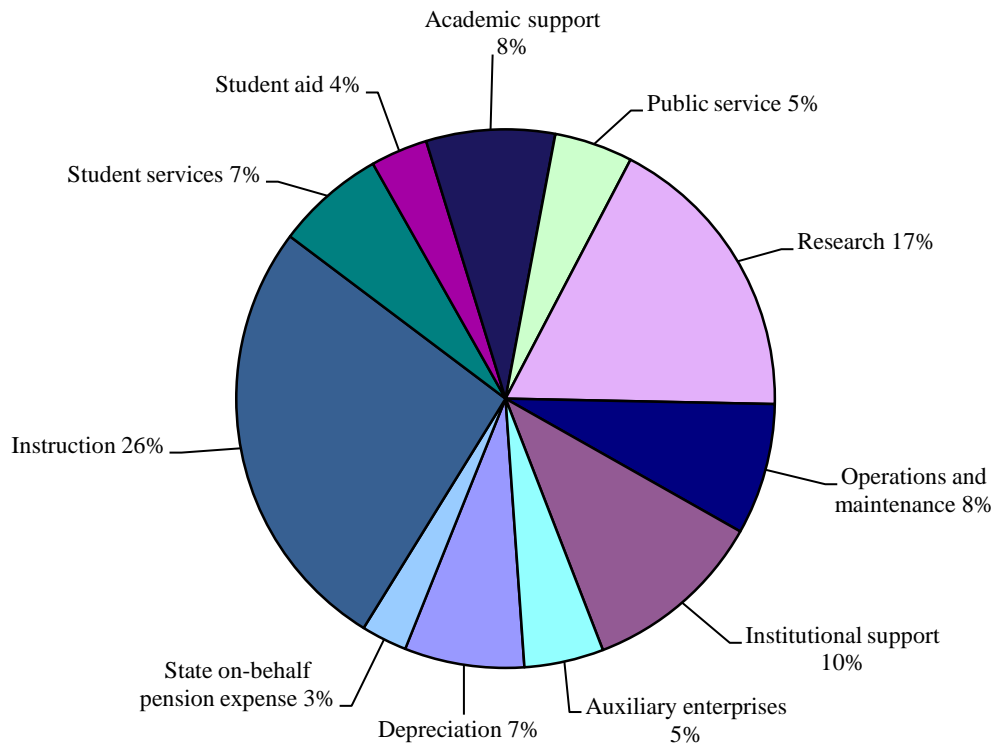
Gross student tuition and fee revenue totaled \$138.5 million in 2012 as compared to \$130.5 million in 2011. The increase was primarily due to Fall 2011 tuition rate increases of five percent for 100 to 200 level courses and 10 percent for 300 to 400 level courses.

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – see accompanying accountants' report)

A comparison of operating expenses by functional and natural classification for selected fiscal years follows (see Note 16 of the financial statements for more information):

Operating Expenses Functional Classification (in millions)						
	FY2012		FY2011		FY2010	
Instruction	\$ 213.2	26.0%	\$ 210.7	26.5%	\$ 207.9	26.7%
Student Services	53.1	6.5%	52.2	6.6%	50.8	6.5%
Student Aid	28.5	3.5%	27.3	3.4%	21.0	2.7%
Academic Support	65.2	8.0%	61.5	7.7%	58.5	7.5%
Student and Academic	360.0	44.0%	351.7	44.2%	338.2	43.4%
Public Service	38.8	4.7%	37.5	4.7%	40.9	5.3%
Research	135.9	16.6%	140.4	17.6%	135.0	17.3%
Operations and Maintenance	65.5	8.0%	62.8	7.9%	59.8	7.7%
Institutional Support	95.4	11.5%	86.9	10.9%	87.8	11.3%
Auxiliary Enterprises	38.3	4.7%	37.9	4.8%	40.4	5.2%
State On-Behalf Pension	27.8	3.4%	21.8	2.7%	18.0	2.3%
Depreciation	58.4	7.1%	57.2	7.2%	58.2	7.5%
Total Operating Expenses	\$ 820.1	100.0%	\$ 796.2	100.0%	\$ 778.3	100.0%

**Fiscal Year 2012
Functional Classification**

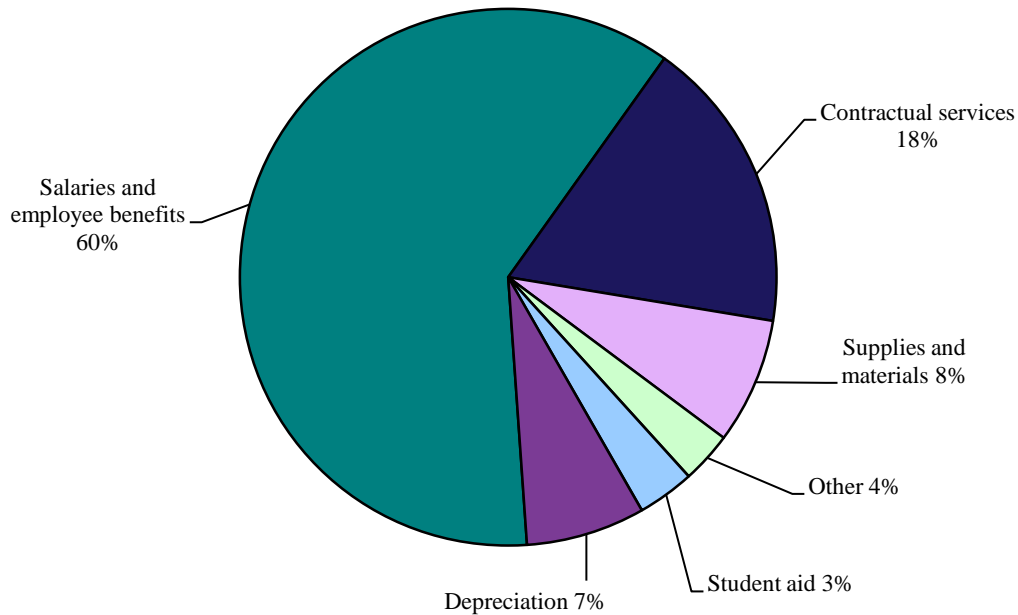


MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – see accompanying accountants' report)

Salaries and employee benefits increased one percent, or \$5.0 million, in 2012, which represents less of an increase than experienced in recent prior years. The relatively modest growth can be attributed to a combination of savings from vacancies and management efforts to minimize overall headcount growth.

Operating Expenses						
Natural Classification (in millions)						
	FY2012		FY2011		FY2010	
Salaries and Benefits	\$ 490.6	59.8%	\$ 485.6	61.0%	\$ 476.8	61.2%
Contractual Services	144.4	17.6%	141.2	17.7%	138.2	17.8%
Supplies and Materials	65.6	8.0%	60.4	7.6%	61.0	7.8%
Other	32.6	4.0%	24.6	3.1%	23.1	3.0%
Student Aid	28.5	3.5%	27.2	3.4%	21.0	2.7%
Depreciation	58.4	7.1%	57.2	7.2%	58.2	7.5%
	\$ 820.1	100.0%	\$ 796.2	100.0%	\$ 778.3	100.0%

**Fiscal Year 2012
Natural Classification**



A portion of university resources applied to student accounts for tuition, fees, or room and board are not reported as student aid expense, but are reported in the financial statements as a scholarship allowance, directly offsetting student tuition and fee revenue or auxiliary revenue. Allowances totaled \$14.6 million in 2012 and \$14.4 million in 2011. In addition to the allowances, students participate in governmental financial aid loan programs. The loans are neither recorded as revenue or expense in the financial statements, but are recorded in the

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – see accompanying accountants' report)

Statements of Cash Flows as direct lending receipts totaling \$87.5 million and \$80.4 million in 2012 and 2011, respectively.

Endowment proceeds and investment income totaled \$1.8 million in 2012 as compared to \$22.8 million in 2011, primarily as a result of poorer market conditions. Total return in 2012 was 0.9 percent as compared to 18 percent in the prior year. This category also includes yield from, or sales of, trust land, and mineral interests, the net proceeds of which are generally deposited to the land grant endowment trust fund.

Fiscal Year 2011 Comparisons (Statement of Revenues, Expenses and Changes in Net Assets)

Significant comments about changes between 2010 and 2011 that were noted in fiscal year 2011 *Management's Discussion and Analysis* are summarized below:

The Statement of Revenues, Expenses and Changes in Net Assets reflected an overall increase in net assets of 13.4 percent, or \$132.8 million.

Gross student tuition and fee revenue totaled \$130.5 million in 2011 as compared to \$119.8 million in 2010. This was due to a four percent increase in tuition rates for 100 to 200 level courses and seven percent for all other courses. In addition, student headcount increased 2.3 percent to 34,480 students from Fall 2009 to Fall 2010.

Salaries and employee benefits increased 1.8 percent, or \$8.8 million, in 2011, which represents less of an increase than experienced in recent previous years. The relatively modest growth can be attributed to a combination of savings from vacancies and management efforts to minimize overall headcount growth.

Capital appropriations and capital grant and contract revenue increased from \$62.0 million in 2010 to \$117.8 million in 2011. A significant portion of the increase includes \$32.5 million expended for construction of the Alaska Region Research Vessel – Sikuliaq. For further discussion on capital activity, see the *Capital and Debt Activities* section which follows.

Capital and Debt Activities

The university continued to modernize various facilities and build new facilities to address emerging state needs. Net capital asset increases totaled \$191.3 million in 2012, as compared with \$136.7 million in 2011 and \$73.9 million in 2010. These capital additions primarily comprise replacement, renovation, code corrections and new construction of academic and research facilities, as well as investments in equipment and information technology. State capital appropriations for 2012 and 2011 were \$79.5 million and \$258.6 million, respectively. Major components of the 2012 appropriation include \$37.5 million for deferred maintenance and \$34.0 million that provides partial funding for the University of Alaska Anchorage Community Sports Arena. The 2011 appropriation includes \$207 million funded by State of Alaska issued general

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – see accompanying accountants' report)

obligations bonds for various university projects, including \$88 million for the Fairbanks campus Life Sciences facility and \$60 million for the Anchorage campus sports arena.

Construction in progress at June 30, 2012 totaled \$265.3 million and includes the following major projects:

The University of Alaska Fairbanks began construction in fiscal year 2010 of a new research vessel, named "Sikuliaq". The vessel construction is being funded by a \$148.1 million award from the National Science Foundation. As designed, the vessel will be a 254 foot multipurpose oceanographic research ship capable of operating in seasonal ice and open regions around Alaska. Once constructed, the university will manage the vessel operations to support the National Science Foundation and other federally funded science activities. The ship is expected to be in operation in calendar year 2014.

Construction on the new Life Sciences Facility at the Fairbanks campus began in fiscal year 2011. The facility is approximately 100,000 square feet and will integrate teaching and research in biological, wildlife and biomedical sciences. The project cost is \$108.6 million and was approximately 60 percent complete at June 30, 2012. The facility is expected to be complete by May 2013.

At June 30, 2012, \$283.7 million remains unexpended from current and prior year capital appropriations and general revenue bond proceeds, of which \$143.7 million is committed to existing construction contracts. The balance is for projects still in design or preconstruction, or is held for contingencies for work in progress.

Debt

At June 30, 2012, total debt outstanding was \$154.4 million, comprised of \$136.6 million in general revenue bonds, \$16.1 million in a note payable, and \$1.7 million in bank financing contracts.

In October 2011 the university issued general revenue bonds 2011 Series Q with a par amount of \$48,870,000 and a 20 year term. The bonds fund a portion of the Fairbanks campus Life Sciences facility, numerous deferred maintenance projects and a food service project on the Juneau campus. In March 2012 the university issued general revenue refunding bonds 2012 Series R with a par amount of \$32,805,000 and a 17 year term. The bonds refunded substantially all maturities of 2002 Series K, 2003 Series L and 2004 Series M general revenue bonds. The economic gain from the refunding is approximately \$5.0 million in present value and total debt service payments are reduced by \$6.4 million over the life of the bonds.

In previous years, other bonds were issued to finance construction of student residences at three campuses, the West Ridge Research Building, student recreation centers, a research facility to house the International Arctic Research Center, the acquisition and renovation of several properties adjacent to or near the university's campuses, additions to the university's self-operated power, heat, water and telephone utility systems in Fairbanks, purchase of the University

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – see accompanying accountants' report)

Center Building in Anchorage, and to refund previously issued general revenue bonds and other contractual obligations in order to realize debt service savings.

The university has an Aa2 Stable credit rating from Moody's Investors Service and AA- Stable rating from Standard and Poor's. These ratings were affirmed in March 2012.

The university has traditionally utilized tax exempt financings to provide for its capital needs or to facilitate systematic renewals. Working capital is available to provide interim cash flow financing for facilities intended to be funded with general revenue bond proceeds or other debt arrangements.

Capital Activities – Looking Ahead

State of Alaska capital appropriations for fiscal year 2013 total \$154.9 million. The appropriations include \$37.5 million designated for deferred maintenance needs across the university system. This funding is the third installment of a five year deferred maintenance program instituted by the Governor. The appropriations also include \$104.9 million for engineering buildings construction and renovation at the Anchorage and Fairbanks campuses.

Other Economic and Financial Conditions

The following is a description of currently known facts, decisions, or conditions that are expected to have a significant effect on the financial position (net assets) or results of operations (revenues, expenses, and other changes in net assets) of the university.

At its September 28, 2012 meeting the Board of Regents approved the university to enter into a public private partnership that will deliver a new dining and food service facility at the Fairbanks campus. The transaction will be a capital lease with annual payments of approximately \$1.6 million. Tax-exempt bonds are expected to be issued by a third party nonprofit in December 2012 to finance the construction.

In fiscal year 2013, the university intends to issue \$22.6 million in new general revenue bonds to fund numerous deferred maintenance projects across the university system. The bond issue will be the second and final portion of \$50 million bonding authority that the state legislature provided the university to fund deferred maintenance projects.



KPMG LLP
Suite 600
701 West Eighth Avenue
Anchorage, AK 99501

Independent Auditors' Report

The Board of Regents
University of Alaska:

We have audited the accompanying basic financial statements of the University of Alaska and its discretely presented component unit (University), a component unit of the State of Alaska, as of and for the years ended June 30, 2012 and 2011, as listed in the table of contents. These financial statements are the responsibility of the University's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the University of Alaska and its discretely presented component unit as of June 30, 2012 and 2011, and the respective changes in its financial position and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 23, 2012 on our consideration of the University of Alaska's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.



U.S. generally accepted accounting principles require that the *management's discussion and analysis* on pages 1 through 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

KPMG LLP

October 23, 2012

UNIVERSITY OF ALASKA
(A Component Unit of the State of Alaska)
Statements of Net Assets
June 30, 2012 and 2011
(in thousands)

Assets	2012	2011
Current assets:		
Cash and cash equivalents	\$ 36,829	\$ 27,719
Short-term investments	38,575	57,973
Accounts receivable, less allowance of \$4,311 in 2012 and \$3,863 in 2011	74,989	73,739
Inventories	6,573	6,875
Other assets	526	678
Total current assets	157,492	166,984
Noncurrent assets:		
Restricted cash and cash equivalents	2,951	3,289
Notes receivable	2,948	3,219
Bond funds held with trustee	52,375	4,658
Endowment investments	127,223	127,380
Land Grant Trust property and other assets	46,224	45,254
Long-term investments	51,726	42,924
Education Trust of Alaska investments	13,332	11,857
Capital assets, net of accumulated depreciation of \$854,305 in 2012 and \$807,411 in 2011	1,097,258	952,898
Total noncurrent assets	1,394,037	1,191,479
Total assets	1,551,529	1,358,463
Liabilities		
Current liabilities:		
Accounts payable and accrued expenses	40,199	34,003
Accrued payroll	21,658	29,430
Unearned revenue and deposits	19,425	17,822
Accrued annual leave	12,332	11,876
Unearned lease revenue - current portion	1,281	1,281
Long-term debt - current portion	8,952	6,958
Insurance and risk management	14,272	13,842
Total current liabilities	118,119	115,212
Noncurrent liabilities:		
Unearned revenue - capital	5,431	5,678
Unearned lease revenue	961	2,242
Long-term debt	145,417	107,579
Security deposits and other liabilities	5,233	5,131
Total noncurrent liabilities	157,042	120,630
Total liabilities	275,161	235,842
Net Assets		
Invested in capital assets, net of related debt	931,674	835,564
Restricted:		
Expendable	74,102	30,825
Nonexpendable	130,513	129,317
Unrestricted (see Note 7)	140,079	126,915
Total net assets	\$ 1,276,368	\$ 1,122,621

The accompanying notes are an integral part of the financial statements.

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UNIVERSITY OF ALASKA FOUNDATION
(A Component Unit of the University of Alaska)
Statements of Financial Position
June 30, 2012 and 2011
(in thousands)

Assets	2012	2011
Cash and cash equivalents	\$ 23,956	\$ 21,608
Interest receivable	114	137
Contributions receivable, net	8,432	13,333
Remainder trusts receivable	1,486	833
Escrows receivable	259	296
Installment contracts receivable	168	-
Inventory	57	57
Other assets	486	486
Pooled endowment funds	137,819	131,853
Other long-term investments	24,747	24,459
	\$ 197,524	\$ 193,062
 Liabilities		
Due to the University of Alaska	\$ 2,152	\$ 1,775
Other liabilities	260	5
Split interest obligations	309	283
Term endowment liability	1,000	1,000
	3,721	3,063
 Net Assets		
Unrestricted	23,592	23,424
Temporarily restricted	78,014	79,551
Permanently restricted	92,197	87,024
	193,803	189,999
Total net assets		
	\$ 197,524	\$ 193,062

The accompanying notes are an integral part of the financial statements.

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UNIVERSITY OF ALASKA
(A Component Unit of the State of Alaska)
Statements of Revenues, Expenses and Changes in Net Assets
For the Years Ended June 30, 2012 and 2011
(in thousands)

	2012	2011
Operating revenues		
Student tuition and fees	\$ 138,544	\$ 130,542
less scholarship allowances	(14,573)	(14,438)
	123,971	116,104
Federal grants and contracts	134,119	147,869
State and local grants and contracts	24,655	20,140
Private grants and contracts	51,696	47,276
Sales and services, educational departments	4,921	4,215
Sales and services, auxiliary enterprises, net of scholarship allowances of \$2,051 in 2012 and \$2,005 in 2011	39,813	39,265
Other	14,199	22,696
Total operating revenues	393,374	397,565
Operating expenses		
Instruction	213,235	210,653
Academic support	65,166	61,453
Research	135,928	140,453
Public service	38,842	37,547
Student services	53,092	52,174
Operations and maintenance	65,476	62,772
Institutional support	95,372	86,950
Student aid	28,460	27,280
Auxiliary enterprises	38,288	37,947
Depreciation	58,403	57,170
State on-behalf payments - pension	27,797	21,839
Total operating expenses	820,059	796,238
Operating loss	(426,685)	(398,673)
Nonoperating revenues (expenses)		
State appropriations	358,441	346,644
State on-behalf contributions - pension	27,797	21,839
Investment earnings	4,058	3,971
Endowment proceeds and investment income	1,762	22,777
Interest on debt	(5,860)	(4,400)
Federal student financial aid	26,296	24,692
Other nonoperating expenses	(3,341)	(1,870)
Net nonoperating revenues	409,153	413,653
Income (Loss) before other revenues	(17,532)	14,980
Capital appropriations, grants and contracts	170,026	117,779
Additions to permanent endowments	1,253	-
Increase in net assets	153,747	132,759
Net assets		
Net assets - beginning of year	1,122,621	989,862
Net assets - end of year	\$ 1,276,368	\$ 1,122,621

The accompanying notes are an integral part of the financial statements.

UNIVERSITY OF ALASKA FOUNDATION
(A Component Unit of the University of Alaska)
Statements of Activities
For the years ended June 30, 2012 and 2011
(in thousands)

	2012			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Revenues, gains and other support				
Contributions	\$ 713	\$ 11,866	\$ 5,251	\$ 17,830
Investment income	633	1,091	-	1,724
Net realized and unrealized investment gains (losses)	(373)	(649)	-	(1,022)
Other revenues	-	186	-	186
Actuarial adjustment of remainder trust obligations	-	(63)	(6)	(69)
Losses on disposition of other assets	-	(30)	-	(30)
Administrative assessments	1,944	(1,217)	(100)	627
Support from University of Alaska	1,000	-	-	1,000
Net assets released from restriction	12,697	(12,697)	-	-
Total revenues, gains and other support	16,614	(1,513)	5,145	20,246
Expenses and distributions				
Operating expenses	2,526	-	-	2,526
Distributions for the benefit of the University of Alaska	13,916	-	-	13,916
Total expenses and distributions	16,442	-	-	16,442
Excess (deficiency) of revenues over expenses	172	(1,513)	5,145	3,804
Transfers between net asset classes	(4)	(24)	28	-
Change in net assets due to adoption of UPMIFA	-	-	-	-
Increase (decrease) in net assets	168	(1,537)	5,173	3,804
Net assets, beginning of year	23,424	79,551	87,024	189,999
Net assets, end of year	<u>\$ 23,592</u>	<u>\$ 78,014</u>	<u>\$ 92,197</u>	<u>\$ 193,803</u>

The accompanying notes are an integral part of the financial statements.

2011

Unrestricted	Temporarily Restricted	Permanently Restricted	Total
\$ 458	\$ 10,320	\$ 5,024	\$ 15,802
645	1,758	-	2,403
2,277	15,105	-	17,382
-	159	-	159
-	49	249	298
(1)	(43)	-	(44)
1,718	(1,060)	(62)	596
890	-	-	890
11,532	(11,532)	-	-
17,519	14,756	5,211	37,486
2,632	-	-	2,632
13,729	-	-	13,729
16,361	-	-	16,361
1,158	14,756	5,211	21,125
(105)	31	74	-
(11,461)	2,032	9,429	-
(10,408)	16,819	14,714	21,125
33,832	62,732	72,310	168,874
\$ 23,424	\$ 79,551	\$ 87,024	\$ 189,999

The accompanying notes are an integral part of the financial statements.

UNIVERSITY OF ALASKA
(A Component Unit of the State of Alaska)
Statements of Cash Flows
For the Years Ended June 30, 2012 and 2011
(in thousands)

	2012	2011
Cash flows from operating activities		
Student tuition and fees, net	\$ 118,983	\$ 115,931
Grants and contracts	209,044	217,774
Sales and services, educational departments	4,921	4,216
Sales and services, auxiliary enterprises	39,473	39,471
Other operating receipts	12,918	12,551
Payments to employees for salaries and benefits	(497,581)	(487,980)
Payments to suppliers	(216,333)	(195,106)
Payments to students for financial aid	(28,461)	(27,334)
Net cash used for operating activities	(357,036)	(320,477)
Cash flows from noncapital financing activities		
State appropriations	358,264	346,898
Other revenue	23,692	23,453
Direct lending receipts	87,489	80,378
Direct lending payments	(87,710)	(80,359)
Net cash provided by noncapital financing activities	381,735	370,370
Cash flows from capital and related financing activities		
Capital appropriations, grants and contracts	174,364	114,719
Proceeds from issuance of capital debt	81,675	-
Redemption of general revenue bonds	(35,310)	-
Purchases of capital assets	(193,222)	(143,199)
Principal paid on capital debt	(7,087)	(6,763)
Interest paid on capital debt	(5,195)	(4,572)
Net cash provided by (used for) capital and related financing activities	15,225	(39,815)
Cash flows from investing activities		
Proceeds from sales and maturities of investments	92,818	51,740
Purchases of investments	(131,581)	(136,020)
Interest received on investments	3,394	2,605
Interest and other sales receipts from endowment assets	4,217	1,684
Net cash provided by (used for) investing activities	(31,152)	(79,991)
Net increase (decrease) in cash and cash equivalents	8,772	(69,913)
Cash and cash equivalents, beginning of the year	31,008	100,921
Cash and cash equivalents, end of the year	\$ 39,780	\$ 31,008
Cash and cash equivalents (current)	\$ 36,829	\$ 27,719
Restricted cash and cash equivalents (noncurrent)	2,951	3,289
Total cash and cash equivalents	\$ 39,780	\$ 31,008

UNIVERSITY OF ALASKA
(A Component Unit of the State of Alaska)
Statements of Cash Flows
For the Years Ended June 30, 2012 and 2011
(in thousands)

Reconciliation of operating loss to net cash used for operating activities:

	2012	2011
Operating loss	\$ (426,685)	\$ (398,673)
Adjustments to reconcile operating loss to net cash used for operating activities:		
Depreciation expense	58,403	57,170
State on-behalf payments - pension	27,797	21,839
Changes in assets and liabilities that provided (used) cash:		
Accounts receivable, net	(7,508)	4,549
Other assets	27	137
Inventories	302	1,088
Accounts payable and accrued expenses	(3,876)	3,527
Accrued payroll	(7,773)	1,084
Unearned revenue, deposits from students and others	753	(1,122)
Accrued annual leave	456	125
Unearned lease revenue - current portion	(1,281)	(1,281)
Insurance and risk management	430	(8,920)
Real and personal property contributions	1,919	-
Net cash used for operating activities	\$ (357,036)	\$ (320,477)

Schedule of Noncash Investing, Noncapital Financing, Capital and Financing Related Activities:

For the Year Ended June 30, 2012

Additions to capital assets include \$9.2 million expended and capitalized but not paid for at year end.

Book value of capital asset disposals totaled \$0.6 million.

The university received \$1.9 million in donated land and equipment.

The university received on-behalf pension payments from the State of Alaska totaling \$27.8 million.

For the Year Ended June 30, 2011

Additions to capital assets include \$9.8 million expended and capitalized but not paid for at year end.

Book value of capital asset disposals totaled \$1.5 million.

The university received \$1.0 million in donated land and equipment.

The university received on-behalf pension payments from the State of Alaska totaling \$21.8 million.

NOTES TO FINANCIAL STATEMENTS

June 30, 2012 and 2011

1. Organization and Summary of Significant Accounting Policies:

Organization and Basis of Presentation:

The University of Alaska (university) is a constitutionally created corporation of the State of Alaska which is authorized to hold title to real and personal property and to issue debt in its own name. The university is a component unit of the State of Alaska for purposes of financial reporting. As an instrumentality of the State of Alaska, the university is exempt from federal income tax under Internal Revenue Code Section 115, except for unrelated business activities as covered under Internal Revenue Code Sections 511 to 514.

The University of Alaska Foundation (foundation) is a legally separate, nonprofit component unit of the university. The foundation was established to solicit donations and to hold and manage such assets for the exclusive benefit of the university. Resources managed by the foundation and distributions made to the university are governed by the foundation's Board of Trustees. Governmental Accounting Standards Board (GASB) Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, require the university to include the foundation as part of its financial statements to better report resources benefiting the university. The university is not accountable for, nor has ownership of, the foundation's resources. The foundation's financial statements include the Statement of Financial Position and the Statement of Activities and these statements are presented in their original audited format according to Financial Accounting Standards Board (FASB) pronouncements.

In preparing the financial statements, management is required to make estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the statement of net assets. Actual results could differ from those estimates. The more significant accounting and reporting policies and estimates applied in the preparation of the accompanying financial statements are discussed below.

GASB Statement No. 35 establishes standards for external financial reporting for public colleges and universities and requires that resources be classified for accounting and reporting purposes into the following net asset categories:

- **Unrestricted Net Assets:** Assets, net of related liabilities, which are not subject to externally-imposed restrictions. Unrestricted net assets may be designated for specific purposes by the Board of Regents or may otherwise be limited by contractual agreements with outside parties.
- **Restricted Net Assets:**
 - Expendable** – Assets, net of related liabilities, which are subject to externally-imposed restrictions that may or will be met by actions of the university and/or that expire with the passage of time.
 - Non-expendable** – Assets, net of related liabilities, which are subject to externally-imposed restrictions requiring that they be maintained permanently by the university.
- **Invested in capital assets, net of related debt** – Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets.

NOTES TO FINANCIAL STATEMENTS

Summary of Significant Accounting Policies:

The accompanying financial statements have been prepared on the economic resources measurement focus and the accrual basis of accounting. All significant intra-university transactions have been eliminated. The university reports as a business type activity, as defined by GASB Statement No. 35. Business type activities are those that are financed in whole or in part by fees charged to external parties for goods or services.

The university has the option to apply all Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989, unless FASB conflicts with GASB. The university has elected not to apply FASB pronouncements issued after the applicable date.

Cash and Cash Equivalents

All highly liquid investments, not held for long-term investment, with original maturities of three months or less are reported as cash and cash equivalents.

Inventories

Inventories are stated at the lower of cost (first-in, first-out method) or market.

Investments

Investments are stated at fair value. Investments in fixed income and equity marketable securities are stated at fair value based on quoted market prices. Investments in private partnership interests are valued using the most current information provided by the general partner. General partners typically value privately held companies at cost as adjusted based on recent arms' length transactions. Public companies are valued using quoted market prices and exchange rates, if applicable. Real estate partnerships and funds are valued based on appraisals of properties held and conducted by third-party appraisers retained by the general partner or investment manager. General partners of marketable alternatives provide values based on quoted market prices and exchange rates for publicly held securities and valuation estimates of derivative instruments. General partners of oil and gas partnerships use third-party appraisers to value properties. Valuations provided by the general partners and investment managers are evaluated by management and management believes such values are reasonable at June 30, 2012. When, in the opinion of management, there has been a permanent impairment in the asset value, the asset is written down to its fair value. Income from other investments is recognized when received.

Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the statement of net assets. Investments also include securities with contractual cash flows such as asset-backed securities, collateralized mortgage obligations and commercial mortgage-backed securities. The value, liquidity and related income of these securities are sensitive to economic conditions, including real estate value, delinquencies or defaults, or both, and may be adversely affected by shifts in the market's perception of the issuers and changes in interest rates. Long-term investments include those restricted by outside parties as to withdrawal or use for other than current operations, or are designated for expenditure in the acquisition or construction of noncurrent assets or held with an intent not to be used for operations.

NOTES TO FINANCIAL STATEMENTS

Capital Assets

Capital assets are stated at cost when purchased and at fair value when donated. Equipment with a unit value of \$5,000 or greater is capitalized. Buildings and infrastructure with a unit value of \$100,000 or greater are capitalized. Other capitalizable assets with a unit value of \$50,000 or greater are capitalized. Certain land and other resources acquired through land grants and donated museum collections for which fair value at date of acquisition was not determinable are reported at zero basis in the financial statements.

Depreciation is computed on a straight-line basis with useful lives of building and building components ranging from 12 to 50 years, 10 to 35 years for infrastructure and other improvements, and 5 to 11 years for equipment. Library and museum collections are not depreciated because they are preserved and cared for and have an extraordinarily long useful life.

Endowments

Endowments consist primarily of the land grant endowment trust fund established pursuant to the 1929 federal land grant legislation and its related inflation proofing fund. Alaska Statute 14.40.400 provides that the net income from the sale or use of grant lands must be held in trust in perpetuity. The land grant endowment trust fund balance at the end of 2012 and 2011 was \$111.8 million and \$115.1 million, respectively. The accumulated net earnings were \$11.6 million and \$16.5 million at June 30, 2012 and 2011, respectively. The inflation proofing fund, a quasi-endowment fund included in unrestricted net assets, totaled \$21.6 million and \$19.8 million at the end of 2012 and 2011, respectively.

Alaska Statute 14.40.400 provides the Board of Regents with authority to manage the funds under the total return principles which intends to preserve and maintain the purchasing power of the endowment principal. The investable resources of the funds are invested in the consolidated endowment fund, a unitized investment fund. The annual spending allowance is currently based on 4.5 percent of a five-year moving average of the invested balance. Withdrawals of net earnings appreciation to meet the spending allowance are limited to the unexpended accumulated net earnings balance of the preceding December 31.

Operating Activities

The university's policy for defining operating activities as reported on the statement of revenues, expenses and changes in net assets are those that generally result from exchange transactions such as payments received for providing services and payments made for services or goods received. Certain significant revenue streams relied upon for operations are recorded as non-operating revenues, as defined by GASB Statement No. 35, including state appropriations and investment earnings.

Scholarship Allowances

Student tuition and fee revenues and certain other revenues from students are reported net of scholarship allowances in the statement of revenues, expenses and changes in net assets. Scholarship allowances are the difference between the stated charge for tuition and room and board provided by the university and the amount paid by the student and/or third parties making payments on the students' behalf.

NOTES TO FINANCIAL STATEMENTS

Lapse of State Appropriations

Alaska Statutes provide that unexpended balances of one-year appropriations will lapse on June 30 of the fiscal year of the appropriation; however, university receipts in excess of expenditures may be expended by the university in the next fiscal year. University receipts include student tuition and fees, donations, sales, rentals, facilities and administrative cost recovery, interest income, auxiliary and restricted revenues. The unexpended balances of capital appropriations generally lapse after five years or upon determination that the funds are no longer necessary for the project.

Reclassifications

Certain amounts in the June 30, 2011 financial statements have been reclassified for comparative purposes to conform to the presentation in the June 30, 2012 financial statements.

Recently Issued Accounting Standards

In December 2010, the GASB issued GASB 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Statement 62 incorporates into GASB's authoritative literature certain accounting and reporting guidance issued by the FASB and AICPA issued on or before November 30, 1989, which do not conflict or contradict GASB pronouncements. The new standard is effective retrospectively for the fiscal year beginning July 1, 2012. The university is currently evaluating the impact that the adoption of Statement 62 will have on its financial statements.

In June 2012, the GASB issued GASB 68, *Accounting and Financial Reporting for Pensions*, an amendment of GASB Statement No. 27. This Statement requires that an employer recognize its obligation for pension net of the amount of the pensions plan's fiduciary net position that is available to satisfy that obligation as well as additional note disclosures regarding the obligation. The new standard is effective retrospectively for the fiscal year beginning July 1, 2014. The university is currently evaluating the impact that the adoption of Statement 68 will have on its financial statements.

NOTES TO FINANCIAL STATEMENTS

2. Deposits and Investments:

Deposits and investments at June 30, 2012 were as follows (\$ in thousands):

<u>Investment Type</u>	<u>Operating</u>	<u>Capital Funds</u>	<u>Endowment</u>	<u>Education Trust of Alaska</u>	<u>Total</u>
Cash and Deposits	\$ 7,630	\$ -	\$ 5,643	\$ -	\$ 13,273
Certificates of Deposit	3,778	-	-	-	3,778
Repurchase Agreement	8,796	-	-	-	8,796
Hedge Funds	-	-	17,923	-	17,923
Money Market Mutual Funds	50,230	13,583	1,997	745	66,555
Equities:					
Domestic	-	-	21,550	5,496	27,046
Global	-	-	23,426	-	23,426
Emerging Markets	-	-	6,236	-	6,236
Debt-related:					
Corporate	41,377	-	-	-	41,377
Federal Agency	8,661	-	-	-	8,661
U. S. Treasuries	5,080	43,321	8,523	-	56,924
Fixed Income Funds	-	-	15,930	7,091	23,021
Alternative Investments:					
Real Assets Index	-	-	4,183	-	4,183
Private Equity – Domestic	-	-	1,293	-	1,293
Private Equity – Int’l	-	-	6,359	-	6,359
Commodities	-	-	788	-	788
Natural Resources	-	-	3,251	-	3,251
Venture Capital	-	-	2,497	-	2,497
Mezzanine	-	-	602	-	602
Real Estate	-	-	5,641	-	5,641
Other	-	-	1,381	-	1,381
	<u>\$ 125,552</u>	<u>\$ 56,904</u>	<u>\$ 127,223</u>	<u>\$ 13,332</u>	<u>\$ 323,011</u>

NOTES TO FINANCIAL STATEMENTS

Deposits and investments at June 30, 2011 were as follows (\$ in thousands):

<u>Investment Type</u>	<u>Operating</u>	<u>Capital Funds</u>	<u>Endowment</u>	<u>Education Trust of Alaska</u>	<u>Total</u>
Cash and Deposits	\$ 7,323	\$ -	\$ 6,520	\$ -	\$ 13,843
Certificates of Deposit	3,770	-	-	-	3,770
Repurchase Agreement	22,199	-	-	-	22,199
Hedge Funds	-	-	8,910	-	8,910
Money Market Mutual Funds	12,168	12,351	1,958	553	27,030
Equities:					
Domestic	-	-	27,795	4,795	32,590
Global	-	-	30,713	-	30,713
Emerging Markets	-	-	6,457	-	6,457
Debt-related:					
Corporate	52,958	-	-	-	52,958
Federal Agency	21,306	435	-	-	21,741
U.S Treasuries	4,053	-	8,859	-	12,912
Fixed Income Funds	-	-	16,402	6,509	22,911
Alternative Investments:					
Private Equity - Domestic	-	-	6,714	-	6,714
Private Equity – Int'l	-	-	2,096	-	2,096
Commodities	-	-	943	-	943
Natural Resources	-	-	3,425	-	3,425
Venture Capital	-	-	2,404	-	2,404
Mezzanine Debt	-	-	934	-	934
Real Estate	-	-	1,546	-	1,546
Other	-	-	1,704	-	1,704
	<u>\$ 123,777</u>	<u>\$ 12,786</u>	<u>\$ 127,380</u>	<u>\$ 11,857</u>	<u>\$ 275,800</u>

Operating funds consist of cash on hand, time deposits, an overnight repurchase agreement, money market funds and bonds. Alaska Statutes and Board of Regents' policy provide the university with broad authority to invest funds. Generally, operating funds are invested according to the university's liquidity needs. During fiscal year 2011, the university implemented operating fund investment guidelines, which sets forth the objectives, structure and acceptable investments for the university's operating funds.

In fiscal year 2011, the university restructured its operating funds by investing in high quality bonds, including U.S. treasuries, federal agency bonds and corporate bonds. These investments are held under the name of the university. After the restructure, the bonds comprise the largest portion of operating funds. The majority of the money market mutual funds are invested through the Commonfund, a nonprofit provider of pooled multi-manager investment vehicles for colleges and universities. The university has a \$13 million compensating balance with its checking and depository financial institution.

NOTES TO FINANCIAL STATEMENTS

Capital funds include unexpended general revenue bond proceeds and related reserves and advances from state capital appropriations. Unexpended bond funds held by a trustee for construction purposes totaled \$46.1 million. General revenue bond reserves totaling \$6.3 million are invested with a third party trustee in accordance with terms of a trust indenture, requiring purchase of investment securities that are investment grade.

Endowment funds primarily consist of \$125.2 million in investable resources of the university's land grant endowment trust fund and are invested in a consolidated endowment fund managed by the foundation. These resources are combined with the foundation's pooled endowment funds for investment purposes, and managed by the foundation's investment committee and treasurer on a total return basis in accordance with an investment policy approved by the Board of Regents.

Education Trust of Alaska investments include the operating funds of the college savings program, established pursuant to state statute by the Board of Regents and Internal Revenue Code Section 529. Program investments are in mutual funds of T. Rowe Price Associates, Inc., the program manager. See Note 4 for further information.

Certain funds held in trust for the benefit of the university are not included in the financial statements as the university has only limited control over their administration. These funds are in the custody of independent fiduciaries and at June 30, 2012 had an estimated fair value of approximately \$3.4 million.

At June 30, 2012, the university has approximately \$37.4 million in investments that are not readily marketable. These investments are invested in the consolidated endowment fund managed by the foundation. These investment instruments may contain elements of both credit and market risk. Such risks include, but are not limited to, limited liquidity, absence of regulatory oversight, dependency upon key individuals, and nondisclosure of portfolio composition. Because these investments are not readily marketable, their estimated value is subject to uncertainty and therefore may differ from the value that would have been used had a ready market for such investment existed. Such difference could be material.

Disclosures for deposits and investments are presented according to GASB Statement No. 40, *Deposit and Investment Risk Disclosures* (GASB 40). Accordingly, the following information addresses various risk categories for university deposits and investments and the investment policies for managing that risk.

Credit Risk:

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The operating fund investment guidelines require that at the time of purchase, short term instruments must be rated A1 or better by Standard & Poor's (S & P), and P1 or better by Moody's. Long term instruments must be rated BBB- or better by S & P and Baa3 or better by Moody's. The average credit rating of any separately management account portfolio shall be no lower than A by S & P and A2 by Moody's. The consolidated endowment fund investment policy requires all purchases of debt securities to be of investment grade and marketable at the time of purchase unless otherwise approved by the foundation's investment committee.

NOTES TO FINANCIAL STATEMENTS

At June 30, 2012, investments consisted of securities with credit quality ratings issued by nationally recognized statistical rating organizations as follows (\$ in thousands):

<u>Investment Type</u>	<u>Rating</u>	<u>Operating</u>	<u>Capital Funds</u>	<u>Endowment</u>	<u>Education Trust of Alaska</u>
Money Market Mutual Fund	Aaa	\$ 50,230	\$13,583	\$ 1,997	\$ -
Money Market Mutual Fund	Not Rated	-	-	-	745
Hedge Funds	Not Rated	-	-	17,923	-
Debt Related:					
Federal Agency	Aaa	8,661	-	-	-
Fixed Income Funds	Not Rated	-	-	15,930	7,091
Corporate	Aaa	4,840	-	-	-
Corporate	Aa1	3,098	-	-	-
Corporate	Aa2	6,327	-	-	-
Corporate	Aa3	6,790	-	-	-
Corporate	A1	4,918	-	-	-
Corporate	A2	8,097	-	-	-
Corporate	A3	4,807	-	-	-
Corporate	Baa1	2,500	-	-	-

Concentration of Credit Risk:

Concentration of credit risk is the risk of loss attributed to the magnitude of the university's investment in a single issuer. GASB 40 requires disclosure when the amount invested with a single issuer, by investment type, exceeds five percent or more of that investment type. At June 30, 2012, the university did not have any material concentrations of credit risk.

The operating fund investment guidelines limits the aggregate fair value of the portfolio that may be invested in any combination of instruments from one issuer to four percent and callable bonds are limited to 15 percent of the total portfolio value, with exceptions for federally backed securities.

The consolidated endowment fund investment policy limits debt investments to five percent by issuer (except for mutual and pooled funds and U.S. government and agencies) for each specific managed portfolio within the consolidated endowment fund unless approved by the treasurer.

Custodial Credit Risk:

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository institution, the university will not be able to recover deposits or will not be able to recover collateral securities in the possession of an outside party. For investments, custodial credit risk is the risk that, in the event of failure of the counterparty to a transaction, the university will not be able to recover the value of investment or collateral securities in the possession of an outside party.

NOTES TO FINANCIAL STATEMENTS

At June 30, 2012, the university does not have custodial credit risk. Deposits of the university are covered by Federal Depository Insurance or securities pledged by the university's counterparty to its repurchase agreement held at a third party bank. The collateral is held in the name of the university and at June 30, 2012, provided \$15.1 million coverage in excess of deposits.

Interest Rate Risk:

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The university uses the modified duration measurement to evaluate interest rate risk. Modified duration measures a debt investment's exposure to fair value changes arising from changing interest rates. For example, a modified duration of 2 means that for a rise in interest rates of one percent, the value of the security would decrease two percent. The university does not have a policy regarding interest rate risk. At June 30, 2012, the university had the following debt investments and corresponding modified duration (\$ in thousands):

<u>Investment Type</u>	Fair Value					<u>Modified Duration</u>
	<u>Operating</u>	<u>Capital</u>		<u>Education</u>		
		<u>Funds</u>	<u>Endowment</u>	<u>Trust of Alaska</u>	<u>Modified</u>	
Federal Agency	\$ 8,661	-	-	-	-	0.81
Corporate	\$ 41,377	-	-	-	-	1.46
U.S. Treasuries	\$ 5,080	-	-	-	-	2.25
U.S. Treasuries	-	\$ 43,321	-	-	-	0.62
U.S. Treasuries	-	-	\$ 8,523	-	-	3.88
Fixed Income Fund	-	-	\$ 15,930	-	-	5.05
Fixed Income Fund	-	-	-	\$ 7,091	-	5.07

Hedge funds totaling \$17.9 million are exposed to interest rate risk; however, underlying fund data is not available to measure the interest rate risk.

Foreign Currency Risk:

Foreign currency risk is the risk that changes in exchange rates could have an adverse affect on an investment's value for investments denominated in foreign currencies. GASB 40 requires disclosure of value in U.S. dollars by foreign currency denomination and investment type. The university does not have a policy regarding foreign currency risk. At June 30, 2012, the university did not have any foreign currency risk.

NOTES TO FINANCIAL STATEMENTS

3. Accounts Receivable:

Accounts receivable consisted of the following at June 30, 2012 and 2011 (\$ in thousands):

June 30, 2012	<u>Gross</u>	<u>Allowance</u>	<u>Net</u>
Student tuition and fees	\$ 19,186	\$ (3,221)	\$ 15,965
Sponsored programs	48,028	(981)	47,047
Auxiliary services and other operating activities	529	(109)	420
Capital appropriations, grants and contracts	11,557	-	11,557
	<u>\$ 79,300</u>	<u>\$ (4,311)</u>	<u>\$ 74,989</u>
June 30, 2011	<u>Gross</u>	<u>Allowance</u>	<u>Net</u>
Student tuition and fees	\$ 15,011	\$ (2,592)	\$ 12,419
Sponsored programs	46,363	(1,160)	45,203
Auxiliary services and other operating activities	511	(111)	400
Capital appropriations, grants and contracts	15,717	-	15,717
	<u>\$ 77,602</u>	<u>\$ (3,863)</u>	<u>\$ 73,739</u>

4. Education Trust of Alaska:

Assets held in trust include operating funds of the Education Trust of Alaska (Trust). The Trust was established pursuant to state statute on April 20, 2001 by the Board of Regents to facilitate administration of the state's Internal Revenue Code (IRC) Section 529 College Savings Program. The program is a nationally marketed college savings program developed in accordance with IRC Section 529 and includes the resources of the university's former Advance College Tuition (ACT) Program. Participant account balances of approximately \$4.6 billion and \$4.3 billion at June 30, 2012 and 2011, respectively, are not included in the financial statements. Separately audited Trust financial statements are available upon request from the University of Alaska Controller's office.

Assets of the Trust are invested in various mutual funds at the direction of T. Rowe Price Associates, Inc., the program manager. The net assets of the Trust, which include a reserve for University of Alaska (UA) Tuition Value Guarantees, are available for payment of program administrative costs, benefits and other purposes of the Trust. Based on actuarial studies, management estimates reserve requirements for the UA Tuition Value Guarantees to be approximately \$4.8 million and \$4.5 million at June 30, 2012 and 2011, respectively.

5. Land Grant Trust Property and Other Assets:

Land Grant Trust property and other assets consist of real property and timber and other rights. By Acts of Congress in 1915 and 1929, approximately 110,000 acres of land was granted to the territory of Alaska to be held in trust for the benefit of the university. The lands were managed by the territory, and later the State of Alaska. In accordance with a 1982 agreement, the lands were subsequently transferred to the Board of Regents, as trustee. In 1982 and 1988 certain state lands including timber and other rights were transferred to the trust as replacement for lands disposed of or adversely affected during the period of administration by the territory and the state. These lands and property interests were recorded at their fair value as of the date of transfer. The net proceeds from land sales and other rights are deposited in the land grant endowment trust fund as described in the Endowment section in Note 1 above. At June 30,

NOTES TO FINANCIAL STATEMENTS

2012 and 2011, approximately 82,400 and 82,411 acres, respectively, were held in trust at zero basis because fair value at the time of transfer was not determinable.

6. Capital Assets:

A summary of capital assets follows (\$ in thousands):

	Balance July 1, 2011	Additions	Reductions	Balance June 30, 2012
Capital assets not depreciated:				
Land	\$ 37,981	\$ 535	\$ -	\$ 38,516
Construction in progress	146,994	184,513	66,160	265,347
Library and museum collections	59,146	1,173	-	60,319
Other capital assets:				
Buildings	1,228,745	59,365	-	1,288,110
Infrastructure	62,951	3,688	-	66,639
Equipment	175,211	17,695	12,126	180,780
Leasehold improvements	24,909	1,294	-	26,203
Other improvements	24,372	1,277	-	25,649
Total	<u>1,760,309</u>	<u>269,540</u>	<u>78,286</u>	<u>1,951,563</u>
Less accumulated depreciation:				
Buildings	615,517	41,897	-	657,414
Infrastructure	33,962	2,103	-	36,065
Equipment	129,653	12,633	11,509	130,777
Leasehold improvements	9,764	1,034	-	10,798
Other improvements	18,515	736	-	19,251
Total accumulated depreciation	<u>807,411</u>	<u>58,403</u>	<u>11,509</u>	<u>854,305</u>
Capital assets, net	<u>\$ 952,898</u>	<u>\$211,137</u>	<u>\$ 66,777</u>	<u>\$ 1,097,258</u>
	Balance July 1, 2010	Additions	Reductions	Balance June 30, 2011
Capital assets not depreciated:				
Land	\$ 28,490	\$ 9,491	\$ -	\$ 37,981
Construction in progress	59,176	133,337	45,519	146,994
Library and museum collections	57,964	1,182	-	59,146
Other capital assets:				
Buildings	1,196,399	32,416	70	1,228,745
Infrastructure	61,191	1,760	-	62,951
Equipment	171,028	14,417	10,234	175,211
Leasehold improvements	26,632	-	1,723	24,909
Other improvements	22,777	1,595	-	24,372
Total	<u>1,623,657</u>	<u>194,198</u>	<u>57,546</u>	<u>1,760,309</u>
Less accumulated depreciation:				
Buildings	574,633	40,931	47	615,517
Infrastructure	32,044	1,918	-	33,962
Equipment	125,912	12,517	8,776	129,653
Leasehold improvements	9,916	1,127	1,279	9,764
Other improvements	17,838	677	-	18,515
Total accumulated depreciation	<u>760,343</u>	<u>57,170</u>	<u>10,102</u>	<u>807,411</u>
Capital assets, net	<u>\$ 863,314</u>	<u>\$137,028</u>	<u>\$ 47,444</u>	<u>\$ 952,898</u>

NOTES TO FINANCIAL STATEMENTS

7. Unrestricted Net Assets:

At June 30, unrestricted net assets included the following (\$ in thousands):

	<u>2012</u>	<u>2011</u>
Designated:		
Auxiliaries	\$ 10,478	\$ 11,472
Working capital fund	4,803	4,827
Working capital advances	(1,390)	(252)
Service centers	20,380	17,399
Debt service funds	6,882	4,034
Quasi-endowment funds	30,402	28,600
Renewal and replacement funds	13,196	12,141
Employee benefit funds	9,644	1,415
Endowment earnings	13,230	12,769
Encumbrances	<u>12,468</u>	<u>14,615</u>
Total designated	120,093	107,020
Undesignated	<u>19,986</u>	<u>19,895</u>
Total unrestricted net assets	<u><u>\$ 140,079</u></u>	<u><u>\$ 126,915</u></u>

Unrestricted net assets include non-lapsing university receipts of \$52.8 million at June 30, 2012. Non-lapsing university receipts of \$51.9 million from 2011 were fully expended in 2012. At June 30, 2012 and 2011, \$63.3 million and \$63.4 million, respectively, of auxiliary funds, encumbrances and other unrestricted net assets were pledged as collateral for the university's general revenue bonds, as calculated under the terms of the 1992 General Revenue Bonds Trust Indenture.

8. Long-term Debt:

Debt service requirements at June 30, 2012 were as follows (\$ in thousands):

Year ended June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 8,952	\$ 5,761	\$ 14,713
2014	9,308	5,439	14,747
2015	8,977	5,189	14,166
2016	9,334	4,867	14,201
2017	9,516	4,540	14,056
2018-2022	46,742	17,483	64,225
2023-2027	40,229	8,232	48,461
2028-2032	17,111	2,330	19,441
2033-2036	<u>4,200</u>	<u>201</u>	<u>4,401</u>
	<u><u>\$ 154,369</u></u>	<u><u>\$ 54,042</u></u>	<u><u>\$ 208,411</u></u>

NOTES TO FINANCIAL STATEMENTS

Long-term debt consisted of the following at June 30, 2012 and 2011 (\$ in thousands):

	<u>2012</u>	<u>2011</u>
Revenue bonds payable 1.40% to 5.00% general revenue bonds due serially to 2036, secured by a pledge of unrestricted current fund revenue generated from tuition, fees, recovery of facilities and administrative costs, sales and services of educational departments, miscellaneous receipts and auxiliaries.	\$ 136,595	\$ 95,445
Note payable - capital construction 1.826% assisted note to the Alaska Housing Finance Corporation (AHFC) to finance construction of Anchorage campus housing, due semiannually through February 2024.	16,100	17,290
Equipment financings 3.0% to 4.77% note for the purchase of equipment and vehicles due in quarterly installments through June 2017.	1,674	1,802
	<u>\$ 154,369</u>	<u>\$ 114,537</u>

In October 2011 the university issued general revenue bonds 2011 Series Q with a par amount of \$48,870,000 and a 20 year term. The bonds fund a portion of the Fairbanks campus Life Sciences Facility, numerous deferred maintenance projects and a food service project on the Juneau campus. In March 2012, the university issued general revenue refunding bonds 2012 Series R with a par amount of \$32,805,000 and a 17 year term. The bonds refunded substantially all maturities of 2002 Series K, 2003 Series L and 2004 Series M general revenue bonds. The economic gain from the refunding is approximately \$5.0 million in present value and total debt service payments are reduced by \$6.4 million over the life of the bonds.

In fiscal year 2012, the state reimbursed the university \$1,415,470 for debt service on 2002 Series K general revenue bond projects. During fiscal year 2012, substantially all maturities of 2002 Series K were refunded with the issuance of 2012 Series R. As a result, and subject to appropriation, future annual reimbursement for the projects is approximately \$1.25 million.

Under the terms of the 1992 General Revenue Bonds Trust Indenture, the university is required to maintain a reserve account with a trustee at an amount equal to one-half of the maximum annual general revenue bond debt service. The balance in the reserve account at June 30, 2012 and 2011 was \$6.3 million and \$4.7 million, respectively.

9. Unearned Lease Revenue:

In fiscal year 1997, the university entered into an agreement to construct a facility and establish the International Arctic Research Center (IARC), subsequently renamed Akasofu Building. The university received \$19,215,000 through a Japanese nonprofit corporation to support the construction of the IARC in exchange for a commitment to provide research facilities to various Japanese research organizations and agencies for a period of 25 years, including lease extensions. The Japanese research organizations began occupying the Akasofu Building in fiscal year 1999. The unearned lease revenue at June 30, 2012 is \$2,241,750 and is reduced at the rate of \$1,281,000 per year with a corresponding increase to other operating revenue.

NOTES TO FINANCIAL STATEMENTS

10. Long-term Liabilities:

Long-term liability activity was as follows (\$ in thousands):

	Balance			Balance	
	July 1, 2011	Additions	Reductions	June 30, 2012	due within one year
Unearned revenue - capital	\$ 5,678	\$ 4,922	\$ 5,169	\$ 5,431	-
Unearned lease revenue	3,523	-	1,281	2,242	1,281
Long-term debt	114,537	82,229	42,397	154,369	8,952
Security deposits and other	5,131	354	252	5,233	-
	<u>\$ 128,869</u>	<u>\$87,505</u>	<u>\$ 49,099</u>	<u>\$ 167,275</u>	<u>\$ 10,233</u>

	Balance			Balance	
	July 1, 2010	Additions	Reductions	June 30, 2011	due within one year
Unearned revenue - capital	\$ 2,875	\$ 4,284	\$ 1,481	\$ 5,678	-
Unearned lease revenue	4,804	-	1,281	3,523	1,281
Long-term debt	121,300	-	6,763	114,537	6,958
Security deposits and other	5,980	1	850	5,131	-
	<u>\$ 134,959</u>	<u>\$ 4,285</u>	<u>\$ 10,375</u>	<u>\$ 128,869</u>	<u>\$ 8,239</u>

11. Capital Appropriations and Construction Commitments:

Major construction projects of the university are funded primarily by State of Alaska appropriations and general obligation bonds, university revenue bonds and federal grants. Unexpended and unbilled capital funds appropriated by the State of Alaska in prior years, which are not reflected as appropriation revenue or receivables on the university's books at June 30, 2012, totaled \$240.1 million. In addition, unexpended proceeds of university-issued general revenue bonds designated for construction projects totaled \$43.6 million at June 30, 2012.

Construction commitments at June 30, 2012 aggregated \$143.7 million. At June 30, 2012, the university had received \$6.2 million from State of Alaska capital appropriations and other sources in advance of expenditures.

As of June 30, 2012 the university has spent \$109.3 million, part of construction in progress, on building a ship named "Sikuliaq". The vessel will be owned by the National Science Foundation, the agency funding the construction, and operated by the University of Alaska Fairbanks, as part of the U.S. academic research fleet. It will be used by scientists in the United States and international oceanographic community through the University-National Oceanographic Laboratory System. The Sikuliaq is anticipated to be ready for unrestricted science operations in 2014 and will be home ported in Alaska at the Seward Marine Center.

NOTES TO FINANCIAL STATEMENTS

12. Pension Plans:

Participation in one of the various pension plans generally depends on when an employee was originally hired. Substantially all regular employees hired before July 1, 2006 participate in one of the following pension plans:

- The State of Alaska Public Employees' Retirement System – Defined Benefit (PERS-DB), a cost-sharing, multiple-employer public employee retirement plan,
- The State of Alaska Teachers' Retirement System – Defined Benefit (TRS-DB), a cost-sharing, multiple-employer public employee retirement plan,
- The University of Alaska Optional Retirement Plan (ORP) Tier 1 or Tier 2, a single-employer defined contribution plan.

In addition, substantially all eligible employees participate in the University of Alaska Pension Plan, a supplemental single-employer defined contribution plan. Employees hired on or after July 1, 2006 have a choice to participate in the University of Alaska Retirement Program or the applicable state defined contribution plan. The University of Alaska Retirement Program consists of ORP (Tier 3) and the University of Alaska Pension Plan. The state's defined contribution plans are the Public Employees' Retirement System – Defined Contribution (PERS-DC) or the Teachers' Retirement System-Defined Contribution (TRS-DC).

The university provides elective deferral options for employee contributions to deferred annuity plans in accordance with Internal Revenue Code sections 403(b) and 457(b), subject to eligibility criteria.

Each of the plans noted above are described in more detail in the sections that follow. None of the retirement systems or plans own any notes, bonds or other instruments of the university.

State of Alaska Public Employees' Retirement System - Defined Benefit (PERS-DB)

Plan Description

PERS is a defined benefit, cost-sharing, multiple-employer public employee retirement plan established and administered by the State of Alaska. The plan was originally established as an agent multiple-employer plan, but was converted by legislation to a cost-sharing plan, effective July 1, 2008.

PERS provides pension, postemployment health care, death and disability benefits to eligible participants. Benefit and contribution provisions are established by state law and may be amended only by the state legislature. Effective July 1, 2006, the state legislature closed PERS-DB to new members and created a Public Employees' Retirement System Defined Contribution Retirement Plan (PERS-DC), disclosed later in this note.

Each fiscal year, PERS-DB issues a publicly available financial report which includes financial statements and required supplementary information. That report may be obtained by writing to the State of Alaska, Department of Administration, Division of Retirement and Benefits, P.O. Box 110203, Juneau, Alaska, 99811-0203 or by calling (907) 465-4460.

NOTES TO FINANCIAL STATEMENTS

Funding Policy and Annual Pension Cost

Employee contribution rates are 6.75 percent (7.5 percent for peace officers and firefighters). The funding policy for PERS-DB provides for periodic employer contributions at actuarially determined rates that, expressed as a percentage of annual covered payroll, are sufficient to accumulate the assets to pay benefits when due. The 2012 actuarially determined rate was 33.49 percent of applicable gross pay. However, the employer contribution rate for the university was capped by the state at 22 percent for fiscal year 2012.

The state appropriated funding directly to the PERS-DB plan as a relief payment to employers' contributions for fiscal year 2012. The university recognized \$14,416,865, \$10,456,189 and \$7,126,913 for fiscal 2012, 2011 and 2010, respectively, in state on-behalf pension payments for the PERS-DB plan. The amounts contributed to PERS-DB by the university during the years ended June 30, 2012, 2011 and 2010 were \$25,281,376, \$26,390,066 and \$27,074,153, respectively, equal to the required employer contributions for each year.

PERS Defined Benefit Pension Plan Changes

The Alaska legislature converted PERS-DB from an agent multiple-employer plan to a cost-sharing plan effective July 1, 2008. This change provided for an integrated system of accounting for all employers. Under the integrated system, the PERS-DB plans' unfunded liability will be shared among all employers with each contributing 22 percent of their covered payroll.

State of Alaska Teachers' Retirement System - Defined Benefit (TRS-DB)

Plan Description

TRS-DB is a defined benefit, cost-sharing, multiple employer public employee retirement plan established and administered by the State of Alaska. TRS-DB provides pension, postemployment health care, death and disability benefits to participants. Benefit and contribution provisions are established by state law and may be amended only by the state legislature. Effective July 1, 2006, the state legislature closed TRS-DB to new members and created a Teachers' Retirement System Defined Contribution Retirement Plan (TRS-DC), disclosed later in this note.

Each fiscal year, TRS-DB issues a publicly available financial report which includes financial statements and required supplementary information. That report may be obtained by writing to the State of Alaska, Department of Administration, Division of Retirement and Benefits, P.O. Box 110203, Juneau, Alaska, 99811-0203 or by calling (907) 465-4460.

Funding Policy and Annual Pension Cost

Employees contribute 8.65 percent of their base salary as required by state statute. The funding policy for TRS-DB provides for periodic employer contributions at actuarially determined rates that, expressed as a percentage of annual covered payroll, are sufficient to accumulate the assets to pay benefits when due. During fiscal year 2012, contractually required employee and employer contribution rates were 8.65 percent and 12.56 percent, respectively. The amounts contributed to TRS-DB by the university

NOTES TO FINANCIAL STATEMENTS

during the years ended June 30, 2012, 2011 and 2010 were \$4,923,986, \$5,243,968, and \$5,454,265, respectively, equal to the required employer contributions for each year.

The actuarially determined employer contribution rate for 2012 was 45.55 percent. The state appropriated funding directly to the TRS-DB plan to augment employer contributions for 2012. For fiscal year 2012, 2011 and 2010, the university recognized \$13,379,877, \$11,382,779 and \$10,848,081, respectively, in state on-behalf pension payments for the TRS-DB plan.

State of Alaska Public Employees' Retirement System - Defined Contribution (PERS-DC)

Plan Description

PERS-DC is a defined contribution, cost-sharing, multiple-employer public employee retirement plan established and administered by the State of Alaska to provide pension and postemployment healthcare benefits for eligible employees. Benefit and contribution provisions are established by state law and may be amended only by the state legislature. PERS-DC was created by the state effective July 1, 2006. Plan savings are accumulated in individual retirement accounts for the exclusive benefit of each member or beneficiary.

Funding Policy and Annual Pension Cost

The employee contribution rate is eight percent and the employer effective contribution rate is 22 percent of covered payroll for fiscal years 2012 and 2011. For the years ended June 30, 2012 and 2011, the university's total covered payroll for the PERS-DC plan was approximately \$8.3 million and \$7.0 million, and contributions made by the university totaled \$1,818,585 and \$1,548,744, respectively.

On July 1, 2006, three pension trust sub-funds were created within PERS, the Retiree Major Medical Insurance (RMP), Health Reimbursement Arrangement (HRA), and Occupation Death and Disability (OD&D). RMP allows eligible members who retire directly from the plan to obtain medical benefits. The HRA allows medical care expenses to be reimbursed from individual savings accounts established for eligible persons. OD&D provides employees with benefits as a result of death or disability on the job. PERS-DC participants are eligible members of RMP and HRA and their postemployment healthcare benefits are paid out of these funds. The employer RMP contribution rates for fiscal year 2012 and 2011 are 0.51 and 0.55 percent for medical coverage and 0.20 and 0.31 percent (0.97 percent for peace officers and firefighters) for occupational death and disability benefit contributions. For fiscal years 2012 and 2011, the HRA employer contributions are \$148.17 and \$143.39 per month for full time employees and \$1.14 and \$1.10 per hour for part time employees, respectively.

Each fiscal year, PERS-DC issues a publicly available financial report which includes financial statements and required supplementary information. That report may be obtained by writing to the State of Alaska, Department of Administration, Division of Retirement and Benefits, P.O. Box 110203, Juneau, Alaska, 99811-0203 or by calling (907) 465-4460.

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State of Alaska Teachers' Retirement System - Defined Contribution (TRS-DC)

Plan Description

TRS-DC is a defined contribution, cost-sharing, multiple-employer public employee retirement plan established and administered by the State of Alaska to provide pension and postemployment healthcare benefits for teachers and other eligible employees. Benefit and contribution provisions are established by state law and may be amended only by the state legislature. TRS-DC was created by the state effective July 1, 2006. Plan savings are accumulated in an individual retirement account for the exclusive benefit of members or beneficiaries.

Funding Policy and Annual Pension Cost

The employee contribution rate is eight percent and the effective employer contribution rate is 12.56 percent of covered payroll for fiscal years 2012 and 2011. For the years ended June 30, 2012 and 2011, the university's total covered payroll for the TRS-DC plan was approximately \$4.4 million and \$3.4 million, and contributions made by the university totaled \$558,275 and \$429,910, respectively.

On July 1, 2006, two pension trust sub-funds were created in TRS, the Retiree Major Medical Insurance (RMP) and Health Reimbursement Arrangement (HRA). The TRS Occupational Death and Disability (OD&D) trust sub-fund was created on July 1, 2007. RMP allows eligible members who retire directly from the plan to obtain medical benefits. The HRA allows medical care expenses to be reimbursed from individual savings accounts established for eligible persons. OD&D provides employees with benefits as a result of death or disability on the job. TRS-DC participants are eligible members of RMP and HRA and their postemployment healthcare benefits are paid out of these funds. The employer RMP contribution rate for fiscal year 2012 and 2011 for each member's compensation was 0.58 and 0.68 percent for medical coverage, zero and 0.28 percent for occupational death and disability benefit contributions. For fiscal years 2012 and 2011, the HRA employer contributions are \$148.17 and \$143.39 per month for full time employees and \$1.14 and \$1.10 per hour for part time employees, respectively.

Each fiscal year, TRS-DC issues a publicly available financial report which includes financial statements and required supplementary information. That report may be obtained by writing to the State of Alaska, Department of Administration, Division of Retirement and Benefits, P.O. Box 110203, Juneau, Alaska, 99811-0203 or by calling (907) 465-4460.

University of Alaska Optional Retirement Plan - Defined Contribution (ORP)

Plan Description

The ORP is an employer funded defined contribution plan which operates in conjunction with a companion mandatory tax-deferred annuity plan. The ORP is comprised of three layers of participants, the original ORP or ORP Tier 1, ORP Tier 2 which was created for participants hired on or after July 1, 2005, and ORP Tier 3 which was created for participants hired on or after July 1, 2006. For ORP Tier 1 and ORP Tier 2, faculty classified as regular and certain administrators made a one-time election to participate in the ORP as an alternative to participation in the defined benefit plans, PERS-DB or TRS-DB. For ORP Tier 3, each new eligible employee may make a one-time election to participate in the

NOTES TO FINANCIAL STATEMENTS

University of Alaska Retirement Program (includes ORP Tier 3 and the University of Alaska Pension Plan) as an alternative to participation in the State of Alaska defined contribution plans, PERS-DC or TRS-DC.

Funding Policy and Annual Pension Cost

ORP Tier 1

The ORP Tier 1 participants make employee contributions to one of the plan's annuity programs at a rate of 8.65 percent of covered payroll. The university contributes to one of the plan's authorized employee-selected annuity providers or investment managers at a rate equal to the three-year moving average of the TRS-DB employer contribution rates (12.56 percent for 2012 and 2011). The employer contribution rate will be 14 percent in fiscal year 2013 as a result of a class-action lawsuit settlement agreed to in fiscal year 2012.

In fiscal year 2012 and 2011, the university's total covered payroll for the ORP Tier 1 plan was approximately \$47.9 million and \$49.4 million, respectively. The amounts contributed to the ORP Tier 1 by the university during the years ended June 30, 2012, 2011 and 2010 were \$6,016,545, \$6,203,129, and \$6,381,618, respectively.

ORP Tier 2

The ORP Tier 2 participants make employee contributions to one of the plan's annuity programs at a rate of 8.65 percent of covered payroll. The university contributes to one of the plan's authorized employee-selected annuity providers or investment managers at a rate of 12 percent of covered payroll for fiscal years 2012 and 2011.

In fiscal year 2012 and 2011, the university's total covered payroll for the ORP Tier 2 plan was approximately \$3.4 million and \$3.6 million, respectively. The amounts contributed to the ORP Tier 2 by the university during the years ended June 30, 2012, 2011 and 2010 were \$409,160, \$429,824, and \$446,041, respectively. The ORP Tier 2 plan was available for new ORP benefit-eligible employees hired in fiscal year 2006. As of July 1, 2006, the ORP Tier 2 plan was no longer available to newly-hired ORP benefit-eligible employees.

ORP Tier 3

The ORP Tier 3 is eligible for employees hired on or after July 1, 2006. The ORP Tier 3 participants make employee contributions to one of the plan's annuity programs at a rate of eight percent of covered payroll. The university contributes to one of the plan's authorized employee-selected annuity providers or investment managers at a rate of 12 percent of covered payroll.

In fiscal years 2012 and 2011, the university's total covered payroll for the ORP Tier 3 plan was approximately \$87.5 million and \$73.8 million, respectively. The amounts contributed to the ORP Tier 3 by the university during the years ended June 30, 2012, 2011 and 2010 were \$10,496,123, \$8,850,715, and \$7,436,012, respectively.

NOTES TO FINANCIAL STATEMENTS

Plan Assets

At June 30, 2012 and 2011, plan assets (participants' accounts attributable to employer contributions) for ORP Tier 1, Tier 2 and Tier 3 had a net value of approximately \$155.3 million and \$143.8 million, respectively. ORP Tier 1 and ORP Tier 2 participants are 100 percent vested at all times. University contributions for ORP Tier 3 participants are 100 percent vested after three years of service.

University of Alaska Pension Plan (Pension)

Plan Description

In addition to the other retirement plans, substantially all regular employees (hired before July 1, 2006) and certain faculty classified as temporary, participate in the Pension plan which was established January 1, 1982, when the university withdrew from the federal social security program. Eligible employees, hired on or after July 1, 2006, electing to participate in the University of Alaska Retirement Program also participate in the Pension plan.

Funding Policy and Annual Pension Cost

Effective January 1, 2012, employer contributions for regular employees were 7.65 percent of covered wages up to \$42,000 and \$110,100 in 2012 for certain faculty classified as temporary. The plan provides for employer contributions to be invested in accordance with participant-directed investment elections to the plan's fixed income and/or equity funds. Participants hired before July 1, 2006 are 100 percent vested at all times. University contributions for participants hired on or after July 1, 2006 are 100 percent vested after three years of service.

Plan Assets

In 2012 and 2011, the university's total covered payroll for the Pension plan was approximately \$176.0 million and \$176.2 million, respectively. The university's costs to fund and administer the plan totaled \$13.5 million, or 7.65 percent of covered payroll. At June 30, 2012 and 2011, plan assets (participants' accounts) had a net value of approximately \$311.6 million and \$317.2 million, respectively.

13. Insurance and Risk Management:

The university is exposed to a wide variety of risks including property loss, bodily and personal injury, intellectual property, errors and omissions, aviation and marine. Exposures are handled with a combination of self-insurance, commercial insurance, and membership in a reciprocal risk retention group.

The university is self-insured up to the maximum of \$2.0 million per occurrence for casualty claims and \$250,000 for property claims. Commercial carriers provide coverage in excess of these amounts. Health care, workers' compensation and unemployment claims are fully self-insured. Liabilities have been established using actuarial analysis to cover estimates for specific reported losses, estimates for unreported losses based upon past experience modified for current trends, and estimates of expenses for investigating and settling claims.

NOTES TO FINANCIAL STATEMENTS

Health, general liability and worker's compensation liabilities were reduced by \$2.8 million, \$6.1 million and \$3.2 million, respectively, in 2011 to bring the balances closer to actuarial estimates. The effect is shown in the provision for claims. The claims payment for general liability includes an internal repayment of a settlement totaling \$1.7 million.

Changes in applicable liability amounts follow (\$ in thousands):

	Balance July 1, 2011	Provision for Claims	Claims Payments	Balance June 30, 2012
Health	\$ 6,162	\$ 56,363	\$ (56,336)	\$ 6,189
General liability	2,929	692	(458)	3,163
Workers' compensation	4,499	2,143	(1,868)	4,774
Unemployment	252	818	(924)	146
	<u>\$ 13,842</u>	<u>\$ 60,016</u>	<u>\$ (59,586)</u>	<u>\$ 14,272</u>

	Balance July 1, 2010	Provision for Claims	Claims Payments	Balance June 30, 2011
Health	\$ 8,975	\$ 64,113	\$ (66,926)	\$ 6,162
General liability	6,863	(3,216)	(718)	2,929
Workers' compensation	6,690	(1,052)	(1,139)	4,499
Unemployment	235	993	(976)	252
	<u>\$ 22,763</u>	<u>\$ 60,838</u>	<u>\$ (69,759)</u>	<u>\$ 13,842</u>

	Balance July 1, 2009	Provision for Claims	Claims Payments	Balance June 30, 2010
Health	\$ 8,392	\$ 60,333	\$ (59,750)	\$ 8,975
General liability	5,613	1,591	(341)	6,863
Workers' compensation	5,991	1,973	(1,274)	6,690
Unemployment	138	813	(716)	235
	<u>\$ 20,134</u>	<u>\$ 64,710</u>	<u>\$ (62,081)</u>	<u>\$ 22,763</u>

14. Commitments and Contingencies:

Amounts received and expended by the university under various federal and state grants, contracts and other programs are subject to audit and potential disallowance. From time to time the university is named as a defendant in legal proceedings or cited in regulatory actions related to the conduct of its operations.

In the normal course of business, the university also has various other commitments and contingent liabilities which are not reflected in the accompanying financial statements. In the opinion of management, the university will not be affected materially by the final outcome of any of these proceedings, or insufficient information exists to make an opinion.

NOTES TO FINANCIAL STATEMENTS

The university received a Potentially Responsible Party (PRP) letter from the Alaska Department of Environmental Conservation (ADEC) in August 2006. The letter identified the university as one of the potential parties that may be responsible for cleanup costs of soil contamination found during a water line improvement project next to Northwest Campus property. The extent of the contamination source, the number of potentially responsible parties, and remediation costs are being assessed but the outcome is unknown.

15. University of Alaska Foundation:

The University of Alaska Foundation (foundation) is a legally separate, nonprofit organization formed in 1974 to solicit donations for the exclusive benefit of the University of Alaska. During 2012 and 2011, the university transferred \$1.4 million and \$1.2 million for general support, respectively. For the same periods, the foundation reimbursed the university for operating expenses totaling \$2.5 million and \$2.6 million, respectively.

For the years ended June 30, 2012 and 2011, distributions and expenditures by the foundation for the benefit of the university totaled \$13.9 million and \$13.7 million, of which \$13.7 million and \$12.6 million were direct reimbursements to the university. Additionally, the foundation owed the university \$2.2 million at June 30, 2012 and \$1.8 million at June 30, 2011, primarily for reimbursement of expenditures on funding provided by the foundation.

The investable resources of the university's land grant endowment trust fund and the foundation's pooled endowment funds are combined into a consolidated endowment fund for investment purposes. At June 30, 2012 and 2011, the fair value of the fund was \$263.0 million and \$257.3 million, respectively. The university's share of this fund was \$125.2 million and \$125.4 million, respectively, which is reflected in endowment investments.

The fund is managed by the foundation's investment committee and treasurer on a total return basis in accordance with an investment policy approved by the Board of Regents. The net assets and related activity for the university's land grant endowment trust's investment in the fund is reflected in the university's financial statements.

NOTES TO FINANCIAL STATEMENTS

16. Functional Classifications with Natural Classifications:

The university's operating expenses by natural classification for 2012 and 2011 were as follows (\$ in thousands):

	Compensation & Benefits	Contractual Services	Materials	Other	Student Aid	Depreciation	Total
Instruction	\$ 175,186	\$ 26,807	\$ 10,522	\$ 720	\$ -	\$ -	\$ 213,235
Academic support	48,642	8,012	8,193	319	-	-	65,166
Research	91,310	34,658	9,646	314	-	-	135,928
Public service	24,552	11,521	2,432	337	-	-	38,842
Student services	38,081	11,684	3,235	92	-	-	53,092
Operations and maintenance	29,215	19,972	15,843	446	-	-	65,476
Institutional support	73,462	14,554	4,884	2,472	-	-	95,372
Student aid	-	-	-	-	28,460	-	28,460
Auxiliary enterprises	10,118	17,232	10,850	88	-	-	38,288
Depreciation	-	-	-	-	-	58,403	58,403
State on-behalf payments	-	-	-	27,797	-	-	27,797
	<u>\$ 490,566</u>	<u>\$ 144,440</u>	<u>\$ 65,605</u>	<u>\$ 32,585</u>	<u>\$ 28,460</u>	<u>\$ 58,403</u>	<u>\$ 820,059</u>

	Compensation & Benefits	Contractual Services	Materials	Other	Student Aid	Depreciation	Total
Instruction	\$ 172,558	\$ 26,078	\$ 11,079	\$ 938	\$ -	\$ -	\$ 210,653
Academic support	46,644	7,506	7,237	66	-	-	61,453
Research	94,177	36,540	9,279	457	-	-	140,453
Public service	24,666	10,607	1,911	363	-	-	37,547
Student services	37,579	11,420	3,086	89	-	-	52,174
Operations and maintenance	29,012	20,063	13,263	434	-	-	62,772
Institutional support	71,208	11,428	4,011	303	-	-	86,950
Student aid	-	-	-	-	27,280	-	27,280
Auxiliary enterprises	9,741	17,538	10,573	95	-	-	37,947
Depreciation	-	-	-	-	-	57,170	57,170
State on-behalf payments	-	-	-	21,839	-	-	21,839
	<u>\$ 485,585</u>	<u>\$ 141,180</u>	<u>\$ 60,439</u>	<u>\$ 24,584</u>	<u>\$ 27,280</u>	<u>\$ 57,170</u>	<u>\$ 796,238</u>

APPENDIX B

TRUST INDENTURE

APPENDIX B

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* Each amendment to the Trust Indenture is bolded and includes an effective date.

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THIS TRUST INDENTURE, dated as of June 1, 1992, by and between the University of Alaska (the "University"), a public corporation and governmental instrumentality of the State of Alaska, created and existing under Section 2 of Article VII of the Alaska Constitution, and Chapter 40 of Title 14 of the Alaska Statutes (the "Act"), and First Interstate Bank of Washington, N.A., a national banking association organized and existing and authorized to accept and execute trusts of the character herein set forth Under and by virtue of the laws of the United States of America, with its principal office in the City of Seattle, Washington (the "Trustee").

WITNESSETH THAT:

WHEREAS, the University is authorized under Chapter 40 of Title 14 of the Alaska Statutes to issue revenue bonds to pay the cost of acquiring, constructing, or equipping a facility that the Board of Regents of the University (the Boards) determines is necessary; and

WHEREAS, the Board has determined that it is necessary and in the best interest of the University to create an issue of revenue bonds of the University to be known and designated as University of Alaska General Revenue Bonds (the "Bonds") to provide funds for the purpose of paying the cost of acquiring, constructing, or equipping such facilities; and

WHEREAS, the Board has determined that it is necessary and in the best interest of the University that the Bonds be issued under the terms and conditions set forth in this Indenture; and

WHEREAS, the execution and delivery of this Indenture were authorized by a resolution of the Board duly adopted and approved; and

WHEREAS, the Trustee has agreed to accept the trusts herein created upon the terms herein set forth; and

WHEREAS, all things necessary to make the Bonds, when issued as provided in this Indenture, the valid, binding, and legal special obligations of the University according to the import thereof and to constitute this Indenture a valid assignment of the amounts pledged to the payment of the principal and premium, it any, of and interest on the Bonds have been done and performed, and the creation, execution, and delivery of this Indenture and the execution and issuance of the Bonds, subject to the terms hereof, in all respects have been duly authorized;

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in order to secure the payment of the principal or Redemption Price of, and the interest on, d Bonds at any time issued and outstanding under this Indenture according to their tenor, end to

secure the performance and observance of all the covenants therein and herein set forth and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received and for and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the owners thereof and for other valuable consideration, the receipt whereof is hereby acknowledged, the University covenants and agrees with the Trustee, for the benefit of the respective owners from time to time of the Bonds as follows:

TO HAVE AND TO HOLD in trust, nevertheless, upon the terms and trusts herein set forth for the equal and ratable benefit, security, and protection of all present and future Owners (hereinafter defined) of the Bonds issued under and secured by this Indenture, without privilege, priority, or distinction as to lien or otherwise of the Bonds over any of the other Bonds;

PROVIDED, HOWEVER, that if the principal and premium, if any, of the Bonds and the interest due or to become due thereon are paid at the times and in the manner mentioned in the Bonds according to the true intent and meaning thereof and the parties hereto shall well and truly keep, perform, and observe all of the covenants and conditions pursuant to the terms of this Indenture to be kept, performed, and observed by them and there shall be paid to the Trustee all sums of money due or to become due in accordance with the terms and provisions hereof, then this Indenture and the rights hereby granted shall cease and terminate; otherwise this Indenture is to be and remain in full force and effect.

THIS INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated, and delivered, and all said property, rights, and interests, including, without limitation, the amounts hereby assigned, are to be dealt with and disposed of under, upon, and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses, and purposes hereinafter expressed and that the University has agreed and covenanted, and hereby does agree and covenant, with the Trustee and with the Owners from time to time of the Bonds, or any part thereof, as follows:

ARTICLE I
DEFINITIONS AND INTERPRETATION

Section 101 - Definitions. The following terms shall, for all purposes of this Indenture, have the following meanings:

"**Act**" means Title 14, Chapter 40 of the Alaska Statutes (AS 14.40) as the same may be amended or supplemented from time to time.

"**Additional Bonds**" means any Bonds authenticated and delivered on original issuance pursuant to Section 206.

"**Aggregate Debt Service**" for any period means, as of any date of calculation, the sum of the amounts of Debt Service for such period with respect to all Series.

"**AMBAC Indemnity**" means AMBAC Indemnity Corporation, a Wisconsin domiciled stock insurance company.

"**Authorized Officer**" means the President of the Board of Regents, Vice President of the Board of Regents, the President, Vice President for Finance, and Controller and Associate Vice President for Finance of the University, and any officer or employee of the University authorized to perform specific acts or duties by resolution duly adopted by the Board of Regents.

"**Board of Regents**" means the Board of Regents of the University.

"**Bonds**" or "**Bonds**" means any bond or bonds, note or notes, or evidence of indebtedness or evidences of indebtedness, as the case may be, authenticated and delivered under, and entitled to the benefit and security of, this Indenture.

"**Bond Counsel**" means a firm of attorneys nationally recognized as having expertise in the field of law relating to municipal, state and public agency financing, selected by the University and satisfactory to the Trustee.

"**Bond Year**" means with respect to any Series each period of 12 calendar months (or shorter period from the date of issue of the Series) ending on each June 30.

"**Business Day**" means any day other than a Saturday, Sunday or day upon which commercial banks in the State of Washington or the State of New York are permitted to remain closed or a day on which the New York Stock Exchange is closed.

"**Code**" means the Internal Revenue Code of 1986, as amended, and United States Treasury regulations promulgated thereunder or applicable thereto.

"**Computation Date**" means an Installment Computation Date or the Final Computation Date.

"**Cost of Acquisition or Construction**" means, with respect to any Project, the University's cost of physical construction, costs of acquisition by or for the University of any Project, by paying or providing for payment of costs of retiring any bonds or other obligations of the University or any corporate entity created on behalf of the University

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secured by any project or by the lease of any project owned or occupied by the University, and costs of the University incidental to such construction or acquisition, the cost of any indemnity and surety bonds and premiums on insurance during construction, engineering expenses, legal fees and expenses, Costs of Issuance, audits, fees and expenses of the Trustee, amounts, if any, required by this Indenture or any Supplemental Indenture to be paid into the Debt Service Fund or Reserve Fund upon the issuance of any Series of Bonds, payments when due (whether at the maturity of principal or the due date of interest or upon redemption) on any indebtedness of the University (other than the Bonds) incurred for any Project, costs of machinery, equipment and supplies and initial working capital and reserves required by the University for the commencement of operation of any Project, and any other costs properly attributable to such construction or acquisition, and shall include reimbursement to the University for any such items of Cost of Acquisition or Construction theretofore paid by the University. Any Supplemental Indenture may provide for additional items to be included in the aforesaid Cost of Acquisition or Construction.

"Cost of issuance" means any items of expense directly or indirectly payable or reimbursable by the University and related to the authorization, sale and issuance of the Bonds, including but not limited to University administrative expenses; printing costs; costs of preparation and reproduction of documents; filing and recording fees; initial fees and charges (including legal fees and charges) of the Trustee and of any fiduciary; legal fees and charges; fees and disbursements of consultants and professionals; costs of credit ratings; fees and charges for preparation, execution, transportation and safekeeping of the Bonds; and any other cost, charge or fee in connection with the original issuance of the Bonds.

"Counsel's Opinion" means an opinion signed by an attorney or firm of attorneys selected by or satisfactory to the University (who may be counsel to the University); provided, however, that for the purposes of Article II hereof such term shall mean an opinion of Bond Counsel.

"Credit Enhancement" means a letter of credit, a line of credit, a credit facility, a surety bond, bond insurance, or any other instrument or arrangement obtained in connection with the issuance of a Series of Bonds to further secure the payment of the Bonds of such Series.

"Credit Enhancer" means any bank or other institution that provides Credit Enhancement, including AMBAC Indemnity.

"Credit Enhancement Fund" means a fund or Account authorized to be created by the University under Section 507 for the purposes of holding and disbursing the proceeds of, or holding only, Credit Enhancement.

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available at the place of payment, and no interest accrues with respect to the Bonds of that Series after that date.

"Fund" or "Funds" means, as the case may be, each or all of the Funds established in Section 501.

"Indenture" means this Indenture as from time to time amended or supplemented by Supplemental Indentures in accordance with the terms hereof.

"Installment Computation Date" means with respect to any Series the last day of the fifth and each succeeding Bond Year for that Series.

"Interest Account" means the Interest Account in the Debt Service Fund established in Section 501.

"Investment Securities" shall have the meaning set forth in any of the Supplemental Indentures authorizing a Series of Bonds, any of the Bonds of which are Outstanding at the time of reference, provided that if more than one Series of Bonds has Bonds Outstanding and the meanings in the Supplemental Indentures are different, Investment Securities shall mean only those investments appearing in both or all Supplemental Indentures (in the determination of the Trustee, which shall be conclusive).

"Maximum Aggregate Debt Service" means, as of any date of calculation, the greatest amount of Aggregate Debt Service payable in any unexpired Bond Year.

"Outstanding", when used with reference to Bonds, means, as of any date, Bonds theretofore or thereupon being authenticated and delivered under this Indenture except:

(a) Bonds canceled by the Trustee at or prior to such date.

(b) Bonds (or portions of Bonds) for the payment or redemption of which moneys equal to the principal amount or Redemption Price thereof, as the case may be, with interest to the date of maturity or redemption date, shall be held in trust under this Indenture and set aside for such payment or redemption (whether at or prior to the maturity or redemption date), provided that if such Bonds (or portions of Bonds) are to be redeemed, notice of such redemption shall have been given as provided in Article IV or provision satisfactory to the Trustee shall have been made for the giving of such notice.

(c) Bonds in lieu of or in substitution for which other Bonds shall have been authenticated and delivered pursuant to Article III or Section 406 or Section 1106.

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"Debt Service" for any period means, as of any date of calculation and with respect to any Series, an amount equal to the sum of (a) interest accruing during such period on Bonds of such Series, except to the extent that such interest is to be paid from deposits in the Interest Account in the Debt Service Fund made from Bond proceeds and (b) that portion of each Principal Installment for such Series which would accrue during such period if such Principal Installment were deemed to accrue daily in equal amounts from the next preceding Principal Installment due date for such Series (or, if there shall be no such preceding Principal Installment due date, from a date one year preceding the due date of such Principal Installment or from the date of issuance of the Bonds of such Series, whichever date is later). Such interest and Principal Installments for such Series shall be calculated on the assumption that no Bonds of such Series Outstanding at the date of calculation will cease to be Outstanding except by reason of the payment of each Principal Installment on the due date thereof. For purposes of this definition (x) interest and Principal Installments with respect to interest accruing on compound interest or zero coupon or like interest paying Bonds shall be deemed to accrue in the 12 months immediately prior to the final maturity of such Bonds; and (y) the University may determine that interest will accrue on variable rate Bonds at a rate equal to the actual rate during a prior period.

"Debt Service Fund" means the Debt Service Fund established in Section 501.

"Depository" means any bank or trust company organized under the laws of any state of the United States of America or any national banking association, selected by the University and approved in writing by the Trustee as a depository of moneys and securities held under the provisions of this Indenture, and may include the Trustee; provided that if the Trustee shall fail to so approve, it shall deliver to the University a statement of its reasons for such failure.

"Event of Default" shall have the meaning given to such term in Section 801.

"Excess Investment Earnings" means that amount determined by the University to be required to be rebated to the United States of America under the Code.

"Federal Obligation" means any direct obligation of, or any obligation the full and timely payment of principal of and interest on which is guaranteed by, the United States of America.

"Fiscal Year" means the 12-month period commencing on July 1 of each year and including June 30 of the succeeding calendar year, or such other fiscal year as the University may adopt from time to time.

"Final Computation Date" means with respect to any Series the date all amounts due under the last Bond of that Series are actually and unconditionally due if cash is

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(d) Bonds deemed to have been paid as provided in subsection (b) of Section 1201.

"Owner" or "Bondowner" means any person who shall be the registered owner of any Bond or Bonds.

"Principal Account" means the Principal Account in the Debt Service Fund established in Section 501.

"Principal Installment" means, as of any date of calculation and with respect to any Series, so long as any Bonds thereof are Outstanding, (a) the principal amount of Bonds of such Series due on a certain future date for which no Sinking Fund Installments have been established, or (b) the unsatisfied balance of any Sinking Fund Installments due on a certain future date for Bonds of such Series, plus the amount of the sinking fund redemption premiums, if any, which would be applicable upon redemption of such Bonds on such future date in a principal amount equal to said unsatisfied balance of such Sinking Fund Installments, or (c) if such future dates coincide as to different Bonds of such Series, the sum of such principal amount of Bonds and of such unsatisfied balance of Sinking Fund Installments due on such future date plus such applicable redemption premiums, if any.

"Project" means any project for the purchase, replacement, construction, leasing or other acquisition of any real or personal property or interests therein which the University is authorized by law to undertake or for the improvement, reconstruction, extension or addition to any real or personal property, owned or operated by the University.

"Redemption Price" means, with respect to any Bond, the principal amount thereof plus the applicable premium, if any, payable upon redemption thereof pursuant to such Bond or this Indenture.

"Refunding Bonds" mean all Bonds, whether issued in one or more Series, authenticated and delivered on original issuance pursuant to Section 207, and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article III or Section 406 or Section 1106.

"Reserve Equivalent" means (a) any municipal bond insurance policy or surety bond issued by any insurance company licensed to conduct an insurance business in any state of the United States of America, or letter of credit issued by a financial institution for the account of the University on behalf of the Owners of one or more Series of Bonds, which institution maintains an office, agency or branch in the United States of America and (b) which insurance company or financial institution, as of the time of issuance of such policy, surety bond or letter of credit, is rated in one of the two

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highest rating categories by Moody's Investors Service, Inc. or Standard & Poor's Corporation or both Moody's Investors Service, Inc., and Standard & Poor's Corporation if such institution's rated by both or their comparably recognized business successors.

"Reserve Fund" means the Reserve Fund established in Section 501.

"Reserve Requirement" means (a) an amount equal to one-half of Maximum Aggregate Debt Service; or (b) such other lesser amount as is required in order to maintain the tax-exempt status of the Bonds.

"Revenues" means all student fees, charges, and rentals, including receipts from sales of goods and services, indirect cost recovery, income of auxiliary enterprises, miscellaneous fees and fines and similar items which are unrestricted but not including: (1) Fairbanks campus housing rentals and Fairbanks campus food service revenues, until such time as the Housing Revenue Bonds issued under Chapter 56, SLA 1961, as amended, are no longer outstanding; (2) governmental appropriations, other than for the items specified above; (3) gifts, donations, and endowment earnings; (4) investment earnings, other than earning on funds held under the Indenture; and (5) revenues from trust land required to be deposited with the Department of Revenue under AS 14.40.400.

"Series" means all of the Bonds authenticated and delivered on original issuance and identified pursuant to this Indenture or a Supplemental Indenture authorizing such Bonds as a separate Series of Bonds, and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article III or Section 406 or Section 1106, regardless of variations in maturity, interest rate, Sinking Fund Installments, or other provisions.

"Sinking Fund Installment" means, as of any particular date of determination and with respect to the Outstanding Bonds of any Series, the amount required by a Supplemental Indenture to be paid in any event by the University on a single future date for the retirement of Bonds of such Series which mature after said future date, but does not include any amount payable by the University by reason only of the maturity of a Bond.

"State" means the State of Alaska.

"Supplemental Indenture" means any indenture supplemental to or amendatory of this Indenture, entered into by the University and the Trustee in accordance with Article X.

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"Trustee" means the trustee appointed pursuant to Article IX, and its successor or successors and any other corporation or association which may at any time be substituted in its place pursuant to this Indenture.

"University" means the University of Alaska organized and existing under Article VII, Section 2 of the Alaska Constitution and the Act.

Section 102 - Interpretation. In this Indenture, unless the context otherwise requires:

(a) The terms "hereby," "hereof," "hereto," "hereunder," "herein" and any similar terms used herein refer to this Indenture, and the term "hereafter" shall mean after, and the term "heretofore" shall mean before, the date of this Indenture.

(b) Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and words importing the singular number shall mean and include the plural number and vice versa.

(c) Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons.

(d) Words importing the redemption or redeeming of a Bond or the calling of a Bond for redemption do not include or connote the payment of such Bond at its stated maturity or the purchase of such Bond.

(e) Any percentage of Bonds, for purposes of this Indenture, shall be computed on the basis of the unpaid principal amount of Bonds Outstanding at the time the computation is made or is required to be made hereunder.

(f) Any headings preceding the text of the several Articles and Sections of this Indenture, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Indenture, nor shall they affect its meaning, construction or effect.

(g) Articles and Sections mentioned by number only are the respective Articles and Sections of this Indenture so numbered.

(h) The term "principal" when used in connection with compound interest or zero coupon or like paying Bonds shall mean the initial principal amount of such Bonds as at their date of issuance plus interest accreted thereon to the date of calculation.

Section 103 - Successors and Assigns. Reference in this Indenture to the University includes its successors and assigns. All of the covenants, stipulations, obligations and

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agreements by or on behalf of, and other provisions for the benefit at, the University contained in this Indenture shall bind and inure to the benefit of such successors and assigns and shall bind and inure to the benefit of any officer, board, commission, authority, agent or instrumentality to whom or to which there shall be transferred by or in accordance with law any right, power or duty of the University or of its successors or assigns, the possession of which is necessary or appropriate in order to comply with any such covenants, stipulations, obligations, agreements or other provisions of this Indenture.

Section 104 - Parties Interested Herein. Nothing in this Indenture expressed or implied gives to any person, other than the University, the Trustee and the Owners of Bonds any right, remedy or claim under this Indenture. All the covenants, stipulations, promises and agreements contained in this Indenture shall be for the exclusive benefit of the University, the Trustee and the Owners of the Bonds.

ARTICLE II AUTHORIZATION AND ISSUANCE OF BONDS

Section 201 - Pledge Effected by Indenture. The Revenues and all amounts held in any Fund under this Indenture, except to the extent provided in this Indenture as to amounts held or payable free and clear of, or expressly not subject to, any trust, lien or pledge created by this Indenture, are hereby pledged **first** to secure the payment of the principal (including Sinking Fund Payments) of and the interest on the Bonds while any of the said Bonds are Outstanding, **and second, and subordinate to the aforesaid pledge to the Bonds, to the provider under each Reserve Equivalent requiring said pledge under the terms thereof**, subject only to the provisions of this Indenture permitting the application thereof for other purposes. As provided in the Act, the pledge is considered a perfected security interest and is valid and binding from the time it is made. The pledge creates an immediate lien against property pledged, without physical delivery thereof or further act. [Effective Dec. 1, 2003.]

Section 202 - Indenture to Constitute Contract. In consideration of the purchase and acceptance of the Bonds by those who shall hold the same from time to time, the provisions of this Indenture shall be a part of the contract of the University with the holders of Bonds and shall be deemed to be and shall constitute a contract between the University, the Trustee and the holders from time to time of the Bonds. The pledge effected hereby and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the University shall be for the equal benefit, protection and security of the holders of any and all such Bonds, each of which, regardless of the time or times of its issue, shall be of equal rank without preference, priority or distinction over any other thereof except as expressly provided in this Indenture.

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Section 203 - Authorization of Bonds. There is hereby established and created an issue of Bonds of the University to be known and designated as "University of Alaska General Revenue Bonds", which Bonds may be issued as hereinafter provided without limitation as to amount except as provided in this Indenture or as may be limited by law. There is hereby created by this Indenture, in the manner and to the extent provided herein, a continuing pledge and lien to secure the full and final payment of the principal or Redemption Price of, interest on and Sinking Fund Installments for, all of the Bonds issued pursuant to this Indenture. The Bonds shall be special obligations of the University payable from the Revenues and other amounts pledged as provided herein. The State shall not be liable on the Bonds and the Bonds shall not be a debt or liability, or constitute a pledge or loan of the faith and credit, of the State. The Bonds shall contain on the face thereof a statement to the effect that the University is obligated to pay the principal or Redemption Price, if any, of the Bonds and the interest thereon only from Revenues and other amounts pledged and that the State is not obligated to pay such principal or Redemption Price, if any, or interest and that neither the faith and credit nor the taxing power of the State is pledged to the payment of the principal or Redemption Price, if any, of, or the interest on, the Bonds.

Section 204 - Provisions for Issuance of Bonds.

(a) The issuance of the Bonds shall be authorized by a Supplemental Indenture or Supplemental Indentures of the University executed subsequent hereto and the Bonds may be issued in one or more Series. The Bonds of each Series, including Refunding Bonds, shall, in addition to the title "University of Alaska General Revenue Bonds," shall contain such further appropriate particular designations added to such title and the appropriate Series designation as the University may determine in such Supplemental Indenture. Each Bond shall bear upon its face the designations so determined for the Series to which it belongs.

Each Supplemental Indenture authorizing the issuance of a Series of Bonds shall also specify:

(1) The authorized principal amount of said Series of Bonds;

(2) The purposes for which such Series of Bonds is being issued, which shall be: (i) the purposes set forth in Section 205, (ii) one or more of the purposes set forth in Section 206, or (iii) the refunding of any Bonds as provided in Section 207, specifying the Bonds to be refunded;

(3) The date or dates of issue, maturity date or dates and amounts of each maturity of the Bonds of said Series;

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(4) The interest rate or rates, or the manner of determining such rate or rates, of the Bonds of said Series, and the interest payment dates therefor;

(5) The denomination or denominations of, and the manner of numbering and lettering, the Bonds of such Series;

(6) The Redemption Price or Redemption Prices, if any, and, subject to Article IV, the redemption terms, if any, for the Bonds of such Series;

(7) The amount and due date of each Sinking Fund Installment, if any, for Bonds of like maturity of such Series;

(8) The form or forms of the Bonds of such Series and of the Trustee's certificate of authentication;

(9) The manner of execution of the Bonds of such Series; and

(10) Any other provisions deemed advisable by the University, not in conflict with the provisions of this Indenture and any other provisions which may conflict with the provisions of this Indenture necessary because the Bonds of such Series are variable rate or compound interest Bonds.

(b) All (but not less than all) the Bonds of each Series shall be executed by the University for issuance under this Indenture and delivered to the Trustee and thereupon shall be authenticated by the Trustee and by it delivered to the University or to such other party as may be specified in a written order of the University, but only upon the receipt by the Trustee of:

(1) A Counsel's Opinion dated as of the date of such delivery by the Trustee to the effect that (A) the Trust Indenture has been duly and lawfully entered into by the University and constitutes a valid and legally binding obligation of the University enforceable in accordance with its terms, except as its enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, applicable equitable principles, or other laws affecting the enforcement of creditors' rights generally; (B) pursuant to the Act, the Indenture creates a valid lien on the Revenues pledged by the Indenture for the security of the Bonds on a parity with Additional Bonds, if any, issued or to be issued under the Indenture subject to no prior lien granted under the Act; and (C) the Bonds are valid and legally binding in accordance with their terms, have been executed by the duly organized persons, and constitute valid and legally binding special revenue obligations of the University, payable and enforceable in accordance with their terms and the terms of the Indenture, except as its enforcement may be limited by bankruptcy, insolvency, reorganization,

moratorium, applicable equitable principles, or the laws affecting the enforcement of creditors' rights generally;

(2) A written order as to the delivery of such Bonds, signed by an Authorized Officer;

(3) A copy of the Supplemental Indenture authorizing such Bonds, certified by an Authorized Officer;

(4) Except in the case of Refunding Bonds, a certificate of an Authorized Officer stating that the University is not in default in the performance of any of the covenants, conditions, agreements or provisions contained in the Indenture;

(5) Such further documents, moneys and securities as are required by the provisions of Section 206 or Section 207, or Article X or any Supplemental Indenture.

(c) After the original issuance of Bonds of any Series, no Bonds of such Series shall be issued except in lieu of or in substitution for other Bonds of such Series pursuant to Article III, Section 406 or Section 1106.

(d) The proceeds, including any accrued interest, of the Bonds of each Series shall be applied simultaneously with the delivery of such Bonds, as follows:

(1) there shall be deposited in the Interest Account of the Debt Service Fund (A) an amount equal to the accrued interest on such Bonds to the date of such delivery, and (B) if and to the extent provided in the Supplemental Indenture authorizing such Bonds, such additional amount as specified therein;

(2) there shall be deposited in the Reserve Fund the amount, if any, required so that the balance on deposit in such Fund shall equal the Reserve Requirement; and

(3) there shall be deposited in each of the other funds created under this Indenture the amount, if any, provided for deposit therein by the Supplemental Indenture authorizing the issuance of such Series of Bonds.

Section 205 - 1992 Bonds. Concurrently with the authorization of this Indenture, the University is authorizing, pursuant to Section 204, a First Supplemental Indenture authorizing the issuance of Series of Bonds entitled "University of Alaska General Revenue Bonds, 1992 Series A" (the "1992 Series A Bonds") and a Series of Bonds entitled "University of Alaska General Revenue Bonds, 1992 Series B" (the "1992

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Series B Bonds"). The 1992 Series A Bonds are being issued for the purpose of providing funds to pay a portion of the Cost of Acquisition or Construction of the Projects described in Exhibit B-2 to such First Supplemental Indenture. The 1992 Series B Bonds are being issued for the purpose of providing funds to pay a portion of the Cost of Acquisition or Construction of the Project described in Exhibit B-2 to such Supplemental Indenture. Such 1992 Bonds shall be executed by the University and authenticated and delivered by the Trustee in compliance with the provisions of Section 204(b) hereof and of such First Supplemental Indenture.

Section 206 - Additional Bonds. (a) The University will not issue any Bonds (other than that 1992 Bonds referred to in Section 205 or Refunding Bonds issued pursuant to Section 207) or other obligations or create any additional indebtedness which will rank on a parity with or have priority over the lien and charge on the Revenues created by this Indenture except that, if the conditions in Section 204 and this Section 206 are complied with, one or more Series of Additional Bonds may be issued pursuant to a Supplemental Indenture on a parity with the Outstanding Bonds and secured by an equal lien on the Revenues for the purposes of paying the Cost of Acquisition or Construction of any Project, including the Cost of Acquisition or Construction necessary to complete a Project.

(b) Additional Bonds of a Series may be issued for the purpose of providing funds to pay for the Cost of Acquisition or Construction of a Project, including the Cost of Acquisition or Construction necessary to complete a Project, upon delivery to the Trustee of a certificate of an Authorized Officer that the amount of Revenues received by the University during the last Fiscal Year prior to the issuance of the Additional Bonds was at least equal to (i) 2.0 times Maximum Aggregate Debt Service with respect to all Bonds to be Outstanding after the issuance and delivery of such Additional Bonds and (ii) 1.0 times any amount of the draws, interest and expenses then due and owing under any Reserve Equivalent. [Effective Dec. 1, 2003.]

Section 207 - Provisions for Refunding Bonds.

(a) One or more Series of Refunding Bonds may be issued at any time to refund any part or all of the Bonds of any one or more Series then Outstanding. Refunding Bonds shall be issued in a principal amount sufficient, together with other moneys available therefor, to accomplish such refunding and to make such deposits as are required by the provisions of this Section and of the Supplemental Indenture authorizing said Series of Refunding Bonds.

(b) A Series of Refunding Bonds may be authenticated and delivered only upon receipt by the Trustee (in addition to the receipt by it of the documents required by Section 204) of:

(1) Irrevocable instructions to the Trustee, satisfactory to it, to give due notice of redemption of all the Bonds to be refunded on the redemption date specified in such instructions;

(2) Irrevocable instructions to the Trustee, satisfactory to it, to give the notice provided for in Section 1201 to the Owners of the Bonds being refunded.

(3) Either (A) moneys in an amount sufficient to effect payment at the applicable Redemption Price or maturity amount of the Bonds to be refunded, together with accrued interest on such Bonds to the redemption date, which moneys shall be held by the Trustee in a separate account irrevocably in trust for and assigned to the respective Owners of the Bonds to be refunded, or (B) Federal Obligations in such principal amounts, of such maturities, bearing such interest, and otherwise having such terms and qualifications, as shall be necessary to comply with the provisions of subsection (b) of Section 1201 and any moneys required pursuant to said subsection (b) of Section 1201, which Federal Obligations and monies shall be held in trust and used only as provided in said subsection (b); and

(4) Either (A) a certificate of an Authorized Officer (i) setting forth the Aggregate Debt Service for the then current and each future Fiscal Year to and including the Fiscal Year next preceding the date of the latest maturity of any Bonds of any Series then Outstanding (I) with respect to the Bonds of all Series Outstanding immediately prior to the date of delivery of such Refunding Bonds, and (II) with respect to the Bonds of all Series to be Outstanding immediately thereafter, and (ii) stating that the Aggregate Debt Service set forth each Fiscal Year pursuant to (II) above is no greater than that set forth for such Fiscal Year pursuant to (I) above, or (B) a certificate of an Authorized Officer that the amount of Revenues received by the University during the last Fiscal Year prior to the issuance of the Refunding Bonds was at least equal to 2.0 times Maximum Aggregate Debt Service with respect to all Bonds to be Outstanding after the issuance and delivery of such Refunding Bonds.

(c) Any balance of the proceeds of Refunding Bonds not needed for the purposes provided in this Section or in the Supplemental Indenture authorizing such Bonds may be used by the University, to the extent necessary, to pay any expenses incurred in connection with the issuance of such Refunding Bonds and, thereafter, any remaining balance not so needed by the University deposited in the Revenue Fund.

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ARTICLE III GENERAL TERMS AND PROVISIONS OF BONDS

Section 301 - Medium of Payment, Denomination, Maturities, Form and Date.

(a) The Bonds shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

(b) Except as may otherwise be provided in the Supplemental Indenture authorizing the issuance of a Series of Bonds, Bonds shall be issued in fully registered form without coupons.

(c) All Bonds shall bear interest from their date. Bonds issued prior to the first Interest Payment Date thereof shall be dated as provided in the Supplemental Indenture authorizing the Bonds, but Bonds issued on or subsequent to the first Interest Payment Date thereof shall be dated as of the date six months preceding the interest Payment Date next following the date of delivery thereof (unless such date of delivery shall be an Interest Payment Date, in which case they shall be dated as of such date of delivery). If, however, as shown by the records of the Trustee, interest on such Bonds shall be in default, the Bonds issued in lieu of Bonds surrendered for transfer or exchange shall be dated as of the date to which interest has been paid in full on the Bonds surrendered.

Section 302 - Legends. The Bonds of each Series may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions of this Indenture as may be necessary or desirable to comply with custom, or otherwise.

Section 303 - Execution and Authentication.

(a) The Bonds shall be executed in the name of the University by the manual or facsimile signature of the President or Vice President of the Board of Regents or the President of the University, and its corporate seal (or a facsimile thereof) shall be impressed, imprinted, engraved or otherwise reproduced thereon and attested by the manual or facsimile signature of an authorized officer, or in such other manner as may be required or permitted by law. In case any one or more of the officers who shall have signed or sealed any of the Bonds shall cease to be such officer before the Bonds so signed and sealed shall have been authenticated and delivered by the Trustee, such Bonds nevertheless may be authenticated and delivered as herein provided, and may be issued as if the persons who signed or sealed such Bonds had not ceased to hold such offices. Any Bond of a Series may be signed and sealed on behalf of the University by such persons as at the time of the execution of such Bond shall be duly

authorized to hold the proper office in the University, although at the date borne by the Bonds of such Series such persons may not have been so authorized or have held such office.

(b) The Bonds of each Series shall bear thereon a certificate of authentication, in the form set forth in the Supplemental Indenture authorizing such Bonds, executed manually by the Trustee. Only Bonds bearing such certificate of authentication shall be entitled to any right or benefit under this Indenture and no Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Trustee. Such certificate of the Trustee upon any Bond executed on behalf of the University shall be conclusive evidence that the Bond so authenticated has been duly authenticated and delivered under this Indenture and that the Owner thereof entitled to the benefits of this Indenture.

Section 304 - Exchange of Bonds. Bonds, upon surrender thereof at the principal corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered Owner or his duly authorized attorney, may, at the option of the registered Owner thereof, and upon payment by such registered Owner of any charges which the Trustee may make as provided in Section 307, be exchanged for an equal aggregate principal amount of Bonds of the same Series and maturity of any authorized denominations. All Bonds surrendered in any such exchange shall be canceled by the Trustee.

Section 305 - Negotiability, Transfer and Registry.

(a) All Bonds shall be negotiable, subject to the provisions for registration, transfer and exchange contained herein and in the Bonds. So long as any of the Bonds shall remain Outstanding, the University shall cause the Trustee to maintain books for the registration, transfer and exchange of Bonds at the principal office of the Trustee. Upon presentation thereof for such purpose at said office, the University shall register or cause to be registered in such books, and permit to be transferred thereon, any Bonds entitled to registration or transfer, under such reasonable regulations as it or the Trustee may prescribe. So long as any of the Bonds remain Outstanding, the University shall make all necessary provisions to permit the exchange of Bonds at the principal office of the Trustee.

(b) Bonds shall be transferable only upon the books of the University, which shall be kept for such purpose at the principal office of the Trustee, by the registered Owner thereof in person or by his attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered Owner or his duly authorized attorney. Upon the transfer of any such Bond, the Trustee shall authenticate and deliver in the name of the transferee a new fully registered Bond or Bonds of the same aggregate principal

amount, Series and maturity as the surrendered Bond. Any Bond surrendered in exchange for a new Bond pursuant to this Section shall be canceled by the Trustee.

(c) The University and the Trustee may deem and treat the person in whose name any Bond shall be registered upon the books of the University as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and Redemption Price, if any, of and interest on such Bond and for all other purposes and all such payments so made to any such registered Owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the University nor the Trustee shall be affected by any notice to the contrary.

Section 306 - Bond Depository.

(a) A Supplemental Indenture may provide that (1) a Series of Bonds may be initially issued in the form of a separate single authenticated fully registered bond in the amount of each separate stated maturity of such Series, and (2) upon initial issuance, the ownership of Bonds of such Series may be registered in the registry books kept by the Trustee in the name of the nominee of a Bond Depository or in the name of the Bond Depository. With respect to Bonds registered in the registry books kept by the Trustee in the name of a nominee of a Bond Depository or in the name of the Bond Depository, the University and the Trustee shall have no responsibility or obligation with respect to (1) the accuracy of the records of the Bond Depository, its nominee or any participant with respect to any ownership interest in the Bonds, (2) the delivery to any participant, any beneficial owner or any other person, other than the nominee or Bond Depository, of any notice with respect to such Bonds, including any notice of redemption, or (3) the payment to any participant, any beneficial owner or any other person, other than the nominee or Bond Depository, of any amounts with respect to the principal or premium, if any, or interest on such Bonds. The University and the Trustee may treat as and deem the nominee or Bond Depository to be the absolute owner of each such Bond for the purpose of payment of the principal or premium, if any, and interest on such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Trustee shall pay all principal or premium, if any, and interest on such Bonds only to or upon the order of the nominee or Bond Depository, and all such payments shall be valid and effective to fully satisfy and discharge the University's obligation with respect to the principal or premium, if any, and interest on such Bonds to the extent of the sum or sums so paid. No person other than the nominee or Bond Depository shall receive an authenticated Bond of such Series evidencing the obligation of the University to make payments of principal and premium, if any, and interest pursuant to this Indenture. Upon delivery by the nominee or Bond Depository to the Trustee of written notice to the

effect that the Bond Depository has determined to substitute a new nominee in place of the existing nominee, the Trustee shall issue a new registered Bond to the new nominee in exchange for each Bond surrendered which was registered in the name of the old nominee to such new nominee of the Bond Depository.

(b) Upon receipt by the University and the Trustee of written notice from the Bond Depository to the effect that the Bond Depository is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of the Bond Depository hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, then the Bonds shall no longer be restricted to being registered in the registry books of the University kept by the Trustee in the name of the Bond Depository or nominee of the Bond Depository, but may be registered in whatever name or names the beneficial owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Indenture.

(c) In the event the University determines that it is in the best interests of the beneficial owners that they be able to obtain Bond certificates, the University may notify the Bond Depository and the Trustee, whereupon the nominee or Bond Depository will notify the participants, of the availability through the nominee or Bond Depository of Bond certificates. In such event, the Trustee shall issue, transfer and exchange, Bond certificates as requested to the Bond Depository and any other Bondowners in appropriate amounts, and whenever the Bond Depository requests the University and the Trustee to do so, the Trustee and the University will cooperate with the Bond Depository by taking appropriate action after reasonable written notice (1) to make available one or more separate certificates evidencing the Bonds to any nominee or participant having Bonds credited to its Bond Depository account or (2) to arrange for another securities depository to maintain custody of certificates evidencing the Bonds.

(d) So long as any Bond is registered in the name of a Bond Depository or nominee of the Bond Depository, all payments with respect to the principal or premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, to the nominee or Bond Depository.

(e) In connection with any notice or other communication to be provided to Bondowners pursuant to this Indenture by the University or the Trustee with respect to any consent or other action to be taken by Bondowners, the University or the Trustee, as the case may be, shall establish a record date for such consent or other action and give the nominee or Bond Depository notice of such record date not less than 15 calendar days in advance of such record date to the extent possible.

(f) As used in this section, participant means any person or other entity for whom the Bond Depository holds Bonds under this section.

Section 307 - Regulations with Respect to Exchanges and Transfers. In all cases in which the privilege of exchanging or transferring Bonds is exercised, the University shall execute and the Trustee shall authenticate and deliver Bonds in accordance with the provisions of this Indenture. For every such exchange or transfer of Bonds, whether temporary or definitive, the University or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer. Neither the University nor the Trustee shall be required to transfer or exchange (a) Bonds subject to redemption during the 15 days preceding the date of mailing of notice of redemption of such Bonds, or (b) any Bond after such Bond has been called for redemption.

Section 308 - Bonds Mutilated, Destroyed, Stolen or Lost. If any Bond becomes mutilated or is destroyed, stolen or lost, the University shall execute and the Trustee shall authenticate and deliver a new Bond of like Series, interest rate, maturity, principal amount and other terms as the Bond mutilated, destroyed, stolen or lost. In the case of a mutilated Bond, such new Bond shall be delivered only upon surrender and cancellation of such mutilated Bond. All Bonds so surrendered to the Trustee shall be canceled by it and evidence of such cancellation shall be given to the University. In the case of a destroyed, stolen or lost Bond, such new Bond shall be delivered only upon filing with the Trustee of evidence satisfactory to the University and the Trustee that such Bond has been destroyed, stolen or lost and of ownership thereof and upon furnishing the University and the Trustee with indemnity satisfactory to them. The person requesting the authentication and delivery of a new Bond pursuant to this Section shall comply with such other reasonable regulations as the University and the Trustee may prescribe and pay such expenses as the University and the Trustee may incur in connection therewith. Any Bonds issued pursuant to this Section in substitution for Bonds alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the University, whether or not the Bonds alleged to be destroyed, stolen, or lost be at any time enforceable by anyone, and shall be equally secured by and entitled to equal and proportionate benefits with all other Bonds issued under this Indenture in any moneys or securities held by the University or the Trustee for the benefit of the Bondholders.

Section 309 - Preparation of Definitive Bonds; Temporary Bonds.

(a) Until definitive Bonds of any Series are prepared, the University may execute in the same manner as provided in Section 303, and upon request of the University, the Trustee shall authenticate and deliver, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds, except as to the denominations thereof, one or more temporary Bonds, substantially of the tenor of the definitive Bonds in lieu of which such temporary Bonds are issued, in denominations authorized by the University, and with such omissions, insertions and variations as may be appropriate to temporary Bonds. Upon surrender of such

temporary Bonds for exchange and cancellation, the University at its own expense shall prepare and execute and, without charge to the Owner thereof, deliver in exchange therefor, at the principal office of the Trustee, definitive Bonds of the same aggregate principal amount, Series and maturity as the temporary Bonds surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds issued pursuant to this Indenture.

(b) If the University shall authorize the issuance of temporary Bonds in more than one denomination, the Owner of any temporary Bond or Bonds may, at his option, surrender the same to the Trustee in exchange for another temporary Bond or Bonds of like aggregate principal amount and Series and maturity of any other authorized denomination or denominations, and thereupon the University shall execute and the Trustee shall authenticate and, in exchange for the temporary Bond or Bonds so surrendered and upon payment of the taxes, fees and charges provided for in Section 307, shall deliver a temporary Bond or Bonds of like aggregate principal amount, Series and maturity in such other authorized denomination or denominations as shall be requested by such Owner.

(c) All temporary Bonds surrendered in exchange either for another temporary Bond or Bonds or for a definitive Bond or Bonds shall be forthwith canceled by the Trustee.

Section 310 - Cancellation and Destruction of Bonds. All Bonds paid or redeemed, either at or before maturity, shall be delivered to the Trustee when such payment or redemption is made, and such Bonds, together with all Bonds purchased by the Trustee, shall thereupon be promptly canceled and destroyed.

Section 311 - Alternate Terms Permitted in Supplemental Indentures. Notwithstanding the foregoing provisions of this Article III, the University may establish terms and provisions for a Series of Bonds different than the terms and provisions contained in this Article III in the Supplemental Indenture authorizing the issuance of such Series of Bonds, and such terms and provisions contained in such Supplemental Indenture shall be controlling with respect to such Series of Bonds.

ARTICLE IV
REDEMPTION OF BONDS

Section 401 - Privilege of Redemption and Redemption Price. Bonds of a Series subject to redemption prior to maturity pursuant to this Indenture or a Supplemental Indenture shall be redeemable, upon notice as provided in this Article IV, at such times, at such Redemption Prices and upon such terms in addition to the terms contained in this Article IV as may be specified in this Indenture or in the Supplemental Indenture authorizing such Series.

Section 402 - Redemption at the Election or Direction of the University. In the case of any redemption of Bonds other than as provided in Section 403, the University shall give written notice to the Trustee of its election or direction so to redeem, of the redemption date, of the Series, and of the principal amounts of the Bonds of each maturity of such Series to be redeemed (which Series, maturities and principal amounts thereof to be redeemed shall be determined by the University in its sole discretion, subject to any limitations with respect thereto contained in this Indenture and the Supplemental Indenture with respect to such Series). Such Notice shall be given at least 45 days prior to the redemption date or such shorter period as shall be acceptable to the Trustee. In the event notice of redemption shall have been given as provided in Section 405, there shall be paid prior to the redemption date to the Trustee an amount in cash which, in addition to other moneys, if any, available therefor held by the Trustee, will be sufficient to redeem on the redemption date at the Redemption Price thereof, plus interest accrued and unpaid to the redemption date, all of the Bonds to be redeemed.

Section 403 - Redemption Otherwise Than at the University's Election or Direction. Whenever by the terms of this Indenture the Trustee is required or authorized to redeem Bonds otherwise than at the election or direction of the University, the Trustee shall select the Bonds to be redeemed, give the notice of redemption and pay out of moneys available therefor the Redemption Price thereof, plus interest accrued and unpaid to the redemption date, in accordance with the terms of this Article IV and, to the extent applicable, Section 505.

Section 404 - Selection of Bonds to be Redeemed. If less than all of the Bonds of like maturity of any Series shall be called for redemption, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Trustee in such manner as the Trustee in its discretion may deem fair and appropriate.

Section 405 - Notice of Redemption. When the Trustee shall receive notice from the University of its election or direction to redeem Bonds pursuant to Section 402, and when redemption of Bonds is authorized or required pursuant to Section 403, the Trustee shall give notice, in the name of the University, of the redemption of such Bonds, which notice shall specify (i) the Bonds (including complete official name thereof) or designated portions thereof which are to be redeemed, (ii) the date of redemption, (iii) the place or places where the redemption will be made, including the name and address of any redemption agent, (iv) the Redemption Price, (v) the CUSIP numbers (if any) assigned to the Bonds to be redeemed, (vi) the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part, (vii) the date of mailing of the notice to the Registered Owners of Bonds, and (viii) if less than all the Bonds are to be redeemed, the letters and numbers or other distinguishing marks of such Bonds so to be redeemed. Such notice shall further state that on such date there shall become due and payable upon each Bond to be redeemed the

Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof in the case of Bonds to be redeemed in part only, together with interest accrued to the redemption date, and that from and after such redemption date interest thereon shall cease to accrue and be payable. The following actions shall be taken by the Trustee with respect to such redemption notice:

(a) Not more than sixty (60) days and at least thirty (30) days prior to the redemption date, such redemption notice shall be given to the respective registered owners of Bonds designated for redemption by first class mail at their addresses appearing on the bond register.

(b) At least one Business Day before the date on which the redemption notice is mailed to the Registered Owners pursuant to paragraph (a) above, such redemption notice shall be given at the expense of the University by (1) registered or certified mail, postage prepaid, (2) confirmed facsimile transmission, or (3) overnight delivery service, to the following securities depository and to any other securities depository that is a Registered Owner:

The Depository Trust Company
711 Stewart Avenue
Garden City, New York 11530
Facsimile transmission: (516) 227-4039
(516) 227-4190

(c) On the date on which the redemption notice is mailed to the Registered Owners pursuant to paragraph (a) above, such redemption notice shall be given by (1) registered or certified mail, postage prepaid, or (2) overnight delivery service, to Standard & Poor's and to Kenny Information Service's, Called Bond Service, 65 Broadway, 16th Floor, New York, New York 10006, or its recognized successors.

Neither failure to receive any redemption notice nor any defect in such redemption notice so given shall affect the sufficiency of the proceedings for the redemption of such Bonds. Failure by the Trustee to deliver notice of redemption of the Bonds at the times required herein shall not impair the ability of the Trustee and the University to effect such redemption.

Section 406 - Payment of Redeemed Bonds. Notice having been given in the manner provided in Section 405, the Bonds or portions thereof so called for redemption shall become due and payable on the redemption date so designated at the Redemption Price, plus interest accrued and unpaid to the redemption date, and, upon presentation and surrender thereof at the office specified in such notice, such Bonds, or portions thereof, shall be paid at the Redemption Price, plus interest accrued and unpaid to the redemption date. Each check or other transfer of funds issued for the

purpose of redeeming any Bond shall bear or be accompanied by a statement specifying the CUSIP number identifying the Bonds being redeemed with the proceeds of such check or other transfer. If there shall be selected for redemption less than all of a Bond, the University shall execute and the Trustee shall authenticate and deliver, upon the surrender of such Bond, without charge to the Owner thereof, for the unredeemed balance of the principal amount of the Bond so surrendered, at the option of the Owner thereof, Bonds of like Series and maturity in any of the authorized denominations. If, on the redemption date, moneys for the redemption of all the Bonds or portions thereof of any like Series and maturity to be redeemed, together with interest to the redemption date, shall be held by the Trustee so as to be available therefor on said date and if notice of redemption shall have been mailed as aforesaid (and notwithstanding any defect therein or the lack of actual receipt thereof by any Bondowner), then, from and after the redemption date interest on the Bonds or portions thereof of such Series and maturity so called for redemption shall cease to accrue and become payable. If said moneys shall not be so available on the redemption date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

ARTICLE V
ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF

Section 501 - Establishment of Funds and Accounts.

