



UNIVERSITY
of ALASKA

Many Traditions One Alaska

Proposed
FY26 Operating Budget

Board of Regents
November 7-8, 2024

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<http://www.alaska.edu/swbudget/>

University of Alaska Proposed FY26 Operating Budget Request

Stable state support allows UA programs to continue to support Alaska businesses and industries, local communities, and state and national security. UA’s proposed FY26 operating budget includes an adjustment of \$35 million in state funds, for a total state appropriation of \$366 million.

UA makes high-quality, accessible, and affordable post-secondary education available across Alaska. Through its universities and community campuses, UA is seen as innovative and essential to education, research, workforce, and economic development for Alaska and leads the nation in advancing the U.S. role in the changing Arctic. UA contributes to building Alaska’s workforce by retaining students through completing their academic goals. UA’s FY26 program requests will address recruitment, retention, and graduation recommendations from the Education Advisory Board (EAB) report.

FY26 Operating Budget Summary (in millions of \$)

| | UGF | Designated/ Fed/Other | Duplicated Funds ⁽⁴⁾ | Total |
|------------------------------------------------------|----------------|------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|------------------|
| FY25 Base Operating Budget ⁽¹⁾ | \$331.1 | \$526.3 | \$62.3 | \$919.7 |
| FY26 Operating Budget Changes | | | | |
| Compensation ⁽²⁾ | 20.1 | 7.4 | | 27.5 |
| Cyber Security, Maintenance, Utilities & Auxiliaries | 4.0 | 17.0 | | 21.0 |
| Deferred Maintenance & Modernization Strategy | | | | |
| | | Legislation strategy for \$35 million annual state funding to a “University of Alaska Major Maintenance and Modernization Fund” | | |
| Programs Requests | 10.4 | 28.5 | | 38.9 |
| Budget Adjustments ⁽³⁾ | | 39.8 | 75.5 | 115.3 |
| FY26 Operating Budget Changes | \$34.5 | \$92.7 | \$75.5 | \$202.7 |
| Proposed FY26 Operating Budget | \$365.6 | \$619.0 | \$137.8 | \$1,122.4 |

1. Excludes \$9.9 million multi-year (FY23-FY26) research funding for economic development and workforce training programs; and \$12.5 million from the Higher Education Investment Fund (HEIF) and \$2.1 million in University Receipt Authority for UAF to achieve R1 status.

2. The UNAC (expires on 12/31/24) and UNAD (expires 6/30/25) contracts expire in FY25 and no increase has yet been negotiated for FY26. Once a tentative agreement has been reached with a union, a funding request will be made through the appropriate legislative process.

3. Mental Health (MHT) and Technical Vocational Education Program (TVEP) budget adjustments will be added once known. Statutory Designated Program Receipts (SDPR) are private grants and contracts from corporations, local governments, non-profit entities, and foundation endowment that are restricted or designated in purpose.

4. Duplicated Funds are used for internal charges of services provided by central service departments to other university departments.

Of the \$985 million total non-duplicated budget authority, \$589 million (63%) is from unrestricted sources. Including, \$366 million from state general funds and \$223 million expected to be generated from unrestricted revenue sources to support general university operations. In FY26, \$351 million is expected to be generated from and to support restricted or designated activities, thus UA is directed by the funding entity as to how the funds may be spent.

In FY26 UA expects a \$11 million increase in unrestricted earned revenue. Tuition and fee revenue are projected to increase slightly (\$9 million, ~8%) as enrollment increases. Other unrestricted earned revenue, such as interest income, some university receipts, and indirect cost recovery (generated from restricted funds) are expected to increase slightly (\$2 million, ~2%).

In FY26 UA expects a \$13 million increase in designated and restricted earned revenue. UA projects federal revenue to increase by \$7 million (~3%). Other designated/restricted earned revenue, such as auxiliaries and non-federal grants/contracts are expected to increase (\$6 million, ~5%).

University of Alaska
Proposed FY26 Operating Budget Request Summary
(in thousands of \$)

