



UNIVERSITY  
*of* ALASKA  

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*Many Traditions One Alaska*

Proposed FY06 Operating Budget Request  
and  
Performance Based Budgeting  
Implementation

Reference #1

Board of Regents  
November 1, 2004  
Anchorage, Alaska

Prepared by Statewide Budget & Institutional Research  
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University of Alaska  
Proposed FY06 Operating Budget Request  
November 1, 2004

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**University of Alaska**  
**FY06 Operating Budget Request Proposal**  
**November 1, 2004**  
(\$000's)

<b>FY05 Operating Budget</b>	State Approp.	Receipt Authority	Total
General Fund/General Fund Match	228,065.2		228,065.2
Technical Vocational Education Program Account	2,868.9		2,868.9
Mental Health Trust	200.8		200.8
Receipt Authority		434,088.2	434,088.2
<b>FY05 Operating Budget</b>	<b>\$ 231,134.9</b>	<b>\$ 434,088.2</b>	<b>\$ 665,223.1</b>

<b>FY06 Proposed Maintenance Level Operating Request Items</b>			
<b>Maintaining a Solid Foundation</b>			
-Salary Maintenance			
AK. Comm. Colleges' Federation of Teachers (ACCFT)	1,012.4	240.7	1,253.1
AK. Higher Ed. Crafts and Trades Employees (AHECTE)	720.9	122.5	843.4
United Academics Faculty (UNAC)	3,002.2	1,710.7	4,712.9
UA Staff, Graduate Assistants, and Adjuncts	4,198.5	3,875.3	8,073.8
<b>Salary Maintenance Subtotal</b>	<b>8,934.0</b>	<b>5,949.2</b>	<b>14,883.2</b>
-Additional Non-Discretionary Cost Increases			
Operating & Extra-Ordinary Fixed Costs	450.0	2,750.0	3,200.0
Risk Management/Insurance Fees	200.0	400.0	600.0
Debt Service		3,000.0	3,000.0
Network Bandwidth	450.0	450.0	900.0
M&R Increment/New Facility Op Cost	800.0	800.0	1,600.0
<b>Additional Non-Discretionary Subtotal</b>	<b>1,900.0</b>	<b>7,400.0</b>	<b>9,300.0</b>
<b>Program Priorities</b>			
Additional Student Demand in Existing Programs	400.0	3,400.0	3,800.0
Continued Expansion of AAS Nursing (3 sites)	200.0	400.0	600.0
Behavioral Health Program Partnership	500.0	500.0	1,000.0
Impact of HB123 on WFD programs	(364.3)		(364.3)
Research Program Success		10,256.8	10,256.8
<b>Maintenance Level Increment</b>	<b>11,569.7</b>	<b>27,906.0</b>	<b>39,475.7</b>
<b>FY06 Maintenance Level Request<sup>1</sup></b>	<b>\$ 242,704.6</b>	<b>\$ 461,994.2</b>	<b>\$ 704,698.8</b>
% Change FY05 Budget to FY06 Maintenance	5.0%	6.4%	5.9%

<b>Extra-Ordinary Retirement Program Increases<sup>1</sup></b>	6,888.2	3,511.8	10,400.0
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**Addressing New Opportunities for Alaska's Economy**

-Competitive Research Investment (ph 1 of 5)	2,500.0	10,000.0	12,500.0
-Dist. Ed. and Instructional Program Expansion (ph 1 of 3)	1,000.0	500.0	1,500.0
-UA Scholars in excess of Available NRF funding <sup>2</sup>	1,600.0		1,600.0
-Academic Equipment Replacement (ph 1 of 2)	1,000.0		1,000.0

1. UA performance measure targets and goals have been established based on the maintenance funding level and the assumption that the retirement increases will be funded by the state.

2. UA Scholars annual program costs is \$3.6M. There is \$2M available from NRF to fund the scholarships. One-time reallocations have covered the UA Scholars shortfalls.



**University of Alaska**  
**Proposed FY06 Operating Budget Request**  
**Addressing New Opportunities for Alaska's Economy**

Beyond the maintenance level operating budget request, there are four significant requests which address new opportunities for improving Alaska's economy. To pursue these opportunities with visible near term results, UA needs added support and ongoing commitments from the State. In return, UA can contribute significantly to Alaska's economy by expanding research as an industry, introducing new instructional programs (such as homeland security, geography, further extend delivery of behavioral and allied health to rural communities), maintaining the UA Scholars Program to build Alaska's next generation of leaders and renewing classroom and laboratory equipment.

**Competitive Research Investment - Phase 1 of 5 (\$2.5M)**

This request is the first of several phases necessary for Alaska to capitalize on the many benefits of *research as an industry*. Currently, externally funded research activity fuels over 2,300 jobs in Alaska. At UA, research activity leverages \$8 dollars externally for every dollar from the state. This first phase would provide additional an \$10M of NGF revenue. If the state provides a phased approach to increasing its annual university research investment by \$20M, over the next five years, the state can expect an additional \$120M in externally funded research activity. Additionally, the state's investment and policy direction would create the environment to promote industry research endeavors.

Items currently noted for investment include: 1). health and biomedical research program faculty, post-doctoral candidates, and graduates students; 2). technology transfer and intellectual property program office; 3) competitive graduate stipends; 4) matching funds to meet the requirements for strategic external grants; and 5) strengthen the UAF College of Engineering.

**Distance Delivery and Instructional Programs Expansion - Phase 1 of 3 (\$1.0M)**

The next key to keeping Alaska's youth in-state is having an expanded array of academic offerings that respond to the needs of the state and areas of campus distinction. Specific program investments will be evaluated in terms of impact on student access, student enrollment and retention, state need, employment opportunity, and campus areas of distinction. Examples of requests that have been forwarded for funding consideration in the FY06 budget request process include: System wide coordination of distance education and expanded distance program offerings; Masters program in Homeland Security; BS/BA environmental studies; and, community campus and workforce development programs.

**University of Alaska Scholars Program (\$1.6M)**

The success of the UA Scholars program has exceeded all expectations. As the first UA Scholars are graduating and starting to take jobs throughout the state, the impact of the program will further demonstrate its importance to the future of the state. In FY04 the UA Scholars program cost \$3.3 million and, based on early enrollment, the program will likely cost \$3.4 million in FY05. The estimate for FY06 is \$3.6 million. The program cost is driven by the \$11,000 scholarship amount disbursed (\$1,375 per semester for 8 semesters) and the number of participants. Even with the program changes being implemented for the graduating class of 2005, the number of

participants is expected to increase slightly then level at 1,300 distributions per semester. If the scholarship amount increased from \$1,375 per semester to full tuition, the cost in FY06 would be \$4.3 million increasing to \$5.4 million in 2009. The \$1.6 million request represents the amount above the annual \$2 million available via the NRF. Two other request options exist: 1) the total \$3.6 million or, 2) the enhanced program for \$4.3 million. The \$1.6 million is recommended as the minimum level necessary for maintaining the program.

**Academic Equipment Replacement- Phase 1 of 2 (\$1.0M)**

UA has traditionally requested classroom and laboratory equipment renewal funding in the capital budget but has been largely unsuccessful. This request would allow the university to establish a central operating fund of \$2M annually for major instructional equipment renewal. Major equipment renewal is a continuous need that is critical to maintaining and enhancing research competitiveness and program quality. In absence of receiving consideration for major equipment renewal in the operating budget request, the FY06 capital budget request includes a request for \$1.4M in state funding.