(a) The following Funds and Accounts, each to be held by the Trustee, are hereby established:

- (1) Debt Service Fund, which shall consist of an Interest Account and a Principal Account, and
- (2) Reserve Fund.

(b) The Construction Fund and the Revenue Fund, each to be held by the University, are hereby established.

(c) All Revenues upon receipt by the University shall, as soon as practicable, be paid into the Revenue Fund. Amounts may be paid out of the Revenue Fund without restriction for operation of the University. Amounts shall be paid out of the Revenue Fund by the University to the Trustee to the extent necessary for the payment of Debt Service five Business Days before the dates fixed in the First Supplemental Indenture for each Series of Bonds and shall be deposited by the Trustee into the Debt Service Fund. Amounts shall also be paid out of the Revenue Fund by the University to the Trustee for deposit into the Reserve Fund to the extent necessary so that the amount therein equals the Reserve Requirement.

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Section 502 - Construction Fund.

(a) There shall be paid into the Account established in the Construction Fund for such Series the amounts, if any, required to be so paid by the provisions of the Supplemental Indenture authorizing the Bonds for such Series, and there shall be paid into the said account of the Construction Fund any moneys received for or in connection with the Project being financed from any other source, unless required by such Supplemental Indenture to be otherwise applied.

(b) Unless otherwise provided herein, amounts in the account established in the Construction Fund with respect to any Project shall be applied to the purpose or purposes and in the manner specified in the Supplemental Indenture authorizing the Bonds for such Project.

(c) The proceeds of insurance, including the proceeds of any self-insurance, maintained pursuant to this Indenture against physical loss of or damage to a Project, or of contractor's performance bonds or other assurances of completion with respect thereto, pertaining to the period of construction thereof, shall be paid into the Account in the Construction Fund established for the Project.

(d) Notwithstanding any of the other provisions of this Section 502, to the extent that other moneys are not available therefor, amounts in the Construction Fund shall be applied to the payment of principal of and interest on the Bonds when due.

(e) Any moneys remaining in the Construction Fund with respect to any Project after the completion of such Project and the payment of the Cost of Acquisition or Construction thereof shall be transferred to the Reserve Fund, if and to the extent necessary to make the amount in such Fund equal to the Reserve Requirement, and any balance shall be transferred to the University free and clear of the lien of this Indenture.

Section 503 - Payments Into Certain Funds.

With at least the frequency stated below, the University shall withdraw amounts from the Revenue Fund and deposit said amounts with the Trustee on the dates set forth below and the Trustee shall deposit said amounts in the following order in the amounts and in the Funds set forth below.

(a) In the Debt Service Fund (1) **Five** Business Days before each interest payment date for credit to the Interest Account, unless the sum on deposit therein equals or exceeds the interest due on all Bonds on the next succeeding interest payment date, an amount equal to the interest due on such interest payment date less the interest to be paid on such interest payment date from Bond proceeds held in said

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Account for such purpose: provided, however, that for the purposes of computing the amount on deposit in said Account, there shall be excluded the amount, if any, set aside in said Account for the payment of interest due after the next succeeding interest payment date; and (2) annually five Business Days before each principal payment date for credit to the Principal Account, unless the sum on deposit therein equals or exceeds all Principal Installments due on the next succeeding principal payment date an amount equal to one-half of such Principal Installments; and (3) annually five Business Days before each principal payment date, for credit to the Principal Account, the amount, if any, necessary to cause the sum on deposit therein to equal all Principal Installments due on the next succeeding principal payment date, provided that the University may establish by Supplemental Indenture payments into the Debt Service Fund at different times and in different amounts as necessary for interest paid other than semi-annually and in fixed amounts. [Effective Oct. 15, 1992.]

A Supplemental Indenture may direct the Trustee to pay interest on any Series of Bonds from amounts deposited in the Interest Account for the payment of interest. In such event, the determination of the necessary deposit in the Debt Service Fund under this Section shall restrict the expenditure of the deposit for that purpose.

(b) In the Reserve Fund, the amount, if any, required so that the balance in the Fund equals the Reserve Requirement.

Section 504 - Debt Service Fund.

(a) The Trustee shall pay out of the Debt Service Fund (1) out of the Interest Account, on each interest payment date for any of the Bonds the amount required for the interest payable on such date; (2) out of the Principal Account, on each Principal Installment due date, the amount required for the Principal Installment payable on such due date; and (3) out of the Interest Account, on any redemption date for the Bonds, the amount required for the payment of interest on the Bonds then to be redeemed. The Trustee shall also pay out of the Interest Account the accrued interest included in the purchase price of Bonds purchased for retirement.

(b) Amounts accumulated in the Principal Account with respect to any Sinking Fund Installment (together with amounts accumulated in the Interest Account with respect to interest on the Bonds for which such Sinking Fund Installment was established) may, and if so directed by the University, shall, be applied by the Trustee, on or prior to the 45th day preceding the due date of such Sinking Fund Installment to the purchase of Bonds of the Series and maturity for which such Sinking Fund Installment was established in an amount not exceeding that necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment. All purchases of any Bonds pursuant to this subsection (b) shall be made at prices not exceeding the applicable sinking fund Redemption Price of such Bonds plus accrued interest, and

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such purchases shall be made by the Trustee as directed by the University. The applicable sinking fund Redemption Price of any Bonds so purchased shall be deemed to constitute part of the Principal Account, until such Sinking Fund Installment date, for the purpose of calculating the amount of such Account. As soon as practicable after the 45th day preceding the due date of any such Sinking Fund Installment, the Trustee shall proceed to call for redemption, by giving notice as provided in Section 405, on such due date Bonds of the Series and maturity for which such Sinking Fund Installment was established in such amount as shall be necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment. The Trustee shall pay out of the Principal Account, on such redemption date, the amount required for the redemption of the Bonds so called for redemption, and such amount shall be applied by the Trustee to such redemption.

(c) The amount, if any, deposited in the Interest Account from the proceeds of each Series of Bonds shall be set aside in such Account and applied to the payment of interest on Bonds as provided in the Supplemental Indenture relating to the issuance of such Series of Bonds.

(d) In the event of the refunding of one or more Series of Bonds or one or more maturities within a Series of Bonds, the Trustee shall, upon the direction of the University, withdraw from the Debt Service Fund amounts accumulated therein with respect to Debt Service on the Bonds being refunded and deposit such amounts with itself as Trustee to be held for payment of the principal or Redemption Price, if applicable, and interest on the Series or maturities within a Series of Bonds being refunded; provided that such withdrawal shall not be made unless immediately thereafter the Series or maturities within a Series of Bonds being refunded shall be deemed to have been paid pursuant to subsection (b) of Section 1201.

Section 505 - Reserve Fund.

(a) If five Business Days prior to any date on which a Principal Installment or interest is due the amount in the Debt Service Fund shall be less than the amount required to be in such Fund to pay said Principal Installment or interest, the Trustee shall apply amounts from the Reserve Fund to the extent necessary to make good the deficiency.

(b) Whenever the moneys on deposit in the Reserve Fund shall exceed the Reserve Requirement, such excess shall, on the request of the University, be transferred to the University free and clear of any lien or pledge of this Indenture.

(c) Whenever the amount in the Reserve Fund, together with the amount in the Debt Service Fund, is sufficient to pay in full all Outstanding Bonds in accordance with their terms (including principal or applicable sinking fund Redemption Price and

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interest thereon), the funds on deposit in the Reserve Fund shall be transferred to the Debt Service Fund. Prior to said transfer, all investments held in the Debt Service Fund shall be liquidated to the extent necessary in order to provide for the timely payment of principal and interest (or Redemption Price) on Bonds.

(d) In the event of the refunding of one or more Series of Bonds or one or more maturities within a Series of Bonds, the Trustee shall, upon the direction of the University, withdraw from the Reserve Fund amounts accumulated therein with respect to the Bonds being refunded and deposit such amounts with itself as Trustee to be held for the payment of the Principal or Redemption Price, if applicable, and interest on the Series or maturities within a Series of Bonds being refunded; provided that such withdrawal shall not be made unless (1) immediately thereafter the Series or maturities within a Series of Bonds being refunded shall be deemed to have been paid pursuant to subsection (b) of Section 1201 and (2) the amount remaining in the Reserve Fund after such withdrawal shall not be less than the Reserve Requirement.

(e) Any Supplemental Indenture providing for the issuance of Bonds may provide for the University to obtain a Reserve Equivalent for specific amounts required to be paid out of the Reserve Fund. The amount available to be paid under any such Reserve Equivalent shall be credited against the amounts required to be maintained in the Reserve Fund by this Section. If any such Reserve Equivalent is obtained for a Series of Bonds, a Supplemental Indenture may be entered into establishing the terms of its Reserve Equivalent. **The terms of a Reserve Equivalent may include a provision that subsequent Reserve Equivalents must be acceptable to the provider of the Reserve Equivalent.** A Supplemental Indenture providing for a Reserve Equivalent shall when delivered to the Trustee be accompanied by an opinion of Counsel that the Reserve Equivalent is valid, binding, and effective according to its terms. Amounts in the Reserve Fund shall be used or committed completely before demand is made on the Reserve Equivalent. **In the event the Reserve Equivalent is a surety bond, insurance policy or letter of credit, it shall conform to the requirements set forth under Reserve Fund Surety Guidelines in the Commitment for Municipal Bond Insurance issued by Financial Guaranty Insurance Company on November 10, 2003 and attached as Exhibit D-1 to the Ninth Supplemental Indenture. [Effective Dec. 1, 2003.]**

(f) **(1) Expenses, and interest repayable to Financial Guaranty Insurance Company under the Reserve Equivalent issued in connection with the Bonds, or to it or any other provider under any future Reserve Equivalent, shall be repayable from the excess in the Reserve Fund when, and as soon as, the moneys in the Reserve Fund exceed the Reserve Requirement before the transfer referred to in subsection (b) of this section at the times and in the amounts provided in the Reserve Equivalent.**

(2) Draws repayable to Financial Guaranty Insurance Company under the Reserve Equivalent issued in connection with the Bonds, or to it or any other provider under any future Reserve Equivalent, shall be repayable from any amounts in the Reserve Fund at the times and in the amounts provided in the Reserve Equivalent subject to the terms of the Indenture including Section 505(f)(1) above. [Effective Dec. 1, 2003.]

Section 506 - Excess Investment Earnings.

(a) The University shall calculate the Excess Investment Earnings as of each Computation Date and pay to the United States of America (i) at least 90% of the Rebate Amount as of each Installment Computation Date no later than 60 days after the Installment Computation Date, and (ii) 100% of the Rebate Amount as of the Final Computation Date no later than 60 days after the Final Computation Date.

(b) Notwithstanding subsection (a) of this Section, payments of Excess Investment Earnings will be made in accordance with instructions provided by Bond Counsel if necessary to maintain the exclusion from income for federal income tax purposes of interest on the Bonds and in accordance with letters of instruction that may be provided by Bond Counsel from time to time to reflect then current procedures and requirements under the Code.

Section 507 - Creation of Additional Funds, Accounts, and Subaccounts; Separate Credit Enhancement Funds and Pledges.

(a) The Trustee shall establish within any Fund such Accounts in addition to the Accounts herein established as the University shall by Supplemental Indenture determine and shall in like manner establish within any Account such additional subaccounts for the purposes of such Account as the University shall so determine.

(b) The University may at any time, by adoption of a Supplemental Indenture, establish a Fund or Account in which to hold any Credit Enhancement and the proceeds thereof or drawings thereunder (a Credit Enhancement Fund) for the benefit of any Series of Bonds to which such Credit Enhancement has been pledged, which pledge may be (but as not required to be) exclusively for the benefit of such Series of Bonds or certain designated Series of Bonds and not equally and ratably among the Series of Bonds Outstanding. Amounts held in a Credit Enhancement Fund shall not be considered a part of the Trust Estate but, rather, shall be subject to such lien and pledge as may be created in the Supplemental Indenture creating or recognizing such Credit Enhancement.

(c) If the University creates a Credit Enhancement Fund, the University may, in the Supplemental Indenture authorizing the Series of Bonds to be secured by Credit

Enhancement, treat any, or any part of any, obligation owed or which may in the future be owed to the Credit Enhancer pursuant to the Credit Enhancement as Additional Bonds if the University, at the time of issuance of said Series of Bonds and at the time of the creation of any such obligation, satisfies the requirements of this Indenture, which are conditions precedent to the issuance of Additional Bonds in which case the Trustee shall pay the principal of and interest on any such obligations in accordance with the terms of this Indenture treating such obligations as Additional Bonds.

ARTICLE VI
DEPOSITORIES OF MONEYS, SECURITY FOR
DEPOSITS AND INVESTMENT OF FUNDS

Section 601 - Depositories.

(a) All moneys held by the Trustee under the provisions of this Indenture shall be deposited with the Trustee and the Trustee shall, if directed by the University, and the Trustee concurs, deposit such moneys with one or more Depositories in trust for the Trustee. All moneys held by the University under this Indenture shall be deposited in one or more Depositories in trust for the University. All moneys deposited under the provisions of this Indenture with the Trustee or any Depository shall be held in trust and applied only in accordance with the provisions of this Indenture, and each of the Funds established by this Indenture shall be a trust fund for the purposes thereof.

(b) Each Depository shall be a bank or trust company organized under the laws of any state of the United States of America or a national banking association and willing and able to accept the office on reasonable and customary terms and authorized by law to act in accordance with the provisions of this Indenture.

Section 602 - Deposits.

(a) All Revenues and other moneys held by any Depository under this Indenture may be placed on demand or time deposit, if and as directed by the University, provided that such deposits shall permit the moneys held to be available for use at the time when needed. Any such deposit may be made in the commercial banking department of the Trustee which may honor checks and drafts on such deposit with the same force and effect as if it were not the Trustee. All moneys held by the Trustee, as such, may be deposited by the Trustee in its banking department on demand or, if and to the extent directed by the University and acceptable to the Trustee, on time deposit, provided that such moneys on deposit be available for use at the time when needed. The Trustee shall allow and credit on such moneys such interest, if any, as it customarily allows upon similar funds of similar size and under similar conditions or as required by law.

(b) All moneys held under this Indenture on demand or time deposit by the Trustee or any Depository shall be (1) either (A) continuously and fully insured by the Federal Deposit Insurance Corporation, or (B) continuously and fully secured by lodging with the Trustee, any Federal Reserve Bank or branch, or another third party custodian approved by the Trustee and the University, Investment Securities having a market value (exclusive of accrued interest) not less than 100 percent of the amount of such moneys, or (2) held in such other manner as may then be required by applicable federal and applicable state laws and regulations of the state in which the Trustee or such Depository (as the case may be) is located, regarding security for, or granting a preference in the case of, the deposit of trust funds; provided, however, that it shall not be necessary for the Trustee to give security under this subsection (b) for the deposit of any moneys with it held in trust and set aside by it for the payment of the principal or Redemption Price of or interest on any Bonds.

(c) All moneys deposited with the Trustee and each Depository shall be credited to the particular Fund or Account to which such moneys belong.

Section 603 - Investment of Certain Funds. Moneys held in any Fund or Account held by the Trustee shall be invested and reinvested by the Trustee to the fullest extent practicable in Investment Securities which mature not later than such times as shall be necessary to provide moneys when needed for payments to be made from such Funds and Accounts in accordance with written instructions received from any Authorized Officer of the University. Nothing in this Indenture shall prevent any Investment Securities acquired as investments of funds held under this Indenture from being issued or held in book-entry form on the books of the Department of Treasury of the United States of America. [Effective Oct. 15, 1992.]

Section 604 - Valuation and Sale of Investments. Obligations purchased as an investment of moneys in any Fund created under the provisions of this Indenture shall be deemed at all times to be part of such Fund and any profit realized from the liquidation of such investment shall be credited to such Fund and any loss resulting from the liquidation of such investment shall be charged to the respective Fund. The Trustee shall not be liable or responsible for making any such investment in the manner provided above or for any loss resulting from any such investment computing the amount in any Fund created under the provisions of this Indenture for any purpose provided in this Indenture, obligations purchased as an investment of moneys therein shall be valued at the market value thereof exclusive of accrued interest, or otherwise as may then be required by the Code. Such computations shall be determined not less frequently than quarterly in each year.

Except as otherwise provided in this Indenture, the Trustee shall sell or present for redemption any obligation purchased as an investment of moneys in any Fund or Account created under this Indenture whenever it shall be requested in writing by an

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Authorized Officer of the University so to do or whenever it shall be necessary in order to provide moneys to meet any payment or transfer from such Fund.

So long as the first two Series of Bonds are Outstanding or any future Series of Bonds is Outstanding, which is the subject of Credit Enhancement which requires it, the value of the investments in any fund shall be determined as of the end of each month and shall be calculated as follows:

(a) As to investments for which bid and asked prices are published on a regular basis in The Wall Street Journal (or if not there, then in The New York Times), the average of the bid and asked prices for such investments so published on or most recently prior to such time of determination;

(b) As to investments for which bid and asked prices are not published on a regular basis in The Wall Street Journal or The New York Times, the average bid price at such time of determination for such investments by any two nationally recognized government securities dealers (selected by the Trustee in its absolute discretion) at the time making a market in such investments or the bid price published by a nationally recognized pricing service;

(c) As to certificates of deposit and bankers acceptance, the face amount thereof, plus accrued interest; and

(d) As to any investment not specified above, the value thereof established by prior agreement between the University, the Trustee, and AMBAC Indemnity.

ARTICLE VII PARTICULAR COVENANTS OF THE UNIVERSITY

Section 701 - Payment of Bonds. The University shall duly and punctually pay or cause to be paid, the principal or Redemption Price, if any, of every Bond and the interest thereon, at the dates and places and in the manner mentioned in the Bonds according to the true intent and meaning thereof.

Section 702 - Extension of Payment of Bonds. The University shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of claims for interest, by the purchase or funding of such Bonds or claims for interest or by any other arrangement, and in case the maturity of any of the Bonds or the time for payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any default under this Indenture, to the benefit of this Indenture or to any payment out of Revenues or Funds established by this Indenture, including the investments, if any, thereof, pledged under this Indenture or the moneys (except moneys held in trust for the payment of particular

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Bonds or claims for interest pursuant to this Indenture), except subject to the prior payment of the principal of all Bonds Outstanding the maturity of which has not been extended and of such portion of the accrued interest on the Bonds as shall not be represented by such extended claims for interest. Nothing herein shall be deemed to limit the right of the University to issue Refunding Bonds and such issuance shall not be deemed to constitute an extension of maturity of Bonds.

Section 703 - Offices for Servicing Bonds. The University shall at all times maintain one or more agencies as may be provided by Supplemental Indenture where Bonds may be presented for payment and shall at all times maintain one or more agencies where Bonds may be presented for registration, transfer or exchange, and where notices, demands and other documents may be served upon the University in respect of the Bonds or of this Indenture. The University hereby appoints the Trustee as Bond Registrar to maintain an agency for the registration, transfer or exchange of Bonds, and for the service upon the University of such notices, demands and other documents and the Trustee shall continuously maintain or make arrangements to provide such services.

Section 704 - Further Assurance. At any and all times the University shall, as far as it may be authorized by law, comply with any reasonable request of the Trustee to pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, pleading, assigning and confirming all and singular the rights, Revenues and other moneys, securities and funds hereby pledged or assigned, or intended so to be, or which the University may become bound to pledge or assign.

Section 705 - Power to Issue Bonds and Pledge Revenues and Other Funds. The University is duly authorized under the Act and all other applicable laws to create and issue the Bonds and to adopt this Indenture and to pledge and assign the Revenues and other moneys, securities and funds purported to be subject to the lien of this Indenture in the manner and to the extent provided in this Indenture. Except to the extent otherwise provided in this Indenture, the Revenues, and other moneys, securities and funds so pledged are and will be free and clear of any pledge, lien, charge or encumbrance upon or with respect thereto prior to, or of equal rank with, the pledge and assignment created by this Indenture, and all corporate or other action on the part of the University to that end has been and will be duly and validly taken. The Bonds and the provisions of this Indenture are and will be valid and legally enforceable obligations of the University, a accordance with their terms and the terms of the Act and this Indenture. The University shall at all times, to the extent permitted by law, defend, preserve and protect the pledge and assignment of the Revenues and other moneys, securities and funds pledged under this Indenture and all the rights of the Bondowners under this Indenture against all claims and demands of all persons whomsoever. The

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University further agrees to pay its general expenses from legislative appropriations from the State's general fund to the University before paying those expenses from the Revenue Fund.

Section 706 - Pledge of the State. The State of Alaska pledges to and agrees with the Owners of the Bonds that the State will not limit or alter the rights and powers vested in the University by the Act to fulfill the terms of the contracts made by the University under this Indenture with the Owners of Bonds; until the Bonds together with the interest on them with interest on unpaid installments of interest, and all costs and expenses in connection with an action or proceeding by or on behalf of the Owners of the Bonds, are fully met and discharged. This pledge is included in this Indenture under the specific authority of AS 14.40.254.

Section 707 - Creation of Liens. The University shall not issue any bonds, notes or other evidences of indebtedness, other than the Bonds, secured by a pledge of or other lien or charge on the Revenues and shall not create or cause to be created any lien or charge on such Revenues or on any amounts held under this Indenture; provided, however, that neither this Section nor any other provision of this Indenture shall prevent the University from issuing bonds or notes or other obligations for the purposes of the University payable out of, or secured by a pledge of, Revenues to be derived on and after such date as the pledge of the Revenues provided in this Indenture shall be discharged and satisfied as provided in Section 1201, or from issuing bonds or notes or other obligations for the purposes of the University which are secured by a pledge of amounts which is and shall be in all respects subordinate to the provisions of this Indenture and the lien and pledge created by this Indenture and shall not be accelerated in the event of default. The University further covenants not to issue any further bonds under the authority of Ch. 56, SLA 1961, as amended, secured by revenues of the Housing System under Ch. 56, SLA 1961, as amended, except refunding bonds.

Section 708 - Fees, Charges and Rentals. The University shall from time to time and at all times fix, maintain and collect fees, charges and rentals, and the University shall adjust such fees, charges and rentals from time to time so that the Revenues shall be at least equal in each Fiscal Year to the greater of (a) the sum of: (1) an amount equal to Aggregate Debt Service for such Fiscal Year; (2) the amount, if any, to be paid during such Fiscal Year into the Reserve Fund; (3) the amount of the draws, interest and expenses then due and owing under any Reserve Equivalent; and (4) all other amounts which the University may now or hereafter become obligated to pay from Revenues during such Fiscal Year by law or contract; and (b) an amount equal to at least 2.0 times the Aggregate Debt Service for such Fiscal Year. [Effective Dec. 1, 2003.]

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Section 709 - Maintenance of Reserve Fund. The University has determined and does hereby determine that establishment of a Reserve Fund will enhance the marketability of the Bonds. The University shall at all times maintain the Reserve Fund with the Trustee created and established by Section 501 and do and perform or cause to be done and performed each and every act and thing with respect to the Reserve Fund provided to be done or performed on behalf of the University or the Trustee under the terms and provisions of Article V hereof.

Section 710 - Accounts and Reports.

(a) The University shall keep or cause to be kept proper books of records made of its transactions relating to the Revenues and each Fund and Account established under this Indenture, which books shall at all times be subject to the inspection of the Trustee and the Owners of an aggregate of not less than five (5) percent in principal amount of the Bonds then Outstanding or their representatives duly authorized in writing.

(b) The Trustee shall advise the University promptly after the end of each month in its regular statements of the respective transactions during such month relating to each Fund and Account held by it under this Indenture. The University shall have the right upon reasonable notice and during reasonable business hours to audit the books and records of the Trustee with respect to the Funds and Accounts held by the Trustee under this Indenture.

(c) The University shall annually, within 180 days after the close of each Fiscal Year (the first such report to be filed with respect to the Fiscal Year ending June 30, 1992), file with the Trustee, and otherwise as provided by law, a copy of an annual report for such Fiscal Year, accompanied by an Accountant's Certificate, including the following statements in reasonable detail: a statement of assets and liabilities as of the end of such Fiscal Year; a statement of Revenues and expenses for such Fiscal Year; and a summary with respect to each Fund and Account established under this Indenture of the receipts therein and disbursements therefrom during such Fiscal Year and the amount held therein at the end of such Fiscal Year. Such Accountant's Certificate shall state whether or not, to the knowledge of the signer, the University is in default with respect to any of the covenants, agreements or conditions on its part contained in this Indenture, and if so, the nature of such default.

(d) The University shall file with the Trustee (1) forthwith upon becoming aware of any Event of Default or default in the performance by the University of any covenant, agreement or condition contained in this Indenture, a certificate signed by an Authorized Officer of the University and specifying such Event of Default or default and (2) within 180 days after the end of each Fiscal Year, commencing with the Fiscal Year ending June 30, 1992, a certificate signed by an Authorized Officer of the University stating that, to the best of his knowledge and belief, the University has kept,

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observed, performed and fulfilled each and every one of its covenants and obligations contained in this Indenture and there does not exist at the date of such certificate any default by the University under this Indenture or any Event of Default or other event which, with the lapse of time specified in Section 801, would become an Event of Default, or, if any such default or Event of Default or other event shall so exist, specifying the same and the nature and status thereof.

(e) The reports, requested statements and other documents required to be furnished to the Trustee pursuant to any provisions of this Indenture shall be available for the inspection of Bondowners at the office of the Trustee and shall be mailed to each Bondowner who shall file a written request therefor with the University. The University may charge each Bondowner requesting such reports, statements and other documents a reasonable fee to cover reproduction, handling and postage.

Section 711 - Tax Covenants.

(a) The University shall at all times do and perform all acts and things necessary or desirable including, but not limited to, compliance with provisions of a letter of instructions from Bond Counsel, as the same may be revised from time to time, in order to assure that interest paid on the Bonds shall, for the purposes of federal income taxation, be excludable from the gross income of the recipients thereof and exempt from such taxation.

(b) The University shall not permit at any time or times any of the proceeds of the Bonds, Revenues or any other funds of the University to be used directly or indirectly to acquire any securities or obligations the acquisition of which would cause any Bond to be an arbitrage bond as defined in Section 148(a) and (e) of the Code.

(c) This Section shall not apply to any Series of Bonds the interest on which is determined by the University not to be exempt from taxation under Section 103 of the Code, provided that no such Series of Bonds shall be issued unless a Counsel's Opinion is filed with the Trustee stating that the issuance of such Series will not cause the interest on a tax-exempt Bond previously issued to be subject to taxation under Sections 103 and 141-150 of the Code.

(d) Notwithstanding any other provision of this Indenture to the contrary, upon the University's failure to observe, or refusal to comply with, the covenants in this Section 711, no person other than the Trustee or the Owners of Bonds of the specific Series affected shall be entitled to exercise any right or remedy provided to the above Owners under this Indenture on the basis of the University's failure to observe, or refusal to comply with, the covenant.

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Section 712 - Payment of Taxes and Charges. The University will from time to time duly pay and discharge, or cause to be paid and discharged, all taxes, assessments and other governmental charges, or required payments in lieu thereof, lawfully imposed upon the properties of the University or upon the rights, Revenues, income, receipts and other moneys, securities and funds of the University when the same shall become due (including all rights, moneys and other property transferred, assigned or pledged under this Indenture), and all lawful claims for labor and material and supplies, except those taxes, assessments, charges or claims which the University shall in good faith contest by proper legal proceedings, if the University shall in all such cases have set aside on its books reserves deemed adequate with respect thereto.

Section 713 - Waiver of Laws. The University shall not at any time insist upon or plead in any manner whatsoever, or claim or take the benefit or advantage of, any stay or extension law now or at any time hereafter in force which may affect the covenants and agreements contained in this Indenture or in the Bonds, and all benefit or advantage of any such law is hereby expressly waived by the University.

Section 714 - General.

(a) The University shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the University under the provisions of the Act and this Indenture.

(b) Upon the date of authentication and delivery of each Series of Bonds, all conditions, acts and things required by law and this Indenture to exist, to have happened and to have been performed precedent to and in the issuance of such Bonds shall exist, have happened and have been performed and the issue of such Bonds, together with all other indebtedness of the University, shall comply in all respects with the applicable laws of the State of Alaska including the debt and other limitations prescribed by the Constitution and laws of the State of Alaska.

(c) The provisions of this Article are covenants and agreements by the University with the Trustee and the Bondowners.

ARTICLE VIII DEFAULTS AND REMEDIES

Section 801 - Events of Default. The following shall constitute Events of Default:

(a) If default shall be made in the due and punctual payment of the principal or of Redemption Price, if any, when and as the same shall become due on or with respect to any Bond, whether at maturity or upon call for redemption or otherwise;

(b) If default shall be made in the due and punctual payment of any installment of interest on any Bond or the unsatisfied balance of any Sinking Fund Installment therefor, when and as such interest installment or Sinking Fund Installment shall become due and payable.

(c) If default shall be made by the University in the performance or observance of any other of the covenants, agreements or conditions on its part in this Indenture, in any Supplemental Indenture or in the Bonds contained, and such default shall continue for a period of 60 days after written notice thereof to the University by the Trustee or to the University and to the Trustee by the Owners of not less than twenty-five (25) percent in principal amount of the Bonds Outstanding.

(d) If there shall occur the dissolution or liquidation of the University or the filing by the University of a voluntary petition in bankruptcy, or the commission by the University of any act of bankruptcy, or adjudication of the University as a bankrupt, or assignment by the University for the benefit of its creditors, or the entry by the University into an agreement of composition with its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the University in any proceeding for its reorganization instituted under the provisions of the federal bankruptcy act, as amended, or under any similar act in any jurisdiction which may now be in effect or hereafter enacted.

Section 802 - Remedies.

(a) Upon the happening and continuance of any Event of Default specified in paragraph (a) or (b) of Section 801, the Trustee shall proceed, and upon the happening and continuance of any Event of Default specified in paragraph (c) or (d) of Section 801, the Trustee may proceed and, upon the written request of the Owners of not less than twenty-five (25) percent in principal amount of the Outstanding Bonds, shall proceed, in its own name, subject to the provisions of Sections 902 and 903, to protect and enforce the rights of the Bondowners by such of the following remedies, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights:

(1) by mandamus or other suit, action or proceeding at law or in equity, to enforce all rights of the Bondowners or the Trustee, including the right to require the University to receive and collect Revenues and to require the University to carry out any other covenants or agreements with Bondowners;

(2) by bringing suit upon the Bonds;

(3) by action or suit in equity, to require the University to account as if it were the trustee of an express trust for the Owners of the Bonds for the Revenues and assets pledged under this Indenture;

(4) by action or suit in equity to enjoin any acts or things which may be unlawful or in violation of the rights of the Owners of the Bonds;

(5) by declaring all Bonds due and payable, and if all defaults shall be cured, then, with the written consent of the Owners of not less than twenty-five (25) percent in principal amount of the Outstanding Bonds, by annulling such declaration and its consequences; or

(6) in the event that all Outstanding Bonds are declared due and payable, by selling, assigning or otherwise disposing of all of the Revenues and assets pledged under this Indenture free and clear of the lien of this Indenture.

(b) In the enforcement of any rights and remedies under this Indenture, but subject to Sections 902 and 903, the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming due, and at any time remaining due and unpaid for principal, Redemption Price, interest or otherwise, under any provisions of this Indenture or a Supplemental Indenture or of the Bonds, with interest on overdue payments at the rate of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings thereunder and under such Bonds, without prejudice to any other right or remedy of the Trustee or of the Bondowners, and to recover and enforce a judgment or decree for any portion of such amounts remaining unpaid, with interest, costs and expenses (including without limitation pretrial, trial and appellate attorney fees), and to collect from any assets pledged hereunder, in any manner provided by law, the moneys adjudged or decreed to be payable.

(c) Upon the occurrence of any Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Bondowners under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Revenues and of the assets pledged hereunder, pending such proceedings, with such powers as the court making such appointment shall confer.

Section 803 - Priority of Payments After Default.

(a) In the event that upon the happening and continuance of any Event of Default the funds held by the Trustee shall be insufficient for the payment of principal or Redemption Price, if any, and interest then due on the Bonds, such funds

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(other than funds held for the payment or redemption of particular Bonds which have theretofore become due at maturity or by call for redemption) and any other amounts received or collected by the Trustee acting pursuant to this Article, after making provision for the payment of any expenses necessary in the opinion of the Trustee to protect the interest of the Owners of the Bonds and for the payment of the charges and expenses and liabilities incurred and advances made by the Trustee in the performance of its duties under this Indenture shall be applied as follows:

(1) Unless the principal of all of the Bonds shall have become or have been declared due and payable:

FIRST: To the payment to the persons entitled thereto of all installments of interest then due in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installments, to the persons entitled thereto, without any discrimination or preference; and

SECOND: To the payment to the persons entitled thereto of the unpaid principal or Redemption Price of any Bonds which shall have become due, whether at maturity or by call for redemption, in the order of their due dates and, if the amounts available shall not be sufficient to pay in full all of the Bonds due on any date, then to the payment thereof ratably, according to the amounts or principal or Redemption Price, if any, due on such date, to the persons entitled thereto, without any discrimination or preference.

(2) If the principal of all of the Bonds shall have become or shall have been declared due and payable, to the payment of the principal and interest then due and unpaid upon the Bonds without preference or priority of principal over interest or of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds.

(b) Whenever moneys are to be applied by the Trustee pursuant to the provisions of this Section, such moneys shall be applied by the Trustee at such times, and from time to time, as the Trustee in its sole discretion shall determine, having the due regard to the amount of such moneys available for application and the likelihood of additional money becoming available for such application in the future. The setting aside such moneys in trust for the proper purpose, shall constitute proper application by the Trustee and the Trustee shall incur no liability whatsoever to the University, to any Bondowner or to any other person for any delay in applying any such moneys, so

long as the Trustee acts with reasonable diligence, having due regard for the circumstances, and ultimately applies the same in accordance with such provisions of this Indenture as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such moneys, it shall fix the date (which shall be an Interest Payment Date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such shall cease to accrue. The Trustee shall give such notice as it may deem appropriate for the fixing of any such date. The Trustee shall not be required to make payment to the holder of any Bond unless such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Section 804 - Termination of Proceedings. In case any proceedings taken by the Trustee on account of any Event of Default shall have been discontinued or abandoned for any reason, then in every such case the University, the Trustee and the Bondowners shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no such proceeding had been taken.

Section 805 - Bondowners' Direction of Proceedings. The Owners of the majority in principal amount of the Bonds then Outstanding shall have the right, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, to direct the method of conducting all remedial proceedings to be taken by the Trustee hereunder, provided that such direction shall not be otherwise than in accordance with law or the provisions of this Indenture, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bondowners not parties to such direction.

Section 806 - Restriction on Bondowner's Action.

(a) No Owner of any Bond shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of any provision of this Indenture or the execution of any trust under this Indenture or for any remedy under this Indenture, unless such Owner shall have previously given to the Trustee written notice of the happening of an Event of Default, as provided in this Article, and the Owners of at least 25 percent in principal amount of the Bonds then Outstanding shall have filed a written request with the Trustee, and shall have offered it reasonable opportunity either to exercise the powers granted in this Indenture or by the Act or by the laws of the State of Alaska or to institute such action, suit or proceeding in its own name, and unless such Owners shall have offered to the Trustee security and indemnity satisfactory to the Trustee against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused to comply with such request for a period of 30 days after receipt by it of such notice, request and offer of indemnity, it being understood and

intended that no one or more Owners of Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the pledge created by this Indenture, or to enforce any right under this Indenture, except in the manner therein provided; and that all proceedings at law or in equity to enforce any provision of this Indenture shall be instituted, had and maintained in the manner provided in this Indenture and for the equal benefit of all Owners of the Outstanding Bonds, subject only to the provisions of Section 702.

(b) Nothing contained in this Indenture or in the Bonds shall affect or impair the obligation of the University, which is absolute and unconditional, to pay at the respective dates of maturity and places therein expressed the principal of (and premium, if any) and interest on the Bonds to the respective Owners thereof, or affect or impair the right of action, which is also absolute and unconditional, of any Owner to enforce such payment of his Bond.

Section 807 - Possession of Bonds by Trustee Not Required. All rights of action under this Indenture or under any of the Bonds, enforceable by the Trustee, may be enforced by it without the possession of any of the Bonds or the production thereof at the trial or other proceeding relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all the Owners of such Bonds, subject to the provisions of this Indenture.

Section 808 - Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the Bondowners is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 809 - No Waiver of Default. No delay or omission of the Trustee or of any Bondowner to exercise any right or arising upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein and every power and remedy given by this Indenture to the Trustee or the Bondowners respectively may be exercised from time to time and as often as may be expedient

Section 810 - Notice of Event of Default. The Trustee shall give to the Bondowners and the University notice of each Event of Default hereunder known to the Trustee within thirty (30) days after actual knowledge of the occurrence thereof, unless such Event of Default shall have been remedied or cured before the giving of such notice; provided, that, except in the case of default in the payment of the principal or of Redemption Price, if any, or interest on any of the Bonds, the Trustee shall be protected in withholding such notice if and so long as the responsible officers of the Trustee in good faith determine that the withholding of such notice is in the best interests of the

Bondowners. Each such notice of Event of Default to Bondowners shall be given by the Trustee by mailing, by first class mail, written notice thereof: (a) to all Owners of Bonds, as the names and addresses of such Owners appear upon the books for registration and transfer of Bonds maintained by the Trustee, and (b) to such other persons as is required by law. Any such notice mailed as provided herein shall be conclusively presumed to have been duly given regardless of whether the Bondowner actually receives the notice.

ARTICLE IX
CONCERNING THE TRUSTEE

Section 901 - Trustee; Acceptance of Duties. The Trustee shall signify its acceptance of the duties and obligations imposed upon it by this Indenture by executing and delivering to the University this Indenture, and by executing such acceptance the Trustee shall be deemed to have accepted such duties and obligations with respect to all the Bonds thereafter to be issued, but only, however, upon the terms and conditions set forth in this Indenture.

Section 902 - Responsibilities of Trustee.

(a) The recitals of fact herein and in the Bonds contained shall be taken as the statements of the University and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of any Bonds issued thereunder or as to the security afforded by this Indenture, and the Trustee shall not incur any liability in respect thereof. The Trustee shall, however, be responsible for its representation contained in its certificate of authentication on the Bonds. The Trustee shall not be under any responsibility or duty with respect to the application of any moneys paid by the Trustee in accordance with the provisions of this Indenture to the University. The Trustee shall not be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect thereof, or to advance any of its own moneys, unless properly indemnified. Subject to the provisions of subsection (b) of this Section 902, the Trustee shall not be liable in connection with the performance of its duties hereunder except for its own negligence, misconduct or default.

(b) The Trustee, prior to the occurrence of any Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. In case an Event of Default has occurred (which has not been cured), the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs. My provision of this Indenture relating

to action taken or to be taken by the Trustee or to evidence of matters upon which the Trustee may rely shall be subject to the provisions of this Section 902.

(c) Notwithstanding any other provision of this Indenture, in determining whether the rights of the first or second Series of Bonds issued under this Indenture will be adversely affected by any action taken pursuant to the terms and provisions of this Indenture, the Trustee shall consider the effect on the Bondholders as if there were no Municipal Bond Insurance Policy.

Section 903 - Evidence on Which Trustee May Act.

(a) The Trustee, upon receipt of any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document furnished to it pursuant to any provision of this Indenture, shall examine such instrument to determine whether it conforms to the requirements of this Indenture and shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel, who may or may not be of counsel to the University, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under this Indenture in good faith and in accordance therewith.

(b) Whenever the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Indenture, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a certificate of an Authorized Officer and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this Indenture upon the faith thereof; but in its discretion the Trustee may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as to it may seem reasonable.

(c) Except as otherwise expressly provided in this Indenture, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision hereof by the University to the Trustee shall be sufficiently executed in the name of the University by an Authorized Officer.

Section 904 - Compensation. The University shall pay to the Trustee from time to time reasonable compensation for all services rendered under this Indenture, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents and employees, incurred in and about the performance of their powers and duties under this Indenture and the Trustee shall have a lien thereon on any and all funds at any time held by it under this Indenture. Subject to the provisions of Section 902, the University further agrees to indemnify and save the Trustee harmless against any loss, expense including attorneys fees and expenses, and

liabilities which it may incur in the exercise and performance of its powers and duties hereunder, and which are not due to its negligence, misconduct or default.

Section 905 - Certain Permitted Acts. The Trustee may become the owner of any Bonds with the same rights it would have if it were not Trustee. To the extent permitted by law, the Trustee may act as depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bondowners or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Indenture, whether or not any such committee shall represent the Owners of a majority in principal amount of the Bonds then Outstanding.

Section 906 - Resignation of Trustee. The Trustee may at any time resign and be discharged of the duties and obligations created by this Indenture by giving not less than sixty (60) days' written notice to the University and each Credit Enhancer, and mailing notice thereof to each Bondowner, specifying the date when such resignation shall take effect, and such resignation shall take effect upon the day specified in such notice, provided a successor shall have been appointed by the University or the Bondowners as provided in Section 908, and has accepted the appointment. Notwithstanding the foregoing, no resignation of the Trustee under this Section or removal of the Trustee under Section 907 shall take effect until a successor, reasonably acceptable to AMBAC Indemnity, shall be appointed.

Section 907 - Removal of Trustee. The Trustee may be removed at any time by an instrument or concurrent instruments in writing, filed with the Trustee, and signed by the Owners of a majority in principal amount of the Bonds then Outstanding or their attorneys-in-fact duly authorized, excluding any Bonds held by or for the account of the University. The University may remove the Trustee at any time except during the existence of an Event of Default, for such cause as shall be determined in the sole discretion of the University, by filing with the Trustee an instrument in writing signed by an Authorized Officer. AMBAC Indemnity may remove the Trustee at any time the first or second Series of Bonds are Outstanding upon filing a request with the University if the Trustee has breached the duties hereunder.

Section 908 - Appointment of Successor Trustee; Financial Qualifications of Trustee and Successor Trustee.

(a) In case at any time the Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of the Trustee, or of its property or affairs, a successor may be appointed by the Owners of a majority in principal amount of the Bonds then Outstanding, excluding any Bonds held by or for the account of the

University, by an instrument or concurrent instruments in writing signed and acknowledged by such Bondowners or by their attorneys-in-fact duly authorized and delivered to such successor Trustee, notification thereof being given to the University and the predecessor Trustee; provided, nevertheless, that unless a successor Trustee shall have been appointed by the Bondowners as aforesaid, the University by a duly executed written instrument signed by an Authorized Officer shall forthwith appoint a Trustee to fill such vacancy until a successor Trustee shall be appointed by the Bondowners as authorized in this Section 908. The University shall mail notice to each Bondowner of any such appointment made by it within twenty (20) days after such appointment. Any successor Trustee appointed by the University shall, immediately and without further act, be superseded by a Trustee appointed by the Bondowners.

(b) If in a proper case no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section within forty-five (45) days after the Trustee shall have given to the University written notice as provided in Section 906 or after a vacancy in the office of the Trustee shall have occurred by reason of its inability to act, removal, or for any reason whatsoever, the Trustee (in the case of its resignation under Section 906) or the Owner of any Bond (in any case) may apply to any court of competent jurisdiction to appoint a successor Trustee. Said court may thereupon, after such notice, if any, as such may deem proper, appoint a successor Trustee.

(c) The Trustee appointed under the provisions of this Article or any successor to the Trustee shall be a trust company or bank duly organized and in good standing under the laws of the United States or any state, duly authorized to exercise trust powers and subject to examination by federal or state authority, having a reported capital and surplus of not less than \$75,000,000, and acceptable to the Credit Enhancer. Any successor Paying Agent, if applicable, shall not be appointed unless the Credit Enhancer approves such successor in writing.

Section 909 - Transfer of Rights and Property to Successor Trustee. Any successor Trustee appointed under this Indenture shall execute, acknowledge and deliver to its predecessor Trustee, and also to the University, an instrument accepting such appointment, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Trustee, with like effect as if originally named as trustee; but the Trustee ceasing to act shall nevertheless, on the written request of the University, or of the successor Trustee, execute, acknowledge and deliver such instrument of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Trustee all the right, title and interest of the predecessor Trustee in and to any property held by it under this Indenture, and shall pay over, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the University be required by such successor Trustee for more fully and

certainly vesting in and confirming to such successor Trustee any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by the University.

Section 910 - Merger or Consolidation. Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company shall be a bank or trust company organized under the laws of any state of the United States of America or a national banking association and shall be authorized by law to perform all the duties imposed upon it by this Indenture, shall be the successor to the Trustee without the execution or filing of any paper or the performance of any further act.

Section 911 - Adoption of Authentication. In any case any of the Bonds contemplated to be issued under this Indenture shall have been authenticated but not delivered, any successor Trustee may adopt the certification of authentication of any predecessor Trustee so authenticating such Bonds and deliver such Bonds so authenticated; and in case any of the said Bonds shall not have been authenticated, any successor Trustee may authenticate such Bonds in the name of the predecessor Trustee, or in the name of the successor Trustee, and in all cases such certificate shall have the full force which it is anywhere in said Bonds or in this Indenture provided that the certificate of the Trustee shall have.

Section 912 - Recording and Filing. The Trustee shall cause all financing statements related to this Indenture and all supplements hereto, and such other documents as may be, in the opinion of counsel acceptable to Trustee, necessary to be kept and filed in such manner and in such places as may be required by law in order to preserve and protect fully the security of the Bondowners and the rights of the Trustee hereunder. The Trustee may request and rely upon the opinion of counsel which may be the University's counsel that the aforesaid filings have been timely made.

ARTICLE X
SUPPLEMENTAL INDENTURES

Section 1001 - Supplemental Indentures Effective Upon Execution by the Trustee. For any one or more of the following purposes and at any time or from time to time, a Supplemental Indenture may be authorized by a resolution adopted by the University which, upon (a) the filing with the Trustee of a copy of such resolution certified by an Authorized Officer, and (b) the execution and delivery of such Supplemental Indenture by the University and the Trustee, shall be fully effective in accordance with its terms:

APPENDIX B

(1) To close this Indenture against, or provide limitations and restrictions in addition to the limitations and restrictions contained in this Indenture on, the authentication and delivery of Bonds or the issuance of other evidences of indebtedness.

(2) To add to the covenants and agreements of the University in this Indenture, other covenants and agreements to be observed by the University which are not contrary to or inconsistent with this Indenture as theretofore in effect.

(3) To add to the limitations and restrictions in this Indenture, other limitations and restrictions to be observed by the University which are not contrary to or inconsistent with this Indenture as theretofore in effect.

(4) To authorize Bonds of a Series and, in connection therewith, specify and determine the matters and things referred to in Section 204, Section 306, and Section 505, and also any other matters and things relative to such Bonds which are not contrary to or inconsistent with this Indenture as theretofore in effect or which give rights to or contain other provisions respecting a Credit Enhancer on a Series of Bonds similar to the rights given to AMBAC Indemnity or the provisions respecting AMBAC Indemnity contained in this Indenture, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first authentication and delivery of such Bonds.

(5) To confirm, as further assurance, any pledge or assignment under, and the subjection to any lien, pledge or assignment created or to be created by, this Indenture, of the Revenues or of any other moneys, securities or funds.

(6) To modify any of the provisions of this Indenture in any other respect whatever, provided that (A) such modification shall be, and be expressed to be, effective only after all Bonds of each Series Outstanding at the date of such Supplemental Indenture shall cease to be Outstanding, and (B) such Supplemental Indenture shall be specifically referred to in the next text of all Bonds of any Series authenticated and delivered after the date of such Supplemental Indenture.

Section 1002 - Supplemental Indentures Effective Upon Consent of Trustee. For any one or more of the following purposes and at any time or from time to time, a Supplemental Indenture may be authorized by a resolution adopted by the University which, upon (a) the filing with the Trustee of a copy of such resolution certified by an Authorized Officer, (b) the filing with the University of an instrument in writing made by the Trustee consenting thereto, and (c) the execution and delivery of such

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Supplemental Indenture by the University and the Trustee, shall be fully effective in accordance with its terms:

(1) To cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in this Indenture.

(2) To insert such provisions clarifying matters or questions arising under this Indenture as are necessary or desirable and are not contrary to or inconsistent with this Indenture as theretofore in effect.

Section 1003 - Supplemental Indentures Effective With Consent of Bondowners. At any time or from time to time, a Supplemental Indenture may be authorized by a resolution adopted by the University, subject to consent by Bondowners in accordance with and subject to the provisions of Article XI, which Supplemental Indenture, upon (a) the filing with the Trustee of a copy of such resolution certified by an Authorized Officer, (b) compliance with the provisions of said Article XI, and (c) execution and delivery of such Supplemental Indenture by the University and the Trustee, shall become fully effective in accordance with its terms as provided in said Article XI.

Section 1004 - General Provisions.

(a) This Indenture shall not be modified or amended in any respect except as provided in and in accordance with and subject to the provisions of this Article X and Article XI. Nothing in this Article X or Article XI contained shall affect or limit the right or obligation of the University to adopt, make, do, execute, acknowledge or deliver any resolution, act or other instrument pursuant to the provisions of Section 704 or the right or obligation of the University to execute and deliver to the Trustee any instrument which elsewhere in this Indenture it is provided shall be delivered to the Trustee.

(b) Any resolution authorizing a Supplemental Indenture referred to and permitted or authorized by Section 1001 and 1002 may be adopted by the University without the consent of any of the Bondowners, but such Supplemental Indenture shall be executed and delivered by the University and the Trustee and shall become effective only on the conditions, to the extent and at the time provided in said Sections, respectively. Every Supplemental Indenture delivered to the Trustee for execution shall be accompanied by an Opinion of Counsel stating that such Supplemental Indenture has been duly and lawfully authorized by the University and executed by the University in accordance with the provisions of this Indenture, is authorized or permitted by this Indenture, and will, when executed and delivered by the Trustee, be valid and binding upon the University and enforceable in accordance with its terms.

(c) The Trustee is hereby authorized to enter into, execute and deliver any Supplemental Indenture referred to and permitted or authorized by Sections 1001, 1002

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or 1003 and to make all further agreements and stipulations which may be therein contained, and the Trustee, in taking such action, shall be fully protected in relying on an Opinion of Counsel that such Supplemental Indenture is authorized or permitted by the provisions of this Indenture.

(d) No Supplemental Indenture shall change or modify any of the rights or obligations of the Trustee without its written assent thereto.

ARTICLE XI AMENDMENTS

Section 1101 - Mailing. Any provision in this Article for the mailing of a notice or other paper to Bondowners shall be fully complied with if it is mailed postage prepaid only to each registered Owner of Bonds then Outstanding at his address, if any, appearing upon the registry books of the University.

Section 1102 - Powers of Amendment. Any modification or amendment of this Indenture and of the rights and obligations of the University and of Owners of the Bonds thereunder, in any particular, may be made by a Supplemental Indenture, with the written consent given as provided in Section 1103 (i) of the Owners of at least a majority in principal amount of the Bonds Outstanding at the time such consent is given, and (ii) in case less than all of the several Series of Bonds then Outstanding are affected by the modification or amendment, of the Owners of at least a majority in principal amount of the Bonds of each Series so affected and Outstanding at the time such consent is given, and (iii) in case the modification or amendment changes the terms of any Sinking Fund Installment, of the Owners of at least a majority in principal amount of the Bonds of the particular Series and maturity entitled to such Sinking Fund Installment and Outstanding at the time such consent is given; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like Series and maturity remain Outstanding the consent of the Owners of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond or any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Owner of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the Owners of which is required to effect any such modification or amendment or shall change or modify any of the rights or obligations of the Trustee without its written assent thereto. For the purposes of this Section, a Series shall be deemed to be affected by a modification or amendment of this Indenture if the same adversely affects or diminishes the rights of the Owners of Bonds of such Series. The Trustee may in its discretion determine whether or not in accordance with the foregoing powers of

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amendment Bonds of any particular Series or maturity would be affected by any modification or amendment of this Indenture and any such determination shall be binding and conclusive on the University and all Owners of Bonds.

Section 1103 - Consent of Bondowners. The University may at any time authorize a Supplemental Indenture making a modification or amendment permitted by the provisions of Section 1102 to take effect when and as provided in this Section. A copy of such Supplemental Indenture (or brief summary thereof or reference thereto in form approved by the Trustee), together with a request to Bondowners for their consent thereto in form satisfactory to the Trustee, shall be mailed by the University to Bondowners (but failure to mail such copy and request shall not affect the validity of the Supplemental Indenture when consented to as in this Section provided). Such Supplemental Indenture shall not be effective until (a) there shall have been filed with the Trustee (1) the written consents of Owners of the percentages of Outstanding Bonds specified in Section 1102 and (2) an Opinion of Counsel stating that such Supplemental Indenture has been duly and lawfully executed and delivered by the University and the Trustee in accordance with the provisions of this Indenture, is authorized or permitted by this Indenture, and is valid and binding upon the University, the Trustee and the Owners of Bonds and enforceable in accordance with its terms, and (b) a notice shall have been mailed as hereinafter in this Section 1103 provided. Each such consent shall be effective only if accompanied by proof of the ownership, at the date of such consent, of the Bonds with respect to which such consent is given, which proof shall be such as is permitted by Section 1202. A certificate or certificates executed by the Trustee and filed with the University stating that it has examined such proof and that such proof is sufficient in accordance with Section 1202 shall be conclusive that the consents have been given by the Owners of Bonds described in such certificate or certificates of the Trustee. Any such consent shall be binding upon the Owners of Bonds signing such consent and, anything in Section 1202 to the contrary notwithstanding, upon any subsequent Owner of such Bonds and of any Bonds issued in exchange therefor (whether or not such subsequent Owner has notice thereof) provided however that any consent may be revoked in writing by any Owner of such Bonds by filing such revocation with the Trustee prior to the time when the written statement of the Trustee hereinafter in this Section 1103 provided for is filed. The fact that a consent has not been revoked may likewise be proved by a certificate of the Trustee filed with the University to the effect that no revocation thereof is on file with the Trustee. At any time after the Owners of the required percentages of Bonds shall have filed their consents to the Supplemental Indenture, the Trustee shall make and file with the University a written statement that the Owners of such required percentages of Bonds have filed such consents. Such written statement shall be conclusive that such consents have been filed. At any time thereafter, notice stating in substance that the Supplemental Indenture (which may be referred to as a Supplemental Indenture executed and delivered by the University and the Trustee on a stated date, a copy of which is on file with the Trustee) has been consented to by the

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Owners of the required percentages of Bonds, and will be effective as provided in this Section 1103, may be given to Bondowners by the University by mailing such notice to Bondowners (but failure to mail such notice shall not prevent such Supplemental Indenture from becoming effective and binding as in this Section 1103 provided). The University shall file with the Trustee proof of the mailing of such notice to Bondowners. A record, consisting of the certificates or statements required or permitted by this Section 1103 to be made by the Trustee, shall be proof of the matters therein stated. Such Supplemental Indenture making such amendment or modification shall be deemed conclusively binding upon the University, the Trustee and the Owners of all Bonds at the expiration of forty (40) days after the filing with the Trustee of the proof of the mailing of such last mentioned notice, except in the event of a final decree of a court of competent jurisdiction setting aside such Supplemental Indenture in a legal action or equitable proceeding for such purpose commenced within such forty (40)-day period; provided, however, that the Trustee and the University during such forty (40)-day period and any such further period during which any such action or proceeding may be pending shall be entitled in their absolute discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Indenture as they may deem expedient.

Section 1104 - Modifications by Unanimous Consent. This Indenture and the rights and obligations of the University and of the Owners of Bonds hereunder may be modified or amended in any respect by a Supplemental Indenture effecting such modification or amendment and the consents of the Owners of all the Bonds then Outstanding, each such consent to be accompanied by proof of the ownership at the date of such consent of the Bonds with respect to which consent is given. Such Supplemental Indenture shall take effect upon its execution and delivery by the University and the Trustee, and the filing (a) with the Trustee of (1) a copy of the resolution authorizing the Supplemental Indenture certified by an Authorized Officer of the University, (2) such consents and accompanying proofs and (3) the Counsel's Opinion referred to in Section 1103, and (b) with the University and the Trustee of the Trustee's written statement that the consents of the Owners of all Outstanding Bonds have been filed with it. No mailing of any Supplemental Indenture (or reference thereto or summary thereof) or of any request or notice shall be required. No such modification or amendment, however, shall change or modify any of the rights or obligations of the Trustee without its written assent thereto.

Section 1105 - Exclusion of Bonds. Bonds owned by or for the account of the University shall not be deemed Outstanding for the purpose of consent or other action or any calculation of Outstanding Bonds provided for in this Article XI, and the University shall not be entitled with respect to such Bonds to give any consent or take any other action provided for in this Article. At the time of any consent or other action taken under this Article, the University shall furnish the Trustee a certificate of an

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to the Owners of such Bonds shall thereupon cease, terminate and become void and be discharged and satisfied. A Supplemental Indenture may modify this provision to provide that Bonds which are the subject of Credit Enhancement are not deemed paid if the Bonds are paid by a Credit Enhancer. [Effective Dec. 1, 2003.]

(b) Bonds or interest installments for the payment or redemption of which moneys shall have been set aside and shall be held in trust by the Trustee (through deposit by the University of funds for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this Section 1201. Prior to the maturity or redemption date thereof, Bonds shall be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this Section 1201 if (1) in case any of said Bonds are to be redeemed on any date prior to their maturity, the University shall have given to the Trustee irrevocable instructions accepted in writing by the Trustee to mail as provided in Article IV notice of redemption of such Bonds on said date, (2) there shall have been deposited with the Trustee either moneys (including moneys withdrawn and deposited pursuant to Section 505(d) or Section 504(d)) in an amount which shall be sufficient, or Federal Obligations (including any Federal Obligations issued or held in book-entry form on the books of the Department of the Treasury of the United States of America) the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient to pay when due the principal or Redemption Price, if applicable, and interest due and to become due on said Bonds on or prior to the redemption date or maturity date thereof, as the case may be, and (3) the University shall have given the Trustee in form satisfactory to it irrevocable instructions to mail, as soon as practicable, a notice to the Owners of such Bonds that the deposit required by (2) above has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with this Section 1201 and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal or Redemption Price, if applicable, and interest on said Bonds. Neither Federal Obligations nor moneys deposited with the Trustee pursuant to this Section 1201 nor principal or interest payments on any such Federal Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Redemption Price, if applicable, and interest on said Bonds; provided that any cash received from such principal or interest payments on such Federal Obligations deposited with the Trustee, (A) to the extent such cash will not be required at any time for such purpose, after verification by a certified public accountant, shall be paid over to the University as received by the Trustee, free and clear of any trust, lien, pledge or assignment securing said Bonds or otherwise existing under this Indenture, and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Federal Obligations maturing at times and in amounts sufficient to pay when due the principal or Redemption Price, if applicable, and interest to become due on said Bonds, on or prior to such redemption

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Authorized Officer of the University upon which the Trustee may rely, describing all Bonds so to be excluded.

Section 1106 - Notation on Bonds. Bonds authenticated and delivered after the effective date of any action taken as in Article X or Article XI provided may, and if the Trustee so determines, shall, bear a notation by endorsement or otherwise in form approved by the University and the Trustee as to such action, and in that case upon demand of the Owner of any Bond Outstanding at such effective date and presentation of his Bond for the purpose at the principal corporate trust office of the Trustee or upon any transfer or exchange of any Bond Outstanding at such effective date, suitable notation shall be made on such Bond or upon any Bond issued upon any such transfer or exchange by the Trustee as to any such action. If the University or the Trustee shall so determine, new Bonds so modified as in the opinion of the Trustee and the University to conform to such action shall be prepared, authenticated and delivered, and upon demand of the Owner any Bond then Outstanding shall be exchanged, without cost to such Bondowner, for Bonds of the same Series and maturity then Outstanding, upon surrender of such Bonds.

ARTICLE XII DEFEASANCE; MISCELLANEOUS PROVISIONS

Section 1201 - Defeasance.

(a) If the University shall pay or cause to be paid, or there shall otherwise be paid, to the Owners of all Bonds the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the time and in the manner stipulated therein and in this Indenture, and any amounts due and owing under any Reserve Equivalent, then the pledge and assignment of any Revenues and other moneys and securities pledged under this Indenture and all covenants, agreements and other obligations of the University to the Bondowners, shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall cause an accounting for such period or periods as shall be requested by the University to be prepared and filed with the University and, upon the request of the University shall execute and deliver to the University all such instruments as may be desirable to evidence such discharge and satisfaction, and the Trustee shall pay over or deliver to the University all moneys or securities held by it pursuant to this Indenture which are not required for the payment of principal or Redemption Price, if applicable, and interest on Bonds. If the University shall pay or cause to be paid or there shall otherwise be paid, to the Owners of all Outstanding Bonds of a particular Series, or of a particular maturity within a Series, the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Indenture, such Bonds shall cease to be entitled to any lien, benefit or security under this Indenture, and all covenants, agreements and obligations of the University

date or maturity date thereof, as the case may be, and interest earned from such reinvestment shall be paid over to the University as received by the Trustee, free and clear of any trust, lien, pledge or assignment securing said Bonds or otherwise existing under this Indenture. For the purposes of this Section 1201, Federal Obligations shall mean and include only such Federal Obligations which shall not be subject to redemption prior to their maturity other than at the option of the holder thereof.

(c) Anything in this Indenture to the contrary notwithstanding, and except to the extent otherwise required by law, any moneys held by the Trustee in trust for the payment and discharge of any of the Bonds which remain unclaimed for six years after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Trustee at such date, or for six years after the date of deposit of such moneys if deposited with the Trustee after the said date when such Bonds became due and payable, shall, at the written request of the University, be repaid by the Trustee to the University, and the Trustee shall thereupon be released and discharged with respect thereto and the Bondowners shall look only to the University for the payment of such Bonds.

Section 1202 - Evidence of Signatures of Bondowners and Ownership of Bonds.

(a) Any request, consent, revocation of consent or other instrument which this Indenture may require or permit to be signed and executed by the Bondowners may be in one or more instruments of similar tenor, and shall be signed or executed by such Bondowners in person or by their attorneys appointed in writing. Proof of the execution of any such instrument, or of any instrument appointing any such attorney, shall be sufficient for any purpose of this Indenture (except as otherwise herein expressly provided) if made in the following manner, or in any other manner satisfactory to the Trustee, which may nevertheless in its discretion require further and other proof in cases where it deems the same desirable.

The fact and date of the execution by any Bondowner or his attorney of such instruments may be proved by a guarantee of the signature thereon by a bank or trust company or by the certificate of any notary public or other officer authorized to take acknowledgements of deeds, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or partnership, such signature guarantee, certificate or affidavit shall also constitute sufficient proof of his authority.

(b) The ownership of Bonds and the amount, numbers and other identification, and date of holding the same shall be proved by the registry books.

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(c) Any request or consent by the Owner of any Bond shall bind all future such Bond in respect of anything done or suffered to be done by the University or the Trustee in accordance therewith.

Section 1203 - Moneys Held for Particular Bonds. The amounts held by the Trustee for the payment of the interests principal or Redemption Price due on any date with respect to particular Bonds shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Owners of the Bonds entitled thereto.

Section 1204 - Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Indenture shall be retained in its possession and shall be subject at all reasonable times during regular hours with reasonable notice to the inspection of the University and any Bondowner and their agents and their representatives, any of whom may make copies thereof.

Section 1205 - No Recourse Under Indenture or on Bonds. All covenants, stipulations, promises, agreements and obligations of the University contained in this Indenture shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the University and not of any officer or employee of the University in an individual capacity, and no recourse shall be had for the payment of the principal or Redemption Price of or interest on the Bonds or for any claim based thereon or on this Indenture against any officer or employee of the University or any natural person executing the Bonds.

Section 1206 - Security Instrument. A certified copy of this Indenture, delivered to and accepted by the Trustee, shall constitute a security agreement pursuant to and for all purposes of the Uniform Commercial Code of the State of Alaska.

Section 1207 - Counterparts. This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 1208 - Severability of Invalid Provisions. If any one or more of the covenants provided in this Indenture on the part of the University or the Trustee to be performed should be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of this Indenture.

Section 1209 - Holidays. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Indenture, shall be a legal holiday or a day on which banking institutions in the city in which is located the principal office of the Trustee are authorized by law to remain closed, such payment

may be made or act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are not authorized by law to remain closed, with the same force and effect as if done on the nominal date provided in this Indenture.

Section 1210 - Notices. All notices hereunder shall be in writing and shall be validly given if mailed postage prepaid to the parties hereto at the following addresses.

To the University: University of Alaska
Butrovich Building, Rm. 207D
910 Yukon Drive
Fairbanks, Alaska 99775
Attention: Controller and
Associate Vice President for Finance

To the Trustee: First Interstate Bank of Washington, N.A.
999 Third Avenue, 14th Floor
Seattle, Washington 98104
Attention: Corporate Trust Department

The parties hereto may, by giving notice to the other parties, designate such other or further addresses as may be appropriate.

IN WITNESS WHEREOF, the University has caused this Trust Indenture to be executed by its Controller and Associate Vice President for Finance and its official seal to be impressed hereon, and the Trustee has caused this Trust Indenture to be executed by one of its Authorized Signatories all as of the day and year first above written.

UNIVERSITY OF ALASKA

[SEAL]

By _____
JAMES F. LYNCH
Controller and Associate
Vice President for Finance

FIRST INTERSTATE BANK OF WASHINGTON,
N.A.
as Trustee

By _____
Authorized Signatory

APPENDIX C

FORM OF OPINION OF BOND COUNSEL

WOHLFORTH | BRECHT | CARTLEDGE | BROOKING

A PROFESSIONAL CORPORATION

Julius J. Brecht
Cheryl Rawls Brooking
Cynthia L. Cartledge
Claire F. DeWitte
Michael Gatti
Mary B. Pinkel
Eric E. Wohlforth

ATTORNEYS AT LAW
900 WEST 5TH AVENUE, SUITE 600
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TELEPHONE
907.276.6401

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WEBSITE
WWW.AKATTY.COM

March __, 2013

Board of Regents
University of Alaska
910 Yukon Drive
Butrovich Building, Suite 208
Fairbanks, Alaska 99775

Ladies and Gentlemen:

We have examined the Constitution and laws of the State of Alaska and a record of the proceedings relating to the issuance of the University of Alaska (the "University") General Revenue and Refunding Bonds, 2013 Series S (the "Bonds") in the aggregate principal amount of \$_____. The University constitutes a body corporate under Article VII, Section 2, of the Alaska Constitution.

The Bonds are authorized by and issued pursuant to Chapter 40, Title 14, of the Alaska Statutes, as amended (the "Act") and a Resolution of the Board of Regents of the University duly adopted on February __, 2013 (the "Resolution") and are issued pursuant to an indenture between the University, as Issuer, and The Bank of New York Mellon Trust Company, N.A., as successor trustee, dated as of June 1, 1992 (the "Master Indenture"), as supplemented by prior supplemental indentures and, specifically for the Bonds, by a Sixteenth Supplemental Indenture between the University and the Trustee, dated as of March 1, 2013 (the "Supplemental Indenture" and together with the Master Indenture, the "Indenture").

The Bonds bear interest at the rates per annum and mature on October 1 in each of the years and in the respective principal amounts set out as follows:

<u>Maturity Date</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Maturity Date</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>
2013	\$	%	2021	\$	%
2014			2022		
2015			2023		
2016			2024		
2017			2025		
2018			2026		
2019			2027		
2020					

The Bonds shall bear interest from the date of delivery. The first interest payment date shall be October 1, 2013, and semiannually thereafter on April 1 and October 1 in each year. The Bonds are dated as of the date of delivery. The Bonds are subject to redemption prior to maturity as provided in the Indenture and form of Bond.

In connection with the issuance of the Bonds, we have reviewed the Indenture and the federal tax certificate of the University dated the date hereof (the "Tax Certificate"), an opinion of counsel to the University, certificates of the University, the Trustee and others, and other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. We disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) by any parties other than the University and the due and legal execution and delivery thereof by any parties other than the University. We have not undertaken to verify independently, and have assumed, accuracy of the factual matters represented, warranted or certified in the documents referred to in the preceding paragraph. Furthermore, we have assumed compliance with the covenants and agreements contained in the Indenture and the Tax Certificate, including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Bonds to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Bonds, the Indenture and the Tax Certificate may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights generally and to the application of equitable principles. Finally, we express no opinion as to the Official Statement or other offering material relating to the Bonds. All capitalized terms used herein and not defined herein are used with the meaning assigned to such terms by the Indenture.

Subject to the foregoing, we are of the opinion that, under existing law:

1. Under the Constitution and laws of the State of Alaska, the University has the power to adopt the Resolution, enter into the Indenture and perform the agreements therein on its part contained and to issue the Bonds.
2. The Indenture has been duly authorized, executed and delivered and constitutes a valid and legally binding obligation of the University enforceable in accordance with its terms (subject, as to enforcement of remedies, to applicable

bankruptcy, reorganization, insolvency, moratorium, or other laws affecting creditors' rights generally from time to time in effect).

3. The Bonds are valid and legally binding in accordance with their terms, have been executed by duly authorized persons, and constitute valid and legally binding special revenue obligations of the University, payable and enforceable in accordance with their terms and the terms of the Indenture, subject to laws relating to bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights theretofore or hereafter enacted to the extent applicable and subject to the exercise of individual discretion in appropriate cases and to the application of equitable principles if equitable remedies are sought. The Bonds do not constitute an indebtedness or liability of the State of Alaska or of any other subdivision thereof, except as a special obligation of the University as herein described.

4. Pursuant to the Act, the Indenture creates a valid lien on the Revenues pledged by the Indenture for the security of the Bonds on a parity with outstanding bonds previously issued under the Master Indenture and with Additional Bonds, if any, issued or to be issued under the Master Indenture subject to no prior lien granted under the Act.

5. Under existing laws, regulations, rulings and judicial decisions, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. However, interest on the Bonds is taken into account in determining "adjusted current earnings" for purposes of computing the alternative minimum tax imposed on certain corporations. The opinions set forth in this paragraph are subject to the condition that the University comply with all requirements of the Internal Revenue Code of 1986, as amended, and the regulations applicable thereto, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The University has covenanted to comply with all applicable requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes to be retroactive to the date of issuance of the Bonds. We express no other opinion regarding other federal tax consequences relating to the ownership or disposition of, or the accrual or receipt of, interest on the Bonds.

6. Under existing law, interest on the Bonds is free from taxation by the State of Alaska except for transfer, estate and inheritance taxes, and except to the extent that inclusion of said interest in computing the federal alternative minimum tax imposed on corporations, as described above, may affect the corresponding provisions of the State of Alaska corporate income tax.

Except as expressly stated above, we express no opinion regarding any other federal or state income tax consequences of acquiring, carrying, owning or disposing of the Bonds. Owners of the Bonds should consult their tax advisor regarding the applicability of any collateral tax consequences of owning the Bonds, which may include original issue discount, original issue premium, purchase at a market discount or at a premium, taxation upon sale, redemption or other disposition, and various withholding requirements.

We have not been engaged nor have we undertaken to review the accuracy, completeness or sufficiency of the official statement or other offering material related to the Bonds (except to the extent, if any, stated in the official statement or a supplemental opinion dated the date hereof).

This opinion is given as of the date hereof, and we assume no obligation to update, revise or supplement this opinion or reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Sincerely,

WOHLFORTH, BRECHT,
CARTLEDGE & BROOKING

Cynthia L. Cartledge

CLC/snr

APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the University of Alaska (the "Issuer") in connection with the issuance of \$_____ University of Alaska General Revenue and Refunding Bonds, 2013 Series S (the "Bonds"). The Bonds are being issued pursuant to an Indenture dated as of June 1, 1992, as amended, between the Issuer and The Bank of New York Mellon Trust Company, N.A., as successor trustee (the "Trustee") and a Sixteenth Supplemental Indenture dated as of March 1, 2013, between the Issuer and the Trustee (together, the "Indenture"). The Issuer covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Beneficial Owners to assist the purchaser of the Bonds in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Accounting Principles" shall mean the accounting principles applied from time to time in the preparation of the Issuer's annual financial statements, which initially are generally accepted accounting principles as promulgated from time to time by the Governmental Accounting Standards Board of the Financial Accounting Foundation (or its successor).

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean the person in whose name a Bond is recorded as the beneficial owner of such Bond by the respective systems of The Depository Trust Company and each of the DTC's Participants or the registered owner of the Bond if the Bond is not then registered in the name of Cede & Co., as nominee of DTC.

"CEDE & Co." shall mean CEDE & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds.

"Commission" shall mean the Securities and Exchange Commission.

"DTC" shall mean The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and its successors and assigns.

"DTC Participant" shall mean trust companies, banks, brokers, dealers, clearing corporations, and certain other organizations that are participants of DTC.

"Disclosure Representative" shall mean the Controller of the Issuer, or his or her designee, or such other officer or employee as the Issuer shall designate in writing from time to time.

"Fiscal Year" shall mean any twelve-month period ending on June 30 or on such other date as the Issuer may designate from time to time.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. Provision of Annual Reports.

(a) The Issuer shall, not later than December 15 of each year (the "Filing Date") (commencing in 2013 for the fiscal year ended June 30, 2013), provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate.

(b) If the Issuer is unable to provide to the MSRB an Annual Report by the Filing Date during the term of the Bonds, the Issuer will send a written notice of failure to file an Annual Report to MSRB.

SECTION 4. Content of Annual Reports. The Issuer's Annual Report shall contain or incorporate by reference the annual audited financial statement of the Issuer prepared in accordance with Generally Accepted Accounting Principles and financial information and operating data generally of the type included in the final official statement for the Bonds under the following headings:

- (a) SECURITY FOR THE BONDS - Table 2: Revenues Pledged to General Revenue Bonds (for previous fiscal year);
- (b) SECURITY FOR THE BONDS - Table 3: Combined Debt Service on General Revenue Bonds and Other Indebtedness (for current fiscal year);
- (c) GENERAL INFORMATION CONCERNING THE UNIVERSITY OF ALASKA - Table 5: On Campus Fall Enrollment (for previous fiscal year);
- (d) GENERAL INFORMATION CONCERNING THE UNIVERSITY OF ALASKA - Table 6: Student Applications and Enrollment (for previous fiscal year);
- (e) GENERAL INFORMATION CONCERNING THE UNIVERSITY OF ALASKA - Table 7: Student Tuition per Credit Hour (for current fiscal year);
- (f) GENERAL INFORMATION CONCERNING THE UNIVERSITY OF ALASKA - Table 8: Average Annual Full-Time Student Tuition and Fees (for current fiscal year);
- (g) GENERAL INFORMATION CONCERNING THE UNIVERSITY OF ALASKA - Table 9: Annual Student Room and Board and Total Undergraduate Educational Costs (for current fiscal year); and
- (h) GENERAL INFORMATION CONCERNING THE UNIVERSITY OF ALASKA - Table 11: Summary of State Appropriations (for current fiscal year).

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to the MSRB. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Issuer shall clearly identify each such other document so incorporated by reference.

SECTION 5. Reporting of Significant Events.

(a) The Issuer shall file with the MSRB a notice of any of the following events with respect to the Bonds, within ten (10) business days of the occurrence of such event:

- (1) Principal and interest payment delinquencies.

(2) Unscheduled draws on debt service reserves reflecting financial difficulties.

(3) Unscheduled draws on credit enhancements reflecting financial difficulties.

(4) Substitution of credit or liquidity providers, or their failure to perform.

(5) Adverse tax opinions or events affecting the tax-exempt status of the Bonds which include (i) the issuance by the Internal Revenue Service ("IRS") of proposed or final determinations of taxability, (ii) Notices of Proposed Issues (IRS Form 5701-TEB), (iii) other material notices or determinations with respect to the Bonds, and (iv) other events affecting the tax status of the Bonds.

(6) Defeasances.

(7) Rating changes.

(8) Tender offers.

(9) Bankruptcy, insolvency, receivership or similar proceeding by the Issuer or "obligated person."

(b) The Issuer shall file with the MSRB a notice of any of the following events with respect to the Bonds, within ten (10) business days of the occurrence of such event, if material:

(1) Nonpayment-related defaults.

(2) Modifications to rights of holders of the Bonds.

(3) Bond calls, other than mandatory, scheduled redemptions not otherwise contingent on the occurrence of an event.

(4) Release, substitution or sale of property securing repayment of the Bonds.

(5) Other than in the normal course of business, the consummation of a merger, consolidation, or acquisition involving an "obligated person," or the sale of all or substantially all of the assets of the Issuer or "obligated person," or the entry into a definitive agreement to undertake such an action, or a

termination of a definitive agreement relating to any such actions, other than in accordance with its terms.

(6) Appointment of a successor or additional trustee or the change in name of the trustee for the Bonds.

SECTION 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance (if notice is given as provided above), prior redemption or payment in full of all of the Bonds. Further, the Issuer's obligations hereunder shall be null and void if the Issuer (1) obtains an opinion of nationally recognized bond counsel to the effect that portions of this undertaking are invalid, have been repealed retroactively or otherwise do not apply to the Bonds, and (2) notifies the MSRB of such opinion and the cancellation of this undertaking, or any portion hereof, and the MSRB is provided with a copy of such opinion.

SECTION 7. Filing Alternatives. Any filing required under the terms of this Disclosure Certificate may be made solely by transmitting such filing to the Electronic Municipal Market Access as provided at <http://www.emma.msrb.org>, or in such other manner as may be permitted from time to time by the SEC.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate without the consent of the Beneficial Owners of the Bonds, and any provision of this Disclosure Certificate may be waived without the consent of the Beneficial Owners of the Bonds, provided (i) such amendment or waiver is supported by an opinion of nationally recognized bond counsel to the effect that such amendment, or waiver does not materially impair the interests of the Beneficial Owners of the Bonds; (ii) the undertakings governed by this Disclosure Certificate would have complied with the requirements of the Rule as of the date hereof, after taking into account any amendments or interpretations of the Rule, as well as any changes in circumstances; (iii) the amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identify, nature or status of the Issuer; and (iv) notice is provided to the MSRB of such opinion and the MSRB is provided with a copy of such opinion.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in an Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by

this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any Bondholder or Beneficial Owner of a Bond may compel compliance by specific performance. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel specific performance.

SECTION 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: March __, 2013

UNIVERSITY OF ALASKA

MYRON J. DOSCH
Controller

**DRAFT: 1/30/13
v. 5**

SIXTEENTH SUPPLEMENTAL INDENTURE

by and between

UNIVERSITY OF ALASKA

and

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee**

Dated and Effective as of March 1, 2013

Authorizing

\$ _____
UNIVERSITY OF ALASKA
GENERAL REVENUE AND REFUNDING BONDS, 2013 SERIES S

and

AMENDMENT TO THE TERMS OF THE TRUST INDENTURE

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SUPPLEMENTAL INDENTURE

THIS SIXTEENTH SUPPLEMENTAL INDENTURE (the "Sixteenth Supplemental Indenture"), dated as of March 1, 2013, between the UNIVERSITY OF ALASKA (the "University"), a public corporation and governmental instrumentality of the State of Alaska, created and existing under Section 2 of Article VII of the Alaska Constitution and Chapter 40 of Title 14 of the Alaska Statutes, and The Bank of New York Mellon Trust Company, N.A., a national banking association (the "Trustee").

WITNESSETH:

WHEREAS, the University and the predecessor to the Trustee entered into a Trust Indenture dated as of June 1, 1992, as amended (the "Indenture") to secure the University's General Revenue Bonds (the "Bonds"); and

WHEREAS, under the terms of the Indenture, the University and the Trustee may enter into a supplemental indenture from time to time to authorize the issuance of one or more Series of Bonds; and

WHEREAS, the University has issued seventeen Series of Bonds under the Indenture (collectively, the "Prior Bonds"); and

WHEREAS, it is a purpose of this Sixteenth Supplemental Indenture to authorize the issuance of the University's General Revenue and Refunding Bonds, 2013 Series S, in the principal amount of \$_____ (the "2013 Bonds"); and

WHEREAS, the University will use proceeds of the 2013 Bonds to (i) pay costs associated with the Projects, (ii) refund and redeem a portion of the Prior Bonds, (iii) make a deposit to the Reserve Fund, and (iv) pay costs associated with the issuance of the 2013 Bonds, all as more fully described; and

WHEREAS, Additional Bonds of a Series having an equal lien on Revenues with the Prior Bonds may be issued under Section 206(b) of the Indenture upon delivery to the Trustee of a Certificate stating that the University's Revenues for the fiscal year preceding the issuance of Additional Bonds is at least 2.0 times the maximum aggregate debt service that will be due at any time after the issuance of the Additional Bonds and the appropriate Authorized Officer has determined that the certificate may be issued; and

WHEREAS, Refunding Bonds may be issued under Section 207 of the Indenture upon satisfaction of the conditions contained in that section, which include, among other conditions, a requirement that the University deliver to the Trustee a certificate of an Authorized Officer to the effect (i) that the issuance of the Refunding Bonds will not increase the aggregate debt service payable in each fiscal year with respect to the University's outstanding Bonds, or (ii) that the University's revenues for the fiscal year preceding the issuance of the Refunding Bonds is at least equal to 2.0 times the maximum aggregate debt service that will be due at any time after the issuance of the Refunding Bonds; and

WHEREAS, in order to provide for, among other matters, the authentication and delivery of the 2013 Bonds, to establish and declare the terms and conditions upon which the 2013 Bonds are to be issued and secured, and to secure the payment of the principal thereof and of the interest thereon, the University has authorized the execution and delivery of this Sixteenth Supplemental Indenture; and

WHEREAS, all acts and proceedings required by law necessary to make the 2013 Bonds, when executed and duly issued by the University and authenticated and delivered by the Trustee, the valid, binding, and legal obligations of the University, and to constitute the Indenture and this Sixteenth Supplemental Indenture valid and binding agreements for the uses and purposes therein and herein set forth, in accordance with their terms, have been done and taken; and the execution and delivery of the Indenture and this Sixteenth Supplemental Indenture have been in all respects duly authorized; and

WHEREAS, under the terms of the Indenture, the University and the Trustee may enter into a supplemental indenture from time to time to modify or amend any of the rights and obligations of the University set forth in the Indenture effective only after all Bonds of each Series Outstanding, as of the date of such Supplemental Indenture, shall cease to be Outstanding; and

WHEREAS, it is a purpose of this Sixteenth Supplemental Indenture to modify and amend the terms of the Indenture as follows: (i) to eliminate the establishment and maintenance of the Reserve Fund and related funding obligations, (ii) to allow for certain amendments and modifications to the Indenture to be effective upon securing the consent of the Owners and of at least a majority of principal amount of Bonds then Outstanding and to provide that consent of an Owner of Bonds may be revoked unless such consent by its terms is made irrevocable, and (iii) to establish that consent of Owners of Bonds, when required under the terms of the Indenture, includes the consent of an underwriter or purchaser of a Series of Bonds at the time such Bonds are issued; and

WHEREAS, in order to provide for the modifications to, and amendments of, the Indenture, the University has authorized the execution and delivery of this Sixteenth Supplemental Indenture;

NOW, THEREFORE, THIS SIXTEENTH SUPPLEMENTAL INDENTURE WITNESSETH, that (i) in order to secure the payment of the principal or redemption price of, and the interest on, all 2013 Bonds at any time issued and outstanding under this Sixteenth Supplemental Indenture, according to their tenor, and to secure the performance and observance of all the covenants therein and herein set forth, and to declare the terms and conditions upon and subject to which the 2013 Bonds are to be issued and delivered, and for and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the 2013 Bonds by the Owners thereof, and for other valuable consideration, to provide additional covenants and agreements not contrary to or inconsistent with the Indenture, the receipt whereof is hereby acknowledged, and (ii) to authorize the modifications of, and amendments to, the Indenture as provided for herein, the University covenants and agrees with the Trustee, for the benefit of the respective Owners from time to time of the 2013 Bonds and the Bonds, as follows:

ARTICLE I – DEFINITIONS

Section 101 – Definitions.

(a) All defined terms contained in the Indenture shall have the same meanings, respectively, in this Sixteenth Supplemental Indenture as such defined terms are given in Section 101 of the Indenture.

(b) In addition, as used in this Sixteenth Supplemental Indenture, unless the context shall otherwise require, the following terms shall have the following respective meanings:

"Bond Purchase Contract" means the agreement by and between the University and the Underwriter providing for the purchase and sale of the 2013 Bonds.

"Effective Date" means March 1, 2013, the effective date of this Supplemental Indenture.

"Escrow Agent" means The Bank of New York Mellon Trust Company, N.A.

"Escrow Agreement" means the agreement entered into by and between the University and the Escrow Agent, dated the date of issuance of the 2013 Bonds, securing payment for the Refunded Bonds.

"Investment Securities" means any of the following:

(a) direct general obligations of the United States of America and obligations (including obligations of any federal agency or corporation) the timely payment of the principal and interest on which, by act of the Congress of the United States or in the opinion of the Attorney General of the United States in office at the time such obligations were issued, are fully and unconditionally guaranteed by the full faith and credit of the United States of America, or so long as at the time of their purchase such investments will not adversely affect the then-current ratings, if any, assigned to the Bonds by each Rating Agency, any other evidences of an ownership interest in obligations or in specified portions thereof (which may consist of specified portions of the interest thereon) of the character described in this subparagraph (a);

(b) any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which at the time of their purchase under this Sixteenth Supplemental Indenture are rated in one of the two highest rating categories of each Rating Agency;

(c) bonds, debentures, participation certificates (representing a timely guaranty of principal and interest), notes or similar evidences of indebtedness of any of the following: Financing Corporation, Federal Home Loan Bank System, Federal Farm Credit Bank, Fannie Mae (excluding "stripped" securities), Federal Home Loan Mortgage Corporation, Resolution Funding Corporation, Government National Mortgage Association;

(d) public housing bonds issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States of America; or temporary notes, preliminary notes or project notes issued by public agencies or municipalities, in each case fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States of America; provided, however, that any investment purchased pursuant to this subparagraph (d) shall be rated in one of the two highest rating categories of each Rating Agency;

(e) prime commercial paper of a corporation incorporated under the laws of any state of the United States of America, having at the time of their purchase under this Sixteenth Supplemental Indenture a rating in one of the two highest rating categories from each Rating Agency;

(f) interest-bearing time deposits, certificates of deposit, including those placed by a third party pursuant to any agreement between the Trustee and the University, interest

bearing money market accounts, overnight bank deposits, trust funds, trust accounts, bankers' acceptances, or other similar banking arrangements with banks (which may include any fiduciary or the Trustee or any of its affiliates), provided that such deposits are made with banks rated in one of the two highest rating categories by each Rating Agency at the time the deposit is made or are fully FDIC insured;

(g) shares of a diversified open-end management investment company as defined in the Investment Company Act of 1940, which is a money market fund, which are rated (which rating shall, in the case of S&P, have a subscript of "m" or "m-G") at the time of their purchase by each Rating Agency no lower than the two highest rating categories assigned to the Bonds by the Rating Agency;

(h) shares of a diversified open-end management investment company as defined in the Investment Company Act of 1940, that invests in the Investment Securities described in subparagraphs (a), (b) and (c) above, provided that such fund shall have at the time of investment in such fund at least one of the highest rating categories from each Rating Agency, including without limitation any mutual fund for which the Trustee or an affiliate of the Trustee serves as investment manager, administrator, shareholder servicing agent, and/or custodian or subcustodian, notwithstanding that (i) the Trustee or an affiliate of the Trustee receives fees from funds for services rendered, (ii) the Trustee collects fees for services rendered pursuant to this Sixteenth Supplemental Indenture, which fees are separate from the fees received from such funds, and (iii) services performed for such funds and pursuant to this Sixteenth Supplemental Indenture may at times duplicate those provided to such funds by the Trustee or an affiliate of the Trustee;

(i) repurchase or reverse repurchase agreements (including those of the Trustee or its affiliates) for obligations of the type specified in subparagraphs (a) and (c) above, provided that either (a) the repurchase agreement is an unconditional obligation of the counterparty and such counterparty (or an affiliated guarantor) is rated at the time of its purchase by each Rating Agency no lower than the rating assigned to the Bonds by such Rating Agency, or (b) the repurchase agreement is an obligation of a counterparty that is rated at the time of its purchase by each Rating Agency in an investment grade category and is collateralized by obligations which (i) are marked to market at intervals, (ii) have a value equal to not less than the percentage of the amount thereby secured, and (iii) have such additional legal requirements specified by each Rating Agency, taking into account the maturity of such obligations;

(j) any investment agreement with a bank, bank holding company, insurance company or other financial institution rated at the time such investment is made by each Rating Agency no lower than one of the two highest rating categories from each Rating

Agency or guaranteed by an entity rated by each Rating Agency no lower than the two highest categories of rating assigned from each Rating Agency rating such Bonds; and

(k) any other investment securities of Rating Quality.

"Rating Quality" means, with respect to the 2013 Bonds and in the determination of the University, having terms, conditions and/or a credit quality such that the item stated to be of "Rating Quality" will not impair the ability of the University to obtain the ratings received with respect to the Bonds and will not cause any such Rating Agency to lower or withdraw the rating it has assigned to the 2013 Bonds.

"Refunded Bonds" means those maturities and principal amounts of the Prior Bonds set forth in Exhibit C hereof.

"Underwriter" means Barclays Capital Inc.

"2013 Bonds" means the Bonds of the University authorized by this Sixteenth Supplemental Indenture and herein designated "General Revenue and Refunding Bonds, 2013 Series S," in the principal amount of \$_____.

ARTICLE II – AUTHORIZATION, TERMS, AND ISSUANCE

Section 201 – Authorization, Principal Amount, Description, and Series.

In order to provide funds necessary for the purposes specified in Sections 206 and 207 of the Indenture, in accordance with and subject to the terms, conditions, and limitations established herein and in the Indenture, a Series of General Revenue Bonds is hereby authorized to be issued in the aggregate principal amount of \$_____. The Bonds of such Series shall be designated and entitled "General Revenue and Refunding Bonds, 2013 Series S."

Section 202 – Purpose.

The purpose for which the 2013 Bonds are being issued is to (i) pay the Cost of Acquisition or Construction of the Projects, or a portion thereof, in accordance with Section 206 of the Indenture and as described in Exhibit B attached hereto, (ii) provide funds to refund and redeem the Refunded Bonds in accordance with Section 207 of the Indenture and as described in Exhibit C attached hereto, (iii) make a deposit to the Reserve Fund, and (iv) pay costs of issuing the 2013 Bonds, including the Underwriter's discount.

Section 203 – Issue Date and Form.

The 2013 Bonds shall be dated as of the date the 2013 Bonds are delivered to the Underwriter. The 2013 Bonds and the Trustee's certificate of authentication are to be in substantially the forms thereof set out in Exhibit A with such necessary or appropriate variations, omissions, and insertions as are permitted by the Indenture.

The 2013 Bonds shall be issued in registered form in the denomination of \$5,000 or any integral multiple thereof, not exceeding the aggregate principal of the Bonds authorized herein. The 2013 Bonds shall be numbered serially with any additional designation that the Trustee deems appropriate. The 2013 Bonds shall be issued initially in the form of a separate, single, authenticated, fully registered Bond for each maturity. Upon issuance, the ownership of such 2013 Bonds shall be registered in the registry books kept by the Trustee in the name of Cede & Co., as nominee for The Depository Trust Company, the Bond Depository as provided in Section 306 of the Indenture.

Section 204 – Denominations, Maturities, and Interest Rates.

The 2013 Bonds shall mature on October 1 in the following years, and bear interest from their date, payable on October 1, 2013, and semiannually thereafter on April 1 and October 1 in each year, at the rates per annum set opposite such years in the following table:

2013 Series S Bonds

Maturity Date (October 1)	Principal Amount	Interest Rate	Maturity Date (October 1)	Principal Amount	Interest Rate
2013	\$	%	2021	\$	%
2014			2022		
2015			2023		
2016			2024		
2017			2025		
2018			2026		
2019			2027		
2020					

Section 205 – Redemption.

The 2013 Bonds maturing on or after October 1, 2023, are subject to redemption, either as a whole or in part in any order of maturity selected by the University, subject to the provisions of, and in accordance with, the Indenture on or after October 1, 2022, on any date selected by the University, and prior to their respective maturities, upon notice as

provided in the Indenture, at a Redemption Price equal to the principal amount thereof plus accrued interest to the date of redemption.

Unless previously redeemed pursuant to the foregoing optional redemption provisions, the 2013 Bonds maturing on October 1, 20__ are subject to mandatory redemption on October 1 of the following years and in the following principal amounts at 100% of the principal amount of the 2013 Bonds to be redeemed plus accrued interest, if any, to the redemption date.

Term Bond Due October 1, 20__

<u>Year</u>	<u>Sinking Fund Requirement</u>
20__	\$ _____
20__	_____*

* Final Maturity

Section 206 – Purchase of 2013 Bonds.

At the written direction of an Authorized Officer of the University the Trustee shall purchase 2013 Bonds offered the University at prices deemed acceptable to the University. Provided, however, no purchase of 2013 Bonds shall be made by the Trustee within the period of forty-five days next preceding any date on which such 2013 Bonds are subject to redemption. The principal amount of any term 2013 Bond purchased pursuant to this Section 206 shall be credited against the scheduled redemption of such 2013 Bond in the manner designated by an Authorized Officer of the University.

Section 207 – Sale of the 2013 Bonds.

The 2013 Bonds shall be sold at negotiated sale to the Underwriter pursuant to the terms of the Bond Purchase Contract.

ARTICLE III – EXECUTION AND DELIVERY

Section 301 – Execution and Delivery of 2013 Bonds.

After execution of the 2013 Bonds by the University and authentication by the Trustee in accordance with Section 303 of the Indenture, and upon satisfaction of the conditions contained in the Indenture, the 2013 Bonds shall be delivered to the Underwriter in accordance with the terms of the Bond Purchase Contract.

ARTICLE IV – DISPOSITION OF PROCEEDS

Section 401 – Interest Account.

There is hereby created in the Interest Account a subaccount to pay costs of issuance (the "Series S Costs of Issuance Subaccount"). On the date of issuance of the 2013 Bonds, proceeds of the 2013 Bonds in the amount of \$_____ shall be deposited by the Trustee into the Series S Costs of Issuance Subaccount. Amounts held in the Series S Costs of Issuance Subaccount shall be applied at the direction of the University to the payment of costs of issuance of the 2013 Bonds. Any amount remaining in the Series S Costs of Issuance Subaccount ninety (90) days following the date of issuance of the 2013 Bonds shall be applied to the payment of interest on the 2013 Bonds on the next interest payment date for the 2013 Bonds.

Section 402 – Construction Fund.

There is hereby created in the Construction Fund, a "2013 Account." Proceeds of the 2013 Bonds in the amount of \$_____ shall be deposited in the 2013 Account and applied by the University to pay Costs of Acquisition or Construction of the Projects described in Exhibit B. The establishment of the 2013 Account shall be for the benefit of the University, and the University may enforce payment therefrom upon compliance with the procedures set forth in the Indenture.

Section 403 – Payment for Refunded Bonds.

On the date of issuance of the 2013 Bonds, the University shall transfer available funds to the Trustee in the amount of \$_____, which amount shall then be transferred by the Trustee to the Escrow Agent for the defeasance of the Refunded Bonds. The Trustee shall also transfer, on the date of issuance of the 2013 Bonds, to the Escrow Agent for the defeasance of the Refunded Bonds \$_____ of 2013 Bond proceeds.

Section 404 – Reserve Fund.

On the date of issuance of the 2013 Bonds, the Trustee shall transfer \$_____ of the proceeds of the 2013 Bonds to the Reserve Fund. The University hereby covenants and agrees that upon the date of issuance of the 2013 Bonds, the amount held in the Reserve Fund will be an amount equal to the Reserve Fund Requirement.

ARTICLE V – BOOK-ENTRY

Section 501 – Book-Entry.

The 2013 Bonds shall be issued in book-entry form pursuant to Section 306 of the Indenture. The Bond Depository shall initially be The Depository Trust Company.

ARTICLE VI – INDENTURE MODIFICATIONS AND AMENDMENTS

Section 601 – Modifications of, and Amendments to, the Indenture.

The Indenture, at Section 1001(6), authorizes modifications and amendments of any provision set forth in the Indenture by the terms of a Supplemental Indenture, effective only after all Bonds of each Series Outstanding as of the date of a Supplemental Indenture authorizing such modification and amendment shall cease to be Outstanding; and such Supplemental Indenture shall be specifically referred to in the text of the 2012 Bonds and all Bonds of any Series authenticated and delivered thereafter.

Section 602 – Establishment of the Reserve Fund.

The Indenture, at Section 501, establishes the Reserve Fund. Amounts held in the Reserve Fund secure payment of the principal of, and interest on, Bonds issued under the terms of the Indenture and corresponding Supplemental Indentures.

Section 603 – The Reserve Fund.

This Sixteenth Supplemental Indenture authorizes the modification to, and amendment of, the Indenture for purposes of eliminating from the Indenture the establishment and maintenance of the Reserve Fund and related funding obligations. The Indenture is hereby modified and amended to eliminate references to the Reserve Fund, the Reserve Fund Requirement, and any requirements or funding obligation associated therewith, as set forth in Schedule D-1 hereto, effective after all Bonds issued prior to the Effective Date shall cease to be Outstanding and satisfaction of the requirements set forth in Section 607 hereof.

Section 604 – Disposition of Amounts held in the Reserve Fund.

On the date as of which the establishment of the Reserve Fund is eliminated from the Indenture, amounts held in the Reserve Fund shall be used by the University in a manner which will not adversely impact the tax exempt status of any Bonds issued pursuant to the terms of the Indenture.

The Trustee shall have no duty or obligation to monitor or determine whether the University's use of funds released from the Reserve Fund adversely impacts the tax exempt status of any Bonds.

Section 605 – Sections 1102 and 1103 of the Indenture.

Section 1102 of the Indenture authorizes modifications to, and amendments of, the Indenture subject to, among other things, the written consent of the Owners of at least a majority in principal amount of the Bonds Outstanding at the time such consent is given. Section 1103 of the Indenture provides that any consent of an Owner of Bonds may be revoked by filing such revocation with the Trustee prior to the time when the written statement of the Trustee provided for in Section 1103 is filed.

This Sixteenth Supplemental Indenture modifies and amends (i) Section 1102 of the Indenture to allow modifications to, and amendments of, the Indenture, subject to the remaining requirements set forth in Section 1102, effective upon the written consent of Owners of at least a majority in principal amount of Bonds then Outstanding; and amends Section 1103 of the Indenture to provide that any consent of an Owner of Bonds may be revoked, unless such consent by its terms is made irrevocable, by filing such revocation with the Trustee prior to the time when the written statement of the Trustee provided for in Section 1103 is filed.

Sections 1102 and 1103 of the Indenture are hereby modified and amended as set forth in Schedule D-2 hereto, effective after all Bonds issued prior to the Effective Date shall cease to be Outstanding and satisfaction of the requirements set forth in Section 607 hereof.

Section 606 – Consent of Owners.

This Sixteenth Supplemental Indenture modifies and amends Article XI of the Indenture by adding Section 1107, providing that for all purposes of Article XI and Article X of the Indenture, an underwriter or purchaser of a Series of Bonds may consent to a modification of, or amendment to, the Indenture as Owner of such Bonds at the time such Series of Bonds is issued.

Section 607 – Effective Date.

The amendments to, and modifications of, the Indenture as set forth in this Article VI shall take effect upon (i) the filing with the Trustee of a copy of the resolution of the Board of Regents, certified by an Authorized Officer, authorizing the Sixteenth Supplemental

Indenture, (ii) the execution and delivery of this Sixteenth Supplemental Indenture by the University and the Trustee, (iii) the Bonds of each Series Outstanding as of the Effective Date of this Sixteenth Supplemental Indenture shall cease to be Outstanding, and (iv) an Opinion of Counsel as required by Section 1004 of the Indenture. In addition, Bonds issued after the Effective Date shall include language specifically referring to this Sixteenth Supplemental Indenture and the amendments and modifications of the Indenture authorized herein.

ARTICLE VII – MISCELLANEOUS

Section 701 – Continuing Disclosure.

The University hereby covenants and agrees that it will comply with and carry out all of the provisions of a continuing disclosure certificate, with respect to the 2013 Bonds, executed in connection with Rule 15c2-12 of the Securities and Exchange Commission. Notwithstanding any other provision of this Sixteenth Supplemental Indenture, failure of the University to comply with the continuing disclosure certificate shall not be considered a default of the University's obligations under this Sixteenth Supplemental Indenture, the Indenture or the 2013 Bonds; however, the Beneficial Owner of any 2013 Bond may bring an action for specific performance, to cause the University to comply with its obligations under this Section.

Section 702 – Authorized Officers.

The Authorized Officers are each hereby authorized to execute all documents and to take any action necessary or desirable to carry out the provisions of this Sixteenth Supplemental Indenture and to effectuate the issuance and delivery of the 2013 Bonds and the amendments to the Indenture authorized herein.

Section 703 – Effective Date.

This Sixteenth Supplemental Indenture shall be effective as of the date first above written.

Section 704 – Counterparts.

This Sixteenth Supplemental Indenture may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the University has caused this Sixteenth Supplemental Indenture to be executed by an Authorized Officer and its official seal to be impressed hereon, and the Trustee has caused this Sixteenth Supplemental Indenture to be executed by one of its authorized signatories, all as of the day and year first above written.

UNIVERSITY OF ALASKA

[SEAL]

By: _____
MYRON J. DOSCH
Controller

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.,
as Trustee

By: _____
Authorized Officer

EXHIBIT A

[FORM OF SERIES S BOND]

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

**UNIVERSITY OF ALASKA
GENERAL REVENUE AND REFUNDING BOND, 2013 SERIES S**

Interest Rate: _____

Maturity Date: _____

Principal Amount: \$ _____

CUSIP No. _____

UNIVERSITY OF ALASKA (the "University"), a public corporation of the State of Alaska organized and existing under and by virtue of the laws of the State of Alaska, acknowledges itself indebted to, and for value received hereby promises to pay to Cede & Co. or registered assigns, but only from the sources hereinafter provided for, the Principal Amount specified above on the Maturity Date specified above, upon presentation and surrender of this bond at the designated corporate trust office of The Bank of New York Mellon Trust Company, N.A., a national banking association, (the "Trustee") or such other place designated by the Trustee, and to pay to the registered owner hereof interest on such principal sum from the date hereof at the rate per annum specified above, payable October 1, 2013, and thereafter on the first days of April and October in each year. Payment of interest will be made by check or draft mailed on such interest payment date to the registered owner appearing on the bond register on the 15th day prior to each payment date at the address appearing on the bond register of the University kept at the corporate trust office of the Trustee; provided that if this bond is held in fully immobilized form, payment of interest shall be made by wire transfer. Both principal of and interest on this bond are payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts.

This bond is one of a duly authorized issue of bonds of the University designated "General Revenue and Refunding Bonds" (the "Bonds"), issued pursuant to Chapter 40 of

Title 14 of the Alaska Statutes, as amended (the "Act"), and equally and ratably secured under a Trust Indenture dated as of June 1, 1992, as amended, (the "Trust Indenture") from the University to the Trustee, and a Sixteenth Supplemental Indenture (the "Sixteenth Supplemental Indenture"), dated March __, 2013, authorizing the General Revenue and Refunding Bonds, 2013 Series S (the "2013 Bonds") (said Trust Indenture and Sixteenth Supplemental Indenture being herein called the "Indenture"). Copies of the Indenture are on file at the office of the University and at the corporate trust office of the Trustee, and reference to the Indenture and any and all supplements thereto and modifications and amendments thereof and to the Act is made for a description of the pledges and covenants securing the 2013 Bonds; the nature, extent and manner of enforcement of such pledges; the rights and remedies of the registered owners of the 2013 Bonds with respect thereto, and the terms and conditions upon which the Bonds are issued and may be issued thereunder, to all of the provisions of which the registered owner of the 2013 Bonds, by its acceptance of this 2013 Bond, consents and agrees.

To the extent and in the manner permitted by the terms of the Trust Indenture, the provisions of the Trust Indenture or any indenture amendatory thereof or supplemental thereto may be modified or amended by the University (i) with the written consent of the Owners of at least a majority in principal amount of the Bonds Outstanding at the time such consent is given, and, in case less than all of the several Series of Bonds would be affected thereby, with such consent of the Owners of at least a majority in principal amount of the Series so affected and Outstanding at the time such consent is given, and, in case the modification or amendment changes the terms of any Sinking Fund Installment, with such consent of the Owners of at least a majority in principal amount of the Bonds of the particular Series and maturity entitled to such Sinking Fund Installment and Outstanding at the time such consent is given; or (ii) by the terms of a Supplemental Indenture that is effective only after all Bonds of each Series Outstanding on the date of such Supplemental Indenture shall cease to be Outstanding.

The Sixteenth Supplemental Indenture amends and modifies the Trust Indenture, effective on the date when all Bonds issued prior to the issuance of the 2013 Bonds cease to be Outstanding, by (i) eliminating the establishment and maintenance of the Reserve Fund and related funding obligations, (ii) providing that the Trust Indenture may be amended by the written consent of the Owners of at least a majority in principal amount of Bonds then Outstanding, and, in case less than all of the several Series of Bonds would be affected thereby, with such consent of the Owners of at least a majority in principal amount of the Series so affected and then Outstanding, and, in case the modification or amendment changes the terms of any Sinking Fund Installment, with such consent of the Owners of at least a majority in principal amount of the Bonds of the particular Series and maturity entitled to such Sinking Fund Installment then Outstanding, and that such consent,

in each instance, of an Owner of Bonds may be revoked, unless such consent by its terms is made irrevocable, and (iii) providing that an underwriter or purchaser of a Series of Bonds may consent to a modification of, or amendment to, the Trust Indenture as Owner of such Bonds at the time such Bonds are issued.

As provided in the Indenture, the 2013 Bonds are special obligations, which are revenue obligations of the University, and are secured as to payment of the principal and redemption price thereof, and interest thereon, in accordance with their terms and the provisions of the Indenture. The University is obligated to pay the principal of and interest on the 2013 Bonds only from revenues or funds of the University pledged therefor under the Indenture, and the State of Alaska is not obligated to pay such principal or interest on the 2013 Bonds. Neither the faith and credit nor the taxing power of the State of Alaska is pledged to the payment of the principal of or interest on the 2013 Bonds.

The 2013 Bonds are transferable as provided in the Indenture, only upon the books of the University kept for the purpose at the above-mentioned office of the Trustee, by the registered owner hereof in person, or by its duly authorized attorney, upon surrender of this 2013 Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or its duly authorized attorney, and thereupon a new registered 2013 Bond or 2013 Bonds, in the same aggregate principal amount, shall be issued to the transferee in exchange therefor as provided in the Indenture, and upon payment of the charges therein prescribed. The University, the Trustee and any Paying Agent may deem and treat the person in whose name the 2013 Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

The 2013 Bonds maturing on or after October 1, 20___, shall be subject to redemption, either as a whole or in part in any order of maturity selected by the University, on any date, which shall be selected by the University or the Trustee, subject to the provisions of, and in accordance with, the Indenture on or after October 1, 20___, and prior to their respective maturities, upon notice as provided in the Indenture, at a Redemption Price equal to the principal amount thereof plus accrued interest to the date of redemption.

Unless previously redeemed pursuant to the foregoing optional redemption provisions, the 2013 Bonds maturing on October 1, 20___ are subject to mandatory redemption on October 1 of the following years and in the following principal amounts at 100% of the principal amount of the 2013 Bonds to be redeemed plus accrued interest, if any, to the redemption date.

Term Bond Due October 1, 20__

Year	<u>Sinking Fund Requirement</u>
_____	\$ _____
_____	_____*

* Final Maturity

If less than all the 2013 Bonds of like maturity are to be redeemed, the particular Bonds to be redeemed shall be selected by lot by the Trustee. Notice of redemption will be mailed to each registered owner of 2013 Bonds called for redemption. Interest on such 2013 Bonds or portions thereof so called for redemption will cease to accrue as of the redemption date.

The 2013 Bonds may be purchased by the University as provided in the Sixteenth Supplemental Indenture.

The 2013 Bonds shall not be entitled to any benefit under the Indenture or be valid or become obligatory for any purpose until the 2013 Bonds shall have been authenticated by the execution by the Trustee of the Trustee's Certificate of Authentication hereon.

It is hereby certified and recited that all conditions, acts, and things required by law and the Indenture to exist, to have happened, and to have been performed precedent to and in the issuance of the 2013 Bonds, exist, have happened and have been performed and that the issue of the 2013 Bonds of which this is one, together with all other indebtedness of the University, complies in all respects with the applicable laws of the State of Alaska, including, particularly, the Act and is within every debt and other limit prescribed by said laws of the State of Alaska.

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IN WITNESS WHEREOF, the University of Alaska has caused this 2013 Bond to be signed in its name and on its behalf by the signature of its Controller, and its corporate seal to be impressed hereon and attested by the signature of its _____.

DATED: March __, 2013.

UNIVERSITY OF ALASKA

S E A L

MYRON J. DOSCH
Controller

ATTEST:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This bond is one of the University of Alaska's General Revenue and Refunding Bonds, 2013 Series S, delivered pursuant to the within mentioned Trust Indenture and Sixteenth Supplemental Indenture.

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.,
as Trustee

Authorized Officer

[FORM OF ASSIGNMENT]

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers [Please print or typewrite Name and Address of Transferee] the within Bond and all rights thereunder and hereto irrevocably constitutes and appoints _____ attorney to register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

SIGNATURE GUARANTEED:

NOTICE: Signature(s) must be guaranteed by a member of the New York Stock Exchange or a commercial bank or trust company.

EXHIBIT B

DESCRIPTION OF THE PROJECTS

A portion of the proceeds of the 2013 Bonds will be used by the University to finance certain capital projects as set forth below:

Infrastructure Renewal and Deferred Maintenance Projects

These projects include capital repairs, replacement, renovations and improvements to University owned infrastructures located throughout Alaska. The projects principally consist of roof replacements, co-generation power plant system replacements, and sewer, heating and ventilation system replacements and upgrades.

EXHIBIT C

SCHEDULE OF REFUNDED BONDS

General Revenue Bonds, 2003 Series L

<u>Maturities</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Call Date</u> <u>(October 1)</u>	<u>Price</u>	<u>Amount to be</u> <u>Redeemed</u>	<u>CUSIP No.</u> <u>914046</u>
2014	\$155,000	2013	100%	100%	RT6
2015	160,000	2013	100	100	RU3

General Revenue Bonds, 2004 Series M

<u>Maturities</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Call Date</u> <u>(October 1)</u>	<u>Price</u>	<u>Amount to be</u> <u>Redeemed</u>	<u>CUSIP No.</u> <u>914046</u>
2014	\$385,000	2013	100%	100%	SR9

General Revenue Bonds, 2005 Series N

<u>Maturities</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Call Date</u> <u>(October 1)</u>	<u>Price</u>	<u>Amount to be</u> <u>Redeemed</u>	<u>CUSIP No.</u> <u>914046</u>
2016	\$900,000	2015	100%	100%	TP2
2017	940,000	2015	100	100	TQ0
2018	655,000	2015	100	100	TR8
2019	690,000	2015	100	100	TS6
2020	735,000	2015	100	100	TT4
2021	565,000	2015	100	100	TU1
2022	600,000	2015	100	100	TV9
2023	800,000	2015	100	100	TW7
2024	725,000	2015	100	100	TX5
2025	510,000	2015	100	100	TY3
2026	535,000	2015	100	100	TZ0
2027	555,000	2015	100	100	UA3
2028	580,000	2015	100	100	UB1
2029	225,000	2015	100	100	UC9
2030	235,000	2015	100	100	UD7
2031	245,000	2015	100	100	UE5
2032	255,000	2015	100	100	UF2
2033	270,000	2015	100	100	UG0
2034	280,000	2015	100	100	UH8
2035	295,000	2015	100	100	UJ4

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v. 5

EXHIBIT D

AMENDMENTS TO THE INDENTURE

Schedule D-1

Reserve Fund Amendments

[Strike-out = deletions; double underscore = insertions.]

1. Section 101 - Definitions are amended as follows:
 - A. The definition "Cost of Acquisition or Construction" is amended to read as follows:

"Cost of Acquisition or Construction" means, with respect to any Project, the University's cost of physical construction, costs of acquisition by or for the University of any Project, by paying or providing for payment of costs of retiring any bonds or other obligations of the University or any corporate entity created on behalf of the University secured by any project or by the lease of any project owned or occupied by the University, and costs of the University incidental to such construction or acquisition, the cost of any indemnity and surety bonds and premiums on insurance during construction, engineering expenses, legal fees and expenses, Costs of Issuance, audits, fees and expenses of the Trustee, amounts, if any, required by this Indenture or any Supplemental Indenture to be paid into the Debt Service Fund ~~or Reserve Fund~~ upon the issuance of any Series of Bonds, payments when due (whether at the maturity of principal or the due date of interest or upon redemption) on any indebtedness of the University (other than the Bonds) incurred for any Project, costs of machinery, equipment and supplies and initial working capital and reserves required by the University for the commencement of operation of any Project, and any other costs properly attributable to such construction or acquisition, and shall include reimbursement to the University for any such items of Cost of Acquisition or Construction theretofore paid by the University. Any Supplemental Indenture may provide for additional items to be included in the aforesaid Cost of Acquisition or Construction.

- B. The definition of "Reserve Equivalent" is deleted.
- C. The definition of "Reserve Fund" is deleted.
- D. The definition of "Reserve Requirement" is deleted.

2. Section 204(d)(2) is amended to read as follows:

(2) ~~reserved; and there shall be deposited in the Reserve Fund the amount, if any, required so that the balance on deposit in such Fund shall equal the Reserve Requirement; and~~

3. Section 501(a) is amended to read as follows:

(a) The following Funds and Accounts, each to be held by the Trustee, are hereby established:

(1) ~~Debt Service Fund, which shall consist of an Interest Account and a Principal Account, and~~

(2) ~~Reserve Fund.~~

4. Section 501(c) is amended to read as follows:

(c) All Revenues upon receipt by the University shall, as soon as practicable, be paid into the Revenue Fund. Amounts may be paid out of the Revenue Fund without restriction for operation of the University. Amounts shall be paid out of the Revenue Fund by the University to the Trustee to the extent necessary for the payment of Debt Service five Business Days before the dates fixed in the First Supplemental Indenture for each Series of Bonds and shall be deposited by the Trustee into the Debt Service Fund. ~~Amounts shall also be paid out of the Revenue Fund by the University to the Trustee for deposit into the Reserve Fund to the extent necessary so that the amount therein equals the Reserve Requirement.~~

5. Section 502(e) is amended to read as follows:

(e) Any moneys remaining in the Construction Fund with respect to any Project after the completion of such Project and the payment of the Cost of Acquisition or Construction thereof shall be ~~transferred to the Reserve Fund, if and to the extent necessary to make the amount in such Fund equal to the Reserve Requirement, and any balance shall be transferred to the University free and clear of the lien of this Indenture.~~

6. Section 503 is amended to read as follows:

With at least the frequency stated below, the University shall withdraw amounts from the Revenue Fund and deposit said amounts with the Trustee on the dates set forth below and the Trustee shall deposit said amounts in the following order in the amounts and in the Funds set forth below.

(a) — In the Debt Service Fund (1) **Five** Business Days before each interest payment date for credit to the Interest Account, unless the sum on deposit therein equals or exceeds the interest due on all Bonds on the next succeeding interest payment date, an amount equal to the interest due on such interest payment date less the interest to be paid on such interest payment date from Bond proceeds held in said Account for such purpose: provided, however, that for the purposes of computing the amount on deposit in said Account, there shall be excluded the amount, if any, set aside in said Account for the payment of interest due after the next succeeding interest payment date; **and** (2) annually five Business Days before each principal payment date for credit to the Principal Account, unless the sum on deposit therein equals or exceeds all Principal Installments due on the next succeeding principal payment date an amount equal to one-half of such Principal Installments; and (3) annually five Business Days before each principal payment date, for credit to the Principal Account, the amount, if any, necessary to cause the sum on deposit therein to equal all Principal Installments due on the next succeeding principal payment date, provided that the University may establish by Supplemental Indenture payments into the Debt Service Fund at different times and in different amounts as necessary for interest paid other than semi-annually and in fixed amounts. *[Effective Oct. 15, 1992.]*

A Supplemental Indenture may direct the Trustee to pay interest on any Series of Bonds from amounts deposited in the Interest Account for the payment of interest. In such event, the determination of the necessary deposit in the Debt Service Fund under this Section shall restrict the expenditure of the deposit for that purpose.

~~(b) — In the Reserve Fund, the amount, if any, required so that the balance in the Fund equals the Reserve Requirement.~~

7. Section 505 is hereby amended to read as follows:

Section 505 - ~~Reserved~~ Reserve Fund.

~~(a) — If five Business Days prior to any date on which a Principal Installment or interest is due the amount in the Debt Service Fund shall be less than the amount required to be in such Fund to pay said Principal Installment or interest, the Trustee shall apply amounts from the Reserve Fund to the extent necessary to make good the deficiency.~~

~~(b) — Whenever the moneys on deposit in the Reserve Fund shall exceed the Reserve Requirement, such excess shall, on the request of the University, be transferred to the University free and clear of any lien or pledge of this Indenture.~~

~~(c) — Whenever the amount in the Reserve Fund, together with the amount in the Debt Service Fund, is sufficient to pay in full all Outstanding Bonds in accordance with their terms (including principal or applicable sinking fund Redemption Price and interest thereon), the funds on deposit in the Reserve Fund shall be transferred to the Debt Service Fund. Prior to said transfer, all investments held in the Debt Service Fund shall be liquidated to the extent necessary in order to provide for the timely payment of principal and interest (or Redemption Price) on Bonds.~~

~~(d) — In the event of the refunding of one or more Series of Bonds or one or more maturities within a Series of Bonds, the Trustee shall, upon the direction of the University, withdraw from the Reserve Fund amounts accumulated therein with respect to the Bonds being refunded and deposit such amounts with itself as Trustee to be held for the payment of the Principal or Redemption Price, if applicable, and interest on the Series or maturities within a Series of Bonds being refunded; provided that such withdrawal shall not be made unless (1) immediately thereafter the Series or maturities within a Series of Bonds being refunded shall be deemed to have been paid pursuant to subsection (b) of Section 1201 and (2) the amount remaining in the Reserve Fund after such withdrawal shall not be less than the Reserve Requirement.~~

~~(e) — Any Supplemental Indenture providing for the issuance of Bonds may provide for the University to obtain a Reserve Equivalent for specific amounts required to be paid out of the Reserve Fund. The amount~~

available to be paid under any such Reserve Equivalent shall be credited against the amounts required to be maintained in the Reserve Fund by this Section. If any such Reserve Equivalent is obtained for a Series of Bonds, a Supplemental Indenture may be entered into establishing the terms of its Reserve Equivalent. **The terms of a Reserve Equivalent may include a provision that subsequent Reserve Equivalents must be acceptable to the provider of the Reserve Equivalent.** A Supplemental Indenture providing for a Reserve Equivalent shall when delivered to the Trustee be accompanied by an opinion of Counsel that the Reserve Equivalent is valid, binding, and effective according to its terms. Amounts in the Reserve Fund shall be used or committed completely before demand is made on the Reserve Equivalent. **In the event the Reserve Equivalent is a surety bond, insurance policy or letter of credit, it shall conform to the requirements set forth under Reserve Fund Surety Guidelines in the Commitment for Municipal Bond Insurance issued by Financial Guaranty Insurance Company on November 10, 2003 and attached as Exhibit D-1 to the Ninth Supplemental Indenture.** *[Effective Dec. 1, 2003.]*

(f) — (1) Expenses, and interest repayable to Financial Guaranty Insurance Company under the Reserve Equivalent issued in connection with the Bonds, or to it or any other provider under any future Reserve Equivalent, shall be repayable from the excess in the Reserve Fund when, and as soon as, the moneys in the Reserve Fund exceed the Reserve Requirement before the transfer referred to in subsection (b) of this section at the times and in the amounts provided in the Reserve Equivalent.

(2) — Draws repayable to Financial Guaranty Insurance Company under the Reserve Equivalent issued in connection with the Bonds, or to it or any other provider under any future Reserve Equivalent, shall be repayable from any amounts in the Reserve Fund at the times and in the amounts provided in the Reserve Equivalent subject to the terms of the Indenture including Section 505(f)(1) above. *[Effective Dec. 1, 2003.]*

8. Section 709 is hereby amended to read as follows:

Section 709 - Reserved Maintenance of Reserve Fund. The University has determined and does hereby determine that establishment of a Reserve Fund will enhance the marketability of the Bonds. The University shall at all

~~times maintain the Reserve Fund with the Trustee created and established by Section 501 and do and perform or cause to be done and performed each and every act and thing with respect to the Reserve Fund provided to be done or performed on behalf of the University or the Trustee under the terms and provisions of Article V hereof.~~

9. Section 1201(a) is hereby amended to read as follows:

(a) If the University shall pay or cause to be paid, or there shall otherwise be paid, to the Owners of all Bonds the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the time and in the manner stipulated therein and in this Indenture, ~~and any amounts due and owing under any Reserve Equivalent,~~ then the pledge and assignment of any Revenues and other moneys and securities pledged under this Indenture and all covenants, agreements and other obligations of the University to the Bondowners, shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall cause an accounting for such period or periods as shall be requested by the University to be prepared and filed with the University and, upon the request of the University shall execute and deliver to the University all such instruments as may be desirable to evidence such discharge and satisfaction, and the Trustee shall pay over or deliver to the University all moneys or securities held by it pursuant to this Indenture which are not required for the payment of principal or Redemption Price, if applicable, and interest on Bonds. If the University shall pay or cause to be paid or there shall otherwise be paid, to the Owners of all Outstanding Bonds of a particular Series, or of a particular maturity within a Series, the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Indenture, such Bonds shall cease to be entitled to any lien, benefit or security under this Indenture, and all covenants, agreements and obligations of the University to the Owners of such Bonds shall thereupon cease, terminate and become void and be discharged and satisfied. A Supplemental Indenture may modify this provision to provide that Bonds which are the subject of Credit Enhancement are not deemed paid if the Bonds are paid by a Credit Enhancer. *[Effective Dec. 1, 2003.]*

Schedule D-2

Consent of Owners Modification/Amendment

[Strike-out = deletions; double underscore = insertions.]

1. Section 1102 of the Indenture is hereby amended to read as follows:

Section 1102 - Powers of Amendment. Any modification or amendment of this Indenture and of the rights and obligations of the University and of Owners of the Bonds thereunder, in any particular, may be made by a Supplemental Indenture, with the written consent given as provided in Section 1103 (i) of the Owners of at least a majority in principal amount of the Bonds then Outstanding ~~at the time such consent is given~~, and (ii) in case less than all of the several Series of Bonds then Outstanding are affected by the modification or amendment, of the Owners of at least a majority in principal amount of the Bonds of each Series so affected ~~and then~~ then Outstanding ~~at the time such consent is given~~, and (iii) in case the modification or amendment changes the terms of any Sinking Fund Installment, of the Owners of at least a majority in principal amount of the Bonds of the particular Series and maturity entitled to such Sinking Fund Installment ~~and then~~ then Outstanding ~~at the time such consent is given~~; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like Series and maturity remain Outstanding the consent of the Owners of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond or any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Owner of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the Owners of which is required to effect any such modification or amendment or shall change or modify any of the rights or obligations of the Trustee without its written assent thereto. For the purposes of this Section, a Series shall be deemed to be affected by a modification or amendment of this Indenture if the same adversely affects or diminishes the rights of the Owners of Bonds of such Series. The Trustee may in its discretion determine whether or not in accordance with the foregoing powers of amendment Bonds of any particular Series or maturity

would be affected by any modification or amendment of this Indenture and any such determination shall be binding and conclusive on the University and all Owners of Bonds.

