



UNIVERSITY  
*of* ALASKA

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*Many Traditions One Alaska*

## **Fiscal Highlights**

**For Fiscal Year 2012**

**BOARD OF REGENTS**  
**FRIDAY, DECEMBER 7, 2012**

**ANNUAL FINANCIAL REPORT**  
**FOR FISCAL YEAR 2012**

Presented by:

**Dr. Ashok Roy**

Vice President for Finance & Administration/CFO

and

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**Myron Dosch, CPA**

Controller

# FISCAL 2012 MARKED A YEAR OF GOOD PROGRESS, STABILITY & STRENGTH FOR THE UNIVERSITY OF ALASKA

- State support very robust – 46 % of revenues.
- Net asset growth robust – 13.7% (FY11 to F12).
- Debt levels modest (annual debt service 2.5% of unrestricted revenues – Board policy permits up to 5%).
- Total operating expenses grew only 3% growth (FY11 to FY12).
- Rating agency *Morningstar* awarded a “Gold” rating to the T. Rowe Price College Savings Plan. This makes us in the top 4 College Savings Plans in the country.

# STABILITY & STRENGTH

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- Operating funds were invested (126 M) prudently for necessary liquidity, maximum security, reasonable returns.
- Received unqualified opinion, the most favorable outcome of the audit process, from our External Auditors (KPMG, LLP).
- We are pleased to report that the University of Alaska arcs towards progress and growth, driving transformation across Alaska and the continents.



# LOOKING AHEAD

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- As we exit FY12, UA remains a strong, healthy, market-leading provider of higher education.
- We are entering Fiscal 2013 with an exciting list of transformation projects to implement throughout the year.
- Several key challenges to higher education, in the national and global ecosystem, are expected in the years to come.

# UNIVERSITY OF ALASKA

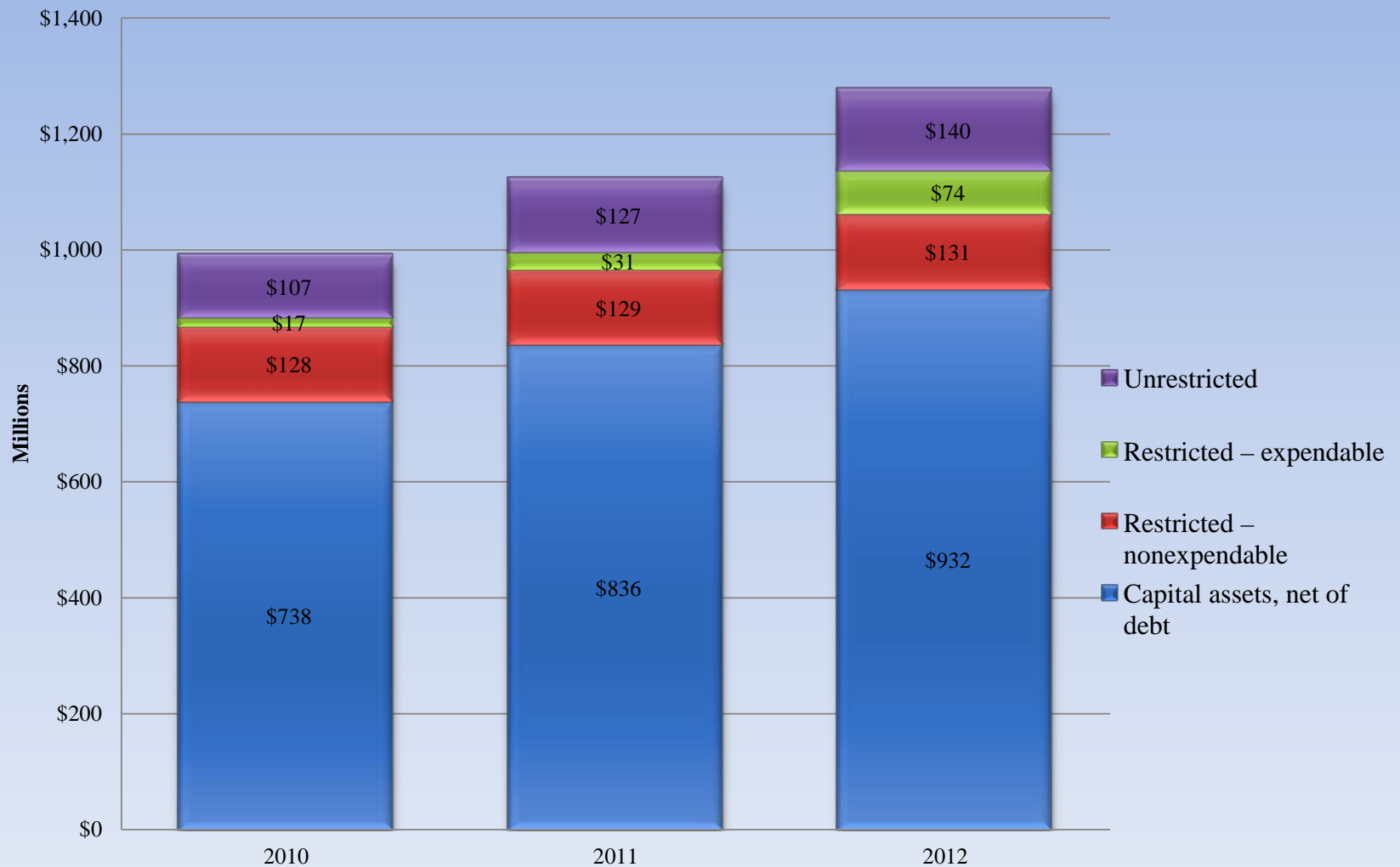
## CONDENSED STATEMENTS OF NET ASSETS

	2012	2011
<b>Assets:</b>		
Current Assets	\$ 157,492	\$ 166,984
Other noncurrent assets	296,779	238,581
Capital assets, net of depreciation	1,097,258	952,898
<b>Total assets</b>	<b>1,551,529</b>	<b>1,358,463</b>
<b>Liabilities:</b>		
Current liabilities	118,119	115,212
Noncurrent liabilities	157,042	120,630
<b>Total liabilities</b>	<b>275,161</b>	<b>235,842</b>
<b>Net assets:</b>		
Invested in capital assets, net of debt	931,674	835,564
Restricted – expendable	74,102	30,825
Restricted – nonexpendable	130,513	129,317
Unrestricted	140,079	126,915
<b>Total net assets</b>	<b>\$ 1,276,368</b>	<b>\$ 1,122,621</b>
(\$ in Thousands)		

