

Statewide Office of Cost Analysis

(907) 450-8077

(907) 450-8071 (fax)



UNIVERSITY
of ALASKA

Many Traditions One Alaska

211B Butrovich Building
910 Yukon Drive
PO Box 756540
Fairbanks, AK 99775-6540
<http://info.alaska.edu/controller>

Date: May 10, 2006

To: Joe Trubacz, Gebeyehu Ejigu, Carol Griffin, Jim Johnsen, Jim Lynch, Myron Dosch, Dave Read, Beth Behner, Kris Racina, Pat Pitney, Michelle Rizk, Mike Humphrey, Vickie Gilligan, Michelle Pope, Dawn Wall, Tanya Hollis, Sherry Hansen

From: Ginger Baker, SW Cost Analysis

Re: Revised Schedules 2 and 4 for FY07 Fringe Benefit Forward Pricing Proposal

Attached is a copy of the submittal letter and revised Schedules 2 and 4 for the FY07 Fringe Benefit Forward Pricing Proposal Report submitted to UA's cognizant agency, Office of Naval Research, on May 9, 2006. The FY07 proposed staff benefit rates for the Executive and Nonunion Faculty increased from 34.9% to 35.4% due to an error in our calculation of the PERS and ORP-Tier 2 and Tier 3 costs for this job group. Please flag the original schedules 2 and 4 as superseded and add these revised schedules to your bound copy.

The Defense Contract Auditing Agency has completed their audit of the proposed rates with no findings. Due to the quick turn around on the audit, we anticipate that a negotiation agreement will be in place prior to July 1, 2006 reflecting these revised rates. Please contact me if you have any questions or need additional information.

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www.alaska.edu/controller/cost-analysis/

Date: March 31, 2006

To: Joe Trubacz, Gebeyehu Ejigu, Carol Griffin, Joe Beedle, Jim Lynch, Myron Dosch, Dave Read, Jim Johnsen, Beth Behner, Mike Humphrey, Vickie Gilligan, Michelle Pope, Dawn Wall, Tanya Hollis, Sherry Hansen

From: Ginger Baker, SW Cost Analysis 

Re: FY07 Fringe Benefit Forward Pricing Proposal

Attached is the letter and FY07 Fringe Benefit Forward Pricing Proposal Report submitted to UA's cognizant agency, Office of Naval Research. The FY07 proposed fringe rates increased compared to the FY06 negotiated fixed rates primarily due to increased PERS, TRS, and ORP rates in conjunction with anticipated increases in health care costs. However, the FY07 proposed fringe rates decreased compared to the FY07 negotiated provisional rates for most job groups due to several factors including higher than expected increases in wage base, lower than expected cost projections for some benefits, or benefit costs which increased at a lower rate than anticipated. The UNAC Faculty employee class experienced the most volatility between the FY06 negotiated rates and the FY07 proposed rates for both leave and staff benefit rates. This group had increased projected leave use and significant variance in carry-forward from FY06 to the FY07 proposed rates. In addition, this group's total health care benefit costs increased by approximately 85% resulting in the large increase in staff benefit rates from FY06 to the FY07 proposed rates. These factors were considered during development of our provisional rates so there was no change in proposed leave rates and only a small increase for the staff benefit rates for this employee class compared to the FY07 negotiated provisional rates.

We have requested that the proposal audit be completed early enough to allow us to have negotiated rates in place by July 1, 2006. The following tables summarizes the FY06 negotiated leave and staff benefit rates, the FY07 provisional leave and staff benefit rates, the FY07 proposed leave and staff benefit rates, and the % increase or decrease in rates by job group over the FY06 negotiated rates and over the FY07 provisional rates.

Job Group or Employee Class	ECLS	Leave Rates			Increase/(Decrease)	
		FY06 Negotiated Benefit Rates (1)	FY07 Provisional Benefit Rates (1)	FY07 Proposed Benefit Rates (1)	FY06 Neg. to FY07 Proposed % Increase/(Decrease)	FY07 Prov to FY07 Proposed % Increase/(Decrease)
Classified	NR	21.7%	21.4%	21.4%	(1.38)%	0.00%
Classified, AHECTE	CR	23.1%	23.2%	23.4%	1.30%	0.86%
APT Exempt	XR	19.3%	19.4%	19.7%	2.07%	1.55%
Executive	EX	16.7%	16.9%	17.0%	1.80%	0.59%
Faculty, Non-union, 12 mos.	FR	16.7%	16.9%	17.0%	1.80%	0.59%
Faculty, Non-union, < 12 mos.	FN	0.9%	0.2%	1.0%	11.11%	400.00%
Faculty, UNAC	F9	1.1%	1.5%	1.5%	36.36%	0.00%
Faculty, ACCFT	AR, A9	1.4%	1.5%	1.5%	7.14%	0.00%
Faculty, Adjunct	FT, FW	0.0%	0.0%	0.0%	0.00%	0.00%
Temporary	CT, GT, NT, ST, XT	0.0%	0.0%	0.0%	0.00%	0.00%
Extended Temporary	NX, XX	15.4%	15.1%	14.5%	(5.84)%	(3.97)%
Student	GN, SN	0.0%	0.0%	0.0%	0.00%	0.00%

FY07 Fringe Benefit Proposal
 March 31, 2006

Job Group	ECLS	Staff Benefit Rates			Increase/(Decrease)	
		FY06 Negotiated Benefit Rates (2)	FY07 Provisional Benefit Rates (2)	FY07 Proposed Benefit Rates (2)	FY06 Neg. to FY07 Proposed % Increase/ (Decrease)	FY07 Prov to FY07 Proposed % Increase/ (Decrease)
Classified	NR	50.0%	61.1%	57.0%	14.00%	(6.71)%
Classified, AHECTE	CR	66.2%	64.8%	63.8%	(3.63)%	(1.54)%
APT Exempt	XR	39.6%	46.7%	44.9%	13.38%	(3.85)%
Executive	EX	32.3%	36.8%	34.9%	8.05%	(5.16)%
Faculty, Non-union, 12 month	FR	32.3%	36.8%	34.9%	8.05%	(5.16)%
Faculty, Non-union, < 12 month	FN	32.3%	36.8%	34.9%	8.05%	(5.16)%
Faculty, UNAC	F9	35.5%	45.7%	46.3%	30.42%	1.31%
Faculty, ACCFT	AR, A9	53.8%	51.6%	55.0%	2.23%	6.59%
Faculty, Adjunct	FT, FW	10.0%	9.8%	9.8%	(2.00)%	0.00%
Temporary	CT, GT, NT, ST, XT	8.7%	8.9%	8.7%	0.00%	(2.25)%
Extended Temporary	NX, XX	39.9%	45.1%	45.8%	14.79%	1.55%
Student	GN, SN	0.0%	0.0%	0.0%	0.00%	0.00%

¹ Distribution base: Leave rates are applied to base salaries excluding overtime, miscellaneous pay, and paid leave.

² Distribution base: Staff benefit rates are applied to base salaries plus overtime, miscellaneous pay, and leave accrual provisions.

Myron J. Dosch, CPA
Controller
Phone: (907) 450-8070
Fax: (907) 450-8071
myron.dosch@alaska.edu



209 Butrovich Building
910 Yukon Drive, Suite 209
PO Box 755120
Fairbanks, AK 99775-5120

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May 9, 2006

Debbie Rafi
Director, Indirect Cost Branch
Office of Naval Research
875 N. Randolph Street
Code 242, Room 372
Arlington, VA 22203

RE: Revised Schedule 2 and Schedule 4, FY07 Fringe Benefit Forward Pricing Proposal

Enclosed is a new Schedule 2 and Schedule 4 of the FY07 Fringe Benefit Forward Pricing Proposal. The schedules included in our original report reflected information from a supporting work paper that contained a formula error that affected the proposed staff benefit costs and rate for the Executive and Nonunion Faculty job group only. PERS costs were understated and ORP-Tier 2 and Tier 3 costs were overstated in our original proposal. The correction resulted in a net increase in proposed staff benefit costs and rate for this job group.

The following table summarizes the original and revised staff benefit rates proposed for the Executive and Nonunion Faculty job group for FY07.

<u>Job Group</u>	<u>FY07 Original Proposed Benefit Rates</u>	<u>FY07 Revised Proposed Benefit Rates</u>	<u>Increase Or (Decrease)</u>
Executive	34.9%	35.4%	0.5%
Faculty, Nonunion, 12 mos.	34.9%	35.4%	0.5%
Faculty, Nonunion, < 12 mos.	34.9%	35.4%	0.5%

Corrected work papers and schedules were provided to DCAA while they were completing their audit field work. Please remove and replace the affected schedules with these corrected versions.

Sincerely,

A handwritten signature in cursive script that reads "Myron J. Dosch".

Myron J. Dosch

VMB

Attachments

cc: Ms. Sandra Thomson, ONR, Seattle (one copy)
Ms. Robert Kratochvil, DCAA, Pacific Branch Office (one copy)
Mr. Ed Dias, DCAA, Alaska Sub-Office (one copy)

Myron J. Dosch, CPA
 Controller
 Phone: (907) 450-8070
 Fax: (907) 450-8071
 myron.dosch@alaska.edu



209 Butrovich Building
 910 Yukon Drive, Suite 209
 PO Box 755120
 Fairbanks, AK 99775-5120

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March 31, 2006

Debbie Rafi
 Director, Indirect Cost Branch
 Office of Naval Research
 875 N. Randolph Street
 Code 242, Room 372
 Arlington, VA 22203

RE: University of Alaska FY07 Fringe Benefit Forward Pricing Proposal

This memorandum and enclosed attachments represent the University of Alaska's proposal to establish fixed with carry-forward fringe benefit rates for the period of July 1, 2006 through June 30, 2007 (FY07).

The cost methodology used is consistent with methodologies utilized for the FY06 fringe benefit forward pricing proposal. There is a change in retirement programs for FY07 incorporated into this proposal. Employees hired prior to July 1, 2006 are vested into the existing defined benefit retirement programs, but employees hired after July 1, 2006 will participate in new defined contribution retirement benefit programs. Benefit covered wage bases were projected for both the existing retirement plans and the new retirement plans. This proposal fully liquidates the FY05 staff benefit carry-forward of \$3,236,809 less the \$1,469,400 in union job group under-recoveries that was already liquidated in the negotiated FY06 fixed with carry-forward rates. Leave benefit under-recoveries of \$160,664 from FY05 are also fully liquidated in the FY07 proposal.