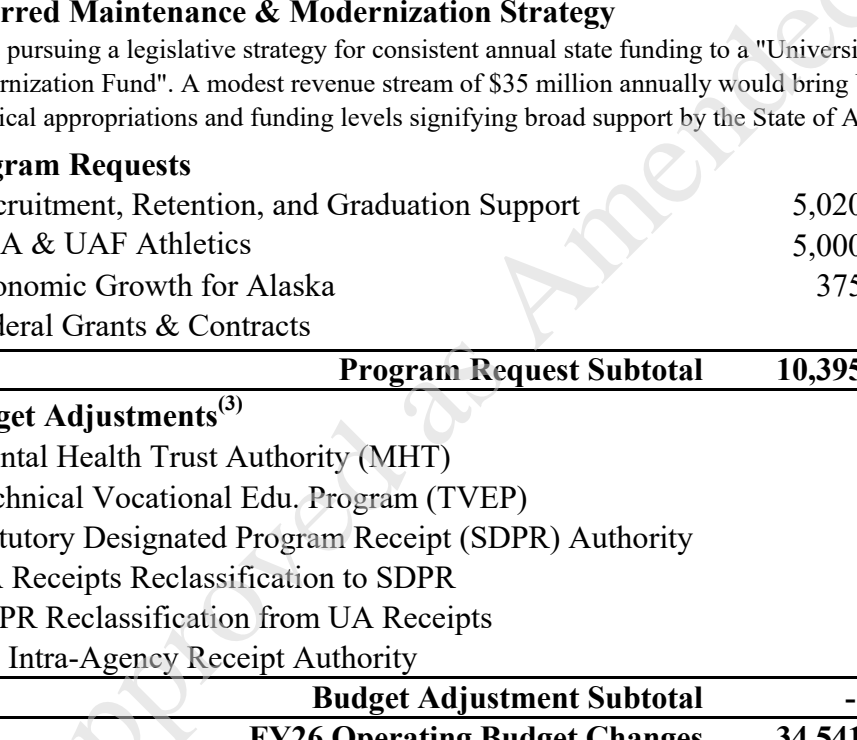
| | Unrestricted General Funds (UGF) | Designated, Federal and Other Funds | Total Funds |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|-------------------------------------------|--------------------|
| FY25 Operating Budget⁽¹⁾ | 331,104.7 | 588,629.1 | 919,733.8 |
| Adjusted Base Requirements | | | |
| Compensation Cost Increase | 20,121.1 | 7,361.7 | 27,482.8 |
| Salaries and Benefits ⁽²⁾ | 5,875.2 | 3,807.6 | 9,682.8 |
| Staff Benefits Under Recovery and Healthcare | 14,245.9 | 3,554.1 | 17,800.0 |
| Fixed Operating Cost Increases | 4,025.0 | 17,030.0 | 21,055.0 |
| Cyber Security & Information Technology | 825.0 | 1,830.0 | 2,655.0 |
| Facilities Maintenance and Break/Fix | 2,000.0 | 4,000.0 | 6,000.0 |
| Utilities | 1,200.0 | 1,200.0 | 2,400.0 |
| Auxiliary Operating Costs and Deficit Reduction | | 10,000.0 | 10,000.0 |
| Adjusted Base Requirements Subtotal | 24,146.1 | 24,391.7 | 48,537.8 |
| Deferred Maintenance & Modernization Strategy | | | |
| <p>UA is pursuing a legislative strategy for consistent annual state funding to a "University of Alaska Major Maintenance and Modernization Fund". A modest revenue stream of \$35 million annually would bring UA greater financial stability, with historical appropriations and funding levels signifying broad support by the State of Alaska.</p> | | | |
| Program Requests | | | |
| Recruitment, Retention, and Graduation Support | 5,020.0 | 4,900.0 | 9,920.0 |
| UAA & UAF Athletics | 5,000.0 | 3,000.0 | 8,000.0 |
| Economic Growth for Alaska | 375.0 | 600.0 | 975.0 |
| Federal Grants & Contracts | | 20,000.0 | 20,000.0 |
| Program Request Subtotal | 10,395.0 | 28,500.0 | 38,895.0 |
| Budget Adjustments⁽³⁾ | | | |
| Mental Health Trust Authority (MHT) | | TBD | - |
| Technical Vocational Edu. Program (TVEP) | | TBD | - |
| Statutory Designated Program Receipt (SDPR) Authority | | 39,760.0 | 39,760.0 |
| UA Receipts Reclassification to SDPR | | (28,600.0) | (28,600.0) |
| SDPR Reclassification from UA Receipts | | 28,600.0 | 28,600.0 |
| UA Intra-Agency Receipt Authority | | 75,500.0 | 75,500.0 |
| Budget Adjustment Subtotal | - | 115,260.0 | 115,260.0 |
| FY26 Operating Budget Changes | 34,541.1 | 168,151.7 | 202,692.8 |
| FY26 Operating Budget Total | 365,645.8 | 756,780.8 | 1,122,426.6 |

1. Excludes \$9.9 million multi-year (FY23-FY26) research funding for economic development and workforce training programs; and \$12.5 million from the Higher Education Investment Fund (HEIF) and \$2.1 million in University Receipt Authority for UAF to achieve R1 status.

2. The UNAC (expires on 12/31/24) and UNAD (expires 6/30/25) contracts expire in FY25 and no increase has yet been negotiated for FY26. Once a tentative agreement has been reached with a union, a funding request will be made through the appropriate legislative process.

3. Mental Health (MHT) and Technical Vocational Education Program (TVEP) budget adjustments will be added once known. Statutory Designated Program Receipts (SDPR) are private grants and contracts from corporations, local governments, non-profit entities, and foundation endowment that are restricted or designated in purpose.

Amended Placement



Compensation Cost Increase

(GF: \$20,121.1, NGF: \$7,361.7, Total: \$27,482.8)

In accordance with the University of Alaska's (UA) mission, UA is committed to providing a competitive total compensation package, including salary and benefits, that will attract, retain, and reward high-performing employees who share a passion for higher education. UA strives to make employee compensation performance-based, competitive to institutions with similar missions, and commensurate with the individual's level of responsibility.

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.

The UNAC (expires on 12/31/24) and UNAD (expires 6/30/25) contracts expire in FY25 and no increase has yet been negotiated for FY26. Once a tentative agreement has been reached with a union, a funding request will be made through the appropriate legislative process. If the collective bargaining agreement is subsequently not approved by the UA Board of Regents, the State Department of Administration, or is not ratified by the bargaining unit members, the funding request will be withdrawn.

In FY26, the university's medical (including dental and vision) plan is expecting an increase in premium costs (\$7M) and under-recovery in FY24 (\$10.8M). The FY26 budget includes a \$14.3 million (\$17.8M total) request to help offset the cost increases.

Cyber Security & Information Technology

(GF: \$825.0, NGF: \$1,830.0, Total: \$2,655.0)

UASO Centrally Managed Software

(GF: \$200.0, NGF: \$0.0, Total: \$200.0)

The Office of Information Technology (OIT) manages numerous administrative and academic computing contracts that benefit multiple departments across the UA system. These contracts cover hardware and software maintenance as well as site licensing. By managing contracts centrally, OIT is able to leverage cost savings and efficiencies by reducing administrative overhead and consolidating vendor services. Examples include Enterprise Resource Planning (Ellucian), Learning Management Systems (Blackboard and Canvas), Network Firewalls (Palo Alto), Email and storage (Microsoft, Google), Database platforms (Oracle), and several cybersecurity solutions. Annual increases to hardware and software maintenance contracts are typically 3-6% and in the last three years have increased at a faster rate. The projected increase in FY26 for all computing contracts administered by OIT is 5%, or \$200,000.

IT, Software Licensing, and Contractual Increases

(GF: \$500.0, NGF: \$500.0, Total: \$1,000.0)

Ongoing campus-wide software and contract licensing renewals ensure that students, faculty, staff, and researchers have full access to critical technologies. Personnel cost increases to recruit and retain IT professionals continue to grow. These requests cover projected renewal costs for software and contractual licensing tools, increase technology capacity across the system, and support employee recruitment and retention within this area.

UAA-IT and Software Licensing Increases

(GF: \$225.0, NGF: \$225.0, Total: \$450.0)

About \$1.5 million of spending is associated with centrally managed software licenses for the institution (an increase of 32% since FY20).