## Proposed FY06 Budget Request Detail

### Salary Maintenance

The standard salary increment request for salary maintenance is to fund the contract and policy mandated salary obligations to UA employees. Salary increases, as in prior years, are requested for faculty and staff in each individual bargaining unit ACCFT, AHECTE, UNAC, and UNAD, and for employees who are not union represented. As in FY05, UA's request will be funded in part through state appropriations with a significant contribution from internally generated revenue sources. Salary increment estimates include:

- AK. Comm. Colleges' Federation of Teachers (ACCFT) - 327 positions
  - 2.6% across the board (based on CPI)
  - 2.0% market and equity (based on recent study)
  - 4.6% total
  
- AK. Higher Ed. Crafts and Trades Employees (AHECTE) - 294 positions
  - 3.0% annual steps
  - 1.6% grid increase
  - 4.6% total
  
- United Academics Faculty (UNAC) - 915 positions
  - 2.7% across the board (based on CPI)
  - 2.0% market and equity (based on recent study)
  - 4.7% total
  
- UA Staff, Graduate Assistants, and Adjuncts
  - UA Staff (2,200)
    - 2.6% steps
    - 2.0% grid increase based on regional CPI
    - 4.6% total
  - Executives (149)
    - 2.6% total
  - United Academics Adjuncts – UNAD
    - 3.0% total, based on current contract ending December 31, 2004
  - Graduate Assistants
    - The salary floor for UA graduate stipends has not increased in 5 years.
    - This request provides funding to increase stipends paid at the salary floor closer to those at similar universities.

#### Additional Non-Discretionary Cost Increases

- **Operating & Extra-Ordinary Fixed Costs**  
This covers general increases of non-personal service related expenditures at 1.5% and extra-ordinary cost increases including library material and subscription costs ranging between 12 and 15% annually.
- **Risk Management/Insurance Fees**  
Risk management fees have increased significantly over the past few years. UA has managed its fee increases by adjusting coverage; however increases are needed to maintain the appropriate insurance coverage. This amount would support required insurance, risk assessment increases and necessary risk management personnel.
- **Debt Service**  
UA has research, instructional and auxiliary program needs requiring space renewal and additions. In the last two years UA has not received state dollars for capital projects. In UA's capital budget there are 18 projects totaling \$60M requiring UA revenue bond proceeds resulting in annual debt service estimated at \$3.0M (for more information see "Funding Strategies and Corresponding Fiscal Impact for Project Requiring University Generated Revenue" in Reference 6).
- **Network Bandwidth**  
An increasing amount of network bandwidth is required to maintain instructional delivery, video conference advances, and research strength. Every month UA usage increases with the added technology demands. Although UA receives much of its bandwidth through partnerships, it is prudent to factor in the added cost to keep up with increasing demand.
- **M&R Increment/New Facility Operating Cost**  
UA's annual maintenance and repair is calculated at 1.5% of current building value. Each MAU is asked to annually increase its M&R contribution to keep pace with building value. This request covers the M&R requirement and anticipated new facility operating costs, including the Juneau Recreation center and lab facility.

#### Additional Student Demand in Existing Programs

In the Board of Regents guidelines, one area slated for additional investment are programs exhibiting extraordinary student demand. MAU program requests in this area include community campus programs, education, aviation, languages and allied health. Many of the requests will be accommodated through additional tuition revenue; the state funding will be distributed to highest priority programs.

#### Behavioral Health Program Partnership

UA, through the leadership of Associate Vice President Karen Purdue and Chancellor Pugh, is working closely with the Mental Health Trust to expand programs central to addressing some of Alaska's most pressing behavioral health issues. This represents a general fund request of 500,000 coupled with \$500,000 from the MHT authority.

Currently, most of Alaska is designated a mental health professional shortage area by the federal government. Alaska will experience increasing shortages in its behavioral health workforce over the next decade. The UA system produces about 300 graduates per year in the fields of social work, psychology and human services and market demand for these professions is dramatically more than that, especially in rural areas. These professionals are the people needed to knowledgeably deliver services to substance abuse, mental health, child welfare, aging services and others.

UA, the Alaska Mental Health Trust Authority, and the State Division of Behavioral Health have been working in partnership to expand capacity and to develop curriculum that reflects the best practices of the evolving behavioral health fields. New funding of \$1M will be used to expand programs in social work, psychology, human services, geriatrics, and disability services. Proposals are being considered for certificate programs to meet immediate needs of the work force, and at the advanced degree levels. A particular emphasis will be placed on meeting shortages in rural settings.

#### Impact of HB123 on WFD programs

During the last legislative session HB123 was passed reducing UA's portion of the Technical and Vocational Funding from 63% to 55% of the total share of that state-funding source dedicated to workforce development programs.

#### Research Program Success

Existing UA research programs are becoming more and more competitive. In FY04 every state dollar invested in research generated \$8 dollars from external sources. Competitive research as a result of several successful programs such as; EPSCoR, Arctic Biology, Biomedical and Health related research, logistics, cold climate studies, super computing applications and engineering continue to strengthen UA's research capacity. This request is an estimate of the additional federal and UA receipt authority that will be needed in FY06 for research programs.



**University of Alaska**  
**Proposed FY06 Operating Budget Request**  
**FY06 Authority and Revenue Summary**

	FY05 Auth	Proposed FY06 Request	Increment	% Change FY05 to FY06
General Fund	225,287.9	237,221.9		
General Fund Match	2,777.3	2,777.3		
General Fund MH Trust	200.8	200.8		
Workforce Development Funds	2,868.9	2,504.6		
<b>State Appropriation Subtotal</b>	<b>231,134.9</b>	<b>242,704.6</b>	<b>11,569.7</b>	<b>5.0%</b>
Interest Income	4,667.8	4,667.8	-	0.0%
Auxiliary Receipts	42,675.9	47,082.9	4,407.0	10.3%
Student Tuition/Fees(net)	75,897.9	85,764.6	9,866.7	13.0%
Indirect Cost Recovery	33,832.0	37,385.8	3,553.8	10.5%
University Receipts	77,216.4	70,748.9	(6,467.5)	-8.4%
<b>University Receipts Subtotal</b>	<b>234,290.0</b>	<b>245,650.0</b>	<b>11,360.0</b>	<b>4.8%</b>
<i>Subtotal Total w/ Gross Tuition</i>				
MHTAAR	50.0	550.0	500.0	
Federal Receipts	124,362.0	136,798.2	12,436.2	10.0%
CIP Receipts	4,762.2	4,762.2	-	0.0%
State Inter Agency Receipts	18,800.0	18,800.0	-	0.0%
UA Intra Agency Receipts	51,824.0	55,433.8	3,609.8	7.0%
<b>Total University Generated Revenue</b>	<b>199,798.2</b>	<b>216,344.2</b>	<b>16,546.0</b>	<b>8.3%</b>
<b>Total</b>	<b>665,223.1</b>	<b>704,698.8</b>	<b>39,475.7</b>	<b>5.9%</b>

Source: SW Budget and Institutional Research, October 15, 2004.

