

**Proposed
FY2018 Operating Budget Distribution Plan
Introduction**

The Board of Regents requested a \$920.9 million (\$341.2 million in state and \$579.7 million in non-state funding) Operating Budget for the University of Alaska in FY2018. Final legislation decreased UA's overall operating budget state appropriation by \$7.9 million (2.4%) from \$324.9 million to \$317.0 million.

On Thursday, June 22nd, the Legislature passed an FY2018 operating budget which will be transmitted to the Governor for his signature or veto. The Legislature still has unfinished business related to a complete fiscal plan and a capital budget.

The FY2018 Proposed Operating Budget includes the following:

- Compensation FY2018
 - UA Federation of Teachers (UAFT): previously negotiated contract increases
 - Local 6070, United Academic Adjuncts (UNAD), and UA Federation of Teachers (UAFT): contracts terms contain no salary increases
 - United Academics (UNAC): contract is under negotiation
 - UA staff: no across-the-board salary increase
- Reallocation to strategic priorities across the system such as:
 - Student Success (marketing, recruitment, retention, and degree completion)
 - Research (grow capacity)
 - Workforce & On-line Program Development (teacher education, health professions, e-Learning initiatives)

As in the past, the legislature has included intent language for the University of Alaska. The intent language reads as follows:

- (1) "It is the intent of the legislature that cuts or reallocations of unrestricted general funds to the University of Alaska Anchorage, University of Alaska Fairbanks and University of Alaska Southeast, on a percentage basis, not exceed cuts or reallocations of unrestricted general funds to the University of Alaska Statewide Administration."

University of Alaska FY2018 Operating Budget Summary (in thousands of \$)
UA Board of Regents' compared to Final Legislation (HB57 & HB59)

	UA Board of Regents' Budget ⁽²⁾			Final Legislation (HB57 & HB59) (pending Gov's signature)			Final over/ (under) BOR
	Unrestricted General Funds (UGF)	Designated, Federal and Other	Total Funds	Unrestricted General Funds (UGF)	Designated, Federal and Other	Total Funds	State Approp. (UGF)
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 Op. Budget	324,883.5	572,889.4	897,772.9	324,883.5	572,889.4	897,772.9	-
Budget Reductions							
Unallocated Reduction				(8,000.0)		(8,000.0)	(8,000.0)
Budget Reduction Subtotal				(8,000.0)	-	(8,000.0)	(8,000.0)
FY2018 Adj'd Base Requirements							
Compensation by Emp. Group							
UAFT	578.6		578.6		578.6	578.6	(578.6)
Local 6070			-			-	-
UNAC ⁽¹⁾			-			-	-
UNAD			-			-	-
FFU			-			-	-
UA Staff			-			-	-
FY2018 Compensation Subtotal	578.6	-	578.6	-	578.6	578.6	(578.6)
Add'l Operating Cost Increases							
Utility Cost Increases	1,300.0		1,300.0			-	(1,300.0)
New Facilities Est. Oper. Costs	300.0	-	300.0	-	-	-	(300.0)
UAF Engineering Bldg.	300.0		300.0			-	(300.0)
Other Fixed Costs	800.0	-	800.0	-	-	-	(800.0)
Electronic Jnl Subscriptions	800.0		800.0			-	(800.0)
Add'l Op. Cost Incr. Subtotal	2,400.0	-	2,400.0	-	-	-	(2,400.0)
FY2018 Adjusted Base Subtotal	2,978.6	-	2,978.6	-	578.6	578.6	(2,978.6)
Strategic Investments							
UA Reallocations					(6,000.0)	(6,000.0)	-
Facilities Maintenance	2,500.0		2,500.0			-	(2,500.0)
Student Success	4,400.0		4,400.0		2,100.0	2,100.0	(4,400.0)
Research	1,500.0		1,500.0		1,800.0	1,800.0	(1,500.0)
K-12 Partnership	500.0		500.0			-	(500.0)
Workforce Development	3,300.0		3,300.0		1,000.0	1,000.0	(3,300.0)
Economic Development	1,000.0		1,000.0			-	(1,000.0)
Process Automation					1,100.0	1,100.0	-
Strategic Investments Subtotal	13,200.0	-	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 Rcpt. Auth			-		(17,000.0)	(17,000.0)	-
TVEP					(593.5)	(593.5)	-
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		1.0	1.0	-
FY2018 Budget Adj Subtotal	150.0	6,788.2	6,938.2	150.0	(11,383.5)	(11,233.5)	-
FY2018 Op. Budget Changes	16,328.6	4,765.0	21,093.6	(7,850.0)	(12,828.1)	(20,678.1)	(24,178.6)
FY2018 Operating Budget Total	341,212.1	579,677.6	920,889.7	317,033.5	562,084.5	879,118.0	(24,178.6)
% Chg. Operating Budget	5.0%	0.8%	2.3%	-2.4%	-2.2%	-2.3%	

(1) Contract are under negotiation for FY2018.