The following is a table summarizing the leave and staff benefit rates proposed for FY07 for the University of Alaska System. Also listed are the FY06 negotiated and FY07 provisional rates for comparison purposes.

Job Group	<u>Leave Benefit Rates</u>			<u>Staff Benefit Rates</u>		
	FY06 Negotiated Benefit Rates (1)	FY07 Provisional Proposed Benefit Rates (1)	FY07 Proposed Benefit Rates (1)	FY06 Negotiated Benefit Rates (2)	FY07 Provisional Proposed Benefit Rates (2)	FY07 Proposed Benefit Rates (2)
Classified	21.7%	21.4%	21.4%	50.0%	61.1%	57.0%
Classified, AHECTE	23.1%	23.2%	23.4%	66.2%	64.8%	63.8%
APT Exempt	19.3%	19.4%	19.7%	39.6%	46.7%	44.9%
Executive	16.7%	16.9%	17.0%	32.3%	36.8%	34.9%
Faculty, Nonunion, 12 mos.	16.7%	16.9%	17.0%	32.3%	36.8%	34.9%
Faculty, Nonunion, < 12 mos.	0.9%	0.2%	1.0%	32.3%	36.8%	34.9%
Faculty, UNAC	1.1%	1.5%	1.5%	35.5%	45.7%	46.3%
Faculty, ACCFT	1.4%	1.5%	1.5%	53.8%	51.6%	55.0%
Faculty, Adjunct	0.0%	0.0%	0.0%	10.0%	9.8%	9.8%
Temporary	0.0%	0.0%	0.0%	8.7%	8.9%	8.7%
Extended Temporary	15.4%	15.1%	14.5%	39.9%	45.1%	45.8%
Student	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

(1) Distribution base: Leave rates are applied to base salaries excluding overtime, miscellaneous pay, and paid leave.

(2) Distribution base: Staff benefit rates are applied to base salaries plus overtime, miscellaneous pay, and leave accrual provisions.

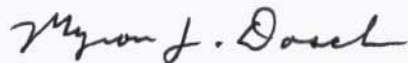
Debbie Rafi
March 31, 2006
Page 2

We are seeking to have new rates in effect for our first payroll in July 2006. We appreciate any assistance you can provide to help complete negotiations prior to that time, as retroactive payroll and billing adjustments are very problematic under our current system. Please let me know if there is anything we can do to facilitate the audit and negotiation process.

In addition, we are in the process of preparing our FY08 Fringe Benefit Forward Pricing proposal to establish provisional rates. The proposal will be submitted to your attention by April 30, 2006.

Please contact me if you have any questions or if you need additional information. Thanks for your consideration of this proposal.

Sincerely,



Myron J. Dosch

VMB

Attachments

cc: Ms. Sandra Thomson, ONR, Seattle (one copy)
Ms. Debbie Yee, DCAA, Seattle Branch Office (one copy)
Mr. Ed Dias, DCAA, Alaska Sub-Office (one copy)

UNIVERSITY OF ALASKA

FY07 FORWARD PRICING FRINGE BENEFIT PROPOSAL



The University of Alaska
Fringe Benefit Forward Pricing Proposal

July 1, 2006 – June 30, 2007

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Attachment A: Certifications

Certificate of Fringe Benefit Costs

Certificate of Final Fringe Benefit Costs

1. Final allocated benefit costs for combined job groups are rounded to hundreds for projection purposes.
2. Wages for FY07 are based on updated estimates of projected FY06 wages and incremented for salary and grid increases.
Annual salary increases are projected for eligible job groups as follows:
 - Classified, exempt and non-exempt staff, executive employees and nonunion faculty (job groups NR, XR, EX, FR, FN) - 2.6%.
 - AHECTE union employees (job group CR) – 2.3%
 - UNAC faculty (job group F9) – 4.7%
 - ACCFT faculty (job group A9, AR) - 4.6%
 - Adjunct faculty (job group FT, FW) – 4.7%Salary grid increases are projected for eligible job groups as follows:
 - AHECTE Union employees (CR, CT) – 1.5%
 - Classified, exempt and non-exempt staff (NR, XR, NT, XT, NX, XX) – 2.0%
3. Leave usage is projected using average rates calculated by job group. Use of average rates is intended to smooth individual year usage fluctuations. A three year average was used for all job groups for the period FY03 to FY05.
4. Beginning in FY07, UA will have two public employee retirement system (PERS) plans. The existing public employee retirement system (PERS-DB) defined benefit plan is restricted to eligible employees hired prior to July 1, 2006. Eligible employees hired July 1, 2006 or later may enroll in the new public employee retirement system (PERS-DC) defined contribution plan or the new optional retirement plan, ORP–Tier 3. All new employees are expected to enroll in ORP–Tier 3. The PERS-DB and PERS-DC rates are 20.58% and 10.05% respectively, for employees using rates established or projected by the State of Alaska, Division of Retirement. The percentage of FY05 earnings subject to this benefit is multiplied by the staff benefit wage base to estimate potential covered wages by job group for the public retirement system plans. This amount is reduced for covered wage estimates for individuals expected to participate in either ORP-Tier 2 or ORP–Tier 3.
5. Beginning in FY07, UA will have two teacher’s retirement system (TRS) plans. The existing teacher’s retirement system (TRS-DB) defined benefit plan is restricted to eligible employees hired prior to July 1, 2006. Eligible employees hired July 1, 2006 or later may enroll in the new teacher’s retirement system (TRS-DC) defined contribution plan or the new optional retirement plan, ORP–Tier 3. All new employees are expected to enroll in ORP–Tier 3. The TRS-DB and TRS-DC rates are 26.00% and 11.75% respectively, for employees using rates established or projected by the State of Alaska, Division of Retirement. The percentage of FY05 earnings subject to this benefit is multiplied by the staff benefit wage base to estimate potential covered wages by job group for the teacher’s retirement system plans. This amount is reduced for covered wage estimates for individuals expected to participate in either ORP-Tier 2 or ORP–Tier 3.
6. Effective FY07, UA will have three separate optional retirement plans, ORP–Tier 1, ORP–Tier 2, and ORP–Tier 3. In addition to the existing ORP–Tier 1 plan, formerly referred to as ORP, for employees hired prior to July 1, 2005, the University Board of Regents established a new tier, ORP–Tier 2, for new eligible employees hired during FY06. In February 2006, the University

Board of Regents also established another new tier, ORP–Tier 3, which is available to all retirement eligible employees hired on or after July 1, 2006. The ORP–Tier 1 rate is projected at 21.00% using the 3 year average TRS rate. The ORP–Tier 2 and ORP–Tier 3 rate is established by the Board of Regents at 12.00%. The percentage of FY05 earnings eligible for the optional retirement plan benefit is multiplied by the staff benefit wage base to estimate total optional retirement plan covered wages by job group. The covered wages for ORP by pooled job group are estimated as the difference between the total optional retirement plan covered wages and the projected covered wages for employees participating in ORP–Tier 2 and ORP–Tier 3. The projected ORP-Tier 2 covered wage base by job group is calculated by using the average FY04 and FY05 covered wages for new employees eligible for PERS, TRS and ORP incremented for grid and salary increases. The projected ORP–Tier 3 covered wage base by job group is calculated by using the average FY04 and FY05 covered wages for new employees eligible for PERS, TRS and ORP incremented for grid and projected additional increases in new employees. As previously indicated, all new employees are expected to enroll in ORP–Tier 3.

7. Pension costs are estimated at 7.65% of covered wages below \$42,000 for regular employees and \$94,200 for adjunct faculty. Job group covered wages for the fiscal year are calculated by multiplying the percentage of FY05 wages subject to pension benefits by the staff benefit wage base. Employees enrolled in the PERS-DC and TRS-DC retirement plans are not eligible for pension benefits. All FY07 new employees are expected to enroll in the pension eligible new optional retirement plan, ORP–Tier 3, so the estimated covered wages are not reduced. Projected pension administration costs are allocated to job groups prorata based on the covered wage base.
8. The percentage of FY05 earnings subject to medicare benefits or social security benefits is multiplied times the staff benefit wage base to calculate covered wages for each respective benefit type by job group. Medicare costs are projected at 1.45% of covered wages for all employees hired after April 1986. Social security is estimated at 6.2% of covered wages below \$94,200 for adjunct faculty and temporary job groups. All new adjuncts faculty will contribute to social security, not pension.
9. Health care costs are estimated at projected usage levels plus estimated retention per employee, less projected recoveries. All benefit eligible job groups pay for spouse/dependent health coverage if elected. As of CY00, UA had two health care plans, one for nonunion employees and one for union employees. In FY06, union employees moved to the “UA Choice” plan implemented in FY05 for all nonunion employees. This plan offers employees some flexible benefit options and matches the employee contributions with current year costs. The largest single cost element of the health care group is claims costs. These costs were allocated to individual union job groups and to the nonunion pooled job group in total based on FY05 claims costs. Other costs were allocated to union job groups and the nonunion pool job group based on estimated usage or prorata based on headcount. Estimated spouse/dependent and employee recoveries were allocated between nonunion and union job groups based on revised FY06 projected recoveries. Allocation to individual union job groups (CR, F9, and AR/A9) is based on the projected recoveries for each job group. The nonunion costs and recoveries were further allocated to individual nonunion job groups (NR, XR, EX/FR/FN and NX/XX) is based on the number of employee participants in each eligible job group.
10. Life insurance costs are estimated based on 12 months at the estimated rate of \$0.098 per \$1,000 of coverage. Allocation to individual job groups is based on the number of employee participants in each eligible job group.
11. LTD costs are for self insurance with a limit of 3 months coverage plus premium costs for remaining LTD coverage, estimated based on 12 months at the estimated rate of \$0.30 per \$100 of eligible salary. The annual administrative fee is calculated at a

monthly rate of \$0.25 per employee. The annual self insurance cost is based on a three year rolling average. LTD premium and self insurance costs are allocated to job groups prorata based on the staff benefit wage base. The administrative fee is allocated based on headcounts.