2. Section 1103 of the Indenture is hereby amended to read as follows:

Section 1103 - Consent of Bondowners. The University may at any time authorize a Supplemental Indenture making a modification or amendment permitted by the provisions of Section 1102 to take effect when and as provided in this Section. A copy of such Supplemental Indenture (or brief summary thereof or reference thereto in form approved by the Trustee), together with a request to Bondowners for their consent thereto in form satisfactory to the Trustee, shall be mailed by the University to Bondowners (but failure to mail such copy and request shall not affect the validity of the Supplemental Indenture when consented to as in this Section provided). Such Supplemental Indenture shall not be effective until (a) there shall have been filed with the Trustee (1) the written consents of Owners of the percentages of Outstanding Bonds specified in Section 1102 and (2) an Opinion of Counsel stating that such Supplemental Indenture has been duly and lawfully executed and delivered by the University and the Trustee in accordance with the provisions of this Indenture, is authorized or permitted by this Indenture, and is valid and binding upon the University, the Trustee and the Owners of Bonds and enforceable in accordance with its terms, and (b) a notice shall have been mailed as hereinafter in this Section 1103 provided. Each such consent shall be effective only if accompanied by proof of the ownership, at the date of such consent, of the Bonds with respect to which such consent is given, which proof shall be such as is permitted by Section 1202. A certificate or certificates executed by the Trustee and filed with the University stating that it has examined such proof and that such proof is sufficient in accordance with Section 1202 shall be conclusive that the consents have been given by the Owners of Bonds described in such certificate or certificates of the Trustee. Any such consent shall be binding upon the Owners of Bonds signing such consent and, anything in Section 1202 to the contrary notwithstanding, upon any subsequent Owner of such Bonds and of any Bonds issued in exchange therefor (whether or not such subsequent Owner has notice thereof) provided however that any consent may be revoked in writing (unless such consent by its terms is made irrevocable) by any Owner of such Bonds by filing such revocation with the Trustee prior to the time when the written statement of the Trustee hereinafter in this Section 1103 provided for is filed. The fact that a consent

has not been revoked may likewise be proved by a certificate of the Trustee filed with the University to the effect that no revocation thereof is on file with the Trustee. At any time after the Owners of the required percentages of Bonds shall have filed their consents to the Supplemental Indenture, the Trustee shall make and file with the University a written statement that the Owners of such required percentages of Bonds have filed such consents. Such written statement shall be conclusive that such consents have been filed. At any time thereafter, notice stating in substance that the Supplemental Indenture (which may be referred to as a Supplemental Indenture executed and delivered by the University and the Trustee on a stated date, a copy of which is on file with the Trustee) has been consented to by the Owners of the required percentages of Bonds, and will be effective as provided in this Section 1103, may be given to Bondowners by the University by mailing such notice to Bondowners (but failure to mail such notice shall not prevent such Supplemental Indenture from becoming effective and binding as in this Section 1103 provided). The University shall file with the Trustee proof of the mailing of such notice to Bondowners. A record, consisting of the certificates or statements required or permitted by this Section 1103 to be made by the Trustee, shall be proof of the matters therein stated. Such Supplemental Indenture making such amendment or modification shall be deemed conclusively binding upon the University, the Trustee and the Owners of all Bonds at the expiration of forty (40) days after the filing with the Trustee of the proof of the mailing of such last mentioned notice, except in the event of a final decree of a court of competent jurisdiction setting aside such Supplemental Indenture in a legal action or equitable proceeding for such purpose commenced within such forty (40)-day period; provided, however, that the Trustee and the University during such forty (40)-day period and any such further period during which any such action or proceeding may be pending shall be entitled in their absolute discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Indenture as they may deem expedient.

Schedule D-3

Consent of Underwriter or Purchaser Modification/Amendment

[Strike-out = deletions; double underscore = insertions.]

Article XI of the Indenture is amended by addition Section 1107 to read as follows:

Section 1107 – Underwriter or Purchaser as Owner of Bonds. For all purposes of this Article XI and of Article X, an underwriter or purchaser of a Series of Bonds may consent to an amendment or this Indenture as Owner of such Bonds at the time such Series of Bonds is issued.

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\$ _____
University of Alaska
General Revenue Bonds, 2013 Series S

BOND PURCHASE CONTRACT

March __, 2013

University of Alaska
 Statewide Finance Office
 209D Butrovich Building
 P.O. Box 756540
 Fairbanks, Alaska 99775-6540

Ladies and Gentlemen:

The undersigned, Barclays Capital Inc., as underwriter (the "Underwriter"), offers to enter into this Bond Purchase Contract (the "Purchase Contract") with the University of Alaska, a corporation created under the Constitution and laws of the State of Alaska (the "Issuer"). This offer is made subject to written acceptance hereof by the Issuer at or before 5:00 p.m., Alaska Time, on the date hereof, unless extended by agreement of the parties. Upon acceptance of this offer by the Issuer this Purchase Contract will be binding upon the Issuer and the Underwriter.

Exhibits A through C are attached to this Purchase Contract and, by this reference, are made a part hereof. Capitalized terms used and not otherwise defined herein are defined in the Trust Indenture, as amended, dated as of June 1, 1992, between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), as supplemented by a Sixteenth Supplemental Trust Indenture (the "Sixteenth Supplemental Trust Indenture") dated and effective as of March 1, 2013 between the Issuer and the Trustee. The Indenture and the Sixteenth Supplemental Trust Indenture are together referred to herein as the "Indenture."

1. PURCHASE AND SALE

The University of Alaska General Revenue and Refunding Bonds, 2013 Series S (the "Bonds") shall be dated as of the date of delivery to the Underwriter, and shall mature and be subject to redemption on the dates, at the redemption prices and in the principal amounts, shall bear interest payable on the dates and at the interest rates per annum, and shall be initially offered to the public at the prices or yields, all as set forth on Exhibit A. Subject to the terms and conditions and in reliance on the representations, warranties, covenants and agreements set forth herein, the Underwriter hereby agrees to purchase from the Issuer, and the Issuer hereby agrees to sell and deliver to the Underwriter, all (but not less than all) of the Bonds, at a purchase price of \$ _____, representing the

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\$ _____ par amount of the Bonds, [plus/less] net original issue [premium/discount] of \$ _____, less Underwriter's discount of \$ _____.

2. THE BONDS

The Issuer's Board of Regents (the "Board") adopted a resolution on February __, 2013 (the "Issuer Authorization"). The Bonds are issued pursuant to the Issuer Authorization and the Indenture in substantially the form heretofore delivered to the Underwriter. The Bonds shall be as described in the Preliminary Official Statement dated as of February __, 2013 relating to the Bonds (such Preliminary Official Statement, including all appendices thereto and any documents incorporated therein by reference, being herein called the "Preliminary Official Statement") and in Exhibit A hereto.

The proceeds of the Bonds will be used to (i) finance costs of planning, designing, development, permitting and constructing deferred maintenance projects; (ii) refund and redeem all of the outstanding principal amount of general revenue bonds described in Exhibit B (the "Refunded Bonds"); (iii) make a deposit to the Reserve Fund; and (iv) pay the costs of issuing the Bonds.

3. OFFICIAL STATEMENT

3.1. Preliminary Official Statement. The Issuer has previously delivered to the Underwriter the Preliminary Official Statement. The Preliminary Official Statement has been deemed final by the Issuer, for purposes of paragraph (b)(1) of Rule 15c2-12 ("Rule 15c2-12") under the Securities Exchange Act of 1934 (the "1934 Act"), except for the omission of no more than offering prices, interest rates, Underwriter's discount, aggregate principal amount and principal amounts per maturity, delivery dates, ratings and other terms of the Bonds depending on such matters. The Issuer hereby ratifies, approves and confirms the distribution and use of the Preliminary Official Statement by the Underwriter in connection with the public offering and sale of the Bonds prior to the availability of the Official Statement, defined below.

3.2. Official Statement. At least seven (7) business days after the date hereof and in sufficient time to accompany any confirmation that requests payment for the Bonds from any customer of the Underwriter and in any event no later than four (4) days prior to the Closing (as defined in Section 6 herein), the Issuer shall deliver to the Underwriter at the expense of the Issuer two copies of the final Official Statement executed on behalf of the Issuer by the Controller or other authorized officer of the Issuer and a sufficient quantity of conformed copies thereof to enable the Underwriter to comply with paragraph b(4) of Rule 15c2-12 and the rules of the Securities and Exchange Commission (the "SEC") and the Municipal Securities Rulemaking Board and to meet the requirements of Section 3.4 hereof, containing only such changes from the Preliminary Official Statement as are previously consented to in writing by the Underwriter (such final Official Statement, including all appendices thereto, and with such supplements and amendments as are consented to in writing by the Underwriter, being herein called the "Official Statement"). The Issuer hereby authorizes the distribution and use by the Underwriter of the Official Statement in connection with the public offering and sale of the Bonds.

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3.3. Amendments or Supplements. Between the date of this Purchase Contract and 90 days following the end of the underwriting period (as defined in Rule 15c2-12), if any event shall occur or any pre-existing fact shall become known which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, or if any event relating to or affecting the correctness or completeness of any statement contained in the Official Statement shall occur, then the Issuer (to the extent of its knowledge) will promptly notify the Underwriter of the circumstances and details of such event. If, in the opinion of the Underwriter, such event should be set forth or reflected in an amendment or supplement to the Official Statement to make the Official Statement not misleading in light of the circumstances existing at the time it is delivered to the Underwriter, then the Issuer will, at the expense of the Issuer, forthwith prepare and furnish to the Underwriter a reasonable number of copies of an amendment or supplement to the Official Statement (in form and substance satisfactory to the Underwriter and the Issuer) that will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances existing at the time the Official Statement is delivered to the Underwriter, not misleading. The Issuer shall provide such information and access to its properties and appropriate records as the Underwriter may reasonably request in connection with the preparation of such amendment or supplement to the Official Statement. Unless otherwise notified in writing by the Underwriter, the Issuer can assume that the “end of the underwriting period” for purposes of Rule 15c2-12 shall be 25 days from the date of Closing (as defined in Section 6 herein). In the event such notice is so given in writing by the Underwriter, the Underwriter agrees to notify the Issuer in writing following the occurrence of the end of the underwriting period.

3.4. Submission to the MSRB. The Issuer authorizes the Underwriter, and the Underwriter agrees, to submit one copy of the Official Statement to the Municipal Securities Rulemaking Board in its Electronic Municipal Market Access System not later than seven business days after the date of the Official Statement. The Underwriter shall fulfill all other responsibilities imposed upon the Underwriter by Rule 15c2-12.

4. PUBLIC OFFERING

It shall be a condition to the Issuer’s obligations to sell and to deliver the Bonds to the Underwriter and to the Underwriter’s obligation to purchase, to accept delivery of and to pay for the Bonds that the entire principal amount of the Bonds shall be issued, sold and delivered by the Issuer and purchased, accepted and paid for at Closing. The Underwriter agrees to make a bona fide public offering of all the Bonds at prices which do not exceed the initial public offering prices, or prices corresponding to the yields, as set forth on the cover page of the Official Statement.

5. REPRESENTATIONS, WARRANTIES AND AGREEMENTS OF ISSUER

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The Issuer represents and warrants to the Underwriter as of the date hereof, and will represent and warrant to the Underwriter as of the date of Closing, that:

5.1. The Issuer is a corporation duly and validly created under the Constitution and laws of the State of Alaska and is validly existing under the laws of the State of Alaska.

5.2. The Issuer has full legal right, power and authority to adopt the Issuer Authorization, to enter into this Purchase Contract, the Indenture, and all other documents delivered and to be delivered by the Issuer to which it is or will be a party in connection with the requirements of this Purchase Contract and the Indenture (collectively, the "Issuer Documents"), to carry out and consummate the transactions contemplated by this Purchase Contract, the Issuer Authorization, the Indenture and the Preliminary Official Statement, and to issue, sell and deliver the Bonds to the Underwriter as provided herein.

5.3. By official action of the Issuer prior to or concurrently with the acceptance hereof, the Board of the Issuer has duly authorized all necessary action to be taken by it for (i) the adoption of the Issuer Authorization and the issuance and sale of the Bonds; (ii) the approval, execution and delivery of, and the performance by the Issuer of the obligations on its part contained in the Bonds, the Preliminary Official Statement, the Official Statement, and the Issuer Documents; (iii) the approval, distribution, and use of the Preliminary Official Statement and Official Statement for use by the Underwriter in connection with the public offering of the Bonds and (iv) the consummation by it of all other transactions described in the Preliminary Official Statement, the Official Statement, the Issuer Documents and any and all such other agreements and documents as may be required to be executed, delivered and/or received by the Issuer in order to carry out, give effect to, and consummate the transactions described herein and in the Preliminary Official Statement and the Official Statement.

5.4. The Issuer Documents, when executed by the Issuer, will be duly authorized and delivered and will constitute the legal, valid and binding obligations of the Issuer, enforceable in accordance with their terms, except as the enforcement thereof may be affected by valid bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors' rights or the application of equitable principles and the exercise of judicial discretion (the "Creditors' Rights Limitations") and the proceeds of the sale of the Bonds shall be applied as described in the Preliminary Official Statement and the Official Statement.

5.5. The execution and delivery by the Issuer of the Bonds, the Preliminary Official Statement, the Official Statement, the Issuer Documents and the compliance with the obligations on its part contained therein will not conflict with or constitute a breach of or a default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or to which the Issuer or any of its properties or other assets is otherwise subject, nor will any such execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or other assets of the Issuer or

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under the terms of any such law, regulation or instrument, except as provided or permitted by the Issuer Documents.

5.6. The Bonds, when issued, delivered and paid for, in accordance with the Issuer Authorization, the Indenture, and this Purchase Contract, will have been duly authorized, executed, issued and delivered by the Issuer and will be enforceable against the Issuer in accordance with their terms, subject to the Creditor's Rights Limitations.

5.7. Upon such issuance, authentication and delivery of the Bonds, the Indenture will provide, for the benefit of the owners from time to time of the Bonds, a legally valid and binding pledge of and lien on the Revenues and the Funds held under the Indenture, as provided in and contemplated by the Indenture.

5.8. The information in the Preliminary Official Statement as of its date and as of the date hereof and the Official Statement as of its date and the date of Closing, other than information concerning DTC, the Underwriter, or Underwriting (as to which no representation or warranty is made), were and are true and correct in all material respects and did not and do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The Issuer has deemed final as of its date the Preliminary Official Statement for purposes of Rule 15c2-12, except for the omission of no more than offering prices, interest rates, Underwriter's discount, aggregate principal amount and principal amounts per maturity, delivery dates, ratings and other terms of the Bonds depending on such matters.

5.9. The financial statements of, and other financial information regarding the Issuer in the Preliminary Official Statement and in the Official Statement fairly present the financial position and results of the Issuer as of the dates and for the periods therein set forth. The financial statements of the Issuer have been prepared in accordance with generally accepted accounting principles consistently applied, and except as noted in the Preliminary Official Statement and in the Official Statement, the other historical financial information set forth in the Preliminary Official Statement and in the Official Statement has been presented on a basis consistent with that of the Issuer's audited financial statements included in the Preliminary Official Statement and in the Official Statement. Prior to the Closing, the Issuer will not take any action within or under its control that will cause any adverse change of a material nature in such financial position, results of operations or condition, financial or otherwise, of the Issuer.

5.10. The Bonds conform to the descriptions thereof contained in the Preliminary Official Statement and the Official Statement under the captions "DESCRIPTION OF THE BONDS", and the proceeds of the Bonds will be applied generally as described in the Preliminary Official Statement and the Official Statement.

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5.11. The Issuer has the legal authority to apply and will apply, or cause to be applied, the proceeds from the sale of the Bonds as provided in and subject to all of the terms and provisions of the Indenture and will not take or omit to take any action which action or omission will adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

5.12. The Preliminary Official Statement, as supplemented and amended, through the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

5.13. At the time of the Issuer's acceptance hereof, unless the Official Statement is amended or supplemented pursuant to Section 3.3 and 5.15 hereof, at all times subsequent thereto during the period up to and including the date of Closing, the Official Statement does not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

5.14. If between the date of this Purchase Contract and the date of the Closing any event shall occur or any pre-existing fact shall become known to the Issuer which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Issuer shall promptly notify the Underwriter thereof pursuant to Section 3.3 hereof and the Issuer shall cooperate with the Underwriter in accordance with that Section.

5.15. If the Official Statement is supplemented or amended pursuant to Sections 3.3 and 5.15 hereof, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such Sections) at all times subsequent thereto up to during the Underwriting Period, the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

5.16. Between the date hereof and the Closing, the Issuer shall not offer or issue any bonds, notes or other obligations for borrowed money, or incur any material liabilities, direct or contingent, or enter into any material transaction, in each case other than in the ordinary course of its business, which could affect payment of principal and interest on the Bonds, and there shall have not been any material adverse change in the condition, financial or physical, of the Issuer or its properties.

5.17. The Issuer is not in breach of or in default under any applicable constitutional provision, law or administrative regulation of the State of Alaska (the "State") or the United States, or any applicable loan agreement, indenture, bond, note, resolution, agreement or other instrument relating to the issuance of the Bonds to which the Issuer is a party or to which the Issuer or any of its

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property or assets is otherwise subject, and no event which would have a material and adverse effect upon the financial condition of the Issuer has occurred and is continuing which constitutes or with the passage of time or the giving of notice, or both, would constitute a default or event of default by the Issuer under any of the foregoing.

5.18. There is no litigation, action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to the best knowledge of the Issuer, threatened against the Issuer (a) affecting the existence of the Issuer or questioning entitlement of its officers to their respective offices; (b) affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of any of the Bonds; (c) which in any way contests or affects the validity or enforceability of the Bonds, the Issuer Authorization or the Issuer Documents; (d) which in any way contests or affects the powers of the Issuer, or the proceedings of the Issuer, to issue, sell and deliver the Bonds, adopt the Issuer Authorization or execute and deliver the Issuer Documents or in any way contests or challenges the consummation of the transactions contemplated hereby or thereby; (e) which contests the exclusion of the interest on the Bonds from gross income for federal income tax purposes; (f) which may result in any material adverse change relating to the financial or other condition of the Issuer; or (g) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Official Statement contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and to the best knowledge of the Issuer after due investigation, there is no reasonable basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (a) through (g) of this Section.

5.19. Except as expressly set forth in the Preliminary Official Statement, all authorizations, approvals, licenses, permits, consents, filings, registrations and orders, of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required for the due authorization of, which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the Issuer of its obligations in connection with the Bonds, the Issuer Documents, the Official Statement and the Issuer Authorization have been duly obtained, except for such approvals, consents and orders as may be required under the blue sky or other securities laws of any state in connection with the offering and sale of the Bonds and except for certain construction permits which the Issuer expects to obtain in due course.

5.20. The Issuer will furnish such information and execute such instruments and take such other action in cooperation with the Underwriter, at no expense to Issuer, as the Underwriter may reasonably request in order to (a) qualify the Bonds for offer and sale under the blue sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate, and will use its best efforts to continue such qualification in effect so long as required for the distribution of the Bonds; provided however, that the Issuer shall not be obligated to execute a general or special consent to service of process or qualify to do business in connection with

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any such qualification or determination in any jurisdiction; (b) determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions; and (c) comply with any and all requirements for continuing disclosure of information in accordance with applicable securities laws.

5.21. The Issuer has not failed during the previous five years to comply with any previous undertakings in a written continuing disclosure contract or agreement under Rule 15c2-12.

5.22. Any certificate signed by any authorized officer of the Issuer in connection with the transactions described in this Purchase Contract shall be deemed to be a representation and warranty by the Issuer to the Underwriter as to the statements made therein.

6. THE CLOSING

At 8:00 a.m., Pacific Time, on March ___. 2013, or at such other time or on such other date as may be mutually agreed upon by the Issuer and the Underwriter, the Issuer shall, subject to the terms and conditions hereof, (a) deliver or cause to be delivered to the Trustee to be held on behalf of The Depository Trust Company ("DTC"), for credit to the account of the Underwriter, the Bonds in definitive form duly executed by the Issuer and authenticated by the Trustee, and (b) deliver or cause to be delivered to the Underwriter the other documents and instruments to be delivered at the Closing pursuant to Section 7.6 of this Purchase Contract (the "Closing Documents"). At the same time and place, and subject to the terms and conditions hereof, the Underwriter shall accept such delivery of and pay the purchase price for the Bonds as set forth in Section 1 hereof and Exhibit A hereto by wire transfers in immediately available funds to the Trustee. Such delivery and payment is herein referred to as the "Closing."

Delivery of the Closing Documents and payment for the delivery of the Bonds shall be made at the office of _____ or at such other location as is agreeable to the Issuer and the Underwriter.

The Bonds shall be in definitive form, shall be registered in the Bond Register in the name of Cede & Co., the nominee of DTC, and shall be in authorized denominations. The Underwriter shall order CUSIP identification numbers, and the Issuer shall cause such CUSIP identification numbers to be typed or printed on the Bonds, but neither the failure to print or type such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Underwriter to accept delivery of and pay for the Bonds in accordance with the terms of this Purchase Contract.

7. CLOSING CONDITIONS

The Underwriter is entering into this Purchase Contract (a) in reliance upon the representations, warranties and agreements of the Issuer contained herein, and (b) in reliance upon the representations, warranties and agreements of the Issuer to be contained in the Closing Documents. Accordingly, the Underwriter's obligations under this Purchase Contract to purchase, to accept delivery of and to pay for

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the Bonds shall be conditioned upon the performance by the Issuer of the covenants and agreements to be performed hereunder and thereunder at or prior to the Closing and are also subject to the following conditions:

7.1. The representations and warranties of the Issuer contained in Section 5 hereof shall be true, complete and correct in all respects on the date hereof and the date of Closing as if made on the date of the Closing.

7.2. At the time of the Closing, all official action of the Issuer relating to the Indenture, the Bonds, and this Purchase Contract and all other Issuer Documents and all official action of Issuer shall be in full force and effect in accordance with their respective terms and shall not have been amended, modified or supplemented since the date hereof except as shall have been agreed to in writing by the Underwriter.

7.3. At the time of the Closing, the Official Statement as delivered to the Underwriter in accordance with the terms of Section 3.2 hereof shall not have been supplemented or amended without the consent of the Underwriter in compliance with that Section and no event or circumstance shall have occurred which, in the opinion of the Underwriter, would require such amendment or supplement, unless such supplement or amendment has been prepared and distributed with the consent of the Underwriter in accordance with Section 3.3.

7.4. At the time of the Closing, there shall have been no material adverse change in the operations or financial condition of the Issuer.

7.5. Moody's Investors Service ("Moody's") and Standard & Poor's Ratings Services ("S&P") shall have given the Bonds a rating of ___ and ___, respectively.

7.6. At or prior to the Closing, the Underwriter shall review each of the following documents:

(a) From the Issuer:

(1) The Issuer Authorization, certified by the Secretary of the Issuer as of the date of the Closing, authorizing the Issuer to enter into the Issuer Documents and to issue the Bonds;

(2) A written undertaking to provide continuing disclosure pursuant to Rule 15c2-12, duly executed by the Issuer (the "Issuer Undertaking");

(3) An executed copy of each of the following:

(i) the Indenture;

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- (ii) the Blanket Issuer Letter of Representations between DTC and the Issuer;
- (iii) this Purchase Contract;
- (iv) all other Issuer Documents; and
- (v) two copies of the Official Statement and each supplement or amendment, if any, thereto, each executed by the Issuer.

(4) A certificate of the Issuer deeming final the Preliminary Official Statement as of its date, executed by the Controller or other authorized officer of the Issuer and dated as of that date;

(5) A certificate or certificates of the Issuer, dated the date of the Closing, executed by an authorized officer of the Issuer and satisfactory in form and substance to the Underwriter, to the effect that on the date of the Official Statement and on the date of the certificate:

(i) Each of the representations and warranties of the Issuer set forth in Section 5 of this Purchase Contract is true, accurate and complete as of the date of the Closing;

(ii) The Issuer has complied with all agreements and covenants and satisfied all conditions contemplated by the Issuer Authorization and the Issuer Documents on its part to be performed or satisfied at or prior to the date of Closing;

(iii) The information and statements in the Preliminary Official Statement as of its date and as of the date hereof and the Official Statement as of its date and the date of Closing, other than information concerning DTC, the Underwriter, and Underwriting (as to which no representation or warranty need be made), were and are true and correct in all material respects and did not and do not contain an untrue statement of a material fact or omit any statement of material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(6) A certificate of the Issuer with respect to arbitrage and tax matters in form and substance satisfactory to Bond Counsel;

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(7) A true and correct copy of the completed information return of the Issuer (on Form 8038-G), executed by the Issuer, pursuant to the provisions of Section 149(e) of the Code, in connection with the issuance of the Bonds;

(8) Evidence, satisfactory to the Underwriter, that the Bonds have ratings of “___” and “___,” from Moody’s and S&P, respectively;

(b) From the Trustee:

A certificate of the Trustee, executed by an authorized officer of the Trustee and dated the date of Closing, to the effect that (a) the Trustee is a duly organized and validly existing national banking association under the laws of the United States of America, legally doing business in and duly qualified to exercise trust powers in the United States of America, eligible under the Indenture to act as trustee thereunder, and has full corporate right, power and authority to accept the trusts contemplated by and to perform all duties and obligations on its part to be performed and to take all actions required or permitted on its part to be taken under and pursuant to the Indenture; (b) the Trustee has duly authorized the acceptance of the trusts contemplated by the Indenture, has duly accepted the duties and obligations of Trustee thereunder and has duly authorized, executed and delivered the Indenture, and the duties and obligations of the Trustee under the Indenture constitute valid, legal and binding obligations of the Trustee in accordance with the terms of the Indenture subject to customary qualifications and exceptions; (c) all approvals, consents, authorizations, elections and orders of or filings or registrations with any governmental authority, agency, board or commission having jurisdiction in the matter which would constitute a condition precedent to, or the absence of which would materially adversely affect, the performance by the Trustee of its duties and obligations under the Indenture, have been obtained and are in full force and effect; (d) the acceptance of the duties and obligations of the Trustee under the Indenture, execution and delivery of the Indenture, and the performance or the consummation of the transactions on the part of the Trustee contemplated in the Indenture and the compliance by the Trustee with the terms, conditions and provisions of such document have been duly authorized by all necessary corporate action on the part of the Trustee and do not contravene any provision of applicable law or regulation or any order, decree, writ or injunction or the Trustee’s articles of association or bylaws, and do not require consent under (except to the extent such consent has been obtained), or result in a breach of or default under, any material credit agreement or other material instrument to which the Trustee is a party or is otherwise subject or bound; and (e) to the Trustee’s knowledge, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency or public board or body, pending or threatened, in any way contesting or affecting the creation, organization or existence of the Trustee or the authority of the Trustee to accept or perform the duties and obligations of the Trustee under the Indenture;

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(c) Opinions as follows:

(1) The approving opinion of Wohlforth, Brecht, Cartledge & Brooking, P.C., dated the date of the Closing and addressed to the Underwriter, in substantially the form set forth in Appendix C to the Preliminary Official Statement;

(2) A supplemental opinion or opinions from Wohlforth, Brecht, Cartledge & Brooking, P.C., dated the date of the Closing, addressed to the Issuer and the Underwriter, in substantially the form attached hereto as Exhibit C;

(3) An opinion of Underwriter's Counsel, dated the date of the Closing and addressed to the Underwriter, substantially in the form attached to this Purchase Contract as Exhibit D and in form and substance satisfactory to the Underwriter; and

(d) Such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the date of the Closing, of the representations and warranties of the Issuer contained herein, and of the statements and information contained in the Official Statement, the due performance by the Issuer on or prior to the date of Closing of all the respective agreements then to be performed by them and the satisfaction on or prior to the date of the Closing of all the conditions to Closing prescribed herein.

All of the evidence, opinions, letters, certificates, instruments and other documents referred to above shall be in form and substance reasonably satisfactory to the Underwriter and to Underwriter's Counsel.

If the conditions to the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Bonds contained in this Purchase Contract are not satisfied (and the Underwriter has not waived any such conditions), or if the obligation of the Underwriter to purchase, to accept delivery of and to pay for the Bonds shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and, except as provided in Sections 9 and 11 hereof, neither the Underwriter nor the Issuer shall be under any further obligation hereunder.

8. TERMINATION

The Underwriter shall have the right terminate the Underwriter's obligation under the Purchase Contract to purchase, to accept delivery of and to pay for the Bonds if, after the execution hereof and prior to the Closing, the market price or marketability of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds shall be materially adversely affected in the reasonable judgment of the Underwriter by the occurrence of any of the following:

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8.1. The marketability of the Bonds or the market price thereof, in the reasonable opinion of the Underwriter, has been materially adversely affected by (a) an amendment to the Constitution of the United States or by any legislation (i) enacted by the United States, (ii) recommended to the Congress or otherwise endorsed for passage, by press release, other form of notice or otherwise, by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or (iii) presented as an option for consideration by either such Committee, or by the staff of such Committee or favorably reported for passage to either House of the Congress by any Committee of such House or by a Conference Committee of both Houses to which such legislation has been referred for consideration, or (b) by any decision of any court of the United States or any ruling or regulation (final, temporary or proposed) on behalf of the Treasury Department of the United States, the Internal Revenue Service or any other authority of the United States or any comparable legislative, judicial or administrative development affecting the federal tax status of the Issuer, or its property or income, or the interest on obligations of the general character of the Bonds or the Bonds.

8.2. There shall have occurred any (i) new material outbreak or escalation of hostilities or mobilization in anticipation thereof, including without limitation any terrorist activities or an act of terrorism, or (ii) new material other national or international calamity or crisis, or any material adverse change in the financial, political or economic conditions affecting the United States, including, but not limited to, an escalation of hostilities that existed prior to the date hereof.

8.3. A general banking moratorium declared by federal, State of New York, or State officials authorized to do so.

8.4. A general suspension of trading in securities on the New York Stock Exchange or any other national securities exchange, the establishment of minimum or maximum prices on any such national securities exchange, the establishment of material restrictions (not in force as of the date hereof) upon trading securities generally by any governmental authority or any national securities exchange, or any material increase of restrictions now in force (including, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter).

8.5. Any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material respect any material statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

8.6. Any legislation, resolution, rule or regulation shall be introduced in or enacted by any governmental body, board, department or agency of the State or the United States, or a decision by any court of competent jurisdiction within the State or any court of the United States shall be

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rendered, affecting the Issuer, which, in the reasonable opinion of the Underwriter, will materially adversely affect the marketability or the market price of the Bonds.

8.7. Legislation introduced in or enacted (or resolution passed) by the Congress or an order, decree, or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary, or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds are not exempt from registration under or other requirements of the Securities Act of 1933, as amended, or that the Indenture is not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amend, or that the issuance, offering, or sale of obligations of the general character of the Bonds, as contemplated hereby or by the Official Statement or otherwise, is or would be in violation of the federal securities law as amended and then in effect.

8.8. The New York Stock Exchange or other national securities exchange, or any governmental authority, shall impose, as to the Bonds, or obligations of the general character of the Bonds, any material restrictions not now in force or being enforced, with respect to the extension of credit by, or the charges to the net capital requirements of, the Underwriter.

8.9. A decision by a court of the United States shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall have been issued or made to the effect that the issuance, offering or sale of the Bonds, including the underlying obligations as contemplated by this Purchase Contract or by the Official Statement, or any document relating to the issuance, offering or sale of the Bonds, is or would be in violation of the federal securities laws at the Closing, including the Securities Act of 1933, the Securities Exchange Act of 1934 and the Trust Indenture Act of 1939.

8.10. Legislation shall be enacted by or introduced in the Congress of the United States or recommended to the Congress for passage by the President of the United States, or the Treasury Department of the United States or the Internal Revenue Service or favorably reported for passage to either House of the Congress by any committee of such House to which such legislation has been referred for consideration, a decision by a court of the United States or of the State or the United States Tax Court shall be rendered, or an order, ruling, regulation (final, temporary or proposed), press release, statement or other form of notice by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be made or proposed, the effect of any or all of which would be to alter, directly or indirectly, federal income taxation upon interest received on obligations of the general character of the Bonds, or the interest on the Bonds as described in the Official Statement, or other action or events shall have transpired which may have the purpose or effect, directly or indirectly, of changing the federal income tax consequences of any of the transactions contemplated herein.

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8.11. There shall have occurred since the date of this Agreement any materially adverse change in the affairs or financial condition of the Issuer, except for changes which the Official Statement discloses are expected to occur.

8.12. There shall have occurred any downgrading or published negative credit watch or similar published information from a rating agency that at the date of the Purchase Contract has published a rating (or has been asked to furnish a rating on the Bonds) on any of the Issuer's debt obligations, which action reflects a change or possible change, in the ratings accorded any such obligations of the Issuer (including any rating to be accorded the Bonds).

8.13. A material disruption in securities settlement, payment or clearance services shall have occurred.

9. EXPENSES

9.1. The Issuer. The Underwriter shall be under no obligation to pay, and the Issuer shall pay or cause to be paid, all expenses incident to the performance of its obligations hereunder, including, but not limited to (a) the cost of preparation, printing, authentication and registration of the Bonds; (b) the fees and disbursements of Bond Counsel, Issuer's financial advisor and any other experts or consultants retained by the Issuer; (c) the fees and disbursements of the Trustee; (d) the fees and disbursements of Underwriter's Counsel; (e) the cost of preparation and printing (for distribution on or prior to the date hereof) of the Issuer Authorization and the Indenture; (f) the fees, if any, for ratings of the Bonds; (g) the cost of preparation, printing and distribution of the Preliminary Official Statement and the Official Statement; and (h) all other expenses and costs of the Issuer incident to its obligations in connection with the authorization, issuance, sale, and distribution of the Bonds, and not identified in Section 9.2.

9.2. The Underwriter. The Underwriter shall pay (a) all advertising expenses incurred by it in connection with the public offering of the Bonds; (b) all expenses relating to blue sky registration, if any; (c) the cost of CUSIP numbers; (d) the cost of preparation and printing of the blue sky memorandum, if any, to be used by Underwriter and the cost of printing of this Purchase Contract; and (e) all other expenses incurred by the Underwriter in connection with the Bonds other than the fees and disbursements of Underwriter's Counsel.

10. NOTICES

Any notice or other communication to be given to the Issuer under this Purchase Contract (other than the acceptance hereof as specified in Section 1 herein) may be given by delivering the same in writing to the address set forth above, Attention: Myron J. Dosch, Controller. Any notice or other communication to be given to the Underwriter under this Purchase Contract may be given by delivering the same in writing to Barclays Capital Inc., 701 Fifth Avenue, Suite 7101, Seattle, Washington, 98104-7016, Attention: Richard B. King, Director .

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11. ENTIRE AGREEMENT; PARTIES IN INTEREST

This Purchase Contract is made solely for the benefit of the Issuer and the Underwriter (including the successors of the Underwriter approved by the Issuer). No other person shall acquire or have any right hereunder or by virtue hereof. All of the representations, warranties and agreements of the Issuer contained in this Purchase Contract shall remain operative and in full force and effect regardless of (a) any investigation made by or on behalf of the Underwriter (but if the Underwriter does discover by their investigation that the Official Statement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Underwriter shall so notify the Issuer); (b) the delivery of and payment for the Bonds; and (c) any termination of this Purchase Contract.

12. GOVERNING LAW

The validity, interpretation and performance of this Purchase Contract shall be governed by the laws of the State of Alaska.

13. EFFECTIVENESS

This Purchase Contract shall become effective upon the execution of the acceptance hereof on behalf of the Issuer by an authorized officer of the Issuer and shall be valid and enforceable at the time of such execution.

14. AMENDMENT

This Purchase Contract shall not be modified or amended except by a writing executed on behalf of the Underwriter and the Issuer.

15. REPRESENTATION OF UNDERWRITER

The Underwriter represents that it is authorized to take any action under this Purchase Contract required to be taken by them.

16. HEADINGS

The headings of the Sections of this Purchase Contract are inserted for convenience only and shall not be deemed to be a part hereof.

17. COUNTERPARTS

This Purchase Contract may be executed in several counterparts, which together shall constitute one and the same instrument.

18. NO FIDUCIARY

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The Issuer agrees and acknowledges that: (i) with respect to the engagement of the Underwriter by the Issuer, including in connection with the purchase, sale and offering of the Bonds, and the discussions, conferences, negotiations and undertakings in connection therewith, the Underwriter (a) is and has been acting as a principal and not an agent or fiduciary of the Issuer and (b) has not assumed an advisory or fiduciary responsibility in favor of the Issuer; (ii) the Issuer has consulted its own legal, financial and other advisors to the extent it has deemed appropriate; and (iii) this Agreement expresses the entire relationship between the parties hereto.

19. GOOD FAITH DEPOSIT

In connection with the execution of this Purchase Contract, the Underwriter will wire transfer to the Trustee, for the account of the Issuer an amount equal to \$275,000. Such payment has been delivered by the Underwriter as security for the performance by the Underwriter of its obligations to purchase, accept delivery of and pay for the Bonds at Closing. At the Closing, the Underwriter shall pay or cause to be paid the purchase price of the Bonds, less the amount of such deposit, without interest, to the payment of the balance of such purchase price. If the Issuer accepts this offer, this payment may be retained. If the Issuer does not accept this offer, the Issuer shall forthwith return the amount of such deposit, without interest, to the Underwriter. Should the Issuer fail to deliver the Bonds at Closing, or should the Issuer be unable to satisfy the conditions to the obligations of the Underwriter to accept delivery of and to pay for the Bonds, as set forth in this Purchase Contract (unless waived by the Underwriter), or should such obligations of the Underwriter be terminated or cancelled for a reason permitted by this Purchase Contract, the Issuer shall forthwith return the amount of such deposit, without interest, to the Underwriter. If the Underwriter fails (other than for a reason permitted hereunder) to accept delivery of and pay for any of the Bonds at the Closing as herein provided, such deposit shall be retained by the Issuer as and for full liquidated damages for the failure of the Underwriter to accept delivery of and pay for the Bonds. The retention of such sum shall constitute a full release and discharge of all claims and rights of the Issuer against the Underwriter on account of such failure and a waiver of any right the Issuer may have to additional damages for such failure. The Underwriter acknowledges that the amount of any damages to be incurred by the Issuer as a result of the Underwriter's failure to accept delivery of and pay for the Bonds would be difficult to ascertain. The Underwriter waives any right to claim that actual damages resulting from such failure are less than the amount of such liquidated damages.

Very truly yours,

UNDERWRITER:

BARCLAYS CAPITAL INC.

By:

Richard B. King
Director

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ISSUER:

UNIVERSITY OF ALASKA

By:

Myron J. Dosch
Controller

TRUSTEE (as to Section 19 only):

BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.

By:

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Exhibit A
Terms of the Bonds

Purchase Price:

Principal Amount	\$ _____
[Plus/Less] Net Original Issue [Premium/Discount]	_____
Less Underwriter's Discount	_____
Purchase Price	\$ _____

Interest on the Bonds is payable on each April 1 and October 1, commencing on October 1, 2013, and on each date on which a Bond is redeemed or accelerated for maturity in accordance with the terms of the Indenture. Principal on the Bonds is payable on the dates, and the Bonds will bear interest at the rates, set forth below:

<u>Maturity</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Maturity</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>
2013	\$	%	2021	\$	%
2014			2022		
2015			2023		
2016			2024		
2017			2025		
2018			2026		
2019			2027		
2020					

\$ _____ % Term Bonds Due October 1, 20__ - Priced to Yield _____%

\$ _____ % Term Bonds Due October 1, 20__ - Priced to Yield _____%

\$ _____ % Term Bonds Due October 1, 20__ - Priced to Yield _____%

*Priced to the October 1, 2022 call date.

The Bonds maturing on and after October 1, 2023 are subject to redemption, in whole or in part, on any date on or after October 1, 2022 at a redemption price of 100% of the principal amount of such Series 2012 Bonds plus accrued and unpaid interest on such Bonds being redeemed to the date fixed for redemption. The selection of Bonds to be redeemed within a maturity shall be made as provided in the Indenture.

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The Bonds maturing in the year _____ are subject to mandatory sinking fund redemption on October 1 in the following years and in the following amounts at a price of 100% of the principal amount of the Bonds to be redeemed plus accrued interest to the date of redemption as follows:

Redemption Year (October 1)	Redemption Amount \$
--------------------------------	-------------------------

*

* Final maturity

The Bonds maturing in the year _____ are subject to mandatory sinking fund redemption on October 1 in the following years and in the following amounts at a price of 100% of the principal amount of the Bonds to be redeemed plus accrued interest to the date of redemption as follows:

Redemption Year (October 1)	Redemption Amount \$
--------------------------------	-------------------------

*

* Final maturity

The Bonds maturing in the year _____ are subject to mandatory sinking fund redemption on October 1 in the following years and in the following amounts at a price of 100% of the principal amount of the Bonds to be redeemed plus accrued interest to the date of redemption as follows:

Redemption Year (October 1)	Redemption Amount \$
--------------------------------	-------------------------

*

* Final maturity

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**Exhibit B
Refunded Bonds**

Series Designation

Principal Amount

Maturities

Redemption Date

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Exhibit C
Points to be Addressed in Supplemental Opinion of Bond Counsel
pursuant to Section 7.6(c)(2)

The supplemental opinion or opinions of Wohlforth, Brecht, Cartledge & Brooking, P.C., shall be addressed to the Issuer and the Underwriter and shall contain the following:

The Issuer has full legal right, power and authority to enter into the Indenture, and to issue and sell the Bonds and to use the proceeds thereof for the purposes described in the Indenture.

The Indenture creates the valid pledge that it purports to create of the Revenues, subject only to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Indenture.

The Bonds are exempt from registration under Section 3(a)(2) of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under Section 304(a)(4) of the Trust Indenture Act of 1939, as amended.

The statements in the Preliminary Official Statement as of its date and as of the date of the Purchase Contract and the Official Statement as of its date and as of the date hereof concerning the Bonds, the Indenture, and the information and statements contained in the Preliminary Official Statement, as of its date, and the Official Statement as of its date and the date hereof under the headings "DESCRIPTION OF THE BONDS," "SECURITY FOR THE BONDS," "CERTAIN LEGAL MATTERS" AND "TAX MATTERS," insofar as such statements purport to summarize certain provisions of the Issuer Authorization, the Indenture and the Issuer Documents (other than any financial or statistical data contained in such sections, about which no opinion need be expressed), certain State of Alaska and federal laws and tax matters and the approving opinion of Bond Counsel, are true and correct in all material respects, and did not and do not omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and the statements of law and legal conclusions stated therein are correct.

The Indenture and the Bonds conform in all material respects as to the descriptions thereof as summarized and set out in the Official Statement.

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Exhibit D
Form of Opinion of Underwriter's Counsel
pursuant to Section 7.6(c)(3)

[Letterhead of Birch Horton Bittner & Cherot]

March __, 2013

Barclays Capital Inc.
701 Fifth Avenue, Suite 7101
Seattle, Washington 98104

Re: \$_____ University of Alaska General Revenue and Refunding Bonds, 2013 Series S (the "Bonds")

Ladies and Gentlemen:

We have acted as counsel to you in connection with the issuance of the above-captioned Bonds by the University of Alaska (the "Issuer"). Unless otherwise defined herein, capitalized terms used herein have the meanings set forth in the Bond Purchase Contract (the "Purchase Contract") relating to the sale of the Bonds dated March __, 2013, between the Issuer and Barclays Capital Inc., as Underwriter (the "Underwriter").

In our capacity as counsel to the Underwriter, we have examined originals, or copies certified or otherwise identified to our satisfaction as being true copies of originals, of the following documents: (i) the Purchase Contract; (ii) the Issuer Authorization; (iii) the Indenture, (iv) the Issuer's Preliminary Official Statement relating to the Bonds dated February __, 2013 (the "Preliminary Official Statement"); (v) the Issuer's Official Statement relating to the Bonds dated March __, 2013 (the "Official Statement"; (vi) the Issuer's Undertaking to Provide Ongoing Continuing Disclosure (the "Issuer's Undertaking"); and (vii) the various certificates and opinions provided on the date hereof pursuant to the Purchase Contract (collectively, the "Documents").

We have assumed: (i) each party to the Documents validly exists and has and had all necessary legal and corporate authority to execute, deliver and perform the Documents to which it is a party; (ii) the execution and performance of the Documents and such other documents as may be executed in connection therewith by each such party will not violate or breach any corporate or other document or instrument to which such person is party or by which it is bound; (iii) the Documents are legal, valid and binding obligations of each such party to the extent purported to be such, enforceable in accordance with their respective terms; (iv) the Underwriter has a reasonable basis for relying on the assurances contained in the Undertaking regarding the Issuer's continuous disclosure obligations; (v) the genuineness of all signatures on the Documents; (vi) the authenticity and completeness of all Documents submitted to us as originals; (vii) the legal competence of all natural persons who have

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signed the Documents; and (viii) the conformity to original Documents of all Documents submitted to us as copies.

In rendering this opinion, we have relied upon the approving opinion and the supplemental opinion of Wohlforth, Brecht, Cartledge & Brooking, P.C, to the extent that such opinions address the validity of the Bonds and the Documents.

1. The Purchase Contract has been duly authorized, executed and delivered by the Underwriter and, assuming its due execution by the Issuer, the Purchase Contract constitutes a binding contract of the Underwriter.

2. Based upon examination of information made available to us in the course of our participation in the preparation of the Preliminary Official Statement and the Official Statement as counsel for the Underwriter, and without having undertaken to determine independently or assuming any responsibility for the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement and the Official Statement, no information came to the attention of this firm, that caused us to believe that the Preliminary Official Statement, as of its date and as of the date of the Purchase Contract, and the Official Statement as of its date and the date of Closing (except for the financial statements and schedules and other information of an accounting, statistical or financial nature included therein or incorporated by reference, as to which we express no opinion), contained or contains any untrue statement of a material fact or omitted or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, except no opinion or belief is expressed as to the information set forth in the Official Statement under the captions "APPENDIX A—University of Alaska Audited Financial Statements."

3. The offer and sale of the Bonds are exempt from the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended.

This opinion is furnished by this firm as counsel to the Underwriter and is solely for the benefit of the Underwriter. It is not to be used, circulated, quoted, or otherwise referred to for any purposes except that reference may be made to it in the Purchase Contract or in any list of closing documents pertaining to the delivery of the Bonds. It may not be relied upon by any other party or for any other purpose without our express written consent. This firm assumes no obligation to review or supplement this opinion subsequent to its date.

Very truly yours,

BIRCH HORTON BITTNER & CHEROT

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SOURCES AND USES OF FUNDS**University of Alaska
General Revenue and Refunding Bonds, 2013 Series S**

	Dated Date Delivery Date		03/13/2013 03/13/2013				
Sources:	UAA New Money Component	UAF New Money Component	SW New Money Component	2003L Refunding Component	2004M Refunding Component	2005N Refunding Component	Total
Bond Proceeds:							
Par Amount	9,420,000.00	10,395,000.00	685,000.00	305,000.00	380,000.00	10,335,000.00	31,520,000.00
Net Premium/OID	<u>1,472,439.30</u>	<u>1,623,599.05</u>	<u>100,854.45</u>	<u>16,208.25</u>	<u>15,910.60</u>	<u>1,488,312.85</u>	<u>4,717,324.50</u>
	10,892,439.30	12,018,599.05	785,854.45	321,208.25	395,910.60	11,823,312.85	36,237,324.50
Other Sources of Funds:							
University Contribution	-	-	-	5,750.00	7,218.75	250,065.00	263,033.75
	10,892,439.30	12,018,599.05	785,854.45	326,958.25	403,129.35	12,073,377.85	36,500,358.25
Uses:							
Project Fund Deposits:							
Project Fund	10,403,000.00	11,484,000.00	752,500.00	-	-	-	22,639,500.00
Refunding Escrow Deposits:							
Cash Deposit	-	-	-	0.59	0.56	0.75	1.90
SLGS Purchases	<u>-</u>	<u>-</u>	<u>-</u>	<u>326,322.00</u>	<u>399,220.00</u>	<u>11,998,975.00</u>	<u>12,724,517.00</u>
	-	-	-	326,322.59	399,220.56	11,998,975.75	12,724,518.90
Other Fund Deposits:							
Debt Service Reserve Fund Deposit	420,934.66	464,421.95	27,663.52	-	-	-	913,020.13
Delivery Date Expenses:							
Cost of Issuance	47,100.00	51,975.00	3,425.00	1,525.00	1,900.00	51,675.00	157,600.00
Underwriter's Discount	<u>18,393.71</u>	<u>20,297.52</u>	<u>1,214.26</u>	<u>458.32</u>	<u>571.00</u>	<u>21,730.57</u>	<u>62,665.38</u>
	65,493.71	72,272.52	4,639.26	1,983.32	2,471.00	73,405.57	220,265.38
Other Uses of Funds:							
Contingency	3,010.93	(2,095.42)	1,051.67	(1,347.66)	1,437.79	996.53	3,053.84
	10,892,439.30	12,018,599.05	785,854.45	326,958.25	403,129.35	12,073,377.85	36,500,358.25

SUMMARY OF BONDS REFUNDED**University of Alaska
General Revenue and Refunding Bonds, 2013 Series S**

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
General Revenue Bonds, 2003L, 2003L:					
SERIALS	10/01/2014	3.600%	155,000.00	10/01/2013	100.000
	10/01/2015	3.700%	160,000.00	10/01/2013	100.000
			<u>315,000.00</u>		
General Revenue Bonds, 2004M, 2004M:					
BOND	10/01/2014	3.750%	385,000.00	10/01/2013	100.000
General Revenue Bonds, 2005N, 2005N:					
SERIALS	10/01/2016	5.000%	900,000.00	10/01/2015	100.000
	10/01/2017	5.000%	940,000.00	10/01/2015	100.000
	10/01/2018	5.000%	655,000.00	10/01/2015	100.000
	10/01/2019	5.000%	690,000.00	10/01/2015	100.000
	10/01/2020	5.000%	735,000.00	10/01/2015	100.000
	10/01/2021	5.000%	565,000.00	10/01/2015	100.000
	10/01/2022	5.000%	600,000.00	10/01/2015	100.000
	10/01/2023	5.000%	800,000.00	10/01/2015	100.000
	10/01/2024	4.250%	725,000.00	10/01/2015	100.000
	10/01/2025	4.300%	510,000.00	10/01/2015	100.000
	10/01/2026	4.300%	535,000.00	10/01/2015	100.000
	10/01/2027	4.350%	555,000.00	10/01/2015	100.000
	10/01/2028	4.350%	580,000.00	10/01/2015	100.000
	10/01/2029	4.400%	225,000.00	10/01/2015	100.000
	10/01/2030	4.450%	235,000.00	10/01/2015	100.000
	10/01/2031	4.450%	245,000.00	10/01/2015	100.000
	10/01/2032	4.500%	255,000.00	10/01/2015	100.000
	10/01/2033	4.500%	270,000.00	10/01/2015	100.000
	10/01/2034	4.500%	280,000.00	10/01/2015	100.000
	10/01/2035	4.500%	295,000.00	10/01/2015	100.000
			<u>10,595,000.00</u>		
			11,295,000.00		

SAVINGS**University of Alaska
General Revenue and Refunding Bonds, 2013 Series S**

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 03/13/2013 @ 2.0747348%
06/30/2013	263,033.75	-	263,033.75	262,762.43
06/30/2014	526,067.50	469,601.25	56,466.25	55,404.32
06/30/2015	1,056,058.75	994,025.00	62,033.75	59,680.66
06/30/2016	663,090.00	607,850.00	55,240.00	52,017.83
06/30/2017	1,377,630.00	1,328,887.50	48,742.50	44,976.97
06/30/2018	1,371,630.00	1,323,600.00	48,030.00	43,450.63
06/30/2019	1,046,755.00	996,300.00	50,455.00	44,754.58
06/30/2020	1,048,130.00	999,300.00	48,830.00	42,451.72
06/30/2021	1,057,505.00	1,006,000.00	51,505.00	43,907.52
06/30/2022	855,005.00	802,750.00	52,255.00	43,642.43
06/30/2023	860,880.00	809,375.00	51,505.00	42,138.20
06/30/2024	1,025,880.00	975,125.00	50,755.00	40,677.22
06/30/2025	915,473.75	862,750.00	52,723.75	41,378.43
06/30/2026	674,102.50	625,000.00	49,102.50	37,745.90
06/30/2027	676,635.00	624,600.00	52,035.00	39,200.40
06/30/2028	673,061.25	623,400.00	49,661.25	36,651.29
06/30/2029	673,375.00	621,400.00	51,975.00	37,591.60
06/30/2030	300,810.00	251,100.00	49,710.00	35,220.26
06/30/2031	300,631.25	248,850.00	51,781.25	35,957.43
06/30/2032	299,951.25	247,475.00	52,476.25	35,712.36
06/30/2033	298,762.50	250,875.00	47,887.50	31,933.88
06/30/2034	301,950.00	249,050.00	52,900.00	34,578.91
06/30/2035	299,575.00	246,781.25	52,793.75	33,820.73
06/30/2036	301,637.50	248,981.25	52,656.25	33,060.60
	16,867,630.00	15,413,076.25	1,454,553.75	1,208,716.30

Savings Summary

PV of savings from cash flow	1,208,716.30
Less: Prior funds on hand	(263,033.75)
Plus: Refunding funds on hand	1,086.66
Net PV Savings	946,769.21

SAVINGS

University of Alaska 2003L Refunding Component

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 03/13/2013 @ 2.0747348%
06/30/2013	5,750.00	-	5,750.00	5,744.07
06/30/2014	11,500.00	9,607.50	1,892.50	1,859.21
06/30/2015	163,710.00	156,900.00	6,810.00	6,589.26
06/30/2016	162,960.00	157,325.00	5,635.00	5,346.08
	343,920.00	323,832.50	20,087.50	19,538.62

Savings Summary

PV of savings from cash flow	19,538.62
Less: Prior funds on hand	(5,750.00)
Plus: Refunding funds on hand	(1,347.66)
Net PV Savings	12,440.96

SAVINGS

**University of Alaska
2004M Refunding Component**

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 03/13/2013 @ 2.0747348%
06/30/2013	7,218.75	-	7,218.75	7,211.30
06/30/2014	14,437.50	11,970.00	2,467.50	2,424.23
06/30/2015	392,218.75	385,700.00	6,518.75	6,313.50
	413,875.00	397,670.00	16,205.00	15,949.03

Savings Summary

PV of savings from cash flow	15,949.03
Less: Prior funds on hand	(7,218.75)
Plus: Refunding funds on hand	1,437.79
Net PV Savings	10,168.07

SAVINGS

University of Alaska 2005N Refunding Component

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 03/13/2013 @ 2.0747348%
06/30/2013	250,065.00	-	250,065.00	249,807.06
06/30/2014	500,130.00	448,023.75	52,106.25	51,120.88
06/30/2015	500,130.00	451,425.00	48,705.00	46,777.90
06/30/2016	500,130.00	450,525.00	49,605.00	46,671.75
06/30/2017	1,377,630.00	1,328,887.50	48,742.50	44,976.97
06/30/2018	1,371,630.00	1,323,600.00	48,030.00	43,450.63
06/30/2019	1,046,755.00	996,300.00	50,455.00	44,754.58
06/30/2020	1,048,130.00	999,300.00	48,830.00	42,451.72
06/30/2021	1,057,505.00	1,006,000.00	51,505.00	43,907.52
06/30/2022	855,005.00	802,750.00	52,255.00	43,642.43
06/30/2023	860,880.00	809,375.00	51,505.00	42,138.20
06/30/2024	1,025,880.00	975,125.00	50,755.00	40,677.22
06/30/2025	915,473.75	862,750.00	52,723.75	41,378.43
06/30/2026	674,102.50	625,000.00	49,102.50	37,745.90
06/30/2027	676,635.00	624,600.00	52,035.00	39,200.40
06/30/2028	673,061.25	623,400.00	49,661.25	36,651.29
06/30/2029	673,375.00	621,400.00	51,975.00	37,591.60
06/30/2030	300,810.00	251,100.00	49,710.00	35,220.26
06/30/2031	300,631.25	248,850.00	51,781.25	35,957.43
06/30/2032	299,951.25	247,475.00	52,476.25	35,712.36
06/30/2033	298,762.50	250,875.00	47,887.50	31,933.88
06/30/2034	301,950.00	249,050.00	52,900.00	34,578.91
06/30/2035	299,575.00	246,781.25	52,793.75	33,820.73
06/30/2036	301,637.50	248,981.25	52,656.25	33,060.60
	16,109,835.00	14,691,573.75	1,418,261.25	1,173,228.65

Savings Summary

PV of savings from cash flow	1,173,228.65
Less: Prior funds on hand	(250,065.00)
Plus: Refunding funds on hand	996.53
Net PV Savings	924,160.18

SUMMARY OF REFUNDING RESULTS**University of Alaska
General Revenue and Refunding Bonds, 2013 Series S**

Dated Date	03/13/2013
Delivery Date	03/13/2013
Arbitrage yield	2.074735%
Escrow yield	0.331352%
Bond Par Amount	11,020,000.00
True Interest Cost	2.421512%
Net Interest Cost	2.630607%
Average Coupon	3.991311%
Average Life	9.988
Par amount of refunded bonds	11,295,000.00
Average coupon of refunded bonds	4.593884%
Average life of refunded bonds	10.284
PV of prior debt to 03/13/2013 @ 2.074735%	14,089,790.66
Net PV Savings	946,769.21
Percentage savings of refunded bonds	8.382198%
Percentage savings of refunding bonds	8.591372%

SUMMARY OF REFUNDING RESULTS**University of Alaska
2003L Refunding Component**

Dated Date	03/13/2013
Delivery Date	03/13/2013
Arbitrage yield	2.074735%
Escrow yield	0.100455%
Bond Par Amount	305,000.00
True Interest Cost	0.474970%
Net Interest Cost	0.491051%
Average Coupon	3.000000%
Average Life	2.058
Par amount of refunded bonds	315,000.00
Average coupon of refunded bonds	3.662939%
Average life of refunded bonds	2.058
PV of prior debt to 03/13/2013 @ 2.074735%	330,186.52
Net PV Savings	12,440.96
Percentage savings of refunded bonds	3.949511%
Percentage savings of refunding bonds	4.079003%

SUMMARY OF REFUNDING RESULTS**University of Alaska
2004M Refunding Component**

Dated Date	03/13/2013
Delivery Date	03/13/2013
Arbitrage yield	2.074735%
Escrow yield	0.100451%
Bond Par Amount	380,000.00
True Interest Cost	0.385260%
Net Interest Cost	0.395654%
Average Coupon	3.000000%
Average Life	1.550
Par amount of refunded bonds	385,000.00
Average coupon of refunded bonds	3.750000%
Average life of refunded bonds	1.550
PV of prior debt to 03/13/2013 @ 2.074735%	401,281.75
Net PV Savings	10,168.07
Percentage savings of refunded bonds	2.641057%
Percentage savings of refunding bonds	2.675808%

SUMMARY OF REFUNDING RESULTS**University of Alaska
2005N Refunding Component**

Dated Date	03/13/2013
Delivery Date	03/13/2013
Arbitrage yield	2.074735%
Escrow yield	0.334507%
Bond Par Amount	10,335,000.00
True Interest Cost	2.445461%
Net Interest Cost	2.655040%
Average Coupon	4.002392%
Average Life	10.532
Par amount of refunded bonds	10,595,000.00
Average coupon of refunded bonds	4.603518%
Average life of refunded bonds	10.845
PV of prior debt to 03/13/2013 @ 2.074735%	13,358,322.39
Net PV Savings	924,160.18
Percentage savings of refunded bonds	8.722607%
Percentage savings of refunding bonds	8.942043%

COMBINED DEBT SERVICE
University of Alaska
General Revenue and Refunding Bonds, 2013 Series S

Period Ending	UAA New Money Component	UAF New Money Component	SW New Money Component	2003L Refunding Component	2004M Refunding Component	2005N Refunding Component	Unrefunded Bonds	Outstanding General Revenue Bonds (less unrefund)	Aggregate Debt Service
06/30/2013	-	-	-	-	-	-	199,475	2,163,231.25	2,362,706.25
06/30/2014	852,285	943,233.75	86,988.75	9,607.50	11,970	448,023.75	2,198,400	9,898,637.50	14,449,146.25
06/30/2015	856,250	943,975.00	84,175.00	156,900.00	385,700	451,425.00	1,543,050	9,886,684.38	14,308,159.38
06/30/2016	851,400	942,550.00	82,375.00	157,325.00	-	450,525.00	1,648,125	10,270,043.75	14,402,343.75
06/30/2017	854,800	944,162.50	85,337.50	-	-	1,328,887.50	719,875	10,419,731.25	14,352,793.75
06/30/2018	854,900	942,200.00	82,900.00	-	-	1,323,600.00	722,875	10,359,331.25	14,285,806.25
06/30/2019	852,900	942,900.00	85,200.00	-	-	996,300.00	719,500	9,339,206.25	12,936,006.25
06/30/2020	855,000	942,600.00	82,400.00	-	-	999,300.00	719,750	9,332,493.75	12,931,543.75
06/30/2021	856,100	941,300.00	84,500.00	-	-	1,006,000.00	723,375	9,336,906.25	12,948,181.25
06/30/2022	853,025	940,400.00	86,000.00	-	-	802,750.00	720,375	9,371,806.25	12,774,356.25
06/30/2023	855,400	944,400.00	82,000.00	-	-	809,375.00	584,250	9,147,100.00	12,422,525.00
06/30/2024	856,025	941,525.00	-	-	-	975,125.00	-	8,475,693.75	11,248,368.75
06/30/2025	854,900	941,775.00	-	-	-	862,750.00	-	7,698,818.75	10,358,243.75
06/30/2026	851,000	939,400.00	-	-	-	625,000.00	-	7,703,556.25	10,118,956.25
06/30/2027	854,500	939,700.00	-	-	-	624,600.00	-	7,697,256.25	10,116,056.25
06/30/2028	851,700	943,500.00	-	-	-	623,400.00	-	5,277,156.25	7,695,756.25
06/30/2029	-	-	-	-	-	621,400.00	-	3,670,865.63	4,292,265.63
06/30/2030	-	-	-	-	-	251,100.00	-	2,946,893.75	3,197,993.75
06/30/2031	-	-	-	-	-	248,850.00	-	2,939,475.00	3,188,325.00
06/30/2032	-	-	-	-	-	247,475.00	-	2,357,681.25	2,605,156.25
06/30/2033	-	-	-	-	-	250,875.00	-	2,356,550.00	2,607,425.00
06/30/2034	-	-	-	-	-	249,050.00	-	842,531.25	1,091,581.25
06/30/2035	-	-	-	-	-	246,781.25	-	-	246,781.25
06/30/2036	-	-	-	-	-	248,981.25	-	-	248,981.25
	12,810,185	14,133,621.25	841,876.25	323,832.50	397,670	14,691,573.75	10,499,050	151,491,650.01	205,189,458.76

BOND DEBT SERVICE

University of Alaska
General Revenue and Refunding Bonds, 2013 Series S

Period Ending	Principal	Coupon	Interest	Debt Service
06/30/2014	1,025,000	2.000%	1,327,108.75	2,352,108.75
06/30/2015	1,650,000	3.000%	1,228,425.00	2,878,425.00
06/30/2016	1,300,000	3.000%	1,184,175.00	2,484,175.00
06/30/2017	2,085,000	3.500%	1,128,187.50	3,213,187.50
06/30/2018	2,155,000	4.000%	1,048,600.00	3,203,600.00
06/30/2019	1,910,000	4.000%	967,300.00	2,877,300.00
06/30/2020	1,990,000	4.000%	889,300.00	2,879,300.00
06/30/2021	2,080,000	4.000%	807,900.00	2,887,900.00
06/30/2022	1,965,000	5.000%	717,175.00	2,682,175.00
06/30/2023	2,075,000	5.000%	616,175.00	2,691,175.00
06/30/2024	2,265,000	5.000%	507,675.00	2,772,675.00
06/30/2025	2,265,000	5.000%	394,425.00	2,659,425.00
06/30/2026	2,120,000	4.000%	295,400.00	2,415,400.00
06/30/2027	2,210,000	4.000%	208,800.00	2,418,800.00
06/30/2028	2,300,000	4.000%	118,600.00	2,418,600.00
06/30/2029	560,000	4.000%	61,400.00	621,400.00
06/30/2030	205,000	4.000%	46,100.00	251,100.00
06/30/2031	210,000	3.000%	38,850.00	248,850.00
06/30/2032	215,000	3.000%	32,475.00	247,475.00
06/30/2033	225,000	3.000%	25,875.00	250,875.00
06/30/2034	230,000	3.000%	19,050.00	249,050.00
06/30/2035	235,000	3.250%	11,781.25	246,781.25
06/30/2036	245,000	3.250%	3,981.25	248,981.25
	31,520,000		11,678,758.75	43,198,758.75

BOND DEBT SERVICE**University of Alaska
UAA New Money Component**

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
10/01/2013	455,000	2.000%	210,485	665,485	-
04/01/2014	-	-	186,800	186,800	-
06/30/2014	-	-	-	-	852,285
10/01/2014	490,000	3.000%	186,800	676,800	-
04/01/2015	-	-	179,450	179,450	-
06/30/2015	-	-	-	-	856,250
10/01/2015	500,000	3.000%	179,450	679,450	-
04/01/2016	-	-	171,950	171,950	-
06/30/2016	-	-	-	-	851,400
10/01/2016	520,000	3.500%	171,950	691,950	-
04/01/2017	-	-	162,850	162,850	-
06/30/2017	-	-	-	-	854,800
10/01/2017	540,000	4.000%	162,850	702,850	-
04/01/2018	-	-	152,050	152,050	-
06/30/2018	-	-	-	-	854,900
10/01/2018	560,000	4.000%	152,050	712,050	-
04/01/2019	-	-	140,850	140,850	-
06/30/2019	-	-	-	-	852,900
10/01/2019	585,000	4.000%	140,850	725,850	-
04/01/2020	-	-	129,150	129,150	-
06/30/2020	-	-	-	-	855,000
10/01/2020	610,000	4.000%	129,150	739,150	-
04/01/2021	-	-	116,950	116,950	-
06/30/2021	-	-	-	-	856,100
10/01/2021	635,000	5.000%	116,950	751,950	-
04/01/2022	-	-	101,075	101,075	-
06/30/2022	-	-	-	-	853,025
10/01/2022	670,000	5.000%	101,075	771,075	-
04/01/2023	-	-	84,325	84,325	-
06/30/2023	-	-	-	-	855,400
10/01/2023	705,000	5.000%	84,325	789,325	-
04/01/2024	-	-	66,700	66,700	-
06/30/2024	-	-	-	-	856,025
10/01/2024	740,000	5.000%	66,700	806,700	-
04/01/2025	-	-	48,200	48,200	-
06/30/2025	-	-	-	-	854,900
10/01/2025	770,000	4.000%	48,200	818,200	-
04/01/2026	-	-	32,800	32,800	-
06/30/2026	-	-	-	-	851,000
10/01/2026	805,000	4.000%	32,800	837,800	-
04/01/2027	-	-	16,700	16,700	-
06/30/2027	-	-	-	-	854,500
10/01/2027	835,000	4.000%	16,700	851,700	-
06/30/2028	-	-	-	-	851,700
	9,420,000		3,390,185	12,810,185	12,810,185

BOND DEBT SERVICE**University of Alaska
UAF New Money Component**

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
10/01/2013	505,000	2.000%	232,196.25	737,196.25	-
04/01/2014	-	-	206,037.50	206,037.50	-
06/30/2014	-	-	-	-	943,233.75
10/01/2014	540,000	3.000%	206,037.50	746,037.50	-
04/01/2015	-	-	197,937.50	197,937.50	-
06/30/2015	-	-	-	-	943,975.00
10/01/2015	555,000	3.000%	197,937.50	752,937.50	-
04/01/2016	-	-	189,612.50	189,612.50	-
06/30/2016	-	-	-	-	942,550.00
10/01/2016	575,000	3.500%	189,612.50	764,612.50	-
04/01/2017	-	-	179,550.00	179,550.00	-
06/30/2017	-	-	-	-	944,162.50
10/01/2017	595,000	4.000%	179,550.00	774,550.00	-
04/01/2018	-	-	167,650.00	167,650.00	-
06/30/2018	-	-	-	-	942,200.00
10/01/2018	620,000	4.000%	167,650.00	787,650.00	-
04/01/2019	-	-	155,250.00	155,250.00	-
06/30/2019	-	-	-	-	942,900.00
10/01/2019	645,000	4.000%	155,250.00	800,250.00	-
04/01/2020	-	-	142,350.00	142,350.00	-
06/30/2020	-	-	-	-	942,600.00
10/01/2020	670,000	4.000%	142,350.00	812,350.00	-
04/01/2021	-	-	128,950.00	128,950.00	-
06/30/2021	-	-	-	-	941,300.00
10/01/2021	700,000	5.000%	128,950.00	828,950.00	-
04/01/2022	-	-	111,450.00	111,450.00	-
06/30/2022	-	-	-	-	940,400.00
10/01/2022	740,000	5.000%	111,450.00	851,450.00	-
04/01/2023	-	-	92,950.00	92,950.00	-
06/30/2023	-	-	-	-	944,400.00
10/01/2023	775,000	5.000%	92,950.00	867,950.00	-
04/01/2024	-	-	73,575.00	73,575.00	-
06/30/2024	-	-	-	-	941,525.00
10/01/2024	815,000	5.000%	73,575.00	888,575.00	-
04/01/2025	-	-	53,200.00	53,200.00	-
06/30/2025	-	-	-	-	941,775.00
10/01/2025	850,000	4.000%	53,200.00	903,200.00	-
04/01/2026	-	-	36,200.00	36,200.00	-
06/30/2026	-	-	-	-	939,400.00
10/01/2026	885,000	4.000%	36,200.00	921,200.00	-
04/01/2027	-	-	18,500.00	18,500.00	-
06/30/2027	-	-	-	-	939,700.00
10/01/2027	925,000	4.000%	18,500.00	943,500.00	-
06/30/2028	-	-	-	-	943,500.00
	10,395,000		3,738,621.25	14,133,621.25	14,133,621.25

BOND DEBT SERVICE**University of Alaska
SW New Money Component**

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
10/01/2013	60,000	2.000%	14,451.25	74,451.25	-
04/01/2014	-	-	12,537.50	12,537.50	-
06/30/2014	-	-	-	-	86,988.75
10/01/2014	60,000	3.000%	12,537.50	72,537.50	-
04/01/2015	-	-	11,637.50	11,637.50	-
06/30/2015	-	-	-	-	84,175.00
10/01/2015	60,000	3.000%	11,637.50	71,637.50	-
04/01/2016	-	-	10,737.50	10,737.50	-
06/30/2016	-	-	-	-	82,375.00
10/01/2016	65,000	3.500%	10,737.50	75,737.50	-
04/01/2017	-	-	9,600.00	9,600.00	-
06/30/2017	-	-	-	-	85,337.50
10/01/2017	65,000	4.000%	9,600.00	74,600.00	-
04/01/2018	-	-	8,300.00	8,300.00	-
06/30/2018	-	-	-	-	82,900.00
10/01/2018	70,000	4.000%	8,300.00	78,300.00	-
04/01/2019	-	-	6,900.00	6,900.00	-
06/30/2019	-	-	-	-	85,200.00
10/01/2019	70,000	4.000%	6,900.00	76,900.00	-
04/01/2020	-	-	5,500.00	5,500.00	-
06/30/2020	-	-	-	-	82,400.00
10/01/2020	75,000	4.000%	5,500.00	80,500.00	-
04/01/2021	-	-	4,000.00	4,000.00	-
06/30/2021	-	-	-	-	84,500.00
10/01/2021	80,000	5.000%	4,000.00	84,000.00	-
04/01/2022	-	-	2,000.00	2,000.00	-
06/30/2022	-	-	-	-	86,000.00
10/01/2022	80,000	5.000%	2,000.00	82,000.00	-
06/30/2023	-	-	-	-	82,000.00
	685,000		156,876.25	841,876.25	841,876.25

BOND DEBT SERVICE**University of Alaska
2003L Refunding Component**

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
10/01/2013	-	-	5,032.50	5,032.50	-
04/01/2014	-	-	4,575.00	4,575.00	-
06/30/2014	-	-	-	-	9,607.50
10/01/2014	150,000	3.000%	4,575.00	154,575.00	-
04/01/2015	-	-	2,325.00	2,325.00	-
06/30/2015	-	-	-	-	156,900.00
10/01/2015	155,000	3.000%	2,325.00	157,325.00	-
06/30/2016	-	-	-	-	157,325.00
	305,000		18,832.50	323,832.50	323,832.50

BOND DEBT SERVICE

**University of Alaska
2004M Refunding Component**

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
10/01/2013	-	-	6,270	6,270	-
04/01/2014	-	-	5,700	5,700	-
06/30/2014	-	-	-	-	11,970
10/01/2014	380,000	3.000%	5,700	385,700	-
06/30/2015	-	-	-	-	385,700
	380,000		17,670	397,670	397,670

BOND DEBT SERVICE
University of Alaska
2005N Refunding Component

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
10/01/2013	5,000	2.000%	232,086.25	237,086.25	-
04/01/2014	-	-	210,937.50	210,937.50	-
06/30/2014	-	-	-	-	448,023.75
10/01/2014	30,000	3.000%	210,937.50	240,937.50	-
04/01/2015	-	-	210,487.50	210,487.50	-
06/30/2015	-	-	-	-	451,425.00
10/01/2015	30,000	3.000%	210,487.50	240,487.50	-
04/01/2016	-	-	210,037.50	210,037.50	-
06/30/2016	-	-	-	-	450,525.00
10/01/2016	925,000	3.500%	210,037.50	1,135,037.50	-
04/01/2017	-	-	193,850.00	193,850.00	-
06/30/2017	-	-	-	-	1,328,887.50
10/01/2017	955,000	4.000%	193,850.00	1,148,850.00	-
04/01/2018	-	-	174,750.00	174,750.00	-
06/30/2018	-	-	-	-	1,323,600.00
10/01/2018	660,000	4.000%	174,750.00	834,750.00	-
04/01/2019	-	-	161,550.00	161,550.00	-
06/30/2019	-	-	-	-	996,300.00
10/01/2019	690,000	4.000%	161,550.00	851,550.00	-
04/01/2020	-	-	147,750.00	147,750.00	-
06/30/2020	-	-	-	-	999,300.00
10/01/2020	725,000	4.000%	147,750.00	872,750.00	-
04/01/2021	-	-	133,250.00	133,250.00	-
06/30/2021	-	-	-	-	1,006,000.00
10/01/2021	550,000	5.000%	133,250.00	683,250.00	-
04/01/2022	-	-	119,500.00	119,500.00	-
06/30/2022	-	-	-	-	802,750.00
10/01/2022	585,000	5.000%	119,500.00	704,500.00	-
04/01/2023	-	-	104,875.00	104,875.00	-
06/30/2023	-	-	-	-	809,375.00
10/01/2023	785,000	5.000%	104,875.00	889,875.00	-
04/01/2024	-	-	85,250.00	85,250.00	-
06/30/2024	-	-	-	-	975,125.00
10/01/2024	710,000	5.000%	85,250.00	795,250.00	-
04/01/2025	-	-	67,500.00	67,500.00	-
06/30/2025	-	-	-	-	862,750.00
10/01/2025	500,000	4.000%	67,500.00	567,500.00	-
04/01/2026	-	-	57,500.00	57,500.00	-
06/30/2026	-	-	-	-	625,000.00
10/01/2026	520,000	4.000%	57,500.00	577,500.00	-
04/01/2027	-	-	47,100.00	47,100.00	-
06/30/2027	-	-	-	-	624,600.00
10/01/2027	540,000	4.000%	47,100.00	587,100.00	-
04/01/2028	-	-	36,300.00	36,300.00	-
06/30/2028	-	-	-	-	623,400.00
10/01/2028	560,000	4.000%	36,300.00	596,300.00	-
04/01/2029	-	-	25,100.00	25,100.00	-
06/30/2029	-	-	-	-	621,400.00
10/01/2029	205,000	4.000%	25,100.00	230,100.00	-
04/01/2030	-	-	21,000.00	21,000.00	-
06/30/2030	-	-	-	-	251,100.00
10/01/2030	210,000	3.000%	21,000.00	231,000.00	-
04/01/2031	-	-	17,850.00	17,850.00	-
06/30/2031	-	-	-	-	248,850.00
10/01/2031	215,000	3.000%	17,850.00	232,850.00	-
04/01/2032	-	-	14,625.00	14,625.00	-
06/30/2032	-	-	-	-	247,475.00
10/01/2032	225,000	3.000%	14,625.00	239,625.00	-
04/01/2033	-	-	11,250.00	11,250.00	-
06/30/2033	-	-	-	-	250,875.00
10/01/2033	230,000	3.000%	11,250.00	241,250.00	-
04/01/2034	-	-	7,800.00	7,800.00	-
06/30/2034	-	-	-	-	249,050.00
10/01/2034	235,000	3.250%	7,800.00	242,800.00	-
04/01/2035	-	-	3,981.25	3,981.25	-
06/30/2035	-	-	-	-	246,781.25
10/01/2035	245,000	3.250%	3,981.25	248,981.25	-
06/30/2036	-	-	-	-	248,981.25
	10,335,000		4,356,573.75	14,691,573.75	14,691,573.75

BOND PRICING**University of Alaska
General Revenue and Refunding Bonds, 2013 Series S**

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Serial Bonds:					
	10/01/2013	1,025,000	2.000%	0.230%	100.972
	10/01/2014	1,650,000	3.000%	0.290%	104.187
	10/01/2015	1,300,000	3.000%	0.470%	106.405
	10/01/2016	2,085,000	3.500%	0.630%	110.059
	10/01/2017	2,155,000	4.000%	0.810%	114.221
	10/01/2018	1,910,000	4.000%	1.020%	116.039
	10/01/2019	1,990,000	4.000%	1.270%	117.105
	10/01/2020	2,080,000	4.000%	1.510%	117.703
	10/01/2021	1,965,000	5.000%	1.760%	125.613
	10/01/2022	2,075,000	5.000%	1.950%	126.457
	10/01/2023	2,265,000	5.000%	2.150%	125.634 C
	10/01/2024	2,265,000	5.000%	2.250%	124.611 C
	10/01/2025	2,120,000	4.000%	2.580%	112.499 C
	10/01/2026	2,210,000	4.000%	2.650%	111.841 C
	10/01/2027	2,300,000	4.000%	2.710%	111.281 C
	10/01/2028	560,000	4.000%	2.780%	110.632 C
	10/01/2029	205,000	4.000%	2.850%	109.987 C
		<u>30,160,000</u>			
Term Bond 1:					
	10/01/2030	210,000	3.000%	3.160%	97.594
	10/01/2031	215,000	3.000%	3.160%	97.594
	10/01/2032	225,000	3.000%	3.160%	97.594
	10/01/2033	<u>230,000</u>	3.000%	3.160%	97.594
		880,000			
Term Bond 2:					
	10/01/2034	235,000	3.250%	3.390%	97.618
	10/01/2035	245,000	3.250%	3.390%	97.618
	10/01/2038	<u>-</u>	3.250%	3.390%	97.618
		480,000			
		<u>31,520,000</u>			

Dated Date	03/13/2013	
Delivery Date	03/13/2013	
First Coupon	10/01/2013	
Par Amount	31,520,000.00	
Premium	4,717,324.50	
Production	36,237,324.50	114.966131%
Underwriter's Discount	(62,665.38)	(0.198811%)
Purchase Price	36,174,659.12	114.767320%
Accrued Interest	-	
Net Proceeds	36,174,659.12	

BOND SUMMARY STATISTICS

University of Alaska
General Revenue and Refunding Bonds, 2013 Series S

Dated Date	03/13/2013
Delivery Date	03/13/2013
Last Maturity	10/01/2035
Arbitrage Yield	2.074735%
True Interest Cost (TIC)	2.288528%
Net Interest Cost (NIC)	2.516146%
All-In TIC	2.347126%
Average Coupon	4.183521%
Average Life (years)	8.857
Duration of Issue (years)	7.544
Par Amount	31,520,000.00
Bond Proceeds	36,237,324.50
Total Interest	11,678,758.75
Net Interest	7,024,099.63
Total Debt Service	43,198,758.75
Maximum Annual Debt Service	3,213,187.50
Average Annual Debt Service	1,915,687.75

Bond Component	Par Value	Price	Average Coupon	Average Life
Serial Bonds	30,160,000.00	115.749	4.302%	8.348
Term Bond 1	880,000.00	97.594	3.000%	19.090
Term Bond 2	480,000.00	97.618	3.250%	22.060
	31,520,000.00			8.857

	TIC	All-In TIC	Arbitrage Yield
Par Value	31,520,000.00	31,520,000.00	31,520,000.00
+ Accrued Interest	-	-	-
+ Premium (Discount)	4,717,324.50	4,717,324.50	4,717,324.50
- Underwriter's Discount	(62,665.38)	(62,665.38)	
- Cost of Issuance Expense		(157,600.00)	
- Other Amounts	-	-	-
Target Value	36,174,659.12	36,017,059.12	36,237,324.50
Target Date	03/13/2013	03/13/2013	03/13/2013
Yield	2.288528%	2.347126%	2.074735%

BOND MATURITY TABLE**University of Alaska
General Revenue and Refunding Bonds, 2013 Series S**

Maturity Date	UAA New Money Component	UAF New Money Component	SW New Money Component	2003L Refunding Component	2004M Refunding Component	2005N Refunding Component	Total
10/01/2013	455,000	505,000	60,000	-	-	5,000	1,025,000
10/01/2014	490,000	540,000	60,000	150,000	380,000	30,000	1,650,000
10/01/2015	500,000	555,000	60,000	155,000	-	30,000	1,300,000
10/01/2016	520,000	575,000	65,000	-	-	925,000	2,085,000
10/01/2017	540,000	595,000	65,000	-	-	955,000	2,155,000
10/01/2018	560,000	620,000	70,000	-	-	660,000	1,910,000
10/01/2019	585,000	645,000	70,000	-	-	690,000	1,990,000
10/01/2020	610,000	670,000	75,000	-	-	725,000	2,080,000
10/01/2021	635,000	700,000	80,000	-	-	550,000	1,965,000
10/01/2022	670,000	740,000	80,000	-	-	585,000	2,075,000
10/01/2023	705,000	775,000	-	-	-	785,000	2,265,000
10/01/2024	740,000	815,000	-	-	-	710,000	2,265,000
10/01/2025	770,000	850,000	-	-	-	500,000	2,120,000
10/01/2026	805,000	885,000	-	-	-	520,000	2,210,000
10/01/2027	835,000	925,000	-	-	-	540,000	2,300,000
10/01/2028	-	-	-	-	-	560,000	560,000
10/01/2029	-	-	-	-	-	205,000	205,000
10/01/2030	-	-	-	-	-	210,000	210,000
10/01/2031	-	-	-	-	-	215,000	215,000
10/01/2032	-	-	-	-	-	225,000	225,000
10/01/2033	-	-	-	-	-	230,000	230,000
10/01/2034	-	-	-	-	-	235,000	235,000
10/01/2035	-	-	-	-	-	245,000	245,000
10/01/2036	-	-	-	-	-	-	-
10/01/2037	-	-	-	-	-	-	-
10/01/2038	-	-	-	-	-	-	-
	9,420,000	10,395,000	685,000	305,000	380,000	10,335,000	31,520,000

PROOF OF ARBITRAGE YIELD**University of Alaska
General Revenue and Refunding Bonds, 2013 Series S**

Date	Debt Service	Total	Present Value to 03/13/2013 @ 2.0747348%
10/01/2013	1,725,521.25	1,725,521.25	1,706,043.45
04/01/2014	626,587.50	626,587.50	613,153.88
10/01/2014	2,276,587.50	2,276,587.50	2,204,906.00
04/01/2015	601,837.50	601,837.50	576,903.21
10/01/2015	1,901,837.50	1,901,837.50	1,804,326.36
04/01/2016	582,337.50	582,337.50	546,807.45
10/01/2016	2,667,337.50	2,667,337.50	2,478,880.64
04/01/2017	545,850.00	545,850.00	502,075.39
10/01/2017	2,700,850.00	2,700,850.00	2,458,748.26
04/01/2018	502,750.00	502,750.00	452,984.83
10/01/2018	2,412,750.00	2,412,750.00	2,151,601.72
04/01/2019	464,550.00	464,550.00	410,015.24
10/01/2019	2,454,550.00	2,454,550.00	2,144,161.02
04/01/2020	424,750.00	424,750.00	367,228.92
10/01/2020	2,504,750.00	2,504,750.00	2,143,314.27
04/01/2021	383,150.00	383,150.00	324,495.20
10/01/2021	2,348,150.00	2,348,150.00	1,968,263.61
04/01/2022	334,025.00	334,025.00	277,111.39
10/01/2022	2,409,025.00	2,409,025.00	1,978,038.27
04/01/2023	12,207,150.00	12,207,150.00	9,920,319.11
10/01/2023	21,000.00	21,000.00	16,890.74
04/01/2024	21,000.00	21,000.00	16,717.32
10/01/2024	21,000.00	21,000.00	16,545.68
04/01/2025	21,000.00	21,000.00	16,375.80
10/01/2025	21,000.00	21,000.00	16,207.67
04/01/2026	21,000.00	21,000.00	16,041.26
10/01/2026	21,000.00	21,000.00	15,876.56
04/01/2027	21,000.00	21,000.00	15,713.56
10/01/2027	21,000.00	21,000.00	15,552.22
04/01/2028	21,000.00	21,000.00	15,392.55
10/01/2028	21,000.00	21,000.00	15,234.51
04/01/2029	21,000.00	21,000.00	15,078.09
10/01/2029	21,000.00	21,000.00	14,923.28
04/01/2030	21,000.00	21,000.00	14,770.06
10/01/2030	231,000.00	231,000.00	160,802.58
04/01/2031	17,850.00	17,850.00	12,298.08
10/01/2031	232,850.00	232,850.00	158,779.06
04/01/2032	14,625.00	14,625.00	9,870.31
10/01/2032	239,625.00	239,625.00	160,060.83
04/01/2033	11,250.00	11,250.00	7,437.44
10/01/2033	241,250.00	241,250.00	157,854.23
04/01/2034	7,800.00	7,800.00	5,051.28
10/01/2034	242,800.00	242,800.00	155,622.91
04/01/2035	3,981.25	3,981.25	2,525.59
10/01/2035	248,981.25	248,981.25	156,324.65
	41,860,358.75	41,860,358.75	36,237,324.50

Proceeds Summary

Delivery date	03/13/2013
Par Value	31,520,000.00
Premium (Discount)	4,717,324.50
Target for yield calculation	36,237,324.50

PROOF OF ARBITRAGE YIELD**University of Alaska
General Revenue and Refunding Bonds, 2013 Series S****Assumed Call/Computation Dates for Premium Bonds**

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Present Value to 03/13/2013 @ 2.0747348%
SERIALS	10/01/2023	5.000%	2.150%	04/01/2023	100.000	17,618.97
SERIALS	10/01/2024	5.000%	2.250%	04/01/2023	100.000	40,789.92
SERIALS	10/01/2025	4.000%	2.580%	04/01/2023	100.000	103,536.48
SERIALS	10/01/2026	4.000%	2.650%	04/01/2023	100.000	122,473.70
SERIALS	10/01/2027	4.000%	2.710%	04/01/2023	100.000	140,341.32
SERIALS	10/01/2028	4.000%	2.780%	04/01/2023	100.000	37,804.46
SERIALS	10/01/2029	4.000%	2.850%	04/01/2023	100.000	15,161.38

Rejected Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Present Value to 03/13/2013 @ 2.0747348%	Increase to NPV
SERIALS	10/01/2023	5.000%	2.150%	-	-	44,265.02	26,646.05
SERIALS	10/01/2024	5.000%	2.250%	-	-	119,910.13	79,120.21
SERIALS	10/01/2025	4.000%	2.580%	-	-	183,940.54	80,404.06
SERIALS	10/01/2026	4.000%	2.650%	-	-	238,625.69	116,151.99
SERIALS	10/01/2027	4.000%	2.710%	-	-	294,187.36	153,846.04
SERIALS	10/01/2028	4.000%	2.780%	-	-	83,124.65	45,320.19
SERIALS	10/01/2029	4.000%	2.850%	-	-	34,571.08	19,409.70

COST OF ISSUANCE

**University of Alaska
General Revenue and Refunding Bonds, 2013 Series S**

Cost of Issuance	\$/1000	Amount
COI@@C10	5.00	157,600.00
	5.00	157,600.00

UNDERWRITER'S DISCOUNT**University of Alaska
General Revenue and Refunding Bonds, 2013 Series S**

Underwriter's Discount	\$/1000	Amount
Average Takedown	1.73549	54,702.70
Dalcomp Electronic Order Monitor	0.01500	472.80
Dalcomp Wire & News Service	0.00238	75.00
Dalcomp Computer	0.06180	1,947.94
Interest on Day Loan (est.)	0.02395	754.94
DTC	0.01586	500.00
CUSIP (2013 Series S Bonds)	0.02107	664.00
CUSIP (2005 Series N Bonds)	0.01263	398.00
TalkPoint Internet Roadshow	0.02062	650.00
Out-of-Pocket/misc. (est.)	0.07931	2,500.00
	1.98811	62,665.38

ESCROW REQUIREMENTS**University of Alaska
2003L Refunding Component**

Period Ending	Interest	Principal Redeemed	Total
04/01/2013	5,750.00	-	5,750.00
10/01/2013	5,750.00	315,000.00	320,750.00
	11,500.00	315,000.00	326,500.00

ESCROW REQUIREMENTS

**University of Alaska
2004M Refunding Component**

Period Ending	Interest	Principal Redeemed	Total
04/01/2013	7,218.75	-	7,218.75
10/01/2013	7,218.75	385,000.00	392,218.75
	14,437.50	385,000.00	399,437.50

ESCROW REQUIREMENTS**University of Alaska
2005N Refunding Component**

Period Ending	Interest	Principal Redeemed	Total
04/01/2013	250,065.00	-	250,065.00
10/01/2013	250,065.00	-	250,065.00
04/01/2014	250,065.00	-	250,065.00
10/01/2014	250,065.00	-	250,065.00
04/01/2015	250,065.00	-	250,065.00
10/01/2015	250,065.00	10,595,000.00	10,845,065.00
	1,500,390.00	10,595,000.00	12,095,390.00

University of Alaska Anchorage
FY12 & FY13 Priority Deferred Maintenance and Renewal and Repurposing (R&R)
Projects by MAU Distribution Revision and Revenue Bonding Allocation
(in thousands)

Project Name	Series Q (FY12)	Series S (FY13)	Total Revenue Bonding
UA Anchorage Campus			
Science Building Renewal/Backfill	812.8		812.8
Campus Roof Replacement	250.0		250.0
Campus Mechanical/Electrical/HVAC Upgrades	135.0		135.0
Campus Roads, Curbs and Sidewalks	446.0		446.0
EM1 and EM2 Mechanical	50.0	1,146.2	1,196.2
MAC 6 Fire System	402.1		402.1
MAC Housing Renewal - Phase 1 of 3	418.0	3,002.1	3,420.1
Consortium Library Old Core Mechanical Upgrades		1,990.0	1,990.0
Beatrice McDonald Building Renewal	189.7	2,265.3	2,454.9
Elevator Renewal	397.5		397.5
Allied Health Sciences Renewal		1,637.4	1,637.4
UAA Main Campus Total	3,101.0	10,041.0	13,142.0
UAA Community Campuses			
Kodiak College Campus Renewal	165.1		165.1
PWSCC Campus Renewal	61.2	62.6	123.8
KPC KBC Campus Renewal	40.8	41.7	82.5
Mat-Su Boilers		250.0	250.0
KPC Sprinklers	302.5		302.5
Mat-Su Parking/Roads/Circulation	72.4	7.7	80.1
KPC Campus Renewal	7.0		7.0
UAA Community Campus Total	649.0	362.0	1,011.0
UAA Total	3,750.0	10,403.0	14,153.0
UAF Main Campus			
Cogen Heating Plant Required Upgrades to Maintain Service	1,926.8		1,926.8
Critical Electrical Distribution	7,391.0	8,684.0	16,075.0
Atkinson Heating Plant Boiler and Turbine Replacement	1,547.0	800.0	2,347.0
Fairbanks Campus Main Waste Line Repairs	3,997.6	2,000.0	5,997.6
Salisbury Theater Renovation	500.0		500.0
Palmer Center DM	500.0		500.0
CTC Roof Project	250.0		250.0
West Ridge Research Revitalization Including LS Renovations to Accommodate Programmatic Change	2,209.0		2,209.0
ADA Compliance Campus Wide: Elevators, Ramps, Restrooms	178.5		178.5
Elevator Scheduled Upgrading and Replacement	600.0		600.0
Campus Infrastructure, Roads, Sidewalks, Curbs, Gutters, and Ramps	400.0		400.0
Cutler Retaining Wall	1,100.0		1,100.0
CTC Parking	550.0		550.0
Campus Wide Energy Rural (Seward)	850.0		850.0
UAF Main Campus Project Total	22,000.0	11,484.0	33,484.0
UAF Community Campus			
Campus Wide Energy Rural Campuses (KuC/CC)	500.0		500.0
UAF Community Campus Project Total	500.0		500.0
UAF Total	22,500.0	11,484.0	33,984.0
UA Southeast Campus			
Auke Lake Way Campus Entry Improvements & Road Realignment	810.5		810.5
UAS Main Campus Total	810.5		810.5
Statewide			
Butrovich Building Repairs	300.0	752.5	1,052.5
Statewide Total	300.0	752.5	1,052.5
UA Total	27,360.5	22,639.5	50,000.0

DRAFT REPORT

Fundraising Progress (excluding private grants)** FY13 YTD (July 1 to December 31)

	FY07	FY08	FY09	FY10	FY11	FY12	FY13 Goal	FY 13 YTD
UAA	\$3,778,259	\$22,714,487	\$15,080,120	\$6,054,845	\$9,243,206	\$8,491,419	\$6,203,000	\$ 4,291,696
UAF*	\$6,573,432	\$6,386,583	\$5,166,640	\$6,186,988	\$4,050,756	\$12,495,681	\$6,000,000	\$ 1,991,342
UAS	\$933,445	\$411,202	\$319,587	\$266,034	\$661,068	\$631,575	\$700,000	\$ 503,894
UA Statewide	\$11,366,769	\$734,119	\$8,380,464	\$3,657,321	\$1,309,459	\$1,244,796	\$1,000,000	\$ 593,024
Total	\$22,651,905	\$30,246,391	\$28,946,811	\$16,165,188	\$15,264,489	\$22,863,471	\$13,903,000	\$ 7,379,956

* Excludes KUAC giving

** Starting in FY11, private grants were added to Raisers Edge. These numbers exclude those grants.

Fundraising Goals**

	Student Support		Program Support		Faculty Support		Capital Projects		General Support		Totals	
	Goal	FY13 YTD	Goal	FY13 YTD	Goal	FY13 YTD	Goal	FY13 YTD	Goal	FY13 YTD	Goal	FY13 YTD
UAA	\$ 2,209,000	\$1,496,330	\$2,940,000	\$912,253	\$350,000	\$53,551	\$360,000	\$8,660	\$344,000	\$1,820,901	\$6,203,000	\$4,291,695
UAF*	\$ 1,600,000	\$906,459	\$1,400,000	\$608,270	\$300,000	\$0	\$1,200,000	\$0	\$1,500,000	\$476,613	\$6,000,000	\$1,991,342
UAS	\$ 518,000	\$188,929	\$140,000	\$70,000	\$14,000	\$0	\$14,000	\$0	\$14,000	\$244,965	\$700,000	\$503,894
UA Statewide		\$546,911		\$930		\$0		\$0		\$45,183	\$1,000,000	\$593,024
Total	\$4,327,000	\$3,138,629	\$4,480,000	\$1,591,453	\$664,000	\$53,551	\$1,574,000	\$8,660	\$1,858,000	\$2,587,662	\$13,903,000	\$7,379,955

% of Total	58.6%	42.5%	60.7%	21.6%	9.0%	0.7%	21.3%	0.1%	25.2%	35.1%
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* Excludes KUAC giving

** Starting in FY11, private grants were added to Raisers Edge. These numbers exclude those grants.

Private Grants and Fundraising (including private grants) FY13 YTD (July 1 to December 31)

	FY11	FY12	FY13 Goal	FY13 YTD
UAA	\$10,371,708	\$9,455,251	\$0	\$ 4,360,341.00
UAF*	\$20,843,493	\$18,475,864	\$0	\$ 2,668,631.00
UAS	\$706,068	\$671,575	\$0	\$ 503,894.00
UA Statewide	\$2,974,436	\$2,292,575	\$0	\$ 593,124.00
Total	\$34,895,705	\$30,895,265	\$0	\$ 8,125,990.00

* Excludes KUAC giving

DRAFT REPORT

Donor Progress FY13 YTD (July 1 to December 31)

	FY07	FY08	FY09	FY10	FY11	FY12	FY13 YTD	# Addressable records+	Participation Rate	Non Addressable Records
Total*	4,437	4,787	4,460	5,324	5,732	4,467	2,283	141,366	3.16%	11,148
Individuals	3,994	4,279	3,949	4,753	5,066	3,827	2,023	133,753	2.86%	9,808
Alumni	2,616	2,529	2,245	2,682	2,738	1,716	970	78,332	2.19%	4,350
Faculty/Staff**	n/a	463	525	520	510	427	180	18,884	2.26%	871
Friends	1,239	1,378	1,287	1,179	1,818	1,684	873	46,345	3.63%	4,587
Organizations	443	508	511	571	666	640	260	7,613	8.41%	1,340
Corporations	n/a	343	325	314	420	353	150	5,330	6.62%	632
Foundations	n/a	50	33	38	49	52	24	363	14.33%	27
Other	n/a	115	153	219	197	235	86	3,260	7.21%	681

* Excludes KUAC donors

** Faculty/Staff that are alumni of the University of Alaska are reflected under the alumni category

+ Determined as of report date

Alumni Participation Rate by Undergraduate-Degreed Alumni (Public Institutions)

	National Comparison		2011 (7/1/2010 to 6/30/2011)			2012 YTD (7/1/2011 to 6/30/2012)			2013 YTD (7/1/2012 to 12/31/2012)		
	2008	2009	UAA	UAF	UAS	UAA	UAF	UAS	UAA	UAF	UAS
Research/Doctoral	10.50%	9.40%	53.85%	4.75%	16.67%	45.45%	4.50%	0.00%	54.55%	1.78%	0.00%
Master's	5.50%	4.70%	8.31%	4.03%	1.68%	5.38%	4.53%	1.34%	3.41%	2.38%	0.59%
Baccalaureate	8.40%	7.60%	5.23%	2.71%	1.48%	2.92%	2.71%	0.91%	1.97%	1.33%	0.22%
Associates	1.80%	1.30%	2.69%	0.80%	0.66%	1.45%	1.15%	0.32%	0.84%	0.47%	0.00%
Total	6.55%	5.75%	5.18%	2.07%	1.11%	2.66%	2.74%	0.79%	0.20%	0.43%	0.18%



Report on Generosity

Board Giving

(by IRS Receiving Standards)

Foundation Trustees*

FY13 YTD	
<i>(7/1/2012 to 12/31/2012)</i>	
Total Gifts (\$)	\$69,694
Donors	20
Total Members	21
% of Board Giving	95%
Average Gift Amount	\$3,485
Number of Legacy Society Members	4

* Includes Trustees currently serving

University Regents*

FY13 YTD	
<i>(7/1/2012 to 12/31/2012)</i>	
Total Gifts (\$)	\$5,425
Donors	8
Total Members	10
% of Board Giving	80%
Average Gift Amount	\$678
Number of Legacy Society Members	0

* Includes Regents currently serving

**University of Alaska Foundation
Endowment Fund
Standard Administrative Agreement**

1. **Name of Fund:** UA Museum Archeological Collections Maintenance Fund

2. **Correspondence regarding this Program should be directed to:**

President
University of Alaska Foundation
910 Yukon Drive, Suite 206
Fairbanks, AK 99775-5080

Curator
Archeological Collection, UA Museum
907 Yukon Drive; PO Box 756960
Fairbanks, Alaska 99775-6960

Director
UA Museum
907 Yukon Drive; PO Box 756960
Fairbanks, AK 99775-6960

3. **Date Established:** June, 2012

4. **Date Effective:**

Commencing when the agreement is signed by the President of the University of Alaska Foundation and the University Representative authorized by the University of Alaska Fairbanks Chancellor.

5. **Purpose of the Program:** This fund is established in accordance with Board of Regents action to provide the long term management and investment of certain University funds received by the UA Museum to cover the costs of accessioning and maintenance of archeological artifacts given to the Museum.
Funds distributed from this endowment in accordance with the Foundation's spending policy will be made available for use by the Curator of the Archeological Collections of the UA Museum for the sole purpose of accessioning and maintaining the artifacts described immediately above.

6. **Fund Type and Management:**

This fund has been authorized to be established as a quasi-endowment by the Board of Regents. In accordance with the strictures of the Uniform Prudent Management of Institutional Funds Act the fund shall be managed by the Foundation as a true endowment in accordance with investment and fund administration policies approved by the Foundation Board of Trustees, and which may be amended by the Board of Trustees from time to time. The Endowment will be subject to an annual endowment fee as determined by the Board of Trustees (currently one percent per annum). No gift fees will be charged to funds transferred into this account from the University.

7. **Termination:**

This fund has been established at the direction of the Board of Regents and thus may only be terminated by action of the Board of Regents.

8. Funding Source:

Funding source shall be those University funds described in paragraph 5, above, that are transferred to the Foundation by the UA Museum.

Mike Sfraga
Vice Chancellor for University and Student Advancement

Date

Carla J. Beam
President, University of Alaska Foundation

Date

DRAFT

The UAF Faculty Senate passed the following motion at Meeting #186 on November 5, 2012:

MOTION:

The UAF Faculty Senate agrees to discontinuation of the M.S. degree in General Science.

EFFECTIVE: Fall 2013

RATIONALE: During the 2010-2011 program review process, the Faculty Program Review Committee, the Administration Program Review Committee and the Chancellor's Cabinet recommended the General Science M.S. program be discontinued. The Physics Department (which administers this degree) did not appeal that recommendation.

Background and Information:

According to the UAF Catalog the general science program "offers MS degrees in the biological sciences, chemistry, the geosciences and physics. The M.S. degree may be described as a breadth degree rather than a depth degree, so the candidate normally pursues a course of study in one of these disciplines and is cooperating with at least one other discipline." A similar course of study could be followed through the Interdisciplinary Program, and there has been no demand for the M.S. in General Science recently. The M.S. in General Science had only one student in each of FY06 and 07, and zero enrollment since then. There have been no graduates since at least FY06.

Discontinuation of this program will have no effect on other programs, personnel, students, or budget, except that the department will be freed from administrative requirements of student learning outcomes assessment and program review. There are currently no students enrolled in this program, and admissions have been suspended pending Faculty Senate action. Therefore, the program can be discontinued immediately and does not require a teach out period.


President, UAF Faculty Senate

APPROVAL: 
Chancellor's Office

DATE: 6 Nov 12

DISAPPROVED: _____
Chancellor's Office

DATE: _____

The UAF Faculty Senate passed the following motion at Meeting #186 on November 5, 2012:

MOTION:

The UAF Faculty Senate agrees to discontinuation of the M.A.T. degree in Mathematics.


EFFECTIVE: Fall 2013

RATIONALE: During the 2010-2011 program review process, the Faculty Program Review Committee recommended that either the enrollment be increased or the program be discontinued. The Administration Program Review Committee and the Chancellor's Cabinet recommended the program be discontinued. The Mathematics Department did not appeal that recommendation.

Background and Information:

According to the UAF Catalog, M.A.T. (Master of Arts in Teaching) programs are designed "to serve baccalaureate graduates who qualify for the Alaska secondary school certificate, who intend to make secondary school classroom teaching their career, and who wish to take additional work in the teaching major and/or minor..." However, the UAF M.A.T. degrees have not attracted significant enrollment for many years. In particular, there has been only one M.A.T. Mathematics student enrolled and two degrees awarded since FY06. Enrollment has been zero since FY08.

Discontinuation of this program will have no effect on other programs, personnel, students, or budget, except that the department will be freed from administrative requirements of student learning outcomes assessment and program review. There are currently no students enrolled in this program, and admissions have been suspended pending Faculty Senate action. Therefore, the program can be discontinued immediately and does not require a teach out period.



President, UAF Faculty Senate

APPROVAL: 

Chancellor's Office

DATE: 6 Nov 12

DISAPPROVED: _____
Chancellor's Office

DATE: _____

The UAF Faculty Senate passed the following motion at Meeting #186 on November 5, 2012:

MOTION:

The UAF Faculty Senate agrees to discontinuation of the M.A.T. degree in Physics.

EFFECTIVE: Fall 2013

RATIONALE: During the 2010-2011 program review process, the Faculty Program Review Committee, Administration Program Review Committee, and the Chancellor's Cabinet recommended the program be discontinued. The Physics Department did not appeal that recommendation.

Background and Information:

According to the UAF Catalog, M.A.T. (Master of Arts in Teaching) programs are designed "to serve baccalaureate graduates who qualify for the Alaska secondary school certificate, who intend to make secondary school classroom teaching their career, and who wish to take additional work in the teaching major and/or minor..." However, the UAF M.A.T. degrees have not attracted significant enrollment for many years. In particular, the M.A.T. in Physics has had no students enrolled and no graduates since at least FY06.

Discontinuation of this program will have no effect on other programs, personnel, students, or budget, except that the department will be freed from administrative requirements of student learning outcomes assessment and program review. There are currently no students enrolled in this program, and admissions have been suspended pending Faculty Senate action. Therefore, the program can be discontinued immediately and does not require a teach out period.



President, UAF Faculty Senate

APPROVAL: 

Chancellor's Office

DATE: 6 Nov 12

DISAPPROVED: _____
Chancellor's Office

DATE: _____



UNIVERSITY
of ALASKA

Many Traditions One Alaska

Alaska's University for Alaska's Schools 2013

Prepared for the 28th Alaska State Legislature

In Accordance with:

AS 14.40.190(b)

Source: Senate Bill 241, 25th Alaska State Legislature

AN ACT

A report to the legislature on teacher preparation, retention, and recruitment by the
Board of Regents of the University of Alaska

Prepared by:

Alexandra Hill, Senior Research Associate, Center for Alaska Education Policy Research,
University of Alaska Anchorage

Diane Hirshberg, Director, Center for Alaska Education Policy Research, University of Alaska Anchorage

Deborah E. Lo, Dean, School of Education, University of Alaska Southeast

Edward A. McLain, Interim Dean, College of Education, University of Alaska Anchorage

Allan Morotti, Dean, School of Education, University of Alaska Fairbanks

Under the direction of:

Patrick K. Gamble, President, University of Alaska

Dana Thomas, Vice President for Academic Affairs, University of Alaska

Presented by:

The University of Alaska Board of Regents

Regent Michael Powers, Chair of the Academic & Student Affairs Committee

February 18, 2013

Alaska's University for Alaska's Schools 2013

Executive Summary

This report responds to AS 14.40.190(b), which requires the University of Alaska (UA) Board of Regents to report biennially to the Alaska State Legislature on university efforts to “attract, train and retain qualified public school teachers.” It describes the University of Alaska teacher education programs, provides data on teacher education graduates, discusses initiatives across the system to encourage more youth and adults to enter teaching, and describes efforts to mentor and support educators prepared both within and outside the UA system. It also describes some of the research being done on challenges in meeting the state’s needs and to attract, prepare, and retain educators for Alaska. The report then addresses a recent question the Legislature raised about why some of the UA teacher education graduates are not currently teaching in Alaska’s public schools.

- The three UA Schools and College of Education produced 242 new teachers in AY 2012. Fourteen of these were new special education teachers. In addition another 66 certified teachers earned special education endorsements.
- UA programs produced 80 principals and 34 counselors. 171 degrees were awarded in other educational areas such as superintendent certification, master teachers, educational technology, reading specialist and so forth.
- School districts continue to hire around 400 teachers each year from outside of Alaska.
- All three UA education programs engage in efforts to recruit and prepare more rural educators.
- The UA Schools and College of Education each run initiatives aimed at increasing the number of Alaska Native teachers.
- All of the UA Schools and College of Education offer programs that prepare new and practicing teachers from urban Alaska and outside the state for working in rural, remote and indigenous communities.
- The UA Statewide Office of K-12 Outreach also is engaged in efforts to recruit teacher candidates, provide professional development to current teachers and mentor new teachers from both within and outside Alaska.
- Education faculty across the three Schools and College of Education and researchers at the UAA Center for Alaska Education Policy Research (CAEPR) are conducting research on critical issues of practice and policy including studies of teacher evaluation, teacher turnover in rural and remote Alaska, and culturally responsive mathematics teaching.
- In response to legislators’ questions in 2012, the UA Schools and College of Education and CAEPR explored why many UA teacher education graduates were not teaching immediately after graduation. The major reasons include too many graduates competing for the limited positions in the state’s largest districts and too few willing or able to relocate to rural and remote schools where districts need more applicants. Other factors include: some graduates are less prepared to teach than others, more UA students choose to study elementary education than there are elementary teacher openings in schools, and too few choose hard-to-fill areas such as special education, secondary math, and secondary physical science.

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Introduction

In 2008, Alaska Governor Sarah Palin signed into law AS 14.40.190(b), which requires the University of Alaska Board of Regents to present to the Alaska State Legislature a report that “describes the efforts of the university to attract, train, and retain qualified public school teachers. The report must include an outline of the university's current and future plans to close the gap between known teacher employment vacancies in the state and the number of state residents who complete teacher training.” This report has been prepared annually since 2009; as of this iteration it will become a biennial report, provided to the legislature no later than day 30 of the regular session, per AS 14.40.190(b).

Teacher preparation is central to the mission of the University of Alaska (UA) system. In 2010, the UA Board of Regents endorsed the UA Teacher Education Plan (Appendix C) which established priorities for fulfilling this mission. Under President Gamble’s leadership, the system is engaged in an organizational change effort called the “Strategic Direction Initiative” (SDI). The SDI is aimed at increasing the UA system’s ability to meet the needs of students and the state and fostering a culture of continuous improvement. (<http://www.alaska.edu/shapingalaskasfuture/what-is-sdi/>)

The five Strategic Direction (draft) themes are:

- Student Achievement and Attainment
- Productive Partnerships with Alaska’s Schools
- Productive Partnerships with Alaska’s Public and Private Industries
- Research and Development to Build and Sustain Alaska’s Economic Growth
- Accountability to the People of Alaska

The theme “Productive Partnerships with Alaska’s Schools” is of particular importance for this report. The theme includes three broad areas: Alignment, Teachers for Alaska’s Schools, and Rural Education. Alignment includes issues around supporting and strengthening secondary preparation of students for postsecondary education; Teachers for Alaska’s Schools addresses recruitment of young people into the teaching profession, preparation of teachers in the UA system, and induction and mentoring for new teachers; and Rural Education looks at the role UA can play in improving the educational achievement of rural students so that, among other achievements, they qualify for the Alaska Performance Scholarship and do not need remediation once they enter the postsecondary system.

This report primarily covers the issues under “Teachers for Alaska’s Schools.” The report does describe some of the UA Schools and College of Education efforts around improving alignment and rural education, but the main focus here is on the topics of recruiting, preparing and supporting K-12 educators. After documenting some of the shortage areas in the Alaska teaching workforce and a discussion of difficulties in staffing Alaska’s schools, we describe the UA teacher education programs, provide data on teacher education graduates from the University of Alaska, discuss initiatives across the system to encourage more youth and adults to enter teaching, and describe

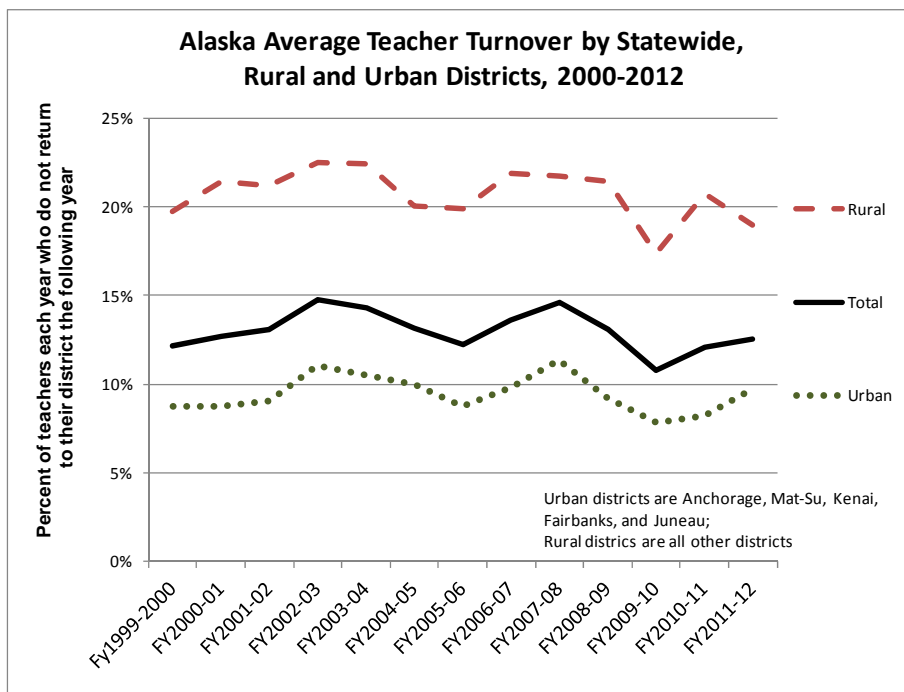
efforts to mentor and support educators prepared both within and outside the UA system. We also describe some of the research being done on the challenges of attracting, preparing, and retaining school teachers and educators for Alaska. Finally, the report addresses a recent question the Legislature raised about why some of the UA teacher education graduates are not teaching in the public schools. Subsequent reports will address additional specific issues of concern in depth, from the effectiveness of teacher induction and mentoring efforts across the state to the cost of teacher turnover.

What are the needs and challenges in staffing Alaska's schools?

Staffing schools in Alaska has been a challenge since territorial days. The living conditions and remoteness of many communities, and the distance of the state from elsewhere in the United States have made it difficult to hire and retain educators—both from within Alaska and from outside the state. Educational institutions within the state have never produced enough teachers to meet the annual placement needs of schools. In this section, we address some of the contemporary issues around teacher preparation, recruitment and retention. A more complete discussion of these issues will be available in an upcoming report on teacher turnover, supply and demand from the Center for Alaska Education Policy Research (CAEPR).

Teacher Turnover

As the chart below shows, turnover in rural Alaska school districts is a persistent problem. Although there has been a slight decline over the last decade, rural districts still average almost double the turnover of Alaska's five largest, urban districts—about 19% compared to just under 10% for the urban districts. Appendix A includes turnover numbers for each district each year from AY 1999-2000 to AY 2011-2012. The dip in turnover between 2008 and 2009 may be related to the nation's financial crisis; districts across the country were either not hiring or were laying off teachers, and this may have led teachers with jobs in Alaska to stay in those jobs longer than they might if they thought there were readily available options elsewhere.



The causes of the high teacher turnover are complex and varied. Among them are that teachers recruited from the Lower 48 are far from their homes and families; the remoteness of many rural communities is difficult for some; there are limited choices for housing and medical care in villages

and urban amenities (such as supermarkets, restaurants, and so on) are generally not available; teachers are not always prepared for the differences between their culture and that of the communities in which they teach; and there are difficulties associated with teaching in schools with a history of high poverty rates and low student achievement.

Districts across the state consistently report challenges recruiting and keeping special education teachers and related service providers such as occupational therapists and speech-language pathologists. Teacher data collected by the state each year provides information on special education teacher turnover. From the 2010-11 school year to the 2011-12 school year, about 13% of general education teachers did not return to a general education position in their district; but 21% of special education teachers did not return to a special education position in their district. In rural Alaska, special educator turnover was 31%, compared to 19% for teachers who were not in special education¹.

Similar data is not available for related services positions, but in a 2009 survey of school districts about speech-language pathologists, districts reported contracting for those services rather than hiring for them because they could not compete with private sector wages and because there were not enough specialists available to hire. They reported difficulties finding even contract services within the state and in some cases contracted with firms in the lower 48, or used telepractice to provide services.

Teacher turnover is defined as the percent of teachers in a given year who do not return to teach the following year in their same district. This is a useful definition when we analyze ways that districts can better retain their teachers. However, when we consider district efforts to recruit new teachers, we need to look at how many teachers districts have to hire; that is, how many of a given year's teachers were not in the district the previous year. Two factors can make hiring and turnover numbers different. First, if teacher needs are changing (due to enrollment changes, budget constraints or other factors), then districts may have to hire more teachers (to fill new positions) or fewer (as positions are reduced) than the number that leave. The total number of Alaska public school teachers has both increased and decreased in recent years. Second, if teachers leave the classroom to go into administration, then districts have to hire new teachers to fill those positions. Alaska districts hire many of their administrators from within; Alaska's districts typically have to hire 50 to 100 teachers to replace those moving into administrative positions.

Each year, Alaska school districts recruit not only within Alaska, but at job fairs and universities across the country, both in collaboration with UA Alaska Teacher Placement (described below) and on their own. There is some research showing that teachers prepared in state are more likely to stay, especially in rural areas, but rural districts report being able to recruit only a small fraction of their teacher needs from Alaska teacher education programs. Each year, for the last three years, districts have hired just under 1100 teachers; about half of those (504 of 1085) have been experienced teachers, already in Alaska. Some (about 140) changed districts from the previous year, over 20% (about 220) have taught in Alaska public schools before but took one or more years

¹ Unpublished ISER analysis, EED certified staff accounting database

away; and some (about 140) are experienced teachers already in Alaska, but have not taught here before. Districts hired about 210 new teacher Alaskans – this includes both Alaska-prepared teachers and Alaskans who went to schools outside the state for their teacher preparation. This left districts still needing to hire about 370 teachers from out of state; about 40% of those already had one or more years in the classroom, and about 60% were new teachers.

Alaska School Districts' Teacher Hiring by Prior Alaska and Teaching Experience Average, FY2009-2012			
	Experienced teachers	New teachers	Total
Alaskans	504	211	715
Non-Alaskans	153	217	370
Total	658	428	1085

Induction and Mentoring for New Teachers

Districts have worked to recruit and retain effective teachers through improved induction and mentoring, loan forgiveness and other financial incentives, and professional development aimed at improving teacher effectiveness. These programs have had varying degrees of success over the years. Districts and the state have implemented a number of induction and mentoring programs to help prepare new-to-Alaska teachers for the challenges of teaching in Alaska, especially in rural Alaska. However, many of these initiatives have been funded through federal grants and are not sustained when the funding disappears. Also, there has not been systematic research on which models are most successful across the state. As is described below there is now a comprehensive evaluation of the Statewide Teacher Mentoring project underway; this will address some of the gaps in knowledge about what works in Alaska.

One Challenge in Recruiting Teachers from Within Alaska: The Pool of Potential Candidates

One reason Alaska has trouble “growing our own” is that too many of our students don’t graduate from high school, and of those who do too many don’t go on to college. While Alaska’s high school graduation rates have improved over the last decade, the state graduate rate is still in the bottom quarter of states (NCES Digest of Education statistics 2011, Table 113, averaged freshman graduation rates 1990-91 through 2008-09). Both the percent of our high school graduates who attend college and the percent who attend here in their home state are in the bottom few states. So for every one hundred ninth graders nationally, about 48 will enter college four years later; in Alaska only about 33 will do so. Finally once students enter college, they have numerous career choices, and teaching is not always the most attractive to them (see report summary for more discussion of teacher recruitment issues). Addressing the need to prepare our own teachers will take improvement in all of these measures.

University of Alaska teacher preparation and retention efforts

Teacher Preparation within the University of Alaska System

The University of Alaska system offers teacher preparation at all three Major Academic Units (MAUs) – Anchorage (UAA), Fairbanks (UAF), and Southeast (UAS), via both face-to-face and online/e-Learning formats². All three universities offer programs that lead to elementary, secondary, and special education initial certification. UAA offers initial certification in early childhood education and in early childhood special education. All three universities also offer special education endorsements and certificates for teachers interested in moving into that area. Between the three campuses, students can complete many degree programs completely online, including (but not limited to) a bachelor of arts in elementary or special education, a master of arts in teaching, a master of education in educational leadership, and a master of education in special education.

In addition, between the three MAUs there are many programs for educators wishing to add endorsements to their licensure or obtain masters degrees or certificates in specialized areas, including (but not limited to) reading specialist and cross-cultural education masters. The majority of these programs are offered via e-learning. All three universities also offer professional development opportunities to educators across the state and beyond, many in collaboration with school districts or professional organizations.

UA and its faculty are committed to student-centered learning. Faculty model an individualized, learner-centered approach to education that they want candidates to use with their P-12 students. Candidates are given scaffolding and multiple opportunities to meet target expectations on course projects/assessments. Reasonable accommodations are made to support candidate learning; when appropriate, course projects (and coordinated field experiences) are individualized to meet candidate needs and interests. Coursework is intentionally designed to promote an interchange of practical knowledge for candidates who are often working in schools with few resources and infrequent support from outside agencies.

All students in University of Alaska teacher education programs must take the Praxis I and Praxis II exams. Students must pass the Praxis I (Pre-Professional Skills Test) with scores that meet or exceed state standards before they enter student teaching, and they must pass one or more Praxis II content area exams with scores that meet or exceed state standards in order to receive an institutional recommendation for state licensure. This helps ensure that University of Alaska

² Online or e-learning courses are offered in a number of formats. The University of Alaska defines e-Learning as planned learning that predominantly occurs in situations where a student is not required to be in a predetermined location. Delivery may be by video conference, audio conference, correspondence, telecourses, satellite telecasts, via the Internet, CD-ROM, and/or video/audio tape. A course may be delivered entirely via e-Learning or by a hybrid of e-Learning and on-campus methods. eLearning may be asynchronous (such as a Blackboard course learning software-based courses that does not require large-group sessions with the instructor) or synchronous, where the class meets on a scheduled or regular basis with the instructor via videoconference, Internet-based software or audio conference.

teacher education graduates meet national standards for content knowledge in their areas of specialization.

All University of Alaska teacher education programs have received national accreditation from the National Council for Accreditation of Teacher Education (NCATE). Twenty-six separate programs within those schools and college are nationally recognized by their relevant Specialty Professional Associations (SPAs), thus ensuring that the programs and the institutions in which they operate meet or exceed national standards. NCATE is one of two organizations recognized by the U.S. Department of Education as an accrediting institution specific to teacher education and it currently represents over 3 million individuals. To meet the necessary standards for initial and advanced programs, education institutions engage in a self-study, followed by a rigorous information review and site visit.

To make sure that UA teacher preparation programs are meeting both the needs of school districts throughout the state and university expectations, the College and Schools engage in several program improvement activities. Mission statements and program outcomes are reviewed annually to ensure that classes and program offerings align with them. We also survey current and former students as well as administrators and mentor teachers about the quality of UA students and programs, and on whether or not graduates are prepared to handle the rigors of teaching or their other educational responsibilities. This information is used to help the Schools and College improve program offerings.

Initiatives to Increase the Number of Alaska Native Educators

The Schools and College of Education at the University of Alaska (UA) have a strong commitment to the preparation of Alaska Native and Native Alaskan students for the teaching field. This is supported by multiple program delivery formats including traditional on-site face-to-face teaching, e-learning formats incorporating many advanced tools, summer institutes where on-site experiences help build collegial relationships and on-site visits. For example, since 1972 UAF has offered a full BA in Elementary Education degree for students who are in rural communities and who want to stay in rural communities. Nearly all of the students who complete a degree while in their own villages stay and teach in their community or region. UAF also has a fulltime Rural Advisor position to support the rural students in their programs.

As noted before, all three MAUs offer post-baccalaureate programs to students in rural communities via online distance learning. UAF's post-baccalaureate curriculum is designed specifically to prepare graduates to teach in rural and urban contexts. The curriculum is culturally responsive and place-based so that students know how to make state and national standards and district curriculum requirements relevant in whatever context they are in. Many of their faculty have experience in rural areas and thus are able to make coursework relevant and meaningful for rural students.

The UAF School of Education recently housed an Alaska Native Teacher Preparation Program grant to increase Native Alaskan educators. It provided funding for a number of Alaska Natives to

complete teaching degrees; 18 candidates completed a teacher certification program, of whom 17 are teaching in Alaska schools.

As an outcome of discussions with the Rural Alaska Honors Institute (RAHI) during the 2012 Summer Session at UAF, the School of Education (SOE) Elementary Education Program has been approved to offer ED 245 (Child Development) as dual credit course for RAHI students, starting Summer 2013.

This fall the UAF SOE entered into discussions with the Lower Kuskokwim School District (LKSD) on ways the district can work with its paraprofessionals to help them complete the education and degree requirements necessary for state teacher certification. The goal of this collaboration is to increase LKSD's teacher corps for its dual immersion program.

At UAS, the Preparing Indigenous Teachers and Administrators for Alaska Schools (PITAAS) program supports both teacher candidates and teachers who are working toward advanced degrees in the acquisition of strong academic skills and rich indigenous knowledge so that they can provide culturally relevant K-12 instruction. Eleven PITAAS students graduated in 2012.

The UAS Village Teacher program supports eleven Alaska Native students preparing to become reading specialists and nine who are preparing to become math specialists in their districts.

