

University of Alaska
FY2018 Operating Budget Summary
UA Board of Regents' compared to Governor's Proposed
(in thousands of \$)

	UA Board of Regents' Budget ⁽²⁾			Governor's Proposed Budget		
	Unrestricted General Funds (UGF)	Designated, Federal and Other Funds	Total Funds	Unrestricted General Funds (UGF)	Designated, Federal and Other Funds	Total Funds
FY2017 Operating Budget	324,883.5	574,912.6	899,796.1	324,883.5	574,912.6	899,796.1
Rev FY2017 One-time Funded Items	-	(2,023.2)	(2,023.2)	-	(2,023.2)	(2,023.2)
Base - FY2017 Operating Budget	324,883.5	572,889.4	897,772.9	324,883.5	572,889.4	897,772.9
FY2018 Adjusted Base Requirements						
Compensation by Employee Group						
UA Federation of Teachers (UAFT)	578.6		578.6		578.6	578.6
Local 6070 ⁽¹⁾			-			-
United Academics Faculty (UNAC) ⁽¹⁾			-			-
UA Adjuncts (UNAD) ⁽¹⁾			-			-
Fairbanks Firefighters Union (FFU) ⁽¹⁾			-			-
UA Staff			-			-
FY2018 Compensation Increase Subtotal	578.6	-	578.6	-	578.6	578.6
Additional Operating Cost Increases						
Utility Cost Increases	1,300.0		1,300.0			-
New Facilities Estimated Operating	300.0	-	300.0	-	-	-
UAF Engineering Learning & Innovation Facility Operating Costs	300.0		300.0			-
Other Fixed Costs	800.0	-	800.0	-	-	-
Electronic Journal Subscriptions for Libraries & Campus-wide Technology Software Tools	800.0		800.0			-
Add'l Operating Cost Increases Subtotal	2,400.0	-	2,400.0	-	-	-
FY2018 Adjusted Base Subtotal	2,978.6	-	2,978.6	-	578.6	578.6
	<i>0.9%</i>		<i>0.3%</i>		<i>0.1%</i>	<i>0.1%</i>
Strategic Investments						
Facilities Maintenance (Current & Deferred)	2,500.0		2,500.0			-
Student Success	4,400.0		4,400.0			-
Research	1,500.0		1,500.0			-
K-12 Partnership	500.0		500.0			-
Workforce Development	3,300.0		3,300.0			-
Economic Development	1,000.0		1,000.0			-
Strategic Investments Subtotal	13,200.0	-	13,200.0	-	-	-
FY2018 Budget Adjustments						
Tuition Rate Increase		5,000.0	5,000.0		4,421.4	4,421.4
Reduce Excess Receipt Authority			-		(17,000.0)	(17,000.0)
Mental Health Trust Auth. (MHT) ⁽²⁾	150.0	1,787.6	1,937.6	150.0	1,787.6	1,937.6
License Plate Revenue ⁽²⁾		0.6	0.6		0.6	0.6
FY2018 Budget Adj Subtotal	150.0	6,788.2	6,938.2	150.0	(10,790.4)	(10,640.4)
FY2018 Operating Budget Changes	16,328.6	4,765.0	21,093.6	150.0	(12,235.0)	(12,085.0)
FY2018 Operating Budget Total	341,212.1	579,677.6	920,889.7	325,033.5	562,677.6	887,711.1
% Chg. FY2017-FY2018 Operating Budget	<i>5.0%</i>	<i>0.8%</i>	<i>2.3%</i>	<i>0.0%</i>	<i>-2.1%</i>	<i>-1.3%</i>

(1) Contracts are under negotiation for FY2018.

(2) UA Board of Regents budget, approved November 2016, has been revised to include state budget adjustments for MHT and License Plate Revenue.

Compensation Increases

(GF: \$578.6, NGF: \$0.0, Total: \$578.6)

(GF: \$0.0, NGF: \$578.6, Total: \$578.6) Governor's Proposed Budget

The compensation estimate includes the FY2018 contract renewal amount for UA Federation of Teachers (UAFT). The Local 6070, United Academics Faculty (UNAC), UA Adjuncts (UNAD), and Fairbanks Firefighters Union (FFU) contracts are under negotiation for FY2018. In light of budget constraints and consistent with State guidance, the Board of Regents approved no across the board salary increases be made for UA staff in FY2018. The FY2018 staff benefit rates are projected to be similar to the FY2017 rates, thus no increase in cost is expected.

Utility Cost Increases

(GF: \$1,300.0, NGF: \$0.0, Total: \$1,300.0)

This request covers the projected FY2018 utility and fuel oil cost increases, estimated at 4% over FY2017.

New Facilities Estimated Operating Cost Increases

(GF: \$300.0, NGF: \$0.0, Total: \$300.0)

UAF Engineering Learning & Innovation Facility Operating Costs

(GF: \$300.0, NGF: \$0.0, Total: \$300.0)

This increment provides the remaining funding necessary to meet the ongoing operating costs associated with the UAF Engineering Learning & Innovation Facility. This estimate is based on the total project cost for utilities, custodial, grounds, and insurance.

Other Fixed Costs

(GF: \$800.0, NGF: \$0.0, Total: \$800.0)

**Electronic Journal Subscriptions for Libraries & Campus-wide Technology Software Tools
(UAA \$200.0 and UAF \$600.0)**

Access to the most current information resources and scientific knowledge is vital to all UA students, faculty, staff and researchers. Providing online access to current information resources requires ongoing annual licensing agreements with a percentage increase each year. Access to online scholarly and research information is essential for on campus and distance education, faculty and student research, and for applying for grant funding and patent applications.