UAF Campus-Wide IT Contractual Increases

(GF: \$225.0, NGF: \$225.0, Total: \$450.0)

Spending on IT centralized campus-wide software is about \$553K for central computing.

UAS Campus-Wide IT Contractual Increases

(GF: \$50.0, NGF: \$50.0, Total: \$100.0)

Annual increases for hardware and software maintenance are typically 3-6% and in the last three years have increased at a faster rate. Current costs for cybersecurity, IT, and software licensing are \$508K.

UAA Classroom Equipment Deferred Maintenance (DM)

(GF: \$125.0, NGF: \$125.0, Total: \$250.0)

Costs for A/V equipment, post-COVID expectations, and the personnel to support this equipment, have increased dramatically in recent years. Spending varies from \$40K-\$200K in a given year and funding is from available salary savings.

UASO Security Request: Updating Firewall Hardware

(GF: \$0.0, NGF: \$500.0, Total: \$500.0)

Additional funding is required to address aging firewall hardware at each university; updating firewall hardware is crucial for maintaining robust network security. As threats evolve, older hardware may lack the processing power and features necessary to effectively counter new attack vectors, and this can lead to degraded performance and latency.

This is one-time funding from the Office of Information Technology (OIT) equipment reserve fund to update each university's firewall hardware.

UASO Cybersecurity Regulatory Compliance

(GF: \$0.0, NGF: \$130.0, Total: \$130.0)

Evolving regulatory compliance in the cybersecurity field has created the need for mandatory security awareness training. The diversity of our universities and our unique employment models dictate a need for a flexible platform for security awareness and data security training. Improving UA's vulnerability management program is also a strategic goal; supporting UA campuses in deploying an enterprise-wide patch-management system that can be tailored to multiple environments, including research, campus IT, and other organizations, is a top priority.

This is ongoing funding from the Office of Information Technology (OIT) equipment reserve fund to continually meet cybersecurity regulatory compliance needs across the system.

UASO Modernizing the Wide Area Network (WAN) Hardware Refresh and Broadband Connectivity

(GF: \$0.0, NGF: \$575.0, Total: \$575.0)

A substantial investment in modernizing the community campus wide area network (WAN) is essential to ensure UA's continued competitiveness and ability to deliver high-quality educational experiences. Our current network infrastructure at several community campus locations is obsolete, characterized by slow speeds and an inability to support the increasingly complex applications and data-intensive demands of contemporary education and research.

- One-time funding (\$175,000) from network fee revenue to refresh equipment necessary to deliver WAN services at Sitka, Ketchikan, Seward, and Kodiak.

University of Alaska
FY26 Operating Budget Request Descriptions (continued)

- Ongoing funding (\$150,000) from network fee revenue to address future hardware needs as other locations come due for refresh and replacement.

Broadband costs have been deferred for the last two years due to savings acquired as a result of negotiations with service providers having significant manufacturing delays in the supply chain to acquire the equipment necessary to deliver contractual services.

- Ongoing funding (\$250,000) from network fee revenue to address connectivity needs across the UA system.

**Facilities Maintenance and Break/Fix
(GF: \$2,000.0, NGF: \$4,000.0, Total: \$6,000.0)**

Facilities maintenance funding is necessary to preserve capital assets critical to UA's mission. Several years of reduced operating budgets and minimal capital funds have increased the ongoing risk and evidence of building failures.

UA dedicates a portion of its annual operating appropriation toward facility maintenance (\$29.6 million in FY25), with a long-term goal to reach a minimum of \$60.0 million. UA's ability to adequately fund annual facility maintenance projects is integral to reducing the risk of costly and disruptive facility failures and reducing the backlog of deferred maintenance projects.

State-funded appropriations for UA's deferred maintenance/renewal & repurposing (DM/R&R) activities are critical to address the maintenance needs of UA's aging facilities. Capital DM/R&R funding averaged \$31.0 million from FY07-FY15, but has dropped to an average of \$17.0 million in the last three years. This has put additional strain on UA's operating budget to fund preventative and current facility maintenance needs.

**Utilities Cost Increases
(GF: \$1,200.0, NGF: \$1,200.0, Total: \$2,400.0)**

UAA Utilities

(GF: \$275.0, NGF: \$275.0, Total: \$550.0)

Chugach Electric filed a rate case to harmonize rates between the legacy Chugach and ML&P service areas, as well as address revenue shortfalls. Based on the proposed permanent rate increase, UAA expects electrical costs to increase by as much as 12% once the rates are approved.

UAF Utilities (Troth Yeddha'/CRCD)

(GF: \$925.0, NGF: \$925.0, Total: \$1,850.0)

This request covers projected \$1.3 million in FY26 utilities cost increases (electrical, fuel, water, and sewer) at the Troth Yeddha' Fairbanks campus and rural community campuses. Commodity costs for utility inputs have all increased, impacting the rates. This request also covers projected custodial cost increases of \$550,000. These are critical services that ensure a safe and clean campus environment for students, faculty and staff.

**Auxiliary Operating Costs and Deficit Reduction
(GF: \$0.0, NGF: \$10,000.0, Total: \$10,000.0)**

Auxiliary funds are unrestricted current funds of enterprises that furnish services directly or indirectly to students, faculty, or staff and which charge fees directly relating to, but not necessarily equal to, the costs of the services. Bookstores and housing systems are examples of enterprises that generally meet the accounting criteria for classification as auxiliary services.

Additional revenue generated by auxiliary services will be directed to cover current operating costs and reduce any prior deficit.

Statutory Designated Program Receipt Authority
(GF: \$0.0, NGF: \$39,760.0, Total: \$39,760.0)

Statutory Designated Program Receipts (SDPR) are received by UA from a non-federal third party. UA must spend the funds as agreed upon by the gift, grant, or contract.

Previously, earned revenue from corporations, local governments, non-profit entities, and foundation endowment were classified as University Receipts. This activity (estimated \$68.4 million in FY26) has historically been reported using UA Receipt authority, but would more appropriately be considered SDPR.

UA can reclassify \$28.6 million of current University Receipts and requests an increase of \$39.8 million of Statutory Designated Program Receipts.