A partnership between the UAA College of Education (COE) and the Kashunamiut School District was formed in 2010 to support twelve paraprofessionals who are working toward their bachelor's degrees in elementary education. This partnership, known as the Chevak Teacher Education Initiative, embraces the concepts of inclusivity and culturally relevant teaching. Course work reflects both Western and Cup'ik cultures and philosophies. By December 2013, about half of the group will have earned their associates degrees. This initiative is providing important insights about the power of collaboration as an indigenous community, school and university come together to create a space that supports cultural and language revitalization. The UAA COE is currently developing expansions and refinements to the program based on research on the initiative as well as insights gained through the partnership and project.

Preparing Alaskans as well as Educators from Elsewhere to Work in Rural Schools

Elementary, Secondary and Special Education certification programs which are 100% distance based are offered so that students who currently reside in a remote community can earn a teaching certificate while remaining in their community. Because experience in the classroom is crucial to the preparation of good teachers, the teacher education programs at all three UA campuses devote a significant portion of their non-personnel budget to travel so that university faculty can supervise practicum and student teaching experiences. For example, UAF student teachers and school counseling interns are practicing in 25 sites throughout Alaska, ranging from Anaktuvuk Pass in the north to Thorne Bay and Ketchikan in the south, and all of these candidates need supervision. The cost for this can be quite considerable, but it is one the UA Schools and College of Education willingly support given the importance of preparing quality teachers (as well as counselors and

principals) for rural communities. We are currently compiling information on the costs associated with preparing an educator in Alaska, including the costs associated with rural practicum supervision; this information will be available later this spring.

University of Alaska Schools and College of Education offer students a minimum one week rural practicum experience. University faculty and staff arrange classroom placements, travel and accommodations for each student. This experience is typically arranged in conjunction with the job fair held in Anchorage each year. In this way teacher candidates are encouraged to think of the experience in terms of future employment. In addition, when they return to their home campus or on-line classes, students present projects completed during the rural practicum and share their experiences with their fellow students. While the experience does not always lead to immediate employment, it does allow the student to make an informed choice regarding living and working in a rural community. A new pilot program this year makes use of the Alaska Teacher Placement offices to strategically place students in districts that will have a specific need for their content area. Additionally, principals and superintendents will receive a portfolio of information on each student so that they can recruit based on content area as well as position suitability.

The Rural Alaska Principal Preparation and Support (RAPPS) Program, a \$3.6 million federally funded partnership between UAA and the Alaska Staff Development Network, has been successful in preparing and placing rural administrators. Over the past four years, 74 RAPPS participants received scholarships. Of these, 63 remain in their home districts in 2012, all of whom will have completed their administrative certification by May 2013, when the grant ends. Only two of the candidates moved out of the state to accept administrative placements. Two districts have 100% retention of RAPPS candidates in their respective districts. District leaders have expressed interest in continuing the development of rural administrators beyond the life of the federal grant. Partnering superintendents have created a short list of potential candidates.

The UAA Statewide Induction Seminar is a year-long hybrid distance course for teachers and administrators new to rural Alaska. It seeks to narrow the achievement gap by addressing the cultural dissonance of the Western pedagogies, curricula and school reforms present in most schools by integrating approaches more aligned with Alaska Native ways of “being, valuing and doing.” The Seminar was designed by Western and Alaska Native university faculty working in collaboration. This increases the likelihood that the teachers and administrators new to rural Alaska understand the local cultural context and how deeply it affects student learning. With this vital awareness, the teachers and administrators have the tools to provide culturally appropriate learning experiences to students and also become more integrated into their communities, easing high attrition rates.

UAS is offering Alaska’s first Massively Open On-line Course (MOOC) in the education field. Teachers across Alaska can register either for credit or to participate free of charge in a semester long course designed to enable them to design differentiated curriculum to meet the diverse needs of Alaska students.

UAF Professor Jerry Lipka received a three-year U.S. Department of Education grant. The “Measuring Proportionally: Elders’ Wisdom Applied to Teaching and Learning Math Project” responds to the well-documented need to improve the academic performance (math in this project) of Alaska Native students by incorporating the Elders’ wisdom. The project will refine, develop, and implement elementary-mathematics instructional materials as well as professional development (PD) that will develop Culturally Competent Mathematics Teachers (CCMT). The professional development activities and supports will engage teachers as they learn to construct and use cultural mediating math tools, such as number lines, geometric sets, and fraction sets. By applying lessons learned from Elders, the project will show how each tool can be used to teach across the math strands. The project includes the Alaska Native Cultural Charter School (Anchorage), Alaska Gateway School District, Hoonah City School District, the Koliganek School (Southwest Regional School District), and the Yupiit School District. Additional school districts will be selected for piloting and for the quasi-experimental study in third year of the project.

Faculty Research on Issues around Teacher Retention and Quality

In addition to the educator preparation and support programs and initiatives described above, faculty at the University of Alaska Schools and College of Education are engaged in research to better understand the challenges as well as potential solutions around teacher retention and quality improvement. Several of these projects are highlighted here.

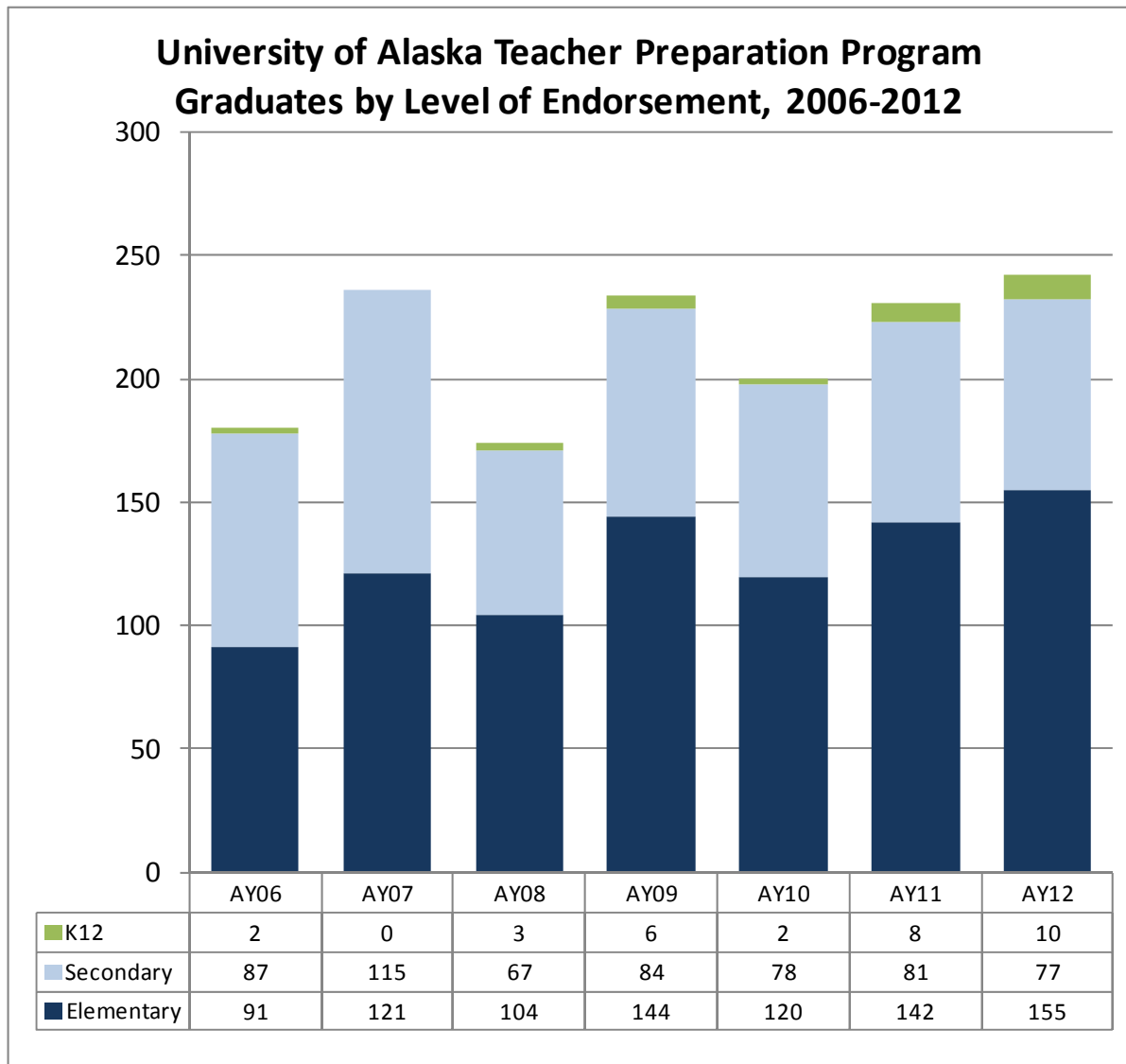
UAF Assistant Professor Ute Kaden received a three-year grant from the National Science Foundation for the study “Factors Related to Teacher Retention in Arctic Alaska, an Integral Part of the Circumpolar North.” The study aims to identify 1) the degree of school and community integration which influence teacher retention; 2) school workplace characteristics, including recruitment practices, which influence teacher retention; 3) teacher preparation practices which influence retention; and 4) other key variables for understanding teacher retention in Arctic Alaska. Researchers working on this grant include faculty from the UAF School of Education with backgrounds in indigenous studies, mathematics education, and special education and from UA Office of K-12 Outreach, including researchers working on the Alaska Statewide Mentor Project.

UAS Assistant Professor Martin Laster is completing the study “Driving and Restraining Forces for Quality Teacher Evaluation in Alaska,” funded by the Center for Alaska Education Policy Research. Dr. Laster is exploring the factors that impact quality teacher evaluation across the continuum of rural to urban districts, and looking at whether any might be modified by policy decisions.

Data on New Teacher Preparation in the University of Alaska System

Initial teacher preparation programs at the University of Alaska produced 242 new teachers from June 2011-May 2012 (Academic Year 2012); the average number of new teacher graduates over the last seven years is 214. These teacher graduates included 155 elementary-level teachers (including 17 specializing in early childhood), 77 secondary teachers and 10 certified for grades K-12, in Art, Music or Special Education. Among the secondary teachers were 16 new math teachers and 12 new science teachers. Fourteen of the new teachers were certified in Special Education (some at the elementary level, some at secondary, and some for K12). While the total number at all levels has

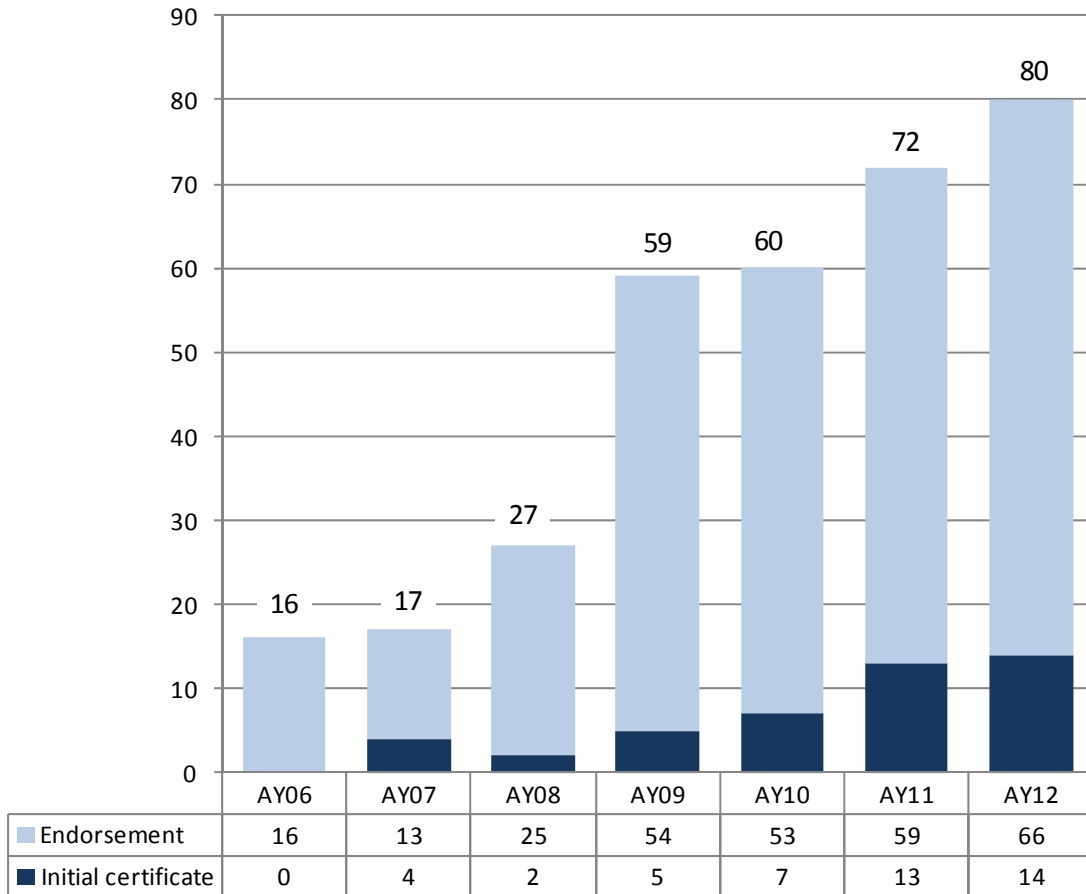
ranged from 180 to 242, there are no statistically significant trends for the total initial teachers, new elementary teachers or new secondary teachers.



Special Education Teachers

In addition to the 14 new teachers who obtained special education endorsements along with their initial certification, 66 existing teachers earned special education certificates, for a 2012 total of 80 new special education teachers. The number of teachers receiving special education endorsements at UA has grown 5-fold between 2006 and 2012, from 16 to 80.

University of Alaska Special Education Graduates, 2006-2012



Retention of University of Alaska-prepared Teachers

Between 2006 and 2012, the University of Alaska graduated about 200 new teachers each year. University of Alaska graduates made up about 12% of new hires across the state in 2011 and again in 2012. Teachers prepared in Alaska tend to stay in Alaska’s schools longer than those who come from outside the state. So, while in a given year UA prepared educators may only make only about 12% of the new educators that districts hire, UA-prepared teachers make up 28 percent of the statewide teaching force. Moreover, the percent of all certified staff that received any education degree or endorsement from UA is slightly higher – about 32 percent. Appendix A includes detailed tables and graphs showing UA teacher education degrees and certificates granted from AY2006 - AY2012.³

³ This report only addresses teachers prepared by University of Alaska programs. The forthcoming Education Supply and Demand Update Report will include data on educators prepared at Alaska Pacific University and via in-state alternative certification programs such as that operated by the Alaska Department of Education and Early Development.

Additional efforts to address challenges in recruiting, preparing and retaining teachers

In addition to the programs and research in the UA Schools and College of Education described above, there are programs and research being conducted in the UA Office of K-12 Outreach, as well as research being done at the UAA Center for Alaska Education Policy Research. We also briefly describe the new University of Alaska Teacher Education Consortium, which is facilitating conversations on teacher preparation and support issues between the UA Schools and College of Education and key stakeholders across the state.

Future Educators of Alaska (FEA)

In 2013, FEA is evolving into a Career and Technical Student Organization (CTSO). For this reason, the focus of FEA this year is on preparing high school students for leadership roles. FEA will continue to help students plan for careers in education, work with FEA students in after-school clubs, and guide FEA students enrolled in "Exploring Education Careers" courses. In addition, FEA students will participate in competitions that hone their oral presentation skills. For the first time, more than a dozen elected FEA students from across rural Alaska will participate in youth leadership roles at the 2013 CTSO Performance Based Assessment Conference (March 21-23 in Anchorage). These FEA youth leaders also will guide the annual FEA student gathering (April 2013 on the UAA campus). In addition to the "Exploring Education Careers" course, a second dual-credit course is being planned to help ease graduating FEA high school student transition into UA Schools and Colleges of Education.

Alaska Teacher Placement (ATP)

In 2013, ATP will host one major in-state and two out-of-state job fairs to connect qualified educators with Alaska districts, along with dozens of virtual job fairs and 24-hour iCommunity support. This year, ATP is increasing collaboration with the Deans of UA Schools and College of Education to determine how to offer career services to education majors in their final years at UA, with the ultimate goal of assuring placement in Alaska districts for increasing numbers of UA education graduates. Because ISER statistics show that teachers from Alaska stay longer in Alaskan schools, the ATP bridge between UA Schools and College of Education and Alaska districts for our UA education graduates should lead to increased retention and decreased dependence on teachers from out of state. A pilot project between ATP and UAS is underway to determine how much and what kind of intervention is needed to increase UA Education student interest in jobs in rural Alaska.

Statewide Teacher Mentoring

The Alaska Statewide Mentor Project is a partnership between the University of Alaska and the State Department of Education and Early Development. State funding currently provides mentors to an average of 380 early career teachers annually in mostly rural districts across the state each year. ASMP has received a \$15 million grant to expand the program to first- and second-year teachers in the Anchorage, Fairbanks, Mat-Su, Sitka and Kenai school districts. A large part of the money will

fund a randomized controlled trial to test how mentoring affects early career teachers' effectiveness and their students' achievement while serving an additional 520 early career teachers over three years.

PREPARES

PREPARES is a 5-yr National Science Foundation funded scale-up research project exploring whether a model that has shown promise in improving teacher retention in rural, predominantly indigenous and low-income serving Alaska districts is transferable to other parts of Alaska and the nation. The model involves providing professional development for teachers based on data-driven and research-based best-practices for engaging indigenous students in the study of science, math, and other subjects. The professional development enables teachers to provide place-based, community-relevant, culturally responsive instruction in their classrooms, and is based on the premise that teachers who learn to provide place-based instruction that is also community-relevant and culturally responsive are more likely to see an increase in both the engagement and achievement of their students across subject areas, are therefore are more likely to stay in rural districts longer than teachers who do not offer such instruction. Unanticipated benefits to the model to date include persistent increased community and parental engagement in student scholastic endeavors.

Center for Alaska Education Policy Research

The Center for Alaska Education Policy Research (CAEPR) is engaged in research projects on teacher retention as well as on broader education issues in Alaska, including a statewide teacher survey to study the reasons teachers stay in or leave their schools and to better understand teacher perceptions of the places they work. This project is described in greater detail in the "*Future Reports*" section of the summary, along with several other projects on related topics.

Bringing All the Players Together: The University of Alaska Teacher Education Consortium

On September 25, 2012, the first meeting of the University of Alaska Teacher Education Consortium was held. The meeting included a morning listening session, where educators and others were invited to share their thoughts on the UA Teacher Education programs, specifically on what the programs are doing well and should continue to do, what could be done to improve them, challenges in teacher preparation, and priorities for improvement. The afternoon meeting focused on developing actions that members of the consortium can take to improve teacher recruitment, preparation and retention. Notes from the meeting are included as Appendix D.

Research on University of Alaska initial licensure graduates: Why aren't they teaching?

In response to questions raised by the Alaska Legislature and the UA Board of Regents regarding why more UA graduates are not in the classroom, in fall 2012 CAEPR researchers surveyed graduates of University of Alaska initial teacher preparation programs who graduated between the fall of 2010 and the summer of 2012 (More information on this study is provided in Appendix E.). The survey asked whether respondents had applied for a teaching certificate or for a job, whether they were working as teachers, in other education jobs, or in other fields. For those graduates who did not look for a teaching job, we asked why they chose not to teach; for those who looked and were not hired, they asked why they thought they weren't successful in obtaining a teaching position.

The response rate for the survey was less than 30% - too low to statistically generalize these findings or generalize the frequency of these outcomes to all program graduates. However, our respondents included graduates of all types on initial teacher programs, and were employed in public schools at similar rates to UA graduates overall. We believe the results of this study shed insight into the experiences of many UA graduates.

Of the 113 respondents, 90% applied for a teaching certificate upon completion of their program. The 10% who did not apply were not seeking a teaching job and cited travel, pursuit of other interests, acceptance or continuation of employment in nonteaching jobs, lack of available teaching jobs, or simply had no desire to teach.

95 percent of our respondents were employed the fall immediately following their graduation. More than 4 out of 5 respondents (84%) worked in some type of education job, although only about 40% were teachers (see table below). Of those respondents working in education, 14% worked in early childhood (pre-K) settings, 64% worked in elementary (K-6), and 66% in middle/high school settings.

Answer	Response	%
employed as a teacher	47	41%
working as a substitute teacher	33	29%
working in some other education job	17	15%
working in a job outside of education	12	11%
not working	4	4%
Total	113	100%

We asked the 59 percent of our respondents (68 of 113) who were not employed as teachers the fall following graduation, about their job searches (67 of the 68 responded to these questions). More than 70% of them (48) had applied for a teaching job immediately after graduation. The 19

who did not apply for positions most frequently cited going back to school for advanced education, lack of job availability, and uncertainty about teaching in the current educational system as why they had not applied. Other reasons, such as staying home to have a baby, needing a break, transferring with the military, accepting a position in a private school, and waiting on institutional recommendation and teacher certificate were given by just one or two respondents. About half of those not employed as teachers (9 out of 19) later searched for a teaching job.

Of the 48 who applied for teaching jobs immediately following graduation, most applied to one or more of Alaska’s five largest districts (Anchorage, Mat-Su, Kenai, Fairbanks, and Juneau) and fewer than 20% applied to any other Alaska district.

Answer	Response	%
Anchorage School District	21	44%
Fairbanks North Star Borough School District	9	19%
Mat-Su Borough School District	10	21%
Kenai Peninsula Borough School District	8	17%
Juneau School District	10	21%
Other Alaska public schools	8	17%
Schools outside Alaska	10	21%
Alaska non-public schools	3	6%

We asked all those who had searched for a teaching job either immediately after graduation or later about their willingness to relocate. Of those 58 graduates, almost 60% were not able to relocate because they needed to stay in their home community. Most (23 of 25) respondents who were willing to relocate also identified places they were unwilling to relocate. While three said they would not be willing to leave Alaska, 15 said they would not move to some or all of rural Alaska. This means that only 10 of 58 graduates looking for (but not finding) work were able and willing to relocate to rural Alaska districts. Family/personal reasons and environment (including weather, lifestyle, and teaching/living conditions) were the major reasons respondents would not be willing to relocate to specific areas.

We asked our respondents who applied but did not get a job, why they believed they were not hired. By far the most frequent answer was competition, lack of jobs, or both, cited by almost two-thirds (35 of the 54) of our respondents. Seven were unwilling to relocate and a few (2 to 4 for each reason) cited lack of experience, lack of interviewing skills, moving and having a baby. We interviewed 21 of our survey respondents (representing all UA initial teacher preparation programs) who were not employed as teachers the fall immediately following graduation to explore these reasons in more depth.

Reflecting the answers above, 80% (17) indicated there were limited teaching job opportunities, which included comments related to no openings, no offers, district budget constraints, and

competition/lack of experience. Adding to those answers, one-third (7) listed other opportunities, such as travel, employment in nonteaching jobs, and family as reasons. Third, slightly less than 20% (4) expressed uncertainty about teaching. (Percentages do not equal 100 because many respondents provided multiple reasons.)

When asked what UA could do to assist in their search for employment, the most frequent response (8 of the 21) was nothing or “I don’t know.” Two graduates recommended resume writing help, and one each recommended help with classroom management, assessment, interviewing practice, cover letter writing, job hunting protocol (who to contact), information about job fairs and job openings, clarification of the certification process, and honesty about the bleak job opportunities.

To gain an additional perspective on UA graduates, we interviewed human resource personnel from the five Alaska school districts that hire the largest number of UA graduates (Anchorage, Fairbanks, Juneau, Kenai, and Mat-Su). These key informants have general knowledge of the quality of teachers hired by their districts. When asked how well prepared they found UA graduates, two were complimentary, two were neutral, and one was uncomplimentary.

Key informants reported both consistent strengths and weaknesses of UA graduates. Strengths included understanding the environment and diverse student populations of the district, role of the general education teacher working with ELL students, classroom management, assessment, and the connection between instruction and assessment. Other strengths included passion for teaching, love of students, interest and passion for being in education, and knowledge of the state and the district in which they have applied. One key informant indicated that there were no consistent strengths that set UA graduates apart. Weaknesses included preparation in special education, instructional practices, literacy integration at the secondary level, and the role of the general education teacher in working with special education students. Two key informants indicated that there were no consistent weaknesses, but one of these indicated more preparation in dealing with diverse populations would be beneficial.

National and Alaska researchers have long documented that teacher shortages are both location and subject-specific (NCREL, 2000; McDiarmid, 2003), and these data are in line with those findings. While UA graduates are generally prepared to teach, there are some graduates who are less prepared for the classroom, as reflected by one of our key informants. The largest factor in explaining graduates’ inability to finding teaching jobs, though, seems to be that too many graduates are competing for the limited positions in the state’s largest districts, and too few are able to relocate to rural and remote schools where districts need more applicants. Another factor in graduates’ difficulty finding jobs is that more prospective teachers are choosing elementary education degrees than there are openings for them, and too few are choosing to teach in hard-to-fill areas such as special education, secondary math and secondary physical science.

Summary

The University of Alaska system continues to focus on expanding the number of qualified Alaskans who can be employed in Alaska's schools. Each year, the UA system adds about 200 new teachers to Alaska's teaching force and 60-70% of those go on to teach in Alaska's public schools. However, most of these newly certified teachers seek employment in urban or road system districts, while most of the teaching vacancies occur in remote and rural districts. This leaves the state's schools, especially the rural schools, needing to hire several hundred teachers from elsewhere.

No systematic research has been conducted on why there are not more Alaskans choosing to enter the teaching profession. However, there are a number of factors that may be affecting these decisions, from changes in the teacher retirement system to a reduction in the competitiveness of Alaska's teacher salaries compared with salaries in other professions and in other states, to the expenses teacher candidates must incur during their education, in particular during their unpaid clinical practice, when it is nearly impossible to maintain outside employment. Adding to this is concern about trends in teacher evaluation; a new teacher evaluation plan just adopted in Alaska relies extensively on student achievement data, and both within the state and across the nation there is unease about how this will affect teacher employment and salaries. CAEPR is conducting research this spring that should help policymakers and teacher educators better understand the impact of these issues. Finally, the downturn in the economy the past few years made teaching jobs less available; fewer teachers left Alaska's schools, and flat funding for the state's schools also led to fewer openings and even layoffs in some districts.⁴

This report highlights what the University of Alaska is doing to improve the recruitment and retention of students for teacher education programs and to strengthen existing programs. The UA Teacher Education Plan identified several goals in this area that faculty and staff are now working on, and CAEPR is doing research around issues that impact those goals. In addition, the University of Alaska Office of K-12 Outreach is supporting efforts to recruit and retain teachers across the state, working directly with districts and conducting research.

All of these efforts should move the University of Alaska system toward better meeting the needs of Alaska's schools. However, the broader factors affecting the decisions of students to enter college, pursue the teaching profession, choose to work in rural schools, and stay in the profession once they complete their training require a broad effort that includes current teachers and administrators, parents, community leaders, and policymakers. We need to explore questions and have frank discussions around working conditions, teacher compensation and incentives to enter the field, among other issues. All of these are factors that affect the ability of Alaska's schools to attract and retain educators.

⁴ In 2012-2013 the Anchorage School District laid off teachers and did not accept new applications for teachers in several content areas. <http://www.asdk12.org/employment/certificated/12-13applications/>

Future Reports

The next installment of this report is due in spring 2015. In addition to reporting updated data on teachers and other educators prepared by the University of Alaska, we will continue to explore issues of concern around teacher recruitment, preparation and retention in Alaska. There are several research projects underway that will inform the next report:

a) *Statewide Teacher Survey*

In Spring 2013, CAEPR will conduct a survey on the factors influencing teachers' decisions to stay in their schools/districts or to leave. Teachers will be asked about issues such as their perceptions of leadership in their school; their relationships with parents and community; salary, benefits and financial incentives to stay in their school; and mentoring and professional development efforts. This survey will be done in collaboration with UAF Assistant Professor Ute Kaden. In fall 2013, CAEPR will match data on teacher employment to see which teachers who participated in the survey continued to teach in Alaska and in their same school, and which did not, and analyze the relationship between teacher survey responses and work outcomes, so that they can create models around the factors contributing to teacher retention and turnover.

b) *Educator Supply and Demand Study*

CAEPR is preparing a comprehensive update of data on teacher and administrator supply, demand and turnover, including a comprehensive literature review on factors influencing teacher retention and turnover; data on the number of teachers and administrators prepared by institutions in-state versus coming in from outside Alaska; teacher and administrator turnover rates by district; and a look specifically at the numbers and career pathways of Alaska Native teachers and administrators.

c) *University of Alaska Teacher Education Graduate Surveys*

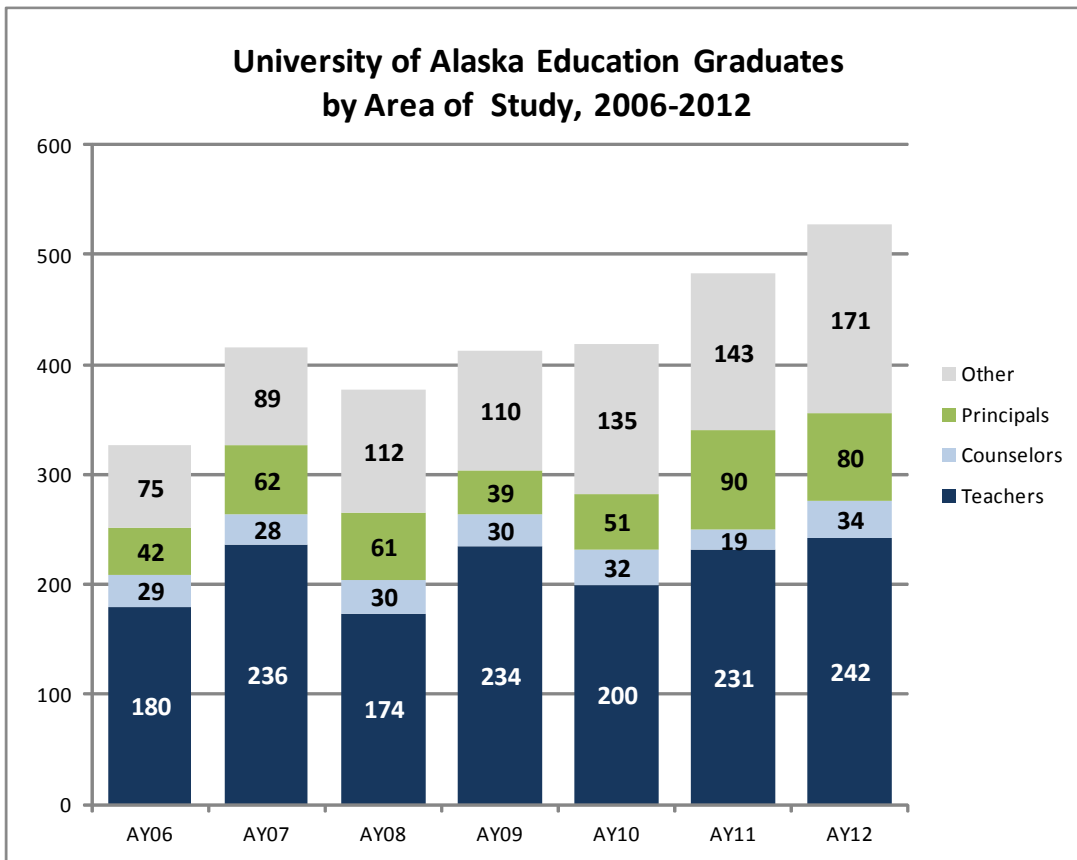
In collaboration with the UA Schools and College of Education, CAEPR will be conducting surveys of graduates from all of the education programs across the UA system one, three and five years after they graduate as well as just before graduation. We will report specifically on the teacher education graduates, focusing on their perceptions of how well they were prepared for their current positions and suggestions they have for strengthening teacher preparation programs.

Appendix A: Detailed Data Tables

A1. University of Alaska Education Program Graduates

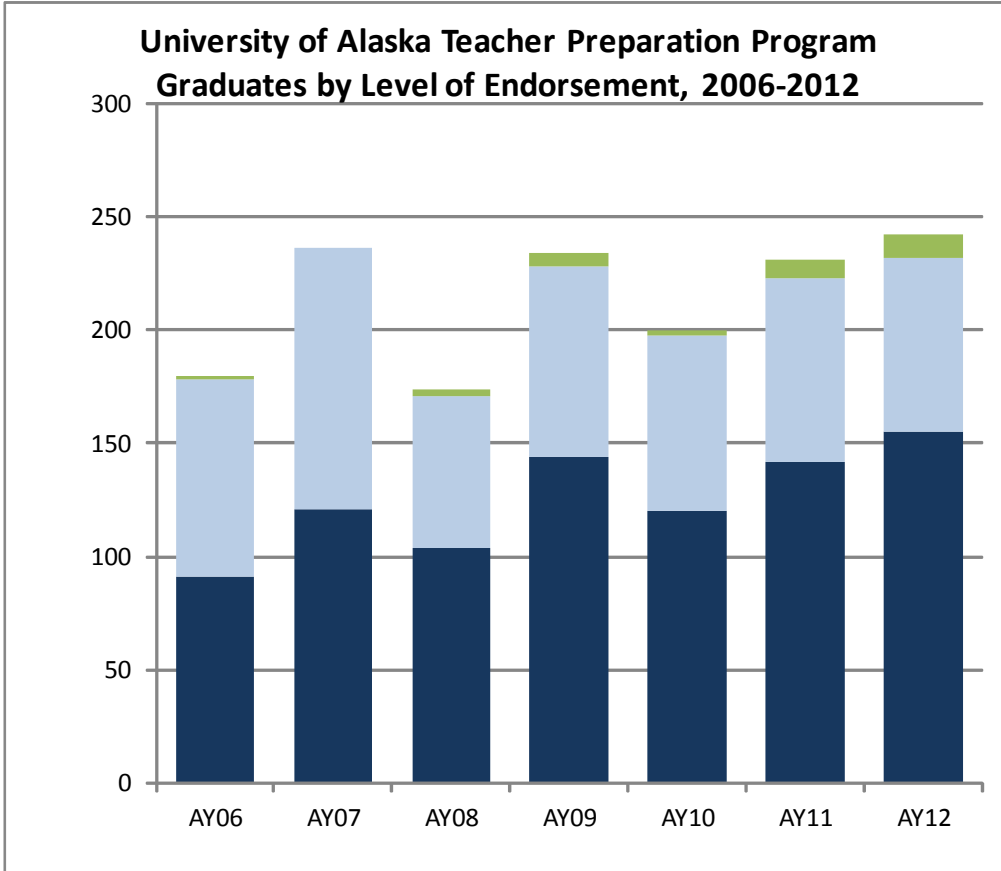
University of Alaska Education Graduates by Area of Study

	AY06	AY07	AY08	AY09	AY10	AY11	AY12
Teachers	180	236	174	234	200	231	242
Counselors	29	28	30	30	32	19	34
Principals	42	62	61	39	51	90	80
Other	75	89	112	110	135	143	171
	326	415	377	413	418	483	527



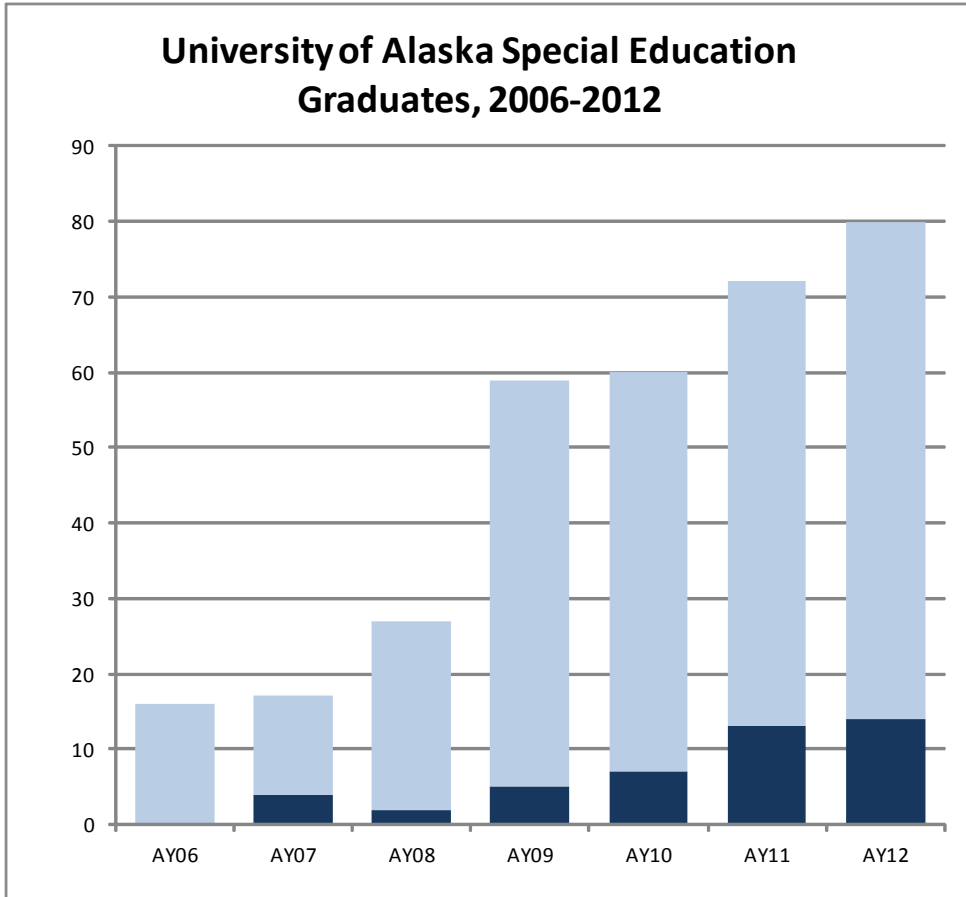
University of Alaska Initial Teacher Program Graduates by Level

	AY06	AY07	AY08	AY09	AY10	AY11	AY12
Elementary	91	121	104	144	120	142	155
Secondary	87	115	67	84	78	81	77
K12	2	0	3	6	2	8	10



University of Alaska Special Education Graduates - Initial Licensure & Endorsement

	AY06	AY07	AY08	AY09	AY10	AY11	AY12
Initial certificate	0	4	2	5	7	13	14
Endorsement	16	13	25	54	53	59	66
SpED total	16	17	27	59	60	72	80



A2. Teacher Turnover Rates by District, 1999-2012

	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012
2 'Denali '	28.6%	13.8%	33.3%	14.8%	37.9%	17.2%	20.0%	18.2%	21.2%	23.3%	26.7%	23.1%	14.8%
3 'Alaska Gateway'	12.5%	20.0%	13.9%	24.2%	23.5%	12.1%	28.6%	31.3%	18.8%	25.8%	12.9%	13.3%	11.8%
4 'Aleutian Region'	42.9%	33.3%	33.3%	16.7%	33.3%	57.1%	n/a	n/a	33.3%	33.3%	50.0%	60.0%	50.0%
5 'Anchorage'	8.0%	7.8%	9.7%	11.9%	9.8%	10.2%	8.5%	9.7%	11.9%	8.8%	7.1%	8.0%	9.1%
6 'Annette Island'	18.2%	23.3%	37.0%	7.4%	25.0%	18.2%	34.4%	30.0%	40.6%	6.9%	18.8%	41.4%	29.6%
7 'Bering Strait'	33.1%	34.0%	23.5%	32.2%	34.1%	32.7%	21.9%	19.3%	24.7%	22.8%	27.9%	25.6%	25.7%
8 'Bristol Bay'	8.3%	8.3%	12.5%	18.2%	35.0%	21.1%	37.5%	20.0%	37.5%	25.0%	20.0%	43.8%	40.0%
9 'Chatham'	19.0%	28.6%	12.5%	34.8%	35.0%	23.8%	40.0%	31.3%	33.3%	52.6%	16.7%	15.0%	35.3%
10 'Chugach'	16.7%	8.3%	35.7%	7.1%	35.3%	25.0%	7.1%	8.3%	7.1%	0.0%	7.7%	21.1%	12.5%
11 'Copper River'	13.6%	14.6%	9.5%	14.0%	11.9%	15.8%	13.2%	17.9%	15.8%	15.8%	13.5%	21.1%	16.7%
12 'Cordova City'	27.8%	8.6%	18.9%	17.1%	15.2%	25.0%	6.3%	22.6%	7.1%	10.7%	3.4%	10.0%	17.9%
13 'Craig City'	23.1%	11.5%	9.7%	28.6%	17.1%	16.2%	17.6%	12.5%	8.8%	20.0%	10.8%	31.0%	11.1%
14 'DeltaGreely'	12.9%	22.0%	19.1%	11.9%	24.5%	14.8%	14.5%	12.7%	16.4%	18.5%	19.4%	20.0%	14.5%
15 'Dillingham'	31.7%	19.4%	22.0%	40.5%	22.5%	15.8%	22.5%	25.6%	37.8%	31.0%	22.0%	12.8%	10.5%
16 'Fairbanks'	0.4%	15.5%	8.8%	10.6%	11.2%	10.5%	8.4%	10.9%	10.0%	11.7%	8.8%	10.3%	10.9%
17 'Galena'	9.8%	19.0%	8.9%	7.9%	13.2%	11.8%	18.2%	13.8%	3.2%	19.1%	7.6%	10.9%	12.3%
18 'Haines'	14.7%	11.4%	12.9%	23.3%	23.1%	19.0%	4.5%	22.7%	9.5%	4.8%	13.0%	16.0%	23.1%
19 'Hoonah'	19.0%	4.5%	4.5%	26.1%	15.8%	20.0%	7.7%	14.3%	7.7%	33.3%	50.0%	50.0%	25.0%
20 'Hydaburg'	33.3%	44.4%	44.4%	18.2%	63.6%	40.0%	9.1%	9.1%	20.0%	27.3%	11.1%	22.2%	11.1%
21 'Iditarod'	35.0%	38.5%	50.0%	48.4%	68.8%	46.7%	25.8%	41.4%	37.5%	29.6%	19.0%	52.0%	48.0%
22 'Juneau'	17.7%	8.5%	11.0%	10.3%	13.0%	8.5%	10.9%	10.1%	9.8%	10.2%	10.2%	11.1%	10.5%
23 'Kake'	33.3%	41.2%	7.1%	0.0%	18.8%	42.9%	31.3%	38.5%	11.1%	20.0%	9.1%	8.3%	0.0%
24 'Kenai'	12.8%	6.8%	9.0%	12.1%	13.6%	10.8%	11.2%	13.3%	12.7%	10.1%	10.5%	9.0%	9.2%
25 'Ketchikan'	9.7%	14.3%	9.7%	11.9%	8.5%	7.7%	4.2%	10.6%	12.3%	13.5%	11.3%	10.1%	9.2%
27 'Klawock'	n/a	n/a	18.8%	17.6%	26.7%	7.1%	26.7%	6.7%	13.3%	0.0%	6.7%	13.3%	5.9%
28 'Kodiak'	12.3%	14.1%	10.7%	13.0%	11.5%	11.0%	14.8%	11.6%	10.8%	14.8%	8.8%	17.0%	14.0%
29 'Kuspuk'	27.7%	29.8%	34.8%	36.2%	33.3%	42.1%	22.6%	34.3%	16.7%	22.5%	17.9%	26.5%	5.7%
30 'Lake & Peninsula'	32.0%	37.5%	42.6%	27.5%	27.5%	20.4%	34.0%	39.1%	27.5%	8.9%	31.9%	28.3%	18.2%
31 'Lower Kuskokwim'	23.4%	18.4%	22.1%	23.7%	24.0%	19.8%	20.3%	14.8%	21.6%	10.8%	16.4%	16.0%	11.7%
32 'Lower Yukon'	22.7%	22.6%	31.0%	29.5%	17.1%	21.1%	30.1%	31.9%	25.0%	27.9%	22.8%	20.7%	29.5%
33 'MatSu '	14.7%	5.6%	6.0%	7.6%	8.9%	8.8%	7.5%	6.7%	10.5%	7.4%	6.6%	5.4%	10.7%

	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012
34 'Nenana'	13.3%	18.2%	14.3%	32.4%	41.9%	18.2%	14.3%	7.7%	24.0%	9.1%	12.0%	3.8%	20.0%
35 'Nome'	21.8%	16.4%	25.0%	17.6%	22.4%	14.9%	6.5%	10.0%	20.0%	13.7%	9.8%	17.0%	18.2%
36 'North Slope'	6.0%	31.4%	21.3%	22.7%	17.7%	20.9%	24.2%	46.2%	42.6%	50.0%	25.9%	29.3%	24.4%
37 'Northwest Arctic'	23.2%	26.0%	29.3%	25.9%	19.3%	24.6%	24.7%	19.0%	22.0%	29.5%	16.8%	26.2%	33.3%
38 'Pelican'	25.0%	25.0%	75.0%	100.0%	33.3%	75.0%	100.0%	50.0%	100.0%	0.0%	50.0%	0.0%	50.0%
39 'Petersburg'	6.5%	10.9%	2.1%	14.6%	14.6%	7.0%	15.2%	9.1%	11.1%	12.2%	7.0%	9.5%	7.9%
40 'Pribilof'	28.6%	25.0%	54.5%	38.5%	16.7%	18.2%	35.7%	41.7%	36.4%	50.0%	36.4%	27.3%	45.5%
42 'Sitka'	7.4%	10.3%	7.2%	6.7%	17.1%	7.5%	8.3%	4.6%	12.8%	9.3%	9.4%	11.9%	7.7%
43 'Skagway'	15.4%	23.1%	30.8%	21.4%	15.4%	38.5%	8.3%	7.7%	30.8%	16.7%	8.3%	30.8%	11.1%
44 'Southeast Island'	n/a	n/a	27.3%	29.2%	33.3%	38.1%	13.6%	42.9%	30.0%	25.0%	26.1%	15.8%	27.3%
45 'Southwest Region'	27.9%	27.7%	35.8%	36.4%	15.6%	n/a	n/a	39.3%	16.1%	29.7%	28.6%	40.3%	25.9%
46 'Saint Marys'	36.4%	41.7%	7.1%	42.9%	64.3%	38.5%	60.0%	33.3%	30.8%	30.8%	14.3%	7.1%	57.1%
47 'Unalaska'	n/a	n/a	10.3%	20.0%	10.0%	6.7%	12.9%	6.3%	28.1%	21.9%	16.1%	12.5%	9.4%
48 'Valdez'	7.0%	6.9%	11.1%	20.0%	11.5%	11.9%	8.6%	5.5%	7.7%	5.9%	4.1%	9.6%	7.8%
49 'Wrangell'	15.2%	20.6%	0.0%	6.3%	21.2%	0.0%	7.4%	19.2%	12.0%	14.8%	11.5%	10.3%	3.6%
50 'Yakutat'	31.3%	31.3%	35.3%	36.8%	17.6%	20.0%	16.7%	7.1%	23.1%	15.4%	15.4%	0.0%	21.4%
51 'Yukon Flats'	40.0%	28.6%	26.8%	31.4%	47.1%	28.1%	34.4%	45.5%	37.9%	37.5%	29.0%	32.3%	33.3%
52 'Yukon Koyukuk'	n/a	n/a	44.2%	32.0%	32.0%	24.5%	21.5%	39.4%	31.6%	24.4%	12.8%	23.6%	17.6%
53 'Tanana'	62.5%	16.7%	66.7%	25.0%	55.6%	71.4%	16.7%	42.9%	25.0%	83.3%	50.0%	40.0%	60.0%
54 'Yupitit'	n/a	n/a	26.5%	29.7%	32.4%	25.7%	18.4%	43.9%	35.0%	46.5%	52.3%	39.1%	22.2%
55 'Kashunamiut'	35.0%	20.0%	18.2%	8.0%	19.2%	17.2%	40.7%	37.9%	29.4%	31.3%	15.6%	15.2%	50.0%
56 'Aleutians East'	36.7%	38.2%	27.8%	28.9%	47.1%	23.5%	n/a	n/a	40.0%	24.2%	5.7%	41.2%	9.7%
98 'Mt Edgecumbe'	7.1%	20.0%	6.7%	7.1%	0.0%	0.0%	16.7%	10.5%	8.7%	4.2%	0.0%	8.3%	16.0%
99 Alyeska Central Sch	20.0%	19.0%	5.6%	15.0%	35.0%	100.0%	School no longer in operation						
Alaska total	12.1%	12.7%	13.0%	14.7%	14.3%	13.1%	12.2%	13.6%	14.6%	13.0%	10.8%	12.0%	12.5%
Urban	8.7%	8.7%	9.1%	11.0%	10.5%	10.0%	8.7%	9.8%	11.3%	9.2%	7.8%	8.2%	9.7%
Rural:	19.7%	21.4%	21.2%	22.5%	22.4%	20.0%	19.9%	21.9%	21.7%	21.4%	17.4%	20.7%	19.0%

Notes: Turnover defined as the percent of teachers who do not remain in the same district from one year to the next.

'Urban' districts are Anchorage, Fairbanks, Juneau, Kenai, and Matanuska-Susitna. 'Rural' districts are all other districts

'n/a' means data not available for that district that year.

Source: Ak Department of Education and Early Development Certified Staff Accounting Database; data analyzed by the Institute of Social and Economic Research, UAA

Appendix B: Education Certification Programs at the University of Alaska

Baccalaureate degrees with Certification (Institutional Recommendations)	UAA	UAF	UAS	Review/Approvals
Early Childhood B.A. Pre-K-3	F			NAEYC, DEED
Elementary Education K-6	F	F, D		ACEI, DEED
Elementary B.A. K-8			F, D	ACEI, DEED
Special Education B.A.			D	New Fall 2012
Bachelor of Music in Music Education		F		NASM
Undergraduate Certificates (Institutional Recommendations)				
Undergraduate Certificate, K-12 Art,		F, D		NAEA
Undergraduate Certificate, Secondary 7-12		F, D		DEED and SPAs
Post-Baccalaureate Certificates (Institutional Recommendations)				
Early Childhood Pre-K-3 rd grade	F			NAEYC, DEED
Elementary Education K-6	F	F, D		ACEI, DEED
Secondary 7-12		F, D		DEED and SPAs
K-12 Art		F, D		NAEA
Special Education		F, D		CEC, DEED
Master of Arts in Teaching (MAT) Certification (Institutional Recommendations)				
Elementary Education MAT			F, D	ACEI, DEED
Secondary: Content Areas MAT, Distance	D	D	H	DEED
Special Education MAT			D	CEC, DEED
Graduate Certificates (Institutional Recommendations)				
Counseling		F, D		CACREP
Educational Leadership: Principal	D			ELCC, DEED
Educational Leadership: Superintendent	D			ELCC, DEED
Language Education (English Language Learner)	F			DEED
Special Education	D		D	CEC, DEED

Master of Education (MEd) with Licensure (Institutional Recommendations)	UAA	UAF	UAS	Review/Approvals
Counseling	F, D, H	F, D		CACREP
Educational Leadership (principal)	D		H	ELCC, DEED
Educational Leadership (superintendent)				ELCC, DEED
Educational Technology			D	ISTE ,DEED
Mathematics Education			D	DEED
Teaching and Learning	D			DEED
Early Childhood Special Education	F			DEC, DEC, DEED
Special Education	D	F, D	F, D	CEC, DEED
Reading Specialist			H	IRA, DEED
Non-Licensure Programs				
Early Childhood Development Undergraduate Certificate	F			NAEYC, DEED
Early Childhood Development Associate of Applied Science (AAS)	F			NAEYC, DEED
Early Childhood Special Education M.Ed.	F			DEC, DEC, DEED
Counseling Graduate Certificate	F, D, H			CACREP
M.Ed. Community Counseling		F, D		CACREP
M.Ed. in Online Innovation & Design		D		ISTE

Type of Program Key:

F = Face to Face, D = Distance, H = Hybrid

Program Approvals Key:

ACEI Association for Childhood Education International

CACREP Council for the Accreditation of Counseling & Related Educational Programs

CEC Council for Exceptional Children

ELCC` Educational Leadership Constituent CouncilD

NAEA National Art Education Association

NAEYC National Association for the Education of Young Children

NASM National Association of Schools of Music

IRA International Reading Association

ISTE International Society for Technology in Education

SPAs Specialty Professional Associations

UAA Special Notes:

1. Content areas of MAT at UAA include: Business Education, English/Language Arts, ESL, Family and Consumer Science, General Science, Mathematics, Music, Physical Education, Social Studies, Technology Education, and World Languages.
2. MAT, Graduate Certificate, and MEd programs at UAA are 100% available through distance delivery.
3. Baccalaureate and Post-Baccalaureate programs are 60-80% available through distance delivery.

UAS Special Notes:

1. All programs are available via hybrid or distance delivery models. Some program require short on-campus summer courses, but the elementary B.A. and MAT, Special Education B.A., MAT and M.Ed., Mathematics Education and Technology Education are 100% distance delivered.

Appendix C: Progress Toward the Goals of the UA Teacher Education Plan

In 2010, the Deans of Education and provosts at the three MAUs developed the “University of Alaska Teacher Education Plan,” which laid out the following goals:

- A. Recruit and retain more students in education, particularly Alaska residents
- B. Increase program access through multiple delivery methods
- C. Enhance educator preparation programs in special education and in math and science teaching
- D. Conduct research to identify causes and propose solutions for education challenges in Alaska

The following is a brief overview of progress toward meeting those goals:

- A. Recruit and retain more students in Education, particularly Alaska residents
 - UA Schools and Colleges of Education have written several competitive grants to help support Alaska Natives who are interested in becoming teachers. These grants provide funding and other resources that help put Alaska citizens into Alaska’s schools and include the following:
 - US Department of Education funded teacher education programs
 - Preparing Indigenous Teachers and Administrators for Alaska Schools (PITAAS) program supports both teacher candidates and teachers who are working toward advanced degrees
 - The Village Teacher Program is focused on providing experienced Alaska Native teachers an opportunity to obtain advanced degrees and additional training for supporting students. 16 are preparing to become reading specialists and 11 to become district math specialists
 - A privately funded project with a cohort of paraprofessionals working toward teacher certification in Chevak, Alaska
 - National Science Foundation grants
 - Student teacher retention in arctic Alaska
 - Indigenous mathematics knowledge across three cultures
 - B. Increase program access through multiple delivery methods
 - All three MAU programs work closely with education students to guide them toward positive outcomes and to help ensure success in teacher education
 - Most programs are available with distance options so that students in rural and remote locations have access to teacher education programs
 - C. Enhance Educator preparation in special education and in math and science teaching
 - Between 2006 and 2011, the University of Alaska system more than doubled the annual number of special education graduates, from 29 in 2006 to 68 in 2011
 - In order to increase the number of graduates, UAA and UAS assisted UAF in developing a Special Education program, so that there are special education programs at all three MAUs
-

- To address issues of students moving between campuses, the special education faculty and the Deans from each MAU met to collaborate over (1) a common core of courses; (2) the same credit requirements for the post-baccalaureate certifications and master's degree programs, making it easier to transfer courses between programs, and (3) sharing supervision of clinical practice students to save on the cost of travel
 - A US Department of Education grant is currently funding 11 Native educators for the M.Ed. Mathematics Specialist degree.
- D. Conduct research to identify causes and propose solutions for Alaska's education challenges
- The UA College and Schools of Education are collaborating with the Center for Alaska Education Policy Research (CAEPR) to study a number of issues related to teacher preparation and retention in Alaska. CAEPR is conducting a study of recent graduates from the three MAUs to find out why some teacher education graduates are not working in the field
 - Deans at the 3 MAUs are working with CAEPR to design both an alumni and employer survey that will give us data for program improvement
 - CAEPR funds faculty across the three MAUs to conduct research on important education policy issues

The Teacher Education Plan is available online at:
http://www.alaska.edu/files/research/TeachPrepPlan_101112.pdf

Appendix D: University of Alaska Teacher Education Consortium

September 25, 2012 Meeting Notes

In service of an overarching goal of improving UA teacher education programs, two meetings were held on September 25, 2012 to gather input from a wide range of stakeholders. The first meeting was a Listening Session that took place from 8:30 am until 10:00 am in the Lee Gorsuch Commons. Following the Listening Session, the Alaska Education Consortium met from 10:30 am – 2:00 pm in the same location.

This paper is a summary of both meetings and provides an interpretation of alignment between the clusters of input and the 2011 Alaska Teacher Education Plan.

Listening Session

The purpose of this session was to take comments from a variety of stakeholders in the teacher education system. Thirty-two participants attended the session in Anchorage, and 19 statewide participants called in. The comments were captured in two ways: the session was recorded, and Diane Hirshberg, Associate Professor, Institute of Social and Economic Research and invitee to the Alaska Teacher Education Consortium, took notes. Several leaders within the UA system were present to hear the comments: Deans of Education Allan Morotti, UAF, Deborah Lo, UAS, and Ed McLain, interim, UAA; UA President Patrick Gamble, UA Vice President for Academic Affairs Dana Thomas, UAF Provost Susan Henrichs, and UAA Provost and Vice Chancellor for Academic Affairs Elisha “Bear” Baker. Richard Caulfield, UAS Provost & Executive Dean, School of Career Education, convened the session.

The participants were asked to focus their comments on these four questions:

1. What are we doing well and should continue to do?
2. What can we do to improve our teacher preparation programs? How and where can we be better?
3. What are some challenges you face in teacher preparation?
4. Where should the priorities be for improvement?

Participant comments can be organized into these clusters:

- Mentoring for new teachers
- Dialogue, partnerships, and collaboration
- Recruitment of Alaska teachers and Native Alaska teachers
- Quality of new Alaska-educated teachers
- Timing of student teachers into schools
- Support strategies for Paraprofessionals
- Alaska Teacher Education Consortium

Membership

President Gamble invited individuals representing key constituencies to serve as members of the Alaska Teacher Education Consortium. The following participated in the meeting: EED Commissioner Michael Hanley, Alaska School Board Executive Director Carl Rose who was represented by Joseph Reeves, Alaska Commission on Post-Secondary Education Executive Director Diane Barrans, Alaska Council of School Administrators Executive Director Bruce Johnson, President of NEA Alaska Ron Furher, and President of Sealaska Heritage Institute Rosita Worl. Al Tamagni, representing Alaska PTA, was unable to attend. Also participating as members of the Consortium were Deans of Education Allan Morotti, UAF, Deborah Lo, UAS, and Ed McLain, interim, UAA; UA Vice President for Academic Affairs Dana Thomas, UAF Provost Susan Henrichs, UAA Vice Chancellor and Provost Elisha “Bear” Baker, and Diane Hirshberg, Director, UAA Center for Alaska Education Policy Research. UAS Provost Richard Caulfield, UAS, convened the session.

History

In 2010, under the direction of the President and Regents of the University of Alaska, the deans of the Schools and College of Education developed a teacher education plan. The University of Alaska Teacher Education Plan, published in January 2011, sets out the following goals:

- Recruit, retain, and graduate more students in education, particularly Alaska residents
- Increase program access through multiple delivery methods
- Enhance educator preparation programs in special education and in math and science teaching
- Conduct research to identify causes and propose solutions for education challenges in Alaska

As a step toward greater strategic alignment among key education leaders and organizations, this plan established the Alaska Teacher Education Consortium. According to the plan, the Consortium will provide a “forum to co-opt institutional expertise, leverage academic resources, and ensure that any strategies that come out of the UA Plan a fully coordinated with those of partner organizations.”

Meeting Summary

The meeting began with a discussion with UA President Gamble who spoke about the context and direction of the Consortium’s work and the importance of teacher education to the mission of the University. His remarks are paraphrased in CAEPR’s meeting summary as follows:

- Growth goal has changed to internal quality
- Flat-funding status has helped focus on priorities, collaboration, and cooperation
- Good data makes a difference in choosing a good direction
- Take a risk on good ideas supported by research
- Show results in a cost-effective environment
- Teachers are one of the biggest factors in student success

During the working lunch, Dr. Kathryn Bertram, UA Statewide K-12 Outreach Director, presented a continuum of support available for prospective teachers, that includes Future Educators of Alaska, Alaska Teacher Placement, the Statewide Mentoring Project, and the Prepares program.

Following lunch, Consortium invitees were asked to focus on prioritizing UA's work in the area of

teacher preparation. Invitees were asked to identify the most important one or two things they would like to see UA do to improve teacher education programs. Their comments are grouped into four clusters and their specific suggestions are bulleted.

Rural and Native Education

- Stronger collaboration with indigenous organizations to change rural teacher preparation
- Increase variety, quality and quantity of rural internships (student teaching placements)
- Promote cross-cultural studies of Alaska Native culture, history, and legal status
- Use, expand, improve UA capacity to reach out to rural population through both face to face and enhanced distance media

UA Teacher Preparation Programs and Curriculum

- Integrate skills and training for using student performance data to enhance and improve content or pedagogy
- Integrate traditional knowledge systems into curricula; pair traditional values with western values
- Prepare more highly qualified teachers capable of teaching at multiple grade levels; develop skills in differentiation for multi-level classrooms
- Provide field experiences earlier in the program
- Provide comprehensive advisement throughout teacher education training; consider non-retention of slow-developing students
- Improve literacy teaching standards across all subject areas
- Ensure that each teacher education graduate is an expert in the K-12 standards and cultural standards she or he will be teaching
- Share instructional resources across MAUs

GER Engagement

- Work with colleagues in Arts & Sciences to strengthen content knowledge of students

Engagement with K-12 schools

- Recruit and education more Alaska Native and other minority teachers
- Increase UA visibility in K-12 schools as part of a recruitment strategy
- Work with P-12 schools and Arts & Sciences to ensure preparedness
- Explore ways to encourage P-12 schools to hire Alaska teacher graduates

As a follow-up question, each invitee was asked to identify an action that they or their organization could offer. Their responses follow:

- Research: provide best practices to support change efforts and provide research and evaluation of efforts on outcomes
- Help make a connection between the schools and the communities
- Provide structure through policies in recruitment, training, evaluation, and retention
- Find members who can provide the expertise
- Work with Alaska State Board of Education to share expectations and concerns; draft a teacher preparation plan
- Assist in developing state capacity for longitudinal data collection and analysis
- Incorporate educator development strategies through outreach and early awareness tools and

resources

- Build knowledge of Native community, culture, and history through partnership with schools and UA
- Provide honesty to students and advisors regarding progress or lack of progress
- Review and refine the partnerships in process; build state entities into that process
- Communicate with other campuses and colleges regarding services offered or in development
- Ensure that each K-12 graduate knows the recently adopted K-12 Standards
- Advocate for changes (as suggested in these bullets) within UA for teacher education; communicate UA efforts to legislators
- Advocate for resources within UA for teacher education
- Help ensure the input from this group is being pursued and that UA members report back on progress.

The Alaska Teacher Education Consortium concluded its meeting at 2:00 pm and agreed to these follow-up actions:

1. Teleconference call Monday, October 1, 4 pm – Rick Caulfield
2. Identify the status of Native paraprofessionals in SE schools – Rosita Worl
3. On behalf of ACPE, consider ways to strengthen secondary to postsecondary AKCIS content and advocate for content enhancements – Diane Barrans
4. Report out on teacher retention research – Diane Hirshberg

Appendix E: Why Aren't They Teaching?

A Study of Why Some University of Alaska Teacher Education Graduates Aren't in Classrooms

Introduction

Alaska Statute 14.40.190(b), passed as Senate Bill 241 in 2008, requires the University of Alaska (UA) Board of Regents to submit a report each regular session titled Alaska's University for Alaska's Schools that "describes the efforts of the university to attract, train, and retain qualified public school teachers." In 2012 this report documented that approximately 50% of UA initial teacher preparation graduates did not teach in Alaska public schools after completing their programs. Unfortunately, the data available could not tell us the reasons why so many graduates were not employed as teachers. In response to legislators' questions about this, the three UA Education deans (with support from the Center for Alaska Education Policy Research) made a commitment to conduct a 2012 research project to understand why graduates of UA initial teacher preparation programs did or did not teach in Alaska public schools after completing their programs. This project was conducted in response to that commitment.

Existing Research

There is a lack of research on reasons why initial teacher preparation graduates are not teaching across the nation. Much of the current research addresses retention issues of new teachers rather than initial employment of them. However, media outlets throughout the United States (Collins, 2011; Eaton, 2011; Hamilton, 2011; Roberts, 2011) and other countries (Dedyna, 2011; *Fairfax NZ News*, 2012; Fergus, 2012; Lepkowska, 2011) report teacher hiring freezes, school budget cuts, teacher layoffs, oversupply of teacher graduates or oversupply in low-demand areas, and stiff competition for few positions as the reasons new teachers cannot find jobs.

Some recent research has been conducted with regard to oversupply. Sawchuk (2013) explored the potential effects and policy issues related to an oversupply of new teachers, particularly elementary teachers, and discussed the supply and demand mismatch. He stated, "data, while imprecise, suggest that some states are producing far more new teachers at the elementary level than will be able to find jobs in their respective states--even as districts struggle to find enough recruits in other certification fields" (p. 1). Similarly, Ontario College of Teachers Transition to Teaching Study (2012) found "that the years of oversupply of teachers in Ontario negatively affected new teacher job outcomes more and more each year," and "each new group of teachers has entered an increasingly competitive job market" (p. 3).

In addition, a U.S. Census Bureau Report (2007) explored reasons that adults with bachelor's degrees might not be working⁵. Respondents who specified a reason other than retirement were most likely to cite taking care of children/others (35%), going to school (12%), chronic illness/disability (10.3%), inability to find work (6.6%), and no interest in working (5.8%). Other

⁵ Adults aged 20 to 64, not working, 2004

reasons included temporary injury or illness (2%) and pregnancy/childbirth (1.5%). These reasons mirror what we had heard anecdotally from Alaska-prepared teachers who were not working.

Methodology

To look more systematically at why some UA-prepared teachers are not employed in the classroom, we surveyed recent graduates about their employment and interviewed a sample of those who reported they were not teaching. The interview sample was chosen to include graduates of all UA initial teacher education program areas. We received 113 survey responses (a 27% response rate) and interviewed 21 of those respondents. We also interviewed human resource personnel who represented the five districts hiring the largest number of UA graduates.

Results - Online Graduate Survey

Of the 113 respondents to our survey, 90% applied for a teaching certificate upon completion of their program. The 10% who did not apply were not seeking a teaching job and cited travel, pursuit of other interests, acceptance or continuation of employment in nonteaching jobs, lack of available teaching jobs, or simply no desire to teach.

Answer	Response	%
employed as a teacher	47	41%
working as a substitute teacher	33	29%
working in some other education job	17	15%
working in a job outside of education	12	11%
not working	4	4%
Total	113	100%

The fall immediately following their graduation, 95% of our respondents were employed. More than 4 out of 5 respondents (84%) worked in some type of education job, although only 41% were teachers (see table below). Of those respondents working in education, 14% worked in early childhood (pre-K) settings, 64% worked in elementary (K-6), and 66% in middle/high school settings.

About 72% of the 107 who were employed worked in an Alaska school, 10% worked in a school outside of Alaska, 5% worked in a childcare organization, and 13% were employed by some other business or organization within or outside Alaska. Once we account for unemployed graduates, those working part time, those working in non-teaching positions, and those working outside Alaska public schools, just 34 of the 113 graduates (30%) were working full-time as teachers in Alaska public schools the fall after their graduation.

The most frequently cited reasons for choosing to teach outside Alaska (10% of respondents) were family and personal issues, such as relocation of a spouse for work or education. Two respondents

indicated they had no desire to live in Alaska and another wanted a change in scenery and climate. Two respondents indicated they were unable to find employment in Alaska, and two pursued international teaching opportunities.

We asked the 60% of our respondents (68 of 113) who were not employed as teachers the fall following graduation about their job searches (67 of the 68 responded to these questions). More than 70% of them (48) had applied for a teaching job immediately after graduation. The 19 who did not apply most frequently cited going back to school for advanced education, lack of job availability, and uncertainty about teaching in the current educational system. Other reasons, such as staying home to have a baby, needing a break, transferring with the military, accepting a position in a private school, and waiting on an institutional recommendation and teacher certificate were given by just one or two respondents. About half of those not employed as teachers (9 out of 19) later searched for a teaching job.

Answer	Response	%
Anchorage School District	21	44%
Fairbanks North Star Borough School District	9	19%
Mat-Su Borough School District	10	21%
Kenai Peninsula Borough School District	8	17%
Juneau School District	10	21%
Other Alaska public schools	8	17%
Schools outside Alaska	10	21%
Alaska non-public schools	3	6%

Of the 48 who did apply for teaching jobs immediately following graduation, more than 40% (21) applied to the Anchorage School District. About 20% (9-10) each applied to Fairbanks North Star Borough School District, the Juneau School District, the Mat-Su Borough School District, and schools outside Alaska. A little less than 20% (8) each applied to the Kenai Borough School District and other school districts in Alaska. Only about 6% (3) applied to Alaska non-public schools. Of these 48, 3 got a teaching job, 43 continued to try to get one, and only 2 stopped looking for teaching jobs.

We asked all those who had searched for a teaching job either immediately after graduation or later about their willingness to relocate. Of those 58 graduates, almost 60% were not able to relocate because they needed to stay in their home community. Of the approximately 40% (25 respondents) who were willing to relocate, 10 indicated they would teach in another state, 5 cited anywhere in Alaska, 5 indicated southcentral, and 2 indicated southeast. Six others indicated specified and unspecified caveats on other locations in Alaska. One expressed interest in relocating to a foreign country. Most respondents (23 of 25) also identified places they were unwilling to relocate. While 3 said they would not be willing to leave Alaska, 15 said they would not move to some or all of rural Alaska. Family/personal reasons and environment (including weather, lifestyle, and teaching/living

conditions) were the major reasons respondents would not be willing to relocate to specific areas. Out of the 68 who did not get a teaching job the fall immediately following graduation, 54 gave us one or more reasons for why they were not hired. By far the most frequent answer was competition, lack of jobs, or both, cited by almost two-thirds (35 of the 54) of our respondents. Seven were unwilling to relocate and a few (2 to 4 for each reason) cited lack of experience, lack of interviewing skills, moving, having a baby, and didn't apply.

Results - Interviews with Non-teaching Graduates

We interviewed 21 of our survey respondents who were not employed as teachers the fall immediately following graduation to explore why this was the case in more depth. All UA initial teacher preparation programs were represented.

Reflecting the answers above, about 80% (17) indicated there were limited teaching job opportunities, which included comments related to no openings, no offers, district budget constraints, and competition/lack of experience. Adding to those answers, one-third (7) listed other opportunities, such as travel, employment in nonteaching jobs, and family as reasons. Third, slightly less than 20% (4) expressed uncertainty about teaching. (Percentages do not equal 100 because many respondents provided multiple reasons.)

Two-thirds of those interviewed were substitute teaching, with only two indicating they were not working with children at all. Those working with children, but not as substitute teachers, cited such activities as volunteering (reading at school events and instructing rock climbing and pottery classes), working outside the home (Head Start, paraprofessional, after-school program, special education TA and Indian education tutor), and working with children in a home setting. Six of the graduates were employed in jobs that do not require teacher certification. These included research assistant, preparatory college course instructor, paraprofessional, librarian, after-school program coordinator, and physical therapy assistant. A majority of those interviewed (13) indicated that they were still seeking teacher employment, most of whom (11) used district web sites as a job resource. Other resources they used included Alaska Teacher Placement (4), word of mouth (2), substitute teaching, job fairs, Craigslist, Alaska Department of Education and Early Development website, ALEXsys, and a Facebook page maintained by a graduate cohort group.

When asked what UA could do to assist in their search for employment, the most frequent response (8 of the 21) was nothing or "I don't know." Two graduates recommended resume writing help, and one each recommended help with classroom management, assessment, interviewing practice, cover letter writing, job hunting protocol (who to contact), information about job fairs and job openings, clarification of the certification process, and honesty about the bleak job opportunities.

Results - Key Informant Interviews

To gain an additional perspective on UA graduates, we interviewed human resource personnel from the five Alaska school districts that hire the largest number of UA graduates (Anchorage, Fairbanks, Juneau, Kenai, and Mat-Su). These key informants have general knowledge of the quality of teachers hired by their districts. When asked how well prepared they found UA graduates, two were

complimentary, two were neutral, and one was uncomplimentary. Paraphrased statements are included below.

- UA graduates pass screening interviews at a higher rate than the general population.
- We have had great success with UA graduates. Very few need assistance due to poor teacher evaluations.
- UA graduates are as prepared as well as any other traditional university program. There is no significant advantage to hiring a UA graduate.
- It depends on the graduate. The quality is more influenced by their preparation throughout life rather than what an education program provides.
- UA graduates are below average compared to other institutions.

Later in the interview, one of the neutral key informants indicated that the district had always been pleased with UA graduates with only a few exceptions, and thought that student teaching in the district made the transition to teaching comfortable for UA graduates.

Key informants reported both consistent strengths and weaknesses of UA graduates. Strengths included understanding the environment and diverse student populations of the district, role of the general education teacher working with ELL students, classroom management, assessment, and the connection between instruction and assessment. Other strengths cited were a passion for teaching, love of students, interest and passion for being in education, and knowledge of the state and the district in which they have applied. One key informant indicated that there were no consistent strengths that set UA graduates apart. Weaknesses included preparation in special education, instructional practices, literacy integration at the secondary level, and the role of the general education teacher in working with special education students. One informant reported that UA graduates seemed to have an “inherent belief” that they should automatically get jobs in the local district, and he conveyed that such an entitlement attitude was a consistent weakness. Two key informants indicated that there were no consistent weaknesses, but one of these indicated more preparation in dealing with diverse populations would be beneficial.

When asked if they shared their perceptions of graduates with UA personnel, two indicated little or no interaction with the university closest to them, one indicated participation on a statewide committee that included representation from all UA college/schools of education, one served on a college advisory board, and another had regular communication with the local campus.

Finally, key informants were asked if there were anything else UA should know related to their experiences with interviewing and hiring graduates. Two of the informants had no response. Responses by the other three informants are paraphrased below.

- UA graduates are quite prepared. The regular meetings with university students and faculty are helpful. We discuss what we look for in graduates and what is important during interviews.
- One of the larger school districts in Alaska hires the best candidates before other smaller districts have an opportunity to view them.

- Graduates from the UAA campus were late submitting their applications, which caused them to miss some job opportunities.
- The overall quality of UAS graduates appears to be less than that of UAA and UAF. The number of eligible candidates from UAS has decreased over time.
- UA has done a much better job of processing institutional recommendations more quickly.

Discussion

The results of our research held few surprises. Our experience with the UA initial teacher preparation programs, with teacher candidates and with colleagues in the districts that hire most of our graduates had indicated that UA teacher education graduates, on the whole, are prepared to teach and want to work as teachers. We knew that some graduates did not go into teaching because they left the state, had children, or could not find a job in their home district and were unable to relocate. Our surveys and interviews confirmed both that UA teacher graduates were prepared to teach, and that the reasons they did not mirrored those we had heard anecdotally.

This raises the question of why so many of our graduates don't find employment, yet districts import so many teachers from out of state. Looking at new-to-district hires in 2012, we see that just 23% of new hires for teaching positions in the state's five largest districts⁶ were from out of state, compared with 70% of hires in the remaining 48 districts. And while over half of total district hires in the five largest districts were new teachers already in Alaska, just 3% of hires in other districts were new teachers in Alaska. So teachers looking for jobs in urban Alaska can't find them, and districts looking to hire teachers for rural Alaska have to look outside the state.

	Big 5 Districts			All Other Districts		
	FTE of New District Hires					
	Experienced	New Teacher	Total	Experienced	New Teacher	Total
Alaskan	87	229	316	126	12	138
New to State	47	45	92	135	190	325
Total	134	274	408	261	202	463
Percent of New District Hires						
Alaskan	21%	56%	77%	27%	3%	30%
New to State	12%	11%	23%	29%	41%	70%
Total	33%	67%	100%	56%	44%	100%

Source: EED Certified Staff Data, FY12

In addition to this place mismatch between available job locations and UA graduates willing to teach in those locations, there is some subject mismatch as well. As the table below shows, the same number of elementary education respondents secured jobs as teachers as secondary respondents;

⁶ Anchorage, Fairbanks, Matanuska-Susitna, Kenai, and Juneau

but nearly 40% more of our respondents were prepared as elementary teachers than as secondary teachers⁷. Likewise, although there were only seven special educators among our respondents, over 50% of them had teaching jobs the fall after graduation.

	Elementary		Secondary		Regular education*		Special education	
	Number	%	Number	%	Number	%	Number	%
Teaching	19	35%	19	48%	41	37%	4	58%
Substitute teaching	18	33%	10	25%	33	31%		0%
Other education job	12	22%	4	10%	16	15%	1	14%
Non-education job	3	6%	4	10%	11	10%	1	14%
Not working	2	4%	3	7%	5	7%	1	14%
Total	54	100%	40	100%	106	100%	7	100%

*Includes early childhood and K-12.

National and Alaska researchers have long documented that teacher shortages are both location and subject-specific (NCREL, 2000; McDiarmid, 2003), and these data are in line with those findings. While UA graduates are generally prepared to teach, there are some graduates who are less prepared, as reflected by one of our key informants. The largest factor, though, seems to be that too many graduates are competing for the limited positions in the state’s largest districts, and too few are able to relocate to rural and remote schools where districts need more applicants. Another factor in graduates’ difficulty finding jobs is that too many UA students are choosing elementary education, and too few are choosing hard-to-fill areas such as special education, secondary math, and secondary science, a common supply-and-demand mismatch issue faced by many states (Sawchuk, 2013).

⁷ Our respondents mirror UA teacher education graduates very closely on this measure. From AY 2007-2008 to AY 2011-2012, UA prepared about 50% more elementary teachers than secondary – an average of 117 per year elementary and 77 per year secondary.

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Appendix F: SB 241 legislation

AN ACT

1 Relating to a report to the legislature on teacher preparation, retention, and recruitment by the
2 Board of Regents of the University of Alaska; and providing for an effective date.

3 _____

4 * **Section 1.** AS 14.40.190 is amended by adding a new subsection to read:

5 (b) In addition to the report required under (a) of this section, the Board of
6 Regents shall prepare and present to the legislative committees having jurisdiction
7 over education an annual report, not later than the 30th legislative day of each regular
8 session of the legislature, titled "Alaska's University for Alaska's Schools" that
9 describes the efforts of the university to attract, train, and retain qualified public
10 school teachers. The report must include an outline of the university's current and
11 future plans to close the gap between known teacher employment vacancies in the
12 state and the number of state residents who complete teacher training. The information
13 reported under this subsection may also include short-term and five-year strategies

Enrolled SB 241 -2-

1 with accompanying fiscal notes and outcome measures.

2 * **Sec. 2.** AS 14.40.190(b) is repealed and reenacted to read:

3 (b) In addition to the report required under (a) of this section, the Board of
4 Regents shall prepare and present to the legislative committees having jurisdiction
5 over education a biennial report, not later than the 30th legislative day of the first
6 session of each legislature, titled "Alaska's University for Alaska's Schools" that
7 describes the efforts of the university to attract, train, and retain qualified public
8 school teachers. The report must include an outline of the university's current and
9 future plans to close the gap between known teacher employment vacancies in the
10 state and the number of state residents who complete teacher training. The information
11 reported under this subsection may also include short-term and five-year strategies
12 with accompanying fiscal notes and outcome measures.

13 * **Sec. 3.** AS 14.40.250 is amended to read:

14 **Sec. 14.40.250. Regents to act as trustees and administer money or**
15 **property.** The Board of Regents may receive, manage, and invest money or other real,
16 personal, or mixed property for the purpose of the University of Alaska, its
17 improvement or adornment, or the aid or advantage of students or faculty, and, in
18 general, may act as trustee on behalf of the University of Alaska for any of these
19 purposes. The regents shall prepare a written report, in accordance with
20 **AS 14.40.190(a)** [AS 14.40.190], as to the administration and disposition of money
21 received under this section.

22 * **Sec. 4.** AS 37.25.010(d) is amended to read:

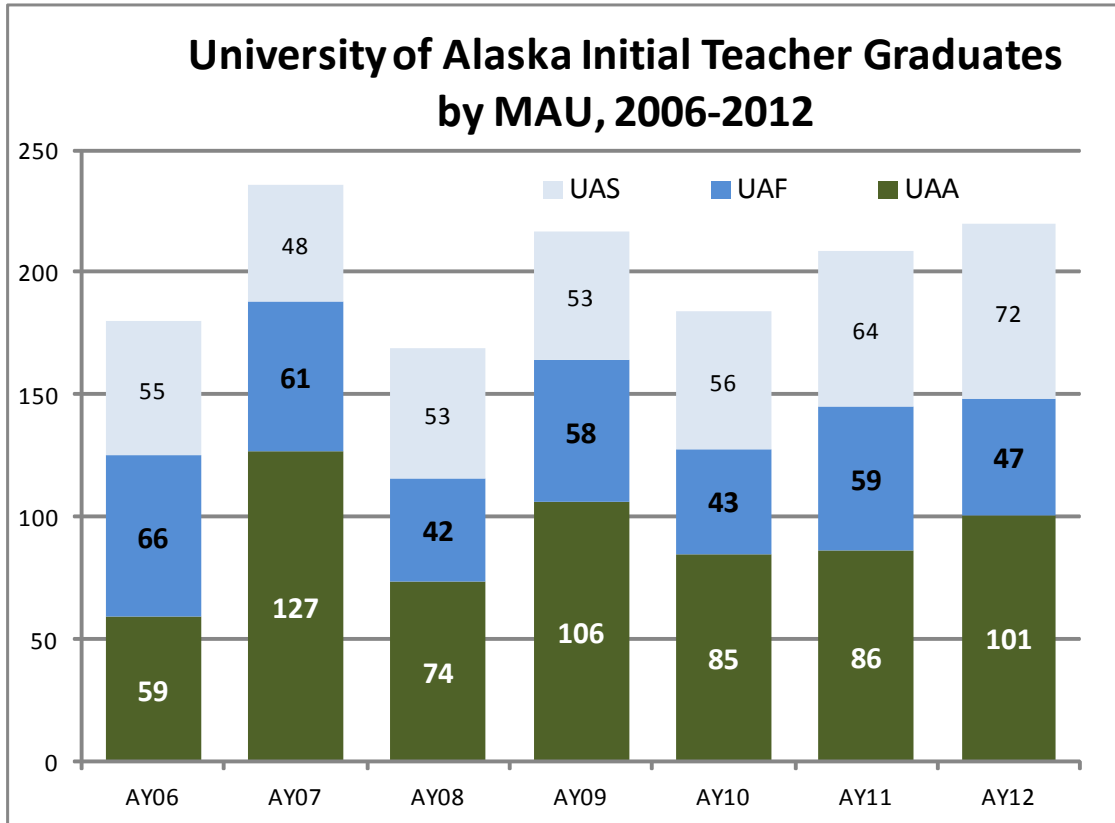
23 (d) The University of Alaska shall, in the report required under
24 **AS 14.40.190(a)** [AS 14.40.190], report the amount of university receipts received in
25 one year and expended in the succeeding fiscal year.

26 * **Sec. 5.** Section 2 of this Act takes effect July 1, 2012.

For additional information or copies of the report, please contact Dana Thomas, Vice President for Academic Affairs, University of Alaska, at dlthomas@alaska.edu or Regent Michael Powers, Chair of the Academic & Student Affairs Committee, University of Alaska Board of Regents, at mpowers7@alaska.edu.

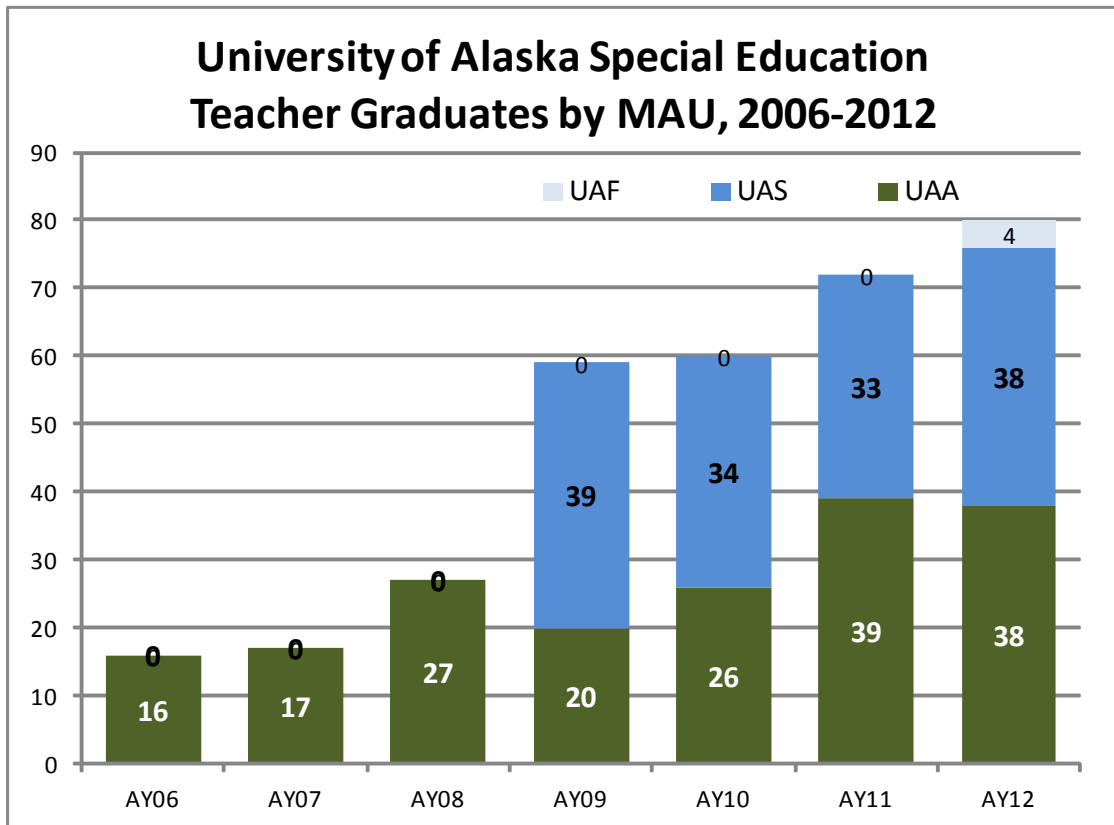
University of Alaska Initial Teacher Program Graduates by MAU

	AY06	AY07	AY08	AY09	AY10	AY11	AY12
UAA	59	127	74	106	85	86	101
UAF	66	61	42	58	43	59	47
UAS	55	48	53	53	56	64	72
	180	236	169	217	184	209	220



University of Alaska Special Education Graduates by MAU

	AY06	AY07	AY08	AY09	AY10	AY11	AY12
UAA	16	17	27	20	26	39	38
UAS	0	0	0	39	34	33	38
UAF	0	0	0	0	0	0	4



Textbook Costs at the University of Alaska

A Report to the Board of Regents

Prepared by Saichi T. Oba
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February 2013

Textbook costs at UA

In December 2012 BOR Chair Patricia Jacobson requested a report on textbook costs at the University of Alaska. This task was delegated from Vice President Dana Thomas to Associate Vice President Saichi Oba. The following brief report on textbooks at UA covers undergraduate textbooks only. Included is an overview of unique market dynamics, data from bookstore operations at the MAU and examples of individual student costs for spring 2013.

Overview

Concerns over textbook costs are not isolated to the University of Alaska. Efforts to reduce student spending on textbooks have appeared at both the state and federal level in over 200 pieces of textbook-related legislation between 2004 and 2011¹.

That textbook costs have increased – by some accounts at over three times the rate of inflation (*see graph A*) – is not in question. However, the reasons for these increases are complex and reflect what has been termed a “broken-market.” “Broken” here means that typical market pressures to regulate the cost of a good are absent or muted. Those who have the primary responsibility for choosing college textbooks (faculty) are not the people that pay for those textbooks (students). There is an analogous situation in the health care system in which doctors prescribe medicine for their patients – but do not pay for those drugs.²

To be clear – the dysfunction of the market is not the sole or perhaps even the most critical factor in the high cost of textbooks, however the insulation created by this unique environment does contribute to the escalating costs of textbooks.

Other factors include the consolidation of major textbook publishers. Current estimates provide that five firms publish 80 percent of all textbooks produced. Similarly, the number of wholesalers is relatively small – as few as four wholesalers dominate the market.³

Adding to the initial high cost of textbooks is the substantial cost of developing a new textbook – industry estimates place this figure at \$1.0 million or more.⁴ Here too the unique dynamics of the textbook market play a significant role.

In other book markets the initial investment in a new book – for example – the latest novel by Stephen King can be recouped through initial hardback sales, subsequent paperback sales and from re-releases or additional printings.

¹ Report of the California State University (CSU) Textbook Affordability Taskforce, (August 2007)

² “An Economic Analysis of Textbook Pricing and Textbook Markets”, Dr. James V. Koch, (September 2006)

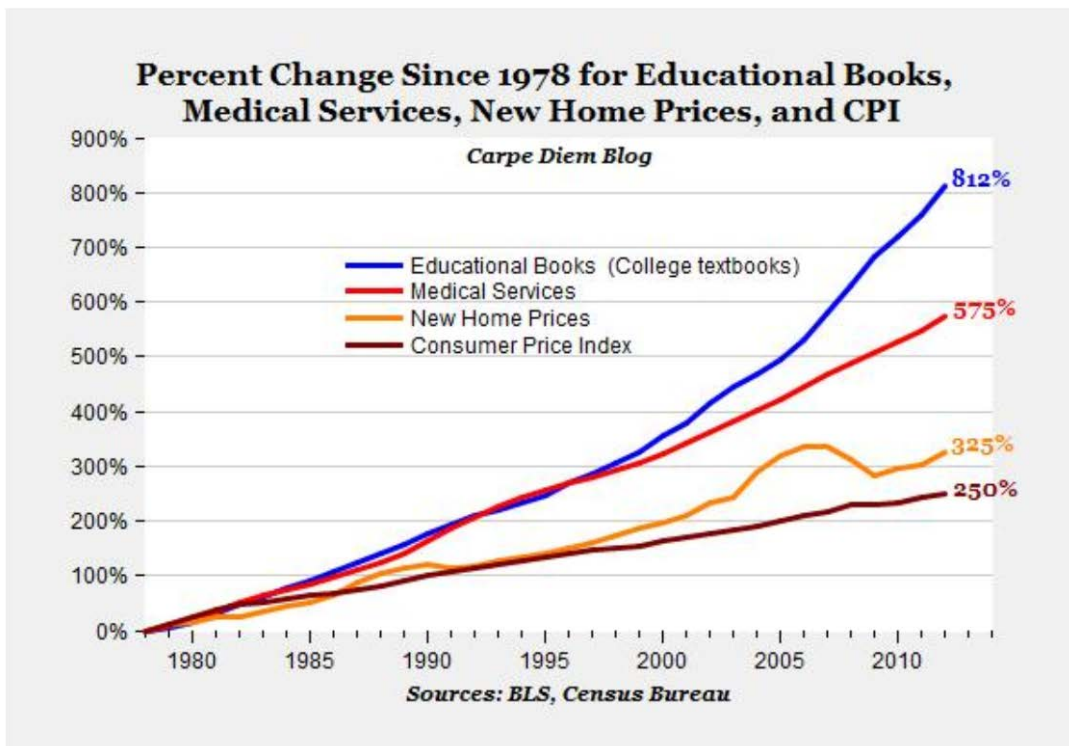
³ IBID

⁴ IBID

A new textbook, however, does not have the economic resiliency or shelf life of a contemporary novel. The initial investment must be recouped almost exclusively by the initial sales – in this case by the students who buy the textbook new when it is sold at the highest price. This is in part because all future sales of that textbook will be as a used book sold at a greatly reduced price – of which little if any of the proceeds will find it’s way back to the publisher or wholesaler.

Publishers – the few that exist – continue practices that also add to the cost of textbooks. The most notable is referred to as *bundling* – packaging textbooks with other costly media or services such as a CD-ROM or access to a web site. Such newly packaged textbook bundles often render the current text obsolete, which then forces students to buy newer versions of textbooks instead of less costly used copies. It should be noted that provisions in the Higher Education Reauthorization Act require textbook publishers to make each element available for sale separately. The intent of the legislation was not to prohibit the practice of bundling, but rather to allow students the freedom to select lower cost used texts *and* the supplemental items separately.

Graph A



(From: <http://www.theatlantic.com/business/archive/2013/01/why-are-college-textbooks-so-absurdly-expensive/266801/>)

Textbooks costs at the University of Alaska

Each of the MAUs operate their bookstores and textbook sales in slightly different ways. UAF has contracted their bookstore operation through the Follett Higher Education Group. This includes textbook sales and ordering. Both UAA and UAS self-operate their respective bookstores and both use Missouri Book Services (MBS) for their book needs. UAA also purchases directly from textbook publishers. Both UAA and UAF offer textbook rentals; UAS does not since their market is too small.

The use of digitized textbooks while relatively nascent is starting to emerge at UA. Provost Caulfield at UAS reports that several instructors at UAS are actively considering the use of e-textbooks for their online courses. Sitka Campus Director Jeff Johnston teaches courses on an occasional basis and is planning to do so.

At UAF any time a traditional textbook is available as a digital book, Follett's system automatically adds it as a choice for UAF students. Digital titles are available across all disciplines. Since becoming a Follett store in July 2010, digital books have increased in availability and popularity at UAF. Data from the past three spring semesters indicates the trend of digital book title availability and sales:

	<u>Digital Titles</u>	<u>Digital Books</u>
	<u>Available</u>	<u>Sold</u>
Spring 2011	101	30
Spring 2012	147	101
Spring 2013	269	306

Provisions aimed at reducing textbook costs were approved in the reauthorization of the HEOA (Higher Education Opportunity Act) in 2008. The act includes provisions for both higher education and publishers. For example, colleges are required to share with students as soon as practical:

- the ISBN (International Standard Book Number) for every required and recommended textbook;
- the supplemental materials; and
- the retail price information.

Publishers are required:

- to furnish faculty with price information;
- copyright dates of the three previous editions;
- any substantial revision between new and prior iterations;
- whether the textbook is available in any other format and the price; and
- to supply textbooks in bundled *and* unbundled formats.

In accordance with HEOA, UA students are presented with the textbook information⁵ for the classes they register in at uaonline.edu. Students can then use the textbook information at their brick and mortar campus bookstore, click a link to their virtual campus bookstore, or use the information to search alternative sources such as affordabook.com, Amazon.com and BarnesandNoble.com. It is worth noting that over the past decade sales have moved from near 100% at the local bookstore to on-line purchases dominating sales. This is most likely due to greater inventory and better pricing.

Books and supplies are eligible costs under federal and state financial aid. Because of this the Financial Aid offices include a specific amount for books and supplies in their annual cost of attendance (COA) calculations for their respective MAUs. Campuses arrive at these estimates in roughly the same manner, typically through surveys and research that involves random sampling of student schedules.

For the current academic year 2012-13, the average cost of books and supplies for a full-time student at UA, as estimated by each Financial Aid office, range from a high of \$1575.00 at UAA to a low of \$1276.00 at UAS; UAF uses a figure of \$1400.00. Averaged across UA, the overall budget per student would be approximately \$1417.00. This represents an amount \$217.00 higher than the College Board's figure for four-year public schools and \$188.00 higher than two-year schools.

⁵ Information for textbooks can also be found on and off-line through the MAU bookstores, at academic departments, and in enrollment services.

**The College Board’s “Trends in College Pricing”:
Average Estimated Full-Time Undergraduate Books & Supplies Budgets, 2012-13**

Sector	Books and Supplies
Public Two-Year Commuter	\$1,229
Public Four-Year In-State On-Campus	\$1,200
Private Nonprofit Four-Year On-Campus	\$1,244

SOURCE: The College Board, Annual Survey of Colleges. This table was prepared in October 2012.

The data contained in both the MAUs cost of attendance estimates and the College Board’s annual a survey represents averages and as such are of limited value. The actual price a student pays for his or her textbooks varies greatly depending on choice of academic major; what year in school they are in (or more precisely whether they are taking upper division or lower division courses). Textbook price can also depend on where a student purchases their course materials.

To identify the range of actual textbook costs the MAU bookstores provided textbook lists including the price to students for selected terms. **Figure 1** on the next page includes the highest and lowest priced new textbook and the highest and lowest priced used textbook at the three MAUs. The table also includes the highest and lowest priced textbook rental for UAA and UAF. *Note: prices in Figure 1 are for required materials – these include traditional textbooks and other books – such as paperback books or other readings.*

Figure 1. High & Low Textbook Prices						Rentals			
MAU	Course	High Price (new)	High Price (used)	Low Price (new)	Low Price (used)	High Price (new)	High Price (used)	Low Price (new)	Low Price (used)
UAS	CHEM 106 ENGL 305	\$312.70	\$234.55	\$3.95	\$3.00				
UAF	ATM 693 HIST 100 ACCT 352 ACCT 342 ENGL 609 HIST 100	\$395.00	\$296.25	\$2.00	\$1.50	\$275.74	\$159.59	\$4.00	\$3.75
UAA	CHEM A434 INTL A315 CHEM A434 PHIL A201	\$366.70	\$275.05	\$0.15	\$0.15	\$221.35	\$138.05	\$5.75	\$3.55
UAS	CHEM 105 ENGL 211	\$296.70	\$222.55	\$5.95	\$4.50				
UAF	BIOL 111 ENGL 415 BA 317 MBA 675 ENGL 211 ENGL 611	\$383.25	\$287.50	\$1.50	\$1.25	\$302.58	\$172.70	\$5.49	\$3.48
UAA	RADT A251 HIST A101 BA A385 PHIL A302	\$842.65	\$632.00	\$1.50	\$1.15	\$191.40	\$119.35	\$5.75	\$3.55
UAS	CHEM 106 HIST 106	\$296.70	\$222.55	\$1.60	\$1.20				
UAF	BIOL 112 CCS 602 HIST 404 ABUS 202 ABUS 241 ENGL 211 ENGL 608	\$406.25	\$304.75	\$1.50	\$1.25	\$295.93	\$175.32	\$4.97	\$4.65
UAA	CHEM A434 ENGL A440 CHEM A434 PHIL A302	\$366.70	\$275.05	\$1.50	\$1.15	\$221.35	\$138.05	\$5.75	\$3.55

The range of costs for required materials for courses within UA is expansive – from a low of fifteen cents for a book required for an International Studies course to a high of \$912 for a Radiology Tech course. Such a range illustrates that choice of major –more so than course level – has a tremendous impact on the cost of a student’s textbooks.

A sample of textbook costs of currently enrolled* students at each of the MAUs further illustrates the effect a major has on textbook costs.

Figure 2. Sample of student expenditures on textbooks for spring 2013

<u>MAU</u>	<u>Major</u>	<u>Class standing at UA</u>	<u>Textbook costs for Spring 2013</u>
UAF	Art	Freshman	\$210.00
	Paramedicine	Freshman	\$300.00
	Political Science	Senior	\$435.00
	Nursing	Freshman	\$475.00
	Business Admin	Junior	\$475.00
UAS	Liberal Arts	Sophomore	\$200.00
	English	Junior	\$200.00
	Business	Junior	\$275.00
	Business	Freshman	\$300.00
	Elem. Education	Sophomore	\$700.00
	Social Science	Sophomore	\$800.00
UAA	Engineering	Junior	\$200.00
	English	Freshman	\$300.00
	Engineering	Sophomore	\$300.00
	Undeclared	Freshman	\$300.00
	Undeclared	Freshman	\$300.00
	Engineering	Junior	\$800.00
Average Spent			\$386.00

*(*All students were enrolled in at least 12 credits for Spring 2013)*

Here again the data depicts a fairly wide range of costs for student textbooks.

A final note regarding the information provided by students: several students indicated that they had deliberately not purchased all the books that were required. When asked why they had done this, two responded they did not think they needed the text to complete

the work in the course. Another student mentioned that she had purchased all the required texts – but then returned the most expensive book (\$225.00) and was instead planning on sharing another classmate’s textbook. UA students are not alone – a recent finding, from the National Survey of Student Engagement showed approximately one out of three seniors and one in four freshman did not buy required course materials due to their price.⁶

That students deliberately are attempting course work without a required text is ill advised and reminiscent of what was revealed when we looked into transfer activity in the system. While fact finding for the transfer report, we found that many students tried to ‘self-advise’ themselves rather than seek the help of a university advisor. While both practices are precarious, not purchasing a required text is almost exclusively a financial decision – that is, an attempt to reduce expenditures. This practice is bolstered by the fact that some individual courses have multiple required texts or materials – which all told can cost a student \$200.00 or more.

While the majority of textbooks are priced below \$100.00,⁷ the requirement to purchase multiple items for a given class can result in a student paying twice that or more for textbooks for a single course. In at least one example, students taking a Chemistry class can expect to pay \$500.00 (for new) or \$375.00 (for used) textbooks. (See Figure 3 on the following page.)

⁶ *Students Get Savvier About Textbook Buying*, Marc Parry, *The Chronicle*, (January 2013)

⁷ See Appendix A, UAF Bookstore analysis, (January 2013)

Figure 3. Sample courses with multiple required textbooks.

Course	Required texts/materials	Rental	
		New / Used	New / Used
CHEM 106	Chemistry & Chemical Reactivity	\$296.70 / \$222.55	
	Comp Lab Bk 4x4 Quad Dupl.	\$25.95 / \$19.50	
	Chemical Principles in the Lab	\$177.70 / \$133.30	
	Total:	\$500.35 / \$375.35	
ACCT A216	Systems Understanding	\$61.85 / \$46.40 /	/ \$55.20
	Acct'g Info Systems	\$176.40 / \$132.30 /	\$113.70
	Total:	\$238.35 / \$178.70	
ANTH A324	Rethinking Psych. Anthro.	\$33.30 / \$25.00	
	Culture & Psychology	\$136.50 / \$102.40 /	\$76.25
	Psychology of Cultural Exp.	\$43.75 / \$32.85	
	Total:	\$213.55 / \$160.25	

Going forward

Clearly the textbook cost discussion is complex and involves several stakeholders. On the supply side we have a limited number of publishers and wholesalers – both seemingly immune to the typical market pressures that regulate cost. On the demand side we find primarily students. Yet, faculties also have a unique role in this discussion since they have the responsibility to select the books that students will ultimately purchase. And as discussed earlier this unique arrangement found in few markets helps create an environment in which the ability to influence price (downward) is relatively absent.

Rather than expounding on what the supply side should be doing (or not doing) to curb textbook costs, I will focus the remaining portion of the report on strategies students, faculty and the institution might consider.

Before delving into strategies for students a few thoughts on the path ahead. First, while the situation may appear to be intractable – it is not. There are actions and policy considerations that can help reduce the cost to our students. However, we should recognize that to create these conditions, we – the institution – will be called upon to

examine long held practices, collaborate across the system and may in fact incur additional costs.

For students the strategies to curb textbook costs are not earth shattering revelations but rather common sense, proactive advice.

- Actively compare and shop for the best prices on-line and in stores. Use the information available to you (ISBN, author name, book title) and shop as far in advance as practical for your textbooks. Shopping in advance especially on-line can also help control shipping costs.
- Use sites that compare prices for you such as affordabook.com.
- Buy used books when you can.
- If available, rental textbooks can also reduce costs.

In addition, the same good consumer practices that help you control costs in any retail environment are applicable when purchasing your textbooks. These include understanding the return policy before buying and remembering to save your sales receipts.

As with most issues at UA, faculty engagement is critical to any meaningful solution or effort. Minimizing textbook costs for students is not exclusively a faculty issue – however they have a significant role in the processes that contribute to these costs and without their support and input most actions taken will be less effective. Many of these ideas^{8,9} – and undoubtedly others not listed – are already in practice at UA:

- When choosing a text consider the cost to students.
- Place textbook orders in timely fashion. Place textbook orders before the bookstore book buyback time.
- If supplemental materials are sold with the text, confirm that all parts of the bundle are used for the course. If all components are not used, coordinate with the bookstore to order only what is needed.
- If bundled items are not required in future years, inform the bookstore so that students can sell back the book alone.

⁸ “Report of the College Textbook Policies Advisory Committee”, Commonwealth of Pennsylvania (May, 2012)

⁹ “Report on House Bill 4058 Textbook Affordability”, Oregon Legislature (December, 2012)

- If the decision is made to forego using a commercial textbook for the class, be sure that decision is conveyed early and broadly to students.
- Talk with the bookstore about potential textbook changes early in the process so the bookstore can order adequate supplies of books and obtain as many used books as possible.
- Work with the bookstore to determine the availability of lesser-cost editions of the textbook (e.g. printed on less expensive paper or without color).
- Expand the use of low cost open source textbooks and/or other open source materials.
- Expand the practice of creating individualized learning course-packs from sources already available at campus libraries including eBooks and digital journals.
- Explain to students why specific textbooks are selected for each class and obtain anonymous feedback from students on how the required material did or did not aid their learning.
- Allow multiple editions to be used for a course (particularly introductory level courses).
- Incentivize more cross ‘system’ collaboration with faculty at other campuses to create course materials and make them available on line.
- Departments should expand the use of (or in some cases consider using) a standard book for all sections of introductory level courses so that used books would have increased resale value and students would receive a higher price for their used books.

Among the many strategies UA could consider, there are at least two that if thoroughly analyzed, properly vetted and appropriately resourced, could reduce textbook costs for students. However, both call for significant investment in both time and money by the university.

A *System-wide*¹⁰ textbook rental program

As mentioned before, UAA and UAF provide textbook rentals for some courses. At UAF the textbook rental cost (on average) is half that of a purchasing a new textbook.¹¹ The savings is even greater if the rental is a used book. Cutting a student’s textbook costs by 50% or

¹⁰ System-wide to denote throughout UA – including community campuses were practical

¹¹ See Appendix A UAF Bookstore Analysis, January 2013

greater is very appealing and the impetus for considering a *system-wide* textbook rental program.

Textbook rental programs were common in the lower 48 in the 1950's but fell out of favor in the 1960's and 1970's.¹² Their current gain in popularity is due to the potential cost savings for students. However, to achieve this cost savings an institution will have to make significant investments. In addition, a rental system requires considerable buy-in from both faculty and administration.

For faculty, system-wide agreement on what texts will be used (and for how long) would be called for. Examples of this practice already exist within an MAU: the Department of Mathematics & Statistics at UAF agrees on the text for Calculus and then stays with that text until an edition change. This type of cooperation would allow for fewer texts for the same courses to be leveraged across all campuses. Since rental systems serve courses with large enrollments offered on a regular and consistent basis, a rental system at UA might be best suited for lower level courses in departments with a large service role.

For its part the administration would have to consider the significant investment in textbooks, storage, delivery and management of the rental system. These are not trivial costs.

However, consider the following example from Eastern Illinois University. Students there are charged a per credit hour fee for the textbook rental. For the academic year 2012-13 that fee is \$9.95 per credit. A student enrolled for 15 credits at Eastern Illinois would pay under \$150.00 for their basic textbooks. For comparison sake, using the data from Figure 2 (a sample of what UA students paid for textbooks this spring) indicates an average of \$386.00 was spent on textbooks.

¹² "An Economic Analysis of Textbook Pricing and Textbook Markets", Dr. James V. Koch, (September 2006)

A System-wide¹³ textbook licensing program

Another strategy for the University to consider involves purchasing the license for a given set of textbooks along with the right to sell the textbook to UA students. This very concept is under consideration at UAA.

Stephen Rollins, Dean of Libraries at UAA, is investigating this strategy for an anatomy and physiology class in Anchorage. As with a rental system, collaboration and buy in from faculty and administration is required. Faculty would again have to agree to use the licensed text for a set period of time; administration would again have to consider significant investments to acquire textbook licenses.

The following is an example of how this licensing strategy could benefit students.

Step 1: faculty in program X agree to use a specific text for Course 101 for the next 4 years.

Step 2: administration negotiates the purchase of the textbook license – (with the right to sell the textbook)– for \$280,000.00.

Step 3: Campuses sell the textbook to 1000 students each year for the intervening four years at \$70.00¹⁴ each. Total revenue \$280,000.00 (4000 students X \$70.00).

Note: the variable price per textbook can be adjusted to maximize the investment or to maximize the savings to students. Producing enough enrollments to take advantage of the investment is not guaranteed. Should fewer enrollments be realized the institution might have to increase the selling price or choose to accept a loss from the initial investment. However since savings for students is the goal – not making the university a profitable bookseller – some level of loss might be acceptable.

There are a number of considerations to either of these strategies. For example, how would the bookstore operations fit with these new processes? UAA and UAS operate their bookstores as auxiliaries in which they are expected (at minimum) to cover their costs. Would centralizing the management of textbooks hurt or help? UAF already outsources their bookstore operations – would they still be able to do so?

¹³ System-wide to denote throughout UA – including community campuses were practical

¹⁴ For comparison: the required text for BIOL A111 Human Anatomy and Physiology at UAA for Spring 2013 costs \$245.45 (new) or \$184.10 (used).

Closing thoughts

This brief report touches on only a few of the issues that surround the cost of textbooks at UA. Undoubtedly there are innovative practices by individual faculty or departments that did not make its way into this report. Perhaps a follow-up to this report would be to inventory and analyze such practices to see if any can be scaled-up to help more students at the university.

While there is concern over the rise in textbook costs nationally, the data represented in this report indicate that for the most part, costs at UA are what might be encountered at other colleges and vary widely due to major, course and level. UA campuses appear to offer practices similar to those other institutions use to keep costs low, most notably selling used books and in at least two MAU's offering rental books. Perhaps more importantly the campuses continue to look at ways to reduce textbook costs to students. For example, UAA is reviewing software which will help staff search for low cost textbooks from the plethora of alternate textbook markets that have sprung up in recent years – i.e. Half.com, Amazon.com, AbeBooks.com, Textbooks.com and many others.

This report does not delve deeply into the role that technology is playing in the textbook discussion. From digital platforms to how students search for materials, technology is changing the textbook landscape. Ten years ago students purchased their textbooks at the campus bookstore – now they shop on-line. Five years ago smart phones were only beginning to appear on the market – today a smart phone has the same capability of a laptop – what will the next ten years bring?

UA is invested in the Strategic Directions Initiative (SDI) – asking why we do the things we do. Might the topic of textbooks find it's way into SDI? Perhaps such focus and attention will help bring more help to students struggling with textbook costs.

Appendix A

Average Textbook Retail Adopted vs. Sold Fall 2010-Fall 2012 UAF Bookstore

	Fall 2010 Adopted	Fall 2010 Sold	Spring 2011 Adopted	Spring 2011 Sold	Fall 2011 Adopted	Fall 2011 Sold	Spring 2012 Adopted	Spring 2012 Sold	Fall 2012 Adopted	Fall 2012 Sold
New	\$81.90	\$76.00	\$84.24	\$76.00	\$85.93	\$85.00	\$84.87	\$83.00	\$85.97	\$89.00
Used	\$58.39	\$53.00	\$59.17	\$53.00	\$59.97	\$50.00	\$57.24	\$52.00	\$57.87	\$57.00
Rental	\$40.95	\$34.00	\$42.12	\$36.00	\$42.96	\$40.00	\$42.43	\$39.00	\$42.98	\$41.00
Digital		\$86.00		\$80.00		\$56.00		\$61.00		\$66.00

Adopted retail = An average of the prices of available course materials in each category (new, used, rental, digital) for the specified semester. Individual course materials adopted at UAF range in price from \$2.50 to over \$300. Many of the more expensive course materials are "bundles" that contain multiple items such as a textbook and an access code or other additional materials.

Sold retail Ave. price of all purchased course materials in each category (new,used,rental,digital) for the specified semester. Most "Sold" retails are less than "Adopted" retails, meaning that on average UAF students tend to purchase course materials that are on the lower end of the range of available course materials.

Rental Pricing of rental is typically 50% of the new price. Not every title is eligible for rental.

Digital Pricing on digital titles varies from publisher to publisher, discipline to discipline and format to format. It is very difficult to get an adopted price since not every title is available in digital.

ADDENDUM

To 2013 Master Plan
for
UNIVERSITY OF ALASKA FAIRBANKS

Chukchi Campus Master Plan Update
Project No.: 2011104 CCMP

Issuing Agency:

University of Alaska
Division of Design and Construction
P.O. Box 758160
Fairbanks, Alaska 99775-8160
(907) 474-5299

January 28, 2013

This Addendum forms a part of the 2013 Master Plan published December 2012 and modifies the original document.

Addendum to be utilized during the Board of Regents meeting February 21-22, 2013 in Anchorage, Alaska.

This Addendum consists of the following:

Content change

Changes to TEXT

Section	Location	Change
1.4	1 st Paragraph	REPLACE paragraph “With the generous support of the ...” entirely to read: With the generous support of the USDA/CSREES Alaska Native/Native Hawaiian Serving Institutions grants program, the Kuskokwim Campus and Chukchi Campus have developed the first Ethnobotany Program in the State of Alaska. Students enrolled in the EBOT program will learn: basic plant biology & floral ecology of Alaska, economic applications of Ethnobotany, basic applied chemistry of plants, research methods for local specific projects, as well as traditional and new uses of Alaska native plants. These skills will prepare Alaska Native students for employment in wildlife and cultural management agencies, education, and other rural-based jobs, as well as further college milestones such as the Associates and Bachelor of Science degrees.



SCHEMATIC DESIGN APPROVAL

Name of Project: Fine Arts Complex Vapor Barrier
Project Type: DM and R&R
Location of Project: UAF, Fairbanks Campus, Fine Arts Building Music Wing FS312, Fairbanks
Project Number: 2012045 FAVB
Date of Request: December 19, 2012

Total Project Cost:	\$ 5,600,000	
Approval Required:	Full BOR	
Prior Approvals:	Preliminary Administrative Approval	August 23, 2012
	Formal Project Approval	October 15, 2012

A Schematic Design Approval (SDA) is required for all Capital Projects with a Total Project Cost in excess of \$250,000.

SDA represents approval of the location of the facility, its relationship to other facilities, the functional relationship of interior areas, the basic design including construction materials, mechanical, electrical, technology infrastructure and telecommunications systems, and any other changes to the project since formal project approval. Unless otherwise designated by the approval authority or a material change in the project is subsequently identified, SDA also represents approval of the proposed cost of the next phases of the project and authorization to complete the design development process, to bid and award a contract within the approved budget, and to proceed to completion of project construction. Provided however, if a material change in the project is subsequently identified, such change will be subject to the approval process.

Action Requested

“The Facilities and Land Management Committee recommends that the Board of Regents approve the Schematic Design Approval request for the University of Alaska Fairbanks Fine Arts Complex Vapor Barrier project as presented in compliance with the campus master plan, and authorizes the University administration to complete construction bid documents to bid and award a contract within the approved budget, and to proceed to completion of project construction not to exceed a Total Project Cost of \$5,600,000. This motion is effective February 21, 2012”

Project Abstract

This project will correct the condensation problem in the Music Wing by retrofitting the exterior walls with spray foam and other treatments thereby increasing the existing R value and simultaneously creating a vapor barrier. The retrofit process will include the removal of all materials up to the inside of the exterior concrete tip-up panels. This process will repair any water damage and eliminate and dispose of mold/mildew containing materials. This project will require a partial renovation of the Eva McGown

Music Room due to the extensive wall removal and repair. Insulation and vapor barrier issues at the west wall of Davis Concert Hall will also be addressed as part of this project.

RATIONALE AND REASONING

Background

The Fine Arts Complex was constructed in 1968 with a humidified Music Wing. The resulting condensation damage to the building prompted the decision to stop humidifying the building within a few years after its opening. Over time, many instruments were damaged by the very dry winter air and had to be replaced due to a lack of humidification. However, records indicating the replacement cost of the instruments are not available at this time. The Music Wing was humidified again in 2002 to protect the valuable inventory of wood and stringed instruments that are housed and played there. Housing the instruments in a humidified storage area and leaving the remainder of the Music Wing and Davis Concert Hall un-humidified would not properly protect the instruments as many should be played and stored in areas of similar relative humidity.

Facilities Services maintenance crews have responded to numerous requests to fix problems with standing water, water damaged sheetrock, ceiling tiles, and carpet which were originally thought to be roof problems. USKH's report dated May 2012 indicated that humidifying the building and the lack of a continuous vapor barrier were the primary causes of the damage. Environmental Health and Safety Division investigated the building air quality and potential growth of mold. Mold spores were found in the walls of the most problematic rooms. However, it was determined that they were a common variety and quantities were not found at hazardous levels. Staff pressure to fix the problem continued partially over concerns of potential loss of the program's accreditation. The condensation damage in the Music Department was specifically cited by the most recent accreditation review team as a condition which could lead to loss of accreditation for the Music Department.

The project will affect approximately 20,000 square feet of wall space and approximately 42,905 square feet of building space at a cost of \$130/square foot.

Programmatic Need

Building improvements will support the Fine Arts Music Department Programs.

Project Scope

By default, an interior retrofit will require removing instruments and furnishings from all spaces with exterior walls; temporary removal and reinstallation of obstructing buildings elements and systems (ceilings, mechanical equipment, ductwork, piping and similar); removal of the existing exterior wall systems and installation of a new retrofit wall assembly. The interior retrofit solution that would be effective in increasing thermal value, controlling condensation, and allowing an opportunity for the wall cavity to ventilate would consist of:

- Existing exterior precast concrete panel to remain.
- Remove existing 2 x 4 studs, kraft faced batt insulation and lathe/plaster finish system, perimeter hydronic baseboard heating elements, and electrical and communications systems.
- Remove a portion of the existing ceiling as necessary to access the above-ceiling space for retrofit.

- Isolate interior concrete masonry unit (CMU) walls that intersect with exterior concrete panel walls.
- Apply polyurethane spray foam to a minimum R-value/thickness that, calculated at R-20, will prevent condensation assuming +68 degree F and 30 percent relative humidity on the interior, and -50 degree F exterior temperatures.
- A recommended option, apply additional R-value/thickness to achieve greater energy savings; R-30 is a more reasonable value in consideration of the potential future cost of energy.
- While the polyurethane spray foam provides a high degree of resistance to vapor transmission, the application of a spray vapor barrier is warranted to assure that no paths are provided for water vapor to move into the condensation or freezing plane.
- Where no gypsum board is present, e.g. above ceiling spaces, an approved thermal/ignition barrier, such as intumescent (fire resistance) paint, must be provided to improve both vapor and fire resistance.
- Install a row of 4-inch metal studs inside of the spray foam, forming a chase for conduits and utilities, which also provides a ventilation cavity.
- Install 5/8-inch gypsum board finish and wall base.
- Repair intersecting walls where disturbed.
- Reinstall portions of the ceiling that were removed.
- Reinstall or replace perimeter hydronic baseboard heating elements.

This basic retrofit concept will have several variations in application to suit various conditions within the building. Generally, the studs will provide a chase for conduits and piping. However, in several locations where floor space and door clearances are critical, e.g. the corner restroom, the studs will be contained within the insulation.

Project Impacts

The Division of Design and Construction is working closely with the Music Department to mitigate the impact to their operations as well as the operations of their many user groups. Advance notice of construction activities was shared as early as the fall of 2011 to allow all impacted user groups to budget for a change of venue between May and September of 2013. All registrar control areas that will be impacted have been notified and adjustments made accordingly. The music wing occupants will be off contract during construction so there will not be an impact to that program area, however, the Music Department will incur moving and storage costs as a result of vacating the construction area. Funds in the amount of \$215,000 have been identified for this purpose and are included in the \$5.6 million Total Project Cost budget.

Variations

N/A

Total Project Cost and Funding Sources

Funding Title	Fund Account	Amount
FY 12 General Funds	571319-50216	\$3,600,000
FY 13 DM and R Funds	571346-50216	\$2,000,000
Total Project Cost		\$5,600,000

Annual Program and Facility Cost Projections

This project will correct issues with the existing facility. The annual maintenance and operating costs changes are expected to be reduced significantly because the building envelope efficiency will increase dramatically. Exact dollar amounts of projected heating and cooling cost savings cannot be calculated because building metering and historical utility data is not collected in way to separate out specific utility costs for just this building.

Project Schedule

DESIGN

Conceptual Design	October 2012
Formal Project Approval	October 2012
Schematic Design	December 2012
Schematic Design Approval	February 2013
Construction Documents	January 2013

BID & AWARD

Advertise and Bid	February 2013
Construction Contract Award	March 2013

CONSTRUCTION

Start of Construction	March 2013
Construction Complete	August 2014
Date of Beneficial Occupancy	TBD
Warranty Period	1 year

Project Delivery Method

The Construction Manager at Risk (CMAR) was selected as the delivery method for this project. Watterson Company has been selected as the Construction Contractor.

Supporting Documents

One-page Project Budget	
Design Narrative	
Drawings	
Site Plan	
Floor Plans	(1 st , 2 nd , 3 rd floors)
Wall Sections	(existing and new)
Elevations	(exterior)

Affirmation

This project complies with Regents Policy and the campus master plan.

Approvals

The level of approval required for SDA shall be based upon the estimated TPC as follows:

- **TPC > \$4.0 million will require approval by the board based on the recommendations of the Facilities and Land Management Committee (FLMC).**
- TPC > \$2.0 million but not more than \$4.0 million will require approval by the FLMC.
- TPC > \$1.0 million but not more than \$2.0 million will require approval by the Chair of the FLMC.
- TPC ≤ \$1.0 million will require approval by the AVP of Facilities and Land Management.

UNIVERSITY OF ALASKA		
Project Name: Fine Arts Complex Vapor Barrier Design and Installation		
MAU: UAF		
Building: Fine Arts Music Wing		Date: 11-Dec-12
Campus: UAF		Prepared by: Mary Pagel
Project #: 2012045 FAVB		Acct #(s): 571319-50216
Total GSF Affected by Project:	42905	42905
PROJECT BUDGET	FPA Budget	SDA Budget
A. Professional Services		
Advance Planning, Program Development	30,000	30,000
Consultant: Design Services	358,928	358,928
Consultant: Construction Phase Services	20,000	20,000
Consul: Extra Services (List: _____)	0	45,000
Site Survey	0	0
Soils Testing & Engineering	0	0
Special Inspections	0	0
Plan Review Fees / Permits	0	0
Other	0	0
Professional Services Subtotal	408928	453928
B. Construction		
General Construction Contract(s)	3,407,752	3,407,752
Other Contractors (List: _____)	50,000	45,000
Construction Contingency	518,663	517,913
Construction Subtotal	3976415	3970665
<i>Construction Cost per GSF</i>	<i>92.67952453</i>	<i>92.54550752</i>
C. Building Completion Activity		
Equipment	0	0
Fixtures	0	0
Furnishings	0	0
Signage not in construction contract	0	0
Move-Out Costs	260,000	250,000
Move-In Costs	200,000	180,000
Art	0	0
Other (Interim Space Needs or Temp Reloc. Costs)	0	0
OIT Support	20,000	20,000
Maintenance Operation Support	70,000	70,000
Building Completion Activity Subtotal	550000	520000
D. Owner Activities & Administrative Costs		
Project Plng, Staff Support, Contractor Salary (contingency)	349,890	350,184
Project Management	222,090	222,507
Misc. Expenses: Advertising, Printing, Supplies, Etc.	90,000	80,000
Owner Activities & Administrative Costs Subtotal	661980	652691
E. Total Project Cost	5597323	5597284
<i>Total Project Cost per GSF</i>	<i>130.4585246</i>	<i>130.4576157</i>
F. Total Appropriation(s)		5,600,000

**FINE ARTS VAPOR BARRIER
ADVANCED SCHEMATIC DESIGN (45%) REPORT
PROJECT NO. 2012045 FAVB
UNIVERSITY OF ALASKA
FINE ARTS COMPLEX MUSIC WING
Fairbanks, Alaska**

November 29, 2012

Prepared for:
University of Alaska Fairbanks
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Fairbanks, Alaska 99775

Prepared by:
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USKH WO# 1372700

FOREWORD

The Fine Arts Music Wing is part of the Fine Arts Complex at the University of Alaska in Fairbanks, which also includes the Regents' Great Hall, the Rasmuson Library, the Salisbury Theater, and the Arts Wing.

The three-story Fine Arts Music Wing has exhibited moisture damage from seasonal condensation since its initial construction in 1968. As part of the Fine Arts Complex Renewal – Phase 1 project in 2002, humidification was added to the building to preserve sensitive musical instruments. Since this time, the moisture damage has become more extensive and mold has been detected within the exterior wall systems. Field work was undertaken in October 2010 through March 2012 and is documented herein to convey current conditions within select locations of the building exterior wall system.

USKH Inc. prepared *Vapor Barrier & Wall Analysis - Phase 2 Report* in May 2012, which continued the analysis began in the *Vapor Barrier & Wall Study* of March 2011, which identified the principal causes of the moisture problems as lack of a continuous vapor and thermal envelope coupled with strong vapor drive from the humidified spaces condensing on the cold inner surfaces of the exterior precast concrete wall panels. The consensus option to mitigate condensation and mold growth would be an interior retrofit, which would mitigate moisture related problems by removing the existing exterior wall components (plaster, studs, insulation) and construct a new wall system with improved vapor and thermal resistance inside of the precast wall panels. This option would by nature be highly disruptive to the occupants of the facility, but would leave the exterior of the building unchanged.