12. Unemployment costs are projected based on the average of 4 years actual experience plus estimated current year usage, then adjusted consistent with current trends. Allocated to job groups prorata based on the staff benefit wage base.
13. The Workers' Compensation claims cost are estimated at the actuarial consultant's projected self insured FY06 claims level incremented 5%. Workers' Compensation costs are allocated to job group pools based on a combination of claims experience and exposure. An additional \$380,200 for insurance premiums, professional fees, office operations, and loss prevention is allocated to non-student job groups prorata based on the staff benefit wage base.
14. Tuition waiver costs are projected at the FY06 estimated usage level and adjusted for increases or decreases in tuition rates for FY07. Employee (excluding adjunct) projected tuition waiver costs are allocated to applicable job group pools based on the number of employees. Adjunct projected tuition waiver costs are allocated to that specific job group. Effective CY02, adjuncts may accrue three credits per semester, up to twelve credits. These credits may be used for the employee, spouse or dependent. Effective FY00, dependent and spouse tuition waiver costs are unallowable.
15. AHECTE Legal Trust costs, consulting, and other costs are projected at the level forecasted by the program director. AHECTE legal trust costs are allocated entirely to the benefiting job group, CR. Consulting and other costs are allocated to job groups prorata based on the staff benefit wage base.
16. Labor relations costs are projected at the level forecasted by the program director and Statewide Office of Faculty and Staff Relations (formerly Human Resources) and are allocated to the union job groups prorata based on their staff benefit wage base.
17. Prior year staff benefit recovery carryforwards are as calculated in the FY05 Fringe Benefit Incurred Cost Report.
18. In the FY05 fringe benefit rate forward pricing proposal, net health care costs were calculated based upon an incorrect recovery rate for previously incurred health care costs for union employees. As a result of union contract negotiations, the expected employee recovery due in FY05 was spread over a two-year period. The under-recovery generated from this difference would normally be built into our FY07 proposed rate. Since these costs have already been incurred in previous years, we have built the identifiable under-recovery of \$1,469,400 for the union groups in the proposed FY06 rates. These carryforward amounts liquidated in the FY06 fringe benefit forward pricing proposal are deducted from the FY05 carryforward amounts.

University of Alaska
 FY07 Staff Benefits Forward Pricing Proposal
 FY07 Staff Benefits Rate Projection

SB Schedule 2

Job Group	NR	CR	XR	EX, FN, FR Executives & Nonunion	F9	A9,AR	FT, FW	CT, GT, NT, ST, XT	NX,XX	GN,SN	TOTAL
	<u>Classified</u>	<u>AHECTE</u>	<u>APT Exempt</u>	<u>Faculty</u>	<u>Faculty</u>	<u>Faculty</u>	<u>Adjunct Faculty</u>	<u>Temporary Student SS</u>	<u>Extended Temporary</u>	<u>Student</u>	
FY07 Wage Base, Staff Benefits	66,950,000	10,950,000	56,700,000	23,710,000	68,180,000	19,480,000	14,910,000	12,920,000	1,100,000	12,530,000	287,430,000
Staff Benefits:											
PERS	12,702,300	2,124,000	10,805,300	762,900	-	-	-	-	-	-	26,394,500
TRS	-	-	59,000	1,490,200	6,808,800	2,690,700	-	-	-	-	11,048,700
ORP-Tier 1	-	-	20,200	2,167,200	6,988,600	1,421,800	-	-	-	-	10,597,800
ORP-Tier 2 and Tier 3	574,400	73,800	419,800	387,700	1,077,400	284,300	-	-	-	-	2,817,400
UA Pension	4,880,600	758,700	3,351,500	804,600	3,298,900	1,081,500	185,300	-	-	-	14,361,100
Medicare & Social Security	838,400	130,700	675,500	263,500	772,500	203,900	959,300	900,600	78,700	-	4,823,100
Health	17,152,600	2,655,900	9,752,800	2,342,400	10,079,600	3,857,600	-	-	425,900	-	46,266,800
Life	100,600	15,100	57,200	13,700	55,300	18,200	-	-	-	-	260,100
Long Term Disability	169,000	27,600	141,700	58,700	169,600	48,600	-	-	-	-	615,200
Unemployment	134,000	21,900	113,400	47,400	136,400	39,000	29,800	25,900	2,200	-	550,000
Workers' Compensation	731,200	705,500	271,600	113,700	265,700	75,800	58,000	157,300	13,400	-	2,392,200
Tuition	398,100	59,800	226,100	54,200	218,700	72,100	112,000	-	-	-	1,141,000
Consulting/Other	146,400	55,900	124,000	51,800	149,100	42,600	32,600	28,200	2,400	-	633,000
Labor Relations	-	64,300	-	-	400,600	114,500	87,600	-	-	-	667,000
Carryforward from FY05	353,326	558,125	(571,501)	(158,419)	1,941,033	1,126,653	(9,840)	15,756	(18,324)	-	3,236,809
Carryforward from FY05 Liquidated in FY06	-	(268,000)	-	-	(829,900)	(371,500)	-	-	-	-	(1,469,400)
	<u>38,180,926</u>	<u>6,983,325</u>	<u>25,446,599</u>	<u>8,399,581</u>	<u>31,532,333</u>	<u>10,705,753</u>	<u>1,454,760</u>	<u>1,127,756</u>	<u>504,276</u>	<u>-</u>	<u>124,335,309</u>
Benefit Rates:											
PERS	18.97%	19.40%	19.06%	3.22%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	26,394,500
TRS	0.00%	0.00%	0.10%	6.29%	9.99%	13.81%	0.00%	0.00%	0.00%	0.00%	11,048,700
ORP-Tier 1	0.00%	0.00%	0.04%	9.14%	10.25%	7.30%	0.00%	0.00%	0.00%	0.00%	10,597,800
ORP-Tier 2 and Tier 3	0.86%	0.67%	0.74%	1.64%	1.58%	1.46%	0.00%	0.00%	0.00%	0.00%	2,817,400
UA Pension	7.29%	6.93%	5.91%	3.39%	4.84%	5.55%	1.24%	0.00%	0.00%	0.00%	14,361,100
Medicare & Social Security	1.25%	1.19%	1.19%	1.11%	1.13%	1.05%	6.43%	6.97%	7.15%	0.00%	4,823,100
Health	25.62%	24.25%	17.20%	9.88%	14.78%	19.80%	0.00%	0.00%	38.72%	0.00%	46,266,800
Life	0.15%	0.14%	0.10%	0.06%	0.08%	0.09%	0.00%	0.00%	0.00%	0.00%	260,100
Long Term Disability	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.00%	0.00%	0.00%	0.00%	615,200
Unemployment	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.00%	550,000
Workers' Compensation	1.09%	6.44%	0.48%	0.48%	0.39%	0.39%	0.39%	1.22%	1.22%	0.00%	2,392,200
Tuition	0.59%	0.55%	0.40%	0.23%	0.32%	0.37%	0.75%	0.00%	0.00%	0.00%	1,141,000
Consulting/Other	0.22%	0.51%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.00%	633,000
Labor Relations	0.00%	0.59%	0.00%	0.00%	0.59%	0.59%	0.59%	0.00%	0.00%	0.00%	667,000
Carryforward Rate	0.53%	2.65%	(1.01%)	(0.67%)	1.63%	3.88%	(0.07%)	0.12%	(1.67%)	0.00%	1,767,409
	<u>57.02%</u>	<u>63.77%</u>	<u>44.88%</u>	<u>35.44%</u>	<u>46.25%</u>	<u>54.96%</u>	<u>9.75%</u>	<u>8.73%</u>	<u>45.84%</u>	<u>0.00%</u>	<u>124,335,309</u>
FY07 Proposed Staff Benefit Rates	57.00%	63.80%	44.90%	35.40%	46.30%	55.00%	9.80%	8.70%	45.80%	0.00%	
FY06 Negotiated Staff Benefit Rates	50.00%	66.20%	39.60%	32.30%	35.50%	53.80%	10.00%	8.70%	39.90%	0.00%	
Increase/(Decrease)	7.00%	(2.40%)	5.30%	3.10%	10.80%	1.20%	(0.20%)	0.00%	5.90%	0.00%	
Percentage Increase/(Decrease)	14.00%	(3.63%)	13.38%	9.60%	30.42%	2.23%	(2.00%)	0.00%	14.79%	0.00%	
FY07 Provisional Staff Benefit Rates	61.10%	64.80%	46.70%	36.80%	45.70%	51.60%	9.80%	8.90%	45.10%	0.00%	
Increase/(Decrease)	(4.10%)	(1.00%)	(1.80%)	(1.40%)	0.60%	3.40%	0.00%	(0.20%)	0.70%	0.00%	
Percentage Increase/(Decrease)	(6.71%)	(1.54%)	(3.85%)	(3.80%)	1.31%	6.59%	0.00%	(2.25%)	1.55%	0.00%	
Federal Participation											
FY07 Federal Wages & Leave Accrual	10,366,416	278,351	13,660,559	4,140,551	12,211,329	1,449,688	1,440,384	5,056,250	314,469	4,009,824	52,927,821
FY07 Staff Benefit Costs	5,908,857	177,588	6,133,591	1,465,755	5,653,845	797,328	141,158	439,894	144,027	-	20,862,043
FY07 Projected Federal Participation	16,275,273	455,939	19,794,150	5,606,306	17,865,174	2,247,016	1,581,542	5,496,144	458,496	4,009,824	73,789,864

