

University of Alaska FY11 Operating Budget Summary
House and Senate Finance Committees
March 26, 2010

The Governor's proposed budget for UA is a \$12.4 million increase, 3.8%, over the current fiscal year. The House Finance Committee's (HFC) proposed budget for UA is slightly lower at an \$11.8 million increase (3.6%). The Senate Finance Committee's (SFC) proposed budget for UA is slightly higher at a \$14.1 million increase (4.3%).

The HFC and SFC have transferred a portion of the fuel trigger mechanism funding to base funding, but do not include full funding for UA's compensation and other fixed cost requests (HFC -\$834.4 and SFC -\$257.4). The SFC does include an additional \$1.7 million in program funding over the \$950 thousand in the Governor's and HFC's proposed budgets.

The Governor's, HFC's, and SFC's proposed budgets support \$950 thousand for priority programs for the Alaska Center for Energy and Power, and Energy Outreach through the Cooperative Extension Service that are funded in the current year (FY10) budget as one-time items. Funding for the Alaska Native Science and Engineering Program is supported in the SFCs' budget for UA (\$1.2 million) and the HFC's budget for the Department of Education and Early Development (\$960 thousand). The SFC's budget also includes funding for the Alaska Summer Research Academy Engineering Components (\$75 thousand); the Individual Technology Based Math and Summer Bridge Programs (\$150 thousand); and the Marine Advisory Program (\$300 thousand).

Both the HFC and the SFC have proposed intent language asking the University to reduce its reliance on State funding. The language is not exactly the same, thus will be worked out in conference committee.

Both the Governor and the HFC supported a single appropriation for UA, but the SFC's proposed budget structures the University of Alaska into seven appropriations. The SFC transferred 3% of unrestricted general funds, federal & university receipts into Budget Reductions/Additions-systemwide, to provide the University of Alaska Board of Regents program funding flexibility under the seven appropriation scenario. This is a net zero change in the overall budget. The SFC also included intent language requiring the University to report on the subsequent transfer of these funds to the campuses.

The table below provides a summary comparison of the UA's Board of Regents' Revised Request, Governor's Proposed Amended Budget, and the House and Senate Finance Committees Proposed Budgets. The budget differences between the House and Senate will move to conference committee in the following weeks.

University of Alaska Board of Regents' FY11 Operating Budget Compared to Governor's Proposed Budget Amended, House and Senate Finance Committees					
State Appropriations (in thousands)					
	UA BORs' Revised Request	Gov's Proposed Amended Budget	HFC Proposed Budget	SFC Proposed Budget	HFC over/ (under) SFC
	State Approp.	State Approp.	State Approp.	State Approp.	
FY10 Operating Budget	328,226.6	328,226.6	328,226.6	328,226.6	-
Subtotal - FY10 Adjustments	(1,100.0)	(1,100.0)	(1,100.0)	(1,100.0)	-
FY10 Operating Budget after Adjustments	327,126.6	327,126.6	327,126.6	327,126.6	-
Adjusted Base Requirements					
Compensation Increases	7,465.4	7,465.4	7,013.4	7,013.4	-
Non-Personnel Services Fixed Cost Increases	3,307.8	2,168.4	1,788.0	2,363.0	(575.0)
Compliance Mandates	265.0	-	-	-	-
Utility Cost Increases	1,484.3	1,484.3	1,650.0	1,650.0	-
New Facility Operating and Maintenance Costs	692.0	692.0	692.0	692.0	-
Subtotal - Adjusted Base Requirements	13,214.5	11,810.1	11,143.4	11,718.4	(575.0)
Priority Program Enhancement and Growth					
Energy	1,063.2	950.0	950.0	950.0	-
Science, Technology, Engineering & Math (STEM)	1,415.1	-	*	1,425.0	(1,425.0)
Climate	1,189.0	-	-	300.0	(300.0)
High Demand Jobs	5,232.9	-	-	-	-
Student Success Initiatives	2,137.4	-	-	-	-
Subtotal - Priority Programs	11,037.6	950.0	950.0	2,675.0	(1,725.0)
FY11 Adjustments					
FY11 Additional TVEP Funding	478.3	478.3	478.3	478.3	-
Mental Health Trust and MHTAAR	584.1	-	-	-	-
Dept. of Health & Social Services Transfer	305.0	305.0	305.0	305.0	-
Subtotal - FY11 Adjustments	1,367.4	783.3	783.3	783.3	
Total FY11 Increment Request less FY10 Adj's	24,519.5	12,443.4	11,776.7	14,076.7	(2,300.0)
Total FY11 Operating Budget	352,746.1	340,670.0	340,003.3	342,303.3	(2,300.0)
% Change FY10-FY11 Operating Budget	7.5%	3.8%	3.6%	4.3%	

* The House Finance Committee included \$960.0 for the Alaska Native Science and Engineering Program (ANSEP) in the Dept. of Education and Early Development budget compared to \$1,200.0 of ANSEP money the Senate Finance Committee gives directly to UA.