



**State of Arizona Five-Year Strategic Plan  
FY 2008-2012**

**EXECUTIVE SUMMARY**

Founded in 1899, Northern Arizona University is a community committed to the themes of *teaching as learning, research as innovation, and service as shared leadership.*

**Mission**

To provide an outstanding undergraduate residential education strengthened by research, graduate and professional programs and sophisticated methods of distance delivery.

**Our Values**

Excellence in Education	Offer a rigorous, high quality education to all students
Student Success	Place learner needs at the center of our academic and service planning, policies, and programs
Educational Access	Provide all qualified students with access to higher education
Diversity	Achieve multicultural understanding as a priority of educational and civic life
Integrity	Operate with fairness, honesty, and the highest ethical standards to sustain a community of trust
Civility	Support a civil, engaging, and respectful campus climate

**Northern Arizona University Strategic Plan Goals**

- Provide undergraduate educational excellence in a residential learning community.
- Strengthen graduate and professional education, economic development, and research.
- Increase enrollment and retention.
- Provide leadership in the development, use, and assessment of technologies in administrative systems and educational programs.
- Foster a culture of diversity, community, and citizenship.
- Become the nation’s leading University serving Native Americans.
- Ensure financial stability and growth.

## **Pathways to Success: Strategic Issues/Initiatives**

### **Student Centered Access, Affordability, and Learning**

Northern Arizona University's ability to graduate an ever increasing number of students is strengthened significantly if it can continue to expand enrollment access through its Distance Learning initiatives and can intensify its core commitment to student success. Two strategies, each associated with a base appropriation of \$1.5 million (total \$3.0 million) are requested.

### **Regional and Global Stewardship**

Three strategies would allow the University to respond to key issues facing the state of Arizona.

- The first strategy would allow Northern Arizona University to offer Health Professions programs that are unavailable from an Arizona public university. Program expansions are likely to include Biomedical Science, Clinical Laboratory Science, Occupational Therapy, Physician's Assistant, and Health Information Management. (FY08 Budget Request = \$4 million).
- To address the demand for Arizona certified teachers in the areas of math and science, Northern Arizona University requests funding of its Math and Science initiative. (FY08 Budget Request = \$1 million).
- Water and forest health are two key natural resource issues that demand attention in Arizona. Northern Arizona University requests continuation of \$500,000 for water institute funding and \$1.5 million for the nationally-recognized forest and watershed research and service provided by the Ecological Restoration Institute. (FY08 Budget Request = \$1.5 million in new funding; \$.5 million continuation funding).

### **Faculty and Staff Promise**

Faculty and staff salaries, in Flagstaff's high cost of living community remain a serious issue even after three years of internal reallocations and state employee pay packages. The funds required to reach the Arizona Board of Regent stated goals to raise average faculty salaries to the 50<sup>th</sup> percentile (median) of their peers and to raise the average salaries of all other employee groups to the market average is \$24 million. Since that figure is formidable, Northern Arizona University requests a smaller, but significant contribution of \$4 million to target retention of outstanding performers.

### **Critical Buildings and Infrastructure**

Northern Arizona University continues its vigorous pursuit of capital facilities improvement. A FY08 Budget Request of \$5 million would allow the University to issue an approximately \$65 million debt issuance to address the remaining critical "*red and orange*" buildings. The University also requests operations and maintenance funding for four new facilities (\$1.5 million), debt service support of its Research Infrastructure, and full funding of the Building Renewal formula. The University is asking the Arizona Board of Regents to raise Northern Arizona University's student Information Technology Fee to help defray the costs of a network and wireless upgrade.

### **Environment of Inclusion with a Commitment to Native Americans**

The University has a historical special commitment to Arizona's Native American tribal entities which, combined with its goal to create an environment of inclusion, contributes to a richer, broader learning experience for students. For several years the University has reallocated resources to increase the number

of traditionally underrepresented students who enroll, persist, and graduate. The University also seeks to collaborate with tribal and other partners to fund, construct, and operate a Native American Center.

### Funding and FTE Budget Summary

	FY 2007
General Funds	\$135,949,400
Other Appropriated Funds	42,706,800
Other Non Appropriated Funds	\$157,690,600
Federal Funds	\$46,342,200
<b>Budget Unit Total</b>	<b>\$382,689,000</b>
<i>FTE Positions</i>	2,086.60

**Strategic Issue #1:**  
**STUDENT CENTERED ACCESS, AFFORDABILITY AND LEARNING**

Provide responsive educational programs to Arizona citizens wherever they live and work, and improve student learning and success.

**Background and Issue Statement:**

Northern Arizona University is committed to providing expanded access and enhanced success for students at the Flagstaff campus and throughout the state.

**Strategy #1: Educating Arizonans Statewide: expanding access**

In September 2006, the Arizona Board of Regents authorized Northern Arizona University to use \$2.16 million of over-realized and unbudgeted Technology and Research Initiative Fund (TRIF) money to allow NAU to lease a facility that would establish a stable presence in Maricopa County in 2007. The funds would cover an initial lease payment and required furniture, fixtures, and equipment, including information technology, and allow the university to consolidate functions and offer expanded academic programs in the Phoenix area. The University is currently working with the Arizona Board of Regents to dedicate FY 2008-2011 TRIF over-realized funds for continued support of the lease payment and to expand offerings in Maricopa County.

Projections of population growth and an increase in the demand for flexible educational programs in other areas of the state stimulated the University to ask for additional site and program expansion in its FY08 Budget Request. A \$1.5 million annual appropriation would allow the University to respond to community demands for baccalaureate programs in target market areas of the state where development is anticipated.