# CONDENSED STATEMENTS OF REVENUES & EXPENSES

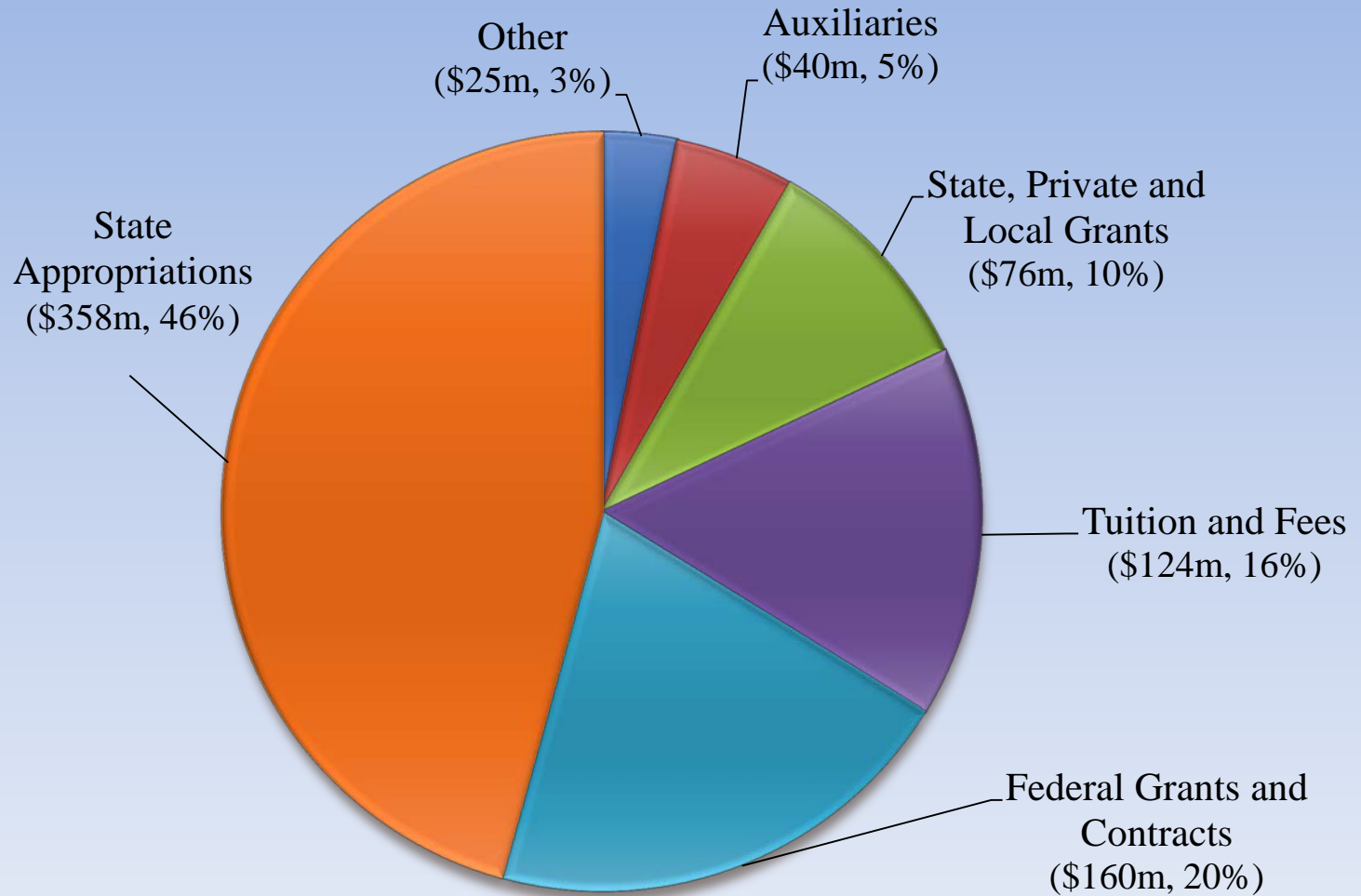
	2012	2011
Revenues:		
State Operating Appropriations	\$ 358,441	\$ 346,644
Capital Appropriations and Grants	170,026	117,779
Student Tuition and Fees, net	123,971	116,104
Federal Grants and Contracts	160,415	172,561
State, Local and Private Grants	76,351	67,416
Auxiliary Enterprises	39,813	39,265
Endowment Income	3,015	22,777
Other	23,178	30,882
Total Revenues	955,210	913,428
Expenses:		
Student and Academic	359,953	351,560
Research	135,928	140,453
Public Service	38,842	37,547
Operations and Maintenance	65,476	62,772
Institutional Support	95,372	86,950
Auxiliary Enterprises	38,288	37,947
Depreciation	58,403	57,170
Other Expenses	9,201	6,270
Total Expenses	801,463	780,669
Increase in Net Assets	\$ 153,747	\$ 132,759
(\$ in Thousands)		