**University of Alaska  
Budget Comparison FY04 -FY06 by Source**

	Budgeted Values					Actual Values						
	FY04 Auth	FY05 Auth	% Change FY04 to FY05	FY06 BOR Preliminary Proposal	% Change FY05 to FY06	FY03 Actuals	FY04 Actuals	% Change FY03 to FY04	Estimated FY05 Actuals	% Change FY04 to FY05	Estimated FY06 Actuals	% Change FY05 to FY06
General Fund	209,736.9	225,287.9		237,221.9		202,836.9	209,736.9		225,287.9		237,221.9	
General Fund Match	2,777.3	2,777.3		2,777.3		2,777.3	2,777.3		2,777.3		2,777.3	
Science/Tech Endowment Inc. General Fund MH Trust	200.8	200.8		200.8		2,315.0						
Workforce Development Funds	2,868.9	2,868.9		2,504.6		200.8	200.8		200.8		200.8	
<b>State Appropriation Subtotal</b>	<b>215,583.9</b>	<b>231,134.9</b>	<b>7.2%</b>	<b>242,704.6</b>	<b>5.0%</b>	<b>2,868.9</b>	<b>2,868.9</b>	<b>2.2%</b>	<b>2,868.9</b>	<b>7.2%</b>	<b>2,504.6</b>	<b>5.0%</b>
Interest Income	4,667.8	4,667.8	0.0%	4,667.8	0.0%	1,144.1	1,026.6	-10.3%	1,320.0	28.6%	1,320.0	0.0%
Auxiliary Receipts	39,294.5	42,675.9	8.6%	47,082.9	10.3%	33,877.2	37,172.1	9.7%	39,780.0	7.0%	43,758.0	10.0%
Student Tuition/Fees(net)	68,788.6	75,897.9	10.3%	85,764.6	13.0%	54,492.7	61,494.6	12.8%	70,739.7	15.0%	79,935.9	13.0%
Indirect Cost Recovery	29,494.0	33,832.0	14.7%	37,385.8	10.5%	24,923.2	29,724.0	19.3%	32,500.0	9.3%	36,075.0	11.0%
University Receipts	106,962.9	77,216.4	-27.8%	70,748.9	-8.4%	56,342.4	51,470.3	-8.6%	54,416.0	5.7%	59,416.0	9.2%
<b>University Receipts Subtotal</b>	<b>249,207.8</b>	<b>234,290.0</b>	<b>-6.0%</b>	<b>245,650.0</b>	<b>4.8%</b>	<b>170,779.6</b>	<b>180,887.6</b>	<b>5.9%</b>	<b>198,755.7</b>	<b>9.9%</b>	<b>220,504.9</b>	<b>10.9%</b>
MHTAAR	50.0	50.0		550.0		136.8	50.0		50.0		550.0	
Federal Receipts	113,056.4	124,362.0	10.0%	136,798.2	10.0%	99,331.4	113,054.4	13.8%	124,000.0	9.7%	137,640.0	11.0%
CIP Receipts	4,050.0	4,762.2	17.6%	4,762.2	0.0%	3,966.3	2,236.4	-43.6%	3,000.0	34.1%	3,300.0	10.0%
State Inter Agency Receipts	18,800.0	18,800.0	0.0%	18,800.0	0.0%	10,304.5	9,357.6	-9.2%	9,500.0	1.5%	10,500.0	10.5%
UA Intra Agency Receipts	48,824.0	51,824.0	6.1%	55,433.8	7.0%	38,426.1	45,693.1	18.9%	49,149.1	7.6%	52,149.1	6.1%
<b>Total University Generated Revenue</b>	<b>184,780.4</b>	<b>199,798.2</b>	<b>8.1%</b>	<b>216,344.2</b>	<b>8.3%</b>	<b>152,165.1</b>	<b>170,391.5</b>	<b>12.0%</b>	<b>185,699.1</b>	<b>9.0%</b>	<b>204,139.1</b>	<b>9.9%</b>
<b>Total</b>	<b>649,572.1</b>	<b>665,223.1</b>	<b>2.4%</b>	<b>704,698.8</b>	<b>5.9%</b>	<b>533,943.6</b>	<b>566,863.0</b>	<b>6.2%</b>	<b>615,589.7</b>	<b>8.6%</b>	<b>667,348.6</b>	<b>8.4%</b>

Not included in the FY05 figures above are the TVEP Supplemental \$631.3 , the Reappropriation 65.0 for the Sand Lake Study and License Plates Revenue of \$0.1. FY04 and FY05 figures do not include \$1.4M for the Anchorage Community and Technical College Center and the Juneau Readiness Center/UAS Joint Facility.

Source: SW Budget and Institutional Research, October 15, 2004.

**University of Alaska**  
**Proposed FY06 Operating Budget Request**  
**Change in State Funding by Source FY00-FY06 (in thousands)**

(\$000's)	<b>FY00</b>	<b>FY01</b>	<b>FY02</b>	<b>FY03</b>	<b>FY04</b>	<b>FY05</b>	<b>Proposed FY06</b>
General Fund	\$169,366.0	\$181,158.8	\$192,521.9	\$202,836.9	\$209,736.9	\$225,287.9	\$237,221.9
General Fund Match	2,777.3	2,777.3	2,777.3	2,777.3	2,777.3	2,777.3	2,777.3
Mental Health Trust	200.8	200.8	200.8	200.8	200.8	200.8	200.8
ASTF Earnings	2,630.0	2,630.0	876.7				
ASTF Endowment				2,315.0			
ACPE Dividend		2,000.0	2,000.0				
VocEd SB289/SB137		1,781.0	2,868.9	2,868.9	2,868.9	2,868.9	2,504.6
<b>Total</b>	<b>\$174,974.1</b>	<b>\$190,547.9</b>	<b>\$201,245.6</b>	<b>\$210,998.9</b>	<b>\$215,583.9</b>	<b>\$231,134.9</b>	<b>\$242,704.6</b>
Annual % Change	3.6%	8.9%	5.6%	4.8%	2.2%	7.2%	5.0%
Annual Change	6,011.2	15,573.8	10,697.7	9,753.3	4,585.0	15,551.0	11,569.7

Note:

The FY06 total including retirement increases would total \$18,457.9

FY06 State Funding Request of \$6,888.2 for retirement cost increases is not included in figures above. UA received \$631.3 for VocEd SB289/SB137 and other smaller supplements in FY04, which are not included in the figures above.

Source: SW Budget and Institutional Research, October 15, 2004.





## **FY99-FY05 Budget Highlights**

### **FY04-FY05**

- Between FY04 and FY05 UA's total budget authority increased 2.4%. UA's actual budget is expected to increase 8.6%. State appropriations increased 7.2%, and actual revenue from University generated sources is expected to increase nearly 10%.
- State appropriations increased 7.2%, (\$15.5M) between FY04 and FY05.
- When approving the FY05 budget distribution plan of state appropriations, the BOR provided for non-discretionary cost increases; salary maintenance including the retirement system increases as well as facilities operation and M&R costs increases. Additionally, funding was directed to the continued expansion the nursing, allied health programs, ACAS priorities and incentives for implementing performance based budgeting processes and achieving performance targets.
- In FY05, university generated non-general fund revenue, as a result of partnerships, grants, and tuition, will continue to increase at a rate faster than state appropriations, improving UA's leverage of state appropriations. In FY04 state appropriation represented 41% of UA's total revenue, while in FY05 state appropriations will be 40% of total revenue.

### **FY99-FY04**

- UA's actual revenue increased 42% between FY99 and FY04. Nearly half of that increase occurred in FY01.
- Instruction and student related expenditures increased 46%, with infrastructure cost associated with administration and facilities increasing 24% between FY99 and FY04. Research increases between FY99 and FY04 were most significant at 65%, resulting almost entirely from non-general fund revenue.
- Of the total increase between FY99-FY04 less than 30% is attributed to increased state appropriations while the remaining 70% is attributed to university-generated revenue. This is largely a result of university partnerships with federal and private entities, as well as student enrollment.
- Of the \$46.7M increase in state appropriations from FY99-FY04, UAF utilized the largest share at 40%, followed by UAA at 38%. UAS and Statewide utilized 12% and 10% respectively.



## Status of Performance Measures October 15, 2004

Performance based budgeting continues to be a driving factor in UA's budget processes. In FY05, via the Board budget distribution plan, \$1.2 million was reserved for distribution in accordance with the new budgeting process. This funding is being distributed to MAUs to promote implementation and integration of performance based budgeting, as incentives to MAU's meeting performance targets in FY05, and to support campus investments necessary to enable success on long-term performance goals.

In the next few weeks and informed by the MAU operating reviews, distribution of the remaining FY05 performance based funding will be made to Chancellors relative to how the MAUs are meeting the FY05 targets. In the first year distributions are being based on early indicators. The FY05 targets, tentative FY06 targets, and long term goals for existing measures are shown in the table on the next page. To date \$600,000 of the \$1.2 million performance base funding has been distributed. The \$600,000 was distributed on a \$1 to \$1 match to UAA in recognition of their implementation of performance based budgeting processes.