<b>Northern Arizona University Current Sites by Community College District</b>		
<u>Arizona Western</u> Yuma*	<u>Eastern Arizona</u> Globe Payson* Thatcher*	<u>Northland Pioneer</u> Holbrook* Show Low* Kayenta Whiteriver Keams Canyon
<u>Central Arizona</u> Signal Peak* Aravaipa* Apache Junction*	<u>Maricopa</u> Central Valley Chandler-Gilbert* East Valley Glendale* Mesa*	<u>Pima</u> Tucson* Tucson North
<u>Cochise</u> Nogales	Paradise Valley* Phoenix* Scottsdale* West Valley	<u>Yavapai</u> Prescott* Verde Valley*
<u>Coconino</u> Page* Dine Kayenta Ganado Tuba City Chinle Fort Defiance	<u>Mohave</u> Bullhead City* Lake Havasu City* Kingman*	<b>* Office on community college campus</b>

**Northern Arizona University Distance Learning Programs**

<i>Type</i>	<i>Offered In Person</i>	<i>Offered Online</i>
<b>Endorsement</b>	Reading Bilingual Education English as a Second Language	Reading English as a Second Language
<b>Certificate</b>	Post Degree Special Education Post Degree Elementary Education Post Degree Secondary Education Principal Supervisor Superintendent	Educational Technology Positive Behavior Support Assistive Technology International Tourism Management Parks and Recreation Management Professional Writing Public Management Restaurant Management Post Baccalaureate Case Management Speech-Language Pathology Assistant
<b>Bachelor's Degree</b>	B.A.I.L.S. Environmental Sciences B.A.I.L.S. Learning and Pedagogy B.S. Interior Design B.S. Environmental Sciences B.S.N. Nursing B.S. Criminal Justice B.S. Speech Communication B.S. Hotel & Restaurant Management B.A. Spanish B.A.S. Early Childhood Education B.S.B.A. Management B.S. Ed. Career and Technical Education B.A.S. Justice Systems Policy and Planning B.A.I.L.S. Mathematics/Statistics B.A.I.L.S. Organizational Communication B.A.I.L.S. Psychology B.A.I.L.S. Criminal Justice B.S.W. Social Work B.S. Ed. Elementary Education B.S. Ed. Secondary Education-Earth Science B.S. Ed. Secondary Education-Spanish B.S. Ed. Special and Elementary Education B.S. Parks and Recreation Management B.A.I.L.S. Sociology B.A. Psychology B.S. Psychology B.S. Health Sciences - Diagnostic Medical Imaging and Therapy B.A.S. Administration of Justice B.A.I.L.S. Administration of Justice B.S. Ed. Early Childhood Education	B.A.S. Computer Technology B.S. Hotel & Restaurant Management B.A.S. Early Childhood Education B.A.S. Health Sciences B.S. Health Sciences - Community Health B.S. Ed. Career and Technical Education B.A.S. Public Agency Service B.A.I.L.S. Enterprise in Society B.A.I.L.S. Parks and Recreation Management B.A.I.L.S. Public Agency Service B.S. in Dental Hygiene Completion Program B.S.N. Nursing (RN-BS) B.A.I.L.S. Arts & Letters B.A. Humanities B.S. Parks and Recreation Management B.A.I.L.S. Administration of Justice
<b>Masters Degree</b>	M.Ed. Elementary Education-Continuing Professional Emphasis M.Ed. in Secondary Education-Continuing Professional Emphasis M.A. English M.Ed. Bilingual/Multicultural Education M.Ed. Elementary Education with Certification Emphasis M.Ed. Counseling/Human Relations M.Ed. Early Childhood Education M.Ed. Educational Leadership M. Administration M.A. Counseling M.Ed. Counseling/School Counseling Ed. Secondary Education with Certification Emphasis Ed. Special Education	M.Ed. Elementary Education-Continuing Professional Emphasis M.S. Nursing M.Ed. Early Childhood Education M.A. English - Emphasis in Literacy, Technology & Professional Writing M. Administration M.A. in Applied Communication M.A.T. Mathematics Master of Engineering M.Ed. Educational Technology M.Ed. Career and Technical Education
<b>Doctorate Degree</b>	Ed.D. Educational Leadership	

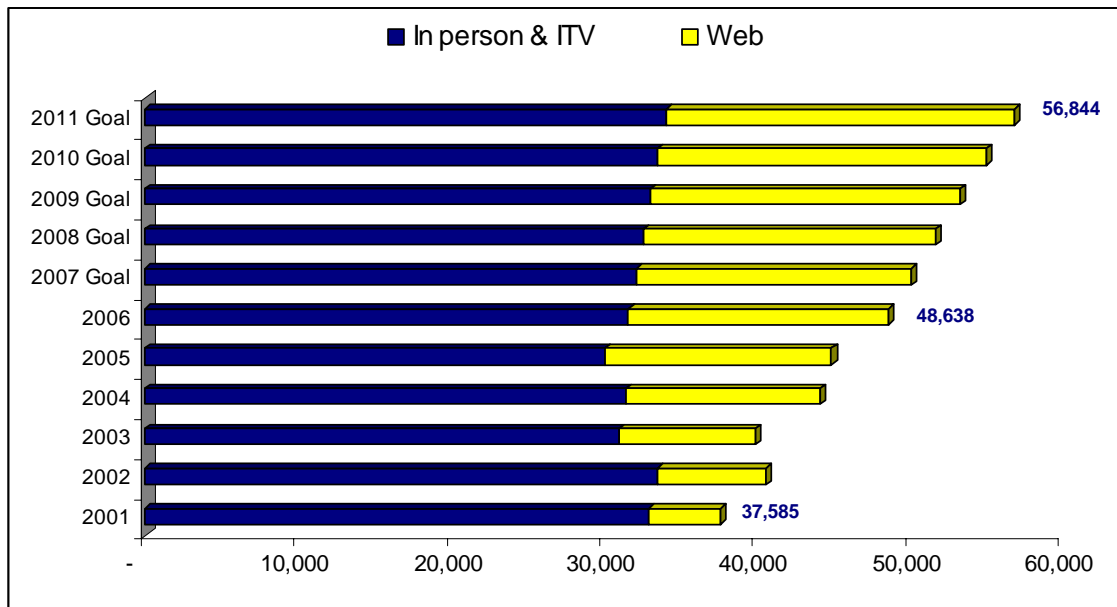
Specific investments will be used to increase the number of full-time faculty from multiple disciplines, to expand geographically around the state, to increase the ability to deliver programs in a variety of modalities, and to provide incentive funding for academic departments and faculty to generate innovative, flexible programs in response to student demand. In addition, Northern Arizona University is working with Arizona State University and the University of Arizona to develop a strategic plan for distance learning to maximize access and minimize duplicative efforts.