# NET ASSETS

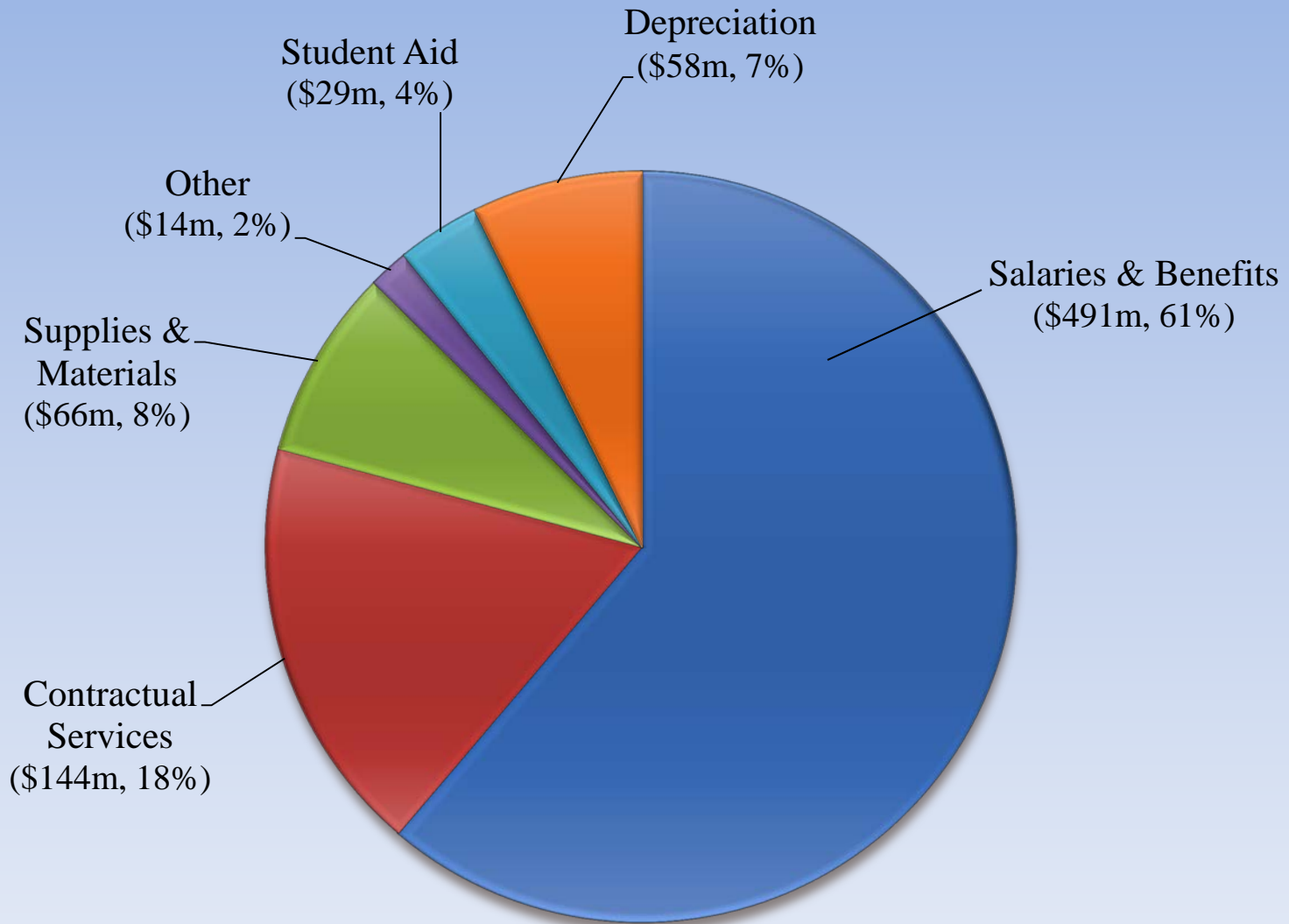




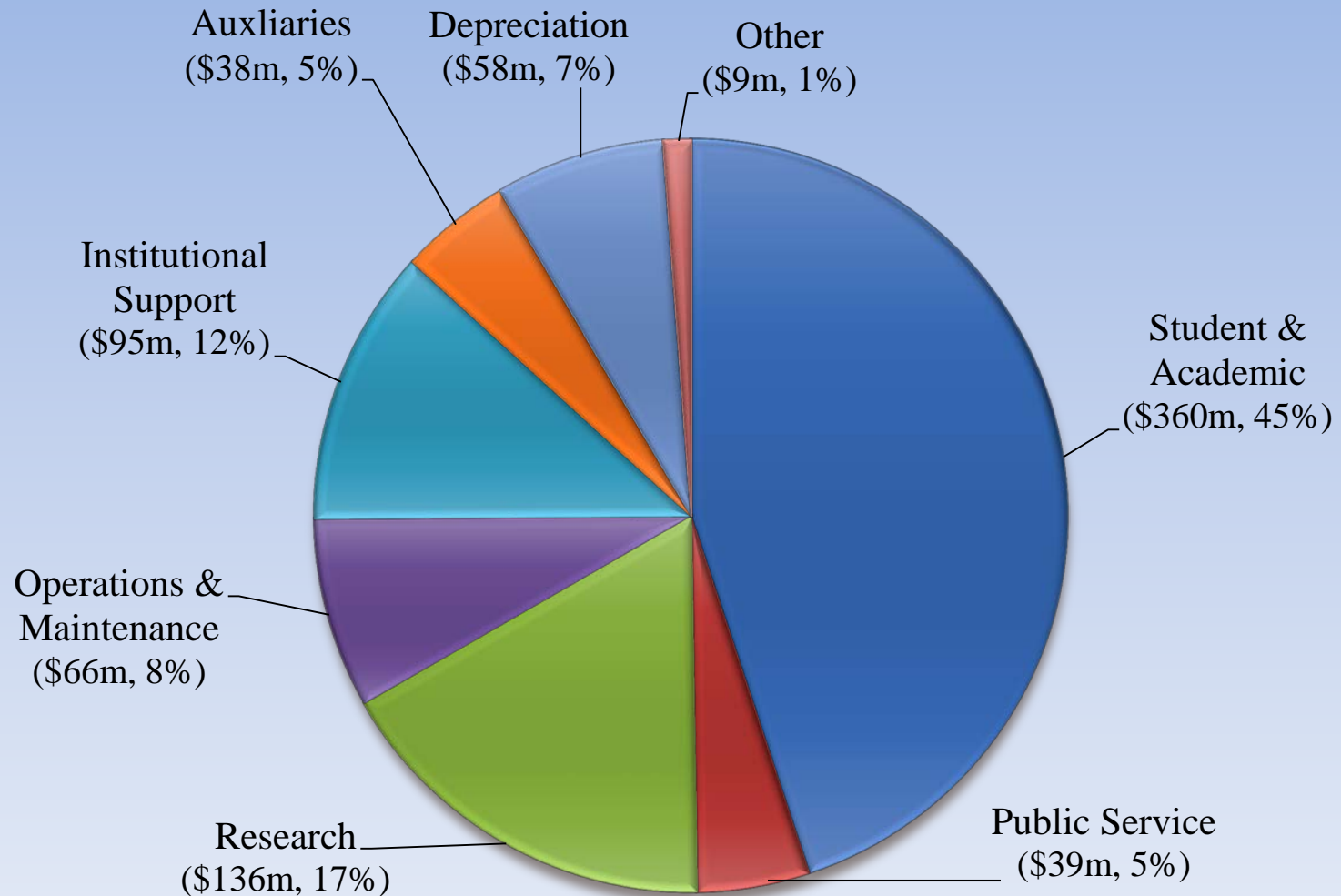
# REVENUE MIX



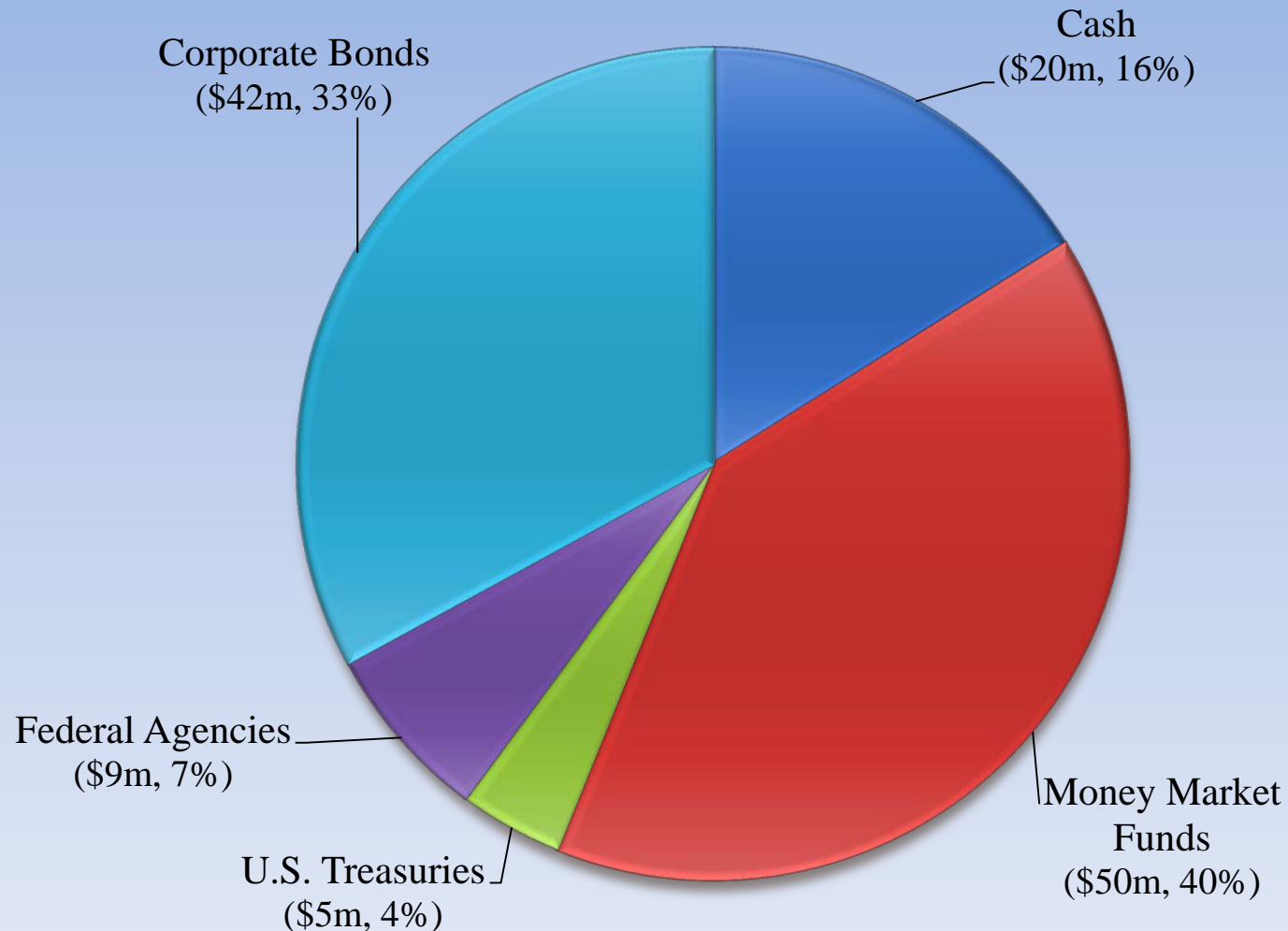