UA Intra-Agency Receipt Authority
(GF: \$0.0, NGF: \$75,500.0, Total: \$75,500.0)

UA Intra-Agency Receipts are funds used for internal charges of services provided by central service departments to other university departments. This includes services such as physical plant work orders, printing and computer repairs, and certain administrative functions such as risk management and labor relations.

System Office allocation (\$15.5 million)

Human Resources shared services (\$8.4 million) – increased expenses to the universities due to an increase in labor and operating costs – contractual services with an increase in automation contracts required to remain compliant with state and federal regulations. There will be a “true-up” in FY26 for FY24 expenses, which may increase the universities’ responsibility for covering the full shared services cost.

Procurement shared services (\$4.8 million) – increased expenses to the universities due to an increase in labor costs and more spending activity at the university level.

Risk shared services (\$2.3 million) – increased expenses to the universities due to a year-over-year increase in insurance expenses and Work Compensation claims.

Fairbanks Campus allocation (\$60.0 million)

UAF R/V Sikuliaq, which became fully operational in FY16, records \$20.0 million in intra-agency receipt revenue annually.

In FY17, UA changed the accounting process for recording UA matching funds. This resulted in a significant improvement of accounting efficiency for this funding group; \$9.0 million in additional authority is needed to record activity for UA matching funds.

In FY20, the process used for utility recharge operations was converted to use standard intra-agency transfer (IAT) receipts which resulted in an increase of approximately \$3.0 million in IAT activity.

Cost and volume of recharge activity increase annually, resulting in the need for at least \$8.0 million in additional authority over historical levels.

University of Alaska
FY26 Program Proposals Summary
(in thousands of \$)

| | Unrestr'd General Funds (UGF) | Designated, Federal & Other Funds | Total Funds |
|-------------------------------------------------------------|------------------------------------------|--------------------------------------------------|------------------------|
| Recruitment, Retention, and Graduation Support* | 5,020.0 | 4,900.0 | 9,920.0 |
| Marketing, Recruitment, Scholarships | 1,890.0 | 2,850.0 | 4,740.0 |
| UAA | 1,100.0 | 1,900.0 | 3,000.0 |
| UAF | 600.0 | 750.0 | 1,350.0 |
| UAS | 190.0 | 200.0 | 390.0 |
| Advising and Enrollment Management | 1,355.0 | 850.0 | 2,205.0 |
| UAA | 330.0 | 450.0 | 780.0 |
| UAF | 600.0 | 300.0 | 900.0 |
| UAS | 125.0 | 100.0 | 225.0 |
| UASO | 300.0 | | 300.0 |
| Student Enrollment Services | 1,000.0 | 1,100.0 | 2,100.0 |
| UAA | 600.0 | 500.0 | 1,100.0 |
| UAF | 400.0 | 600.0 | 1,000.0 |
| High Demand Program Expansion and Technology Enhancement | 325.0 | 100.0 | 425.0 |
| UAF | 325.0 | 100.0 | 425.0 |
| Campus Safety | 450.0 | - | 450.0 |
| UAF | 200.0 | | 200.0 |
| UAS | 250.0 | | 250.0 |
| Athletics | 5,000.0 | 3,000.0 | 8,000.0 |
| UAA | 2,500.0 | 2,000.0 | 4,500.0 |
| UAF | 2,500.0 | 1,000.0 | 3,500.0 |
| Economic Growth for Alaska | 375.0 | 600.0 | 975.0 |
| UAF | 375.0 | 600.0 | 975.0 |
| Federal Grants & Contracts | - | 20,000.0 | 20,000.0 |
| UAA | | 2,800.0 | 2,800.0 |
| UAF | | 16,000.0 | 16,000.0 |
| UAS | | 1,200.0 | 1,200.0 |
| Program Request Total | 10,395.0 | 28,500.0 | 38,895.0 |

*University FY26 priorities subject to modification post Education Advisory Board (EAB) report.

Recruitment, Retention, and Graduation Support
(GF: \$5,020.0, NGF: \$4,900.0, Total: \$9,920.0; 26 FTE)

Marketing, Recruitment, Scholarships
(GF: \$1,890.0, NGF: \$2,850.0, Total: \$4,740.0; 6 FTE)

UAA Recruit Alaska's Students: Bolstering Student Aid and Outreach Programs
(GF: \$600.0, NGF: \$1,200.0, Total: \$1,800.0; 0 FTE)

As Alaska's largest workforce provider, UAA strives to be an institution of first choice for Alaska's students. This request adds capacity consistent with UAA's strategic enrollment management (SEM) plan by funding programs proven to have high ROI. This request supports the SEM plan with services from Motimatic and increased funding for the Seawolf Start and Seawolf Persist scholarships.

ROI: UAA has utilized Motimatic's services to re-enroll stopped-out students, as well as recruit new students. This request is critical to achieving the Board's enrollment goals. Motimatic is a "pay for success" program, where they are effectively compensated on a finders-fee basis. This program enables existing recruitment staff to focus their effort on other recruitment target segments. The Seawolf Start and Seawolf Persist scholarships are institutional aid programs meant to incentivize recruitment and retention. Seawolf Start is a \$500 one-time scholarship for incoming, first-time freshmen. Seawolf Persist is a \$1,000/semester scholarship for the recipients of the Seawolf Start and is meant to encourage retention. Both programs have demonstrated success in attracting and retaining students.

UAA Recruitment, Strategic Enrollment Marketing & Communications
(GF: \$500.0, NGF: \$700.0, Total: \$1,200.0; 0 FTE)

As Alaska's largest workforce provider, UAA strives to be an institution of first choice for Alaska's students. This request supports UAA's strategic enrollment management (SEM) plan by bolstering contracted recruitment marketing efforts.

ROI: UAA's current base level of direct advertising for recruitment is \$250,000, far less than the Board of Regents' consultant opined was necessary to be competitive. To achieve the Board's enrollment goals, UAA needs additional funding focused on marketing contracts. These contracts will include both in-state and out-of-state efforts. Existing marketing funds have been leveraged to great success to attract new students to UAA. Additional funds will enhance this success and grow UAA's earned revenue.

