



LAWS OF ALASKA

1986

Source

SCS CSHB 241 (Fin)

Chapter No.

143

AN ACT

Relating to fiscal administration of the University of Alaska;
and providing for an effective date.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

THE ACT FOLLOWS ON PAGE 1, LINE 10

UNDERLINED MATERIAL INDICATES TEXT THAT IS BEING ADDED TO
THE LAW AND BRACKETED MATERIAL IN CAPITAL LETTERS INDICATES
DELETIONS FROM THE LAW; COMPLETELY NEW TEXT OR MATERIAL
REPEALED AND RE-ENACTED IS IDENTIFIED IN THE INTRODUCTORY
LINE OF EACH BILL SECTION.

Approved by the Governor: June 10, 1986
Actual Effective Date: June 11, 1986

AN ACT

Relating to fiscal administration of the University
of Alaska; and providing for an effective date.

* Section 1. AS 14.40.170(b) is amended to read:

(b) The Board of Regents may

(1) adopt reasonable rules, orders, and plans with reasonable penalties for the good government of the university and for the regulation of the Board of Regents;

(2) determine and regulate the course of instruction in the university with the advice of the president;

(3) set student tuition and fees;

(4) receive and spend university receipts in accordance with the Executive Budget Act (AS 37.07).

* Sec. 2. AS 14.40.210 is amended to read:

Sec. 14.40.210. POWERS OF PRESIDENT OF THE UNIVERSITY. The president of the University of Alaska may

(1) give general direction to the work of the University of Alaska in all its departments subject to the approval of the Board of Regents; [.]

(2) appoint the deans, heads of departments, professors, assistants, instructors, tutors, and other officers of the University of Alaska to the positions established by the Board of Regents;

(3) establish procedures for receipt, expenditure, and

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1 fiscal year reporting of university receipts.

2 * Sec. 3. AS 14.40.250 is amended to read:

3 Sec. 14.40.250. REGENTS TO ACT AS TRUSTEES AND ADMINISTER MONEY
4 OR PROPERTY [FROM SOURCES OTHER THAN LEGISLATURE OR FEDERAL APPROPRIA-
5 TION]. The Board of Regents may receive, manage, and invest money or
6 other real, personal, or mixed property [IN ANY MANNER RECEIVED FROM
7 SOURCES OTHER THAN THE STATE LEGISLATURE OR FEDERAL APPROPRIATION] for
8 the purpose of the University of Alaska, its improvement or adornment,
9 or the aid or advantage of students or faculty, and, in general, may
10 act as trustee on behalf of the University of Alaska for any of these
11 purposes. The [HOWEVER, THE] regents shall make a written report to
12 the legislature, in accordance with AS 14.40.190, as to the adminis-
13 tration and disposition of money [FUNDS] received under this section.

14 * Sec. 4. AS 14.40 is amended by adding a new section to read:

15 Sec. 14.40.255. INVESTMENT OF SURPLUS MONEY. If the Board of
16 Regents determines that there is a surplus of money, received in the
17 form of state and federal appropriations, above the amount sufficient
18 to meet current and projected cash expenditure needs of the universi-
19 ty, the surplus must be invested in the same instruments set out in
20 AS 37.10.070 approved for investment of state treasury surplus.
21 Interest income earned on investments made under this section may be
22 retained by the university and expended in accordance with the Execu-
23 tive Budget Act (AS 37.07).

24 * Sec. 5. AS 14.40 is amended by adding a new section to read:

25 Sec. 14.40.325. REALLOCATION WITHIN STATE APPROPRIATIONS.
26 Notwithstanding the provisions of AS 37.07.080(e), each appropriation
27 to the University of Alaska is subject to reallocation by the univer-
28 sity administration under procedures established by the Board of
29 Regents and the division of budget review in the Office of the

1 Governor. Transfers may not be made between appropriations except as
2 provided in an Act making transfers between appropriations.

3 * Sec. 6. AS 14.40 is amended by adding a new section to article 3 to
4 read:

5 Sec. 14.40.455. UNIVERSITY RISK MANAGEMENT FUND. (a) There is
6 established in the general fund the University of Alaska risk manage-
7 ment fund. The fund consists of money appropriated by the legislature
8 for the purpose of providing a nonlapsing collateral fund for payment
9 of uninsured losses of the University of Alaska in excess of pre-
10 established loss assumption levels.

11 (b) The fund may be used only for the purposes of making pay-
12 ments as a result of

13 (1) civil suits;

14 (2) claims, damages, or losses to real and personal proper-
15 ty owned by or in the actual or constructive possession of the Univer-
16 sity of Alaska;

17 (3) losses of income from real and personal property; and

18 (4) expenses, attorney fees, and claims investigation costs
19 associated with claims or losses.

20 (c) The legislature may appropriate into the fund earnings
21 derived from temporary investment of collateral fund assets, recover-
22 ies of losses previously charged to the fund, and restoration of funds
23 utilized for specified claims. The amount of the fund may not exceed
24 the amount necessary and prudent based on independent actuarial deter-
25 minations. The University of Alaska may request that University of
26 Alaska funds be deposited into the risk management collateral fund
27 under AS 37.07.080(h).

28 (d) The Department of Administration and the University of
29 Alaska shall determine the loss assumption levels at the beginning of

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1 each fiscal year for the purpose of assessing the risk management
2 collateral fund. The loss assumption levels shall be established at
3 the amount necessary and prudent based on independent actuarial deter-
4 minations.

5 (e) An annual report of the activity of the fund and loss as-
6 sumption levels shall be submitted by the Department of Administration
7 to the Office of Management and Budget and the Legislative Budget and
8 Audit Committee.

9 * Sec. 7. AS 14.40 is amended by adding a new section to read:

10 Sec. 14.40.490. DEFINITION FOR AS 14.40.120 - 14.40.490. For
11 purposes of AS 14.40.120 - 14.40.490, "university receipts" includes

- 12 (1) student fees, including tuition;
- 13 (2) receipts from university auxiliary services;
- 14 (3) recovery of indirect costs of university activities;
- 15 (4) sales and rentals of university property;
- 16 (5) gifts, grants, and contracts;
- 17 (6) sales, rentals, and services of educational activities.

18 * Sec. 8. AS 37.25.010 is amended by adding new subsections to read:

19 (c) University receipts received on or before June 30 of a
20 fiscal year in excess of the amount expended for that year may be
21 expended in the succeeding fiscal year if an appropriation of univer-
22 sity receipts has been made for the succeeding fiscal year. The
23 amount of university receipts expended in a fiscal year may not exceed
24 the amount of university receipts appropriated for that year.

25 (d) The University of Alaska shall report the amount of univer-
26 sity receipts received in one year and expended in the succeeding
27 fiscal year to the Department of Administration and the Legislative
28 Budget and Audit Committee by September 30 of the succeeding fiscal
29 year.

1 (e) In this section, "university receipts" has the meaning given
2 in AS 14.40.490.

3 * Sec. 9. This Act takes effect immediately in accordance with AS 01.-
4 10.070(c).