The University subsequently prepared a Request for Proposal for professional design services using a qualification based selection process, and USKH Inc. was selected.

The University also prepared an Invitation for Bids for construction management services employing a Construction Manager at Risk contract method, and Watterson Construction was selected.

SCHEMATIC DESIGN SUMMARY

In review meetings with the Division of Design and Construction (DDC), and Watterson Construction on November 7, 2012, it was confirmed that the interior retrofit remains the consensus as the basis of design for this Schematic Design submittal. This confirmation reviewed the previously considered options of the prior reports, as well as the potential to remove exterior precast wall panels, which was determined to be infeasible from a construction standpoint. A subsequent site walk through by the Division of Design and Construction, USKH Inc., and Watterson Construction on November 13, 2012, provided additional perspective and information that has been incorporated into this submittal.

Presented in this report are drawings depicting the locations and extent of remedial efforts, which would be constructed using a top down systematic work sequence. Typical wall sections and proposed new window infill details are included in the drawings.

Product data for spray-applied polyurethane insulation, vapor barrier, and thermal/ignition barrier materials are also included. A similar installation of these materials is now in process at the CTC Aviation Hangar at the East Ramp of Fairbanks International Airport. Additional product data is provided for a liquid-applied waterproof

membrane system that may be used on a selective basis to minimize removal and disruption of existing building materials and systems, as well as for a proposed new thermal break replacement window system.

Key design issues and options for remedial work that are to be reviewed and direction confirmed include:

- West Wall at Davis Concert Hall: The south upper portion of this wall adjoins the Arts Wing (see Drawing A2.3) along Grid G such that the portions between grids 23 and 27 abut a heated mechanical room (see Design Alaska Exhibit Drawing Sheet A2.2) and were observed as warm, and should not require retrofit. The north upper portions between grids 27 and 33 abut the roof and definitely will require retrofit. However, the University may consider construction of additional heated space on this roof area to serve the Art Department. Determination of whether a retrofit or adjacent construction will occur is required. It must be noted that access to this upper wall area is extremely difficult due to its location atop a three-story-high concealed space, with a catwalk at the top level.
- Mechanical Room 300U1: This room contains air handling equipment and two steam humidifiers. The room functions as a plenum and condensation occurs at the upper areas of the north (exterior) wall. Access to the exterior wall for remedial work would be difficult and costly due to the presence of numerous pieces of equipment, piping, and ductwork. An option that may be feasible would be to provide a waterproof cove at the base of this wall to intercept condensation melt and direct it to floor drains present in the mechanical room. This would avoid a significant amount of the cost of temporary removal and reinstallation of mechanical systems and supports. Some smaller items, such as a steam hot water unit, would need to be temporarily removed, but in general this approach appears to be feasible.
- McGown Choir Room 217: The north and east walls of this two-story volume must be removed to gain access to the exterior wall for remedial work. This presents an opportunity for modernizing and remodeling the space, which could include enhanced and variable acoustics. To what extent the University wishes the space to be remodeled will undoubtedly depend on the overall budget; however, some direction will be needed as the work within this room will require sensitive design to maintain a high quality level of acoustics.
- Insulation Thermal Value: Given that this is a one-time opportunity to upgrade the building envelope, and in consideration of potential escalation in fuel costs, the R-value and corresponding thickness of spray insulation must be carefully considered. While preliminary calculations have set a base line value of R-20 to eliminate condensation at the face on the insulation, once project costs are better known, consideration of total life cycle cost/benefit of increased R value should be undertaken.
- Vapor Barrier: Similarly, while spray-applied polyurethane foam insulation has considerable resistance to vapor drive; this is a one-time chance to provide a spray vapor retarder over the insulation in areas that will be concealed by gypsum board finishes. Given that this is a humidified building (set at approximately 30 percent relative humidity) in subarctic Alaska (design temperature of -50 degrees F), judicious use of a spray-applied vapor retarder must be considered.

A 16-week construction period from May 16, 2013 through September 4, 2013 has been set as the principal period for the renovation work, during which time all user activities will be vacated in the Music Wing. Work will be prioritized to occur in this period, and a phasing plan for remaining work beyond this period will be developed by Watterson Construction.

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APPENDICES

- Appendix A Preliminary Project Schedule
- Appendix B Product Data
- Appendix C Schematic Design Drawings
- Appendix D Exhibit Drawings

1 INTRODUCTION

The Fine Arts Music Wing is part of the Fine Arts Complex at the University of Alaska in Fairbanks (UAF) (see aerial photo below). This three-story wing contains the Davis Concert Hall, McGown Choir Room, music classrooms, offices, and practice rooms. The facility has exhibited moisture damage from seasonal condensation since its construction in 1968. As part of the Fine Arts Complex Renewal – Phase 1 project in 2002, humidification was added to the building to preserve sensitive musical instruments. Since then, the moisture damage has become more extensive and mold has been detected within the exterior wall systems. See photos on the project Submittal Exchange site for graphic images of frost buildup in wall cavities and moisture damage at various areas.

This Schematic Design Report is based on the consensus “interior retrofit” option, as further discussed with UAF Division of Design and Construction (DDC) and Watterson Construction in joint sessions on November 7 and 13, 2012. Extensive detail on how the existing problems at the facility were identified and how the proposed interior retrofit concept for remedial work was developed over a two-year period can be found in the *Vapor Barrier & Wall Analysis – Phase 2 Report* by USKH dated May 2012.



2 RETROFIT DESIGN RECOMMENDATIONS

The retrofit is designed to increase the thermal resistance of the exterior wall system as well as control moisture problems by eliminating the possibility of a condensation plane interior to the vapor barrier.

2.1 Basic Interior Retrofit

By default, an interior retrofit will require removing instruments and furnishings from all spaces with exterior walls; temporary removal and reinstallation of obstructing buildings elements and systems (ceilings, mechanical equipment, ductwork, piping and similar); removal of the existing exterior wall systems and installation of a new retrofit wall assembly. As indicated in Figure 1, an interior retrofit solution that would be effective in increasing thermal value, controlling condensation, and allowing an opportunity for the wall cavity to ventilate would consist of:

- Existing exterior precast concrete panel to remain.
- Remove existing 2 x 4 studs, kraft faced batt insulation and lathe/plaster finish system, perimeter hydronic baseboard heating elements, and electrical and communications systems.
- Remove a portion of the existing ceiling as necessary to access the above-ceiling space for retrofit.
- Isolate interior concrete masonry unit (CMU) walls that intersect with exterior concrete panel walls.
- Apply polyurethane spray foam to a minimum R-value/thickness that, as calculated at R-20, will prevent condensation assuming +68 degree (deg) F and 30 percent relative humidity on the interior, and -50 deg F exterior temperatures.
- As a recommended option, apply additional R-value/thickness to achieve greater energy savings; R-30 is a more reasonable value in consideration of the potential future cost of energy.
- While the polyurethane spray foam provides a high degree of resistance to vapor transmission, the application of a spray vapor barrier may be warranted to assure that no paths are provided for water vapor to move into the condensation or freezing plane.
- Where no gypsum board is present, e.g. above ceiling spaces, an approved thermal/ignition barrier, such as intumescent (fire resistant) paint, must also be provided to improve both vapor and fire resistance.
- Install a row of 4-inch metal studs inside of the spray foam, forming a chase for conduits and utilities, which also provides a ventilation cavity.
- Install 5/8-inch gypsum board finish and wall base.
- Repair intersecting walls where disturbed.
- Reinstall the removed portions of the ceiling.
- Reinstall or replace perimeter hydronic baseboard heating elements (see 2.3.1)

The dense 6-inch-thick slabs of precast concrete on the exterior walls are very resistant to moisture passage. Placing a new continuous vapor retarder on the warm side of the insulation will in effect create a double vapor retarder that would sandwich and trap any moisture; therefore, extreme attention to detail during installation will be essential to assure a continuous vapor barrier.

This basic retrofit concept will have several variations in application to suit various conditions within the building. See typical new wall sections on Sheet A4.1 of Appendix A. Generally, the studs will provide a chase for conduits and piping as shown in Figure 1 and Wall Type E/A.1. However, in several locations where floor space and door clearances are critical, e.g. the corner restrooms, the studs will be contained within the insulation as in Wall Type F/A4.1.

2.1.1 Glazing System Replacement

The existing glazing systems are located solely on the east wall of the building, and consist of eight vertical strips of curtain wall at Grids 27, 29, 31 and 33, and a separate section of fixed glazing at Room 301 between Grids 23 and 25 on the third floor. See Sheet A5.1 for locations. These systems are aluminum extrusion framing with bronze anodized finish supporting insulated glazing and spandrel panels. The location of the glazing within the thermal envelope plane is at the concrete panels, and beyond the insulated portion of the assembly.

Consequently, removal of the glazing system and installation of a new thermal break framing system that aligns with the thermal envelope will significantly reduce thermal transmission, and allow the installation of overall higher U values. Moving the glazing system inboard will require elimination of the spandrel panels due to conflict with the perimeter slab edge. Sheet A4.2 in Appendix C indicates proposed details to accommodate the new location for the glazing plane, and employs the use of EIFS at the areas where the spandrel panels are now located.

2.2 Alternate Interior Retrofit

While the Basic Interior Retrofit described in 2.1 above would be recommended at most areas of the building exterior wall system, there are several locations where alternative designs should be considered:

2.2.1 West Wall at Davis Concert Hall

The south upper portion of this wall adjoins the Arts Wing (see Drawing A2.3) along Grid G such that the portion between grids 23 and 27 abuts a heated mechanical room (see Design Alaska Exhibit Drawing Sheet A2.2 in Appendix D), which was observed as warm, and should not require retrofit.

The north upper portion between grids 27 and 33 abuts the roof and definitely will require retrofit. However, the University may consider construction of additional heated space on this roof area to serve the Art Department. Determination of whether a retrofit or adjacent construction will occur is required.

Should the determination be that construction of new space on the roof for the Art Department will not be feasible, retrofit of the wall will be required. It must be noted that access to this upper wall area is extremely difficult due to its location atop a three-story-high concealed space, with a catwalk at the top level. While the catwalk provides access, it also inhibits access to the work. Preliminary recommendations for work at this area would be as follows:

- Existing exterior precast concrete panel to remain.
- Remove existing 2 x 4 studs, kraft faced batt insulation and lathe/plaster finish system, items attached to the furred wall; this system extends down to several feet below the adjacent roof level.
- Remove a portion of the existing gypsum ceiling as necessary to access the above-ceiling space for retrofit; this space has not been observed and is currently not accessible without destructive exploration.
- Apply polyurethane spray foam to a minimum R-value/thickness that, as calculated at R-20, will prevent condensation assuming +68 deg F and 30 percent relative humidity on the interior, and -50 deg F exterior temperatures.
- As a recommended option, apply additional R-value/thickness to achieve greater energy savings; R-30 is a more reasonable value in consideration of the potential future cost of energy.

- While the polyurethane spray foam provides a high degree of resistance to vapor transmission, the application of a spray vapor barrier may be warranted to assure that no paths are provided for water vapor to move into the condensation or freezing plane.
- Installation of metal framing and gypsum board would be highly difficult and unnecessary at this location; however, an approved thermal/ignition barrier, such as intumescent (fire resistant) paint, must also be provided to improve both vapor and fire resistance. The final coating must either be black or be paintable so that the surface becomes “invisible” behind the existing mesh visual screen during performances.

2.2.2 Mechanical Room 300U1

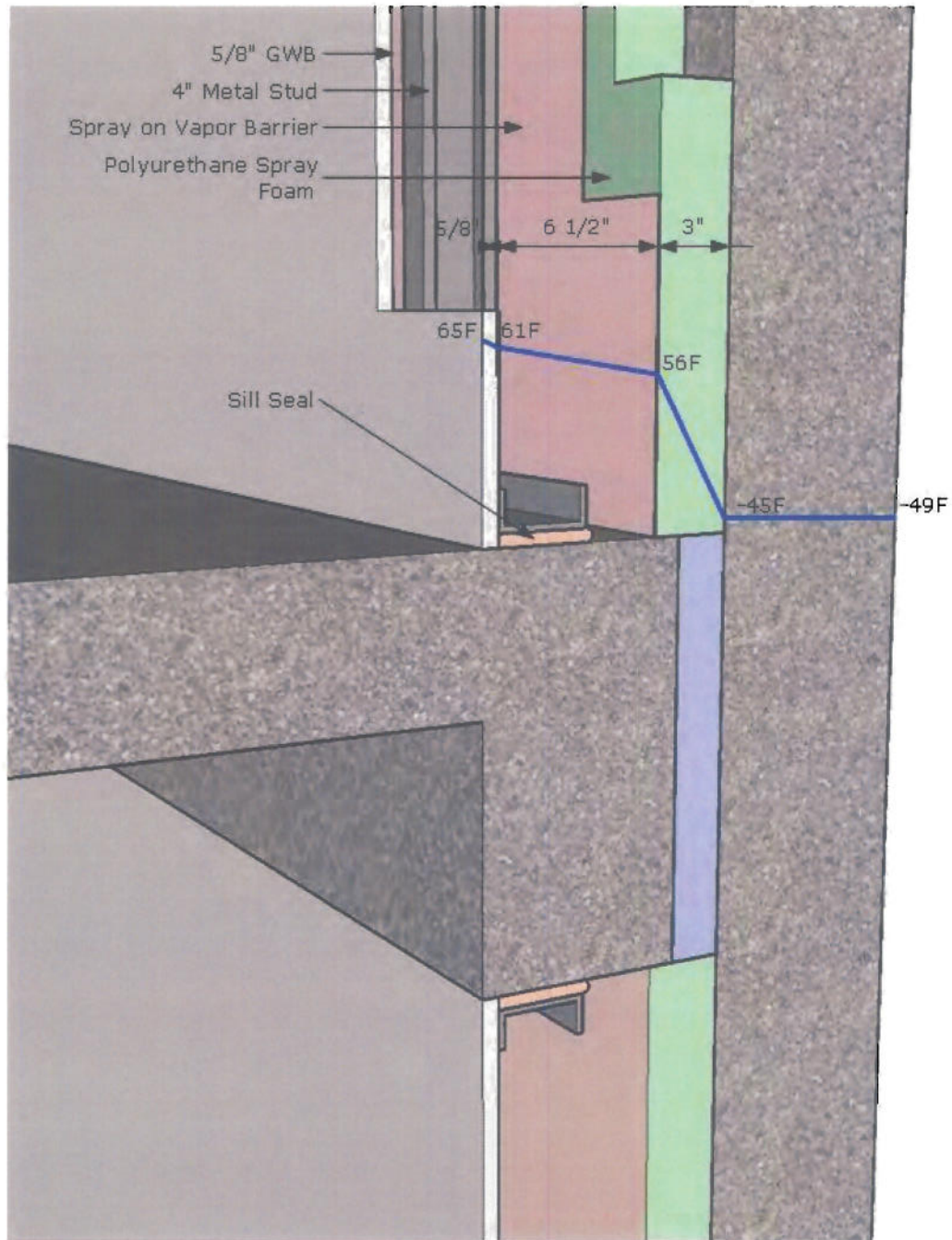
This room contains air handling equipment and two steam humidifiers. The room functions as a plenum, and condensation occurs at the upper areas of the north (exterior) wall. Access to the exterior wall for remedial work would be difficult and costly due to the presence of numerous pieces of equipment, piping, and ductwork. This would consume a significant portion of the cost of temporary removal and reinstallation of mechanical systems and supports. An entire system commissioning and rebalancing would also be required.

An option that may be feasible would be to provide a waterproof cove at the base of this wall to intercept condensation melt and direct it to floor drains present in the mechanical room. Some smaller items, such as a steam hot water unit, would need to be temporarily removed, but in general this approach appears to be feasible. What would be required is as follows:

- Existing exterior precast concrete panel to remain.
- Remove obstructions, including steam hot water heater and associated portions of piping and other miscellaneous items, to the work along the lower wall; existing clearances between the main equipment items and the wall appear to allow sufficient room.
- Remove existing 2 x 4 studs, kraft faced batt insulation and lathe/plaster finish system, sound insulation attached to the furred wall at the lower 18 inches of the wall only.
- Clean and prep existing lower wall and floor area to receive new fleece-backed liquid-applied waterproof membrane to function as an impermeable cove barrier.

A suitable product is the “Kemperol 2K-PUR” system. The system is odorless and uses a polyurethane coating, fleece backing, and a primer. The concrete wall and floor surfaces to receive the system will need to be primed. If there is a sealer on the floor it will need to be removed so the primer can adhere. The fleece is applied and coated with polyurethane. Any piping upright to the wall, that cannot be removed, can be covered with the fleece and coated. The cost for materials only is \$7.00 per SF, with labor being additional. Product data is included in Appendix B.

Figure 1 - Interior Retrofit Detail



2.2.3 McGown Choir Room 217

The north and east walls of this two-story volume must be removed to gain access to the exterior wall for remedial work. This presents an opportunity for modernizing and remodeling the space, which could include enhanced and variable acoustics.

To what extent the University wishes the space to be remodeled will undoubtedly depend on the overall budget; however, some direction will be needed as the work within this room will require sensitive design to maintain a high quality level of acoustics.

2.3 Other Specific Areas of Difficulty

In addition to the three alternate interior retrofit areas described above, there are several areas within the building where removal and retrofit of the exterior wall systems will present particular difficulties, and by default incur high costs by the presence of conflicting building elements:

1. Electrical Room 300U3: The south wall of this room contains both surface mounted electrical panels and two duct shafts running tight to the wall. At this location, an alternative design may be warranted as opposed to the difficult and costly prospect of relocating these items. Current thought is that the walls could be demolished around the panels and ductwork, which would remain in place and be encapsulated with insulation.
2. Music Storage 301A1: There are tall banks of high density shelving holding lateral files for sheet music storage that will need to be temporarily removed and then replaced. Critical space requirements for accessing the files via rolling steps will need to be reviewed in consideration of increased wall thickness under the proposed retrofit design.
3. Ceiling Spaces at the Third Floor: With the height from the third floor to the bottom of the roof deck being 19 feet, and with the presence of numerous above-ceiling items including ductwork, piping, and conduits, access to the walls will be difficult.
4. Restrooms 200M1 and 300M1: As a result of the exterior wall retrofit, the restrooms will be substantially gutted. This may allow reconfiguring portions of these toilet rooms that are located on the building exterior to improve access and increase door widths to comply with current code requirements.

2.4 Mechanical Systems

The perimeter rooms with exterior walls typically have two mechanical systems that will be impacted by the vapor barrier project. These mechanical systems are the hydronic baseboard heating system and the air-conditioning and ventilation system.

2.3.1 Baseboard Heaters

The hydronic baseboard heaters consist of a painted steel enclosure, a finned-tube heating element, piping, valves, and accessories. The baseboard heaters will be removed to allow for modifications to the wall. If the baseboard heaters are to be reinstalled, they will need to be disassembled and stored in a manner that avoids

damaging the enclosures and finned-tube elements. It may be easier to replace accessories, including element supports and enclosure hangers, than it will be to remove and reinstall them. The finned-tube elements are susceptible to damage to the 0.020-inch thick aluminum fins. The enclosures are painted steel and reasonably durable. Repainting the enclosures will help provide a "like-new" appearance. Upon completion of the wall modifications, the baseboard heaters will be reinstalled. The baseboard heaters will move approximately 4 inches inboard from their existing location due to the increased thickness of the wall. A constructability analysis will be required to determine if reinstalling the existing baseboard heaters is more cost effective than providing new baseboard heaters.

The hydronic piping system for the baseboard heaters is located in the ceiling of the lower level. Pipes extend up through the floor to heaters on the second level and down in the corners of rooms to heaters on the lower level. The floor penetrations are approximately 12 inches inboard from wall to avoid a beam below. At these locations the baseboard enclosure turns a 90 degree corner that extends approximately 16 inches from the face of the wall to the end cap of the enclosure. In most cases, the use of a new floor penetration will avoid modifications to the enclosure and related piping. The old penetrations will be sealed. In some cases, there is a door in the partition wall that is tight to the end of the enclosure. This will require reusing the existing floor penetration. The enclosure will be made approximately 4 inches shorter and the related piping will be modified to fit the new dimensions.

Typically, several adjacent rooms share a circuit of baseboard heaters with floor penetrations at each end of the circuit. Between the rooms, the horizontal pipes penetrate the concrete block partition walls. New wall penetrations will be needed to align with the new location of the baseboard heaters. The old penetrations will be sealed. On the lower level, several adjacent rooms share a circuit of baseboard heaters with vertical pipes at each end of the circuit and horizontal pipe penetrations between the rooms. New wall penetrations will be needed to align with the new location of the baseboard heaters. The old penetrations will be sealed. The new locations for the vertical pipes will be furred into the corners of the rooms.

2.3.2 Air-Conditioning and Ventilation Systems

The air-conditioning and ventilation system typically includes a row of ceiling, slot-type supply diffusers that run parallel to the exterior wall or square ceiling supply diffusers. A section of suspended ceiling along the exterior wall will be removed to allow access to the wall. The slot diffusers and related branch ducts will be removed with the suspended ceiling and remounted into the suspended ceiling when it is reinstalled. The square ceiling diffusers are typical in the middle of the room and will not be disturbed. The ceilings also include return air reveals (slots) at the edge of the ceiling along the exterior wall. The return air reveal is open to the return air ceiling plenum of each room. This feature will be repeated in the reinstalled ceiling.

3 OTHER CONSIDERATIONS

3.1 Construction Schedule and Phasing

By default, an interior retrofit will be disruptive to the building users. The Music Wing will not be in use during the summer 2013 retrofit period and spaces with exterior walls will be vacated. There are approximately 50 rooms or spaces to be retrofitted around the building perimeter

If the retrofit is to be completed in the 16-week construction period, demolition, spray insulation and vapor barrier installation; electrical and mechanical disturbances; and gypsum board installation, taping, and painting must be phased for all three floors, working from the top floor down.

It is most critical that floors 3 and 2 be completed by September 4, 2013. Some extension of construction into October, for the completion of work on floor 1 is possible.

A tentative project schedule is included in Appendix A, with a more detailed schedule to be developed by Watterson Construction during the next phase of design.

3.2 Project Cost Control

The University has set a target for a guaranteed maximum price (GMP) which is based on the previous USKH estimate of probable costs dated May 2012, which had a total project cost of approximately \$5.5 million. The construction budget, or GMP, will be a percentage of this total amount and will include construction, UAF administration, design fees, moving expenses, project expenses, contingencies, and escalation to summer 2013.

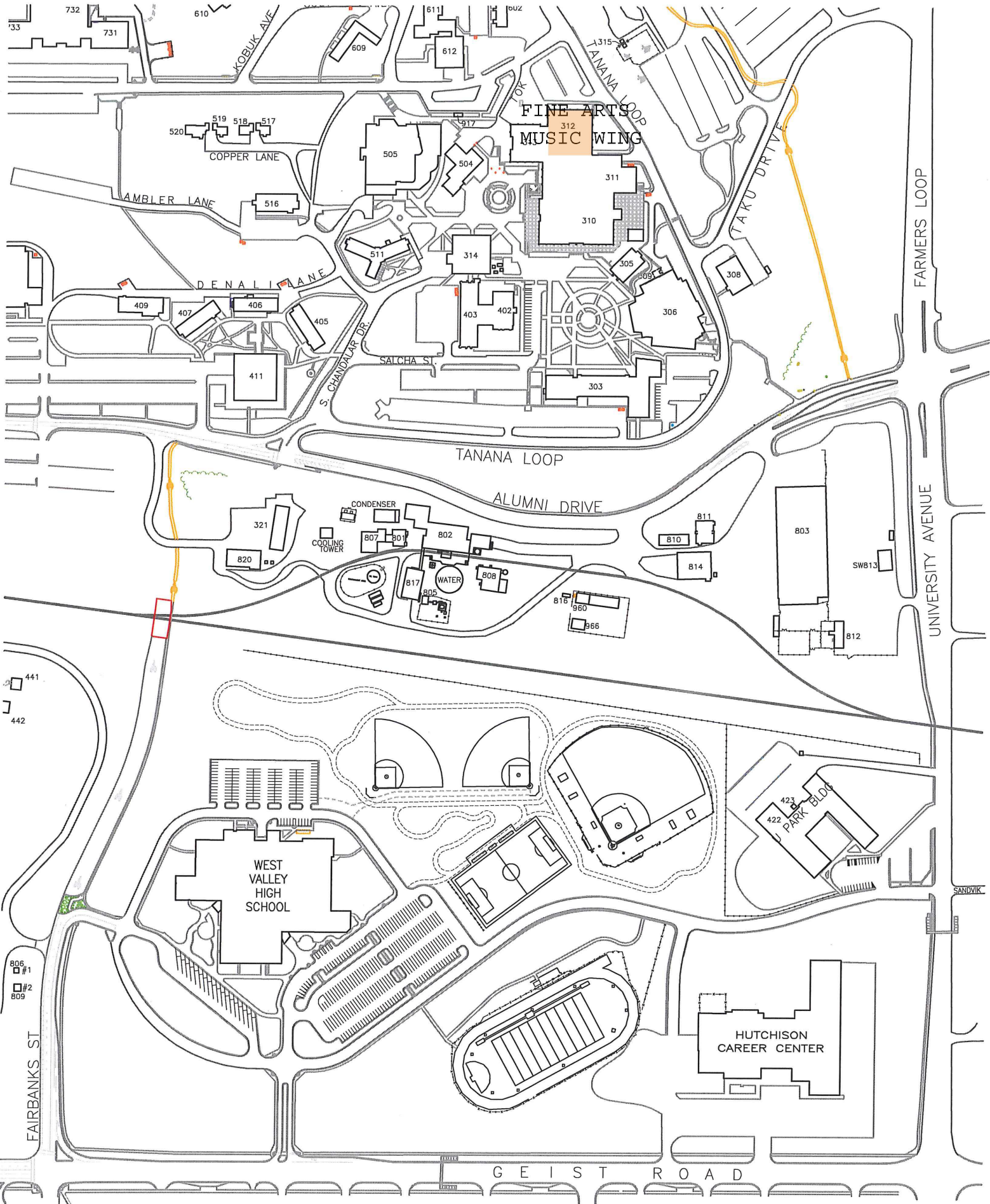
Determination of preliminary project cost estimates based on this Schematic Design will commence by Watterson Construction. As cost structure is developed, key decisions will need to be made regarding the full project scope as stated in the Schematic Design Summary.

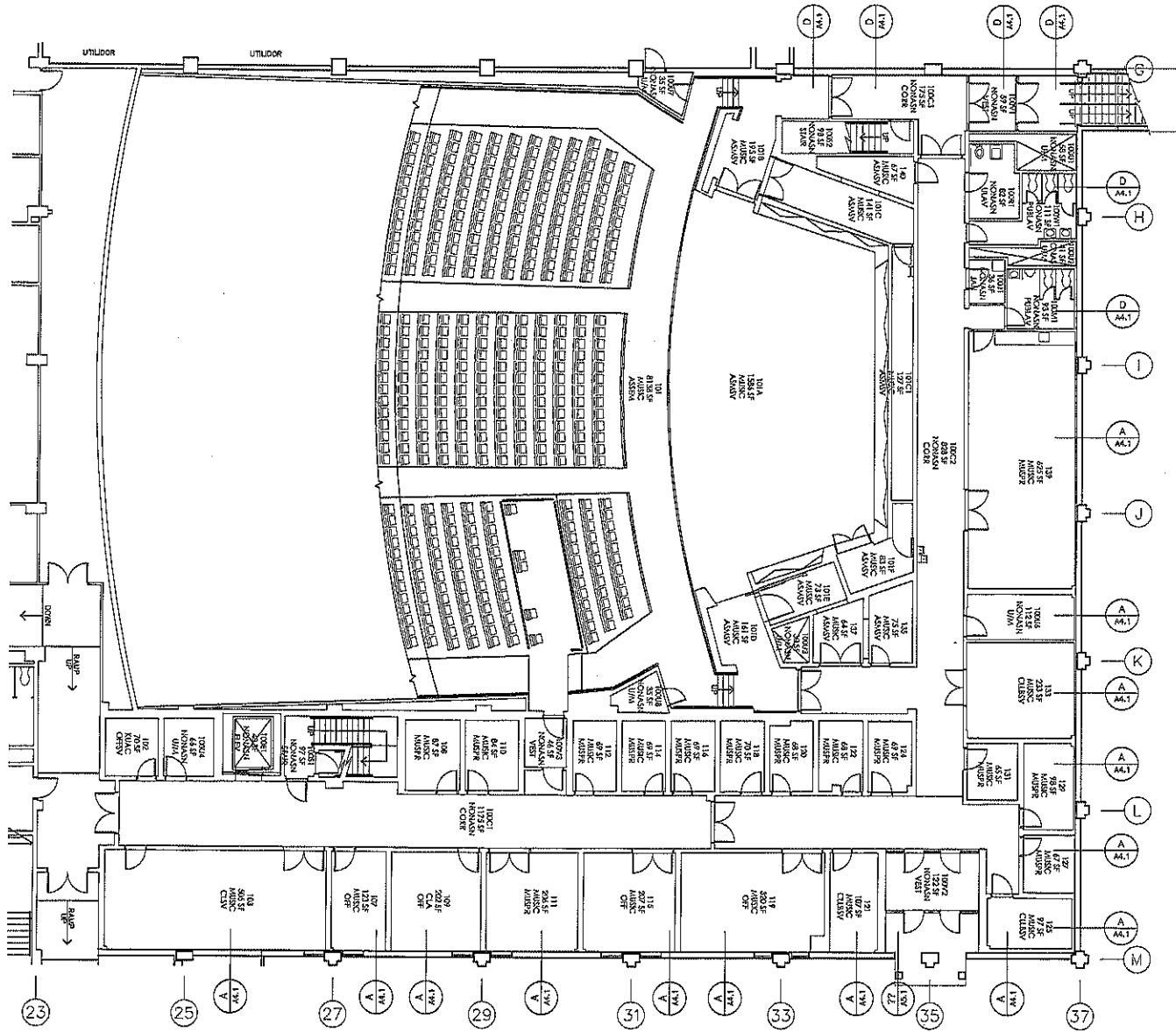
Appendix A
Preliminary Project Schedule

Preliminary Project Schedule: Construction May through August 2013 [Note 1]

			2013																
Item	Description	Responsible Party	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Aug	Sep	Oct
Investigation and Analysis																			
1	Final Report	USKH	█																
Professional Services RFP																			
2	RFP Preparation	UAF	█																
	Advertise for Proposals	UAF		█															
	Consultant Selection and Award	UAF			█														
CMAR Procurement																			
3	Request for Proposal																		
	RFP Preparation	UAF			█														
	Advertise for Proposals	UAF				█													
	CMAR Selection and Award	UAF					█												
Design																			
4	Schematic Design (45%)																		
	Kick Off Meeting	UAF/USKH/WC																	
	Begin Acoustical Studies [Note 4]	USKH/MCH																	
	Mech, Elect Structural Architectural Site work	USKH																	
	Prepare and Submit Deliverables	USKH																	
	Coordinate with WC	UAF/USKH/WC																	
	Review Conference	UAF/USKH/WC																	
	Stakeholder Work Session	Note 5																	
5	Design Development (65%)																		
	Prepare and Submit Deliverables	USKH																	
	Review Period	UAF																	
	Review Conference	UAF/USKH/WC																	
	Board of Regents Formal and SD Approval	BOR																	
6	Final Review (95%) Construction Documents																		
	Prepare and Submit Deliverables	USKH																	
	Review Period	UAF																	
	Review Conference	UAF/USKH/WC																	
7	Construction Documents (100%)																		
	Prepare and Submit Final Deliverables	USKH																	
Pricing/Scheduling [Note 3]																			
8	Estimating and Value Engineering	WC																	
	65% Cost Estimate	WC																	
	Commit to Guaranteed Maximum Price	WC																	
	Project Scheduling and Planning	WC																	
Construction [Note 3]																			
9	Construction Period																		
	Submittals and Shop Drawings	WC																	
	Advance Procurement	WC																	
	Users Vacate Key Work Areas	UAF																	
	Construction [Note 2]	WC																	
	Substantial Completion	WC																	
	Users Reoccupy Key Work Areas	UAF																	
	Final Completion [Note 1]	WC																	

- Notes**
- 1 Construction may have some spillover into October of 2013 on a limited basis, and during the summer of 2014.
 - 2 Construction may be organized into phases pending further development of project scope to facilitate reoccupancy of spaces and minimize impact on Users.
 - 3 Detailed schedule for Pricing/Scheduling and Construction to be developed by Watterson Construction Company.
 - 4 The project scope at the McGown Room is currently under consideration by UAF and a timeframe for initiation of acoustical work has not been established.
 - 5 Work session to include stakeholders: Music Department, Facilities Services.



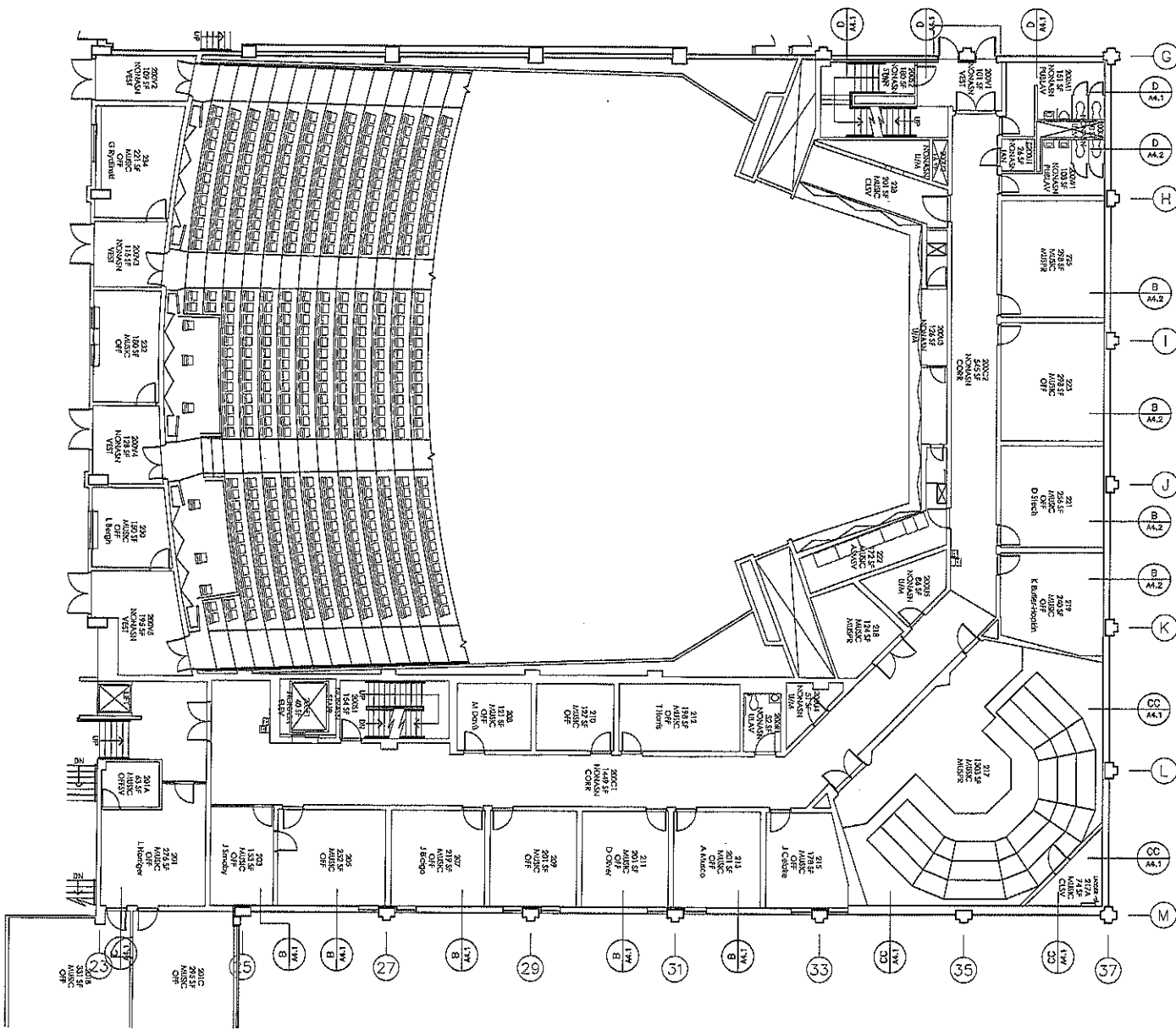


DEMOLITION NOTES

1. AT EXTERIOR WALL, REMOVE PLASTER WALL, WOOD STUDS, BATT INSULATION & DISPOSE.
2. REMOVE T-BAR SUSPENDED CEILING AS REQ'D. FOR CONSTRUCTION. SALVAGE GRID FOR REINSTALLATION. VERIFY LOCATIONS OF ROOMS THAT MAY HAVE PLASTER CEILINGS ABOVE THE SUSPENDED CEILING. WHERE THIS OCCURS REMOVE ENTIRE PLASTER CEILING & DISPOSE.
3. REMOVE EXISTING WINDOW FRAMING & GLAZING & DISPOSE.
4. REMOVE EXISTING CERAMIC TILE AT ALL WALLS & FLOOR & DISPOSE. REMOVE ALL PLUMBING FIXTURES AND TOILET PARTITIONS. SALVAGE FOR REINSTALLATION.
5. REMOVE EXISTING CERAMIC TILE AT ALL WALLS & FLOOR & DISPOSE. REMOVE ALL PLUMBING FIXTURES AND TOILET PARTITIONS. SALVAGE FOR REINSTALLATION.
6. REMOVE EXISTING PLASTER FROM THREE WALLS & CEILING & DISPOSE. SUSPENSION SYSTEM AT THE CEILING TO REMAIN FOR NEW FINISH.

FIRST FLOOR PLAN
1/8" = 1'-0"
→

Date Stamp: DATE?	
By	
Revision	
Date	
USKH <small>UNIVERSITY OF ALASKA SOUTHERN CAMPUS</small> <small>Architecture • Engineering • Surveying</small> <small>Painting • Environmental Services</small>	
<small>2315 K Street Anchorage, Alaska 99502 (907) 274-2415</small> <small>644 4th Avenue, Suite 102 Fairbanks, Alaska 99701 (907) 452-2723</small> <small>2015 Green Drive Juneau, Alaska 99801 (907) 700-0304</small> <small>333 W. Parks Highway Seward, Alaska 99524 (907) 874-7122</small>	
Project:	
FINE ARTS COMPLEX VAPOR BARRIER 2012045 FAVB	
<small>MUSIC WING University of Alaska Fairbanks, Alaska</small>	
Project Mgr.	G. POHL
Drawn	DEW
Checked	CHP
Date	11, 28, 2012
Sheet Content:	
FIRST FLOOR PLAN	
Sheet No.:	
A2.1	



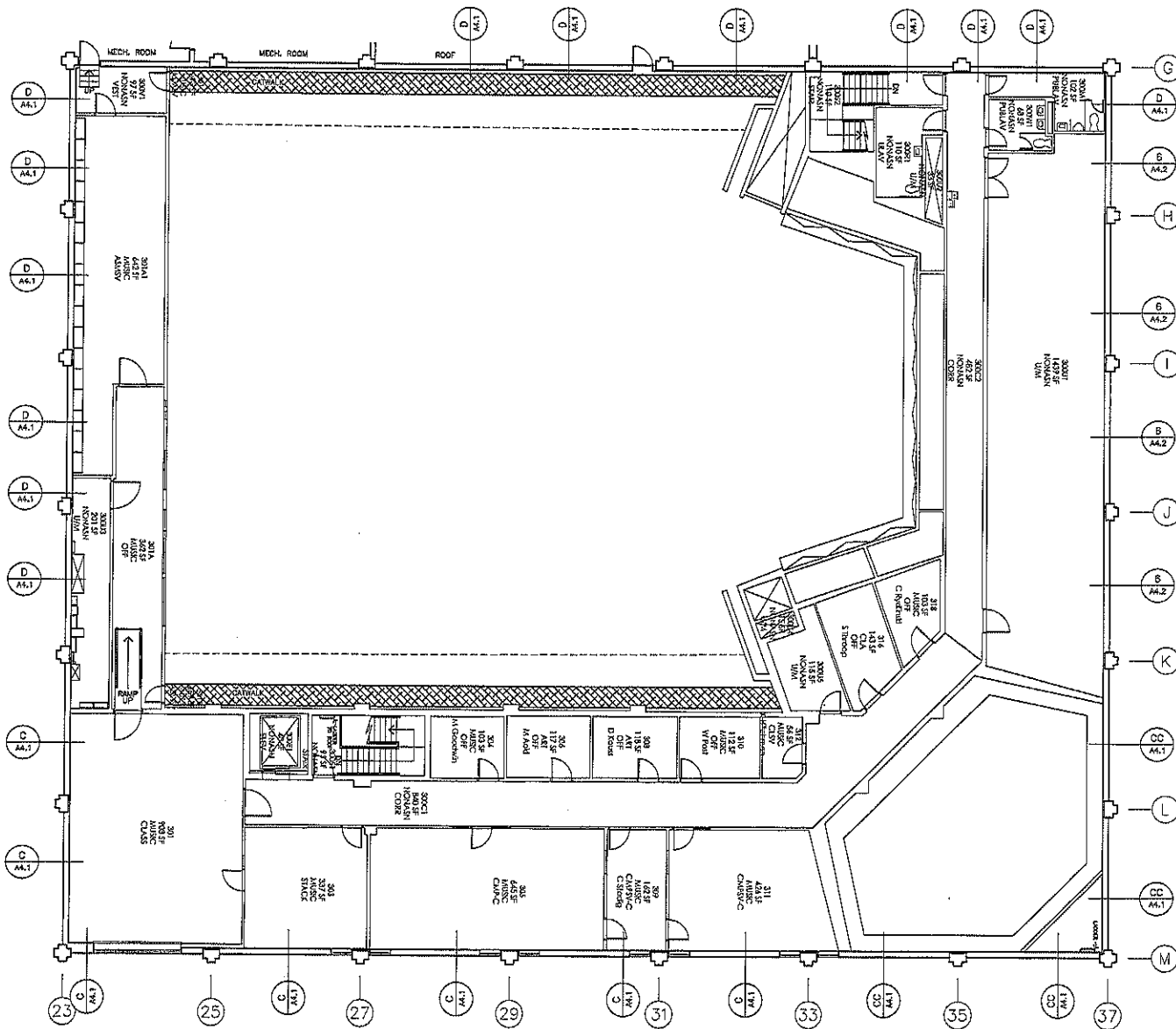
DEMOLITION NOTES

1. AT EXTERIOR WALL, REMOVE PLASTER WALL, WOOD STUDS, BATT INSULATION & DISPOSE.
2. REMOVE T-BAR SUSPENDED CEILING AS REQ'D. FOR CONSTRUCTION. SALVAGE GRID FOR REINSTALLATION. VERIFY LOCATIONS OF ROOMS THAT MAY HAVE PLASTER CEILINGS ABOVE THE SUSPENDED CEILING. WHERE THIS OCCURS REMOVE ENTIRE PLASTER CEILING & DISPOSE.
3. REMOVE EXISTING WINDOW FRAMING & GLAZING & DISPOSE.
4. REMOVE EXISTING CERAMIC TILE AT ALL WALLS & FLOOR & DISPOSE. REMOVE ALL PLUMBING FIXTURES AND TOILET PARTITIONS. SALVAGE FOR REINSTALLATION.
5. REMOVE EXISTING CERAMIC TILE AT ALL WALLS & FLOOR & DISPOSE. REMOVE ALL PLUMBING FIXTURES AND TOILET PARTITIONS. SALVAGE FOR REINSTALLATION.
6. REMOVE EXISTING PLASTER FROM THREE WALLS & CEILING & DISPOSE. SUSPENSION SYSTEM AT THE CEILING TO REMAIN FOR NEW FINISH.

SECOND FLOOR PLAN
1/8" = 1'-0"



Date Stamped: DATE?	
By	
Revision	
Date	
USKH UNITED STATES OF AMERICA Architecture • Engineering • Surveying Planning • Environmental Services 285 W. Bond Anchorage, Alaska 99501 (907) 275-4249 844 4th Avenue, Suite 100 Fairbanks, Alaska 99701 (907) 452-7119 2942 Chena Drive Delta 201 Anchorage, Alaska 99501 (907) 790-2001 331 W. Parks Highway Suite 200 Valdez, Alaska 99584 (907) 276-9716	
Project:	
FINE ARTS COMPLEX VAPOR BARRIER 2012045 FAVB	
MUSIC WING University of Alaska Fairbanks, Alaska	
Project Mgr.	G. FOHL
Drawn	DEW
Checked	GHP
Date	11.29.2012
Sheet Contents:	
SECOND FLOOR PLAN	
Sheet No.:	
A2.2	
USKH W.O. 1372700	



- ### DEMOLITION NOTES
1. AT EXTERIOR WALL, REMOVE PLASTER WALL, WOOD STUDS, BATT INSULATION & DISPOSE.
 2. REMOVE T-BAR SUSPENDED CEILING AS REQ'D. FOR CONSTRUCTION. SALVAGE GRID FOR REINSTALLATION. VERIFY LOCATIONS OF ROOMS THAT MAY HAVE PLASTER CEILINGS ABOVE THE SUSPENDED CEILING. WHERE THIS OCCURS REMOVE ENTIRE PLASTER CEILING & DISPOSE.
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 6. REMOVE EXISTING PLASTER FROM THREE WALLS & CEILING & DISPOSE. SUSPENSION SYSTEM AT THE CEILING TO REMAIN FOR NEW FINISH.

THIRD FLOOR PLAN
1/8" = 1'-0"
➔

Date Stamp:	DATE?
By:	
Revision:	
Date:	

USKH
 UNIVERSITY OF ALASKA
 Architecture + Engineering + Surveying
 Planning + Environmental Services
 2015 W. 2nd Avenue, Suite 101
 Fairbanks, Alaska 99701
 (907) 452-2100
 2917 Green Drive
 Suite 201
 Juneau, Alaska 99801
 (907) 790-2801
 2901 W. Delta Highway
 Suite 200
 Wasilla, Alaska 99624
 (907) 376-8700

Project:
**FINE ARTS
 COMPLEX
 BARRIER
 2012045 FAVB**

MUSIC WING
 University of Alaska
 Fairbanks, Alaska

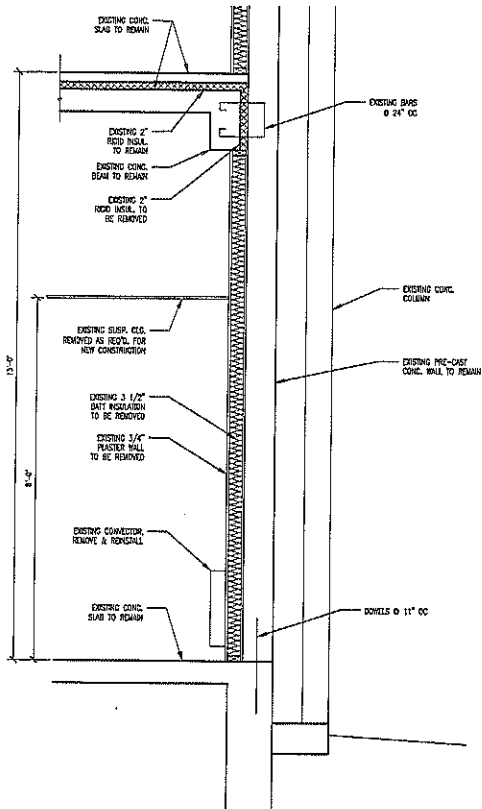
Project Mgr.	G. POHL
Drawn	DEW
Checked	GHP
Date	11.29.2012

Sheet Contents:
**THIRD FLOOR
 PLAN**

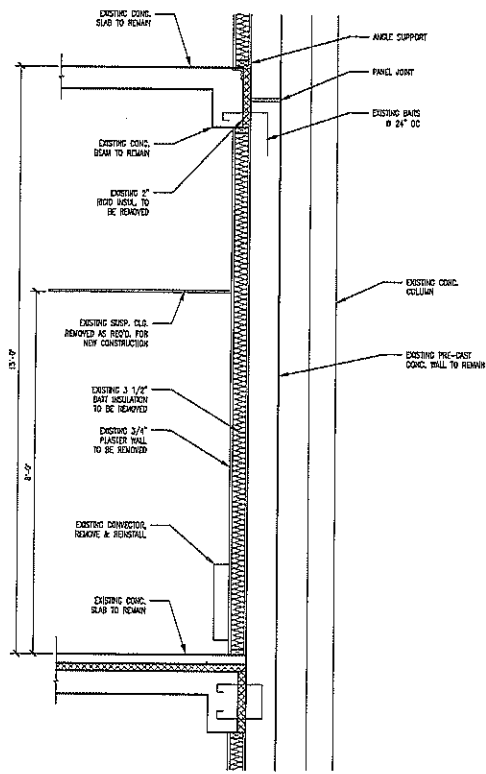
Sheet No.:
A2.3

USKH W.O. 1372700

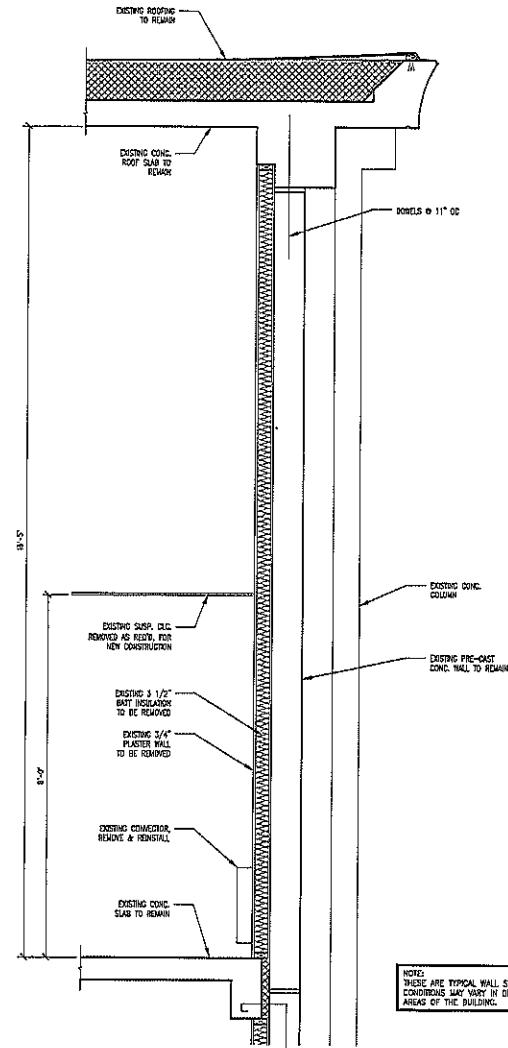
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A FIRST FLOOR EXISTING WALL SECTION
A3.1 3/4" = 1'-0"



B SECOND FLOOR EXISTING WALL SECTION
A3.1 3/4" = 1'-0"

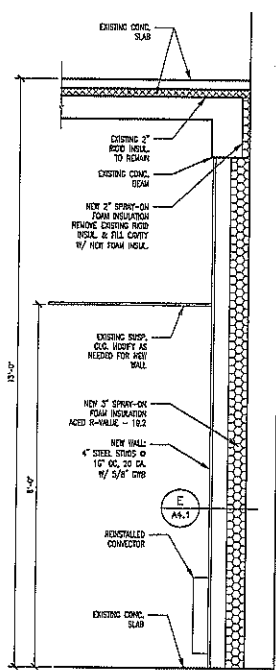
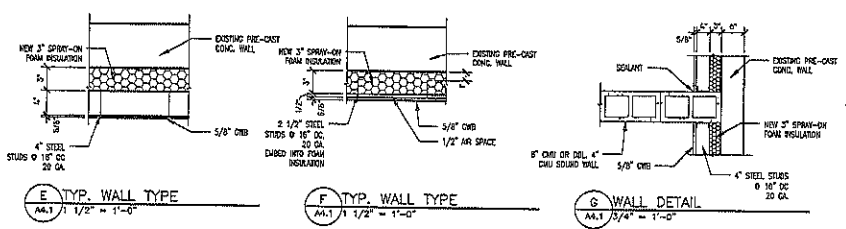


C THIRD FLOOR EXISTING WALL SECTION
A3.1 3/4" = 1'-0"

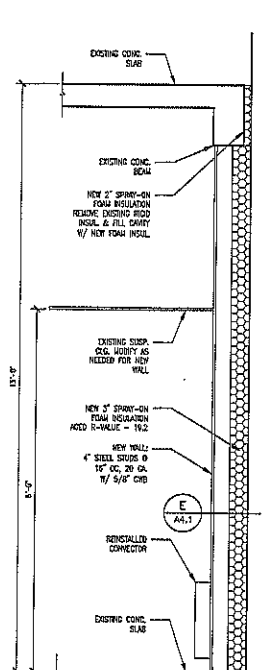
NOTE:
THESE ARE TYPICAL WALL SECTIONS.
CONDITIONS MAY VARY IN DIFFERENT
AREAS OF THE BUILDING.

Date Stamp: DATE?	
By	
Revision	
Date	
USKH UNIFIED SERVICES, UNIFIED APPROACH. Architecture • Engineering • Surveying Planning • Environmental Services	
2518 W. Davis Anchorage, Alaska 99503 (907) 552-4242	
514 4th Avenue, Suite 102 Fairbanks, Alaska 99701 (907) 455-2195	
3075 Cooper Drive Girdler 311 Juneau, Alaska 99801 (907) 755-2300	
235 W. Parks Highway Suite 215 Wasilla, Alaska 99554 (907) 234-9112	
Project: FINE ARTS COMPLEX VAPOR BARRIER 2012045 FAVB	
MUSIC WANG University of Alaska Fairbanks, Alaska	
Project Mgr:	G. POHL
Drawn:	DEW
Checked:	GHP
Date:	11.29.2012
Sheet Contents: EXISTING WALL SECTIONS	
Sheet No.: A3.1	

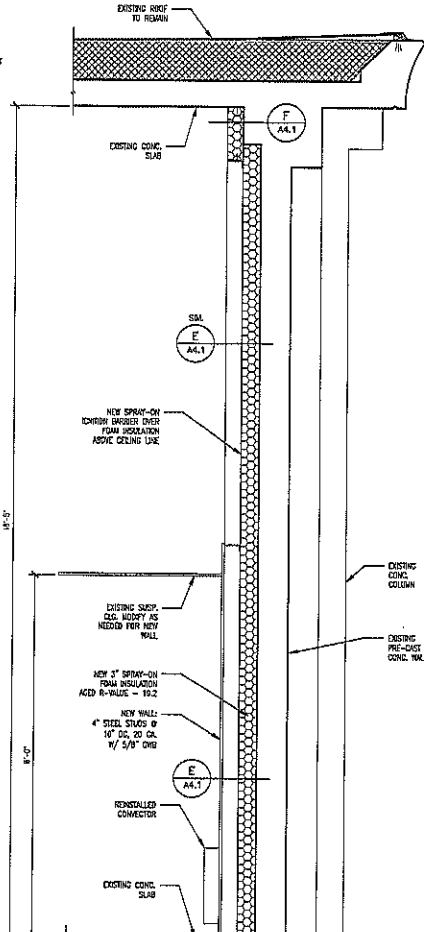
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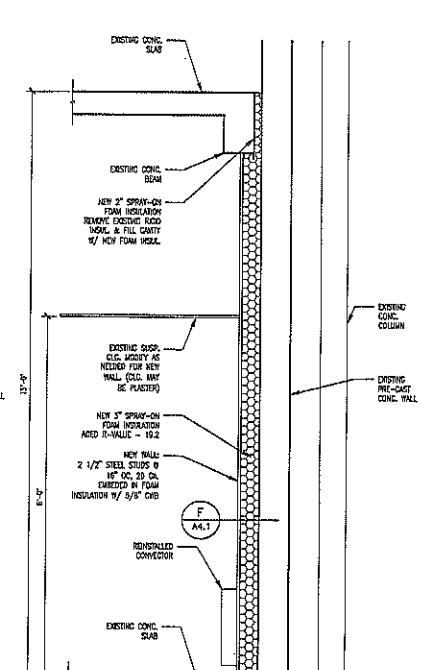
A FIRST FLOOR NEW WALL SECTION
A4.1 3/4" = 1'-0"



B SECOND FLOOR NEW WALL SECTION
A4.1 3/4" = 1'-0"



C THIRD FLOOR NEW WALL SECTION
A4.1 3/4" = 1'-0"



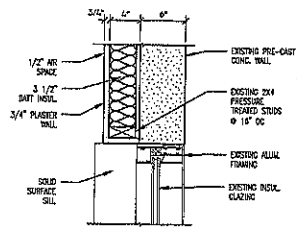
D SECOND FLOOR NEW WALL SECTION
A4.1 3/4" = 1'-0"

CC WALL SECTION
A4.1 6\"/>

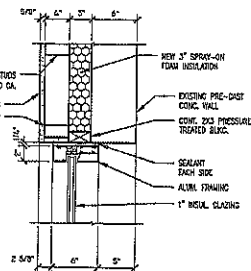
NOTES:
1. THESE ARE TYPICAL WALL SECTIONS. CONDITIONS MAY VARY IN DIFFERENT AREAS OF THE BUILDING.
2. PROVIDE NEW PRESSURE TREATED 2X WOOD BLOCKING FOR TOILET PARTITIONS, BATHROOM ACCESSORIES, HAND/GUARD RAILS, HEAT CONVECTORS & ANY OTHER ITEMS THAT REQUIRE BLOCKING. FIELD VERIFY.

Date Stamped: DATE?	
By	
Revision	
Date	
USKH USKHA ARCHITECTS, ENGINEERS, SURVEYORS PLANNING • ENVIRONMENTAL SERVICES	
25534 Street Anchorage, Alaska 99503 (907) 274-6415	
844-4th Avenue, Suite 102 Fairbanks, Alaska 99701 (907) 452-2123	
5007 Carver Drive Suite 201 Juneau, Alaska 99801 (907) 786-9001	
351 W. Pease Highway Suite 200 Wasilla, Alaska 99586 (907) 376-7818	
Project: FINE ARTS COMPLEX VAPOR BARRIER 2012045 FAVB	
MUSIC WING University of Alaska Fairbanks, Alaska	
Project Mgr.	G. POHL
Drawn	DEW
Checked	GHP
Date	11.29.2012
Sheet Contents: NEW WALL SECTIONS	
Sheet No.: A4.1	

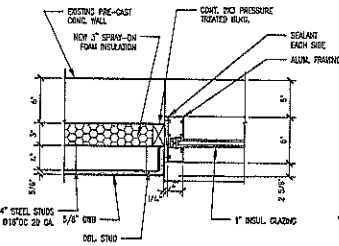
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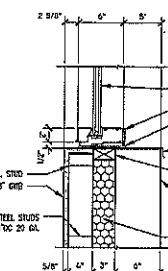
TYPICAL HEAD/JAMB DETAIL
OF EXISTING WINDOWS
1 1/2" = 1'-0"



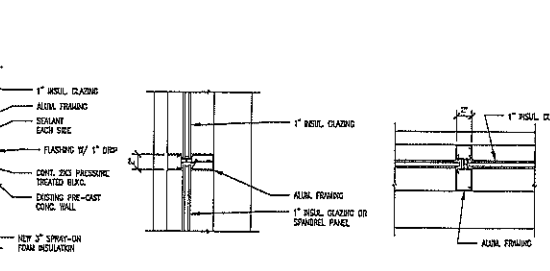
1 WINDOW HEAD DETAIL
A4.2 1 1/2" = 1'-0"



2 WINDOW JAMB DETAIL
A4.2 1 1/2" = 1'-0"

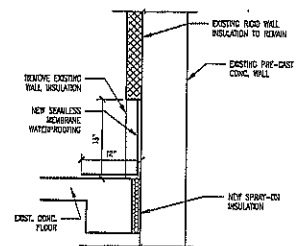


3 WINDOW SILL DETAIL
A4.2 1 1/2" = 1'-0"

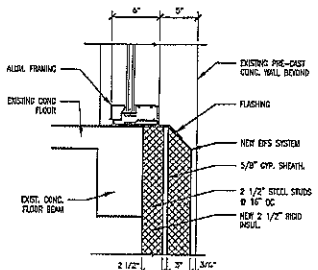


4 HORIZONTAL WINDOW MULLION DETAIL
A4.2 1 1/2" = 1'-0"

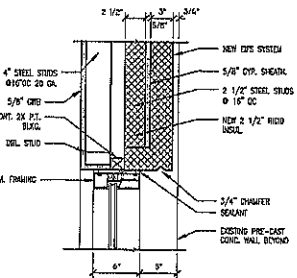
5 VERTICAL WINDOW MULLION DETAIL
A4.2 1 1/2" = 1'-0"



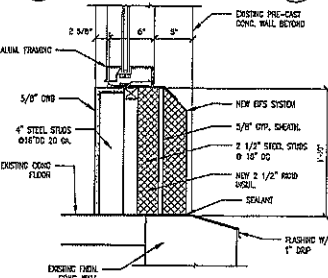
6 WALL BASE DETAIL
A4.2 1 1/2" = 1'-0"



7 WINDOW SILL DETAIL
A4.2 1 1/2" = 1'-0"



8 WINDOW HEAD DETAIL
A4.2 1 1/2" = 1'-0"



9 WINDOW SILL DETAIL
A4.2 1 1/2" = 1'-0"

- WINDOW FRAMING NOTES:
1. WINDOW FRAMING: KAWNEER "TRIFAB 6010T", DUAL HOLLOW THERMAL BREAK, CENTER - INSIDE GLAZED.
 2. GLAZING: 1" INSULATED GLASS, (2) LIGHTS, 3/16" THICK CLEAR, ARGON GAS & AIR SPACE.

ROOM FINISH SCHEDULE									
ROOM	FLOOR	BASE	WALLS				CEILING		REMARKS
			NORTH	EAST	SOUTH	WEST	MATL.	HGT.	
TYP. ROOM	CARPET	ROBBUR	PAINT	PAINT	PAINT	PAINT	AC	8'-0"	???
TYP. RESTROOM	CER. TILE	CER. TILE	CER. TILE	CER. TILE	CER. TILE	CER. TILE	PAINT	8'-0"	???

Date Stamp/plot DATE?	
By	
Revision	
Draw	

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 Suite 100
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 (907) 452-2510
 2007 Glenn Drive
 Suite 201
 Juneau, Alaska 99801
 (907) 756-3261
 301 W. Parks Highway
 Barrow, AK
 (907) 853-0004
 (907) 576-7613

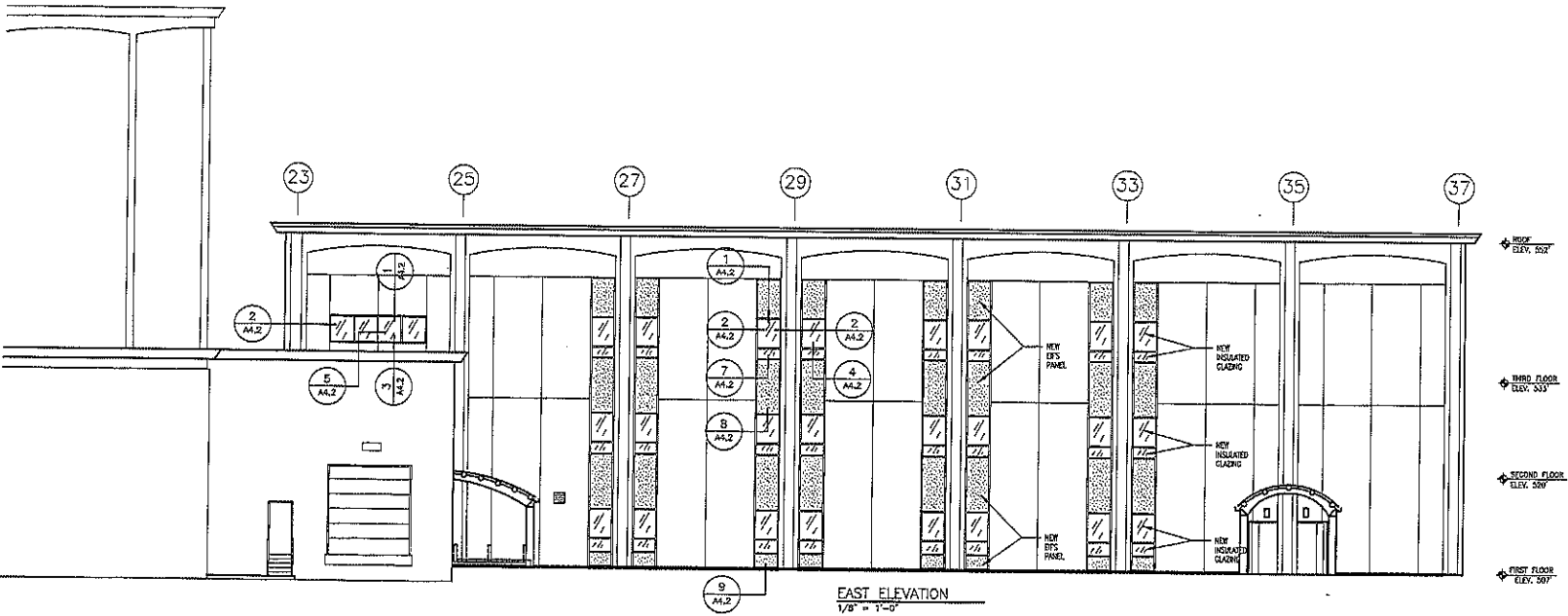
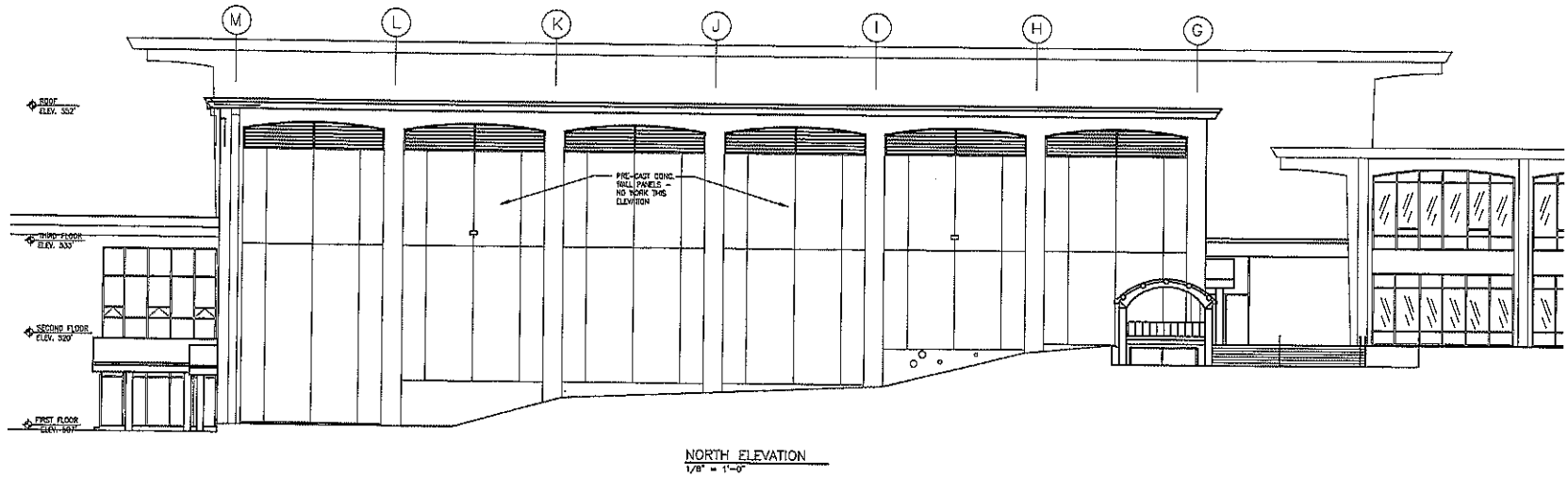
Project:
**FINE ARTS
 COMPLEX
 VAPOR BARRIER
 2012045 FAVB**

MUSIC WING
 University of Alaska
 Fairbanks, Alaska
 Project Mgr. G. POHL
 Drawn DEW
 Checked GHP
 Date 11.28.2012

Sheet Contents:
**NEW
 DETAILS**

Sheet No.:
A4.2

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Revision	
Date	

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3071 Ocean Drive
 Juneau, Alaska 99901
 (907) 756-3901

3519 E. Parks Highway
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 (907) 870-8700

www.uskh.com

Project:
**FINE ARTS
 COMPLEX
 VAPOR BARRIER
 2012045 FAVB**

MUSIC WING
 University of Alaska
 Fairbanks, Alaska

Project Mgr: G. POHL

Drawn: DEW

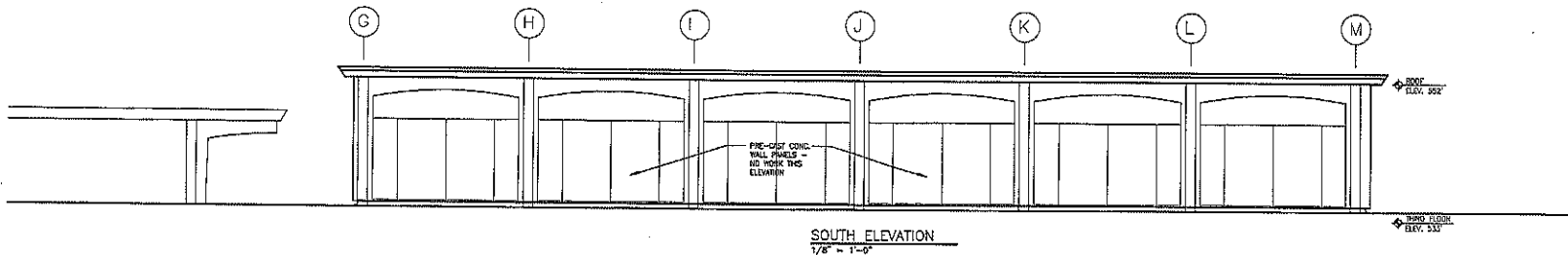
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Date: 11.29.2012

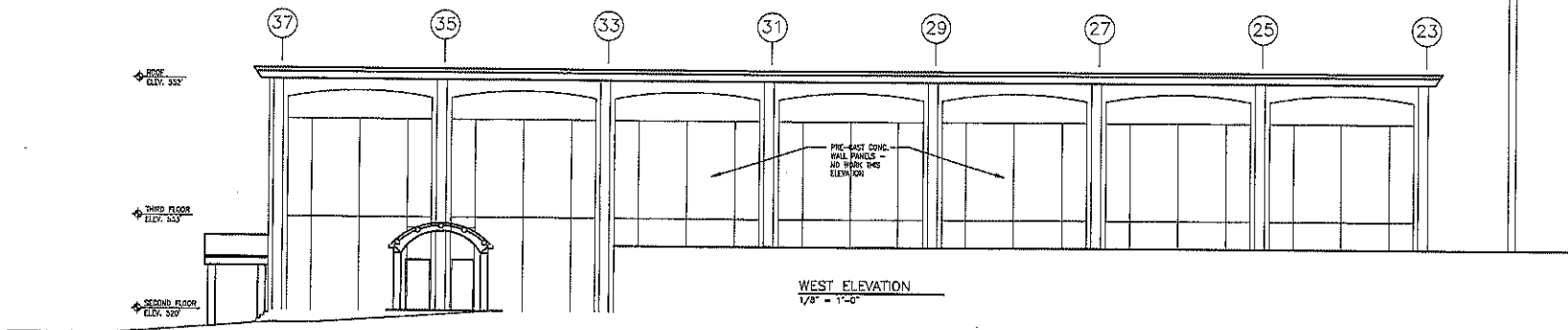
Sheet Contents:
**EXISTING
 EXTERIOR
 ELEVATIONS**

Sheet No.:
A5.1

FILE: \\FD\FILE\985A122200\DWG\A5.2.DWG - PLOTTER: Nov 27, 2012 - 2:52:28 PM (Dr. White)



SOUTH ELEVATION
1/8" = 1'-0"



WEST ELEVATION
1/8" = 1'-0"

Date Stamped: DATE?	
By	
Revision	
Date	
 USKH SHARON WILSON, UNITED ARCHITECTS Architecture • Engineering • Surveying Planning • Environmental Services 2515 W Street Anchorage, Alaska 99503 (907) 526-0245 541 5th Avenue Suite 102 Fairbanks, Alaska 99701 (907) 452-7213 2817 Chukotka Drive Suite 207 Anchorage, Alaska 99501 (907) 760-9921 251 W. Pease Highway Suite 200 Wasilla, Alaska 99624 (907) 276-7810	
Project: FINE ARTS COMPLEX VAPOR BARRIER 2012045 FAVB	
MUSIC MIND University of Alaska Fairbanks, Alaska	
Project Mgr.	G. POHL
Drawn	DEW
Checked	GHP
Date	11.25.2012
Sheet Contents: EXISTING EXTERIOR ELEVATIONS	
Sheet No.: A5.2	
USKH W.C. 1372700	



SCHEMATIC DESIGN APPROVAL

Name of Project: Bristol Bay Campus Applied Sciences
Project Type: Renovation and Repurposing
Location of Project: UAF, Bristol Bay Campus, Bristol Bay Applied Science Building (BB101), Dillingham
Project Number: 2012130 BBAS
Date of Request: December 18, 2012

Total Project Cost:	\$2,550,000	Increase of \$350,000 from FPA
Approval Required:	FLMC	
Approvals:	Preliminary Administrative Approval	May 17, 2012
	Formal Project Approval (TPC \$2,200,00)	December 7, 2012

A Schematic Design Approval (SDA) is required for all Capital Projects with a Total Project Cost in excess of \$250,000.

SDA represents approval of the location of the facility, its relationship to other facilities, the functional relationship of interior areas, the basic design including construction materials, mechanical, electrical, technology infrastructure and telecommunications systems, and any other changes to the project since formal project approval. Unless otherwise designated by the approval authority or a material change in the project is subsequently identified, SDA also represents approval of the proposed cost of the next phases of the project and authorization to complete the design development process, to bid and award a contract within the approved budget, and to proceed to completion of project construction. Provided however, if a material change in the project is subsequently identified, such change will be subject to the approval process.

Action Requested

“The Facilities and Land Management Committee approves the Schematic Design Approval request for the University of Alaska Fairbanks Bristol Bay Campus Applied Sciences project as presented in compliance with the campus master plan, and authorizes the University administration to complete construction bid documents to bid and award a contract within the approved budget, and to proceed to completion of project construction not to exceed a Total Project Cost of \$2,550,000. This motion is effective February 21, 2013.”

Project Abstract

Bristol Bay Campus (BBC) has purchased the NAPA auto parts store in Dillingham in order to expand its Applied Science programs. The building is a 2-story wood-framed structure that has a retail auto parts store on the ground floor and three residential apartments, and a mechanical/electrical room on the second floor. The building is approximately 40 feet by 90 feet with a total floor area of 7,200 gross square feet.

UAF Facilities Management is planning to remodel the first floor of the NAPA building in order to accommodate the Bristol Bay Applied Science programs. The new program spaces scheduled for this remodel project include:

- Nursing Lab/Classroom
- Science Lab
- Sustainable Energy Lab with Library/Office
- Tele-Presence Conference Room
- Two Offices
- Storage Rooms
- Building Support (Lobby, Commons, Circulation, Restrooms and more)

RATIONALE AND REASONING

Background

This project and the programs it will support are in alignment with the current Bristol Bay Campus Master Plan. The project is primarily funded by a Title III grant obtained by the Bristol Bay Campus.

Programmatic Need

This project will allow for the expansion of the Bristol Bay Campus Applied Sciences programs including Rural Allied Health and Nursing, the Environmental Studies, and Sustainable Energy.

Project Scope

The Allied Health and Applied Science program needs for the NAPA building will utilize the entire first floor. This remodel area is approximately 3,600 gross square feet. The second level of the NAPA building will not be remodeled and is not in the scope of this project. The campus will maintain the apartment residences in their current condition.

The Nursing Lab is the teaching center for the Health Sciences Program. The program requires two simulated hospital bed teaching stations with privacy curtains, a flexible teaching area for tables and chairs or an open floor area for EMT demonstrations, a handicap accessible bathroom facility that can be used for teaching, a sink with countertop and storage cabinets, an eyewash station, and a large storage room for simulation equipment and supplies. In addition, there is an observation station located in the office adjacent to the hospital bed station. Lockers in the hall are available for use by Allied Health students. Ample power and data outlets will be provided to meet the needs of the program. Durable recycled rubber sheet flooring will be provided.

The Marine Science Lab will be furnished with salt water tanks, work benches and workstation counters with three moveable exhaust hoods and pull-down lighting units with power outlets. There will be internet access at least one dedicated lab computer station, cabinet storage, a wash-up sink and student lockers. The Lab will occupy the southwest corner of the building which has an existing overhead door and an adjacent 450 sf concrete floor. Durable recycled rubber sheet flooring will be provided in the non-concrete flooring areas. Ample power and data outlets will be provided to meet the needs of the Environmental Studies Program.

The Sustainable Energy Lab will be furnished with a long work counter with storage on the south wall, three 4x6 feet island work counters with storage below and a reference library and office located on the west end of the lab. Durable recycled rubber sheet flooring will be provided. Ample power and data outlets will be provided to meet the needs of the Sustainable Energy Program.

The E-Learning classroom/conference room will be furnished with a teleconference room layout and the electronic infrastructure for the IT department's installation of the distance education delivery media equipment. The room will have flexible seating and can be configured as a small seminar room, an E-Learning classroom or a conference room.

Two private offices are scheduled for the Allied Health faculty. The smaller office will have a window that will allow for observation and simulation testing. They will be furnished with ample power and data outlets, carpet and upgrades to the existing ceiling (possibly glue-up ceiling tiles).

The lobby is a small gathering space that will be furnished with comfortable seating, a small counter with sink, and a microwave shelf. The lobby will have a durable walk-off mat carpet and a bold colored accent wall.

The NAPA main floor will have all new architectural finishes. The new finishes will enhance the functional effectiveness of the Applied Science teaching areas. New windows will add daylight in the teaching areas. New wall colors will enhance and update the interiors, providing welcoming public spaces and teaching areas. The colors chosen for the interior will be bold and dramatic in the public areas. The entry lobby and commons area will be bright and welcoming with signage and color assisted way finding. The primary new finishes will be durable rubber flooring, carpet, ceramic tile, wall paint, and acoustic ceiling tiles.

New hydronic baseboard heat will be distributed to the rooms in the new plan layout. Ventilation will be by operable windows, HRVs and exhaust fans. The existing mechanical room will serve the new plan layout from the second level. New power and data runs will support the new rooms. Lighting will be upgraded; however, the existing ceiling and structure above will only allow surface mounted light fixtures. These fixtures will have a low profile due to the existing 8 ft ceiling height.

Also included in the scope for this remodel is an exterior building envelope upgrade. The exterior upgrades will include new rigid insulation on all exterior walls, added roof insulation,

new air barrier, and new fiber cement siding. New energy efficient windows will be installed at selected locations on the first floor level.

The first floor of the NAPA building will be completely remodeled. The existing walls and rooms will be removed in order to construct the new first floor walls. The second floor is supported by the perimeter bearing walls and interior columns, so the interior columns will remain in place in order to maintain the structural integrity of the building. At the first floor exterior walls, new structural headers will be installed to create openings for the new windows. The existing window openings will be in-filled. The existing entry door location is going to be re-located, and the current door opening will be in-filled. Most of the interior building mechanical and electrical systems will be demolished.

The renovation areas will be in full compliance with the Americans with Disabilities Act (ADA). The main entrance doors will be set to meet pull force requirements, the new entry vestibule and the toilet rooms will be sized per ADA requirements.

The work scope also includes upsizing of the water service line between the building and the city water main. The upsizing is necessary to support the sprinkler system as required by the UAF Fire Chief.

Project Impacts

Rural Allied Health and Nursing, Environmental Studies, and Sustainable Energy will remain in their current space in the main building of the Bristol Bay Campus, so no renovation or reallocation of their current spaces will be necessary.

Bristol Bay Campus is pursuing a \$250,000 grant from the Rasmuson Foundation as an additional source of funding. If this grant is obtained, project furnishings and equipment will be purchased and installed in their entirety. The College of Rural and Community Development has also requested an additional \$100,000 to upsize the existing water service line to the NAPA building. The waterline work is a project requirement, so if the additional funding is not received work scope from other areas of the project must be reduced. Two additive alternates have been identified for this purpose and will not be awarded, if the additional funding is not received.

VariANCES

The TPC for the Formal Project Approval was \$2,200,000. CRCDC is requesting \$350,000 in additional funding for furnishings and equipment and to upsize the existing water service line to the building as indicated under Project Impacts.

Total Project Cost and Funding Sources

<u>Funding Title</u>	<u>Fund Account</u>	<u>Amount</u>
Title III Grant	515227-50216	\$2,000,000
FY11 Capital Funds (CC Feasibility Study)	571326-50216	\$65,000
DOE Federal Grant	515325-50216	\$60,000
BB/CRCD Operating Funds	103010-42018	\$45,000
UA Foundation Grant	336825-42003	\$24,750
<i>Technical and Vocational Education Program</i>	<i>Requested</i>	<i>\$100,000</i>
<i>Rasmuson Foundation Grant</i>	<i>Requested</i>	<i>\$250,000</i>
Total Project Cost		\$2,550,000

Annual Program and Facility Cost Projections

This project will renovate existing space. This space will move from revenue generating space to academic use space and this will result in an increase to the Facilities Costs.

Facilities Costs:

Maintenance & Repair	\$38,250
Operations	\$100,000
Annual O&M Cost	\$138,250
<u>Annual Renewal and Replacement</u>	<u>TBD</u>
Total Annual Cost Projections	\$138,250

Project Schedule

DESIGN

Conceptual Design	September 2012
Formal Project Approval	October 2012
Schematic Design	October 2012
Schematic Design Approval	February 2013
Construction Documents	March 2013

BID & AWARD

Advertise and Bid	March 2013
Construction Contract Award	April 2013

CONSTRUCTION

Start of Construction	May 2013
Construction Complete	December 2013
Date of Beneficial Occupancy	December 2013
Warranty Period	1 Year

Project Delivery Method

Project delivery method will be Design-Bid-Build.

Supporting Documents

- One-Page Project Budget
- Design Narrative
- Drawings (Site Plan, Exterior Elevations, Floor Plans)

Affirmation

This project complies with Regents' Policy and the Bristol Bay Campus Master Plan.

Approvals

The level of approval required for SDA shall be based upon the estimated TPC as follows

- TPC > \$4.0 million will require approval by the board based on the recommendations of the Facilities and Land Management Committee (FLMC).
- **TPC > \$2.0 million but not more than \$4.0 million will require approval by the FLMC.**
- TPC > \$1.0 million but not more than \$2.0 million will require approval by the Chair of the FLMC.
- TPC ≤ \$1.0 million will require approval by the AVP of Facilities and Land Management.

UNIVERSITY OF ALASKA	
Project Name: Bristol Bay Campus Applied Science	
MAU: UAF	
Building: Napa Building	Date: November 28, 2012
Campus: Bristol Bay Campus	Prepared By: Pagel
Project #: 2012130 BBAS	Account No.: 515227 50216
Total GSF Affected by Project: 3702	
PROJECT BUDGET	SDA Budget
A. Professional Services	
Advance Planning, Program Development	\$0
Consultant: Design Services	\$130,303
Consultant: Construction Phase Services	\$17,318
Consul: Extra Services (List: _Fuel tank, sprinkler and more)	\$43,941
Site Survey	\$0
Soils Testing & Engineering	\$0
Special Inspections	\$5,000
Plan Review Fees / Permits	\$10,000
Other	\$0
<i>Professional Services Subtotal</i>	\$206,562
B. Construction	
General Construction Contract (s)	\$1,650,000
Other Contractors (List: _____)	\$10,000
Construction Contingency	\$149,400
<i>Construction Subtotal</i>	\$1,809,400
<i>Construction Cost per GSF</i>	\$488.76
C. Building Completion Activity	
Equipment	\$230,000
Fixtures	\$0
Furnishings	\$0
Signage not in construction contract	\$0
Move-Out Cost/Temp. Reloc. Costs	\$0
Move-In Costs	\$0
Art	\$0
Other (List: _____)	\$0
OIT Support	\$0
Maintenance/Operation Support	\$6,000
<i>Building Completion Activity Subtotal</i>	\$236,000
D. Owner Activities & Administrative Cost	
Project Planning and Staff Support	\$101,518
Project Management	\$173,037
Expenses: Advertising, Printing, Furnishings	\$24,000
<i>Owner Activities & Administrative Cost Subtotal</i>	\$298,555
E. Total Project Cost	\$2,550,517
<i>Total Project Cost per GSF</i>	\$688.96
F. Total Appropriation(s)	\$2,550,000

UNIVERSITY OF ALASKA FAIRBANKS

BRISTOL BAY CAMPUS
APPLIED SCIENCE BUILDING IMPROVEMENTS
PROJECT No. 2012130 BBAS
DESIGN NARRATIVES AND COST ESTIMATE
PREPARED BY MCCOOL CARLSON GREEN
SEPTEMBER 27, 2012

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BRISTOL BAY APPLIED SCIENCE DESIGN NARRATIVE

Executive Summary

The UAF Bristol Bay Campus in Dillingham is the regional center for postsecondary academic and vocational education. The curriculum at the Campus is delivered through local courses and by distance education methods to 33 Bristol Bay communities. The college is a non-residential campus serving students from the Southwest Alaska region. Originally constructed in 1980, with a major addition in 2005, the main Bristol Bay Campus facility is a single story building with approximately 9,770 square feet.

The Bristol Bay Campus has purchased the NAPA auto parts store in order to expand their applied science program offerings. The building is a two-story wood-framed structure that has a retail auto parts store on the ground floor with three residential apartments and a mechanical/electrical room on the second floor. The building is approximately 40-feet by 90-feet with a total floor area of 7,200 gross square feet.

UAF Facilities Management is planning to remodel the first floor of the NAPA building in order to accommodate the Bristol Bay Applied Science Programs. The new program spaces scheduled for this remodel project include:

Nursing Lab/Classroom (563 SF)

Science Lab (744 SF)

Sustainable Energy Lab with Library/Office (555 SF)

TelePresence Conference Room (235 SF)

2 Offices (222 SF)

2 Storage Rooms (199 SF)

Building Support: Lobby/Commons; Circulation; Restrooms; Comm Room

Facility improvements include heating distribution for the new plan layout, communications, power, lighting, and architectural finishes that support the new program areas. Building envelope improvements are included in the remodel scope. UAF provided an as-built plot plan for the property. This condition survey narrative is based on a physical inspection of the facility

The following narrative includes:

1. Architectural Design Narrative
2. Condition survey of the NAPA Building and Summary of the Building Systems, broken down by engineering discipline
3. 95% Cost Estimate

DESIGN TEAM

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1.0 – ARCHITECTURAL DESIGN NARRATIVE

BRISTOL BAY NAPA BUILDING APPLIED SCIENCE RENOVATION PROGRAM

The Allied Health and Applied Science program will utilize the entire first floor the NAPA building. This remodel area is approximately 3,600 gross square feet. The second level of the NAPA building will not be remodeled and is not in the scope of this project, except for fire alarm and fire sprinkler system installations. The Campus will maintain the apartment residences in their current condition.

NURSING LAB

The nursing lab is the teaching center for the health sciences program. The program requires two hospital bed teaching stations with privacy curtains, a flexible teaching area for tables/chairs or open floor area for EMT demonstrations, a handi cap accessible bathroom facility that can be used for teaching, a sink with countertop and storage cabinets, an eyewash station, and a large storage room for simulation equipment and supplies. In addition, there is an option to include an observation/testing station located in the office adjacent to the hospital bed station. Lockers in the hall are available for use by allied health students. Ample power and data outlets will be provided to meet the needs of the program. Durable recycled rubber flooring will be provided.

MARINE SCIENCE LAB

The marine science lab will be furnished with salt water tanks, work benches and workstation counters with moveable exhaust hoods and pull-down lighting units with power outlets. There will be internet access and at least one dedicated lab computer station. There will be cabinet storage, a wash-up sink and student lockers. The science lab will occupy the southwest corner of the building which has an existing overhead door and a 450 sf concrete floor area. Ample power and data outlets will be provided to meet the needs of the program. Durable recycled rubber sheet flooring will be provided in the non-concrete flooring areas.

SUSTAINABLE ENERGY LAB

The sustainable energy lab will be furnished with a long work counter with storage on the south wall, six 2-feet by 6-feet modular island work tables and a reference library/office located on the west end of the lab. Ample power and data outlets will be provided to meet the needs of the program. Durable recycled rubber sheet flooring will be provided.

TELEPRESENCE DISTANCE EDUCATION CLASSROOM

The distance education classroom/conference room will be furnished with a teleconference room layout and the electronic infrastructure for the IT department's installation of the distance education delivery media equipment. The room will have flexible seating and can be configured as a small seminar room, a distance education classroom and a conference room.

OFFICES

The two private offices are scheduled for the Allied Health Faculty. Each office will have a window and one office will have a window that looks into the adjacent hospital simulation station for observation and simulation testing. The Nursing Lab will be furnished with ample power and data outlets, carpet and glue-up acoustical ceiling tiles.

LOBBY/COMMONS

The lobby is a small gathering space that will be furnished with a reception work station and a small counter with sink and a microwave shelf. The lobby will have a durable walk-off mat carpet and a bold colored accent wall.

INTERIOR DESIGN

The NAPA main floor will have all new architectural finishes. The new finishes will enhance the functional effectiveness of the Applied Science teaching areas. New windows will add daylight in the teaching areas. New wall colors will enhance and update the interiors, providing welcoming public spaces and teaching areas. The colors chosen for the interior will be bold and dramatic in the public areas. The entry Lobby/Commons will be bright and welcoming with signage and color. The primary new finishes will be durable rubber flooring, carpet, wall paint and acoustic ceiling tiles.

BUILDING SERVICES

New hydronic baseboard heat will be distributed to the rooms in the new plan layout. Ventilation will be by operable windows, HRV's and exhaust fans. The existing mechanical room will serve the new plan layout from the 2nd level. New power and data runs will support the new rooms. Lighting will be upgraded; however, the existing ceiling and structure above will only allow surface mounted light fixtures. These fixtures will have a low profile due to the existing 8-foot ceiling height. Refer to the Engineering Condition Survey for more detailed information.

BUILDING ENVELOPE UPGRADES

Also included in the scope for this remodel is an exterior building envelope upgrade. The exterior upgrades will include: a new 6-inch insulated metal panel siding system on all exterior walls, added roof insulation, new air barrier and new foundation insulation. New energy efficient windows will be installed at selected locations on the first floor level.

BUILDING DEMOLITION AND REMODEL

The first floor of the NAPA building will be completely remodeled. The existing walls will be removed in order to construct the new first floor walls. The second floor is supported by the perimeter bearing walls, interior beams and columns. The interior columns will remain in place in order to maintain the structural integrity of the building. At the first

floor exterior walls, new structural headers will be installed to create openings for the new windows. The existing window openings will be infilled. The existing entry door location is going to be re-located, so the current door opening will be infilled also. Refer to the structural narrative for additional building upgrades. Most of the interior building mechanical and electrical systems will be demolished.

ACCESS FOR THE DISABLED

The renovation areas will be in full compliance with the American Disabilities Act. The main entrance doors will be set to meet pull force requirements, the new entry vestibule will be sized per ADA requirements and the toilet rooms will have accessible features. The Unisex bathroom is fully accessible.

FUTURE REMODEL/EXPANSION

In order to access the 2nd floor of the Applied Science building in the future, consideration has been given to locating an elevator, elevator lobby and accessible stair on the north side of the building – adjacent to the Lobby. The elevator access will allow Faculty/Staff offices or other Campus activities that are open to the public to be located on the 2nd floor of the NAPA building. The buildable area on the NAPA site is limited, so additions will be small areas at the existing building perimeter. Converting the 2nd floor spaces into offices or teaching areas has been considered. Storage additions for the marine science equipment and energy lab are being considered.

CODE ANALYSIS

The International Building Code 2009 Edition is the building code that will be used for the design of this facility improvement. The building has two occupancy types. After the first floor remodel is complete, the current M occupancy will be classified as a 'B Occupancy', providing education beyond the 12th grade. The three apartments on the second floor are not included in the scope of this remodel. However, a fire alarm and fire sprinkler system will be added throughout the residential occupancies. The mechanical equipment on the second floor will be upgraded as part of the remodel scope, if budget funds are available. The type of construction for the entire building is Type V-B.

SITE INFORMATION – NAPA BUILDING

Plat information: Block 18, Lot 1 USS 2732B - Dillingham Townsite Survey

Physical Address: U.A.F. Bristol Bay Campus
315 D Street
Dillingham, AK 99576

The NAPA Site area is approximately 12,410 square feet.

LEED STRATEGIES

The NAPA building remodel project is primarily an interior remodel with building envelope upgrades and a small entry addition. The design intent for this remodel is to create contemporary teaching environments in a healthy, high performing building. The building will be adapted to a more people-oriented environment with abundant natural light and ventilation. The goal is to modify this existing building so that it uses far less energy to operate and reduces its impact on the environment. The project will be LEED Certified using the LEED for Commercial Interiors rating system (2009).

The primary LEED strategies that will benefit this project are related to improving the overall energy efficiency of the building systems. The following building system upgrades and supporting LEED strategies will be implemented as part of the project:

- thermal envelope efficiency
- mechanical equipment efficiencies
- electrical equipment efficiencies
- indoor air quality upgrades related to interior finishes and user comfort
- water conserving plumbing fixtures
- Daylighting and views
- Materials and resources related to waste management and recycled content
- Commissioning

ENGINEERING CONDITION SURVEYS/NARRATIVES

General:

The scope of this project is to renovate the first floor of the existing NAPA building to provide operational functions for the UAF Bristol Bay Campus. The first floor of the building is currently used for light storage for automotive parts. The second floor is has three residential apartments and a mechanical room which serves the entire building.

As-built drawings of the building are not available. A site visit was made to field verify the construction of the building on April 8, 2011. The building's general construction is outlined in this narrative. Some details of the building's construction were not determined due to concealment by finished surfaces.



STRUCTURAL SYSTEMS – BASIS OF DESIGN

Codes and Standards:

The following codes will apply to the structural portion of this project:

- 2009 International Building Code (IBC)
- ASCE7-05

Design Loads:

- Building Category: II
- Snow: 144psf Ground Snow Load
Unbalanced and drift in accordance with ASCE7-05
- Wind: 130mph, Exposure B, I = 1.0
- Seismic: Site Class D, $S_s=0.25$, $S_1=0.15$, I=1.0
- Foundation/Soils: Per IBC table 1806.2, 1500psf allowable bearing pressure

EXISTING CONDITIONS SURVEY OF STRUCTURAL SYSTEMS

Foundation:

The existing building foundation consists of concrete footings with 2x6 pressure treated wood exterior stem walls. The perimeter concrete footing appears to be 10" thick and 2'-0" wide (approx.). The exterior pressure treated wall is 2'-6" tall. Therefore, the bottom of footing is approximately 3'-2" below grade. The 2x6 stem wall studs are spaced at 16"oc. The exterior pressure treated plywood sheathing thickness and anchor bolt size/spacing has not been determined since the wall cavity is concealed by insulation/vapor barrier.

Two rows of interior bearing walls are present and align directly below each row of building support columns above. The interior bearing walls are spaced at approximately 13'-4"oc. The interior footings appear to be 8" thick and 2'-0" wide. 4'-0"x4'-0" spread footings are spaced at 12'-10"oc (approx) to support the building columns above. The depth of the spread footings has not been determined. Four (4)2x6 wood stud posts are present at each building's column locations. The interior bearing stem walls have a height of 2'-8" with 2x6 studs spaced at 16"oc. 1/2" diameter anchor bolts spaced at approximately 5'-0"oc along each of the interior bearing stem walls tie the base plate to the concrete footing.

A 15'-0"x30'-0" (approx.) slab on grade is present at the southwest corner of the building. The slab thickness has not been determined. The crawlspace portion of beneath the slab on grade is contained by a pressure treated stem wall with 2x6 studs spaced at 16"oc, with a height of 2'-6". The thickness of the pressure treated plywood thickness has not been determined. Gravel fill is suspected to be placed beneath the slab on grade within the area contained by the pressure treated walls.

1st & 2nd Floor Framing:

The first floor framing consists of 2x12 dimensional lumber spaced at 16"oc. The 2x12 floor framing members bear on top of the interior and exterior foundation bearing walls. The framing is broken into three 14'-0" long sections along the 40'-0" width of the building. Solid blocking is present between floor framing members at each interior bearing wall. The floor diaphragm consists of 1-1/8" plywood sheathing throughout the entire first floor.

Based on measurements taken the second floor framing appears to be 2x12 floor joists with 3/4" plywood sheathing. The spacing of the floor framing has not been determined. We suspect beams are framed into the floor structure above the columns, running the along the length of the building. Further inspection of the floor framing is required if the use of the second floor is altered from its existing residential use.

Wall Framing:

Based on field measurements the wall construction consists of 2x6 standard framing. The location of shear walls is not known since the location of hold downs is concealed by interior and exterior finishes.

Roof Framing:

The roof framing consists of pre-manufactured wood trusses spaced at 2'-0"oc. The trusses have 2x6 wood top and bottom chords and 2 x4 wood web members. The trusses appear to be designed to span the 40'-0" width of the building with no support required by interior walls.

FACILITY RENOVATION WORK:

The first floor exterior walls that are having openings moved or added will be analyzed to ensure that they meet the needs of the structure. New headers and opening framing will need to be installed. Adequate shear wall sections will be designed and holddowns installed. The interior wall next to the overhead door is scheduled to be demolished. This wall may be a bearing wall; further investigation will be required to determine if this is the case, or if a beam already exists above it. If it is a bearing wall, a new beam and column will need to replace the wall. The 1st floor structure will be reinforced as required to support the change in use of space above.

The arctic entry will have a concrete footing supporting a concrete stem wall and a slab on grade floor. The walls will be wood frame, and will support a roof structure of pre-manufactured wood trusses. The second floor access walkway will be replaced, with new concrete footings and steel posts supporting the outside edge. New treated wood framing will support the reused existing walking surface. The fuel tank will be supported on treated timber sleepers, and secured against overturning forces by duckbill anchors.

MECHANICAL SYSTEMS – BASIS OF DESIGN

Codes and Standards:

The following codes will apply to the electrical portions of this project:

- 2009 International Building Code (IBC)
- 2009 International Fire Code (IFC)
- 2009 International Mechanical Code (IMC)
- 2009 Uniform Plumbing Code (UPC)
- 2009 International Energy Conservation Code (IECC)

- NFPA 13R: Installation of Sprinkler Systems in Residential Occupancies up to and Including Four Stories in Height

We will use the following additional standards as a basis of design for this project:

- UAF Division 21, 22, 23 Design Standards

EXISTING CONDITIONS SURVEY OF MECHANICAL SYSTEMS

Plumbing:

The domestic water service and waste both enter the building at the Northeast corner within the crawlspace. The domestic water is provided to the building with 1" soft drawn copper, the water entrance is comprised of a gate valve, strainer and pressure gauge.

The sanitary waste is a gravity drainage system and the main in the crawlspace is 4" ABS piping. On the first floor the waste serves a single restroom with 3" ABS. The three apartments of the second floor are served with 3" ABS. Where these two lines converge in the crawlspace 4" ABS continues through the crawlspace unit it exits through the floor. Waste piping throughout the building appeared to be ABS. A yard cleanout was observed within 5 ft of the building perimeter along the Northeast side of the building.

The building crawlspace has a sump pump installed in a bucket approximately 6" below grade.

Plumbing fixtures within the building appeared to be original and in fair condition. The first floor fixtures consist of a service sink and floor mounted tank style water closet. The second floor apartments each have a single bathroom and kitchen. Plumbing fixtures include a floor mounted tank style water closet, lavatory, shower/tub combination, washing machine box, kitchen sink, and dishwasher. The boiler room has a floor drain without trap primer. All plumbing fixtures appear to be in working condition.

Domestic water is provided with a side arm heat exchanger integral to the fuel oil boilers. The heat exchanger utilizes two 50 gallon electric water heaters. Both electric water heaters are not connected and are utilized only for storage purposes. An aqua stat on one of the water heaters cycles a circulation pump to maintain set point. A second domestic water pump is installed as a circulation pump and operates continuously. The heat exchanger for the domestic hot water is not double wall construction and does not meet current code. Double wall construction for heat exchangers is required per code to ensure no cross continuation between the domestic water system and the heating system.

Heating:

Building heat is provided with two Burnham model V-76-T fuel oil boilers. Each is capable of providing a DOE net heating capacity of 221 MBH. The boilers are pipe in series with lead/lag circulating pumps. An air separator and steel compression tank are located within the mechanical room. The boiler flues combine and exit through the roof of the mechanical room; there are signs of leaks from the roof penetration. Combustion air to the room is provided high and low, along with a supply fan for cooling. The combustion air serving the boilers does not appear to meet current code. The lead/lag pumps serving the building are two different sizes (Grundfos UP 50-75F and UMC50-80), one pump is used at a time.

The first floor space is heated with multiple unit heaters, each has isolation valves, water is continuously circulated through each heater and the fan is energized by a local thermostat to provide heat. The second floor space is served with baseboard throughout. Each apartment has a control valve and associated thermostat to provide heat on demand. The crawlspace is served with bare fin tube that energizes on a thermostat located in the crawlspace. Copper piping was observed in the crawlspace and is insulated with residential grade closed cell type insulation.



The boilers are supplied with fuel oil from a 300 gallon tank located outside the second floor mechanical room. A single fuel oil supply is routed to the mechanical room, no

return pipe or tiger loop is installed. The fuel oil piping appeared to be threaded schedule 40 and appeared in fair condition. No check valves are installed on the fuel oil supply to each boiler. Oil filters were present at each boiler.

Ventilation:

Ventilation is provided to the building with operable openings. Each restroom is provided with an exhaust fan and wall switch. Each kitchen is provided with a range hood.

Fire Protection:

The building is not protected with a fire alarm or suppression system.

Controls:

The building is equipped with local thermostats and does not have a whole building control system. Thermostats throughout are simple and do not include night setback or programmable functions.

RECOMMENDATIONS TO SUPPORT FACILITY RENOVATION

Plumbing:

The existing 4" sanitary sewer size is adequate for the new plumbing fixtures added to the first floor. The new floor mounted tank style water closets will be provided with 4" piping to the main. A new waste vent will be routed through the mechanical room on the second floor and terminate with a 4" vent through roof.

ADA plumbing fixtures will be incorporated into the design per the architectural plans. Water closets will be manual 1.6 gallon per flush and will be pressure assisted tank type, with a minimum MaP rating of 800, and capable of operating at 20 psi water pressure, American Standard brand or similar. Lavatories will be wall hung vitreous china with single lever ADA faucets and 0.5 gpm flow restricting aerator. Showers will include commercial grade Moen thermostatic mixing valves and floor drains, shower wand will be included in ADA location. Service sinks will be 19 gauge minimum 18-8 stainless steel single compartment units with gooseneck faucet and wrist blade handles for easy operation.

Domestic water isolation valves will be provided for each floor and each restroom to allow ease in maintenance. Further domestic water isolation will be provided at each fixture.

Floor drains will be provided with grate and trap primer.

The domestic hot water recirculation line will be replaced to serve first floor fixtures in order to minimize wait times for hot water and to save energy.

New 1" domestic hot and cold water will be provided to the first floor fixtures. Domestic water piping will be Type "L" copper. Waste, vent, and rain leader piping to be hard temper copper drainage tubing (DWV) or ABS. Domestic water piping will be insulated in accordance with UPC requirements and the International Energy Conservation Code.

One new Superstore indirect 80 gallon double-walled water heater will be provided with a temperature and pressure relief and thermostatic control. It will be specified with an additional closed cell insulated jacket to minimize standby losses. Heating capacity will provide for quick recovery and slight redundancy. A new single circulation pump will be provided for the glycol side indirect water heater. A second new domestic water circulation pump will be provided for hot water circulation throughout the building.

The second floor plumbing fixtures are to remain as is, minimal upgrades will be provided to the space.

Heating:

Heating will be provided to the building with two new boilers, Weil McLain Ultra UO-5, each boiler will be sized to provide 2/3 of the building load and include standalone controls for boiler staging and alternation. Boilers will require combustion air to be provided to the mechanical room. Boilers will be provided with 30 psi relief valve and direct vent kit. Boilers will have LCD display and run hours log for easy troubleshooting and operation. Boiler will have domestic hot water priority and post purge cycle. Each boiler will be piped and provided with valving to allow it to be taken out of service while the other is in operation. Each boiler will be provided with a primary pump connected to the building main. Two new building circulation pumps will be provided in a lead/lag function to provide redundancy for the system. Each pump will be sized for 100% of the building load. A new 30 gallon glycol makeup unit will be provided to allow for an easy point for inhibitor supply to the heating system. A new strainer and diaphragm expansion tank will be provided for air removal and thermal expansion respectively. New 1-1/2" heating supply and return lines will be provided to the crawlspace for heating distribution. 1-1/2" supply and return lines will be routed within the crawlspace to the new baseboard throughout the building. The Science classroom is the only room that will not be provided with baseboard, this room will be heated with two small cabinet unit heaters recessed into the new walls and suspended from the ceiling. The reception area will also be provided with a single small cabinet unit heater to provide quick recovery for the front entrance.

Heating coils will be provided in the common outside air intake of each pair of heat recovery units to provide tempered air to the space. Local temperature sensor will activate a control valve for each to provide 75 deg F supply air temperature around (adjustable).

All heating piping to be Type "L" copper.

The heating distribution to the second floor to remain as is with minimal upgrades. The units will benefit from the installation of higher efficiency domestic hot water and heating equipment.

Ventilation:

Ventilation will be provided to the first floor space through four new heat recovery units. Each unit will include standalone controls and have the ability to operate at five different speeds and two different ventilation modes. All four units will be mounted in the crawlspace supply and exhaust ductwork will be provided to the units through the storage spaces on the first floor. Wall hoods will be used to reduce weather intrusion into the building. Exhaust hood will be located to ensure code minimums to operable windows and exterior doors. The units will be zoned based on occupancy. Each unit will have an integral defrost mode to reduce heat frosting and improve year around efficiencies. Ventilation air will be ducted through the crawlspace and supplied to each room. Exhaust will be drawn from common spaces and restrooms. Light commercial grilles and registers will be provided with opposed blade dampers for balancing.

Fire Protection:

The current design does provide fire protection for the second floor apartments alone. New fire service will be routed from the crawlspace to the second floor apartments. Sidewall sprinkler heads will be used to minimize impacts to the apartments.

Controls:

The first floor controls will consist of individual room thermostats for each distinct area. Ventilation controls for the heat recovery unit will be located in common spaces. The ventilation controls will allow for multiple settings to allow adjustments for building occupancy. The heating coil associated with the heat recovery unit will be standalone and setup to provide 75 deg F supply ventilation air (adjustable). The second floor controls are to remain as is.

Energy Conservation and Sustainability:

LEED certification for commercial interiors will be provided. The enhanced HVAC and plumbing systems, as described above, will contribute to achieving of LEED points for this facility. In addition to the sustainability features, the benefit of lower operating and maintenance factors will be an added benefit.

ELECTRICAL SYSTEMS – BASIS OF DESIGN

Codes and Standards:

The following codes, standards, and statutes were applied for this assessment:

- 2009 International Building Code (IBC)
- 2009 International Fire Code (IFC)
- 2008 National Electric Code (NEC)
- NFPA 101: Life Safety Code
- NFPA 72: National Fire Alarm and Signaling Code
- Alaska Statute AS 18.70.095

We will use the following additional standards as a basis of design for this project:

- Illuminating Engineering Society of North America (IESNA) Handbook, Tenth Edition.
- UAF Division 26, 27, 28 Design Standards

EXISTING CONDITIONS SURVEY OF ELECTRICAL SYSTEMS

Electrical Service:

Nushagak Electric and Telephone Cooperative provides electrical service to the NAPA Building via a 25kVA pole-mounted transformer, which solely serves the building. The overhead electrical service feeds a 400A-rated, 240/120V, single-phase, 3-wire meter center mounted on the exterior west wall of the building. The meter center has four (4) service meters and four (4) 100A-rated service main breakers. Three of the services feed the second-level apartments and the fourth service feeds the first-level NAPA auto parts store.



Power Distribution:

The NAPA auto parts store has an existing 100A, 240/120V, single-phase, 3-wire, recessed Square-D QO load center panelboard with 24-poles. There are three spaces available for future use. Existing breakers are plug-in style breakers. Loads on this panelboard consist of receptacle loads, lighting loads, garage door, and boiler equipment loads.

The second floor apartments each have a 100A, 240/120V, single-phase, 3-wire, recessed Square-D QO load center panelboard with 16-poles. Existing breakers are plug-in style breakers. Panel loads throughout the three apartment included receptacle and lighting, washer and dryer, dishwasher, and range loads. Existing panelboards in all three apartments were noted to be in fair condition.

NEC Article 210.12 in the 2008 National Electric Code requires arc-fault circuit interrupter (AFCI) protection in dwelling unit family rooms, dining rooms, living rooms, parlors, libraries, dens, bedrooms, sunrooms, recreation rooms, closets, hallways, or similar rooms or areas. The breakers serving these areas are not AFCI-rated circuit breakers.

Wiring Devices

The quantity of receptacles in the NAPA auto parts store is limited and serves specific equipment loads only.

Exterior head bolt outlets (HBO) for the tenants are located on the east end of the building, and are building-mounted. The covers are broken off, and should be replaced per NEC 406.8(B). According to the current building manager, the HBOs are never used, and can be removed.

NEC 210.52(E)(3) requires a ground-fault circuit interrupter (GFCI) rated receptacle at balconies, decks and porches of dwelling units. These exterior receptacles were not observed at these locations for each apartment.

Lighting:

Exterior illumination is provided via wall-mounted high-pressure sodium (HPS) luminaires. There are two HPS luminaires on the north wall, one on the west wall, and one on the south wall. Each dwelling unit has an additional incandescent luminaire mounted adjacent to the doorway. Existing exterior luminaires are in fair condition.

The NAPA auto parts sales floor has 5 rows of fourteen (14) surface-mounted, T12, 2-lamp fluorescent strip lights. The stocking area in the back of house has twenty-one (21) strip lights. Two of the offices have a 1x4 surface-mounted fluorescent wraparound fixtures and the restroom has a fan/light combination unit. It is recommended that the existing light fixtures be demolished and not be reused for future renovation projects for the first level.



The interior illumination in the apartments is provided via ceiling-mounted incandescent fixtures in the bedrooms, bathroom, and corridors. The kitchen and laundry areas have a

surface, ceiling-mounted fluorescent luminaire. Existing interior luminaires are in fair condition.

The crawl space illumination is provided via incandescent fixtures. Fixtures appear to be in fair condition.



Emergency Exit Signage and Egress Lighting:

The NAPA auto parts store has an exit sign above the main exit door and a second exit sign at the back of house exit on the southwest corner of the building. Exit signage coverage is not sufficient to meet the requirements and intent of the IBC and NFPA 101.

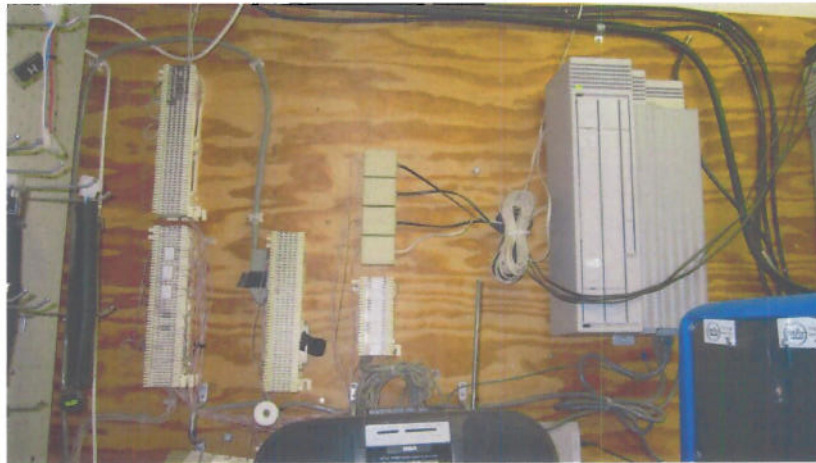
Emergency egress lighting is provided above the main exit door at the sales floor and by the NAPA store panelboard at the back of house. There is insufficient illumination to safely exit the building.

The exit discharge area must also be provided with emergency illumination at the exterior of the facility per NFPA 101.



Telecommunications and Data:

Nushagak Electric and Telephone Cooperative provides telephone and internet service to the NAPA Building. The overhead telephone service is adjacent to the overhead electrical service. The telephone network interface panel is located to the left of the existing electric meter center. The telephone terminal board (TTB) is located in the garage bay area on a plywood board adjacent to the distribution panel. Punch down blocks and telephone switch are mounted to the TTB.



Fire Alarm:

The building currently does not have a fire alarm system or a fire suppression system.

Battery-operated smoke alarms are provided outside of bedrooms; however, smoke alarms are not currently installed inside the bedrooms as required by IBC 907.2.11.2(2). Carbon monoxide detection devices must be installed in the dwelling units per AS 18.70.095 - Smoke and Carbon Monoxide Detection Devices.

FACILITY RENOVATION DESIGN

Electrical Service:

The existing 100A service for the first level is not sufficient to support the new renovation. The first level alone will require up to a 200A, 240/120V, single-phase, 3-wire service to support new functions intended for the space. This service upgrade will require the meter pack to be upgraded to a 600A service with each individual service

rated at 200A. The 25KVA pole mounted transformer will need to be upsized to a 50KVA pole mounted transformer to support the additional loads.

The existing grounding system will need to be upgraded to support the larger electrical service for the building.

Power Distribution:

A new 200A, 240/120V, single-phase, 3-wire panelboard will be provided to support the first level electrical loads, existing exterior lighting, and mechanical systems supporting the building.

Existing panelboards in the dwelling units are in fair condition and may remain. Existing circuit breakers serving dwelling unit dining rooms, living rooms, bedrooms, closets, hallways, or similar rooms or areas will need to be replaced with AFCI-rated circuit breakers.

Wiring Devices

All existing wiring devices on the first level will need to be demolished, and replaced with all new 125V, 20A grounding type receptacles and 125V, 20A light switches. Receptacles will be installed throughout the building to support the designated usage of each of the new rooms.

Lighting:

Exterior lighting will be replaced with high efficiency LED fixtures. Each of these fixtures will be provided with a motion detector and will operate at a low light output mode until motion is detected. All exterior lighting will be controlled by a single photosensor controlled contactor.

All existing interior light fixtures on the first level will be demolished and replaced with energy-efficient, surface-mounted fluorescent fixtures. Due to minimal plenum space between the ceiling of the first level and the floor of the second level, low-profile, surface-mounted fixtures will be used for the first level. The renovation will be illuminated per IESNA recommendations and UAF standards. The lighting in each room will be controlled by occupancy sensors with switches used in utility rooms. The conference room will be provided with dimming switches for improved controllability.

Existing interior apartment light fixtures may remain until further plans are projected for the second level apartments.

Emergency Exit Signage and Egress Lighting:

All existing emergency exit signage and egress lighting will need to be demolished, and a new exit signage and egress lighting design will need to be provided to support the new function of the first level. Battery-backed, wall-mounted LED fixtures will be provided to provide emergency egress lighting in accordance to the IBC. LED remote heads will be installed at the exterior exit doors to illuminate the exit discharge.

Communications:

The existing service demarcation will be relocated to a dedicated Comm Room within the renovation. A new wall-mounted data rack with integral fan and surge suppression, and two (2) 48-port data patch panels will be provided on the rack. The room will be provided with a fire-treated plywood board on one wall to support patch panels and the telephone switch. CAT6 cabling will be provided to support data and telephone.

All data outlets shall have three (3) RJ45, CAT-6 cabling ports. Data outlets shall be labeled with data patch panel equipment number and port number.

Fire Alarm:

Per IBC 907.2.3, Group E occupancy does not require a manual fire alarm system if the occupant load is less than 50.

A fire alarm system consistent with IBC and NFPA 72 will be provided.

CIVIL SYSTEMS – BASIS OF DESIGN

Existing Site Conditions:

Site Location

The project location is the NAPA building in Dillingham, Alaska on "D" Street.

The site is currently developed. Paved areas include parking spaces located at the northwest face of the building and a concrete loading ramp to the garage door on the southwest side of the building. The remaining parking areas, along with the alley on the southeast side of the building are gravel.

The building, to which the renovation and future addition will be constructed, consists of one two story building. The future addition will be two stories.

Site Topography

A site survey has not been received by the A/E team as yet. Site photos indicate that the site drains well away from the building. Existing drainage patterns have yet to be determined.

Site Soils

At this time a geotechnical investigation for the site has not been performed.

Existing Utilities:

Water

As-built information has not been received by the A/E team as yet. The existing building is serviced by the city water utility and is believed to enter the building near the most southern corner of the building.

Sewer

As-built information has not been received by the A/E team as yet. The existing building is serviced by the city sewer utility. The sewer service is believed to exit the building near the most southern corner.

Storm

Existing storm water as-built information has not been received by the A/E team as yet. The 2009 building as-built shows a Storm Drain Manhole to the southwest of the building.

RECOMMENDATIONS TO SUPPORT FACILITY RENOVATION

The scope of this project is to renovate the first floor of the existing NAPA building to provide operation functions for the UAF Bristol Bay Campus.

A future project may be an addition to the northwest side of the building.

Site Grading

Development of the site will provide positive drainage away from the new addition for a minimum of 10 ft. Drainage will be achieved by grading the existing ground surface surrounding the future addition.

Site Drainage

The site survey has not been received by the A/E team as yet. However, the existing site drainage will maintain the predominate drainage patterns to the extent possible.

Interior roof drains are not planned for this project. The new building addition's roof will be allowed to drain to the surface where it will combine with existing surface drainage patterns.

The project area is under 1.0 acres. As such a Storm Water Pollution and Prevention Plan (SWPPP) will not be required to comply with EPA or ADEC requirements. A Notice of Intent (NOI) will not be required either.

Ground water may be encountered during the construction process depending on rainfall events and the time of construction.

Parking Areas

There are no proposed changes to the existing parking areas for the first floor renovations. Using the B-Occupancy standard of 1 parking space per 300 sf, there are 12 spaces required for the Level 1 classrooms/offices. The Level 2 residential occupancies require one parking space per unit. A total of 15 parking spaces are required for the Allied Health building. An ADA parking area is provided on the northwest side of the building. There is an accessible route from this ADA parking area to the main entry door. The primary parking area for the building is across D St. A D St crossing area is recommended for direct access to the Applied Science building. UAF will coordinate with the City of Dillingham to establish a crossing location and features.

Utilities:

Water

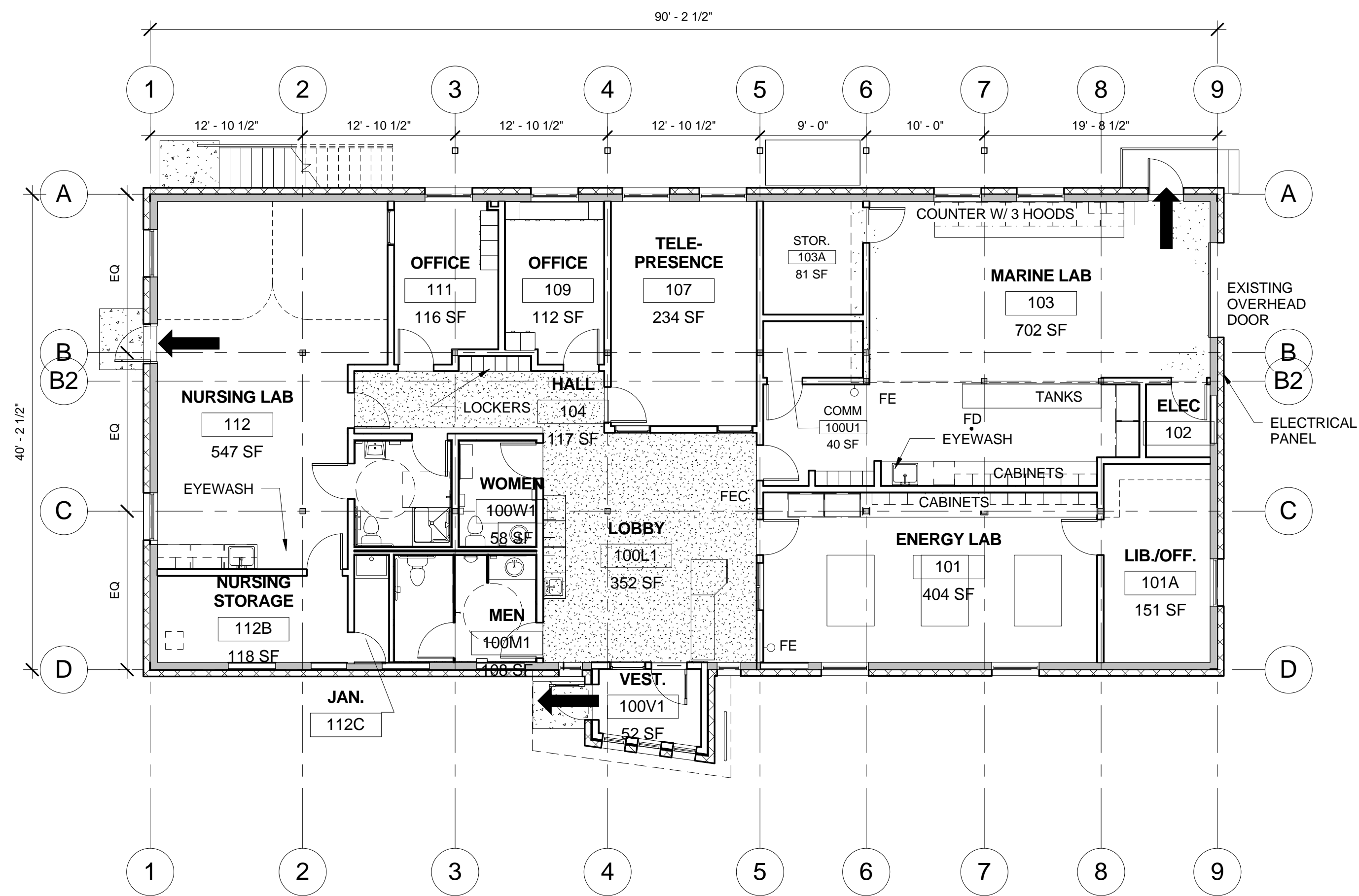
Modifications to the existing water service are not expected for this project. However, if it is determined that a sprinkler system is required, the water service will likely require upsizing to provide enough water for the system.

Sewer

This project will not require modifications to the existing sewer.

On-site Storm

An on-site storm drain system will not be provided as part of this project. The roof and site will be allowed to surface drain to existing adjacent drainage patterns.