# EXPENDITURE MIX



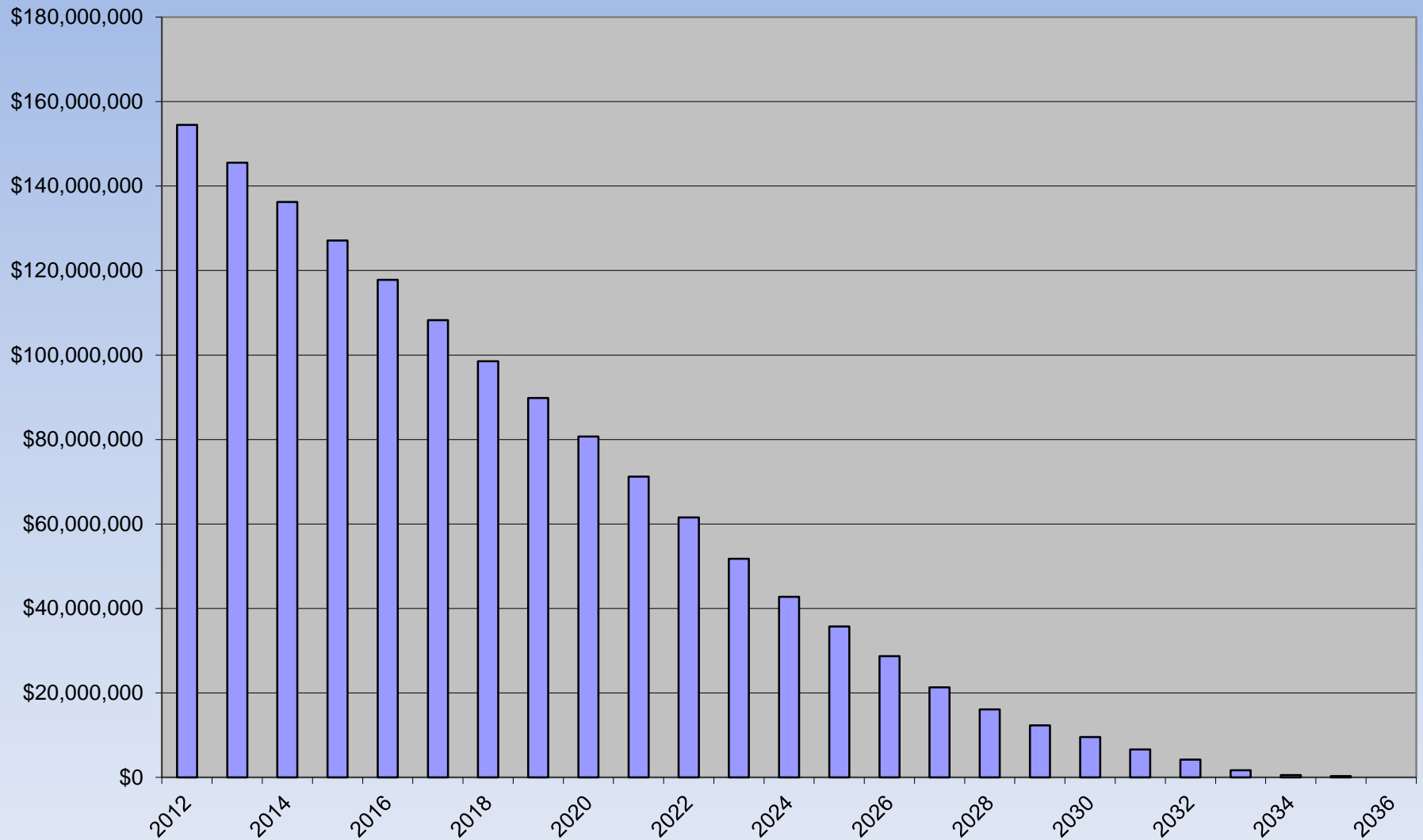
# EXPENDITURE MIX BY FUNCTION



# OPERATING CASH & INVESTMENTS (\$126M)



## Total University of Alaska Debt Outstanding June 