**Strategy #1 Resource Assumptions**

	FY08	FY09	FY10	FY11	FY12
Educating Arizona Statewide	\$1,500,000	*	*	*	*

\* Future budget requests dependent on growth in programs

**Strategy 1 Performance Measure: Distance learning student credit hours by delivery mode**



**Strategy #2: Educating Arizonans at Flagstaff: commitment to student success**

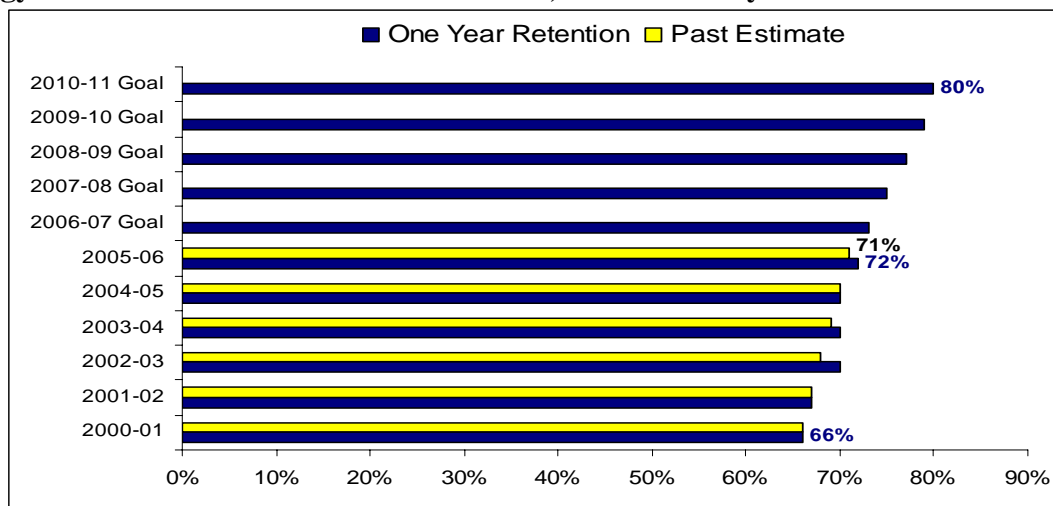
The FY08 Budget Request asks for a \$1.5 million annual appropriation to be used to fund further investments in initiatives aimed at ensuring student success. New program initiatives are designed to support an environment of learning and increase retention and graduation rates. Specifically the funds will be used to hire advisors and to support pedagogical and technological innovations to increase student engagement, learning, and success.

**Strategy #2 Resource Assumptions\***

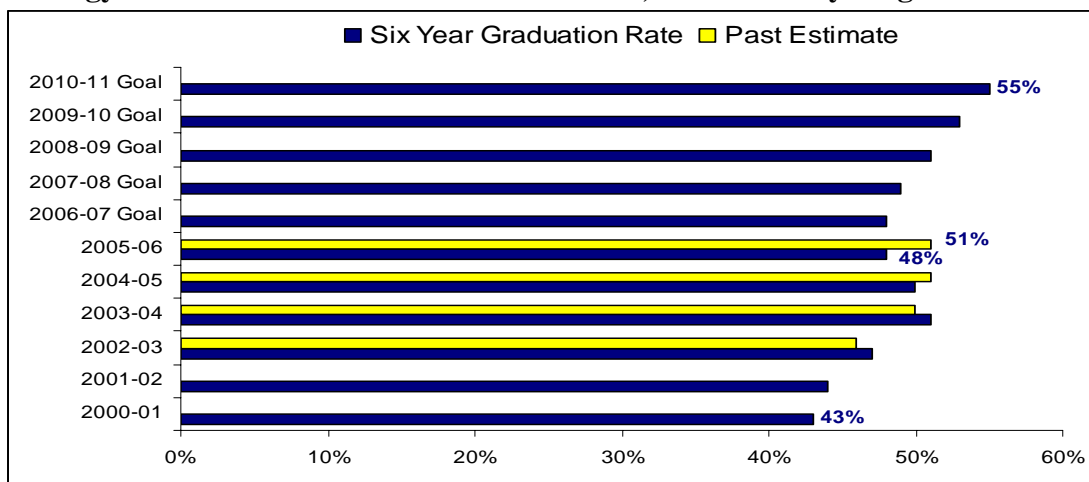
	FY08	FY09	FY10	FY11	FY12
Educating Arizonans at Flagstaff	\$1,500,000	*	*	*	*

\*Added to base in FY06; remains in base thereafter.

**Strategy #2 Performance Indicator: First-time, full-time one year retention**



**Strategy #2 Performance Indicator: First-time, full-time six year graduation rate**



## Strategic Issue #2: REGIONAL AND GLOBAL STEWARDSHIP

Contribute to regional and global stewardship through educational programs, innovative research, and collaborative relationships.

### Background and Issue Statement

Northern Arizona University has a strong commitment to public service, and the University is an economic engine for the Flagstaff community, the broader expanse of Northern Arizona, and the state itself.

### Strategy # 1: Health Professions Program Expansion

Several health profession careers for which there is high workforce demand are not offered by a public university in Arizona. For example, no public institution in Arizona offers an occupational therapy or physician's assistant degree; and although two small private institutions offer these programs in Phoenix at very high tuition, only a small number of students have access to these careers. The workforce scarcities, illustrated in the workforce demand table below, led the University to request \$4 million in base funding in the FY08 Budget Request.

Programs that NAU currently offers are in bold.

