

The University of Alaska Anchorage (UAA) Business Enterprise Institute (BEI) mission is to develop and diversify the economy of Alaska. Our vision is to position UA as the “go to” business and industry partner, able to address business needs across all spectrums of business size and scope.

Established through the Board of Regents in 2003, BEI links economic development programs across the UA system. BEI reports through the UAA campus, but nearly each center has a federal mandate to advance businesses and entrepreneurial capacities, as well as engage the UA system for the benefit of Alaska. BEI provides a platform for high-level consultancy between industries, the business community and the University of Alaska. Many of the programs of the BEI have existed for more than 30 years, and housing them under one roof has stretched their reach, impact, and direct service capacity.

BEI consists of the following centers:

- Alaska Small Business Development Center (SBDC)
- University of Alaska Center for Economic Development (CED)
- Alaska Procurement Technical Assistance Center (PTAC)
- Technology Research and Development Center of Alaska (TREND)
- Alaska Manufacturing Extension Partnership (MEP)
- Alaska Cooperative Development Center (ACDC)
- Center for Corporate and Professional Development (CCPD)
- Applied Environmental Research Center (AERC)
- Center for Strategic Partnerships and Research (CSPR)

These centers deliver the following core services or functions:

- applied learning opportunities for our students seeking industry engagement and a co-op or educational internship position that provides paid work experience;
- contracts and grants for faculty seeking to perform applied versus primary research;
- technical assistance to business and industry – providing UAA public engagement and service;
- professional development classes to individuals, corporations and economic developers; and
- advancements to business and industry through the system.

UAA BEI is approximately 87% self-funded, i.e., funded from sources other than the State of Alaska or the University of Alaska.

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The residual \$300-400K – Unrestricted General Funds (UGF) from state appropriations -- represents less than 3-4% of BEI's total funding. Of this 3-4%, most is leveraged (\$250K-\$300K) as match to federal programs such as the Center for Economic Development, the Alaska Cooperative Development Center, and the Alaska Manufacturing Extension Partnership.

After match obligations related to this 3-4% of funding from UGF, the residual is insufficient to cover the loaded labor costs of a single fiscal or administrative, full-time equivalent (FTE). Therefore, the BEI executive director, as well as the fiscal and administrative team of the BEI (5-FTEs), are reliant on indirect recovery for salary and fringe benefit coverage. Additionally, BEI contributes ~\$1.6M annually to the University's F&A -- an amount four times the state appropriation of UGF.

Beyond the direct funding as described, BEI assists other units in bringing in more than \$5M in external funding annually. This team also serves across campus as a variety of business development needs arise.

Today's students are more diverse, generally older, and more likely to need employment while attending college. They are also focused on professional advancement and less inclined to pursue a degree simply for a degree's sake. They want to learn how to address 21st-century problems, use their knowledge in directly applied ways and -- frankly -- learn in an interdisciplinary environment that meets their diverse and changing career needs. Creating student centered learning opportunities is the key to student success, and the key to advance our state's overall educational attainment goals. If we engage our faculty, staff and students more directly with industry, we can achieve UAA's mission of disseminating knowledge through teaching, research, engagement and creative expression. Programs such BEI better position UAA in a highly competitive institute of higher learning.

Increasingly, requests come to UAA to support local economic development, as well as to facilitate design-thinking processes to address social issues. BEI serves as the point of contact for those municipalities that have an MOA with UAA. The UAA BEI team also directly connects UAA and UA to businesses across Alaska working with all industry sector in more than 100 communities annually.

BEI promotes UAA entrepreneurship initiatives, collaboration between schools and colleges, and the application of University research and resources to address the issues of economic development. BEI is ground zero for the UAA engagement in Alaska's economic development. BEI embraces and encourages a stronger level of civic infrastructure making the University a bridge between industry and community, a respected leader, invited to the table

initiative and 6 through an Office of Naval Research initiative) are serving in project intern capacities. BEI also supports

BEI employs numerous techniques to promote continuous improvement. Annually, BEI programs undertake an internal audit, establish multi-year goals and revisit core mission/vision, as well as marketing and partnership efforts.

BEI has operated since inception almost entirely from "soft" or restricted funds. One way the BEI measures cost effectiveness is through indirect cost recovery contributed to UAA. The BEI has steadily increased indirect cost revenues to UAA at a rate of 20% yearly (FY12 to FY19). BEI treats indirect cost recovery and general funds not as entitlements but rather investments for use to leverage additional revenue. As evidenced, between FY12 and FY19 revenues increased 120%. During this same period, expenses only increased 43%.

Benchmarking against peer organizations within the University of Alaska System, BEI's cost effectiveness is high. Our peers have significantly larger general fund bases and yet their indirect cost recovery contribution is declining. Our peers rarely use sales/earned income to offset declines in general funds or increases in costs and instead request additional base funding. To guarantee steady growth BEI

less than four (FTE's)

No functional reductions can be absorbed without a more substantial loss via indirect recovery and/or an entire loss of programs that are core to Alaska's future.