Job Group	NR	CR	XR	EX, FN, FR Executives & Nonunion	F9	A9,AR	FT, FW	CT, GT, NT, ST, XT	NX,XX	GN,SN	TOTAL
	<u>Classified</u>	<u>AHECTE</u>	<u>APT Exempt</u>	<u>Faculty</u>	<u>UNAC Faculty</u>	<u>ACCFT Faculty</u>	<u>Adjunct Faculty</u>	<u>Temporary Student SS</u>	<u>Extended Temporary</u>	<u>Student</u>	
FY07 Wage Base, Staff Benefits	66,950,000	10,950,000	56,700,000	23,710,000	68,180,000	19,480,000	14,910,000	12,920,000	1,100,000	12,530,000	287,430,000
Staff Benefits:											
PERS	12,702,300	2,124,000	10,805,300	462,100	-	-	-	-	-	-	26,093,700
TRS	-	-	59,000	1,490,200	6,808,800	2,690,700	-	-	-	-	11,048,700
ORP-Tier 1	-	-	20,200	2,167,200	6,988,600	1,421,800	-	-	-	-	10,597,800
ORP-Tier 2 and Tier 3	574,400	73,800	419,800	563,100	1,077,400	284,300	-	-	-	-	2,992,800
UA Pension	4,880,600	758,700	3,351,500	804,600	3,298,900	1,081,500	185,300	-	-	-	14,361,100
Medicare & Social Security	838,400	130,700	675,500	263,500	772,500	203,900	959,300	900,600	78,700	-	4,823,100
Health	17,152,600	2,655,900	9,752,800	2,342,400	10,079,600	3,857,600	-	-	425,900	-	46,266,800
Life	100,600	15,100	57,200	13,700	55,300	18,200	-	-	-	-	260,100
Long Term Disability	169,000	27,600	141,700	58,700	169,600	48,600	-	-	-	-	615,200
Unemployment	134,000	21,900	113,400	47,400	136,400	39,000	29,800	25,900	2,200	-	550,000
Workers' Compensation	731,200	705,500	271,600	113,700	265,700	75,800	58,000	157,300	13,400	-	2,392,200
Tuition	398,100	59,800	226,100	54,200	218,700	72,100	112,000	-	-	-	1,141,000
Consulting/Other	146,400	55,900	124,000	51,800	149,100	42,600	32,600	28,200	2,400	-	633,000
Labor Relations	-	64,300	-	-	400,600	114,500	87,600	-	-	-	667,000
Carryforward from FY05	353,326	558,125	(571,501)	(158,419)	1,941,033	1,126,653	(9,840)	15,756	(18,324)	-	3,236,809
Carryforward from FY05 Liquidated in FY06	-	(268,000)	-	-	(829,900)	(371,500)	-	-	-	-	(1,469,400)
	<u>38,180,926</u>	<u>6,983,325</u>	<u>25,446,599</u>	<u>8,274,181</u>	<u>31,532,333</u>	<u>10,705,753</u>	<u>1,454,760</u>	<u>1,127,756</u>	<u>504,276</u>	<u>-</u>	<u>124,209,909</u>
Benefit Rates:											
PERS	18.97%	19.40%	19.06%	1.95%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	26,093,700
TRS	0.00%	0.00%	0.10%	6.29%	9.99%	13.81%	0.00%	0.00%	0.00%	0.00%	11,048,700
ORP-Tier 1	0.00%	0.00%	0.04%	9.14%	10.25%	7.30%	0.00%	0.00%	0.00%	0.00%	10,597,800
ORP-Tier 2 and Tier 3	0.86%	0.67%	0.74%	2.37%	1.58%	1.46%	0.00%	0.00%	0.00%	0.00%	2,992,800
UA Pension	7.29%	6.93%	5.91%	3.39%	4.84%	5.55%	1.24%	0.00%	0.00%	0.00%	14,361,100
Medicare & Social Security	1.25%	1.19%	1.19%	1.11%	1.13%	1.05%	6.43%	6.97%	7.15%	0.00%	4,823,100
Health	25.62%	24.25%	17.20%	9.88%	14.78%	19.80%	0.00%	0.00%	38.72%	0.00%	46,266,800
Life	0.15%	0.14%	0.10%	0.06%	0.08%	0.09%	0.00%	0.00%	0.00%	0.00%	260,100
Long Term Disability	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.00%	0.00%	0.00%	0.00%	615,200
Unemployment	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.00%	550,000
Workers' Compensation	1.09%	6.44%	0.48%	0.48%	0.39%	0.39%	0.39%	1.22%	1.22%	0.00%	2,392,200
Tuition	0.59%	0.55%	0.40%	0.23%	0.32%	0.37%	0.75%	0.00%	0.00%	0.00%	1,141,000
Consulting/Other	0.22%	0.51%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.00%	633,000
Labor Relations	0.00%	0.59%	0.00%	0.00%	0.59%	0.59%	0.59%	0.00%	0.00%	0.00%	667,000
Carryforward Rate	0.53%	2.65%	(1.01%)	(0.67%)	1.63%	3.88%	(0.07%)	0.12%	(1.67%)	0.00%	1,767,409
	<u>57.02%</u>	<u>63.77%</u>	<u>44.88%</u>	<u>34.90%</u>	<u>46.25%</u>	<u>54.96%</u>	<u>9.75%</u>	<u>8.73%</u>	<u>45.84%</u>	<u>0.00%</u>	<u>124,209,909</u>
FY07 Proposed Staff Benefit Rates	<u>57.00%</u>	<u>63.80%</u>	<u>44.90%</u>	<u>34.90%</u>	<u>46.30%</u>	<u>55.00%</u>	<u>9.80%</u>	<u>8.70%</u>	<u>45.80%</u>	<u>0.00%</u>	
FY06 Negotiated Staff Benefit Rates	<u>50.00%</u>	<u>66.20%</u>	<u>39.60%</u>	<u>32.30%</u>	<u>35.50%</u>	<u>53.80%</u>	<u>10.00%</u>	<u>8.70%</u>	<u>39.90%</u>	<u>0.00%</u>	
Increase/(Decrease)	<u>7.00%</u>	<u>(2.40%)</u>	<u>5.30%</u>	<u>2.60%</u>	<u>10.80%</u>	<u>1.20%</u>	<u>(0.20%)</u>	<u>0.00%</u>	<u>5.90%</u>	<u>0.00%</u>	
Percentage Increase/(Decrease)	<u>14.00%</u>	<u>(3.63%)</u>	<u>13.38%</u>	<u>8.05%</u>	<u>30.42%</u>	<u>2.23%</u>	<u>(2.00%)</u>	<u>0.00%</u>	<u>14.79%</u>	<u>0.00%</u>	
FY07 Provisional Staff Benefit Rates	<u>61.10%</u>	<u>64.80%</u>	<u>46.70%</u>	<u>36.80%</u>	<u>45.70%</u>	<u>51.60%</u>	<u>9.80%</u>	<u>8.90%</u>	<u>45.10%</u>	<u>0.00%</u>	
Increase/(Decrease)	<u>(4.10%)</u>	<u>(1.00%)</u>	<u>(1.80%)</u>	<u>(1.90%)</u>	<u>0.60%</u>	<u>3.40%</u>	<u>0.00%</u>	<u>(0.20%)</u>	<u>0.70%</u>	<u>0.00%</u>	
Percentage Increase/(Decrease)	<u>(6.71%)</u>	<u>(1.54%)</u>	<u>(3.85%)</u>	<u>(5.16%)</u>	<u>1.31%</u>	<u>6.59%</u>	<u>0.00%</u>	<u>(2.25%)</u>	<u>1.55%</u>	<u>0.00%</u>	
Federal Participation											
FY07 Federal Wages & Leave Accrual	10,366,416	278,351	13,660,559	4,140,551	12,211,329	1,449,688	1,440,384	5,056,250	314,469	4,009,824	52,927,821
FY07 Staff Benefit Costs	5,908,857	177,588	6,133,591	1,445,052	5,653,845	797,328	141,158	439,894	144,027	-	20,841,340
FY07 Projected Federal Participation	16,275,273	455,939	19,794,150	5,585,603	17,865,174	2,247,016	1,581,542	5,496,144	458,496	4,009,824	73,769,161

Job Group	NR	CR	XR	EX, FR Executives & Nonunion Faculty (1)	FN Nonunion Faculty (1)	EX, FN, FR Executives & Nonunion Faculty (1)	F9 UNAC Faculty	AR, A9 ACCFY Faculty	FT, FW Adjunct Faculty	CT, GT, NT, ST, XT Temporary Student SS	NX,XX Extended Temporary	GN,SN Student	TOTAL
Projected FY07 Leave Wage Base	53,570,000	8,480,000	47,100,000	16,560,000	3,750,000	20,310,000	66,140,000	19,120,000	14,880,000	12,500,000	950,000	12,480,000	255,530,000
FY05 Actual Leave Usage Rates:													
Annual Leave	8.88%	9.82%	9.22%	9.60%	n/a	8.18%	n/a	n/a	n/a	n/a	6.18%	n/a	
Sick Leave	5.58%	5.90%	4.57%	2.97%	0.94%	2.67%	1.52%	1.45%	n/a	n/a	2.56%	n/a	
Holiday/Other Leave	6.30%	6.32%	5.50%	5.41%	n/a	4.61%	n/a	n/a	n/a	n/a	4.90%	n/a	
	20.76%	22.04%	19.29%	17.98%	0.94%	15.46%	1.52%	1.45%	n/a	n/a	13.64%	n/a	
Average leave usage rates:													
Annual Leave	9.17%	9.66%	9.79%	9.62%	n/a	0.00%	n/a	n/a	n/a	n/a	6.71%	n/a	
Sick Leave	5.53%	6.15%	4.62%	2.85%	1.06%	0.00%	1.29%	1.53%	n/a	n/a	3.10%	n/a	
Holiday/Other Leave	6.33%	6.39%	5.55%	5.36%	n/a	0.00%	n/a	n/a	n/a	n/a	5.06%	n/a	
Total Average Leave Rate	21.03%	22.20%	19.96%	17.83%	1.06%	0.00%	1.29%	1.53%	n/a	n/a	14.87%	n/a	
FY07 Leave Benefit Projection													
Annual Leave Usage	4,912,369	819,168	4,611,090	1,593,072	-	-	-	-	-	-	63,745	-	11,999,444
FY05 Carryforward Under (Over)	56,765	82,697	(233,839)	-	-	(81,586)	-	-	-	-	3,059	-	(172,904)
Reclassifications	-	-	-	(81,586) (a)	-	81,586 (a)	-	-	-	-	-	-	-
Annual Leave Projection	4,969,134	901,865	4,377,251	1,511,486	-	-	-	-	-	-	66,804	-	11,826,540
Sick Leave Usage	2,962,421	521,520	2,176,020	471,960	39,750	-	853,206	292,536	-	-	29,450	-	7,346,863
FY05 Carryforward Under (Over)	93,871	(3,320)	52,815	-	-	(20,064)	155,612	(1,329)	-	-	(7,944)	-	269,641
Reclassifications	-	-	-	(17,080) (a)	(2,984) (a)	20,064 (a)	-	-	-	-	-	-	-
Sick Leave Projection	3,056,292	518,200	2,228,835	454,880	36,766	-	1,008,818	291,207	-	-	21,506	-	7,616,504
Holiday/Other Leave Usage	3,390,981	541,872	2,614,050	887,616	-	-	-	-	-	-	48,070	-	7,482,589
FY05 Carryforward Under (Over)	19,548	23,726	52,183	-	-	(33,380)	-	-	-	-	1,850	-	63,927
Reclassifications	-	-	-	(33,380) (a)	-	33,380 (a)	-	-	-	-	-	-	-
Holiday/Other Leave Projection	3,410,529	565,598	2,666,233	854,236	-	-	-	-	-	-	49,920	-	7,546,516
Calculated Leave Benefit Rates													
Annual	9.28%	10.64%	9.29%	9.13%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	7.03%	0.00%	11,826,540
Sick	5.71%	6.11%	4.73%	2.75%	0.98%	0.00%	1.53%	1.52%	0.00%	0.00%	2.26%	0.00%	7,616,504
Holiday/Other	6.37%	6.67%	5.66%	5.16%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	5.25%	0.00%	7,546,516
	21.36%	23.42%	19.68%	17.04%	0.98%	0.00%	1.53%	1.52%	0.00%	0.00%	14.54%	0.00%	26,989,560
FY07 Proposed Leave Benefit Rates	21.40%	23.40%	19.70%	17.00%	1.00%	0.00%	1.50%	1.50%	0.00%	0.00%	14.50%	0.00%	
FY06 Negotiated Rates	21.70%	23.10%	19.30%	16.70%	0.90%	0.00%	1.10%	1.40%	0.00%	0.00%	15.40%	0.00%	
Increase/(Decrease)	(0.30%)	0.30%	0.40%	0.30%	0.10%	0.00%	0.40%	0.10%	0.00%	0.00%	(0.90%)	0.00%	
Percentage Increase/(Decrease)	(1.38%)	1.30%	2.07%	1.80%	11.11%	0.00%	36.36%	7.14%	0.00%	0.00%	(5.84%)	0.00%	
FY07 Provisional Leave Benefit Rates	21.40%	23.20%	19.40%	16.90%	0.20%	0.00%	1.50%	1.50%	0.00%	0.00%	15.10%	0.00%	
Increase/(Decrease)	0.00%	0.20%	0.30%	0.10%	0.80%	0.00%	0.00%	0.00%	0.00%	0.00%	(0.60%)	0.00%	
Percentage Increase/(Decrease)	0.00%	0.86%	1.55%	0.59%	400.00%	0.00%	0.00%	0.00%	0.00%	0.00%	(3.97%)	0.00%	
Federal Participation													
FY05 Actual Federal Participation	15.94%	2.66%	24.23%	12.56%	45.07%	17.40%	18.19%	7.47%	9.68%	40.45%	28.91%	32.13%	
Projected FY07 Federal Wages	8,539,058	225,568	11,412,330	2,079,936	1,690,125	-	12,030,866	1,428,264	1,440,384	5,056,250	274,645	4,009,824	48,187,250
Projected FY07 Leave Benefit Costs	1,827,358	52,783	2,248,229	353,589	16,901	-	180,463	21,424	-	-	39,824	-	4,740,571
	10,366,416	278,351	13,660,559	2,433,525	1,707,026	-	12,211,329	1,449,688	1,440,384	5,056,250	314,469	4,009,824	52,927,821
													4,140,551 (1)