Field	AZ 2003	AZ 2013	AZ Change	AZ % Change	US 04-14 % Change <sup>1</sup>	AZ Avg Salary	AZ Annual Avg. Openings <sup>2</sup>	AZ 2004 Graduates <sup>3</sup>	AZ Shortfall	AZ Shortfall as % of Openings
Physician Assistant	2,341	4,178	1,837	78.5	49.6	64,530	220	130	90	41
Med & Hlth Information Technicians	3,137	5,397	2,260	72.0	28.9	27,320	271	11 <sup>4</sup>	260	96
Radiation Therapists	538	890	352	65.4	26.3	70,690	47	0 <sup>5</sup>	47	100
<b>Registered Nurses</b>	<b>34,123</b>	<b>53,901</b>	<b>19,778</b>	<b>58.0</b>	<b>29.4</b>	<b>56,260</b>	<b>2,692</b>	<b>1,369<sup>6</sup></b>	<b>1,323</b>	<b>49</b>
<b>Physical Therapists</b>	<b>2341</b>	<b>3636</b>	<b>1295</b>	<b>55.3</b>	<b>36.7</b>	<b>62,790</b>	<b>153</b>	<b>85</b>	<b>68</b>	<b>44</b>
Occupational Therapists	1003	1550	547	54.5	33.6	49,570	69	16	53	77
Pharmacists	3210	4882	1672	52.1	24.6		229	186 <sup>7</sup>	43	19
Medical & Clinical Lab Technologists	2076	3090	1014	48.8	20.5	49,650	157	22	135	86
<b>Athletic Training</b>	<b>169</b>	<b>211</b>	<b>42</b>	<b>24.8</b>	<b>29.3</b>	<b>36,610</b>	<b>8</b>	<b>7*</b>	<b>1</b>	<b>12.5</b>
<b>Speech-Language Pathologist</b>	<b>1,213</b>	<b>1,634</b>	<b>421</b>	<b>34.7</b>	<b>14.6</b>	<b>45,280</b>	<b>72</b>	<b>32</b>	<b>40</b>	<b>55.6</b>
<b>Dental Hygienist</b>	<b>1,720</b>	<b>2,942</b>	<b>1,222</b>	<b>71.1</b>	<b>43.3</b>	<b>71,450</b>	<b>137</b>	<b>122</b>	<b>15</b>	<b>11</b>

Source: Workforce Arizona, Arizona Department of Economic Security, Research Administration, accessed June 2006 at <http://www.workforce.az.gov>. Other sources and notes are indicated by the superscript numbers.

- <sup>1</sup> "Occupational Employment Projections to 2014," *Monthly Labor Review*, U.S. Department of Labor, November, 2005.
  - <sup>2</sup> Average annual openings are the total annual openings due to growth and replacements.
  - <sup>3</sup> *Health Professions Education Data Book 2005-2006*, American Medical Association.
  - <sup>4</sup> No baccalaureate AHIMA accredited Health Information Administrator programs exist in Arizona.
  - <sup>5</sup> A new associate degree/certificate program has been initiated at GateWay Community College that is seeking accreditation
  - <sup>6</sup> Annual Reports from Arizona Nursing Education Programs 2004, Arizona State Board of Nursing.
  - <sup>7</sup> American Association of Colleges of Pharmacy
  - \* Health Professions Education Data Book 2005-2006 shows no grads; used NAU 2004 data for this value
- Table prepared June 2006 by Stephen N. Collier

If funded, program expansions are likely to include career development in areas such as Biomedical Science, Occupational Therapy, Physician’s Assistant, and Medical Technology. Programs would be run on a “cohort” model; a class of students would be admitted once or twice per year.

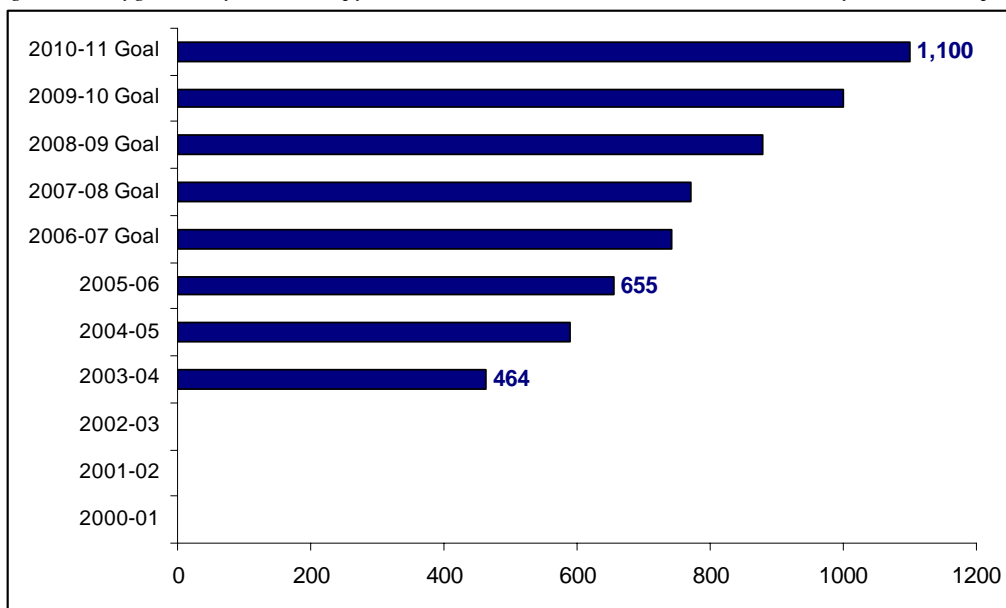
In September 2006, the Arizona Board of Regents authorized Northern Arizona University to use \$2.16 million of over-realized and unbudgeted TRIF funds in 2007 to expand its existing health professions programs on the Flagstaff campus and potentially in Maricopa County. The University anticipates 2008-2011 TRIF over-realized funds to continue this expansion of existing programs. While expansion of existing programs will help mitigate shortages in several health professional fields, the University will need the FY08 Budget Request investment to expand access to new programs and to offer existing programs in new locations.

**. Strategy #1 Resource Assumptions**

	FY08	FY09	FY10	FY11	FY12
Allied Health Program Expansion	\$4,000,000	*	*	*	*

\* Future budget requests dependent on growth in programs

**Strategy #1 Performance Measure: Clinical health professions fall enrollment** *(Enrollment in Nursing, Dental Hygiene, Physical Therapy, Communication Sciences and Disorders, and any new clinical programs)*



**Strategy #2: Math and Science Initiative**

In order to address the demand in Arizona for certified teachers in the areas of math and science, Northern Arizona University proposes a threefold program. First, it is critical to engage the normal curiosity of young people and educate them about career fields in the areas of math and science. Northern Arizona University proposes expanding programs to bring middle and high school students to the University’s campus for summer programs to enhance their pre-college school experiences and provide information about college accessibility and available math and science careers.

The second area is to help steer individuals who come to college with an interest in math and science to include in their programs the coursework necessary to make them eligible for teacher certification in Arizona. Northern Arizona University recommends establishing a scholarship program for students who enter this dual educational program. It is recommended that individuals benefiting from these scholarships agree to repay the State through service to Arizona’s public schools upon graduation/certification.

