

## UA is fundamental to Alaska's economy, workforce development and population growth

- UA makes high-quality, accessible, and affordable post-secondary education available across the state, adapted to regional workforce demands.
- UA leads the nation in advancing the U.S. role in the changing Arctic and contributes significantly to the lives of people living in the Arctic.
- UA contributes to building Alaska's workforce by retaining students through completing their academic goals.
- UA plays a role in keeping Alaskans in state and attracting new talent to Alaska.

## Maintaining Momentum and Future Focused

- Continued, consistent state funding allows UA to continue to support Alaska businesses and industries, local communities, and state and national security.
- The FY26 requests reflect key university needs and priorities while balancing rising fixed expenses with maintaining affordability for students.
- UA is committed to providing a competitive compensation package to attract and retain high-quality employees and researchers who share a passion for higher education.
- The FY26 budget request includes a wage increase for employee groups as required by collective bargaining agreements and 2.75% wage increase for non-union staff.
- Rising inflation and cyber-security risks are unavoidable expenses that add to UA's fixed operating costs.
- UA is uniquely positioned to help grow Alaska's population by drawing in non-residents to put down roots to help build and empower Alaska.
- UA's FY26 program requests address recruitment, retention, and graduation rates based on recommendations from EAB for UA system improvements.



The University of Alaska is essential to education, research, workforce, and economic development for Alaska

## Cost Savings and Efficiencies

- Each university and the System Office have focused on reducing expenses through process improvements, restructuring and efficiencies.
- UA changed property insurance carrier to save approximately \$2 million.
- UAA reviewed software licenses across the institution and identified several services that could be eliminated, saving \$400,000 annually.
- UAF removed \$2 million DM & \$1.5 million fire code corrections from its DM/RR lists.
- UAS research facility consolidation saved \$50,000 in annual operational expenses and prevented another \$1 million in DM/RR over the next 7 years.

## Increasing Revenues for Enhanced Stability

- In FY26 UA expects a \$11 million increase in unrestricted earned revenue. Tuition and fee revenue are projected to increase by ~\$9 million. Other unrestricted earned revenue, are expected to increase by ~\$2 million.
- UA expects a \$13 million increase in designated and restricted earned revenue: \$7 million in federal revenue, and \$6 million in other earned revenue, such as auxiliaries and non-federal grants/contracts.





## Overview of FY26 Budget Priorities

UA Budget (UGF in millions of \$)	Operating	Capital
FY25 Budget	\$331.1	\$24.0
<i>FY26 Additions</i>		
<b>Maintaining Momentum and Future Focused</b>		
<b>Compensation</b> - request includes a wage increase for employee groups as required by collective bargaining agreements and 2.75% for non-union staff. Anticipating UA earned revenue funding \$7.4M.	\$20.1 (\$27.5M total)	
<b>Fixed cost increases</b> (cyber security/IT, facilities, utilities, and auxiliaries) - are key to continued stability. UA earned revenue funding \$17M.	\$4.0 (\$21M total)	
UA's FY26 <b>program requests</b> will address recruitment, retention, and graduation recommendations from the EAB report.	\$5.0 (\$9.9M total)	
<b>Deferred Maintenance</b> - predictable and sufficient funding for UA's highest priority DM projects allows UA to avoid costly and more disruptive repairs.		\$60.0
<i>Tier 1</i>	\$29.1	\$60.0
<b>Additional Investments for Tangible Impacts</b>		
<b>Athletics initiative:</b> anticipates \$3M of other funding from UAA (\$2M) and UAF (\$1M) through fundraising or internal reallocation.	\$5.0 (\$8M total)	
Alaska's resilience through <b>food security &amp; research</b> field safety/regulatory oversight	\$.4	
<b>UAF Seward Marine Center</b> -Infrastructure and Shore Side Ship Support Facility Renewal and Replacement (pending receipt of \$85.3M grant)		\$18.0 \$103M total)
<b>UAA Alaska Leaders Archives</b> Consortium Library Renovation Phase 1&2- pending add'l \$34.5M in gifts/grants (\$16.5M Phase1/\$18M Phase2); TPC \$40M (\$3M auth. applied)		\$2.5 (\$37M total)
<b>UAS Mariculture Program Expansion</b> (\$1.4M received, total \$5.5M)		\$4.1
<b>Research Programs and Other Governor Priorities</b>		
<ul style="list-style-type: none"> <li>• UAF R1 Strategy Continuity - remaining state support needed by FY27</li> <li>• UAF ACUASI (Year 4)</li> <li>• UAA AK Applied Innovations in Artificial Intelligence (yr 1 of 3, \$19.5M proposal)</li> <li>• UAF AK Energy Transitions (ACEP) &amp; Carbon Monitoring Research (CFOS)</li> <li>• UAF Agriculture and Food Systems for Alaska's Economic Sustainability</li> </ul>		7.5 14.0 6.5 10.0 5.0
<i>Tier 2</i>	\$5.4	\$67.6
FY26 Increment	\$34.5	\$67.6
<b>FY26 Budget Total</b>	<b>\$365.6</b>	<b>\$127.6</b>
<i>Tier 3 (Receipt Authority Only Projects)</i>		
UAA Indigenous Gathering Space; UAF Troth Yeddha' Indigenous Studies Center; UAS Egan Library / Cyril George Indigenous Knowledge Center; Statutory Designated Program Receipt Authority; UA Intra-agency Receipt Authority; Federal Grants & Contracts Receipt Authority	\$135.3	\$59.0



## Improving enrollment, retention, and graduation to meet Alaska's workforce needs - Program Requests \$5 million

Chief among the Regents' FY26 budget priorities are investments in recruitment, retention and graduation support. Guided by the findings of higher education consultants, EAB, each university is focusing on strategic enrollment management; enhanced marketing and recruitment; providing higher-quality student service support; and improving retention and graduation.