The current five performance metrics are:

1. Number of graduates in Alaska high job demand degree programs
2. Retention rates for first time full time cohorts in Bachelor and Associate degree and Certificate programs.
3. Annual number of student credit hours attempted (including audit).
4. Grant Funded Research Expenditures (Thousand \$)
5. University Generated Revenue (Thousand \$)

In addition to the first five performance metrics above, the second set of performance metrics listed below are being developed and refined this fiscal year:

1. Proportion of Programs Conducting and Responding to Outcomes Assessment
2. Degree Programs Having and Responding to a Formal Enrollment Management Plan
3. Faculty and organizational outreach and partnerships
4. Student Satisfaction and Organizational Effectiveness of Advising and Career Development
5. Optimizing Staff Resources via Process Automation

The first of the new measures, Programs Conducting and Responding to Outcomes Assessment, is the most developed, with draft definitions under review by system administrative councils, MAU representatives and governance associations. The second metric, measuring formal enrollment management plans, is in the final refinement stages before distribution to the university community for feedback. The third metric, metric

measuring faculty and organizational outreach and partnerships, is progressing forward while the last two metrics development process will begin in November.

The primary performance based budgeting activity this year is educating the UA community on the metrics currently in use and development, what it means and how people can contribute as individuals. Information will be geared to all levels of the university, from data entry personnel and admissions counselors to deans and directors, and executive management.

**Progress Toward Board of Regents Strategic Goals From the First Set of Five Performance Metrics**

<b>BOR Goal and Measure</b>	<b>Baseline Data</b>		<b>Accepted Target</b>	<b>Tentative Targets</b>	<b>Goals</b>	
	<b>FY03</b>	<b>FY04</b>	<b>FY05</b>	<b>FY06</b>	<b>FY09</b>	<b>FY10</b>
Responsive to State Needs / Educational Quality -Number of graduates in Alaska high job demand degree programs	1,513	1,568	1,607	1,702	1,985	2,000
Student Success - Retention rates for first time full time cohorts in Bachelor and Associate degree and Certificate programs	64.4%	64.6%	64.9%	65.9%	69.0%	69.6%
Student Success / Educational Quality – Enrollment based on annual number of student credit hours (thousands) -	533.4	522.4	573.3	582.8	611.5	617.3
Research Excellence - Grant Funded Research Expenditures (millions)	110.0	117.0	124.0	133.4	161.7	167.4
Diverse Sources of Revenue -University Generated Revenue (millions)	284.4	312.9	333.5	357.4	429.1	443.4

**University of Alaska**  
**Proposed FY06 Operating Budget Request**  
**Operating Budget Trend by NCHEMS FY02-FY05 (in thousands)**

<b>NCHEMS Summary</b>	<b>FY02 Actuals</b>	<b>FY03 Actuals</b>	<b>FY04 Actuals</b>	<b>FY04 BOR Authorized</b>	<b>FY05 BOR Authorized</b>
<b>Instruction and Student Related</b>					
Academic Support	21,093.7	24,660.1	26,678.8	26,496.1	27,381.0
Instruction	129,342.7	138,042.6	148,323.4	160,182.2	179,754.3
Intercollegiate Athl.	6,930.1	7,013.1	7,367.1	6,445.4	7,450.2
Library Services	14,757.0	15,725.3	16,471.7	15,507.7	16,136.1
Scholarships	15,175.8	11,673.6	13,900.4	10,946.1	12,265.3
Student Services	20,694.3	24,664.8	26,533.1	22,490.9	25,387.2
<b>Instruction and Student Related Subtotal</b>	<b>207,993.6</b>	<b>221,779.5</b>	<b>239,274.5</b>	<b>242,068.4</b>	<b>268,374.1</b>
<b>Infrastructure</b>					
Institutional Support	70,393.0	73,489.1	75,560.7	84,321.4	91,250.3
Debt Service	4,864.4	2,866.8	3,385.9	3,876.6	3,908.0
Physical Plant	56,989.8	55,682.7	59,255.8	52,961.5	55,897.1
<i>Includes M&amp;R</i>	<i>21,269.8</i>	<i>21,269.8</i>		<i>18,617.5</i>	
<b>Infrastructure Subtotal</b>	<b>132,247.2</b>	<b>132,038.6</b>	<b>138,202.4</b>	<b>141,159.5</b>	<b>151,055.4</b>
<b>Public Service</b>	21,183.2	24,533.6	26,420.8	20,361.8	21,884.6
<b>Research</b>	110,048.0	121,586.3	125,513.5	113,255.4	117,023.5
<b>Auxiliary Services</b>	32,214.1	34,005.6	37,451.8	38,834.3	42,487.7
<b>Subtotal</b>	<b>503,686.1</b>	<b>533,943.6</b>	<b>566,863.0</b>	<b>555,679.4</b>	<b>600,825.3</b>
Unallocated Authority				93,892.7	64,397.8
<b>Totals</b>	<b>503,686.1</b>	<b>533,943.6</b>	<b>566,863.0</b>	<b>649,572.1</b>	<b>665,223.1</b>
Supplemental/One Time Items		265.9	1,415.0	1,415.0	696.4

**Operating Budget Trend by Fund Source FY02-FY05 (in thousands)**

<b>Total by Funding Source</b>	<b>FY02 Actuals</b>	<b>FY03 Actuals</b>	<b>FY04 Actuals</b>	<b>FY04 BOR Authorized</b>	<b>FY05 BOR Authorized</b>
<b>State Appropriated Funds</b>					
State Appropriations*	200,468.9	208,683.9	215,583.9	215,583.9	231,134.9
Science & Technology Funds	876.7	2,315.0	0.0	0.0	0.0
<b>State Appropriations Subtotal</b>	<b>201,345.6</b>	<b>210,998.9</b>	<b>215,583.9</b>	<b>215,583.9</b>	<b>231,134.9</b>
<b>University Receipts</b>					
Interest Income	3,336.0	1,144.1	1,026.6	4,667.8	4,667.8
Auxiliary Receipts	31,770.0	33,877.2	37,172.1	39,294.5	39,294.5
Student Tuition/Fees	53,985.3	54,492.7	61,494.6	68,788.6	79,279.3
Indirect Cost Recovery	22,606.9	24,923.2	29,724.0	29,494.0	33,832.2
University Receipts	56,866.4	56,342.4	51,470.3	106,962.9	77,216.2
<b>University Receipts Subtotal</b>	<b>168,564.6</b>	<b>170,779.6</b>	<b>180,887.6</b>	<b>249,207.8</b>	<b>234,290.0</b>
<b>Other Funds</b>					
MHTAAR	100.0	136.8	50.0	50.0	50.0
Federal Receipts	83,007.0	99,331.4	113,054.4	113,056.4	124,362.0
CIP Receipts	3,559.5	3,966.3	2,236.4	4,050.0	4,762.2
State Inter-Agency Receipt	10,915.7	10,304.5	9,357.6	18,800.0	18,800.0
UA Intra-Agency Receipts	36,193.7	38,426.1	45,693.1	48,824.0	51,824.0
<b>Totals</b>	<b>503,686.1</b>	<b>533,943.6</b>	<b>566,863.0</b>	<b>649,572.1</b>	<b>665,223.1</b>
Supplemental/One Time Items	133,775.9	265.9	1,415.0	1,415.0	696.4

\*State Appropriations includes GF, GF/Match, GF/MHT, S and T Funds, ACPE Funds, and Workforce Development Funds

\*\*In FY03 State Intra-Agency Receipts were broken out of University Receipts and listed separately. Intra-Agency Receipts became UA Intra Agency Receipts.

\*\*\*In accordance with GASB 34, the university is required to report student tuition and fee revenue net of all allowances and discounts. FY03 is the first year reported under the new regulation; for more information see [www.alaska.edu/swbudget/publication](http://www.alaska.edu/swbudget/publication)

Source: SW Budget and Institutional Research, October 15, 2004.