UAF Recruitment, Strategic Enrollment Marketing & Communications: Pursuing Lower 48 & International Student Markets

(GF: \$600.0, NGF: \$750.0, Total: \$1,350.0; 4 FTE)

Efforts to grow UAF's enrollment funnel (student inquiries) have been hugely successful with over 100 percent growth (an additional 2,000 applications) in the past year. This success has surpassed our human recruitment capacity. As a result, investing in dedicated recruiters for international, corporate, and Colorado markets is essential to capitalize on our successes in growing the number of enrolled students. A specialized recruiter for each area will allow UAF to build strong relationships with prospective students and corporate partners, tap into key markets, and tailor recruitment strategies to meet the unique needs of these diverse populations. This

focused approach will enhance UAF's ability to attract top talent, create new pipelines for student enrollment, and ultimately contribute to the university's growth and success.

This investment in marketing and outreach for international and contiguous U.S. student markets is crucial to enhance UAF enrollments. As the university is facing increased competition for a shrinking pool of prospective students, both domestically and globally, targeted and robust marketing initiatives are essential to attract a diverse and talented student body. UAF will deploy data-driven marketing campaigns, expand UAF's digital presence, and engage with prospective students through personalized outreach strategies.

ROI: Recruiters typically have at least 200 percent ROI, at minimum. This equates to about 35-40 students per recruiter and will be focused in strategic areas to increase enrollment in key markets.

Investment in student marketing and outreach has repeatedly shown a 5-7x return over time. Early results indicate UAF recruited about 100 additional first-year students. This is equivalent to an additional \$500,000 in annual net revenue. For this investment, UAF projects an additional 100 students initially; growing to 250-300 by FY27.

UAS Recruitment Support (Juneau, Ketchikan, Sitka): Boosting Recruitment of and Outreach to Out-Of-State Students

(GF: \$190.0, NGF: \$200.0, Total: \$390.0; 2 FTE)

Funding is requested to bolster the outreach efforts that UAS has initiated to meet its strategic enrollment goals. This request would fund two positions that are specifically focused on boosting out-of-state recruitment for all three UAS campuses. Currently, UAS has two in-state recruiters (2.0 FTE) but additional recruiters to draw students from targeted areas in the contiguous U.S. are needed to meet overall enrollment targets.

ROI: UAS expects that two additional FTEs will serve to increase tuition-based revenue through increased rates of out-of-state student recruitment. Paired with retention efforts and internal investment in admissions outreach/marketing, having two additional recruiters will enable UAS to meet goals to increase yearly student headcount more effectively. If the goal to increase total recruitment (in and out-of-state) by 5 percent by FY27 is met, and at least 1 percent of those students were from out of state, a total revenue of \$1.4 million could be realized (based on \$652,800 from 34 out-of-state students at \$800/credit for 24 credits plus \$775,008 from 138 in-state students taking 24 credits per year at \$234/credit).

Advising and Enrollment Management

(GF: \$1,355.0, NGF: \$850.0, Total: \$2,205.0; 5 FTE)

UAA Improving the Retention Alaska's Students

(GF: \$330.0, NGF: \$450.0, Total: \$780.0; 3 FTE)

As Alaska's largest workforce provider, UAA strives to be an institution of first-choice for Alaska's students. This request supports UAA's SEM plan by adding two academic advisors to handle increased student caseload. This addition is critical to improving UAA's retention efforts.

ROI: In the last few years changes to standardize the academic advising experience for all students, among other changes, has led to the highest retention rate in the last nine years. As

recruitment efforts succeed in attracting new students to UAA, it creates a need for more academic advisors. This request is critical to retaining even more students and increasing graduation rates. In addition to retention, advising support is key to keeping students on track and improving UAA's time to award.

UAF Retention and Graduation Rate Improvements

(GF: \$600.0, NGF: \$300.0, Total: \$900.0; 2 FTE)

UAF's Strategic Enrollment Planning efforts have posted year-on-year enrollment successes and need further support to maintain growth momentum. In the year ahead, UAF will focus on closing the gaps in the student success cycle, especially focused on student retention and degree completion initiatives. These efforts require retention data collection and analysis and the systematization of a predictive student retention model for rapid and dynamic interventions in line with national best practices for open enrollment state institutions. This investment will support successful degree completion for Alaskans who have some college experience but have not yet attained a degree.

Comprehensive advising is an intentional, research informed, and data-driven high impact practice in higher education. UAF has demonstrated that Student Support Services have a statistically significant impact on the persistence and graduation rates of students from traditionally underrepresented or under-resourced backgrounds. Comprehensive advisors not only help to close equity gaps that exist, which aid in meeting mission fulfillment indicators for accreditation, they nearly pay for themselves twice over within one academic year.

UAF Career Services, first year advising, and digital literacy tools make up additional key components of this request. Career Services currently has a ratio of 7,425 students to one advisor, far above the national average of 2,900 students per staff member. A second career advisor would double capacity, alleviate advisor overload, and support UAF's accreditation goal to prepare students for the workforce by connecting students to employment and internship opportunities. Additionally, with the implementation of the federal Gainful Employment Regulations in July 2024, Career Services will play an increasingly vital role in liaising with departments and connecting students to internship and job opportunities. As UAF expands efforts to increase enrollment, the first-year advising office must grow its capacity to onboard, advise, and register students. Literacy tools embedded within Disability Support Services needed to address ADA requirements are also part of a successful experience.

ROI: Investment in this initiative will increase retention, student success, and graduation rates resulting in more than 150 students retained to graduation, providing commensurate tuition and fee revenue estimated at roughly \$750,000 in additional annual net revenue by FY27. This next-generation enrollment strategy strengthens the enrollment cycle, and incorporates new regulatory requirements, thus maximizing the value of existing investments in marketing, recruitment, scholarships, and program modernization.

UAF's data from AY2021/2022 shows a 25.9 percent difference in persistence for students who attended an advising appointment. ROI includes compliance with ADA digital access requirements, providing access to all students, staff and faculty ensures accessibility of UA websites, documents, and information posted online.

