



UNIVERSITY
of ALASKA



University of Alaska

34th Legislature

FY27 Budget Requests for UA Stability

UA Senate Finance Subcommittee

March 12, 2026



Overview

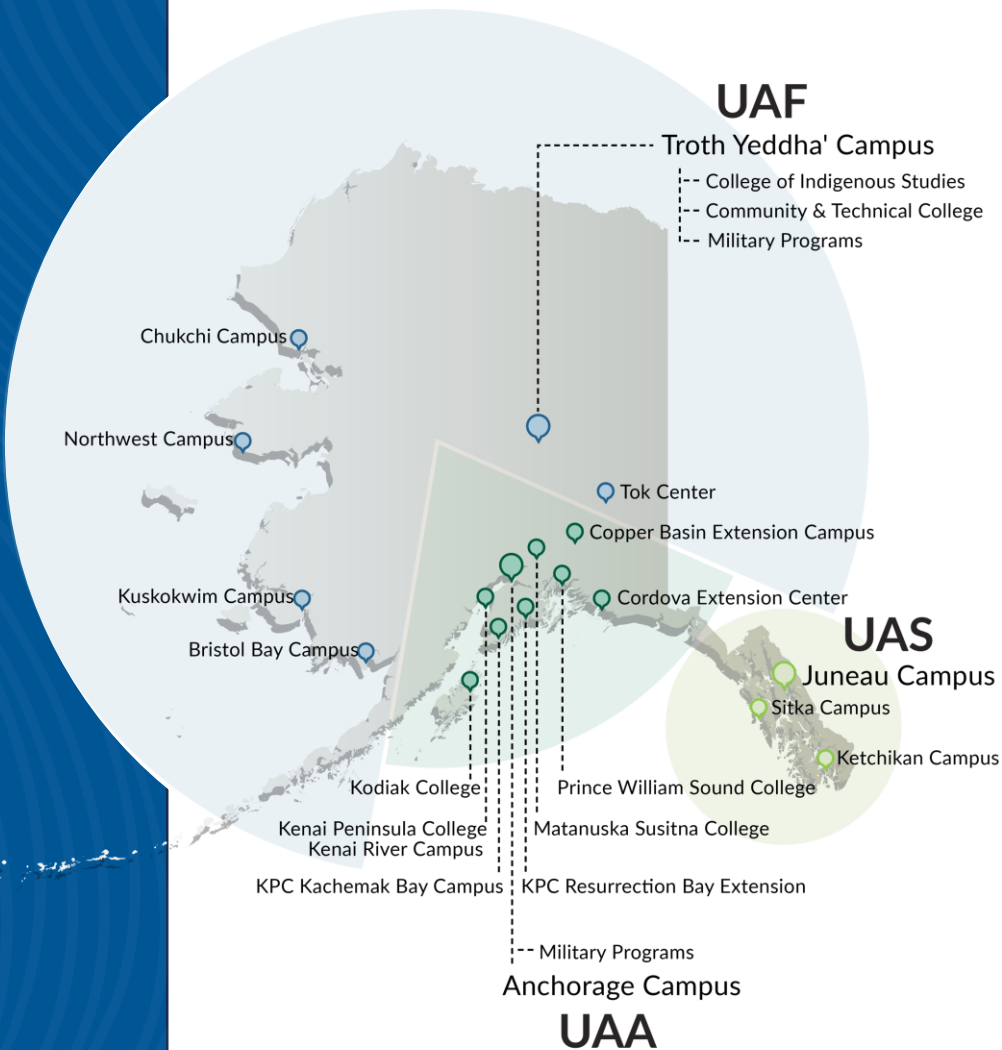


- FY27 Overview
- FY27 Compensation Request
 - Number of employees
 - Amount being set aside
 - Scope
- FY27 Fixed Cost Increases (cyber security/IT, facilities, utilities, risk management, public safety)
- FY27 Student Mental Health Services Requests
- FY27 Retention, Recruitment, and Graduation Requests
- Appendix
 - Reference Documents