FY26 state funding requests for these efforts include:

- Marketing, Recruitment, Scholarships - \$1.89 million
- Advising and Enrollment Management - \$1.35 million
- Student Enrollment Services - \$1 million
- High Demand Program Expansion and Technology Enhancement - \$325,000
- Campus Safety - \$450,000

## Supporting UA athletics - \$5 million

- State funding is needed to rebalance the public and private support funding Seawolf Athletics. Years of funding reductions, which concluded in FY22, created a structural budget gap through dramatically undersized state funding for athletics while private support continued.
- According to an analysis by the Center for Economic Development, Seawolf Athletics adds more than \$21 million and hundreds of jobs to Alaska's economy. UAA student-athletes alone bring approximately more than \$1.5 million to the university through tuition and fees that benefit UAA colleges and auxiliaries.
- Nanook Athletics program needs are impacted by rising travel costs, labor and benefit increases, higher GNAC/NCAA fees, and increasing compliance requirements. UAF must keep pace with these costs, and are part of the \$2.5 million FY26 request to ensure the new base operating level meets the needs of a program fit to move into the future. The UGF request boosts enrollment growth at UAF while supporting base-level operations for Nanook Athletics.
- Athletics is an enrollment driver that provides enhanced campus community and social opportunities for students to connect and feel part of the larger Nanook Nation. UAF Athletics provides students—whether they are athletes or fans—a shared identity and a reason to connect, whether it's through attending games, supporting teams, or participating in the many events that are part of UAF's culture.





## Deferred Maintenance & Modernization

- UA is responsible for maintaining facilities and infrastructure across the state, with 400 facilities totaling 8.2 million gross square feet, an average age of 36.5 years, a replacement value of \$7.1 billion, and a deferred maintenance/renewal & repurposing (DM/R&R) backlog of almost \$1.5 billion.
- A \$60 million request for deferred maintenance funding is necessary after years of unfunded deferral of critical capital projects which have increased the risk of building closures.
- Sustained focus on long-term capital planning allows for better project execution. Predictable funding will also strengthen the construction industry by allowing contractors to scale operations and supporting new job growth across the State.
- UA is continuing legislative conversations about consistent annual state funding of \$35M to a “University of Alaska Major Maintenance and Modernization Fund”.

## Facilities and Major Renewals

- **UAF Seward Marine Center-Infrastructure and Shore Side Ship Support Facility Renewal & Replacement - \$18M:** UAF has submitted an \$85.3M proposal to the National Science Foundation (NSF) to support the construction of a new dock in Seward, to support continued operations of the R/V Sikuliaq. However, the grant does not include funding for the shoreside facility that must be completed alongside the dock. This \$18M request aims to execute the project simultaneously.
- **UAA Alaska Leaders Archives Consortium Library Renovation - \$2.5M:** The Alaska Leaders Archives will preserve and promote the legacy of public service and leadership in Alaska. The archives will hold the public records, papers, and artifacts of Alaska’s public leaders. Facility renovations to the existing library will create a modern archive, enhanced academic and conference space, and a public-facing museum.

Facility deferred maintenance and renewal has been the UA Board of Regents’ top capital priority for more than twenty years.

- **UAS Mariculture Program Expansion - \$4.1M:** The UAS Applied Fisheries Program has been expanding its mariculture offerings in response to the increasing demand for skilled technicians and farmers within this emerging industry. To facilitate the growth of the program, this project will purchase an existing fully equipped floating mariculture laboratory and then construct a floating strut frame moorage on the Sitka campus waterfront.

## Research Programs and Governor Priorities

- **UAF R1 Strategy - \$7.5M:** UAF achieving R1 research status is not just about growing research, it’s about growing Alaska. UAF will attract the nation’s top students and faculty and increase research revenue.
- **UAF ACUASI - \$14M :** UAF and its partners across UA are working to develop a drone economy in Alaska.
- **UAA Alaska Applied Innovations in Artificial Intelligence - \$6.5M:** This request will empower the university to ensure Alaska’s workforce is capable of capitalizing on the benefits of generative AI.
- **UAF AK Energy Transitions & Carbon Monitoring Research - \$10M:** This request helps the Alaska Center for Energy and Power to continue developing Alaska’s capacity to navigate the energy transition. This request also includes funding for ocean carbon monitoring and ocean acidification research conducted through the College of Fisheries and Ocean Sciences.
- **UAF Agriculture and Food Systems for Alaska’s Economic Sustainability - \$5M:** Alaska agricultural research will become more agile as the state faces increasing food security demands and the need for industrial growth to help all Alaskans live better lives.