**UAS Fueling Dual Enrollment and Matriculation to UAS (Juneau, Ketchikan, and Sitka):
Dual Enrollment Coordinator**

(GF: \$125.0, NGF: \$100.0, Total: \$225.0; 0 FTE)

Funding is requested to bolster the outreach efforts that UAS has initiated to meet its enrollment targets. A crucial element of this approach is the Dual Enrollment Program, which allows students to earn college credit while still attending high school. While this position currently exists, a permanent funding source has not been established for it and is subject to yearly re-allocations if the funds are available.

The Dual Enrollment Coordinator plays a pivotal role in managing and expanding participation in the program. Based in Juneau but liaising with Sitka and Ketchikan staff, this position is responsible for engaging with and meeting the needs of high school students, their families, school counselors, and school administrators to facilitate seamless enrollment into UAS, provide logistical support, and ensure positive and enriching educational experiences. The position is also responsible for complying with internal policies and administrative procedures to fulfill objectives and completing outreach plans for targeted schools and student populations. UAS' aim is to give high school students the direct support and information they need to enroll in dual enrollment while in high school and then consider matriculating to UAS after graduation.

ROI: UAS expects that this position will ultimately increase tuition-based revenue through increased rates of student matriculation to UAS, ultimately leading to an increased number of graduates entering the Alaskan workforce. In FY24, 686 UAS students (unduplicated headcount) were dual-enrollment students. Historically, our data shows that approximately 20 percent of these students will eventually become degree-seeking students at UAS. With a dedicated Dual Enrollment Coordinator working closely with our Admissions recruiters and our staff in Sitka and Ketchikan, our goal is to increase this conversion rate to 33 percent by FY27. This would result in estimated additional revenue of \$499,824 per year upon matriculation to UAS (based on an additional 89 students taking 24 credits per academic year at the lower division rate of \$234 per credit).

UASO Education Advisory Board Recruitment, Retention, and Graduation Initiatives

(GF: \$300.0, NGF: \$0.0, Total: \$300.0; 0 FTE)

The funding is requested for the implementation of recruitment, retention, and graduation recommendations from the Education Advisory Board (EAB). This would support system-wide approaches for student success and allow the Board of Regents to invest in high-impact recommendations at the system level. This could include contractual services with EAB or other consultants, marketing, system-wide surveys, etc.

Student Enrollment Services

(GF: \$1,000.0, NGF: \$1,100.0, Total: \$2,100.0; 9 FTE)

UAA Enrollment Team Support

(GF: \$600.0, NGF: \$500.0, Total: \$1,100.0; FTE: 5)

UAA's strategic enrollment management (SEM) planning efforts have been bearing fruit these past two years and require additional funding to maintain momentum. With existing momentum and added advertising dollars, additional personnel is needed to effectively decrease the time from first contact to enrollment, including communications and outreach personnel. This request supports UAA's SEM plan by adding Enrollment Services personnel, such as the enrollment

FY26 Operating Budget Program Requests (continued)

communications team - a central team that supports all colleges, Mobile Go operations - a new effort to ensure UAA's recruitment team is present at community events all across the region, and financial aid personnel.

ROI: To achieve the Board's enrollment goals UAA needs additional support for the teams within its Enrollment Services division. This support ensures the necessary staff are in place to leverage the marketing efforts of the other requests and handle the increased workload of several hundred more students per year.

UAF Efficient International Student Processing, Graduate School & Financial Aid Support (GF: \$400.0, NGF: \$600.0, Total: \$1,000.0; 4 FTE)

This initiative will increase UAF graduate enrollment and retention, especially at the PhD level, and implement graduate admissions processing improvements to strengthen the graduate and international student pipeline. This initiative also supports an additional Financial Aid advisor to ensure compliance with federal and state rules for student loan and scholarship payments. A comprehensive financial plan is a key component of a student's decision to attend UAF. The funding will allow the graduate school to increase graduate student admissions, retention, graduation, and provide financial and other support services for graduate student success. International Student and Scholar Services (ISSS) needs to accommodate the additional workload for processing visas and immigration paperwork for an increased number of incoming students. This investment will allow ISSS to provide support to units that are enrolling more international students and hiring more international employees.

ROI: Improving graduate admissions, including international student processing, will contribute to an estimated 10-20 percent increase in graduate enrollment and retention. This will enhance global recognition for UAF's high research productivity, attract globally competitive faculty, staff and students, and increase student enrollment. Return on investment estimates are based on 40 additional graduate students at roughly \$15,000 per year, per student in average net revenue for graduate students and revenues from related student life expenses.

High Demand Program Expansion and Technology Enhancement (GF: \$325.0, NGF: \$100.0, Total: \$425.0; 3 FTE)

UAF Technology Capacity to Improve Student Experience

(GF: \$150.0, NGF: \$0.0, Total: \$150.0; 1 FTE)

An investment in Nanook Technology Services (NTS) will stabilize staffing levels to effectively provide technology support and increase the capacity and efficiency of the Systems Engineering and Technology Support Services teams. It will enable the shift from reactive to proactive technology capability management and enable the development of innovative solutions to minimize process pain points that detract from the overall student experience including in the enrollment process.

ROI: Technology service enhancements create efficiencies for students, improving response times and reducing barriers to entry.

UAF Year-to-Career Workforce Expansion: CTC Licensed Practitioner Nurse and Fire Sciences

(GF: \$175.0, NGF: \$100.0, Total: \$275.0; 2 FTE)

UAF is responding to Alaska's high-demand workforce needs in healthcare programs and fire sciences.

A Health Programs Coordinator/Licensed Practitioner Nurse (LPN) Faculty will coordinate across health program areas and support program growth and development, engage with business and industry, implement practices that avoid duplication of efforts, and provide high level and effective stewardship of resources. The role will support LPN Accreditation Commission for Education in Nursing (ACEN) accreditation, teach in the LPN program, and work to ensure adequate clinical experiences across programs.

A similar investment in the Fire Science program leadership will expand capacity to teach including customized annual training programs and wildland fire. The Fire Science program features specialized certifications that can be used stand alone for employment, professional development, and are a part of the AAS Fire Science degree. These credits also articulate into the Bachelor of Security and Emergency Management (BSEM) and the Bachelor of Applied Management (BAM) degrees at the College of Business and Security Management (CBSM).