University of Alaska

Alaska's System of Higher Education



Empower Alaska

Pillars

- Financially Responsible and Future-Focused
- State & Arctic Leadership
- Quality Reputation

University/System Roles

- System Office – Advancing Post-secondary Education by Driving Value to the Universities. Corporate structure required by State Constitution.
- UAA – Alaska's Comprehensive, Workforce-Emphasis, Health University: A University of Distinction, Transforming Lives and Communities.
- UAF – Alaska's Research and Arctic University: Creating Excellence Through Transformative Experiences.
- UAS – Alaska's Experiential Learning University: Impacting the World by Offering an Unparalleled Education Rooted in the Natural and Cultural Richness of Southeast Alaska.



Key Challenges



- Replenish the Higher Education Investment Fund (HEIF)
 - \$129.6 million to the HEIF in the FY26 Supplemental Operating Budget
 - Critical for Alaska's workforce
- Federal Uncertainty
 - UA continues to monitor conditions surrounding federal funding
 - 25 unfrozen grants: Totaling \$77.9 million
 - Termination of the Alaska Native and Native Hawaiian-Serving Institutions program will result in the loss of \$8.8 million in federal funding
 - 34 grants have been terminated with remaining balances of \$17.1 million





Key Challenges - Continued



- Facility Maintenance
 - Aging facilities and functional obsolescence detract from student recruitment and retention
 - UA has worked to reduce its footprint by selling or demolishing underutilized facilities
 - Continual State capital investment is critical to the UA's ability to offer students a functional, modern, and safe learning environment
- Technology
 - Significant efforts continue to improve the UA's cybersecurity posture
 - Institutions of higher education have become primary targets due to research activities and the possession of significant amounts of personally identifiable information (PII) and other sensitive information and regulated data
- Human Resources
 - Competitive labor market and overall increased compensation costs
 - Higher staff benefit costs, mostly for healthcare





FY27 Budget Requests

FY27 Operating Budget State funding request \$29.0M

- \$15.2M – Compensation
- \$8.0M – Operating cost increases (IT/cyber security, facilities, utilities, risk mgmt., public safety)
- \$965K – Student mental health services
- \$4.9M - Student Recruitment, Retention & Graduation increases

Research and Receipt Authority

- \$25.5M (\$29.4M rcpt auth) - R1, Agriculture & Food Security, Drones, Critical Minerals
- \$54.0M – Fed, SDPR, UA Rcpts, State I/A, UA I/A

FY27 Capital Budget

- Deferred Maintenance & Modernization \$60M
- Priority capital requests \$12.3M
- Match (\$1.4M) and Capital project receipt authority for externally leveraged funds \$12.4M





UA FY27 Budget Overview

(UGF in millions of \$)

	BOR Op	BOR Cap	Gov Amd
FY26 Budget	\$351.5	\$10.0	\$351.5
Priority Requests			
Compensation - wage increase for employee groups as required by collective bargaining agreements and 3% for non-union staff (excludes recently negotiated FY27 contracts for Local 6070 and Fairbanks Firefighter Union). In FY27, the university's medical plan (including dental and vision) is expected to incur a \$6M increase in premium costs. Total cost \$20.8M.	15.2 (5.6 rcpt auth)		6.5 (14.3 rcpt auth Gov Amend)
Operating cost increases (cyber security/IT, facilities, utilities, risk mgmt., and public safety) - are key to continued stability. Total cost \$ 11.7M.	8.0		
Student Mental Health Services	0.9		
BOR's Students-1st Action Agenda - increasing student recruitment, retention, and graduation. Have reallocated \$2.5M - Expect to leverage \$5.2M in tuition and fees.	4.9		
Capital - Deferred Maintenance – predictable and sufficient funding for UA's highest-priority DM projects allows UA to avoid costly and more disruptive repairs.		60.0	
Tier 1	\$29.0	\$60.0	\$6.5 op