**University of Alaska**  
**Operating Budget Trend by Expenditures Type Actuals FY99-FY04 (in thousands)**

	<b>FY99</b>	<b>FY00</b>	<b>FY01</b>	<b>FY02</b>	<b>FY03</b>	<b>FY04</b>	<b>% Change</b>	<b>% Change</b>
	<b>Actuals</b>	<b>Actuals</b>	<b>Actuals</b>	<b>Actuals</b>	<b>Actuals</b>	<b>Actuals</b>	<b>FY03-FY04</b>	<b>FY99-FY04</b>
<b>Statewide Pgms &amp; Services</b>								
Commodities	622.6	816.1	1,370.6	1,031.6	861.7	834.4	-3%	34%
Contractual Services	11,133.2	11,420.7	14,856.0	14,540.1	15,206.5	15,794.2	4%	42%
Equipment	1,137.8	771.3	1,767.3	744.6	464.8	445.7	-4%	-61%
Land/Buildings	298.5	165.3	288.7	254.4	(144.9)	48.9		-84%
Miscellaneous	1,585.6	1,601.7	1,568.3	1,587.6	1,489.1	1,694.6	14%	7%
Salaries & Benefits	9,805.3	10,857.5	12,085.3	14,294.9	15,854.7	17,141.0	8%	75%
Student Aid	48.7	815.7	1,603.2	2,309.4	81.9	76.2	-7%	57%
Travel	684.9	793.1	991.8	1,083.7	1,211.5	1,212.4	0%	77%
<b>Total</b>	<b>25,316.6</b>	<b>27,241.4</b>	<b>34,531.1</b>	<b>35,846.4</b>	<b>35,025.3</b>	<b>37,247.4</b>	<b>6%</b>	<b>47%</b>
<b>University of AK Southeast</b>								
Commodities	2,743.2	2,600.8	3,279.5	3,851.8	3,802.0	3,686.4	-3%	34%
Contractual Services	4,386.3	4,691.7	5,676.6	7,677.5	6,284.9	6,557.8	4%	50%
Equipment	303.4	238.2	521.1	365.0	347.8	1,228.2	253%	305%
Land/Buildings	309.4	29.6	4.1	481.4	554.1	364.3	-34%	18%
Miscellaneous	203.8	116.4	165.1	89.2	279.2	295.9	6%	45%
Salaries & Benefits	15,270.8	16,016.6	17,513.0	19,719.9	21,209.6	22,560.6	6%	48%
Student Aid	933.3	1,110.9	1,348.7	1,513.0	1,390.6	1,401.4	1%	50%
Travel	524.1	624.5	874.0	1,182.2	1,121.4	1,058.9	-6%	102%
<b>Total</b>	<b>24,674.3</b>	<b>25,428.5</b>	<b>29,382.2</b>	<b>34,879.8</b>	<b>34,989.6</b>	<b>37,153.5</b>	<b>6%</b>	<b>51%</b>
<b>University of AK Anchorage</b>								
Commodities	13,175.7	12,882.1	14,637.7	16,259.4	15,639.3	16,225.0	4%	23%
Contractual Services	23,012.4	23,824.1	26,994.8	29,621.1	30,914.7	35,275.9	14%	53%
Equipment	1,826.7	1,851.4	4,463.8	2,803.7	2,969.6	2,150.5	-28%	18%
Land/Buildings	1,513.6	797.5	1,359.6	634.4	1,383.9	1,123.3	-19%	-26%
Miscellaneous	1,830.9	2,790.5	3,029.9	3,275.9	3,246.2	3,463.7	7%	89%
Salaries & Benefits	83,792.6	87,068.8	91,928.8	99,119.8	108,310.1	116,541.5	8%	39%
Student Aid	6,211.7	5,832.4	6,085.5	7,616.9	6,909.0	6,827.4	-1%	10%
Travel	2,799.9	3,022.5	3,483.2	3,984.4	4,175.5	3,730.7	-11%	33%
<b>Total</b>	<b>134,163.7</b>	<b>138,069.3</b>	<b>151,983.2</b>	<b>163,315.4</b>	<b>173,548.3</b>	<b>185,338.0</b>	<b>7%</b>	<b>38%</b>
<b>University of AK Fairbanks</b>								
Commodities	25,253.6	26,287.6	31,392.5	31,854.5	31,757.0	34,042.1	7%	35%
Contractual Services	46,884.4	51,313.9	55,158.7	63,444.1	67,662.2	64,780.1	-4%	38%
Equipment	9,872.1	7,110.1	18,151.3	7,713.4	9,218.6	11,680.1	27%	18%
Land/Buildings	1,342.3	1,285.2	2,827.3	3,421.7	2,526.2	1,777.0	-30%	32%
Miscellaneous	4,919.3	5,127.1	6,762.0	6,152.5	4,904.7	5,399.2	10%	10%
Salaries & Benefits	113,280.2	120,537.6	126,427.4	140,048.5	156,883.2	170,908.5	9%	51%
Student Aid	6,389.3	6,466.3	6,754.1	7,721.6	7,225.4	8,272.6	14%	29%
Travel	6,446.9	6,712.3	8,745.6	9,288.4	10,203.1	10,264.5	1%	59%
<b>Total</b>	<b>214,388.0</b>	<b>224,839.8</b>	<b>256,219.0</b>	<b>269,644.5</b>	<b>290,380.4</b>	<b>307,124.1</b>	<b>6%</b>	<b>43%</b>
<b>UA Total</b>								
Commodities	41,795.1	42,586.5	50,680.2	52,997.1	52,060.0	54,787.9	5%	31%
Contractual Services	85,416.3	91,250.5	102,686.2	115,282.7	120,068.3	122,408.0	2%	43%
Equipment	13,140.0	9,971.0	24,903.5	11,626.7	13,000.8	15,504.5	19%	18%
Land/Buildings	3,463.8	2,277.6	4,479.8	4,791.8	4,319.3	3,313.5	-23%	-4%
Miscellaneous	8,539.6	9,635.7	11,525.3	11,105.2	9,919.2	10,853.4	9%	27%
Salaries & Benefits	222,149.1	234,480.4	247,954.5	273,183.1	302,257.6	327,151.6	8%	47%
Student Aid	13,583.0	14,225.2	15,791.6	19,160.9	15,606.9	16,577.6	6%	22%
Travel	10,455.7	11,152.3	14,094.6	15,538.7	16,711.5	16,266.5	-3%	56%
<b>Total</b>	<b>398,542.6</b>	<b>415,579.2</b>	<b>472,115.6</b>	<b>503,686.1</b>	<b>533,943.6</b>	<b>566,863.0</b>	<b>6%</b>	<b>42%</b>

Source: SW Budget and Institutional Research, October 15, 2004.

**University of Alaska**  
**Operating Budget Trend State Appropriations and Non-General Fund Actuals by Campus FY01-FY04 (in thousands)**