CODE INFORMATION

CONSTRUCTION TYPE: V-B - LEVEL 2:13R SPRINKLER SYSTEM 2009 IBC

OCCUPANCY GROUPS: B - EDUCATIONAL AFTER 12TH GRADE*
R-2 - RESIDENTIAL

OCCUPANCY SEPARATIONS: B/R-2 1 HOUR CEILING/FLOOR
R-2 1 HOUR BETWEEN DWELLING UNITS (EXISTING)

* NO HAZARDOUS CHEMICALS IN LABS

OCCUPANT LOADS:
VOC/LABS 1732/50 = 35
TELEPRESENCE 275/14 = 19
OFFICE/LIBRARY 751/100 = 8
STORAGE 271/300 = 1
TOTAL OCCUPANT LOAD: 63

TABLE 1021.2: B OCCUPANCY > 49 OCCUPANTS REQUIRES 2 EXITS

PLUMBING FIXTURES PER 1997 UPC - TABLE 4 - 1:

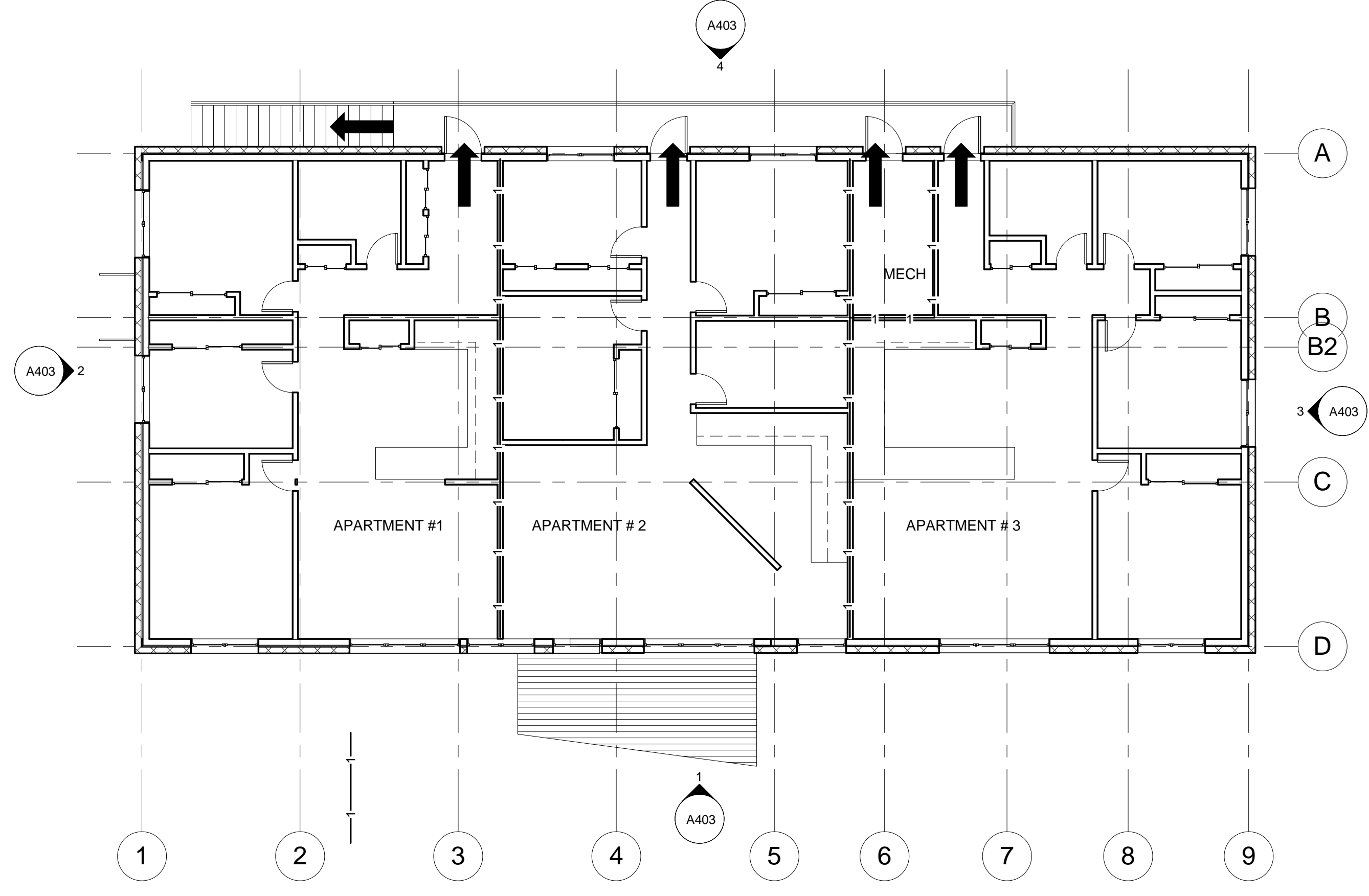
SCHOOLS: COLLEGES AND UNIVERSITIES
WOMEN: 2 WC, 1 LAV
MEN: 1 WC, 1 URINAL, 1 LAV
1 DRINKING FOUNTAIN
1 JAN. SINK

FUEL TANK SEPARATION - 5' MIN.

REVIEWED BY: Michael P. Carlson
 PROJECT: BB CAMPUS APPLIED SCIENCE
 DRAWN BY: DP, WZ
 DATE: 09-27-2012
 REVISIONS:

McCOOL CARLSON GREEN
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 421 W 1st Ave., Suite 300 ANCH., AK 99501 (907) 563-8474

1 REFERENCE CODE PLAN - LEVEL 1
 G201 1/8" = 1'-0"



LEGEND

- 1- - 1- 1 - HOUR FIRE PARTITION WALLS TO UNDERSIDE OF FRAMING ABOVE
- ACCESSIBLE ROUTE, NON RATED CORRIDOR
- ROOM NUMBER
ROOM AREA
- EXIT DIRECTION
- - - - - EXIT ACCESS PATH
- FE FIRE EXTINGUISHER; WALL BRACKET MOUNT 2A - 10BC TO BE PROVIDED AND INSTALLED BY CONTRACTOR
- FEC FIRE EXTINGUISHER IN RECESSED CABINET TO BE PROVIDED AND INSTALLED BY CONTRACTOR

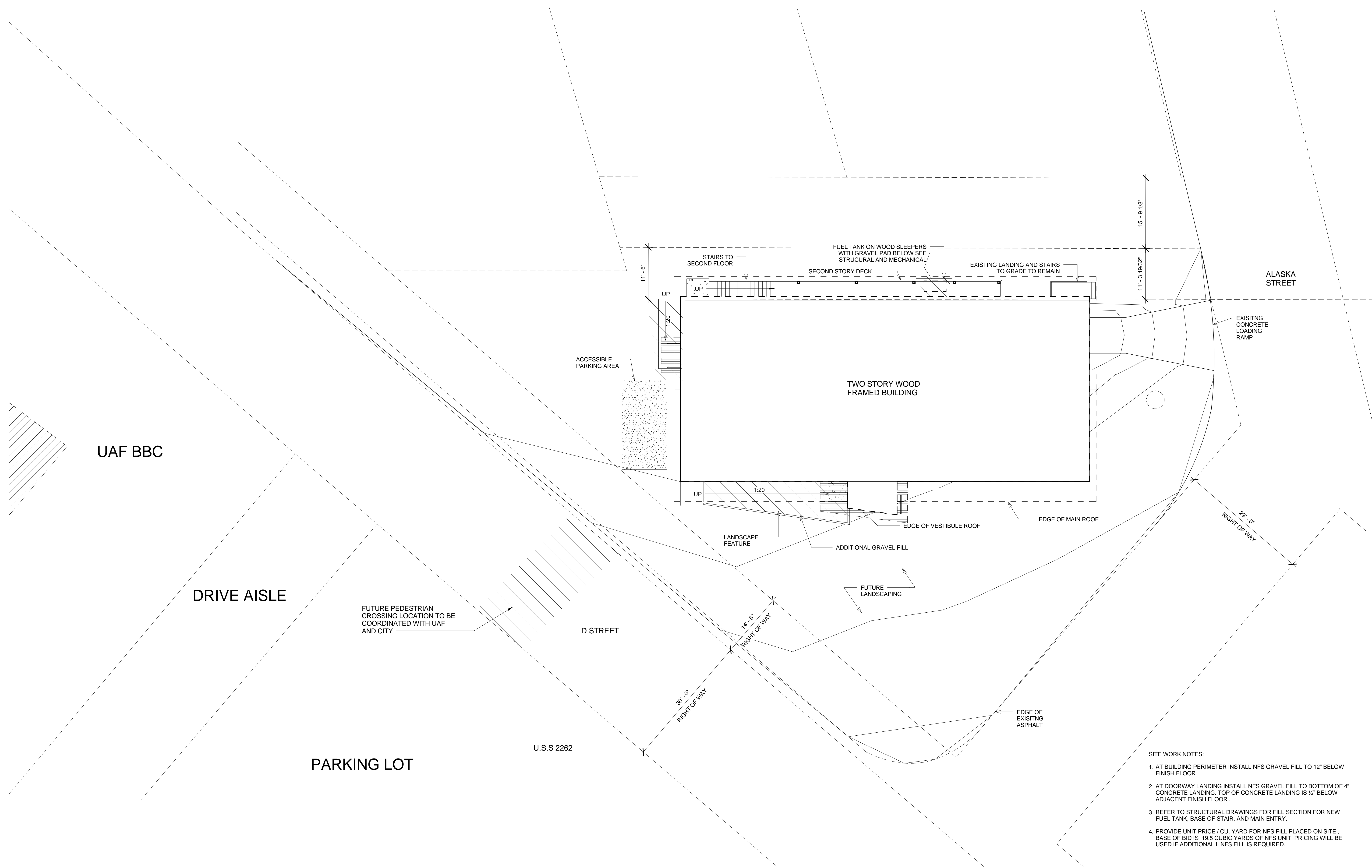
2 REFERENCE CODE PLAN - LEVEL 2
 G201 1/8" = 1'-0"

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 DILLINGHAM, ALASKA

SHEET NO.
G201

CODE REFERENCE PLAN



UAF BBC

DRIVE AISLE

PARKING LOT

D STREET

U.S.S 2262

ALASKA STREET

TWO STORY WOOD FRAMED BUILDING

ACCESSIBLE PARKING AREA

STAIRS TO SECOND FLOOR

SECOND STORY DECK

EXISTING LANDING AND STAIRS TO GRADE TO REMAIN

FUEL TANK ON WOOD SLEEPERS WITH GRAVEL PAD BELOW SEE STRUCTURAL AND MECHANICAL

EXISTING CONCRETE LOADING RAMP

LANDSCAPE FEATURE

ADDITIONAL GRAVEL FILL

FUTURE LANDSCAPING

EDGE OF VESTIBULE ROOF

EDGE OF MAIN ROOF

EDGE OF EXISTING ASPHALT

SITE WORK NOTES:

1. AT BUILDING PERIMETER INSTALL NFS GRAVEL FILL TO 12" BELOW FINISH FLOOR.
2. AT DOORWAY LANDING INSTALL NFS GRAVEL FILL TO BOTTOM OF 4" CONCRETE LANDING. TOP OF CONCRETE LANDING IS 1/2" BELOW ADJACENT FINISH FLOOR.
3. REFER TO STRUCTURAL DRAWINGS FOR FILL SECTION FOR NEW FUEL TANK, BASE OF STAIR, AND MAIN ENTRY.
4. PROVIDE UNIT PRICE / CU. YARD FOR NFS FILL PLACED ON SITE. BASE OF BID IS 19.5 CUBIC YARDS OF NFS UNIT. PRICING WILL BE USED IF ADDITIONAL NFS FILL IS REQUIRED.

1 ARCHITECTURAL SITE PLAN
A101 1" = 10'-0"

95% DESIGN SUBMITTAL

SHEET NO.

A101

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DILLINGHAM, ALASKA

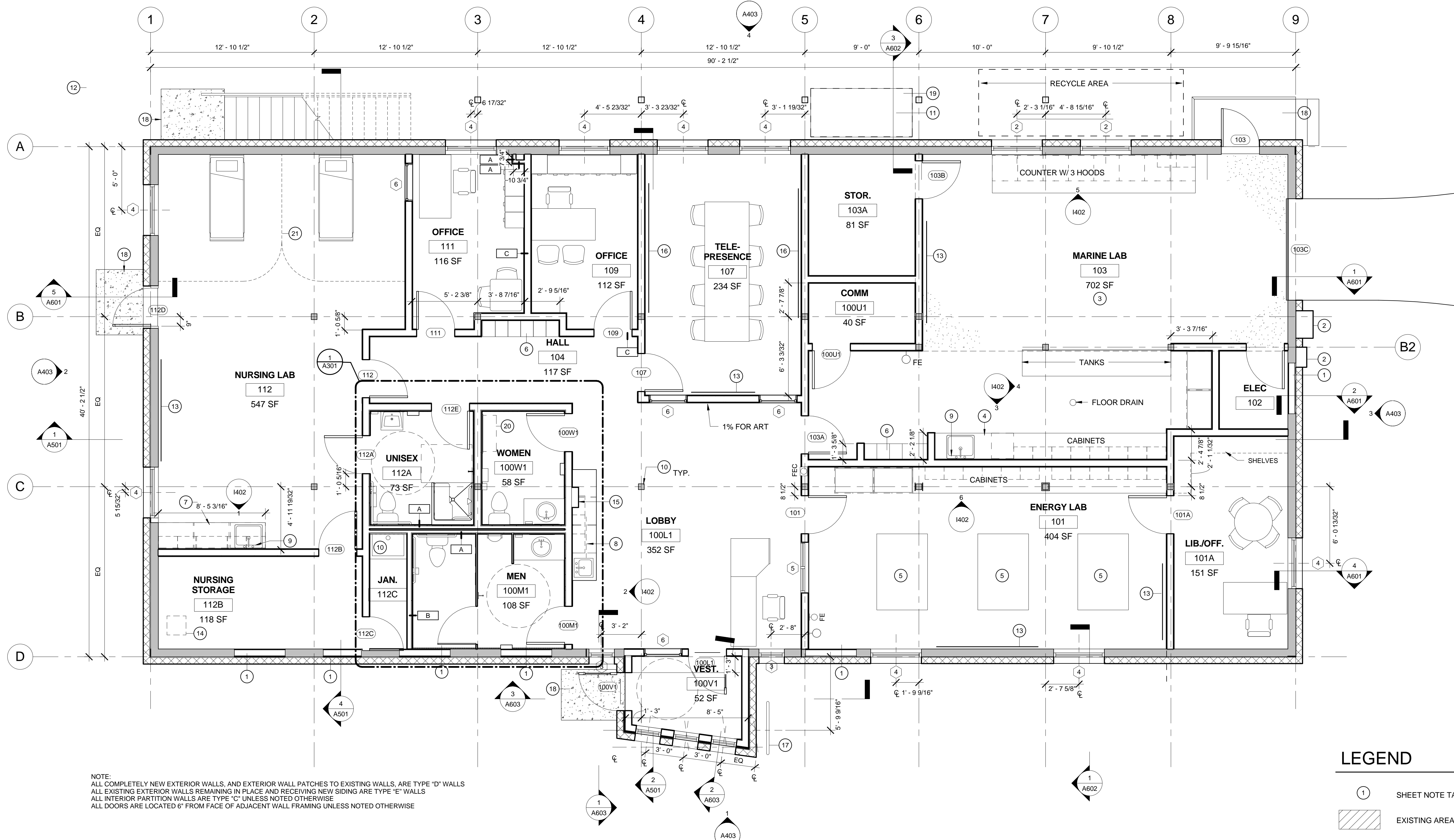
ARCHITECTURAL SITE PLAN

McCOOL CARLSON GREEN
ARCHITECTURE - INTERIOR DESIGN - PLANNING
421 W 1st Ave., Suite 300 ANCH., AK 99501 (907) 563-8474

REVISIONS:
DATE: 09-27-2012
DRAWN BY: WZ, DP
PROJ. MGR.: SEB

REVIEWED BY:
Michael F. Carlson

JOB NO. 2012011



NOTE:
 ALL COMPLETELY NEW EXTERIOR WALLS, AND EXTERIOR WALL PATCHES TO EXISTING WALLS, ARE TYPE "D" WALLS
 ALL EXISTING EXTERIOR WALLS REMAINING IN PLACE AND RECEIVING NEW SIDING ARE TYPE "E" WALLS
 ALL INTERIOR PARTITION WALLS ARE TYPE "C" UNLESS NOTED OTHERWISE
 ALL DOORS ARE LOCATED 6" FROM FACE OF ADJACENT WALL FRAMING UNLESS NOTED OTHERWISE

1 FLOOR PLAN - LEVEL 1
 A201 1/4" = 1'-0"



SHEET NOTES

- | | | | |
|------------------------------------|--|--|----------------------------|
| 1 INFILL (E) OPENING | 6 CUBBIES - CASEWORK | 12 SLOPED GRAVEL FILL | 18 5' X 4' CONCRETE PAD |
| 2 (E) ELECTRICAL SERVICE TO REMAIN | 7 NURSING SINK/CASEWORK | 13 MARKERBOARD | 19 5' X 6' CONCRETE PAD |
| 3 (E) CONCRETE FLOOR TO REMAIN | 8 COMMONS SINK / CASEWORK W/ MICROWAVE SHELF | 14 CRAWLSPACE ACCESS | 20 BABY CHANGING STATION |
| 4 EPOXY COUNTERS | 9 LAV MOUNTED EMERGENCY EYEWASH | 15 WALL MOUNTED WATER STATION | 21 NURSING PRIVACY CURTAIN |
| 5 WORK BENCH - MODULAR UNITS | 10 JANITOR SINK | 16 WALL MOUNTED VIDEO SCREENS (PROVIDE BLOCKING) | |
| | 11 FUEL TANK | 17 BICYCLE RACK | |

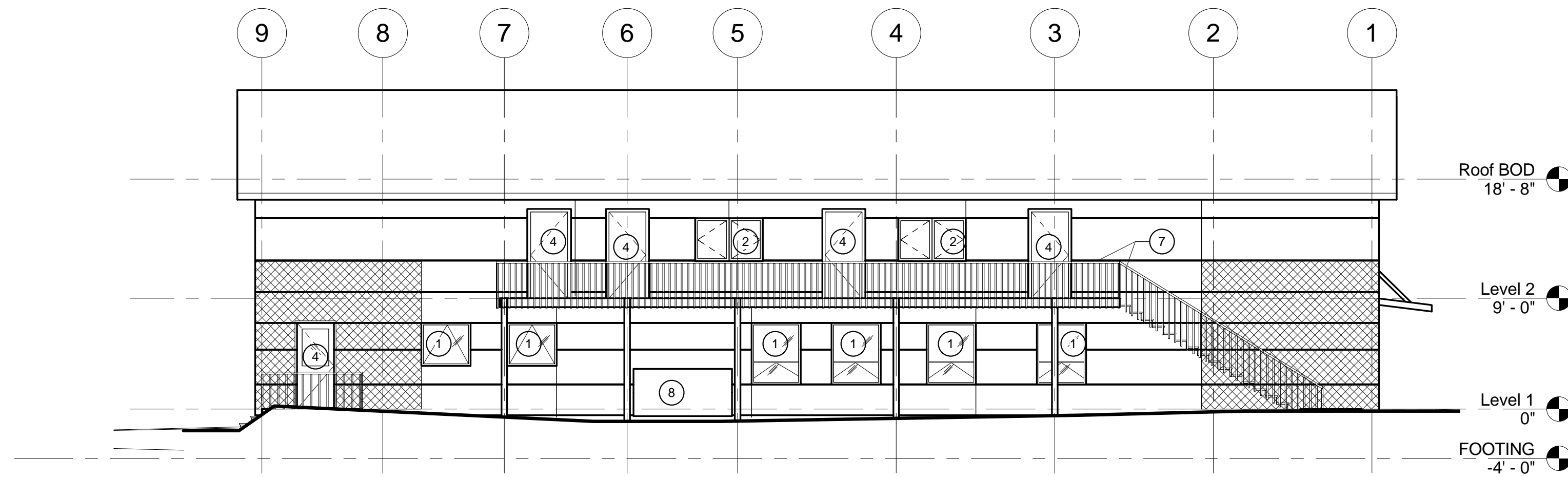
LEGEND

- ① SHEET NOTE TAG
- EXISTING AREA - NIC
- EXISTING WALL
- EXISTING DOOR
- NEW WALL
- NEW DOOR AND FRAME
- FIRE EXTINGUISHER; WALL BRACKET MOUNT 2A - 10BC TO BE PROVIDED AND INSTALLED BY CONTRACTOR
- WINDOW TYPE TAG
- WALL TYPE TAG
- (E) EXISTING

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 UNIVERSITY OF ALASKA FAIRBANKS
 DILLINGHAM, ALASKA
 REMODEL FLOOR PLAN - LEVEL 1
 SHEET NO. **A201**
 407

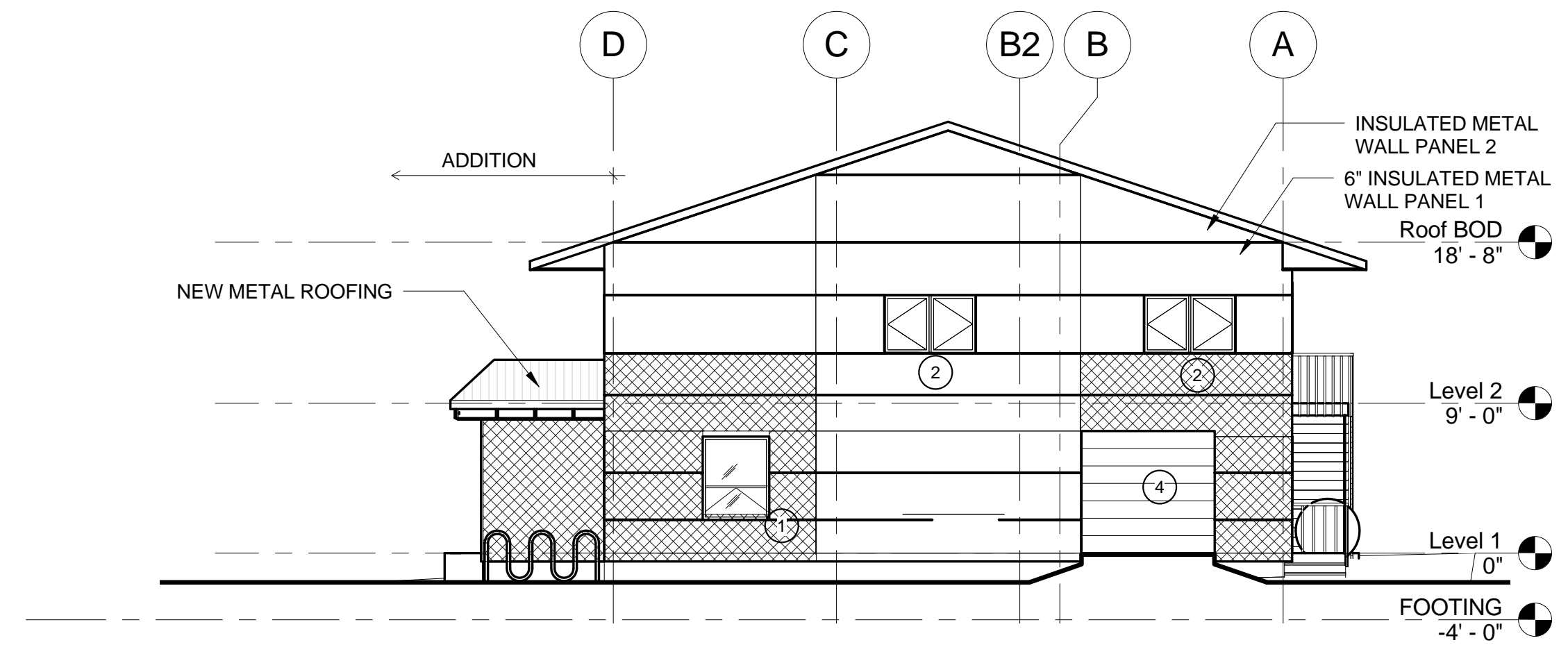
REVIEWED BY:
 PROJECT MGR. SEB
 DRAWN BY: WZ
 DATE: 09-27-2012
 REVISIONS:
 Michael P. Carlson

McCool Carlson Green
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 421 W 1st Ave. Suite 300 ANCH., AK 99501 (907) 563-8474



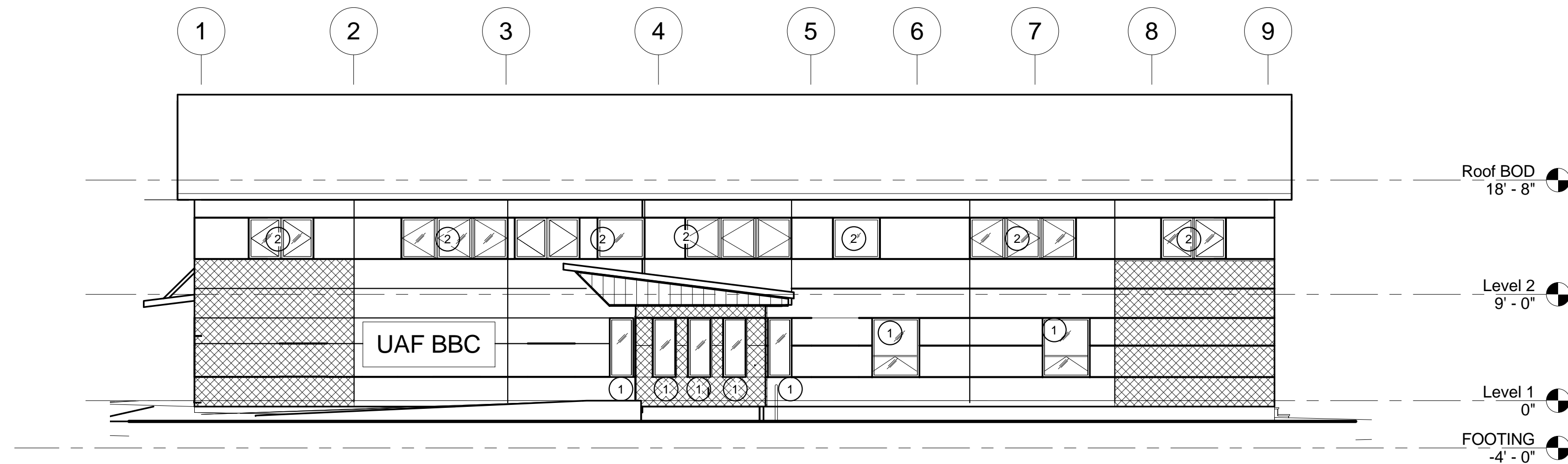
1 BUILDING ELEVATION - WEST A

A401 1/8" = 1'-0" 22X34 SHEET @ 1/8" = 1'-0" 11X17 SHEET @ 1/16" = 1'-0"



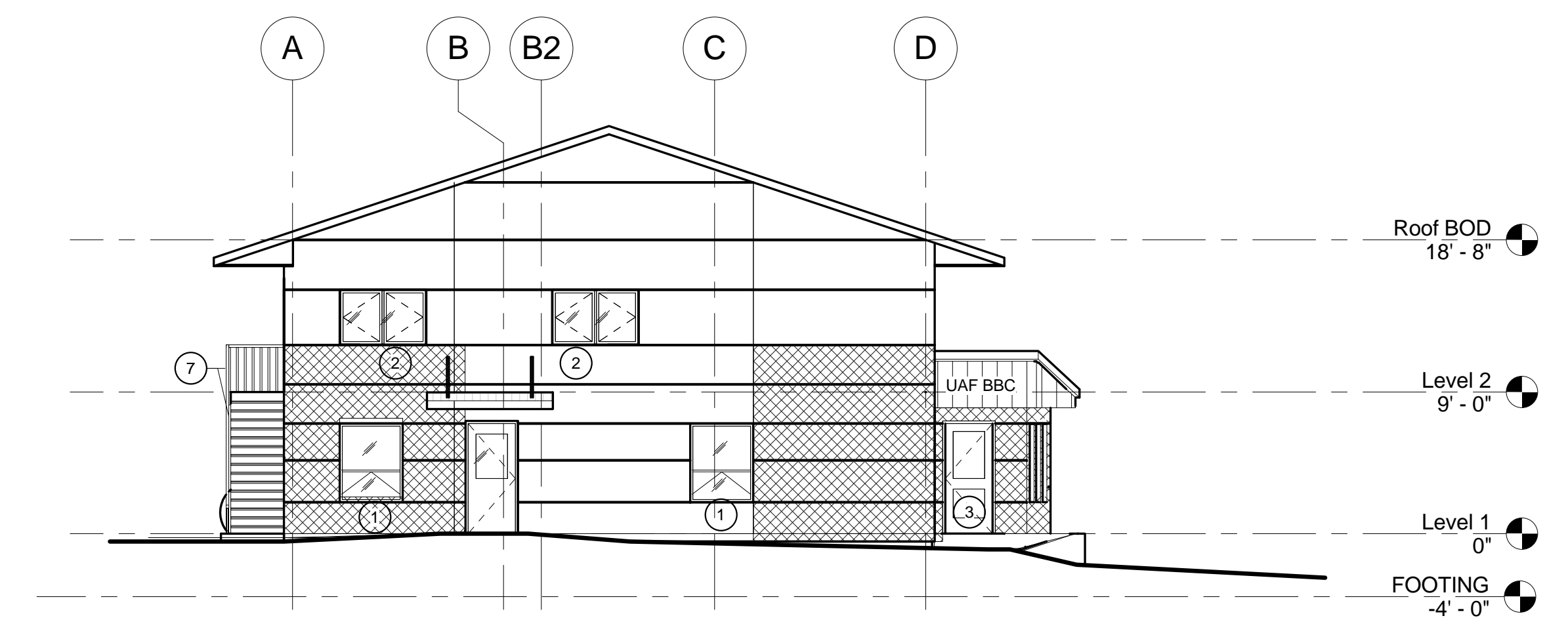
2 BUILDING ELEVATION - SOUTH A

A401 1/8" = 1'-0" 22X34 SHEET @ 1/8" = 1'-0" 11X17 SHEET @ 1/16" = 1'-0"



3 BUILDING ELEVATION - EAST A

A401 1/8" = 1'-0" 22X34 SHEET @ 1/8" = 1'-0" 11X17 SHEET @ 1/16" = 1'-0"



4 BUILDING ELEVATION - NORTH A

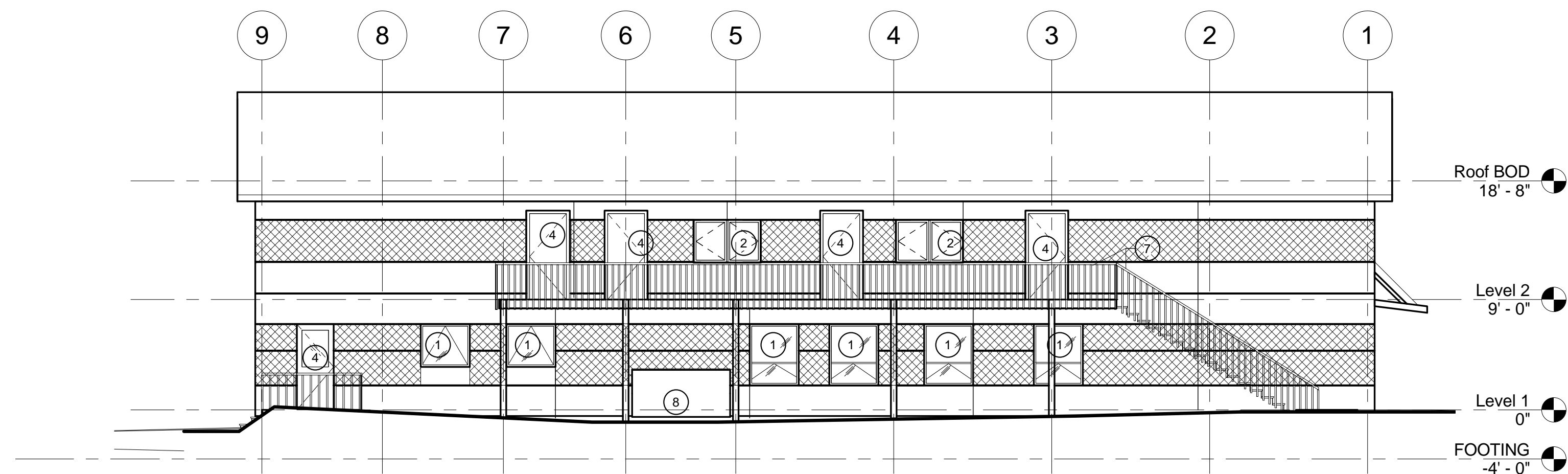
A401 1/8" = 1'-0" 22X34 SHEET @ 1/8" = 1'-0" 11X17 SHEET @ 1/16" = 1'-0"

GENERAL NOTES

1. DEMO EXISTING SIDING DOWN TO SHEATHING
2. NEW EXTERIOR WALL: WALL TYPE C
3. (E) METAL ROOF TO REMAIN

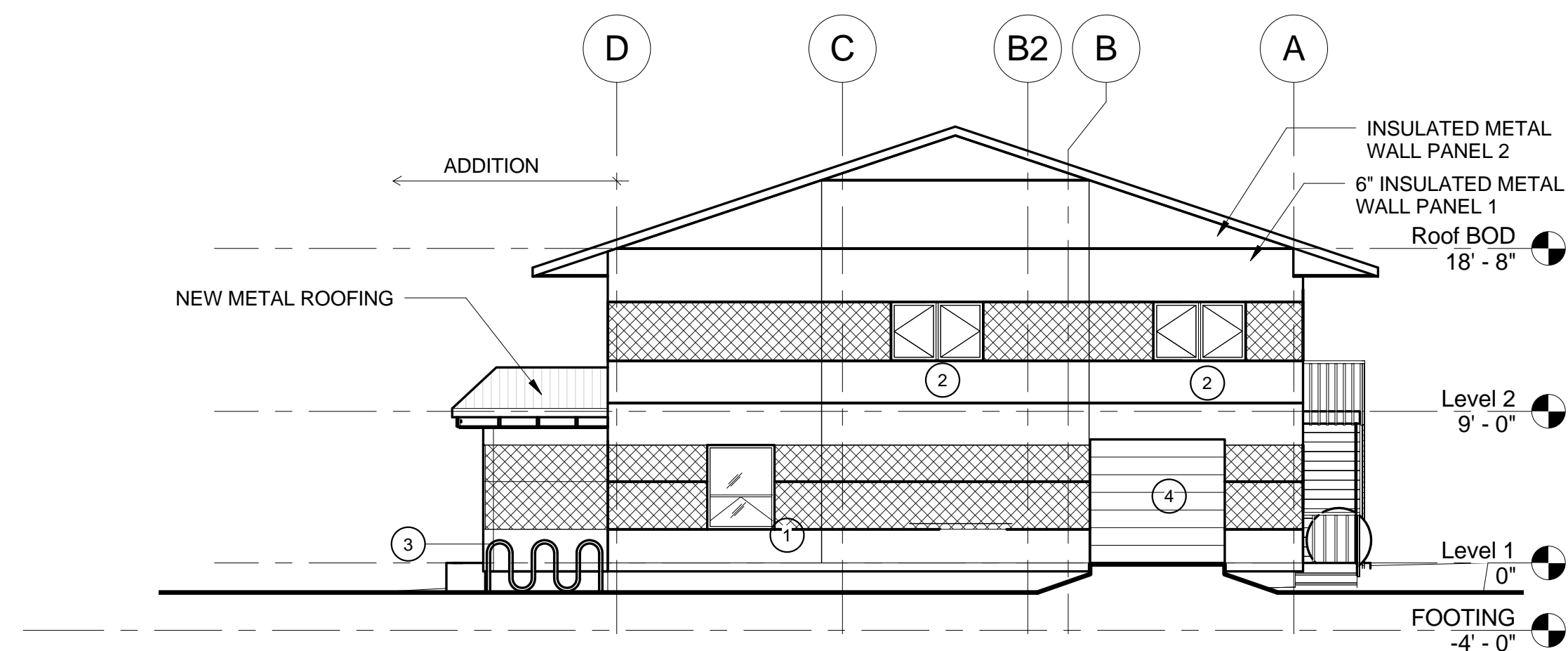
KEY NOTES

1. NEW WINDOW
2. EXISTING WINDOW TO REMAIN
3. NEW DOOR
4. EXISTING DOOR TO REMAIN
5. (E) METAL ROOF TO REMAIN
6. REMOVE AND REINSTALL (E) SERVICE PANELS
7. NEW STAIR DECK AND RAILINGS, REUSE EXISTING DECK AND TREADS. SEE STRUCTURAL
8. NEW FUEL TANK



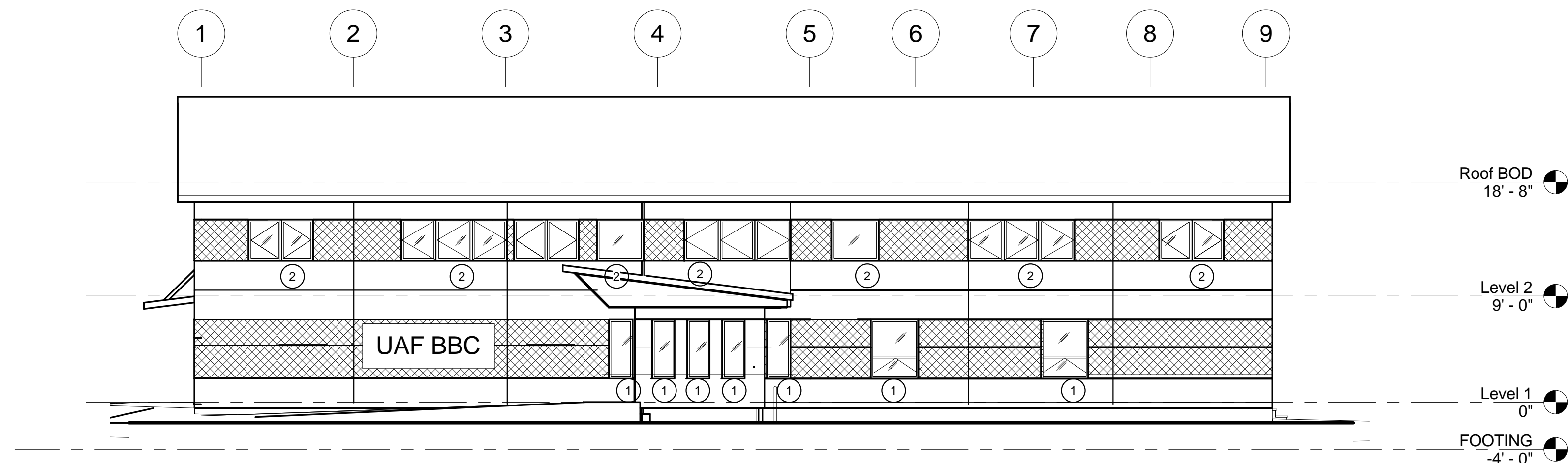
4 BUILDING ELEVATION - WEST B
A402 1/8" = 1'-0"

22X34 SHEET @ 1/8" = 1'-0"
11X17 SHEET @ 1/16" = 1'-0"



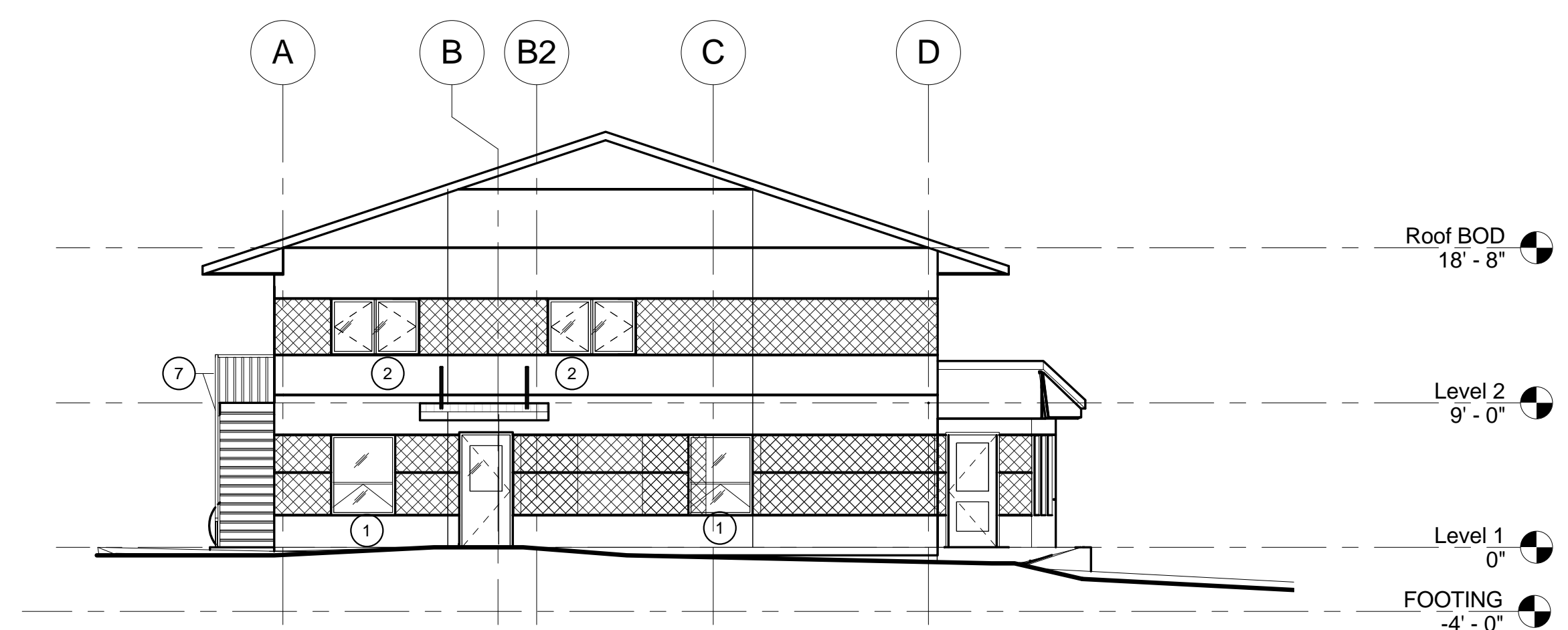
3 BUILDING ELEVATION - SOUTH B
A402 1/8" = 1'-0"

22X34 SHEET @ 1/8" = 1'-0"
11X17 SHEET @ 1/16" = 1'-0"



1 BUILDING ELEVATION - EAST B
A402 1/8" = 1'-0"

22X34 SHEET @ 1/8" = 1'-0"
11X17 SHEET @ 1/16" = 1'-0"



2 BUILDING ELEVATION - NORTH B
A402 1/8" = 1'-0"

22X34 SHEET @ 1/8" = 1'-0"
11X17 SHEET @ 1/16" = 1'-0"

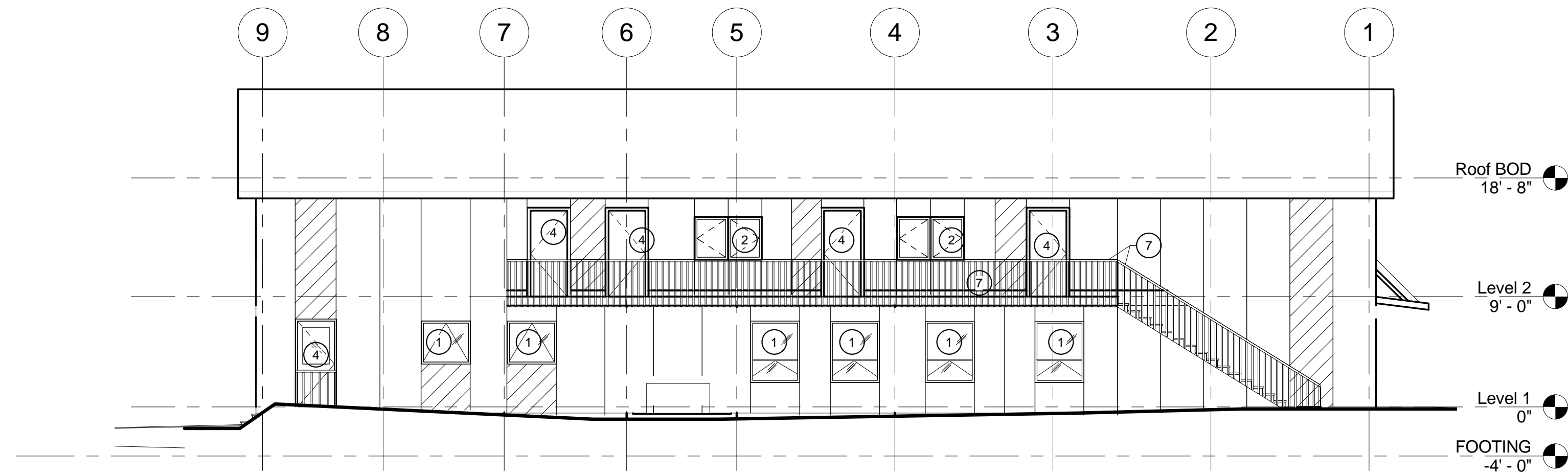
KEY NOTES

- ① NEW WINDOW
- ② EXISTING WINDOW TO REMAIN
- ③ NEW DOOR
- ④ EXISTING DOOR TO REMAIN
- ⑤ (E) METAL ROOF TO REMAIN
- ⑥ REMOVE AND REINSTALL (E) SERVICE PANELS
- ⑦ NEW STAIR DECK AND RAILINGS, REUSE EXISTING DECK AND TREADS. SEE STRUCTURAL
- ⑧ NEW FUEL TANK

GENERAL NOTES

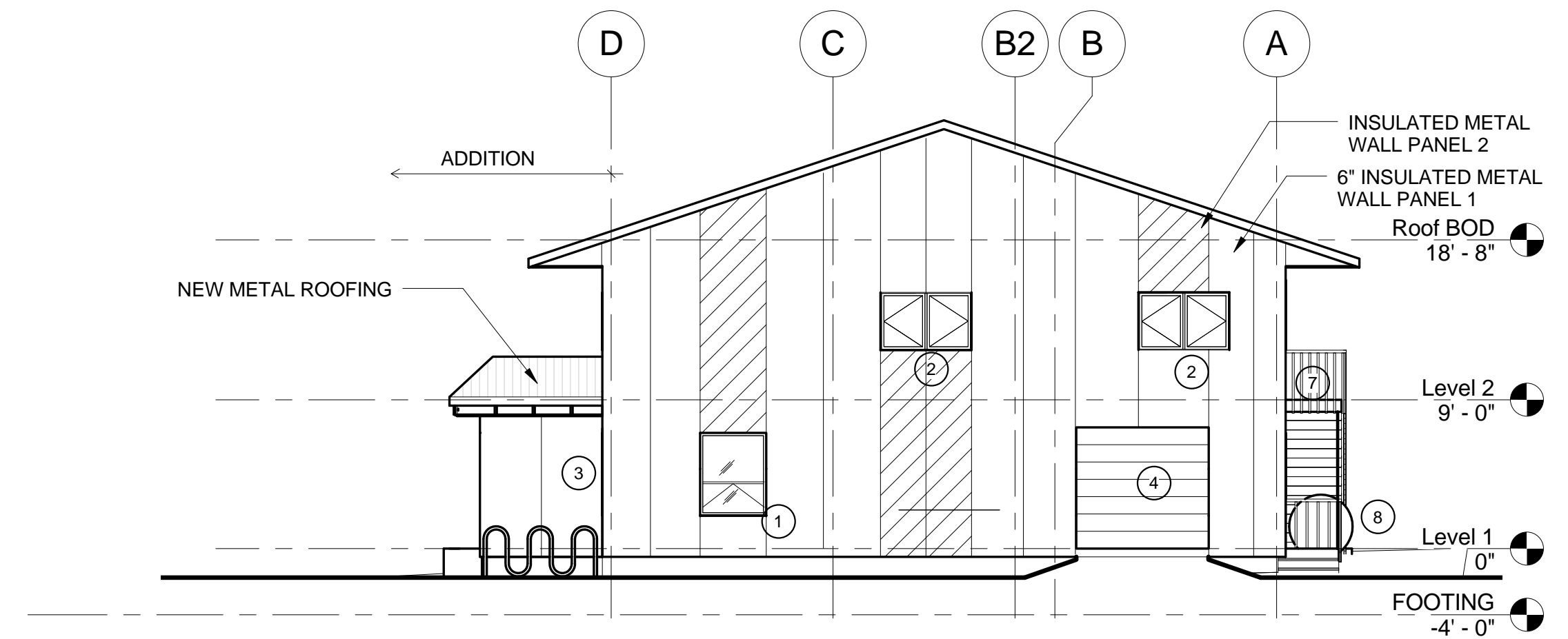
- 1. DEMO EXISTING SIDING DOWN TO SHEATHING
- 2. NEW EXTERIOR WALL: WALL TYPE C
- 3. (E) METAL ROOF TO REMAIN





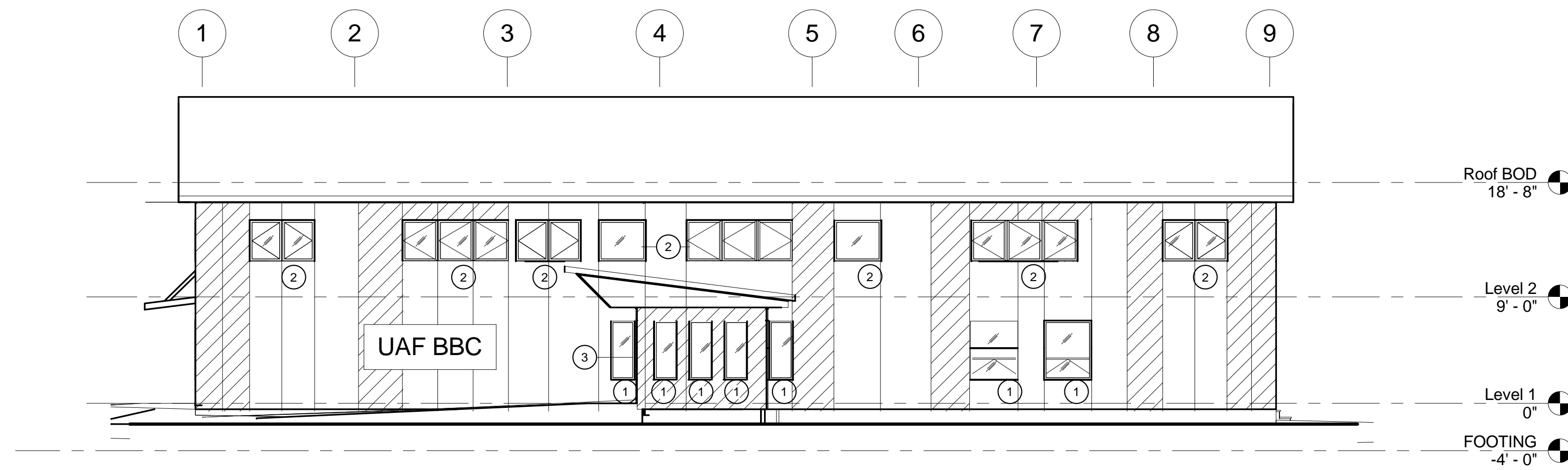
4 BUILDING ELEVATION - WEST C
A403 1/8" = 1'-0"

22X34 SHEET @ 1/8" = 1'-0"
11X17 SHEET @ 1/16" = 1'-0"



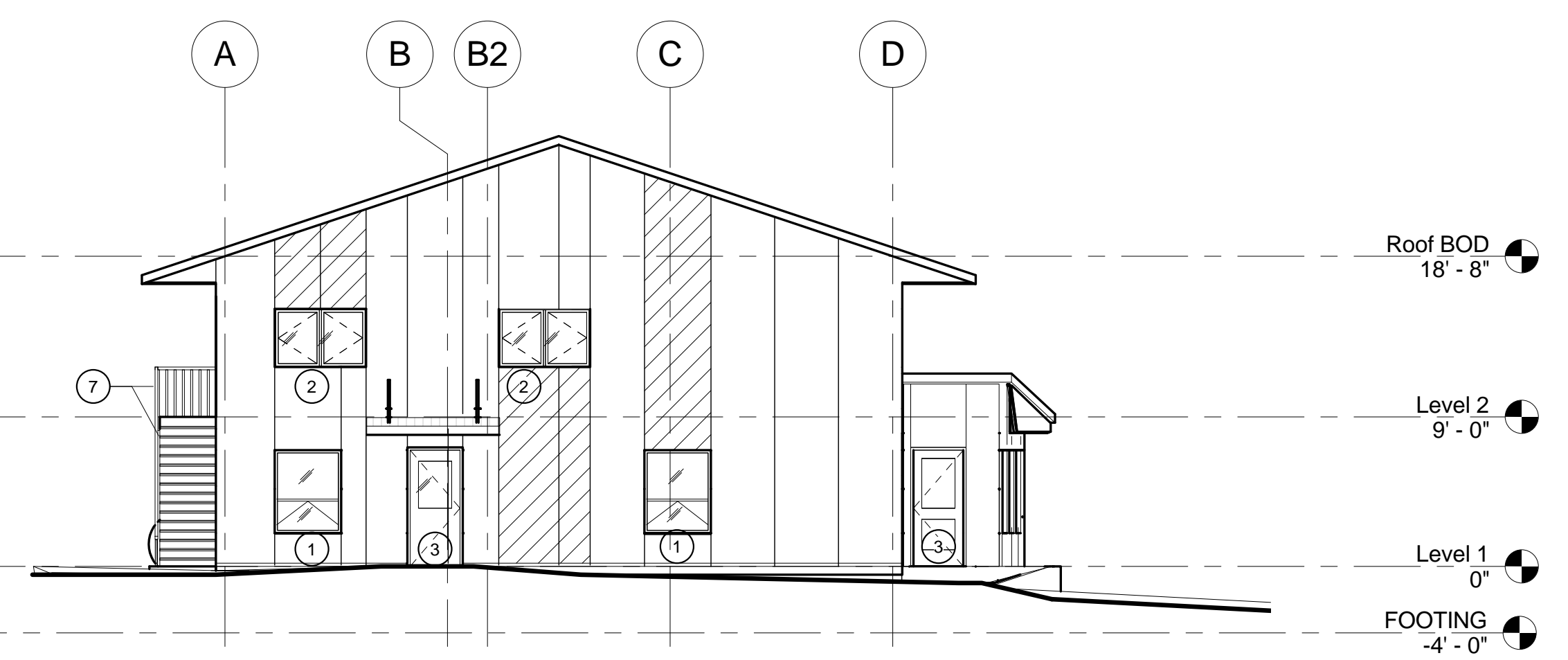
3 BUILDING ELEVATION - SOUTH C
A403 1/8" = 1'-0"

22X34 SHEET @ 1/8" = 1'-0"
11X17 SHEET @ 1/16" = 1'-0"



1 BUILDING ELEVATION - EAST C
A403 1/8" = 1'-0"

22X34 SHEET @ 1/8" = 1'-0"
11X17 SHEET @ 1/16" = 1'-0"



2 BUILDING ELEVATION - NORTH C
A403 1/8" = 1'-0"

22X34 SHEET @ 1/8" = 1'-0"
11X17 SHEET @ 1/16" = 1'-0"

KEY NOTES

- ① NEW WINDOW
- ② EXISTING WINDOW TO REMAIN
- ③ NEW DOOR
- ④ EXISTING DOOR TO REMAIN
- ⑤ (E) METAL ROOF TO REMAIN
- ⑥ REMOVE AND REINSTALL (E) SERVICE PANELS
- ⑦ NEW STAIR DECK AND RAILINGS, REUSE EXISTING DECK AND TREADS. SEE STURCTURAL
- ⑧ NEW FUEL TANK

GENERAL NOTES

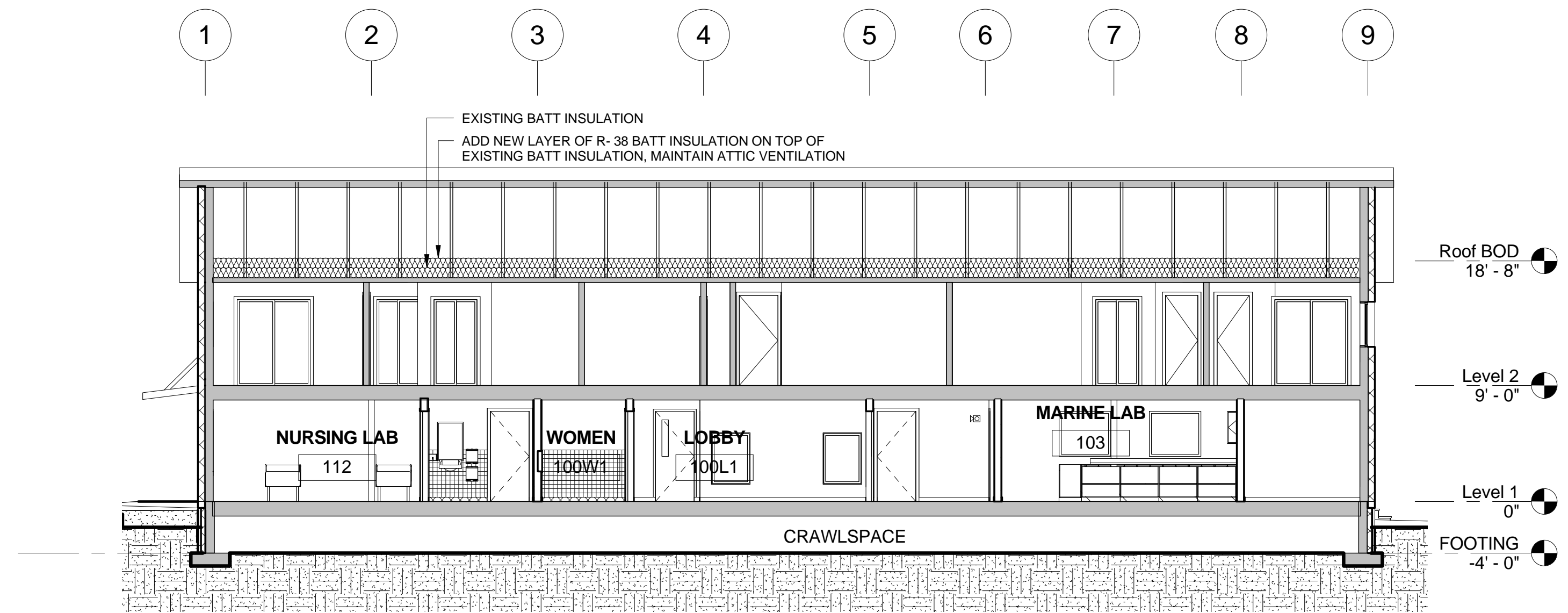
- 1. DEMO EXISTING SIDING DOWN TO SHEATHING
- 2. NEW EXTERIOR WALL: WALL TYPE C
- 3. (E) METAL ROOF TO REMAIN

REVIEWED BY:
PROJ. MGR.: SEB
DRAWN BY: WZ, DP
DATE: 09-27-2012
REVISIONS:
Michael P. Carlson

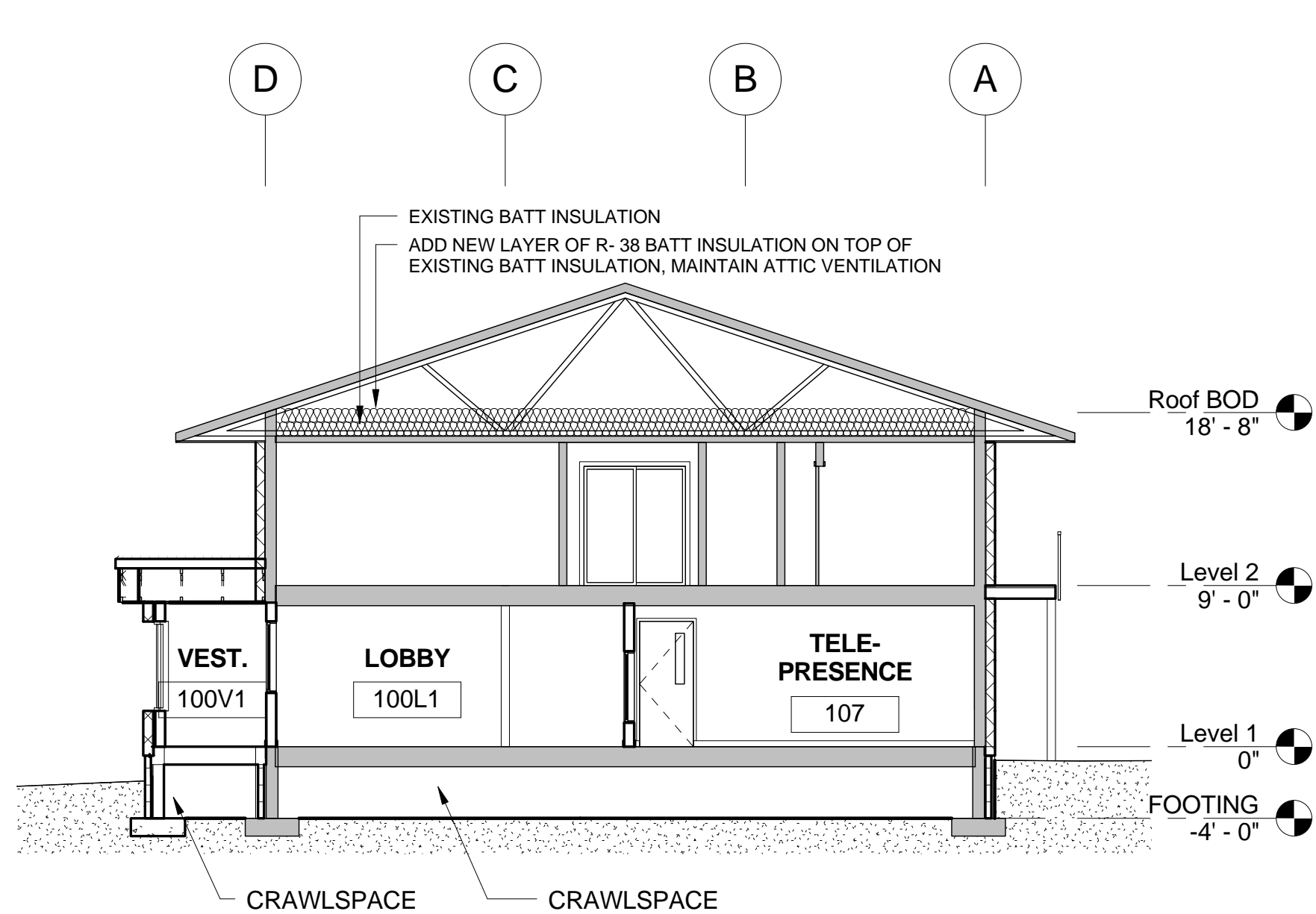
McCOOL CARLSON GREEN
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421 W 1st Ave., Suite 300 ANCH., AK 99501 (907) 563-8474

BB CAMPUS APPLIED SCIENCE
UNIVERSITY OF ALASKA FAIRBANKS
DILLINGHAM, ALASKA
ELEVATIONS C

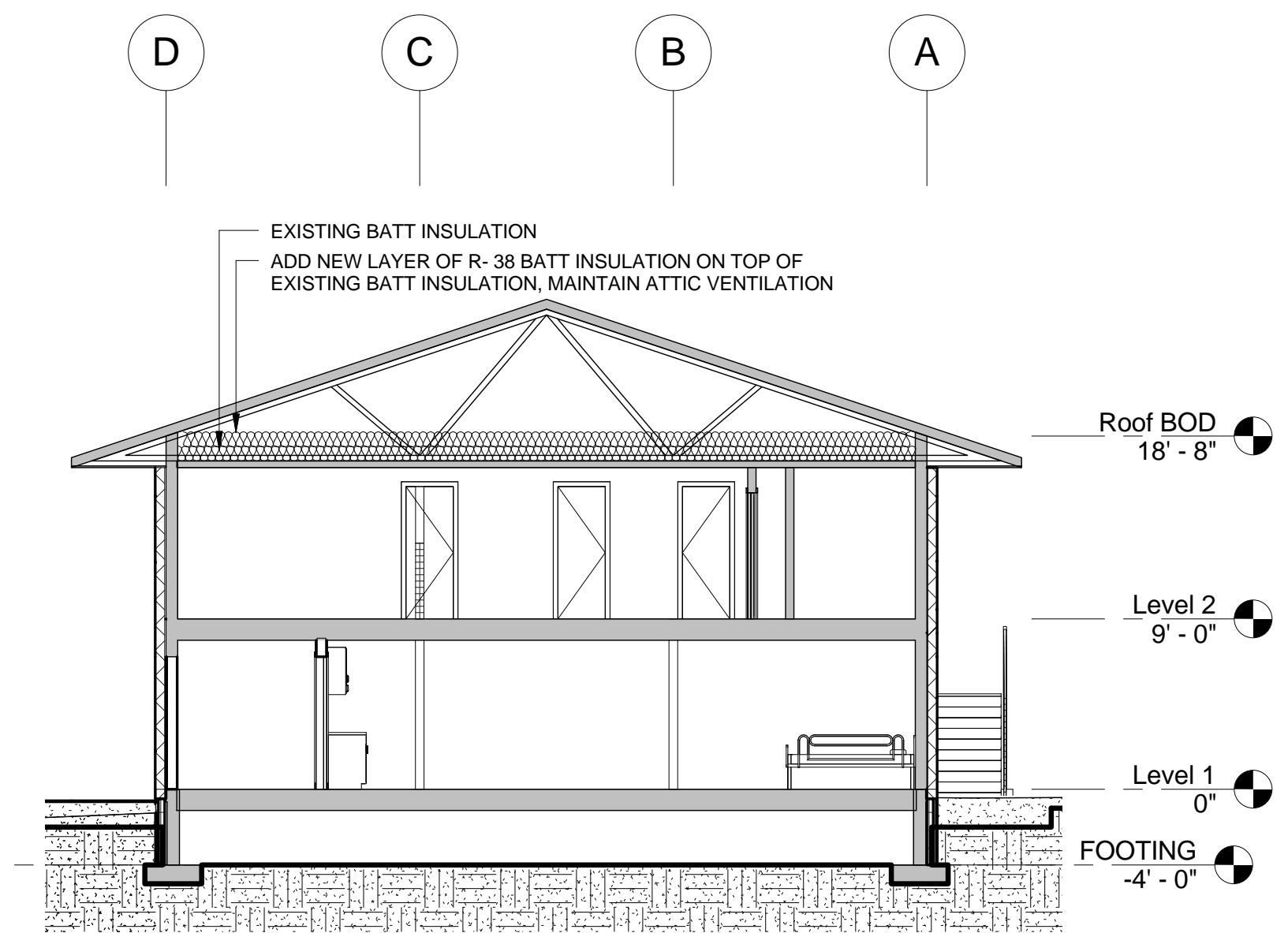
95% DESIGN SUBMITTAL
SHEET NO.
A403



1 LONGITUDINAL SECTION
A501 1/8" = 1'-0"



2 CROSS SECTION 1
A501 1/8" = 1'-0"



4 CROSS SECTION 2
A501 1/8" = 1'-0"

JOB NO. 2012011	REVIEWED BY:
PROJ. MGR. SEB	
DRAWN BY: WZ, DP	
DATE: 09-27-2012	
REVISIONS:	
	Michael P. Carlson

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421 W 1st Ave, Suite 300 ANCH., AK 99501 (907) 563-8474

BB CAMPUS APPLIED SCIENCE
UNIVERSITY OF ALASKA FAIRBANKS
DILLINGHAM, ALASKA
BUILDING SECTIONS

95% DESIGN SUBMITTAL

SHEET NO.

A501



SCHEMATIC DESIGN APPROVAL

Name of Project: Utilities Wood Center Vault
Project Type: R&R
Location of Project: UAF, Fairbanks, Wood Center FS505, Fairbanks
Project Number: 2013043 UTWCV (Subproject of 2013022 CWIRS)
Date of Request: January 7, 2013

Total Project Cost:	\$3,000,000 (For this portion of CWIRS)	TPC all portions \$3,500,000
Approval Required:	FLMC	
Prior Approvals:	Capital Budget Allocation Approval FY13	July 1, 2012
	Preliminary Administrative Approval (CWIRS)	September 9, 2012
	Formal Project Approval (CWIRS)	September 27, 2012

A Schematic Design Approval (SDA) is required for all Capital Projects with a Total Project Cost in excess of \$250,000.

SDA represents approval of the location of the facility, its relationship to other facilities, the functional relationship of interior areas, the basic design including construction materials, mechanical, electrical, technology infrastructure and telecommunications systems, and any other changes to the project since formal project approval. Unless otherwise designated by the approval authority or a material change in the project is subsequently identified, SDA also represents approval of the proposed cost of the next phases of the project and authorization to complete the design development process, to bid and award a contract within the approved budget, and to proceed to completion of project construction. Provided however, if a material change in the project is subsequently identified, such change will be subject to the approval process.

Action Requested

“The Facilities and Land Management Committee approves the Schematic Design Approval request for the University of Alaska Fairbanks Utilities Wood Center Vault project as presented in compliance with the campus master plan, and authorizes the University administration to complete construction documents and to award a contract within the approved budget, and to proceed to completion of project construction not to exceed a Total Project Cost of \$2,800,000. This motion is effective February 21, 2013.”

Project Abstract

This project will construct a new utilidor vault at the intersection of the Macintosh Hall and Rasmuson Library utilidor, construct a new utilidor section from the new vault to a service utilidor for the new Student Dining Facility, and re-route and upgrade the portion of existing utilidor directly south of the Wood Center to better serve this section of campus. This section of the utilidor is the smallest utilidor on campus. It is filled to maximum capacity with utilities, leaving little room to work on systems.

Upgrades within the utilidors and vault include installation of two new SF-6 electrical power switches in the vault and associated modifications to the primary campus power system, extension of steam, condensate, all water systems and compressed air as required to serve the new dining facility. The existing chilled water piping between the Gruening Building and the Wood Center is failing and will also be replaced as part of this project.

In addition to the utility upgrades, this project will realign the South Chandalar Fire Lane west of the Wood Center. Due to the steepness of the existing fire lane, the large trucks are not able to use this access, thus increasing their response time to the core campus emergencies. Another driving force behind the Fire Lane realignment is the closure of Tanana Loop for two years to accommodate the construction of the new engineering building. The realignment will reduce the grade and improve the entry and exit points of the lane so that all emergency vehicles can traverse the fire lane in both directions between the fire station and the campus core.

RATIONALE AND REASONING

Background

This project is a sub-project of the Campus Wide Infrastructure Roads, Curbs and Sidewalks Project (2013022 CWIRS) which received Formal Project Approval in September 2012.

Utilities serving the oldest part of the Fairbanks campus are housed in 1950's era utilidors inadequate for today's required infrastructure. Steam heat and fire-fighting water flow rates are marginal in the area of the Whitaker Building and Wood Center. When major renovations or new facilities are constructed in areas served by aged utilities, the utilities are often upgraded in order to avoid maintenance and service issues to the new facilities. This project is critical to support the construction of the new Student Dining Facility adjacent to the Wood Center. This area of campus is served by the smallest and oldest utility infrastructure and it cannot support the dining addition in its existing condition. Additionally, this utility work will continue the effort to tie all campus utility infrastructures together in order to provide redundancy and reliability to the core campus buildings.

Programmatic Need

Successful implementation of UAF's mission to promote academic excellence, student success and lifelong learning requires that all buildings on campus be operating to their potential. This project will address critical utility infrastructure deficiencies in the core of the UAF campus to support the new Student Dining Facility and to continue the effort of providing a reliable and maintainable utility system to the UAF infrastructure serving employees, students, and the Fairbanks community.

Project Scope

The project scope includes all work to design and construct the new fire lane alignment, utilidor, utilidor vault and utility upgrades described above.

Project Impacts

The project will be tightly coordinated with construction of the new Student Dining Facility. There will be impacts to pedestrian traffic in the core of campus during the summer of 2013. Re-routing of traffic with barriers and well signed traffic control will eliminate confusion for the campus community and visitors.

Variations

None

Total Project Cost and Funding Sources

Funding Title	Fund Account	Amount
FY13 DM&R UAF Infrastructure	571349-50216	\$3,000,000
Total Project Cost		\$3,000,000

Annual Program and Facility Cost Projections

This replaces existing and extends existing infrastructure and will not result in a change to the current program or facilities annual budgets.

Project Schedule

DESIGN

Conceptual Design	
Formal Project Approval	September 2012
Schematic Design	December 2012
Schematic Design Approval	February 2013
Construction Documents	February 2013

BID & AWARD

Advertise and Bid	Sole Source Procurement
Construction Contract Award	April 2013

CONSTRUCTION

Start of Construction	April 2013
Construction Complete	September 2014
Date of Beneficial Occupancy	September 2014
Warranty Period	1 Year

Project Delivery Method

UAF Division of Design and Construction received approval from the Chief Procurement Officer to award a sole source construction contract to GHEMM Company for this project. This utilities project is intricately tied to the new Student Dining Facility, both the construction schedule and footprint. GHEMM Company has been awarded the contract for the Student Dining Facility.

Supporting Documents

- One-page Project Budget
- Design Narrative Document (Civil, Structural, Mechanical, Electrical)
- Drawings
 - Site Plan
 - Proposed Site Key Plan
 - Civil Details
 - Vault and Utilidor Plan and Details
 - Mechanical Chilled Water and Domestic Cold Water Piping Diagram

Affirmation

This project complies with Regents' Policy, the campus master plan and the Project Agreement.

Approvals

The level of approval required for SDA shall be based upon the estimated TPC as follows:

- TPC > \$4.0 million will require approval by the board based on the recommendations of the Facilities and Land Management Committee (FLMC).
- **TPC > \$2.0 million but not more than \$4.0 million will require approval by the FLMC.**

- TPC > \$1.0 million but not more than \$2.0 million will require approval by the Chair of the FLMC.
- TPC ≤ \$1.0 million will require approval by the AVP of Facilities and Land Management.

UNIVERSITY OF ALASKA		
Project Name: Utilities Wood Center Vault		
MAU: UAF		
Building: Wood Center	Date:	January 25, 2013
Campus: UAF	Prepared By:	Campbell
Project #: 2012043UTWCV	Account No.:	571349-50216
Total GSF Affected by Project:		N/A
PROJECT BUDGET	FPA Budget	SDA Budget
A. Professional Services		
Advance Planning, Program Development		\$0
Consultant: Design Services		\$192,580
Consultant: Construction Phase Services		\$39,000
Consul: Extra Services (List: _____)		\$0
Site Survey		\$0
Soils Testing & Engineering		\$0
Special Inspections		\$0
Plan Review Fees / Permits		\$500
Other		\$0
<i>Professional Services Subtotal</i>		\$232,080
B. Construction		
General Construction Contract (s)		\$2,500,000
Other Contractors (List: _____)		\$0
Construction Contingency		\$75,000
<i>Construction Subtotal</i>		\$2,575,000
<i>Construction Cost per GSF</i>		N/A
C. Building Completion Activity		
Equipment		\$0
Fixtures		\$0
Furnishings		\$0
Signage not in construction contract		\$0
Move-Out Cost/Temp. Reloc. Costs		\$0
Move-In Costs		\$0
Art		\$0
Other (List: _____)		\$0
OIT Support		\$0
Maintenance/Operation Support		\$0
<i>Building Completion Activity Subtotal</i>		\$0
D. Owner Activities & Administrative Cost		
Project Planning and Staff Support		\$126,319
Project Management		\$51,053
Misc Expenses: Advertising, Printing, Supplies		\$0
<i>Owner Activities & Administrative Cost Subtotal</i>		\$177,372
E. Total Project Cost		\$2,984,452
<i>Total Project Cost per GSF</i>		N/A
F. Total Appropriation(s)		\$3,000,000

**DRAFT CONSTRUCTION DOCUMENTS
CIVIL NARRATIVE**

PROJECT SCOPE

The Civil portion of the project consists of removing a portion of existing sanitary sewer piping out of an existing utilidor, re-routing existing sanitary sewer mains and installing a new sanitary sewer trunk main to carry flow from the northern portion of campus at a future date. South Chandalar Avenue will be relocated to allow for grading and drainage for the new Dining Facility Project. This project also replaces and up-sizes the chilled water mains between the Wood Center and Gruening Hall.

PIPING REPLACEMENT

The existing sanitary sewer serves three residency buildings that are slated for removal and subsequent replacement with higher occupancy residential facilities at a future date. The new sewer line will re-route the existing sewer from running through Chapman Hall and the utilidor and put it directly into the sanitary sewer system.

The existing chilled water mains from Gruening Hall to the Wood Center will be removed or abandoned in place depending on surface conflicts. New 8 inch mains will be installed in approximately the same location as the existing chilled water and extended to serve the new Dining Facility.

CHANDALAR AVENUE

Chandalor Avenue will be re-routed to the west to allow for more gentle grading and storm drainage for the new Dining Facility project and to allow for easier and safer access for emergency vehicles and residential traffic. The new road shall be constructed to UAF Design Criteria minimums.

**DRAFT CONSTRUCTION DOCUMENTS
STRUCTURAL NARRATIVE**

SCOPE

The project will provide a utilities branch from the existing utilidors, which traverse East and West from the Rasmuson Library to Chapman. The new utilidor branch will start to the West of the Wood Center and the new Dining Development project. It will run approximately 60 feet north from the existing utilidor to the service inlet of the future Dining Hall. The Dining Hall is located 22 feet east from the edge of the new utilidor and will be constructed after the new utilidor. The utilidor to the East connecting to the existing Wood Center lateral will be demolished, and a new, larger utilidor will be constructed in its place. A new vault is included in the project and will be located at the intersection of the existing utilidors and the new utilidors.

UTILIDOR AND VAULT

- **Floor Slabs:** The new concrete floor slab will slope down from the Dining service inlet to the new vault. The new vault and utilidors require a much larger height clearance than the existing utilidors (7 feet), so the new floor will need to slope up to the existing utilidor floors.
- **Walls:** The new concrete walls for the utilidor and vault will be required to retain soil. They will dowel into the new concrete lid and floor slab.
- **Lid:** The roofs of the new utilidors will be one-way cast-in-place concrete on composite steel deck slabs. The roof of the new vault will be a two-way cast-in-place slab with two layers of rebar. The vault lid will not require an access hatch or removable portion.

DESIGN CRITERIA

Governing Code

2009 IBC (International Building Code)

Criteria

Ground Snow Load	60 psf
Vehicle Live Load	HS20-44 truck

**DRAFT CONSTRUCTION DOCUMENTS
MECHANICAL NARRATIVE**

PROJECT SCOPE

The project consists of extending the existing steam, condensate, domestic water, chilled water, fire protection water, RO water and compressed air from Utilidor D north to serve the new UAF Dining Facility and future development north of Utilidor D. The existing utilidor "D" will be replaced between the McIntosh utilidor and the existing Wood Center service lateral. The existing chilled water piping between the Wood Center and Gruening is failing and will be replaced as part of this project.

PIPING REPLACEMENT

The existing piping in Utilidor D from the McIntosh Utilidor to the Wood Center Lateral will be replaced to accommodate the new utilidor extension to the north and the construction of the New Dining Facility. A new vault will be installed at the intersection of the Chapman Utilidor and the McIntosh Utilidor to accommodate the piping and to provide space for electrical equipment. Piping to Chapman and McIntosh will be replaced within 10 feet of the new vault. The piping in the new vault will be routed to allow maintenance personnel access through the utilidors in all directions. Expansion joints and valves will be located in the vault as much as possible for ease of maintenance. The new utilidor that will serve the new Dining Facility will have adequate space to move electrical equipment from the new Dining Facility to the new vault. The existing sewer piping that is located in the Vault D location will be removed and routed outside the Chapman utilidor. Compressed air piping will be replaced within the confines of Vault D and connected to existing.

Steam, condensate, and domestic water will be sized to provide future capacity. The direct buried chilled water will be replaced from the Wood Center back to the 12 inch piping outside of Gruening. Tees with takeoffs that go into the utilidor will be added at Constitution Hall and the existing chilled water will be reconnected at the intersection of the Whitaker Utilidor.

POINTS OF DISCUSSION

1. Chilled water valves have been shown primarily as direct buried. Some of the valves can be moved into the utilidor system but having the valves direct buried provides the best valve arrangement for system isolation. Would you please review the valve layout and advise on whether the direct buried valves are acceptable or if you would like them in the utilidor system?
2. Is the chilled water system fluid 30 percent ethylene glycol? Would you like any special inhibitors or dyes specified?
3. The utilidor should be ventilated by either passive or active means. If the system is passive, the surface openings could be similar to the gooseneck vents that serve the West Ridge utilidors. If the system is active, we propose the use of a propeller hooded supply fan and a louvered penthouse for the exhaust termination. The configuration would be similar to what was outlined in the Atkinson Power Plant Renewal Phase 2 Utilidor Ventilation schematic report dated May 16, 2012. The active ventilation system will require approximately 3900 cfm to maintain a 92 degree Fahrenheit space temperature within the utilidor and will feature supply and relief openings at grade. If UAF would like to pursue this option, we propose locating one of the openings above the utilities entrance to the Dining facility, and the other opening above the utilidor branch serving Constitution Hall. (Visual aesthetics could be maintained by covering the openings with an architectural/artistic feature.) Which ventilation method is preferred?

**DRAFT CONSTRUCTION DOCUMENTS
ELECTRICAL NARRATIVE**

SCOPE

The electrical portion of this project is to provide a new set of G&W SF6 switches inside a new vault at the intersections of the existing utilidor on the southwest side of the site. There will be two new 6-position switches to allow for spare capacity and redundancy for the primary distribution system when it is available at the site. These switches will be connected to feeders defined in the larger UTER2 project which will revise and reconfigure the power distribution system on the campus. This project will provide the medium voltage cable from an SF6 switch to the Dining Facility service transformer.

DESIGN CRITERIA

References

NFPA 70 2011 (National Electrical Code)

POWER AND LIGHTING

The electrical equipment currently routed into a small junction utilidor 'T' will be demolished to allow construction of a new larger vault to enclose the new equipment. The vault is sized to accommodate new electrical equipment including the new SF6 switches, power and communications cable trays and lighting for the vault and the utilidor routed to the new Dining Facility. Power cable trays will be of the ladder type and be sized at both 12 inches and 9 inches wide by 4 inches deep and the communications cable trays will be 6 inches wide by 4 inches deep. The utilidor and access from the new Dining Facility will be sized to allow the SF6 switches to be removed, if needed, from the vault and replaced.

A new 15kV primary cable will be routed from the SF6 switches to the transformer feeding the Dining Facility expansion of the Wood Center. The remainder of the new primary cables connected to the SF6 switches will be designed and installed under the UTER2 project criteria. The contractor will need to provide some amount of either temporary feeders or relocation of the existing feeders to allow a new section of utilidor to be constructed outside of the footprint of the new Dining Facility. These relocations will be coordinated with UAF to mitigate extended outages of the campus facilities fed from these feeders.

A new 12 space 60A 208Y/120V branch circuit panelboard will be located in the new vault to provide power to the lighting; a new sump pump located in vault 'D' and convenience receptacles along the new sections of utilidor. This panel will also have some capacity for additional loads in the future as this utilidor system may be extended in the future to new building(s). This location will also be convenient to potentially re-connect lighting circuits in the south utilidor section leading to McIntosh as these lights did not function properly during a recent site visit.

Lighting within the vault and adjacent new utilidors will be provided by industrial fluorescent fixtures with wireguards and 3-way switches in the utilidor near the Wood Center spur; another near the utilidor entrance at the dining facility; and a 4-way switch at the intersection of the new vault and the existing utilidor 'D' leading to McIntosh. This will place switches for the new lighting at all entrances to the new utilidor sections and vaults. Additional switches will be located into the spaces adjacent to the new utilidor and vault sections to control existing lighting within these sections as well so users can have control of the lighting systems at whichever point they enter and traverse through the utilidor system.

UNIVERSITY OF ALASKA FAIRBANKS

UAF DINING UTILITY MAINS

PROJECT NO.: 2012043 UTWCV



DRAWINGS INDEX:

	T1	TITLE SHEET
CIVIL	C100	EXISTING SITE CONDITIONS AND DEMOLITION KEY PLAN
	C101	WEST DEMOLITION PLAN
	C102	EAST DEMOLITION PLAN
	C200	PROPOSED SITE KEY PLAN
	C201	WEST PROPOSED SITE PLAN
	C202	EAST PROPOSED SITE PLAN
	C500	SANITARY SEWER MAIN PLAN AND PROFILE
	C501	SANITARY SEWER BRANCH PLAN AND PROFILE
	C502	SEWER SERVICE PLAN AND PROFILE
	C503	CHILLED WATER PIPING AND UTILIDOR PLAN AND SCHEMATIC PROFILE
	C510	SOUTH CHANDALAR AVENUE PLAN AND PROFILE
	C700	CIVIL DETAILS
	C701	MANHOLE DETAILS
	C702	ROADWAY DETAILS
	STRUCTURAL	S0.0
S1.0		VAULT AND UTILIDOR PLAN AND DETAILS
S1.1		VAULT AND UTILIDOR LID PLAN
S2.0		UTILIDOR SECTIONS
S2.1		SECTIONS AND DETAILS
S3.0		PIPE RACK DETAILS
S3.1		WALL & CEILING ANCHOR DETAILS
S3.2		POST ANCHOR DETAILS
MECHANICAL	M0.1	MECHANICAL LEGEND, SYMBOLS, AND ANCHOR FORCE CALCULATIONS
	M1.0	EXISTING MECHANICAL SITE PLAN
	M1.1	EXISTING CHILLED WATER SYSTEM DIAGRAMS AND DEMOLITION PLANS
	M1.2	LARGE SCALE DEMOLITION PLAN
	M2.0	MECHANICAL SITE PLAN
	M2.1	MECHANICAL CHILLED WATER AND DOMESTIC COLD WATER PIPING DIAGRAM
	M2.2	MECHANICAL STEAM AND CONDENSATE PIPING DIAGRAM
	M2.3	MECHANICAL RO AND COMPRESSED AIR PIPING DIAGRAM
	M2.4	UTILIDOR OVERVIEW PLAN
	M2.5	VAULT D ISOMETRIC
	M2.6	VAULT D & DINING LATERAL ISOMETRIC
	M2.7	WOOD CENTER LATERAL ISOMETRIC
	M3.0	VAULT D DETAILED PLANS AND ELEVATIONS
	M3.1	VAULT D DETAILED PLANS AND ELEVATIONS
	M3.2	DINING LATERAL DETAILED PLANS AND ELEVATIONS
	M3.3	WOOD CENTER LATERAL DETAILED PLANS AND ELEVATIONS
	M3.4	CHILLED WATER PIPING DIAGRAMS
	M4.0	DETAILS
M4.1	RACK DETAILS	
M4.2	GUIDE DETAILS	
ELECTRICAL	E100	SCHEDULES, LEGENDS, DEMOLITION & DETAILS
	E101	ELECTRICAL SITE PLAN AND DETAILS
	E201	LIGHTING PLANS & SECTIONS
	E301	POWER PLANS & SECTIONS
	E302	POWER PLANS & SECTIONS
	E401	SIGNAL PLANS & SECTIONS

OWNER

UNIVERSITY OF ALASKA FAIRBANKS
 DESIGN AND CONSTRUCTION
 UAF FACILITIES SERVICES
 P.O. BOX 758160
 FAIRBANKS, ALASKA 99775

CODE

GOVERNING CODES:
 2009 INTERNATIONAL BUILDING CODE
 2009 INTERNATIONAL FIRE CODE
 2009 INTERNATIONAL MECHANICAL CODE
 2009 UNIFORM PLUMBING CODE
 2011 NATIONAL ELECTRICAL CODE
 AUTHORITY HAVING JURISDICTION:
 UNIVERSITY OF ALASKA - FAIRBANKS
 FIRE MARSHALL

LEGEND

(E) EXISTING

OFFICE ROOM NUMBER

PLAN NORTH

KEY NOTE -APPLIES TO THAT SHEET ONLY

GRID LINE

1 FIRST FLOOR PLAN

A5 1/32"=1'-0"

A A4

A A4

D A12 A B

DETAIL NUMBER

TITLE

SCALE

SHEET LOCATION

DETAIL NUMBER

SHEET LOCATION

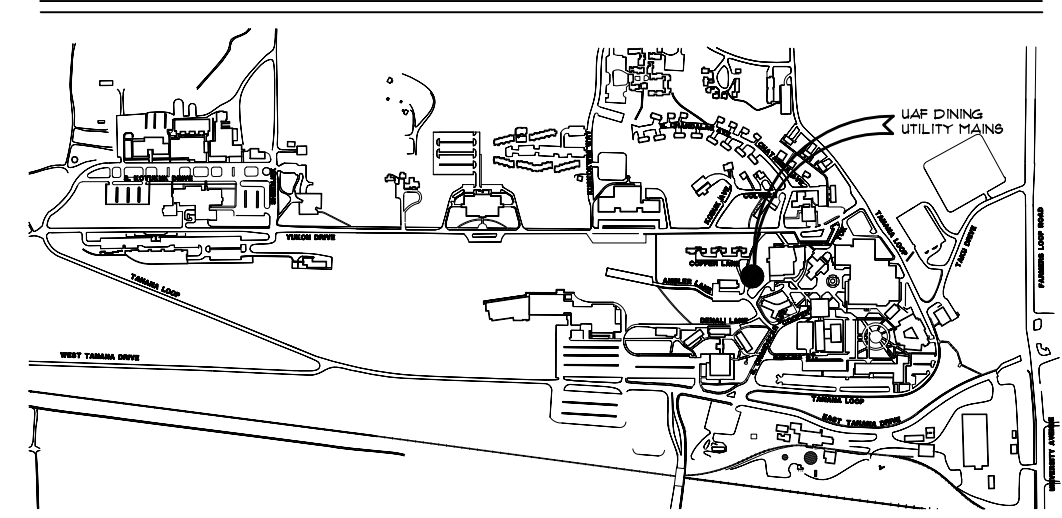
SECTION NUMBER

SHEET LOCATION

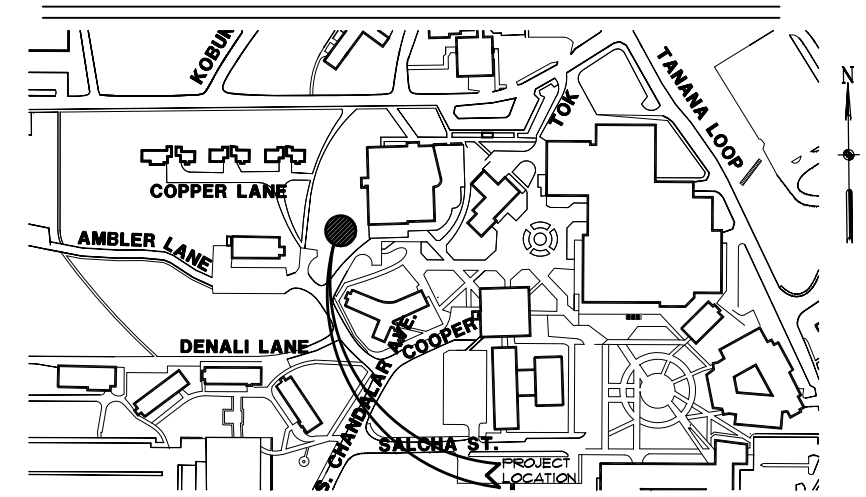
DETAIL LETTER OF INTERIOR ELEVATION

SHEET LOCATION

VICINITY MAP - UAF



VICINITY MAP - FACILITY



PHASING PLAN

- MECHANICAL**
- COORDINATE UTILITY SHUTDOWN WITH THE UNIVERSITY, SHUTDOWN SYSTEMS ONLY AT APPROVED TIMES.
 - MINIMIZE LENGTH OF UTILITY SHUT DOWNS TO THE WOOD CENTER.
 - PROVIDE TEMPORARY WATER AND SEWER TO CHAPMAN. A TEMPORARY LIFT STATION WILL BE REQUIRED.
 - PROVIDE TEMPORARY WATER AND CHILLED WATER TO THE WOOD CENTER.
 - IF UTILITY SHUT DOWNS ARE REQUIRED DURING THE HEATING SEASON PROVIDE TEMPORARY STEAM AND CONDENSATE TO AFFECTED BUILDINGS.
 - PROVIDE TEMPORARY UTILITIES OF THE SAME CAPACITY AS THE PERMANENT UTILITIES.
- ELECTRICAL**
- TRACE AND VERIFY EXISTING COMMUNICATION CABLES IN UTILIDOR SYSTEM FOR RELOCATION/EXTENSION OUTSIDE OF THE PROJECT WHILE MAINTAINING EXISTING ACTIVE SYSTEM.
 - INSPECT EXISTING MEDIUM VOLTAGE POWER CABLING SYSTEM INCLUDING CABLE TOP BOXES AND RELOCATED/EXTENDED SYSTEMS OUTSIDE PROJECT AREA, MAINTAIN POWER TO CHAPMAN, WOOD CENTER, WICKERSHAM AND CONSTITUTION HALL.
 - TRANSITION POWER AND COMMUNICATIONS SYSTEMS RELOCATED OUTSIDE OF PROJECT AREA INTO FINAL NEW INSTALLED INFRASTRUCTURE WITHIN NEW UTILIDOR/VAULTS.

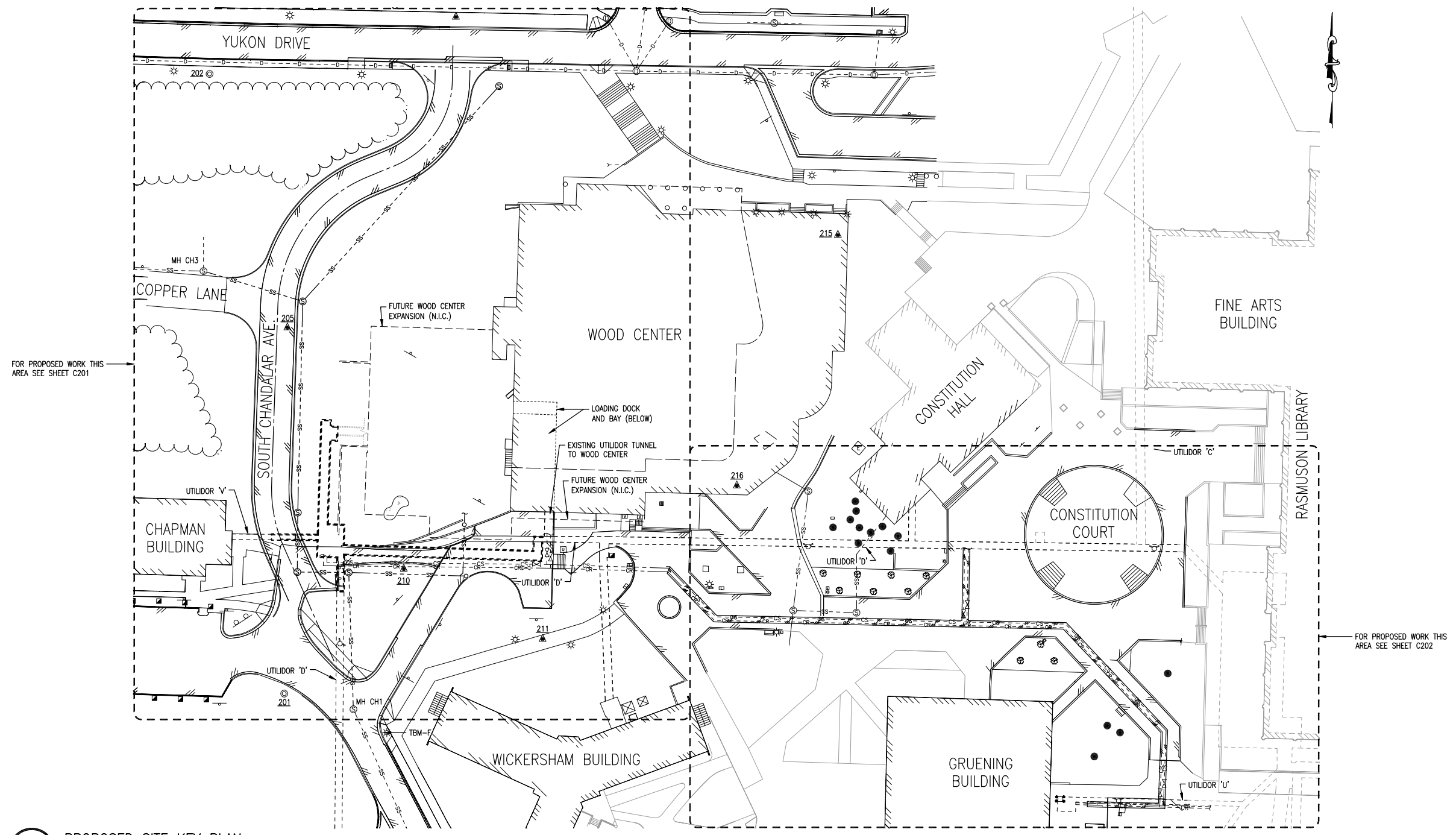
UAF DINING MAINS
 PROJECT NO. 2012043 UTWCV

ISSUE DATE 14 DEC 2012
 COMM. NUMBER 031219
 DESIGNED BY KAC
 DRAWN BY KAC
 SCALE 0"=1"

TITLE SHEET

T1
421

NOT FOR CONSTRUCTION
 DRAFT CONSTRUCTION DOCUMENTS
 FOR REVIEW ONLY



1 PROPOSED SITE KEY PLAN
 C200 SCALE: 1" = 40'

LEGEND			
⊙	REBAR W/ ALUM. CAP SET THIS SURVEY	---	UNSURVEYED ITEM (FIELD VERIFY)
▲	6" SPIKE/MAG NAIL SET THIS SURVEY	---SS---	BURIED SANITARY SEWER LINE
⊠	ELECTRIC TRANSFORMER	---D---	BURIED STORM DRAIN LINE
⊞	LIGHTING ELECTRIC BOX	---E---	BURIED ELECTRIC LINE
⊛	LIGHT POLE W/ UNDERGROUND POWER	---CS---	BURIED CHILLED WATER SUPPLY LINE
⊞	UTILIDOR MANHOLE	---CR---	BURIED CHILLED WATER RETURN LINE
⊞	UTILITY VENT	----	UNDERGROUND UTILIDOR
⊞	HEAD BOLT OUTLET W/ UNDERGROUND POWER	FF	FINISHED FLOOR
⊞	SANITARY SEWER MANHOLE	D.I.P.	CEMENT LINED DUCTILE IRON PIPE
⊞	FIRE HYDRANT	~~~~~	TREE LINE
●	WOOD/METAL BOLLARD		DEMOLITION AREA
⊞	SIGN	▭	CONCRETE
⊞	STORM DRAIN CATCH BASIN	////	EDGE OF ASPHALT PAVEMENT
⊞	DECIDUOUS TREE		BUILDING PERIMETER
⊞	CONIFEROUS TREE		

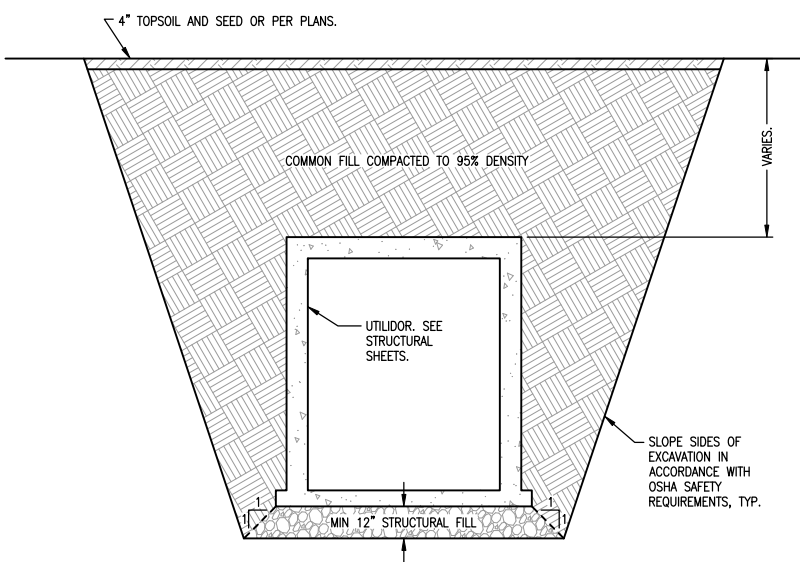
UAF DINING
 MAINS
 PROJECT NO.
 2012043 UTWCV

ISSUE DATE 05 DEC 2012
 COMM. NUMBER 031219
 DESIGNED BY VJA
 DRAWN BY JAR
 SCALE 0" = 1"

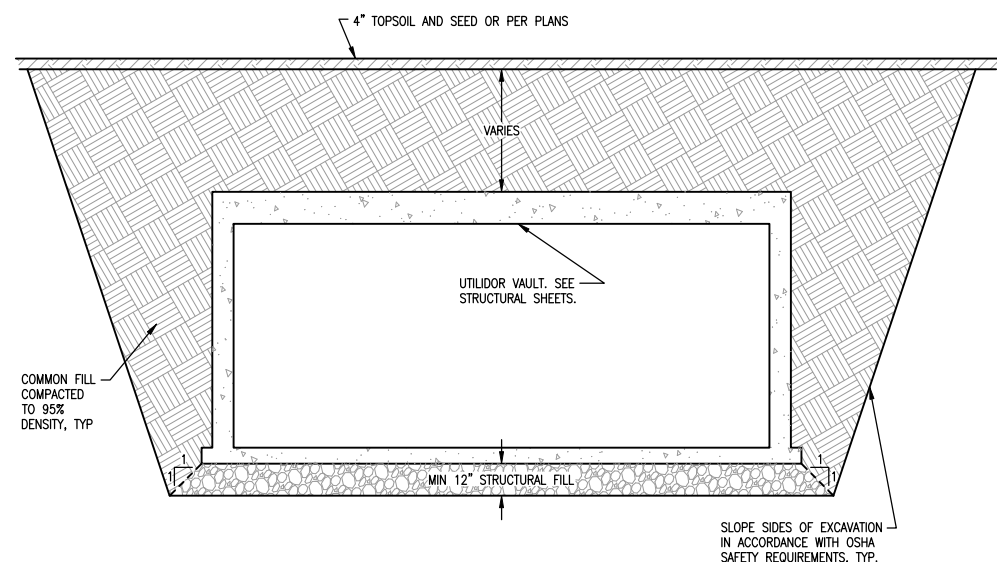
PROPOSED SITE KEY PLAN

C200
 422

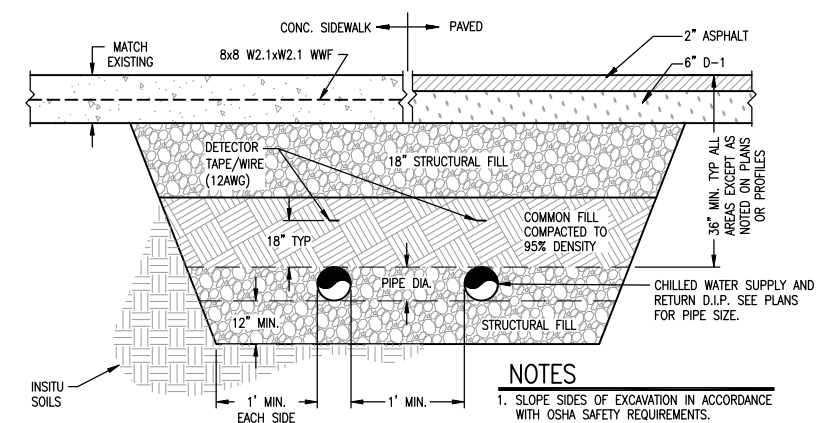
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DRAFT CONSTRUCTION DOCUMENTS
FOR REVIEW ONLY



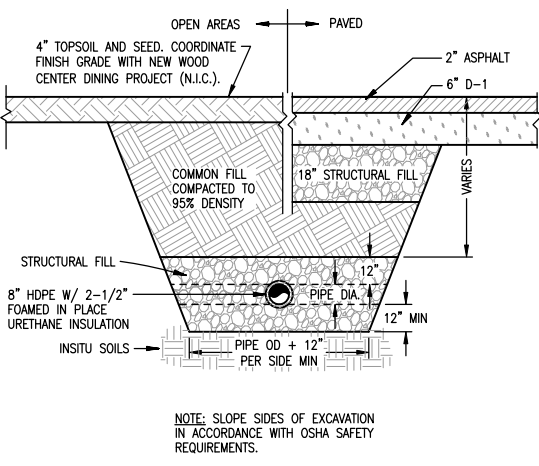
1 UTILIDOR TRENCH, TYP.
C700 NOT TO SCALE



2 UTILIDOR VAULT EXCAVATION, TYP.
C700 NOT TO SCALE

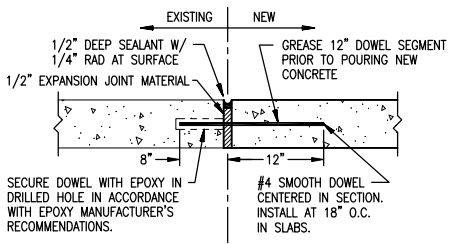


3 CHILLED WATER PIPING TRENCH, TYP.
C700 NOT TO SCALE

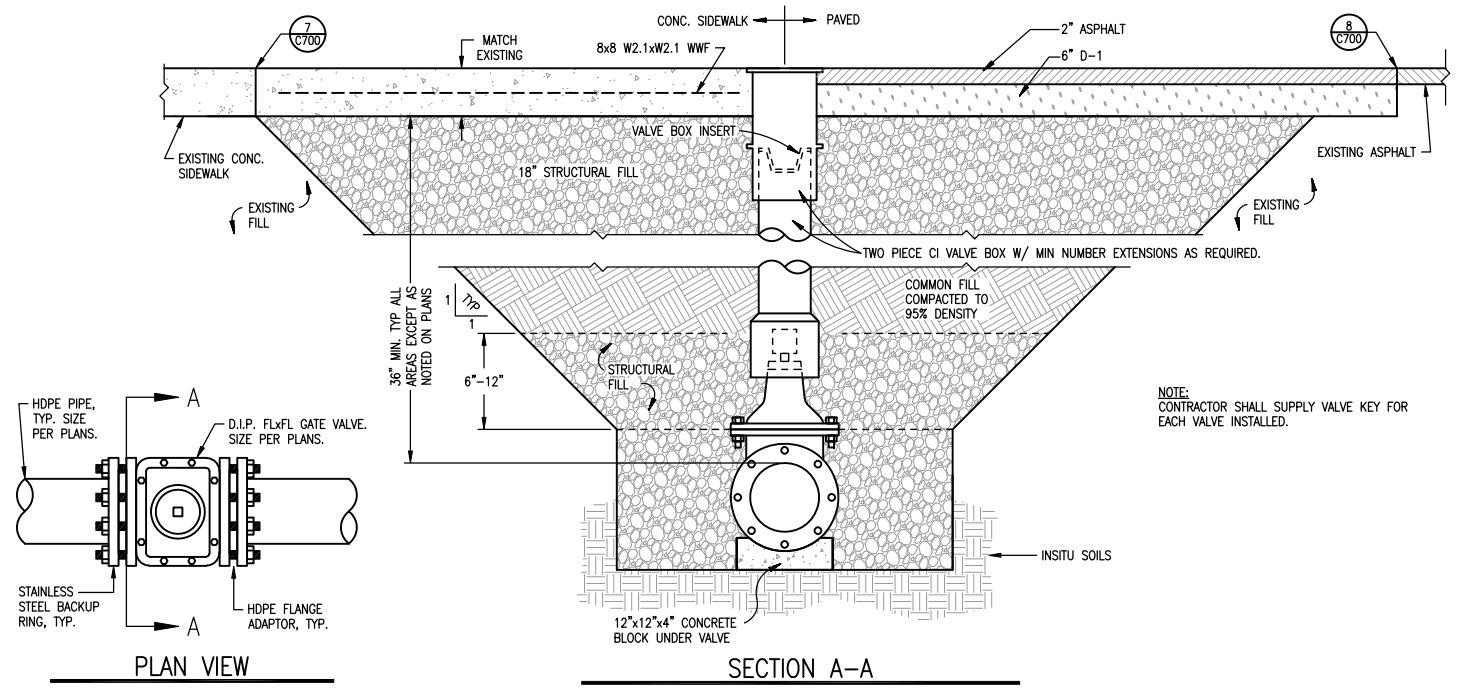


4 SANITARY SEWER TRENCH, TYP.
C700 NOT TO SCALE

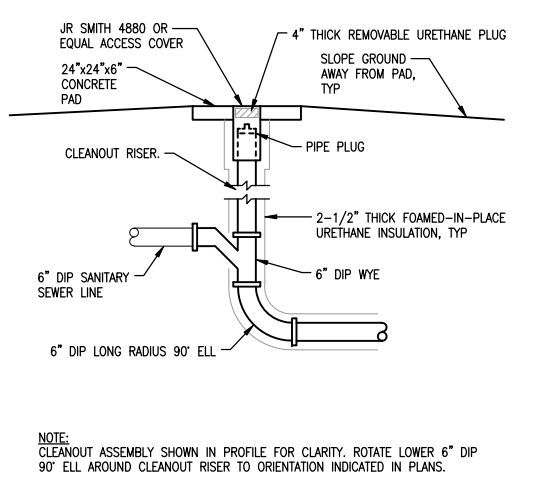
6 NOT USED
C700 NOT TO SCALE



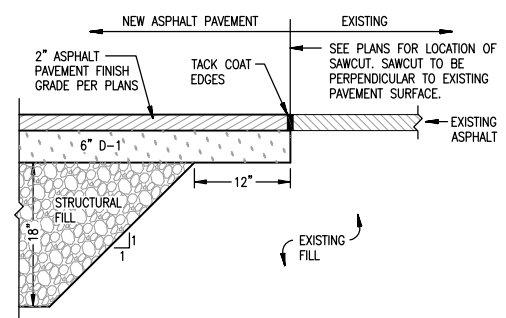
7 NEW TO EXISTING CONCRETE JOINT
C700 NOT TO SCALE



9 GATE VALVE WITH VALVE BOX INSTALLATION
C700 NOT TO SCALE



5 YARD CLEANOUT
C700 NOT TO SCALE



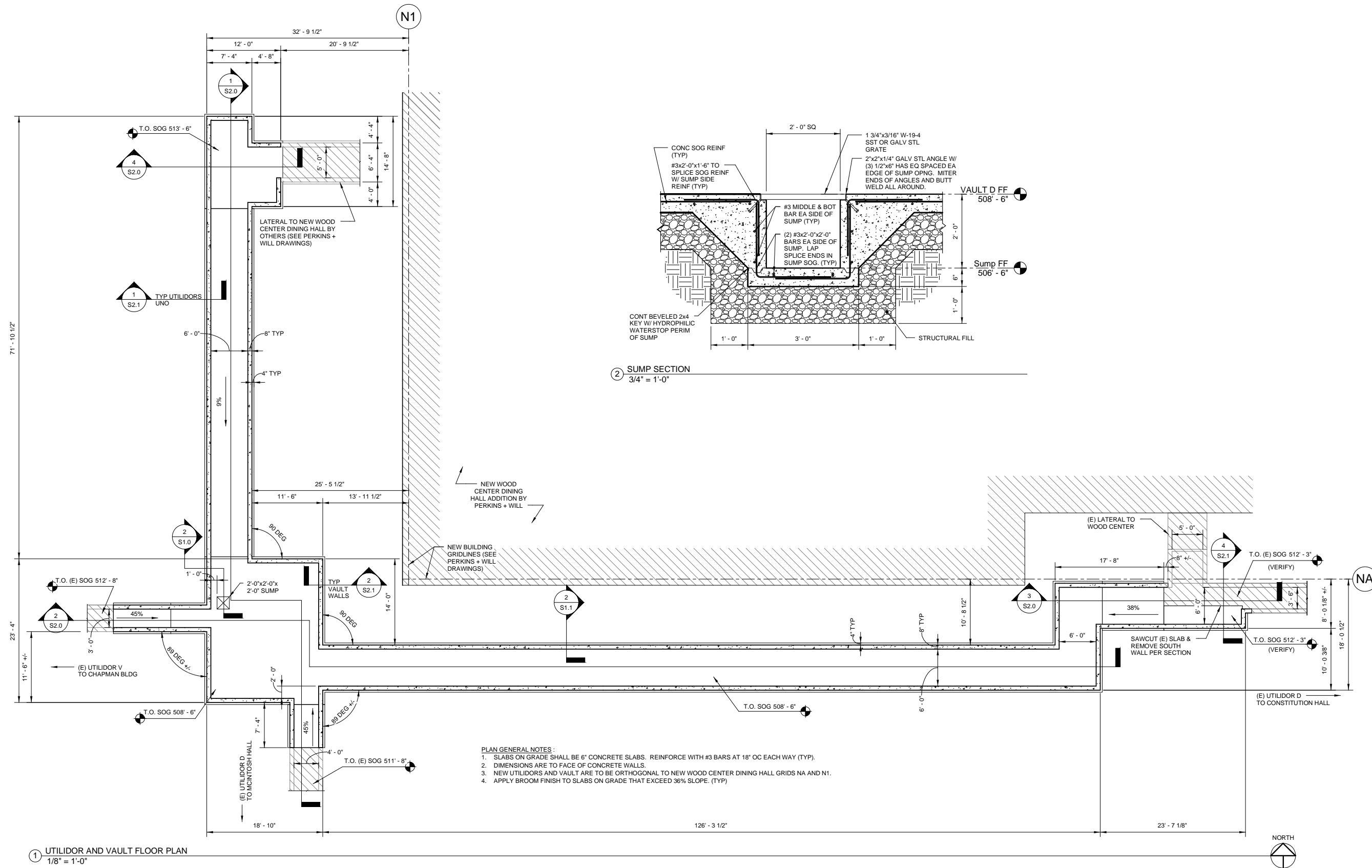
8 NEW TO EXISTING ASPHALT JOINT
C700 NOT TO SCALE

UAF DINING
MAINS
PROJECT NO.
2012043 UTWCV

ISSUE DATE 05 DEC 2012
COMM. NUMBER 031219
DESIGNED BY VJA
DRAWN BY JAR
SCALE 0" = 1"

CIVIL DETAILS

C700
423



UAF DINING
MAINS
PROJECT NO.
2012043 UTWCV

ISSUE DATE 14 DEC 2012
COMM. NUMBER 031219
DESIGNED BY KAC/BWR
DRAWN BY KAC/BWR
SCALE 0" = 1"

VAULT AND
UTILIDOR PLAN
AND DETAILS

S1.0
424

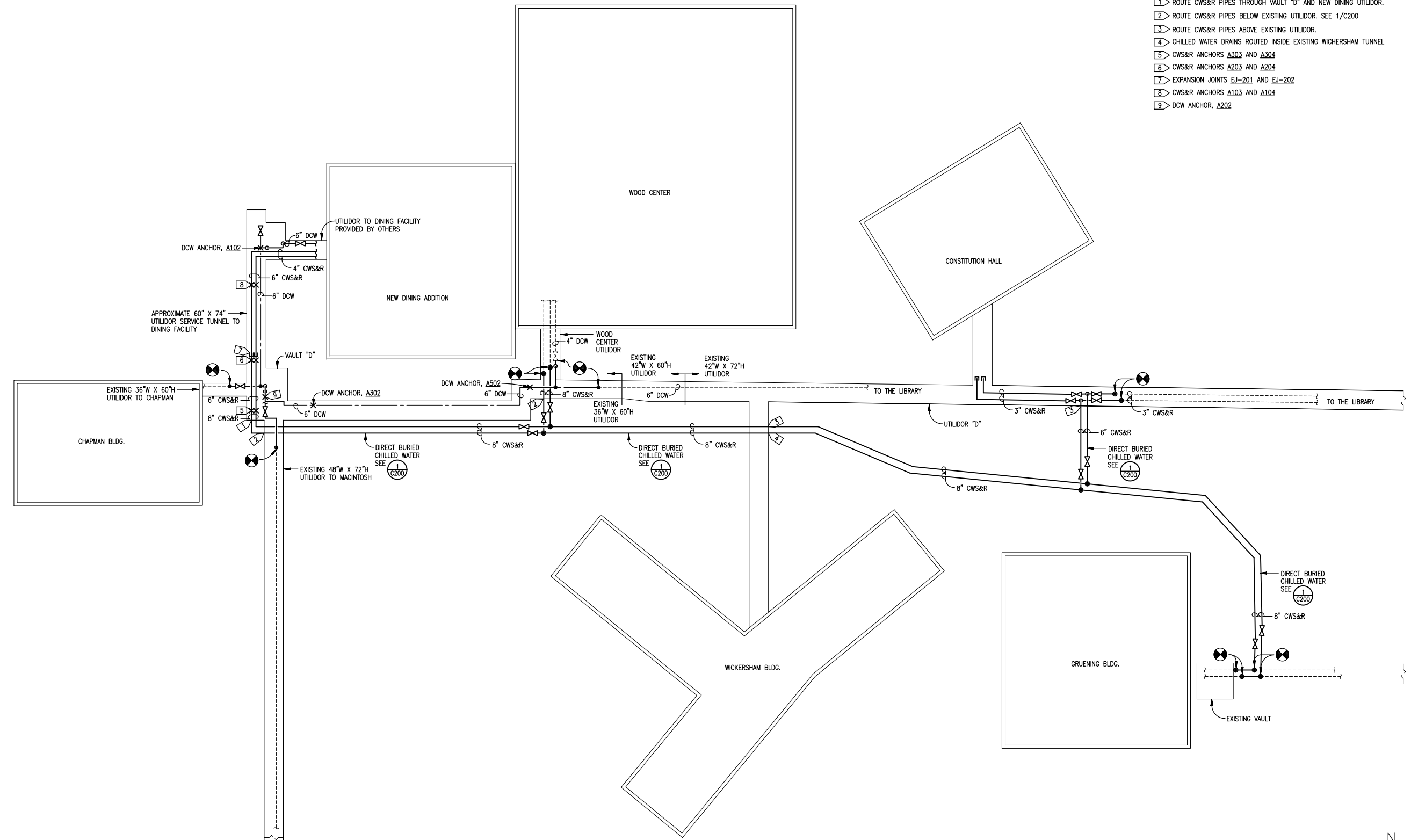


GENERAL NOTES

1. THIS DRAWING IS STRICTLY DIAGRAMMATIC AND NOT TO SCALE. FOR SCALED DRAWINGS, SEE 1/M2.4
2. SEE 1/C200 FOR DIRECT BURIED CHILLED WATER LAYOUT AND DETAILS.

SPECIFIC NOTES

1. ROUTE CWS&R PIPES THROUGH VAULT "D" AND NEW DINING UTILIDOR.
2. ROUTE CWS&R PIPES BELOW EXISTING UTILIDOR. SEE 1/C200
3. ROUTE CWS&R PIPES ABOVE EXISTING UTILIDOR.
4. CHILLED WATER DRAINS ROUTED INSIDE EXISTING WICKERSHAM TUNNEL.
5. CWS&R ANCHORS A303 AND A304
6. CWS&R ANCHORS A203 AND A204
7. EXPANSION JOINTS EJ-201 AND EJ-202
8. CWS&R ANCHORS A103 AND A104
9. DCW ANCHOR, A202



UAF DINING
MAINS
PROJECT NO.
2012043 UTWCV

ISSUE DATE 14 DEC 2012
COMM. NUMBER 031219
DESIGNED BY JMH
DRAWN BY MSO
SCALE 0" = 1"

MECHANICAL
CHILLED WATER AND
DOMESTIC COLD
WATER PIPING
DIAGRAM

1 MECHANICAL LARGE SCALE PIPING DIAGRAM – CHILLED WATER AND DOMESTIC COLD WATER
M2.1 NO SCALE



M2.1
425

UAA Master Plan Update

Preliminary Master Plan Framework

February 2013

ECI/Hyer Architecture

ZGF Architecture

CRW Engineering

Corvus Design Landscape Architecture

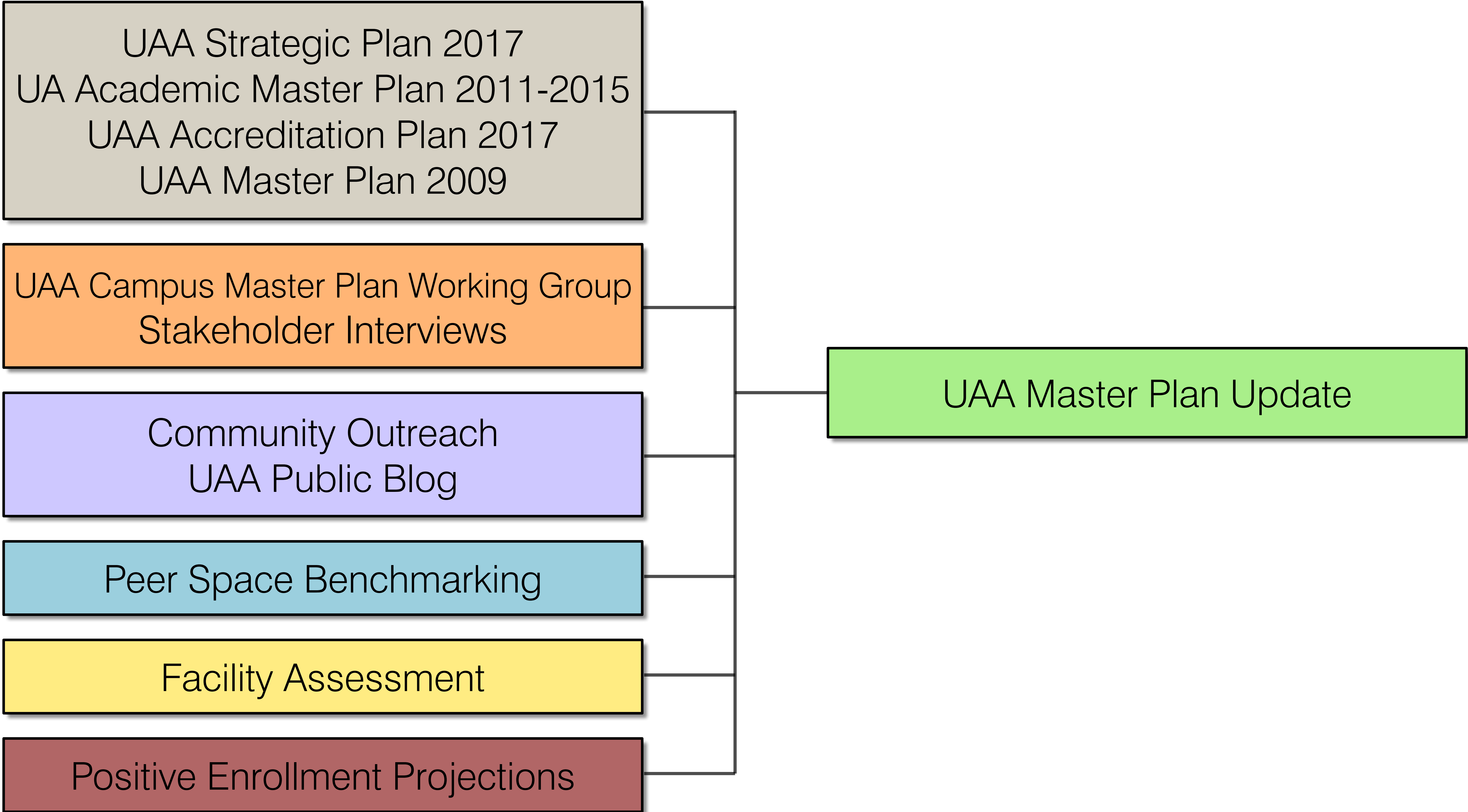
The mission of the University of Alaska Anchorage is to discover and disseminate knowledge through teaching, research, engagement, and creative expression. Located in Anchorage and on community campuses in Southcentral Alaska, UAA is committed to serving the higher education needs of the state, its communities, and its diverse peoples.

The University of Alaska is an open access university with academic programs leading to occupational endorsements; undergraduate and graduate certificates; and associate, baccalaureate, and graduate degrees in a rich, diverse, and inclusive environment.