UA FY27 Budget Overview (continued)

(UGF in millions of \$)

	BOR Op	BOR Cap	Gov Amd
Additional Investments for Tangible Impacts			
Research Programs and Other State Priorities			
• UAF R1 Strategy Continuity (multi-year FY27-FY29)	7.5		
• UAF Agriculture and Food Systems (multi-year FY27-FY29)	3.0		
• UAF ACUASI Drone Program Year 5 (multi-year FY27-FY29)	12.0		
• UAF Alaska Critical Minerals Collaboration	3.0		
UAA Alaska Leaders Archives Consortium Library Renovation Complete Phase 1		1.25	
UAS Sitka Campus New Dock and Mariculture Training Facility-Phase II		2.0	
UAA Targeted Classroom Upgrades-Facilitate Community Campuses Hybrid Delivery		3.5	
UAF Facility Footprint Reduction – Program Relocation & Building Demolition		4.0	
Juneau Joint Use Facility Roof Replacement (joint request with DMVA)		1.5	
Tier 2	\$25.5	\$12.25	\$0.0

UA FY27 Budget Overview (continued)

(in millions of \$)

	BOR Op	BOR Cap	Gov Amd
Receipt Authority Only Projects (not state funding)			
UAA Alaska Native Gathering Space		4.5	
UAF Campus Transit Fleet Maintenance Facility (\$1.4M match, grant awarded Feb 2026)		6.8	
UAS Egan Library/Cyril George Indigenous Knowledge Center		2.5	
Federal Grants & Contracts Receipt Auth	15.0		15.0
Statutory Designated Program Receipt Auth	8.0		8.0
UA Receipt Auth	6.0		2.0
State Inter-agency Receipt Authority	10.0		10.0
UA Intra-agency Receipt Authority	15.0		15.0
Tier 3	\$54.0	\$13.8	\$50.0



UA FY27 Budget Highest Priorities

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FY27 Compensation \$15.2M (\$20.8M total)

Salary and Benefits Increases \$10.4M (\$14.8M total)

- Wage increase for employee groups as required by collective bargaining agreements (3% increase)
 - UNAC (~1,100 faculty); UNAD (~640 adjunct faculty); AGWA (~420 grad students)
- Wage increase (3%) for non-union staff
 - Approx. 2,700 staff
- Local 6070 (crafts & trades) & Fairbanks Firefighters Union contracts expire June 30, 2026
 - New agreements, approved by UA Board and State Dept. of Admin./Law in Feb. 2026
 - Funding requests submitted to OMB
 - Local 6070 (~250 members) & Firefighters (~11 members)
- Governor's Amended Budget funded \$3.5M (\$14.8M total)
- Most temporary workers (ex: student workers) not in request
- 53% of overall operating budget goes to UA compensation, the rest pays for contracted services (food/cleaning), travel, commodities, etc.

Health Care Cost Increases \$4.8M (\$6.0M total)

- In FY27, the university's medical plan (including dental and vision) is expecting an increase in premium costs (\$6M)
- Governor's Proposed Budget funded \$3M (\$6.0M total)



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FY27 Operating Cost Increases

Cyber Security & Information Technology \$2.2M

This funding is necessary to address emerging cybersecurity threats, modernize aging systems, and cover the increasing costs of software and technology (Red Book, starting on page 3)

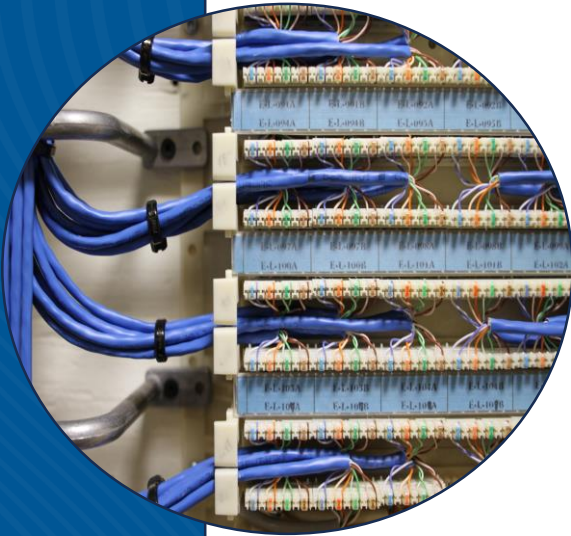
Facilities Maintenance Operating Costs \$2M (\$4M total)