Finally, Northern Arizona University also recommends that financial assistance be provided to existing certified teachers who do not currently meet the highly qualified criteria in math and science but wish to add one or both of these subject areas to their areas of teaching expertise. Scholarships would be given to individuals who are preparing to become Arizona math/science teachers or current teachers who are developing the competencies required to achieve the No Child Left Behind Highly Qualified Teacher designation

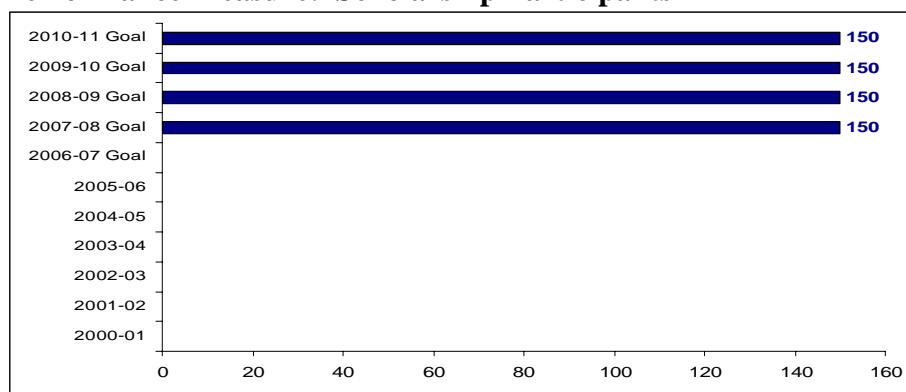
Funding at the requested amount of \$1 million annually will allow for approximately 150 participants in FY 2008. Scholarship benefits should be awarded on a competitive basis with priority given to Arizona residents. Participants who do not fulfill their teaching obligation must repay their scholarship plus a loan fee and interest. Repayment status can result from not completing the educational plan submitted to the Office of Student Financial Aid, or failure to complete their required teaching obligation in Arizona’s public schools within a designated time-frame of their program completion.

**Strategy #2 Resource Assumptions**

	FY08	FY09	FY10	FY11	FY12
Math and Science Initiative	\$1,000,000	*	*	*	*

\* Future budget requests dependent on growth in programs

**Strategy #2 Performance Measure: Scholarship Participants**



**Strategy #3: Ecological Restoration Institute and Continuation of the Water Institute**

The FY07 state appropriation provides a one-time increase of \$500,000 from the general fund for water research. In its FY08 Budget Request, Northern Arizona University requested a continuation of this \$500,000 to make the funding permanent. NAU also requested \$1,500,000 to allow the Ecological Restoration Institute to expand its nationally-known research and service addressing Arizona’s forests and watersheds.

**Strategy #3 Resource Assumptions**

	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>
Ecological Restoration Institute	\$1,500,000	*	*	*	*
Continuation of Water Institute	\$ 500,000**	*	*	*	*

\*Added to base in FY06; remains in base thereafter

\*\*In existing appropriation

**Strategy #3 Performance Indicator: To Be Developed**



### **Strategic Issue # 3: FACULTY AND STAFF PROMISE.**

#### **Achieve high faculty and staff commitment through recruitment, professional development, career enhancement, compensation, evaluation and related workforce practices.**

##### **Background and Issue Statement**

Progress has been made in the last two years addressing Northern Arizona University's noncompetitive salaries; however, the gap in comparison to peer institutions remains extremely large. Northern Arizona University first identified faculty and staff salaries as its most important budget planning priority in 2004-05. With the state employee pay plan package and internal support over the last two years, Northern Arizona University has made progress in addressing the long-term issue of non-competitive salaries. The University is now ahead of two of its peers (2 out of 17) in the 10<sup>th</sup> percentile, and projects that the March 2005 salary increase will increase our competitiveness next year to the 14<sup>th</sup> percentile.

The FY07 employee pay plan package of steps provide assistance in helping Northern Arizona University retain its valued faculty, however environmental and demographic factors continue to make this goal an uphill battle. Faculty members at NAU, like much of the country, are aging, and 26 of NAU's full-time faculty retired this year. Many of these faculty members will be sorely missed by both students and colleagues. Retiring faculty bring opportunity for new hiring; however, Flagstaff's cost of living, and especially its cost of housing, presents a formidable hiring barrier. In some cases salary of a retiring faculty member is not sufficient to make a junior hire.

##### **Strategy #1: Faculty and Staff Retention and Competitiveness Fund**

With funds requested in the FY08 Budget Request the University could target salary increases to retain its outstanding performers who are in danger of being recruited by other institutions, including other universities and colleges within Arizona, and to recruit the faculty and staff needed to replace individuals who have relocated for higher salaries or who have retired.

According to the ACCRA Cost of Living Index for 2006 First Quarter, the average home price in Flagstaff was \$478,500, 34% higher than the average home price in Phoenix. Average rent for a two bedroom apartment was \$859, 14% higher than a similar apartment in Phoenix. New faculty being recruited to the University face a sticker-shock that is difficult to overcome. NAU's policy is to hire new assistant professors at market, but the University does not have the resources to compensate for the high cost of living.

During the past year:

- Faculty turn-over occurred in five of the six NAU colleges. A total of 60 faculty members did not return to the University in fall 2006; of this loss, 58 were full-time regular faculty. This compares with the loss of 53 full-time faculty in 2004-05 and 50 full-time faculty in 2003-2004.
- Tenured or tenure-track faculty comprised 85 percent (51 out of 60) of the faculty that did not return during the 2006-2007 academic year. Of that group, 26 retired and 25 resigned. Seventy-

two percent (18 out of 25) of the resignations from tenured or tenure-track faculty were for both salary and career reasons.

- NAU lost five minority tenured faculty members (four tenured and one tenure-track). Retaining talented minority faculty continues to be a struggle as they are highly desirable by institutions richer in resources and have a more comfortable and more urbanized living environment.
- NAU has experienced turnover in key staff positions. A recent comparison of University salaries to Coconino County salaries found NAU below the local market of all the benchmarks. For example with heavy equipment operators, NAU would need to increase their average salary of \$33,675 by nearly 14% to reach the Coconino average of \$39,011. Other examples of lagging the local market include accountants (-6.5%), general maintenance supervisor (-7.2%), and buyers (-13.3%).
- A special market study for police officer pay resulted in salary adjustments for the NAU Police Department staff. The new pay rates are now competitive within Arizona and will contribute to better recruiting and lower turnover, but NAU cannot afford to make the necessary adjustments across all job categories.