30, 2012



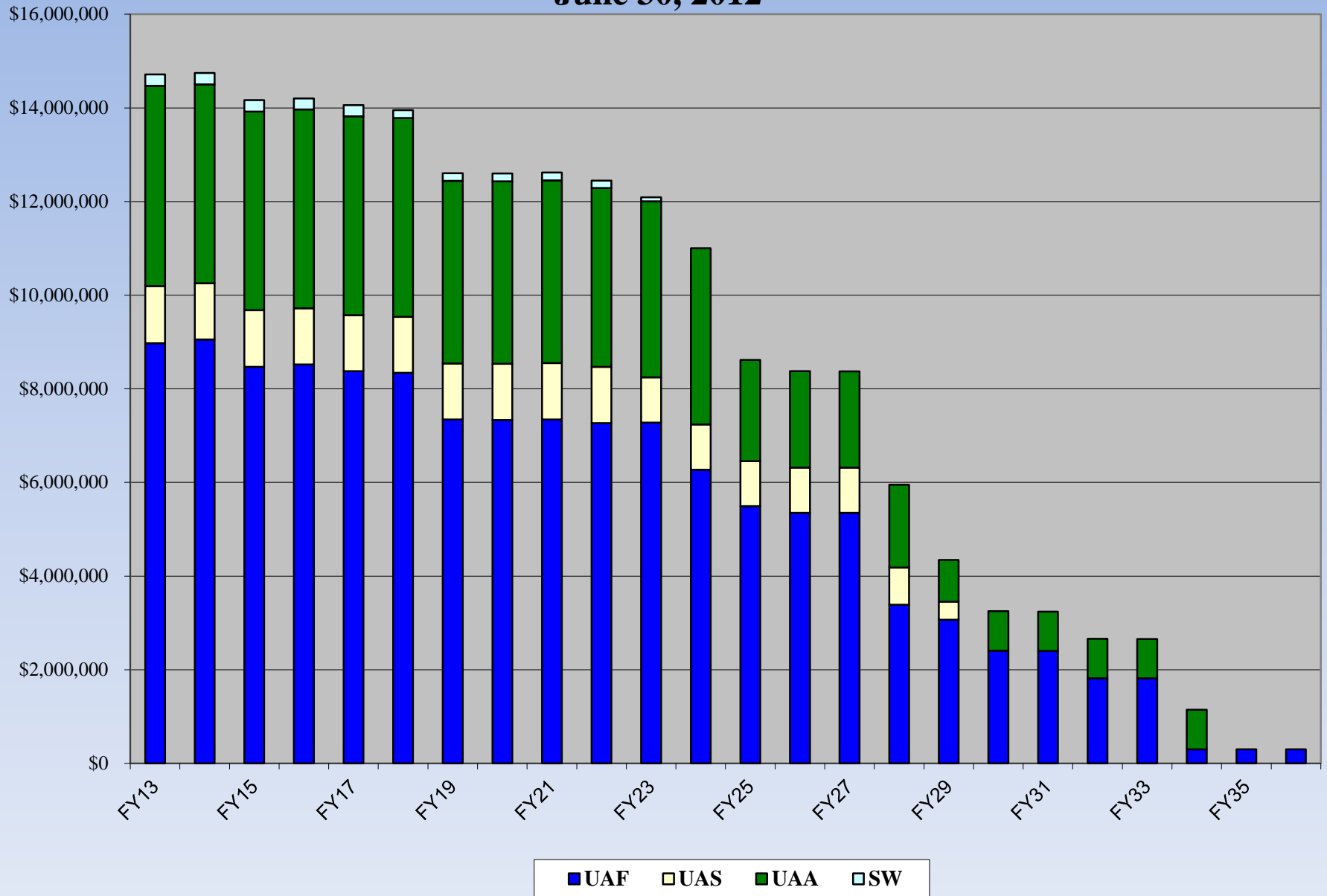
Debt outstanding: \$154.4 million

In FY13: UAF Public Private Partnership Dining (\$25m); Deferred Maintenance (\$23m)