This funding is crucial for preserving the university's capital assets, which have been impacted by several years of reduced operating budgets and minimal capital funds. The goal is to reduce the risk of building failures and prevent adding to the backlog of deferred maintenance projects (Red Book page 4)

Utilities and Contractual Services Cost Increases \$2.1M (\$3.8M total)

These requests cover the projected FY27 utility cost increases at UAA, UAF, and UAS. Cost increases include utility expenses such as electrical, fuel, water, and sewer, and commodity costs for utility inputs (Red Book page 5)

This funding would cover projected custodial contract cost increases at UAF. These are critical services that ensure a safe and clean campus environment for students, faculty, and staff (Red Book page 5)





FY27 Operating Cost Increases cont.

Risk Management \$600k

UA anticipates a 5% increase in Risk Services costs (FY26 \$11.1M), such as auto liability, property loss, employment practice premiums, university direct premiums, and loss prevention (Red Book page 5)

Enhance Public Safety \$1.1M

These requests aim to address rising property crime, increase crisis response capabilities, ensure regulatory compliance, and improve overall campus safety and security (Red Book, starting on page 5)

- Breakdown:
 - UAA Public Safety Support \$500K
 - UAF Critical Campus Safety: Police Technology and Emergency Communication Center Support \$326K
 - UAS Improving Campus Safety and Physical Security \$250K



UA FY27 Budget Highest Priorities

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Tier 1	\$29.0	\$60.0	\$6.5 op



FY27 Student Mental Health Services Request

Student Mental Health Services \$965k

These requests are focused on expanding and enhancing student mental health and support services through increased staffing and utilizing telehealth technologies (Red Book, starting on page 8)

- Breakdown:

- UAA Student Mental Health Support: Expanding Capacity \$440K
- UAF Increased Clinical Psychology Capacity \$350K
- UAS Boosting Student Mental Health and Life Skills \$175K



UA FY27 Budget Highest Priorities

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Tier 1	\$29.0	\$60.0	\$6.5 op

UA Student Recruitment, Retention, and Graduation

UA is working across campuses, communities, and leadership to ensure that every Alaskan has the opportunity to access, thrive in, and obtain the credentials necessary for employment, career advancement, or enrichment.

The UA Board of Regents approved \$2.5 million in FY26 to expedite efforts to strengthen recruitment, retention, and graduation. Through the Systemwide Attainment Framework (SAF) and Students-First Action Agenda, the UA is aligning efforts to recruit, retain, and graduate students with measurable success.

The SAF website (<https://www.alaska.edu/saf/>) serves as a living dashboard and public accountability tool, cataloging all active and completed projects, shared metrics, and campus highlights. The site links directly to outcome-measure dashboards for recruitment, retention, and graduation, enabling real-time visibility into systemwide progress.

In support of the Students-First Action Agenda (<https://www.alaska.edu/saf/about/index.php>), the universities advanced 27 projects focused on recruitment, retention, and graduation, ranging from common admissions systems and advising innovations to financial access and workforce pathway initiatives.

- Enrollment momentum: Systemwide headcount is up year-over-year for a third consecutive fall, with gains in health, education, and engineering programs, the State's highest-demand fields.
- Retention focus: Coordinated advising and early-alert tools are being scaled across campuses, improving semester-to-semester persistence.
- Completion pathways: Dual-enrollment expansion and credit-transfer simplification continue to shorten students' time to degree.