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

Authorized Unrestricted General Fund Budget by Academic Organization (AO)

FY14 - FY18 (Proposed)

(in Thousands of \$)

	FY14	FY15	FY16	FY17	FY18 Proposed	Change 4 yrs		Change 1 yr	
						\$	%	\$	%
Anchorage	114,920.6	113,309.3	107,884.0	100,165.5	98,514.3	-16,406.3	-14.3	-1,651.2	-1.6
SBDC	1,163.3	1,103.4	1,031.5	985.2	959.6	-203.7	-17.5	-25.6	-2.6
Kenai	7,902.5	7,651.8	7,249.5	6,635.7	6,463.0	-1,439.5	-18.2	-172.7	-2.6
Kodiak	2,951.6	2,848.3	2,717.4	2,435.2	2,371.8	-579.8	-19.6	-63.4	-2.6
Mat-Su	5,039.9	5,444.2	5,204.4	4,868.8	4,742.1	-297.8	-5.9	-126.7	-2.6
PWSC	3,524.1	3,430.5	3,298.3	2,786.5	2,714.0	-810.1	-23.0	-72.5	-2.6
Fairbanks	124,659.8	127,916.8	129,492.8	123,078.4	120,905.1	-3,754.7	-3.0	-2,173.3	-1.8
Org. Research	23,748.7	24,443.5	23,616.8	20,933.0	20,388.2	-3,360.5	-14.2	-544.8	-2.6
CRCO									
Bristol Bay	1,598.7	1,550.2	1,412.0	1,211.4	1,179.9	-418.8	-26.2	-31.5	-2.6
Chukchi	1,093.3	1,058.6	970.8	806.9	785.9	-307.4	-28.1	-21.0	-2.6
Coop. Ext. ⁽¹⁾	5,183.0	4,499.9				-5,183.0			
Interior Alaska	1,977.4	1,916.6	1,655.9	1,433.6	1,396.3	-581.1	-29.4	-37.3	-2.6
Kuskokwim	3,535.6	3,425.6	3,000.8	2,605.0	2,537.2	-998.4	-28.2	-67.8	-2.6
Northwest	1,853.1	1,782.6	1,521.4	1,319.8	1,285.5	-567.6	-30.6	-34.3	-2.6
Rural College	6,467.9	6,434.7	5,406.7	4,679.6	4,557.8	-1,910.1	-29.5	-121.8	-2.6
UAF CTC	6,471.4	6,262.9	5,713.7	5,306.5	5,168.4	-1,303.0	-20.1	-138.1	-2.6
Juneau	23,360.9	22,921.9	21,297.2	19,486.6	19,058.1	-4,302.8	-18.4	-428.5	-2.2
Ketchikan	2,789.9	2,697.4	2,564.2	2,291.0	2,231.4	-558.5	-20.0	-59.6	-2.6
Sitka	3,655.6	3,532.6	3,291.2	2,890.0	2,814.8	-840.8	-23.0	-75.2	-2.6
UA Anchorage	135,502.0	133,787.5	127,385.1	117,876.9	115,764.8	-19,737.2	-14.6	-2,112.1	-1.8
UA Fairbanks	176,588.9	179,291.4	172,790.9	161,374.2	158,204.3	-18,384.6	-10.4	-3,169.9	-2.0
UA Southeast	29,806.4	29,151.9	27,152.6	24,667.6	24,104.3	-5,702.1	-19.1	-563.3	-2.3
UA Statewide ⁽²⁾	29,425.8	28,368.9	23,458.4	19,214.8	17,881.9	-11,543.9	-39.2	-1,332.9	-6.9
System. Comp. ⁽³⁾	0.8			1,750.0	1,078.2	1,077.4	N/A	-671.8	-38.4
UA System	371,323.9	370,599.7	350,787.0	324,883.5	317,033.5	-54,290.4	-14.6	-7,850.0	-2.4
UA System ⁽⁴⁾	377,610.2	375,189.2	350,787.0	324,883.5	317,033.5	-60,576.7	-16.0	-7,850.0	-2.4

Note: The authorized budget is the amount of funds approved for receipt and expenditure by the Alaska State Legislature, net of any vetoes by the Governor. Supplemental appropriations and revised programs approved subsequent to the legislative session are generally not included. Unrestricted General Funds (UGF) includes General Funds (GF), GF/Match and GF Mental Health. AO totals and university totals may not add up due to rounding to the thousands of dollars at each reporting level.