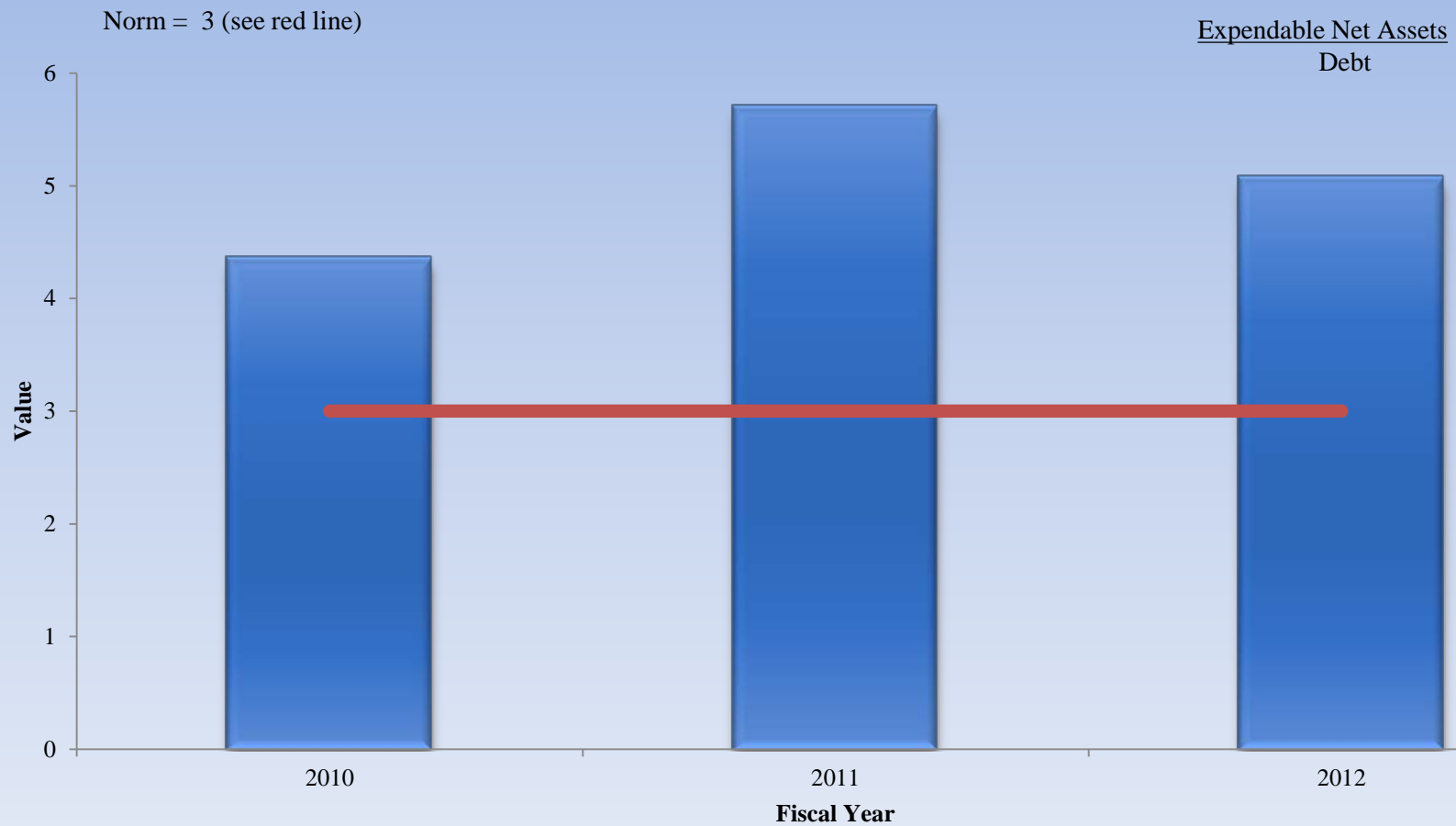
# Total Annual Debt Service By MAU

## June 30, 2012



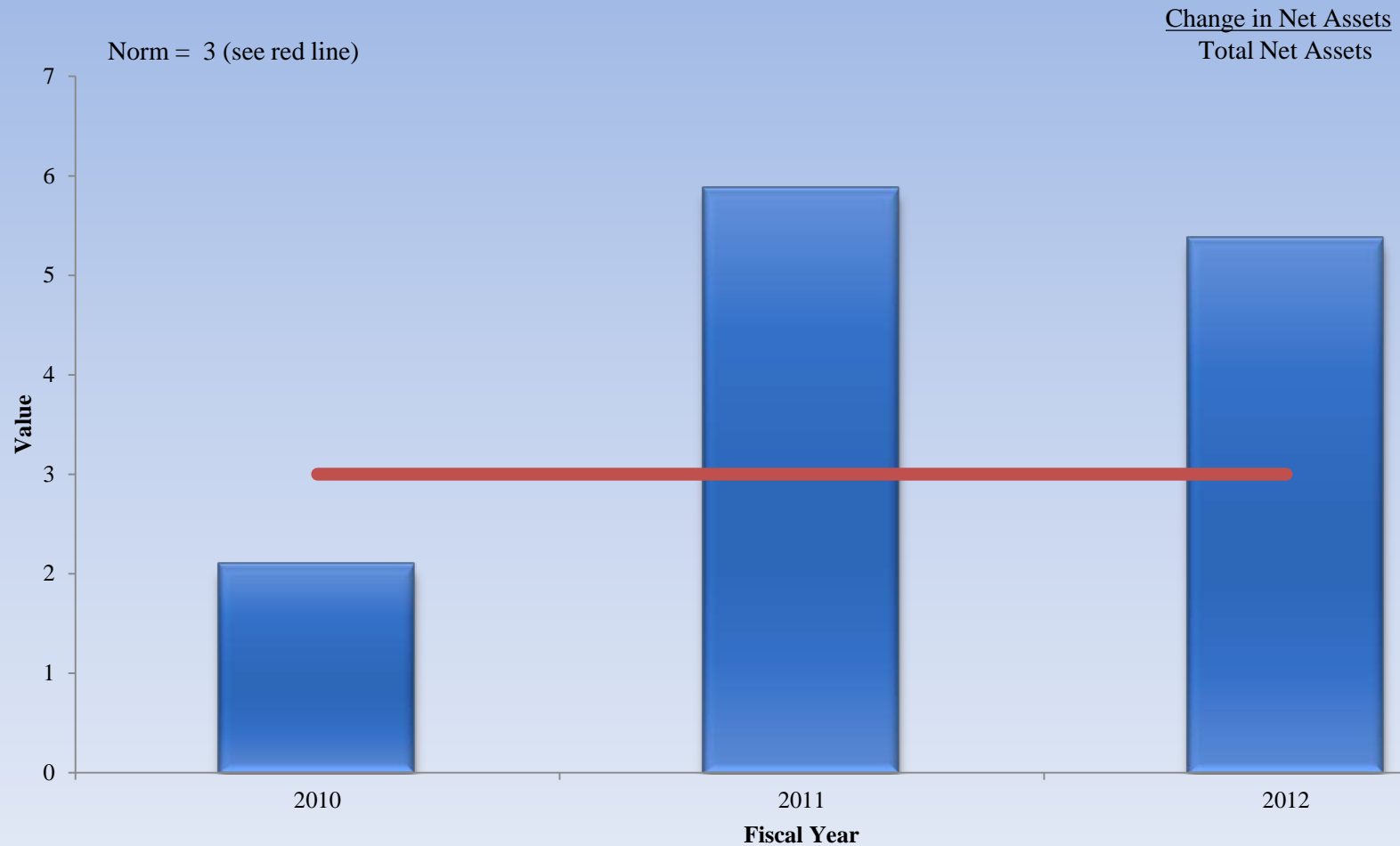