	FY01 Actuals			FY04 Actuals			% Change FY01-FY04			Amount Change FY01-FY04		
	State Approp.	Receipt Authority	Total Funds	State Approp.	Receipt Authority	Total Funds	State Approp.	Receipt Authority	Total Funds	State Approp.	Receipt Authority	Total Funds
<b>Statewide Programs &amp; Services</b>												
Statewide Services	6,643.6	16,469.7	23,113.3	8,373.1	17,539.6	25,912.7	26.0%	6.5%	12.1%	1,729.5	1,069.9	2,799.4
Statewide Networks	5,878.0	5,539.8	11,417.8	6,953.8	4,380.9	11,334.7	18.3%	-20.9%	-0.7%	1,075.8	(1,158.9)	(83.1)
<b>Total SPS</b>	<b>12,521.6</b>	<b>22,009.5</b>	<b>34,531.1</b>	<b>15,326.9</b>	<b>21,920.5</b>	<b>37,247.4</b>	<b>22.4%</b>	<b>-0.4%</b>	<b>7.9%</b>	<b>2,805.3</b>	<b>(89.0)</b>	<b>2,716.3</b>
<b>University of Alaska Anchorage</b>												
Anchorage Campus	59,056.2	75,038.2	134,094.4	66,627.5	97,112.0	163,739.5	12.8%	29.4%	22.1%	7,571.3	22,073.8	29,645.1
Kenai Pen. Col.	3,560.4	2,473.4	6,033.8	4,043.5	3,076.0	7,119.5	13.6%	24.4%	18.0%	483.1	602.6	1,085.7
Kodiak College	1,904.8	710.3	2,615.1	1,977.8	1,221.0	3,198.8	3.8%	71.9%	22.3%	73.0	510.7	583.7
Mat-Su College	2,631.4	2,453.1	5,084.5	3,129.6	3,002.9	6,132.5	18.9%	22.4%	20.6%	498.2	549.8	1,048.0
Prince Wm Snd CC	1,691.9	2,463.4	4,155.3	1,949.0	3,198.7	5,147.7	15.2%	29.8%	23.9%	257.1	735.3	992.4
<b>Total UAA</b>	<b>68,844.7</b>	<b>83,138.4</b>	<b>151,983.1</b>	<b>77,727.4</b>	<b>107,610.6</b>	<b>185,338.0</b>	<b>12.9%</b>	<b>29.4%</b>	<b>21.9%</b>	<b>8,882.7</b>	<b>24,472.2</b>	<b>33,354.9</b>
<b>University of Alaska Fairbanks</b>												
Bristol Bay Campus	843.0	362.0	1,205.0	840.9	1,792.4	2,633.3	-0.2%	395.1%	118.5%	(2.1)	1,430.4	1,428.3
Chukchi Campus	577.5	119.6	697.1	607.1	1,171.7	1,778.8	5.1%	879.7%	155.2%	29.6	1,052.1	1,081.7
Cooperative Ext. Service	2,956.5	2,085.4	5,041.9	3,015.1	2,940.9	5,956.0	2.0%	41.0%	18.1%	58.6	855.5	914.1
Fairbanks Campus	63,771.6	76,923.5	140,695.1	72,388.1	92,473.5	164,861.6	13.5%	20.2%	17.2%	8,616.5	15,550.0	24,166.5
Fairbanks Org. Res.	14,650.7	76,814.1	91,464.8	14,810.0	91,674.0	106,484.0	1.1%	19.3%	16.4%	159.3	14,859.9	15,019.2
Interior-Aleut. Campus	1,088.0	932.5	2,020.5	1,434.2	1,671.5	3,105.7	31.8%	79.2%	53.7%	346.2	739.0	1,085.2
Kuskokwim Campus	1,949.5	1,291.8	3,241.3	2,077.2	2,966.4	5,043.6	6.6%	129.6%	55.6%	127.7	1,674.6	1,802.3
Northwest Campus	1,267.6	440.0	1,707.6	1,317.9	1,175.3	2,493.2	4.0%	167.1%	46.0%	50.3	735.3	785.6
Rural College	2,793.7	1,843.5	4,637.2	3,376.4	4,479.8	7,856.2	20.9%	143.0%	69.4%	582.7	2,636.3	3,219.0
Tanana Valley Campus	2,711.2	2,797.4	5,508.6	3,650.9	3,260.8	6,911.7	34.7%	16.6%	25.5%	939.7	463.4	1,403.1
<b>Total UAF</b>	<b>92,609.3</b>	<b>163,609.8</b>	<b>256,219.1</b>	<b>103,517.8</b>	<b>203,606.3</b>	<b>307,124.1</b>	<b>11.8%</b>	<b>24.4%</b>	<b>19.9%</b>	<b>10,908.5</b>	<b>39,996.5</b>	<b>50,905.0</b>
<b>University of Alaska Southeast</b>												
Juneau Campus	12,763.0	8,795.6	21,558.6	15,016.0	13,396.1	28,412.1	17.7%	52.3%	31.8%	2,253.0	4,600.5	6,853.5
Ketchikan Campus	1,862.2	808.1	2,670.3	1,914.8	1,326.0	3,240.8	2.8%	64.1%	21.4%	52.6	517.9	570.5
Sitka Campus	1,947.1	3,206.3	5,153.4	2,081.0	3,419.6	5,500.6	6.9%	6.7%	6.7%	133.9	213.3	347.2
<b>Total UAS</b>	<b>16,572.3</b>	<b>12,810.0</b>	<b>29,382.3</b>	<b>19,011.8</b>	<b>18,141.7</b>	<b>37,153.5</b>	<b>14.7%</b>	<b>41.6%</b>	<b>26.4%</b>	<b>2,439.5</b>	<b>5,331.7</b>	<b>7,771.2</b>
<b>Total University</b>	<b>\$ 190,547.9</b>	<b>\$ 281,567.7</b>	<b>\$ 472,115.6</b>	<b>\$ 215,583.9</b>	<b>\$ 351,279.1</b>	<b>\$ 566,863.0</b>	<b>13.1%</b>	<b>24.8%</b>	<b>20.1%</b>	<b>\$ 25,036.0</b>	<b>\$ 69,711.4</b>	<b>\$ 94,747.4</b>

State Approp. includes GF, GF/Match, GF/MHT, S and T Funds, , ACPE Funds, and Workforce Development Funds

**University of Alaska**  
**Operating Budget Trend State Appropriations and Non-General Fund Budget by Campus FY04-FY05 (in thousands)**