ROI: Investing in UAF's workforce expansion programs will yield a substantial return by addressing critical workforce shortages in Alaska. Graduates will fill high-demand positions, contributing to a stronger Alaska economy while enhancing essential services for residents across the state. This investment will support both expansion of existing capacity and program start-up, and it will increase the enrollment capacity at UAF by approximately 35-42 students per year. Because programs can be completed in less than one year, and in some cases a few months, this investment should provide a much needed pipeline of talent for the Alaska workforce almost immediately.

Campus Safety

(GF: \$450.0, NGF: \$0.0, Total: \$450.0; 3 FTE)

UAF Improving Public Safety & Campus Physical Security

(GF: \$200.0, NGF: \$0.0, Total: \$200.0; 2 FTE)

This request supports safety and emergency preparedness for the Troth Yeddha' campus and UAF's rural campuses for students, staff and faculty in addition to assuring UAF maintains compliance with state and federal regulatory obligations. This request supports the University Police and Fire Departments, including support for proactive fire safety inspections and safety reporting, and adds emergency response staffing capacity in UAF dispatch (the Emergency Communication Center), which coordinates daily and after hours communication to UAF 24/7. The Emergency Communication Center is the information conduit for Police, EMS, Fire, Residence Life, Facility Services, Shuttle Services, emergency alerts, and leadership notifications for any safety or emergency incident at UAF, and ensures student and employee safety is paramount.

ROI: This request assures that UAF maintains compliance with state and federal regulatory obligations and reduces institutional risk in several areas, such as emergency incidents and response, and permits additional proactive management of fire or other safety risks. Incidents

could include violent intruder, active shooter, fire/explosion, hazardous material events, medical emergencies, building or campus evacuations, lockdowns, winter safety, natural disasters, criminal activity, etc. Expanding safety and dispatch capacity increases UAF's ability to successfully respond and avoid worst-case risk scenarios with life or property. Federal Clery Act compliance and reporting requirements continue to grow and increase in complexity, as such, expanded capacity in these critical safety areas will reduce risks of non-compliance and improve the physical safety presence on the Troth Yedtha' campus.

UAS Increasing Retention of Students and Employees by Improving Campus Safety and Physical Security Measures (Juneau, Ketchikan, Sitka)

(GF: \$250.0, NGF: \$0.0, Total: \$250.0; 1 FTE)

The safety of students and employees is paramount to the success of an institution and is an important key to retention. Over the past year, students and employees have raised safety concerns to campus leadership, especially with respect to Title IX issues. In concert with their demands for Title IX reform, students specifically requested that general campus safety be increased with additional cameras and the presence of a safety officer to aid in addressing security concerns more quickly and efficiently. Hence, UAS is requesting the following:

- **UAS Campus Safety Officer, Juneau campus** (GF: \$150.0, NGF: \$0.0, Total: \$150.0; 1 FTE)
- **UAS Campus Physical Security, Juneau campus** (GF: \$100.0, NGF: \$0.0, Total: \$100.0; 0 FTE)

The Campus Safety Officer is responsible for the security and safety of the campus community, buildings, and equipment. The position enforces university policies and applicable local, state, and federal laws. Other duties include monitoring and controlling security cameras and facilitating communication with local law enforcement, fire, and EMS. While the safety officer would reside in the Juneau area, the position would liaise with the leadership of the Ketchikan and Sitka campuses to aid in their safety planning and implementation efforts as well.

Funding is also requested for physical security at the UAS Juneau campus. This funding would cover the costs associated with the operation and maintenance of security cameras, building access systems, and emergency phone kiosks/pillars. As UAS does not currently have permanent security/safety staff, these types of physical security equipment become force multipliers for existing personnel who are involved in addressing safety concerns.

ROI: UAS' campuses have experienced an increase in property crimes and crisis response calls since the end of the pandemic, particularly within the last year. Adding the Campus Safety Officer and physical safety measures will reduce future losses due to thefts and damage, as well as improve the overall safety of the campus which will have a direct, positive impact on retention of students and employees. Retaining even 5 percent of our students due to these efforts will result in saved revenue of \$966,000 per year (based on 172 students taking 24 credits per academic year at the lower division rate of \$234 per credit).

Athletics

(GF: \$5,000.0, NGF: \$3,000.0, Total: \$8,000.0; 0 FTE)

UAA Strengthen the Foundation of Seawolf Athletics

(GF: \$2,500.0, NGF: \$2,000.0, Total: \$4,500.0)

After the proposed elimination of Hockey, Gymnastics, and Ski teams in 2020, the community demonstrated loud and clear the importance of Seawolf Athletics and committed to ensuring the long-term success of these sports and the program as a whole. This request ensures the integrity of Athletics' foundation, including its 13 sports, and supports the three pillars of excellence that UAA's student athletics represent: academic success, community service, and athletic achievements. In FY24 alone this included: a 3.53 average GPA (all 13 teams above a 3.0, over 2,300 hours of community service from our student-athletes, and several individual and team conference championships).

Athletics brings the community to UAA evidenced by breaking the NCAA's Division 2 volleyball attendance record with 3,888 fans packing the Alaska Airlines Center in 2023, and hosting 2,500 Anchorage 5th graders for a men's basketball game. At the event with the 5th graders showcase, Seawolf Athletics serves as a key element to UAA's enrollment strategy. Attending an athletic game is often the first time an Alaskan child comes to a UAA campus. This funding will pair with efforts to increase earned revenue for Athletics through increased ticket sales, as well as improved sponsorship and philanthropic giving - with the goal of ensuring Seawolf Athletics remains a strong partnership between the state, university, and the public.

ROI: UAA recognizes state funding cannot bear the full weight of Seawolf Athletics. Efforts are underway to increase the levels of earned revenue through ticket sales, sponsorships through corporate giving, and individual philanthropic donations. Strengthening the foundation of the program is needed to fully actualize these efforts. Indirect and macro-scale benefits to the university include: increased public participation in athletics events, improving the public support for the university, and increased future enrollment by building a culture where Anchorage's kids grow up attending games at the campus.