FY27 Program Requests

Student Recruitment \$3.4M



- UAA (\$1.6M) increasing enrollment through dual enrollment conversion, and leading-edge outreach and communication systems
- UAF (\$1.4M) a multi-pronged approach to enrollment growth, academic program development, digital outreach, targeted marketing, and enhancement of student services
- UAS (\$377k) adopts technology to broaden the pool of prospective students, connect them to college resources, and offer in-state tuition to all undergraduates
- See Red Book, starting on page 14





FY27 Program Requests

Student Retention & Graduation \$1.5M



- UAA (\$591k) improving internal support services and communication to keep students enrolled and working toward their degrees
- UAF (\$600k) improving advisor and career readiness services and expanding high-demand workforce programs
- UAS (\$42k) strengthening retention efforts by coordinating and aligning academic advising across all three UAS campuses, shortening time to graduation
- System Office (\$300k) fostering instructional innovations and mentoring programs proven to increase student engagement, performance, retention, and degree completion across the UA system
- See Red Book, starting on page 18





Questions?



Appendix



UA FY26 Budget Overview

(UGF in millions of \$)

	BOR Op	BOR Cap	Gov Proposed	Conference Committee	Enacted
FY25 Budget	\$331.1	\$24.0		\$331.1	\$331.1
Compensation - request includes a wage increase for employee groups as required by collective bargaining agreements and 2.75% for non-union staff. In FY26, the university's medical plan (including dental and vision) is expecting an increase in premium costs (\$7M) and under-recovery in FY24 (\$10.8M)	22.6		22.6	17.2 \$5.4M not funded - UA's non-union employees	17.2
Fixed cost increases (cyber security/IT, facilities, utilities, and auxiliaries) - are key to continued stability	4.0		3.9	3.7	3.7
UA's FY26 program requests will address recruitment, retention, and graduation recommendations from the EAB report	5.0				
Legislative reductions (vacant positions and board expenses)				(0.3)	(0.3)
Deferred Maintenance – predictable and sufficient funding for UA's highest priority DM projects allows UA to avoid costly and more disruptive repairs		60.0		10.0	6.75 Gov vetoed \$3.25M
UAA Alaska Leaders Archives Consortium Library Renovation		2.5	1.25	1.25	1.25
UAS Mariculture Training Facility		4.1	2.0	2.0	2.0
UA Priority Budget Requests	\$31.6	\$66.6	\$26.5 op \$3.25 cap	\$20.6 op 13.25 cap	\$20.6 op \$10.0 cap