- Student Achievement and Attainment
- Productive Partnerships with Alaska's Schools
- Productive Partnerships with Alaska's Public and Private Industries
- Research and Development to Build and Sustain Alaska's Economic Growth
- Accountability to the People of Alaska

1. Projected enrollment and other factors affecting the need for facilities and infrastructure
2. General areas for land acquisition and disposal
3. The general location of new or upgraded infrastructure, including roads, parking, pedestrian circulation, transit circulation, and utilities
4. Demolition of buildings, structures, and facilities
5. General location, size, and purpose of new buildings, structures, and facilities
6. Guidelines for landscaping
7. General location and intent for open spaces, plazas, etc.
8. Guidelines for signage, both freestanding and on buildings and structures
9. Architectural guidelines for all buildings, structures, and facilities
10. Environmental and cultural issues, ADA access, and energy conservation
11. The relationship of the campus to its surroundings and coordination with local government land use plans and ordinances
12. General priorities for capital projects

Master Plan Update Framework





Consolidation & Density

Renewal & Rejuvenation

Research & Innovation

Collaboration

Alaskan Native Identity

Vehicular & Pedestrian Circulation

Student Life

Community Connections

Alumni Engagement

Academic Pedagogy

E-Learning

Sustainability

Cleveland State University

Indiana State University

Lamar University Beaumont

Southern Connecticut State University

University of Missouri - St Louis

University of Nebraska - Lincoln

University of North Carolina - Greensboro

Weber State University

University of Idaho

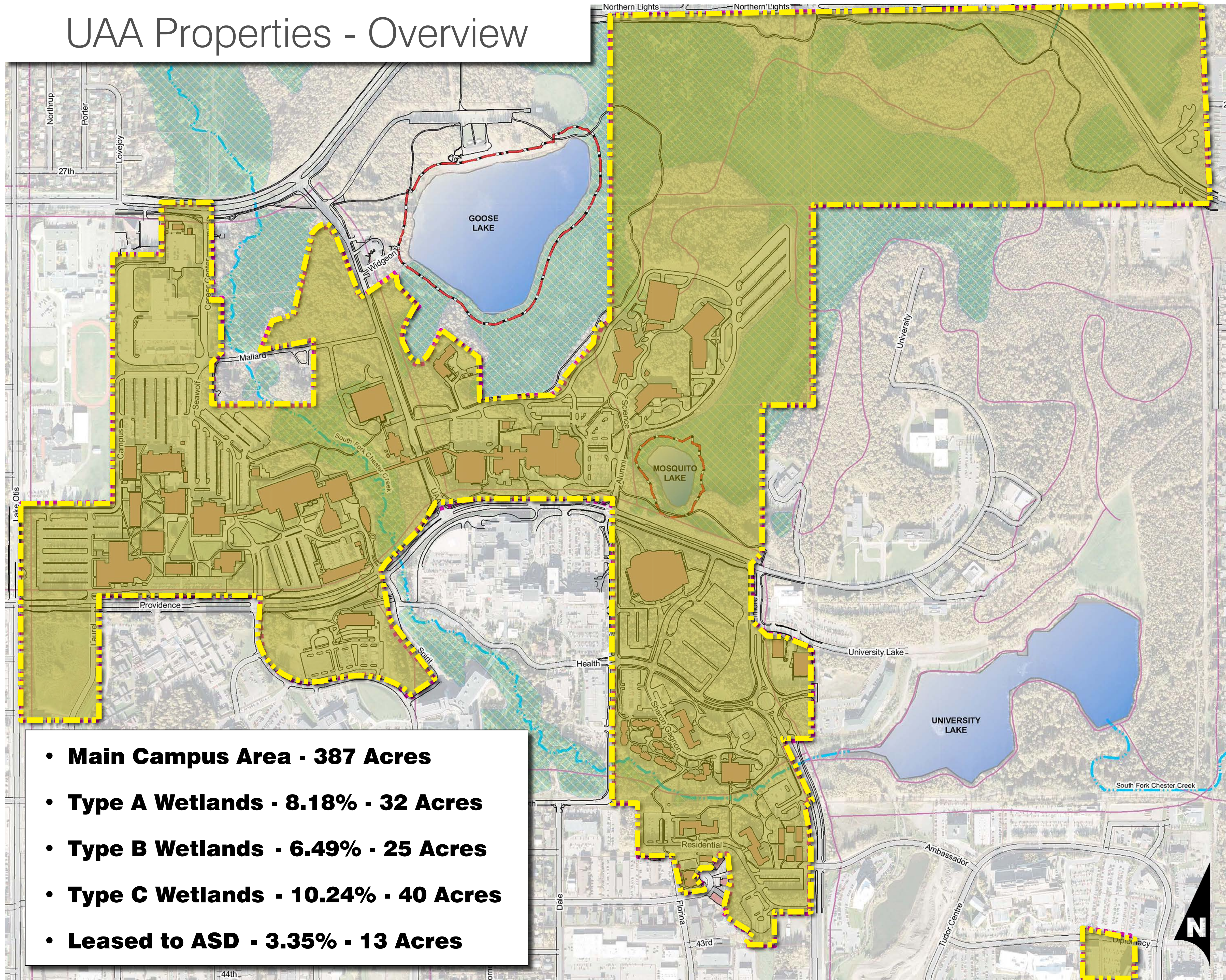
Idaho State University

University of Nevada - Reno

University of North Dakota - Grand Forks

(Bold :: Institutions who have agreed to participate as of 01/10/2013)

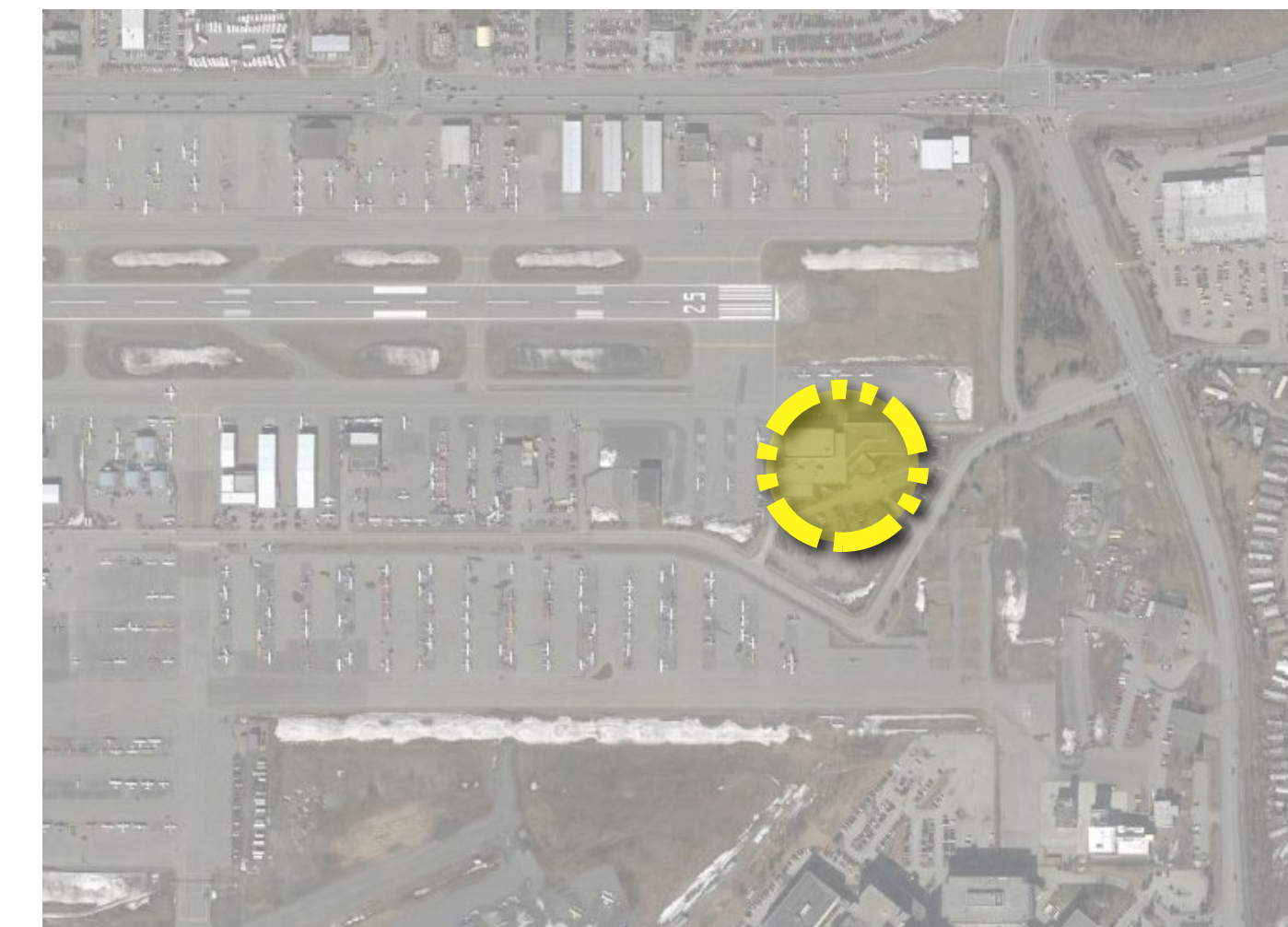
UAA Properties - Overview



UAA Chugiak Eagle River Campus



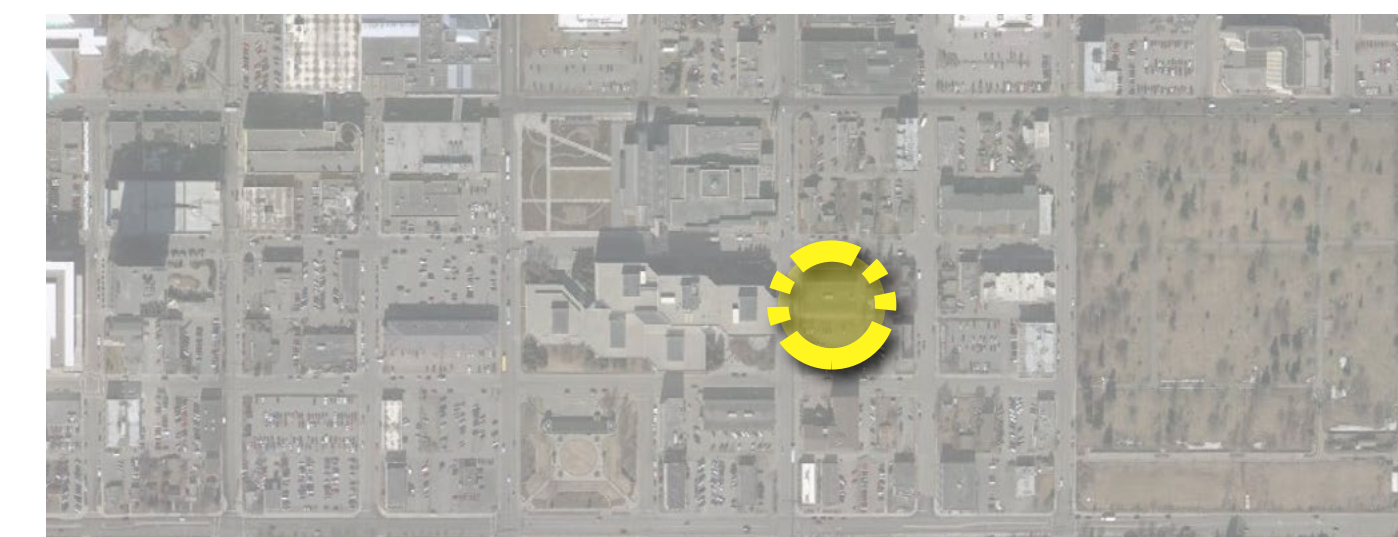
UAA Aviation Technology



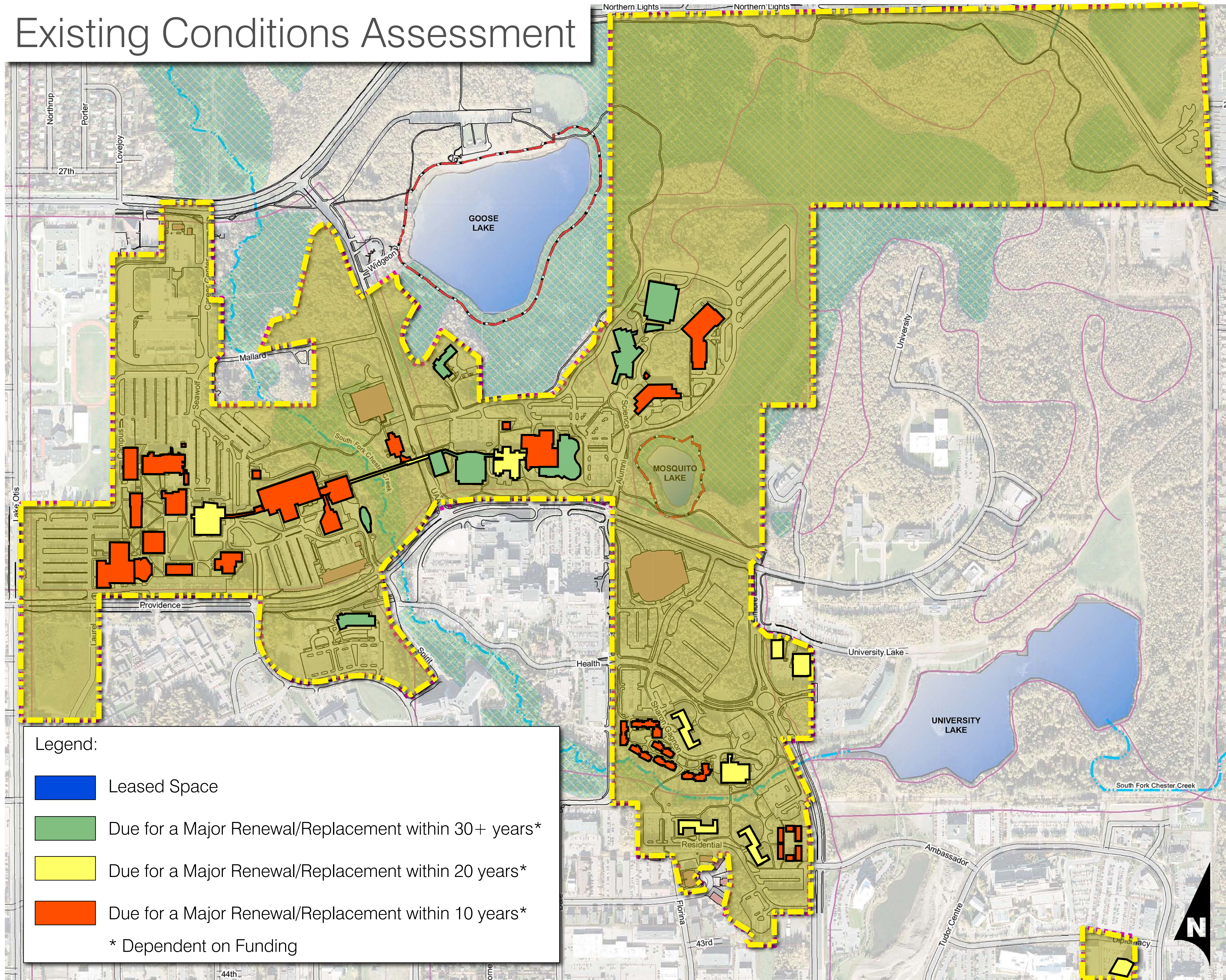
UAA University Center



UAA 7th & A



Existing Conditions Assessment



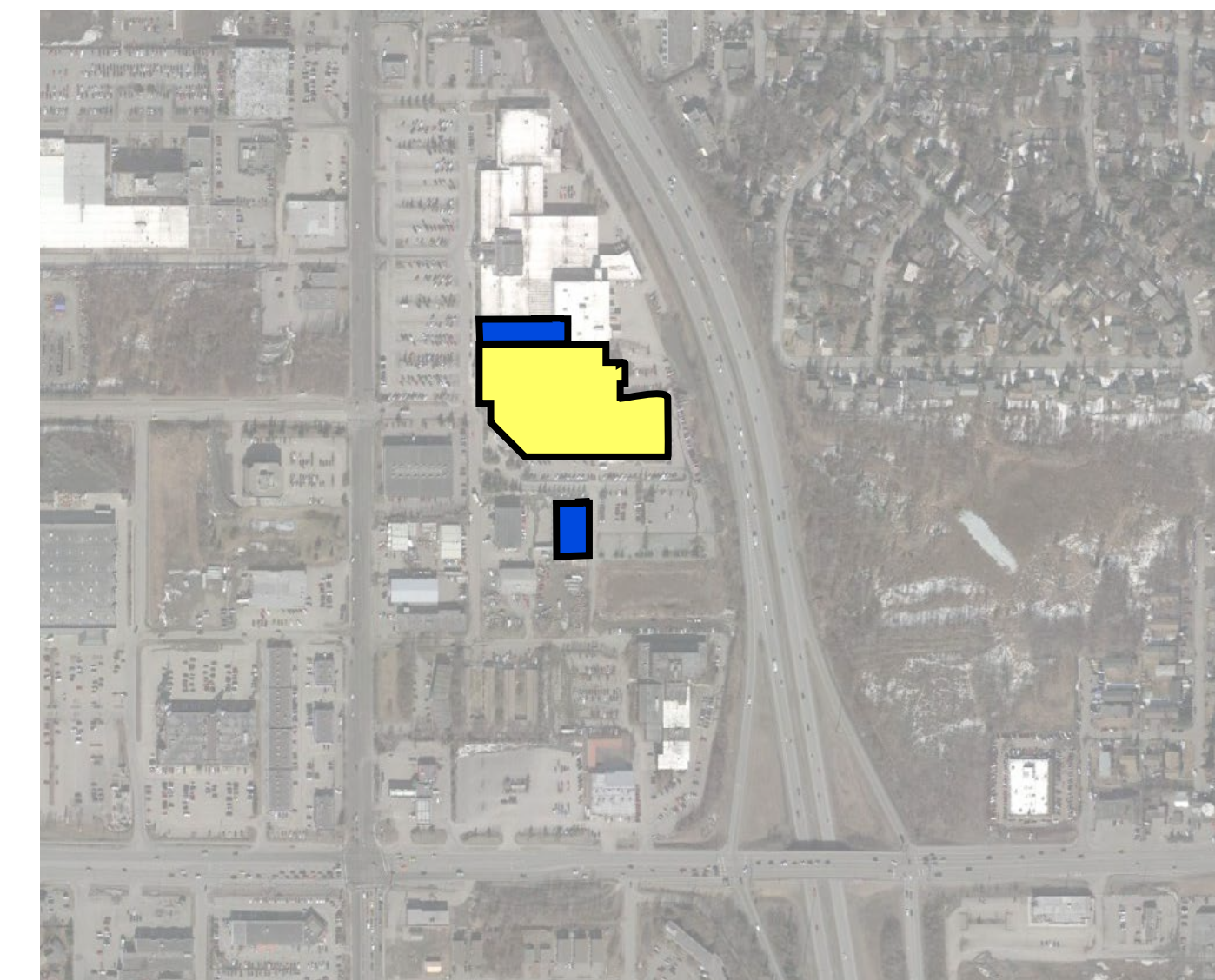
UAA Chugiak Eagle River Campus



UAA Aviation Technology



UAA University Center



UAA 7th & A

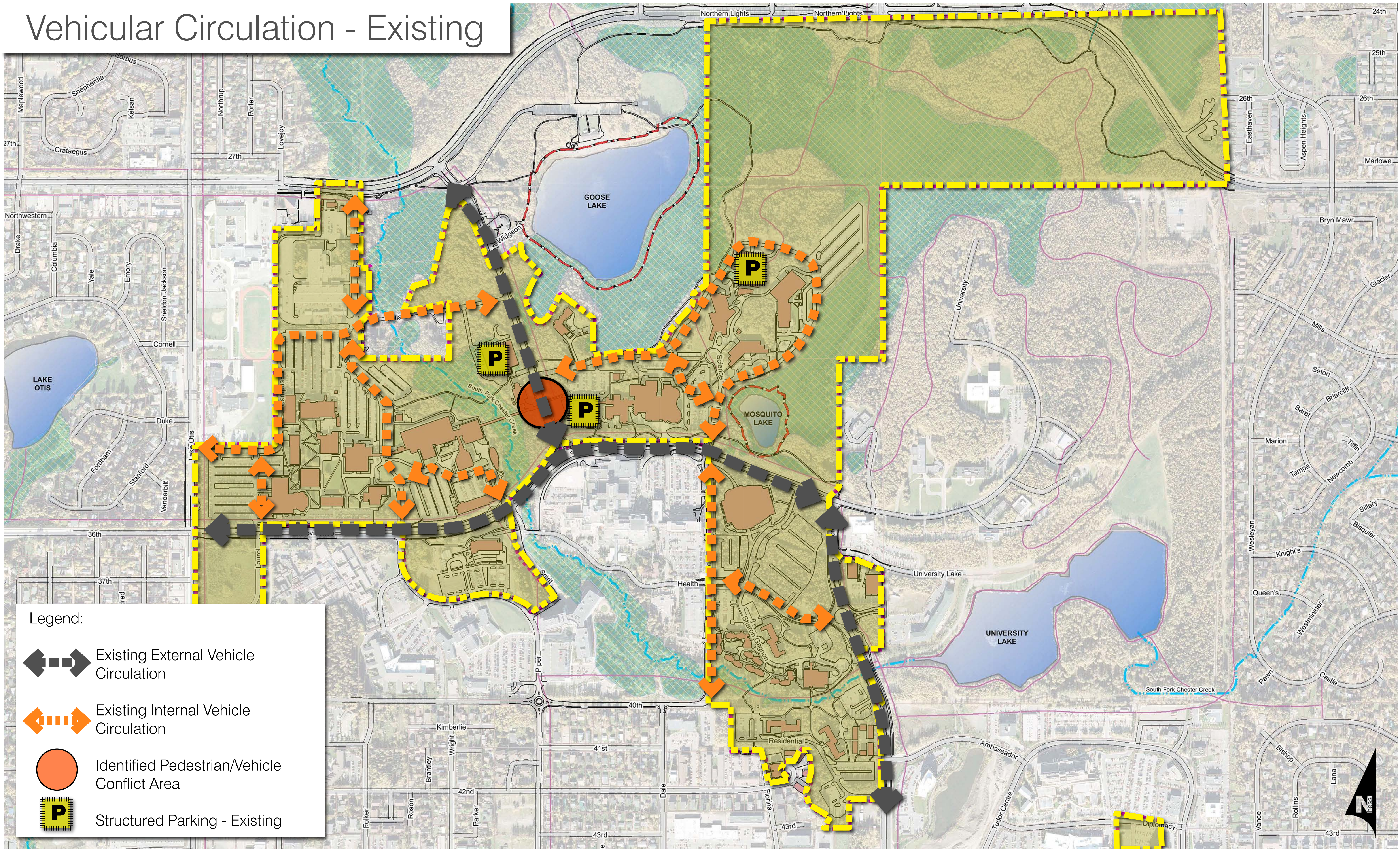


Legend:

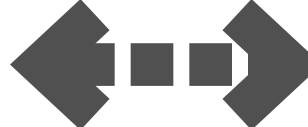



- Leased Space
- Due for a Major Renewal/Replacement within 30+ years*
- Due for a Major Renewal/Replacement within 20 years*
- Due for a Major Renewal/Replacement within 10 years*

* Dependent on Funding

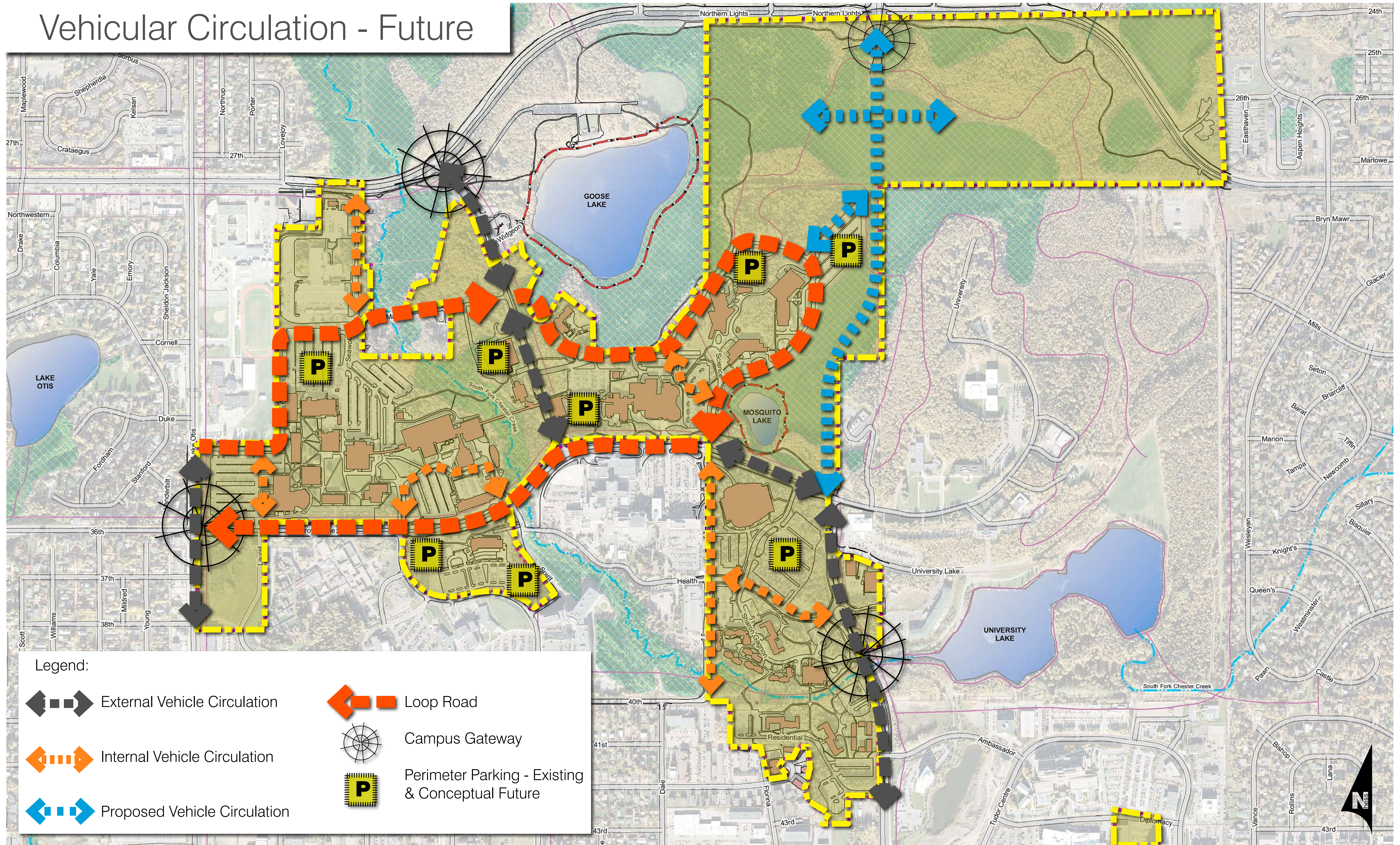
Vehicular Circulation - Existing



Legend:

-  Existing External Vehicle Circulation
-  Existing Internal Vehicle Circulation
-  Identified Pedestrian/Vehicle Conflict Area
-  Structured Parking - Existing

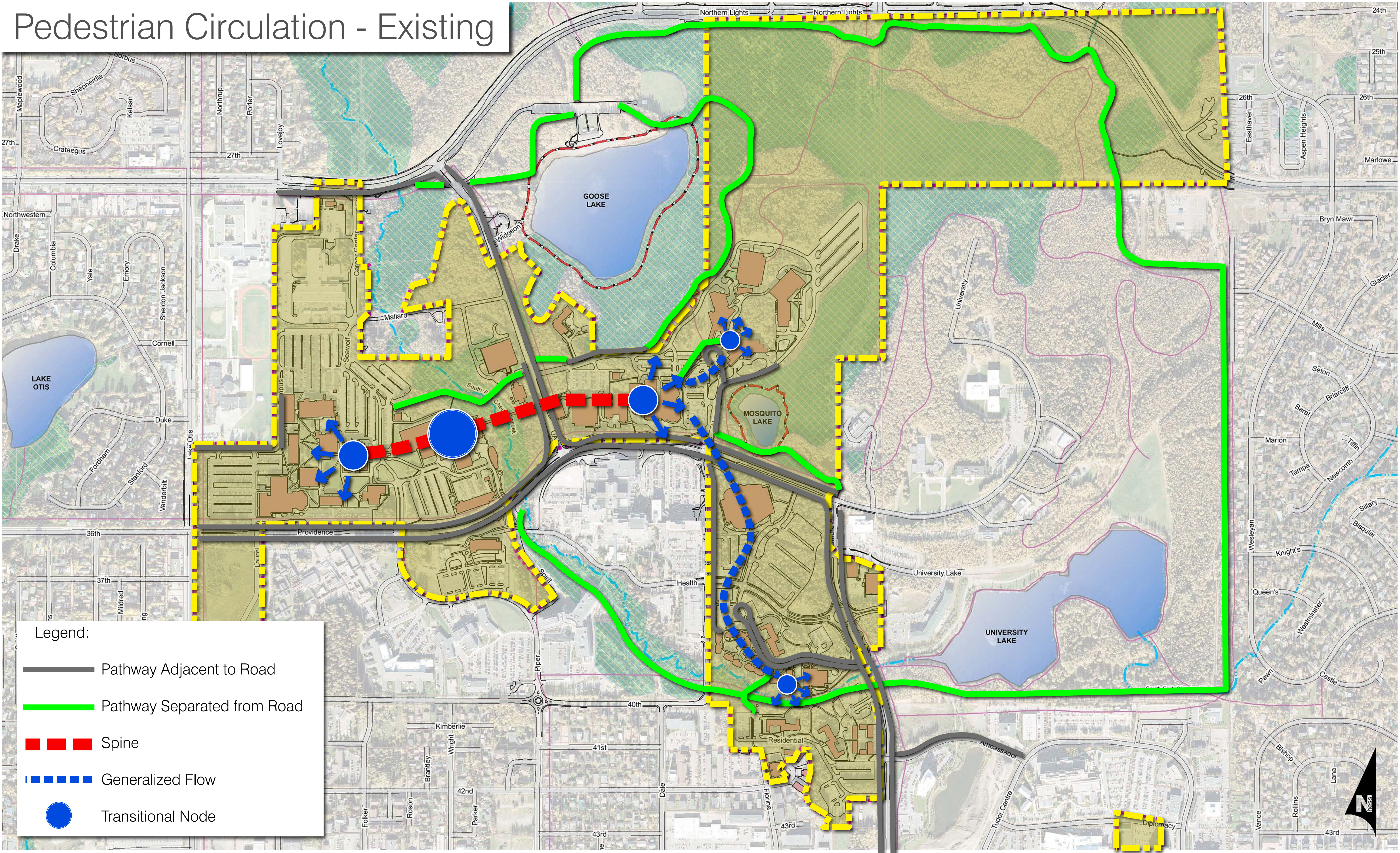
Vehicular Circulation - Future



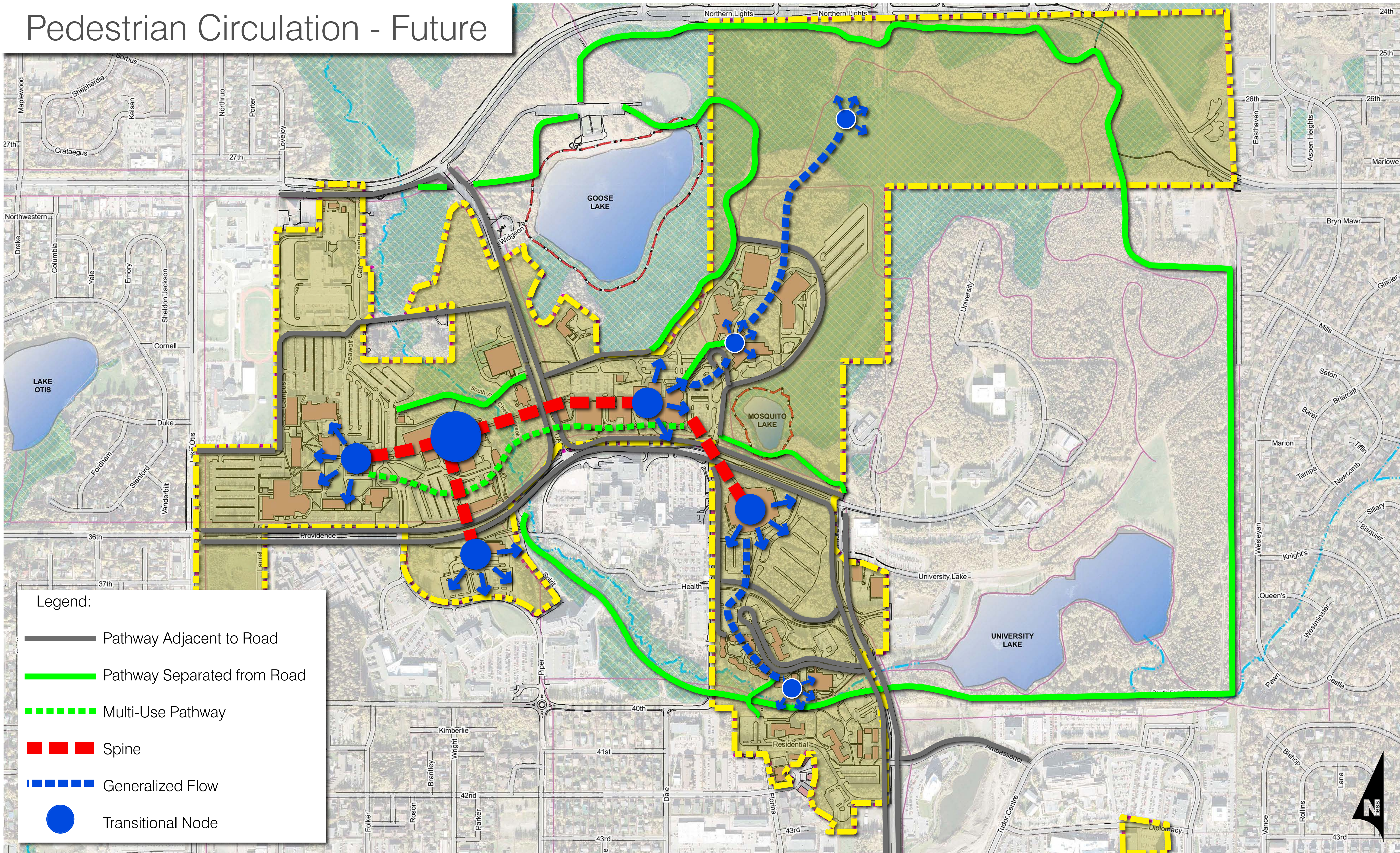
Legend:

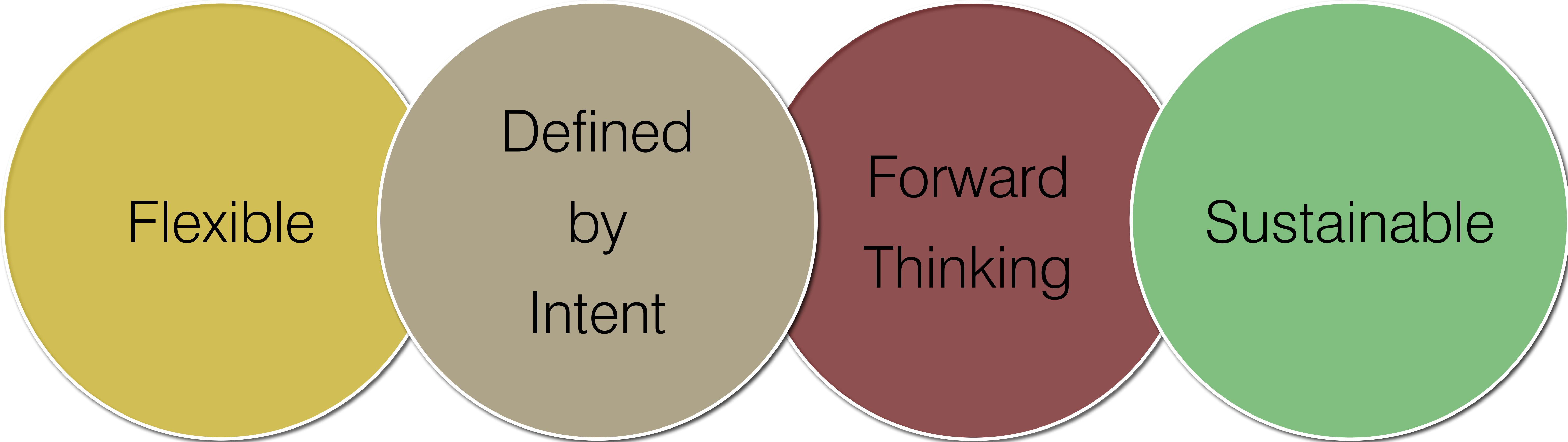
- External Vehicle Circulation
- Internal Vehicle Circulation
- Proposed Vehicle Circulation
- Loop Road
- Campus Gateway
- Perimeter Parking - Existing & Conceptual Future

Pedestrian Circulation - Existing

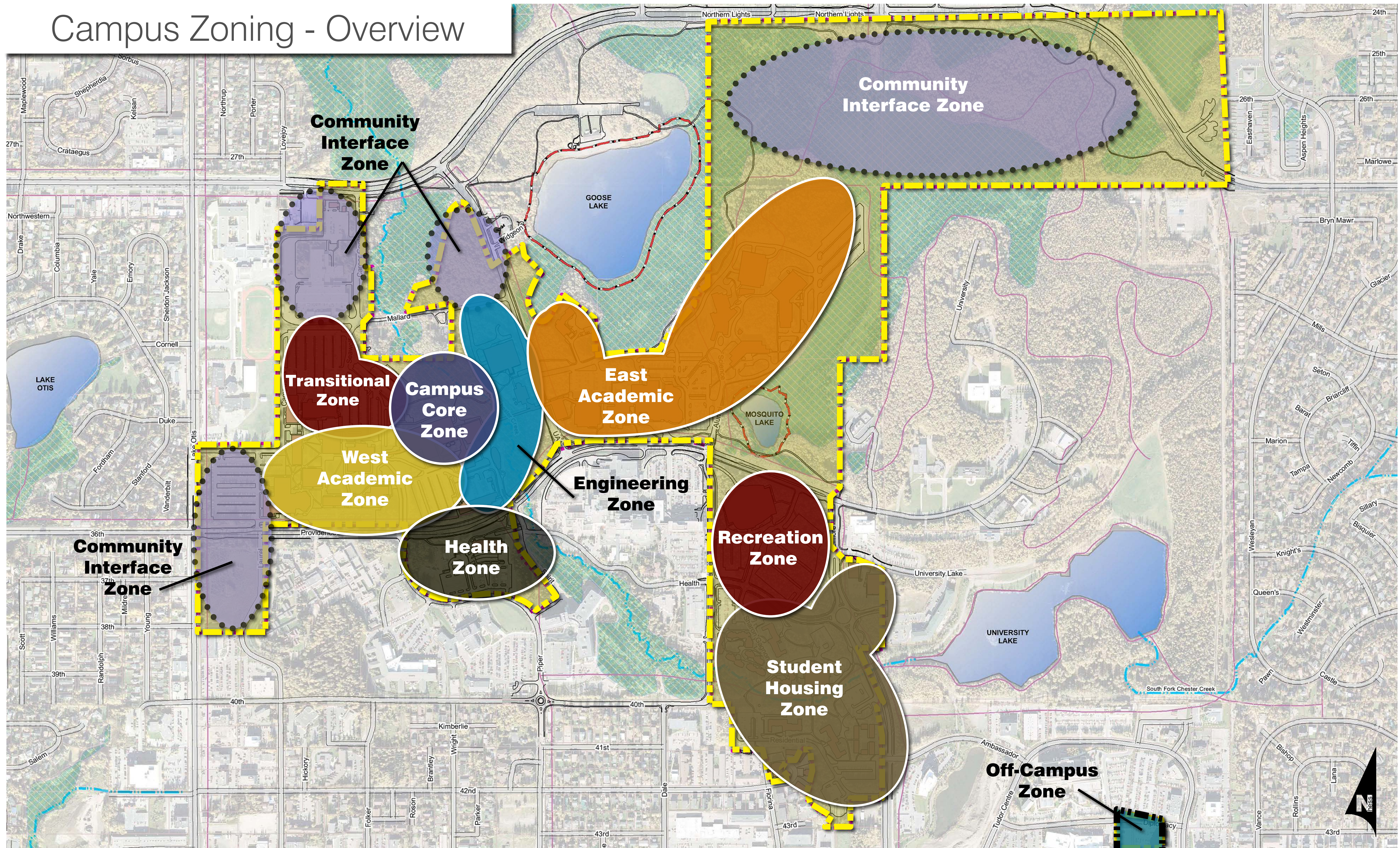


Pedestrian Circulation - Future

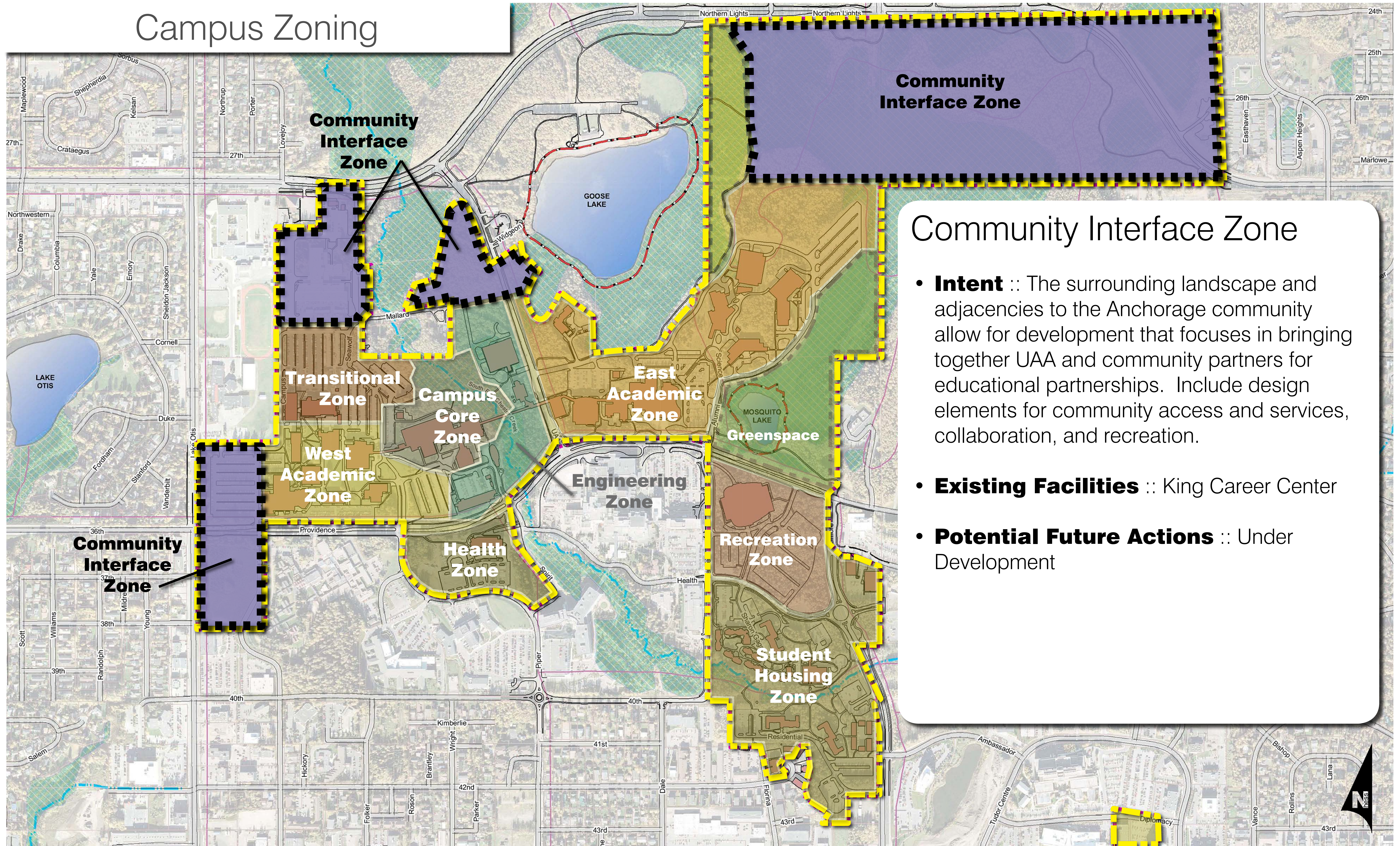




Campus Zoning - Overview



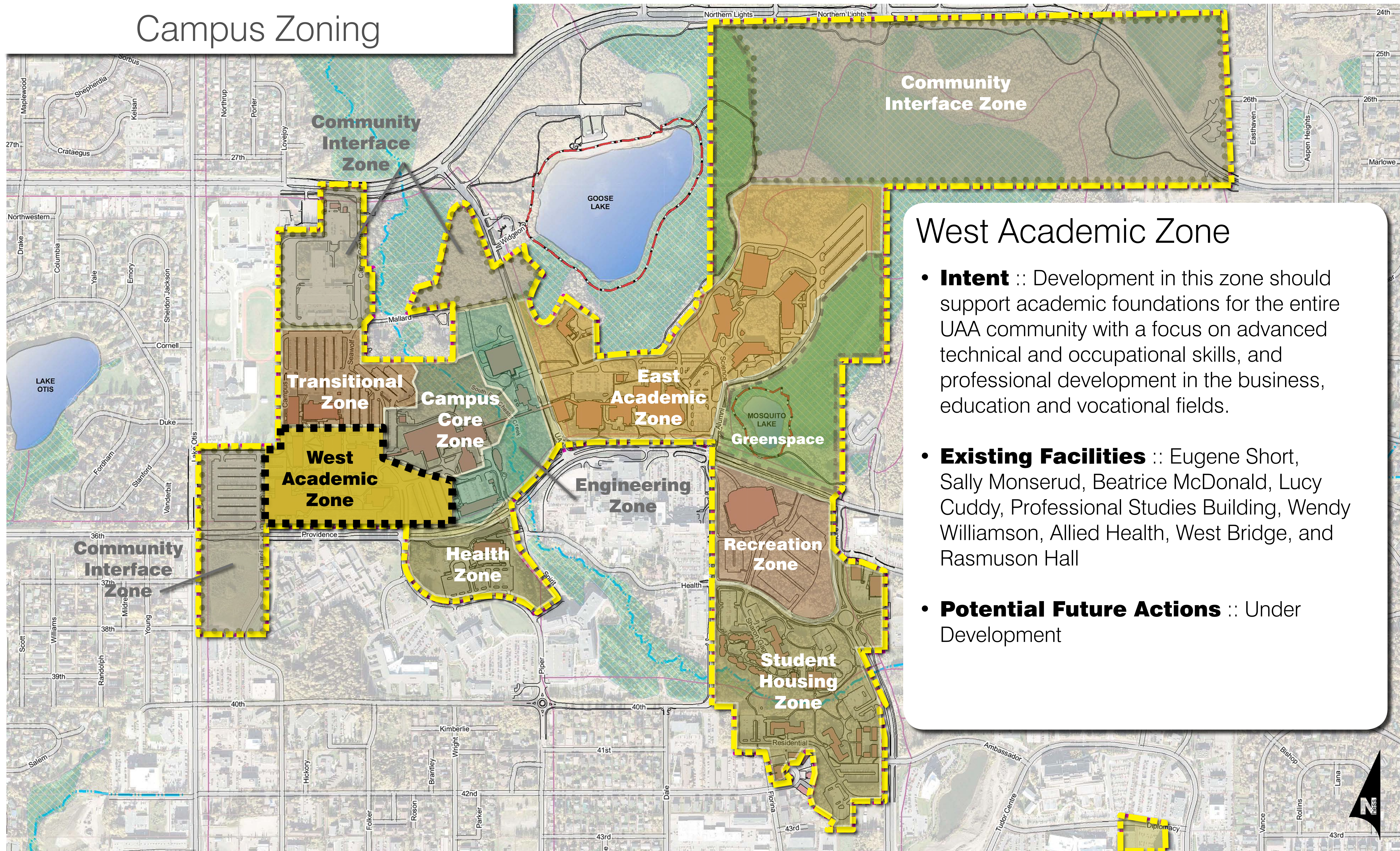
Campus Zoning



Community Interface Zone

- **Intent** :: The surrounding landscape and adjacencies to the Anchorage community allow for development that focuses in bringing together UAA and community partners for educational partnerships. Include design elements for community access and services, collaboration, and recreation.
- **Existing Facilities** :: King Career Center
- **Potential Future Actions** :: Under Development

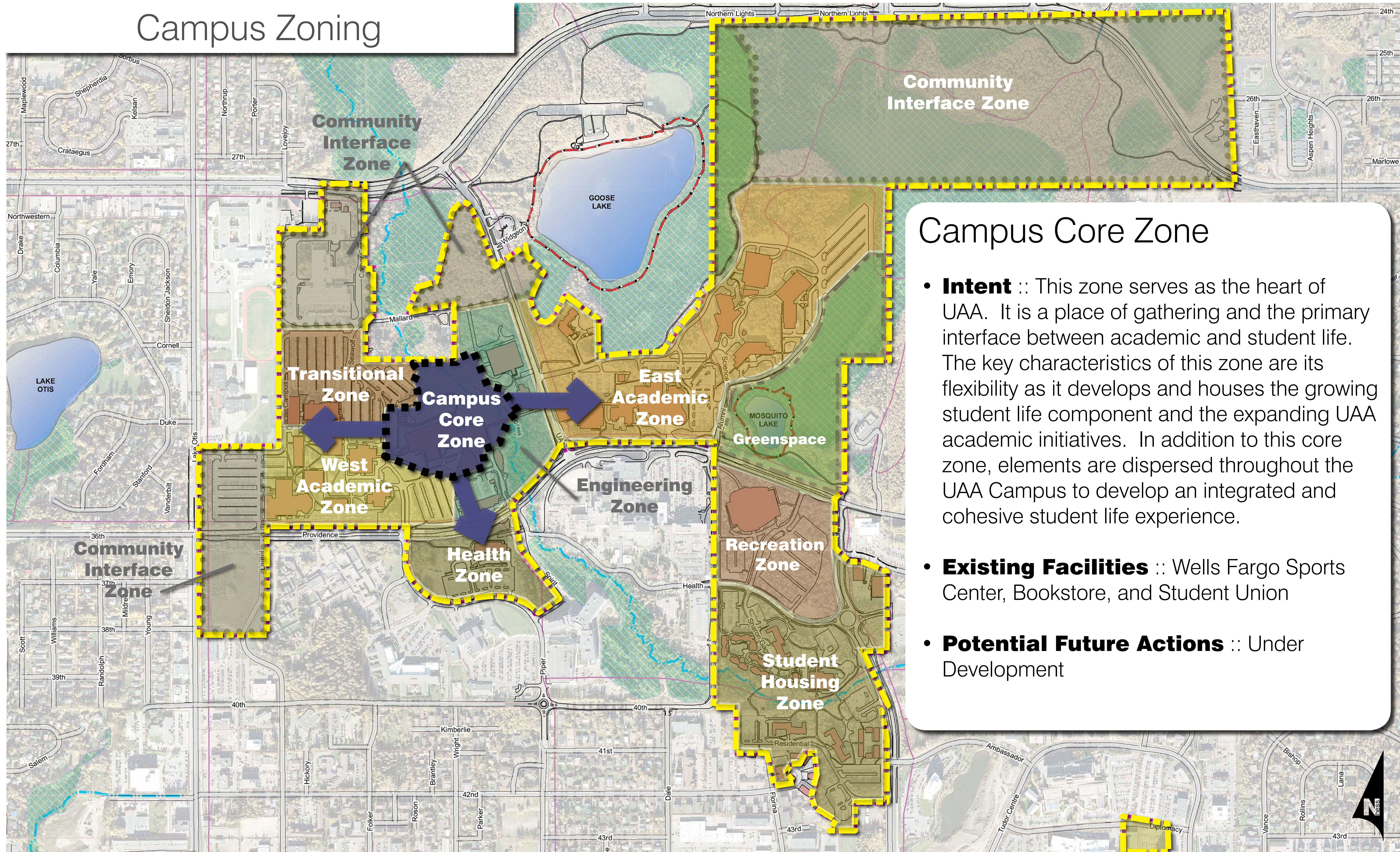
Campus Zoning



West Academic Zone

- **Intent** :: Development in this zone should support academic foundations for the entire UAA community with a focus on advanced technical and occupational skills, and professional development in the business, education and vocational fields.
- **Existing Facilities** :: Eugene Short, Sally Monserud, Beatrice McDonald, Lucy Cuddy, Professional Studies Building, Wendy Williamson, Allied Health, West Bridge, and Rasmuson Hall
- **Potential Future Actions** :: Under Development

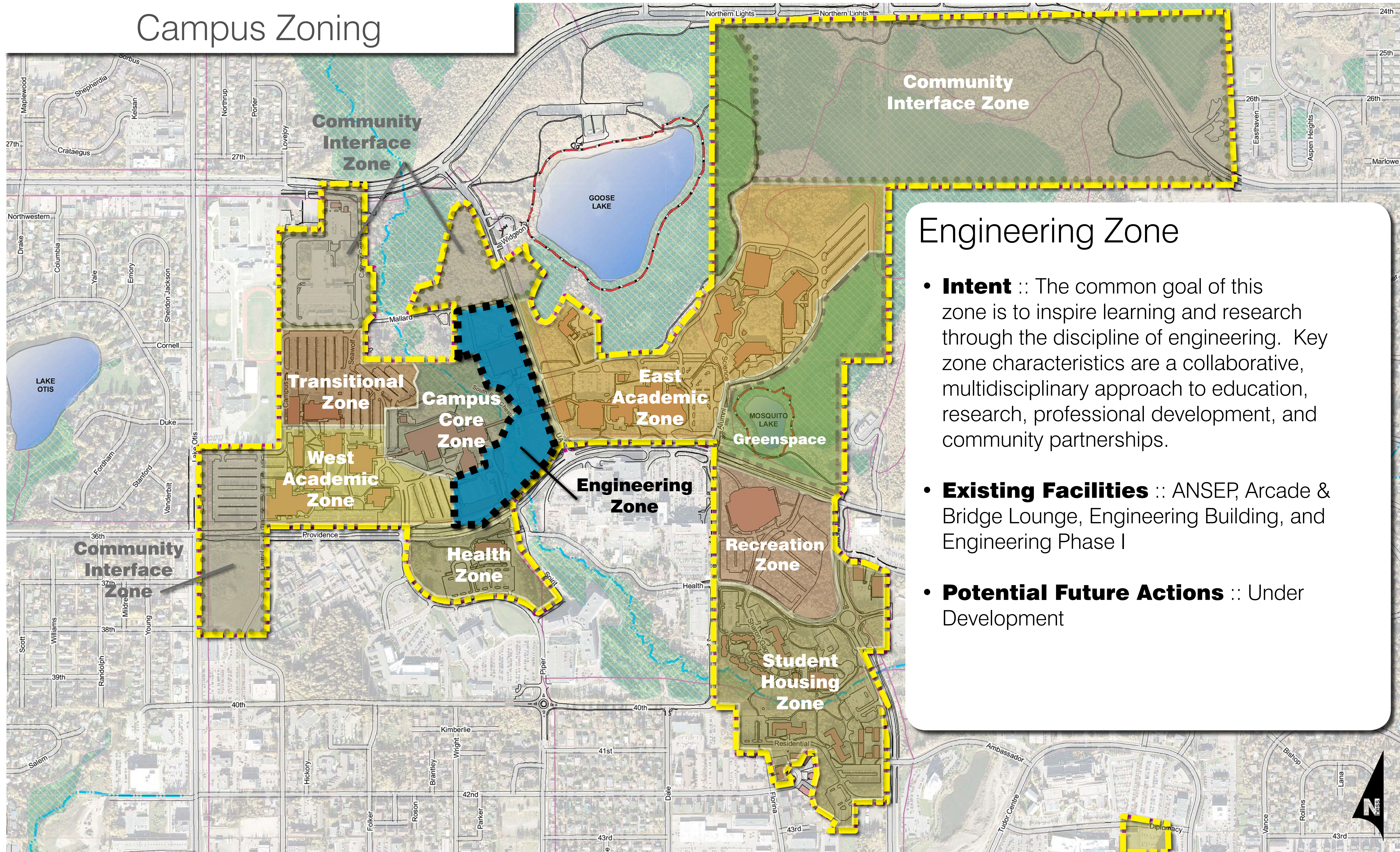
Campus Zoning



Campus Core Zone

- Intent** :: This zone serves as the heart of UAA. It is a place of gathering and the primary interface between academic and student life. The key characteristics of this zone are its flexibility as it develops and houses the growing student life component and the expanding UAA academic initiatives. In addition to this core zone, elements are dispersed throughout the UAA Campus to develop an integrated and cohesive student life experience.
- Existing Facilities** :: Wells Fargo Sports Center, Bookstore, and Student Union
- Potential Future Actions** :: Under Development

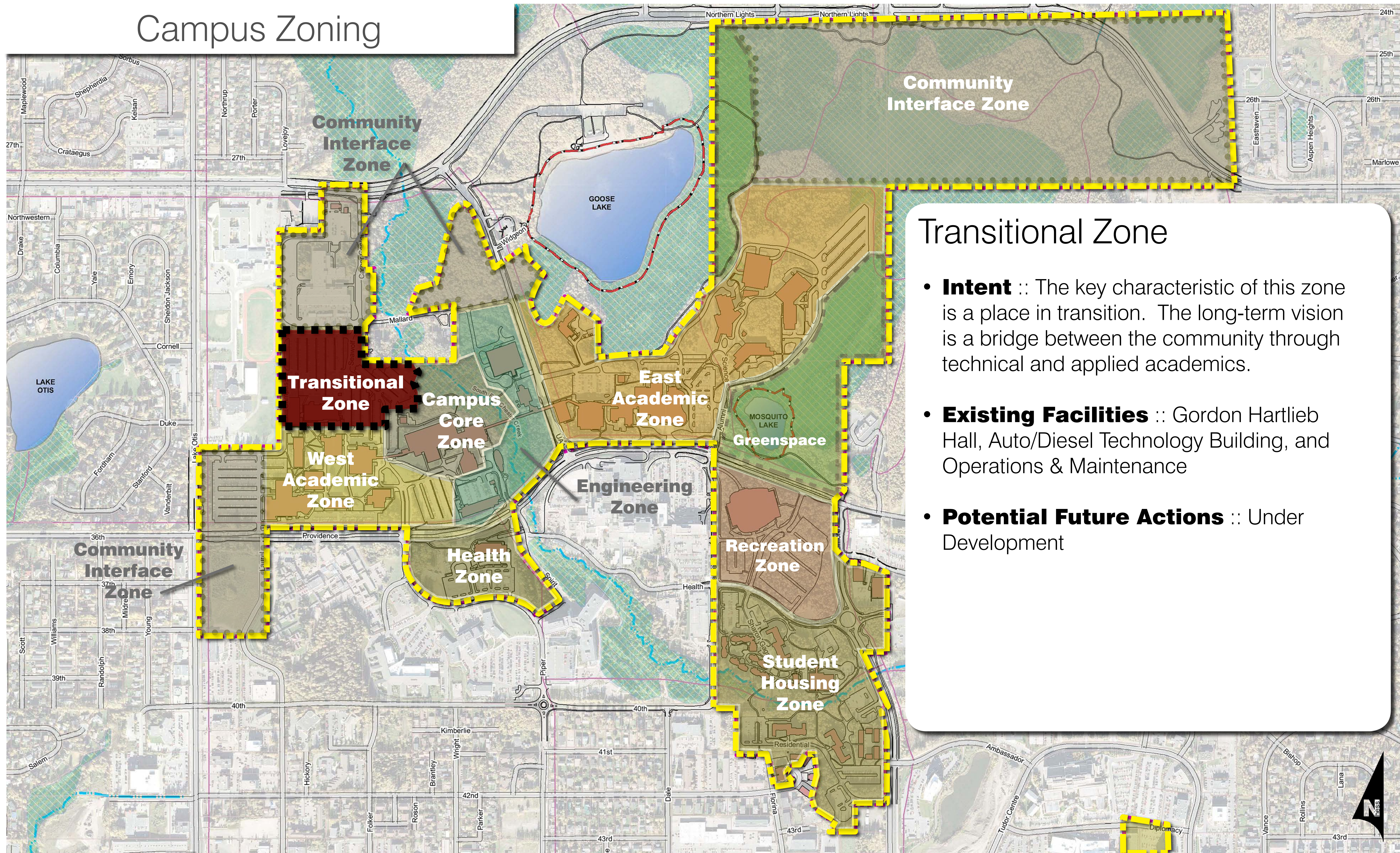
Campus Zoning



Engineering Zone

- **Intent** :: The common goal of this zone is to inspire learning and research through the discipline of engineering. Key zone characteristics are a collaborative, multidisciplinary approach to education, research, professional development, and community partnerships.
- **Existing Facilities** :: ANSEP, Arcade & Bridge Lounge, Engineering Building, and Engineering Phase I
- **Potential Future Actions** :: Under Development

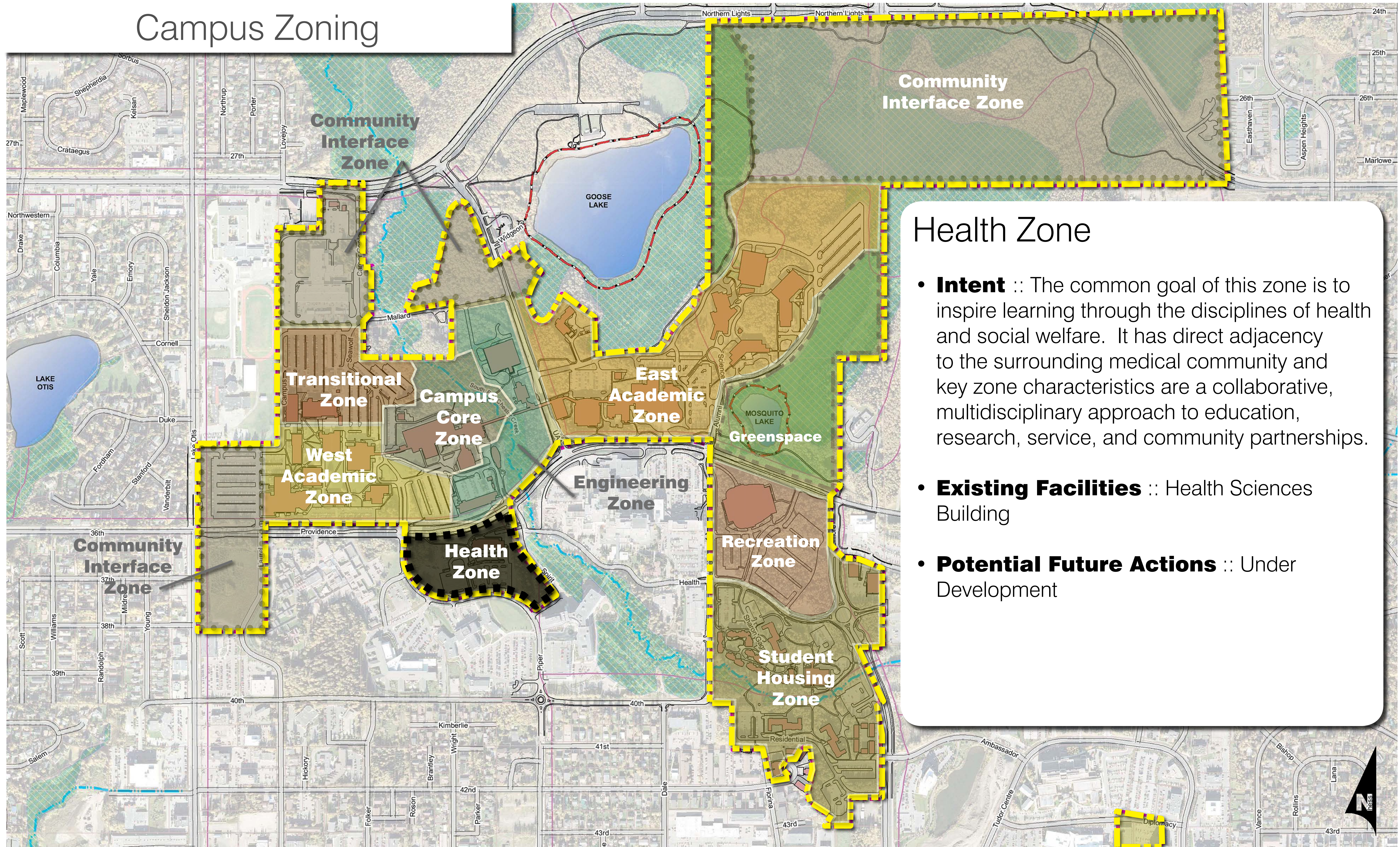
Campus Zoning



Transitional Zone

- **Intent** :: The key characteristic of this zone is a place in transition. The long-term vision is a bridge between the community through technical and applied academics.
- **Existing Facilities** :: Gordon Hartlieb Hall, Auto/Diesel Technology Building, and Operations & Maintenance
- **Potential Future Actions** :: Under Development

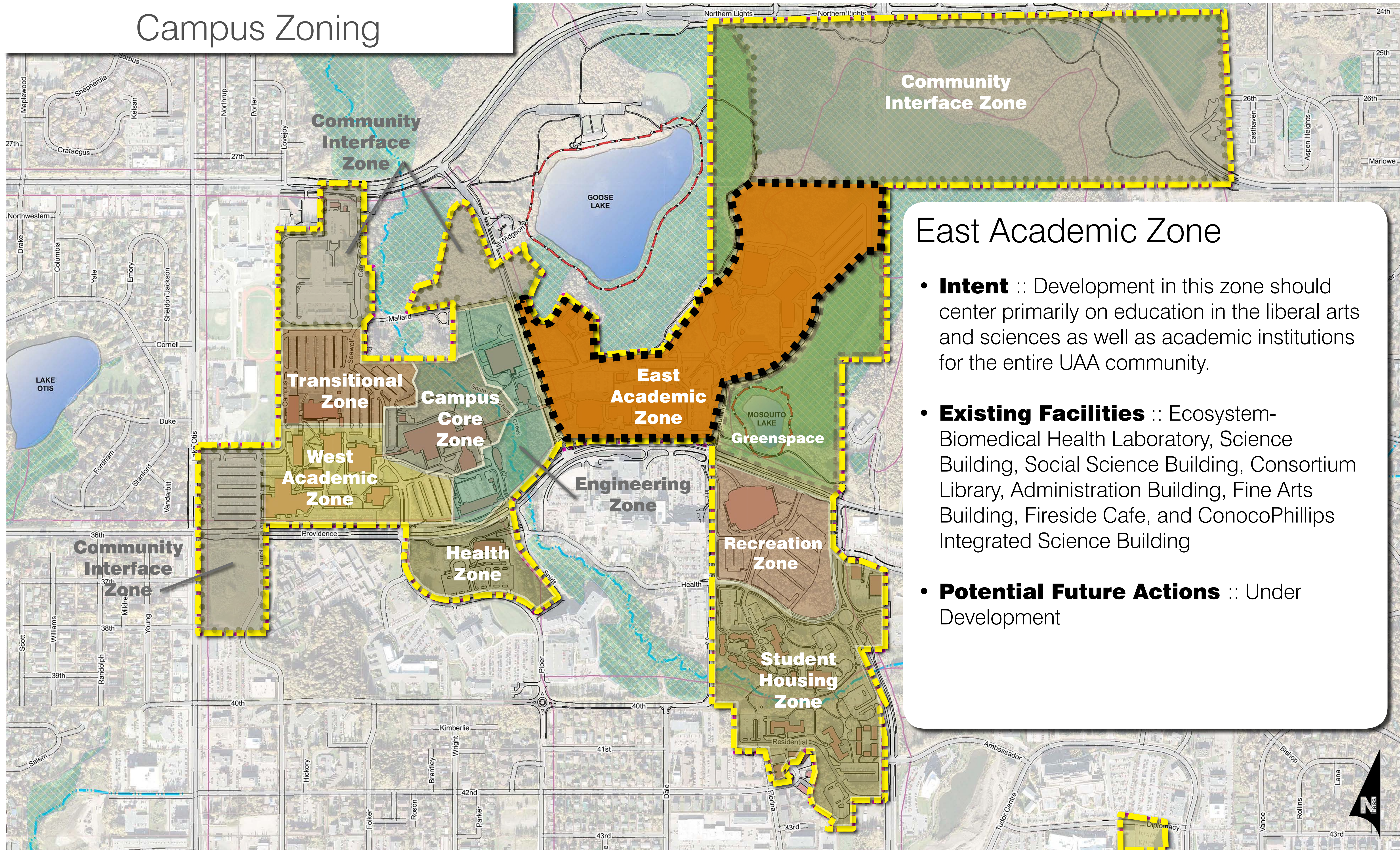
Campus Zoning



Health Zone

- **Intent** :: The common goal of this zone is to inspire learning through the disciplines of health and social welfare. It has direct adjacency to the surrounding medical community and key zone characteristics are a collaborative, multidisciplinary approach to education, research, service, and community partnerships.
- **Existing Facilities** :: Health Sciences Building
- **Potential Future Actions** :: Under Development

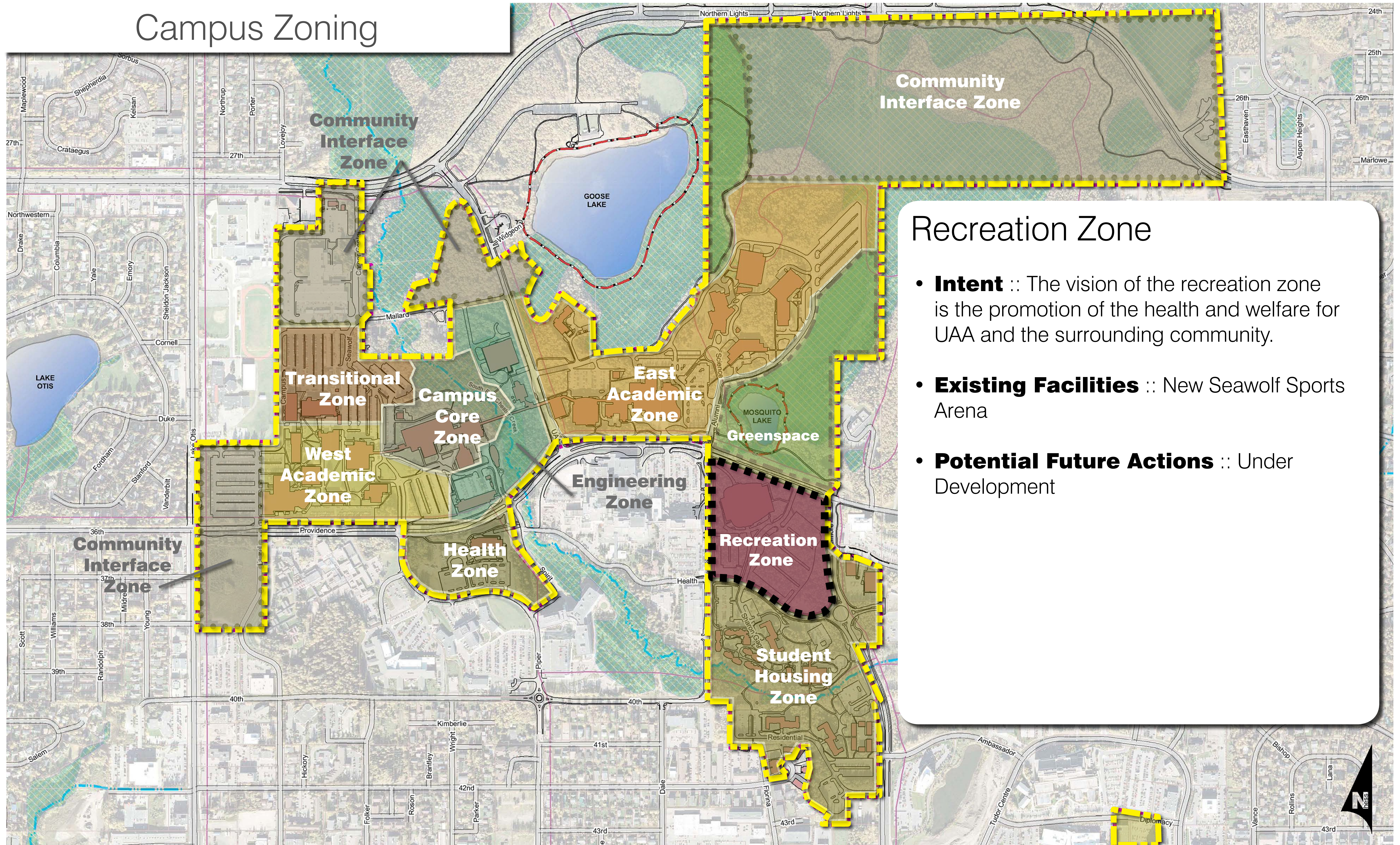
Campus Zoning



East Academic Zone

- **Intent** :: Development in this zone should center primarily on education in the liberal arts and sciences as well as academic institutions for the entire UAA community.
- **Existing Facilities** :: Ecosystem-Biomedical Health Laboratory, Science Building, Social Science Building, Consortium Library, Administration Building, Fine Arts Building, Fireside Cafe, and ConocoPhillips Integrated Science Building
- **Potential Future Actions** :: Under Development

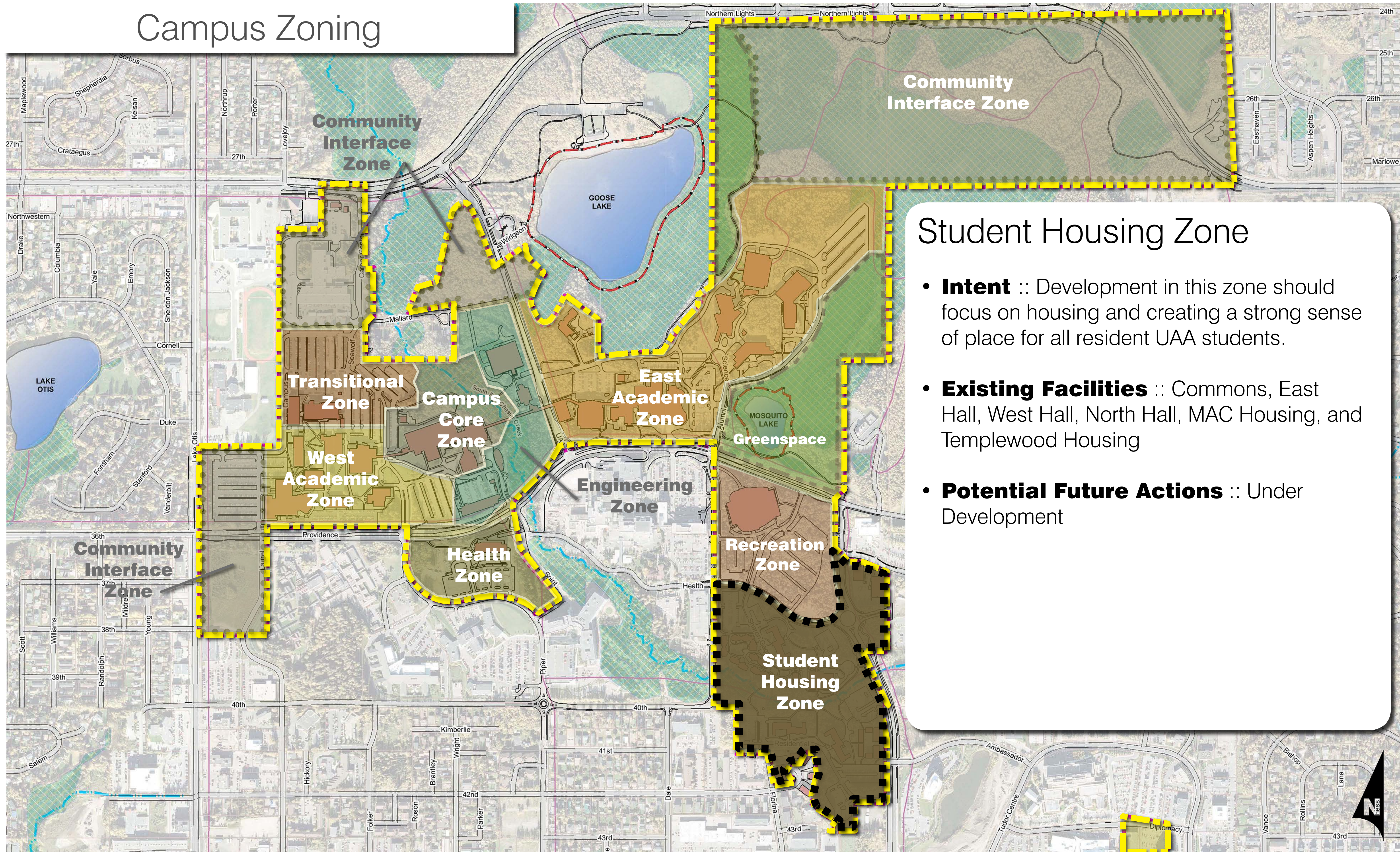
Campus Zoning



Recreation Zone

- **Intent** :: The vision of the recreation zone is the promotion of the health and welfare for UAA and the surrounding community.
- **Existing Facilities** :: New Seawolf Sports Arena
- **Potential Future Actions** :: Under Development

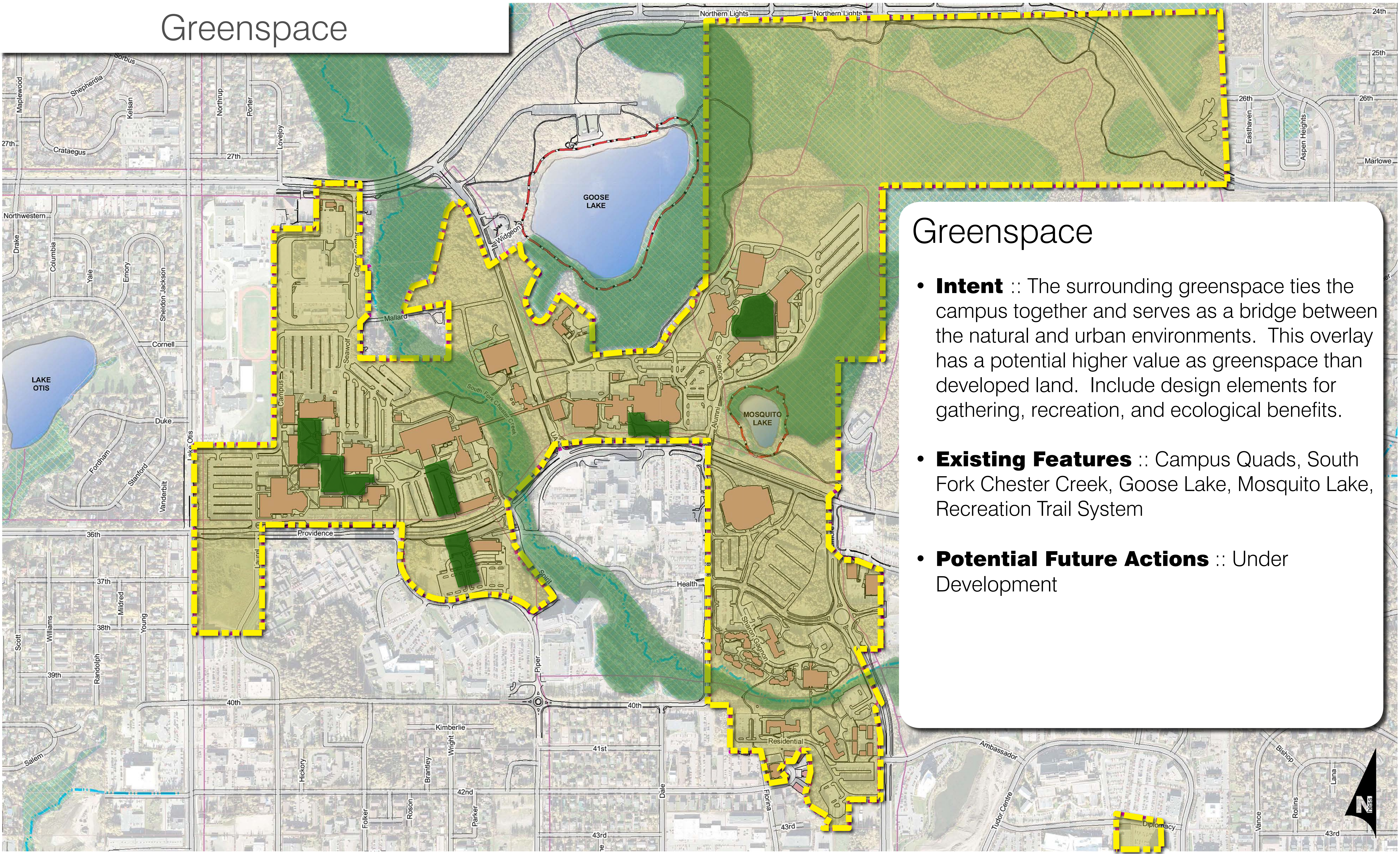
Campus Zoning



Student Housing Zone

- **Intent** :: Development in this zone should focus on housing and creating a strong sense of place for all resident UAA students.
- **Existing Facilities** :: Commons, East Hall, West Hall, North Hall, MAC Housing, and Templewood Housing
- **Potential Future Actions** :: Under Development

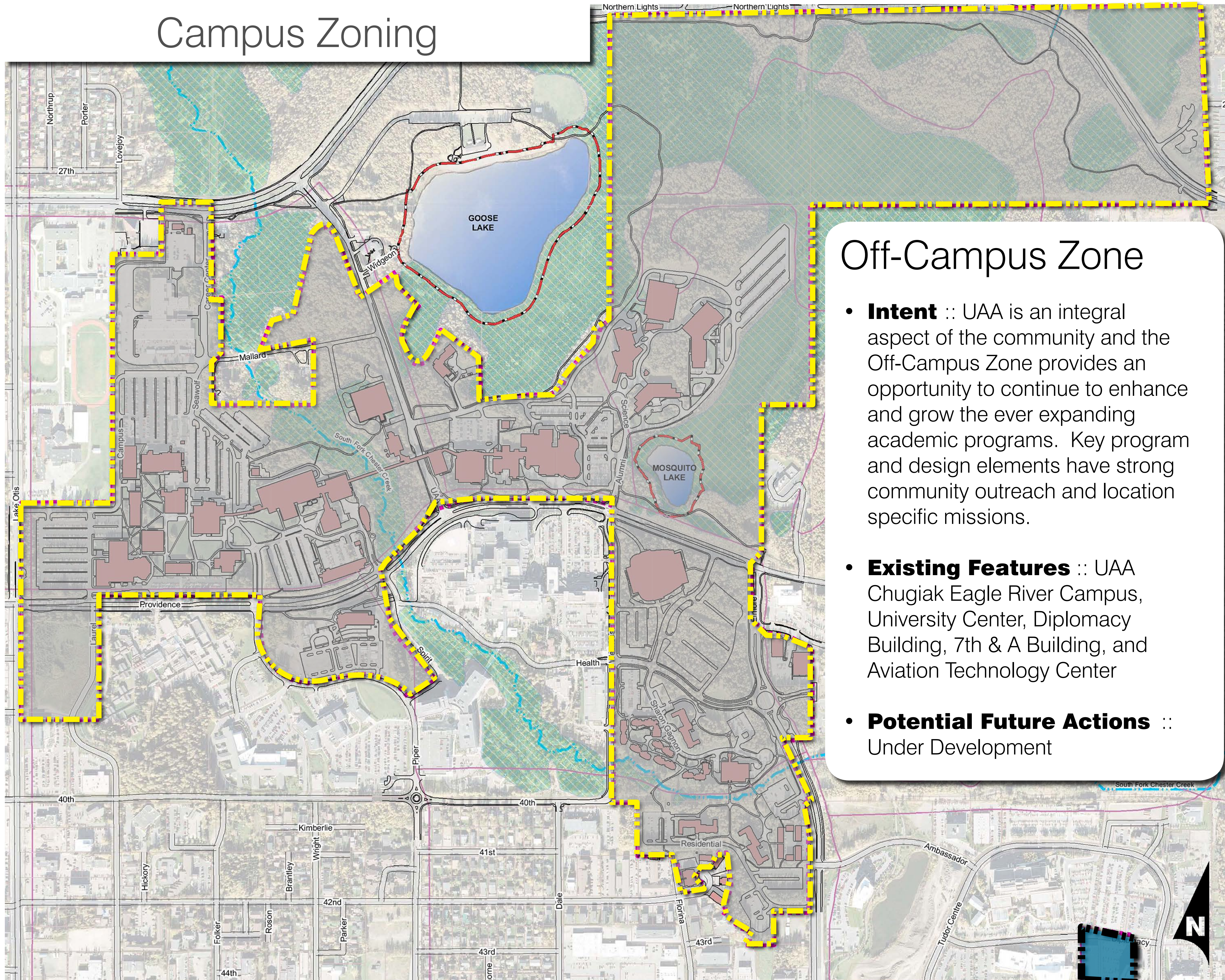
Greenspace



Greenspace

- **Intent** :: The surrounding greenspace ties the campus together and serves as a bridge between the natural and urban environments. This overlay has a potential higher value as greenspace than developed land. Include design elements for gathering, recreation, and ecological benefits.
- **Existing Features** :: Campus Quads, South Fork Chester Creek, Goose Lake, Mosquito Lake, Recreation Trail System
- **Potential Future Actions** :: Under Development

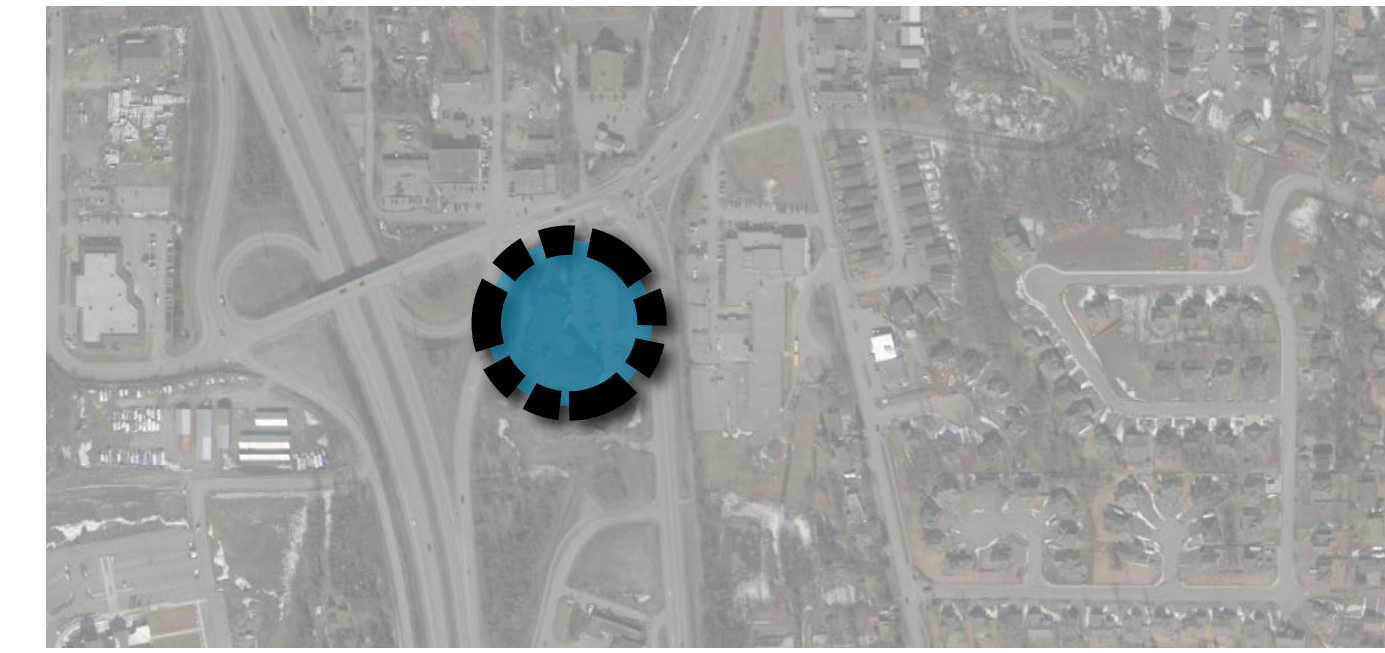
Campus Zoning



Off-Campus Zone

- **Intent** :: UAA is an integral aspect of the community and the Off-Campus Zone provides an opportunity to continue to enhance and grow the ever expanding academic programs. Key program and design elements have strong community outreach and location specific missions.
- **Existing Features** :: UAA Chugiak Eagle River Campus, University Center, Diplomacy Building, 7th & A Building, and Aviation Technology Center
- **Potential Future Actions** :: Under Development

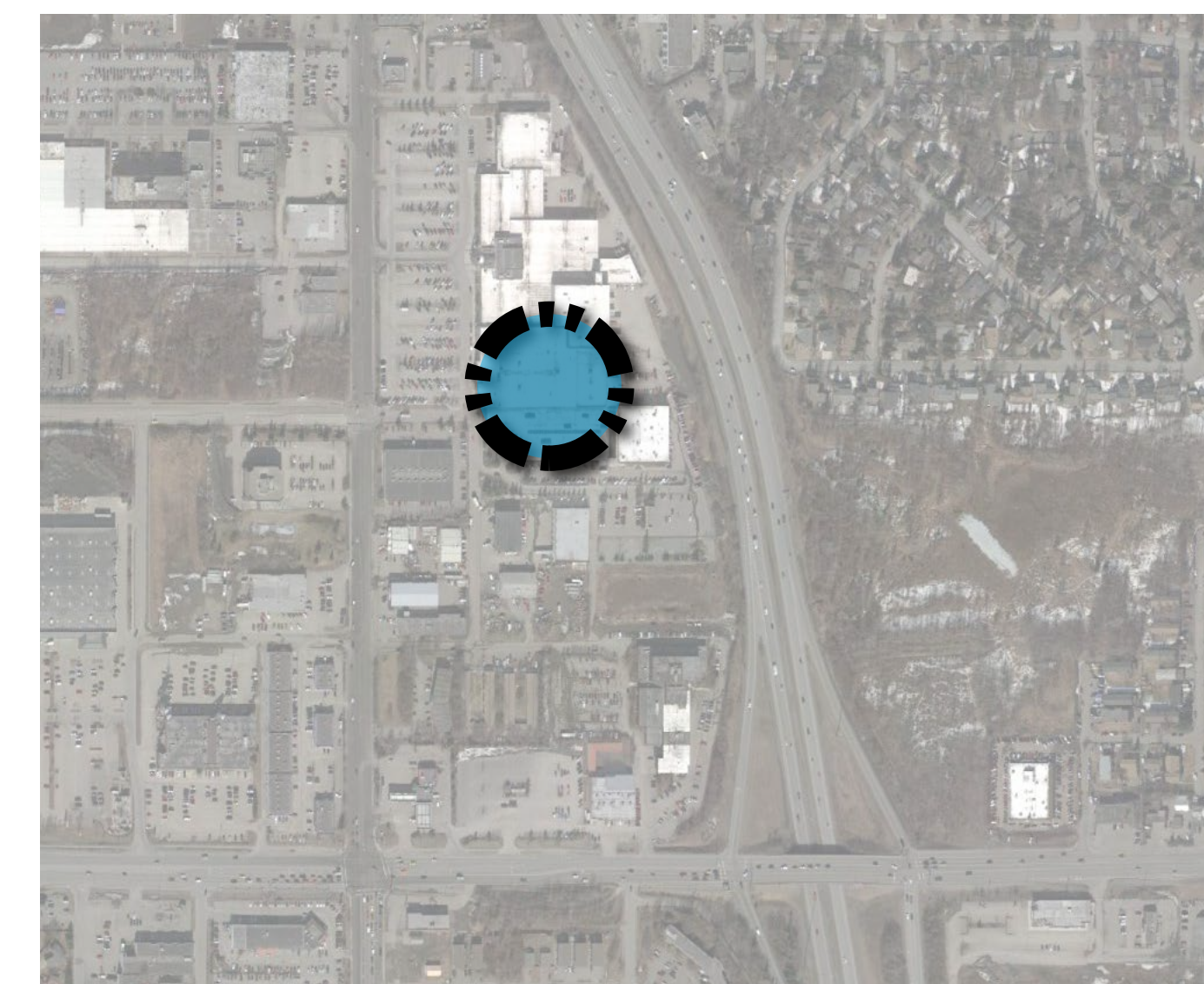
UAA Chugiak Eagle River Campus



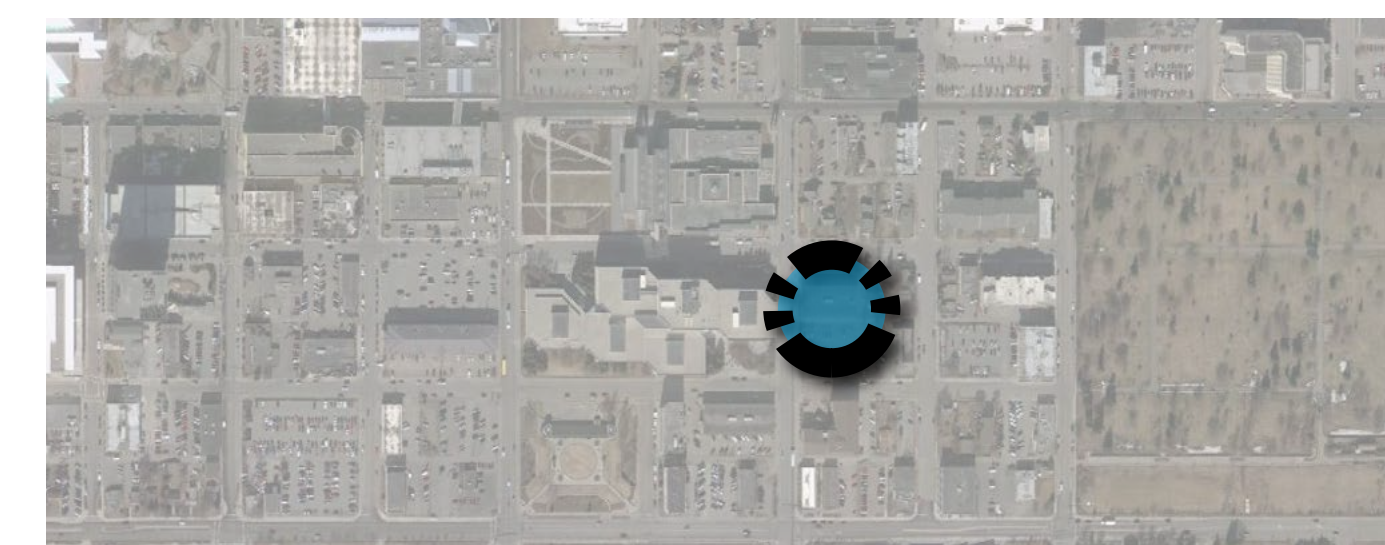
UAA Aviation Technology



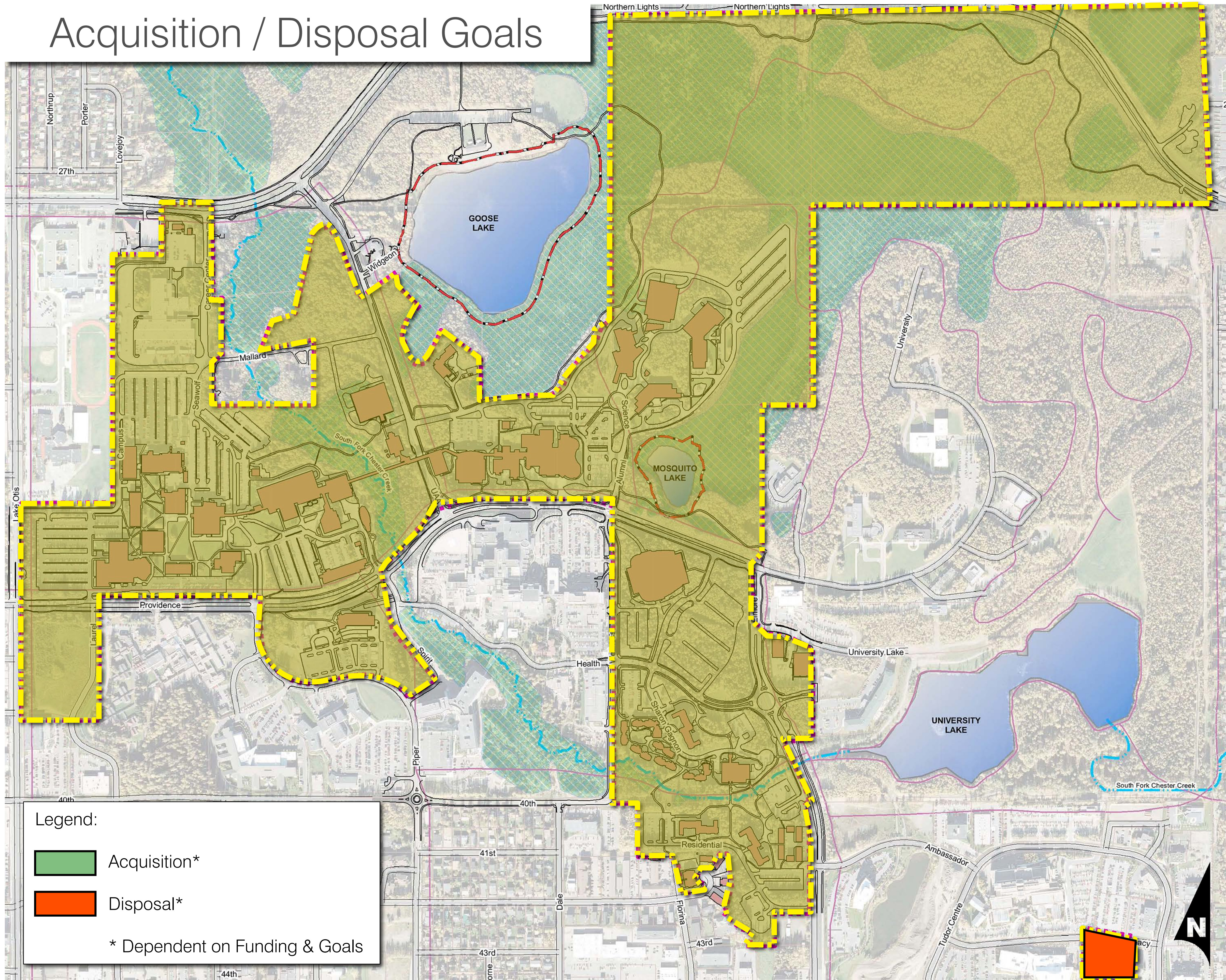
UAA University Center



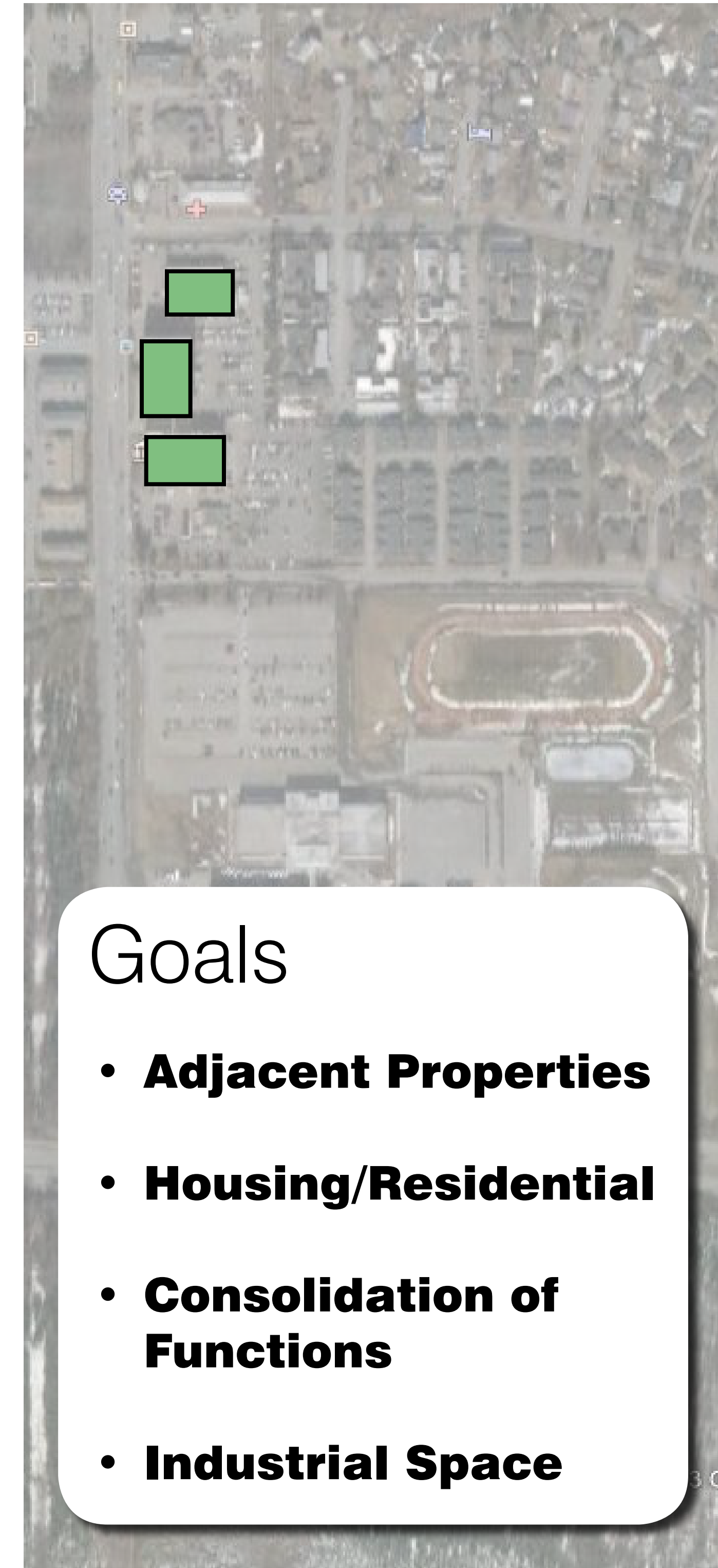
UAA 7th & A



Acquisition / Disposal Goals



Bragaw Office Complex

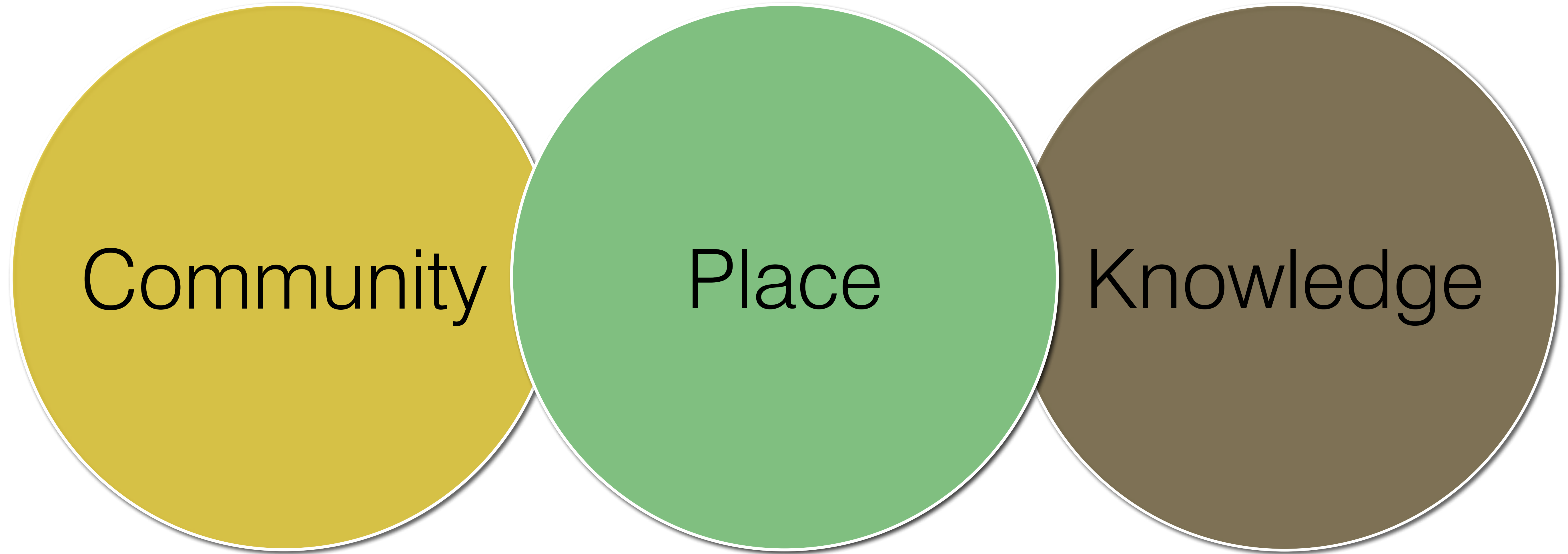


Goals

- **Adjacent Properties**
- **Housing/Residential**
- **Consolidation of Functions**
- **Industrial Space**

UAA 7th & A





Draft Master Plan Presentation :: June 6 - 7 :: Fairbanks

Final Master Plan Presentation :: September 26 - 27 :: Juneau

UAA Master Plan Blog :: uaamasterplan2012.blogspot.com/

Status Report on UAA Seawolf Sports Arena Project

Architectural/Mechanical/Electrical drawings and specifications have been conformed by the design consultants and submitted to the Municipality Plan Review for a Final Building Permit. To date, Fill/Grade, Footing/Foundation, and Core/Shell permits have been approved by the MOA and a Final Construction permit is anticipated shortly, pending resolution of several miscellaneous comments from the Electrical and Traffic departments at the MOA. The shared parking agreement between the University and Providence Alaska Medical Center is fully executed and has been recorded with the Municipality of Anchorage. A vehicular traffic/pedestrian Management Plan for large capacity events will be the final MOA requirement prior to occupancy and this will be coordinated with the U-Med District participants prior to project completion.

Reconciliation of Phase II pricing is complete and a final GMP contract is fully executed with Cornerstone General Contractors for a total authorization of \$86,000,000 for Phase I and II combined (thru Modification #6). The bid documents included a total of over 40 Additive Alternates. These alternates have been prioritized by the Athletic Department and the project Team and many will be incorporated into the project as construction progresses and remaining construction contingency funds can be released back into the project. A Quarterly Executive Update Meeting was held in December and the next is scheduled in March.

- Overall percentage of construction completion is approximately 24%.
- Structural backfill is complete up through the upper foundation walls and all remaining Phase I civil/site work has now been discontinued until spring.
- Cooling well submittals have gone to DEC for final review and approval.
- Footings and foundation work is complete for the winter leaving vehicle/crane access thru the East foundation wall.
- Underground plumbing and electrical rough-in work is nearing completion in the basement level and the majority of the slab-on-grade concrete is now complete (excluding the bowl area).
- First shipment of structural steel arrived in Anchorage in late November and the remaining 500 tons are now in transit.
- All of the metal decking is on site and approximately 30% of the precast concrete riser panels for the performance gym have been fabricated/cast and are on site.
- Actual erection of the structural steel began in mid-December and installation of metal decking and wind girts are scheduled to begin shortly.

The current schedule for completion is:

Planning & Design:	August 2008 – Summer 2012
Construction, Ph 1:	May 2012 – July 2014
Construction, Ph 2:	October 2012 – July 2014
Occupancy:	August 2014

Status Report on UAA Engineering and Industry Building Project

The RFP for the construction manager at risk (CMAR) pre-construction services for the UAA School of Engineering Building was issued August 24, 2012. A pre-submittal conference was held September 7, 2012. The RFP closed on September 21, 2012. Through an evaluation process required in the RFP, Neeser Construction of Anchorage, Alaska, was selected. The contract was issued to Neeser in October 2012. The project components included in the CMAR contract include: 1) a new 4 story, 75,000+ gross square foot laboratory/classroom building and 2) renovation of the existing 3 story, 40,000 gross square foot engineering building. (Note: The Parking Garage, which is also part of this project, will be bid out separately for construction.)

The contractor immediately began reviewing 65% design documents and developing the contractor price for the new building. Meetings were held January 9-11, 2013 with representatives from the design team, UAA Facilities Planning and Construction and the CMAR contractor. In addition to the reconciliation and negotiation of the construction costs between the design team and contractor, discussions included cost reviews for the early site work/footings and foundation design/construction package and the structural steel procurement package. The object of developing these packages is to start work in spring 2013 with the available funding.

Additional meetings will be scheduled to negotiate costs. Over 100 items have been identified for evaluation as value adjustment items to bring the construction costs down to the required amount without affecting project schedule, quality and programs.

The public hearing process is being coordinated with the University facilities staff, design team, MOA and local community councils. The MOA Urban Design Commission meeting is scheduled for February 13, 2013. Meetings with the local community councils are being scheduled throughout the month of February.

The current schedule for construction of the new building and renovation of the existing building is as follows:

Design Review:	New Building	November 2012-June 2013
	Existing Building	July 2013-June 2014
Permit (New Bldg)	Fill & Grade/AUW	March 2013
	Footings/Foundation	April-May 2013
	Structural Steel	May 2013
	Full Building	July 2013
Construction	New Building	April 2013-July 2015
	Existing Building	August 2015-June 2016
Occupancy	New Building	August 2015
	Existing Building	July 2016

Design and construction services for the parking structure were not included in the CMAR contract. The parking structure will be constructed using the design-bid-build delivery system. The current schedule for the parking structure is as follows:

Design:	February 2012-February 2013
Permit:	March 2013
Construction:	April 2013-February 2014
Occupancy:	March 2014

UAF Engineering Facility Information Item

Project Update

UAF and ECI-Hyer/NBBJ have completed the project Design Development (DD) documents and design review has been completed. UAF has also completed selection of a Construction Manager at Risk (CMAR) that will provide preconstruction services and possibly construction services. Five proposals were received and Davis Constructors and Engineers of Anchorage was selected as the CMAR based on their technical and price proposal. They have joined the design team and UAF in a complete review of the design, provided an estimate of construction cost, and have begun working on identifying cost savings for the project. Structural and Civil design, as well as the exterior wall system design, is moving forward so that construction can begin in April 2013 and be able to utilize current funding on hand. Additional funding, demonstrated in the FY14 Capital Budget Request, is required to complete the project through occupancy.

Background

The proposed new UAF Engineering Facility responds to the initiative to graduate more engineering students, enhance the student experience for engineering students and other students campus wide with a visible and interactive learning environment, integrating UAF's successful engineering research and graduate programs, while addressing critical classroom needs. The proposed facility of approximately 117,000 gross square feet (gsf) is ideally situated adjacent to the existing Duckering Building that currently houses the College of Engineering and Mines (CEM). This project will also provide the opportunity to complete the Cornerstone Plaza with an attractive and functional focal point at the far side of the UAF main campus.

Milestones (based on receiving full funding July 1, 2013)

ECI/Hyer-NBBJ Design Contract	May 2011
Amended Project Approval	September 2011
Schematic Design	April 2012
Schematic Design Approval	June 2012
Design Development	November 2012
Final Design Work Package #1 (foundation, structure, shell)	March 2013
Construction Start-Up	April 2013
Final Design Work Package #2 (building completion)	August 2013
New Construction Complete	July 2015
Design and Construction of Duckering functional connection (remodel related to connecting the new Engineering Building to Duckering Building.)	July 2016

UAF Combined Heat and Power Plant Replacement Information Item

Project Update

The consulting team of Stanley Consultants and SLR, Inc. has been advancing work towards the major deliverables of a cost estimate and air permit application. The preliminary design was submitted at the end of July 2012 and the air permit application is scheduled to be submitted in January 2013.

The preliminary cost estimate exceeded an earlier Order of Magnitude estimate by a significant margin. This estimate is being reviewed further and an independent estimating effort will be performed. This effort is expected to be completed by late January 2013. Value engineering will be performed once the cost estimate is finalized to explore potential cost savings without affecting the performance parameters of the proposed facility.

In addition to pursuing the solid fuel option, a cost estimate is being prepared for a natural gas option for UAF should reasonably priced natural gas become available. This is being prepared as a contingency since there does not appear to be a reliable or reasonable cost natural gas supply available to UAF in the next 5-10 years.

The cost estimate will be the basis of a funding request for FY14. It is anticipated that funding will be requested over at least two years (FY14-15)

Background

At the direction of the Vice Chancellor for Administrative Services, a working group was established in early 2010 to re-evaluate the 2006 recommendations and consider new options. The circumstances and economics for coal, natural gas, and other alternative fuels have changed since 2006, and it is prudent to revisit the plan in light of current conditions.

The 2006 UDP consultant, GLHN, was hired to evaluate multiple options at a high level order of magnitude, and then to perform a detailed evaluation of two or three viable options. The process included solicitation of input from industry, public, and the campus. Ten alternatives were evaluated and were narrowed to two options: a coal/biomass boiler and a natural gas turbine with heat recovery for heat.

A detailed evaluation which included an independent peer review was completed and a recommendation for a solid fuel (biomass/coal) Circulating Fluidized Bed Boiler was forwarded to Chancellor Rogers for approval. A major concern for evaluating natural gas options is to determine when adequate quantities may be available in Fairbanks and what the price may be. Another factor will be evaluating the risk associated with long-term price volatility. The risk of permitting a coal/biomass facility is also being evaluated.

The result of this work group was a recommendation that prepares UAF to efficiently and reliably heat and power the UAF campus for the next 40 years. Chancellor Rogers approved the recommendation for a solid fuel (coal/biomass) Circulating Fluidized Bed boiler.

FY13 Funding and Construction Plans for Utilities and the Atkinson Plant

The FY13 R&R appropriation contains three items related to UAF Utilities:

1. Critical Electrical Distribution Renewal Phase 2
Connects GVEA and UAF generators - \$8.5M plus \$5.25M bond funding
2. Atkinson Heating Plant Renewal
Three critical items - \$0.9M plus \$1.0M Bond funding
3. Atkinson Heating Plant Boiler and Turbine Replacement
Design and permitting for \$200M project - \$3.0M

The Atkinson Heating Plant Critical Utilities Revitalization project will upgrade needed items even if the new boilers and turbine are installed. Many components of the existing plant will be needed for redundancy in order to provide reliable power, heat and other utilities to the UAF campus.

Highlights since Last Report to Board of Regents

- The contract for the replacement of the deaerator tank, feedwater heater and key high pressure valves is nearly complete. The work is part of Item #2 above and will be completed by February 1, 2013.

DM and R&R Expenditures and Encumbrances by FY then MAU (in thousands)

FY	Funding Received		As of 8-30-11	As of 5-8-12	As of 8-24-12	As of 11-5-12	As of 1-22-13			
	MAU	Budget	% Committed	% Committed	% Committed	% Committed	Budget	Expenditures	Encumbrances	% Committed
2007	UAA	19,065.0	96.42%	98.31%	98.73%	98.87%	19,065.0	18,849.0	2.0	98.88%
	UAF	26,870.0	100.00%	100.00%	100.00%	100.00%	26,870.0	26,870.0	0.0	100.00%
	UAS	2,790.0	91.86%	95.62%	96.38%	96.77%	2,790.0	2,693.0	84.8	99.56%
2007 Total		48,725.0	98.13%	99.09%	99.30%	99.37%	48,725.0	48,412.0	86.8	99.54%
2008	UAA	3,975.0	85.27%	92.91%	93.08%	93.08%	3,975.0	3,700.0	0.0	93.08%
	UAF	4,000.0	84.34%	96.64%	98.30%	98.51%	4,000.0	3,935.7	37.3	99.32%
	UAS	500.0	99.96%	99.96%	99.96%	99.96%	500.0	499.8	0.0	99.96%
2008 Total		8,475.0	85.70%	95.09%	95.95%	96.05%	8,475.0	8,135.5	37.3	96.43%
2009	UAA	8,678.8	93.90%	98.13%	99.94%	99.96%	8,678.8	8,674.9	1.0	99.97%
	UAF	26,087.4	98.64%	100.00%	99.99%	99.99%	26,087.4	26,021.4	63.2	99.99%
	UAS	10,556.4	66.08%	68.45%	68.88%	69.07%	10,556.4	7,192.6	98.6	69.07%
	SW	500.0	34.28%	51.72%	52.10%	53.92%	500.0	271.1	206.0	95.42%
2009 Total		45,822.6	89.54%	91.85%	92.29%	92.36%	45,822.6	42,160.0	368.8	92.81%
2010	UAA	831.7	60.31%	69.58%	91.08%	91.70%	831.7	767.0	1.1	92.36%
	UAF	2,077.6	98.16%	95.61%	98.10%	98.39%	2,077.6	2,008.7	36.4	98.43%
	UAS	224.1	92.57%	99.34%	99.34%	99.34%	224.1	201.0	21.6	99.34%
	SW	66.6	96.22%	97.26%	97.26%	97.41%	66.6	64.9	0.0	97.41%
2010 Total		3,200.0	87.89%	89.14%	96.35%	96.70%	3,200.0	3,041.6	59.1	96.90%
2011	UAA	15,163.2	54.44%	87.79%	88.31%	92.79%	15,163.2	12,341.6	1,813.4	93.35%
	UAF	23,849.0	91.13%	98.42%	98.88%	99.04%	23,849.0	23,508.5	114.9	99.05%
	UAS	2,722.4	59.80%	96.35%	98.89%	99.61%	2,722.4	2,583.9	129.5	99.67%
	SW	765.4	11.36%	13.51%	16.65%	43.20%	765.4	244.2	92.0	43.92%
2011 Total		42,500.0	74.60%	92.98%	93.63%	95.84%	42,500.0	38,678.2	2,149.8	96.07%
2012	UAA	10,800.0	4.35%	27.96%	53.66%	59.08%	10,800.0	5,828.9	1,220.1	65.27%
	UAF	23,437.5	16.76%	52.37%	76.75%	83.56%	23,437.5	16,185.2	4,833.2	89.68%
	UAS	2,662.5	0.00%	44.21%	47.06%	49.40%	2,662.5	806.7	523.8	49.97%
	SW	600.0	0.00%	10.27%	32.06%	0.00%	600.0	0.0	0.0	0.00%
2012 Total		37,500.0	11.73%	44.07%	67.27%	72.75%	37,500.0	22,820.8	6,577.1	78.39%
FY07-FY12 Total		186,222.6	72.51%	84.51%	89.63%	91.28%	186,222.6	163,248.1	9,278.9	92.65%
2013	UAA	10,837.5				7.61%	10,837.5	286.9	878.7	10.76%
	UAF	23,925.0				16.34%	23,925.0	1,872.2	4,237.6	25.54%
	UAS	2,587.5				0.01%	2,587.5	0.4	0.0	0.01%
	SW	600.0				13.98%	600.0	47.7	40.6	14.71%
2013 Total		37,950.0				12.70%	37,950.0	2,207.1	5,156.8	19.40%
Grand Total		224,172.6	72.51%	84.51%	89.63%	77.98%	224,172.6	165,455.3	14,435.7	80.25%



Total Project Cost	\$ 1,975,000
Approval Level:	Chair FLMC

FORMAL PROJECT/SCHEMATIC DESIGN APPROVAL REQUEST

TO: Facilities and Land Management Committee Chair

THROUGH: Kit Duke
AVP Facilities and Land Management

THROUGH: Pat Pitney
Vice Chancellor

THROUGH: Scott Bell, P.E.
Associate Vice Chancellor

THROUGH: Gary Johnston
Director

FROM: Reed Morisky
Project Manager

DATE: January 22, 2013

SUBJECT: Project Type: DM
Project Name: Northwest Campus Library Remodel
Project No.: 2013075 NWLR2

cc: NWLR2 (101)



FORMAL PROJECT/SCHEMATIC DESIGN APPROVAL

Name of Project: Northwest Campus Library Remodel
Project Type: DM
Location of Project: UAF, CRCD Northwest Campus, Emily Ivanoff Brown (EIB) Building, Nome
Project Number: 2013075 NWLR2
Date of Request: January 22, 2013

Total Project Cost:	\$1,975,000	
Approval Required:	Chair FLMC	
Prior Approvals:	Preliminary Administrative Approval	December 21, 2012

Formal Project Approval (FPA) and Schematic Design Approval (SDA) are required for all Capital Projects with a Total Project Cost in excess of \$250,000.

FPA represents approval of the Project including the program justification and need, scope, the total project cost, and the funding and phasing plans for the project. Requests for formal project approval shall include a signed project agreement or facilities pre-design statement, the proposed cost and funding sources for the next phase of the project and for eventual completion of the project, and a variance report identifying any significant changes in scope, budget, schedule, deliverables or prescriptive criteria associated with a design-build project, funding plan, operating cost impact, or other cost considerations from the time the project received preliminary administrative approval. It also represents authorization to complete project development through the schematic design, targeting the approved scope and budget, unless otherwise designated by the approval authority.

SDA represents approval of the location of the facility, its relationship to other facilities, the functional relationship of interior areas, and the basic design including construction materials, mechanical, electrical, technology infrastructure and telecommunications systems, and any other changes to the project since formal project approval. It also represents authorization to complete project development through the schematic design, targeting the approved scope and budget, solicit bids, award a contract and complete the project, unless otherwise designated by the approval authority.

For projects that are approved at the AVP of Facilities and Land Management level and require minimal program development, design and document development, a combined FPA/SDA may be utilized. Total Project Cost cannot exceed \$1.0 million, projects can only be for Deferred Maintenance or minor Renewal and Replacement in nature, and you must request and receive permission from the AVPFLM at the point in project development when a FPA would be required.

Action Requested

Approval to proceed through schematic design, prepare construction documents to bid and award a construction contract and complete the project within the approved budget not to exceed a total project cost of \$1,975,000.

Project Abstract

Project will remodel the interior of the Emily Brown Building (Library), at the UAF CRCD Northwest Campus, in Nome, Alaska.

RATIONALE AND REASONING

Background

Northwest Campus is a regional, branch campus of the University of Alaska Fairbanks. Northwest Campus's primary service population is the Bering Strait Region, which is a recognized region as defined by the U.S. Census Bureau, the State of Alaska, and the Alaska Native Claims Settlement Act of 1971. The programs of study available through Northwest Campus are primarily workforce development at the certificate and associate levels, although several bachelors of art degrees are also available.

Northwest Campus' first building, Emily Ivanoff Brown (EIB) Building and Library, (2,400 GSF) was built in 1974. Both the library and the building are named after a local, lifelong learner who remains an inspirational story to NWC students and both need to follow her example of change and growth. The existing Emily Brown Library Building houses traditional library stacks and reference materials. The limitations of the facilities current configuration creates a significant weakness in fully enhancing NWC's efforts in building regionally relevant programs and providing quality student services support.

This building has received only basic repair and maintenance since its original construction. The current condition of this building was identified as a weakness and the need for renewal was established in NWC's Comprehensive Enrollment Management plan to "Enhance the functionality of Emily Ivanoff Brown Library". The library services were developed 30 years ago to serve as a community library with a generalized collection of books, magazines, newspapers, and other media. As part of the University of Alaska Fairbanks' Rasmuson Library, the NWC library has the advantage of subscriptions and access to thousands of electronically available resources more specific to academic and scholarly resources, and many that are Alaska and region specific. It is this evolution from physical collections to electronic resources that has made the library space, layout, and operation marginally functional, if not obsolete. A study of circulation of EIB's physical collection has dropped to 377 last year out of a total of ~17,000 items. While the physical collection is under-utilized, the number of e-resources distributed continues to grow. Meanwhile the City of Nome also has a community library and despite attempts over the years to establish a consortium, the libraries remain independent and, consequently, duplicative.

As for the building itself, the interior layout was designed for a large physical collection, a special collections room, a small classroom, and a single office. The bathroom facilities have not been updated in thirty years and need renovation to current expectations and energy efficiency standards. Some of the interior walls creating the three rooms were built with temporary partitions that are flimsy, not soundproof, and in poor condition. The carpet is heavily stained and in need of replacement. Its telecommunications infrastructure (telephone and data network) was installed gradually, piece by piece, over the years and offers limited points of access, which are critical to both e-learning and e-libraries.

This evolution of university academic programs and processes into online and electronic/digital form has created a significant stress on campus facilities, especially with NWC's role of providing student support services for distance students. This is a major responsibility and activity of NWC and one that is the primary focus of the previously mentioned Department of Education, Title III grant award, Expanding Regionally Relevant Education Opportunities for Alaska Native Scholars. These activities include providing IT students support and Computer Competency-to-Internet Literacy-to-Digital Fluency (Competency to Fluency) training, which they will need for all phases of interacting with the university. These skills are necessary whether it's applying for admission, registering for classes, accessing course materials, logging into class sessions, reading university email, or searching for library resources. These skills and sufficient network access with a suitable, up-to-date computer are both significant barriers to

regional students. When non-returning students were recently polled on what barriers prevented their enrollment, 14% cited lack of quality Internet or computer access as their reason. The main reason at 41% is, not surprisingly, lack of sufficient funding. Other reasons were personal reasons (work, home) and not interested or satisfied with course/training taken. Also, another important problem mentioned by these non-returning students was that although many found online (e-learning) easy, 69% experienced connectivity issues that disrupted their enrollment. All Internet service providers in the Bering Strait region depend on satellite frame-relay network connections that are expensive, slow, and unstable. As a direct consequence of this and the increasing reliance on distance delivered online courses, NWC is having an increasing number of students needing and asking for computer access for homework and research purposes along with their scheduled class sessions. The strain on NWC facilities is a result of buildings and classrooms that were designed for traditional face-to-face instruction, instead of the individual e-learner.

Programmatic Need

NWC recognizes the programmatic need to prepare students for success in web-based instruction. Northwest Campus has implemented a substantial student support effort that helps build the skills necessary for students to succeed in the university’s web-based life and instruction, i.e., university email (GoogleApps), online resources (UAOnline), Blackboard©. NWC provides direct services to students with IT orientation prior to and during their enrollment in distance delivered courses. These services include proctoring online placement testing (Accuplacer), tutoring individualized mathematic refresher work (MathWorks), proctoring student course exams, and simply, providing computer access to attend and complete coursework. Both of these strengths, village and partner outreach and student support, receive funding from a Department of Education, Title III grant award, Expanding Regionally Relevant Education Opportunities for Alaska Native Scholars.

This projects facility improvement objective is intended to meet a primary goal of improving Northwest Campus’ ability to provide appropriate resources for student support and library services. Renovation of this building will improve student support services and e-learning access for distance students, as well as supporting the reprogramming of library services into an academic support function to utilize expanding e-library resources.