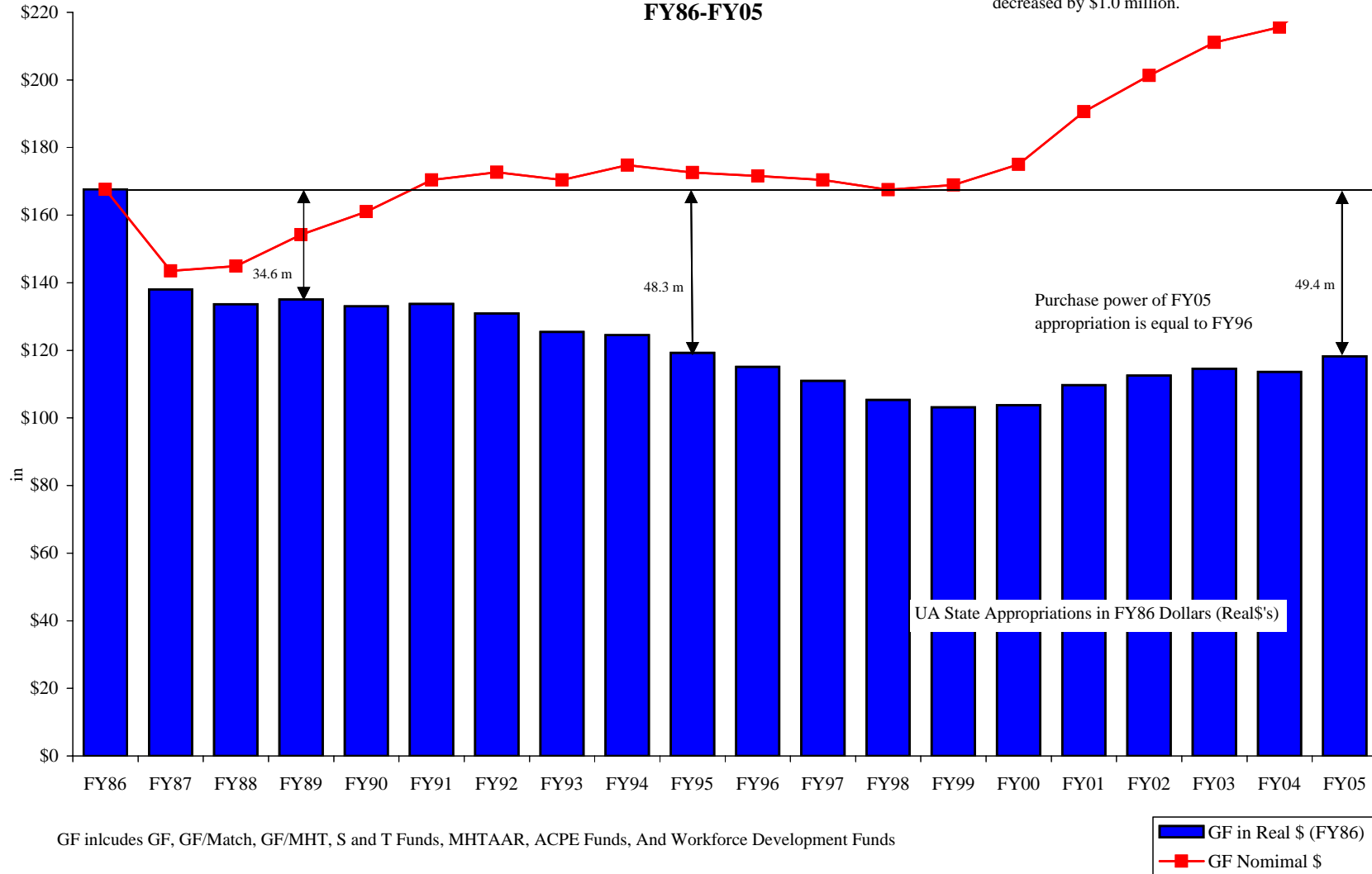
	FY04 Authorized Budget			FY05 Authorized Budget			% Change FY04-FY05			Amount Change FY04-FY05		
	State Approp.	Receipt Authority	Total Funds	State Approp.	Receipt Authority	Total Funds	State Approp.	Receipt Authority	Total Funds	State Approp.	Receipt Authority	Total Funds
<b>Systemwide Components Summary</b>												
Reductions & Additions		29,992.4	29,992.4		2,107.9	2,107.9		-93.0%	-93.0%		(27,884.5)	(27,884.5)
<b>Total SW BRA</b>		<b>29,992.4</b>	<b>29,992.4</b>		<b>2,107.9</b>	<b>2,107.9</b>		<b>-93.0%</b>	<b>-93.0%</b>		<b>(27,884.5)</b>	<b>(27,884.5)</b>
<b>Statewide Programs &amp; Services</b>												
Statewide Services	11,656.0	25,747.9	37,403.9	11,341.1	25,560.8	36,901.9	-2.7%	-0.7%	-1.3%	(314.9)	(187.1)	(502.0)
Statewide Networks	6,973.3	6,578.6	13,551.9	7,226.2	7,097.3	14,323.5	3.6%	7.9%	5.7%	252.9	518.7	771.6
<b>Total SPS</b>	<b>18,629.3</b>	<b>32,326.5</b>	<b>50,955.8</b>	<b>18,567.3</b>	<b>32,658.1</b>	<b>51,225.4</b>	<b>-0.3%</b>	<b>1.0%</b>	<b>0.5%</b>	<b>(62.0)</b>	<b>331.6</b>	<b>269.6</b>
<b>University of Alaska Anchorage</b>												
Anchorage Campus	65,326.5	104,850.3	170,176.8	70,794.5	122,040.2	192,834.7	8.4%	16.4%	13.3%	5,468.0	17,189.9	22,657.9
Kenai Pen. Col.	3,980.1	3,739.9	7,720.0	4,661.9	4,221.6	8,883.5	17.1%	12.9%	15.1%	681.8	481.7	1,163.5
Kodiak College	1,977.8	1,374.0	3,351.8	2,061.6	1,427.5	3,489.1	4.2%	3.9%	4.1%	83.8	53.5	137.3
Mat-Su College	3,128.2	4,353.7	7,481.9	3,276.8	4,618.4	7,895.2	4.8%	6.1%	5.5%	148.6	264.7	413.3
Prince Wm Snd CC	1,939.1	3,373.8	5,312.9	2,084.6	3,485.1	5,569.7	7.5%	3.3%	4.8%	145.5	111.3	256.8
<b>Total UAA</b>	<b>76,351.7</b>	<b>117,691.7</b>	<b>194,043.4</b>	<b>82,879.4</b>	<b>135,792.8</b>	<b>218,672.2</b>	<b>8.5%</b>	<b>15.4%</b>	<b>12.7%</b>	<b>6,527.7</b>	<b>18,101.1</b>	<b>24,628.8</b>
<b>University of Alaska Fairbanks</b>												
Bristol Bay Campus	872.4	1,441.2	2,313.6	881.7	1,808.1	2,689.8	1.1%	25.5%	16.3%	9.3	366.9	376.2
Chukchi Campus	617.4	945.2	1,562.6	625.7	1,025.9	1,651.6	1.3%	8.5%	5.7%	8.3	80.7	89.0
Cooperative Ext. Service	3,221.6	3,439.6	6,661.2	3,123.2	3,589.0	6,712.2	-3.1%	4.3%	0.8%	(98.4)	149.4	51.0
Fairbanks Campus	70,400.2	107,307.3	177,707.5	76,430.5	103,447.5	179,878.0	8.6%	-3.6%	1.2%	6,030.3	(3,859.8)	2,170.5
Fairbanks Org. Res.	14,908.4	106,867.2	121,775.6	16,533.9	115,606.4	132,140.3	10.9%	8.2%	8.5%	1,625.5	8,739.2	10,364.7
Interior-Aleut. Campus	1,141.5	1,848.7	2,990.2	1,197.2	1,919.3	3,116.5	4.9%	3.8%	4.2%	55.7	70.6	126.3
Kuskokwim Campus	2,174.9	2,267.8	4,442.7	2,146.5	2,956.7	5,103.2	-1.3%	30.4%	14.9%	(28.4)	688.9	660.5
Northwest Campus	1,482.4	1,010.7	2,493.1	1,347.1	1,271.6	2,618.7	-9.1%	25.8%	5.0%	(135.3)	260.9	125.6
Rural College	3,799.4	3,064.4	6,863.8	3,738.3	4,042.8	7,781.1	-1.6%	31.9%	13.4%	(61.1)	978.4	917.3
Tanana Valley Campus	3,334.5	3,932.1	7,266.6	3,326.2	4,161.9	7,488.1	-0.2%	5.8%	3.0%	(8.3)	229.8	221.5
<b>Total UAF</b>	<b>101,952.7</b>	<b>232,124.2</b>	<b>334,076.9</b>	<b>109,350.3</b>	<b>239,829.2</b>	<b>349,179.5</b>	<b>7.3%</b>	<b>3.3%</b>	<b>4.5%</b>	<b>7,397.6</b>	<b>7,705.0</b>	<b>15,102.6</b>
<b>University of Alaska Southeast</b>												
Juneau Campus	14,670.7	14,758.2	29,428.9	16,196.2	17,037.3	33,233.5	10.4%	15.4%	12.9%	1,525.5	2,279.1	3,804.6
Ketchikan Campus	1,889.4	2,577.0	4,466.4	1,979.1	2,009.6	3,988.7	4.7%	-22.0%	-10.7%	89.7	(567.4)	(477.7)
Sitka Campus	2,090.1	4,518.2	6,608.3	2,162.6	4,653.3	6,815.9	3.5%	3.0%	3.1%	72.5	135.1	207.6
<b>Total UAS</b>	<b>18,650.2</b>	<b>21,853.4</b>	<b>40,503.6</b>	<b>20,337.9</b>	<b>23,700.2</b>	<b>44,038.1</b>	<b>9.0%</b>	<b>8.5%</b>	<b>8.7%</b>	<b>1,687.7</b>	<b>1,846.8</b>	<b>3,534.5</b>
<b>Total University</b>	<b>\$ 215,583.9</b>	<b>\$ 433,988.2</b>	<b>\$ 649,572.1</b>	<b>\$ 231,134.9</b>	<b>\$ 431,980.3</b>	<b>\$ 665,223.1</b>	<b>7.2%</b>	<b>-0.5%</b>	<b>2.4%</b>	<b>\$ 15,551.0</b>	<b>\$ (2,007.9)</b>	<b>\$ 15,651.0</b>

State Approp. includes GF, GF/Match, GF/MHT, S and T Funds, ACPE Funds, and Workforce Development Funds



**University of Alaska  
GF Appropriation in Real and Nominal Dollars  
FY86-FY05**

Although the FY04 appropriation increased \$4.5 million, in nominal dollars the purchasing power decreased by \$1.0 million.





