



University of Alaska - Serving Alaska

UA is fundamental to economic recovery

A strong university supports a strong economy and serves all Alaska. The UA system's academic and research programs are critical to the state's economic recovery. UA makes high-quality, accessible, and affordable post-secondary education available across Alaska, and provides solutions for career training, research and economic development. From welding, to diesel mechanics, to drone piloting, to vital climate research, to enhanced oil recovery, to critical mining solutions, our three universities and their community campuses shape the jobs and career paths that fuel the state economy.

In-state training improves the Alaska-hire rate, and median wages jump dramatically with post-secondary credentials.

Stable state support allows UA programs to continue to support Alaska businesses and industries, local communities, and state and national security.

Meeting priorities, goals and measures

The FY24 incremental request of \$24 million provides much needed fiscal stability to retain quality faculty and staff, as well as manage unavoidable operational cost increases. An additional \$7.2 million would advance key priorities in student success, supporting research, and increasing workforce development capacity.

The request includes a 2.75% compensation increase for employees, which represents a moderate but reasonable increase for valued state employees.

This request also includes \$2.4 million for health benefits increase expected in FY24; it's the first rate increase for UA's health plan since 2016.

Student support and recruitment

Increasing enrollment is the university system's top priority. The budget request includes funding to attract, retain and support more students including additional student support services, increasing financial aid, providing additional student advising, and offering more dual credit opportunities.



The University of Alaska's high-quality programs train and educate Alaskans for jobs that lead to the diversification and growth of Alaska's economy.

Expanding workforce training capacity

In order to increase our capacity to train a workforce to meet Alaska's greatest needs, we need additional faculty in climate science, health, STEM fields, earth system science, and critical minerals. To meet our diversity goals, we need to attract an increased number of tenure-track Alaska Native/Indigenous faculty and staff.

UA's physical assets need care and attention

The capital budget request includes the top priority FY24 request for \$17.5 million for UAA heating, mechanical and electrical system improvements. The FY24 total \$72.3 million (which includes the \$17.5 million for the UAA improvements) for deferred maintenance funding is necessary for facility modernization to improve the student learning experience and increase workforce training capacity.

Capital funding is a top priority and critical need. Due to many years of unfunded deferral of critical projects, there is an increasing risk and evidence of building closures, and a deferred maintenance/renewal & repurposing backlog that has grown to more than \$1.5 billion.

UA facilities are often shared by the public and our strategic partners, but the UA often bears the long-term costs of use.



UA System FY24 Legislative Priorities

Board of Regents Strategic Goals

- Contribute to Alaska’s economic development & skilled workforce
- Commit to academic excellence and student success
- Grow our world class research
- Promote diversity, equity and inclusion in students, faculty and staff
- Operate cost effectively



Operating Budget Request - \$31.2M

- Maintain Stability \$24 million
 - compensation increases, health care costs
 - cyber security, insurance premiums, emergency response & services
 - library access and shared services
- Advancing Key Priorities \$7.2 million
 - facilities maintenance
 - build capacity to train Alaskans for the workforce, provide better service to students, attract and retain faculty, and increase financial aid opportunities.



Capital Budget Request - \$72.3 M

- **Priority:** \$17.5 million: UAA heating, mechanical and electrical system improvements
- \$54.8 million overall DM/R&R need across the system



Revenue Assumptions

- \$899 million total budget authority, \$523 million (58%) is from unrestricted sources
 - \$320 million state general funds and \$203 million unrestricted earned revenue
- FY24 UA expects a net \$3 million increase in unrestricted earned revenue
 - \$1 million tuition and fee revenue as enrollment stabilizes
 - \$2 million other unrestricted earned revenue, such as interest income, some university receipts, and indirect cost recovery (from competitive externally funded research projects)

Economic Development: Research/Workforce Training

- UA Drone Program Year 2 - \$20 million

Technical Vocational Education Program Reauthorization

- Funded from a portion of unemployment insurance contributions
- Funds high-demand career and technical training such as mining, oil & gas, health care, construction, and IT

Extend Alaska Education Tax Credit

- UA supports a multi-year extension of the education tax credits, which currently sunset January 1, 2025.
- The program helps education partner with industry to meet workforce needs.