# VIABILITY RATIO

(Measures debt burden and debt capacity)



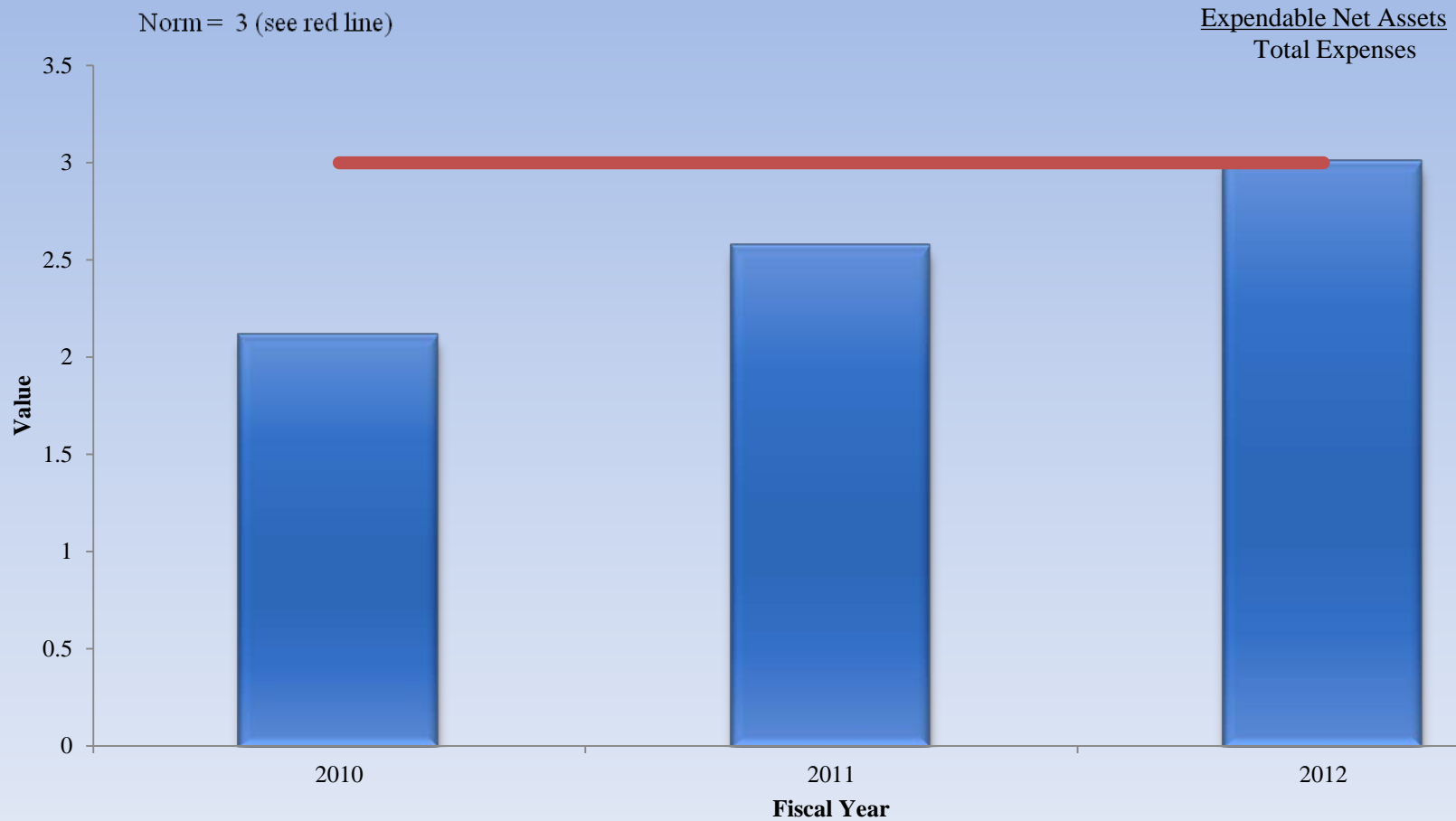
# RETURN ON NET ASSETS RATIO

(Measures the return on total net assets)