**University of Alaska**  
**FY06 Operating Budget Request Guidelines**  
**Preparing for 2009, Alaska's Golden Anniversary**



The Board of Regents' goal is to secure sufficient additional investment for UA to aggressively pursue the interconnected goals documented in its UA Strategic Plan 2009 in the following categories; student success, research excellence, educational quality, responsiveness to state needs, faculty and staff strength, technology and facility development, and diverse revenue sources.

In meeting the established 2009 goals, UA will contribute substantially to Alaska's concerted effort to build a strong and stable economy and accordingly share in a truly golden 50<sup>th</sup> anniversary celebration of statehood.

From the system level through the school and college level, UA will demonstrate conscious alignment of resources to reach established targets on measurable outcomes. The measurable outcomes are directed at meeting UA's 2009 strategic goals and will reflect the distinct mission of each MAU. Thus, UA will maximize its performance toward established Board goals by aligning increasing external revenue, our existing revenue base, and a modest request increment from the state for FY05.

Incremental state investments and additional external revenue authority will be requested for maintaining a solid foundation and other activities directed at accomplishing established goals and measurable outcomes. Additionally, the FY06 budget request proposal to the Board of Regents will demonstrate base resource reallocations directed at meeting established outcome targets.

Incremental state funding requests coupled with anticipated external funding increases and reallocations will be directed to:

1. Maintaining a solid foundation through investing in base requirements such as competitive employee compensation, staff benefits, fixed cost increases, facilities and IT maintenance requirements and necessary business efficiency investments.
2. Successful instructional, research, and service programs that demonstrate 1) positive impacts toward the UA Strategic Plan 2009 goals, 2) positive impacts on MAU goals, 3) progress toward established outcome targets 4) current and future program demand, and 5) above normal productivity.
3. Start-up funding for a very select number of targeted new programs identified as essential for UA to meet its Strategic Plan 2009 goals.
4. Meeting additional student demand through incremental funding of programs and services that serve traditional undergraduate and graduate students and non-traditional students seeking workforce and other skills training. Priorities will be given to programs most closely aligned to meeting established systemwide outcome targets.
5. Addressing administrative efficiencies through project investments that automate, standardize, and or consolidate functions that demonstrate near term cost avoidance or service improvements.

Growth in UA program capacity over the last four years has been significant. UA's 2006 budget request will be characterized by focused outcomes to 1) keep more young Alaskans in state to attend the University, thus preparing our future leaders in Alaska for Alaska, 2) prepare Alaskans for Alaska's jobs, and 3) reveal UA's distinctive centers of academic excellence.

UA's high accountability standards will be maintained by:

- *Annual Management Report Reviews*
- *Annual Operating Reviews*
- *Regular Unit Level Reporting*
- *Regular UA Outcome/Performance Tracking*
- *Regular Legislative Measures Tracking*



**Board of Regents  
Strategic Plan 2009  
Summary Listing of UA Goals and Objectives**

The University system priorities and decisions through 2009 will be guided by key goals and objectives. Examples of the major decisions that must be made are the following:

- What students should be recruited, at what level of tuition, with what advising programs, and with what opportunities for employment or additional study once they graduate?
- What academic programs should be developed, modified, or eliminated? How much are we looking to gain from, or willing to pay, for these decisions? Where should we focus this review effort?
- What research programs should be supported, where, and for how much financial, space, and other resources?
- Who (faculty and staff) should be recruited, in what academic or administrative fields, for how much, and with what opportunities for career development?
- What are the needs of the state, at present and in the foreseeable future, and how can the University meet those needs through its teaching, research, and outreach?
- What facilities and information technology are required to support our mission? Where should we expand our facilities? How much will it cost? How long will it take?

The key goals and objectives of the Board of Regents, in the context of the University's values and available resources, will guide University system decision-making. More detailed implementation plans will be developed for each goal, with direction for each MAU based on its mission, capabilities, opportunities, and resources.

**Goal 1: Student Success**

The University will provide the learning environments, support systems, academic programs, facilities, technology, and faculty to enable the life-long success of our students, with their diverse needs, interests, capabilities, and ambitions. We seek to increase the number and share of traditional and non-traditional student attending a University campus. We are particularly committed to the success of Alaska Native students.

*Objectives*

- Enhance efforts in student recruitment and retention.
- Continue placing students in good jobs.
- Build life-long relationships with alumni.

**Goal 2: Educational Quality**

The University will offer the highest quality in our educational offerings, from non-degree training programs to graduate degrees. Our campuses will provide the highest possible quality programs and services within their respective missions.

*Objectives*

- Emphasize the community college mission.
- Improve collaboration among campuses.
- Ensure efficient allocation of programs.

- Develop new and relevant programs.
- Strengthen counseling services for our diverse student community.

### **Goal 3: Research Excellence**

The University will be a globally recognized leader in areas of research for which Alaska has special competitive capabilities or unique environments in key areas of culture, economy, and health, using approaches that integrate the human dimension with natural sciences, and expand from basic processes to synthesis and policy advice.

#### *Objectives*

- Enhance competitive capacity.
- Increase opportunities for undergraduate and graduate student participation in research.
- Capture Alaska-specific opportunities for the State and the University.
- Account for the value and cost of research.
- Expand support for the transfer of University intellectual property to private economic development.
- Grow percentage of Alaska Native participation to a part with the population.

### **Goal 4: Faculty and Staff Strength**

The University will recruit, develop, and retain a culturally diverse faculty and staff who bring excellence to our research, teaching, and public service and through innovative and mission-focused academic and staff human resources programs and services.

#### *Objectives*

- Invest in faculty and staff development.
- Reward faculty and staff for innovation, creativity, and excellence.
- Ensure alignment between institutional goals and workload, productivity, and selection.
- Ensure excellent administrative practices that are integrated with the university's strategic priorities.
- Ensure high quality teaching.

### **Goal 5: Responsiveness to State Needs**

The University will continuously enhance its capacity to meet the changing needs of Alaska's people and work through core programs as well as creative, entrepreneurial arrangements and partnerships to meet those needs. Among the changing conditions affecting the state's needs are continued rapid population growth in Anchorage and surrounding communities, the need for economic diversification, particularly in rural Alaska, and uncertainty regarding the state's ability to provide for its own economic future.

#### *Objectives*

- Assess and meet Alaska's current and projected workforce needs.
- Build strong partnerships with employers to ensure our graduates possess needed skills and abilities.
- Focus on rural Alaska needs.

- Provide support for cultural needs.
- Increase public policy analysis.
- Build community engagement programs.
- Enhance responsiveness to workforce needs.

### **Goal 6: Technology and Facility Development**

The University will provide students, faculty, and staff the facilities and technology they need to most effectively pursue their research, education, and public service goals.

#### *Objectives*

- Address process issues: facility planning and facility utilization.
- Explore privatization and partnering.
- Support distance education through additional technology and faculty development.
- Expand access through appropriate technologies to as many university programs and services as possible.

### **Goal 7: Diverse Sources of Revenue**

Engaging major stakeholders to increase their investment in the University is a critical precondition for the achievement of the above six goals. These stakeholders include all citizens of Alaska, but especially alumni, state, federal, and local governments; businesses, including non-profit organizations; and private philanthropy.

#### *Objectives*

- Diversify funding sources to reduce reliance on the state's general fund.
- Pursue land for long term endowment and growth.
- Encourage the commercial utility and application of University intellectual property.