UAF Increasing Alaska's Competitiveness – Nanook Athletics & Division I Hockey

(GF: \$2,500.0, NGF: \$1,000.0, Total: \$3,500.0)

UAF Athletics, specifically Division I (DI) Hockey, can achieve national ranking and strengthen Alaska's competitiveness. Investments in the Athletics baseline ensure growth, community support, and fan engagement to generate new revenues, increase equity-based scholarships for all student athletes, and promote student engagement and enrollment strategies.

A robust athletics program contributes to student life, retention and degree completion, community service and support, and promotes the UAF brand, academic offerings and university achievements in and outside of Alaska. This request is linked with a UAA request for Seawolf Athletics, as exciting in-state competition is critical to the success and growth of both programs.

ROI: A robust athletics program contributes to student life, student retention and degree completion, community service and support, and engagement and outreach in ways that promote the UAF brand, academic program offerings, and university achievements making for a stronger university. UAF recognizes state funding supports a portion of Nanook Athletics, and earned revenues will continue to be an important part of the program. Strengthening the foundation of the program is needed to fully actualize these efforts and maintain nationally competitive performance.

Economic Growth for Alaska

(GF: \$375.0, NGF: \$600.0, Total: \$975.0; 2 FTE)

UAF Ensuring Alaska's Resilience through Food Security

(GF: \$200.0, NGF: \$600.0, Total: \$800.0; 1 FTE)

This initiative will serve as a workforce development pipeline, strengthening the Alaska food system to improve the lives of many Alaskans. To ensure Alaska's resilience through food security, the Institute of Agriculture, Natural Resources, and Extension (IANRE) will create a Waste Stream Value-Added Recycling program. The program will bridge producers and industry to find opportunities for local-use products developed by diverting the waste stream from landfills into potential soil amendments and other entrepreneurial products. To ensure Alaska's resilience through community and rural development, IANRE will create an associated Community Rural Development and Engagement program to promote economic well-being and quality of life in Alaska communities.

ROI: The expected ROI is 300 percent or roughly \$600,000 from restricted funding sources. Researchers will participate in at least one capacity project associated with the land grant, such as Hatch Regular Research or Multistate, that is included in the projected restricted receipt figures.

UAF Research Field Safety and Regulatory Oversight

(GF: \$175.0, NGF: \$0.0, Total: \$175.0; 1 FTE)

Field research is at the core of UAF's identity as America's Arctic Research university. Faculty, students, and staff work in remote field sites and communities throughout the year from the Arctic to Antarctica. They are exposed to unique and extreme physical risks, often do not have rapid access to emergency services, and must navigate diversity and equity issues in challenging situations without the support mechanisms offered on campuses. This variability exposes some groups to increased risk and the university to reputational harm and potential financial loss by increasing the chance and severity of an incident. It is imperative for UAF to strengthen its proactive stance in addressing these issues to mitigate potential risks.

Dimensions Research Security is a sophisticated software-as-a-service solution that caters to the needs of Research Security Programs. This powerful platform draws on the world's largest global research information database to provide an easy-to-use visual application that ensures regulatory compliance. With the ability to assess and prioritize potential risk factors quickly, UAF can make informed decisions in a timely fashion.

ROI: Improving protections and UAF's response to regulatory changes helps mitigate existing and future research enterprise by reducing the chance or severity of an incident and associated costs (e.g. search and rescue or evacuation, injury or death, damage or loss of equipment, fines and litigation, reputational harm). It will reduce the administrative burden on field researchers by helping them efficiently and successfully navigate the many components of field research safety and compliance. In addition, the software informs UAF's research security program by helping identify potential research risks, verify disclosures and potential conflicts of interest, and review research networks. This investment will mitigate risk, protect UAF's current \$125 million Department of Defense (DoD) contract, and lower our risk rating with DoD on new projects worth \$150 million in development.

UA Federal Grants and Contracts

(GF: \$0.0, NGF: \$20,000.0, Total: \$20,000.0; 0 FTE)

The FY25 federal appropriations bills contain initial funding for nine earmark requests that amount to \$6 million for the University of Alaska. Along with an additional \$48 million from nine plus ups (an estimated 1/3 would flow through the UA system).

FY26 Operating Budget Program Requests (continued)

- UAA: Five earmarks for \$2.8 million
- UAF: One earmark for \$1.9 million and a portion of the nine plus ups
- UAS: Three earmarks for \$1.2 million

It is anticipated that Congress will pass all of the appropriation bills, following the election, by the end of the calendar year.

Approved as Amended 11/08/24

University of Alaska
FY26 Operating Budget Request Summary by MAU
(in thousands of \$)

| | Unrestricted General Funds (UGF) | Designated, Federal and Other Funds | Total Funds |
|--------------------------------------------|-------------------------------------------------|----------------------------------------------------|------------------------|
| Adjusted Base Requirements | | | |
| Compensation | 20,121.1 | 7,361.7 | 27,482.8 |
| UAA | 6,662.0 | 2,399.4 | 9,061.4 |
| UAF | 10,258.9 | 4,556.7 | 14,815.6 |
| UAS | 1,517.3 | 204.5 | 1,721.8 |
| UASO/EE | 1,682.9 | 201.1 | 1,884.0 |
| Fixed Operating Cost Increases | 4,025.0 | 17,030.0 | 21,055.0 |
| UAA | 1,214.6 | 4,805.3 | 6,019.9 |
| UAF | 2,391.4 | 10,635.3 | 13,026.7 |
| UAS | 214.4 | 379.2 | 593.6 |
| UASO/EE | 204.6 | 1,210.2 | 1,414.8 |
| Adjusted Base Requirements Subtotal | 24,146.1 | 24,391.7 | 48,537.8 |
| Program Requests | | | |
| UAA | 4,530.0 | 7,650.0 | 12,180.0 |
| UAF | 5,000.0 | 19,350.0 | 24,350.0 |
| UAS | 565.0 | 1,500.0 | 2,065.0 |
| UASO/EE | 300.0 | | 300.0 |
| Program Requests Subtotal | 10,395.0 | 28,500.0 | 38,895.0 |
| FY26 Operating Budget Changes | 34,541.1 | 52,891.7 | 87,432.8 |