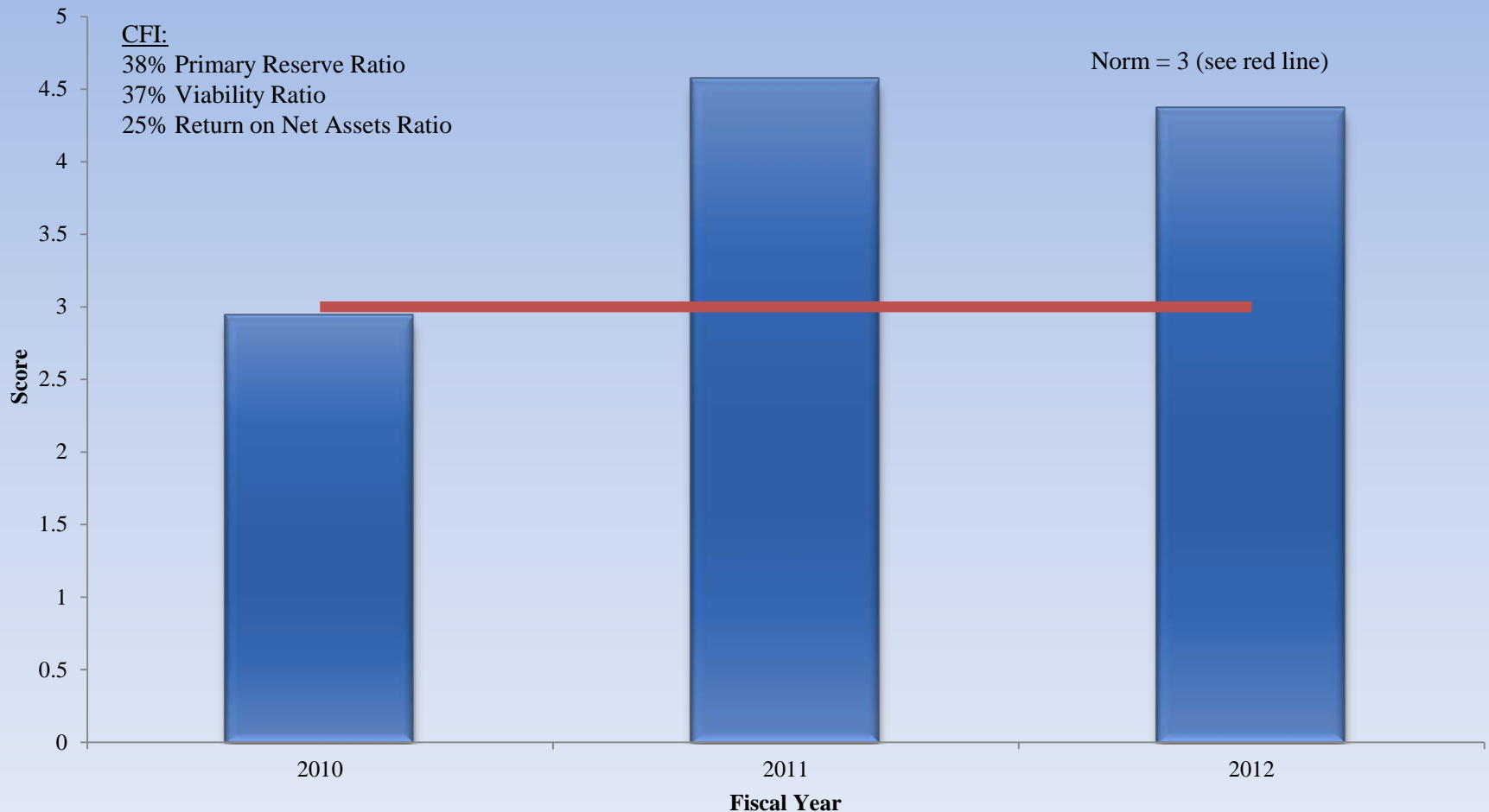
# PRIMARY RESERVE RATIO

(Measures the level of reserves relative to expenses)



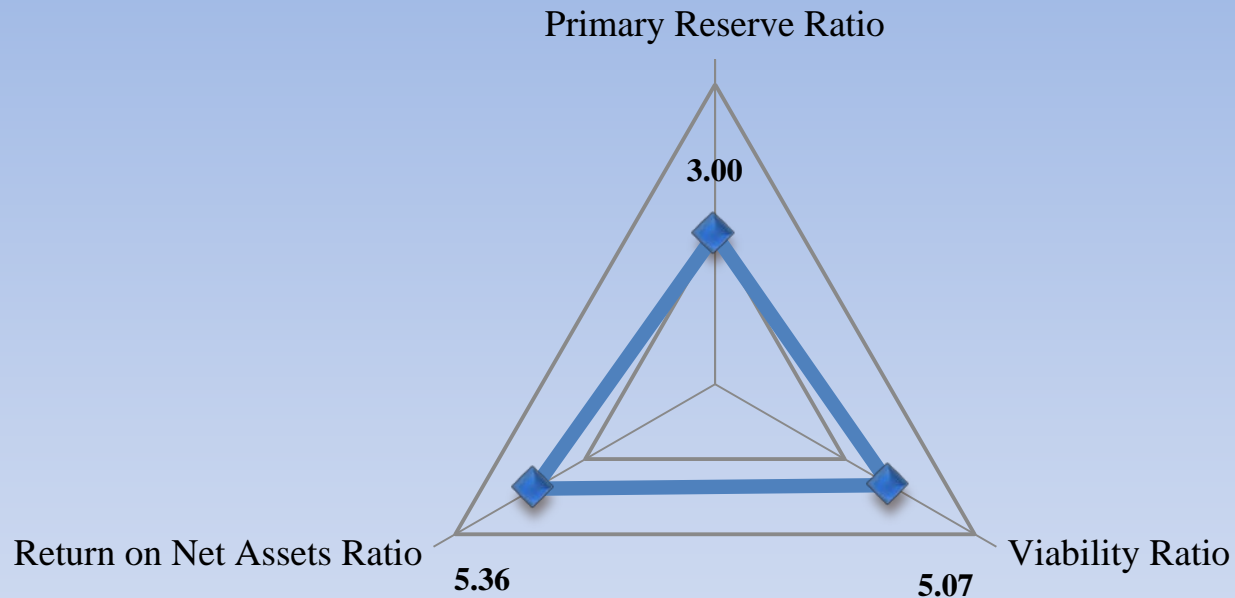
# COMPOSITE FINANCIAL INDEX (CFI) (1 OF 2)

## Composite Financial Index (CFI) (1 of 2) (Measures overall financial health)





# COMPOSITE FINANCIAL INDEX (CFI) (2 OF 2)



## Key:

- Blue triangle = University of Alaska
- Inside triangle = Norm
- Outside triangle = Outer limit of scale