(1) Effective FY16 the Cooperative Extension Service no longer exists as a separate allocation and is reported as part of the Fairbanks Campus.

(2) Includes program transfers from Statewide to Fairbanks Campus.

(3) Holding account for funds distributed to campuses throughout the fiscal year.

(4) Includes supplemental funding (i.e. fuel trigger)

Total Authorized Budget by Academic Organization (AO)

FY14 - FY18 (Proposed)

(in Thousands of \$)

	FY14	FY15	FY16	FY17	FY18	Change 4 yrs		Change 1 yr	
					Proposed	\$	%	\$	%
Anchorage	273,674.4	274,766.4	273,622.1	268,603.2	268,677.5	-4,996.9	-1.8	74.3	0.0
SBDC	3,272.3	3,212.4	3,178.1	3,010.2	2,984.6	-287.7	-8.8	-25.6	-0.9
Kenai	16,564.4	16,957.2	16,897.9	16,652.8	16,381.7	-182.7	-1.1	-271.1	-1.6
Kodiak	5,029.7	5,903.1	6,133.7	5,921.1	5,754.1	724.4	14.4	-167.0	-2.8
Mat-Su	10,905.0	11,443.4	11,525.4	12,290.7	11,931.4	1,026.4	9.4	-359.3	-2.9
PWSC	7,552.8	7,819.3	7,601.8	7,164.0	7,030.3	-522.5	-6.9	-133.7	-1.9
Fairbanks	260,900.9	274,666.3	282,988.3	268,228.9	269,886.2	8,985.3	3.4	1,657.3	0.6
Org. Research	147,688.0	143,923.8	143,451.0	155,090.9	137,546.1	-10,141.9	-6.9	-17,544.8	-11.3
CRCD									
Bristol Bay	4,111.4	4,157.7	4,085.2	3,986.3	3,953.6	-157.8	-3.8	-32.7	-0.8
Chukchi	2,498.0	2,486.3	2,433.1	2,302.2	2,290.9	-207.1	-8.3	-11.3	-0.5
Coop. Ext. ⁽¹⁾	11,328.0	10,735.8				-11,328.0			
Interior Alaska	6,275.4	5,786.2	5,689.7	5,388.8	5,254.9	-1,020.5	-16.3	-133.9	-2.5
Kuskokwim	7,082.4	6,900.1	6,566.3	6,370.7	6,324.6	-757.8	-10.7	-46.1	-0.7
Northwest	3,231.3	4,648.3	4,460.6	4,309.0	4,259.3	1,028.0	31.8	-49.7	-1.2
Rural College	12,192.9	11,623.4	10,552.0	9,925.4	9,821.3	-2,371.6	-19.5	-104.1	-1.0
UAF CTC	14,601.8	14,457.0	14,329.3	14,003.2	13,901.3	-700.5	-4.8	-101.9	-0.7
Juneau	43,835.7	44,478.3	43,763.5	42,424.7	42,306.2	-1,529.5	-3.5	-118.5	-0.3
Ketchikan	5,656.9	5,580.7	5,531.1	5,436.2	5,337.7	-319.2	-5.6	-98.5	-1.8
Sitka	8,402.4	8,256.2	8,228.0	7,956.2	7,813.6	-588.8	-7.0	-142.6	-1.8
UA Anchorage	316,998.6	320,101.8	318,959.0	313,642.0	312,759.6	-4,239.0	-1.3	-882.4	-0.3
UA Fairbanks	469,910.1	479,384.9	474,555.5	469,605.4	453,238.2	-16,671.9	-3.5	-16,367.2	-3.5
UA Southeast	57,895.0	58,315.2	57,522.6	55,817.1	55,457.5	-2,437.5	-4.2	-359.6	-0.6
UA Statewide ⁽²⁾	70,917.1	70,061.2	64,555.6	58,981.0	55,018.0	-15,899.1	-22.4	-3,963.0	-6.7
System. Comp. ⁽³⁾	-1,498.1	0.6	0.4	1,750.6	2,644.7	4,142.8	-276.5	894.1	51.1
UA System	914,222.7	927,863.7	915,593.1	899,796.1	879,118.0	-35,104.7	-3.8	-20,678.1	-2.3

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