(1) Job groups EX and FR are eligible for all leave benefits. Job group FN is eligible for only sick leave. Job groups are recombined for staff benefit calculation.

(a) Reclassification of carryforward among job groups due to separation of EX, FR job classes from FN job groups for leave benefit calculations. EX/FN/FR combined FY05 annual leave and holiday leave carryforward allocated to benefiting job groups only, EX and FR. EX/FN/FR combined FY05 sick leave carryforward allocated prorata to benefiting job groups based on FY05 leave wage base.

University of Alaska
 FY07 Staff Benefit Cost Distribution Projection

SB Schedule 4

Job Group	NR	CR	XR	EX, FR, FN Executives & Nonunion Faculty	F9 UNAC Faculty	A9, AR ACCFT Faculty	FT, FW Adjunct Faculty	CT, GT, NT, ST, XT Temporary Student SS	NX, XX Extended Temporary	GN, SN Student	TOTAL
FY07 Projected Wage Base, Staff Benefits	66,950,000	10,950,000	56,700,000	23,710,000	68,180,000	19,480,000	14,910,000	12,920,000	1,100,000	12,530,000	287,430,000
Number of Eligible Employees	1,711	257	972	233	940	310	1,054		42		5,519
PERS:											
FY07 PERS-DB Projected Contribution Rate	20.58%	20.58%	20.58%	20.58%							
FY07 PERS-DC Projected Contribution Rate	10.05%	10.05%	10.05%	10.05%							
Percentage of PERS Wages Covered	99.34%	99.87%	98.77%	17.08%							
PERS Benefit Covered Wage Base (1)	66,508,130	10,935,765	56,002,590	4,049,668							137,496,153
PERS-DB Covered Wage Base	61,721,852	10,320,630	52,503,841	3,706,959							128,253,282
PERS Covered Wage Base Opt Outs	4,786,278	615,135	3,498,749	342,709							9,242,871
PERS-DB Covered Wage Base Opting ORP-Tier 2	-	-	-	(147,805)							(147,805)
PERS-DC Covered Wage Base Opting ORP-Tier 3	(4,786,278)	(615,135)	(3,498,749)	(194,904)							(9,095,066)
PERS-DC Covered Wage Base	-	-	-	-							-
PERS-DB Cost	12,702,357	2,123,986	10,805,290	762,892							26,394,525
PERS-DC Cost	-	-	-	-							-
Total PERS Cost	12,702,357	2,123,986	10,805,290	762,892							26,394,525
Use	12,702,300	2,124,000	10,805,300	762,900							26,394,500
PERS Rate	18.97%	19.40%	19.06%	3.22%							
TRS:											
FY07 TRS-DB Projected Contribution Rate			26.00%	26.00%	26.00%	26.00%					
FY07 TRS-DC Projected Contribution Rate			11.75%	11.75%	11.75%	11.75%					
Percentage of TRS Wages Covered			0.40%	26.17%	42.25%	58.26%					
TRS Benefit Covered Wage Base (1)			226,800	6,204,907	28,806,050	11,349,048					46,586,805
TRS-DB Covered Wage Base			226,800	5,731,702	26,187,984	10,348,667					42,495,153
TRS Covered Wage Base Opt Outs			-	473,205	2,618,066	1,000,381					4,091,652
TRS-DB Covered Wage Base Opting for ORP-Tier 2			-	(219,509)	(1,112,016)	(501,657)					(1,833,182)
TRS-DC Covered Wage Base Opting for ORP-Tier 3			-	(253,696)	(1,506,050)	(498,724)					(2,258,470)
TRS-DC Covered Wage Base			-	-	-	-					-
TRS-DB Cost			58,968	1,490,243	6,808,876	2,690,653					11,048,740
TRS-DC Cost			-	-	-	-					-
Total TRS Cost			58,968	1,490,243	6,808,876	2,690,653					11,048,740
Use			59,000	1,490,200	6,808,800	2,690,700					11,048,700
TRS Rate			0.10%	6.29%	9.99%	13.81%					
ORP-Tier 1:											
FY07 ORP-Tier 1 Projected Contribution Rate			21.00%	21.00%	21.00%	21.00%					
Percentage of ORP Wages Covered			0.17%	53.71%	58.14%	41.78%					
ORP Benefit Covered Wage Base (1)			96,390	12,734,641	39,639,852	8,138,744					60,609,627
ORP-Tier 2 Covered Wage Base			-	(1,078,435)	(2,701,623)	(686,192)					(4,466,250)
ORP-Tier 3 Covered Wage Base			-	(1,336,411)	(3,658,922)	(682,179)					(5,677,512)
ORP-Tier 1 Benefit Covered Wage Base			96,390	10,319,795	33,279,307	6,770,373					50,465,865
ORP-Tier 1 Cost			20,242	2,167,157	6,988,654	1,421,778					10,597,831
Use			20,200	2,167,200	6,988,600	1,421,800					10,597,800
ORP-Tier 1 Rate			0.04%	9.14%	10.25%	7.30%					
ORP-Tier 2 and Tier 3:											
FY07 ORP-Tier 2 Projected Contribution Rate				12.00%	12.00%	12.00%					
FY07 ORP-Tier 3 Projected Contribution Rate	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%					
Percentage of ORP-Tier 2 Wages Covered				6.10%	5.59%	6.10%					
Percentage of ORP-Tier 3 Wages Covered	7.15%	5.62%	6.17%	7.53%	7.58%	6.06%					
ORP-Tier 2 Covered Wage Base				1,445,749	3,813,639	1,187,849					6,447,237
ORP-Tier 3 Covered Wage Base	4,786,278	615,135	3,498,749	1,785,011	5,164,972	1,180,903					17,031,048
ORP-Tier 2 Cost				173,490	457,637	142,542					773,669
ORP-Tier 3 Cost	574,353	73,816	419,850	214,201	619,797	141,708					2,043,725
Net ORP-Tier 2 and Tier 3 Cost	574,353	73,816	419,850	387,691	1,077,434	284,250					2,817,394
Use	574,400	73,800	419,800	387,700	1,077,400	284,300					2,817,400
ORP-Tier 2 and Tier 3 Rate	0.86%	0.67%	0.74%	1.64%	1.58%	1.46%					