Fiscal Summary-State Reports

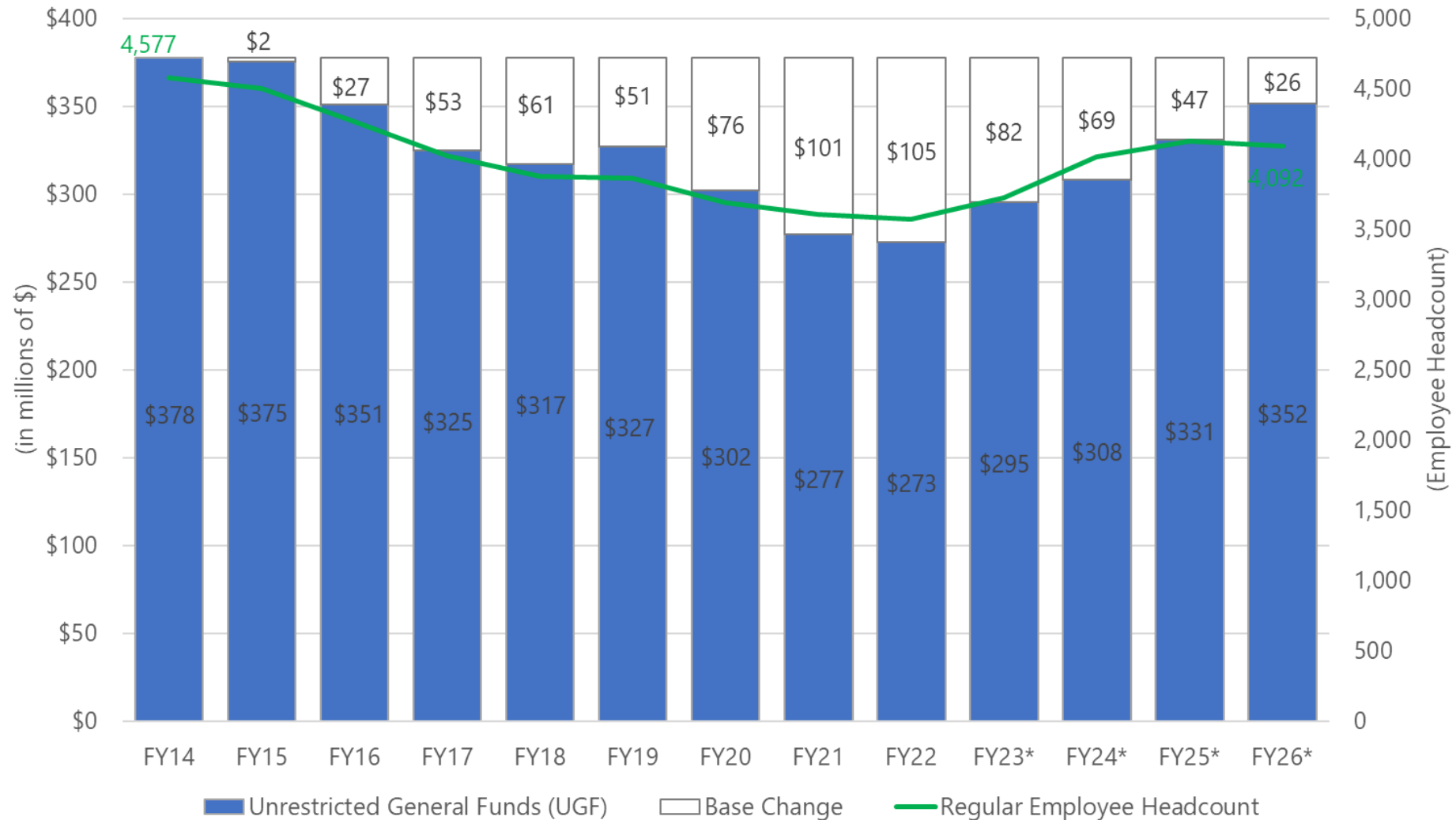
(in millions of \$)

	Actuals			FY26 Budget			FY27 Budget		
	FY23	FY24	FY25	Enrolled	MgmtPlan	Diff	UA	Adj'd Base	Gov
Expenditures									
Personnel Services	\$462	\$528	\$575	\$619	\$602	(\$17)	\$623	\$613	\$613
Other Expenditures	457	478	510	486	519	33	628	488	547
Total Expenditures	\$919	\$1,006	\$1,085	\$1,105	\$1,121	\$16	\$1,251	\$1,101	\$1,160
Revenue									
UGF (base)	\$295	\$308	\$331	\$352	\$352	\$0	\$406	\$358	\$358
UGF (project specific one-time)	7	14	4		5	5			
DGF ⁽¹⁾⁽²⁾	300	346	268	319	330	11	333	309	319
Federal	177	186	228	215	215	0	259	215	230
Other ⁽¹⁾⁽³⁾	140	152	254	219	219	0	253	219	253
Total Revenue	\$919	\$1,006	\$1,085	\$1,105	\$1,121	\$16	\$1,251	\$1,101	\$1,160

- Beginning in FY25, includes the impact of the reporting change for Statutory Designated Program Receipts (Other) previously reported as University Receipts (DGF)
- FY26 MgmtPlan budget, includes one-time and multi-year operating funds: \$8.3M HEIF and \$2.1M UA Receipts (multi-year); FY26 Enrolled and MgmtPlan budgets, includes \$8.5 million UA Receipts (one-time)
- Includes internal charges for services provided by one UA department to another, required for State reporting