**Strategy #1 Resource Assumptions**

	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>
Faculty and Staff Competitiveness Fund*	4,000,000	2,000,000	2,000,000	2,000,000	2,000,000

\* Incremental base funding each year in addition to an employee state pay plan increase.

**Strategy #2: Fully fund University annual personnel report**

A.R.S. 41-763-01 requires the Arizona Board of Regents to annually submit a report on University personnel to the Governor and the Legislature. In November 1996, the board adopted a plan to restore competitiveness to University salaries; this plan was designed to raise the average salaries of employees to the 50th percentile/market average. This year’s report identifies \$23,966,100 as the amount required. Following the Office of Strategic Planning and Budgeting’s directions for FY05, NAU has **not** included full funding in its resource assumptions. Nevertheless, the fact remains that the percentage needed to get faculty to market is 18 percent, classified staff is 9 percent, and all other staff is 5 percent.

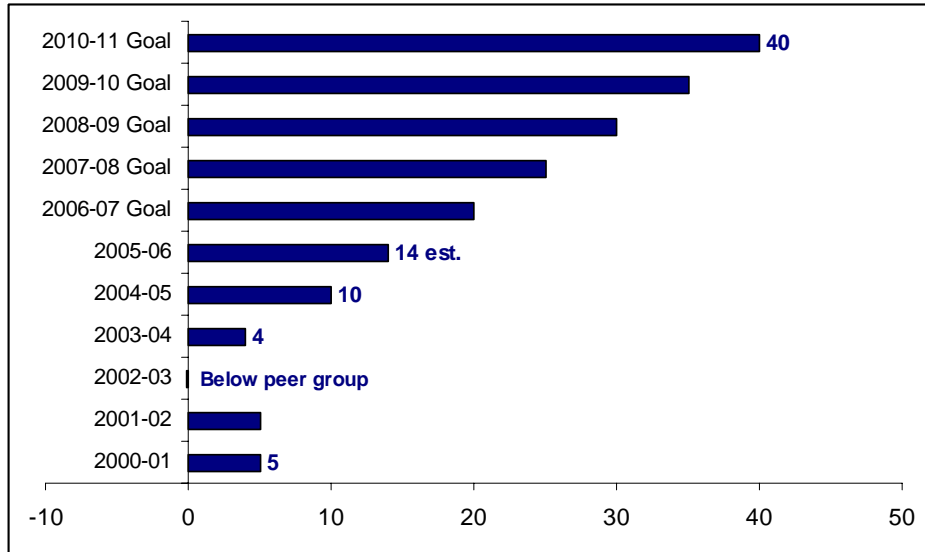
**Strategy #2 Resource Assumptions**

	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>
Annual Personnel Report*	23,966,100				

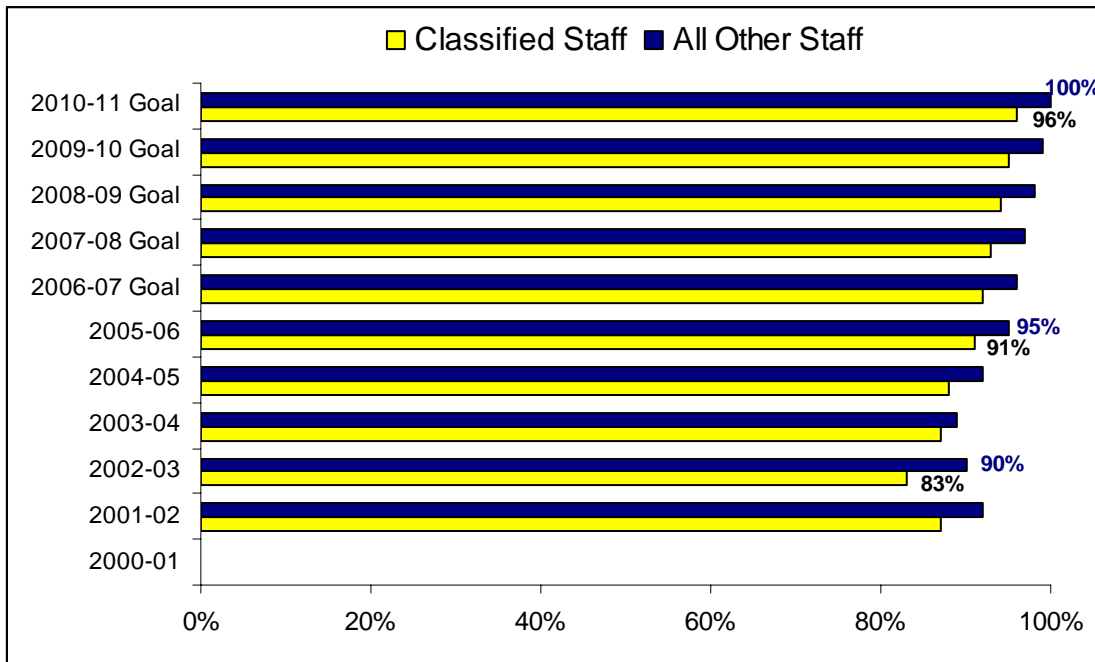
\* Per OSPB request, is not included in incremental total

**Strategy #2 Performance Indicators**

- **Faculty percentile comparison to Arizona Board of Regents peer universities**



- **Market Comparison for Classified and All Other Staff** -Uses the Annual Personnel Request To Reach Market Calculation. Subtracts the percentage needed to reach market from 100%.



## **Strategic Issue # 4: CRITICAL BUILDINGS AND INFRASTRUCTURE**

### **Address critical physical facility, technology and other infrastructure issues**

#### **Background and Issue Statement**

Northern Arizona University continues its vigorous pursuit of improving capital facilities. In the FY 2008 Budget Request, the University requested a \$5.0 million annual appropriation to cover debt service costs associated with a \$65 million debt issuance. In the last five years, efforts have been put forth in upgrading the University's capital facilities for instruction and research; yet NAU still faces significant challenges with many of its failing facilities. Specifically, funding is needed to address the remaining critical "*red and orange buildings*." New instructional and student services facilities will allow the final demolition of these buildings with serious infrastructure deficits.