University of Alaska
 FY07 Staff Benefit Cost Distribution Projection

SB Schedule 4

Job Group	NR	CR	XR	EX, FR, FN Executives & Nonunion Faculty	F9 UNAC Faculty	A9, AR ACCFT Faculty	FT, FW Adjunct Faculty	CT, GT, NT, ST, XT Temporary Student SS	NX, XX Extended Temporary	GN, SN Student	TOTAL
FY07 Projected Wage Base, Staff Benefits	66,950,000	10,950,000	56,700,000	23,710,000	68,180,000	19,480,000	14,910,000	12,920,000	1,100,000	12,530,000	287,430,000
Number of Eligible Employees	1,711	257	972	233	940	310	1,054		42		5,519
UA Pension Plan:											
2006 Contribution Rate	7.65%	7.65%	7.65%	7.65%	7.65%	7.65%	7.65%				
Percentage of Wages Covered	95.16%	90.45%	77.16%	44.30%	63.16%	72.47%	16.22%				
Pension Covered Wage Base (1)	63,709,620	9,904,275	43,749,720	10,503,530	43,062,488	14,117,156	2,418,402				187,465,191
Pension Plan Administration Costs (2)	6,796	1,057	4,668	1,121	4,594	1,506	258				20,000
Pension Contribution	4,873,790	757,680	3,346,850	803,520	3,294,280	1,079,960	185,010				14,341,090
Pension Cost	4,880,586	758,737	3,351,518	804,641	3,298,874	1,081,466	185,268				14,361,090
Use	4,880,600	758,700	3,351,500	804,600	3,298,900	1,081,500	185,300				14,361,100
Pension Rate	7.29%	6.93%	5.91%	3.39%	4.84%	5.55%	1.24%				
Medicare/Social Security:											
2006 Contribution Rate - Medicare	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%		
2006 Contribution Rate - Social Security							6.20%	6.20%	6.20%		
Total Contribution Rate	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	7.65%	7.65%	7.65%		
Percentage of Wages Covered by Medicare	86.36%	82.32%	82.16%	76.64%	78.14%	72.17%	98.25%	92.28%	93.78%		
Percentage of Wages Covered by Social Security							80.80%	90.85%	93.46%		
Medicare Covered Wage Base (1)	57,818,020	9,014,040	46,584,720	18,171,344	53,275,852	14,058,716	14,649,075	11,922,576	1,031,580		226,525,923
Social Security Covered Wage Base (1)							12,047,280	11,737,820	1,028,060		24,813,160
Medicare/Social Security Cost	838,361	130,704	675,478	263,484	772,500	203,851	959,343	900,622	78,698		4,823,041
Use	838,400	130,700	675,500	263,500	772,500	203,900	959,300	900,600	78,700		4,823,100
Medicare/Social Security Rate	1.25%	1.19%	1.19%	1.11%	1.13%	1.05%	6.43%	6.97%	7.15%		
Health Care:											
Eligible Employees Base	1,611	226	916	220	848	269			40		4,130
Health Cost Net of Cobra Health Recovery (3)	18,675,822	3,118,557	10,618,903	2,550,392	11,809,359	4,430,282			463,708		51,667,023
Employee and Dependent Recovery (3)	(1,523,192)	(221,728)	(866,074)	(208,009)	(825,838)	(285,915)			(37,820)		(3,968,576)
Union Debt Repayment Recovery	-	(240,916)	-	-	(903,968)	(286,754)			-		(1,431,638)
Health Cost Net of Cobra and Employee Recovery	17,152,630	2,655,913	9,752,829	2,342,383	10,079,553	3,857,613			425,888		46,266,809
Use	17,152,600	2,655,900	9,752,800	2,342,400	10,079,600	3,857,600			425,900		46,266,800
Health Care Rate	25.62%	24.25%	17.20%	9.88%	14.78%	19.80%			38.72%		
Life Insurance:											
Eligible Employees Base	1,711	257	972	233	940	310					4,423
Life Insurance Cost	100,617	15,113	57,160	13,702	55,278	18,230					260,100
Use	100,600	15,100	57,200	13,700	55,300	18,200					260,100
Life Insurance Rate	0.15%	0.14%	0.10%	0.06%	0.08%	0.09%					
LTD Insurance											
LTD Wage Base	66,950,000	10,950,000	56,700,000	23,710,000	68,180,000	19,480,000					245,970,000
LTD Premium and Self Insured Costs	163,775	26,786	138,701	58,000	166,785	47,653					601,700
LTD Administration Costs (4)	5,223	784	2,967	711	2,869	946					13,500
Total LTD Costs	168,998	27,570	141,668	58,711	169,654	48,599					615,200
Use	169,000	27,600	141,700	58,700	169,600	48,600					615,200
LTD Rate	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%					
Unemployment:											
Unemployment Wage Base	66,950,000	10,950,000	56,700,000	23,710,000	68,180,000	19,480,000	14,910,000	12,920,000	1,100,000		274,900,000
Unemployment Cost	133,949	21,908	113,441	47,437	136,410	38,974	29,831	25,849	2,201		550,000
Use	134,000	21,900	113,400	47,400	136,400	39,000	29,800	25,900	2,200		550,000
Unemployment Rate	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%		

Job Group	NR	CR	XR	EX, FR, FN Executives & Nonunion Faculty	F9 UNAC Faculty	A9, AR ACCFT Faculty	FT, FW Adjunct Faculty	CT, GT, NT, ST, XT Temporary Student SS	NX, XX Extended Temporary	GN, SN Student	TOTAL
FY07 Projected Wage Base, Staff Benefits	66,950,000	10,950,000	56,700,000	23,710,000	68,180,000	19,480,000	14,910,000	12,920,000	1,100,000	12,530,000	287,430,000
Number of Eligible Employees	1,711	257	972	233	940	310	1,054		42		5,519
Workers' Compensation:											
Average Claims Percentage Base	31.74%	34.31%	9.60%	4.02%	8.52%	2.43%	1.86%	6.93%	0.59%		100.00%
Forecast Claims Cost	638,609	690,317	193,152	80,882	171,422	48,892	37,423	139,432	11,871		2,012,000
Other Costs (5)	92,596	15,144	78,419	32,792	94,296	26,942	20,621	17,869	1,521		380,200
Total Workers' Comp Costs	731,205	705,461	271,571	113,674	265,718	75,834	58,044	157,301	13,392		2,392,200
Use	731,200	705,500	271,600	113,700	265,700	75,800	58,000	157,300	13,400		2,392,200
Workers' Compensation Rate	1.09%	6.44%	0.48%	0.48%	0.39%	0.39%	0.39%	1.22%	1.22%		
Tuition Waivers:											
Eligible Employees Base	1,711	257	972	233	940	310	1,054				5,477
Employee Tuition Waiver Cost (6)	398,060	59,790	226,133	54,207	218,689	72,121	112,000				1,141,000
Use	398,100	59,800	226,100	54,200	218,700	72,100	112,000				1,141,000
Tuition Waiver Rate	0.59%	0.55%	0.40%	0.23%	0.32%	0.37%	0.75%				
Consulting/Printing/Other:											
Consulting/Printing/Other Wage Base	66,950,000	10,950,000	56,700,000	23,710,000	68,180,000	19,480,000	14,910,000	12,920,000	1,100,000		274,900,000
AHECTE Legal Trust (7)		32,000									32,000
Consulting Cost	146,370	23,939	123,960	51,836	149,059	42,588	32,597	28,246	2,405		601,000
Total Consulting/Printing/Other cost	146,370	55,939	123,960	51,836	149,059	42,588	32,597	28,246	2,405		633,000
Use	146,400	55,900	124,000	51,800	149,100	42,600	32,600	28,200	2,400		633,000
Consulting/Printing/Other Rate	0.22%	0.51%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%		
Labor Relations:											
Labor Relations Wage Base		10,950,000			68,180,000	19,480,000	14,910,000				113,520,000
Labor Relations Cost		64,338			400,600	114,457	87,605				667,000
Use		64,300			400,600	114,500	87,600				667,000
Labor Relations Rate		0.59%			0.59%	0.59%	0.59%				
Staff Benefit Carryforward:											
Carryforward from FY05	353,326	558,125	(571,501)	(158,419)	1,941,033	1,126,653	(9,840)	15,756	(18,324)		3,236,809
Carryforward Liquidated in FY06	-	(268,000)	-	-	(829,900)	(371,500)	-	-	-		(1,469,400)
Remaining Carryforward from FY05 to be Liquidated in FY07	353,326	290,125	(571,501)	(158,419)	1,111,133	755,153	(9,840)	15,756	(18,324)		1,767,409
Carryforward Rate	0.53%	2.65%	(1.01%)	(0.67%)	1.63%	3.88%	(0.07%)	0.12%	(1.67%)		

- (1) Projected benefit covered wage base using the ratio of FY05 PERS, TRS, ORP, Pension, Medicare, and Social Security wages to FY05 staff benefit wage base.
- (2) Allocated prorata based on pension wage base.
- (3) Projected health care claims costs are allocated to union job groups (AR/A9, F9, CR) and nonunion job groups (NR, XR, EX/FR/FN, NX/XX) using FY05 claims costs. Other health care costs are allocated to the union and nonunion job groups based on usage or headcount. Projected costs for the nonunion job groups are further allocated prorata to each group based on headcount. Projected recoveries are allocated to each individual union group and to the nonunion groups in total based on projected FY06 recoveries. The nonunion recovery is further allocated to each job group based on headcount.
- (4) Allocated prorata based on headcount.
- (5) Allocated prorata based on staff benefit wage base.
- (6) Job group FT/FW allocation based on projected tuition cost. Remaining projected tuition costs for benefit eligible job groups are allocated prorata based on headcount.
- (7) Allocated to benefiting job group, CR.