General Funds and Employee Headcount History



* excludes multi-year funds



FY27 Priority Capital Requests

Facilities Deferred Maintenance/Modernization \$60 million

- UAA's projects focus on critical infrastructure renewal, safety, and modernizing facilities to support student experience and academic programs
- UAF's requests prioritize critical life-safety and code compliance issues, preservation of valuable collections, and essential infrastructure upgrades impacting housing, research, and core academic functions
- UAS's requests focus on replacing failing building systems and improving safety/security at its campuses in Juneau, Ketchikan, and Sitka

Project Completion and Demolition

- UAA Alaska Leaders Archives Consortium Library Renovation Phase I \$1.25M
- UAS Sitka Campus New Dock and Mariculture Training Facility Phase II \$2.0M
- UAA Targeted Classroom Upgrades to Facilitate Hybrid Delivery of Bachelor's Degrees at Community Campuses \$3.5M
- UAF Facility Footprint Reduction-Program Relocation and Building Demolition \$4M
- UAS Juneau Joint Use Facility Roof Replacement \$1.5M



FY27 Priority Capital Requests continued

Match and Receipt Authority Projects

- UAA Alaska Native Gathering Space \$4.5M donations, grants & corporate scholarships
- UAF Campus Transit Fleet Maintenance Facility \$1.4M match/\$5.4M federal grant (grant awarded Feb 2026)
- UAS Egan Library/Cyril George Indigenous Knowledge Center \$2.5M fundraising

New Facilities

- UA Student Housing
 - UAA Residential Campus Expansion \$30.0M (\$50.1M total)
 - UAF Campus Housing Revitalization Phase I \$30M (\$55.0M total)
 - UAS Deferred Maintenance and Modernization to Support Student Housing Phase I \$6M (partially in \$60M DM request)
- UAA Child Care Facility \$4.5M (\$5M total)
- UAF Whittaker Fire Station Replacement \$42M