Project Scope

This remodel project will remove and replace most of the interior finishes, leaving the configuration of the server room, video conferencing room and the other walled areas, and provide for a more user friendly environment that enhances the study and testing environment. New finishes will be installed on the floors, walls and ceilings. The above ceiling ducts, electrical, communication/ data, power and controls will be removed and replaced, as required. The suspended ceiling system will likewise be replaced with new, energy efficient lighting installed.

Variances

None

Total Project Cost and Funding Sources

Funding Title	Fund Account	Projected Estimate
FY13/ Dept of Education, Title III	515229-50216	\$1,975,000
Total Project Cost		\$1,975,000

Annual Program and Facility Cost Projections

This is a renovation of an existing facility with a primary focus on interior finishes and infrastructure. There will be a slight reduction in annual maintenance and repairs due to the replacement of older, less energy efficient fixtures and infrastructure.

Facilities Cost

Maintenance & Repair (Reduction expected, due to refurbished interior)	<\$1,500>
Operations (No net gain or loss expected)	\$0
Annual O&M Cost	<\$1,500>

Project Schedule

DESIGN

Formal & Schematic Project Approval	February 2013
Construction Documents Completed	February 2013

BID & AWARD

Advertise and Bid	February - March 2013
Construction Contract Award	March 2013

CONSTRUCTION

Start of Construction	May 2013
Construction Complete	September 2013
Date of Beneficial Occupancy	October 2013
Warranty Period	One Year

Project Delivery Method

Project delivery method will be design-bid-build.

Affirmation

This project complies with Regents Policy and the campus master plan.

Supporting Documents

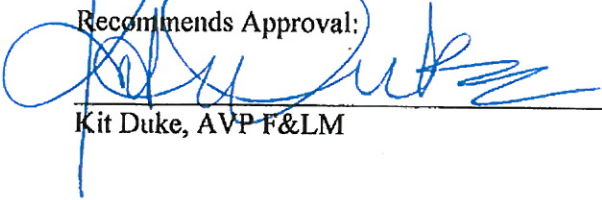
- One-page Project Budget
- Design Narratives
- Drawings
 - Site Plan, Sheet 13
 - Floor Plan, A1.0

Approvals

The level of approval required for FPA-SDA shall be based upon the estimated TPC as follows:

- TPC > \$4.0 million will require approval by the board based on the recommendations of the Facilities and Land Management Committee (FLMC).
- TPC > \$2.0 million but not more than \$4.0 million will require approval by the FLMC.
- **TPC > \$1.0 million but not more than \$2.0 million will require approval by the Chair of the FLMC.**
- TPC ≤ \$1.0 million will require approval by the AVP of Facilities and Land Management.

Recommends Approval:



Kit Duke, AVP F&LM

2.4.13

Date

Formal Project Approval and Schematic Design Approval are hereby granted:

Fuller A. Cowell, Chair FLMC

Date

UNIVERSITY OF ALASKA	
Project Name: Northwest Campus Library Remodel	
MAU: UAF	
Building: NW008	Date: January 3, 2013
Campus: NWC	Prepared by: Reed Morisky
Project #: 2013075 NWLR2	Acct #(s): 515229-50216
Total GSF Affected by Project:	2527
PROJECT BUDGET	FPA/SDA Budget
A. Professional Services	
Advance Planning, Program Development	0
Consultant: Design Services	99,367
Consultant: Construction Phase Services	35,000
Consul: Extra Services (List: _____)	49,000
Site Survey	0
Soils Testing & Engineering	0
Special Inspections	0
Plan Review Fees / Permits	2,500
Other	0
Professional Services Subtotal	185,867
B. Construction	
General Construction Contract(s)	1,246,000
Other Contractors (List: _____)	10,000
Construction Contingency	226,080
Construction Subtotal	1,482,080
<i>Construction Cost per GSF</i>	<i>\$586.50</i>
C. Building Completion Activity	
Equipment	0
Fixtures	0
Furnishings	0
Signage not in construction contract	0
Move-Out Costs	12,500
Move-In Costs	15,000
Art	0
Other (Interim Space Needs or Temp Reloc. Costs)	0
OIT Support	30,000
Maintenance Operation Support	0
Building Completion Activity Subtotal	57,500
D. Owner Activities & Administrative Costs	
Project Plng, Staff Support	77,645
Project Management	150,545
Misc. Expenses: Advertising, Printing, Supplies, Etc.	21,363
Owner Activities & Administrative Costs Subtotal	249,553
E. Total Project Cost	1,975,000
<i>Total Project Cost per GSF</i>	<i>\$781.56</i>
F. Total Appropriation(s)	



Bezek Durst Seiser
3330 C Street, Suite 200
Anchorage, Alaska 99503
T (907) 562-6076 F (907) 562-6635
www.bdsak.com

January 17, 2013

Reed Morisky
Project Manager
UAF Facilities Services
Division of Design and Construction
590 University Avenue, Second Floor
Fairbanks, AK 99775

RE: Nome Library Remodel (NWLR2) Schematic Design Narrative

The purpose of this project is to remodel the interior of Building NW008, the library on the UAF Northwest Campus in Nome. The library is transforming from a primarily book-based center to a testing/distance learning/archive center.

Most of the interior spaces are being reconfigured to accommodate this change. The former stack, office, and classroom area are being utilized as a book storage room and a testing center--these functions will take up approximately two-thirds of the square footage.

The stock of books has been vastly reduced. To accommodate the remaining collection, a single book storage room with mobile shelving that can accommodate the material in a reduced area is being implemented. The remainder of the space once dedicated to stacks and circulation will become the testing and distance learning center. This will include a proctor's station; four enclosed testing /learning stations; an open workstation with large screen TV; and a waiting area with secure lockers for the valuables of test-takers and room for furniture.

The remaining third of the repurposed library is devoted to back-of-house and utility functions, including a janitor's closet, electrical room, hub, room, ADA compliant restrooms and mechanical room. In addition, the conference room near the entry will be refurbished with a more efficient configuration.

Some mechanical improvements are part of the design package, including a new boiler to replace the older second boiler, and a new piping layout in the boiler room. The mechanical improvements will tie into the remodel of the science building scheduled to take place in 2014. A new radiant baseboard heating layout will also be installed to serve the new floor plan arrangement.

Structural work is limited to strengthening the floors in the high-density book storage room and the mechanical room to accommodate the additional loading.

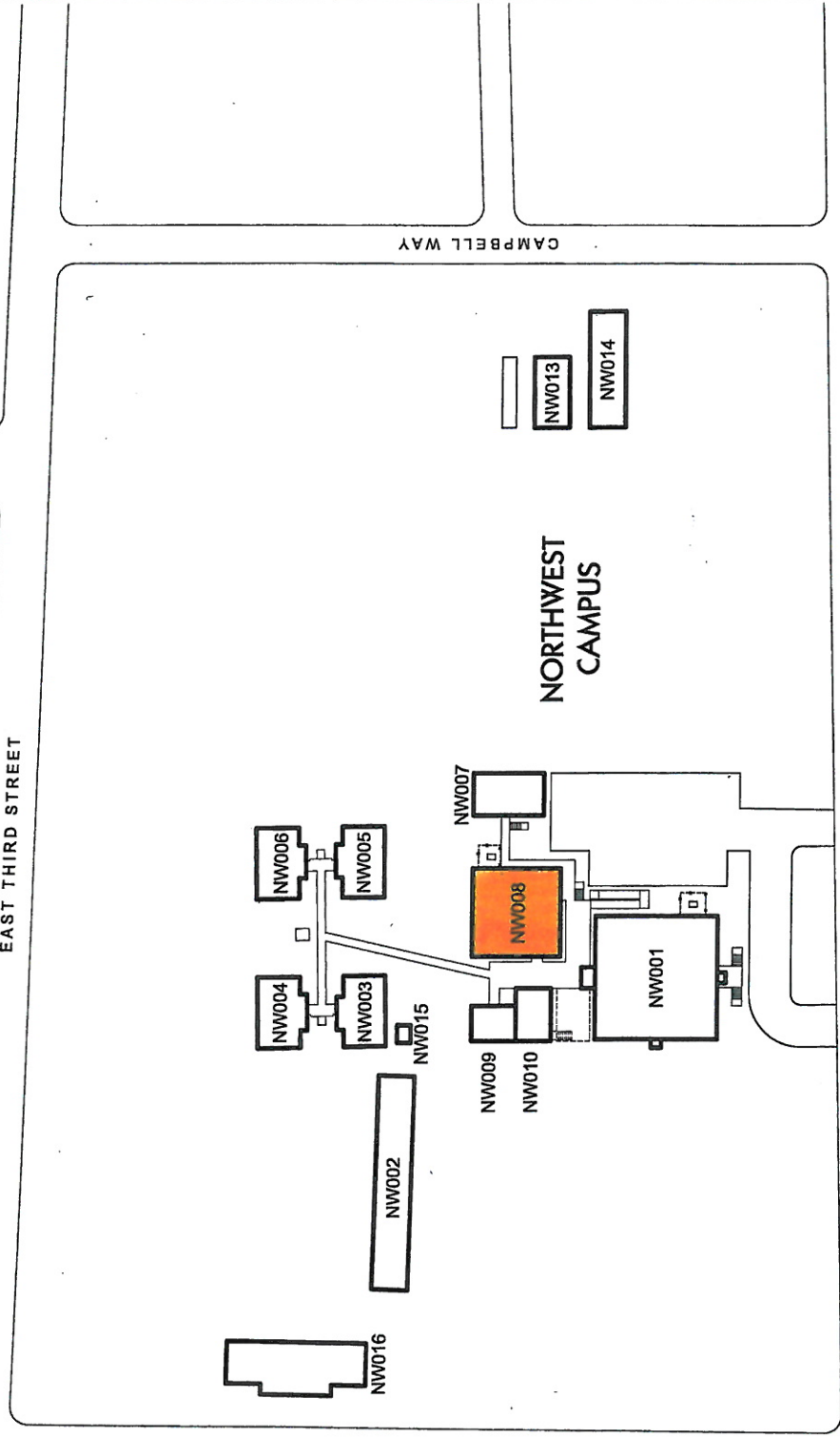
No exterior work is occurring except that which is necessary to accommodate penetrations and the raising of the windows on the south and east facades. This latter work is being done to provide clearance for the new heaters. At present, there is not enough distance between the floor and window sills to allow for conventional heating units.



FACILITIES SERVICES
DESIGN & CONSTRUCTION
P.O. BOX 758160
FAIRBANKS, AK 99775-8160
907-474-5299 (fax)
907-474-7554
www.usgf.edu/dcd

PROJECT TITLE:
FACILITIES INVENTORY MAPS
UNIVERSITY OF ALASKA FAIRBANKS
NORTHWEST CAMPUS
NOME, ALASKA

DATE:	1 NOV 2011
CHECKED BY:	KRA
SCALE:	SEE SCALE BAR
PROJECT NUMBER:	
DATE:	
CHECKED BY:	
SCALE:	
PROJECT NUMBER:	



EAST 6 ST

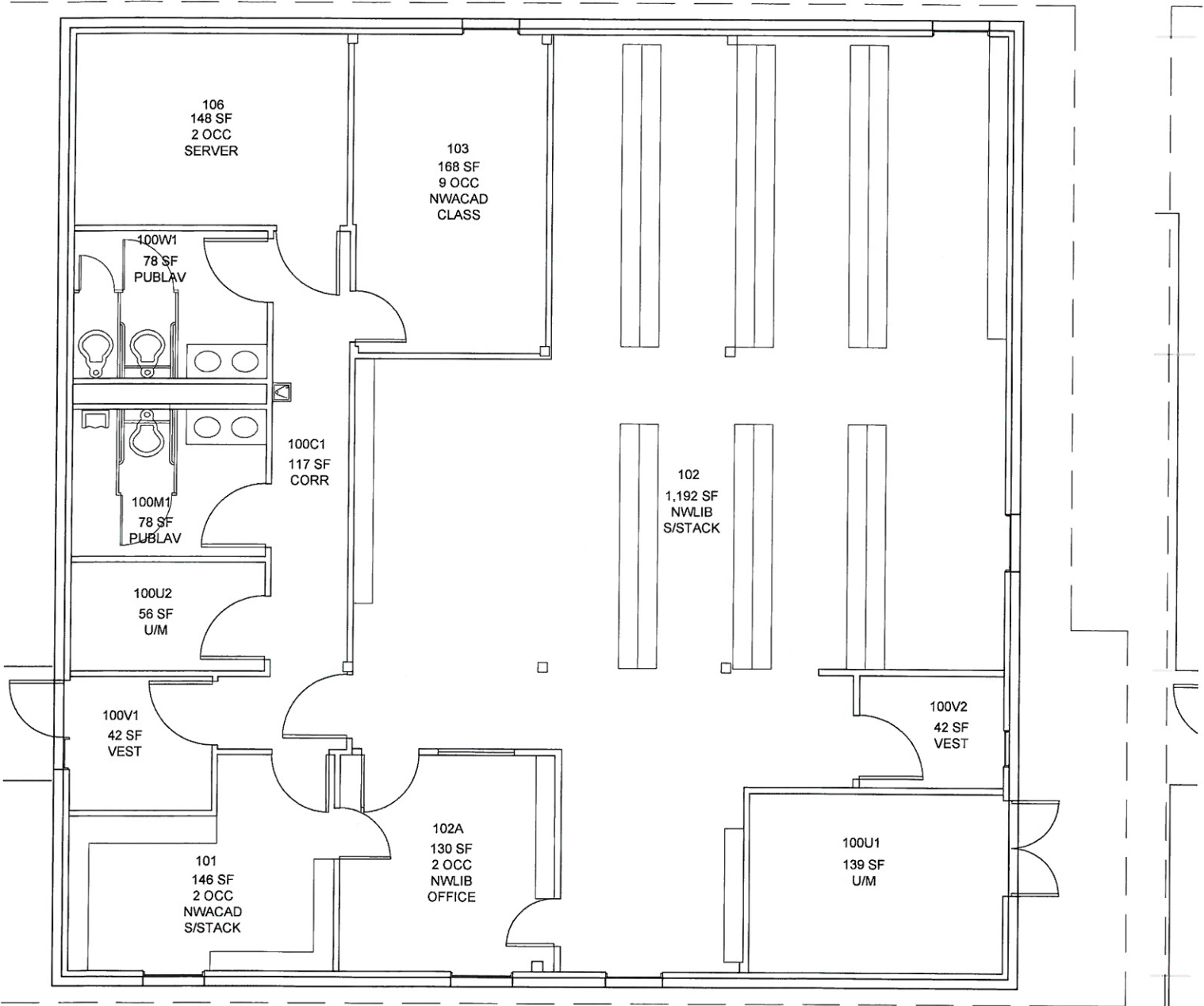
EAST THIRD STREET

EAST FRONT STREET

CAMPBELL WAY

MOORE WAY

NORTHWEST
CAMPUS



EXISTING FLOOR PLAN

SCALE: 1/8" = 1'-0"

1

1'



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Delegated Approvals Report

Approvals by the Chair of Facilities and Land Management Committee as delegated

Regents' Policy 05.12.042 delegates Formal Project Approval to the Chair of the FLMC under certain conditions. Projects granted FPA by the Chair are reported in this section. Based on that policy, the following projects were given FPA by the Chair.

UAF Fairbanks Campus Roof Replacements (2013020 CWRPL) TPC \$1.5M on 12-21-12.

Regents' Policy 05.12.043 delegates Schematic Design Approval to the Chair of the FLMC under certain conditions. Projects granted SDA by the Chair are reported in this section. Based on that policy, the following projects were given SDA by the Chair.

UAF Kuskokwim HVAC Upgrades (2012101 KCHV) TPC \$1.1M on 12-26-12.

UAF Fairbanks Atkinson Power Plant Renewal Phase 3 (2013019 BARN3) TPC \$1.9M on 1-10-13.

Approvals by the AVP of Facilities and Land Management as delegated

Regents' Policy 05.12.047 requires approval for changes in the source of funds, increases or decreases in budget, savings to the construction budget, or material changes in program or project scope identified subsequent to schematic design approval shall be determined by the chief finance officer based on the extent of the change and other relevant circumstances.

The approval limits and levels were changed by the Board in June 2012. The new policy language no longer addresses approval levels for funding changes less than \$400,000. Under the previous policy, changes less than \$400,000 were delegated to the chair of the FLMC and the chief financial officer.

The AVPFLM granted a project change request for the following project

UAF CTC Aviation Hangar Renovation (2012414 CTCHR) TPC increase of \$270,000 from \$1,725,000 to \$1,995,000 on 1-9-13.



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Construction In-Progress Reports

Capital Project Master Schedules:

1. UAA
2. UAF
3. UAS

UAA:

	<u>Procurement Method</u>
1. Allied Health, 2 nd Floor Renovations	DBB
2. Beatrice McDonald Building Renewal	DBB
3. Engineering and Industry Building	CMAR & DBB
4. Engineering Asset Integrity and Corrosion Lab	TERM
5. Health Sciences Building	CMAR
6. Housing Security Systems Upgrade	DBB
7. MAC Housing Renewal	CMAR
8. Science Building Renovation	DBB
9. Seawolf Sports Arena	CMAR
10. Wendy Williamson Auditorium Seating Replacement	Term
11. Kodiak Student Services Remodel	DBB
12. Kodiak College Vocational Technology & Warehouse Facility, Phase 1 (PAA)	N/D
13. KPC Career and Technical Center	DBB
14. KPC Generator	DBB
15. KPC Kachemak Bay Campus Roof Replacement	DBB
16. KPC Soil Remediation	DBB
17. KPC Sprinkler Renovation	DBB
18. KPC Student Housing	DBB
19. Mat-Su College Paramedic/Nursing Lab Addition	DBB
20. Mat-Su Valley Center for Arts & Learning	DBB
21. PWSCC Wellness Center Renovation & Campus Renewal	DBB

UAF:

1. Antenna Installation Alaska Satellite Facility	DBB
2. Atkinson Power Plant Renewal Phase 2	DBB
3. Campus-wide Energy Upgrades Fairbanks Campus	SS
4. Critical Electrical Distribution Renewal Phase 1C	CMAR
5. CTC Aviation Hangar Renovation	DBB
6. Cutler Apartment Retaining Wall	DBB

7. Engineering Facility	CMAR
8. Fine Arts Salisbury Theater Renovation	N/D
9. Fine Arts Vapor Barrier	CMAR
10. Life Sciences Research and Teaching Facility	CMAR
11. Student Housing and Dining Facility	P3
12. Utilities Wood Center Vault	SS
13. West Ridge Steam Capacity Expansion	DBB
14. West Ridge Deferred Renewal Master Plan	N/A
15. Bristol Bay Science Lab and Clinical Space	DBB
16. Kuskokwim Campus Kiln Project	DBB
17. Kuskokwim Campus Vo-Tech Building Room Addition	DBB
18. Northwest Campus Nagozruk Restroom Remodel	DBB
19. Research Vessel Sikuliaq	N/A

UAS:

1. Anderson Building Remodel & Pedestrian Access	DBB
2. Auke Lake Way Corridor Improvements and Reconstruction	DBB
3. Freshman Student Housing Phase 1 (Banfield Hall Addition)	DBB
4. Ketchikan Life Boat Davis Construction	DBB
5. Ketchikan Upper Campus Parking Lot Reconstruction	DBB
6. Sitka Career and Technical Education Center	DBB

Construction Procurement Method abbreviations:

Construction Manager at Risk	CMAR
Design - Bid - Build	DBB
Design – Build	DB
Not Applicable	N/A
Not yet Determined	N/D
Public Private Partnership	P3
Sole Source	SS
Term Contractor Construction (Design-Build)	TERM

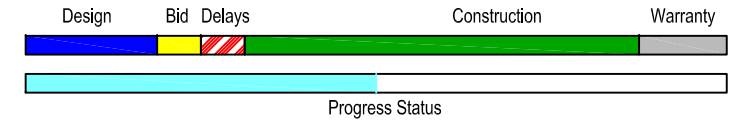
Construction in Progress Report abbreviations:

Construction Award Amount	CAA\$
Construction Manager at Risk	CMAR or CM@R
Deferred Maintenance and Renewal	DM&R
Formal Project Approval	FPA
Preliminary Administrative Approval	PAA
Project Change Request	PCR
Schematic Design Approval	SDA
Total Project Cost	TPC\$
To Be Determined	TBD



CAPITAL PROJECT MASTER SCHEDULE

- Key to Symbols:
- PA Preliminary Administrative Approval
 - F Formal Project Approval
 - S Schematic Design Approval
 - PA# Phased Project Approval (# indicates Phase)
 - FS Formal Project/Schematic Design Approval
 - T Total Project Cost / Scope Change
 - C Construction Completion
 - R Final Project Report



As of January 28, 2013

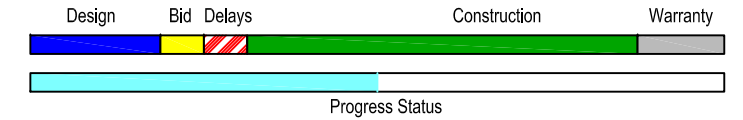
Project Approval Level Main Campus > \$500,000 Community Campus > \$250,000	FY07		FY08		FY09		FY10		FY11		FY12		FY13		FY14		FY15		FY16					
	2006		2007		2008		2009		2010		2011		2012		2013		2014		2015		2016			
	JAS Q1	OND Q2	JFM Q3	AMJ Q4	JAS Q1	OND Q2	JFM Q3	AMJ Q4	JAS Q1	OND Q2	JFM Q3	AMJ Q4	JAS Q1	OND Q2	JFM Q3	AMJ Q4	JAS Q1	OND Q2	JFM Q3	AMJ Q4	JAS Q1	OND Q2	JFM Q3	AMJ Q4
Allied Health Science - Phase 2 Phase 2 TPC \$4.7K (TPC All Phases \$5.7M)																								
Beatrice McDonald Renewal TPC \$16.5M																								
Engineering and Industry Building TPC \$123.2M																								
Engineering Asset Integrity and Corrosion Lab TPC \$350K																								
Health Sciences Phase 1 TPC \$46.5M																								
Housing Security Systems Upgrade TPC Phase 1 \$1.7M																								
MAC Housing Renewal, Phase 1 TPC Phase 1 \$4.1M (TPC All Phases \$12.1M)																								
Science Building Renovations TPC \$13.0M																								
Sports Arena TPC \$109.0M																								
Wendy Williamson Auditorium Seating Replacement TPC \$500K																								
Kodiak Student Services Remodel TPC \$838K																								
Kodiak VoTech and Warehouse TPC \$24.3M																								
KPC Career and Technical Education Center TPC \$14.5M																								
KPC Emergency Generator TPC \$550K																								
KPC Kachemak Bay Campus Roof Replacement TPC \$700K																								
KPC Soil Remediation TPC \$481K																								
KPC Sprinkler Renovation TPC \$429.4K																								

UAA PROJECTS



CAPITAL PROJECT MASTER SCHEDULE

- Key to Symbols:
- PA Preliminary Administrative Approval
 - F Formal Project Approval
 - S Schematic Design Approval
 - P1 Phased Project Approval (# indicates Phase)
 - FS Formal Project/Schematic Design Approval
 - T Total Project Cost / Scope Change
 - C Construction Completion
 - R Final Project Report



As of January 28, 2013

		FY07		FY08		FY09		FY10		FY11		FY12		FY13		FY14		FY15		FY16						
Project Approval Level		2006		2007		2008		2009		2010		2011		2012		2013		2014		2015		2016				
Main Campus > \$500,000 Community Campus > \$250,000		JAS Q1	OND Q2	JFM Q3	AMJ Q4	JAS Q1	OND Q2	JFM Q3	AMJ Q4	JAS Q1	OND Q2	JFM Q3	AMJ Q4	JAS Q1	OND Q2	JFM Q3	AMJ Q4	JAS Q1	OND Q2	JFM Q3	AMJ Q4	JAS Q1	OND Q2	JFM Q3	AMJ Q4	
UAF PROJECTS	West Ridge Deferred Renewal Master Plan TPC \$700K													PA	F											
	Bristol Bay Applied Science TPC \$2.6M														PA	F	S									R
	Kuskokwim Campus Kiln Project TPC \$3.8M													PA	FS											R
	Kuskokwim Campus Vo-Tech Building Room Addition TPC \$1.9M													PA	F	S										R
	Northwest Campus Nagozruk Restroom Remodel TPC \$1.9M														PA	FS										R
UAS PROJECTS	Research Vessel Sikuliaq TPC \$199.5M																									R
	Anderson Building Remodel and Pedestrian Access TPC \$109.0M																									R
	Auke Lake Way Corridor Improvements TPC \$4.3M Phase 3 \$1.5M																									R
	Freshman Student Housing Phase 1 (Banfield Hall Addition) TPC \$985K																									R
	Ketchikan Life Boat Davit Construction TPC \$754K Phase 2 \$250K																									R
	Ketchikan Upper Campus Parking Lot Reconstruction TPC \$850K																									R
	Sitka Career & Technical Education Center TPC \$70.0M																									R

UAA Allied Health Science Building Renovation



Project Description:

Phase 1---Demolition and replacement of the 2nd floor labs (moved to Health Science Bldg.) into classrooms and mock-up exam space for teaching Radiologic Technology and Diagnostic Medical Sonography, Medical Assisting, and EMT (Emergency Medical Services).

Phase 2—Upgrade and renewal of mechanical systems and roof replacement and renovation of 1st Floor offices and common spaces.

Schedule:

Planning & Design:
Advertising & Award:
Construction:

July 2011—Jan. 2013
Jan/ Feb. 2013
April/May 2013—Aug.2013

Total Project Cost:

TPC\$ 5,680,415
CAA\$ TBD

Project Team:

Design Team Kumin & Assoc.
General Contractor TBD

Board of Regents Approval & Motions:

Preliminary Admin Approval June 2, 2011
Formal Project Approval Aug. 17, 2012
Schematic Design Approval Dec. 7, 2012

Status Update:

Phase 1 was completed in August of 2012 on time and within budget. Phase 2 was approved by BOR in December 2012. The project was advertised for bids on January 15, 2013; pre-bid conference is scheduled for February 8, 2013; and bid opening is scheduled for February, 2013.



UAA Beatrice McDonald Hall Renewal



Project Description:

Complete renovation of 1970's building on main campus. Will include HAZMAT abatement, replacement of boiler, roof and mechanical systems, replacement of electrical systems and architectural interior and exterior improvements.

Schedule:

Planning & Design:	06/2011—03/2013
Advertising & Award:	04/2013---05/2013
Construction:	07/2013---11/2014

Total Project Cost:

TPC\$ 16,508,213
CAA\$ TBD

Project Team:

Design Team	Architects Alaska
General Contractor	TBD

Board of Regents Approval & Motions:

Preliminary Admin Approval	7/11/11
Formal Project Approval	12/7/11
Schematic Design Approval	8/17/12

Status Update:

65% drawings were completed on October 12, 2012. 95% drawings to be completed by early February. Bid solicitation is scheduled for March 2013 and award by May/June 2013. Construction is expected to begin in July 2013. The building will be "off-line" until the Spring semester 2015.



UAA Engineering and Industry Building



Project Description:

Planning, programming, design and construction of a 75,000 gsf engineering laboratory and teaching areas not currently available on campus. The project includes: communications labs, electrical engineering labs, fluids labs, heat and mass transfer labs, soils mechanics labs, photogrammetry/cartography/GIS, seismic and earthquake labs, foundation engineering, transportation and highway engineering, land surveying, machine shop, wood shop, “dirty” yard and conferencing/collaborative learning areas. The project will also include renovation of the existing building and structured parking for the facility and any displaced parking.

Schedule:

Planning & Design:	May 2011-Dec 2012
Advertising & Award:	Jan-March 2013
Construction:	April 2013-May 2015

Total Project Cost:

TPC: \$123,204,000
CCA:
• Pre-Construction Services: \$220,038
• Building: TBD

Project Team:

Design Team:	Livingston Slone, Inc.
General Contractor	Neeser Construction (Pre-Construction Services)

Board of Regents Approval & Motions:

Preliminary Admin Approval	Nov 2009
Formal Project Approval	Sept 2011
Schematic Design Approval	June 2012 (Partial)/ Dec 2012 (Full)

Status Update:

Design Development and coordination meetings with the Municipality of Anchorage are in progress. UAA and UAF are periodically updating the joint UAA/UAF Engineering Advisory Board. Full SDA approval was received at the December BOR meeting. The Construction Manager @ Risk (CMAR) Contract for pre-construction services was awarded to Neeser Construction, Inc. in late October 2012. 65% design review and cost reconciliation are currently in progress.

UAA Asset Integrity & Corrosion Lab



Project Description:

Planning, programming, design and construction of a 1,000gsf engineering corrosion laboratory in room 325 of the existing engineering building. This project will renovate the Gross Anatomy Lab vacated by the WWAMI program in the existing Engineering Building and reconfigure it to meet current School of Engineering program needs for a corrosion lab. Work includes electrical, mechanical, plumbing and architectural work for the installation of fume hoods, portable lab casework, sinks, emergency eyewash/shower, and research components for the corrosion lab. At the completion of the new engineering facility, the fume hoods, casework and associate laboratory equipment will be relocated to the new laboratory space.

Schedule:

Planning & Design:	February-May 2012
Advertising & Award:	May-June 2012
Construction:	August-November 2012

Total Project Cost:

TPC: \$350,000
CAA: \$208,956

Project Team:

Design Team:	Livingston Slone, Inc.
General Contractor:	KC Corporation

Board of Regents Approval & Motions:

Preliminary Admin Approval	April 2012
Formal Project Approval	May 2012
Schematic Design Approval	May 2012

Status Update:

Construction has been completed by the UAA term construction contractor. Grand opening held December 4, 2012 in conjunction with the School of Engineering open house. The Contractor is correcting punch list deficiencies.

This will be the final Construction in Progress report on this project.



UAA Health Sciences Building



Project Description:

Design/ construct approximately 65,162 gross square foot facility to accommodate the academic programs of nursing, WWAMI/MEDEX and Allied Health. Project includes offices, classrooms/ seminar rooms, laboratories for patient simulators, Med Tech and gross anatomy spaces, and student activity spaces.

Schedule:

Planning & Design:	Dec 2007-Sept 2009
Advertising & Award:	Oct 2009 -Nov 2009
Construction F&F:	Aug 2009- Dec 2009
Construction:	Dec 2009-Aug 2011

Total Project Cost:

TPC: \$46,500,000

CAA:

- Early Sitework Footing/Foundation
\$1,772,370
- Building \$28,686,630

Project Team:

Design Team:	Livingston Slone, Inc.
General Contractor:	Cornerstone Construction Company

Board of Regents Approval & Motions:

Preliminary Admin Approval	Jan 2008
Formal Project Approval	June 2008
Schematic Design Approval	Feb 2009
Project Change Requests	Dec 2012

Status Update:

The Building was completed in August 2011 on time and under budget. The Project has been closed-out and a Final Project Report was submitted to the December 2012 BOR Meeting. Residual funding has been allocated to additional surface parking, a pedestrian crossing over Providence Dr. and planning for HSB 2. Art selection and procurement is still in progress.

This will be the final construction in progress report on this project. The three projects using the funding balance identified at the Dec 2012 BOR meeting will be reported on separately.



UAA Housing Security System



Project Description:

Replacement of approximately 1,000 obsolete door locks in North, East, and West Halls, as well as the associated software system required to control them.

Schedule:

Planning & Design:	SEP 2012 - OCT 2012
Advertising & Award	OCT 2012 - NOV 2012
Construction	DEC 2012 – JAN 2013

Total Project Cost:

TPC	\$ 1,690,000
CAA	\$ 1,026,998

Project Team:

Design Team	AMC
General Contractor	Johnson Controls Incorporated

Board of Regents Approval & Motions:

Preliminary Admin Approval	JUL 2012
Formal Project Approval	OCT 2012
Schematic Design Approval	NOV 2012
Project Change Requests	N/A

Status Update:

The project was advertised in November, and awarded to Johnson Controls in December. The project should be complete by the end of January 2013.

This will be the final construction in progress report on this project.



UAA MAC Housing Renewal



Project Description:

This project is currently under review. This renovation of the 6 MAC Housing buildings will renew: finishes, fixtures, and equipment; mechanical, electrical, and plumbing systems; building envelope; and ADA modifications. The project will be accomplished in phases

Schedule:

Planning & Design:	MAR 2012 - DEC 2012
Advertising & Award, Phase 1:	TBD
Construction, Phase 1:	TBD

Total Project Cost:

TPC	TBD
CAA	TBD
Phase 1 \$	4,132,000

Project Team:

Design Team	Bezek Durst Seiser
General Contractor	Watterson Construction

Board of Regents Approval & Motions:

Preliminary Admin Approval	October 2011
Formal Project Approval	June 2012
Schematic Design Approval	September 2012
Project Change Requests	Pending

Status Update:

The project Total Project Cost estimate at 65% design is above the FPA approved TPC amount of \$12,132,000 and is currently under review.



UAA Science Building Renovation



Project Description:

Phase 3 completes the renovation of the Science Building. It includes the East half of the second floor, the main corridors on the 1st and 2nd floor, new elevator, and a new roof. The renovation includes 9 offices for Biology and 5 for Math, a collections room, Biology lab, LSIS lab, staff work/break room and student collaboration areas in the hallways.

Schedule:

Planning & Design: Feb 2011-Feb 2012
 Advertising & Award: March 2012
 Construction: May 2012 – Dec 2012

Total Project Cost:

TPC Ph 1 \$2,645,600
 Ph 2 \$5,100,000
 Ph 3 \$5,300,000
 \$13,045,600

CCA Ph 1 \$1,405,729
 CCA Ph 2 \$3,536,000
 CCA Ph 3 \$2,853,000
 \$7,794,729

Board of Regents Approval & Motions:

Preliminary Admin Approval November 2008
 Formal Project Approval April 2009
 Schematic Design Approval Phase 1 Sept.2009, Phase 2 Sept. 2010,
 Phase 3 June 2011

Project Team:

Design Team: Architects Alaska, AMC, BBFM, EHS, Estimations
 General Contractor: Watterson Construction

Status Update:

The project completed in December. The new Biology Classroom is already scheduled for 13 sections in the Spring semester. The building is fully occupied and complete. Watterson Construction is working on a change order to the pedestrian bridge for building code upgrades. Art selection is in progress. This project was funded by multi-year R&R/DM funds. Funding not used by this project will be allocated to other R&R/DM projects such as BMH and/or AHS.



UAA Seawolf Sports Arena



Project Description:

196,000 sf multi-use facility that will house a 5,000 seat performance gymnasium for basketball & volleyball; a practice & performance gym for the gymnastics program; support space consisting of a fitness & training room, administration/coaching offices, laundry, A/V production, locker & team rooms for basketball, volleyball, gymnastics, skiing, track & cross country programs.

Schedule:

Planning & Design: Aug 2008- Summer 2012
Advertising & Award: Fall 2011 (CMAR process)
Construction: Spring 2012 to Fall 2014

Total Project Cost:

TPC\$ 109,000,000
CAA\$ 86,000,000

Project Team:

Design Team MCG/Hastings-Chivetta
General Contractor Cornerstone General Contractor

Board of Regents Approval & Motions:

Preliminary Admin Approval: Aug 2008
Formal Project Approval(s): Feb 2009 /June 2011
Schematic Design Approval(s): June 2009/Sept 2011
Project Change Requests: June 2011 – approved \$109M

Status Update: Reconciliation of Phase II pricing is complete and a final GMP contract is fully executed at \$86M. Remaining additive alternates have been prioritized by the project team and will be incorporated into the project as construction progresses and remaining construction contingency funds can be released.

Interior balcony walls, gymnastics pit walls and upper column/pier pours are now complete. Under slab electrical/plumbing work continues throughout basement area and concrete slab on grade pours are nearing completion (excluding the performance gym area). Over 50% of the structural steel is now on site and the remaining 500 tons are in transit. Metal decking is all on site and approx. 30% of the precast concrete riser panels for the performance gym have been fabricated/cast and delivered to the site. Erection of structural steel began in mid-December and installation of metal decking & wind girts to start very shortly.



UAA Wendy Williamson Auditorium Seating Replacement



Project Description:

This project replaced the worn out seats in the Wendy Williamson Auditorium. A total of 910 seats were removed and taken by a local recycler for re-use. Carpet was demolished and replaced. Electrical and cable was installed at the center row for use by WWA staff. The concrete floor was patched and repainted, and new seats were installed.

Schedule:

Planning & Design:	05/2012—02/2012
Advertising & Award:	07/2012
Construction:	07/2012—01/06/2013

Total Project Cost:

TPC\$ 500,000
CAA\$ 166,731

Project Team:

Design Team	FPC
General Contractor	KC Corp./ Northern Office Supply

Board of Regents Approval & Motions:

Preliminary Admin Approval	5/31/12
Formal Project Approval	6/6/12
Schematic Design Approval	6/14/12

Status Update:

The seating was purchased directly through UAA Procurement and the Term Contractor was used just for the installation resulting in a lower Construction Award Amount as a percentage of the TPC. Project was completed on time and under budget. This will be the final construction in progress report on this project.



UAA Kodiak College Student Services Remodel



Project Description:

The UAA Kodiak College Student Services Remodel consists of remodeling 2,200 square feet of the Student Services area on the first floor of the Kodiak College Campus Center including one classroom, one computer lab, three offices and one reception area.

Schedule:

Planning & Design:
Advertising & Award:
Construction:

Jan, 2012- June, 2012
June, 2012 – Aug, 2012
Aug 19, 2012 – Feb 1, 2013

Total Project Cost:

TPC\$ 838,100
CAA\$ 600,000

Project Team:

Design Team McCool Carlson Green Architects
General Contractor DBR Construction, Inc.

Board of Regents Approval & Motions:

Preliminary Admin Approval 5/25/12
Formal Project Approval 5/25/12
Schematic Design Approval 6/13/12

Status Update:

Project date of completion has been extended to Feb 1, 2013. The Student Services Remodel project is progressing under budget and is expected to be completed within the extended schedule. DBR Construction is getting close to project completion and is currently finishing their installation of DIRT wall components, ceiling tiles, lights, and job site cleanup. This project was funded by multi-year R&R funds. Funding not used by this project will be allocated to other R&R/DM projects at the Kodiak campus.

This will be the final construction in progress report on this project.



Kodiak College Vocational Technology & Warehouse Facility



Project Description:

This project includes the planning, programming, design and construction of a new facility and renovation of an existing facility to provide the space and amenities to support career and workforce development courses that are in high demand from the local and remote Kodiak Island communities. Work includes the construction of 21,763 square feet of new enclosed vocational, health/physical education/recreation (HPER) and maintenance space; construction of 4,624 square feet of new outdoor covered vocational training space; and renovation and repurposing of 5,465 square feet of existing space for vocational, HPER and adult enrichment programs.

Schedule:

Planning & Design: July 2013-June 2014
Advertising & Award: July-August 2014
Construction: August 2014-July 2015

Total Project Cost:

TPC: \$24,300,000

CAA: TBD

Project Team:

Design Team: Bezek Durst Seiser
General Contractor: TBD

Board of Regents Approval & Motions:

Preliminary Admin Approval: February 2012
Formal Project Approval: TBD
Schematic Design Approval: TBD
Project Change Request: NA

Status Update:

Bezek Durst Seiser (BDS) Architects was selected to provide programming and conceptual design services for this project. Review of the program concept, design and narrative, and the Final Concept Design Study have been completed. This project is UAA's highest priority Community Campus Project for the FY14 Capital Budget.

The project is currently on hold pending Capital funding for planning and design.



KPC Career & Technical Center



Project Description:

This new building will be used for the Process Technology, Instrumentation and Electronics Programs. Three large labs for instrumentation, electronics and the simulation lab and a smaller fabrication lab are the main focus of the building. The building also contains three classrooms, a small conference room, eight offices for faculty, work area for an administrative assistant, workroom/break area, and student collaborative spaces. The entire building is 19,370 gsf.

Schedule:

Planning & Design:	March 2011 - Nov 2011
Advertising & Award:	April 2012 - May 2012
Construction:	July 2012 - July 2013

Total Project Cost:

TPC \$ 15,250,000*
CAA \$ 7,140,600

*TPC includes \$3.0M for Process Tech Equipment & Backfill Renovation which will be awarded at a later date.

Project Team:

Design Team	McCool Carlson Green, RSA, WCB, Schneider, LDN USKH
General Contractor	Blazy Construction

Board of Regents Approval & Motions:

Preliminary Admin Approval	February 2011
Formal Project Approval	February 18, 2011
Schematic Design Approval	September 23, 2011
Project Change Requests	February 9, 2012

Status Update:

Roofing and exterior metals studs are complete. The exterior siding has shipped and installation will start this month. Plumbing, Electrical, HVAC rough in has started. The 3D design of the Process Simulator is nearly completion.



KPC Generator



Project Description:

The Kenai River Campus had a power outage during finals week in the Fall 2011 semester and was unable to keep operating. The campus experiences numerous outages each winter putting the buildings at risk, particularly when the temperatures reach -30F. A standby generator is needed to provide power for lights, computers, phones, heating pumps, ventilation and fire alarm system. This project will install a natural gas fired standby generator in a weather tight, sound attenuating enclosure, with an automatic transfer switch with necessary modifications to the existing electrical system. The generator will power areas in the Ward, Goodrich, McLane, Brockel and Steffy Buildings.

Schedule:

Planning & Design:	Dec 2011 –July 2012
Advertising & Award:	September 2012
Construction:	Dec 2012- July 2013

Total Project Cost:

TPC \$ 550,000
CCA \$ 369,000

Project Team:

Design Team	AMC Engineers
General Contractor	Quality Electric

Board of Regents Approval & Motions:

Preliminary Admin Approval	April 17, 2012
Formal Project Approval	June 27, 2012
Schematic Design Approval	September 5, 2012
Project Change Requests	

Status Update:

The project is under contract. Submittals are being prepared by the contractor.



KPC Kachemak Bay Roof Replacement



Project Description:

Remove the original zip rib metal roof panels from the original building. Repair underlayment and vapor barrier, install rigid insulation and new roof overhangs, create roof ventilation and install new metal roofing.

Schedule:

Planning & Design:	Dec 2011 – Apr 2012
Advertising & Award:	May 2012
Construction:	Jul 2012 – Oct 2012

Total Project Cost:

TPC\$ 700,000
CAA\$ 573,651

Project Team:

Design Team	Bezek Durst Seiser
General Contractor	Sunland Development Company LLC

Board of Regents Approval & Motions:

Preliminary Admin Approval	May 2012
Formal Project Approval	May 2012
Schematic Design Approval	May 2012

Status Update:

Funds were received in May 2012 to finalize design, advertise and award a contract to replace the roof. Contractor mobilized to the project Jul 10, 2012 and was able to substantially complete the project Oct 24, 2012. Final inspection was Oct 29, 2012.

This will be the final construction in progress report on this project.



KPC Soil Remediation



Project Description:

This project is cleaning up a site off campus that was used for fire training in the 1980's and had significant amounts of diesel contamination at 14 feet below ground level.

Schedule:

Planning & Design:	Thru January 2010
Advertising & Award:	February 2010 – March 2010
Construction:	April 2010- October 2013

Total Project Cost:

TPC\$ 481,464
CCA\$ 162,146

Project Team:

Design Team	Shannon & Wilson
General Contractor	Foster Construction

Board of Regents Approval & Motions:

Preliminary Admin Approval	February 9, 2010
Formal Project Approval	February 17, 2010
Schematic Design Approval	February 17, 2010
Project Change Requests	June 1, 2010, October 21, 2011, Jan 10, 2011

Status Update:

Testing performed in September came back with DRO levels above the ADEC cleanup level.

In January UAA met with the ADEC and developed a work plan for the Summer 2013. Clean soil on the West side will be pushed into the open excavation. Tilling will continue on the West side and testing will be performed in July. If the tests come back with low DRO levels we will proceed with planting 400 trees per acre.

Final outcome will be a letter from the ADEC stating no further action needed on this site.



KPC Sprinkler Renovation



Project Description:

The fire sprinkler systems in the Ward, Goodrich, McLane and Brockel buildings were designed to work with the existing water well and fire pump system which has been replaced with a new public water line with a lower operating pressure and different flow rates. The sprinkler pipes need to be resized to work with the new water pressure and flow rate.

Schedule:

Planning & Design:	Sep – Feb 2012
Advertising & Award:	April 2012
Construction:	June 2012 – April 2013

Total Project Cost:

TPC: \$ 663,120
CAA: \$ 468,880

Project Team

Design Team:	MCG, RSA
General Contractor:	Blazy

Board of Regents Approval & Motions:

Preliminary Admin Approval	September 9, 2011
Formal Project Approval	September 9, 2011
Schematic Design Approval	September 12, 2011
Project Change Requests	July 23, 2012 and September 24, 2012

Status Update:

The construction contract has been extended four months to 4/30/13 due to permitting delays. The contractor is making good progress and is about 60% complete.



KPC Student Housing



Project Description:

New student housing is a two story wood framed building with 24 suites for a total of 96 student beds. Four of the suites are ADA compliant. The suites have 4 bedrooms, two restrooms, small kitchen and living room. At the entrance there is a commons, multipurpose room, 2 offices, front desk, a kitchen and a maintenance area. On the second floor there is a study lounge, laundry room, and fitness room. The total sf is 39,875 sf.

Schedule:

Planning & Design:	June 2010 – April 2012
Advertising & Award:	May 2012 – June 2012
Construction:	July 2012 – July 2013

Total Project Cost:

TPC: \$ 17,800,000
CAA: \$ 11,924,158

Project Team:

Design Team:	Bettisworth, RSA, BBFM, Dowl, HMS
General Contractor:	Bristol Environmental Remediation Services

Board of Regents Approval & Motions:

Preliminary Admin Approval	May 13, 2010
Formal Project Approval	February 19, 2011
Schematic Design Approval	September 23, 2011
Project Change Requests	N/A

Status Update:

Roofing and Framing is complete. Plumbing, Electrical, HVAC and Fire Protection rough-in has started. Although the Contractor's on-site management has been weak, several meetings with the Contractor's management team have improved things significantly and work is expected to complete on schedule.



MSC Paramedic/Nursing Lab Addition



Project Description:

GO Bond funded addition to the Mat-Su campus. The Snodgrass Hall addition will include new classrooms, offices, labs, workspace and storage for the paramedic and nursing programs.

Schedule:

Planning & Design:	Feb 2011 – Mar 2012
Advertising & Award:	April 2011
Construction:	June 2012 – Dec 2012

Total Project Cost:

TPC\$ 3,625,000
CAA\$ 2,438,536

Project Team:

Design Team	Livingstone Slone Inc
General Contractor	Neeser Construction, Inc

Board of Regents Approval & Motions:

Preliminary Admin Approval	Feb 2009
Formal Project Approval	Nov 2010
Schematic Design Approval	Sep 2011

Status Update:

Contractor was substantially complete in December 2012. Campus programs have moved into the addition and are operational for the Spring semester. A small amount of landscaping remains for spring completion of the project. This is the first UAA FY11 GO Bond project to be completed.

This will be the final construction in progress report on this project.



MSC Valley Center for Arts & Learning



UAA MSC Valley Center for Arts and Learning

KUMIN ASSOCIATES



UAA MSC Valley Center for Arts and Learning

KUMIN ASSOCIATES

Project Description:

The project will design and construct a new facility that will provide a classroom, drama lab, music space and instrument storage, display areas, gathering/study spaces and a 500 seat theater/auditorium for lectures, public gatherings and conferences.

Schedule:

Planning & Design:	Jul 2011- Nov 2012
Advertising & Award:	Feb 2013
Construction:	Mar 2013 – Dec 2014

Total Project Cost:

TPC\$ 20,000,000
CAA\$ TBD

Project Team:

Design Team	Kumin Associates
General Contractor	N/A

Board of Regents Approval & Motions:

Preliminary Admin Approval	Feb 2009
Formal Project Approval	Nov 2011
Schematic Design Approval	Jun 2012

Status Update:

Design work is completed and bid documents are being prepared. Design period was extended to review and improve the bid documents. A section line easement setback variance request has been submitted to the Borough and approval is anticipated prior to the construction bid advertisement. This is UAA's last FY11 GO Bond project to be awarded for construction.



PWSCC Wellness Center Renovation & Campus Renewal



Project Description:

GO Bond funded general renovation of the existing Wellness Center and Campus Renewal. The work will include: ADA compliant locker/restrooms; new entrance and counter space; new flooring and finishes; new doors and hardware; lighting replacement and electrical upgrades; electronic entry system; ACM removal; replacement of galvanized water lines; IT upgrades; mechanical system upgrades; energy conservation controls; and exterior siding improvements.

Schedule:

Planning & Design:	Feb 2011 – Nov 2011
Advertising & Award:	Dec 2011 – Jan 2012
Construction:	Apr 2012 – Aug 2013

Total Project Cost:

TPC\$ 5,000,000
CAA\$ 2,789,896

Project Team:

Design Team	Kumin Associates
General Contractor	Eklutna Services LLC

Board of Regents Approval & Motions:

Preliminary Admin Approval	Feb 2009
Formal Project Approval	Dec 2010
Schematic Design Approval	Sep 2011

Status Update:

The wellness center remodel is nearing completion and the overall project is about 65% complete. The new lobby is framed and roofing will be installed soon to allow winter construction to continue. The exterior siding will begin in the spring.



Antenna Installation Alaska Satellite Facility AS311 Phase 1



Project Description

Phase One of the project involves site work on an area of approximately 150 feet by 150 feet, foundation and construction of a 20-foot high concrete base. The construction of the concrete base will be expedited as much as the coming winter season will reasonably allow. The site preparation includes clearing brush and trees, excavation and trenching, grading and improvements to the existing service road. This work will also realign the adjacent existing ski trail and expand the training/ski head area.

Schedule:

Planning & Design: June—August 2012
 Advertising & Award: August 2012
 Construction: Phase 1: August—October 2012

Total Project Cost:

\$6,000,000
 Phase 1 \$1,000,000

Architect/Engineer: PDC, Inc.

Funding Source:

NASA and ITT Exelis

General Contractor: GHEMM Company

Board of Regents Approval & Motions:

Preliminary Administrative Approval Phase 1: August 15, 2012
 Formal Project Approval Phase 1: August 20, 2012
 Schematic Design Approval Phase 1: August 20, 2012

Status Update:

Contractor has completed the initial site work and foundations and the balance of the work will be completed July, 2013.



Atkinson Power Plant Renewal Phase 2



Project Description

Phase 2 work consists of four primary items; *De-aerator Replacement*: It is proposed to provide a redundant de-aerator that can be put into service with a short plant shut down in lieu of replacing the existing equipment. *Feed-water Heater Replacement*: It is proposed to replace the existing heater with new equipment at a time of low steam load. This plan will not require a complete plant shutdown. *Eliminate Single Points of Failure in Critical Piping*: The proposed scope of work includes installation of 12 new valves and some bypass piping. These valves will allow boilers to be isolated and sections of the high pressure piping can be bypassed during a boiler failure. *Replace Variable Frequency Drives*: The allocation of FY12 funds does not allow the replacement of all VFD's in the plant, but key VFD's that power fans and pumps for Boilers 3 and 4, as well as condenser fans for Turbine No. 3 will be replaced in this phase.

Schedule Phase 2:

Planning & Design: October 2006—May 2012

Advertising & Award: May-June 2012

Construction: July 2012—July 2013

Architect/Engineer: Design Alaska, Inc. and Evergreen Engineering

General Contractor: Kiewit Building Group, Inc.

Total Project Cost:

\$1,927,000

Funding Source:

FY12 General Funds / Bonds

Board of Regents Approval & Motions:

Formal Project Approval June 03, 2011

Schematic Design Approval February 10, 2012

Status Update:

The completion date has been changed to February, 2013. A delay was encountered in obtaining control valves for the tank.



Campus Wide Energy Upgrades—Fairbanks Campus

Proposed EEM Summary

EEM #	FACILITY	ENERGY IMPROVEMENT MEASURE (EEM)	kWh Savings	kWh \$ Savings	Therm Savings	Therm \$ Savings	Water kGal Savings	Water \$ Savings	SAVINGS \$	ESTIMATED ASSOCIATED SAVINGS	COST \$	SIMPLE PAY-BACK YEARS
1.01	SRC/Patty ICE/Patty CTR/Stevens Hall/Gruening/Wood/FA/Bunnell/Duckering/	Lighting Retrofits	2,336,575	\$ 443,949	(46,937)	\$(46,937)	-	\$ -	\$ 397,013	\$ 49,737	\$ 4,811,973	10.8
4.01	Wood	Exhaust Hood - Energy Conservation	5,913	\$ 1,123	2,832	\$ 2,832	-	\$ -	\$ 3,955		\$ 110,019	27.8
4.02	O'Neill, Elvey	HVAC Improvement - Unused Exhaust System Removal	-	\$ -	5,795	\$ 5,795	-	\$ -	\$ 5,795		\$ 21,578	3.7
5.01	SRC/Patty ICE/Patty CTR	Unoccupied Heating - OA Damper Closure	-	\$ -	13,775	\$ 13,775	-	\$ -	\$ 13,775		\$ 67,126	4.9
5.02	SRC/Patty ICE	Unoccupied Temperature Setback	-	\$ -	8,626	\$ 8,626	-	\$ -	\$ 8,626		\$ 45,290	5.3
5.04	Patty ICE/Patty CTR/FA Concert/Bunnell	Demand Ventilation	64,215	\$ 12,201	3,718	\$ 3,718	-	\$ -	\$ 15,919		\$ 235,820	14.8
5.06	Patty Center/Bunnell/Elvey	Control Upgrade - Baseboard Heating Zones	-	\$ -	13,195	\$ 13,195	-	\$ -	\$ 13,195		\$ 469,567	35.6
5.08	Duckering	Exhaust Fan - Unoccupied ShutDown	-	\$ -	708	\$ 708	-	\$ -	\$ 708		\$ 8,294	11.7
5.10	Duckering	Control Upgrade - Domestic Water Cooling Control	-	\$ -	-	\$ -	2,839	\$ 33,013	\$ 33,013		\$ 11,470	0.3
7.01	Patty CTR/Gruening/Irving/O'Neill/Elvey	Fan Speed Control	272,129	\$ 51,705	-	\$ -	-	\$ -	\$ 51,705		\$ 464,184	9.0
7.02	Patty CTR/Stevens Hall/Wood/Bunnell/Duckering	Motor Replacements	15,565	\$ 2,958	-	\$ -	-	\$ -	\$ 2,958		\$ 89,735	30.3
7.03	Patty ICE SRC/Patty ICE/Patty	Refrigerant Compressors - VFD and Motor Replacement	5,197	\$ 987	-	\$ -	-	\$ -	\$ 987		\$ 78,824	79.8
9.01	CTR/Gruening/Wood/Duckering	Entrance Door Improvements	-	\$ -	12,554	\$ 12,554	-	\$ -	\$ 12,554		\$ 54,576	4.3
9.02	Patty CTR	Window and Seal Replacement - Northwest Wall	-	\$ -	674	\$ 674	-	\$ -	\$ 674		\$ 91,638	136.1
9.03	Elvey	Envelope Improvements - Wall Patch	-	\$ -	835	\$ 835	-	\$ -	\$ 835		\$ 6,987	8.4
11.05	Wood	Ice Machine Pre-Cool Water System	2,435	\$ 463	-	\$ -	-	\$ -	\$ 463		\$ 3,755	8.1
		MV Setup									\$ 41,955	
		Warranty									\$ 93,661	
		SOA FEE 1% - \$5,000 Max									\$ 5,000	
									\$ 562,174	\$ 49,737	\$ 6,711,431	11.0

Project Description

This project will upgrade the lighting, HVAC controls and sensors, replace old inefficient motors and controls, and install new door and window seals on 10 University Bldgs. Project cost will be recovered in energy savings in 10 years.

Schedule:

Planning & Design: 2009-2012
 Advertising & Award: N/A
 Construction: January 2013-August 2013

Total Project Cost:

\$6,000,000

Architect/Engineer: Siemens Bldg Technologies, Inc.

General Contractor: Siemens Bldg Technologies, Inc.

Board of Regents Approval & Motions:

Preliminary Admin Approval August 8, 2012
 Formal Project Approval September 27, 2012
 Schematic Design Approval September 27, 2012

Status Update:

Construction is scheduled to begin in January 2013 and will be ongoing thru August 2013.



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Critical Electrical Distribution Renewal Phase 1C



Project Description

Phase 1C scope will install all the major electrical equipment in the building constructed in Phase 1B, including switchgear, transformers, switches, and cable for two new electrical feeders. Additional feeders will be installed as funds are available.

Schedule Phase 1C:

Planning & Design: January 2009 - June 2009
Advertising & Award: May-July 2011
Construction: July 2011 - August 2012

Total Project Cost:

\$10,000,000

Funding Source:

FY12 R&R Funding

Architect/Engineer: PDC Inc. Engineers

General Contractor: Kiewit Building Group, Inc.

Board of Regents Approval & Motions:

Formal Project Approval April 8, 2011

Schematic Design Approval June 2, 2011

Status Update:

Work in this phase is complete. Work on this CM@R contract was done under budget and the savings was returned to UAF. Phase 2 work will start in March, 2013.



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UAF CTC Aviation Hangar Renovation



Project Description

This project will provide enough program space for the Aviation programs to move a portion of their teaching operations into the new facility. The project construction includes minor modifications to the existing hangar and offices, inclusion of new battery and sand blasting rooms, conditioning the unfinished 8,000 sf area, addition of public restrooms, and new head bolt outlets for winter time parking. Conditioning the 8,000 sf of currently unfinished space includes exterior wall insulation, vapor barrier, under slab utilities, a concrete floor slab and installation of new mechanical and electrical rooms.

Schedule:

Planning & Design: May—August 2012
Advertising & Award: September 2012
Construction: October 2012—February 2013

Total Project Cost:

\$1,725,000

Funding Source:

UAF and CTC Operating Funds

Architect/Engineer: USKH, Inc.

General Contractor: TBI Construction Company

Board of Regents Approval & Motions:

Preliminary Administrative Approval August 17, 2012
Formal Project Approval August 27, 2012
Schematic Design Approval August 27, 2012

Status Update:

Construction is 60% complete. The exterior is insulated and the concrete slab has been poured. Construction continues with interior framing and mechanical and electrical rough-in complete. Interior finishes including paint, ceilings, lighting, and mechanical fixtures are underway. Project completion is on schedule for February 2013.



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UAF Cutler Apartment Retaining Wall



Project Description

This project will construct a new concrete retaining wall, stairs, sidewalks, ADA accessible ramp and head bolt heater outlets to comply with building codes and improve safety throughout the Cutler Apartment complex.

Schedule:

Planning & Design: April 2012—June 2012
Advertising & Award: May 2012—June 2012
Construction: June 2012—August 2012

Architect/Engineer: PDC Inc. Engineers

General Contractor: Alcan Builders, Inc.

Total Project Cost:

\$1,460,495

Funding Source:

FY12 Bond Issue
Residence Life

Board of Regents Approval & Motions:

Formal Project Approval April 26, 2012
Schematic Design Approval June 06, 2012

Status Update:

Approximately 500 feet of failing wood retaining wall has been replaced with concrete walls. New ADA compliant ramp and stairs have been installed and provide access to Cutler Apartments. Deteriorated wooden steps have been replaced and handrails were installed at all front entries. Installation of headbolt heaters is near completion. Paint and hydroseeding will be completed in Spring 2013.



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UAF Engineering Facility



Project Description

The Engineering Facility project will building 117,000 gsf of new space and renovate about 23,000gsf of existing space in the Duckering Building in support of the UAF College of Engineering and Mines. The six story building will provide space for engineering learning and discovery and will feature open lab concepts and a high-bay area for practical application of engineering know how.

Designer: ECI Hyer, NBBJ, PDC Inc, AMC

CM@Risk: Davis Constructors

Total Project Cost:

\$108,600,000

Board of Regents Approval & Motions:

Preliminary Project Approval September 9, 2006

Formal Project Approval June 4, 2010

Amended Formal Project Approval September 23, 2011

Schematic Design Approval June 8, 2012

Funding Source:

SOA Appropriation

Occupancy Date: Fall 2015

Schedule Bar Chart:



Status Update:

The design firm, UAF, and the CMAR have completed design review of the Design Development set of drawings and the various comments are being incorporated. Structural and Civil design are expediting to allow for ground breaking to occur in April. A glazier contractor has been selected and the exterior façade detailed design has begun.



Fine Arts Salisbury Theater Renovation



Project Description

Phase I: Analysis of existing conditions and program/user group needs, followed by options and recommendations for renovation.

Phase II: Design and construction documents for the renovation of Salisbury Theater.

Schedule:

Planning & Design: September 2012

Advertising & Award: TBD

Construction: TBD

Architect/Engineer: Bezek Durst Seiser

General Contractor: TBD

Total Project Cost:

\$750,000

Funding Source:

FY12 General Fund

UAF Q Series Bond

Board of Regents Approval & Motions:

Preliminary Administrative Approval January 10, 2012

Formal Project Approval TBD

Schematic Design Approval TBD

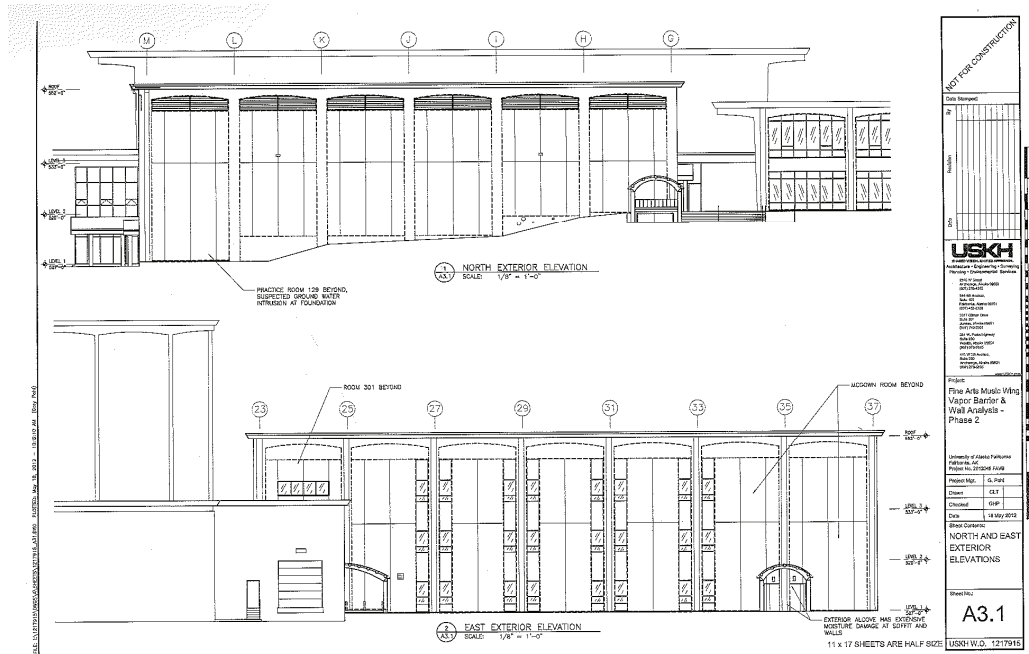
Status Update:

Planning and programming phase is complete



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Fine Arts Complex Vapor Barrier Design and Installation



Project Description

This project will correct building envelope deficiencies by application of spray foam and vapor barrier to the inside of exterior walls to the music wing.

Schedule:

Planning & Design: October 2012-February 2013
 Construction: March 2013-September 2013

Total Project Cost:

\$5,600,000

Architect/Engineer: USKH

CM@R: Watterson

Board of Regents Approval & Motions:

Preliminary Administrative Approval: October 18, 2011
 Formal Project Approval: September 28, 2012
 Schematic Design Approval: Submitted to BoR February 2013

Status Update:

65% design review submittal scheduled for Jan. 15, 2013.



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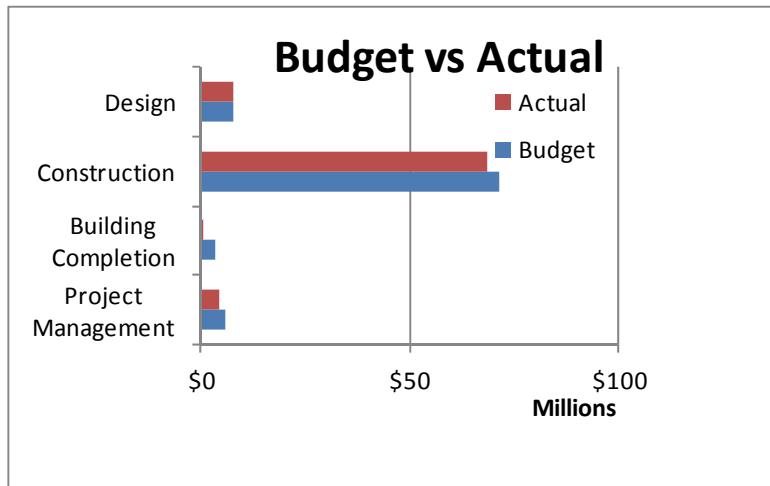
UAF Margaret Murie Building

UAF Life Sciences Research and Teaching Facility



Project Description

The Murie Building will provide multiuse teaching and research labs, classrooms, and office space for life science research and academic purposes. The research portion will provide nearly 60,000 gsf of lab space for biology research. The teaching portion will provide 40,000 gsf of academic classroom and lab space for biology and wildlife degree programs. The project also includes expansion of the West Ridge utilidor steam line, and a greenhouse replacement.



For actual values refer to attached budget sheet

BASIC PROJECT INFORMATION:

Designer:

Bezek Durst Seiser Inc., Smith Group, PDC Inc., RFD Inc.

CM@Risk:

Davis Constructors

Board Approvals:

FPA February 2010

SDA November 2010

Total Project Cost: \$88,578,000

Construction Cost: \$67,700,000

Occupancy Date: Fall 2013

Funding Source: GO Bond

UA Revenue Bond

Schedule Bar Chart:



Status Update:

The project has progressed into the next phase of construction: finishes. Building completion is well underway with lighting, ceilings, final casework, and controls installations fully underway. Contractors have completed most of the wiring and plumbing and the permanent power has been turned on to the facility. The exterior of the building is 95% complete. Overall the project remains on schedule for occupancy in the summer of 2013.



UAF Margaret Murie Building

UAF Life Sciences Research and Teaching Facility

UNIVERSITY OF ALASKA			
Project Name: Life Sciences Research and Teaching and Facility			
MAU: UAF			
Building: New-Life Sciences Facility	Date: January 8, 2013		
Campus: Fairbanks	Prepared By: Wohlford		
Project #: LFRF 2010100	Account No.: 512035, 514494-50216		
Total GSF Affected by Project:		101,100	
PROJECT BUDGET		Budget	Actual
A. Professional Services			
Advance Planning, Program Development		\$0	\$0
Consultant: Design Services		\$5,809,744	\$5,801,929
Consultant: Construction Phase Services		\$1,496,200	\$1,343,436
CM@Risk Proconstruction Services		\$378,005	\$378,005
Misc Consulting and Peer Reviews		\$340,614	\$340,614
Soils Testing & Engineering		\$0	\$0
Commissioning		\$123,630	\$123,630
Plan Review Fees / Permits		\$0	\$0
Other		\$0	\$0
<i>Professional Services Subtotal</i>		\$8,148,193	\$7,987,614
B. Construction			
General Construction Contract (s)		\$68,860,167	\$68,860,167
Other Contractors (List: West Ridge Parking, Building Relocations)		\$1,430,159	\$1,221,079
Construction Contingency		\$1,088,716	\$136,452
<i>Construction Subtotal</i>		\$71,379,042	\$70,217,698
Construction Cost per GSF		\$706.02	\$694.54
C. Building Completion Activity			
Equipment		\$600,000	\$0
Fixtures		\$150,000	\$0
Furnishings		\$650,000	\$0
Signage not in construction contract		\$50,000	\$0
Move-Out Cost/Temp. Reloc. Costs		\$0	\$0
Move-In Costs		\$200,000	\$0
Art		\$235,000	\$0
Other (List: _____)		\$700,000	\$0
OIT Support		\$300,000	\$15,509
Maintenance/Operation Support		\$250,000	\$107,671
<i>Building Completion Activity Subtotal</i>		\$9,195,000	\$123,180
D. Owner Activities & Administrative Cost			
Project Planning and Staff Support		\$3,695,051	\$3,519,239
Project Management		\$1,911,465	\$819,614
Misc Expenses: Advertising, Printing, Supplies		\$309,250	\$777,374
<i>Owner Activities & Administrative Cost Subtotal</i>		\$5,915,766	\$4,561,227
E. Total Project Cost		\$88,578,000	\$82,889,719
Total Project Cost per GSF		\$876.14	Remaining Budget
F. Total Appropriation(s)		\$88,578,000	\$5,688,281

Formal Project Approval: \$108,600,000 to fund three projects associated with the construction of the new facilities:

- Life Sciences Facility (\$88,275,000) TPC Increase October 2011 for \$303,000
- West Ridge Steam Capacity Expansion (\$15M)
- Arctic Health Greenhouse (\$5,325,000) - Refer to AHRG CIP Update

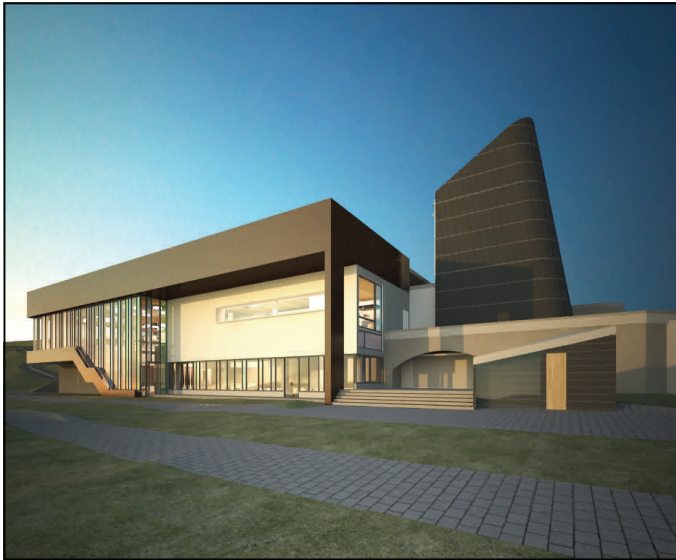


UAF Life Sciences Facility (LFRF)

February 2013 CIP Update



Campus Wide Student Housing & Dining Development



Project Description:

Design and build a new student dining facility adjacent to the Wood Center through a public-private partnership.

Schedule:

Planning & Design: March 22, 2011-February 18, 2013
 Advertising & Award: N/A
 Construction: May 1, 2013-July 16, 2014

Total Project Cost:

\$25,070,000

Architect/Engineer: Perkins & Will

General Contractor: Ghemm Company

Board of Regents Approval & Motions:

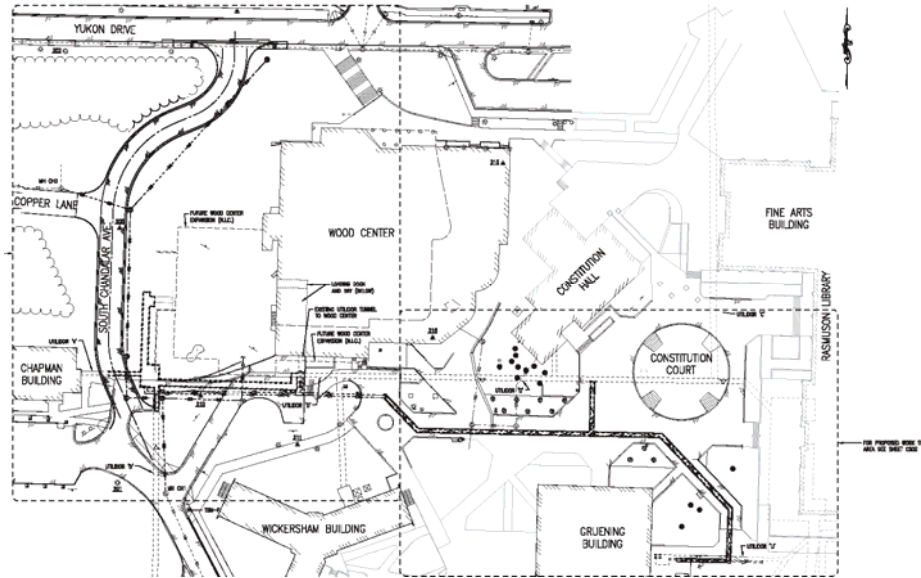
Formal Project Approval June 2, 2011
 Schematic Design Approval September 28, 2012

Status Update:

The bonds were sold for the project in December. Design is progressing with final documents to be ready February 18th. Construction is set to begin the first of May, 2013; with construction complete in July 2014.



Utilities Wood Center Vault



Project Description

This project will build new utility infrastructure in the area of the Wood Center and Chapman buildings. The new infrastructure will support the new dining facility and continue the effort to upgrade the utilities campus wide.

Schedule:

Planning & Design: September 2012—February 2013
 Advertising & Award: April 2013
 Construction: April 2013

Total Project Cost:

\$3,000,000

Architect/Engineer: Design Alaska

General Contractor: TBD

Board of Regents Approval & Motions:

Preliminary Admin Approval July 1, 2012
 Formal Project Approval September 27, 2012
 Schematic Design Approval Submitted Feb. 2013 BoR

Status Update:

Design Alaska is progressing with the design. Design is 95% complete.

Utilities West Ridge Steam Capacity Expansion



Project Description

This project installs a 10-inch steam line and a 6-inch condensate line from the Atkinson Power Plant to the West Ridge in the vicinity of the Arctic Health Research Building to increase the steam capacity for West Ridge and the new Life Sciences Facility. A new utilidor will also be constructed to house the steam piping and other utilities from the utilidor near the Lola Tilly Building to the utilidor west of the Student Recreation Center.

Schedule:

Planning & Design: February - May 2011
Advertising & Award: April - July 2011
Construction: August 2011 - October 2012

Architect/Engineer: PDC Inc. Engineers

DB Contractor: Kiewit Building Group
Design Alaska

Board of Regents Approval & Motions:

Formal Project Approval November 9, 2011
Schematic Design Approval April 8, 2011

Status Update:

Substantial completion was on November 8, 2012. Landscaping will be completed in June 2013. There has been a significant increase in steam capacity at the west ridge which will serve the Life Sciences building as well as future buildings.

Total Project Cost:

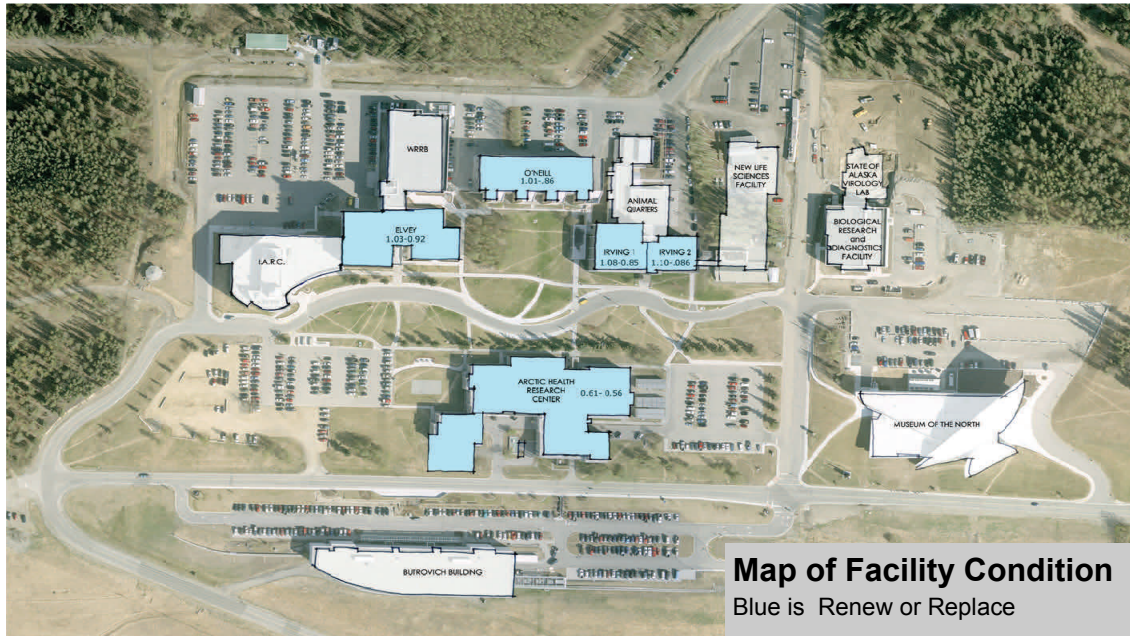
\$15,000,000

Funding Source:

UA Revenue Bond
GO Bond (Life Sciences)



West Ridge Deferred Renewal Master Plan



Project Description

The intent of the project is to create a master plan for the renewal of the facilities on the West Ridge and develop logical phasing, budgetary estimates, and program space allocation. The first task will update the current facilities audit and provide a true reflection of the quantity of code corrections, the amount of deferred maintenance, and the extent of space renewal pertaining to functional obsolescence. Upon completion, an analysis of logical adjacencies will occur and the plan will make suggestions for relocation of programs, including major changes to various spaces to create these adjacencies. Finally, the plan will create logical phasing plans with recommended funding levels to become the basis for future capital budget requests.

Schedule:

Planning & Design: January 2012 to September 2013
 Design Build Award: N/A
 Construction: N/A

Total Project Cost:

\$700,000

Funding Source:

FY12 Capital Appropriation

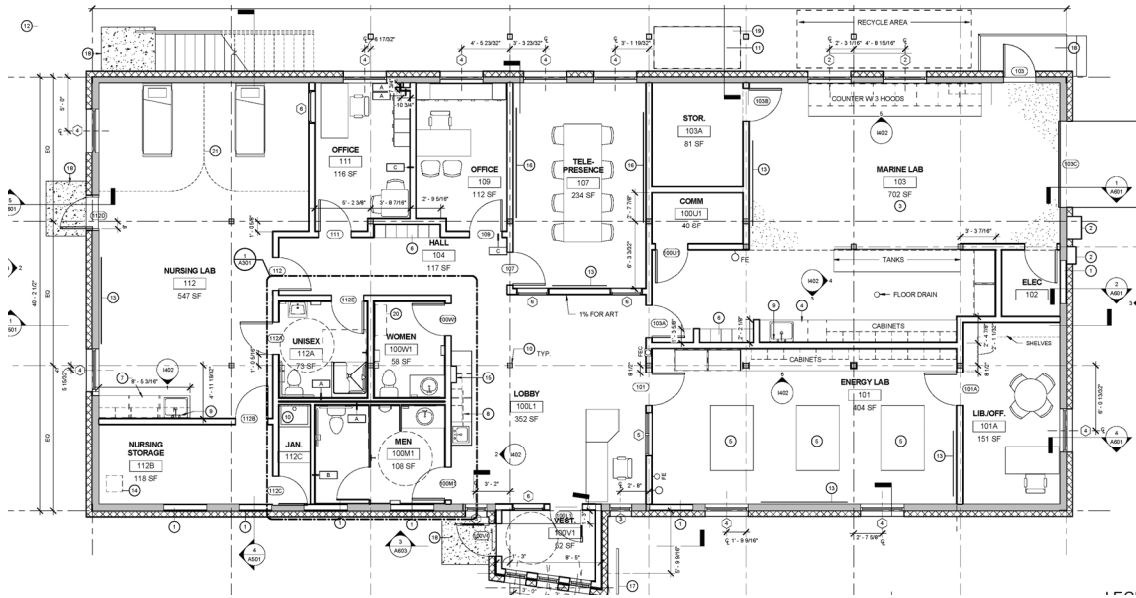
Board of Regents Approval & Motions:

Formal Project Approval December 22, 2011
 Schematic Design Approval N/A

Status Update:

The project team is working on a master plan for the renewal of the facilities on the West Ridge that will address and develop logical phasing, budgetary estimates, and program space allocation. The team has completed facilities condition analyses and established a condition index that has helped guide the master planning efforts. The design team and executive committee have also completed advance programming of the space on West Ridge as it relates to the deficit of teaching and research space noted in the 2010 UAF Master Plan. The next steps are to work on an analysis of logical program adjacencies and the plan for relocation of programs, including major changes to various spaces to create these adjacencies. At the same time, the team will create logical phasing plans with recommended funding levels to become the basis for future capital budget requests. Additional specific planning for relocation of functions in the Geophysical Institutes and creating better suited space for the Irving 1 Animal Quarters is underway as well. Phase 2 planning will take over the remaining efforts of the master plan.

Bristol Bay Applied Sciences



Project Description

Renovation of the Napa Auto Parts building to provide space and facilities for the Bristol Bay Campus Applied Sciences program.

Schedule:

Planning & Design: September 2012-January 2013
 Advertising & Award: February 2013-March 2013
 Construction: April 2013-December 2013

Total Project Cost:

\$2.6 Million

Architect/Engineer: McCool Carlson Green Architects

General Contractor: TBD

Board of Regents Approval & Motions:

Preliminary Project Approval May 17, 2012
 Formal Project Approval December 7, 2012
 Schematic Design Approval Has been submitted for Feb 2013 BOR

Status Update:

This project is in the design phase.



Kuskokwim Campus Kiln Project

Substantially Complete



Project Description

Design and install ventilation and electrical service upgrades to accommodate the kiln and pottery wheels for the Ceramic Program which is to be located in Room 155. The kiln will be moved from the local high school to UAF Kuskokwim Campus.

Schedule:

Planning & Design: September 2011-February 2012
Advertising & Award: March 2012
Construction: May 2012—January 2013

Total Project Cost:

\$640,000

Funding Source:

FY11 DM Allocation

Architect/Engineer: Livingston Sloan, Inc.

General Contractor: Denali General Contractors, Inc.

Board of Regents Approval & Motions:

Preliminary Project Approval January 25, 2012
Formal Project Approval March 23, 2012
Schematic Design Approval March 23, 2012

Status Update:

Project Substantial Completion inspection has occurred. Contractor is completing minor punch list work. Project is 95% complete.



Kuskokwim Campus Voc-Tech Building Room Additions

Substantially Complete



Project Description

A U.S. Department of Education (DOE) Title III Grant was applied for and awarded to the UAF Kuskokwim Campus in Bethel for constructing restrooms on the second level and additional offices and a classroom, in the Voc-Ed Building. These new areas will be used to provide needed additional classroom, office and restroom facilities. The approximate area of this project is 3,725 square feet.

Schedule:

Planning & Design: November 2011—February 2012
 Advertising & Award: March—April 2012
 Construction: April—September 2012

Total Project Cost:

\$1,128,500

Funding Source:

DOE Title III Grant

Architect/Engineer: Livingston Sloan, Inc.

General Contractor: Denali General Contractors, Inc.

Board of Regents Approval & Motions:

Preliminary Project Approval December 13, 2010
 Formal Project Approval January 26, 2011
 Schematic Design Approval February 24, 2012

Status Update:

Project SC inspection has occurred. Minor punch list work remains. Project is 97% complete.



Northwest Campus Nagozruk Restroom Remodel

Substantially Complete



Project Description

This project will remove existing finishes and fixtures in both restrooms and replace with new finishes and fixtures. ADA accessibility will be incorporated into the project. The referenced restrooms are original construction and have finish issues with the surface materials and fixtures, including the ceilings, walls, floors, partitions, toilets, urinals, sinks, mirrors, and hand dryers. If asbestos containing material is encountered in the project area, it will be abated under this project.

Schedule:

Planning & Design: May—July 2012
 Advertising & Award: July—August 2012
 Construction: September 2012—January 2013

Total Project Cost:

\$434,000

Funding Source:

CRCD Operating Funds

Architect/Engineer: Design Alaska, Inc.

General Contractor: Concor Construction, Inc.

Board of Regents Approval & Motions:

Preliminary Project Approval May 15, 2012
 Formal Project Approval June 27, 2012
 Schematic Design Approval June 27, 2012

Status Update:

Project is substantially complete. Punch list items remaining. Project is 98% complete.



Research Vessel Sikuliaq



Project Description

The R/V Sikuliaq (formerly the Alaska Region Research Vessel) is a 261-foot oceanographic research vessel capable of performing complex science in the ice-choked waters of Alaska and the polar regions. When complete the ship will be one of the most advanced university research vessels in the world and will be able to break ice up to 2.5 feet thick.

Schedule:

Planning & Design: August 2007-October 2008
Advertising & Award: February 2009-December 2009
Construction: January 2010-July 2013

Total Project Cost:

\$199,500,000

Funding Source:

NSF Cooperative Agreement

Architect/Engineer: Glostten Associates

General Contractor: Marinette Marine Corporation

Approvals & Motions:

Preliminary Project Approval Board of Regents: September 2008
Formal Project Approval National Science Foundation: December 2008
Schematic Design Approval National Science Foundation: December 2008

Status Update:

The launching ceremony for the R/V Sikuliaq was on October 13, 2012 in Marinette, Wisconsin. The Sikuliaq is expected to arrive in Seward in late 2013. Science operations will begin in early 2014.



Anderson Building Remodel & Pedestrian Access



Project Description:

This project will totally remodel the Juneau campus principal science instruction space to accommodate the needs of the UAS Science program. The project is divided in to two separate construction contracts. The first is the building remodel including classrooms, teaching labs, faculty offices, and research spaces. The second contract will be for the construction of a pedestrian crossing of Glacier Highway. These two elements are being designed, bid and constructed as separate contracts due to the different nature and schedules for the work.

In the remodel work major building components will be upgraded or replaced including heating and ventilating equipment and controls, the roof membrane and insulation, new toilet rooms, interior finishes, elevator replacement, classroom and laboratory casework and the emergency generator. Interior space will be reconfigured to improve effectiveness of the teaching and research areas. The number of faculty offices will be reduced. The work has required the building to be vacated during renovation. Interim space for offices and labs is being accommodated elsewhere on campus, at the UAF Fisheries facility at Lena Point and at the old NOAA lab adjacent to the Anderson Building.

The pedestrian access work will include a pedestrian bridge connecting to the third floor of the Anderson Building and a paved and lighted pathway to the main campus.

Total Project Cost: \$10,700,000

Project Schedule:

	Building Remodel	Pedestrian Access
Final Design	9/2008 –9/2009	7/2013 – 10/2013
Bid & Award	10/2009-11/2009	2/2014-3/2014
Construction	12/2009 – 9/2010	4/2014 – 10/2014

Project Approvals:

Formal Project Approval	September 2008
Schematic Approval	February 2009

Status Update:

Building Remodel: Construction contract is completed.
Pedestrian Overpass: UAS is awaiting detailed design data on the Alaska DOT&PF’s proposed re-alignment of Glacier Highway. DOT&PF and UAS are re-examining the impacts of the future road and right-of-way re-alignment. Construction is intended for 2014 assuming DOT&PF makes a determination on road alignment in early 2013.



Auke Lake Way Corridor Improvements & Reconstruction



Project Description:

- Reconstruction of Auke Lake Way from Hendrickson to the Egan bus circle to replace pavement, signage and lighting, and add traffic control devices and provide for service and emergency access;
- Reconstruction of the Novatney parking area to a service turn-around;
- Construction of a paved and lighted pedestrian connection from the Hendrickson Building to the Auke Creek bridge path, eliminating pedestrian use of the road;
- Reconstruction, paving and drainage of the Chapel-by-the-Lake parking lot as required by the parking agreement;
- Construction of a roof structure atop the path between the main parking lots and the Whitehead entrance;
- Revised entry canopies at the intersections of the Novatney and Whitehead exterior walkways.
- Traffic and signage improvements at the Loop Road intersection.

Total Project Cost: \$4,300,000

Project Schedule:	Phase 1	Phase 2	Phase 3
Planning & Design	1/2011 – 9/2011	8/2011-3/2012	10/2012 – 3/2013
Bid & Award	5/2011 – 6/2011	4/2012	4/2013
Construction	4/2011 - 10/2012	5/2012-11/2012	5/2013 – 10-2013

Project Approvals

Formal Project Approval	December 2010
Schematic Approval (Phase 1)	April 2011
Schematic Approval (Phase 2)	April 2012
Schematic Approval (Phase 3)	March 2013 (anticipated)

Status Update:

Phase 2 is substantially complete. Planning for phase 3 is underway.



New Freshman Residence Hall – Phase 1



Project Description:

This project is the first phase of a new Freshman Residence Hall. This project will construct the first sixty beds of what will be a 120 bed facility. The second phase will add the second sixty beds and make improvements to the existing campus cafeteria. The new residence hall will be located on a prime site on the westerly edge of the developed parking area, situated between Noyes Pavilion and the drop-off circle to Egan Library. The residence units are organized in a suite arrangement similar to that utilized for Banfield hall, but slightly increased in size and features. The basic module pairs two double occupancy rooms with a shared bathroom and kitchenette area. The project area is approximately 21,800 square feet.

Total Project Cost: **\$9,250,000 (Phase 1)**

Project Schedule:

Design	Jan 2011 to March 2013
Bid & Award	April 2013
Construction	May 2013 to July 2014

Project Approvals:

Formal Project Approval	June 2011
Schematic Approval	September 2012

Status Update: 95% design documents are due at the end of January. A ground-source heat pump has been selected as the heating system.



Ketchikan Upper Campus Parking Lot Reconstruction



Project Description: A geotechnical report on pavement failure at the upper campus parking lot indicated the need to remove the pavement and 2.5 feet of existing soils, and install a geotextile and non-frost susceptible sub-base and new paving.

Total Project Cost: **\$850,000**

Project Schedule:

Design	Fall – 2011 to Spring 2012
Construction	May 2012 to September 2012

Project Approvals:

Formal Project Approval	February 2012
Schematic Approval	February 2012
Project Budget Increase	March 2012

Status Update: Project is complete. Contract close out is in process.



Sitka Career & Technical Education Center



Project Description:

A Title III grant is providing funding over two federal fiscal years to remodel portions of the existing facility. The project will:

- Expand the existing student success center,
- Create a new instructional design center,
- Reconstruct the construction technology laboratory,
- Construct new records storage, and
- Construct a new lecture hall.

Total Project Cost: \$3,755,000

Project Schedule

Planning & Design	11/2008 – 9/2009
Bid & Award	11/2011 – 12/2011
Construction:	1/2012 - 10/2012

Project Approvals

Formal Project Approval	December 2010
Schematic Approval	July 2011
Total Project Cost Increase	November 2011

Status Update:

Commissioning was completed in January and the construction contract is in closeout phase.



**Internal Audit Status Report
As of January 28, 2013**

FY2013 Annual Audit Plan

Italic Items - have been completed or are in progress

External Financial Audit Support:

<i>Year-end cutoff</i>	<i>Auxiliary fund analysis</i>
<i>Inventory observation</i>	<i>Unexpended plant fund additions</i>
<i>Cash disbursements & bank transfers</i>	<i>Search for Unrecorded Liabilities</i>
<i>Cash depositories</i>	<i>Program changes</i>

Audits and Projects:

University of Alaska Anchorage: Restricted Funds Compliance* Departmental Cash Receipts** Departmental Review** - Mat-Su College	<i>Fraud and Ethics Incident Management Effort Reporting (FY11)</i>
University of Alaska Fairbanks: Restricted Funds Compliance* Departmental Cash Receipts** Departmental Review*	Information Systems Reviews: <i>Banner Access Controls** OnBase Access Controls Data Integrity IT Governance Outsourced IT Services (FY12) Banner Program Upgrade (FY12)</i>
University of Alaska Southeast: Title III and Title IV Compliance Sitka Campus Human Resources (FY12)	Ongoing Audits: <i>Follow-up Auditing Continuous Controls Auditing</i>
Statewide: Restricted Funds Compliance	Special Requests* <i>UAF Facilities M&O</i>
Function and System Reviews: Fixed Cost Contracts Analysis**	Investigations* <i>Confidential</i>

*Specific departments/areas to be determined later

**Carried forward from FY12

1. FY2013 Audit Plan Progress and Department Staffing
 - a. We continue to have four full-time auditors; a student intern began in early January.
2. Audit Reports:
 - a. Banner Program Upgrade Testing (system wide follow-up audit) – Final report issued January 18, 2012
 - b. UAS Human Resources – Preliminary report issued January 2, 2013
 - c. Sponsored Programs Effort Reporting (system wide audit) – Draft report issued December 19, 2012
 - d. Outsourced Information Technology Services (system wide audit)- Draft report issued October 18, 2012
3. Audit Reports in Progress:
 - a. UAF Departmental Cash Receipts and Accounts Receivable – Draft
 - b. Statewide Restricted Funds – Draft
4. Audits in Progress:
 - a. UAA Departmental Cash Receipts – Fieldwork
 - b. Banner Access Controls – Fieldwork
 - c. Fraud and Ethics Incident Management - Planning
 - d. UAF Facilities M&O – Planning
 - e. UAA Restricted Funds - Planning
5. Support and Consultation Activities
 - a. Beginning soon: Annual audit planning for FY14.
 - b. Completed: State of Alaska Executive Compensation and Travel Report.
 - c. In progress:
 - i. Effort certification process redesign.
 - ii. Business continuity (Kuali Ready implementation)
 - iii. Website updates.

- iv. Implementation of Issue Track for campus-designated employees to be able to view open audit recommendations.
- v. Quality Assessment Review (QAR) remediation.
- d. Internal control discussions with staff system wide (upon request).

6. Continuous Controls Auditing

This is an ongoing project that involves analytical tests that run automatically on a prescheduled basis. An auditor has been assigned to the follow-up of results from tests, refinement of tests, and development of new tests.

- Potential Duplicate Payments by Accounts Payable
- Potential Scheduled Payments (unauthorized)
- Representational expenditures with inappropriate funding sources
- Gifts Exceeding \$25 Threshold
- Potential Duplicate Payroll Checks
- Terminated Employees on the Payroll
- Phantom Employees
- Excessive Overtime
- Potentially Prohibited Credit Card Transactions
- Potentially Miscoded Credit Card Transactions
- Transactions Associated with Excluded Merchant Types
- Purchases that Exceed a Credit Card Holder's Single Purchase Limit
- Credit Card Holders with High Dollar Volumes of Purchase Activity
- Credit Card Transactions on Holidays

**External Audit Status Report
As of January 28, 2013**

State Legislative Audit Activities

Completed:

None

Work in Progress:

None

External Audit Reports & Activities

Completed:

1. PERS/TRS 2010 Payroll and Personnel Systems (State Dept of Administration)
2. NCAA Agreed-upon Procedures – UAA (Mikunda Cottrell)
3. NCAA Agreed-upon Procedures – UAF (RJG)

Work in Progress:

1. Sikuliaq Research Vessel (NSF)
2. KUAC TV9 FM 89.9 (RJG)

External Auditor Transition – KPMG to Moss Adams

Moss Adams has been selected to perform the annual audits for the University’s financial statements, Foundation and Consolidated Endowment Fund and the A-133 Single Audit. The chart below describes the current status and timeline for expected deliverables as the University transitions from the prior external auditors, KPMG, to Moss Adams.

	Action or Expected Deliverable	Done	Expected Timeline
1	UA - Notice of intent to award issued	X	n/a
2	UA - End of protest period	X	n/a
3	Moss Adams - required communications with prior auditors		Late January to early February
4	UA and Moss Adams - Contract signed		Early to mid-February
5	UA and Moss Adams - Introductory/planning meeting		Mid to late-February
6	Moss Adams - IT controls testing		March-April
7	Moss Adams - Fieldwork		May-September
8	Moss Adams - Updates to the Audit Committee		June and September
9	Moss Adams - Financial statement review and issuance		Mid October
10	Moss Adams - A-133 audit completion		Mid October
11	Moss Adams - Foundation and Consolidated Endowment Fund financial statement review and issuance		Mid October
12	Moss Adams - Management letter		September
13	Moss Adams - Presentation to the Audit Committee		December

Dear Board of Regents,

Buzz Aldrin, the second person to set foot on the moon, encouraged middle school, high school and college students at a talk at the Alaska Native Science and Engineering Program (ANSEP) building, to commit themselves to their education and to follow their dreams. Aldrin, keynote at the ANSEP banquet in January, also addressed the broad network of K-12 educators, industry, government and non-profits that make ANSEP such a success. ANSEP has impacted 1,000 middle school, high school, university students and alumni.



The three-year phased renovation of the Science Building is complete. This is the first whole building renovation to be accomplished at UAA in recent history.

We are committed to leveraging partnerships to support student success.

This year UAA added full-time faculty support for the Alaska Middle College School (AMCS) at our Chugiak-Eagle River Campus. AMCS is a partnership between UAA and the Mat-Su Borough School District (MSBSD) providing high school juniors and seniors the opportunity to go to high school and college at the same time. About 40 students are enrolled this year and the number is expected to grow. AMCS is a Strategic Direction Initiative education partnership featured on both the UA website and MSBSD website.

UAA's Office of Student Affairs is also working closely with the Alaska Commission on Postsecondary Education's (ACPE) Alaska College and Career Advising Corps (ACAC) to identify ways that ACAC can extend support beyond high school and through the transition and first year of college. ACPE provided funding for a term MAP-Works advisor this year who played a large role in intervention and outreach efforts during the winter break to support and encourage first-year full-time students. We anticipate good results from these and many other efforts underway.

The spring semester at UAA kicks off with a celebration of Civil Rights month. The celebration provides a good opportunity to show our commitment to building a UAA community that empowers people, builds bridges, is respectful and celebrates our differences—a community fundamental to the success of our students.

Best Regards,

Tom Case

Tom Case, Chancellor



BP Asset Integrity and Corrosion Lab made possible by \$1M gift from BP

New science lab opens

Ribbon cutting and grand opening of the new BP Asset Integrity and Corrosion Lab was held in December.

Provost and deans named

Elisha "Bear" Baker, Ph.D., has accepted the position of provost and vice chancellor for Academic Affairs. Heather Ryan, Ph.D., has accepted the position of dean of the College of Education; William Hogan, interim dean for the College of Health since 2011, has accepted the permanent position and Tien-Chien Jen, Ph.D., has accepted the position of dean of the School of Engineering.



Heather Ryan



William Hogan



Tien-Chien Jen



Conductor Eduard Zilberkant leads the Fairbanks Symphony Orchestra, the University Chorus, the Jubilee Bell Choir and the Northland Youth Choir in a special holiday performance in the Davis Concert Hall. Design Alaska, a Fairbanks architectural design and engineering firm, has sponsored this annual concert for the past 11 years. Employees of the firm handed out ornaments at the close of the concert.

ACHIEVEMENTS

The Geophysical Institute shared cutting-edge science with the public in the 21st Science for Alaska lecture series. The free lectures featured research on earthquakes, sea ice, air quality and lasers, presented by scientists at the forefront of their fields.

The College of Liberal Arts' linguistics program received \$1.9 million from the U.S. Department of Education to fund a three-year project to improve K – 12 educational outcomes for Alaska Native students. The project will help faculty members, students and community members work collaboratively to integrate technology in Alaska Native language education.

Institute of Arctic Biology scientists and graduate students are studying the spread of avian influenza in ducks which overwinter in an ice-free patch of the Chena River in Fairbanks. Because the 300 or so mallards can be sampled repeatedly, researchers can get a more accurate picture of infection rates at the population level.

The Alaska King Crab Research, Rehabilitation and Biology Program received \$10,000 from Santa Monica Seafood to support crab research. AKCRRAB is a partnership among Alaska Sea Grant, the UAF School of Fisheries and Ocean Sciences, and industry, community and agency groups.

The Student Veterans of UAF hosted its second annual Veterans Day Memorial Roll Call. Volunteers from campus, military and civilian communities read names of the more than 6,500 service members who have been killed in action in Iraq and Afghanistan. U.S. Sen. Mark Begich came to campus to speak to participants during the ceremonies.

The fourth annual Chancellor's Gala took place Feb. 2. Fundraising proceeds benefitted the dental assistant/dental hygiene programs at CTC and the Circle of Hope Breast Cancer Project at Fairbanks Memorial Hospital.

Cooperative Extension's use of various distance-delivery methods allowed residents of 63 communities to attend the Alaskan Growers School. In 2012, residents of 23 communities also participated in the Alaska Master Gardener online course, and Extension also used distance delivery to teach pesticide application, certified food protection, 4-H leadership and septic system maintenance.

IN PROGRESS

Staff at the UA Museum of the North are working on remains of an umiak dated at 1,000 years old, the oldest skin boat known in the circumpolar North. The materials, from the Birnirk archaeological site near Barrow, are owned by the U.S. Navy and were housed for decades at the Harvard Peabody Museum. They were returned to the museum in 2011. The wide range of artifacts and material types in this collection will support years of important archaeological research.

The 40th Festival of Native Arts will take place on campus in the Charles Davis Concert Hall Feb. 21 – 23. This year's theme is Unity Through Cultures. Workshops on languages, dance motions, storytelling and beading will be part of the program. Originally, the festival focused each night on a specific Alaska Native culture. Today, it has grown in its depth and focus, and now features Native dance groups from throughout the state.

WHAT'S NEXT

About 400 high school skiers will compete in Fairbanks in the National Cross Country Junior Nordic Ski Championships March 11 – 16. The closing banquet and awards ceremony will take place on campus at the Student Recreation Center.

The School of Fisheries and Ocean Sciences' Alaska Sea Grant College Program has been sponsoring and coordinating the Lowell Wakefield Fisheries symposia since 1982 in partnership with the Alaska Department of Fish and Game, NOAA National Marine Fisheries Service and North Pacific Fishery Management Council. The 28th symposium, Responses of Arctic Marine Ecosystems to Climate Change, takes place March 26 – 29 in Anchorage.

THROUGH THE LENS: RECENT IMAGES

UNIVERSITY OF ALASKA FAIRBANKS

February 2013



Undergraduate Alyssa Komac, left, works with IAB graduate student Teresia Schnurr in Kriya Dunlap's West Ridge Research Building lab. Komac is an exchange student from Montana. Schnurr, a biochemistry major and Nordic skier from Buhlertal, Germany, was the Dr. Wood Scholar Athlete of the Year for 2010 – 2011. The two students are studying sled dog metabolism, researching whether exercise increases expression of a particular protein in white blood cells. The work has implications for human health as well.



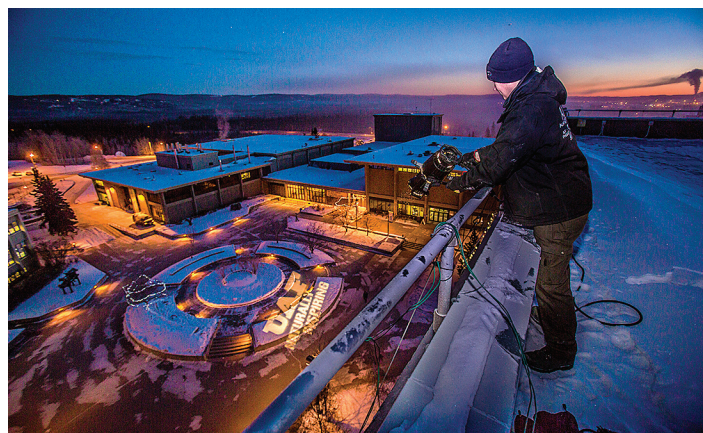
Photos, clockwise from left

Junior Marissa Atoruk drives into the lane during second-half action in the Nanooks' game against the Colorado School of Mines in the Patty Center.

Broomball, played on the outdoor ice rink in front of the Student Recreation Center, is a popular intramural sport at UAF.

The "NaturallyInspiring" tagline beams down on campus from atop the Gruening Building on a cold November morning.

Hundreds of spectators turned out to enjoy the fireworks display from UAF's West Ridge on New Year's Eve.



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Chancellor Brian Rogers • uaf.chancellor@alaska.edu • www.uaf.edu/chancellor/



Governor Parnell Addresses High School Students Statewide From Auke Lake Campus

Casey Kelly, KTOO Radio News

Governor Sean Parnell urged the students to follow their passions, whether they end up working in the mining industry or not.

More than 50 high school students taking an “Introduction to Mining Occupations” course had quite the guest speaker on the first day of class Jan. 22. Governor Sean Parnell urged the students to follow their passions, whether they end up working in the mining industry or not. The governor was the first of many guest speakers the class will hear from this semester.

Instructor Mike Bell worked at Hecla Greens Creek Mine before becoming director of the Center for Mine Training at UAS. This is the second year Bell has taught the class, which is designed for high school juniors and seniors. Last year, enrollment was limited to 20 students, all from Juneau. But this year, with the help of video conferencing equipment, there are 55 students statewide, from the Northwest Arctic Borough to remote parts of Southeast. In his remarks Governor Parnell talked about the importance of keeping mining jobs in Alaska. He praised UAS for teaching Alaska students the skills needed to perform those jobs.

The Department of Education and Early Development is one of several partners that provided support to make the class possible. That includes mining companies like Hecla Greens Creek, which donated \$300,000 to the University of Alaska Foundation in 2011 to help create the mine training program.

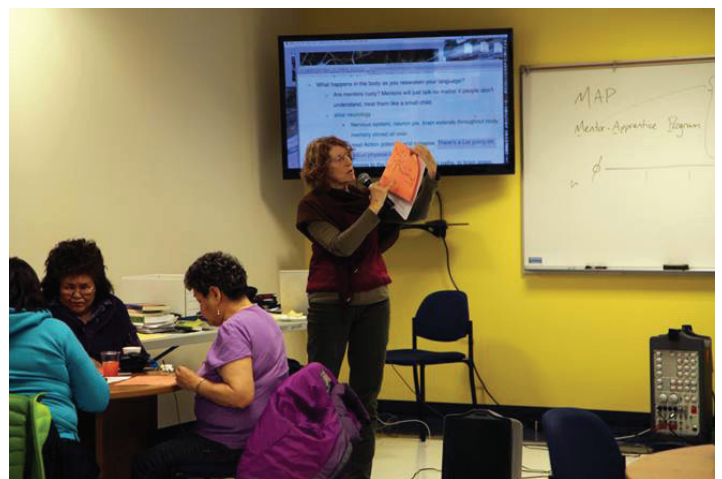
Tallmon and Kovach Co-author Paper in PLoS ONE

The study was funded in part by an Alaska EPSCoR Graduate Research Fellowship.

Biology faculty member David Tallmon and his recently graduated UAF PhD student Ryan Kovach co-authored a paper just accepted into the journal *PLoS ONE*. The paper, Earlier migration timing, decreasing phenotypic variation, and biocomplexity in multiple salmonid species, results from work with National Oceanic and Atmospheric Administration collaborators that describes recent changes in the run timing of juvenile and adult salmon, trout, and char, in Auke Creek adjacent to the UAS Juneau campus. The study was funded in part by an Alaska EPSCoR Graduate Research Fellowship.

Taff Named New SSILA Leader

Society for the Study of the Indigenous Languages of the Americas was founded in December 1981 as the international scholarly organization representing American Indian linguistics.



Alice Taff leads language workshop in Whitehorse, Yukon in December

Research Assistant Professor of Alaska Native Languages Alice Taff is the new vice president/president elect of the Society for the Study of the Indigenous Languages of the Americas. SSILA was founded in December 1981 as the international scholarly organization representing American Indian linguistics. Current membership is more than 900. Taff’s term is a 6-year commitment in all, 2 years each as vice president and president, then 2 more years as past president.

America the Multilingual

"...it will be the single largest act of defiance we can make today towards a past that tried to kill us off."

— Xh'unei - Lance A. Twitchell

A recent article appearing on *HuffingtonPost.com* by Lance A. Twitchell, an assistant professor of Alaska Native Languages, discusses the importance of preserving Native American languages. He says that all Native languages are in "extreme danger" and that some will be gone in the next decade, unless people begin the arduous task of saving them. "As people of nations and cultures, we need to speak our languages," said Twitchell. "In order to stop them from dying, we only need to speak them: in our homes, to our children, to each other, on our land. It will redefine who we are, and it will be the single largest act of defiance we can make today towards a past that tried to kill us off. We can redefine ourselves as multilingual and become leaders for the rest of the nation. We can teach ourselves so many things about our ancestors, our children, our land, and ourselves." Read his full article, titled "America the Multilingual" at *HuffingtonPost.com*

Daniel Henry News

Essay is derived from a UAS public speaking class Henry taught in Klukwan about the differences between Native and non-Native ways of public speaking.

The essay "Chilkat Style," by UAS adjunct faculty member Daniel Henry appears in the Winter issue of *Connotations*, the journal of the Island Institute in Sitka. The essay is derived from a UAS public speaking class Henry taught in Klukwan about the differences between Native and non-Native ways of public speaking. In addition, the Kettleson Library in Sitka sponsored Henry to lead a writing workshop called "Inside Out." Henry gave a presentation called "In Search of Shotridge: The Quest for the Tlingit Crown Jewels," at the library on January 20. The presentation covers a multi-decade research project to unearth information that has been hidden or long-forgotten relating to the lives of Louis and Florence Shotridge. Born in Klukwan and educated at Columbia and the University of Pennsylvania, Shotridge was the first Tlingit anthropologist. He was a full-time curator with the U of PA Museum and returned to Southeast Alaska as an artifact collector. His primary object was the fabled Whale House collection in Klukwan. He died near Sitka under mysterious conditions.

UAS Alaska Native Language Faculty Led Whitehorse Workshop

By Alice Taff

In early December 2012, Alaska Native language faculty members Alice Taff and Xh'unei Lance Twitchell led a workshop in Whitehorse, Yukon Territory, for the Council for Yukon First Nations. They introduced the mentor-apprentice approach to five language teams during the three-day event. These teams included Northern Tutchone, Southern Tutchone, Han, Gwich'in and Tlingit languages. The traditional lands of the last three languages exist on both sides of the U.S.-Canadian border; despite the current international boundary, it is important to keep up cross-border communications and activities in order to maintain the ancestral integrity of each language group.



Whitehorse workshop crew

The mentor-apprentice strategy pairs a fluent speaker with an adult learner; the pair spends 10 or more hours per week together doing routine activities, staying in the ancestral language the entire time. It is not easy. One person knows the ancestral language and the other does not. The concept is not to take a class, but live completely in the language. It takes practice and willpower to not use the English language, common to both people, when communicating. One of the keys to success is active dialogue between the mentor and apprentice, so that each session begins with a plan and is carried out through activities and with props. For example, an apprentice might call the mentor and say, "I am coming over in an hour. Can we talk about weather today?" and the mentor might respond with, "That is good. We can also talk about seasons, and what that means to us." The idea is to have a solid outline of content beforehand, so there is little time without subjects or activities. Other ideas shared are playing games in the language, or looking through photo albums and having the mentor talk about memories.

The group worked on communicating with body language, using gestures in addition to the ancestral language, planning and carrying out "language immersion" sessions, setting language learning goals, keeping language journals, and using pictures to stimulate talk. Discussion topics also included brain development during language learning, the excellent ability of adults to learn languages, and the universal stages of natural (infant) language learning. They also talked about methods to implement language revitalization efforts in their communities and how to create jobs for language learners and teachers.

February 2013



Coalition of Student Leaders

Shauna Thornton, Speaker

The Coalition is busy making arrangements for our upcoming Legislative Conference on February 9 -12. We have an amazing line up of speakers for the event. Our theme this year is "Education Is Always in Season." We would like to thank Amber Averette and UAS for making our arrangements and coordinating our logistical needs for the Juneau event. We would like to thank President Gamble for covering the cost of printing our calendars for the legislators this year. The calendars show the activities students are undertaking on their campuses and within their communities. The calendar will be a daily reminder of what the students at UA bring, not only to the university, but also to our state and to our communities.

We are working with Mari Freitag, Student Regent, and Kathleen Wattum, Interim Public Affairs Director to engage students in dialog about topics important to students. This will give students a means to voice concerns and comments to the UA administration and to encourage ongoing dialog that will be important for our Strategic Direction Initiative endeavors.

We are continuing to broaden our voice through Facebook, and printed brochures, to enable the campuses to share what the Coalition offers the university students, and to report our current projects.

The Coalition is assisting and offering feedback to the administration in any way possible from marketing materials, to the strategic direction, and to the proposed fee increases. We are very excited to be a part of the process and offer our feedback to better our university and campus communities.

Shauna Thornton has been a member of the KRC Student Union for several years, and a member of the Coalition of Student Leaders for the past two years. She successfully led the KRCSU to rally against cuts to the campus budget saving the campus hundreds of thousands of dollars, and was one of the leaders in Juneau for need based financial aid.



Staff Alliance

Juella Sparks, Chair

Hopefully you all enjoyed a wonderful holiday season and are on your way to an exciting new year.

Mid-way through the academic year, Staff Alliance efforts to improve communications with staff and focus our advocacy show great promise.

- In the four months since we launched our blog, it has already counted almost 5,500 views.

- Our compensation working group has offered the first of several proposals and by mid-February, we should be surveying all UA staff for their input on these proposals.
- By the February regents meeting, we should be finished with our analysis of the 800 plus responses to our Work Life Survey, shared them with the staff and administration, and have a strategy for taking action on that data.

Finally, we are providing input on the metrics for the Strategic Direction Initiative. More importantly, we are focusing our efforts on helping staff to apply SDI “where the rubber meets the road.”

Juella Sparks was born and raised in Alaska and graduated from UAF with a B.B.A. in Management. After several years working for the state and starting a family, she came back to the university to work for Cooperative Extension Service in December, 2002. She was active in student government and moved quickly to being active in staff governance at UAF. In her words, “I am looking forward to working with Staff Alliance and the System Governance Council to strengthen our UA system, especially with two teenagers contemplating post-secondary education.” Juella has in past years served as Staff Alliance vice chair 2007-2009, chair of the System Governance Council 2008-2009 as well as president of the UAF Staff Council 2008-2009.



Faculty Alliance

Cathy Cahill, Chair

Faculty Alliance has been addressing several important issues since our last report to the Board of Regents. These issues include: metrics for the UA Strategic Direction Initiative (SDI), the E-laboratory Task Force recommendations, General Education Requirements (GERs) across MAUs, common placement and cut scores, and textbooks. The outcomes of these discussions are as follows:

- 1) SDI – Faculty Alliance is currently evaluating proposed metrics for measuring UA’s effectiveness in meeting SDI goals. We will provide faculty-based recommendations to the SDI leaders.
- 2) E-laboratory Task Force – The recommendations from the Task Force are being evaluated by Faculty Alliance. The current discussion is centered on the timeline for implementing specific recommendations for each MAU.
- 3) GERs – Faculty Alliance, in conjunction with Vice President Thomas, held an Association of American Colleges and Universities (AACU) Institute at UAA January 11-12, 2013. The two-day institute brought together approximately 10 members from each MAU and focused on commonality, best practices, and shared experiences among the MAUs. A detailed report of the institute and its outcomes will be forthcoming. Initial comments about the institute were positive and highlighted the similarities between the MAUs.
- 4) Common placement and cut scores – Faculty from English at the MAUs have developed common placement and cut scores for similar classes across the MAUs. Math faculty at the MAUs are also coming together to develop similar guidelines for math courses. This effort is expected to produce a published list of classes and their associated placement and cut scores. This list should remove students’ confusion about cut and placement scores across the MAUs.

- 5) Textbooks – Faculty Alliance has begun a discussion of how and when textbooks are chosen and why students may have trouble getting the correct textbooks. We also passed a motion encouraging faculty to consider the costs associated with different textbooks in their decisions to adopt specific books for their classes. Note: we know that most faculty already consider the costs to students when choosing a textbook.

In summary, the Faculty Alliance is addressing issues of importance to our students and faculty. We are working especially hard on improving our students' experience at UA by streamlining procedures, clarifying expectations, ensuring high-quality courses, and investigating ways to save students time, effort, and money.

Dr. Catherine F. Cahill is an Associate Professor of Chemistry at the University of Alaska Fairbanks where she teaches a wide variety of classes ranging from undergraduate General and Physical Chemistry to graduate Environmental Chemistry. Cathy also mentors undergraduate and graduate students, conducts cutting-edge research on atmospheric aerosols, develops payloads for unmanned aircraft systems, and contributes her professional expertise to professional, public, and university needs.

**UNIVERSITY OF ALASKA
LABOR and EMPLOYEE RELATIONS REPORT**

Acronyms commonly used in reporting Labor Relations activities:

ALRA	Alaska Labor Relations Agency
CBA	Collective Bargaining Agreement
JHCC	Joint Health Care Committee
LMC	Labor-Management Committee
MAU	Major Academic Unit (UAA, UAF, UAS)
ULP	Unfair Labor Practice Charge
<u>Unions:</u>	
Adjuncts	United Academic – Adjuncts
Local 1324	Fairbanks Fire Fighters Association (UAF Fire Fighters)
Local 6070	Alaska Higher Education Crafts and Trades Employees
UAFT	University of Alaska Federation of Teachers (Community college and extended campus faculty)
UNAC	United Academics

(BOLD text indicates updated information.)

LABOR - MANAGEMENT COMMITTEES/EVENTS

- The university, Local 6070 and campus representatives are meeting on an as-needed basis to address issues of interest to the MAUs and identify processes to resolve any concerns.
- The Joint Health Care Committee (JHCC) comprised of union, management, and non-represented employees, meets monthly to discuss system-wide health care issues. The last Committee meeting was held on December 14, 2012. **JHCC Town Meetings were held in Fairbanks on January 17, 2013; Anchorage on January 18, 2013 and Juneau on January 23, 2013.**

**UNIVERSITY OF ALASKA
LABOR and EMPLOYEE RELATIONS REPORT**

- The university, UAFT and campus representatives met on December 10 and 11, 2012 to discuss the Market Salary Adjustments procedures and criteria for distribution of the remaining FY13 UAFT Market Salary residuals. **The parties plan to meet in February 2013 to finalize the residual distribution amounts and process.**
- **The university, UNAC and campus representatives will meet in February 2013 in a Joint Labor Management Committee (LMC) setting to discuss the FY14 Market and Merit Increases procedures.**

GRIEVANCE and ARBITRATION HIGHLIGHTS

University of Alaska Federation of Teachers (UAFT)

- **UAF College of Rural and Community Development:** The union filed a Step 2 grievance on October 2, 2009 alleging that the university violated Article 9.1 of the CBA by placing two new faculty members at an extended site into the United Academics bargaining unit rather than into the UAFT unit. The university responded to the union on November 11, 2009, recommending that the substance of the grievance be reviewed and determined by the ALRA as part of the unit clarification proceeding. Grievance timelines are being held in abeyance pending the outcome of the Unit Clarification Petition before ALRA.
- **Statewide Office of Labor and Employee Relations:** UAFT filed a Step 2 grievance on July 25, 2012 alleging the university violated Article 1.3.A of the CBA by demanding that the union agree in writing to pay all costs associated with a request for information prior to providing them with the information. The union further alleges that the university violated the implied duty of good faith and fair dealing. **The parties are working together to try and resolve the matter.**

United Academics (UNAC)

- **UAF International Arctic Research Center:** UNAC filed a Step 2 grievance on January 6, 2012 alleging that the university violated just cause, due process, and disciplinary investigation, (Article 11.1 and Article 11.2) when it issued a notice of inquiry to a faculty member without notifying the union. The Step 2 grievance meeting was scheduled for January 31, 2012. The university provided a response on February 15, 2012. The union executive board and grievance committee met to discuss the university's Step 2 response. The union filed a Step 3 grievance on March 8, 2012. The Step 3 Chancellor's resolution meeting was held on March 28, 2012. The parties were unable to come to a resolution, and the Chancellor provided a Step 3 response to the union on April 25, 2012. **After several failed resolution attempts the parties resolved the grievance through a Memorandum of Agreement (MOA) on December 10, 2012.**

**UNIVERSITY OF ALASKA
LABOR and EMPLOYEE RELATIONS REPORT**

- **UAA College of Arts and Sciences:** UNAC filed a Step 1 grievance on February 17, 2012 alleging a violation of the evaluation process. The Step 1 hearing was held on March 9, 2012. The union had requested an extension as the parties work toward resolution. **A resolution has been reached by the parties.**
- **UAF College of Engineering and Mines:** UNAC filed a Step 1 grievance on June 15, 2012 alleging a violation Article 7.2 of the CBA and that the university failed to follow the workload determination process as outlined in the CBA. **The parties have resolved the grievance.**
- **UAF College of Engineering and Mines:** UNAC filed a Step 2 grievance on June 29, 2012 alleging a violation of Article 16 and 17 of the CBA. UNAC asserts that the university violated the CBA by instructing a faculty member to reimburse the university for honorarium received for outside activity while on a one semester paid sabbatical. The Provost met with the union on July 19, 2012. The university responded to the Step 2 grievance on August, 14, 2012. **The union requested an extension to December 07, 2012. The Step 3 grievance meeting with the Chancellor is scheduled for February 7, 2013.**
- **UAF College of Rural and Community Development:** UNAC file a Step 1 grievance on October 15, 2012 alleging a violation of Articles 2 and 17 of the CBA. **The union claims that the university created an unprofessional working environment, violated academic freedom, intellectual property and the covenant of mutual understanding and cooperation for a faculty member. The parties have resolved the grievance.**

Local 6070

- **UAF Power Plant:** On September 20, 2011 the union filed a Step 2 class action grievance alleging that all maintenance employees in the Power Plant should receive a .50 per hour premium pay and that the university violated Article 4.10A and Article 6.3. UAF HR requested numerous extensions. UAF was unable to resolve the grievance at Step 2. The grievance advanced to Step 3 on January 4, 2012. The Step 3 resolution meeting was held on January 17, 2012. The parties were unable to resolve the grievance. The university denied the Step 3 grievance on January 31, 2012. The union requested arbitration on February 6, 2012. Arbitration was scheduled for Thursday, August 30, 2012. On August 28, 2012 the arbitrator advised the parties that he was unable to travel to Fairbanks. The arbitrator notified the parties on December 7, 2012 of his availability on January 23, 2013 or January 29, 2013. **The parties were able to resolve the grievance short of arbitration on December 04, 2012 through a Memorandum of Agreement (MOA).**
- **UAA Maintenance and Operations:** **On November 20, 2012, the union filed a Step 1 grievance alleging that the steps of progressive discipline were not**

**UNIVERSITY OF ALASKA
LABOR and EMPLOYEE RELATIONS REPORT**

followed when the university suspended a bargaining unit member for dishonesty during an investigation and leaving work without supervisor permission. The grievance was denied at Step 1 and the parties are working to resolve the matter.

United Academic – Adjuncts

- No grievances are pending.

Local 1324

- No grievances are pending.

ISSUES BEFORE THE ALASKA LABOR RELATIONS AGENCY

Unit Clarification Petition: On October 17, 2007 UAFT filed an ULP charge with the Alaska Labor Relations Agency (ALRA) alleging that the university violated the CBA by its placement of new faculty with upper-division teaching assignments into the UNAC bargaining unit. In response, the university filed a unit clarification petition. On August 25, 2009 the ALRA accepted the university's Petition for Unit Clarification and placed the ULP complaints in abeyance pending the determination of that petition. The ALRA hearing began on April 5, 2010 and lasted until April 22, 2010. Post hearing briefs and response briefs were filed and the issue is before the Agency for a decision. On October 4, 2011 the ALRA notified the parties that they wanted briefing on the appropriateness of one unit of non-adjunct faculty at the university. File briefs were submitted to ALRA on December 21, 2011. A decision is pending.

EMPLOYEE RELATIONS HIGHLIGHTS

- **UAF Community and Technical College (formerly Tanana Valley Campus):** A non-exempt employee at Tanana Valley Campus was non-retained pursuant to Regents' Policy and University Regulation. The employee grieved the issue and requested a hearing. After motion practice, the hearing officer issued a dispositive order on September 21, 2008, canceling the hearing and recommending that the UAF Chancellor uphold the non-retention decision. The employee filed suit in Superior Court challenging the university's right to nonretain non-probationary employees. The judge issued a preliminary order adverse to the university. The university's request for reconsideration was denied and the university subsequently filed a petition for review with the Alaska Supreme Court on November 12, 2010. The Court accepted the petition and consolidated this case with an Anchorage case raising similar issues but with a different result. Oral argument was held March 28, 2012. A decision is pending.

UNIVERSITY OF ALASKA
LABOR and EMPLOYEE RELATIONS REPORT

- **UAA Police Department:** An employee was terminated for cause and simultaneously issued a non-retention notice after writing himself parking tickets which he later destroyed to avoid paying parking fees. The employee filed a grievance, and a hearing was held in March. The hearing officer recommended upholding the termination and the Chancellor agreed. The employee filed an administrative appeal on July 21, 2009. The judge reversed the cause termination but upheld the non-retention. The employee submitted a request for rehearing which was denied by the judge. The employee has appealed the matter to the Alaska Supreme Court, and the university cross appealed on the termination for cause. This case has been consolidated for hearing with the Fairbanks case discussed above. Oral argument was held March 28, 2012. A decision is pending.