The Consortium Library at UAA provides access to the UAA students, staff and faculty in Mat Su, Valdez, Kodiak, Soldotna, and Homer and the Library manages the Joint Library Catalog for most of the university, public and special libraries in Southcentral and Southeast Alaska. The Mat Su and Sitka school libraries are also included in the Joint Library Catalog. The Rasmuson Library at UAF is responsible for the delivery of library resources to UAF students, faculty, researchers and staff throughout Alaska at UAF rural campus and learning centers, including Northwest, Chukchi, Bristol Bay, Interior Alaska Campus and its learning centers, Kuskokwim, and all e-Learning and Distance Education students. The Egan Library in Juneau provides access to information resources to the UAS students, staff, and faculty in Juneau, Sitka, and Ketchikan.

Whenever possible, journal subscriptions and other media resources are shared with all UA campuses to offer broader access in a more cost-efficient manner. Without additional funding,

FY2018 Operating Budget Request Items (continued)

further reductions in high-use subscriptions will be required and one or more databases will be discontinued. This will have a direct and adverse impact to UA researchers and students.

Strategic Investments

(GF: \$13,200.0, NGF: \$0.0, Total: \$13,200.0)

Facilities Maintenance (Current & Deferred)

(GF: \$2,500.0, NGF: \$0.0, Total: \$2,500.0)

Each university dedicates a portion of its annual operating budget to facilities maintenance. Annual funding necessary to maintain UA's aging facilities, currently \$45 million, is unable to keep up with the growing annual need (\$60 million), thus the deferred maintenance backlog continues to grow. This funding is part of a multi-year plan to incrementally increase the annual funding dedicated to facilities maintenance (current and deferred), to slow the accumulation of deferred costs and reduce the risk of localized mission failure.

Student Success

(GF: \$4,400.0, NGF: \$0.0, Total: \$4,400.0)

This funding supplements campus efforts to increase recruitment and improve student retention and completion rates. In addition to recruitment, retention and degree completion efforts, funding will be focused on marketing, e-Learning course development, enrollment incentives, UA.edu degree completion, tuition offset, and honors colleges.

Research

(GF: \$1,500.0, NGF: \$0.0, Total: \$1,500.0)

This funding aims to leverage accelerated growth in competitive research capacity for Alaskan issues by focusing support on the following areas: President's professors and post-doctoral fellows, Institute of Social and Economic Research (ISER) and Alaska Center for Energy and Power (ACEP).

K-12 Partnership

(GF: \$500.0, NGF: \$0.0, Total: \$500.0)

This funding will be used to help offset the funding reductions to the Department of Education and Early Development that impacted UA's budget by focusing on the following efforts: concurrent enrollment, teacher preparation, alignment of standards, and rural education support.

Workforce Development

(GF: \$3,300.0, NGF: \$0.0, Total: \$3,300.0)

This funding will be focused on the following efforts important to workforce development: rural specialties (teacher education and health professionals, including nursing); maritime trade/fisheries; maritime academy; and Alaska Native arts.

Economic Development

(GF: \$1,000.0, NGF: \$0.0, Total: \$1,000.0)

This funding aims to create incubators at UAF and UAA to encourage and support start-ups based on UA intellectual property (IP). By enhancing UA's capacity to support IP activities, these accomplishments are intended to lead to commercialization of technologies valuable to inventors, the university, and state citizens. The new businesses created by this initiative will employ our graduates, grant UA support for additional research, and develop Alaska's economy.

Budget Adjustments

(GF: \$150.0, NGF: -\$10,790.4, Total: -\$10,640.4)

Tuition Rate Increase

(GF: \$0.0, NGF: \$5,000.0, Total: \$5,000.0)

(GF: \$0.0, NGF: \$4,421.4, Total: \$4,421.4) Governor's Proposed Budget*

Regents' Policy 05.10.010 states, "Recognizing that state general fund support is not sufficient to pay the full cost of education and that students have a responsibility to contribute to the cost of their higher education, tuition and student fees will be established to the extent practicable in accordance with the following objectives: (1) to provide for essential support to the university's instructional programs; (2) to make higher education accessible to Alaskans who have the interest, dedication, and ability to learn; and (3) to maintain tuition and student fees at levels which are competitive with similarly situated programs of other western states. Tuition revenues will be used primarily to maintain and expand the educational opportunities provided to students, to preserve and improve the quality of existing programs and support services, to respond to enrollment trends, and to implement new programs."

* In the Governor's proposed budget, the balance of the estimate revenue from UA's tuition rate increase, \$578.6, has been applied to the compensation increase expected in FY2018 under the UA Federation of Teacher (UAFT) union contract.

Mental Health Trust Authority

(GF: \$150.0, NGF: \$1,787.6, Total: \$1,937.6)

This funding is a net decrease of \$85.0 over FY2017 and will be directed toward University of Alaska projects and programs in support of initiatives of mutual interest to the Trust, the University and the Alaska Health Workforce Coalition.

License Plate Revenue

(GF: \$0.0, NGF: \$0.6, Total: \$0.6)

The amount of the fees collected under AS 28.10.421(d) during the fiscal year ending June 30, 2017, for the issuance of special request university plates, less the cost of issuing the license plates, estimated to be \$600, is appropriated from the general fund to the University of Alaska for support of alumni programs at the campuses of the university for the fiscal year ending June 30, 2018.

Reduce Excess University Receipt Authority

(GF: \$0.0, NGF: -\$10,000.0, Total: -\$10,000.0) Governor's Proposed Budget

Reduce University receipt authority to better match estimated expenditures.

Reduce Excess Federal Receipt Authority

(GF: \$0.0, NGF: -\$7,000.0, Total: -\$7,000.0) Governor's Proposed Budget

Reduce federal receipt authority to better match anticipated expenditures.