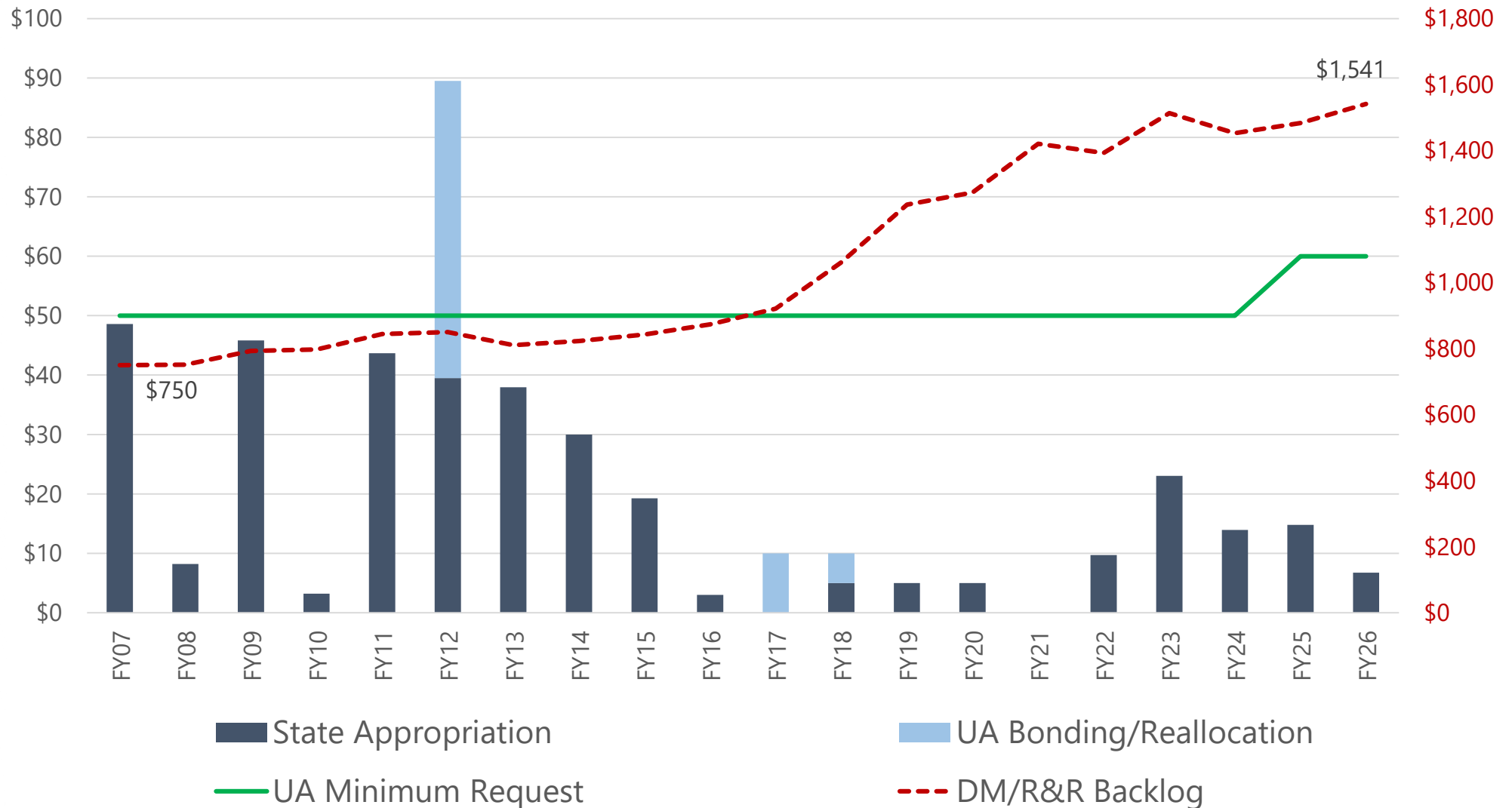


UA Facility Profile

	# of Buildings	Avg Age (years)	Gross Area (Sq. feet)	Replacement Value (\$1,000)	DM backlog (\$1,000)
UAA	101	33	3,248,542	2,271,476.0	443,509.5
UAF	256	40	4,128,027	4,261,686.6	1,030,407.8
UAS	33	29	493,122	347,511.8	31,133.0
SO	3	35	104,901	99,095.5	20,547.9
Investment	9	44	275,050	198,750.2	15,561.8
UA	402	37	8,249,642	7,178,520.1	1,541,160.0

Deferred Maintenance Funding & Backlog History

(in millions of \$)





FY26 Supplemental Operating & Capital Budgets

Operating Budget (\$68.4M non-state funds)

In FY26, many of UA's earned revenue budget authority categories are below FY25 actuals. To avoid a situation where UA lacks sufficient receipt authority, UA is requesting an increase in the following receipt authority categories to align budget authority with anticipated activity:

- Federal \$15.0M (in Gov's proposed budget)
- Statutory Designated Program Receipts \$8.0M (in Gov's proposed budget)
- UA Receipts \$10.5M
- State Inter-agency Receipts \$11.9M
- UA Intra-agency Receipts \$23M (\$15M in Gov's proposed budget)

Capital Budget

- The Governor vetoed \$3.25M of the \$10M deferred maintenance funding proposed by the Legislature for UA in FY26. UA requested \$3.4M for the most critical DM projects from the Statewide Deferred Maintenance funding administered by the State Office of Management and Budget. Ultimately, the funding was not available, and a supplemental request was made for these projects.
 - \$1.0M UAA Lucy Cuddy Hall system renewal for culinary arts program
 - \$2.0M UAF Cutler housing roof repairs
 - \$400k UAS Paul building roof replacement
- UA Museum of the North Planetarium Addition - \$8.0M (SDPR) from a private gift and philanthropic foundation grant for specialized equipment (in Gov's proposed budget)

