

University of Alaska FY09 Budget Request Update

Governor's Budget Release

December 10, 2007

The Governor's **FY09 operating budget** includes UA's compensation and fixed cost needs and some of the Board of Regents' highest priority program requests including; health, engineering and construction management programs, and climate change research. The alignment of the Board's highest priorities and those of the Governor's is encouraging. Over the last several years, UA has demonstrated outstanding results thus creating the confidence for additional investment by the Governor. Table 1. summarizes the Board of Regents' \$27.2 million state funding requested increase and the Governor's budgeted \$19.7 million increase.

Although the items the Governor has included are clearly highest priority, there are other significantly important items in the Board's request that the legislature will be asked to consider. These include a new undergraduate fisheries program, energy, transportation, and biomedical research, student success initiatives, the Alaska Cooperative Extension Service, and the Palmer Agricultural and Experimental Station. Table 2. shows the Board of Regents' highest **program growth priorities** request and the corresponding state funding in the Governor's budget.

The Governor's **capital budget** included state funding (via the Alaska Capital Income Fund) for a portion of the Board's #1 capital budget priority, UA's Major Renewal and Renovation (R&R) for Existing Facilities; \$40 million of UA's \$50 million annual need. There is also continued General Fund support for the Alaska Small Business Development Center (\$550K) and some receipt authority for non-state funded projects including the Alaska Regional Research Vessel (ARRV). However, the Board's additional capital priorities including UAF's BIOS Facility, UAA's Health Sciences Building and funding to pay down the accumulated backlog of major R&R projects are not included in the Governor's capital budget. Table 3. provides a breakdown of the \$40 million for UA's Major Renewal and Renovation (R&R) of Existing Facilities.

Table 1. UA FY09 Operating Budget Request Regents Request and Governor's Budget Comparison (millions)

	Board of Regents'		Governor's Budget	
	State \$'s	Total	State \$'s	Total
FY08 Operating Budget Base	\$292.6	\$798.8	\$292.6	\$798.8
Compensation and Fixed Cost Adj. Base Req.	13.3	27.0	13.3	27.0
Priority Program Enhancement and Growth	13.9	30.9	6.4	10.2
FY09 Increment Request	27.2	57.9	19.7	37.2
FY09 Operating Budget Request	\$319.8	\$856.7	\$312.3	\$836.0
<i>% Change FY08 Budget to FY09 Request</i>	9.3%	7.3%	6.7%	4.7%
<i>Governor's over/(under) Regents'</i>			(\$7.5)	(\$20.8)

Note: FY09 Gov's State \$'s includes \$308.5M GF, \$3.5M TVEP and \$0.3M MHTGF for Total \$312.3M.

Table 2. UA FY09 Operating Budget Request Regents Priority Program Request Detail

Priority Program Enhancement and Growth Requests	Regents'	Governor's
Preparing Alaskans for Jobs	\$5,775.7	\$4,775.7
<i>Health</i>	2,612.8	<i>Health Prgs</i>
<i>Engineering and Construction Management</i>	2,162.9	<i>Engineering Prgs</i>
<i>Fisheries</i>	1,000.0	
University Research Investment	\$3,589.7	\$966.4
<i>Climate Impact and Alaska's Natural Resources</i>	966.4	<i>Climate Research</i>
<i>Engineering, Transportation and Energy,</i>	1,000.0	
<i>Biomedical, Health and Competitive Research</i>	1,623.3	
Student Success	\$2,739.2	\$408.6
<i>Meeting Student Demand</i>	830.6	
<i>Workforce Start-Ups and Equipment (TVEP)</i>	408.6	<i>WFD/TVEP</i>
<i>Student Success Initiatives</i>	1,500.0	
Cooperative Extension, Public Service and Outreach	\$1,805.0	\$255.0
<i>Coop. Ext. Service and Agri. & Forestry Exp. Station</i>	850.0	
<i>Alaska Teacher Placement</i>	255.0	<i>ATP/ACPE</i>
<i>UATV, Marketing and Community Outreach</i>	700.0	
Priority Program Enhancement and Growth	\$13,909.6	\$6,405.7

Table 3. Regents' Annual Major R&R Request and Governor's Capital Budget (millions)

	Regents'	Governor
Maintaining Existing Facilities and Equip. R&R Annual Req.	\$50.0	\$40.0
<i>UA-Anchorage Priority R&R</i>	9.2	7.3
<i>UAA-Community Campuses Priority R&R</i>	1.8	1.4
<i>UA-Fairbanks and TVC Priority R&R</i>	24.7	19.6
<i>UAF-Community Campuses Priority R&R</i>	0.9	0.7
<i>UA-Juneau Priority R&R - Anderson Bldg Renewal</i>	10.2	10.2
<i>UAS-Community Campuses Priority R&R</i>	0.5	0.4
<i>UA-Statewide Priority R&R - Data Center Upgrade</i>	0.8	0.5
<i>UAA/UAF/UAS/SW Acad. and Adm. Equipment</i>	2.0	