The University's deferred maintenance status as of June 30, 2006 was estimated at \$136,093,470, with a facility condition index of 0.15.<sup>1</sup> The most critical areas are life/safety and building systems whose failure would result in significant financial loss or disruption of University services. Major building components such as roofing systems, HVAC, and electrical systems are also addressed through both building renewal and renovation projects. Upgrades to instructional spaces continue to be a priority, but will receive limited attention unless requested funding is received.

NAU invested \$3,504,000 to reduce deferred maintenance for the period ending June 30, 2006. This reduction is the result of the expenditure of resources to rectify deficiencies in the areas of Major Maintenance/Systems Replacement, Life Safety/Code Compliance, and Accessibility (combined total \$1,374,564). Expenditures included projects funded from a bond sale authorized to address building renewal like projects. However, due to constructional cost increases, labor cost increases and other inflationary factors, NAU experienced a net increase of \$3,144,000 in overall deferred maintenance.

#### **Strategy #1: Fully Fund Building Renewal Formula**

According to the building renewal allocation forecast, the University needs \$8,908,245 for FY08. Major maintenance/system replacement requires \$3.5 million with life/safety and code compliance requiring \$2.2 million.

#### **Strategy #2: Fund New Facilities Operations and Maintenance**

In its FY08 Budget, Request, the University requested \$1.5 million in operational support for four new facilities: the new Applied Research & Development building, a new Laboratory Facility, a new parking deck, and a dining expansion for the University Union. Operations and maintenance funds are becoming

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<sup>1</sup>The facilities condition index (FCI) is a ratio of the estimated deferred maintenance to the estimated building replacement value. An FCI less than 0.05 is an indication that facilities are in "good" condition. An FCI greater than 0.15 is an indication of facilities that are at risk for failure or non-functionality if significant renovation or replacement does not soon occur.

increasingly critical as custodial, skilled trades, and general maintenance ratios have risen as new buildings and renovated space has been constructed.

**Strategy #3: Address the remaining critical “red and orange buildings”**

Northern Arizona University requested \$5.0 million in one-time state appropriations for funds to address the most critical projects identified in NAU’s Capital Development Plan. The funding requested would provide resources to build one of two key facilities, or provide a portion for both facilities. The two facilities identified are High Technology Academic Facilities and a Health Professions Complex.

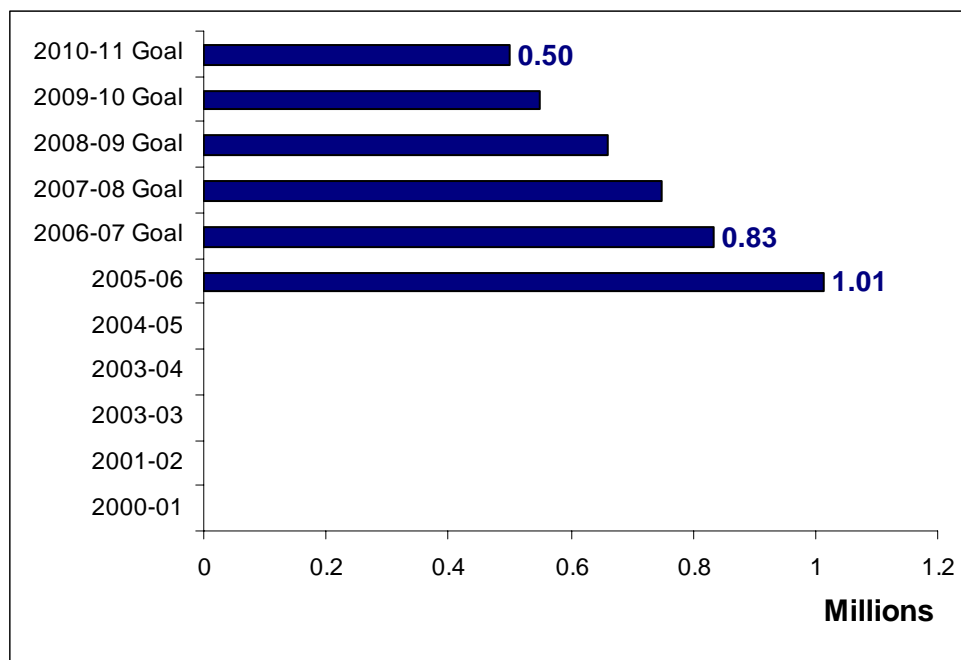
**Strategy # 1-3 Resource Assumptions**

	FY08	FY09	FY10	FY11	FY12
Operations and Maintenance-Flagstaff New Facilities General Fund	\$1,543,000	\$1,200,000	\$1,789,000	\$2,010,000	\$940,000
Education and Research Infrastructure	\$5,000,000	*	*	*	*
Building renewal formula**	\$8,906,645	\$9,259,582	\$9,612,519	Not available	Not available

\* New for FY08, included in base thereafter

\*\*Not included in total as per request of OSPB

**Strategy Performance Measure –“Red and Orange” Building Square Footage**



**Strategy #4: Enhance the ITS infrastructure -- Network and wireless upgrade**

The University proposes to implement a campus-wide data network upgrade and the expansion of a wireless network to enhance the technology infrastructure of the Northern Arizona University’s Flagstaff campus. The first phase of this project will expand and upgrade the wired network infrastructure. The benefits of this network upgrade will be to add the required features for a wireless network, increase the capacity of each building from 100 Mb to Gigabit speeds (10x increase), add needed security features in the core routers, increase redundancy and reliability, decrease planned network downtime, better support ITV and video conferencing, and the added ability to support future networked applications.

NAU’s wired network has not gone through a major upgrade in 8 years. Data throughput capacity is low to many buildings and is not capable of supporting wireless access points in all locations. Installing a wireless access point requires connecting it to a wired network port. A special feature called a virtual LAN (VLAN) is used to enforce the VPN requirements. Many of the Ethernet switches on campus do not have VLAN capability and must be replaced as we upgrade a building with wireless access points. In addition, the core routers used for all networks on campus do not have the capability to support enough VLANs for access points to be installed everywhere on campus. The core network infrastructure must be upgraded before a campus wide deployment of wireless access points can take place.