Schedule 4 was superseded 05-8-2006

Job Group	NR	CR	XR	EX, FR, FN Executives & Nonunion Faculty	F9 UNAC Faculty	A9, AR ACCFT Faculty	FT, FW Adjunct Faculty	CT, GT, NT, ST, XT Temporary Student SS	NX, XX Extended Temporary	GN, SN Student	TOTAL
	Classified	AHECTE	APT Exempt								
FY07 Projected Wage Base, Staff Benefits	66,950,000	10,950,000	56,700,000	23,710,000	68,180,000	19,480,000	14,910,000	12,920,000	1,100,000	12,530,000	287,430,000
Number of Eligible Employees	1,711	257	972	233	940	310	1,054		42		5,519
PERS:											
FY07 PERS-DB Projected Contribution Rate	20.58%	20.58%	20.58%	20.58%							
FY07 PERS-DC Projected Contribution Rate	10.05%	10.05%	10.05%	10.05%							
Percentage of PERS Wages Covered	99.34%	99.87%	98.77%	17.08%							
PERS Benefit Covered Wage Base (1)	66,508,130	10,935,765	56,002,590	4,049,668							137,496,153
PERS-DB Covered Wage Base	61,721,852	10,320,630	52,503,841	2,245,181							126,791,504
PERS Covered Wage Base Opt Outs	4,786,278	615,135	3,498,749	1,804,487							10,704,649
PERS-DB Covered Wage Base Opting ORP-Tier 2	-	-	-	(147,805)							(147,805)
PERS-DC Covered Wage Base Opting ORP-Tier 3	(4,786,278)	(615,135)	(3,498,749)	(1,656,682)							(10,556,844)
PERS-DC Covered Wage Base	-	-	-	-							-
PERS-DB Cost	12,702,357	2,123,986	10,805,290	462,058							26,093,691
PERS-DC Cost	-	-	-	-							-
Total PERS Cost	12,702,357	2,123,986	10,805,290	462,058							26,093,691
Use	12,702,300	2,124,000	10,805,300	462,100							26,093,700
PERS Rate	18.97%	19.40%	19.06%	1.95%							
TRS:											
FY07 TRS-DB Projected Contribution Rate			26.00%	26.00%	26.00%	26.00%					
FY07 TRS-DC Projected Contribution Rate			11.75%	11.75%	11.75%	11.75%					
Percentage of TRS Wages Covered			0.40%	26.17%	42.25%	58.26%					
TRS Benefit Covered Wage Base (1)			226,800	6,204,907	28,806,050	11,349,048					46,586,805
TRS-DB Covered Wage Base			226,800	5,731,702	26,187,984	10,348,667					42,495,153
TRS Covered Wage Base Opt Outs			-	473,205	2,618,066	1,000,381					4,091,652
TRS-DB Covered Wage Base Opting for ORP-Tier 2			-	(219,509)	(1,112,016)	(501,657)					(1,833,182)
TRS-DC Covered Wage Base Opting for ORP-Tier 3			-	(253,686)	(1,506,050)	(498,724)					(2,258,470)
TRS-DC Covered Wage Base			-	-	-	-					-
TRS-DB Cost			58,968	1,490,243	6,808,876	2,690,653					11,048,740
TRS-DC Cost			-	-	-	-					-
Total TRS Cost			58,968	1,490,243	6,808,876	2,690,653					11,048,740
Use			59,000	1,490,200	6,808,800	2,690,700					11,048,700
TRS Rate			0.10%	6.29%	9.99%	13.81%					
ORP-Tier 1:											
FY07 ORP-Tier 1 Projected Contribution Rate			21.00%	21.00%	21.00%	21.00%					
Percentage of ORP Wages Covered			0.17%	53.71%	58.14%	41.78%					
ORP Benefit Covered Wage Base (1)			96,390	12,734,641	39,639,852	8,138,744					60,609,627
ORP-Tier 2 Covered Wage Base			-	(1,078,435)	(2,701,623)	(686,192)					(4,466,250)
ORP-Tier 3 Covered Wage Base			-	(1,336,411)	(3,658,922)	(682,179)					(5,677,512)
ORP-Tier 1 Benefit Covered Wage Base			96,390	10,319,795	33,279,307	6,770,373					50,465,865
ORP-Tier 1 Cost			20,242	2,167,157	6,988,654	1,421,778					10,597,831
Use			20,200	2,167,200	6,988,600	1,421,800					10,597,800
ORP-Tier 1 Rate			0.04%	9.14%	10.25%	7.30%					
ORP-Tier 2 and Tier 3:											
FY07 ORP-Tier 2 Projected Contribution Rate				12.00%	12.00%	12.00%					
FY07 ORP-Tier 3 Projected Contribution Rate	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%					
Percentage of ORP-Tier 2 Wages Covered				6.10%	5.59%	6.10%					
Percentage of ORP-Tier 3 Wages Covered	7.15%	5.62%	6.17%	13.69%	7.58%	6.06%					
ORP-Tier 2 Covered Wage Base				1,445,749	3,813,639	1,187,849					6,447,237
ORP-Tier 3 Covered Wage Base	4,786,278	615,135	3,498,749	3,246,789	5,164,972	1,180,903					18,492,826
ORP-Tier 2 Cost				173,490	457,637	142,542					773,669
ORP-Tier 3 Cost	574,353	73,816	419,850	389,615	619,797	141,708					2,219,139
Net ORP-Tier 2 and Tier 3 Cost	574,353	73,816	419,850	563,105	1,077,434	284,250					2,992,808
Use	574,400	73,800	419,800	563,100	1,077,400	284,300					2,992,800
ORP-Tier 2 and Tier 3 Rate	0.86%	0.67%	0.74%	2.37%	1.58%	1.46%					

Job Group	NR	CR	XR	EX, FR, FN Executives & Nonunion Faculty	F9 UNAC Faculty	A9, AR ACCFT Faculty	FT, FW Adjunct Faculty	CT, GT, NT, ST, XT Temporary Student SS	NX, XX Extended Temporary	GN, SN Student	TOTAL
FY07 Projected Wage Base, Staff Benefits	66,950,000	10,950,000	56,700,000	23,710,000	68,180,000	19,480,000	14,910,000	12,920,000	1,100,000	12,530,000	287,430,000
Number of Eligible Employees	1,711	257	972	233	940	310	1,054		42		5,519
UA Pension Plan:											
2005 Contribution Rate	7.65%	7.65%	7.65%	7.65%	7.65%	7.65%	7.65%				
Percentage of Wages Covered	95.16%	90.45%	77.16%	44.30%	63.16%	72.47%	16.22%				
Pension Covered Wage Base (1)	63,709,620	9,904,275	43,749,720	10,503,530	43,062,488	14,117,156	2,418,402				187,465,191
Pension Plan Administration Costs (2)	6,796	1,057	4,668	1,121	4,594	1,506	258				20,000
Pension Contribution	4,873,790	757,680	3,346,850	803,520	3,294,280	1,079,960	185,010				14,341,090
Pension Cost	4,880,586	758,737	3,351,518	804,641	3,298,874	1,081,466	185,268				14,361,090
Use	4,880,600	758,700	3,351,500	804,600	3,298,900	1,081,500	185,300				14,361,100
Pension Rate	7.29%	6.93%	5.91%	3.39%	4.84%	5.55%	1.24%				
Medicare/Social Security:											
2005 Contribution Rate - Medicare	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	
2005 Contribution Rate - Social Security							6.20%	6.20%	6.20%		
Total Contribution Rate	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	7.65%	7.65%	7.65%		
Percentage of Wages Covered by Medicare	86.36%	82.32%	82.16%	76.64%	78.14%	72.17%	98.25%	92.28%	93.78%		
Percentage of Wages Covered by Social Security							80.80%	90.85%	93.46%		
Medicare Covered Wage Base (1)	57,818,020	9,014,040	46,584,720	18,171,344	53,275,852	14,058,716	14,649,075	11,922,576	1,031,580		226,525,923
Social Security Covered Wage Base (1)							12,047,280	11,737,820	1,028,060		24,813,160
Medicare/Social Security Cost	838,361	130,704	675,478	263,484	772,500	203,851	959,343	900,622	78,698		4,823,041
Use	838,400	130,700	675,500	263,500	772,500	203,900	959,300	900,600	78,700		4,823,100
Medicare/Social Security Rate	1.25%	1.19%	1.19%	1.11%	1.13%	1.05%	6.43%	6.97%	7.15%		
Health Care:											
Eligible Employees Base	1,611	226	916	220	848	269			40		4,130
Health Cost Net of Cobra Health Recovery (3)	18,675,822	3,118,557	10,618,903	2,550,392	11,809,359	4,430,282			463,708		51,667,023
Employee and Dependent Recovery (3)	(1,523,192)	(221,728)	(866,074)	(208,009)	(825,838)	(285,915)			(37,820)		(3,968,576)
Union Debt Repayment Recovery	-	(240,916)	-	-	(903,968)	(286,754)			-		(1,431,638)
Health Cost Net of Cobra and Employee Recovery	17,152,630	2,655,913	9,752,829	2,342,383	10,079,553	3,857,613			425,888		46,266,809
Use	17,152,600	2,655,900	9,752,800	2,342,400	10,079,600	3,857,600			425,900		46,266,800
Health Care Rate	25.62%	24.25%	17.20%	9.88%	14.78%	19.80%			38.72%		
Life Insurance:											
Eligible Employees Base	1,711	257	972	233	940	310					4,423
Life Insurance Cost	100,617	15,113	57,160	13,702	55,278	18,230					260,100
Use	100,600	15,100	57,200	13,700	55,300	18,200					260,100
Life Insurance Rate	0.15%	0.14%	0.10%	0.06%	0.08%	0.09%					
LTD Insurance											
LTD Wage Base	66,950,000	10,950,000	56,700,000	23,710,000	68,180,000	19,480,000					245,970,000
LTD Premium and Self Insured Costs	163,775	26,786	138,701	58,000	166,785	47,653					601,700
LTD Administration Costs (4)	5,223	784	2,967	711	2,869	946					13,500
Total LTD Costs	168,998	27,570	141,668	58,711	169,654	48,599					615,200
Use	169,000	27,600	141,700	58,700	169,600	48,600					615,200
LTD Rate	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%					
Unemployment:											
Unemployment Wage Base	66,950,000	10,950,000	56,700,000	23,710,000	68,180,000	19,480,000	14,910,000	12,920,000	1,100,000		274,900,000
Unemployment Cost	133,949	21,908	113,441	47,437	136,410	38,974	29,831	25,849	2,201		550,000
Use	134,000	21,900	113,400	47,400	136,400	39,000	29,800	25,900	2,200		550,000
Unemployment Rate	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%		

Job Group	NR	CR	XR	EX, FR, FN Executives & Nonunion Faculty	F9 UNAC Faculty	A9, AR ACCFT Faculty	FT, FW Adjunct Faculty	CT, GT, NT, ST, XT Temporary Student SS	NX, XX Extended Temporary	GN, SN Student	TOTAL
FY07 Projected Wage Base, Staff Benefits	66,950,000	10,950,000	56,700,000	23,710,000	68,180,000	19,480,000	14,910,000	12,920,000	1,100,000	12,530,000	287,430,000
Number of Eligible Employees	1,711	257	972	233	940	310	1,054		42		5,519
Workers' Compensation:											
Average Claims Percentage Base	31.74%	34.31%	9.60%	4.02%	8.52%	2.43%	1.86%	6.93%	0.59%		100.00%
Forecast Claims Cost	638,609	690,317	193,152	80,882	171,422	48,892	37,423	139,432	11,871		2,012,000
Other Costs (5)	92,596	15,144	78,419	32,792	94,296	26,942	20,621	17,869	1,521		380,200
Total Workers' Comp Costs	731,205	705,461	271,571	113,674	265,718	75,834	58,044	157,301	13,392		2,392,200
Use	731,200	705,500	271,600	113,700	265,700	75,800	58,000	157,300	13,400		2,392,200
Workers' Compensation Rate	1.09%	6.44%	0.48%	0.48%	0.39%	0.39%	0.39%	1.22%	1.22%		
Tuition Waivers:											
Eligible Employees Base	1,711	257	972	233	940	310	1,054				5,477
Employee Tuition Waiver Cost (6)	398,060	59,790	226,133	54,207	218,689	72,121	112,000				1,141,000
Use	398,100	59,800	226,100	54,200	218,700	72,100	112,000				1,141,000
Tuition Waiver Rate	0.59%	0.55%	0.40%	0.23%	0.32%	0.37%	0.75%				
Consulting/Printing/Other:											
Consulting/Printing/Other Wage Base	66,950,000	10,950,000	56,700,000	23,710,000	68,180,000	19,480,000	14,910,000	12,920,000	1,100,000		274,900,000
AHECTE Legal Trust (7)		32,000									32,000
Consulting Cost	146,370	23,939	123,960	51,836	149,059	42,588	32,597	28,246	2,405		601,000
Total Consulting/Printing/Other cost	146,370	55,939	123,960	51,836	149,059	42,588	32,597	28,246	2,405		633,000
Use	146,400	55,900	124,000	51,800	149,100	42,600	32,600	28,200	2,400		633,000
Consulting/Printing/Other Rate	0.22%	0.51%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%		
Labor Relations:											
Labor Relations Wage Base		10,950,000			68,180,000	19,480,000	14,910,000				113,520,000
Labor Relations Cost		64,338			400,600	114,457	87,605				667,000
Use		64,300			400,600	114,500	87,600				667,000
Labor Relations Rate		0.59%			0.59%	0.59%	0.59%				
Staff Benefit Carryforward:											
Carryforward from FY05	353,326	558,125	(571,501)	(158,419)	1,941,033	1,126,653	(9,840)	15,756	(18,324)		3,236,809
Carryforward Liquidated in FY06	-	(268,000)	-	-	(829,900)	(371,500)	-	-	-		(1,469,400)
Remaining Carryforward from FY05 to be Liquidated in FY07	353,326	290,125	(571,501)	(158,419)	1,111,133	755,153	(9,840)	15,756	(18,324)		1,767,409
Carryforward Rate	0.53%	2.65%	(1.01%)	(0.67%)	1.63%	3.88%	(0.07%)	0.12%	(1.67%)		