FY19-FY24 Operating Revenue & Budget Summary

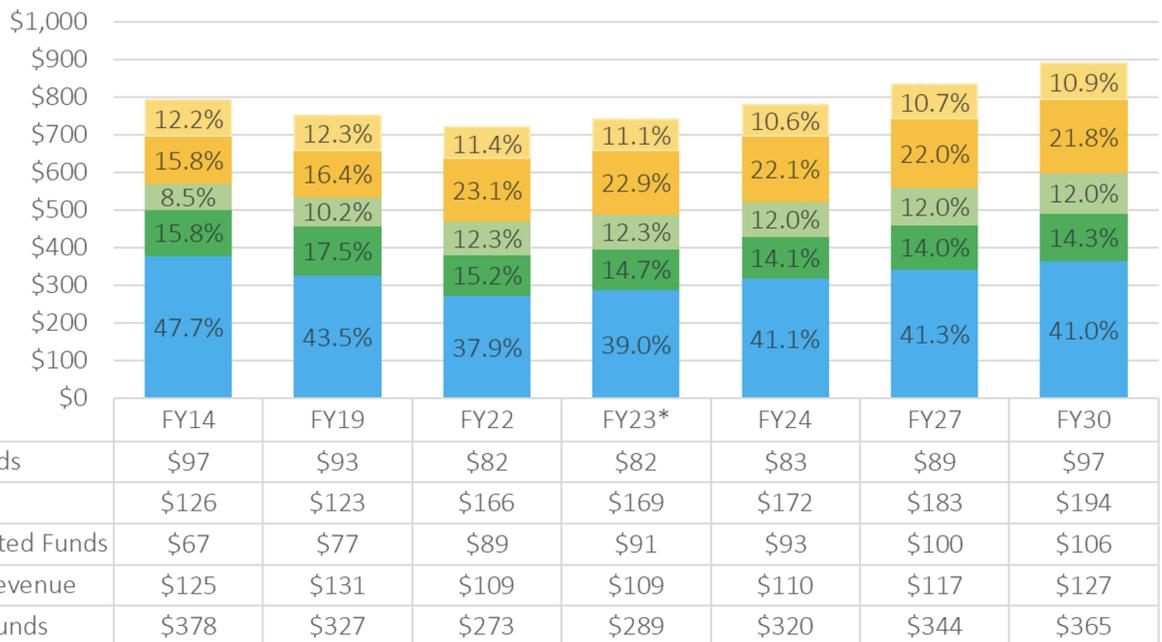
(in millions of \$)

Funding Source	Actuals					Projected		Proposed	
	FY19	FY20	FY21	FY22	FY19-22	FY23	FY22-23	FY24	FY23-24
General Funds	\$327	\$302	\$277	\$273	(\$54)	\$289 ⁽¹⁾	\$22	\$320	\$31
Earned Revenue									
Tuition & Fees Revenue	131	123	118	109	(22)	109	0	110	1
Other Unrestricted Funds	77	82	79	89	12	91	2	93	2
Unrest. Earned Rev.	\$208	\$205	\$197	\$198	(\$10)	\$200	\$2	\$203	\$3
Total Unrestricted Revenue	\$535	\$507	\$474	\$471	(\$64)	\$489	\$24	\$523	\$34
Federal Funds	123	125	141	166	43	169	3	172	3
Designated & Restricted Funds	93	81	74	82	(11)	82	0	83	1
Total Revenue	\$751	\$713	\$689	\$719	(\$32)	\$740	\$27	\$778	\$38
Federal COVID Relief Fund Activity		6	47	37	37	8	(29)		(8)
One-time Items ⁽²⁾						30	30		(30)
Budget Reporting-Not Realized Revenue ⁽³⁾	138	138	96	39	(99)	113	68	121	8
Management Plan Budget	\$889	\$857	\$832	\$795	(\$94)	\$891	96	\$899	8

1. Excludes \$6.5 million for retroactive compensation increases in FY23 supplemental. Assumes \$6.5 million amount will be included as a base adjustment in FY24.
2. One-time funding includes \$30 million for research that supports Alaska's economic development and workforce training programs.
3. Permission to expend revenue received.

UA Operating Baseline

(in millions of \$)



* Excludes \$30 million (one-time funds) for research that supports Alaska's economic development and workforce training programs and \$6.5 million for supplemental compensation funding.