NAU started installing wireless access points on its existing network in 2002. However many buildings do not yet provide wireless access points, including the residence halls. Parallel to the network upgrade for each building will be the installation of the wireless network within the building.

Financial support for this project will rely on Student IT Fee funding, supplemented by University resources.

**Strategy #4 Resource Assumptions**

	FY08	FY09	FY10	FY11	FY12
Network and Wireless Upgrade*	820,000	829,000	832,000	823,000	820,000

\* Not included in incremental budget request; funded through IT Fee and existing University resources

**Strategy #4 Performance Measure – Project Management Timeline**

- January 2007-April 2007 – Core Network Upgrade
- January 2007-August 2007 – Add Wireless Access Points to Residence Halls and Family Housing Units
- July 2007-December 2008 – Add Wireless Access Points to Academic Buildings and Administrative Buildings

## **Strategic Issue # 5: INCLUSION AND COMMITMENT**

### **Create an environment of inclusion with a commitment to Native Americans**

#### **Background and Issue Statement**

More than twenty tribal entities, among them the Navajo Nation, exist within Arizona’s boundaries and give the University a special mission for education, research, and service with Native Americans. Northern Arizona University’s location on the Colorado Plateau ties the institution to the history and culture of the region, and gives rise to its aspiration to be the leading non-tribal institutional (not chartered by a Native American nation or tribe) providing access to bachelor’s, master’s, certificate, and doctoral programs.

This commitment combined with the University’s goal to create an environment of inclusion contributes to a broader learning experience than many universities can offer. The NAU culture helps prepare students for a global environment and engaged social responsiveness.

#### **Strategy #1: Increase the number of Native American, African American, Hispanic American/Latino, and Asian American graduates.**

The University’s initiatives to increase diversity among faculty, staff, and students are designed to increase the number of students enrolling, persisting, and graduating from Northern Arizona University. Succeeding in this goal requires a combined sustained effort with attention to a myriad of issues. Issues being addressed include the need to recruit and retain diverse faculty and staff as mentors and models; recruiting and enrolling students who may have income and financial aid challenges; and developing learning experiences that engage and support the students to persist and graduate.

Northern Arizona University coordinates these efforts through the Advisory Council for Diversity and Equity, working with other Commissions, such as the Commission for Native Americans.

#### **Strategy #2: Collaborate with partners to build a Native American Center**

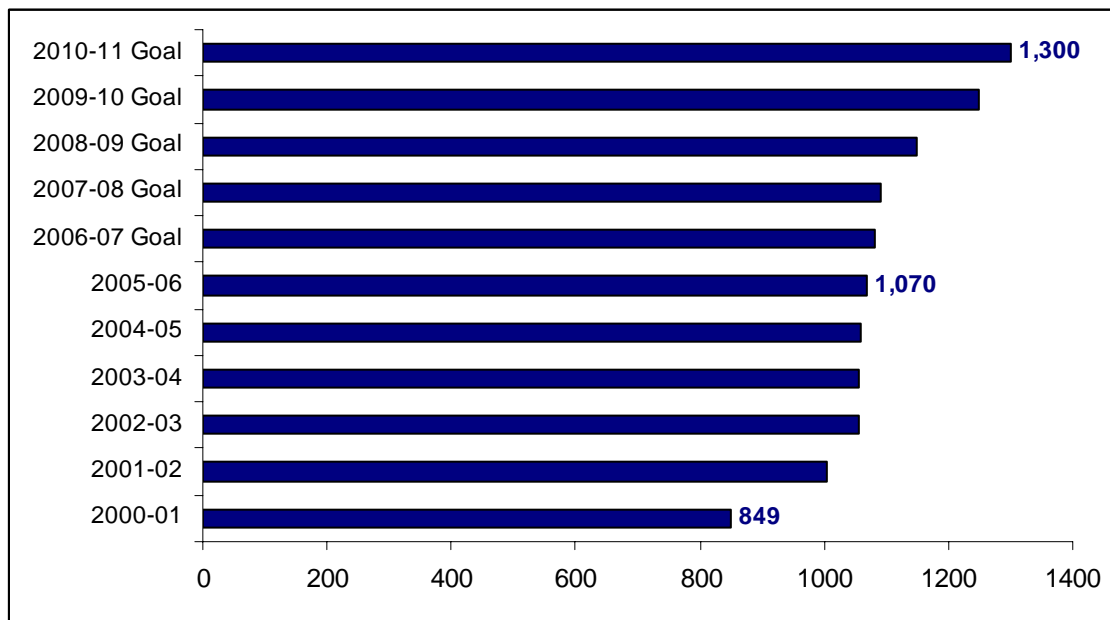
An academic/service center, the Native American Center, would provide interdisciplinary leadership for teaching, research, and outreach activities. Northern Arizona University endeavors, in collaboration with the Native American community, to construct and operate a Center to promote the academic success and personal development of all Native American students. The Center would also serve to expand access, research, and appreciation for Native American culture.

#### **Strategy #1-2 Resource Assumptions**

	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>
Increase the Number of Underrepresented Graduates*	Internal Base Funding	Internal Base Funding	Internal Base Funding	Internal Base Funding	Internal Base Funding
Build a Native American Center*	Seeking a funding source				

\* Not included in incremental budget request

**Strategy #1 Performance Measure: Underrepresented\* Student Degrees (Bachelors, Masters, Doctorates)**



\* African American, Native American, Hispanic American, Asian American

**Strategy #2 Performance Measure: Funding for the Native American Center**

**Sum of Incremental Costs to Support the Five-year Strategic Plan**

	<b>FY2008</b>	<b>FY2009</b>	<b>FY2010</b>	<b>FY2011</b>	<b>FY2012</b>
General Funds	\$20,043,000	\$4,200,000	\$3,789,000	\$4,010,000	\$2,940,000
Other Appropriated Funds					
Other Non Appropriated Funds					
Federal Funds		\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
Budget Unit Total	\$20,043,000	\$6,200,000	\$5,789,000	\$6,010,000	\$4,940,000
FTE Positions	93.80	14.00	22.50	26.00	11.00