- (1) Projected benefit covered wage base using the ratio of FY05 PERS, TRS, ORP, Pension, Medicare, and Social Security wages to FY05 staff benefit wage base.
- (2) Allocated prorata based on pension wage base.
- (3) Projected health care claims costs are allocated to union job groups (AR/A9, F9, CR) and nonunion job groups (NR, XR, EX/FR/FN, NX/XX) using FY05 claims costs. Other health care costs are allocated to the union and nonunion job groups based on usage or headcount. Projected costs for the nonunion job groups are further allocated prorata to each group based on headcount. Projected recoveries are allocated to each individual union group and to the nonunion groups in total based on projected FY06 recoveries. The nonunion recovery is further allocated to each job group based on headcount.
- (4) Allocated prorata based on headcount.
- (5) Allocated prorata based on staff benefit wage base.
- (6) Job group FT/FW allocation based on projected tuition cost. Remaining projected tuition costs for benefit eligible job groups are allocated prorata based on headcount.
- (7) Allocated to benefiting job group, CR.

Job Group	NR	CR	XR	EX, FR Executives & Nonunion Faculty	FN Nonunion Faculty	F9 UNAC Faculty	AR, A9 ACCFT Faculty	FT, FW Adjunct Faculty	CT, GT, NT, ST, XT Temporary Student SS	NX,XX Extended Temporary	GN,SN Student	TOTAL
SWOHR Average Projected Headcount for FY06	1,680	255	953	168	60	904	310	1,054		41		5,425
Reclassification Project Changes	-	-	-	-	-	-	-	-	-	-	-	-
Total FY06 Headcount	1,680	255	953	168	60	904	310	1,054		41		5,425
SWOHR FY07 Projected Average Headcount	1,711	257	972	172	61	940	310	1,054		42		5,519
FY07 Leave Benefits Wage Base Projection:												
FY05 Leave Benefit Wage Base	45,980,103	8,032,535	44,582,346	15,628,322	2,730,475	59,261,695	17,876,538	13,449,307	12,604,496	846,788	12,573,263	233,565,868
Estimated FY06 Leave Wage Base	50,228,571	8,104,611	44,095,781	15,747,884	3,595,004	60,702,107	18,279,623	14,212,996	12,348,224	909,905	12,484,877	240,709,583
Pay Grid Adjustments (1)	1,004,571	121,569	881,916	-	-	-	-	-	150,444	18,198	-	2,176,698
Estimated FY06 Grid Adjusted Leave Wage Base	51,233,142	8,226,180	44,977,697	15,747,884	3,595,004	60,702,107	18,279,623	14,212,996	12,498,668	928,103	12,484,877	242,886,281
Estimate FY07 Increase (2)	1,332,062	189,202	1,169,420	409,445	93,470	2,852,999	840,863	668,011	-	-	-	7,555,472
Projection for FY07 New Position Estimates (3)	1,009,738	68,912	957,774	400,478	63,996	2,581,924	-	-	-	24,178	-	5,107,000
Projected FY07 Leave Wage Base	53,574,942	8,484,294	47,104,891	16,557,807	3,752,470	66,137,030	19,120,486	14,881,007	12,498,668	952,281	12,484,877	255,548,753
Use	53,570,000	8,480,000	47,100,000	16,560,000	3,750,000	66,140,000	19,120,000	14,880,000	12,500,000	950,000	12,480,000	255,530,000
FY07 Staff Benefits Wage Base Projection:												
Projected FY07 Leave Wage Base	53,570,000	8,480,000	47,100,000	16,560,000	3,750,000	66,140,000	19,120,000	14,880,000	12,500,000	950,000	12,480,000	255,530,000
FY05 Leave Benefit Wage Base	45,980,103	8,032,535	44,582,346	15,628,322	2,730,475	59,261,695	17,876,538	13,449,307	12,604,496	846,788	12,573,263	233,565,868
Projected Dollar Change	7,589,897	447,465	2,517,654	931,678	1,019,525	6,878,305	1,243,462	1,430,693	(104,496)	103,212	(93,263)	21,964,132
Projected Percentage Change	16.51%	5.57%	5.65%	5.96%	37.34%	11.61%	6.96%	10.64%	(0.83%) (a)	12.19%	(0.74%) (a)	
Proposed Leave Rates	21.40%	23.40%	19.70%	17.00%	1.00%	1.50%	1.50%	0.00%	0.00%	14.50%	0.00%	
Leave Accrual	11,463,980	1,984,320	9,278,700	2,815,200	37,500	992,100	286,800	-	-	137,750	-	26,996,350
Overtime Pay (FY05 Actual)	1,143,949	377,600	-	-	-	-	-	-	233,096	8,615	24,661	1,787,921
Miscellaneous Pay (FY05 Actual)	498,255	84,860	306,328	447,059	50,403	942,650	69,232	27,946	190,530	1,254	24,563	2,643,080
FY07 Overtime Pay (4)	1,332,780	398,635	-	-	-	-	-	-	231,164	9,665	24,478	1,996,722
FY07 Miscellaneous Pay (4)	580,502	89,587	323,627	473,710	69,223	1,052,060	74,048	30,919	188,950	1,407	24,381	2,908,414
Projected FY07 Staff Benefits Wage Base	66,947,262	10,952,542	56,702,327	19,848,910	3,856,723	68,184,160	19,480,848	14,910,919	12,920,114	1,098,822	12,528,859	287,431,486
Use	66,950,000	10,950,000	56,700,000	19,850,000	3,860,000	68,180,000	19,480,000	14,910,000	12,920,000	1,100,000	12,530,000	287,430,000
<div style="border: 1px solid black; display: inline-block; padding: 2px;">23,710,000 (5)</div>												

(1) A 2% increase to the exempt and nonexempt staff pay grids is expected. Job groups represented by the AHECTE Local 6070 Collective Bargaining Agreement (CR, CT) will receive a 1.5% grid increase.
 (2) Annual salary increases of 2.6% for job groups NR, XR, EX/FR and FN; 2.3% for CR; 4.7% for F9; 4.6% for AR/A9; 4.7% for FT/FW are expected.
 (3) FY07 New Position Wages are allocated prorata based on Estimated FY06 Grid Adjusted Leave Wage Base per employee multiplied by the projected FY07 employee headcount increase.
 (4) Applied FY07:FY05 leave benefit wage base increase to FY05 actuals.
 (5) Job group EX/FN/FR has been split into two job groups EX/FR and FN for leave benefit calculations. EX/FR job group includes job classes eligible for all leave types. The FN job group is eligible for sick leave only. Job groups are recombined for staff benefit calculation.
 (a) Projecting an immaterial decrease in Temporary and Student employees of less than 1%.

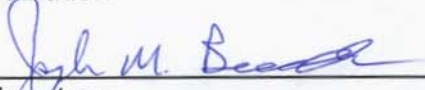
**The University of Alaska
Certificate of Fringe Benefit Costs
(OMB Circular A21, Section K.2.b)**

This is to certify that to the best of my knowledge and belief:

1. I have reviewed the forward pricing fringe benefit cost proposal submitted herewith;
2. All costs included in the proposal dated March 31, 2006 to establish fixed fringe benefit cost rates for the period beginning July 1, 2006 through June 30, 2007 are allowable in accordance with the requirements of the Federal agreement(s) to which they apply and with the cost principles applicable to those agreements.
3. This proposal does not include any costs which are unallowable under applicable cost principles such as (without limitation): advertising and public relations costs, contributions and donations, entertainment costs, fines and penalties, lobbying costs, and defense of fraud proceedings; and,
4. All costs included in this proposal are properly allocable to federal agreements on the basis of a beneficial or casual relationship between the expenses incurred and the agreements to which they are allocated in accordance with applicable requirements.
5. The rate proposal is prepared using the same cost accounting practices that are disclosed in the DS-2 including its amendments and revisions, filed with and approved by the cognizant agency.

I declare under penalty of perjury that the foregoing is true and correct.

The University of Alaska
Institution


Signature

Vice President for Finance
Title

March 31, 2006
Date of Execution

The University of Alaska
Certificate of Final Fringe Benefit Costs
(FAR 52.242-4)
(62 FR 239)


This is to certify that I have reviewed this proposal to establish final fringe benefit cost rates and to the best of my knowledge and belief:

1. All costs included in this proposal dated March 31, 2006 to establish final fringe benefit cost rates for July 1, 2006 through June 30, 2007 are allowable in accordance with the cost principles of the Federal Acquisition Regulation (FAR) and its supplements applicable to the contracts to which the final indirect cost rates will apply, and
2. This proposal does not include any costs, which are unallowable under applicable cost principles of the FAR or its supplements.

I declare under penalty of perjury that the foregoing is true and correct.

The University of Alaska

Institution



Signature

Vice President for Finance

Title

March 31, 2006

Date of Execution