



# ALASKA STATE LEGISLATURE

## LEGISLATIVE BUDGET AND AUDIT COMMITTEE

### Legislative Finance Division

430 Main St.  
Juneau, Alaska  
(907) 465-3795

### MEMORANDUM

**DATE:** February 13, 2026  
**TO:** Representative Andy Josephson  
Representative Calvin Schrage  
Representative Neal Foster  
Co-Chairs, House Finance Committee

**FROM:** Alexei Painter  
Legislative Fiscal Analyst

A handwritten signature in blue ink, appearing to read "Alexei Painter".

**SUBJECT:** Responses to Committee Questions from January 29 Meeting

Thank you for inviting the Legislative Finance Division to present before the committee. Responses to questions and requests for follow-up information from the committee hearing are below.

**Did the University of Alaska pay the salary increases for non-union employees after funding was denied by the legislature? If so, what did the University do to cover those expenses?**

LFD asked about this in the Midyear Status Report. The University's answer:

*Providing competitive wages and benefits for all university employees is a top priority. Historically, UA's non-union staff have received annual wage adjustments similar to those of unionized employees. Internal reallocations and strategic cost control measures allowed the university to move forward with planned FY2026 compensation increases for all employees. Restricted funds, mostly federal, provide approximately twenty percent of the compensation funding. UA is closely monitoring restricted funds and university receipts to ensure sufficient budget authority is available to cover FY2026 expenditures.*

**Does the Governor's budget fully fund the University of Alaska's request for health care costs and other contractual costs?**

The Governor's budget provides the full \$6.0 million requested by the University for health care, but with different fund sources. The University requested \$6.0 million total, \$4.8 million

UGF and \$1.2 million University receipts. The Governor requested \$6.0 million, but \$3.0 million is UGF and \$3.0 million is University receipts.

A full comparison of University fixed cost increases in the agency request and the Governor's budget is below, extracted from the University's Red Book:

	UA BOR Budget (Revised)			Governor's Proposed Budget		
	Unrestr'd General Funds (UGF)	Designated, Federal and Other Funds	Total Funds	Unrestr'd General Funds (UGF)	Designated, Federal and Other Funds	Total Funds
<b>FY26 Operating Budget<sup>(1)</sup></b>	<b>351,463.2</b>	<b>745,055.8</b>	<b>1,096,519.0</b>	<b>351,463.2</b>	<b>745,055.8</b>	<b>1,096,519.0</b>
<b>Adjusted Base Requirements</b>						
<b>Compensation Cost Increase<sup>(2)</sup></b>	<b>15,166.0</b>	<b>5,642.6</b>	<b>20,808.6</b>	<b>6,474.5</b>	<b>4,488.9</b>	<b>10,963.4</b>
Salaries and Benefits	10,366.0	4,442.6	14,808.6	3,474.5	1,488.9	4,963.4
Healthcare	4,800.0	1,200.0	6,000.0	3,000.0	3,000.0	6,000.0
<b>Operating Cost Increases</b>	<b>8,001.0</b>	<b>3,665.0</b>	<b>11,666.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Cyber Security & IT	2,230.0	10.0	2,240.0			
Facilities Maintenance	2,000.0	2,000.0	4,000.0			
Utilities and Contractual Services	2,095.0	1,655.0	3,750.0			
Risk Management	600.0		600.0			
Public Safety	1,076.0		1,076.0			
<b>Adjusted Base Requirements Subtotal</b>	<b>23,167.0</b>	<b>9,307.6</b>	<b>32,474.6</b>	<b>6,474.5</b>	<b>4,488.9</b>	<b>10,963.4</b>